



**ANNUAL BUDGET OF
DAWID KRUIPER MUNICIPALITY**

**2023/2024 TO 2025/2026
MEDIUM TERM REVENUE AND
EXPENDITURE FORECASTS**

**Approved by Council on
30 May 2023**

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Abbreviations and Acronyms

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

Part 1 – Annual Budget

1.1 Mayor's Report

Lon Watters once said, "A school is a building with four walls, with tomorrow inside."

Madam Speaker, the budget which I am about to present to you is like that school which has four walls with tomorrow inside of it. We intend to secure a safe and developing municipal area for the future generation.

The future generation will feel proud of our achievements, the generation before them.

Maya Angelou was an American poet and actress whose several volumes of autobiography explore the themes of economic, racial, and sexual oppression.

She once said, "I've learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel."

People might forget what is contained in the budget, but they will not forget how we make them feel when we make the content of the budget a reality in their lives. They will not forget how we make them feel when we implement what we say in this budget.

Madam Speaker, we all know that the current spate of loadsheddings which we are experiencing has resulted in declining cash inflows.

The loadshedding has a devastating effect on the operations of the municipality and service delivery. We are dependent on electricity from ESCOM

Honourable Speaker, we as Dawid Kruiper Municipality should develop standards we want to achieve. We are put under serious pressure as council to deliver on the services

standards that are beyond our means. The operating budget of the municipality is under heavy strain and we require more to be achieved on these limited resources. Once the municipality and the community agree on the acceptable level of services and the funds required to be paid by our communities this will assist in addressing some of the financial constraints we are causing the municipality. Our objective remains to keep the municipality afloat and this can only be achieved if we spend within our means.

Based on the above Council will decide what is in the interest of the community the best way for participation process.

Management within local government has a significant role to play in strengthening the link between the citizen and government's overall priorities and spending plans. The goal should be to enhance service delivery aimed at improving the quality of life for all people within the Dawid Kruiper Municipality. Budgeting is primarily about the choices that the municipality has to make between competing priorities, available financial resources and fiscal realities. The challenge is to do more with the available resources. We need to remain focused on the effective delivery of the core municipal services through the application of efficient and effective service delivery mechanisms.

We, as leaders, have the power to take decisions and had to take hard decisions on how we will use available resources. We cannot please everyone and everyone will not necessarily agree with these decisions.

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

We as councillors and senior management together with the inputs and comments of the local community has developed an IDP and a credible and sustainable budget with realistically anticipated revenue sources to improve the quality of our people's life. Unfortunately, our needs are far greater than our available resources and therefore not nearly enough of the developmental needs identified in our developed IDP could be met with

the available financial resources. It is however a worldwide problem that identified needs by far exceeds available financial resources and therefore we had to prioritise our needs and implement those projects and programmes that have the biggest affect in improving our people's quality of life.

Based on the comments and inputs received on the IDP and budget and proposed tariffs, it is recommended that Council adopt the following budget resolutions.

1.2 Council Resolutions

On 30 May 2023 the Council of Dawid Kruiper Municipality met in the Council Chambers of Dawid Kruiper Municipality to consider the annual budget of the municipality for the financial year 2023/2024. The Council approved and adopted the following resolutions:

1. The Council of Dawid Kruiper 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 2023/2024 and the multi-year and single-year operating and capital appropriations as set out in the following tables:
 - 1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table 18 on page 38;
 - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table 19 on page 40;
 - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table 21 on page 42; 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 22 on page 44.

- 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:
 - 1.2.1. Budgeted Financial Position as contained in Table 23 on page 46;
 - 1.2.2. Budgeted Cash Flows as contained in Table 24 on page 48;
 - 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table 25 on page 50;
 - 1.2.4. Asset management as contained in Table 26 on page 51; and
 - 1.2.5. Basic service delivery measurement as contained in Table 27 on page 54.
2. The Council of Dawid Kruiper Municipality is planning to, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approve and adopt with effect from 1 July 2023:
 - 2.1. The tariffs for property rates – as set out in Annexure A (Tariff List);
 - 2.2. The tariffs for electricity – as set out in Annexure A (Tariff List);
 - 2.3. The tariffs for the supply of water – as set out in Annexure A (Tariff List);
 - 2.4. The tariffs for sanitation services – as set out in Annexure A (Tariff List); and
 - 2.5. The tariffs for solid waste services – as set out in Annexure A (Tariff List).
3. The Council of Dawid Kruiper Municipality is planning to, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approve and adopt with effect from 1 July 2023 the tariffs for all other services, as set out in Annexure A (Tariff List).
4. To give proper effect to the municipality's annual budget, the Council of Dawid Kruiper Municipality approves:

- 4.1. That cash backing is implemented through the utilisation of a portion of the revenue generated from property rates to ensure that all capital reserves and provisions, unspent long-term loans and unspent conditional grants are cash backed as required in terms of the municipality's funding and reserves policy as prescribed by section 8 of the Municipal Budget and Reporting Regulations.
- 4.2. That the municipality plan to commit to a new loan to the amount of R 14.3 million for the 2023/2024 MTREF.
- 4.3. That the Municipal Manager be authorised to sign all necessary agreements and documents to give effect to the above funding programme.

1.3 Executive Summary

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

The municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low-to high-priority programs so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on non-core and 'nice to have' items. This has resulted in savings to the municipality. Key areas were savings for councillors on telephone and internet usage, printing, attending of workshops, overseas and national travel and accommodation and catering.

The municipality has embarked on implementing a range of revenue collection strategies to collect of debt owed by consumers. Furthermore, the municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

National Treasury's MFMA Circulars Number 122 and 123 were used to guide the compilation of the 2023/2024 MTREF.

The main challenges experienced during the compilation of the 2023/2024 MTREF can be summarised as follows:

- The on-going difficulties in the national and local economy;
- Aging water, sewerage, roads and electricity infrastructure;
- The need to reprioritised projects and expenditure within the existing resource envelope given the cash flow realities;
- The increased cost of bulk water and electricity (due to tariff increases from DWA and Eskom), which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable – as there will be point where services will no longer be affordable;
- Load shedding;
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies; and
- Affordability of capital projects – original allocations had to be reduced and the operational expenditure associated with prior year's capital investments needed to be factored into the budget as part of the 2023/2024 MTREF process.

The following budget principles and guidelines directly informed the compilation of the 2023/2024 MTREF:

- The 2022/2023 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2023/2024 annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI; except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the wage negotiations as well as cost of bulk water and electricity. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;

- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;
- The municipality did budget for an allocation from Department of Housing which was not gazetted. As the municipality is not allowed to increase income via the Virement Policy and the adjustment budget is only approved after the festival took place; this should remain on the budget. The municipality is not allowed to increase income via virements.
- Expenditure budgeted must be in line with the Municipal Cost Containment Regulations per Government Gazette no. 42514, gazetted on the 7th of June 2019. Certain items were limited and for the following items and allocations to these items it had to be supported by a list and / or motivation setting out the intention and cost of the expenditure which was used to prioritise expenditures:
 - Consultant Fees;
 - Furniture and office equipment;
 - Refreshments and entertainment;
 - Ad-hoc travelling; and
 - Subsistence, Travelling & Conference fees (national & international).

In view of the aforementioned, the following table is a consolidated overview of the proposed 2023/2024 Medium-term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the 2023/2024 MTREF

R thousands	2020/2021 Audited	2021/2022 Audited	Adjusted Budget 2022/2023	2022/2023 % Increase	Budget Year +1 2023/2024	2023/2024 % Increase	Budget Year +1 2024/2025	2024/2025 % Increase	Budget Year +2 2025/2026	2025/2026 % Increase
Total Operating Revenue	785,383	875,221	904,510	3.3%	978,810	8.2%	1,056,000	7.9%	1,141,141	8.1%
Total Operating Expenditure	818,842	861,530	886,475	2.9%	965,117	8.9%	1,028,419	6.6%	1,098,940	6.9%
Surplus/(Deficit)	(33,459)	13,690	18,036	31.7%	13,693	-24.1%	27,582	101.4%	42,201	53.0%
Total Capital Expenditure	45,387	147,783	97,912	-33.7%	87,722	-10.4%	108,621	23.8%	114,190	5.1%

Total operating revenue for 2023/2024 is R 978.810 million. For the two outer years, operational revenue will increase by 7.9% and 8.1% respectively; equating to a total revenue

growth of R 162.331 million over the MTREF when compared to the 2023/2024 financial year.

Total operating expenditure for the 2023/2024 financial year has been appropriated at R 965.117 million and translates into a budgeted surplus of R 13.693 million. When compared to the respective outer years of the MTREF 2023/2024 Budget; operating expenditure grow by 6.6% and 6.9% for the two outer years. The operating surplus for the two outer years increases to R 27.582 million and R 42.201 million. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register. This has resulted in a significant increase in depreciation relative to previous years. This depreciation is not allowed to be offset as per SA1 as the municipality is not on the revaluation model of GRAP 17. The municipality only adopted GRAR 17 with the higher DRC values, and therefore the municipality MUST budget for the full budgeted amount for depreciation, otherwise it will result in unauthorised expenditure. This depreciation is not included in the budget for tariff calculation purposes. However, the municipality can expect to generate a non-cash operating deficit when the 2023/2024 annual financial statements are compiled compliant with the Accounting Standards since this off-setting depreciation is reflected in the Statement of Financial Performance and not directly to the Statement of Changes in Net Assets.

The capital budget for 2023/2024 is R 125.754 million. The capital programme then increases to R 131.074 million in the 2024/2025 financial year and increases then to R 127.185 million in the 2025/2026 financial year. More than a quarter (29.8%) of the 2023/2024 capital budget will be funded from own funding (revenue) over MTREF with anticipated own funding of R 37.431 million in 2023/2024, R 22.426 in 2024/2025 and R 12.968 million in 2025/2026 of the MTREF. Own funding will contribute 29.8%, 17.1% and 10.2% of capital expenditure over the MTREF; and government grants and transfers will contribute 70.2%, 82.9% and 89.8% of capital expenditure in each of the MTREF years. No assets will be procured via external borrowing.

1.4 Operating Revenue Framework

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

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

- National Treasury's guidelines and macroeconomic policy;
- Growth in the municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 93 per cent (93%) annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing / calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of "free" basic services; and
- Tariff policies of the municipality.

The following Table 2 is a summary of the 2023/2024 MTREF (classified by main revenue source). In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus / (deficit).

Table 2 Summary of revenue classified by main revenue source

Description / R thousand	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Exchange Revenue								
Service charges - electricity revenue	319,354	333,799	373,113	342,029	342,029	390,188	439,740	495,584
Service charges - water revenue	60,770	72,353	80,137	74,263	74,263	82,922	86,803	90,843
Service charges - Waste Water Management	40,710	44,532	45,295	49,169	49,169	51,942	53,993	56,413
Service charges - Waste Management	37,028	41,040	43,460	45,380	45,380	48,149	50,700	53,750
Sales of Goods and Rendering of Services	7,230	9,503	9,109	8,716	8,716	8,426	8,573	8,837
Agency services		2,091		2,119	2,119	2,725	2,335	2,335
Interest earned from Receivables	5,670	4,196	3,500	6,963	6,963	7,000	7,350	7,718
Interest earned from Current and Non Current Assets	1,626	946	2,005	1,029	1,029	1,250	1,313	1,378
Dividends received								
Rent on Land								
Rental from Fixed Assets	4,983	5,625	6,435	6,485	6,485	7,572	7,210	7,306
Licence and Permits	2,382	59	2,011					
Operational Revenue	4,769	1,606	6,731	1,475	1,475	1,375	1,412	1,462
Non-Exchange Revenue								
Property Rates	112,654	123,091	127,494	130,616	130,616	138,503	145,428	152,699
Surcharge and Taxes								
Fines, Penalties and Forfeits	5,358	3,596	4,241	3,952	3,952	4,683	4,544	4,737
Licences and Permits		1,881	2,640	1,796	1,796	1,889	2,023	2,090
Transfer and Subsidies - Operational	117,814	119,582	129,312	130,111	130,111	138,434	150,574	161,719
Interest	653	992	1,500	2,310	2,310	2,500	2,625	2,756
Fuel Levy								
Operational Revenue	1,779	1,735	1,853	2,062	2,062	2,217	2,376	2,513
Gains on Disposal of Assets	1,017	7,028	40,000	36,035	36,035	5,000	5,000	5,000
Other Gains	61,586	101,565	84,035	60,000	60,000	84,035	84,000	84,000
Discontinued Operations								
Total Revenue (excluding capital transfers and contributions)	785,383	875,221	962,872	904,510	904,510	978,810	1,056,000	1,141,141

The following Table 3 shows the percentage growth in revenue by main revenue source for the two outer years of the MTREF.

Table 3 Percentage growth in revenue by main revenue source

Description / R thousand	Current Year 2022/23		2023/24 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Budget Year 2023/24	%	Budget Year +1 2024/25	%	Budget Year +2 2025/26	%
Exchange Revenue								
Service charges - electricity revenue	342,029	37.8%	390,188	39.9%	439,740	41.6%	495,584	43.4%
Service charges - water revenue	74,263	8.2%	82,922	8.5%	86,803	8.2%	90,843	8.0%
Service charges - Waste Water Management	49,169	5.4%	51,942	5.3%	53,993	5.1%	56,413	4.9%
Service charges - Waste Management	45,380	5.0%	48,149	4.9%	50,700	4.8%	53,750	4.7%
Sales of Goods and Rendering of Services	8,716	1.0%	8,426	0.9%	8,573	0.8%	8,837	0.8%
Agency services	2,119	0.2%	2,725	0.3%	2,335	0.2%	2,335	0.2%
Interest earned from Receivables	6,963	0.8%	7,000	0.7%	7,350	0.7%	7,718	0.7%
Interest earned from Current and Non Current Assets	1,029	0.1%	1,250	0.1%	1,313	0.1%	1,378	0.1%
Rental from Fixed Assets	6,485	0.7%	7,572	0.8%	7,210	0.7%	7,306	0.6%
Licence and Permits	–	0.0%	–	0.0%	–	0.0%	–	0.0%
Operational Revenue	1,475	0.2%	1,375	0.1%	1,412	0.1%	1,462	0.1%
Non-Exchange Revenue								
Property Rates	130,616	14.4%	138,503	14.2%	145,428	13.8%	152,699	13.4%
Fines, Penalties and Forfeits	3,952	0.4%	4,683	0.5%	4,544	0.4%	4,737	0.4%
Licences and Permits	1,796	0.2%	1,889	0.2%	2,023	0.2%	2,090	0.2%
Transfer and Subsidies - Operational	130,111	14.4%	138,434	14.1%	150,574	14.3%	161,719	14.2%
Interest	2,310	0.3%	2,500	0.3%	2,625	0.2%	2,756	0.2%
Operational Revenue	2,062	0.2%	2,217	0.2%	2,376	0.2%	2,513	0.2%
Gains on Disposal of Assets	36,035	4.0%	5,000	0.5%	5,000	0.5%	5,000	0.4%
Other Gains	60,000	6.6%	84,035	8.6%	84,000	8.0%	84,000	7.4%
Total Revenue (excluding capital transfers and contributions)	904,510	100.0%	978,810	100.0%	1,056,000	100.0%	1,141,141	100.0%
Total Revenue from rates and service charges	641,457	70.9%	711,704	72.7%	776,664	73.5%	849,289	73.5%

Revenue generated from rates and services charges forms a significant percentage of the revenue basket of the municipality. Rates and service charge revenues comprise more than three quarters of the total revenue mix. In the 2023/2024 financial year, revenue from rates and services charges totals R 711.704 million or 72.7%. This increases to R 776.664 million and R 849.289 million in the respective outer financial years of the MTREF. A notable trend is the how the total percentage revenue generated from rates and services have stabilised at an average of around 73.5% over the MTREF with it being 72.7% in 2023/2024, 73.5% in 2024/2025 and 73.5% in 2025/2026. This shows that the municipality tariffs are reasonably in line with their goals. It should be noted that revenue from rates and services decreases due to the increase in bulk electricity purchases that increases more than the actual increase to the consumer. The above table excludes revenue foregone arising from discounts and rebates associated with the tariff policies of the Municipality. Details in this regard are contained in Table 63 MBRR SA1.

Electricity sales is the largest revenue source totalling R 390.188 million rand and increases to R 495.584 million by 2025/2026. Property rates is the second largest revenue, source

totalling R 138.503 million rand and increases to R 152.699 million by 2025/2026, Transfer recognised – Operational that is in third, totalling R 138.434 million rand and increases to R 161.719 million by 2025/2026. Gains is the fourth largest revenue source. All departments relating to service delivery have been urged to review the tariffs of these items on an annual basis to ensure they are cost reflective and market related.

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

Table 4 Operating Transfers and Grant Receipts

NC087 Dawid Kruiper - Supporting Table SA18 Transfers and grant receipts										
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		2,604	108,023	56,348	19,403	20,226	4,073	18,510	20,771	21,791
Expanded Public Works Programme Integrated Grant		–	1,033	1,113	1,073	1,299	1,073	950	–	–
Integrated National Electrification Programme Grant		–	–	–	708	845	–	2,178	965	1,239
Local Government Financial Management Grant		–	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,138
Municipal Infrastructure Grant		2,604	–	–	4,886	4,886	–	5,039	5,299	5,512
Regional Bulk Infrastructure Grant		–	–	–	7,127	6,588	–	4,505	7,434	7,763
Neighbourhood Development Partnership Grant		–	–	–	1,957	2,700	–	1,957	2,609	2,609
Water Services Infrastructure Grant		–	–	–	652	907	–	880	1,465	1,531
Equitable Share		–	103,990	52,235	–	–	–	–	–	–
Provincial Government:		–	3,271	3,954	3,168	2,768	1,500	3,129	3,273	3,423
DeDAT		–	–	500	–	–	–	–	–	–
Housing		–	400	450	–	–	–	–	–	–
Sports, Arts and Culture		–	2,871	3,004	3,168	2,768	1,500	3,129	3,273	3,423
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	5	2,604	111,294	60,302	22,571	22,994	5,573	21,639	24,044	25,214
Capital Transfers and Grants										
National Government:		31,486	52,790	106,788	92,921	94,899	108,875	87,722	108,321	113,790
Neighbourhood Development Partnership Grant		–	10,000	20,000	13,043	18,002	26,864	13,043	17,391	17,391
Municipal Infrastructure Grant		31,486	19,990	26,323	23,297	23,500	28,183	24,251	25,169	26,184
Integrated National Electrification Programme Grant		–	7,800	25,475	4,717	3,429	7,425	14,522	6,435	8,261
Regional Bulk Infrastructure Grant		–	–	24,990	47,516	43,923	41,403	30,037	49,557	51,750
Water Services Infrastructure Grant		–	15,000	10,000	4,348	6,046	5,000	5,870	9,768	10,203
Provincial Government:		–	6,200	42,931	232	62	–	–	–	–
DeDAT		–	–	–	232	62	–	–	–	–
DeDAT		–	6,200	–	–	–	–	–	–	–
DeED		–	–	983	–	–	–	–	–	–
COGHSTA		–	–	41,948	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		18,284	2,784	–	–	–	–	–	–	–
Specify (Replace with the name of the Entity)		–	2,725	–	–	–	–	–	–	–
Specify (Replace with the name of the Entity)		–	2	–	–	–	–	–	–	–
Specify (Replace with the name of the Entity)		–	5	–	–	–	–	–	–	–
Compensation Commissioner (Compensation Fund)		18,284	–	–	–	–	–	–	–	–
Specify (Replace with the name of the Entity)		–	12	–	–	–	–	–	–	–
Specify (Replace with the name of the Entity)		–	41	–	–	–	–	–	–	–
Total Capital Transfers and Grants	5	49,770	61,774	149,719	93,153	94,961	108,875	87,722	108,321	113,790
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	52,374	173,068	210,021	115,724	117,955	114,448	109,361	132,365	139,004

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

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 6.0% upper boundary of the South African Reserve Bank's inflation target. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

The percentage increases of Eskom and DWA bulk tariffs determined by external agencies, the impact they have on the municipality's electricity and in these tariffs are largely outside the control of the municipality. Discounting the impact of these price increases in lower consumer tariffs will erode the municipality's future financial position and viability.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, petrol and medical services; whereas the cost drivers of a municipality are informed by items such as the cost of remuneration of salaries and allowances, bulk purchases of electricity and water, petrol, diesel, chemicals, cement, etcetera. The current challenge facing the municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the municipality has undertaken the tariff setting process relating to service charges as follows.

1.4.1 Property Rates

Property rates partially cover the cost of the provision of general services. However, some of these costs are subsidised through profits generated from trading services (electricity and water sales). Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio for the non-residential categories, public service infrastructure (PSI) and agricultural

properties relative to residential properties to be 0.25:1. The implementation of these regulations was done in the 2009/2010 budget process and the Property Rates Policy of the Municipality has been amended accordingly.

The following stipulations in the Property Rates Policy are highlighted:

- The first R 15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA);
- 100% rebate may be granted to registered indigents in terms of the Customer Care, Credit Control, Debt Collection and Indigent Support Policy limited to R 1 000 per month on the total consumer's account;
- For pensioners, physically and mentally disabled persons, a rebate of 20% to 100% (calculated on a sliding scale) will be granted to owners of rate-able property if the total gross income of the applicant and / or his / her spouse, if any, does not exceed the amount of R 7 220 per month. In this regard the following stipulations are relevant:
 - The rate-able property concerned must be occupied only by the applicant and his/her spouse, if any, and by dependents without income;
 - The applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, proof of certification by a Medical Officer of Health, also proof of the annual income from a social pension;
 - The applicant's account must be paid in full, or if not, an arrangement to pay the debt should be in place; and
 - The property must be categorised as residential.
- The Municipality may award a 100% grant-in-aid on the assessment rates of rate-able properties of certain classes such as registered welfare organisations, institutions or organisations performing charitable work, sports grounds used for purposes of amateur sport. The owner of such a property must apply in the prescribed format and time for such a grant.
- Agricultural properties in terms of the Dawid Kruiper Municipality's Property Rates Policy may qualify for a further rebate of up to 20%. The owner of such a property must apply in the prescribed format for such a rebate before August.

The current valuation roll was implemented on the 1st of July 2020. This valuation roll is valid for a period of 5 years.

The categories of rate-able properties for purposes of levying rates and the proposed rates for the 2023/2024 financial year based on the $\pm 6.0\%$ increase from 1 July 2023 is contained in Table 5 below.

Table 5 Comparison of proposed rates to levied for the 2023/2024 financial year

Category	Proposed Tariff from 1 July 2022	Proposed Tariff from 1 July 2023
	Cent / R 1	Cent / R 1
Municipality's Tariffs		
Residential Properties (Ratio 1.00: 1.00)	1.33287	1.40751
Public Benefit Organisations (Ratio 1.00: 0.25)	0.33317	0.35182
Undeveloped Properties (Ratio 1.00: 2.00)	2.66574	2.86567
Business Properties (Ratio 1.00: 1.50)	1.99931	2.10727
Industrial Properties (Ratio 1.00: 1.50)	1.99931	2.10727
State Other Properties (Ratio 1.00: 1.50)	1.99931	2.10727
State Residential Properties (Ratio 1.00: 1.00)	1.33287	1.40751
Public Infrastructure (Ratio 1.00: 0.25)	0.33317	0.35182
Institutional / Educational Properties (Ratio 1.00: 1.50)	1.99931	2.10727
Agricultural Properties (including small holdings) (Ratio 1.00: 0.25)	0.33317	0.35182
Resorts with access to refuse and sanitation services (Ratio 1.00: 1.25)	1.66614	1.75944

After a review done by COGHSTA, the former Mier Tariffs was increased to align with the tariffs of the former //Khara Hais Municipality.

1.4.2 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:

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

In addition, National Treasury has urged all municipalities to ensure that water tariff structures are cost reflective by 2014. Better maintenance of infrastructure and cost-reflective tariffs will ensure that the supply challenges are managed in future to ensure

sustainability. The municipality pumps its raw water from the Orange River and pays DWA for it.

A tariff increase of $\pm 5.0\%$ from 1 July 2023 for water is proposed. This is based on input cost assumptions (bulk water purchases from DWA); the cost of other inputs like chemicals, vehicle costs and salaries; etc. Furthermore, more tariffs were introduced for water. This is being done to ensure that the community use water sparingly and treat water as a rare commodity. In addition, 6 kl water per month will again be granted through the equitable share grant to all registered indigent households.

A summary of the proposed tariffs for households (residential) and non-residential are as follows:

Table 6 Proposed Water Tariffs

Category	Proposed Tariff from 1 July 2022 (exclusive of VAT)	Proposed Tariff from 1 July 2023 (exclusive of VAT)
	Rand per kl	Rand per kl
RESIDENTIAL		
Basic charge per month	-	-
1 to 6 kl per month	7.85	8.26
7 to 18 kl per month	11.23	11.60
19 to 50 kl per month	8.16	8.60
51 to 70 kl per month	9.07	9.61
71 to 90 kl per month	9.68	10.26
91 to 150 kl per month	15.16	16.06
more than 151 kl per month	16.16	17.29
BUSINESSES		
Basic charge per month	441.45	466.00
1 to 6 kl per month	4.40	4.67
7 to 18 kl per month	7.24	7.68
19 to 50 kl per month	7.68	8.15
51 to 90 kl per month	8.13	8.62
more than 91 kl per month	7.78	8.25

The following Table 7 shows the impact of the proposed increases in water tariffs (for different usages) on the water charges for a single dwelling-house.

Table 7 Comparison between current water charges and increases (Domestic)

Monthly Consumption kl	Current Amount Payable (VAT Exclusive) R	Proposed Amount Payable (VAT Exclusive) R	Difference / Increase (VAT Exclusive) R	Percentage Change
20	198.18	205.96	7.78	3.93%
30	279.78	291.96	12.18	4.35%
40	361.38	377.96	16.58	4.59%
50	442.98	463.96	20.98	4.74%
80	721.18	758.76	37.58	5.21%
90	817.98	861.36	43.38	5.30%
100	969.48	1,021.96	52.48	5.41%

The tariff structure is designed to charge higher levels of consumption a higher rate, starting at R 8.26 (VAT exclusive) for water consumption between 0-6kl, steadily increasing to a rate of R 17.29 (VAT exclusive) per kiloliter for consumption in excess of 151 kl per month.

1.4.3 Sale of Electricity and Impact of Tariff Increases

NERSA has not yet announced the revised bulk electricity pricing structure. An increase of 18.69% in the Eskom bulk electricity tariff to municipalities will be effective from 1 July 2023.

Considering the Eskom bulk purchases increases, the consumer tariff had to be increased by an average of 18.49% to offset the additional bulk purchase cost from 1 July 2023. The increase of 18.49% is based on the guidelines received from National Treasury in terms of Circular 122. Furthermore, load shedding has a negative impact on the municipality. More and more residents are considering alternative energy.

Registered indigents will again be granted 50 kWh per month as a free basic service through the equitable share grant. Only registered indigent households receive free basic services (property rates, electricity, water, refuse removal and sanitation services).

The following Table 8 shows the impact of the proposed increases in electricity tariffs on the electricity charges for domestic customers:

Table 8 Comparison between current electricity charges and increases (Domestic)

Monthly Consumption 60 amp (1 phase) units	Current Amount Payable (VAT Exclusive) R	Proposed Amount Payable (VAT Exclusive) R	Difference / Increase (VAT Exclusive) R	Percentage Change
100	269.03	318.77	49.74	18.49%
250	672.58	796.93	124.35	18.49%
500	1,345.15	1,593.85	248.70	18.49%
750	2,017.73	2,390.78	373.05	18.49%
1,000	2,690.30	3,187.70	497.40	18.49%
2,000	5,380.60	6,375.40	994.80	18.49%

It should further be noted that NERSA has advised that a stepped tariff structure for the sale of electricity needs to be implemented from 1 July 2011. The effect thereof will be that the higher the consumption, the higher the cost per kWh. The aim is to subsidise the lower consumption users (mostly the poor). The municipality is granted exemption for the implementation of step / block tariffs for now, although this might change in the future.

Owing to the high increases in Eskom's bulk tariffs over the last five years, it is clearly not possible to fund necessary upgrades through increases in the municipal electricity tariff – as the resultant tariff increases would be unaffordable for the consumers. As part of the 2023/2024 medium-term capital programme, funding has been allocated to electricity infrastructure. These infrastructure is being funded by INEP allocations and own revenue.

1.4.4 Sanitation and Impact of Tariff Increases

A tariff increase of $\pm 6\%$ for sanitation from 1 July 2023 is proposed. This is based on the input cost assumptions related to sanitation services. It should be noted that electricity costs, chemical costs, and, salaries and allowances contributes approximately 45% of waste water treatment input costs.

The following factors also contribute to the proposed tariff increase:

- Sanitation charges are calculated according to the size of the improvements on the property with the argument that properties with bigger improvements on it will accommodate more people or business activities that will lead to the use more water

to be discharged in the sewerage distribution networks – see calculations made in Table 9 below;

- Free sanitation services will be applicable to all registered indigents households; and
- The total revenue expected to be generated from rendering sanitation services amounts to R 51.942 million for the 2023/2024 financial year.

The following Table 9 compares the current and proposed tariffs for household, business and other consumers.

Table 9 Comparison between current sanitation charges and increases

Above tariffs are applicable on the former //Khara Hais Municipality. The previous Mier Municipality's tariffs are available in the tariff list.

Category	Proposed Tariff from 1 July 2022	Proposed Tariff from 1 July 2023
	Rand per month	Rand per month
HOUSEHOLD PROPERTIES		
Improvements to 70 m ²	133.50	141.65
Improvements between 71 m ² and 100 m ²	172.50	183.15
Improvements between 101 m ² and 200 m ²	262.50	278.25
Improvements between 201 m ² and 400 m ²	314.00	332.90
Improvements between 401 m ² and 600 m ²	377.00	399.65
Improvements between 601 m ² and 800 m ²	452.75	480.00
Improvements larger than 800 m ²	543.00	575.75
HOTELS, BUSINESSES AND OFFICES		
For improvements up to 200 m ²	322.00	303.50
The next 300 m ² or portion thereof	322.00	303.50
For the next 400 m ² or portion thereof above 500 m ²	322.00	303.50
INDUSTRIAL PROPERTIES		
For improvements up to 200 m ²	322.00	303.50
The next 300 m ² or portion thereof	256.50	256.50
For the next 400 m ² or portion thereof above 500 m ² to 4 100 m ²	207.25	220.00
For the next 400 m ² or portion thereof above 4 100 m ²	103.00	109.25

The following table shows the impact of the proposed increases in sanitation tariffs on the sanitation charges for a single dwelling-house:

Table 10 Comparison between current sanitation charges and increases, houses

Category	Current Amount Payable (VAT Exclusive) R	Proposed Amount Payable (VAT Exclusive) R	Difference / Increase (VAT Exclusive) R	Percentage Change
Improvements to 70 m ²	133.50	141.65	8.15	6.10%
Improvements between 71 m ² and 100 m ²	172.50	183.15	10.65	6.17%
Improvements between 101 m ² and 200 m ²	262.50	278.25	15.75	6.00%
Improvements between 201 m ² and 400 m ²	314.00	332.90	18.90	6.02%
Improvements between 401 m ² and 600 m ²	377.00	399.65	22.65	6.01%
Improvements between 601 m ² and 800 m ²	452.75	480.00	27.25	6.02%

Above tariffs are applicable on the former //Khara Hais Municipality. The previous Mier Municipality's tariffs are available in the tariff list.

1.4.5 Waste Removal and Impact of Tariff Increases

Currently solid waste removal is operating at a deficit. It is widely accepted that the rendering of this service should at least break even, which is currently not the case. The municipality will have to implement a solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term. The main contributors to this deficit are repairs and maintenance on vehicles, increases in general expenditure such as petrol and diesel and the cost of remuneration, the vast area of the service area of the municipality that needs to be serviced and the emergence of new informal settlements.

A ±5.0% increase in the waste removal tariff is proposed from 1 July 2022.

The following table compares current and proposed amounts payable from 1 July 2022 or refuse removal services.

Table 11 Comparison between current waste removal fees and increases

Category	Proposed Tariff from 1 July 2022	Proposed Tariff from 1 July 2023
	Rand per month	Rand per month
HOUSEHOLD PROPERTIES		
Improvements less than 100 m ²	142.00	149.00
Improvements between 101 m ² and 200 m ²	207.50	218.00
Improvements larger than 200 m ²	264.00	277.00
BUSINESS PROPERTIES		
For improvements up to 1 500 m ² with minimum of 125m ²	2,100.00	2,175.00
Improvements between 1 501 m ² - 3 000 m ²	1,065.00	1,125.00
Per m ² above 3000 m ²	0.45	0.47

Above tariffs are applicable on the former //Khara Hais Municipality. The previous Mier Municipality's tariffs are available in the tariff list.

The monthly amount payable for one removal per week varies from R 150.00 (VAT Exclusive) to R 220.50 (VAT Exclusive) for a household. This tariff excludes free black plastic bags. Indigent households will get this basic service free by means of an indigent subsidy through the equitable share allocation from National Government.

1.4.6 Overall impact of tariff increases on households

The following table shows the overall expected impact of the tariff increases on a middle income household (property with a municipal valuation of R 700 000; 1 000 kWh electricity consumption and 30 kl of water consumption per month); affordable income household (property with a municipal valuation of R 500 000; 500 kWh electricity consumption and 25 kl of water consumption per month) and a low income household (property with a municipal valuation of R 300 000; 350 kWh electricity consumption and 20 kl of water consumption per month). Note that in all instances the overall impact of the tariff increases on household's bills has been kept to less than 6%, as per SA14. Indigent household's bills are fully subsidised where the indigent household have prepaid services Where the indigent household have conventional services, the household will be responsible for the services received more than the subsidized amount of 6 kl water and 50kW electricity.

