WATERBERG DISTRICT MUNICIPALITY

MARCH 2021

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL YEAR

2021/22

Table of Contents

List of Tables

List of Figures

Abbreviations and Acronyms

CPI	Consumer Price Index
DoRA	Division of Revenue Act
EM	Executive Mayor
GFS	Government Financial Statistics
GRAP	General Recognised Accounting Practice
IDP	Integrated Development Plan
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
MEC	Member of the Executive Committee
MFMA	Municipal Financial Management Act Programme
MTEF	Medium-term Expenditure Framework
MTREF	Medium-term Revenue and Expenditure Framework
RSC	Regional Services Council
SDBIP	Service Delivery Budget Implementation Plan
WDM	Waterberg District Municipality

Part 1 – Annual Budget

1.1 Mayor's Report

1.2 Recommendations

That:

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

1. The report by the Executive Mayor regarding the 2021/22 Draft Budget of the Waterberg District Municipality contained in the agenda, be approved.

2. Council approve the Draft Operating Budget for the financial year 2021/22 and indicative for the two projected outer years 2021/22 and 2022/23.

3. Council approve the multi-year operating and capital projects appropriations for the financial year 2021/22 and indicative for the two projected outer years 2021/22 and 2022/23.

4. Council approve the Tariffs reflected in Annexure 1 for Abattoir for the Budget year 2021/22.

5. Council approve the Tariffs reflected in Annexure 2 for Fire Fighting for the Budget year 2021/22.

6. Council approve the Tariffs reflected in Annexure 24 for Municipal Health Services for budget year 2021/22

7. The Executive Mayor be mandated to engage DDM Political Champion, COGTA and National Treasury in a view to address the unfunded mandate (Fire-fighting and environmental health).

8. Note that a salary increase for councilors of 4 % has been budgeted in the 2021/22 budget year.

9. Note that a salary increase for officials and managers of 4 % has been budgeted in the 2021/22 budget year.

10. The tabled 2021/22 Budget and IDP be submitted to National and Provincial Treasury within 10 working days from approval.

1.3 Executive Summary

The application of sound financial management principles is essential and critical in the compilation of Waterberg District Municipality to ensure that the District remains financial viable and sustainable services delivery. WDM's IDP and service delivery priorities were reviewed as part of the municipal planning and budget preparation process. Funds were appropriated accordingly in line with municipal priorities. A critical review was undertaken by management on expenditure in line with cost containment to eliminate noncore and nice to have items in the 2021/22 MTREF.

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

- The ongoing difficulties in the national as well as Waterberg District Municipality economy;
- The need to reprioritise both IDP capital and operating projects within the existing resources available given the declining cash position of the municipality;
- The outbreak of COVID-19 which continues to impacted significantly impact on the budget preparation processes;
- The growing deficit which threaten WDM financial sustainability; and
- Affordability of the IDP capital and operating projects.

The Annual Budget was prepared in terms of National Treasury MFMA Municipal Budget and Reporting Regulations. The growth parameters were calculated based on the average CPI and guidance of the MFMA Budget Circular 108, being 4.0% in 2021/22, 4.2% in 2022/23 and 4.4% in 2023/24.

There are ten key factors that have been taken into consideration in the compilation of the 2021/22 MTREF:

- National Government macro-economic targets;
- The general inflationary outlook in terms of MFMA Circular 108;
- The impact of municipal cost drivers;
- The grants allocated in DORA;
- 2020/21 Adjustment budget priorities and targets as well as the baseline allocations contained in the approved adjustment budget;
- Inflation has been assumed at 4.0% in 2021/22, 4.2% in 2022/23 and 4.4% in 2023/24.
- Salary increases has been assumed at 4% in 2021/22, 4.2% in 2022/23 and 4.4% in 2023/24.
- Realistically anticipated revenues to be collected;
- Cash backed accumulated funds from previous year's surpluses not committed for other purposes, and
- Tariff increases should be affordable

The shortfall in the 2020/21 operating budget of R 30 094 152 is unfunded as such spending should be kept at a minimum level in order to reduce this projected deficit. The current IDP operating projects, unfunded health and fire-fighting services, as well as the Abattoir operations has a huge impact on this deficit, since some projects or services which are not funded by grants have been included in this tabled budget. The full amount of the shortfall relates to an actual operating shortfall in the 2021/22 year whereby the revenue received during the 2021/22 year will

not be enough to fund the budgeted 2021/22 operating expenditure. This is a major cause for concern as indication is that the Municipality will continuously be short on the budget in future as revenue is fixed per grants and substantial portion of operating expenditure is salary related which often increases by more than the CPI or relevant equitable share percentage increase.

The accumulated deficit from the previous financial years as well as the projected deficit for the current financial year is, as per the current state of affairs worsening the financial position of the Municipality. This has a detrimental effect on the municipality's ability to fund the budget shortfall beyond 2021/22 and IDP projects required to meet service delivery mandate. WDM is grant dependant which makes it difficult to generate own revenue. Management is in the process of developing Revenue enhancement strategy to address the growing deficit which will entail combination of bringing additional revenue streams and also increase revenue derived currently within the abattoir services. The strategy will also explore various ways of reducing and containing operational costs. It is critical that management develop strategies to minimize costs and archive desired results in the current economic climate.

Attached as Budget Table SA10 and Annexure 9 is the funding measurement test which indicates that currently only 2021/22 budget year is funded. The 2022/2023 and 2023/2024 budget shortfall as well as the IDP operating and Capital project detailed in Annexure 4 is currently unfunded. The revenue enhancement strategy will be tabled to Council with the final budget and will detail strategies that will employed by management to ensure financial sustainability.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2021/22 Medium-term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the 2021/22 MTREF

Description	2017/18	2018/19	2019/20	Budget Year 2020/21				2021/22 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 2021/22	Budget Year 2022/23	Budget Year 2023/24
Financial Performance										
Total Revenue (excluding capital transfers and contributions)	131 505	139 782	142 824	150 268	153 371	153 371	122 346	150 769	155 794	158 630
Total Expenditure	142 508	151 839	160 372	184 123	183 462	183 462	102 139	190 367	196 248	200 097
Surplus/(Deficit)	-11 003	-12 057	-17 548	-33 855	-30 091	-30 091	20 206	-39 598	-40 454	-41 467
(National / Provincial and District)	3 050	2 133	–	300	–	–	–	–	–	–
Surplus/(Deficit) for the year	-7 953	-9 924	-17 548	-33 555	-30 091	-30 091	20 206	-39 598	-40 454	-41 467

The total budgeted revenue amounts to R 150 768 728 (2020/21 - R 153 370 984). This is a decrease of 2% as compared to the 2020/21 adjusted budget, primarily due to an in decrease in equitable share grant allocation for the 2021/22 financial period. For the two outer year, operational budget will increase by 3% and 2% respectively equating to a total revenue growth of 3% over the MTERF compared to 2020/21 financial year.

The operating expenditure for 2021/22 financial year has been appropriated at R 190 366 896 and translate into budgeted deficit of R 39 598 169. When compared to 2020/21 adjustment budget, operational expenditure has increased by 7% and 3%; 2% for each respectively outer years of MTREF. The budgeted deficit has increased from R 30 094 152 to R 39 598 169.The

deficit for two outer year's increases to R 81 921 530. These deficit will be funded from the accumulated surpluses realized in the previous financial year.

The proposed IDP Capital projects requirements for 2021/22 financial year is R 17 960 000. However these projects are currently not included in the budget due to funding constraints. The projects will be finalized during the Final budget.

1.4 Operating Revenue Framework

WDM general principle when compiling the Operating Budget entails ensuring that the budget must be cash funded, Growth parameters must be realistic and be based on historic patterns adjusted for current reliable information and in any line with any budget circulars issued by National and Provincial Treasury; Tariff adjustments must be fair and that revenue from Government Grants and Subsides must be in accordance with the amounts promulgated in Division of Revenue Act, proven provincial transfers and any possible transfers to or from other municipalities.

The following key components are central to the Municipality revenue

- National Treasury's guidelines and macroeconomic policy;
- Growth in the municipal economic development;
- The rate of abattoir revenue collection is currently expressed as a 100% of annual billings. Cash flow is assumed to be 100% of billings, due to the majority of clients being cash clients, plus no provision for doubtful debt as old disputes have been written off and there are currently no new disputes or long outstanding debts;
- Determination of tariff escalation rate
- Increased ability to render new service, Air quality licencing

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

Table 2 Summary of revenue classified by main revenue source

Description	Ref	2017/18	2018/19	2019/20	Budget Year 2020/21				2021/22 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 2021/22	Budget Year 2022/23	Budget Year 2023/24
Revenue By Source											
Property rates	2	–	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	2	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment		–	–	–	–	–	–	–	–	–	–
Interest earned - external investments		11 491	10 575	7 362	8 800	5 360	5 360	12 561	5 569	5 585	5 596
Interest earned - outstanding debtors		0	0	0	–	1	1	1	1	1	1
Dividends received		–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		–	–	–	–	–	–	–	–	–	–
Licences and permits		–	–	–	–	–	–	–	–	–	–
Agency services		–	–	–	–	–	–	–	–	–	–
Transfers and subsidies		118 925	123 976	134 441	140 403	146 275	146 275	108 834	143 396	148 400	151 222
Other revenue	2	1 089	5 231	1 021	1 066	1 736	1 736	950	1 803	1 808	1 812
Gains		–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		**131 505**	**139 782**	**142 824**	**150 268**	**153 371**	**153 371**	**122 346**	**150 769**	**155 794**	**158 630**

Table 3 Operating Transfers and Grant Receipts

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		**120 172**	**125 987**	**134 436**	**147 767**	**146 275**	**146 275**	**143 396**	**148 400**	**151 222**
Local Government Equitable Share		117 373	122 854	129 985	142 124	142 124	142 124	140 217	145 116	147 932
Finance Management		1 250	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000
EPWP Incentive		–	–		1 000	1 000	1 000	–		
Municipal Drought Relief		–	–	1 192	1 192	–	–	–		
Municipal Systems Improvement					300	–	–	–		
Rural Roads Asset Management Systems Grant		1 550	2 133	2 259	2 151	2 151	2 151	2 179	2 284	2 290
Other grant providers:		**303**	**123**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
LG SETA GRANT		103	123							
LEDET BIOSPHERE GRANT		200								
Total Operating Transfers and Grants	5	**120 475**	**126 110**	**134 436**	**147 767**	**146 275**	**146 275**	**143 396**	**148 400**	**151 222**

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When tariffs were revised, local economic conditions, input costs and affordability of services were taken into considerations. National Treasury encourages municipalities to keep tariffs increases as low as possible.

1.4.1 **Abattoir Services**

The tariff benchmarking exercise was conducted with the three private abattoirs that are operating within Waterberg Region being, Mookgophong, Mokopane and Thabazimbi in the previous financial year. WDM Abattoir tariffs are currently below what the competitors are considered

competitive by management against all private abattoirs operating within the Waterberg District Municipality. A 4% tariff increase is proposed for the 2021/22 financial year.

The proposed tariffs for the financial year 2021/22 are attached as Annexure 1.

1.4.2 **Fire-fighting services**

The proposed increase on Fire Fighting tariffs 2021/22 is 4% increase. The tariffs includes the transport permits for dangerous goods transportation as well site inspections fee for building plans (fire protection plan). Mogalakwena local municipality which is providing the service on behalf of WDM must be encouraged to implement these particular Tariffs for the purposes of cost recovery.

No fire-fighting income has been budgeted for due to the trend of the past years where very little to no fire-fighting income was transferred to WDM, thus leading to the conclusion that any income budget for this purpose will be unrealistic.

The proposed tariffs for the financial year 2021/22 are attached as Annexure 2.

1.4.**3 Municipal Health Service**

The proposed tariff increase for the municipal health services is 4%. These are new tariffs and will be implemented for the first time in 2021/22 financial year after the promulgation of the by-laws.

The proposed tariffs for the financial year 2021/22 are attached as Annexure 3.