Table 12 MBRR Table SA14 – Household bills

**Mandjie van Tariewe: Hulpbehoewende Huishoudings
(R0 tot 2 x Ouderdomspensioen per maand)**

Munisipale Diens	2022/2023 Werklike Heffing	2023/2024 Konsep	Persentasie verhoging
Voorafbetaalde Elektrisiteit (50kw)	79.39	94.06	18.49%
Water (6 Kiloliter)	47.10	49.44	4.97%
Riool / Sanitasie	133.50	141.65	6.10%
Vullisverwydering	142.00	149.00	4.93%
Subtotaal: BTW Betaalbare Dienstegelde	401.99	434.15	8.00%
Plus: 15% BTW	60.30	65.12	8.00%
BTW Betaalbare Dienstegelde Totaal	462.28	499.27	8.00%
Belasting (Waardasie R45,000 / Vrygestel R15,000)	33.32	35.19	5.60%
BTW Betaalbare Dienstegelde Totaal	495.60	534.46	7.84%
Min: Hulpbehoewende Subsidie	-495.60	-534.46	7.84%
Totaal Betaalbaar	-	-	
Totale Persentasie Verhoging	0.0%	0.0%	0.0%
>> Elektrisiteitsverbruik bo 50kWh en waterverbruik bo 6kL per maand is deur die verbruiker betaalbaar			
>> Alle hulpbehoewende huishoudings sal voorafbetaalde elektrisiteitsmeters ontvang. Die vervanging van voorafbetaalde watermeters word gestaak en voortaan sal daar slegs SMART Konvensionele meters geïnstalleer word			

Mandjie van Tariewe: Lae Inkomste Huishoudings

**(Huisse: 100m² met waardasie tot R300,000.00: 350kW Eletrisiteit verbruik (30 Ampere);
20KI Water verbruik)**

Munisipale Diens	2022/2023 Werklike Heffing	2023/2024 Konsep	Persentasie verhoging
Voorafbetaalde Elektrisiteit (350kw)	881.53	1,044.54	18.49%
Water (Flat Rate)	198.18	210.00	5.96%
Riool / Sanitasie	172.50	183.15	6.17%
Vullisverwydering	142.00	149.00	4.93%
Subtotaal: BTW Betaalbare Dienstegelde	1,394.21	1,586.69	13.81%
Plus: 15% BTW	209.13	238.00	13.81%
BTW Betaalbare Dienstegelde Totaal	1,603.35	1,824.69	13.81%
Belasting (Waardasie R300,000 / Vrygestel R15,000)	316.56	334.28	5.60%
BTW Betaalbare Dienstegelde Totaal	1,919.90	2,158.98	12.45%
Min: Hulpbehoewende Subsidie	-	-	0.00%
Totaal Betaalbaar	1,919.90	2,158.98	12.45%

Lae-Inkomste Huishoudings kan aansoek vir belastings-korting (Byvoorbeeld - Kierie Korting)

Mandjie van Tariewe: Bekostigbare Huishoudings (Huisse 150m ² , waardasie tot R700,000.00: 700kW Eletrisiteit verbruik (60 Ampere); 50KI Water verbruik)			
Munisipale Diens	2022/2023 Werklike Heffing	2023/2024 Konsep	% Groei
Voorafbetaalde Elektrisiteit (700kw)	1,883.21	2,231.39	18.49%
Water (50 Kiloliter)	442.98	463.96	4.74%
Riool / Sanitasie	262.50	278.25	6.00%
Vullisverwydering	207.50	218.00	5.06%
Subtotaal: BTW Betaalbare Dienstegelde	2,796.19	3,191.60	14.14%
Plus: 15% BTW	419.43	478.74	14.14%
BTW Betaalbare Dienstegelde Totaal	3,215.62	3,670.34	14.14%
Belasting (Waardasie R700,000 / Vrygestel R15,000)	760.85	803.45	5.60%
BTW Betaalbare Dienstegelde Totaal	3,976.46	4,473.79	12.51%
Min: Hulpbehoewende Subsidie	-	-	0.00%
Totaal Betaalbaar	3,976.46	4,473.79	12.51%

Mandjie van Tariewe: Hoe Inkomste Huishoudings (Huisse: 210m ² met waardasie van R1,000,000.00: 1,500kW Eletrisiteit verbruik (60 Ampere) ; 100KI Water verbruik)			
Munisipale Diens	2022/2023 Werklike Heffing	2023/2024 Konsep	% Groei
Voorafbetaalde Elektrisiteit (1,500kw)	4,035.44	4,781.55	18.49%
Water (80 Kiloliter)	721.18	758.76	5.21%
Riool / Sanitasie	314.00	332.90	6.02%
Vullisverwydering	264.00	277.00	4.92%
Subtotaal: BTW Betaalbare Dienstegelde	5,334.62	6,150.21	15.29%
Plus: 15% BTW	800.19	922.53	15.29%
BTW Betaalbare Dienstegelde Totaal	6,134.82	7,072.74	15.29%
Belasting (Waardasie R1,000,000 / Vrygestel R15,000)	1,094.06	1,155.33	5.60%
BTW Betaalbare Dienstegelde Totaal	7,228.88	8,228.07	13.82%
Min: Hulpbehoewende Subsidie	-	-	0.00%
Totaal Betaalbaar	7,228.88	8,228.07	13.82%

1.5 Operating Expenditure Framework

The municipality's expenditure framework for the 2023/2024 budget and MTREF is informed by the following:

- The asset renewal strategy and the repairs and maintenance plan;
- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to the asset renewal strategy and backlog eradication plan;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of ***no project plans no budget***. If there is no business plan no funding allocation can be made.

The following table is a high level summary of the 2023/2024 budget and MTREF (classified per main type of operating expenditure).

Table 13 Summary of operating expenditure by standard classification item

Description / R thousand	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework			
	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	%	Budget Year +1 2024/25	Budget Year +2 2025/26
Expenditure By Type									
Employee related costs	349,277	339,565	357,851	340,564	340,564	368,329	38.2%	382,402	397,785
Remuneration of councillors	11,586	12,262	13,172	13,050	13,050	13,248	1.4%	13,778	14,329
Bulk purchases - electricity	221,602	248,180	255,129	255,130	255,130	299,200	31.0%	337,198	380,023
Inventory consumed	27,272	33,977	41,101	42,052	42,052	40,205	4.2%	41,908	43,686
Debt Impairment	43,844	40,578	19,500	42,000	42,000	43,000	4.5%	44,400	46,320
Depreciation and amortisation	86,112	91,430	90,455	91,247	91,247	91,247	9.5%	93,074	94,937
Interest	10,486	11,478	12,541	14,463	14,463	12,480	1.3%	12,683	12,895
Contracted services	19,790	20,559	36,366	28,365	28,365	28,801	3.0%	29,969	31,206
Transfers and subsidies	604	451	1,908	1,225	1,225	1,075	0.1%	1,108	1,157
Irrecoverable debts written off	–	904	7,200	3,000	3,000	3,000	0.3%	3,150	3,500
Operation costs	46,497	46,152	57,939	53,779	53,779	62,931	6.5%	66,549	70,801
Losses of disposal of Assets	1,773	14,777	1,600	1,600	1,600	1,600	0.2%	2,200	2,300
Other Losses	–	1,214	1,700	–	–	–	0.0%	–	–
Total Expenditure	818,843	861,530	896,463	886,475	886,475	965,117	100.0%	1,028,419	1,098,940

The budgeted allocation for employee related costs for the 2023/2024 financial year totals R 368.329 million, which equals 38.2% per cent of the total operating expenditure. The salary collective agreement for 2023/2024 has not been met and therefore the municipality budgeted in terms of the guidelines provided for 5.40% and onwards exists and the municipality has budgeted for a cost-of-living increase of 6.00%.

An annual cost-of-living increase of 5.4% has been included in the two outer years of the MTREF. As part of the municipality's cost reprioritisation and cash management strategy vacancies have been significantly rationalised downwards. In addition, expenditure against overtime was significantly reduced, with provisions against this budget item only being provided for emergency services and other critical functions. All overtime is being approved by the Accounting Officer to ensure that the overtime is monitored at all times.

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

Provision of R 43.0 million was made for bad debt. Provision for write off bad debt of R 3.0 million was budgeted for as part of other expenditure in terms of MSCOA. For the 2023/2024 financial year this amount equates to R 3.5 million for the two outer years. While this expenditure for the provision of bad debt 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. The moratorium on the handover of residential consumers was lifted in 2016/2017 and therefore defaulting consumer debtors will be handed over for collection.

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 asset consumption. Budget appropriations in this regard total R 91.2 million for the 2023/2024 financial and equates to 9.5% of the total operating expenditure. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register. This has resulted in a

significant increase in depreciation relative to previous years. This additional off-setting depreciation is not included in the budget for tariff calculation purposes. However, the municipality can expect to generate a non-cash operating deficit when the 2023/2024 annual financial statements are compiled compliant with the Accounting Standards since this off-setting depreciation is reflected in the Statement of Financial Performance and not directly to the Statement of Changes in Net Assets.

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges make up 1.3% (R 12.5 million) of operating expenditure excluding annual redemption for 2023/2024 and stabilises to R 12.9 million by 2025/2026.

Bulk purchases are directly informed by the purchase of electricity from Eskom and water from DWA. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The expenditures include distribution losses.

Inventory Consumed amount to R 40.2 million for the 2023/2024 financial year and R 41.9 million and R 43.7 million for the two outer years of the MTREF. With the adoption of GRAP 17 Dawid Kruiper Municipality adopted the revaluation method with the higher Depreciated Replacement Cost (DRC), this resulted in a net asset value of R 1.8 billion. Circular 55 requires that municipalities should ensure that repairs and maintenance is at least 8% of the total value of Property, Plant and Equipment, this is however impossible to budget for repairs and maintenance of R 145.6 million as this expenditure must be funded with tariff increases. Therefore, the implication of the revaluation method of GRAP 17 is taken into consideration when determining the budgeted amounts for repairs and maintenance.

Contracted services have been identified as a cost saving area for the municipality. As part of the compilation of the 2023/2024 MTREF this group of expenditure was critically evaluated and operational efficiencies were enforced. In the 2023/2024 financial year, this group of expenditure totals R 28.8 million and has increased compared to the 2022/2023 adjustments budget. For the two outer years expenditure has been limited to 3%% and 4%. As part of the process of identifying further cost efficiencies, a business process re-engineering project will commence in the 2023/2024 financial year to identify alternative practices and procedures, including building in-house capacity for certain activities that are

currently being contracted out. The outcome of this exercise will be factored into the next budget cycle and it is envisaged that additional cost savings will be implemented. Further details relating to contracted services can be seen in Table 63 MBRR SA1.

Other expenditure comprises of various line items relating to the daily operations of the municipality. As mentioned above it includes other materials for repair and maintenance of the municipality's assets. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. Further details relating to other expenditure can be seen in Table 63 MBRR SA1.

The following chart gives a breakdown of the main expenditure categories for the 2023/2024 financial year.

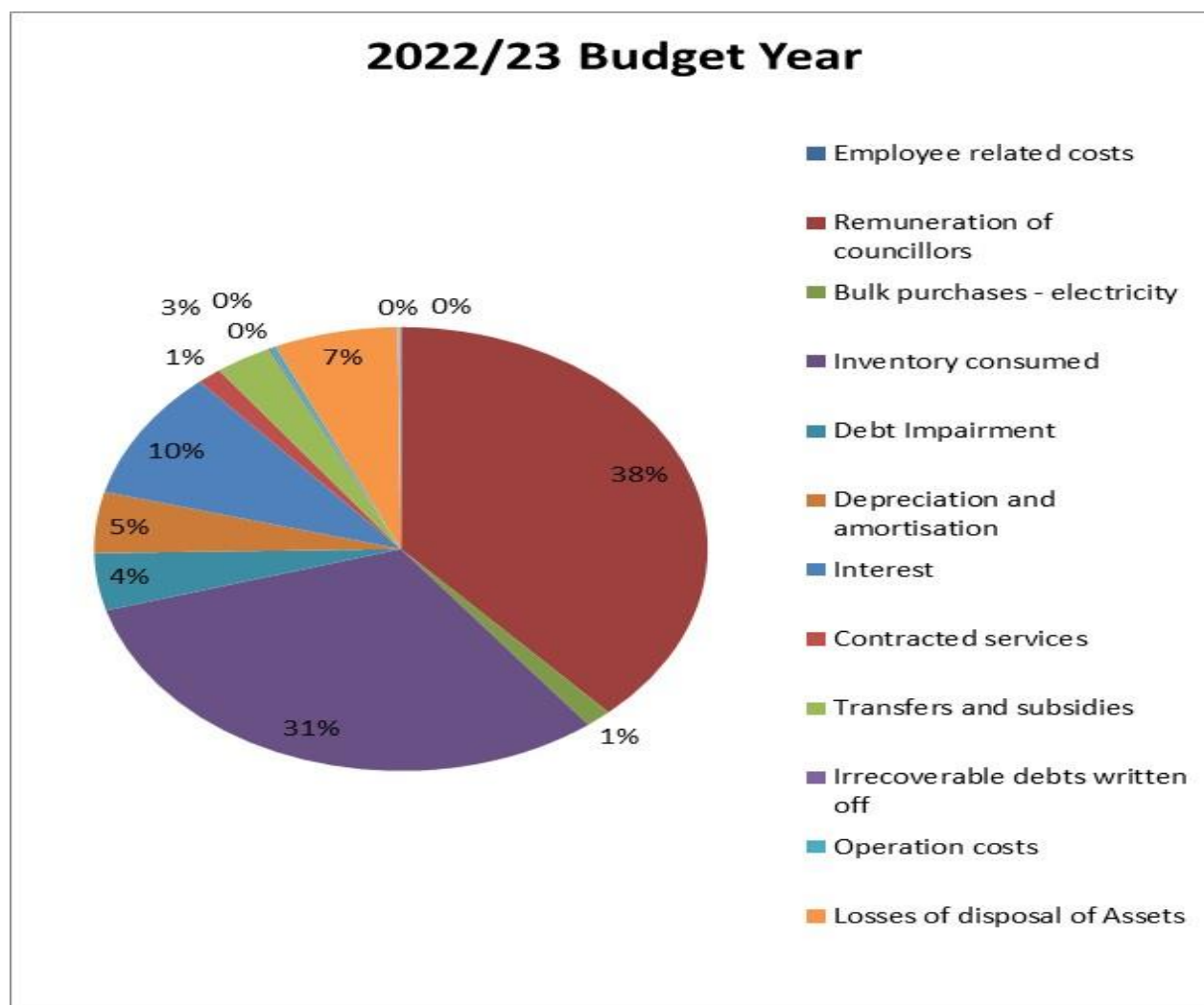


Figure 1 Main operational expenditure categories for the 2023/2024 financial year

1.5.1 Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the municipality's current infrastructure, the 2023/2024 budget and MTREF provide for extensive growth in the area of asset maintenance (higher than the inflation rate), as informed by the asset renewal strategy and repairs and maintenance plan of the municipality. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials, vehicle costs and contracted services.

Unfortunately, the financial system of the municipality is set up in such a way that these costs cannot be calculated and allocated very easily to the different asset classes. Therefore, the following table will only reflect other materials to be procured for repairs and maintenance purposes. Table 14 gives a better picture of the consolidated cost drivers of all the expenditures associated with repairs and maintenance.

Table 14 Operational repairs and maintenance

Repairs and Maintenance by Expenditure Item	8										
Employee related costs		(0)	1,733	–	–	–	–	–	–	–	–
Inventory Consumed (Project Maintenance)		0	4,222	2,420	4,222	3,851	3,851	3,851	3,495	3,634	3,798
Contracted Services		–	7,461	3,111	9,109	3,370	3,370	3,370	4,172	4,381	4,600
Operational Costs		(0)	44	–	21	21	21	21	16	17	18
Total Repairs and Maintenance Expenditure	9	0	13,460	5,531	13,352	7,241	7,241	7,241	7,682	8,032	8,416
Inventory Consumed											
Inventory Consumed - Water		–	–	–	7,000	8,200	8,200	8,200	8,200	8,528	8,912
Inventory Consumed - Other		–	8,778	17,316	34,101	32,876	32,876	32,876	32,005	33,380	34,774
Total Inventory Consumed & Other Material		–	8,778	17,316	41,101	41,076	41,076	41,076	40,205	41,908	43,686

During the compilation of the 2022/2023 Adjustment Budget operational repairs and maintenance was identified as a strategic imperative owing to the aging of the municipality's infrastructure. To this end, total repairs and maintenance was increased in the 2023/2024 financial year to R 39.7 million from R 22.2 million in 2020/2021. As part of the 2023/2024 MTREF this strategic imperative remains a priority as can be seen by the budget appropriations over the MTREF. Table 15 below provides a breakdown of the repairs and maintenance (only other materials costs) in relation to asset class.

Table 15 Repairs and maintenance per asset class

NC087 Dawid Kruiper - Supporting Table SA34c Repairs and maintenance expenditure by asset class										
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		0	3,529	4,587	6,613	5,285	5,285	5,848	6,113	6,404
Roads Infrastructure		-	415	136	162	460	460	250	260	272
Roads		-	-	-	-	-	-	-	-	-
Road Structures		-	316	-	-	-	-	-	-	-
Road Furniture		-	100	136	162	460	460	250	260	272
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		0	888	1,632	2,372	1,953	1,953	1,943	2,032	2,129
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		0	774	1,630	2,172	1,828	1,828	1,818	1,902	1,993
LV Networks		0	114	2	200	125	125	125	130	136
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		(0)	1,387	2,663	3,769	2,717	2,717	3,500	3,660	3,835
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		(0)	584	1,749	2,500	1,500	1,500	1,500	1,570	1,646
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	795	901	1,069	1,190	1,190	2,000	2,090	2,189
Distribution Points		-	8	12	200	27	27	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		0	834	156	300	150	150	150	156	163
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		0	62	-	-	-	-	-	-	-
Waste Water Treatment Works		0	772	156	300	150	150	150	156	163
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Landfill Sites		-	-	-	-	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	4	1	10	5	5	5	5	6
Data Centres		-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	4	1	10	5	5	5	5	6
Community Assets		0	234	243	1,683	1,413	1,413	1,252	1,311	1,374

Community Facilities	(0)	90	64	991	526	526	526	552	580
Halls	-	62	0	-	-	-	-	-	-
Centres	-	-	-	-	-	-	-	-	-
Crèches	-	-	-	-	-	-	-	-	-
Clinics/Care Centres	-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations	-	-	-	-	-	-	-	-	-
Testing Stations	-	-	-	-	-	-	-	-	-
Museums	-	-	-	-	-	-	-	-	-
Galleries	-	-	-	-	-	-	-	-	-
Theatres	-	-	-	-	-	-	-	-	-
Libraries	-	25	39	340	200	200	200	210	221
Cemeteries/Crematoria	(0)	3	26	651	326	326	326	342	359
Police	-	-	-	-	-	-	-	-	-
Parks	-	-	-	-	-	-	-	-	-
Public Open Space	-	-	-	-	-	-	-	-	-
Nature Reserves	-	-	-	-	-	-	-	-	-
Public Ablution Facilities	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Stalls	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	0	144	179	692	887	887	726	758	795
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	0	144	179	692	887	887	726	758	795
Capital Spares	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Other assets	0	1,294	201	4,620	238	238	276	288	302
Operational Buildings	0	1,294	201	4,620	238	238	276	288	302
Municipal Offices	0	1,294	51	4,470	197	197	236	246	258
Play/Enquiry Points	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-
Workshops	-	0	150	150	41	41	40	42	44
Yards	-	-	-	-	-	-	-	-	-
Stores	-	-	-	-	-	-	-	-	-
Laboratories	-	-	-	-	-	-	-	-	-
Training Centres	-	-	-	-	-	-	-	-	-
Manufacturing Plant	-	-	-	-	-	-	-	-	-
Depots	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Staff Housing	-	-	-	-	-	-	-	-	-
Social Housing	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-
Water Rights	-	-	-	-	-	-	-	-	-
Effluent Licenses	-	-	-	-	-	-	-	-	-
Solid Waste Licenses	-	-	-	-	-	-	-	-	-
Computer Software and Applications	-	-	-	-	-	-	-	-	-
Load Settlement Software Applications	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-
Computer Equipment	(0)	30	14	50	40	40	40	42	43
Computer Equipment	(0)	30	14	50	40	40	40	42	43
Furniture and Office Equipment	(0)	1,713	355	242	145	145	145	152	160
Furniture and Office Equipment	(0)	1,713	355	242	145	145	145	152	160
Machinery and Equipment	-	78	14	144	120	120	121	126	132
Machinery and Equipment	-	78	14	144	120	120	121	126	132
Transport Assets	-	6,603	116	-	-	-	-	-	-
Transport Assets	-	6,603	116	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-

1.5.2 Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services, the households are required to register in terms of the municipality's Indigent Policy. It should be noted that the Indigent Subsidy Policy was reviewed and that changes were made. For more detail on the policy visit our website at www.dkm.gov.za . 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 27 MBRR A10 (Basic Service Delivery Measurement).

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

1.6 Capital expenditure

The following table provides a breakdown of budgeted single- and multi-year capital expenditure by vote. For 2023/2024 an amount of R 125.8 million has been appropriated for property, plant and equipment. In the outer years this amount totals R 131.1 million and R 127.2 million respectively for each of the financial years. Civil Engineering Services receives the highest allocation of R 58.5 million in 2023/2024 which equates to 46.5% of the capital budget.

Table 16 2023/2024 Medium-term capital budget per vote

NC087 Dawid Kruiper - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding											
Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 3 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 4 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 5 - TECHNICAL DIRECTOR		-	-	-	-	-	-	-	-	-	-
Vote 6 - ELECTRO-MECHANICAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 7 - CIVIL ENGINEERING SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 8 - DEVELOPMENT AND PLANNING SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - MUNICIPAL MANAGER		7	-	-	36	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		266	1,059	589	2,230	1,305	1,305	1,305	708	238	150
Vote 3 - FINANCIAL SERVICES		2,584,369	3,694	8,941	6,957	5,282	5,282	5,282	2,505	1,355	1,455
Vote 4 - COMMUNITY SERVICES		1,310	354	883	6,904	2,566	2,566	2,566	416	-	-
Vote 5 - TECHNICAL DIRECTOR		-	-	-	-	-	-	-	-	-	-
Vote 6 - ELECTRO-MECHANICAL SERVICES		22,239	34,670	28,868	32,447	36,009	36,009	36,009	39,374	14,935	8,261
Vote 7 - CIVIL ENGINEERING SERVICES		43,372	34,685	110,542	85,115	87,534	87,534	87,534	58,500	89,350	91,108
Vote 8 - DEVELOPMENT AND PLANNING SERVICES		27,881	12,735	20,017	30,340	28,355	28,355	28,355	24,251	25,197	26,211
Vote 9 -		-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		2,679,444	87,196	169,840	164,029	161,051	161,051	161,051	125,754	131,074	127,185
Total Capital Expenditure - Vote		2,679,444	87,196	169,840	164,029	161,051	161,051	161,051	125,754	131,074	127,185

Further detail relating to asset classes and proposed capital expenditure is contained in Table 26 MBRR A9 (Asset Management). In addition to the MBRR Table A9, MBRR Tables SA34a, b, c and e provides a detailed breakdown of the capital programme relating to new asset construction; capital asset renewal, capital assets upgrade as well as operational repairs and maintenance by asset class.

Refer to pages 127 to 133 contain a detail breakdown of the capital budget per project over the medium-term.

1.6.1 Future operational cost of new infrastructure

The future operational costs and revenues associated with the capital programme have been included in Table 61 MBRR SA35. This concomitant operational expenditure is expected to escalate as new capital projects are implemented. It needs to be noted that as part of the 2023/2024 MTREF, this expenditure has been factored into the two outer years of the operational budget.

1.7 Annual Budget Tables – Parent Municipality

The following eighteen 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 2023/2024 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory notes*.

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 operating surplus/deficit (after Total Expenditure) is positive over the MTREF.
 - b. Capital expenditure is balanced by capital funding sources, of which:
 - Transfers recognised is reflected on the Financial Performance Budget;
 - Borrowing is incorporated in the net cash from financing on the Cash Flow Budget; and
 - 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. The fact that the municipality's cash flow remains positive, and

is improving indicates that the necessary cash resources are available to fund the Capital Budget.

4. The Cash backing / surplus reconciliation shows that in previous financial years the municipality was not paying much attention to managing this aspect of its finances, and consequently many of its obligations are not cash-backed. This place the municipality in a very vulnerable financial position, as the recent slow-down in revenue collections highlighted. Consequently, Council has taken a deliberate decision to ensure adequate cash-backing for all material obligations in accordance with the recently adopted Funding and Reserves Policy. This cannot be achieved in one financial year. But over the MTREF there is progressive improvement in the level of cash-backing of obligations.
5. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs.

Table 17 MBRR Table A1 – Budget Summary

NC087 Dawid Kruiper - Table A1 Budget Summary										
Description	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Financial Performance										
Property rates	(0)	112,654	123,091	127,495	130,616	130,616	130,616	138,503	145,428	152,699
Service charges	(0)	457,862	491,724	542,005	510,841	510,841	510,841	573,201	631,236	696,590
Investment revenue	(0)	1,626	946	2,005	1,029	1,029	1,029	1,250	1,313	1,378
Transfer and subsidies - Operational	(0)	117,814	119,582	129,312	130,111	130,111	130,111	138,434	150,574	161,719
Other own revenue	0	95,426	139,876	162,056	131,914	131,914	131,914	127,423	127,450	128,754
Total Revenue (excluding capital transfers and contributions)	(0)	785,383	875,221	962,872	904,510	904,510	904,510	978,810	1,056,000	1,141,141
Employee costs	0	349,277	339,565	357,851	340,564	340,564	340,564	368,329	382,402	397,785
Remuneration of councillors	0	11,586	12,262	13,172	13,050	13,050	13,050	13,248	13,778	14,329
Depreciation and amortisation	-	86,112	91,430	90,455	91,247	91,247	91,247	91,247	93,074	94,937
Interest	-	10,486	11,478	12,541	14,463	14,463	14,463	12,480	12,683	12,895
Inventory consumed and bulk purchases	(0)	248,874	282,158	296,230	297,182	297,182	297,182	339,405	379,107	423,709
Transfers and subsidies	0	604	451	1,908	1,225	1,225	1,225	1,075	1,108	1,157
Other expenditure	(0)	111,903	124,185	124,305	128,744	128,744	128,744	139,332	146,268	154,127
Total Expenditure	(0)	818,842	861,530	896,463	886,475	886,475	886,475	965,117	1,028,419	1,098,940
Surplus/(Deficit)	(0)	(33,459)	13,690	66,410	18,036	18,036	18,036	13,693	27,582	42,201
Transfers and subsidies - capital (monetary allocations)	0	45,387	104,852	93,153	95,910	95,910	95,910	87,722	108,621	114,190
Transfers and subsidies - capital (in-kind)	-	-	42,931	-	2,002	2,002	2,002	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(0)	11,928	161,473	159,563	115,947	115,947	115,947	101,416	136,202	156,391
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(0)	11,928	161,473	159,563	115,947	115,947	115,947	101,416	136,202	156,391
Capital expenditure & funds sources										
Capital expenditure	2,679,444	87,196	169,840	164,029	161,051	161,051	161,051	125,754	131,074	127,185
Transfers recognised - capital	22,458	43,089	149,120	93,153	96,047	96,047	96,047	88,322	108,648	114,217
Borrowing	-	-	10,118	16,200	18,200	18,200	18,200	-	-	-
Internally generated funds	71,153	30,228	10,603	54,676	46,804	46,804	46,804	37,431	22,426	12,968
Total sources of capital funds	93,611	73,317	169,840	164,029	161,051	161,051	161,051	125,754	131,074	127,185
Financial position										
Total current assets	127,432	126,898	137,908	167,911	169,690	169,690	169,690	305,418	432,721	580,531
Total non current assets	2,554,159	2,620,269	2,764,397	2,789,068	2,784,508	2,784,508	2,784,508	2,946,214	3,046,014	3,139,962
Total current liabilities	185,745	232,404	235,961	107,418	321,208	321,208	321,208	314,570	428,350	536,499
Total non current liabilities	333,315	335,326	327,378	338,749	336,226	336,226	336,226	295,729	272,851	250,068
Community wealth/Equity	2,162,513	2,207,477	2,339,237	2,510,813	2,295,426	2,295,426	2,295,426	2,641,333	2,777,535	2,933,926
Cash flows										
Net cash from (used) operating	30,246	(9,670)	392,581	109,728	133,578	133,578	133,578	150,377	188,144	211,150
Net cash from (used) investing	-	(28,493)	(127,984)	(164,029)	(146,592)	(146,592)	(146,592)	(144,617)	(150,735)	(146,263)
Net cash from (used) financing	-	-	14,300	16,200	-	-	-	-	-	-
Cash/cash equivalents at the year end	30,246	(38,163)	305,621	45,517	13,710	13,710	13,710	52,951	90,360	155,248
Cash backing/surplus reconciliation										
Cash and investments available	37,001	26,724	14,320	45,397	87,244	87,244	87,244	52,951	90,360	155,248
Application of cash and investments	#####	106,410	(861,365)	(858,376)	(802,306)	(802,306)	(802,306)	(1,059,762)	(1,085,243)	(1,116,882)
Balance - surplus (shortfall)	#####	(79,686)	875,685	903,773	889,551	889,551	889,551	1,112,713	1,175,603	1,272,129
Asset management										
Asset register summary (WDV)	2,554,017	2,533,072	2,594,557	2,600,800	2,541,395	2,541,395		2,685,330	2,680,442	2,685,227
Depreciation	-	85,991	91,430	90,455	91,247	91,247		91,247	93,074	94,937
Renewal and Upgrading of Existing Assets	21,301	24,498	36,654	47,772	55,586	55,586		38,632	35,329	29,677
Repairs and Maintenance	0	13,480	5,531	13,352	7,241	7,241		7,682	8,032	8,416
Free services										
Cost of Free Basic Services provided	-	-	-	-	-	-		-	-	-
Revenue cost of free services provided	0	64,285	42,546	31,714	30,982	30,982		29,174	31,902	35,285
Households below minimum service level										
Water:	-	-	-	-	-	-		-	-	-
Sanitation/sewerage:	-	-	-	-	-	-		-	-	-
Energy:	-	-	-	-	-	-		-	-	-
Refuse:	-	-	-	-	-	-		-	-	-

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 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 the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4.
3. Note that as a general principle the revenues for the Trading Services should exceed their expenditures. The table highlights that this is the case for Electricity, but not for Water, Waste Water Management and Waste Management functions. This deficit shown on the above mentioned functions is non-cash deficits as the depreciation cost are included in the deficit. This is a result of the implementation of GRAP 17 – as detailed discussed on page 21.
4. Other functions that show a deficit between revenue and expenditure are being financed through the trading services profit, from rates revenues and other revenue sources reflected in the table.

**Table 18 MBRR Table A2 – Budgeted Financial Performance
(Revenue and expenditure by standard classification)**

NC087 Dawid Kruiper - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)										
Functional Classification Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue - Functional										
<i>Governance and administration</i>		(0)	297,729	385,254	378,274	353,246	353,246	365,097	382,205	400,377
Executive and council		-	522	-	26,435	-	-	24,035	25,000	25,000
Finance and administration		(0)	297,206	385,254	351,839	353,246	353,246	341,062	357,205	375,377
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		0	13,018	13,349	16,195	12,763	12,763	14,776	14,582	14,999
Community and social services		0	4,142	4,094	3,426	3,837	3,837	4,186	4,386	4,560
Sport and recreation		(0)	636	691	1,816	1,276	1,276	1,573	1,618	1,645
Public safety		(0)	8,234	7,713	10,553	7,450	7,450	8,817	8,378	8,593
Housing		-	6	850	400	200	200	200	200	200
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		0	34,957	32,697	36,183	39,417	39,417	37,357	38,132	39,593
Planning and development		0	28,700	32,697	36,183	39,417	39,417	36,882	38,132	39,593
Road transport		0	6,257	-	-	-	-	475	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		(0)	485,066	591,702	625,371	596,996	596,996	649,303	729,702	800,362
Energy sources		(0)	330,870	359,025	379,323	347,049	347,049	407,773	448,132	506,189
Water management		(0)	74,044	116,970	86,581	83,132	83,132	90,797	98,736	103,297
Waste water management		(0)	43,119	74,666	116,007	121,435	121,435	102,584	132,134	137,126
Waste management		-	37,033	41,040	43,460	45,380	45,380	48,149	50,700	53,750
<i>Other</i>	4	-	-	2	3	0	0	-	-	-
Total Revenue - Functional	2	(0)	830,769	1,023,004	1,056,026	1,002,422	1,002,422	1,066,532	1,164,621	1,255,331
Expenditure - Functional										
<i>Governance and administration</i>		(0)	281,714	276,960	271,661	295,740	295,740	313,118	325,079	338,623
Executive and council		0	59,806	51,630	55,374	51,034	51,034	55,269	57,474	59,850
Finance and administration		(0)	218,128	221,289	211,980	240,419	240,419	253,363	262,937	273,918
Internal audit		(0)	3,780	4,041	4,307	4,287	4,287	4,486	4,667	4,855
<i>Community and public safety</i>		(0)	94,648	92,214	108,416	87,374	87,374	95,668	99,763	104,016
Community and social services		(0)	10,954	11,047	14,845	12,636	12,636	14,584	15,169	15,789
Sport and recreation		(0)	39,009	35,882	43,828	33,914	33,914	30,732	31,898	33,109
Public safety		0	39,441	40,017	44,304	35,460	35,460	45,055	47,195	49,405
Housing		(0)	5,245	5,268	5,440	5,364	5,364	5,297	5,501	5,713
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		0	52,177	56,952	59,126	61,826	61,826	63,047	64,958	67,141
Planning and development		(0)	11,045	12,253	14,358	14,145	14,145	16,011	16,630	17,467
Road transport		0	41,132	44,699	44,769	47,681	47,681	47,036	48,328	49,675
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		(0)	387,610	431,659	453,522	437,668	437,668	489,350	534,528	584,906
Energy sources		(0)	263,578	296,300	299,869	300,240	300,240	349,639	389,843	435,046
Water management		0	61,922	67,671	69,806	69,474	69,474	70,140	72,593	75,141
Waste water management		(0)	32,277	36,506	37,600	37,466	37,466	39,411	40,854	42,353
Waste management		0	29,833	31,181	46,247	30,489	30,489	30,160	31,238	32,366
<i>Other</i>	4	(0)	2,712	3,774	3,737	3,883	3,883	3,934	4,091	4,254
Total Expenditure - Functional	3	(0)	818,862	861,559	896,463	886,492	886,492	965,117	1,028,419	1,098,940
Surplus/(Deficit) for the year		(0)	11,908	161,445	159,563	115,931	115,931	101,416	136,202	156,391

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.

The following table is an analysis of the surplus or deficit for the electricity and water trading services.

1. The electricity trading surplus is sustained over the 2023/2024 MTREF around 14.3% - 14.1% from 2023/2024 to 2025/2026 (including depreciation). This is primarily as a result of the high increases in Eskom bulk purchases and the tariff setting policy of the municipality and NERSA to buffer the impact of these increases on individual consumers. Internal usages are off set against revenue.
2. The surplus on the water account remains relatively constant over the MTREF translating into a surplus of 22.8%, 26.5% and 27.3% for each of the respective financial years (including depreciation).
3. Note that the surpluses on these trading accounts are accounted for as an internal funding source for the capital programme for asset renewal, refurbishment and the development of new asset infrastructure, *and to cross-subsidise other municipal services.*

**Table 19 MBRR Table A3 – Budgeted Financial Performance
(Revenue and expenditure by municipal vote)**

NC087 Dawid Kruiper - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)										
Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue by Vote	1									
Vote 1 - MUNICIPAL MANAGER		–	529	–	26,435	–	–	24,035	25,000	25,000
Vote 2 - CORPORATE SERVICES		0	67,729	114,123	107,437	102,187	102,187	66,849	65,456	65,535
Vote 3 - FINANCIAL SERVICES		(0)	230,211	228,887	244,452	251,726	251,726	269,943	287,495	305,601
Vote 4 - COMMUNITY SERVICES		0	48,679	52,712	57,906	56,727	56,727	61,170	63,510	66,963
Vote 5 - TECHNICAL DIRECTOR		–	–	–	–	–	–	–	–	–
Vote 6 - ELECTRO-MECHANICAL SERVICES		(0)	330,869	360,010	379,323	347,049	347,049	407,773	448,132	506,189
Vote 7 - CIVIL ENGINEERING SERVICES		(0)	123,462	233,667	202,688	204,690	204,690	193,956	230,970	240,523
Vote 8 - DEVELOPMENT AND PLANNING SERVICES		0	29,291	33,605	37,785	40,043	40,043	42,807	44,058	45,519
Vote 9 -		–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	(0)	830,769	1,023,004	1,056,026	1,002,422	1,002,422	1,066,532	1,164,621	1,255,331
Expenditure by Vote to be appropriated	1									
Vote 1 - MUNICIPAL MANAGER		(0)	62,127	54,920	57,363	54,846	54,846	57,461	59,758	62,229
Vote 2 - CORPORATE SERVICES		(0)	42,146	41,180	46,787	44,389	44,389	43,606	45,304	47,095
Vote 3 - FINANCIAL SERVICES		(0)	114,185	112,055	100,823	121,100	121,100	129,113	134,312	140,187
Vote 4 - COMMUNITY SERVICES		0	135,169	135,708	164,488	131,121	131,121	146,474	152,484	158,761
Vote 5 - TECHNICAL DIRECTOR		–	–	–	–	–	–	–	–	–
Vote 6 - ELECTRO-MECHANICAL SERVICES		(0)	294,928	332,903	330,199	341,854	341,854	394,315	436,249	483,246
Vote 7 - CIVIL ENGINEERING SERVICES		0	146,744	159,662	164,295	167,894	167,894	169,215	174,927	180,865
Vote 8 - DEVELOPMENT AND PLANNING SERVICES		(0)	23,562	25,130	32,508	25,287	25,287	24,933	25,385	26,558
Vote 9 -		–	–	–	–	–	–	–	–	–
Vote 10 -		–	–	–	–	–	–	–	–	–
Vote 11 -		–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	(0)	818,862	861,559	896,463	886,492	886,492	965,117	1,028,419	1,098,940
Surplus/(Deficit) for the year	2	(0)	11,908	161,445	159,563	115,931	115,931	101,416	136,202	156,391

Table 20 Surplus/(Deficit) calculations for the trading services

Description / R thousand	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Electricity								
Total Revenue (Excluding capital)	330,870	359,025	379,323	347,049	347,049	407,773	448,132	506,189
Operating Expenditure (including depreciation)	263,578	296,300	299,869	300,240	300,240	349,639	389,843	435,046
Surplus/(Deficit) for the year	67,292	62,725	79,454	46,809	46,809	58,134	58,289	71,143
Percentage Surplus	20.3%	17.5%	20.9%	13.5%	13.5%	14.3%	13.0%	14.1%
Water								
Total Revenue (Excluding capital)	74,044	116,970	86,581	83,132	83,132	90,797	98,736	103,297
Operating Expenditure (including depreciation)	61,922	67,671	69,806	69,474	69,474	70,140	72,593	75,141
Surplus/(Deficit) for the year	12,122	49,299	16,775	13,658	13,658	20,657	26,143	28,156
Percentage Surplus	16.4%	42.1%	19.4%	16.4%	16.4%	22.8%	26.5%	27.3%

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

1. Total revenue (excluding capital transfers) is R 978.8 million in 2023/2024 and escalates to R 1141.1million by 2025/2026. This represents a year-on-year increase of 7.3% for the 2024/2025 financial year and 8.1% for the 2025/2026 financial year.
2. Revenue to be generated from property rates is R 138.5 million in the 2023/2024 financial year and increases to R 152.7 million by 2025/2026 which represents 13.8% of the operating revenue base of the municipality and therefore remains a significant funding source for the municipality. It remains relatively constant over the medium-term and tariff increases have been factored in at $\pm 6.0\%$ for each of the respective financial years of the MTREF, taken into consideration the impact of the new valuation roll.
3. Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the municipality totalling R 711.7 million for the 2023/2024 financial year and increasing to R 849.3 million by 2025/2026. For the 2023/2024 financial year services charges amount to 72.7% of the total revenue base and increases to 73.5% by 2025/2026. This increase can mainly be attributed to the increase in the bulk prices of electricity and water.
4. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. Operating grants and transfers totals R 150.6 million in the 2023/2024 financial year and increases to R 161.7 million for 2025/2026. The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

Table 21 MBRR Table A4 – Budgeted Financial Performance (revenue and expenditure)

NC087 Dawid Kruiper - Table A4 Budgeted Financial Performance (revenue and expenditure)										
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Framework	
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25
Revenue										
Exchange Revenue										
Service charges - Electricity	2	(0)	319,354	333,799	373,113	342,029	342,029	342,029	390,188	439,740
Service charges - Water	2	(0)	60,770	72,353	80,137	74,263	74,263	74,263	82,922	86,803
Service charges - Waste Water Management	2	(0)	40,710	44,532	45,295	49,169	49,169	49,169	51,942	53,993
Service charges - Waste Management	2	-	37,028	41,040	43,460	45,380	45,380	45,380	48,149	50,700
Sale of Goods and Rendering of Services		(0)	7,230	9,503	9,109	8,716	8,716	8,716	8,426	8,573
Agency services		-	-	2,091	-	2,119	2,119	2,119	2,725	2,335
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		0	5,670	4,196	3,500	6,963	6,963	6,963	7,000	7,350
Interest earned from Current and Non Current Assets		(0)	1,626	946	2,005	1,029	1,029	1,029	1,250	1,313
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		0	4,983	5,625	6,436	6,485	6,485	6,485	7,572	7,210
Licence and permits		-	2,382	59	2,011	-	-	-	-	-
Operational Revenue		(0)	4,769	1,606	6,731	1,475	1,475	1,475	1,375	1,412
Non-Exchange Revenue										
Property rates	2	(0)	112,654	123,091	127,495	130,616	130,616	130,616	138,503	145,428
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		(0)	5,358	3,596	4,241	3,952	3,952	3,952	4,683	4,544
Licences or permits		-	0	1,881	2,640	1,796	1,796	1,796	1,889	2,023
Transfer and subsidies - Operational		(0)	117,814	119,582	129,312	130,111	130,111	130,111	138,434	150,574
Interest		-	653	992	1,500	2,310	2,310	2,310	2,500	2,625
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		0	1,779	1,735	1,854	2,063	2,063	2,063	2,217	2,376
Gains on disposal of Assets		-	1,017	7,028	40,000	36,035	36,035	36,035	5,000	5,000
Other Gains		-	61,586	101,565	84,035	60,000	60,000	60,000	84,035	84,000
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and cont		(0)	785,383	875,221	962,872	904,510	904,510	904,510	978,810	1,056,000
Expenditure										
Employee related costs	2	0	349,277	339,565	357,851	340,564	340,564	340,564	368,329	382,402
Remuneration of councillors		0	11,586	12,262	13,172	13,050	13,050	13,050	13,248	13,778
Bulk purchases - electricity	2	(0)	221,602	248,180	255,129	255,130	255,130	255,130	299,200	337,198
Inventory consumed	8	0	27,272	33,977	41,101	42,052	42,052	42,052	40,205	41,908
Debt impairment	3	-	43,844	40,578	19,500	42,000	42,000	42,000	43,000	44,400
Depreciation and amortisation		-	86,112	91,430	90,455	91,247	91,247	91,247	91,247	93,074
Interest		-	10,486	11,478	12,541	14,463	14,463	14,463	12,480	12,683
Contracted services		(0)	19,790	20,559	36,366	28,365	28,365	28,365	28,801	29,969
Transfers and subsidies		0	604	451	1,908	1,225	1,225	1,225	1,075	1,108
Irrecoverable debts written off		-	-	904	7,200	3,000	3,000	3,000	3,000	3,150
Operational costs		(0)	46,497	46,152	57,939	53,779	53,779	53,779	62,931	66,549
Losses on disposal of Assets		-	1,773	14,777	1,600	1,600	1,600	1,600	1,600	2,200
Other Losses		-	-	1,214	1,700	-	-	-	-	-
Total Expenditure		(0)	818,842	861,530	896,463	886,475	886,475	886,475	965,117	1,028,419
Surplus/(Deficit)		(0)	(33,459)	13,690	66,410	18,036	18,036	18,036	13,693	27,582
Transfers and subsidies - capital (monetary allocations)	6	0	45,387	104,852	93,153	95,910	95,910	95,910	87,722	108,621
Transfers and subsidies - capital (in-kind)	6	-	-	42,931	-	2,002	2,002	2,002	-	-
Surplus/(Deficit) after capital transfers & contributions		(0)	11,928	161,473	159,563	115,947	115,947	115,947	101,416	136,202
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		(0)	11,928	161,473	159,563	115,947	115,947	115,947	101,416	136,202
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(0)	11,928	161,473	159,563	115,947	115,947	115,947	101,416	136,202
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	(0)	11,928	161,473	159,563	115,947	115,947	115,947	101,416	136,202

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

1. Table A5 below 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. In relation to multi-year appropriations, for the 2023/2024 financial year no funding has been allocated of the total R 125.8 million capital budget, which totals 0%. No allocation was made for the outer years.
3. Single-year capital expenditure has been appropriated at R 125.8 million for the 2023/2024 financial year and R 131.1 million and R 127.2 million respectively for the two outer years.
4. 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 specialised 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.
5. The capital programme is funded from capital and provincial grants and transfers, public contributions and donations and internally generated funds from current year surpluses. For 2023/2024, capital transfers totals R 88.3 million (70.2%) and increase to R 108.6 million (82.9%) for 2024/2025 and then increases to R 114.2 million (89.8%) for 2025/2026.

Table 22 MBRR Table A5 – Budgeted Capital Expenditure by vote, standard classification and funding source

NC087 Dawid Kruiper - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding											
Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 3 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 4 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 5 - TECHNICAL DIRECTOR		-	-	-	-	-	-	-	-	-	-
Vote 6 - ELECTRO-MECHANICAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 7 - CIVIL ENGINEERING SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 8 - DEVELOPMENT AND PLANNING SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - MUNICIPAL MANAGER		7	-	-	36	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		266	1,059	589	2,230	1,305	1,305	1,305	708	238	150
Vote 3 - FINANCIAL SERVICES		2,584,369	3,694	8,941	6,957	5,282	5,282	5,282	2,505	1,355	1,455
Vote 4 - COMMUNITY SERVICES		1,310	354	883	6,904	2,566	2,566	2,566	416	-	-
Vote 5 - TECHNICAL DIRECTOR		-	-	-	-	-	-	-	-	-	-
Vote 6 - ELECTRO-MECHANICAL SERVICES		22,239	34,670	28,868	32,447	36,009	36,009	36,009	39,374	14,935	8,261
Vote 7 - CIVIL ENGINEERING SERVICES		43,372	34,685	110,542	85,115	87,534	87,534	87,534	58,500	89,350	91,108
Vote 8 - DEVELOPMENT AND PLANNING SERVICES		27,881	12,735	20,017	30,340	28,355	28,355	28,355	24,251	25,197	26,211
Vote 9 -		-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		2,679,444	87,196	169,840	164,029	161,051	161,051	161,051	125,754	131,074	127,185
Total Capital Expenditure - Vote		2,679,444	87,196	169,840	164,029	161,051	161,051	161,051	125,754	131,074	127,185
Capital Expenditure - Functional											
Governance and administration		2,588,865	19,434	10,561	17,556	12,704	12,704	12,704	11,573	4,093	1,605
Executive and council	1	-	-	-	36	-	-	-	-	-	-
Finance and administration	2,588,859	19,434	10,561	17,520	12,704	12,704	12,704	12,704	11,573	4,093	1,605
Internal audit	6	-	-	-	-	-	-	-	-	-	-
Community and public safety		1,584	464	882	7,254	2,292	2,292	2,292	416	-	-
Community and social services		516	218	69	1,262	900	900	900	-	-	-
Sport and recreation		967	80	568	4,230	752	752	752	9	-	-
Public safety		101	166	245	1,762	640	640	640	407	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		38,658	18,965	40,081	33,164	36,455	36,455	36,455	35,634	41,240	42,255
Planning and development		27,712	12,735	20,017	27,910	28,355	28,355	28,355	24,251	25,197	26,211
Road transport		10,946	6,230	20,065	5,254	8,100	8,100	8,100	11,383	16,043	16,043
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		50,335	48,333	118,315	106,025	109,600	109,600	109,600	78,131	85,741	83,325
Energy sources		17,909	19,878	27,838	24,354	30,165	30,165	30,165	31,014	12,435	8,261
Water management		11,733	13,558	20,889	12,928	15,454	15,454	15,454	14,080	15,316	15,551
Waste water management		20,693	14,897	69,588	66,933	63,980	63,980	63,980	33,037	57,991	59,513
Waste management		-	-	-	1,810	-	-	-	-	-	-
Other		-	-	-	30	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	2,679,444	87,196	169,840	164,029	161,051	161,051	161,051	125,754	131,074	127,185
Funded by:											
National Government		21,381	33,875	106,121	92,921	94,899	94,899	94,899	88,322	108,648	114,217
Provincial Government		1,063	6,429	43,000	232	1,103	1,103	1,103	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		14	2,784	-	-	45	45	45	-	-	-
Transfers recognised - capital	4	22,458	43,089	149,120	93,153	96,047	96,047	96,047	88,322	108,648	114,217
Borrowing	6	-	-	10,118	16,200	18,200	18,200	18,200	-	-	-
Internally generated funds		71,153	30,228	10,603	54,676	46,804	46,804	46,804	37,431	22,426	12,968
Total Capital Funding	7	93,611	73,317	169,840	164,029	161,051	161,051	161,051	125,754	131,074	127,185

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 councillors, management and other users of budget documentation 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 65 is supported by an extensive table of notes (SA3 which can be found on page 137) providing a detailed analysis of the major components of a number of items, including:
 - Call investments deposits;
 - Consumer debtors;
 - Property, plant and equipment;
 - Trade and other payables;
 - Provisions non-current;
 - Changes in net assets; and
 - Reserves
4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn

would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition, the funding compliance assessment is informed directly by forecasting the Statement of Financial Position.

Table 23 MBRR Table A6 – Budgeted Financial Position

NC087 Dawid Kruiper - Table A6 Budgeted Financial Position											
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
ASSETS											
Current assets											
Cash and cash equivalents		37,001	26,724	14,320	45,397	87,244	87,244	87,244	52,951	90,360	155,248
Trade and other receivables from exchange transactions	1	66,205	70,623	87,300	91,561	(22,807)	(22,807)	(22,807)	114,795	130,016	138,155
Receivables from non-exchange transactions	1	23,178	12,722	13,132	13,602	17,285	17,285	17,285	26,474	33,199	40,210
Current portion of non-current receivables		–	–	–	–	–	–	–	–	–	–
Inventory	2	8,609	7,402	7,907	7,919	16,244	16,244	16,244	22,411	17,915	13,243
VAT		(7,538)	9,218	14,915	9,218	70,831	70,831	70,831	88,478	160,922	233,365
Other current assets		(22)	210	335	215	894	894	894	310	310	310
Total current assets		127,432	126,898	137,908	167,911	169,690	169,690	169,690	305,418	432,721	580,531
Non current assets											
Investments		–	–	–	–	–	–	–	–	–	–
Investment property		865,177	927,111	1,027,682	985,129	987,111	987,111	987,111	1,190,451	1,249,451	1,308,451
Property, plant and equipment	3	1,679,614	1,684,622	1,726,179	1,795,404	1,788,861	1,788,861	1,788,861	1,744,627	1,785,128	1,819,675
Biological assets		–	–	–	–	–	–	–	–	–	–
Living and non-living resources		–	–	–	–	–	–	–	–	–	–
Heritage assets		4,509	4,509	4,509	4,509	4,509	4,509	4,509	4,509	4,509	4,509
Intangible assets		4,716	4,026	6,027	4,026	4,026	4,026	4,026	6,627	6,927	7,327
Trade and other receivables from exchange transactions		–	–	–	–	–	–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–	–	–	–	–	–
Other non-current assets		142	–	–	–	–	–	–	–	–	–
Total non current assets		2,554,159	2,620,269	2,764,397	2,789,068	2,784,508	2,784,508	2,784,508	2,946,214	3,046,014	3,139,962
TOTAL ASSETS		2,681,591	2,747,167	2,902,306	2,956,979	2,954,198	2,954,198	2,954,198	3,251,632	3,478,736	3,720,493
LIABILITIES											
Current liabilities											
Bank overdraft		–	–	–	–	–	–	–	–	–	–
Financial liabilities		–	–	–	–	–	–	–	–	–	–
Consumer deposits		15,861	17,432	16,787	17,432	17,432	17,432	17,432	16,871	16,871	16,871
Trade and other payables from exchange transactions	4	114,347	135,226	169,644	70,891	146,282	146,282	146,282	183,765	222,970	256,544
Trade and other payables from non-exchange transactions	5	20,710	28,824	(7,953)	400	25,552	25,552	25,552	(0)	(0)	(0)
Provision		34,986	36,992	36,242	–	36,992	36,992	36,992	20,242	20,242	20,242
VAT		(159)	13,930	21,241	18,695	94,950	94,950	94,950	93,692	168,267	242,842
Other current liabilities		–	–	–	–	–	–	–	–	–	–
Total current liabilities		185,745	232,404	235,961	107,418	321,208	321,208	321,208	314,570	428,350	536,499
Non current liabilities											
Financial liabilities	6	94,330	82,153	88,521	100,363	83,053	83,053	83,053	80,561	82,683	84,900
Provision	7	141,646	143,315	123,394	152,572	143,315	143,315	143,315	123,394	123,394	123,394
Long term portion of trade payables		–	–	–	–	–	–	–	–	–	–
Other non-current liabilities		97,339	109,858	115,463	85,823	109,858	109,858	109,858	91,774	66,774	41,774
Total non current liabilities		333,315	335,326	327,378	338,749	336,226	336,226	336,226	295,729	272,851	250,068
TOTAL LIABILITIES		519,060	567,730	563,339	446,167	657,434	657,434	657,434	610,299	701,200	786,567
NET ASSETS		2,162,531	2,179,437	2,338,967	2,510,813	2,296,764	2,296,764	2,296,764	2,641,333	2,777,535	2,933,926
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	8	2,162,513	2,207,477	2,339,237	2,510,813	2,295,426	2,295,426	2,295,426	2,641,333	2,777,535	2,933,926
Reserves and funds	9	–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	10	2,162,513	2,207,477	2,339,237	2,510,813	2,295,426	2,295,426	2,295,426	2,641,333	2,777,535	2,933,926

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.
3. The 2023/2024 MTREF provide for a net increase in cash of R 5.8 million for the 2023/2024 financial year. The projected cash surplus for 2022/2023 will result in an overall projected positive cash position at year end.
4. In addition, the municipality has undertaken an extensive debt collection drive resulting in cash receipts on arrear debtors.
5. The 2023/2024 MTREF has been informed by the planning principle of ensuring adequate cash reserves over the medium-term.

Table 24 MBRR Table A7 – Budgeted Cash Flow Statement

NC087 Dawid Kruiper - Table A7 Budgeted Cash Flows											
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		–	7,316	108,246	120,070	122,554	122,554	122,554	128,808	135,248	142,010
Service charges		–	31,781	451,163	509,043	532,955	532,955	532,955	607,304	670,297	741,289
Other revenue		37,001	22,224	94,959	27,809	24,567	24,567	24,567	26,831	26,253	26,954
Transfers and Subsidies - Operational	1	–	–	72,687	132,220	129,112	129,112	129,112	138,234	150,674	161,919
Transfers and Subsidies - Capital	1	–	–	99,641	93,153	81,506	81,506	81,506	87,722	108,321	113,790
Interest		–	3	(0)	2,000	345	345	345	1,250	1,313	1,378
Dividends		–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees		(6,755)	(70,994)	(434,114)	(762,296)	(754,639)	(754,639)	(754,639)	(827,292)	(891,278)	(963,295)
Interest		–	–	–	(12,271)	(2,823)	(2,823)	(2,823)	(12,480)	(12,682)	(12,895)
Transfers and Subsidies	1	–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		30,246	(9,670)	392,581	109,728	133,578	133,578	133,578	150,377	188,144	211,150
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		–	–	196	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–
Payments											
Capital assets		–	(28,493)	(128,180)	(164,029)	(146,592)	(146,592)	(146,592)	(144,617)	(150,735)	(146,263)
NET CASH FROM/(USED) INVESTING ACTIVITIES		–	(28,493)	(127,984)	(164,029)	(146,592)	(146,592)	(146,592)	(144,617)	(150,735)	(146,263)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	14,300	16,200	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–	–
Payments											
Repayment of borrowing		–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	14,300	16,200	–	–	–	–	–	–
NET INCREASE/ (DECREASE) IN CASH HELD		30,246	(38,163)	278,897	(38,101)	(13,014)	(13,014)	(13,014)	5,760	37,409	64,888
Cash/cash equivalents at the year begin:	2	–	–	26,724	83,618	26,724	26,724	26,724	47,191	52,951	90,360
Cash/cash equivalents at the year end:	2	30,246	(38,163)	305,621	45,517	13,710	13,710	13,710	52,951	90,360	155,248

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. The municipality has send the budget to Provincial Province recalculation in order to ensure that a funded budget is approved by Council.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.

3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.
5. The main reason for these "unfunded" projections were a lack of cash due to government not honouring their service charges, outstanding debt, moratorium on handover of consumer debtors, unspent grants not being cash backed for previous financial years, the roll-over of capital projects that is ongoing for more than a year which is being funded from external loans and own funds, housing programme claims not paid out by provincial government and unfunded mandates for Primary Health Care Services, Environmental Services, Library Services, Disaster Management, etc. Based on Circular 74 (Unfunded Mandates) the municipality has identified certain functions, which is not the core function of the municipality and is jeopardizing our financial situation.
6. Council approved the Funding and Reserves Policy that stipulates the treatment of budgeting for provisions, reserves and other related items. The policy will form part of the budget related policies.
7. Considering the requirements of section 18 of the MFMA, it can be concluded that the 2023/2024 MTREF was funded, as recalculated by Provincial Treasury.
8. As part of the budgeting and planning guidelines that informed the compilation of the 2023/2024 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA.
9. Provincial Treasury indicated that our cash flow is the best in the province.
10. Any formula errors on A8 cannot be corrected by DKM, since we cannot amend the A1-Schedule.

Table 25 MBRR Table A8 – Cash Backed Reserves/Accumulated Surplus Reconciliation

NC087 Dawid Kruiper - Table A8 Cash backed reserves/accumulated surplus reconciliation											
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Cash and investments available											
Cash/cash equivalents at the year end	1	30,246	(38,163)	305,621	45,517	13,710	13,710	13,710	52,951	90,360	155,248
Other current investments > 90 days		6,755	64,888	(291,302)	(120)	73,534	73,534	73,534	(0)	(0)	(0)
Non current Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		37,001	26,724	14,320	45,397	87,244	87,244	87,244	52,951	90,360	155,248
Application of cash and investments											
Trade payables from Non-exchange transactions: Other		20,710	28,824	(7,953)	400	25,552	25,552	25,552	(0)	(0)	(0)
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	7,437	2,555	9,786	9,639	24,280	24,280	24,280	8,675	10,806	12,937
Other working capital requirements	3	#####	38,039	(899,441)	(868,415)	(889,131)	(889,131)	(889,131)	(1,088,679)	(1,116,291)	(1,150,061)
Other provisions		34,986	36,992	36,242	-	36,992	36,992	36,992	20,242	20,242	20,242
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		#####	106,410	(861,365)	(858,376)	(802,306)	(802,306)	(802,306)	(1,059,762)	(1,085,243)	(1,116,882)
Surplus(shortfall)		#####	(79,686)	875,685	903,773	889,551	889,551	889,551	1,112,713	1,175,603	1,272,129

Explanatory notes to Table A9 – Asset Management

- Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
- 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. This is however impossible to budget for repairs and maintenance of 8% as this would equate to R 145.6 million. This expenditure will have to be funded with tariff increases, resulting in tariffs increases above 25%. Therefore, the implication of the revaluation method of GRAP 17 is taken into consideration when determining the budgeted amounts for repairs and maintenance. The treatment of depreciation is also included in the Funding and Reserves Policy.
- Depreciation and asset impairment costs (off-setting depreciation included) due to the implementation of the GRAP Accounting Standards on the carrying values of componentised assets makes it virtually unaffordable to maintain the municipality's assets at depreciated replacement cost.

Table 26 MBRR Table A9 – Asset Management

NC087 Dawid Kruiper - Table A9 Asset Management										
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
CAPITAL EXPENDITURE										
Total New Assets	1	2,658,142	62,698	133,187	116,257	105,465	105,465	87,122	95,745	97,508
Roads Infrastructure		1,183,228	16,749	28,830	8,180	7,416	7,416	9,257	5,561	8,892
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		15,658	18,748	34,326	28,179	34,246	34,246	27,387	15,130	15,176
Water Supply Infrastructure		3,278	5,153	20,306	7,524	5,866	5,866	968	6,957	13,376
Sanitation Infrastructure		10,598	1,609	44,958	58,088	49,678	49,678	33,037	57,991	59,513
Solid Waste Infrastructure		-	-	-	1,810	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		239	3	-	-	30	30	50	-	-
Infrastructure		1,213,001	42,262	128,420	103,782	97,236	97,236	70,698	85,638	96,958
Community Facilities		1,420,593	-	-	500	427	427	-	-	-
Sport and Recreation Facilities		7,093	1,695	540	400	43	43	5,357	6,957	-
Community Assets		1,427,687	1,695	540	900	471	471	5,357	6,957	-
Heritage Assets		4,509	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		330	221	155	880	1,110	1,110	750	200	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		330	221	155	880	1,110	1,110	750	200	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		7,163	3,410	2,527	-	-	-	600	300	400
Intangible Assets		7,163	3,410	2,527	-	-	-	600	300	400
Computer Equipment		646	6	185	1,414	82	82	-	-	-
Furniture and Office Equipment		226	130	59	270	270	270	50	150	150
Machinery and Equipment		4,580	208	1,300	921	2,181	2,181	1,522	-	-
Transport Assets		-	14,766	-	8,090	4,116	4,116	8,145	2,500	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	9,690	10,265	7,555	14,315	13,791	13,791	16,352	13,054	7,184
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		1,010	1,109	6,274	2,400	4,342	4,342	8,600	6,000	-
Water Supply Infrastructure		8,429	7,870	583	2,500	2,715	2,715	5,685	5,884	6,102
Sanitation Infrastructure		82	157	-	150	360	360	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	550	-	-	-	-	-
Infrastructure		9,521	9,135	6,857	5,600	7,417	7,417	14,285	11,884	6,102
Community Facilities		-	-	-	200	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	600	200	200	-	-	-
Community Assets		-	-	-	800	200	200	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	717	636	2,400	550	550	100	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	717	636	2,400	550	550	100	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	15	33	33	55	28	28
Intangible Assets		-	-	-	15	33	33	55	28	28
Computer Equipment		-	162	62	150	150	150	955	955	955
Furniture and Office Equipment		169	251	-	5,200	4,281	4,281	108	88	-
Machinery and Equipment		-	-	-	150	1,160	1,160	850	100	100
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-

Total Upgrading of Existing Assets	6	11,611	14,234	29,098	33,457	41,795	41,795	22,280	22,275	22,493
Roads Infrastructure		-	-	-	5,000	8,000	8,000	9,783	13,043	13,043
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		1,241	-	59	2,404	172	172	100	-	-
Water Supply Infrastructure		-	410	-	2,724	6,523	6,523	6,346	9,232	9,450
Sanitation Infrastructure		10,008	13,688	29,011	13,043	18,541	18,541	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		11,249	14,098	29,070	23,172	33,236	33,236	16,228	22,275	22,493
Community Facilities		179	26	-	7,076	7,952	7,952	6,051	-	-
Sport and Recreation Facilities		183	-	28	2,830	507	507	-	-	-
Community Assets		362	26	28	9,906	8,459	8,459	6,051	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	110	-	380	100	100	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	110	-	380	100	100	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	2,679,444	87,196	169,840	164,029	161,051	161,051	125,754	131,074	127,185
Roads Infrastructure		1,183,228	16,749	28,830	13,180	15,416	15,416	19,040	18,604	21,936
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		17,909	19,857	40,659	32,984	38,760	38,760	36,087	21,130	15,176
Water Supply Infrastructure		11,707	13,433	20,889	12,748	15,104	15,104	12,998	22,072	28,927
Sanitation Infrastructure		20,687	15,453	73,969	71,281	68,579	68,579	33,037	57,991	59,513
Solid Waste Infrastructure		-	-	-	1,810	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		239	3	-	550	30	30	50	-	-
Infrastructure		1,233,771	65,495	164,347	132,553	137,889	137,889	101,211	119,798	125,552
Community Facilities		1,420,772	26	-	7,776	8,379	8,379	6,051	-	-
Sport and Recreation Facilities		7,277	1,695	568	3,830	751	751	5,357	6,957	-
Community Assets		1,428,049	1,721	568	11,606	9,130	9,130	11,408	6,957	-
Heritage Assets		4,509	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		330	1,048	791	3,660	1,760	1,760	850	200	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		330	1,048	791	3,660	1,760	1,760	850	200	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		7,163	3,410	2,527	15	33	33	655	328	428
Intangible Assets		7,163	3,410	2,527	15	33	33	655	328	428
Computer Equipment		646	169	247	1,564	232	232	955	955	955
Furniture and Office Equipment		395	380	59	5,470	4,551	4,551	158	238	150
Machinery and Equipment		4,580	208	1,300	1,071	3,341	3,341	2,372	100	100
Transport Assets		-	14,766	-	8,090	4,116	4,116	8,145	2,500	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		2,679,444	87,196	169,840	164,029	161,051	161,051	125,754	131,074	127,185

ASSET REGISTER SUMMARY - PPE (WDV)	5	2,554,017	2,533,072	2,594,557	2,600,800	2,541,395	2,541,395	2,685,330	2,680,442	2,685,227
Roads Infrastructure		1,151,154	(71,707)	453,860	(85,641)	(93,699)	(93,699)	410,394	387,962	365,082
Storm water Infrastructure		-	-	12,414	(1,835)	(28)	(28)	9,377	9,377	9,377
Electrical Infrastructure		-	-	312,869	(13,529)	(16,994)	(16,994)	313,310	302,410	292,990
Water Supply Infrastructure		-	(39)	351,692	(15,206)	(17,236)	(17,236)	316,558	299,017	281,125
Sanitation Infrastructure		-	(53)	130,971	8,260	(6,324)	(6,324)	155,047	148,255	141,326
Solid Waste Infrastructure		-	5,785	34,940	(7,930)	(4,965)	(4,965)	19,142	8,177	(3,008)
Rail Infrastructure		-	-	82	(1,068)	(166)	(166)	(1,296)	(1,465)	(1,638)
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	(4)	1,162	(6)	(32)	(32)	1,122	1,093	1,064
Infrastructure		1,151,154	(66,018)	1,297,790	(116,954)	(139,444)	(139,444)	1,223,653	1,154,826	1,086,320
Community Assets		532,955	(5,233)	75,881	22,978	(6,031)	(6,031)	86,593	100,684	124,377
Heritage Assets		4,509	4,509	4,509	4,509	4,509	4,509	4,509	4,509	4,509
Investment properties		865,177	927,111	1,027,682	985,129	987,111	987,111	1,190,451	1,249,451	1,308,451
Other Assets		-	(4,488)	(3,021)	(7,268)	(8,824)	(8,824)	(8,016)	(12,664)	(17,405)
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		4,716	4,026	6,027	4,026	4,026	4,026	6,827	6,927	7,327
Computer Equipment		-	-	5,832	396	0	0	6,749	6,749	6,749
Furniture and Office Equipment		-	(2,425)	5,388	(726)	(9,971)	(9,971)	(2,927)	(10,526)	(18,283)
Machinery and Equipment		-	1	9,006	16	(3)	(3)	10,389	10,384	10,380
Transport Assets		-	(4,026)	18,672	(10,920)	(5,626)	(5,626)	18,722	16,522	14,222
Land		(4,495)	1,679,614	146,790	1,719,614	1,715,649	1,715,649	148,580	153,580	158,580
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	2,554,017	2,533,072	2,594,557	2,600,800	2,541,395	2,541,395	2,685,330	2,680,442	2,685,227
EXPENDITURE OTHER ITEMS		0	99,471	96,961	103,807	98,488	98,488	98,930	101,106	103,353
Depreciation	7	-	85,991	91,430	90,455	91,247	91,247	91,247	93,074	94,937
Repairs and Maintenance by Asset Class	3	0	13,480	5,531	13,352	7,241	7,241	7,682	8,032	8,416
Roads Infrastructure		-	415	136	162	460	460	250	260	272
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		0	888	1,632	2,372	1,953	1,953	1,943	2,032	2,129
Water Supply Infrastructure		(0)	1,387	2,663	3,769	2,717	2,717	3,500	3,660	3,835
Sanitation Infrastructure		0	834	156	300	150	150	150	156	163
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	4	1	10	5	5	5	5	6
Infrastructure		0	3,529	4,587	6,613	5,285	5,285	5,848	6,113	6,404
Community Facilities		(0)	90	64	991	526	526	526	552	580
Sport and Recreation Facilities		0	144	179	692	887	887	726	758	795
Community Assets		0	234	243	1,683	1,413	1,413	1,252	1,311	1,374
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		0	1,294	201	4,620	238	238	276	288	302
Housing		-	-	-	-	-	-	-	-	-
Other Assets		0	1,294	201	4,620	238	238	276	288	302
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		(0)	30	14	50	40	40	40	42	43
Furniture and Office Equipment		(0)	1,713	355	242	145	145	145	152	160
Machinery and Equipment		-	78	14	144	120	120	121	126	132
Transport Assets		-	6,603	116	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		0	99,471	96,961	103,807	98,488	98,488	98,930	101,106	103,353
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		0.8%	28.1%	21.6%	29.1%	34.5%	34.5%	30.7%	27.0%	23.3%
<i>Renewal and upgrading of Existing Assets as % of deprec</i>		0.0%	28.5%	40.1%	52.8%	60.9%	60.9%	42.3%	38.0%	31.3%
<i>R&M as a % of PPE</i>		0.0%	0.5%	0.2%	0.5%	0.3%	0.3%	0.3%	0.3%	0.3%
<i>Renewal and upgrading and R&M as a % of PPE</i>		0.8%	1.5%	1.6%	2.4%	2.5%	2.5%	1.7%	1.6%	1.4%

Explanatory notes to Table A10 – Basic Service Delivery Measurement

- Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.
- The Indigent and Subsidy amount will be limited to R 1 000 per household of which National Treasury only funds a portion.