1.5 Operating Expenditure Framework

WDM expenditure framework for the 2021/22 budget and MTREF is informed by the following:

- Balanced budget – operating expenditure should not exceed operating revenue unless there are existing uncommitted cash-backed reserves to fund any budget shortfall;
- Funding of budget over MTREF informed by section 18 and 19 of MFMA;

Table 4 Summary of operating expenditure by standard classification item

Description	Ref	2017/18	2018/19	2019/20	Budget Year 2020/21				2021/22 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 2021/22	Budget Year 2022/23	Budget Year 2023/24
Employee related costs	2	83 750	91 782	102 309	122 511	119 980	119 980	75 153	124 731	125 019	125 259
Remuneration of councillors		7 802	8 262	8 239	9 233	9 226	9 226	5 691	9 593	9 621	9 639
Depreciation & asset impairment	2	6 422	5 109	7 602	8 628	8 628	8 628	–	12 812	13 175	13 192
Other materials	8	2 004	1 664	1 791	4 058	4 046	4 046	3 505	3 892	3 904	3 911
Contracted services		22 839	24 359	21 312	8 280	11 483	11 483	6 001	10 259	10 304	10 351
Transfers and subsidies		100	130	–	–	–	–	–	–	–	–
Other expenditure	4, 5	19 591	20 505	18 812	31 414	30 100	30 100	11 790	29 079	34 226	37 745
Losses		–	27	307	–	–	–	–	–	–	–
Total Expenditure		**142 508**	**151 839**	**160 372**	**184 123**	**183 462**	**183 462**	**102 139**	**190 367**	**196 248**	**200 097**

Employee costs

Personnel expenditure increases in 2021/22 to R 125 million for officials (2020/21 adjusted – R 120 million), including contributions to long service awards and post-retirement medical aid actuarial valuations.

Provision is made for a general increase of 4 % for all employees. The Salary and Wage Collective Agreement for the period 01 July 2018 to 30 June 2021 has come to an end and a new agreement is under consultation, which we hope will take into account the current fiscal constraints faced by government . Municipalities are advised to take into account their financial sustainability when considering salary increases in the absence of any information from SALGBC in the preparation of the 2021/22 MTREF budgets and as such the projected salary increase included in the draft budget is as follows:

2021/22 Financial Year – average CPI 4.0%
2022/23 Financial Year - average CPI 4.2%
2023/24 Financial Year - average CPI 4.4%

The Environmental Health Services salaries amounts to R 18 243 635 (2020/21- R 17 558 840) which makes up 15% of the total salaries.

The Fire Fighting Services salaries amounts to R 23 546 046 (2020/21 - R 22 662 219) which contributes 20% of the total salaries. This excludes the salaries budgeted in Mogalakwena local municipality for fire-fighting staff appointed by the local municipality. The District Municipality is currently in the process of relocating staff allocated to Mogalakwena local municipality to the head office.

The Abattoir salaries amounts to R 6 031 465 (2020/21 - R 5 805 067) which makes up 5% of the total salaries.

Travel allowances were budgeted for all Divisional Managers as well as other extensive travelers in terms of the WDM approved Travel Allowance Policy. There are 74 travel allowances budgeted for in comparison to a total Staff complement of 159 permanent employees (41%). No new travel allowances has been added for the 2021/22 financial year.

Performance bonuses for S57 managers is not budgeted for all managers due to the financial challenges being experienced by the municipality.

Budget is still provided for Provision for Leave and Provision for Officials' Bonuses due to the GRAP disclosure requirements for annual leave and officials' bonuses.

The total employee related costs amounts to R 120 214 538 (2020/21 R 115 632 701), which is a 4% increase on 2021/22 personnel budget. The proposed organogram 2021/22 implementation status is attached as Annexure 5.

The total amount contributes 62% (2020/21 – 63%; 19/20 – 62%; 18/19 – 58%; 17/18 – 55%; 16/17 – 59%; 15/16 – 61%; 14/15 - 52%; 13/14 – 48%) of the total operating expenditure (including operating expenditure projects on the IDP).

Remuneration of Councilors

Councilors' salaries and allowances are based on the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance. Any overpayment to councilors contrary to the upper limits as published by the Minister of Cooperative Governance and Traditional Affairs will be irregular expenditure in terms of section 167 of the MFMA and must be recovered from the councilor(s) concerned. The budget is now compiled on a Grade 4. Provision is made for six full time councilors.

The total salaries and allowances for councilors amounts to R 9 600 198 (2020/21 – R 9 239 844) and makes up 5% (20/21 – 5%; 19/20 – 5%; 18/19 – 5%; 17/18 – 5%; 16/17 – 5%; 15/16 – 5%; 14/15 – 5%) of the total operating expenditure, however this expenditure is subsidized by an equitable share allocation specifically for this purpose of R 6 726 000, resulting in under-funding of R 2 874 198 for the 2021/22 financial period .

Depreciation and amortization

Provision for depreciation and amortization is informed by the Municipality Assets Management Policy. Depreciation is considered a proxy for the measurement of the rate of assets consumption. The 2021/22 budget is R 12 812 272 and is 7% of the total operating budget.

Contracted Services

An amount of R 10 million is budgeted for Contracted Services and constitutes 6% of the total operating budget. Included in the Contracted services is the fire-fighting service which is rendered on behalf of Council by the Mogalakwena Municipality as well as security service.

Material and Bulk purchases

An amount of R 4 million is budgeted for repairs and maintenance and constitutes 2% of the total operating budget. The provision is low due to the fact that we do not have infrastructure assets. This provision is mainly for buildings, vehicles and equipment.

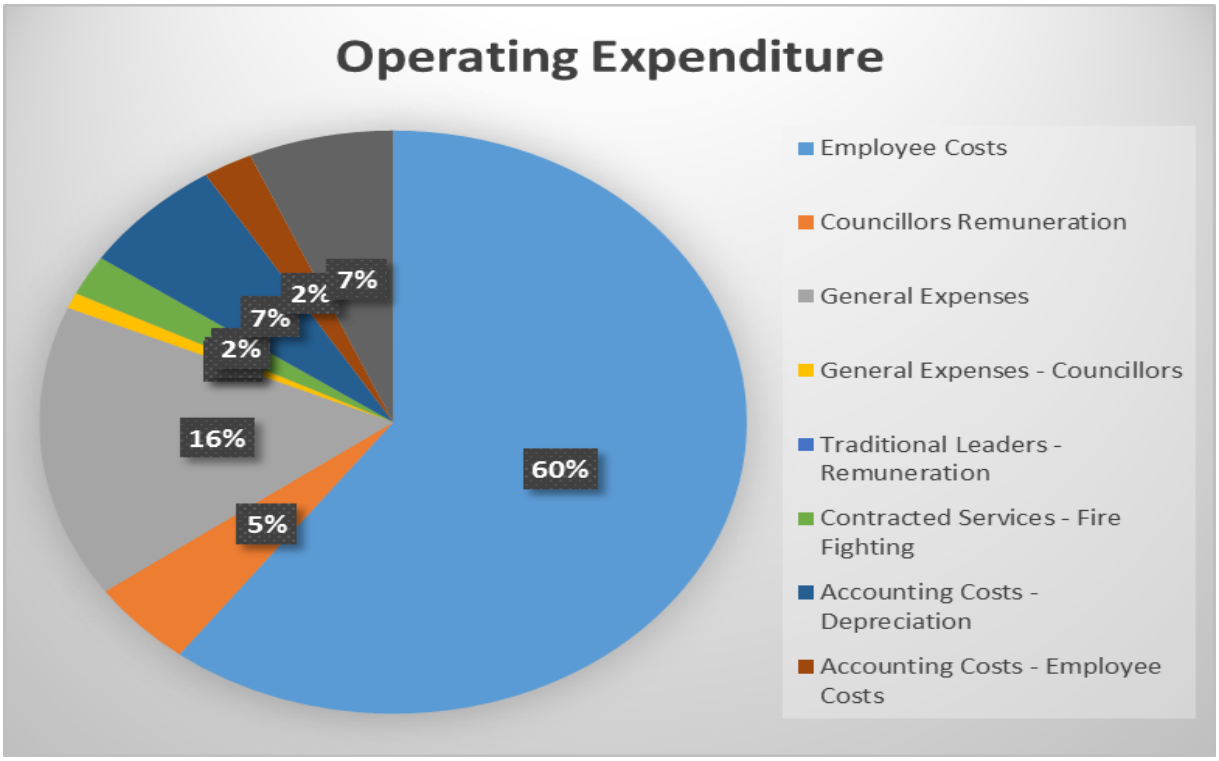
Other expenditure

Other general expenditure has been increased by an inflation rate of 4% with the exception of operating project expenditure. However, to support austerity measures as well as considering financial constraints faced by the municipality, no budget increases has been granted for catering and some expenditure votes have not been increased while other have been reduced.

The major general expenses are audit fees, subsistence & travel, municipal services, annual insurance, financial system costs. General expenditure also includes allocations to all the Waterberg Local Municipalities' Disaster Centre's for the operation thereof.

The following table gives a breakdown of the main expenditure categories for the 2021/22 financial year.

Figure 1 Main operational expenditure categories for the 2021/22 financial year



1.6 Capital expenditure

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

Table 5 2021/22 Medium-term capital budget per vote

Vote Description	Ref	2017/18	2018/19	2019/20	Budget Year 2020/21				2021/22 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 2021/22	Budget Year 2022/23	Budget Year 2023/24
Single-year expenditure *to be appropriated*	2										
Vote 1 - Vote 1: BUDGET AND TREASURY		-31 325	119 094	118 058	–	–	–	–	–	–	–
Vote 2 - Vote 2: MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–	–
Vote 3 - Vote 3: CORPORATE SERVICES		960	-724	3 967	9 320	8 220	8 220	4 217	–	–	–
Vote 4 - Vote 4: PLANNING		–	–	–	628	628	628	519	–	–	–
Vote 5 - Vote 5: INFRASTRUCTURE SERVICES		–	–	–	–	–	–	–	–	–	–
Vote 6 - Vote 6: MAYORS OFFICE		–	–	–	–	–	–	–	–	–	–
Vote 7 - Vote 7: SOCIAL SERVICES		–	–	–	–	–	–	–	–	–	–
Vote 8 - Vote 8: FIRE FIGHTING SERVICES		-497	-236	14 570	5 495	5 495	5 495	14 501	–	–	–
Vote 9 - Vote 9: MUNICIPAL HEALTH SERVICES		–	–	240	295	295	295	252	–	–	–
Vote 10 - Vote 10: ABATTOIR		–	-7	-7	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		**-30 862**	**118 126**	**136 827**	**15 739**	**14 639**	**14 639**	**19 489**	–	–	–
Total Capital Expenditure - Vote		**-30 862**	**118 126**	**136 827**	**15 739**	**14 639**	**14 639**	**19 489**	–	–	–

1.7 WDM Annual Budget Tables

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2021/22 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory notes* on the facing page.

Table 6 MBRR Table A1 - Budget Summary

Description	2017/18	2018/19	2019/20	Budget Year 2020/21				2021/22 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 2021/22	Budget Year 2022/23	Budget Year 2023/24
Financial Performance										
Investment revenue	11 491	10 575	7 362	8 800	5 360	5 360	12 561	5 569	5 585	5 596
Transfers recognised - operational	118 925	123 976	134 441	140 403	146 275	146 275	108 834	143 396	148 400	151 222
Other own revenue	1 090	5 231	1 021	1 066	1 736	1 736	951	1 804	1 809	1 813
Total Revenue (excluding capital transfers and contributions)	131 505	139 782	142 824	150 268	153 371	153 371	122 346	150 769	155 794	158 630
Employee costs	83 750	91 782	102 309	122 511	119 980	119 980	75 153	124 731	125 019	125 259
Remuneration of councillors	7 802	8 262	8 239	9 233	9 226	9 226	5 691	9 593	9 621	9 639
Depreciation & asset impairment	6 422	5 109	7 602	8 628	8 628	8 628	–	12 812	13 175	13 192
Finance charges	–	–	–	–	–	–	–	–	–	–
Materials and bulk purchases	2 004	1 664	1 791	4 058	4 046	4 046	3 505	3 892	3 904	3 911
Transfers and grants	100	130	–	–	–	–	–	–	–	–
Other expenditure	42 431	44 892	40 431	39 694	41 583	41 583	17 791	39 338	44 529	48 096
Total Expenditure	142 508	151 839	160 372	184 123	183 462	183 462	102 139	190 367	196 248	200 097
Surplus/(Deficit)	-11 003	-12 057	-17 548	-33 855	-30 091	-30 091	20 206	-39 598	-40 454	-41 467
Transfers and subsidies - capital (monetary allocations)										
(National / Provincial and District)	3 050	2 133	–	300	–	–	–	–	–	–
	-7 953	-9 924	-17 548	-33 555	-30 091	-30 091	20 206	-39 598	-40 454	-41 467
Surplus/(Deficit) after capital transfers & contributions										
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	-7 953	-9 924	-17 548	-33 555	-30 091	-30 091	20 206	-39 598	-40 454	-41 467
Capital expenditure & funds sources										
Capital expenditure	**-30 862**	118 126	136 827	15 739	14 639	14 639	19 489	–	–	–
Transfers recognised - capital	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	–	–	4 736	14 439	14 639	14 639	4 923	–	–	–
Total sources of capital funds	–	–	4 736	14 439	14 639	14 639	4 923	–	–	–
Financial position										
Total current assets	**135 710**	103 066	74 811	5 808	70 574	70 574	64 242	73 948	46 669	18 393
Total non current assets	**50 784**	77 867	93 301	7 111	96 049	96 049	98 060	96 049	96 066	96 049
Total current liabilities	**27 113**	25 001	29 744	46 474	28 535	28 535	3 727	28 580	28 580	28 580
Total non current liabilities	**27 872**	30 358	28 158	–	27 355	27 355	28 158	27 355	27 355	27 355
Community wealth/Equity	**137 666**	135 479	127 758	-33 555	110 732	110 732	110 211	114 062	86 799	58 507
Cash flows										
Net cash from (used) operating	**123 564**	232 965	109 885	–	-30 742	-30 742	-3 942	-32 586	-27 280	-28 275
Net cash from (used) investing	**55**	–	5 571	–	14 639	14 639	624	–	–	–
Net cash from (used) financing	–	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the year end	**128 186**	361 841	205 446	–	89 236	89 236	66 623	72 567	45 287	17 012
Cash backing/surplus reconciliation										
Cash and investments available	**128 931**	92 745	69 978	8 800	69 237	69 237	59 582	72 567	45 287	17 012
Application of cash and investments	**-9 699**	-7 802	-26 049	–	-1 436	-1 436	-5 044	-1 436	-1 436	-1 436
Balance - surplus (shortfall)	**138 630**	100 547	96 027	8 800	70 673	70 673	64 626	74 003	46 723	18 448
Asset management										
Asset register summary (WDV)	**50 730**	77 812	93 246	7 111	95 994	95 994	95 994	95 994	96 011	95 994
Depreciation	–	5 109	6 324	8 628	8 628	8 628	8 628	12 812	8 990	9 007
Renewal and Upgrading of Existing Assets	**78**	-7	38 272	5 628	5 628	5 628	5 628	–	–	–
Repairs and Maintenance	**187**	372	1 018	–	–	–	–	–	–	–
Free services										
Cost of Free Basic Services provided Revenue cost of free services provided **Households below minimum service level**	–	–	–	–	–	–	–	–	–	–
Water: Sanitation/sewerage: Energy:	–	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–	–
	–	–	–	–	–	–	–	–	–	–