NC087 Dawid Kruiper - Table A10 Basic service delivery measurement

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Household service targets	1									
Water:										
Piped water inside dwelling		—	—	—	—	—	—	—	—	—
Piped water inside yard (but not in dwelling)		—	—	—	—	—	—	—	—	—
Using public tap (at least min.service level)	2	—	—	—	—	—	—	—	—	—
Other water supply (at least min.service level)	4	—	—	—	—	—	—	—	—	—
Minimum Service Level and Above sub-total		—	—	—	—	—	—	—	—	—
Using public tap (< min.service level)	3	—	—	—	—	—	—	—	—	—
Other water supply (< min.service level)	4	—	—	—	—	—	—	—	—	—
No water supply		—	—	—	—	—	—	—	—	—
Below Minimum Service Level sub-total		—	—	—	—	—	—	—	—	—
Total number of households	5	—	—	—	—	—	—	—	—	—
Sanitation services:										
Flush toilet (connected to sewerage)		—	—	—	—	—	—	—	—	—
Flush toilet (with septic tank)		—	—	—	—	—	—	—	—	—
Chemical toilet		—	—	—	—	—	—	—	—	—
Pit toilet (ventilated)		—	—	—	—	—	—	—	—	—
Other toilet provisions (> min.service level)		—	—	—	—	—	—	—	—	—
Minimum Service Level and Above sub-total		—	—	—	—	—	—	—	—	—
Bucket toilet		—	—	—	—	—	—	—	—	—
Other toilet provisions (< min.service level)		—	—	—	—	—	—	—	—	—
No toilet provisions		—	—	—	—	—	—	—	—	—
Below Minimum Service Level sub-total		—	—	—	—	—	—	—	—	—
Total number of households	5	—	—	—	—	—	—	—	—	—
Energy:										
Electricity (at least min.service level)		—	—	—	—	—	—	—	—	—
Electricity - prepaid (min.service level)		—	—	—	—	—	—	—	—	—
Minimum Service Level and Above sub-total		—	—	—	—	—	—	—	—	—
Electricity (< min.service level)		—	—	—	—	—	—	—	—	—
Electricity - prepaid (< min. service level)		—	—	—	—	—	—	—	—	—
Other energy sources		—	—	—	—	—	—	—	—	—
Below Minimum Service Level sub-total		—	—	—	—	—	—	—	—	—
Total number of households	5	—	—	—	—	—	—	—	—	—
Refuse:										
Removed at least once a week		—	—	—	—	—	—	—	—	—
Minimum Service Level and Above sub-total		—	—	—	—	—	—	—	—	—
Removed less frequently than once a week		—	—	—	—	—	—	—	—	—
Using communal refuse dump		—	—	—	—	—	—	—	—	—
Using own refuse dump		—	—	—	—	—	—	—	—	—
Other rubbish disposal		—	—	—	—	—	—	—	—	—
No rubbish disposal		—	—	—	—	—	—	—	—	—
Below Minimum Service Level sub-total		—	—	—	—	—	—	—	—	—
Total number of households	5	—	—	—	—	—	—	—	—	—
Households reaching Free Basic Service	7									
Water (6 kilolitres per household per month)		—	—	—	—	—	—	—	—	—
Sanitation (free minimum level service)		—	—	—	—	—	—	—	—	—
Electricity/other energy (50kwh per household per month)		—	—	—	—	—	—	—	—	—
Refuse (removed at least once a week)		—	—	—	—	—	—	—	—	—
Informal Settlements		—	—	—	—	—	—	—	—	—
Cost of Free Basic Services provided - Formal Settlements (R'000)										
Water (6 kilolitres per indigent household per month)		—	—	—	—	—	—	—	—	—
Sanitation (free sanitation service to indigent households)		—	—	—	—	—	—	—	—	—
Electricity/other energy (50kwh per indigent household per month)		—	—	—	—	—	—	—	—	—
Refuse (removed once a week for indigent households)		—	—	—	—	—	—	—	—	—
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)										
Total cost of FBS provided	8	—	—	—	—	—	—	—	—	—
Highest level of free service provided per household										
Property rates (R value threshold)		—	—	—	—	—	—	—	—	—
Water (kilolitres per household per month)		—	—	—	—	—	—	—	—	—
Sanitation (kilolitres per household per month)		—	—	—	—	—	—	—	—	—
Sanitation (Rand per household per month)		—	—	—	—	—	—	—	—	—
Electricity (kwh per household per month)		—	—	—	—	—	—	—	—	—
Refuse (average litres per week)		—	—	—	—	—	—	—	—	—
Revenue cost of subsidised services provided (R'000)	9									
Property rates (rental assistance), impermissible values per section 14 or 15 or 16		—	—	—	—	—	—	—	—	—
Property rates, exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		0	11,606	8,542	5,000	7,950	7,950	6,368	6,623	6,954
Water (in excess of 6 kilolitres per indigent household per month)		0	3,974	3,078	5,196	1,961	1,961	—	—	—
Sanitation (in excess of free sanitation service to indigent households)		0	10,130	11,377	1,856	1,751	1,751	2,000	2,000	2,000
Electricity/other energy (in excess of 50 kwh per indigent household per month)		0	25,168	6,898	6,720	6,443	6,443	7,346	8,279	9,330
Refuse (in excess of one removal a week for indigent households)		—	13,406	12,651	12,942	12,877	12,877	13,521	15,000	17,000
Municipal Housing - rental rebates		—	—	—	—	—	—	—	—	—
Housing - top structure subsidies		—	—	—	—	—	—	—	—	—
Other		—	—	—	—	—	—	—	—	—
Total revenue cost of subsidised services provided	6	0	64,285	42,548	31,714	36,862	36,862	29,174	31,962	35,285

Part 2 – Supporting Documentation

2.1 Overview of the annual budget process

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

The Budget Steering Committee consists of the Executive Committee members, the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the Mayor.

The primary aims of the Budget Steering Committee are to ensure:

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

1.2.1 Budget Process Overview

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

The Mayor tabled in Council the required the IDP and budget process plan with time schedule before the 31st of August 2019. Key dates applicable to the process were:

- **November 2022** – 1st Budget work session of all councillors and senior management. Aim: to review past performance trends of the capital and operating budgets, the economic realities and to set the prioritisation criteria for the compilation of the 2023/2024 MTREF;
- **January 2023** – Detail departmental budget proposals (capital and operating) submitted to the Budget and Treasury Office for consolidation and assessment against the financial planning guidelines and the compilation of the 1st MTREF;
- **January 2023** – Review of the financial strategy and key economic and financial planning assumptions by the Budget Steering Committee. This included financial forecasting and scenario considerations;
- **February 2023** – Multi-year budget proposals are submitted to the Executive Committee (2nd budget work session of all councillors and senior management) for endorsement;
- **28 February 2023** – Council considers the 2022/2023 Mid-year Review and Adjustments Budget;
- **31 March 2023** – Tabling in Council of the 2023/2024 IDP, 2023/2024 SDBIP and 2023/2024 MTREF for public consultation. The budget was referred back for adjustments;
- **April and May 2023** – Public consultation
- **19 May 2023** – Closing date for written comments; and

- **31 May 2023** – Tabling of the 2023/2024 MTREF before Council for consideration and final approval.

1.2.2 IDP and Service Delivery and Budget Implementation Plan

This is a newly developed IDP for Council after the municipal elections that were held in August 2016.

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. The Process Plan applicable to the newly developed IDP includes the following key IDP processes and deliverables:

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

The IDP has been taken into a business and financial planning process leading up to the 2023/2024 MTREF, based on the approved 2022/2023 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2023/2024 MTREF, each department / function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2023/2024 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs

and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

1.2.3 Financial Modeling and Key Planning Drivers

As part of the compilation of the 2023/2024 MTREF; extensive financial modelling was undertaken to ensure affordable tariffs and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2023/2024 MTREF:

- Municipality's growth;
- Policy priorities and strategic objectives;
- Asset maintenance;
- Economic climate and trends (i.e. inflation, Eskom increases, household debt, migration patterns);
- Performance trends;
- The approved 2022/2023 adjustments budget and performance against the SDBIP;
- Cash Flow Management Strategy;
- Debtor payment levels;
- Loan and investment possibilities;
- The need for tariff increases vs. The ability of the community to pay for services; and
- Improved and sustainable service delivery.

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 122 & 123 has been taken into consideration in the planning and prioritisation process.

1.2.4 Community Consultation

The 2023/2024 MTREF as tabled before Council on 31 March 2023; and, for community consultation was published on the municipality's website and hard copies were made available at customer care offices, municipal notice boards and various libraries.

All documents in the appropriate format (electronic and printed) were provided to National Treasury, and other national and provincial departments in accordance with section 23 of the MFMA, to provide an opportunity for them to make inputs.

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 realised 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 aim of this newly developed IDP was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the municipality's response to these requirements.

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

- Green Paper on National Strategic Planning of 2009;
- Government Programme of Action;
- Development Facilitation Act of 1995;
- Provincial Growth and Development Strategy (GGDS);
- National and Provincial spatial development perspectives;
- Relevant sector plans such as transportation, legislation and policy;
- National Key Performance Indicators (NKPIS);
- Accelerated and Shared Growth Initiative (ASGISA);
- National 2014 Vision;
- National Spatial Development Perspective (NSDP) and
- The National Priority Outcomes.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's eleven strategic

objectives for the 2023/2024 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 28 IDP Strategic Objectives

Key Performance Area (KPA)		Key Performance Indicator (KPI)	Strategic Objective
KPA 1: Land Management		1. Spatial Development, Town Planning and Land-use Management	Provide the framework and vision required for improving the quality of life of the people living in Dawid Kruiper
			Manage the development of sustainable land use, economic, spatial and environmental planning according to predetermined acceptable levels
KPA 2: Service Delivery and Infrastructure Delivery		2. Water Resources and Services;	Develop, manage and maintain essential bulk water infrastructure and facilities to accommodate the aspirations, needs and pressures of present and future industries, businesses and dependent communities
			Develop, manage and maintain necessary infrastructure and facilities required to improve the provision of water services
		3. Sewerage;	Develop, manage and maintain essential bulk sewerage infrastructure and facilities to accommodate the aspirations, needs and pressures of present and future industries, businesses and dependent communities
			Develop, manage and maintain necessary infrastructure and facilities required to improve the provision of sewerage services
		4. Human Settlement and Housing;	Eradicate housing backlogs in municipal area
			Provide for sustainable human settlements (housing)
		5. Energy and Electricity;	Provide, manage and maintain essential infrastructure required to improve electricity provision

	6.	Roads, Transport and Storm Water Drainage;	Develop, manage and maintain necessary Road, Transport and Storm water infrastructure and facilities required to improve transportation in, and aesthetic qualities of urban areas
	7.	Sanitation, Waste Management and Waste Removal	Regulate and manage waste disposal to prevent pollution of the natural environment and natural resources
KPA 3: Local Economic Development	8	Economic Growth and Job Creation	Promote the development of tourist infrastructure that will enhance tourism
			Create an environment that promotes the development of a diversified and sustainable economy
KPA 4: Financial Viability	9	Community Development and Facilities;	Provide equal access to sport, park, recreational facilities and other public amenities to all residents
KPA 5: Institutional Transformation			10
	Pro-active prevention, mitigation, identification and management of environmental health, fire and disaster risks		
	Provide safety to communities through law enforcement services and through legislative requirements		
	Promote and improve public relations through stakeholder participation and good customer service.		
KPA 6: Good Governance and Customer Care			Align institutional arrangements to provide an effective and efficient support service to deliver on organizational objectives.
			Enable and improve financial viability and management through well-structured budget processes, financial systems and MFMA compliance
KPA 7: Social Services			

In order to ensure integrated and focused service delivery between all spheres of government it was important for the municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities. The key performance areas can be summarised as follows against the five strategic objectives (National KPA's):

1. Provision of quality basic services and infrastructure which includes, amongst others:
 - Provide electricity;
 - Provide water;
 - Provide sanitation;
 - Provide waste removal;
 - Provide housing;
 - Provide roads and storm water;
 - Provide public transport;
 - Provide city planning services; and
 - Maintaining the infrastructure of the municipality.
2. Economic growth and development that leads to sustainable job creation by:
 - Ensuring there is a clear structural plan for the municipality;
 - Ensuring planning processes function in accordance with set timeframes; and
 - Facilitating the use of labour intensive approaches in the delivery of services and the building of infrastructure.
3. Fight poverty and build clean, healthy, safe and sustainable communities:
 - Effective implementation of the Indigent Policy;
 - Working with the provincial department of health to provide primary health care services;
 - Extending waste removal services and ensuring effective city cleansing;
 - Ensuring all waste water treatment works are operating optimally;
 - Working with strategic partners such as SAPS to address crime;

- Ensuring safe working environments by effective enforcement of building and health regulations;
- Promote viable, sustainable communities through proper zoning; and
- Promote environmental sustainability by protecting wetlands and key open spaces.

4. Integrated Social Services for empowered and sustainable communities:

- Work with provincial departments to ensure the development of community infrastructure such as schools and clinics is properly co-ordinated with the informal settlements upgrade programme.

5. Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service by:

- Optimising effective community participation in the ward committee system; and
- Implementing Batho Pele in the revenue management strategy.

6. Promote sound governance through:

- Publishing the outcomes of all tender processes on the municipal website.

7. Ensure financial sustainability through:

- Reviewing the use of contracted services; and
- Continuing to implement the infrastructure renewal strategy and the repairs and maintenance plan.

8. Optimal institutional transformation to ensure capacity to achieve set objectives:

- Review of the organizational structure to optimize the use of personnel.

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the municipality. The five-year programme responds to the development challenges and opportunities faced by the municipality by identifying the key performance areas to achieve the five national strategic objectives mentioned above.

In addition to the five-year IDP, the municipality undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years. This process is aimed at influencing the development path by proposing a substantial programme of public-led investment to restructure current patterns of settlement, activity and access to resources in the municipality so as to promote greater equity and enhanced opportunity. The strategy specifically targets future developmental opportunities in traditional dormitory settlements. It provides direction to the municipality's IDP, associated sectorial plans and strategies, and the allocation of resources of the municipality and other service delivery partners.

This development strategy introduces important policy shifts which have further been translated into seven strategic focus areas/objectives as outlined below:

- Developing dormant areas;
- Enforcing hard development lines – so as to direct private investment;
- Maintaining existing urban areas;
- Strengthening key economic clusters;
- Building social cohesion;
- Strong developmental initiatives in relation to the municipal institution as a whole; and
- Sound financial fundamentals.

Lessons learned with previous IDP revision and planning cycles as well as changing environments were taken into consideration in the compilation of the newly developed IDP, including:

- Strengthening the analysis and strategic planning processes of the municipality;
- Initiating zonally planning processes that involve the communities in the analysis and planning processes. More emphasis was placed on area based interventions, within the overall holistic framework;
- Ensuring better co-ordination through a programmatic approach and attempting to focus the budgeting process through planning interventions; and
- Strengthening performance management and monitoring systems in ensuring the objectives and deliverables are achieved.

The 2023/2024 MTREF has therefore been directly informed by the IDP revision process and tables 29 – 31 provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

**Table 29 MBRR Table SA4 –
Reconciliation between the IDP strategic objectives and budgeted revenue**

Strategic Objective / R thousand	Goal	2023/24 Medium Term Revenue & Expenditure Framework		
		Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Governance	Governance	–	–	–
	A skilled and capable workforce to support inclusive growth path	–	–	–
	An efficient, competitive and responsive economic infrastructure network	–	–	–
	An efficient, effective and development-oriented public service	–	–	–
	Responsive, accountable, effective and efficient local government	974,144	1,069,874	1,158,102
	Sustainable human settlements and improved quality of household life	8,769	8,919	9,077
Growth	An efficient, effective and development-oriented public service	–	–	–
Inclusion and access	A comprehensive, responsive and sustainable social protection system	64,745	66,678	68,171
	A long and healthy life for all South Africans	–	–	–
	An efficient, competitive and responsive economic infrastructure network	–	–	–
	An efficient, effective and development-oriented public service	14,700	15,150	15,830
	Quality basic education	–	–	–
	Sustainable human settlements and improved quality of household life	4,175	4,000	4,150
Spatial Integration	Responsive, accountable, effective and efficient local government	–	–	–
Total Revenue (excluding capital transfers and contributions)		1,066,532	1,164,621	1,255,331

**Table 30 MBRR Table SA5 –
Reconciliation between the IDP strategic objectives and budgeted operating
expenditure**

Strategic Objective / R thousand	Goal	2023/24 Medium Term Revenue & Expenditure Framework		
		Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Governance	Governance	121	126	132
	A skilled and capable workforce to support inclusive growth path	22	23	24
	An efficient, competitive and responsive economic infrastructure network	5	5	6
	An efficient, effective and development-oriented public service	461	482	505
	Responsive, accountable, effective and efficient local government	46,073	48,131	50,218
	Sustainable human settlements and improved quality of household life	830,224	888,195	953,231
Growth	An efficient, effective and development-oriented public service	47	49	51
Inclusion and access	A comprehensive, responsive and sustainable social protection system	1,356	1,405	1,461
	A long and healthy life for all South Africans	37,054	38,214	39,387
	An efficient, competitive and responsive economic infrastructure network	5,843	6,108	6,399
	An efficient, effective and development-oriented public service	27,392	28,500	29,656
	Quality basic education	200	210	221
	Sustainable human settlements and improved quality of household life	–	–	–
Spatial Integration	Responsive, accountable, effective and efficient local government	16,309	16,971	17,650
Total Revenue (excluding capital transfers and contributions)		965,108	1,028,419	1,098,940

**Table 31 MBRR Table SA6 –
Reconciliation between the IDP strategic objectives and budgeted capital
expenditure**

Strategic Objective / R thousand	Goal	2019/2020	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Enable and improve financial viability and management through well-structured budget processes, financial systems, and MFMA compliance through legislative requirements	Improve financial sustainability and provide sound administration	-	-	-	-	-	-	-	-	-
Provide quality basic services to all communities within the municipality (i.e. electricity; water; sanitation; refuse)	Service delivery and infrastructure development	93,611	73,317	169,840	164,029	161,051	161,051	125,754	131,074	127,185
Total Capital Expenditure		93,611	73,317	169,840	164,029	161,051	161,051	125,754	131,074	127,185

2.3 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 targets, monitors, assess 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 planning, budgeting and reporting cycle can be graphically illustrated as follows:

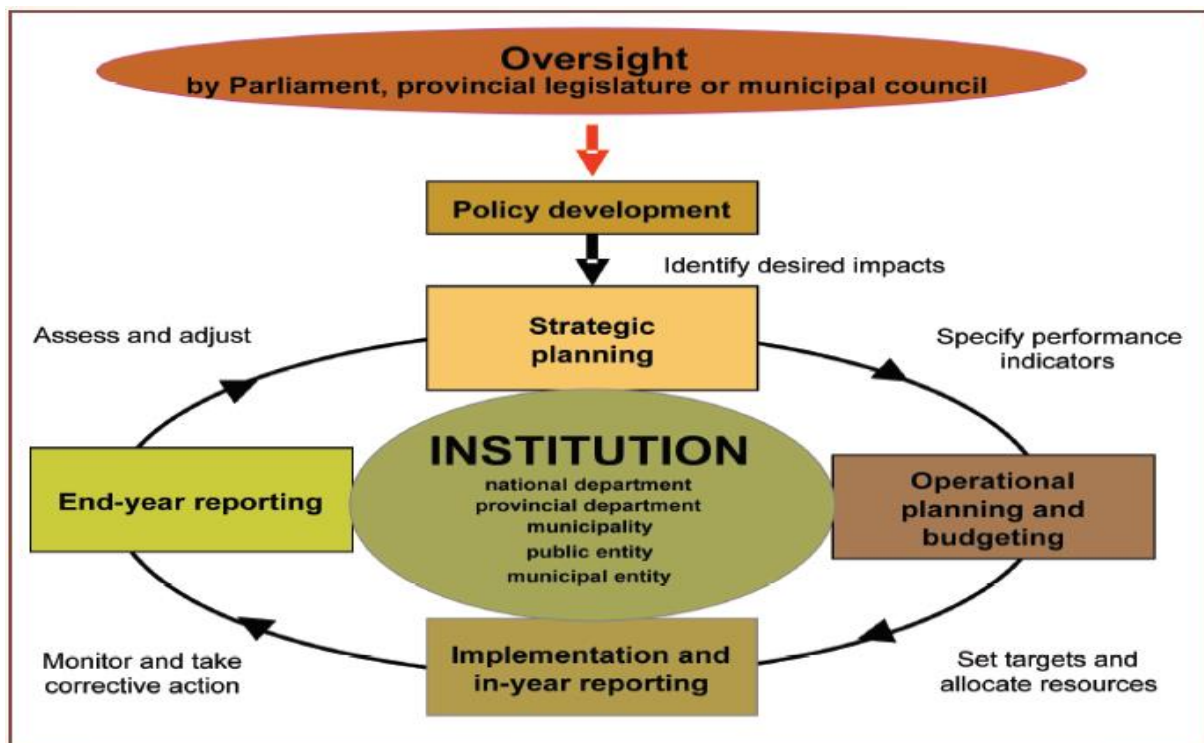
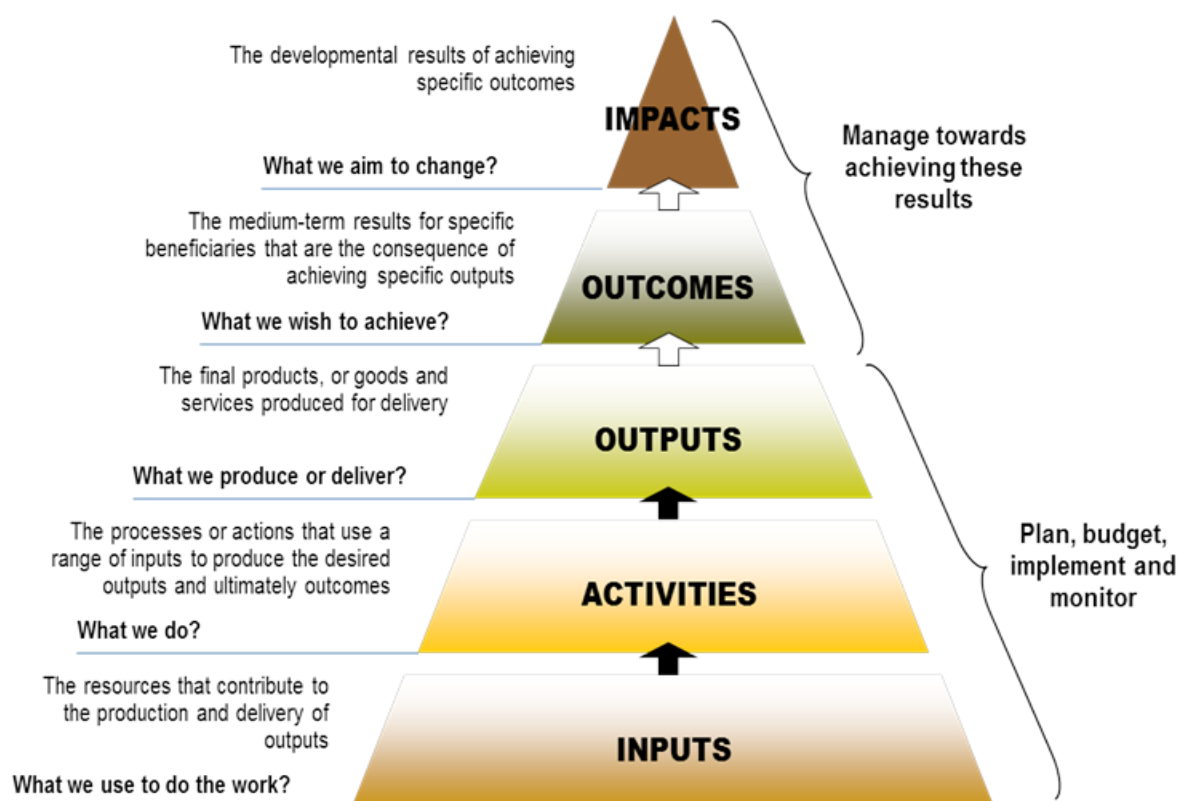


Figure 2 Planning, budgeting and reporting cycle

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

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

The performance information concepts used by the municipality in its integrated performance management system are aligned to the **Framework of Managing Programme Performance Information** issued by the National Treasury:



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

Table 32 MBRR Table SA7 – Measurable performance objectives

Description	Unit of measurement	2019/2020	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
1: Municipal Manager										
0002: Municipal Council										
Execution of National calendar special events per quarter	Annual Report	N/A	N/A		Annual Report	Annual Report	Annual Report	Annual Report	Annual Report	Annual Report
0011: Office of the Municipal Manager										
Actual Operational expenditure / Operational	Percentage	N/A	N/A	88.8%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
0032: Internal Audit										
3 year Risk based audit rolling plan and	Plan	N/A	N/A	Plan	Plan	Plan	Plan	Plan	Plan	Plan
0070: Performance Management										
SDBIP approved 28 days after budget approval	Approval	N/A	N/A	Approval	Approval	Approval	Approval	Approval	Approval	Approval
0071: Risk Management										
100% execution of risk assessment annual plan activities per quarter	Percentage	N/A	N/A	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
0083: Municipal Manager										
Project clean audit: to maintain a clean audit	Report	N/A	N/A	Report	Report	Report	Report	Report	Report	Report
1037: Cultural Festival										
Execution of special events per annum	Report	N/A	N/A	Report	Report	Report	Report	Report	Report	Report
1037: Council Ward Committee										
Ward based sector meeting per ward	Minutes	N/A	N/A	Minutes	Minutes	Minutes	Minutes	Minutes	Minutes	Minutes
2. Corporate Services										
0001: Administration										
80% of assigned council resolutions executed by end of each quarter	Percentage	N/A	N/A	83.8%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%
0004: Property Administration										
Updated and reconcile land disposal register	Report	N/A	N/A	Report	Report	Report	Report	Report	Report	Report
0008: Communications										
Die Werker - issues	Report	N/A	N/A	Report	Report	Report	Report	Report	Report	Report
0009: Human Resource										
actually spent on implementing its workplace skills plan	Percentage	N/A	N/A	0.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
0038: Director Corporate Service										
The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved	Percentage	N/A	N/A	79.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%
0039: Legal Services										
municipal departments	Report	N/A	N/A	Report	Report	Report	Report	Report	Report	Report
0043: Commonage										
Updated Commonage Register	Register	N/A	N/A	Register	Register	Register	Register	Register	Register	Register
3. Budget & Treasury Office										
0007: Financial Services										
expenditure - 95%	percentage	N/A	N/A	125.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
0033: Information Technology										
and software	Report	N/A	N/A	Report	Report	Report	Report	Report	Report	Report
0080: Chief Financial Officer (Office of the CFO)										
Debtors / Total Revenue from Rates and Services) x	Narrative	N/A	N/A	50.21 Days	66Days	66Days	66Days	66Days	66Days	66Days
0085: Budget and Treasury Office										
Statements - External Audit Strategy for 2020/2021	Proof of submission	N/A	N/A	Proof of	Proof of	Proof of	Proof of	Proof of	Proof of	Proof of
0086: Supply Chain Management Unit										
Reviewed and approved Supply Chain Management Policy by 31/05/2018	Updated Policy	N/A	N/A	Updated Policy	Updated Policy	Updated Policy	Updated Policy	Updated Policy	Updated Policy	Updated Policy
0088: Asset Management Unit										
31/05/2018	Updated Policy	N/A	N/A	Updated Policy	Updated Policy	Updated Policy	Updated Policy	Updated Policy	Updated Policy	Updated Policy

Unit of measurement	Unit of measurement	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
0082: Community Service									
0003: Libraries									
Spend 90% of the approved capital budget for Library Services by 30 June 2019 {(Actual expenditure divided by the total approved budget)x100}	% budget spent	N/A	42531	38600	38600	38600	38600	38600	38600
0020: Traffic Services									
Spend 90% of the capital budget for Traffic	% budget spent	N/A	6483	6960	6960	6960	6960	6960	6960
0021: Fire Brigade Service									
Install a fire alarm notification system by 30 April 2019	Fire alarm notification system installed	—	—	1	1	1	—	—	—
0024: Security Service									
Compile a quarterly duty schedule and submit to	Number of schedules	4	4	4	4	4	4	4	4
0027: Refuse Removal Services									
Percentage of households with access to refuse removal services as at 30 June 2019	% of households	100%	100%	100%	100%	100%	100%	100%	100%
0050: Parks									
Turf Maintenance Parks : Execution of	Plan	4	4	4	4	4	4	4	4
0052: Swimming Pools									
Install a swimming pool pump at Paballelo Swimming Pool by 31 December 2018	Swimming pool pump installed	—	—	1	1	1	—	—	—
0055: Sport Grounds									
Construct a fence at the MD Jacobs Stadium by	Fence constructed	—	—	1	1	1	—	—	—
0057: Cemeteries									
Conduct weekly inspections of town cemeteries	Report	1	1	1	1	1	1	1	1
0084: Electro Mech Services									
0034: Fleet Management									
90% of vehicles and equipment serviced within 90 days from the service due date	% of vehicles and equipment serviced within the due date	21.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
0059: Electricity Administration									
New electricity Pre-paid meter connections	Percentage	100%	100%	100%	100%	100%	100%	100%	100%
0063: Electricity Planning and Metering									
Prepaid meters for new customers	% of pre-paid meters inspected as per the inspection programme	100%	100%	100%	100%	100%	100%	100%	100%
0084: Director Electro Mechanical Services									
80% of assigned council resolutions executed by	Percentage	80%	100%	100%	100%	100%	100%	100%	100%
Civil Engineering Service									
0026: Sanitation Services									
Rendering of sanitation services as per service	Percentage	100%	100%	100%	100%	100%	100%	100%	100%
0028: Vacuum Tank Services									
Rendering of vacuum tank services on request	% of requests executed per quarter	100%	95%	100%	100%	100%	100%	100%	100%
0040: Civil Engineering Services									
80% of assigned council resolutions executed by	Percentage	83%	100%	100%	100%	100%	100%	100%	100%
0041: Street and Storm Water Drainage									
Conduct maintenance (Roads) : 75% of planned maintenance completed per quarter	Percentage	—	80%	100%	100%	100%	100%	100%	100%
0048: Sewerage Distribution Networks									
Spend 90% of the budget allocated for the	% of budget spent	—	—	90%	90%	90%	100%	100%	100%
0066: Water Production									
80% of quarterly effluent samples meet the minimum Green Drop biological standards during the 2018/19 financial year	% of minimum effluent quality standards is achieved	95%	95%	95%	95%	95%	95%	95%	95%
0067: Water Distribution									
Percentage of households with access to water	% of house holds with	85%	94%	80%	80%	80%	80%	80%	80%
0072: Director Civil Engineering Services									
Complete the upgrade of the water supply to Hakskeenpan by 30 June 2019	Project completed	—	—	1	1	1	—	—	—
0075: Client Services									
Attend to 80% of all requests logged in the Client	% of requests attended to	100%	100%	100%	100%	100%	100%	100%	100%
30 May 2023									
0077: Community Support & Overtime									
Procure 5000L water tanks in terms of the budget allocated by 30 June 2019	Number of water tanks procured	15	16	20	20	20	15	15	15

Unit of measurement	Unit of measurement	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Planning and Development Services									
0018: Housing & Development									
Develop an Integrated Human Settlement Plan and submit to Council by 30 May 2019	Integrated Human Settlement Plan submitted	—	1	1	1	1	1	1	1
0019: IDP									
Submit the final IDP to Council by 31 May 2019	Final IDP submitted	1	1	1	1	1	1	1	1
0030: Town Planning and Building Control									
Inspect 100% of illegal buildings and land use transgressions within 7 days	% of illegal buildings and land use transgressions inspected	1	100%	100%	100%	100%	100%	100%	100%
0031: Local Economic									
Develop an LED Strategy and submit to Council by 31 March 2019	LED Strategy submitted	1	1	1	1	1	1	1	1
0051: Eiland Resort									
Manage holiday resorts - Quarterly report on resort statistics (% of budget achieved)	Report	4	4	4	4	4	4	4	4
0073: Director Planning & Development									
80% of assigned council resolutions executed by	Percentage	100.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%
0074: Planning And Project Management									
Submit the PMU Business Plan and budget to the Director by 30 April 2019	Director by 30 April 2019 PMU Business Plan and budget submitted	1	1	1		1	1	1	1
0078: Project Management Unit									
Construct a bulk sewerage treatment plant at	Project completed	—	—	1	1	1	—	—	—

The following table sets out the municipalities main performance objectives and benchmarks for the 2023/2024 MTREF.

Table 33 MBRR Table SA8 – Performance indicators and benchmarks

NC087 Dawid Kruiper - Supporting Table SA8 Performance indicators and benchmarks											
Description of financial indicator	Basis of calculation	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.0%	1.3%	1.3%	1.4%	1.6%	1.6%	1.6%	1.3%	1.2%	1.2%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	0.0%	1.3%	1.3%	1.4%	1.7%	1.7%	1.7%	1.3%	1.2%	1.1%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	69.0%	22.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity											
Current Ratio	Current assets/current liabilities	0.7	0.5	0.6	1.6	0.5	0.5	0.5	1.0	1.0	1.1
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0.7	0.5	0.6	1.6	0.5	0.5	0.5	1.0	1.0	1.1
Liquidity Ratio	Monetary Assets/Current Liabilities	0.6	0.4	0.4	1.3	0.2	0.2	0.2	0.5	0.5	0.5
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	6.9%	91.0%	94.0%	102.2%	102.2%	60.2%	59.7%	59.7%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	6.8%	89.6%	92.7%	100.8%	100.8%	100.8%	102.2%	102.6%	102.9%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	#####	121.8%	121.5%	105.5%	120.7%	120.7%	120.7%	135.7%	138.4%	139.8%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA' s 65(e))										
Creditors to Cash and Investments		378.1%	-354.3%	55.5%	155.7%	1066.9%	1066.9%	1066.9%	347.0%	246.8%	165.2%
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW) technical	0	0	0	0	0	0	0	0	0	0
	Total Volume Losses (kW) non technical	0	0	0	0	0	0	0	0	0	0
	Total Cost of Losses (Rand '000)	0	0	0	0	0	0	0	0	0	0
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Volumes :System input	Bulk Purchase	0	0	0	0	0	0	0	0	0	0
	Water treatment works	0	0	0	0	0	0	0	0	0	0
	Natural sources	0	0	0	0	0	0	0	0	0	0
Water Distribution Losses (2)	Total Volume Losses (kℓ)	0	0	0	0	0	0	0	0	0	0
	Total Cost of Losses (Rand '000)	0	0	0	0	0	0	0	0	0	0
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Employee costs	Employee costs/(Total Revenue - capital revenue)	-1.7%	44.5%	38.8%	37.2%	37.7%	37.7%	37.7%	37.6%	36.2%	34.9%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	-2.7%	45.9%	40.2%	38.5%	39.1%	39.1%		39.0%	37.5%	36.1%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	-0.3%	1.7%	0.6%	1.4%	0.8%	0.8%		0.8%	0.8%	0.7%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	0.0%	12.3%	11.8%	10.7%	11.7%	11.7%	11.7%	10.6%	10.0%	9.4%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	(0.0)	#####	434.1	2,676.0	2,676.0	2,676.0	694.8	742.0	762.6	824.4
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	#####	6.3%	7.1%	5.6%	20.0%	20.0%	20.0%	23.5%	33.0%	40.5%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	#####	(0.7)	5.2	0.7	0.2	0.2	0.2	0.8	1.3	2.0

2.3.1 Performance indicators and benchmarks

2.3.1.1 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. As with all other municipalities, Dawid Kruiper Municipality's borrowing strategy is primarily informed by the affordability of debt repayments. The structure of the municipality's debt portfolio is dominated by annuity loans. The following financial performance indicators have formed part of the compilation of the 2023/2024 MTREF:

- *Capital charges to operating expenditure* are a measure of the cost of borrowing in relation to the operating expenditure. It can be seen that the cost of borrowing has steadily increased. This increase can be attributed to the raising of loans to fund portions of the capital programme. While borrowing is considered a prudent financial instrument in financing capital infrastructure development, this indicator will have to be carefully monitored going forward as the municipality has reached its prudential borrowing limits. As the municipality has reached its borrowing limits, no external loans will be raised from 2023/2024 – 2025/2026.
- *Borrowing funding of own capital expenditure* measures the degree to which own capital expenditure (excluding grants and contributions) has been funded by way of borrowing.

The municipality's debt profile provides some interesting insights on the municipality's future borrowing capacity. Firstly, the use of amortising loans leads to high debt service costs at the beginning of the loan, which declines steadily towards the end of the loan's term.

In summary, various financial risks could have a negative impact on the future borrowing capacity of the municipality. In particular, the continued ability of the municipality to meet its revenue targets and ensure its forecasted cash flow targets are achieved will be critical in meeting the repayments of the debt service costs. As part of the compilation of the 2023/2024 MTREF the potential of smoothing out the debt profile over the longer term will be investigated.

2.3.1.2 *Safety of Capital*

The reason for this was that all cash-backed reserves for funding capital expenditure were depleted. It stays at 0% until 2025/2026. The medium term strategy is to steadily increase the gearing ratio to a level that does not exceed 50% as a prudential limit, hence, the

municipality will have to find ways and means to get rid of unfunded mandates and to service land for resale purposes to build up cash back reserves for capital expenditure again. Also should investment in basic services infrastructure in formal and informal areas for breaking new ground housing purposes with the municipality's own reserves be recouped from national and provincial housing funding programmes. The municipality cannot carry on borrowing funds from external sources.

2.3.1.3 *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 1, hence at no point in time should this ratio be less than 1:1. For the MTREF the current ratio is 0.5 in the 2023/2024 financial year and 0.5 for the 2024/2025 and 0.5 for 2025/2026. Going forward it will be necessary to improve these levels to the benchmark limit. This is mainly due to provisions for landfill sites, quarries and Employee Benefit Obligations.
- *The liquidity ratio* is a measure of the ability of the municipality to utilise 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. This needs to be considered a pertinent risk for the municipality as any under collection of revenue will translate into serious financial challenges for the municipality. As part of the longer term financial planning objectives this ratio will have to be set at a minimum of 1.

2.3.1.4 *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, and credit control and debt collection.

2.3.1.5 *Creditors Management*

The municipality has striven to ensure that creditors are settled within the legislated 30 days of receiving invoices. While the liquidity ratio is of concern, by applying daily cash flow management the municipality has managed to ensure that most payments comply with this legislative obligation. This has had a favourable 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.

2.3.1.6 *Other Indicators*

- Employee costs as a percentage of operating revenue increases and decreases depending on factors like the implementation of housing programmes over the past and future financial years. Another factor that affects this percentage the high increase in bulk purchases which directly increase revenue levels. National Treasury has indicated in MFMA Circular No 66 that there is no benchmark to be measured against due to all these factors influencing it.
- Similar to that of employee costs, repairs and maintenance as percentage of operating revenue is also decreasing owing directly to cost drivers such as bulk purchases increasing far above inflation. In real terms, repairs and maintenance has increased as part of the municipality's strategy to ensure the management of its asset base.

2.3.2 Free Basic Services: basic social services package for indigent households

The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of the municipality. Only registered indigents qualify for the free basic services.

In terms of the municipality's indigent policy registered households are entitled to 6 kℓ "free" water, 50 kWh "free" electricity, "free" sanitation and "free" waste removal services once a week, as well as a 100% discount on their property rates. The overall indigent subsidy per

household will be limited to R 1 000 (including VAT). National Treasury subsidise R 528.29 via the equitable share allocation and the municipality contributes a further R 471.71, which is being treated as revenue foregone.

Further detail relating to the number of households receiving free basic services, the cost of free basic services, highest level of free basic services as well as the revenue cost associated with the free basic services is contained in Table 27 MBRR A10 (Basic Service Delivery Measurement) on page 54.

Note that the number of households in informal areas that receive free services and the cost of these services (e.g. the provision of water through stand pipes, water tankers, and etcetera) are taken into account in the table noted above.

2.3.3 Providing clean water and managing waste water

The municipality is the Water Services Authority for the entire municipality in terms of the Water Services Act, 1997 and acts as water services provider. The municipality buys its raw water from Department of Water Affairs (DWA) by extracting it directly from the Orange River to purify it before distributing it to the local community.

The DWA conducts an annual performance rating of potable and waste water treatment works; presenting a Blue Drop or Green Drop award respectively to potable water treatment works and waste water treatment works that meet certain criteria of excellence.

Our purified drinking water is of exceptional quality, free of e-coli.

The following is briefly the main challenges facing the municipality in this regard:

- The infrastructure at most of the waste water treatment works is old and insufficient to treat the increased volumes of waste water to the necessary compliance standard;
- Shortage of skilled personnel makes proper operations and maintenance difficult; and
- There is a lack of proper regional catchment management, resulting in storm water entering the sewerage system.

The following are some of the steps that have been taken to address these challenges:

- Infrastructure shortcomings are being addressed through the capital budget in terms of a 5-year upgrade plan;
- The filling of vacancies has commenced and the Waste Water Division will embark on an in-house training programme, especially for operational personnel; and
- The Division is working in consultation with the Department of Water Affairs to address catchment management.

2.4 Overview of budget related-policies

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

2.4.1 Review of credit control and debt collection procedures/policies

The Customer Care, Credit Control, Debt Collection and Indigent Support Policy was approved by Council and reviewed in 2022/2023. The revised policy will be finally approved during June 2023.

As most of the indigents within the municipal area are unable to pay for municipal services because they are unemployed, the Integrated Indigent Exit Programme aims to link the registered indigent households to development, skills and job opportunities. The programme also seeks to ensure that all departments as well as external role players are actively involved in the reduction of the number of registered indigent households.

The 2023/2024 MTREF has been prepared on the basis of achieving an average debtors' collection rate of 93% on current billings. The first nine months of the 2022/2023 financial year yielded a collection rate of 95% due to government departments honouring their commitments. The municipality expects government departments to honour their past and future commitments during 2023/2024 to avoid their services being discontinued. In addition the collection of debt in excess of 90 days has been prioritised as a pertinent strategy in increasing the municipality's cash levels. In addition, the municipality's payment incentive scheme through its Writing-Off of Irrecoverable Debt Policy seems to be working and it is taking the customers out of their spiral debt. The increase in the provision for bad debt is due to the revised method used to calculate the provision in terms of GRAP 9.

2.4.2 Asset Management, Infrastructure Investment and Funding Policy

A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis. Preserving the investment in existing infrastructure needs to be considered a significant strategy in ensuring the future sustainability of infrastructure and the municipality's revenue base. Within the framework, the need for asset renewal was considered a priority and hence the capital programme, where possible, was determined based on renewal of current assets versus new asset construction.

Further, continued improvements in technology generally allows many assets to be renewed at a lesser 'real' cost than the original construction cost. Therefore, it is considered prudent to allow for a slightly lesser continual level of annual renewal than the average annual depreciation. The Asset Management, Infrastructure and Funding Policy is therefore considered a strategic guide in ensuring a sustainable approach to asset renewal, repairs and maintenance and is utilised as a guide to the selection and prioritisation of individual capital projects. In addition, the policy prescribes the accounting and administrative policies and procedures relating to property, plant and equipment (fixed assets).

2.4.3 Budget Adjustment Policy

The adjustments budget process is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the financial management practices of municipalities. To ensure that the City continues to deliver on its core mandate and achieves its developmental goals, the mid-year review and adjustment budget process will be utilised to ensure that underperforming functions are identified and funds redirected to performing functions.

2.4.4 Supply Chain Management Policy

The Supply Chain Management Policy, to allow for legislation changes, was reviewed during 2022/2023. The policy will be tabled to Council during June 2023.

2.4.5 Budget and Virement Policy

The Budget and Virement Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the municipality's system of delegations. The revised policy, in terms of MSCOA, will be tabled to Council during May 2023 for approval.

2.4.6 Cash Management and Investment Policy

The municipality's Cash Management and Investment Policy were amended by Council in June 2023. The aim of the policy is to ensure that the municipality's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves. The policy details the minimum cash and cash equivalents required at any point in time and introduce time frames to achieve certain benchmarks. The policy will be tabled to Council during May 2023.

2.4.7 Tariff Policies

The municipality's Tariff Policy provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery. The Tariff Policy, as approved by Council in June 2020, has been reviewed and changes to the policy will be approved on May 2023.

2.4.8 Property Rates Policy

The municipality's Property Rates Policy provides a broad framework within which the Council can determine property rates levies. The Tariff Policy as approved by Council in June 2020 has been reviewed. Changes to the policy will be approved during May 2023.

2.4.9 Funding and Reserves Policy

This policy aims to set standards and guidelines towards ensuring financial viability over both the short- and long term and includes funding as well as reserves requirements. The policy was approved by Council during June 2020. No changes to the policy was made.

2.4.10 Financial Modelling and Scenario Planning Policy

The Financial Modelling and Scenario Planning Policy (Financial Plan included as Annexure A to the IDP) has directly informed the compilation of the 2023/2024 MTREF with the emphasis on affordability and long-term sustainability. The policy dictates the approach to longer term financial modelling. The outcomes are then filtered into the budget process. The model and scenario planning outcomes are taken to Council every November as part of the IDP and then translate into recommendations for the budget guidelines that inform the compilation of the next MTREF. One of the salient features of the policy is the emphasis on financial sustainability. Amongst others, the following has been modelled as part of the financial modelling and scenario planning process:

- Approved 2022/2023 Adjustments Budget;
- Cash Flow Management Interventions, Initiatives and Strategies (including the cash backing of reserves);
- Economic climate and trends (i.e. Inflation, household debt levels, indigent factors, growth, recessionary implications);
- Loan and investment possibilities;
- Performance trends;
- Tariff Increases;
- The ability of the community to pay for services (affordability);
- Policy priorities;
- Improved and sustainable service delivery; and
- Debtor payment levels.

All the above policies are available on the municipality's website, as well as the following budget related policies:

- Property Rates Policy;
- Funding and Reserves Policy;
- Borrowing Policy;

- Budget Policy; and
- Basic Social Services Package (Indigent Policy).

2.5 Overview of budget assumptions

2.5.1 External factors

The *Budget Review 2022* notes received from Provincial Treasury states that the South African economy has demonstrated resilience despite unsettles international economic conditions. Global developments are likely to hold back higher growth over the short-term, resulting in gross domestic product (GDP) growth being expected to slow from 5.4% in 2024 to 5.5% in 2026. The impact of COVID-19 and the lockdown will have a long-term impact on our economy.

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

2.5.2 General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2023/2024 MTREF:

- National Government macro-economic targets;
- The general inflationary outlook and the impact on municipality's residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity and water; and
- The increase in the cost of remuneration. Employee related costs comprise 45.4% of total operating expenditure, excluding depreciation, in the 2023/2024 MTREF and therefore this increase above inflation places a disproportionate upward pressure on the expenditure budget.

2.5.3 Credit rating outlook

Table 34 Credit rating outlook

Security class	Currency	Rating	Annual rating 2023/2024	Previous Rating
Short term	Rand	N/A	N/A	N/A
Long-term	Rand	N/A	N/A	N/A
Outlook	Rand	N/A	N/A	N/A

The municipality has not been rated by a rating agency.

2.5.4 Interest rates for borrowing and investment of funds

The MFMA specifies that borrowing can only be utilised to fund capital or refinancing of borrowing in certain conditions. The municipality engages in a number of financing arrangements to minimise its interest rate costs and risk. However, for simplicity the 2023/2024 MTREF is based on the assumption that all borrowings are undertaken using fixed interest rates for amortisation-style loans requiring both regular principal and interest payments. As part of the compilation of the 2023/2024 MTREF the potential of smoothing out the debt profile over the long term will be investigated.

2.5.5 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 (95%) of annual billings. Cash flow is assumed to be 93% of billings, plus an increased collection of arrear debt from the revised collection and credit control policy. The performance of arrear collections will only be considered a source of additional cash in-flow once the performance has been carefully monitored.

2.5.6 Growth or decline in tax base of the municipality

Debtors' revenue is assumed to increase at a rate that is influenced by the consumer debtors' 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.

2.5.7 Salary increases

The percentage increase for regarding salaries / wages for the 2023/2024 are 5.4%, in terms of assumptions and historical information. Over the MTREF the municipality has provided for a cost-of-living increase of 5.0% (2024/2025), and 5.0% (2025/2026).

2.5.8 Impact of national, provincial and local policies

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

- Creating jobs;
- Enhancing education and skill development;
- Improving health services;
- Rural development and agriculture; and
- Fighting crime and corruption.

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. Unfortunately, some of these services come at a cost for the municipality since not all activities is 100% funded through funds that follow functions (unfunded mandates).

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

It is estimated that a spending rate of at least 95% is achieved on operating expenditure and 95% on the capital programme for the 2023/2024 MTREF of which performance has been factored into the cash flow budget. The municipality expects to recover 95% of its budgeted revenue.

2.6 Overview of budget funding

2.6.1 Medium-term outlook: operating revenue

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

Table 35 Breakdown of the operating revenue over the medium-term

Description	2023/24 Medium Term Revenue & Expenditure Framework					
	Budget Year 2023/24	%	Budget Year +1 2024/25	%	Budget Year +2 2025/26	%
Property rates	138,503	14.2%	145,428	13.8%	152,699	13.4%
Service charges	573,201	58.6%	631,236	59.8%	696,590	61.0%
Interest earned - external investments	1,250	0.1%	1,313	0.1%	1,378	0.1%
Transfers recognised - operational	138,434	14.1%	150,574	14.3%	161,719	14.2%
Other own revenue	127,422	13.0%	127,449	12.1%	128,755	11.3%
Total Operational Revenue (excluding capital transfers and contributions)	978,810	100.0%	1,056,000	100.0%	1,141,141	100.0%
Total Operational Expenditure	965,117		1,028,419		1,098,940	
Surplus/(Deficit)	13,693		27,581		42,201	

The following graph is a breakdown of the operational revenue per main category for the 2023/2024 financial year.

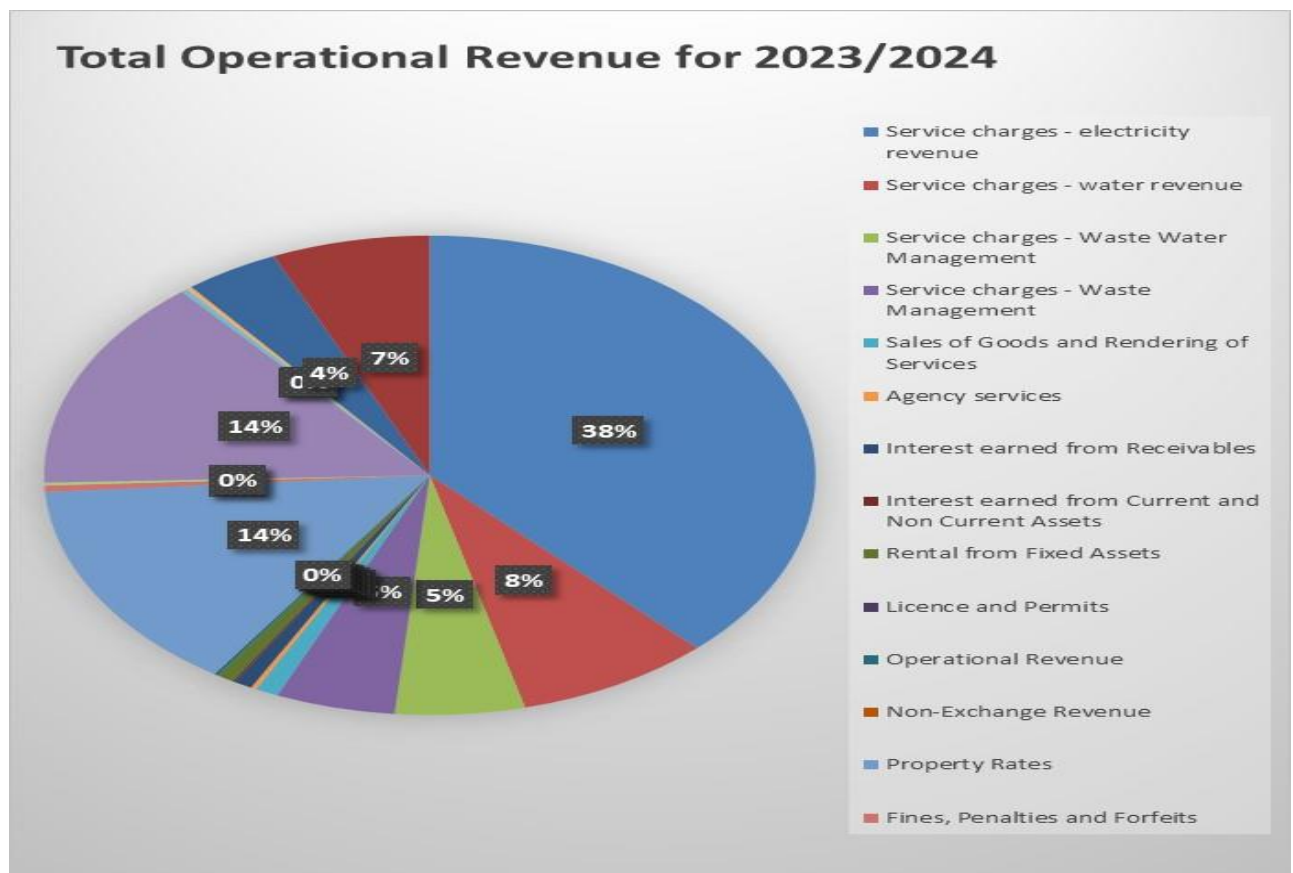


Figure 3 Breakdown of operating revenue over the 2023/2024 MTREF

For the medium-term, the funding strategy has been informed directly by ensuring financial sustainability and continuity. The MTREF therefore provides for a budgeted surplus (excluding non-cash items) of R 235.7 million (2023/2024) and R 273.7 million and R 297.6 million in the two outer years. This surplus is intended to fully fund capital expenditure from own sources as well as ensure adequate cash backing of reserves and funds.

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

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

- Growth in the municipality and economic development;
- Revenue management and enhancement;
- Achievement of a 93% annual collection rate for consumer revenue;
- National Treasury guidelines;
- Electricity tariff increases within the National Electricity Regulator of South Africa (NERSA) approval;
- Achievement of full cost recovery of specific user charges;
- Determining tariff escalation rate by establishing / calculating revenue requirements;
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA), and
- And the ability to extend new services and obtain cost recovery levels.

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

The proposed tariff increases for the 2023/2024 MTREF on the different revenue categories are:

Revenue to be generated from property rates is R 138.5 million in the 2023/2024 financial year and increases to R 152.7 million by 2025/2026 which represents 14.2% of the operating revenue base of the municipality. It remains relatively constant over the medium-term. With the implementation of the Municipal Property Rates Act the basis of rating significantly changed.

The municipality is in a process of further data verification and validation relating to the valuation roll. The new valuation roll will be implemented from 1 July 2020 and is valid for 5 years. The valuation is supplemented every year as supplementary valuations are performed. As the levying of property rates is considered strategic revenue source a further supplementary valuation process will be undertaken as necessary during the financial year. The outcome of this initiative will be closely monitored and reported on a regular basis as part of the quarterly performance reporting.

Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the municipality totalling R711.7 million for the 2023/2024 financial year and increasing to R 849.3 million by 2025/2026. For the 2023/2024 financial year services charges amount to 72.7% of the total revenue base and increase to 73.5% by 2025/2026. This increase can mainly be attributed to the increase in the bulk prices of electricity and water.

Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. Operating grants and transfers totals R 138.4 million in the 2023/2024 financial year, R 150.6 million for 2024/2025 and R 161.7 million by 2025/2026. Note that the year-on-year growth for the 2023/2024 financial year is 6.4% and 8.8% and 7.4% for the outer years. The following table gives a breakdown of the proposed tariff increases over the MTREF:

Table 36 Proposed Tariff increases over the Medium-Term

Revenue Category	2023/24 Proposed Tariff Increase	2024/25 Proposed Tariff Increase	2025/26 Proposed Tariff Increase	2023/24 Total Budgeted Revenue
	%	%	%	R'000
Property Rates	±6.00%	±5.0%	±5.0%	138,503
Electricity	±18.49%	±5.0%	±5.0%	390,188
Water	±5%	±5.0%	±5.0%	82,922
Sanitation	±6%	±5.0%	±5.0%	51,942
Refuse Removal	±5%	±5.0%	±5.0%	48,149
Total				711,704

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

Table 37 MBRR SA15 – Detail Investment Information

Investment type / R thousand	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<u>Parent municipality</u>									
Deposits - Bank	-	-	-	-	-	-	-	-	-
Municipality sub-total	-	-	-	-	-	-	-	-	-
<u>Entities</u>									
Entities sub-total	-	-	-	-	-	-	-	-	-
Consolidated total:	-	-	-	-	-	-	-	-	-

Table 38 MBRR SA16 – Investment particulars by maturity

Investments by Maturity Name of institution & investment ID	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Monetary value	Interest to be realised
	Yrs/Months				Rand thousand	
<u>Parent municipality</u>						
Not applicable - all investments qualify as cash and cash equivalents (Cash)	Months	Depositor Plus	No	Variable	-	-
Municipality sub-total					-	-
<u>Entities</u>						
Entities sub-total					-	-
TOTAL INVESTMENTS AND INTEREST					-	-

2.6.2 Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2023/2024 to 2025/2026 medium-term capital programme:

Table 39 Sources of capital revenue over the MTREF

Description / R thousand	Current Year 2022/23		2023/24 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Budget Year 2023/24	%	Budget Year +1 2024/25	%	Budget Year +2 2025/26	%
Funded by:								
National Government	94,899	58.9%	88,322	70.2%	108,648	82.9%	114,217	89.8%
Provincial Government	1,103	0.7%	–	0.0%	–	0.0%	–	0.0%
District Municipality	–	0.0%	–	0.0%	–	0.0%	–	0.0%
Other transfers and grants	45	0.0%	–	0.0%	–	0.0%	–	0.0%
Transfers recognised - capital	96,047	59.6%	88,322	70.2%	108,648	82.9%	114,217	89.8%
Borrowing	18,200	11.3%	–	0.0%	–	0.0%	–	0.0%
Internally generated funds	46,804	29.1%	37,431	29.8%	22,426	17.1%	12,968	10.2%
Total Capital Funding	161,051	100.0%	125,753	100.0%	131,074	100.0%	127,185	100.0%

Capital grants and receipts equates to 70.2% of the total funding source which represents R 88.3 million for the 2023/2024 financial year and decreases to R 108.6 million (82.9%) for 2024/2025 before increasing to R 114.2 million or 89.8% by 2025/2026.

Own funding still remains a significant funding source for the capital programme over the medium-term with an estimated R 37.4 million, R 22.4 million and R 13.0 million to be raised for each of the respective financial years.

No external borrowing has been budgeted.

Figure 4 is graphically represented as follows for the 2023/2024 financial year.

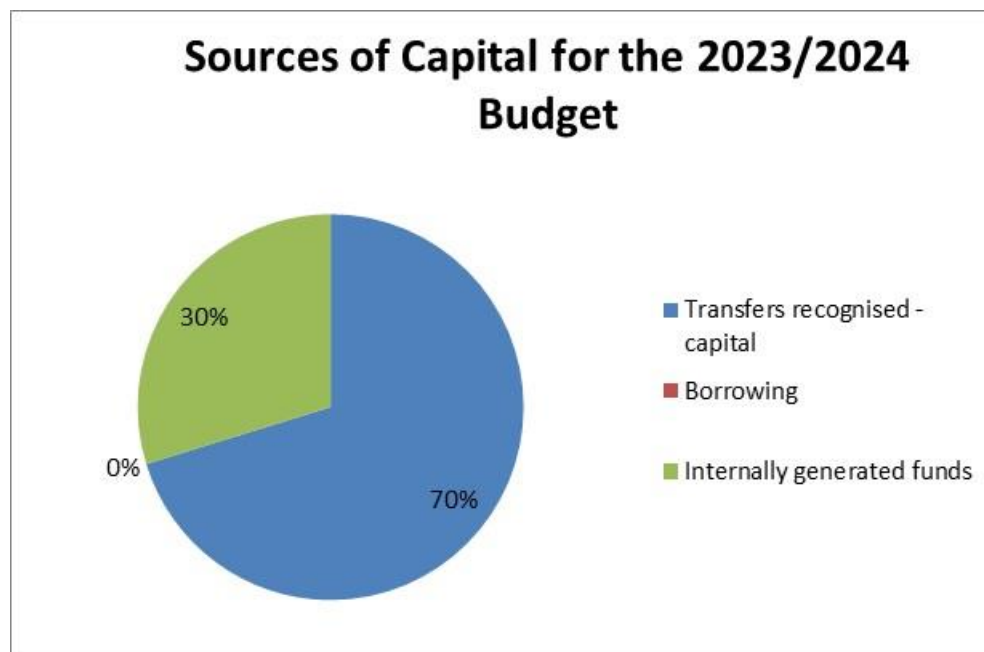


Figure 4 Sources of capital revenue for the 2023/2024 financial year

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

Table 40 MBRR Table SA 17 - Detail of borrowings

NC087 Dawid Kruiper - Supporting Table SA17 Borrowing										
Borrowing - Categorised by type	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Parent municipality										
Annuity and Bullet Loans		94,330	82,153	88,521	98,353	82,153	82,153	78,521	78,521	78,521
Municipality sub-total	1	94,330	82,153	88,521	98,353	82,153	82,153	78,521	78,521	78,521
Entities										
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Borrowing	1	94,330	82,153	88,521	98,353	82,153	82,153	78,521	78,521	78,521

Internally generated funds consist of a mixture between surpluses generated on the operating statement of financial performance and cash backed reserves. In determining the credibility of this funding source it becomes necessary to review the cash flow budget as well as the cash backed reserves and accumulated funds reconciliation, as discussed below.

Table 41 below provides more detail of the capital transfers and grant receipts.

Table 41 MBRR Table SA 18 - Capital transfers and grants receipts

NC087 Dawid Kruiper - Supporting Table SA18 Transfers and grant receipts										
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		2,604	108,023	56,348	19,403	20,226	4,073	18,510	20,771	21,791
Expanded Public Works Programme Integrated Grant		–	1,033	1,113	1,073	1,299	1,073	950	–	–
Integrated National Electrification Programme Grant		–	–	–	708	845	–	2,178	965	1,239
Local Government Financial Management Grant		–	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,138
Municipal Infrastructure Grant		2,604	–	–	4,886	4,886	–	5,039	5,299	5,512
Regional Bulk Infrastructure Grant		–	–	–	7,127	6,588	–	4,505	7,434	7,763
Neighbourhood Development Partnership Grant		–	–	–	1,957	2,700	–	1,957	2,609	2,609
Water Services Infrastructure Grant		–	–	–	652	907	–	880	1,465	1,531
Equitable Share		–	103,990	52,235	–	–	–	–	–	–
Provincial Government:		–	3,271	3,954	3,168	2,768	1,500	3,129	3,273	3,423
DeDAT		–	–	500	–	–	–	–	–	–
Housing		–	400	450	–	–	–	–	–	–
Sports, Arts and Culture		–	2,871	3,004	3,168	2,768	1,500	3,129	3,273	3,423
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	5	2,604	111,294	60,302	22,571	22,994	5,573	21,639	24,044	25,214
Capital Transfers and Grants										
National Government:		31,486	52,790	106,788	92,921	94,899	108,875	87,722	108,321	113,790
Neighbourhood Development Partnership Grant		–	10,000	20,000	13,043	18,002	26,864	13,043	17,391	17,391
Municipal Infrastructure Grant		31,486	19,990	26,323	23,297	23,500	28,183	24,251	25,169	26,184
Integrated National Electrification Programme Grant		–	7,800	25,475	4,717	3,429	7,425	14,522	6,435	8,261
Regional Bulk Infrastructure Grant		–	–	24,990	47,516	43,923	41,403	30,037	49,557	51,750
Water Services Infrastructure Grant		–	15,000	10,000	4,348	6,046	5,000	5,870	9,768	10,203
Provincial Government:		–	6,200	42,931	232	62	–	–	–	–
DeDAT		–	–	–	232	62	–	–	–	–
DeDAT		–	6,200	–	–	–	–	–	–	–
DeED		–	–	983	–	–	–	–	–	–
COGHSTA		–	–	41,948	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		18,284	2,784	–	–	–	–	–	–	–
Specify (Replace with the name of the Entity)		–	2,725	–	–	–	–	–	–	–
Specify (Replace with the name of the Entity)		–	2	–	–	–	–	–	–	–
Specify (Replace with the name of the Entity)		–	5	–	–	–	–	–	–	–
Compensation Commissioner (Compensation Fund)		18,284	–	–	–	–	–	–	–	–
Specify (Replace with the name of the Entity)		–	12	–	–	–	–	–	–	–
Specify (Replace with the name of the Entity)		–	41	–	–	–	–	–	–	–
Total Capital Transfers and Grants	5	49,770	61,774	149,719	93,153	94,961	108,875	87,722	108,321	113,790
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	52,374	173,068	210,021	115,724	117,955	114,448	109,361	132,365	139,004

2.6.3 Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understand ability for councillors 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 provided for as cash inflow based on actual performance. In other words the *actual collection rate* of billed revenue; and

- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long term borrowing (debt).

Table 42 MBRR Table A7 - Budget cash flow statement

NC087 Dawid Kruiper - Table A7 Budgeted Cash Flows											
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		–	7,316	108,246	120,070	122,554	122,554	122,554	128,808	135,248	142,010
Service charges		–	31,781	451,163	509,043	532,955	532,955	532,955	607,304	670,297	741,289
Other revenue		37,001	22,224	94,959	27,809	24,567	24,567	24,567	26,831	26,253	26,954
Transfers and Subsidies - Operational	1	–	–	72,687	132,220	129,112	129,112	129,112	138,234	150,674	161,919
Transfers and Subsidies - Capital	1	–	–	99,641	93,153	81,506	81,506	81,506	87,722	108,321	113,790
Interest		–	3	(0)	2,000	345	345	345	1,250	1,313	1,378
Dividends		–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees		(6,755)	(70,994)	(434,114)	(762,296)	(754,639)	(754,639)	(754,639)	(827,292)	(891,278)	(963,295)
Interest		–	–	–	(12,271)	(2,823)	(2,823)	(2,823)	(12,480)	(12,682)	(12,895)
Transfers and Subsidies	1	–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		30,246	(9,670)	392,581	109,728	133,578	133,578	133,578	150,377	188,144	211,150
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		–	–	196	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–
Payments											
Capital assets		–	(28,493)	(128,180)	(164,029)	(146,592)	(146,592)	(146,592)	(144,617)	(150,735)	(146,263)
NET CASH FROM/(USED) INVESTING ACTIVITIES		–	(28,493)	(127,984)	(164,029)	(146,592)	(146,592)	(146,592)	(144,617)	(150,735)	(146,263)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	14,300	16,200	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–	–
Payments											
Repayment of borrowing		–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	14,300	16,200	–	–	–	–	–	–
NET INCREASE/ (DECREASE) IN CASH HELD		30,246	(38,163)	278,897	(38,101)	(13,014)	(13,014)	(13,014)	5,760	37,409	64,888
Cash/cash equivalents at the year begin:	2	–	–	26,724	83,618	26,724	26,724	26,724	47,191	52,951	90,360
Cash/cash equivalents at the year end:	2	30,246	(38,163)	305,621	45,517	13,710	13,710	13,710	52,951	90,360	155,248

2.6.4 Cash Backed Reserves/Accumulated Surplus Reconciliation

This following table meets the requirements of MFMA Circular No 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 (cash-backed commitments > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded'. Non-compliance with section 18 is assumed because a shortfall would indirectly

indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected). It is also important to analyse trends to understand the consequences, e.g. the budget year might indicate a small surplus situation, which in itself is an appropriate outcome, but if in prior years there were much larger surpluses then this negative trend may be a concern that requires closer examination.

Table 43 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation

NC087 Dawid Kruiper - Table A8 Cash backed reserves/accumulated surplus reconciliation											
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Cash and investments available											
Cash/cash equivalents at the year end	1	30,246	(38,163)	305,621	45,517	13,710	13,710	13,710	52,951	90,360	155,248
Other current investments > 90 days		6,755	64,888	(291,302)	(120)	73,534	73,534	73,534	(0)	(0)	(0)
Non current investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		37,001	26,724	14,320	45,397	87,244	87,244	87,244	52,951	90,360	155,248
Application of cash and investments											
Trade payables from Non-exchange transactions: Other		20,710	28,824	(7,953)	400	25,552	25,552	25,552	(0)	(0)	(0)
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	7,437	2,555	9,786	9,639	24,280	24,280	24,280	8,675	10,806	12,937
Other working capital requirements	3	#####	38,039	(899,441)	(868,415)	(889,131)	(889,131)	(889,131)	(1,088,679)	(1,116,291)	(1,150,061)
Other provisions		34,986	36,992	36,242	-	36,992	36,992	36,992	20,242	20,242	20,242
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		#####	106,410	(861,365)	(858,376)	(802,306)	(802,306)	(802,306)	(1,059,762)	(1,085,243)	(1,116,882)
Surplus(shortfall)		#####	(79,686)	875,685	903,773	889,551	889,551	889,551	1,112,713	1,175,603	1,272,129

The following is a breakdown of the application of this funding:

- 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. In the past these have been allowed to 'roll-over' and be spent in the ordinary course of business, but this practice has been discontinued. For the 2023/2024 financial year the municipality will spend the entire allocation and thus no provision was made for unspent grants.
- There is no unspent borrowing from the previous financial years. In terms of the municipality's Borrowing and Investments Policy, borrowings are only drawn down once the expenditure has been incurred against the particular project. Unspent borrowing is ring-fenced and reconciled on a monthly basis to ensure no unnecessary liabilities are incurred.

- 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, as was experienced by the municipality in the past resulting in cash flow challenges. For the purpose of the cash backed reserves and accumulated surplus reconciliation a provision equivalent to one month's operational expenditure has been provided for. It needs to be noted that although this can be considered prudent, the desired cash levels should be 60 days to ensure continued liquidity of the municipality. Any underperformance in relation to collections could place upward pressure on the ability of the municipality to meet its creditor obligations.
- Other provisions (i.e. employee benefits) have been provided for in the operating budget but have not been provided for in Table 43. This was done in terms of the Funding and Reserves Policy of the municipality.
- The municipality has no long term investments that consist primarily of the sinking funds for the repayment of future borrowings.
- Most reserve fund cash-backing is discretionary in nature, but the reserve funds are not available to support a budget unless they are cash-backed. The reserve funds as well as unspent conditional grants are not fully cash-backed. Government's outstanding debt, unfunded housing projects and unfunded mandates for the past three years are increasing on a year-to-year basis. The level of cash-backing is directly informed by the municipality's cash backing policy. Dawid Kruiper Municipality has requested in writing support from National Treasury regarding the unfunded mandates which can no longer be afforded and funded by our consumers. Mr. J Hattingh wrote a letter to Provincial Treasury requesting them to assist us in order to address these issues, but no assistance or correspondence was received. The municipal manager has requested that the clinic should be taken over by Provincial Treasury. This was done during October 2014. Dawid Kruiper Municipality is also performing the Fire Brigade Services and Disaster Management Services, but the grant is being paid to ZFM. The allocation received from Department Sports, Arts and Culture is insufficient

to cover the expenditure of the libraries resulting in tariff increases above inflation to recover the costs. The same principle applies for Department of Housing. For the last 6 years the allocation has not increased from R 650 000 per year and it was decreased to R 400 000 and thereafter R 250 000.