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the WDM 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 emphasizes 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 deficit (after Total Expenditure) is positive over the MTREF
    b. Capital expenditure is balanced by capital funding sources, of which
        i. Transfers recognized is reflected on the Financial Performance Budget;
        ii. Internally generated funds is 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 the budget is funded

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

Table 7 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

Functional Classification Description	Ref	2017/18	2018/19	2019/20	Budget Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
Revenue - Functional										
Governance and administration		**133 292**	**136 754**	**138 412**	**146 387**	**148 520**	**148 520**	**146 823**	**151 738**	**154 565**
Executive and council		1 502	8	–	–	–	–	–	–	–
Finance and administration		131 790	136 746	138 412	146 387	148 520	148 520	146 823	151 738	154 565
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		**–**	**–**	**1 192**	**165**	**165**	**165**	**171**	**172**	**172**
Community and social services		–	–	1 192	–	–	–	–	–	–
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	165	165	165	171	172	172
Economic and environmental services		**200**	**4 141**	**2 259**	**3 151**	**3 151**	**3 151**	**2 179**	**2 284**	**2 290**
Planning and development		200	4 141	2 259	2 151	2 151	2 151	2 179	2 284	2 290
Road transport		–	–	–	1 000	1 000	1 000	–	–	–
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Energy sources		–	–	–	–	–	–	–	–	–
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		–	–	–	–	–	–	–	–	–
Other	4	**1 063**	**1 020**	**961**	**865**	**1 535**	**1 535**	**1 595**	**1 600**	**1 603**
Total Revenue - Functional	2	**134 555**	**141 915**	**142 824**	**150 568**	**153 371**	**153 371**	**150 769**	**155 794**	**158 630**
Expenditure - Functional										
Governance and administration		**71 197**	**70 622**	**77 506**	**95 248**	**89 396**	**89 396**	**92 281**	**92 460**	**92 635**
Executive and council		30 589	32 728	27 635	44 889	42 938	42 938	44 197	44 353	44 438
Finance and administration		40 608	37 895	49 871	50 359	46 458	46 458	48 085	48 106	48 197
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		**47 887**	**55 891**	**62 751**	**57 448**	**67 253**	**67 253**	**72 171**	**72 596**	**72 726**
Community and social services		3 215	2 179	3 282	12 329	7 057	7 057	7 276	7 301	7 315
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		25 068	30 566	35 355	20 095	38 315	38 315	43 779	44 112	44 188
Housing		–	–	–	–	–	–	–	–	–
Health		19 604	23 145	24 114	25 024	21 881	21 881	21 116	21 183	21 223
Economic and environmental services		**9 434**	**16 695**	**11 213**	**17 290**	**17 742**	**17 742**	**16 394**	**21 559**	**25 083**
Planning and development		7 680	16 248	11 213	17 236	17 695	17 695	16 394	21 559	25 083
Road transport		1 754	447	–	54	47	47	–	–	–
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Energy sources		–	–	–	–	–	–	–	–	–
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		–	–	–	–	–	–	–	–	–
Other	4	**12 088**	**8 613**	**8 902**	**14 138**	**9 071**	**9 071**	**9 521**	**9 634**	**9 653**
Total Expenditure - Functional	3	**140 606**	**151 821**	**160 372**	**184 123**	**183 462**	**183 462**	**190 367**	**196 248**	**200 097**
Surplus/ (Deficit) for the year		**-6 051**	**-9 906**	**-17 548**	**-33 555**	**-30 091**	**-30 091**	**-39 598**	**-40 454**	**-41 467**

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 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms if 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 recognized – 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. WDM does not have any trading services.
4. Other functions that show a deficit between revenue and expenditure are being financed from equitable share revenue sources reflected under the Finance and Administration.

Table 8 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2017/18	2018/19	2019/20	Budget Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
Revenue by Vote										
Vote 1 - Vote 1: BUDGET AND TREASURY		131 687	136 623	138 412	146 387	148 520	148 520	146 823	151 738	154 565
Vote 2 - Vote 2: MUNICIPAL MANAGER		2	8	–	–	–	–	–	–	–
Vote 3 - Vote 3: CORPORATE SERVICES		103	123	–	–	–	–	–	–	–
Vote 4 - Vote 4: PLANNING		200	4 141	2 259	2 151	2 151	2 151	2 179	2 284	2 290
Vote 5 - Vote 5: INFRASTRUCTURE SERVICES	1	–	–	–	1 000	1 000	1 000	–	–	–
Vote 6 - Vote 6: MAYORS OFFICE		1 500	–	–	–	–	–	–	–	–
Vote 7 - Vote 7: SOCIAL SERVICES		–	–	–	–	–	–	–	–	–
Vote 8 - Vote 8: FIRE FIGHTING SERVICES		–	–	1 192	–	–	–	–	–	–
Vote 9 - Vote 9: MUNICIPAL HEALTH SERVICES		–	–	–	165	165	165	171	172	172
Vote 10 - Vote 10: ABATTOIR		1 063	1 020	961	865	1 535	1 535	1 595	1 600	1 603
Total Revenue by Vote	2	**134 555**	**141 915**	**142 824**	**150 568**	**153 371**	**153 371**	**150 769**	**155 794**	**158 630**
Expenditure by Vote ***to be appropriated***										
Vote 1 - Vote 1: BUDGET AND TREASURY		17 677	15 718	22 690	33 706	21 834	21 834	22 711	22 709	22 751
Vote 2 - Vote 2: MUNICIPAL MANAGER		6 795	7 154	3 285	16 116	10 790	10 790	11 206	11 243	11 264
Vote 3 - Vote 3: CORPORATE SERVICES		22 931	22 177	27 181	16 654	24 623	24 623	25 374	25 397	25 446
Vote 4 - Vote 4: PLANNING		7 680	16 248	11 213	17 236	17 695	17 695	8 859	8 902	8 946
Vote 5 - Vote 5: INFRASTRUCTURE SERVICES	1	1 754	447	–	54	47	47	7535	12657	16137
Vote 6 - Vote 6: MAYORS OFFICE		23 794	25 573	24 349	28 772	32 149	32 149	32 990	33 110	33 174
Vote 7 - Vote 7: SOCIAL SERVICES		5 711	2 147	1 062	6 080	776	776	7276	7301	7315
Vote 8 - Vote 8: FIRE FIGHTING SERVICES		26 050	30 599	37 575	26 343	44 595	44 595	43 779	44 112	44 188
Vote 9 - Vote 9: MUNICIPAL HEALTH SERVICES		19 604	23 145	24 114	25 024	21 881	21 881	21 116	21 183	21 223
Vote 10 - Vote 10: ABATTOIR		8 611	8 613	8 902	14 138	9 071	9 071	9 521	9 634	9 653
Total Expenditure by Vote	2	**140 606**	**151 821**	**160 372**	**184 123**	**183 462**	**183 462**	**190 367**	**196 248**	**200 097**
Surplus/ (Deficit) for the year	2	**-6 051**	**-9 906**	**-17 548**	**-33 555**	**-30 091**	**-30 091**	**-39 598**	**-40 454**	**-41 467**

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 organizational structure of the WDM. This means it is possible to present the operating surplus or deficit of a vote.

2. **Table 9 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)**

Description	Ref	2017/18	2018/19	2019/20	Budget Year 2020/21				2021/22 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 2021/22	Budget Year 2022/23	Budget Year 2023/24
Revenue By Source											
Interest earned - external investments		11 491	10 575	7 362	8 800	5 360	5 360	12 561	5 569	5 585	5 596
Interest earned - outstanding debtors		0	0	0	–	1	1	1	1	1	1
Dividends received		–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		–	–	–	–	–	–	–	–	–	–
Licences and permits		–	–	–	–	–	–	–	–	–	–
Agency services		–	–	–	–	–	–	–	–	–	–
Transfers and subsidies		118 925	123 976	134 441	140 403	146 275	146 275	108 834	143 396	148 400	151 222
Other revenue	2	1 089	5 231	1 021	1 066	1 736	1 736	950	1 803	1 808	1 812
Gains		–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		**131 505**	**139 782**	**142 824**	**150 268**	**153 371**	**153 371**	**122 346**	**150 769**	**155 794**	**158 630**
Expenditure By Type											
Employee related costs	2	83 750	91 782	102 309	122 511	119 980	119 980	75 153	124 731	125 019	125 259
Remuneration of councillors		7 802	8 262	8 239	9 233	9 226	9 226	5 691	9 593	9 621	9 639
Debt impairment	3	–	–	–	–	–	–	–	–	–	–
Depreciation & asset impairment	2	6 422	5 109	7 602	8 628	8 628	8 628	–	12 812	13 175	13 192
Finance charges		–	–	–	–	–	–	–	–	–	–
Bulk purchases	2	–	–	–	–	–	–	–	–	–	–
Other materials	8	2 004	1 664	1 791	4 058	4 046	4 046	3 505	3 892	3 904	3 911
Contracted services		22 839	24 359	21 312	8 280	11 483	11 483	6 001	10 259	10 304	10 351
Transfers and subsidies		100	130	–	–	–	–	–	–	–	–
Other expenditure	4, 5	19 591	20 505	18 812	31 414	30 100	30 100	11 790	29 080	34 225	37 745
Losses		–	27	307	–	–	–	–	–	–	–
Total Expenditure		**142 508**	**151 839**	**160 372**	**184 123**	**183 462**	**183 462**	**102 139**	**190 367**	**196 248**	**200 097**
Surplus/(Deficit)		**-11 003**	**-12 057**	**-17 548**	**-33 855**	**-30 091**	**-30 091**	**20 206**	**-39 598**	**-40 454**	**-41 467**
Transfers and subsidies - capital (monetary allocations)											
(National / Provincial and District)		3 050	2 133	–	300	–	–	–	–	–	–
		-7 953	**-9 924**	**-17 548**	**-33 555**	**-30 091**	**-30 091**	**20 206**	**-39 598**	**-40 454**	**-41 467**
Surplus/(Deficit) for the year		**-7 953**	**-9 924**	**-17 548**	**-33 555**	**-30 091**	**-30 091**	**20 206**	**-39 598**	**-40 454**	**-41 467**

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

1. Total revenue is R 150 768 728 in 2021/22 and escalates to R 158 630 208 by 2023/24.
2. The budgeted revenue is less than the budgeted expenditure, this shortfall in the 2021/22 operating budget of R 39 569 896 is funded for by available accumulated cash, as such spending should be kept at a minimum level in order to reduce this projected deficit.
3. The unfunded health and fire-fighting services has a huge impact on this projected loss, since some projects which are not fully funded by grants have been included in this tabled budget. National Government stopped funding the Health service since the 2016/17 financial period as the subsidy was only for the first three years (2013 to 2015) of providing this service by the District Municipality.
4. Council operates an Abattoir, which is a trading service. The trading service is supposed to break even, but it is currently running at a loss of **R 7 925 205 for 2021/22 (R 7 710 353 for 2020/21.**
5. Employee related costs are the main cost drivers within the municipality and alternative operational gains and efficiencies will have to be identified to lessen the impact of wage increases in future years.