However, from a practical perspective it would not be possible to eradicate this deficit in one financial year hence the phased approach over the MTREF. Nevertheless, from a pure cash flow perspective (cash out flow versus cash inflow) the budget is funded and is therefore credible. The challenge for the municipality will be to ensure that the underlying planning and cash flow assumptions are meticulously managed, especially the performance against the collection rate. The Municipality had an interaction with Provincial Treasury to ensure that the budget tabled to Council is funded in terms of Section 18 of the MFMA.

2.6.5 Funding compliance measurement

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

Table 44 MBRR SA10 – Funding compliance measurement

NC087 Dawid Kruiper - Table A8 Cash backed reserves/accumulated surplus reconciliation											
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Cash and investments available											
Cash/cash equivalents at the year end	1	30,246	(38,163)	305,621	45,517	13,710	13,710	13,710	52,951	90,360	155,248
Other current investments > 90 days		6,755	64,888	(291,302)	(120)	73,534	73,534	73,534	(0)	(0)	(0)
Non current Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		37,001	26,724	14,320	45,397	87,244	87,244	87,244	52,951	90,360	155,248
Application of cash and investments											
Trade payables from Non-exchange transactions: Other		20,710	28,824	(7,953)	400	25,552	25,552	25,552	(0)	(0)	(0)
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	7,437	2,555	9,786	9,639	24,280	24,280	24,280	8,675	10,806	12,937
Other working capital requirements	3	#####	38,039	(899,441)	(868,415)	(889,131)	(889,131)	(889,131)	(1,088,679)	(1,116,291)	(1,150,061)
Other provisions		34,986	36,992	36,242	-	36,992	36,992	36,992	20,242	20,242	20,242
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		#####	106,410	(861,365)	(858,376)	(802,306)	(802,306)	(802,306)	(1,059,762)	(1,085,243)	(1,116,882)
Surplus(shortfall)		#####	(79,686)	875,685	903,773	889,551	889,551	889,551	1,112,713	1,175,603	1,272,129

2.6.5.2 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 positive, for any year of the medium term budget, The forecasted cash and cash equivalents for the 2023/2024 MTREF shows R 53.0 million, R 90.4 million and R 155.2 million for each respective financial year.

2.6.5.3 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 are contained in Table 25, on page 50. 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.

2.6.5.4 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. As part of the 2023/2024 MTREF the municipalities improving cash position causes the ratio to move upwards to 0.8 and then stabilize on 2.0 by 2025/2026. As indicated above the municipality aims to achieve at least one month's cash coverage in the medium term, and then gradually move towards two months' coverage. This measure will have to be carefully monitored going forward.

2.6.5.5 *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 are 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. Dawid Kruiper Municipality did not use the depreciation method, but the revaluation method with the higher Depreciated Replacement Cost values. Therefore, the "offsetting" amount cannot be deducted in terms of GRAP 17 and a surplus will not be reflected in this statement. Dawid Kruiper Municipality has reported this issue several times with both the Auditor General and National Treasury. We are still awaiting response.

It needs to be noted that a surplus 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.

2.6.5.6 *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 etcetera.

The factor is calculated by deducting the maximum macro-economic inflation target increase (which is currently 5.5% to 6.5%). The result is intended to be an approximation of the real increase in revenue. Considering the lowest percentage tariff increase in relation to revenue generated from rates and services charges is 5.5%, with the increase in electricity at 18.49% on average it is not expected that the increase in revenue will exceed the inflation target

figures. However, the outcome is lower than it might be due to the slowdown in the economy and a reduction in consumption patterns. This trend will have to be carefully monitored and managed with the implementation of the budget.

2.6.5.7 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. It can be seen that the outcome is at 95% for each of the respective financial years. Given that the assumed collection rate was based on a 93% performance target, the cash flow statement has been conservatively determined. In addition, the risks associated with objections to the valuation roll need to be clarified and hence the conservative approach, also taking into consideration the cash flow challenges experienced in the current financial year. 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 have to be amended accordingly.

2.6.5.8 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. The provision has been appropriated at 6.0% in 2023/2024 to 5.5% in 2025/2026. Considering the debt incentive scheme and the municipality's revenue management strategy's objective to collect outstanding debtors of 90 days, the provision is well within the accepted leading practice. R 43.0 million was budgeted for the write off of bad debt and an additional R 3.0 million for the provision of bad debt.

2.6.5.9 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 0% timing discount has been factored into the cash position forecasted over the entire financial year. The municipality aims to keep this as low as possible through strict compliance with the legislative requirement that debtors be paid within 30 days and have not defaulted over the last five years.

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

The purpose of this measurement is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance. Externally funded expenditure (by transfers/grants and contributions) has been excluded. Further details relating to the borrowing strategy of the municipality can be found on page 92.

2.6.5.11 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% 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.

2.6.5.12 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 two 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 an increase settling debtor's accounts not being settled within 30 days.

2.6.5.13 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. Details of the municipality's strategy pertaining to asset management and repairs and maintenance are contained in Table 59 MBRR SA34c on page 122.

2.6.5.14 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 (since MFMA Circular 28 which was issued in December 2005) 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. Further details in this regard are contained in Table 58 MBRR SA34b on page 118.

2.7 Expenditure on grants and reconciliations of unspent funds

Table 45 MBRR SA19 - Expenditure on transfers and grant programmes

NC087 Dawid Kruiper - Supporting Table SA19 Expenditure on transfers and grant programme										
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		(5,108)	(115,792)	(73,087)	(19,403)	(20,226)	(9,537)	(18,510)	(20,771)	(21,791)
Provincial Government:		-	(2,861)	(3,830)	(2,768)	(2,788)	(1,911)	(3,129)	(3,273)	(3,423)
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		(5,108)	(118,653)	(76,917)	(22,171)	(23,014)	(11,449)	(21,639)	(24,044)	(25,214)
Capital expenditure of Transfers and Grants										
National Government:		(27,716)	(35,280)	(104,750)	(92,921)	(94,899)	(37,447)	(87,722)	(108,321)	(113,790)
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	(2,784)	-	-	(45)	-	-	-	-
Total capital expenditure of Transfers and Grants		(27,716)	(38,349)	(147,681)	(93,153)	(97,912)	(37,447)	(87,722)	(108,321)	(113,790)
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		(32,823)	(157,001)	(224,598)	(115,324)	(120,926)	(48,896)	(109,361)	(132,365)	(139,004)

Table 46 MBRR SA20 - Reconciliation between of transfers, grant receipts and unspent funds

NC087 Dawid Kruiper - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds										
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		–	1,219	762	–	138	(5,816)	–	(0)	(0)
Current year receipts		2,604	108,023	56,348	19,403	20,226	4,073	18,510	20,771	21,791
Conditions met - transferred to revenue		(5,108)	(115,792)	(73,087)	(19,403)	(20,226)	(9,537)	(18,510)	(20,771)	(21,791)
Conditions still to be met - transferred to liabilities		7,711	225,033	130,197	38,806	40,590	7,794	37,019	41,543	43,583
Provincial Government:										
Balance unspent at beginning of the year		–	–	545	–	410	669	–	–	–
Current year receipts		–	3,271	3,954	3,168	2,768	1,500	3,129	3,273	3,423
Conditions met - transferred to revenue		–	(2,861)	(3,830)	(2,768)	(2,788)	(1,911)	(3,129)	(3,273)	(3,423)
Conditions still to be met - transferred to liabilities		–	6,132	8,329	5,935	5,966	4,080	6,258	6,546	6,846
District Municipality:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Other grant providers:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Total operating transfers and grants revenue		(5,108)	(118,653)	(76,917)	(22,171)	(23,014)	(11,449)	(21,639)	(24,044)	(25,214)
Total operating transfers and grants - CTBM	2	7,711	231,165	138,526	44,741	46,557	11,874	43,277	48,089	50,429
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		7,814	18,348	26,794	–	27,117	(3,529)	–	(0)	(0)
Current year receipts		31,486	52,790	106,788	92,921	94,899	108,875	87,722	108,321	113,790
Conditions met - transferred to revenue		(27,716)	(35,280)	(104,750)	(92,921)	(94,899)	(37,447)	(87,722)	(108,321)	(113,790)
Conditions still to be met - transferred to liabilities		67,016	106,418	238,332	185,842	216,915	142,792	175,445	216,641	227,579
Provincial Government:										
Balance unspent at beginning of the year		–	1,093	674	–	808	674	–	–	–
Current year receipts		–	6,200	42,931	232	62	–	–	–	–
Conditions met - transferred to revenue		–	(285)	(42,931)	(232)	(2,967)	–	–	–	–
Conditions still to be met - transferred to liabilities		–	7,577	86,536	465	3,837	674	–	–	–
District Municipality:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Other grant providers:										
Balance unspent at beginning of the year		–	50	50	–	50	50	–	–	–
Current year receipts		18,284	2,784	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	(2,784)	–	–	(45)	–	–	–	–
Conditions still to be met - transferred to liabilities		18,284	5,619	50	–	95	50	–	–	–
Total capital transfers and grants revenue		(27,716)	(38,349)	(147,681)	(93,153)	(97,912)	(37,447)	(87,722)	(108,321)	(113,790)
Total capital transfers and grants - CTBM	2	85,299	119,614	324,918	186,307	220,848	143,516	175,445	216,641	227,579
TOTAL TRANSFERS AND GRANTS REVENUE		(32,823)	(157,001)	(224,598)	(115,324)	(120,926)	(48,896)	(109,361)	(132,365)	(139,004)
TOTAL TRANSFERS AND GRANTS - CTBM		93,011	350,779	463,443	231,048	267,405	155,390	218,722	264,730	278,008

2.8 Councillors and employee benefits

Table 47 MBRR SA22 - Summary of councillors and staff benefits

NC087 Dawid Kruiper - Supporting Table SA22 Summary councillor and staff benefits											
Summary of Employee and Councillor remuneration		Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
		1	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)											
Basic Salaries and Wages			0	3,556	3,843	4,059	–	–	–	–	–
Pension and UIF Contributions			0	674	379	718	306	306	–	–	–
Medical Aid Contributions			(0)	57	31	65	–	–	–	–	–
Motor Vehicle Allowance			–	44	18	48	70	70	–	–	–
Cellphone Allowance			–	1,250	1,201	1,394	1,366	1,366	1,346	1,400	1,456
Housing Allowances			–	–	–	–	–	–	–	–	–
Other benefits and allowances			–	6,005	6,790	6,888	11,307	11,307	11,902	12,378	12,873
Sub Total - Councillors			0	11,586	12,262	13,172	13,050	13,050	13,248	13,778	14,329
% increase	4			#####	5.8%	7.4%	(0.9%)	–	1.5%	4.0%	4.0%
Senior Managers of the Municipality											
		2									
Basic Salaries and Wages			(0)	7,235	6,419	7,584	5,921	5,921	7,206	7,494	7,794
Pension and UIF Contributions			0	511	356	546	473	473	501	521	542
Medical Aid Contributions			(0)	156	147	164	137	137	138	144	150
Overtime			–	–	–	–	–	–	–	–	–
Performance Bonus			–	870	645	1,043	861	861	1,099	1,143	1,189
Motor Vehicle Allowance	3		–	1,316	1,170	1,357	1,174	1,174	1,315	1,368	1,423
Cellphone Allowance	3		–	–	–	–	–	–	–	–	–
Housing Allowances	3		–	–	–	–	–	–	–	–	–
Other benefits and allowances	3		(0)	10	14	–	8	8	–	–	–
Payments in lieu of leave			–	–	–	–	–	–	–	–	–
Long service awards			–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6		–	–	–	–	–	–	–	–	–
Entertainment			–	–	–	–	–	–	–	–	–
Scarcity			–	–	–	–	–	–	–	–	–
Acting and post related allowance			–	–	–	–	–	–	–	–	–
In kind benefits			–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality			(0)	10,098	8,751	10,693	8,573	8,573	10,260	10,670	11,097
% increase	4			#####	(13.3%)	22.2%	(19.8%)	–	19.7%	4.0%	4.0%
Other Municipal Staff											
Basic Salaries and Wages			0	206,411	203,273	218,239	200,729	200,729	225,570	234,037	243,406
Pension and UIF Contributions			(0)	40,096	40,497	44,427	40,617	40,617	40,053	41,648	43,314
Medical Aid Contributions			0	27,442	20,239	25,265	22,426	22,426	23,555	24,497	25,510
Overtime			0	22,336	24,591	22,808	30,518	30,518	29,554	30,736	31,966
Performance Bonus			–	16,761	16,855	16,942	16,942	16,942	17,973	18,595	19,339
Motor Vehicle Allowance	3		(0)	4,820	5,574	4,966	5,427	5,427	5,371	5,586	5,809
Cellphone Allowance	3		–	0	–	–	–	–	–	–	–
Housing Allowances	3		0	1,925	446	437	418	418	429	447	464
Other benefits and allowances	3		(0)	5,409	5,243	5,190	4,895	4,895	5,977	6,216	6,465
Payments in lieu of leave			–	–	–	–	–	–	–	–	–
Long service awards			–	5,069	2,711	2,613	2,693	2,693	2,613	2,717	2,839
Post-retirement benefit obligations	6		–	7,534	9,796	6,270	6,270	6,270	6,270	6,521	6,814
Entertainment			–	–	–	–	–	–	–	–	–
Scarcity			–	–	–	–	–	–	–	–	–
Acting and post related allowance			0	1,396	1,619	–	1,072	1,072	704	732	761
In kind benefits			–	–	–	–	–	–	–	–	–
Sub Total - Other Municipal Staff			0	339,199	330,843	347,158	332,008	332,008	358,070	371,732	386,688
% increase	4			#####	(2.5%)	4.9%	(4.4%)	–	7.8%	3.8%	4.0%
Total Parent Municipality			0	360,883	351,856	371,023	353,631	353,631	381,577	396,180	412,114

**Table 48 MBRR SA23 - Salaries, allowances and benefits
(Political office bearers/councillors/ senior managers)**

NC087 Dawid Kruiper - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)								
Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4	-	-	-	-	-	-	-
Chief Whip		-	-	-	-	-	-	-
Executive Mayor		-	-	-	-	-	-	-
Deputy Executive Mayor		-	-	-	-	-	-	-
Executive Committee		-	-	-	-	-	-	-
Total for all other councillors		-	-	-	-	-	-	-
Total Councillors	8	-	-	-	-	-	-	-
Senior Managers of the Municipality	5							
Municipal Manager (MM)		-	-	-	-	-	-	-
Chief Finance Officer		-	-	-	-	-	-	-
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	-	-	-	-	-	-	-

Table 49 MBRR SA24 – Summary of personnel numbers

NC087 Dawid Kruiper - Supporting Table SA24 Summary of personnel numbers										
Summary of Personnel Numbers	Ref	2021/22			Current Year 2022/23			Budget Year 2023/24		
Number	1,2	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)		-	-	-	-	-	-	-	-	-
Board Members of municipal entities	4	-	-	-	-	-	-	-	-	-
Municipal employees	5	-	-	-	-	-	-	-	-	-
Municipal Manager and Senior Managers	3	-	-	-	-	-	-	-	-	-
Other Managers	7	-	-	-	-	-	-	-	-	-
Professionals		-	-	-	-	-	-	-	-	-
Finance		-	-	-	-	-	-	-	-	-
Spatial/town planning		-	-	-	-	-	-	-	-	-
Information Technology		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Technicians		-	-	-	-	-	-	-	-	-
Finance		-	-	-	-	-	-	-	-	-
Spatial/town planning		-	-	-	-	-	-	-	-	-
Information Technology		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Clerks (Clerical and administrative)		-	-	-	-	-	-	-	-	-
Service and sales workers		-	-	-	-	-	-	-	-	-
Skilled agricultural and fishery workers		-	-	-	-	-	-	-	-	-
Craft and related trades		-	-	-	-	-	-	-	-	-
Plant and Machine Operators		-	-	-	-	-	-	-	-	-
Elementary Occupations		-	-	-	-	-	-	-	-	-
TOTAL PERSONNEL NUMBERS	9	-	-	-	-	-	-	-	-	-
% increase										
Total municipal employees headcount	6, 10	-	-	-	-	-	-	-	-	-
Finance personnel headcount	8, 10	-	-	-	-	-	-	-	-	-

2.9 Monthly targets for revenue, expenditure and cash flow

Table 50 MBRR SA25 - Budgeted monthly revenue and expenditure

NC087 Dawid Kruiper - Supporting Table SA25 Budgeted monthly revenue and expenditure																	
Description		Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
R thousand			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue																	
Exchange Revenue																	
Service charges - Electricity			32,516	32,516	32,516	32,516	32,516	32,516	32,516	32,516	32,516	32,516	32,516	32,516	390,188	439,740	495,584
Service charges - Water			6,910	6,910	6,910	6,910	6,910	6,910	6,910	6,910	6,910	6,910	6,910	6,910	82,922	86,803	90,843
Service charges - Waste Water Management			4,328	4,328	4,328	4,328	4,328	4,328	4,328	4,328	4,328	4,328	4,328	4,328	51,942	53,993	56,413
Service charges - Waste Management			4,012	4,012	4,012	4,012	4,012	4,012	4,012	4,012	4,012	4,012	4,012	4,012	48,149	50,700	53,750
Sale of Goods and Rendering of Services			702	702	702	702	702	702	702	702	702	702	702	702	8,426	8,573	8,837
Agency services			227	227	227	227	227	227	227	227	227	227	227	227	2,725	2,335	2,335
Interest			—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Interest earned from Receivables			583	583	583	583	583	583	583	583	583	583	583	583	7,000	7,350	7,718
Interest earned from Current and Non Current Assets			104	104	104	104	104	104	104	104	104	104	104	104	1,250	1,313	1,378
Dividends			—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Rent on Land			—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Rental from Fixed Assets			631	631	631	631	631	631	631	631	631	631	631	631	7,572	7,210	7,306
Licence and permits			—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Operational Revenue			115	115	115	115	115	115	115	115	115	115	115	115	1,375	1,412	1,462
Non-Exchange Revenue																	
Property rates			11,542	11,542	11,542	11,542	11,542	11,542	11,542	11,542	11,542	11,542	11,542	11,542	138,503	145,428	152,699
Surcharges and Taxes			—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits			390	390	390	390	390	390	390	390	390	390	390	390	4,683	4,544	4,737
Licences or permits			157	157	157	157	157	157	157	157	157	157	157	157	1,889	2,023	2,090
Transfer and subsidies - Operational			11,536	11,536	11,536	11,536	11,536	11,536	11,536	11,536	11,536	11,536	11,536	11,536	138,434	150,574	161,719
Interest			208	208	208	208	208	208	208	208	208	208	208	208	2,500	2,625	2,756
Fuel Levy			—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Operational Revenue			185	185	185	185	185	185	185	185	185	185	185	185	2,217	2,376	2,513
Gains on disposal of Assets			417	417	417	417	417	417	417	417	417	417	417	417	5,000	5,000	5,000
Other Gains			7,003	7,003	7,003	7,003	7,003	7,003	7,003	7,003	7,003	7,003	7,003	7,003	84,035	84,000	84,000
Discontinued Operations			—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)			81,568	81,568	81,568	81,568	81,568	81,568	81,568	81,568	81,568	81,568	81,568	81,567	978,810	1,056,000	1,141,141
Expenditure																	
Employee related costs			30,694	30,694	30,694	30,694	30,694	30,694	30,694	30,694	30,694	30,694	30,694	30,694	368,329	382,402	397,785
Remuneration of councillors			1,104	1,104	1,104	1,104	1,104	1,104	1,104	1,104	1,104	1,104	1,104	1,104	13,248	13,778	14,329
Bulk purchases - electricity			24,933	24,933	24,933	24,933	24,933	24,933	24,933	24,933	24,933	24,933	24,933	24,933	299,200	337,198	380,023
Inventory consumed			3,350	3,350	3,350	3,350	3,350	3,350	3,350	3,350	3,350	3,350	3,350	3,350	40,205	41,908	43,686
Debt impairment			3,583	3,583	3,583	3,583	3,583	3,583	3,583	3,583	3,583	3,583	3,583	3,583	43,000	44,400	46,320
Depreciation and amortisation			7,604	7,604	7,604	7,604	7,604	7,604	7,604	7,604	7,604	7,604	7,604	7,604	91,247	93,074	94,937
Interest			1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	12,480	12,683	12,895
Contracted services			2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	28,801	29,969	31,206
Transfers and subsidies			90	90	90	90	90	90	90	90	90	90	90	90	1,075	1,108	1,157
Irrecoverable debts written off			250	250	250	250	250	250	250	250	250	250	250	250	3,000	3,150	3,500
Operational costs			5,244	5,244	5,244	5,244	5,244	5,244	5,244	5,244	5,244	5,244	5,244	5,244	62,931	66,549	70,801
Losses on disposal of Assets			133	133	133	133	133	133	133	133	133	133	133	133	1,600	2,200	2,300
Other Losses			—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Expenditure			80,426	80,426	80,426	80,426	80,426	80,426	80,426	80,426	80,426	80,426	80,426	80,426	965,117	1,028,419	1,098,940
Surplus/(Deficit)			1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	1,141	13,693	27,582	42,201
Transfers and subsidies - capital (monetary allocations)			7,310	7,310	7,310	7,310	7,310	7,310	7,310	7,310	7,310	7,310	7,310	7,310	87,722	108,621	114,190
Transfers and subsidies - capital (in-kind)			—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions			8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,452	101,416	136,202	156,391
Income Tax			—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after income tax			8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,452	101,416	136,202	156,391
Share of Surplus/Deficit attributable to Joint Venture			—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Share of Surplus/Deficit attributable to Minorities			—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) attributable to municipality			8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,452	101,416	136,202	156,391
Share of Surplus/Deficit attributable to Associate			—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Intercompany/Parent subsidiary transactions			—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) for the year		1	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,452	101,416	136,202	156,391

Table 51 MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)

NC087 Dawid Kruiper - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)																
Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue by Vote																
Vote 1 - MUNICIPAL MANAGER		2,003	2,003	2,003	2,003	2,003	2,003	2,003	2,003	2,003	2,003	2,003	2,003	24,035	25,000	25,000
Vote 2 - CORPORATE SERVICES		5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	5,571	66,849	65,456	65,535
Vote 3 - FINANCIAL SERVICES		22,495	22,495	22,495	22,495	22,495	22,495	22,495	22,495	22,495	22,495	22,495	22,495	269,943	287,495	305,601
Vote 4 - COMMUNITY SERVICES		5,097	5,097	5,097	5,097	5,097	5,097	5,097	5,097	5,097	5,097	5,097	5,097	61,170	63,510	66,963
Vote 5 - TECHNICAL DIRECTOR		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - ELECTRO-MECHANICAL SERVICES		33,981	33,981	33,981	33,981	33,981	33,981	33,981	33,981	33,981	33,981	33,981	33,981	407,773	448,132	506,189
Vote 7 - CIVIL ENGINEERING SERVICES		16,163	16,163	16,163	16,163	16,163	16,163	16,163	16,163	16,163	16,163	16,163	16,163	193,956	230,970	240,523
Vote 8 - DEVELOPMENT AND PLANNING SERVICES		3,567	3,567	3,567	3,567	3,567	3,567	3,567	3,567	3,567	3,567	3,567	3,567	42,807	44,058	45,519
Vote 9 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote		88,878	88,878	88,878	88,878	88,878	88,878	88,878	88,878	88,878	88,878	88,878	88,878	1,066,532	1,164,621	1,255,331
Expenditure by Vote to be appropriated																
Vote 1 - MUNICIPAL MANAGER		4,788	4,788	4,788	4,788	4,788	4,788	4,788	4,788	4,788	4,788	4,788	4,788	57,461	59,758	62,229
Vote 2 - CORPORATE SERVICES		3,634	3,634	3,634	3,634	3,634	3,634	3,634	3,634	3,634	3,634	3,634	3,634	43,606	45,304	47,095
Vote 3 - FINANCIAL SERVICES		10,759	10,759	10,759	10,759	10,759	10,759	10,759	10,759	10,759	10,759	10,759	10,759	129,113	134,312	140,187
Vote 4 - COMMUNITY SERVICES		12,206	12,206	12,206	12,206	12,206	12,206	12,206	12,206	12,206	12,206	12,206	12,206	146,474	152,484	158,761
Vote 5 - TECHNICAL DIRECTOR		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - ELECTRO-MECHANICAL SERVICES		32,860	32,860	32,860	32,860	32,860	32,860	32,860	32,860	32,860	32,860	32,860	32,860	394,315	436,249	483,246
Vote 7 - CIVIL ENGINEERING SERVICES		14,101	14,101	14,101	14,101	14,101	14,101	14,101	14,101	14,101	14,101	14,101	14,101	169,215	174,927	180,865
Vote 8 - DEVELOPMENT AND PLANNING SERVICES		2,078	2,078	2,078	2,078	2,078	2,078	2,078	2,078	2,078	2,078	2,078	2,078	24,933	25,385	26,558
Vote 9 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote		80,426	80,426	80,426	80,426	80,426	80,426	80,426	80,426	80,426	80,426	80,426	80,426	965,117	1,028,419	1,098,940
Surplus/(Deficit) before assoc.		8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,452	101,416	136,202	156,391
Income Tax		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,452	101,416	136,202	156,391

Table 52 MBRR SA27 - Budgeted monthly revenue and expenditure (standard classification)

NC087 Dawid Kruiper - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)																
Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue - Functional																
Governance and administration		30,425	30,425	30,425	30,425	30,425	30,425	30,425	30,425	30,425	30,425	30,425	30,425	365,097	382,205	400,377
Executive and council		2,003	2,003	2,003	2,003	2,003	2,003	2,003	2,003	2,003	2,003	2,003	2,003	24,035	25,000	25,000
Finance and administration		28,422	28,422	28,422	28,422	28,422	28,422	28,422	28,422	28,422	28,422	28,422	28,422	341,062	357,205	375,377
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		1,231	1,231	1,231	1,231	1,231	1,231	1,231	1,231	1,231	1,231	1,231	1,231	14,776	14,582	14,999
Community and social services		349	349	349	349	349	349	349	349	349	349	349	349	4,186	4,386	4,560
Sport and recreation		131	131	131	131	131	131	131	131	131	131	131	131	1,573	1,618	1,645
Public safety		735	735	735	735	735	735	735	735	735	735	735	735	8,817	8,378	8,593
Housing		17	17	17	17	17	17	17	17	17	17	17	17	200	200	200
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		3,113	3,113	3,113	3,113	3,113	3,113	3,113	3,113	3,113	3,113	3,113	3,113	37,357	38,132	39,593
Planning and development		3,073	3,073	3,073	3,073	3,073	3,073	3,073	3,073	3,073	3,073	3,073	3,073	36,882	38,132	39,593
Road transport		40	40	40	40	40	40	40	40	40	40	40	40	475	–	–
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		54,109	54,109	54,109	54,109	54,109	54,109	54,109	54,109	54,109	54,109	54,109	54,109	649,303	729,702	800,362
Energy sources		33,981	33,981	33,981	33,981	33,981	33,981	33,981	33,981	33,981	33,981	33,981	33,981	407,773	448,132	506,189
Water management		7,566	7,566	7,566	7,566	7,566	7,566	7,566	7,566	7,566	7,566	7,566	7,566	90,797	98,736	103,297
Waste water management		8,549	8,549	8,549	8,549	8,549	8,549	8,549	8,549	8,549	8,549	8,549	8,549	102,584	132,134	137,126
Waste management		4,012	4,012	4,012	4,012	4,012	4,012	4,012	4,012	4,012	4,012	4,012	4,012	48,149	50,700	53,750
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue - Functional		88,878	88,878	88,878	88,878	88,878	88,878	88,878	88,878	88,878	88,878	88,878	88,878	1,066,532	1,164,621	1,255,331
Expenditure - Functional																
Governance and administration		26,093	26,093	26,093	26,093	26,093	26,093	26,093	26,093	26,093	26,093	26,093	26,093	313,118	325,079	338,623
Executive and council		4,606	4,606	4,606	4,606	4,606	4,606	4,606	4,606	4,606	4,606	4,606	4,606	55,269	57,474	59,850
Finance and administration		21,114	21,114	21,114	21,114	21,114	21,114	21,114	21,114	21,114	21,114	21,114	21,113	253,363	262,937	273,918
Internal audit		374	374	374	374	374	374	374	374	374	374	374	374	4,486	4,667	4,855
Community and public safety		7,972	7,972	7,972	7,972	7,972	7,972	7,972	7,972	7,972	7,972	7,972	7,972	95,668	99,763	104,016
Community and social services		1,215	1,215	1,215	1,215	1,215	1,215	1,215	1,215	1,215	1,215	1,215	1,215	14,584	15,169	15,789
Sport and recreation		2,561	2,561	2,561	2,561	2,561	2,561	2,561	2,561	2,561	2,561	2,561	2,561	30,732	31,898	33,109
Public safety		3,755	3,755	3,755	3,755	3,755	3,755	3,755	3,755	3,755	3,755	3,755	3,755	45,055	47,195	49,405
Housing		441	441	441	441	441	441	441	441	441	441	441	441	5,297	5,501	5,713
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		5,254	5,254	5,254	5,254	5,254	5,254	5,254	5,254	5,254	5,254	5,254	5,254	63,047	64,958	67,141
Planning and development		1,334	1,334	1,334	1,334	1,334	1,334	1,334	1,334	1,334	1,334	1,334	1,334	16,011	16,630	17,467
Road transport		3,920	3,920	3,920	3,920	3,920	3,920	3,920	3,920	3,920	3,920	3,920	3,920	47,036	48,328	49,675
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		40,779	40,779	40,779	40,779	40,779	40,779	40,779	40,779	40,779	40,779	40,779	40,779	489,350	534,528	584,906
Energy sources		29,137	29,137	29,137	29,137	29,137	29,137	29,137	29,137	29,137	29,137	29,137	29,137	349,639	389,843	435,046
Water management		5,845	5,845	5,845	5,845	5,845	5,845	5,845	5,845	5,845	5,845	5,845	5,845	70,140	72,593	75,141
Waste water management		3,284	3,284	3,284	3,284	3,284	3,284	3,284	3,284	3,284	3,284	3,284	3,284	39,411	40,854	42,353
Waste management		2,513	2,513	2,513	2,513	2,513	2,513	2,513	2,513	2,513	2,513	2,513	2,513	30,160	31,238	32,366
Other		328	328	328	328	328	328	328	328	328	328	328	328	3,934	4,091	4,254
Total Expenditure - Functional		80,426	80,426	80,426	80,426	80,426	80,426	80,426	80,426	80,426	80,426	80,426	80,426	965,117	1,028,419	1,098,940
Surplus/(Deficit) before assoc.		8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,452	101,416	136,202	156,391
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,451	8,452	101,416	136,202	156,391

Table 53 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

NC087 Dawid Kruiper - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)																
Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Multi-year expenditure to be appropriated	1															
Vote 1 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - TECHNICAL DIRECTOR		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - ELECTRO-MECHANICAL SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - CIVIL ENGINEERING SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - DEVELOPMENT AND PLANNING SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated																
Vote 1 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		59	59	59	59	59	59	59	59	59	59	59	59	708	238	150
Vote 3 - FINANCIAL SERVICES		209	209	209	209	209	209	209	209	209	209	209	209	2,505	1,355	1,455
Vote 4 - COMMUNITY SERVICES		35	35	35	35	35	35	35	35	35	35	35	35	416	-	-
Vote 5 - TECHNICAL DIRECTOR		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - ELECTRO-MECHANICAL SERVICES		3,281	3,281	3,281	3,281	3,281	3,281	3,281	3,281	3,281	3,281	3,281	3,281	39,374	14,935	8,261
Vote 7 - CIVIL ENGINEERING SERVICES		4,875	4,875	4,875	4,875	4,875	4,875	4,875	4,875	4,875	4,875	4,875	4,875	58,500	89,350	91,108
Vote 8 - DEVELOPMENT AND PLANNING SERVICES		2,021	2,021	2,021	2,021	2,021	2,021	2,021	2,021	2,021	2,021	2,021	2,021	24,251	25,197	26,211
Vote 9 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2	10,479	10,479	10,479	10,479	10,479	10,479	10,479	10,479	10,479	10,479	10,479	10,479	125,754	131,074	127,185
Total Capital Expenditure	2	10,479	10,479	10,479	10,479	10,479	10,479	10,479	10,479	10,479	10,479	10,479	10,479	125,754	131,074	127,185

Table 54 MBRR SA29 - Budgeted monthly capital expenditure (standard classification)

NC087 Dawid Kruiper - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)																							
Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework									
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26							
Capital Expenditure - Functional	1																						
Governance and administration		964	964	964	964	964	964	964	964	964	964	964	964	11,573	4,093	1,605							
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							
Finance and administration		964	964	964	964	964	964	964	964	964	964	964	964	11,573	4,093	1,605							
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							
Community and public safety		35	35	35	35	35	35	35	35	35	35	35	35	416	-	-							
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							
Sport and recreation		1	1	1	1	1	1	1	1	1	1	1	1	9	-	-							
Public safety		34	34	34	34	34	34	34	34	34	34	34	34	407	-	-							
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							
Economic and environmental services		2,969	2,969	2,969	2,969	2,969	2,969	2,969	2,969	2,969	2,969	2,969	2,969	35,634	41,240	42,255							
Planning and development		2,021	2,021	2,021	2,021	2,021	2,021	2,021	2,021	2,021	2,021	2,021	2,021	24,251	25,197	26,211							
Road transport		949	949	949	949	949	949	949	949	949	949	949	949	11,383	16,043	16,043							
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							
Trading services		6,511	6,511	6,511	6,511	6,511	6,511	6,511	6,511	6,511	6,511	6,511	6,511	78,131	85,741	83,325							
Energy sources		2,585	2,585	2,585	2,585	2,585	2,585	2,585	2,585	2,585	2,585	2,585	2,585	31,014	12,435	8,261							
Water management		1,173	1,173	1,173	1,173	1,173	1,173	1,173	1,173	1,173	1,173	1,173	1,173	14,080	15,316	15,551							
Waste water management		2,753	2,753	2,753	2,753	2,753	2,753	2,753	2,753	2,753	2,753	2,753	2,753	33,037	57,991	59,513							
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							
Total Capital Expenditure - Functional	2	10,479	10,479	10,479	10,479	10,479	10,479	10,479	10,479	10,479	10,479	10,479	10,479	125,754	131,074	127,185							
Funded by:																							
National Government		7,360	7,360	7,360	7,360	7,360	7,360	7,360	7,360	7,360	7,360	7,360	7,360	88,322	108,648	114,217							
Provincial Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							
Transfers recognised - capital		7,360	7,360	7,360	7,360	7,360	7,360	7,360	7,360	7,360	7,360	7,360	7,360	88,322	108,648	114,217							
Borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							
Internally generated funds		3,119	3,119	3,119	3,119	3,119	3,119	3,119	3,119	3,119	3,119	3,119	3,119	37,431	22,426	12,968							
Total Capital Funding		10,479	10,479	10,479	10,479	10,479	10,479	10,479	10,479	10,479	10,479	10,479	10,479	125,754	131,074	127,185							

Table 55 MBRR SA30 - Budgeted monthly cash flow

NC087 Dawid Kruiper - Supporting Table SA30 Budgeted monthly cash flow															
MONTHLY CASH FLOWS	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand															
Cash Receipts By Source													1		
Property rates	10,734	10,734	10,734	10,734	10,734	10,734	10,734	10,734	10,734	10,734	10,734	10,734	128,808	135,248	142,010
Service charges - electricity revenue	35,890	35,890	35,890	35,890	35,890	35,890	35,890	35,890	35,890	35,890	35,890	35,890	430,684	485,379	547,018
Service charges - water revenue	7,448	7,448	7,448	7,448	7,448	7,448	7,448	7,448	7,448	7,448	7,448	7,448	89,380	93,584	97,927
Service charges - sanitation revenue	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	2,900	34,805	36,068	37,677
Service charges - refuse revenue	4,370	4,370	4,370	4,370	4,370	4,370	4,370	4,370	4,370	4,370	4,370	4,370	52,435	55,266	58,667
Rental of facilities and equipment	574	574	574	574	574	574	574	574	574	574	574	574	6,888	6,492	6,586
Interest earned - external investments	104	104	104	104	104	104	104	104	104	104	104	104	1,250	1,313	1,378
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	382	382	382	382	382	382	382	382	382	382	382	382	4,587	4,448	4,640
Licences and permits	157	157	157	157	157	157	157	157	157	157	157	157	1,889	2,023	2,090
Agency services	227	227	227	227	227	227	227	227	227	227	227	227	2,725	2,335	2,335
Transfers and Subsidies - Operational	11,519	11,519	11,519	11,519	11,519	11,519	11,519	11,519	11,519	11,519	11,519	11,519	138,234	150,674	161,919
Other revenue	895	895	895	895	895	895	895	895	895	895	895	895	10,743	10,955	11,302
Cash Receipts by Source	75,202	75,202	75,202	75,202	75,202	75,202	75,202	75,202	75,202	75,202	75,202	75,202	902,426	983,784	1,073,551
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	7,310	7,310	7,310	7,310	7,310	7,310	7,310	7,310	7,310	7,310	7,310	7,310	87,722	108,321	113,790
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	82,512	82,512	82,512	82,512	82,512	82,512	82,512	82,512	82,512	82,512	82,512	82,512	990,149	1,092,105	1,187,340
Cash Payments by Type															
Employee related costs	29,418	29,418	29,418	29,418	29,418	29,418	29,418	29,418	29,418	29,418	29,418	29,418	353,018	366,440	381,089
Remuneration of councillors	1,104	1,104	1,104	1,104	1,104	1,104	1,104	1,104	1,104	1,104	1,104	1,104	13,248	13,778	14,329
Interest	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	12,480	12,682	12,895
Bulk purchases - electricity	26,173	26,173	26,173	26,173	26,173	26,173	26,173	26,173	26,173	26,173	26,173	26,173	314,080	357,778	407,026
Acquisitions - water & other inventory	3,298	3,298	3,298	3,298	3,298	3,298	3,298	3,298	3,298	3,298	3,298	3,298	39,577	41,299	43,071
Contracted services	2,760	2,760	2,760	2,760	2,760	2,760	2,760	2,760	2,760	2,760	2,760	2,760	33,122	34,464	35,887
Transfers and subsidies - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	5,237	5,237	5,237	5,237	5,237	5,237	5,237	5,237	5,237	5,237	5,237	5,237	62,842	66,115	70,488
Cash Payments by Type	69,031	69,031	69,031	69,031	69,031	69,031	69,031	69,031	69,031	69,031	69,031	69,031	828,367	892,556	964,785
Other Cash Flows/Payments by Type															
Capital assets	12,051	12,051	12,051	12,051	12,051	12,051	12,051	12,051	12,051	12,051	12,051	12,051	144,617	150,735	146,263
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	950	950	950	950	950	950	950	950	950	950	950	950	11,405	11,405	11,405
Total Cash Payments by Type	82,032	82,032	82,032	82,032	82,032	82,032	82,032	82,032	82,032	82,032	82,032	82,032	984,389	1,054,696	1,122,453
NET INCREASE/(DECREASE) IN CASH HELD	480	480	480	480	480	480	480	480	480	480	480	480	5,760	37,409	64,888
Cash/cash equivalents at the month/year begin:	47,191	47,671	48,151	48,631	49,111	49,591	50,071	50,551	51,031	51,511	51,991	52,471	47,191	52,951	90,360
Cash/cash equivalents at the month/year end:	47,671	48,151	48,631	49,111	49,591	50,071	50,551	51,031	51,511	51,991	52,471	52,951	52,951	90,360	155,248

2.10 Annual budgets and SDBIPs – internal departments

2.10.1 Water Services Department – Vote 7

The department is primarily responsible for the distribution of potable water within the municipal boundary, which includes the purification of raw water, maintenance of the reticulation network and implementation of the departmental capital programme.