Table 10 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

Vote Description	Ref	2017/18	2018/19	2019/20	Budget Year 2020/21				2021/22 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 2021/22	Budget Year 2022/23	Budget Year 2023/24
Single-year expenditure *to be appropriated*	2										
Vote 1 - Vote 1: BUDGET AND TREASURY		-31 325	119 094	118 058	–	–	–	–	–	–	–
Vote 2 - Vote 2: MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–	–
Vote 3 - Vote 3: CORPORATE SERVICES		960	-724	3 967	9 320	8 220	8 220	4 217	–	–	–
Vote 4 - Vote 4: PLANNING		–	–	–	628	628	628	519	–	–	–
Vote 5 - Vote 5: INFRASTRUCTURE SERVICES		–	–	–	–	–	–	–	–	–	–
Vote 6 - Vote 6: MAYORS OFFICE		–	–	–	–	–	–	–	–	–	–
Vote 7 - Vote 7: SOCIAL SERVICES		–	–	–	–	–	–	–	–	–	–
Vote 8 - Vote 8: FIRE FIGHTING SERVICES		-497	-236	14 570	5 495	5 495	5 495	14 501	–	–	–
Vote 9 - Vote 9: MUNICIPAL HEALTH SERVICES		–	–	240	295	295	295	252	–	–	–
Vote 10 - Vote 10: ABATTOIR		–	-7	-7	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		**-30 862**	**118 126**	**136 827**	**15 739**	**14 639**	**14 639**	**19 489**	–	–	–
Total Capital Expenditure - Vote		**-30 862**	**118 126**	**136 827**	**15 739**	**14 639**	**14 639**	**19 489**	–	–	–
Capital Expenditure - Functional											
Governance and administration		**-30 365**	**118 369**	**122 025**	**9 320**	**8 220**	**8 220**	**4 217**	–	–	–
Executive and council		–	–	–	–	–	–	–	–	–	–
Finance and administration		-30 365	118 369	122 025	9 320	8 220	8 220	4 217	–	–	–
Internal audit		–	–	–	–	–	–	–	–	–	–
Community and public safety		**-497**	**-236**	**14 810**	**5 791**	**5 791**	**5 791**	**14 753**	–	–	–
Community and social services		–	–	–	–	–	–	–	–	–	–
Sport and recreation		–	–	–	–	–	–	–	–	–	–
Public safety		-497	-236	14 570	5 495	5 495	5 495	14 501	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–
Health		–	–	240	295	295	295	252	–	–	–
Economic and environmental services		**–**	**–**	**–**	**628**	**628**	**628**	**519**	–	–	–
Planning and development		–	–	–	628	628	628	519	–	–	–
Road transport		–	–	–	–	–	–	–	–	–	–
Environmental protection		–	–	–	–	–	–	–	–	–	–
Trading services		**–**	**–**	**–**	**–**	**–**	**–**	**–**	–	–	–
Energy sources		–	–	–	–	–	–	–	–	–	–
Water management		–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–
Waste management		–	–	–	–	–	–	–	–	–	–
Other		**–**	**-7**	**-7**	**–**	**–**	**–**	**–**	–	–	–
Total Capital Expenditure - Functional	3	**-30 862**	**118 126**	**136 827**	**15 739**	**14 639**	**14 639**	**19 489**	–	–	–
Funded by:											
Internally generated funds		–	–	4 736	14 439	14 639	14 639	4 923	–	–	–
Total Capital Funding	7	**–**	**–**	**4 736**	**14 439**	**14 639**	**14 639**	**4 923**	–	–	–

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

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The operating expenditure portion of the IDP is included in Tables A2 to A4 – Transfers & Grants, the reason being that a portion of the operating expenditure on the IDP relates to projects implemented on behalf of local municipalities, although at this stage, the individual local municipalities and allocation to each have not yet been identified.

Table 11 MBRR Table A6 - Budgeted Financial Position

Description	Ref	2017/18	2018/19	2019/20	Budget Year 2020/21				2021/22 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 2021/22	Budget Year 2022/23	Budget Year 2023/24
ASSETS											
Current assets											
Cash		95 954	91 564	23 984	8 800	69 237	69 237	20 589	72 567	45 287	17 012
Call investment deposits	1	32 922	1 126	45 938	–	–	–	38 938	–	–	–
Consumer debtors	1	1 763	3 762	1 791	1 066	499	499	1 826	499	499	499
Other debtors		5 071	6 465	3 014	–	882	882	2 807	882	882	882
Current portion of long-term receivables		–	42	83	–	–	–	83	–	–	–
Inventory	2	–	106	–	-4 058	-45	-45	–	–	–	–
Total current assets		**135 710**	**103 066**	**74 811**	**5 808**	**70 574**	**70 574**	**64 242**	**73 948**	**46 669**	**18 393**
Non current assets											
Long-term receivables		–	–	-	–	55	55	–	55	55	55
Investments		55	55	55	–	–	–	55	–	–	–
Investment property		–	–	–	–	–	–	–	–	–	–
Investment in Associate		–	–	–	–	–	–	–	–	–	–
Property, plant and equipment		48 309	76 059	91 189	5 656	94 132	94 132	95 947	94 132	94 148	94 132
Biological	3	–	–	–	–	–	–	–	–	–	–
Intangible		2 421	1 753	2 057	1 455	1 862	1 862	2 057	1 862	1 863	1 862
Other non-current assets		–	–	–	–	–	–	–	–	–	–
Total non current assets		**50 784**	**77 867**	**93 301**	**7 111**	**96 049**	**96 049**	**98 060**	**96 049**	**96 066**	**96 049**
TOTAL ASSETS		**186 494**	**180 933**	**168 112**	**12 919**	**166 622**	**166 622**	**162 302**	**169 997**	**142 735**	**114 442**
LIABILITIES											
Current liabilities											
Bank overdraft	1	–	–	–	–	–	–	–	–	–	–
Borrowing	4	–	–	–	–	–	–	–	–	–	–
Consumer deposits		2	2	2	–	2	2	2	2	2	2
Trade and other payables	4	26 617	24 458	27 016	46 474	27 101	27 101	1 000	27 146	27 146	27 146
Provisions		494	540	2 725	–	1 432	1 432	2 725	1 432	1 432	1 432
Total current liabilities		**27 113**	**25 001**	**29 744**	**46 474**	**28 535**	**28 535**	**3 727**	**28 580**	**28 580**	**28 580**
Non current liabilities											
Borrowing		–	–	–	–	–	–	–	–	–	–
Provisions		27 872	30 358	28 158	–	27 355	27 355	28 158	27 355	27 355	27 355
Total non current liabilities		**27 872**	**30 358**	**28 158**	**–**	**27 355**	**27 355**	**28 158**	**27 355**	**27 355**	**27 355**
TOTAL LIABILITIES		**54 985**	**55 359**	**57 901**	**46 474**	**55 890**	**55 890**	**31 885**	**55 935**	**55 935**	**55 935**
NET ASSETS	5	**131 510**	**125 574**	**110 211**	**-33 555**	**110 732**	**110 732**	**130 417**	**114 062**	**86 799**	**58 507**
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		137 666	135 479	127 758	-33 555	110 732	110 732	110 211	114 062	86 799	58 507
Reserves	4	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	5	**137 666**	**135 479**	**127 758**	**-33 555**	**110 732**	**110 732**	**110 211**	**114 062**	**86 799**	**58 507**

Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as "accounting" Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. Table 11 is supported by an extensive table of notes (SA3) providing a detailed analysis of the major components of a number of items, including:

- Call investments deposits;
- 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. The Municipal's equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community; and
6. 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 12 MBRR Table A7 - Budgeted Cash Flow Statement

Description	Ref	2017/18	2018/19	2019/20	Budget Year 2020/21				2021/22 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 2021/22	Budget Year 2022/23	Budget Year 2023/24
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Other revenue		1 546	3 991	5 535	–	1 736	1 736	1 035	1 803	1 808	1 812
Transfers and Subsidies - Operational	1	125 017	130 888	146 845	–	146 275	146 275	112 447	143 396	148 400	151 222
Transfers and Subsidies - Capital	1	0	1 493	–	–	–	–	–	–	–	–
Interest		-3 000	–	–	–	10 720	10 720	–	5 570	5 586	5 596
Suppliers and employees		–	96 593	-42 495	–	-189 473	-189 473	-117 424	-183 355	-183 074	-186 905
Finance charges		–	–	–	–	–	–	–	–	–	–
Transfers and Grants	1	–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**123 564**	**232 965**	**109 885**	**–**	**-30 742**	**-30 742**	**-3 942**	**-32 586**	**-27 280**	**-28 275**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Decrease (increase) in non-current investments		55	–	–	–	–	–	–	–	–	–
Payments											
Capital assets		–	–	5 571	–	14 639	14 639	624	–	–	–
NET CASH FROM/(USED) INVESTING ACTIVITIES		**55**	**–**	**5 571**	**–**	**14 639**	**14 639**	**624**	**–**	**–**	**–**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Payments											
Repayment of borrowing		–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**123 619**	**232 965**	**115 455**	**–**	**-16 103**	**-16 103**	**-3 318**	**-32 586**	**-27 280**	**-28 275**
Cash/cash equivalents at the year begin:	2	**4 567**	**128 876**	**89 990**	**–**	**105 339**	**105 339**	**69 941**	**105 153**	**72 567**	**45 287**
Cash/cash equivalents at the year end:	2	**128 186**	**361 841**	**205 446**	**–**	**89 236**	**89 236**	**66 623**	**72 567**	**45 287**	**17 012**

Table 13 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

Description	Ref	2017/18	2018/19	2019/20	Budget Year 2020/21				2021/22 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 2021/22	Budget Year 2022/23	Budget Year 2023/24
Cash and investments available											
Cash/cash equivalents at the year end	1	128 186	361 841	205 446	–	89 236	89 236	66 623	72 567	45 287	17 012
Other current investments > 90 days		690	-269 151	-135 523	8 800	-19 999	-19 999	-7 095	–	–	–
Non current assets - Investments	1	55	55	55	–	–	–	55	–	–	–
Cash and investments available:		**128 931**	**92 745**	**69 978**	**8 800**	**69 237**	**69 237**	**59 582**	**72 567**	**45 287**	**17 012**
Application of cash and investments											
Other working capital requirements	3	-9 699	-7 802	-26 049	–	-1 436	-1 436	-5 044	-1 436	-1 436	-1 436
Total Application of cash and investments:		**-9 699**	**-7 802**	**-26 049**	**–**	**-1 436**	**-1 436**	**-5 044**	**-1 436**	**-1 436**	**-1 436**
Surplus(shortfall)		**138 630**	**100 547**	**96 027**	**8 800**	**70 673**	**70 673**	**64 626**	**74 003**	**46 723**	**18 448**

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.

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

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. 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. From the table it can be seen that for the deficit deteriorated from considering the requirements of section 18 of the MFMA, it can be concluded that the adopted 2010/11 MTREF was not funded owing to the significant deficit.
6. As part of the budgeting and planning guidelines that informed the compilation of the 2021/22 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA.
7. As can be seen the budget has been modelled to progressively move from a deficit of

Table 14 MBRR Table A9 - Asset Management

Description	Ref	2017/18	2018/19	2019/20	Budget Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
CAPITAL EXPENDITURE										
Total New Assets	1	-30 940	118 134	98 555	10 111	9 011	9 011	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	38 744	547	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	*38 744*	*547*	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		877	-472	–	2 000	2 750	2 750	–	–	–
Intangible Assets		*877*	*-472*	–	*2 000*	*2 750*	*2 750*	–	–	–
Computer Equipment		-497	-236	-149	–	–	–	–	–	–
Furniture and Office Equipment		-32 124	14 231	15 176	1 036	286	286	–	–	–
Machinery and Equipment		804	5 972	4 911	2 091	1 791	1 791	–	–	–
Transport Assets		–	58 528	76 705	4 984	4 184	4 184	–	–	–
Land		–	1 366	1 366	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Renewal of Existing Assets	2	–	-7	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	-7	–	–	–	–	–	–	–

Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. The WDM meets both these recommendations.

Table 15 MBRR Table A10 - Basic Service Delivery Measurement

N/a

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 Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the MMC for Finance.

The primary aims of the Budget Steering Committee is 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 WDM 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.

2.1.1 Budget Process Overview

The 2021/22 IDP/Budget Process Plan was adopted by Council in August 2020.

The 2020/21 mid-year performance assessment was conducted in February 2021 which determined the 2020/21 Adjustment Budget and formed the baseline of drafting the 2021/22 Operating Expenditure budget (considering the mSCOA fundamentals, both zero-based and incremental budgeting was used to arrive at the budgeted operating expenditure).

The table below provides a high level budget process overview for WDM 2021/22 Budget.

2020/21 Legislative compliance

Quarter1	Submission of AFS and APR	Approval of 21/22 Process plan	Submission of 2020/21 Annual Performance Agreements	Publication of the process plan	Placement on the website
	30 October 2020	20 August 2020	30 July 2030	5 September 2020- Die Pos and Sowetan	31 August 2020
Quarter 2	IDP Rep Forum - analysis phase	IDP Steering committee	MPAC meeting	IDP/PMS meeting	Council meeting
	20 November 2020	17 November 2020	19 November 2020	05 November 2020	03 December 2020

9

2.2.2 **IDP and Service Delivery and Budget Implementation Plan**

The IDP and Budget, marks the 5th review of the overall strategic framework for our district for the period 2021/22. The process started in September 2020 after the tabling of the IDP Process Plan and the Budget Time Schedule for the 2021/22 MTREF in August.

The WDM IDP is 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 IDP has been taken into a business and financial planning process leading up to the 2021/22 MTREF, based on the approved 2020/21 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 2021/22 MTREF, each department had to review the planning process, including the setting of priorities and targets after reviewing the mid-year performance against the 2020/21 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.

2.1.2 Financial Modelling and Key Planning Drivers

The following key factors and planning strategies have informed the compilation of the 2021/22MTREF:

- Policy priorities and strategic objectives
- 2020/21 Adjustment Budget and Performance against SDBIP

- 2019/20 audit outcome
- DORA
- Cash Flow Management Forecast for the next 3 years
- Improved and sustainable service delivery
- Sustaining the going concern of the municipality

In addition to the above, the strategic guidance given in National Treasury's MFMA Circular 107 & 108 have been taken into consideration in the planning and prioritisation process.

2.1.3 Community Consultation

The institution has held two IDP representative forums. The first was held 20 November 2020, the second was held 15 March 2021. The 2021/22 strategic planning session was held on the 3-5 March 2021. The 2021/22 IDP and Budget will be tabled on the 30 March 2021

2.2 Overview of alignment of annual budget with IDP

The budget and IDP preparation process ran consecutively and joint IDP/Budget Steering Committee meetings and Representative Forum hearings was held during the year.The main priorities of the IDP projects are listed below and was considered during the project prioritisation phase for inclusions of projects into the budget:

1. Fire Fighting Services
2. Municipal Environmental Health & Environmental Management
3. Disaster Management
4. Abattoir
5. Local Economic Development & Tourism
6. Roads & Storm Water
7. Municipal Support & Institutional Development
8. Community Participation & Good Governance
9. Land
10. Sports, Arts & Culture
11. Water & Sanitation
12. Electricity
13. Transport

Due to budget constraints all priority areas could not be accommodated in the 2021/22 budget

WDM IDP Strategic Objectives

KEY PERFORMANCE AREA (KPA)	STRATEGIC OBJECTIVES
Basic service Delivery	To coordinate and monitor social and infrastructure development for the provision and access to services.
Spatial rationale	To coordinate spatial transformation.
Financial Management and viability	To effectively manage finances and resource mobilisation.
Local economic development	To create a conducive environment for radical economic development.
Good Governance and Public Participation	To develop and implement integrated management & governance systems
Transformation and organisational development	To attract, develop and retain ethical and best human capital

Table 16 MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue

DC36 Waterberg - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Basic services	To coordinate and monitor Social and Infrastructure development for the provision and access to services			1 088	999	2 201	1 066	1 066	1 066	1 803	1 808	1 812
Financial management & viability	To effectively manage finances and resource mobilisation			12 581	10 575	8 421	8 800	8 800	8 800	5 569	5 585	596
Good Governance and Public Participation	To develop and implement integrated management & governance systems			121 975	130 251	133 249	140 703	140 703	140 703	143 396	148 400	151 222
Allocations to other priorities			2									
0			1	**135 644**	**141 826**	**143 871**	**150 568**	**150 568**	**150 568**	**150 768**	**155 793**	**153 630**

Table 17 MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure

DC36 Waterberg - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Basic services	To coordinate and monitor Social and Infrastructure development for the provision and access to services			69 535	81 615	72 371	82 815	82 815	82 815	81 951	87 586	91 201
Financial management & viability	To effectively manage finances and resource mobilisation			21 069	16 197	15 270	21 271	21 271	21 271	22 711	22 709	22 751
Good Governance and Public Participation	To develop and implement integrated management & governance systems			26 914	34 349	36 827	47 008	47 008	47 008	44 196	44 353	44 438
Local Economic Development	To create a conducive environment for radical economic development			7 017	6 077	7 864	8 113	8 113	8 113	16 135	16 203	16 261
Transformation & Organisational Development	To attract, develop and retain ethical and best human capital			18 040	19 782	37 402	24 916	24 916	24 916	25 374	25 397	25 446
Allocations to other priorities												
Total Expenditure			1	**142 575**	**158 021**	**169 734**	**184 123**	**184 123**	**184 123**	**190 367**	**196 248**	**200 097**

Table 18 MBRR Table SA7 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure

DC36 Waterberg - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)												
Strategic Objective	Goal	Goal Code	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Transformation & Organisational Development	To attract, develop and retain ethical and best human capital	A		1 437	26 144	9 300	15 739	14 639	14 639	–		
Allocations to other priorities			3									
Total Capital Expenditure			1	1 437	26 144	9 300	15 739	14 639	14 639	–	–	–

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 WDM has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assesses and reviews organisational performance which in turn is directly linked to individual employee's performance.

The measurable performance objectives and indicators as per IDP priority areas are as follows:

Municipal Environmental Health:

- To provide municipal health and environmental services to the communities

Disaster Management:

- To coordinate and support disaster management and firefighting services.

Local Economic Development & Tourism & Land & Transport:

- To unlock and stimulate the mining, tourism and agriculture potential.
- Development and implementation of the Spatial Development Framework.

Municipal Roads & Storm water & Basic Service Delivery:

- To strengthen district capacity to provide services

Municipal Support & Institutional Development:

- To develop and build skilled and productive workforce

Abattoir:
- To strengthen district capacity to provide services

Community Participation & Good Government & Sports, Arts & Culture:
- To promote effective communication and be responsive to the needs of the community.

Social Development & Community Services:
- To provide environmental services to the community

The detailed objectives and indicators per KPA and IDP priority areas can be found in the SDBIP attached as item 9 on the index.

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

Table 19 MBRR Table SA7 - Measurable performance objectives

The following table sets out the municipalities main performance objectives and benchmarks for the 2021/22 MTREF.

Table 20 MBRR Table SA8 - Performance indicators and benchmarks

2.3.1 Performance indicators and benchmarks

	KPA	Strategic Objective	Programme / Focus area	Performance Indicators	Baseline 2020/21	Target Quarter 1	Target Quarter 2	Target Quarter 3	Target Quarter 4	Annual Target 2021-2022	Annual Target 2022-2023	Annual Target 2023-2024	Evidence
1.	Spatial rationale	To coordinate spatial transformation	Integrated Planning	# of Highly rated IDP	1	N/A	N/A	N/A	1 highly rated IDP	1 highly rated IDP	1 highly rated IDP	1 highly rated IDP	CoGHSTA IDP report
2.	Spatial rationale	To coordinate spatial transformation	Integrated Planning	Number of IDP adopted by council by 31 May 2022	1/1	N/A	N/A	1 Draft IDP 31 March 2022	1 Final IDP 31 May 2022	1	1	1	Council resolution
3.	Spatial rationale	To facilitate access and transform land and rural tourism development	Integrated planning	Number of DMPT Meeting	0/4	1	1	1	1	4	4	4	Invitation Agenda Minutes Attendance register
4.	Basic service delivery	To preserve and protect natural resourc	Municipal Health	Number of Food outlets issue	New	20	20	20	20	80	80	80	Signed copies of certificates

	KPA	Strategic Objective	Programme / Focus area	Performance Indicators	Baseline 2020/21	Target Quarter 1	Target Quarter 2	Target Quarter 3	Target Quarter 4	Annual Target 2021-2022	Annual Target 2022-2023	Annual Target 2023-2024	Evidence
		es and promote public health		d with certificate of compliance									
5.	Basic service delivery	To coordinate and monitor social and infrastructure development for the provision and access to services.	Municipal health	Number of permitted land fill site monitored	5/8	8	8	8	8	8	8	8	Reports
6.	Basic delivery service	To coordinate and monitor infrastructure development for the provision and access to service	Disaster Management	Number of Disaster Management stakeholder consultative meetings held	8	2	4	6	8	8	8	8	Invitation Agenda Minutes Attendance register
7.	Basic service delivery	To coordinate and monitor infrastructure development	Fire fighting	Number of Fire-fighting reports submi	24	6	12	18	24	24	24	24	Fire-fighting Quarterly reports

	KPA	Strategic Objective	Programme / Focus area	Performance Indicators	Baseline 2020/21	Target Quarter 1	Target Quarter 2	Target Quarter 3	Target Quarter 4	Annual Target 2021-2022	Annual Target 2022-2023	Annual Target 2023-2024	Evidence
		for the provision and access to		tted by local municipalities									
8.	Financial management and viability	To effectively manage finances and resource mobilisation.	Expenditure Management	% Operating budget variance in terms of SDBIP	20,31 %	10%	10%	10%	10%	10 %	10%	10 %	Annexure B Financial Report
9.	Financial management and viability	To effectively manage finances and resource mobilisation.	Expenditure Management	% Capital budget variance in terms of SDBIP	14 %	10%	10%	10%	10%	10 %	10%	10 %	Annexure C Financial report
10	Financial management and viability	To effectively manage finances and resource mobilisation.	Reporting	Number of section 71 MFMA report submitted within timeframe	12/12	3	3	3	3	12	12	12	Submission letters or email
11	Local Economic	To create a conducive environ	Economic development	Number LED forum meeti	4	1	1	1	1	4	4	4	Attendance register, Agend

	KPA	Strategic Objective	Programme / Focus area	Performance Indicators	Baseline 2020/21	Target Quarter 1	Target Quarter 2	Target Quarter 3	Target Quarter 4	Annual Target 2021-2022	Annual Target 2022-2023	Annual Target 2023-2024	Evidence
	Development	ment for radical economic development.		ng held									a, Minutes and invitations
12	Local Economic Development	To create a conducive environment for radical economic development.	Economic development	% of LED forums resolutions implemented	100 % 9/9	100 %	100 %	100 %	100 %	100 %	100 %	100 %	LED resolution register
13	Good Governance and Public Participation	To develop and implement integrated management & governance systems	Monitoring and Evaluation	Number of section 72 Report Mid-year Budget and performance Report submitted by 25 January 2022	1/122/01/2021	N/A	N/A	1	N/A	1	1	1	Submission letter or acknowledgement letter
14	Good Governanc	To develop and implement	Monitoring and Eval	Number of Submission of	1/1	1	N/A	N/A	N/A	1	1	1	Submission letter or ackno

	KPA	Strategic Objective	Programme / Focus area	Performance Indicators	Baseline 2020/21	Target Quarter 1	Target Quarter 2	Target Quarter 3	Target Quarter 4	Annual Target 2021-2022	Annual Target 2022-2023	Annual Target 2023-2024	Evidence
	e and Public Participation	integrated management & governance systems	uation	Annual Performance Report and AFS by 31 August 2021.									wledgement letter
15	Good Governance and Public Participation	To develop and implement integrated management and governance systems	Auditing	AG - Audit outcome/Opinion	Qualified	N/A	Unqualified	N/A	N/A	Unqualified	Unqualified	Unqualified	Audit opinion
16	Good Governance and Public Participation	To develop and implement integrated management and governance systems	Auditing	% AG material audit queries resolved	100% 32/32	N/A	20%	60%	100%	100%	100%	100%	Audit action plan
17	Good Governance	To develop and implement integrat	Auditing	% Identified risk resolved	50% 9/18	25%	50%	75%	100%	100%	100%	100%	Risk register

	KPA	Strategic Objective	Programme / Focus area	Performance Indicators	Baseline 2020/21	Target Quarter 1	Target Quarter 2	Target Quarter 3	Target Quarter 4	Annual Target 2021-2022	Annual Target 2022-2023	Annual Target 2023-2024	Evidence
	and Public Participation	ed management and governance systems		within timeframes as specified in risk plan									
18	Good Governance and Public Participation	To develop and implement integrated management and governance systems	Auditing	% of internal audit findings resolved	70% 14/20	25%	50%	75%	100%	100%	100%	100%	Internal audit action plan
19	Good Governance and Public Participation	To develop and implement integrated management and governance systems	Auditing	# of Audit committee meetings held	4	1	1	1	1	4	4	4	Minutes and Attendance register
20	Good Governance and Public Part	To develop and implement integrated management and	Auditing	% of Audit Committee recommendations implemented	83% 5/6	100%	100%	100%	100%	100%	100%	100%	Audit Committee recommendations