**Table 56 Water Services Department –
Operating revenue by source, expenditure by type and total capital expenditure**

Description / R thousand	2023/24 Medium Term Revenue & Expenditure Framework		
	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue By Source			
Service charges - water revenue	82,922	86,803	90,843
Operational Grants - Transferred to Revenue	7,400	11,933	12,454
Total Revenue (excluding capital transfers and contributions)	90,322	98,736	103,297
Expenditure By Type			
Employee related costs	26,039	27,080	28,163
Depreciation & asset impairment	17,543	17,893	18,251
Finance charges	2,189	2,189	2,189
Inventory Consumed	7,571	7,904	8,228
Contracted services	2,110	2,215	2,326
Other expenditure	2,460	2,558	2,672
Total Expenditure	57,911	59,840	61,830
Surplus/(Deficit)	32,411	38,895	41,467
Gains and Losses	(1,600)	(2,200)	(2,300)
Surplus/(Deficit) for the year	30,811	36,695	39,167

Table 57 Water Services Department – Performance objectives and indicators

Key Performance Element	Key Performance Indicator (KPI)	Annual Target	Quarter 1 - Target	Quarter 2 - Target	Quarter 3 - Target	Quarter 4 - Target
Strategic Objective: Basic Service Delivery						
Water Distribution	New meter connections - % of requests executed	100%	100%	100%	100%	100%
	Attend to leaks, bursts and queries - % of requests attended to	95%	95%	95%	95%	95%
	Prepaid Meters installed - % of requests executed	100%	100%	100%	100%	100%
	Meter replacements - % of faulty meters replaced	100%	100%	100%	100%	100%
Water Purification	Purify raw water compliant with blue drop status	95%	N/A	N/A	N/A	95%

Water services consist of 2 divisions within the sub-directorate; civil engineering services. As part of the performance objectives for the 2023/2024 financial year, the expansion of the functional water distribution unit will, in terms of the management of the pre-paid meters, require the subsequent filling of vacancies.

Significant capital projects to be undertaken over the medium term includes, amongst others:

- Installation of Watermeters – R 1.9 million

The total needs are far greater than the available financial resources.

The departmental strategy is ensuring the economic value and useful life of the water reticulation network and infrastructure is maintained. To this end, the medium-term expenditure framework provides for operational repairs and maintenance of R 3.5 million, R 3.7 million and R 3.8 million in each of the respective financial years of the MTREF.

The departmental revenue base is primarily informed by the sale of water of which budget appropriation for the 2023/2024 financial year is R 82.9 million and increases to R 90.8 million by 2025/2026 and has been informed by a collection rate of 93.0% and distribution losses of over 40%. The reduction of distribution losses is considered a priority and hence the departmental objectives and targets provide for an efficiency gain per annum.

2.11 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.

2.12 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, upgrading of assets and finally on the repair and maintenance of assets.

Table 58 MBRR SA34a - Capital expenditure on new assets by asset class

NC087 Dawid Kruiper - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		1,213,001	42,262	128,420	103,782	97,236	97,236	70,698	85,638	96,958
Roads Infrastructure		1,183,228	16,749	28,830	8,180	7,416	7,416	9,257	5,561	8,892
Roads		-	-	-	-	-	-	-	-	-
Road Structures		1,183,128	16,749	26,650	8,030	7,266	7,266	9,107	5,561	8,892
Road Furniture		101	-	2,180	150	150	150	150	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		15,658	18,748	34,326	28,179	34,246	34,246	27,387	15,130	15,176
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	6,000	7,200	4,058	4,058	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	50	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		15,658	18,748	28,326	20,979	30,188	30,188	27,337	15,130	15,176
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		3,278	5,153	20,306	7,524	5,866	5,866	968	6,957	13,376
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		865	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	344	-	-	566	566	-	-	-
Water Treatment Works		-	-	2,463	450	1,755	1,755	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	2,674	-	-	-	-	-
Distribution Points		2,413	4,809	17,843	4,400	3,544	3,544	968	6,957	13,376
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		10,598	1,609	44,958	58,088	49,678	49,678	33,037	57,991	59,513
Pump Station		-	1,027	-	-	-	-	-	-	-
Reticulation		10,598	-	13,528	-	-	-	-	-	-
Waste Water Treatment Works		-	582	31,430	58,088	49,678	49,678	33,037	57,991	59,513
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	1,810	-	-	-	-	-
Landfill Sites		-	-	-	1,810	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		239	3	-	-	30	30	50	-	-
Data Centres		239	3	-	-	30	30	50	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Community Assets		1,427,687	1,695	540	900	471	471	5,357	6,957	-

Community Facilities	1,420,593	-	-	500	427	427	-	-	-
Halls	-	-	-	-	-	-	-	-	-
Centres	-	-	-	-	-	-	-	-	-
Crèches	-	-	-	-	-	-	-	-	-
Clinics/Care Centres	-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations	-	-	-	-	-	-	-	-	-
Testing Stations	-	-	-	-	-	-	-	-	-
Museums	-	-	-	-	-	-	-	-	-
Galleries	-	-	-	-	-	-	-	-	-
Theatres	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	1,420,593	-	-	500	427	427	-	-	-
Police	-	-	-	-	-	-	-	-	-
Parks	-	-	-	-	-	-	-	-	-
Public Open Space	-	-	-	-	-	-	-	-	-
Nature Reserves	-	-	-	-	-	-	-	-	-
Public Ablution Facilities	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Stalls	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	7,093	1,695	540	400	43	43	5,357	6,957	-
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	7,030	1,695	540	400	-	-	5,348	6,957	-
Capital Spares	63	-	-	-	43	43	9	-	-
Heritage assets	4,509	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-	-
Other Heritage	4,509	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Other assets	330	221	155	880	1,110	1,110	750	200	-
Operational Buildings	330	221	155	880	1,110	1,110	750	200	-
Municipal Offices	182	221	16	660	840	840	700	200	-
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-
Yards	141	-	-	220	220	220	-	-	-
Stores	7	-	-	-	50	50	50	-	-
Laboratories	-	-	-	-	-	-	-	-	-
Training Centres	-	-	-	-	-	-	-	-	-
Manufacturing Plant	-	-	-	-	-	-	-	-	-
Depots	-	-	139	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Staff Housing	-	-	-	-	-	-	-	-	-
Social Housing	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	7,163	3,410	2,527	-	-	-	600	300	400
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	7,163	3,410	2,527	-	-	-	600	300	400
Water Rights	-	-	-	-	-	-	-	-	-
Effluent Licenses	-	-	-	-	-	-	-	-	-
Solid Waste Licenses	-	-	-	-	-	-	-	-	-
Computer Software and Applications	-	3,410	2,527	-	-	-	600	300	400
Local Settlement Software Applications	-	-	-	-	-	-	-	-	-
Unspecified	7,163	-	-	-	-	-	-	-	-
Computer Equipment	646	6	185	1,414	82	82	-	-	-
Computer Equipment	646	6	185	1,414	82	82	-	-	-
Furniture and Office Equipment	226	130	59	270	270	270	50	150	150
Furniture and Office Equipment	226	130	59	270	270	270	50	150	150
Machinery and Equipment	4,580	208	1,300	921	2,181	2,181	1,522	-	-
Machinery and Equipment	4,580	208	1,300	921	2,181	2,181	1,522	-	-
Transport Assets	-	14,766	-	8,090	4,116	4,116	8,145	2,500	-
Transport Assets	-	14,766	-	8,090	4,116	4,116	8,145	2,500	-
Land	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-

Table 58 MBRR SA34b - Capital expenditure on renewal assets by asset class

NC087 Dawid Kruiper - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class										
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		9,521	9,135	6,857	5,600	7,417	7,417	14,285	11,884	6,102
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		1,010	1,109	6,274	2,400	4,342	4,342	8,600	6,000	-
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	4,118	-	3,142	3,142	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		1,010	1,109	1,965	2,150	1,000	1,000	8,400	6,000	-
Capital Spares		-	-	192	250	200	200	200	-	-
Water Supply Infrastructure		8,429	7,870	583	2,500	2,715	2,715	5,685	5,884	6,102
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	350	350	350	-	-	-
Pump Stations		360	4,169	483	800	330	330	750	-	-
Water Treatment Works		-	-	-	1,000	935	935	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		8,069	3,701	100	350	1,100	1,100	4,935	5,884	6,102
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		82	157	-	150	360	360	-	-	-
Pump Station		82	157	-	150	360	360	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Landfill Sites		-	-	-	-	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	550	-	-	-	-	-
Data Centres		-	-	-	550	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	800	200	200	-	-	-

Community Facilities	-	-	-	200	-	-	-	-	-
Halls	-	-	-	200	-	-	-	-	-
Centres	-	-	-	-	-	-	-	-	-
Crèches	-	-	-	-	-	-	-	-	-
Clinics/Care Centres	-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations	-	-	-	-	-	-	-	-	-
Testing Stations	-	-	-	-	-	-	-	-	-
Museums	-	-	-	-	-	-	-	-	-
Galleries	-	-	-	-	-	-	-	-	-
Theatres	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	-	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-	-
Parks	-	-	-	-	-	-	-	-	-
Public Open Space	-	-	-	-	-	-	-	-	-
Nature Reserves	-	-	-	-	-	-	-	-	-
Public Ablution Facilities	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Stalls	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	600	200	200	-	-	-
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	-	-	-	200	200	-	-	-
Capital Spares	-	-	-	600	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Other assets	-	717	636	2,400	550	550	100	-	-
Operational Buildings	-	717	636	2,400	550	550	100	-	-
Municipal Offices	-	717	572	2,400	550	550	100	-	-
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-
Yards	-	-	-	-	-	-	-	-	-
Stores	-	-	-	-	-	-	-	-	-
Laboratories	-	-	-	-	-	-	-	-	-
Training Centres	-	-	-	-	-	-	-	-	-
Manufacturing Plant	-	-	-	-	-	-	-	-	-
Depots	-	-	64	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Staff Housing	-	-	-	-	-	-	-	-	-
Social Housing	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	15	33	33	55	28	28
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	15	33	33	55	28	28
Water Rights	-	-	-	-	-	-	-	-	-
Effluent Licenses	-	-	-	-	-	-	-	-	-
Solid Waste Licenses	-	-	-	-	-	-	-	-	-
Computer Software and Applications	-	-	-	15	33	33	55	28	28
Load Settlement Software Applications	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-
Computer Equipment	-	162	62	150	150	150	955	955	955
Computer Equipment	-	162	62	150	150	150	955	955	955
Furniture and Office Equipment	169	251	-	5,200	4,281	4,281	108	88	-
Furniture and Office Equipment	169	251	-	5,200	4,281	4,281	108	88	-
Machinery and Equipment	-	-	-	150	1,160	1,160	850	100	100
Machinery and Equipment	-	-	-	150	1,160	1,160	850	100	100
Transport Assets	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-

Table 58 MBRR SA34e - Capital expenditure on upgraded assets by asset class

NC087 Dawid Kruiper - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand	1									
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		11,249	14,098	29,070	23,172	33,236	33,236	16,228	22,275	22,493
Roads Infrastructure		-	-	-	5,000	8,000	8,000	9,783	13,043	13,043
Roads		-	-	-	5,000	-	-	-	-	-
Road Structures		-	-	-	-	8,000	8,000	9,783	13,043	13,043
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		1,241	-	59	2,404	172	172	100	-	-
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	72	72	-	-	-
LV Networks		1,241	-	59	2,404	100	100	100	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	410	-	2,724	6,523	6,523	6,346	9,232	9,450
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	2,174	-	-	2,935	4,884	5,102
Pump Stations		-	277	-	-	-	-	-	-	-
Water Treatment Works		-	133	-	550	6,523	6,523	150	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	3,261	4,348	4,348
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		10,008	13,888	29,011	13,043	18,541	18,541	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		9,960	7,494	-	13,043	-	-	-	-	-
Waste Water Treatment Works		47	4,966	6,262	-	539	539	-	-	-
Outfall Sewers		-	1,228	22,749	-	18,002	18,002	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Landfill Sites		-	-	-	-	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Community Assets		362	26	28	9,906	8,459	8,459	6,051	-	-

Community Facilities	179	26	-	7,076	7,952	7,952	6,051	-	-
Halls	-	-	-	-	-	-	-	-	-
Centres	-	-	-	-	-	-	-	-	-
Crèches	-	-	-	-	-	-	-	-	-
Clinics/Care Centres	-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations	-	-	-	-	-	-	-	-	-
Testing Stations	-	-	-	-	-	-	-	-	-
Museums	-	-	-	-	-	-	-	-	-
Galleries	-	-	-	-	-	-	-	-	-
Theatres	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	179	-	-	7,076	7,952	7,952	6,051	-	-
Police	-	-	-	-	-	-	-	-	-
Parks	-	26	-	-	-	-	-	-	-
Public Open Space	-	-	-	-	-	-	-	-	-
Nature Reserves	-	-	-	-	-	-	-	-	-
Public Ablution Facilities	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Stalls	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	183	-	28	2,830	507	507	-	-	-
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	183	-	28	2,830	507	507	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Other assets	-	110	-	380	100	100	-	-	-
Operational Buildings	-	110	-	380	100	100	-	-	-
Municipal Offices	-	-	-	230	50	50	-	-	-
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-
Yards	-	110	-	150	50	50	-	-	-
Stores	-	-	-	-	-	-	-	-	-
Laboratories	-	-	-	-	-	-	-	-	-
Training Centres	-	-	-	-	-	-	-	-	-
Manufacturing Plant	-	-	-	-	-	-	-	-	-
Depots	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Staff Housing	-	-	-	-	-	-	-	-	-
Social Housing	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-
Water Rights	-	-	-	-	-	-	-	-	-
Effluent Licenses	-	-	-	-	-	-	-	-	-
Solid Waste Licenses	-	-	-	-	-	-	-	-	-
Computer Software and Applications	-	-	-	-	-	-	-	-	-
Load Settlement Software Applications	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-

Table 59 MBRR SA34c – Repairs and Maintenance on assets by asset class

NC087 Dawid Kruiper - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		0	3,529	4,587	6,613	5,285	5,285	5,848	6,113	6,404
Roads Infrastructure		–	415	136	162	460	460	250	260	272
Roads		–	–	–	–	–	–	–	–	–
Road Structures		–	316	–	–	–	–	–	–	–
Road Furniture		–	100	136	162	460	460	250	260	272
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		0	888	1,632	2,372	1,953	1,953	1,943	2,032	2,129
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
MV Switching Stations		–	–	–	–	–	–	–	–	–
MV Networks		0	774	1,630	2,172	1,828	1,828	1,818	1,902	1,993
LV Networks		0	114	2	200	125	125	125	130	136
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		(0)	1,387	2,663	3,769	2,717	2,717	3,500	3,660	3,835
Dams and Weirs		–	–	–	–	–	–	–	–	–
Boreholes		–	–	–	–	–	–	–	–	–
Reservoirs		–	–	–	–	–	–	–	–	–
Pump Stations		–	–	–	–	–	–	–	–	–
Water Treatment Works		(0)	584	1,749	2,500	1,500	1,500	1,500	1,570	1,646
Bulk Mains		–	–	–	–	–	–	–	–	–
Distribution		–	795	901	1,069	1,190	1,190	2,000	2,090	2,189
Distribution Points		–	8	12	200	27	27	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		0	834	156	300	150	150	150	156	163
Pump Station		–	–	–	–	–	–	–	–	–
Reticulation		0	62	–	–	–	–	–	–	–
Waste Water Treatment Works		0	772	156	300	150	150	150	156	163
Outfall Sewers		–	–	–	–	–	–	–	–	–
Toilet Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Landfill Sites		–	–	–	–	–	–	–	–	–
Waste Transfer Stations		–	–	–	–	–	–	–	–	–
Waste Processing Facilities		–	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–
Promenades		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	4	1	10	5	5	5	5	6
Data Centres		–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–
Capital Spares		–	4	1	10	5	5	5	5	6
Community Assets		0	234	243	1,683	1,413	1,413	1,252	1,311	1,374

Community Facilities	(0)	90	64	991	526	526	526	552	580
Halls	-	62	0	-	-	-	-	-	-
Centres	-	-	-	-	-	-	-	-	-
Crèches	-	-	-	-	-	-	-	-	-
Clinics/Care Centres	-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations	-	-	-	-	-	-	-	-	-
Testing Stations	-	-	-	-	-	-	-	-	-
Museums	-	-	-	-	-	-	-	-	-
Galleries	-	-	-	-	-	-	-	-	-
Theatres	-	-	-	-	-	-	-	-	-
Libraries	-	25	39	340	200	200	200	210	221
Cemeteries/Crematoria	(0)	3	26	651	326	326	326	342	359
Police	-	-	-	-	-	-	-	-	-
Parks	-	-	-	-	-	-	-	-	-
Public Open Space	-	-	-	-	-	-	-	-	-
Nature Reserves	-	-	-	-	-	-	-	-	-
Public Ablution Facilities	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Stalls	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	0	144	179	692	887	887	726	758	795
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	0	144	179	692	887	887	726	758	795
Capital Spares	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Other assets	0	1,294	201	4,620	238	238	276	288	302
Operational Buildings	0	1,294	201	4,620	238	238	276	288	302
Municipal Offices	0	1,294	51	4,470	197	197	236	246	258
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-
Workshops	-	0	150	150	41	41	40	42	44
Yards	-	-	-	-	-	-	-	-	-
Stores	-	-	-	-	-	-	-	-	-
Laboratories	-	-	-	-	-	-	-	-	-
Training Centres	-	-	-	-	-	-	-	-	-
Manufacturing Plant	-	-	-	-	-	-	-	-	-
Depots	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Staff Housing	-	-	-	-	-	-	-	-	-
Social Housing	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-
Water Rights	-	-	-	-	-	-	-	-	-
Effluent Licenses	-	-	-	-	-	-	-	-	-
Solid Waste Licenses	-	-	-	-	-	-	-	-	-
Computer Software and Applications	-	-	-	-	-	-	-	-	-
Local Settlement Software Applications	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-
Computer Equipment	(0)	30	14	50	40	40	40	42	43
Computer Equipment	(0)	30	14	50	40	40	40	42	43
Furniture and Office Equipment	(0)	1,713	355	242	145	145	145	152	160
Furniture and Office Equipment	(0)	1,713	355	242	145	145	145	152	160
Machinery and Equipment	-	78	14	144	120	120	121	126	132
Machinery and Equipment	-	78	14	144	120	120	121	126	132
Transport Assets	-	6,603	116	-	-	-	-	-	-
Transport Assets	-	6,603	116	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-

Table 60 MBRR SA34d - Supporting Table SA34d Depreciation by asset class

NC087 Dawid Kruiper - Supporting Table SA34d Depreciation by asset class										
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Depreciation by Asset Class/Sub-class										
Infrastructure		-	69,004	73,786	72,623	73,786	73,786	73,786	75,262	76,767
Roads Infrastructure		-	25,250	21,992	18,935	21,992	21,992	21,992	22,432	22,880
Roads		-	25,250	21,992	18,935	21,992	21,992	21,992	22,432	22,880
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	1,835	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	1,835	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	16,189	16,994	13,529	16,994	16,994	16,994	17,334	17,681
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	16,189	16,994	13,529	16,994	16,994	16,994	17,334	17,681
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	16,697	17,225	15,166	17,225	17,225	17,225	17,569	17,921
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	16,697	17,225	15,166	17,197	17,197	17,197	17,541	17,892
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	28	29	29
Distribution Points		-	0	-	-	28	28	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	6,014	6,631	4,880	6,631	6,631	6,631	6,764	6,899
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	6,014	6,631	4,880	6,631	6,631	6,631	6,764	6,899
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	4,736	10,750	17,207	10,750	10,750	10,750	10,965	11,184
Landfill Sites		-	4,736	10,750	17,207	10,750	10,750	10,750	10,965	11,184
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	166	1,068	166	166	166	169	173
Rail Lines		-	-	166	1,068	166	166	166	169	173
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	116	28	2	28	28	28	28	29
Data Centres		-	85	28	-	28	28	28	28	29
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	31	-	2	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Community Assets		-	5,115	5,303	4,635	5,303	5,303	5,303	5,410	5,519

Community Facilities	-	5,115	5,303	4,635	5,285	5,285	5,285	5,391	5,498
Halls	-	5,115	5,303	4,635	5,285	5,285	5,285	5,391	5,498
Centres	-	-	-	-	-	-	-	-	-
Crèches	-	-	-	-	-	-	-	-	-
Clinics/Care Centres	-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations	-	-	-	-	-	-	-	-	-
Testing Stations	-	-	-	-	-	-	-	-	-
Museums	-	-	-	-	-	-	-	-	-
Galleries	-	-	-	-	-	-	-	-	-
Theatres	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	-	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-	-
Parks	-	-	-	-	-	-	-	-	-
Public Open Space	-	-	-	-	-	-	-	-	-
Nature Reserves	-	-	-	-	-	-	-	-	-
Public Ablution Facilities	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Stalls	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	19	19	19	19	20
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	-	-	-	19	19	19	19	20
Capital Spares	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Other assets	-	4,483	4,557	4,081	4,557	4,557	4,557	4,648	4,741
Operational Buildings	-	4,483	4,557	4,081	4,557	4,557	4,557	4,648	4,741
Municipal Offices	-	4,483	4,557	4,081	4,557	4,557	4,557	4,648	4,741
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-
Yards	-	-	-	-	-	-	-	-	-
Stores	-	-	-	-	-	-	-	-	-
Laboratories	-	-	-	-	-	-	-	-	-
Training Centres	-	-	-	-	-	-	-	-	-
Manufacturing Plant	-	-	-	-	-	-	-	-	-
Depots	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Staff Housing	-	-	-	-	-	-	-	-	-
Social Housing	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	-	358	183	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	-	358	183	-	-	-	-	-	-
Water Rights	-	-	-	-	-	-	-	-	-
Effluent Licenses	-	-	-	-	-	-	-	-	-
Solid Waste Licenses	-	-	-	-	-	-	-	-	-
Computer Software and Applications	-	358	183	-	-	-	-	-	-
Local Settlement Software Applications	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	1,168	-	-	-	-	-
Computer Equipment	-	-	-	1,168	-	-	-	-	-
Furniture and Office Equipment	-	2,367	7,596	3,183	7,596	7,596	7,596	7,750	7,906
Furniture and Office Equipment	-	2,367	7,596	3,183	7,596	7,596	7,596	7,750	7,906
Machinery and Equipment	-	26	4	161	4	4	4	4	4
Machinery and Equipment	-	26	4	161	4	4	4	4	4
Transport Assets	-	4,638	-	4,604	-	-	-	-	-
Transport Assets	-	4,638	-	4,604	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-

Table 61 MBRR SA35 - Future financial implications of the capital budget

NC087 Dawid Kruiper - Supporting Table SA35 Future financial implications of th

Vote Description	Ref	2023/24 Medium Term Revenue & Expenditure Framework		
		Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand				
Capital expenditure	1			
Vote 1 - MUNICIPAL MANAGER		–	–	–
Vote 2 - CORPORATE SERVICES		708	238	150
Vote 3 - FINANCIAL SERVICES		2,505	1,355	1,455
Vote 4 - COMMUNITY SERVICES		416	–	–
Vote 5 - TECHNICAL DIRECTOR		–	–	–
Vote 6 - ELECTRO-MECHANICAL SERVICES		39,374	14,935	8,261
Vote 7 - CIVIL ENGINEERING SERVICES		58,500	89,350	91,108
Vote 8 - DEVELOPMENT AND PLANNING SERVICES		24,251	25,197	26,211
Vote 9 -		–	–	–
Vote 10 -		–	–	–
Vote 11 -		–	–	–
Vote 12 -		–	–	–
Vote 13 -		–	–	–
Vote 14 -		–	–	–
Vote 15 -		–	–	–
<i>List entity summary if applicable</i>				
Total Capital Expenditure		125,754	131,074	127,185
Future operational costs by vote	2			
Vote 1 - MUNICIPAL MANAGER		57,461	59,758	62,229
Vote 2 - CORPORATE SERVICES		43,606	45,304	47,095
Vote 3 - FINANCIAL SERVICES		129,113	134,312	140,187
Vote 4 - COMMUNITY SERVICES		146,474	152,484	158,761
Vote 5 - TECHNICAL DIRECTOR		–	–	–
Vote 6 - ELECTRO-MECHANICAL SERVICES		394,315	436,249	483,246
Vote 7 - CIVIL ENGINEERING SERVICES		169,215	174,927	180,865
Vote 8 - DEVELOPMENT AND PLANNING SERVICES		24,933	25,385	26,558
Vote 9 -		–	–	–
Vote 10 -		–	–	–
Vote 11 -		–	–	–
Vote 12 -		–	–	–
Vote 13 -		–	–	–
Vote 14 -		–	–	–
Vote 15 -		–	–	–
<i>List entity summary if applicable</i>				
Total future operational costs		965,117	1,028,419	1,098,940
Future revenue by source	3			
Exchange Revenue				
Service charges - Electricity		390,188	439,740	495,584
Service charges - Water		82,922	86,803	90,843
Service charges - Waste Water Management		51,942	53,993	56,413
Service charges - Waste Management		48,149	50,700	53,750
Agency services		2,725	2,335	2,335
<i>List other revenues sources if applicable</i>				
<i>List entity summary if applicable</i>				
Total future revenue		575,926	633,571	698,925
Net Financial Implications		514,944	525,922	527,199

Table 62 MBRR SA36 - Detailed capital budget per municipal vote

Row Labels	Sum of Draft 2023/2024	Sum of Draft 2024/2025	Sum of Draft 2025/2026
WIP	125,753,559.00	131,074,131.00	127,184,804.00
0	-	-	-
1	-	150,000.00	150,000.00
Filing cabinet - Archive	-	150,000.00	150,000.00
2	-	-	-
4	707,500.00	87,500.00	-
8100 81502 WIP 1060 Airconditioners - Offices	100,000.00	-	-
8100 81502 WIP 1061 Building Improvements	500,000.00	-	-
8100 81502 WIP 1222 Chairs for Community Halls	75,000.00	75,000.00	-
8100 81502 WIP 1223 Tables for Community Halls	12,500.00	12,500.00	-
8100 81502 WIP 1224 Gas-Porta Pack	20,000.00	-	-
6	-	-	-
7	-	-	-
8	-	-	-
9	-	-	-
11	-	-	-
19	-	-	-
20	150,000.00	1,500,000.00	-
8100 81502 WIP 1056 Road Furniture - Signage	150,000.00	-	-
Traffic - Office vehicle	-	1,500,000.00	-
21	257,000.00	-	-
8100 81502 WIP 1167 Skud Unit	42,000.00	-	-
8100 81502 WIP 1168 Self Contained Breathing Apparatus SCBA	40,000.00	-	-
8100 81502 WIP 1221 BA Compressor	175,000.00	-	-
23	-	-	-
24	-	-	-
26	-	-	-
27	-	-	-
28	-	-	-
30	-	-	-
31	-	-	-
32	-	-	-
33	1,855,000.00	1,055,000.00	1,055,000.00
8100 81502 WIP 1105 Laptops - Renewal	285,000.00	285,000.00	285,000.00
8100 81502 WIP 1106 Printers	35,000.00	35,000.00	35,000.00
8100 81502 WIP 1181 Network Switches	50,000.00	50,000.00	50,000.00
8100 81502 WIP 1214 Desktops	200,000.00	200,000.00	200,000.00
8100 81502 WIP 1215 Laptops	95,000.00	95,000.00	95,000.00
8100 81502 WIP 1216 Network Switches	250,000.00	250,000.00	250,000.00
8100 81502 WIP 1217 Skada Server	150,000.00	-	-
8100 81502 WIP 1218 Vendor Equipment	100,000.00	100,000.00	100,000.00
8100 81502 WIP 388 Disaster Recovery Centre	50,000.00	-	-
8101 81502 WIP 1161 Desktops	40,000.00	40,000.00	40,000.00
Server - Prepaid?	600,000.00	-	-
36	-	-	-
39	-	-	-
40	-	-	-

Table 62 MBRR 36: Detailed capital budget per municipal vote (continued)

41		11,382,608.00	16,043,478.00	16,043,478.00
	8100 81502 WIP 1049 Construction of Speedbumps & Round-About	100,000.00		
	8100 81502 WIP 1191 Rehabilitation of Roads	1,500,000.00	3,000,000.00	3,000,000.00
	8100 81502 WIP 1201 Rehabilitation of Roads	9,782,608.00	13,043,478.00	13,043,478.00
42		50,000.00		
	0042 90247 00049820799	50,000.00		
43		-		
45		33,036,522.00	57,991,000.00	59,513,000.00
	8100 81502 WIP 1092 Rehabilitation of Kameelmond WWTW	30,036,522.00	49,557,391.00	51,750,435.00
	8100 81502 WIP 47 Kameelmond WWTW	3,000,000.00	8,433,609.00	7,762,565.00
46		8,310,000.00	1,000,000.00	-
	8100 81502 WIP 1033 Tipper Truck	1,200,000.00		
	8100 81502 WIP 1034 Water Truck	1,100,000.00		
	8100 81502 WIP 1037 Zero - Turn	275,000.00	-	-
	8100 81502 WIP 1039 Chain Saws	50,000.00		
	8100 81502 WIP 1041 Fertilizer Spreader	15,000.00		
	8100 81502 WIP 1044 Pruners	50,000.00		
	8100 81502 WIP 1045 Jackhammers	50,000.00		
	8100 81502 WIP 1188 Brush Cutter	50,000.00		
	8100 81502 WIP 1192 Chip Spreader	1,000,000.00		
	8100 81502 WIP 1206 Sewer Camera	150,000.00		
	8100 81502 WIP 1207 Power Rodding Machine	150,000.00		
	8100 81502 WIP 1210 Cherry Picker	1,100,000.00		
	8100 81502 WIP 1211 Crane Truck	1,200,000.00		
	8100 81502 WIP 1212 3T Roller	320,000.00	-	
	8100 81502 WIP 1213 12T Bomag Roller	-	1,000,000.00	
	8100 81502 WIP 525 Refuse Truck (Tippac)	1,600,000.00		

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

+ 48	-		
+ 50	-		
+ 51	-		
= 52	9,000.00		
8100 81502 WIP 1157 Grinder	3,000.00		
8100 81502 WIP 1219 Compressor	2,500.00		
8100 81502 WIP 1220 Welding Machine	3,500.00		
+ 55	-		
+ 56	-		
+ 57	-		
= 59	21,524,406.00	6,434,783.00	8,260,870.00
0059 90247 00099836899	14,521,739.00	6,434,783.00	8,260,870.00
8100 81502 WIP 1164 Electrification of 332 Houses	7,002,667.00		
= 61	250,000.00		
8100 81502 WIP 1019 Streetlights (Various Areas)	250,000.00		
= 62	8,550,000.00	6,000,000.00	
8100 81502 WIP 1021 Security Doors	200,000.00		
8100 81502 WIP 1023 Vervanging van Kiosks & Transformers	1,000,000.00		
8100 81502 WIP 1025 Electrical Network	100,000.00		
8100 81502 WIP 1026 Batteries - Various Smaller Substations	200,000.00		
8100 81502 WIP 1202 Delta & Brandweer	7,000,000.00	6,000,000.00	
8100 81502 WIP 1225 Tools	50,000.00		
= 63	690,000.00		
8100 81502 WIP 1005 New Electrical Meters (Consumer)	200,000.00		
8100 81502 WIP 1006 New Electrical Meters - Indigent	60,000.00		
8100 81502 WIP 1007 New Electrical Meters New Erven (Cons.)	30,000.00		
8100 81502 WIP 1008 Replace Faulty Electrical Meters - Cons.	400,000.00		
= 66	4,634,783.00	4,883,913.00	5,101,739.00
8100 81502 WIP 1017 Worn-out Pumps; Valves; Switchgear - Sat	150,000.00		
8100 81502 WIP 1048 HQ - Replacement of Pumps and Valves	600,000.00		
8100 81502 WIP 1071 Laboratory Equipment	600,000.00		
8100 81502 WIP 1198 Upgrade of WTW and Reservoirs	2,934,783.00	4,883,913.00	5,101,739.00
8100 81502 WIP 1208 Camera System - 7 Plants	200,000.00		
8100 81502 WIP 1209 Raaswater - PLC	150,000.00		

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

67		9,445,653.00	10,431,739.00	10,449,565.00
	8100 81502 WIP 1050 New Conventional Meters	750,000.00		
	8100 81502 WIP 1051 Replacement of >50 mm Watermeters	1,000,000.00		
	8100 81502 WIP 1199 Upgrade of Reticulation Network	2,934,783.00	4,883,913.00	5,101,739.00
	8100 81502 WIP 1200 Upgrade of Bulk water network	3,260,870.00	4,347,826.00	4,347,826.00
	8100 81502 WIP 1203 Renewal Water Network	1,000,000.00	1,000,000.00	1,000,000.00
	8100 81502 WIP 1204 Loggers	300,000.00		
	8100 81502 WIP 1205 Fencing	200,000.00	200,000.00	
70		-		
71		-		
73		-		
77		-		
78		24,251,087.00	25,196,718.00	26,211,152.00
	8100 81502 Karos Cemetery	-		3,909,588.00
	8100 81502 Raaswater Cemetery	-		3,005,900.00
	8100 81502 Upgrading Internal Streets Louisvale-Road	-		4,849,050.00
	8100 81502 Upgrading Internal Streets Rosedale	-		8,526,837.00
	8100 81502 WIP 1000 Installation of High Mast Lighting	217,391.00	8,695,652.00	-
	8100 81502 WIP 1002 Kameelboom Cemetery	6,051,261.00	-	-
	8100 81502 WIP 1193 RAMS	7,507,238.00	2,560,522.00	5,892,277.00
	8100 81502 WIP 1194 Kalksloot Internal Streets	5,347,826.00	6,956,522.00	-
	8100 81502 WIP 1195 Pabelello Internal Streets	217,567.00	6,956,522.00	-
	8100 81502 WIP 1196 Morning Glory Cemetery	4,854,804.00	-	-
	8100 81502 WIP 1197 Printer	55,000.00	-	-
	8100 81502 WIP Laptop	-	27,500.00	27,500.00
85		-		
86		50,000.00		
	8100 81502 WIP 1173 Building Improvements	50,000.00		
88		-		
89		-		
1002		600,000.00	300,000.00	400,000.00
	8100 81502 WIP 715 Munsoft	600,000.00	300,000.00	400,000.00

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

1004	-		
1010	-	-	-
1022	-		
Grand Total	125,753,559.00	131,074,131.00	127,184,804.00

2.13 Legislation compliance status

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

1. In year reporting
Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Mayor (within 10 working days) has progressively improved.
2. Internship programme
The municipality is participating in the Municipal Financial Management Internship programme and has employed five interns undergoing training in various divisions of the Financial Services Department. Since the introduction of the Internship programme the municipality has successfully employed and trained four other interns through this programme and all of them were appointed in the municipality.
3. Budget and Treasury Office
The Budget and Treasury Office has been established in accordance with the MFMA and is currently being disclosed as part of Finance under A2A in terms of mSCOA version 6.4.
4. Audit Committee
An Audit Committee has been established and is fully functional.
5. Service Delivery and Implementation Plan
The SDBIP document is at a final stage and will be tabled to Council on the 30th of June 2021. The SDBIP is directly aligned and informed by the 2023/2024 MTREF.
6. Annual Report
Annual report is compiled in terms of the MFMA and National Treasury requirements.