	KPA	Strategic Objective	Programme / Focus area	Performance Indicators	Baseline 2020/21	Target Quarter 1	Target Quarter 2	Target Quarter 3	Target Quarter 4	Annual Target 2021-2022	Annual Target 2022-2023	Annual Target 2023-2024	Evidence
	icipation	governance systems											
21	Good Governance and Public Participation	To develop and implement integrated management and governance systems	Governance	% Council resolutions implemented within timeframes	88.29% 83/94	100%	100%	100%	100%	100%	100%	100%	Council resolutions implemented register
22	Good Governance and Public Participation	To develop and implement integrated management and governance	Public Participation	Number of IDP Representative Forum meetings convened	4/4	1 Approval process plan	1 Analysis phase	1 Tabling of Draft 2022/23 IDP	1 Approval Of final 2022/23 IDP	4	4	4	Invitations, Agenda, minutes & attendance register
23	Good Governance and Public Participation	To develop and implement integrated management and governance	Governance	% of MPAC resolutions implemented	100% 6/6	100%	100%	100%	100%	100%	100%	100%	Resolution register

	KPA	Strategic Objective	Programme / Focus area	Performance Indicators	Baseline 2020/21	Target Quarter 1	Target Quarter 2	Target Quarter 3	Target Quarter 4	Annual Target 2021-2022	Annual Target 2022-2023	Annual Target 2023-2024	Evidence
24	Good Governance and Public Participation	To develop and implement integrated management and governance	Governance	Oversight report approved by council by 31 march 2022	1	N/A	N/A	1	N/A	1	1	1	Council resolution
25	Transformation and Organisational Development	To attract, develop and retain ethical and best human capital	Human Resources Management	Number of Senior Management with signed Performance Agreements	6	6	N/A	N/A	N/A	6	6	6	Agreements
26	Transformation and Organisational Development	To attract, develop and retain ethical and best human capital	Capacity building and Training (HRD)	Number of officials and Councillors capacitated in terms of the workplace skills plan by end	21	5	5	5	10	25	40	40	Attendance registers

	KPA	Strategic Objective	Programme / Focus area	Performance Indicators	Baseline 2020/21	Target Quarter 1	Target Quarter 2	Target Quarter 3	Target Quarter 4	Annual Target 2021-2022	Annual Target 2022-2023	Annual Target 2023-2024	Evidence
				June 2022									
27	Transformation and Organisational Development	To Improve, attract, develop and retain best human capital	Occupational Health and Safety	Number of OHS Committee meetings held by 30 June 2022	New	1 OHS Meeting	1 OHS Meeting	1 OHS Meeting	1 OHS Meeting	4 OHS meetings	4 OHS meetings	4 OHS meetings	Attendance registers
28	Transformation and Organisational Development	To improve Administration and Governance Capacity	Information and Communication Technology	Number of ICT Steering Committee Meeting Held	4	1	1	1	1	4	4	4	Transformation and Organisational Development
29	Transformation and Organisational Development	To attract, develop and retain ethical and best human capital	Organisational Development	Number of approved SDBIP by the Executive Mayor by 28 June 2022	100% 15 June 2018	N/A	N/A	N/A	1 approved SDBIP	1 approved SDBIP	1 approved SDBIP	1 approved SDBIP	Approved SDBIP

	KPA	Strategic Objective	Programme / Focus area	Performance Indicators	Baseline 2020/21	Target Quarter 1	Target Quarter 2	Target Quarter 3	Target Quarter 4	Annual Target 2021-2022	Annual Target 2022-2023	Annual Target 2023-2024	Evidence
30	Transformation and Organisational Development	To attract, develop and retain ethical and best human capital	Monitoring and Evaluation	Number of Annual Performance evaluation conducted	0/1	N/A	N/A	N/A	1	1	1	1	Attendance register
31	Transformation and Organisational Development	To attract, develop and retain ethical and best human capital	Monitoring and Evaluation	% of Annual report (sec 121) adopted & submitted to MEC by 31 March 2022	100 % approved May 2021	N/A	N/A	100 % Approval of final 2020/21 AR	N/A	100 %	100 %	100 %	Council resolution & submission letter
32	Transformation and Organisational Development	To improve Administration and Governance Capacity	Legal Services	Number of litigation reports compiled and submitted to council by 30 June 2022	2	1	1	1	1	4	4	4	Litigation Reports with Council Resolution

	KPA	Strategic Objective	Programme / Focus area	Performance Indicators	Baseline 2020/21	Target Quarter 1	Target Quarter 2	Target Quarter 3	Target Quarter 4	Annual Target 2021-2022	Annual Target 2022-2023	Annual Target 2023-2024	Evidence
3	Transformation and Organisational Development	To improve Administration and Governance Capacity	Human Resource Management	Number of LLF meetings held by end June 2022	4	1	1	1	1	1	4	4	Attendance register Minutes

2.4 Overview of budget related-policies

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

2.4.1 Review of debt collection and credit control Policy

The debt collection and credit control policies as approved by Council in June 2020 has been reviewed as part of the budget process. The current adopted policy is credible, sustainable, manageable and informed by affordability and value for money, thus no changes made during the review process. The rete of collection in 2021/22 MTREF has been prepared on the basis of achieving 100% of annual billing on Abattoir services. Cash flow assumed to be 100% of the billings.

2.4.2 Asset Management

A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis. The Asset Management and Funding Policy is 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 Supply Chain Management Policy

The Supply Chain Management Policy was adopted by Council in June 2020. The revised policy is attached and will be considered by Council as part of the 2021/22 Budget Approval.

2.4.4 Virement Policy

The 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 WDM system of delegations. The revised Virement Policy is attached.

2.4.5 Investment Policy and funding and reserve policy

The WDM Cash Management and Investment Policy was reviewed as part of the budget preparation process. The aim of the policy is to ensure that the WDM surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves. The draft policies are attached for consideration and approval by Council.

2.4.6 Petty Cash, Catering and S&T policy

The revised policy are attached for consideration and approval.

2.4.7 Cost Containment Policy

The purpose of the policy is to regulate spending and to implement cost containment measures at Waterberg District Municipality. The policy is in line with the Municipal Cost Containment Regulation promulgated by National Treasury in July 2019. The proposed new policy is attached for consideration and approval by Council.

2.4.8 Expenditure Management policy

The purpose of this policy is to set out a framework for Waterberg District Municipality to deal with all expenditure related transactions, ensure that all monies due by the municipality is paid in full within the 30 days as prescribed by the Municipal Finance Management Act, and to ensure that the principles applied, as a result of this policy, will enhance and support healthy working capital position for the Waterberg District Municipality. The proposed new policy is attached for consideration and approval by Council.

2.5 Overview of budget assumptions

The equitable share formula was reviewed in the prior years to also include an allocation to WDM for councillors' salaries and this has assisted in alleviating some of the cash flow constraints of WDM, however fire-fighting, environmental health, and disaster management services remains unfunded. The additional allocation received for Councillor Remuneration amount to R 6 726 000 in 2021/22 versus the budgeted 2021/22 Councillor Salaries of R 9 600 198. The municipality's cash inflows are though still increasing by less than the fixed operating expenditure, mostly due to personnel related expenditure increasing by more than inflation and this constitutes 67% of the operating budget (excluding Capital IDP project) if all salary related benefits are included for officials and councillors. This has necessitated restrained expenditure, especially on the IDP, to ensure that cash outflows remain within the affordability parameters of the municipality's finances.

There are five key factors that have been taken into consideration in the compilation of the 2021/22 MTREF:

- National Government macro-economic targets;
- The general inflationary outlook in terms of MFMA Circular 108;
- The impact of municipal cost drivers;
- The grants allocated in DORA; and
- The increase in the cost of remuneration.

Inflation has been assumed at 4% in 2021/22, 4.2% in 2022/23 and 4.4% in 2023/24.

Salary increases has been assumed at 4% in 2021/22, 4.2% in 2022/23 and 4.4% in 2023/24

For simplicity, the 2021/22 MTREF is based on the assumption that all investments are undertaken using fixed interest rates.

The rate of abattoir revenue collection is currently expressed as a 100% of annual billings. Cash flow is assumed to be 100% of billings, due to the majority of clients being cash clients, plus no provision for doubtful debt as old disputes have been written off and there are currently no new disputes or long outstanding debts.

It is estimated that a spending rate of 100% is achieved on operating expenditure and 100% on the capital programme for the 2021/22 MTREF of which performance has been factored into the cash flow budget.

It is assumed that all conditional grants will be fully spent by 30 June 2021 and all future years of the current MTREF and no roll overs have been budgeted for.

Interest on investments has been assumed at an average annual rate of 4.5 % on the basis that the total amount to be invested will reduce as the year progresses. Interest on current account has been assumed at 4.5%, which is the current prime interest rate of 7% minus 2.5% as agreed with our banking service provider.

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 21 Breakdown of the operating revenue over the medium-term

DC36 Waterberg - Table A4 Budgeted Financial Performance (revenue and expenditure)						
Description	2020/21 Medium Term Revenue & Expenditure Framework					
R thousand	Budget Year 2021/22	Percentage	Budget Year 2022/23	Percentage	Budget Year 2023/24	Percentage
Revenue By Source						
Interest earned - external investments	5 569	4%	5 585	4%	5 596	4%
Transfers and subsidies	143 396	95%	148 400	95%	151 222	97%
Other revenue	1 804	1%	1 809	1%	1 813	1%
Total Revenue (excluding capital transfers and contributions)	**150 769**		**155 794**		**158 631**	

The following graph is a breakdown of the operational revenue per main category for the 2021/22 financial year.

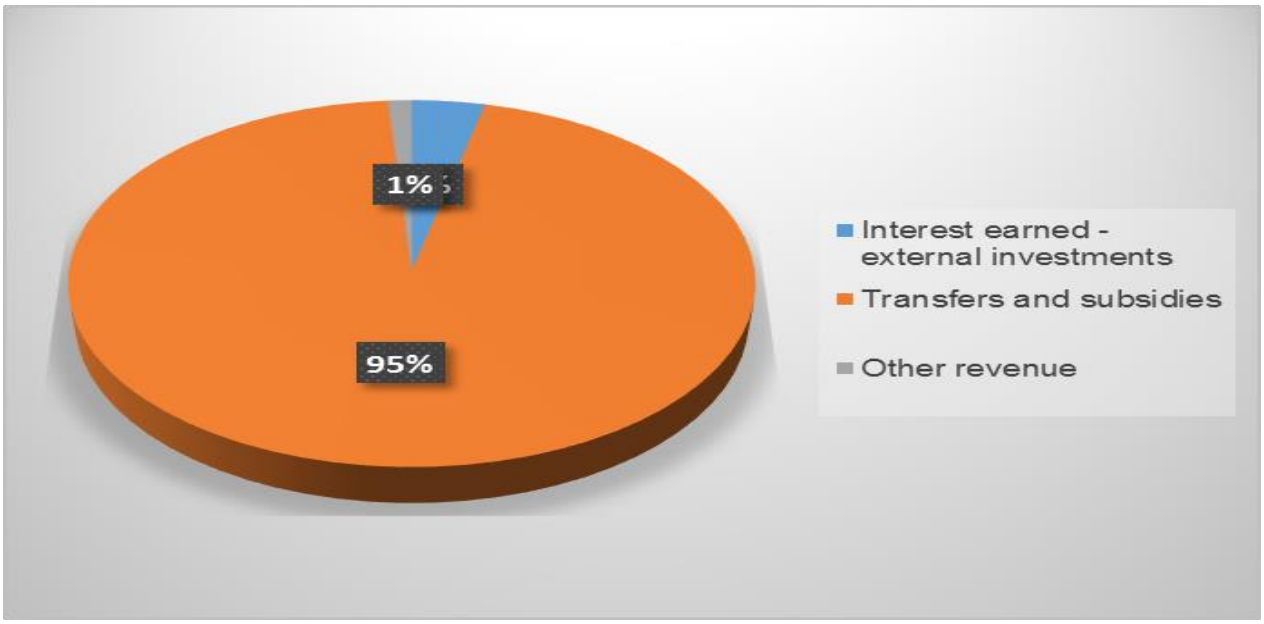


Figure 2 Breakdown of operating revenue over the 2021/22 MTREF

Operational grants and subsidies amount to R 143 million, R148 million and R151 million for each of the respective financial years of the MTREF, or 95 per cent of operating revenue. It needs to be noted WDM is dependent on grants and there is a need to explore revenue generating projects going forward to broaden Municipality revenue base.

Investment revenue contributes to the revenue base of the WDM with a budget allocation of R 5.565 million, R5.585 million and R5.596 million for the respective three financial years of the

2021/22 MTREF. It needs to be noted that these allocations have been conservatively estimated and as part of the cash backing of reserves and provisions. The actual performance against budget will be carefully monitored. Any variances in this regard will be addressed as part of the mid-year review and adjustments budget.

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

Table 22 MBRR SA15 – Detail Investment Information

DC36 Waterberg - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand										
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		97 045	71 585	91 200	100 000	100 000	100 000	72 567	45 287	17 012
Municipality sub-total	1	**97 045**	**71 585**	**91 200**	**100 000**	**100 000**	**100 000**	**72 567**	**45 287**	**17 012**
Entities sub-total		–	–	–	–	–	–	–	–	–
Consolidated total:		**97 045**	**71 585**	**91 200**	**100 000**	**100 000**	**100 000**	**72 567**	**45 287**	**17 012**

Table 23 MBRR SA16 – Investment particulars by maturity

DC36 Waterberg - Supporting Table SA16 Investment particulars by maturity

stments by Mat	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate 4	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
stitution & inve	1	Yrs/Months												
Parent municipality														
ABSA		CALL	CALL		VARIABLE	3.15	NO	NO	CALL	11 567				**11 567**
ABSA		60 days	SHORT TERM		FIXED	4.1	NO	NO	28/04/2021	10 000				**10 000**
NEDBANK		61 days	SHORT TERM		FIXED	4.13	NO	NO	29/03/2021	14 000				**14 000**
NEDBANK		60 days	SHORT TERM		FIXED	4.13	NO	NO	23/04/2021	10 000				**10 000**
STANDARD BANK		90 days	SHORT TERM		FIXED	4.4	NO	NO	18/03/2021	12 000				**12 000**
STANDARD BANK		62 days	SHORT TERM		FIXED	4.09	NO	NO	23/03/2021	15 000				**15 000**
														–
Municipality sub-total										**72 567**		–	–	**72 567**

For the medium-term, the funding strategy has been informed directly by ensuring financial sustainability and continuity. The MTREF therefore provides for a budgeted deficit of R45 million, R36 million and R37 million in each of the financial years. This deficit is funded by available accumulated cash backed surplus.

2.6.2 Medium-term outlook: capital revenue

Capital Budget requirements are not included in the budget due to Funding constraints.

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 understandability for councilors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provide for as cash inflow based on actual performance. In other words the *actual collection rate* of billed revenue., and

Table 25 MBRR Table A7 - Budget cash flow statement

Description	Ref	2017/18	2018/19	2019/20	Budget Year 2020/21				2021/22 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 2021/22	Budget Year 2022/23	Budget Year 2023/24
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Other revenue		1 546	3 991	5 535	–	1 736	1 736	1 035	1 803	1 808	1 812
Transfers and Subsidies - Operational	1	125 017	130 888	146 845	–	146 275	146 275	112 447	143 396	148 400	151 222
Transfers and Subsidies - Capital	1	0	1 493	–	–	–	–	–	–	–	–
Interest		-3 000	–	–	–	10 720	10 720	–	5 570	5 586	5 596
Suppliers and employees		–	96 593	-42 495	–	-189 473	-189 473	-117 424	-183 355	-183 074	-186 905
Finance charges		–	–	–	–	–	–	–	–	–	–
Transfers and Grants	1	–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**123 564**	**232 965**	**109 885**	**–**	**-30 742**	**-30 742**	**-3 942**	**-32 586**	**-27 280**	**-28 275**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Decrease (increase) in non-current investments		55	–	–	–	–	–	–	–	–	–
Payments											
Capital assets		–	–	5 571	–	14 639	14 639	624	–	–	–
NET CASH FROM/(USED) INVESTING ACTIVITIES		**55**	**–**	**5 571**	**–**	**14 639**	**14 639**	**624**	**–**	**–**	**–**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Payments											
Repayment of borrowing		–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**123 619**	**232 965**	**115 455**	**–**	**-16 103**	**-16 103**	**-3 318**	**-32 586**	**-27 280**	**-28 275**
Cash/cash equivalents at the year begin:	2	**4 567**	**128 876**	**89 990**	**–**	**105 339**	**105 339**	**69 941**	**105 153**	**72 567**	**45 287**
Cash/cash equivalents at the year end:	2	**128 186**	**361 841**	**205 446**	**–**	**89 236**	**89 236**	**66 623**	**72 567**	**45 287**	**17 012**

The above table shows that cash and cash equivalents of the WDM were largely

2.6.4 Cash Backed Reserves/Accumulated Surplus Reconciliation

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

- What are the predicted cash and investments that are available at the end of the budget year?
- How are those funds used?
- What is the net funds available or funding shortfall?

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

Table 26 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2017/18	2018/19	2019/20	Budget Year 2020/21				2021/22 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 2021/22	Budget Year 2022/23	Budget Year 2023/24
Cash and investments available											
Cash/cash equivalents at the year end	1	128 186	361 841	205 446	–	89 236	89 236	66 623	72 567	45 287	17 012
Other current investments > 90 days		690	-269 151	-135 523	8 800	-19 999	-19 999	-7 095	–	–	–
Non current assets - Investments	1	55	55	55	–	–	–	55	–	–	–
Cash and investments available:		**128 931**	**92 745**	**69 978**	**8 800**	**69 237**	**69 237**	**59 582**	**72 567**	**45 287**	**17 012**
Application of cash and investments											
Other working capital requirements	3	-9 699	-7 802	-26 049	–	-1 436	-1 436	-5 044	-1 436	-1 436	-1 436
Total Application of cash and investments:		**-9 699**	**-7 802**	**-26 049**	**–**	**-1 436**	**-1 436**	**-5 044**	**-1 436**	**-1 436**	**-1 436**
Surplus(shortfall)		**138 630**	**100 547**	**96 027**	**8 800**	**70 673**	**70 673**	**64 626**	**74 003**	**46 723**	**18 448**

From the above table it can be seen that the cash and investments available total R 14 million in 2021/22 including the projected cash and cash equivalents as determined in the cash flow forecast. The following is a breakdown of the application of this funding:

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 27 MBRR SA10 – Funding compliance measurement

DC36 Waterberg Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	128 186	361 841	205 446	–	89 236	89 236	66 623	72 567	45 287	17 012
Cash + investments at the yr end less applications - R'000	18(1)b	2	114 403	77 963	70 722	(37 674)	43 572	43 572	65 329	46 857	19 577	(8 698)
Cash year end/monthly employee/supplier payments	18(1)b	3	12.6	32.7	17.7	–	6.9	6.9	8.7	5.4	3.4	1.3
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	(5 949)	(8 259)	(15 757)	(33 555)	(30 091)	(30 091)	23 711	(45 398)	(36 270)	(37 282)
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	141.9%	76.3%	542.1%	0.0%	100.0%	100.0%	108.9%	100.0%	100.0%	100.0%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital payments % of capital expenditure	18(1)c;19	8	0.0%	0.0%	(4.1%)	0.0%	(100.0%)	(100.0%)	(3.2%)	100.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	50.3%	(52.4%)	(78.2%)	29.6%	0.0%	241.3%	0.0%	0.0%	0.0%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	(100.0%)	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	0.4%	0.5%	1.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	(0.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
References												
1. Positive cash balances indicative of minimum compliance - subject to 2												
2. Deduct cash and investment applications (defined) from cash balances												
3. Indicative of sufficient liquidity to meet average monthly operating payments												
4. Indicative of funded operational requirements												
5. Indicative of adherence to macro-economic targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)												
6. Realistic average cash collection forecasts as % of annual billed revenue												
7. Realistic average increase in debt impairment (doubtful debt) provision												
8. Indicative of planned capital expenditure level & cash payment timing												
9. Indicative of compliance with borrowing 'only' for the capital budget - should not exceed 100% unless refinancing												
10. Substantiation of National/Province allocations included in budget												
11. Indicative of realistic current arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)												
12. Indicative of realistic long term arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)												
13. Indicative of a credible allowance for repairs & maintenance of assets - functioning assets revenue protection												
14. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan) - functioning assets revenue protection												
Supporting indicators												
Capital expenditure excluding capital grant funding			(30 862)	118 126	136 827	15 739	14 639	14 639	19 489	17 960	–	–
Cash receipts from ratepayers	18(1)a		1 546	3 991	5 535	–	1 736	1 736	1 035	1 803	1 808	1 812
Ratepayer & Other revenue	18(1)a		1 090	5 231	1 021	1 066	1 736	1 736	951	1 804	1 809	1 813
Change in consumer debtors (current and non-current)			1 098	3 436	(5 381)	(3 823)	(3 452)	(3 452)	(173)	371	–	–
Operating and Capital Grant Revenue	18(1)a		121 975	126 109	134 441	140 703	146 275	146 275	108 834	143 396	148 400	151 222
Capital expenditure - total	20(1)(vi)		(30 862)	118 126	136 827	15 739	14 639	14 639	19 489	17 960	–	–
Capital expenditure - renewal	20(1)(vi)		–	(7)	–	–	–	–		–	–	–
Supporting benchmarks												
Growth guideline maximum			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline			4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
Trend												
Change in consumer debtors (current and non-current)			1 098	3 436	(5 381)	(173)	371	–	–	–	–	–
Total Operating Revenue			131 505	139 782	142 824	150 268	153 371	153 371	122 346	150 769	155 794	158 630
Total Operating Expenditure			140 504	150 175	158 581	184 123	183 462	183 462	98 635	196 167	192 064	195 913
Operating Performance Surplus/(Deficit)			(8 999)	(10 392)	(15 757)	(33 855)	(30 091)	(30 091)	23 711	(45 398)	(36 270)	(37 282)
Cash and Cash Equivalents (30 June 2012)										72 567		
Revenue												
% Increase in Total Operating Revenue				6.3%	2.2%	5.2%	2.1%	0.0%	(20.2%)	(1.7%)	3.3%	1.8%
% Increase in Property Rates Revenue				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Increase in Electricity Revenue				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Increase in Property Rates & Services Charges				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Expenditure												
% Increase in Total Operating Expenditure				6.9%	5.6%	16.1%	(0.4%)	0.0%	(46.2%)	6.9%	(2.1%)	2.0%
% Increase in Employee Costs				9.6%	11.5%	19.7%	(2.1%)	0.0%	(37.4%)	4.0%	0.2%	0.2%
% Increase in Electricity Bulk Purchases				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Average Cost Per Budgeted Employee Position (Remuneration)					0	0				0		
Average Cost Per Councillor (Remuneration)					0	0				0		
R&M % of PPE			0.4%	0.5%	1.1%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Asset Renewal and R&M as a % of PPE			1.0%	0.0%	42.0%	79.0%	6.0%	6.0%		0.0%	0.0%	0.0%
Debt Impairment % of Total Billable Revenue			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital Revenue												
Internally Funded & Other (R'000)			–	–	4 736	14 439	14 639	14 639	4 923	17 960	–	–
Borrowing (R'000)			–	–	–	–	–	–	–	–	–	–
Grant Funding and Other (R'000)			–	–	–	–	–	–	–	–	–	–
Internally Generated funds % of Non Grant Funding			0.0%	0.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	0.0%	0.0%
Borrowing % of Non Grant Funding			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grant Funding % of Total Funding			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital Expenditure												
Total Capital Programme (R'000)			(30 862)	118 126	136 827	15 739	14 639	14 639	19 489	17 960	–	–
Asset Renewal			78	(7)	38 272	5 628	5 628	5 628	5 628	–	–	–
Asset Renewal % of Total Capital Expenditure			0.0%	0.0%	808.2%	39.0%	38.4%	38.4%	114.3%	0.0%	0.0%	0.0%
Cash												
Cash Receipts % of Rate Payer & Other			141.9%	76.3%	542.1%	0.0%	100.0%	100.0%	108.9%	100.0%	100.0%	100.0%
Cash Coverage Ratio			0	0	0	–	0	0	0	0	0	0
Reserves												
Surplus/(Deficit)			114 403	77 963	70 722	(37 674)	43 572	43 572	65 329	46 857	19 577	(8 698)
High Level Outcome of Funding Compliance												
Total Operating Revenue			131 505	139 782	142 824	150 268	153 371	153 371	122 346	150 769	155 794	158 630
Total Operating Expenditure			140 504	150 175	158 581	184 123	183 462	183 462	98 635	196 167	192 064	195 913
Surplus/(Deficit) Budgeted Operating Statement			(8 999)	(10 392)	(15 757)	(33 855)	(30 091)	(30 091)	23 711	(45 398)	(36 270)	(37 282)
Surplus/(Deficit) Considering Reserves and Cash Backing			114 403	77 963	70 722	(37 674)	43 572	43 572	65 329	46 857	19 577	(8 698)
MTREF Funded (1) / Unfunded (0)		15	1	1	1	0	1	1	1	1	1	0
MTREF Funded ✓ / Unfunded ✗		15	✓	✓	✓	✗	✓	✓	✓	✓	✓	✗

2.6.5.1 Cash/cash equivalent position

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

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

2.6.5.2 Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves/surpluses is contained in Table 25. 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.