7. MFMA Training

The MFMA training module in electronic format is presented at the municipality's internal centres and training is on-going.

8. Policies

An amendment of the Municipal Property Rates Regulations as published in Government Notice 363 of 27 March 2009 was announced in Government Gazette 33016 on 12 March 2010. The ratios as prescribed in the Regulations have been complied with.

2.14 Other supporting documents

Table 63 MBRR Table SA1 - Supporting detail to budgeted financial performance

NC087 Dawid Kruiper - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'											
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
REVENUE ITEMS:											
Non-exchange revenue by source											
Exchange Revenue	6										
Total Property Rates			124,261	131,634	132,495	138,566	138,566	138,566	144,811	152,051	159,654
Less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		0	11,606	8,542	5,000	7,950	7,950	7,950	6,308	6,623	6,954
Net Property Rates		(0)	112,654	123,091	127,495	130,616	130,616	130,616	138,503	145,428	152,699
Exchange revenue service charges											
Service charges - Electricity	6										
Total Service charges - Electricity			344,523	340,696	379,833	348,472	348,472	348,472	397,534	448,019	504,914
Less Revenue Foregone (in excess of 50 kwh per indigent household per month)		0	25,168	6,898	6,720	6,443	6,443	6,443	7,346	8,279	9,330
Less Cost of Free Basis Services (50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-	-
Net Service charges - Electricity		(0)	319,354	333,799	373,113	342,029	342,029	342,029	390,188	439,740	495,584
Service charges - Water	6										
Total Service charges - Water			64,744	75,431	85,333	76,224	76,224	76,224	82,922	86,803	90,843
Less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)		0	3,974	3,078	5,196	1,961	1,961	1,961	-	-	-
Less Cost of Free Basis Services (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-	-
Net Service charges - Water		(0)	60,770	72,353	80,137	74,263	74,263	74,263	82,922	86,803	90,843
Service charges - Waste Water Management											
Total Service charges - Waste Water Management			50,841	55,909	47,151	50,920	50,920	50,920	53,942	55,993	58,413
Less Revenue Foregone (in excess of free sanitation service to indigent households)		0	10,130	11,377	1,856	1,751	1,751	1,751	2,000	2,000	2,000
Less Cost of Free Basis Services (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-	-
Net Service charges - Waste Water Management		(0)	40,710	44,532	45,295	49,169	49,169	49,169	51,942	53,993	56,413
Service charges - Waste Management	6										
Total refuse removal revenue			49,858	53,090	55,911	57,625	57,625	57,625	61,007	65,000	70,000
Total landfill revenue			575	601	491	631	631	631	663	700	750
Less Revenue Foregone (in excess of one removal a week to indigent households)		-	13,406	12,651	12,942	12,877	12,877	12,877	13,521	15,000	17,000
Less Cost of Free Basis Services (removed once a week to indigent households)		-	-	-	-	-	-	-	-	-	-
Net Service charges - Waste Management		-	37,028	41,040	43,460	45,380	45,380	45,380	48,149	50,700	53,750
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	0	213,646	209,691	225,823	206,650	206,650	206,650	232,776	241,532	251,201
Pension and UIF Contributions		(0)	40,607	40,853	44,973	41,090	41,090	41,090	40,554	42,169	43,856
Medical Aid Contributions		0	27,598	20,386	25,429	22,562	22,562	22,562	23,693	24,641	25,659
Overtime		0	22,336	24,591	22,808	30,518	30,518	30,518	29,554	30,736	31,966
Performance Bonus		-	17,631	17,500	17,985	17,803	17,803	17,803	19,072	19,738	20,528
Motor Vehicle Allowance		(0)	6,136	6,744	6,323	6,601	6,601	6,601	6,686	6,954	7,232
Cellphone Allowance		-	0	-	-	-	-	-	-	-	-
Housing Allowances		0	1,925	446	437	418	418	418	429	447	464
Other benefits and allowances		(0)	5,409	5,243	5,190	4,895	4,895	4,895	5,977	6,216	6,465
Payments in lieu of leave		-	-	-	-	-	-	-	-	-	-
Long service awards		-	5,069	2,711	2,613	2,693	2,693	2,693	2,613	2,717	2,839
Post-retirement benefit obligations	4	-	7,534	9,796	6,270	6,270	6,270	6,270	6,270	6,521	6,814
Entertainment		-	-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-	-
Acting and post related allowance		0	1,396	1,619	-	1,072	1,072	1,072	704	732	761
In kind benefits		-	-	-	-	-	-	-	-	-	-
sub-total	5	0	349,287	339,580	357,851	340,573	340,573	340,573	368,329	382,402	397,785
Less: Employees costs capitalised to PPE		(0)	10	14	-	8	8	8	-	-	-
Total Employee related costs	1	0	349,277	339,565	357,851	340,564	340,564	340,564	368,329	382,402	397,785

**Table 63 MBRR Table SA1 - Supporting detail to budgeted financial performance
(continue)**

Depreciation and amortisation											
Depreciation of Property, Plant & Equipment		-	85,633	91,247	90,455	91,247	91,247	91,247	91,247	93,074	94,937
Lease amortisation		-	358	183	-	-	-	-	-	-	-
Capital asset impairment		-	121	-	-	-	-	-	-	-	-
Total Depreciation and amortisation	1	-	86,112	91,430	90,455	91,247	91,247	91,247	91,247	93,074	94,937
Bulk purchases - electricity											
Electricity bulk purchases		(0)	221,602	248,180	255,129	255,130	255,130	255,130	299,200	337,198	380,023
Total bulk purchases	1	(0)	221,602	248,180	255,129	255,130	255,130	255,130	299,200	337,198	380,023
Transfers and grants											
Cash transfers and grants		0	604	451	1,908	1,225	1,225	927	1,075	1,108	1,157
Non-cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Total transfers and grants	1	0	604	451	1,908	1,225	1,225	927	1,075	1,108	1,157
Contracted Services											
Outsourced Services		(0)	5,550	7,015	6,655	7,179	7,179	7,179	7,785	8,098	8,457
Consultants and Professional Services		(0)	6,448	6,675	11,121	11,553	11,553	11,553	10,960	11,812	12,192
Contractors		-	7,792	6,869	18,589	9,633	9,633	9,633	10,056	10,058	10,558
Total contracted services		(0)	19,790	20,559	36,366	28,365	28,365	28,365	28,801	29,969	31,206
Operational Costs											
Collection costs		(0)	4,769	5,371	5,496	5,100	5,100	5,100	5,698	6,283	6,977
Contributions to 'other' provisions		-	-	-	-	-	-	-	-	-	-
Audit fees		-	4,216	4,548	5,000	4,700	4,700	4,700	5,000	5,250	5,513
Other Operational Costs		(0)	37,511	36,233	47,444	43,979	43,979	43,979	52,233	55,017	58,312
Total Operational Costs	1	(0)	46,497	46,152	57,939	53,779	53,779	53,779	62,931	66,549	70,801
Repairs and Maintenance by Expenditure Item	8										
Employee related costs		(0)	1,733	-	-	-	-	-	-	-	-
Inventory Consumed (Project Maintenance)		0	4,222	2,420	4,222	3,851	3,851	3,851	3,495	3,634	3,798
Contracted Services		-	7,461	3,111	9,109	3,370	3,370	3,370	4,172	4,381	4,600
Operational Costs		(0)	44	-	21	21	21	21	16	17	18
Total Repairs and Maintenance Expenditure	9	0	13,460	5,531	13,352	7,241	7,241	7,241	7,682	8,032	8,416
Inventory Consumed											
Inventory Consumed - Water		-	-	-	7,000	8,200	8,200	8,200	8,200	8,528	8,912
Inventory Consumed - Other		-	8,778	17,316	34,101	32,876	32,876	32,876	32,005	33,380	34,774
Total Inventory Consumed & Other Material		-	8,778	17,316	41,101	41,076	41,076	41,076	40,205	41,908	43,686

**Table 64 MBRR Table SA2 – Matrix financial performance budget
(Revenue source / expenditure type and department)**

NC087 Dawid Kruiper - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)																	
Description	Ref	Vote 1 - MUNICIPAL MANAGER	Vote 2 - CORPORATE SERVICES	Vote 3 - FINANCIAL SERVICES	Vote 4 - COMMUNITY SERVICES	Vote 5 - TECHNICAL DIRECTOR	Vote 6 - ELECTRO- MECHANICAL SERVICES	Vote 7 - CIVIL ENGINEERING SERVICES	Vote 8 - DEVELOPME NT AND PLANNING SERVICES	Vote 9 -	Vote 10 -	Vote 11 -	Vote 12 -	Vote 13 -	Vote 14 -	Vote 15 -	Total
R thousand	1																
Revenue		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
Exchange Revenue																	
Service charges - Electricity		-	-	-	-	-	390,188	-	-	-	-	-	-	-	-	-	390,188
Service charges - Water		-	-	-	-	-	-	82,922	-	-	-	-	-	-	-	-	82,922
Service charges - Waste Water Management		-	-	-	-	-	-	51,942	-	-	-	-	-	-	-	-	51,942
Service charges - Waste Management		-	-	-	48,149	-	-	-	-	-	-	-	-	-	-	-	48,149
Sale of Goods and Rendering of Services		-	30	150	908	-	121	100	7,117	-	-	-	-	-	-	-	8,426
Agency services		-	-	-	2,725	-	-	-	-	-	-	-	-	-	-	-	2,725
Interest		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		-	-	7,000	-	-	-	-	-	-	-	-	-	-	-	-	7,000
Interest earned from Current and Non Current Assets		-	-	1,250	-	-	-	-	-	-	-	-	-	-	-	-	1,250
Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		-	6,233	-	223	-	-	-	1,116	-	-	-	-	-	-	-	7,572
Licence and permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	375	945	50	-	-	-	5	-	-	-	-	-	-	-	1,375
Non-Exchange Revenue																	
Property rates		-	-	138,503	-	-	-	-	-	-	-	-	-	-	-	-	138,503
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	210	-	4,177	-	297	-	-	-	-	-	-	-	-	-	4,683
Licences or permits		-	0	-	1,809	-	-	-	80	-	-	-	-	-	-	-	1,889
Transfer and subsidies - Operational		-	-	119,595	3,129	-	2,178	8,292	5,239	-	-	-	-	-	-	-	138,434
Interest		-	-	2,500	-	-	-	-	-	-	-	-	-	-	-	-	2,500
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	467	1,750	-	-	-	-	-	-	-	-	2,217
Gains on disposal of Assets		-	-	-	-	-	-	-	5,000	-	-	-	-	-	-	-	5,000
Other Gains		24,035	60,000	-	-	-	-	-	-	-	-	-	-	-	-	-	84,035
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		24,035	66,849	269,943	61,170	-	393,251	145,006	18,556	-	-	-	-	-	-	-	978,810
Expenditure																	
Employee related costs		41,363	28,877	41,218	119,902	-	32,916	84,121	19,911	-	-	-	-	-	-	-	368,329
Remuneration of councillors		13,248	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13,248
Bulk purchases - electricity		-	-	-	-	-	299,200	-	-	-	-	-	-	-	-	-	299,200
Inventory consumed		44	560	593	1,715	-	18,018	19,167	110	-	-	-	-	-	-	-	40,205
Debt impairment		-	-	43,000	-	-	-	-	-	-	-	-	-	-	-	-	43,000
Depreciation and amortisation		72	6,097	1,074	10,657	-	22,486	49,722	1,139	-	-	-	-	-	-	-	91,247
Interest		-	-	4,050	-	-	3,875	4,555	-	-	-	-	-	-	-	-	12,480
Contracted services		235	2,629	4,671	7,634	-	4,702	5,922	3,008	-	-	-	-	-	-	-	28,801
Transfers and subsidies		600	-	-	75	-	400	-	-	-	-	-	-	-	-	-	1,075
Irrecoverable debts written off		-	-	3,000	-	-	-	-	-	-	-	-	-	-	-	-	3,000
Operational costs		1,879	5,443	31,506	6,492	-	12,718	4,128	765	-	-	-	-	-	-	-	62,931
Losses on disposal of Assets		-	-	-	-	-	-	1,600	-	-	-	-	-	-	-	-	1,600
Other Losses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		57,461	43,606	129,113	146,474	-	394,315	169,215	24,933	-	-	-	-	-	-	-	965,117
Surplus/(Deficit)		(33,426)	23,242	140,830	(85,305)	-	(1,063)	(24,209)	(6,377)	-	-	-	-	-	-	-	13,693
Transfers and subsidies - capital (monetary allocations)		-	-	-	-	-	14,522	48,950	24,251	-	-	-	-	-	-	-	87,722
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(33,426)	23,242	140,830	(85,305)	-	13,458	24,741	17,874	-	-	-	-	-	-	-	101,416

Table 65 MBRR Table SA3 – Supporting detail to Statement of Financial Position

NC087 Dawid Kruiper - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'											
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
ASSETS											
Trade and other receivables from exchange transactions											
Electricity		266	21,726	50,808	45,055	(13,370)	(13,370)	(13,370)	100,570	141,438	176,577
Water		–	29,380	46,288	35,016	22,868	22,868	22,868	43,951	37,870	31,506
Waste		–	36,238	47,355	42,780	26,275	26,275	26,275	53,621	56,405	59,205
Waste Water		–	27,143	36,346	30,388	23,652	23,652	23,652	57,309	76,384	96,320
Other trade receivables from exchange transactions		150,582	37,228	21,243	25,702	32,860	32,860	32,860	17,690	12,266	6,393
Gross: Trade and other receivables from exchange transactions		150,847	151,714	202,040	178,942	92,284	92,284	92,284	273,141	324,362	370,001
Less: Impairment for debt		(84,642)	(81,092)	(114,740)	(87,381)	(115,092)	(115,092)	(115,092)	(158,346)	(194,346)	(231,846)
Impairment for Electricity		–	(41,540)	(75,189)	(35,456)	(41,540)	(41,540)	(41,540)	(80,828)	(80,828)	(80,828)
Impairment for Water		–	(11,222)	(11,222)	(11,222)	(11,222)	(11,222)	(11,222)	(12,064)	(12,064)	(12,064)
Impairment for Waste		–	(16,733)	(16,733)	(16,733)	(16,733)	(16,733)	(16,733)	(17,988)	(17,988)	(17,988)
Impairment for Waste Water		–	(11,747)	(11,747)	(11,747)	(11,747)	(11,747)	(11,747)	(12,628)	(12,628)	(12,628)
Impairment for other trade receivables from exchange transactions		(84,642)	151	151	(12,222)	(33,849)	(33,849)	(33,849)	(34,838)	(70,838)	(108,338)
Total net Trade and other receivables from Exchange Transactions		66,205	70,623	87,300	91,561	(22,807)	(22,807)	(22,807)	114,795	130,016	138,155
Receivables from non-exchange transactions											
Property rates		–	31,588	39,846	40,513	41,908	41,908	41,908	61,005	73,810	87,256
Less: Impairment of Property rates		–	(19,261)	(27,193)	(30,345)	(27,261)	(27,261)	(27,261)	(37,233)	(45,633)	(54,453)
Net Property rates		-	12,327	12,653	10,168	14,647	14,647	14,647	23,773	28,178	32,803
Other receivables from non-exchange transactions		23,178	7,477	6,559	10,517	9,720	9,720	9,720	9,237	11,556	13,943
Impairment for other receivables from non-exchange transactions		–	(7,082)	(6,079)	(7,082)	(7,082)	(7,082)	(7,082)	(6,535)	(6,535)	(6,535)
Net other receivables from non-exchange transactions		23,178	394	480	3,434	2,638	2,638	2,638	2,701	5,021	7,408
Total net Receivables from non-exchange transactions		23,178	12,722	13,132	13,602	17,285	17,285	17,285	26,474	33,199	40,210
Inventory											
Water											
Opening Balance		–	146	134	134	134	134	134	76	76	76
System Input Volume		146	(12)	(50)	7,000	15,200	15,200	15,200	8,200	8,528	8,912
Water Treatment Works		–	–	–	–	8,200	8,200	8,200	–	–	–
Bulk Purchases		146	(12)	(50)	7,000	7,000	7,000	7,000	8,200	8,528	8,912
Natural Sources		–	–	–	–	–	–	–	–	–	–
Authorised Consumption	6	–	–	–	(7,000)	(8,200)	(8,200)	(8,200)	(8,200)	(8,528)	(8,912)
Billed Authorised Consumption		–	–	–	(7,000)	(8,200)	(8,200)	(8,200)	(8,200)	(8,528)	(8,912)
Billed Metered Consumption		–	–	–	(7,000)	(8,200)	(8,200)	(8,200)	(8,200)	(8,528)	(8,912)
Free Basic Water		–	–	–	–	–	–	–	–	–	–
Subsidised Water		–	–	–	–	–	–	–	–	–	–
Revenue Water		–	–	–	(7,000)	(8,200)	(8,200)	(8,200)	(8,200)	(8,528)	(8,912)
Billed Unmetered Consumption		–	–	–	–	–	–	–	–	–	–
Free Basic Water		–	–	–	–	–	–	–	–	–	–
Subsidised Water		–	–	–	–	–	–	–	–	–	–
Revenue Water		–	–	–	–	–	–	–	–	–	–
UnBilled Authorised Consumption		–	–	–	–	–	–	–	–	–	–
Unbilled Metered Consumption		–	–	–	–	–	–	–	–	–	–
Unbilled Unmetered Consumption		–	–	–	–	–	–	–	–	–	–
Water Losses		–	–	–	–	–	–	–	–	–	–
Apparent losses		–	–	–	–	–	–	–	–	–	–
Unauthorised Consumption		–	–	–	–	–	–	–	–	–	–
Customer Meter Inaccuracies		–	–	–	–	–	–	–	–	–	–
Real losses		–	–	–	–	–	–	–	–	–	–
Leakage on Transmission and Distribution Mains		–	–	–	–	–	–	–	–	–	–
Leakage and Overflows at Storage Tanks/Reservoirs		–	–	–	–	–	–	–	–	–	–
Leakage on Service Connections up to the point of Customer Meter		–	–	–	–	–	–	–	–	–	–
Data Transfer and Management Errors		–	–	–	–	–	–	–	–	–	–
Unavoidable Annual Real Losses		–	–	–	–	–	–	–	–	–	–
Non-revenue Water		–	–	–	–	–	–	–	–	–	–
Closing Balance Water		146	134	84	134	7,134	7,134	7,134	76	76	76
Agricultural											
Opening Balance		–	–	–	–	–	–	–	–	–	–
Acquisitions		–	–	–	–	–	–	–	–	–	–
Issues	7	–	–	–	–	–	–	–	–	–	–
Adjustments	8	–	–	–	–	–	–	–	–	–	–
Write-offs	9	–	–	–	–	–	–	–	–	–	–
Closing balance - Agricultural		–	–	–	–	–	–	–	–	–	–

Consumables												
Standard Rated												
Opening Balance			782	1,546	241	904	904	904	904	11,210	12,637	14,120
Acquisitions			-	426	18,563	22,680	22,680	22,680	22,680	10,263	10,714	11,154
Issues		7	-	(1,069)	(3,734)	(12,670)	(9,401)	(9,401)	(9,401)	(8,837)	(9,232)	(9,599)
Adjustments		8	-	(0)	(2,614)	(100)	-	-	-	-	-	-
Write-offs		9	-	-	-	-	-	-	-	-	-	-
Closing balance - Consumables Standard Rated			782	903	12,456	10,814	14,182	14,182	14,182	12,637	14,120	15,675
Zero Rated												
Opening Balance			-	994	99	99	99	99	99	9,824	9,824	9,824
Acquisitions			-	6,756	1,184	-	-	-	-	11,010	11,505	11,966
Issues		7	-	(7,669)	(12,199)	(9,410)	(11,010)	(11,010)	(11,010)	(11,010)	(11,505)	(11,966)
Adjustments		8	-	-	-	-	-	-	-	-	-	-
Write-offs		9	-	-	-	-	-	-	-	-	-	-
Closing balance - Consumables Zero Rated			-	82	(10,916)	(9,311)	(10,911)	(10,911)	(10,911)	9,824	9,824	9,824
Finished Goods												
Opening Balance			-	-	-	-	-	-	-	-	-	-
Acquisitions			-	-	-	-	-	-	-	-	-	-
Issues		7	-	-	-	-	-	-	-	-	-	-
Adjustments		8	-	-	-	-	-	-	-	-	-	-
Write-offs		9	-	-	-	-	-	-	-	-	-	-
Closing balance - Finished Goods			-	-	-	-	-	-	-	-	-	-
Materials and Supplies												
Opening Balance			-	5,922	6,282	6,282	6,282	6,282	6,282	5,654	(127)	(6,105)
Acquisitions			7,681	400	1,383	12,021	12,021	12,021	12,021	6,378	6,665	6,982
Issues		7	-	(40)	(1,383)	(12,021)	(12,465)	(12,465)	(12,465)	(12,159)	(12,643)	(13,210)
Adjustments		8	-	-	-	-	-	-	-	-	-	-
Write-offs		9	-	-	-	-	-	-	-	-	-	-
Closing balance - Materials and Supplies			7,681	6,282	6,282	6,282	5,838	5,838	5,838	(127)	(6,105)	(12,333)
Work-in-progress												
Opening Balance			-	-	-	-	-	-	-	-	-	-
Materials			-	-	-	-	-	-	-	-	-	-
Transfers			-	-	-	-	-	-	-	-	-	-
Closing balance - Work-in-progress			-	-	-	-	-	-	-	-	-	-
Housing Stock												
Opening Balance			-	-	-	(0)	(0)	(0)	(0)	-	-	-
Acquisitions			-	-	-	-	-	-	-	-	-	-
Transfers			-	-	-	-	-	-	-	-	-	-
Sales			-	-	-	-	-	-	-	-	-	-
Closing Balance - Housing Stock			-	-	-	(0)	(0)	(0)	(0)	-	-	-
Land												
Opening Balance			-	-	-	-	-	-	-	-	-	-
Acquisitions			-	-	-	-	-	-	-	-	-	-
Sales			-	-	-	-	-	-	-	-	-	-
Adjustments			-	-	-	-	-	-	-	-	-	-
Correction of Prior period errors			-	-	-	-	-	-	-	-	-	-
Closing Balance - Land			-	-	-	-	-	-	-	-	-	-
Closing Balance - Inventory & Consumables			8,609	7,402	7,907	7,919	16,244	16,244	16,244	22,411	17,915	13,243

Property, plant and equipment (PPE)												
PPE at cost/valuation (excl. finance leases)			2,663,276	1,762,930	2,803,182	1,970,629	1,958,416	1,958,416	1,958,416	3,010,430	3,144,004	3,273,489
Leases recognised as PPE		3	-	-	-	-	-	-	-	-	-	-
Less: Accumulated depreciation			983,662	78,307	1,077,003	175,226	169,555	169,555	169,555	1,265,802	1,358,876	1,453,814
Total Property, plant and equipment (PPE)		2	1,679,614	1,684,622	1,726,179	1,795,404	1,788,861	1,788,861	1,788,861	1,744,627	1,785,128	1,819,675
LIABILITIES												
Current liabilities - Financial liabilities												
Short-term loans (other than bank overdraft)			-	-	-	-	-	-	-	-	-	-
Current portion of long-term liabilities			-	-	-	-	-	-	-	-	-	-
Total Current liabilities - Financial liabilities			-	-	-	-	-	-	-	-	-	-
Trade and other payables from exchange transactions												
Trade and other payables from exchange transactions		5	114,347	135,226	169,644	70,891	146,282	146,282	146,282	183,765	222,970	256,544
Other trade payables from exchange transactions			-	-	-	-	-	-	-	-	-	-
Trade payables from Non-exchange transactions: Unspent conditional Grants			20,710	28,824	(7,953)	400	25,552	25,552	25,552	(0)	(0)	(0)
Trade payables from Non-exchange transactions: Other			-	-	-	-	-	-	-	-	-	-
VAT			(159)	13,930	21,241	18,695	94,950	94,950	94,950	93,692	168,267	242,842
Total Trade and other payables from exchange transactions		2	134,898	177,980	182,932	89,986	266,784	266,784	266,784	277,456	391,236	499,385
Non current liabilities - Financial liabilities												
Borrowing		4	94,330	82,153	88,521	98,353	82,153	82,153	82,153	78,521	78,521	78,521
Other financial liabilities			-	-	-	2,000	900	900	900	2,040	4,162	6,379
Total Non current liabilities - Financial liabilities			94,330	82,153	88,521	100,353	83,053	83,053	83,053	80,561	82,683	84,900
Provisions												
Retirement benefits			-	-	-	-	-	-	-	-	-	-
Refuse landfill site rehabilitation			128,190	128,210	108,139	137,467	128,210	128,210	128,210	108,139	108,139	108,139
Other			13,456	15,105	15,255	15,105	15,105	15,105	15,105	15,255	15,255	15,255
Total Provisions			141,646	143,315	123,394	152,572	143,315	143,315	143,315	123,394	123,394	123,394
CHANGES IN NET ASSETS												
Accumulated surplus/(deficit)												
Accumulated surplus/(deficit) - opening balance			-	2,162,693	2,179,437	2,351,249	2,179,496	2,179,496	2,179,496	2,539,917	2,641,333	2,777,535
GRAP adjustments			-	-	-	-	-	-	-	-	-	-
Restated balance			-	2,162,693	2,179,437	2,351,249	2,179,496	2,179,496	2,179,496	2,539,917	2,641,333	2,777,535
Surplus/(Deficit)			(0)	11,908	161,445	159,563	115,931	115,931	115,931	101,416	136,202	156,391
Transfers to/from Reserves			-	-	-	-	-	-	-	-	-	-
Depreciation offsets			-	-	-	-	-	-	-	-	-	-
Other adjustments			108,026	4,836	(1,990)	-	-	-	-	-	-	-
Accumulated Surplus/(Deficit)		1	108,026	2,179,437	2,338,891	2,510,813	2,295,426	2,295,426	2,295,426	2,641,333	2,777,535	2,933,926
Reserves												
Housing Development Fund			-	-	-	-	-	-	-	-	-	-
Capital replacement			-	-	-	-	-	-	-	-	-	-
Self-insurance			-	-	-	-	-	-	-	-	-	-
Other reserves			-	-	-	-	-	-	-	-	-	-
Revaluation			-	-	-	-	-	-	-	-	-	-
Total Reserves		2	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY		2	108,026	2,179,437	2,338,891	2,510,813	2,295,426	2,295,426	2,295,426	2,641,333	2,777,535	2,933,926

Table 66 MBRR Table SA9 – Social, economic and demographic statistics and assumptions

NC087 Dawid Kruiper - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2019/20	2020/21	2021/22	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics												
Population		The 80-20 Report on Local Government				100	93	93	93	93	93	93
Females aged 5 - 14		The 80-20 Report on Local Government				Information not	Information not	Information not	Information not	Information not	Information not	Information not
Males aged 5 - 14		The 80-20 Report on Local Government										
Females aged 15 - 34		The 80-20 Report on Local Government										
Males aged 15 - 34		The 80-20 Report on Local Government										
Unemployment		The 80-20 Report on Local Government										
Monthly household income (no. of households)	1, 12											
No income		The 80-20 Report on Local Government				Information not available			2,278	2,278	2,278	2,278
R1 - R1 600		The 80-20 Report on Local Government				Information not available			5,439	5,439	5,439	5,439
R1 601 - R3 200		The 80-20 Report on Local Government				Information not available			4,579	4,579	4,579	4,579
R3 201 - R6 400		The 80-20 Report on Local Government				Information not available			3,766	3,766	3,766	3,766
R6 401 - R12 800		The 80-20 Report on Local Government				Information not available			3,347	3,347	3,347	3,347
R12 801 - R25 600		The 80-20 Report on Local Government				Information not available			2,278	2,278	2,278	2,278
R25 601 - R51 200		The 80-20 Report on Local Government				Information not available			1,093	1,093	1,093	1,093
R52 201 - R102 400		The 80-20 Report on Local Government				Information not available			302	302	302	302
R102 401 - R204 800		The 80-20 Report on Local Government				Information not available			116	116	116	116
R204 801 - R409 600		The 80-20 Report on Local Government				Information not available			70	70	70	70
R409 601 - R819 200		The 80-20 Report on Local Government				Information not available						
> R819 200		The 80-20 Report on Local Government				Information not available						
Poverty profiles (no. of households)												
< R5 500 per household per month	13	The 80-20 Report on Local Government				Information not available			8554.16	8554.16	8554.16	8554.16
Insert description	2											
Household/demographics (000)												
Number of people in municipal area		The 80-20 Report on Local Government				Information not available			93	93	93	93
Number of poor people in municipal area						Information not available			-	-	-	-
Number of households in municipal area						Information not available			23	23	23	23
Number of poor households in municipal area						Information not available			9	9	9	9
Defnition of poor household (R per month)		The 80-20 Report on Local Government				Information not available			per month	per month	per month	per month
Housing statistics	3											
Formal		The 80-20 Report on Local Government				Information not available						
Informal												
Total number of households			-	-	-	-	-	-	-	-	-	-
Dwellings provided by municipality	4											
Dwellings provided by province/s												
Dwellings provided by private sector	5											
Total new housing dwellings			-	-	-	-	-	-	-	-	-	-
Economic	6											
Inflation/inflation outlook (CPIX)						0.0%	0.0%	0.0%	5.6%	4.6%	4.6%	4.6%
Interest rate - borrowing						0.0%	0.0%	0.0%	Fixed Rates	Fixed Rates	Fixed Rates	Fixed Rates
Interest rate - investment						0.0%	0.0%	0.0%	5.5%	5.5%	5.5%	5.5%
Remuneration increases						0.0%	0.0%	6.8%	6.8%	6.3%	6.0%	6.0%
Consumption growth (electricity)						0.0%	0.0%	0.0%	0.0%	4.0%	4.0%	4.0%
Consumption growth (water)						0.0%	0.0%	0.0%	0.0%	3.0%	3.0%	3.0%
Collection rates	7											
Property tax/service charges						98.0%	98.0%	98.0%	98.0%	95.0%	95.0%	95.0%
Rental of facilities & equipment						98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%
Interest - external investments						Quotation Basis	Quotation Basis	Quotation Basis	Quotation Basis	Quotation Basis	Quotation Basis	Quotation Basis
Interest - debtors						10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Revenue from agency services						12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%

2.15 Municipal manager's quality certificate

I Elias Ntoba, Municipal Manager of Dawid Kruiper 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.

ELIAS NTOBA

Municipal Manager of Dawid Kruiper Municipality (NC087)

30 May 2023