2.6.5.3 Monthly average payments covered by cash or cash equivalents

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a collection and cash in-flow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the WDM to meet monthly payments as and when they fall due.

2.6.5.4 Surplus/deficit excluding depreciation offsets

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. Municipalities need to assess the result of this calculation taking into consideration its own circumstances and levels of backlogs. 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.

2.6.5.5 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. The municipality aims to keep this as low as possible through strict compliance with the legislative requirement that debtors be paid within 30 days.

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

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100 per cent could indicate that not all grants as contained in the Division of Revenue Act (DoRA) have been budgeted for. The WDM has budgeted for all transfers.

2.7 Expenditure on grants and reconciliations of unspent funds

Table 28 MBRR SA19 - Expenditure on transfers and grant programmes

DC36 Waterberg - Supporting Table SA19 Expenditure on transfers and grant programme										
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
Local Government Equitable Share		**120 172**	**125 987**	**134 436**	**147 767**	**146 275**	**146 275**	**143 396**	**148 400**	**151 222**
Finance Management		117 373	122 854	129 985	142 124	142 124	142 124	140 217	145 116	147 932
EPWP Incentive		1 250	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000
Municipal Drought Relief		–	–		1 000	1 000	1 000	–		
Municipal Systems Improvement		–	–	1 192	1 192	–	–	–		
					300	–	–	–		
Rural Roads Asset Management Systems Grant										
Provincial Government:		1 550	2 133	2 259	2 151	2 151	2 151	2 179	2 284	2 290
0		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Rural Roads Asset Management Systems Grant										
District Municipality:										
[insert description]		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
0										
LG SETA GRANT		**303**	**123**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
LG SETA GRANT		103	123							
LEDET BIOSPHERE GRANT		200								
Total operating expenditure of Transfers and Grants:		**120 475**	**126 110**	**134 436**	**147 767**	**146 275**	**146 275**	**143 396**	**148 400**	**151 222**

2.8 Councilors and employee benefits

Table 29 MBRR SA22 - Summary of councilors and staff benefits

DC36 Waterberg - Supporting Table SA22 Summary councillor and staff benefits										
Summary of Employee and Councillor remuneration	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
	1	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		6 162	4 909	6 656	5 688	5 445	5 445	5 797	6 159	6 544
Pension and UIF Contributions		607	896	1 026	688	688	688	628	668	709
Medical Aid Contributions			338	496	285	285	285	291	309	328
Motor Vehicle Allowance			1 399	1 492	1 628	1 628	1 628	1 682	1 787	1 899
Cellphone Allowance			352	564	609	609	609	629	669	710
Housing Allowances								–	–	–
Other benefits and allowances								206	219	232
Sub Total - Councillors		**6 769**	**7 894**	**10 234**	**8 898**	**8 656**	**8 656**	**9 233**	**9 810**	**10 423**
% increase	4		**16.6%**	**29.6%**	**(13.1%)**	**(2.7%)**	**–**	**6.7%**	**6.3%**	**6.3%**
Senior Managers of the Municipality	2									
Basic Salaries and Wages					5 014	4 240	4 240	5 014	5 328	5 660
Pension and UIF Contributions					468	567	567	468	497	528
Medical Aid Contributions					170	87	87	170	181	192
Overtime										
Performance Bonus						470	470			
Motor Vehicle Allowance	3				701	1 403	1 403	701	745	791
Cellphone Allowance	3				64	91	91	64	68	72
Housing Allowances	3									
Other benefits and allowances	3				951			951	1 010	1 073
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Municipality		**–**	**–**	**–**	**7 368**	**6 858**	**6 858**	**7 368**	**7 828**	**8 317**
% increase	4		**–**	**–**	**–**	**(6.9%)**	**–**	**7.4%**	**6.2%**	**6.2%**
Other Municipal Staff										
Basic Salaries and Wages		46 652	47 104	50 030	61 030	65 192	65 192	70 928	68 616	66 126
Pension and UIF Contributions		13 302	12 956	14 957	12 930	12 049	12 049	5 917	6 165	6 424
Medical Aid Contributions			6 186	7 396	6 358	1 924	1 924	6 358	6 625	6 903
Overtime		1 029	2 246	2 783	–	3 580	3 580	–	–	–
Performance Bonus					–	–	–	–	–	–
Motor Vehicle Allowance	3	9 703	7 020	7 555	7 357	7 412	7 412	6 357	6 624	6 903
Cellphone Allowance	3		393	458	571	503	503	571	595	620
Housing Allowances	3	2 269	2 475	2 571	2 934	2 362	2 362	2 934	3 057	3 186
Other benefits and allowances	3		415	347	10 520	3 368	3 368	10 520	10 962	11 422
Payments in lieu of leave		4 026	5 018	5 569	4 458	3 411	3 411	4 458	4 645	4 841
Long service awards			38	85	88	988	988	88	92	96
Post-retirement benefit obligations	6		35	322	–	3 678	3 678	–	–	–
Sub Total - Other Municipal Staff		**76 981**	**83 888**	**92 075**	**106 246**	**104 466**	**104 466**	**108 131**	**107 381**	**106 519**
% increase	4		**9.0%**	**9.8%**	**15.4%**	**(1.7%)**	**–**	**3.5%**	**(0.7%)**	**(0.8%)**
Total Parent Municipality		**83 750**	**91 782**	**102 309**	**122 511**	**119 980**	**119 980**	**124 731**	**125 019**	**125 259**
			9.6%	**11.5%**	**19.7%**	**(2.1%)**	**–**	**4.0%**	**0.2%**	**0.2%**
TOTAL SALARY, ALLOWANCES & BENEFITS		**83 750**	**91 782**	**102 309**	**122 511**	**119 980**	**119 980**	**124 731**	**125 019**	**125 259**
% increase	4		**9.6%**	**11.5%**	**19.7%**	**(2.1%)**	**–**	**4.0%**	**0.2%**	**0.2%**
TOTAL MANAGERS AND STAFF	5,7	**76 981**	**83 888**	**92 075**	**113 613**	**111 324**	**111 324**	**115 498**	**115 209**	**114 836**

Table 30 MBRR SA23 - Salaries, allowances and benefits (political office bearers/councilors/ senior managers)

DC36 Waterberg - 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		503 180	75 477	238 667			817 324
Chief Whip			424 920	164 972	178 564			768 456
Executive Mayor			555 840	162 043	291 315			1 009 198
Deputy Executive Mayor			–	–	–			–
Executive Committee			2 162 600	292 861	676 937			3 132 397
Total for all other councillors			2 358 692	240 659	1 266 212			3 865 563
Total Councillors	8	–	**6 005 232**	**936 014**	**2 651 693**			**9 592 939**
Senior Managers of the Municipality	5							
Municipal Manager (MM)			790 461	445 492	50 007			1 285 961
Chief Finance Officer			656 335	159 856	361 477			1 177 668
MANAGER CORPORATE SUPPORT AND SHARED SERVICES			795 326	186 493	195 849			1 177 668
MANAGER INFRASTRUCTURE DEVELOPMENT			612 870	151 336	413 462			1 177 668
MANAGER PLANNING & ECONOMIC DEVELOPM			635 405	150 495	391 767			1 177 668
MANAGER SOCIAL DEV & COMMUNITY SERV			743 217	78 730	355 722			1 177 669
Total Senior Managers of the Municipality	8,10	–	**4 233 614**	**1 172 402**	**1 768 285**	–		**7 174 301**

Table 31 MBRR SA24 – Ssummary of personnel numbers

2.9 Monthly targets for revenue, expenditure and cash flow

Table 32 MBRR SA25 - Budgeted monthly revenue and expenditure

DC36 Waterberg - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue By Source																
Property rates		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest earned - external investments		464	464	464	464	464	464	464	464	464	464	464	464	5 569	5 585	5 596
Interest earned - outstanding debtors		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Agency services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies		47 799	–	–	–	–	47 799	–	–	47 799	–	–	(0)	143 396	148 400	151 222
Other revenue		150	150	150	150	150	150	150	150	150	150	150	153	1 803	1 808	1 812
Gains		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and		**48 413**	**614**	**614**	**614**	**614**	**48 413**	**614**	**614**	**48 413**	**614**	**614**	**617**	**150 768**	**155 793**	**158 630**
Expenditure By Type																
Employee related costs		10 394	10 394	10 394	10 394	10 394	10 394	10 394	10 394	10 394	10 394	10 394	10 394	124 731	125 019	125 259
Remuneration of councillors		799	799	799	799	799	799	799	799	799	799	799	799	9 593	9 621	9 639
Debt impairment		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Depreciation & asset impairment		1 068	1 068	1 068	1 068	1 068	1 068	1 068	1 068	1 068	1 068	1 068	1 068	12 812	13 175	13 192
Finance charges		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Bulk purchases - electricity		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Inventory consumed		324	324	324	324	324	324	324	324	324	324	324	324	3 892	3 904	3 911
Contracted services		855	855	855	855	855	855	855	855	855	855	855	855	10 259	10 304	10 351
Transfers and subsidies		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other expenditure		2 423	2 423	2 423	2 423	2 423	2 423	2 423	2 423	2 423	2 423	2 423	2 423	29 080	34 226	37 745
Losses		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		**15 864**	**15 864**	**15 864**	**15 864**	**15 864**	**15 864**	**15 864**	**15 864**	**15 864**	**15 864**	**15 864**	**15 864**	**190 368**	**196 249**	**200 098**
Surplus/(Deficit)		**32 549**	**(15 250)**	**(15 250)**	**(15 250)**	**(15 250)**	**32 549**	**(15 250)**	**(15 250)**	**32 549**	**(15 250)**	**(15 250)**	**(15 247)**	**(39 600)**	**(40 456)**	**(41 468)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
(monetary allocations) (National /		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**32 549**	**(15 250)**	**(15 250)**	**(15 250)**	**(15 250)**	**32 549**	**(15 250)**	**(15 250)**	**32 549**	**(15 250)**	**(15 250)**	**(15 247)**	**(39 600)**	**(40 456)**	**(41 468)**
Taxation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Attributable to minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	**32 549**	**(15 250)**	**(15 250)**	**(15 250)**	**(15 250)**	**32 549**	**(15 250)**	**(15 250)**	**32 549**	**(15 250)**	**(15 250)**	**(15 247)**	**(39 600)**	**(40 456)**	**(41 468)**

Table 33 MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)

DC36 Waterberg - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue by Vote																
Vote 1 - Executive & Council.		47 799	–	–	–	–	47 799	–	–	47 799	–	–	3 427	146 823	151 738	154 565
Vote 2 - Corporate Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 3 - Budget & Treasury		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 4 - Planning & Development		182	182	182	182	182	182	182	182	182	182	182	182	2 179	2 284	2 290
Vote 5 - Community Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 6 - Public Safety		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 7 - Road Transport		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 8 - Health Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 9 - Abbatoir		14	14	14	14	14	14	14	14	14	14	14	14	171	172	172
Vote 10 - Vote 10: ABATTOIR		133	133	133	133	133	133	133	133	133	133	133	133	1 595	1 600	1 603
Total Revenue by Vote		**48 127**	**329**	**329**	**329**	**329**	**48 128**	**329**	**329**	**48 127**	**329**	**329**	**3 755**	**150 769**	**155 794**	**158 630**
Expenditure by Vote to be appropriated																
Vote 1 - Executive & Council.		1 893	1 893	1 893	1 893	1 893	1 893	1 893	1 893	1 893	1 893	1 893	1 893	22 711	22 709	22 751
Vote 2 - Corporate Services		934	934	934	934	934	934	934	934	934	934	934	934	11 206	11 243	11 264
Vote 3 - Budget & Treasury		2 114	2 114	2 114	2 114	2 114	2 114	2 114	2 114	2 114	2 114	2 114	2 114	25 374	25 397	25 446
Vote 4 - Planning & Development		1 612	1 612	1 612	1 612	1 612	1 612	1 612	1 612	1 612	1 612	1 612	1 612	19 339	21 304	24 827
Vote 5 - Community Services		21	21	21	21	21	21	21	21	21	21	21	21	254	255	256
Vote 6 - Public Safety		2 749	2 749	2 749	2 749	2 749	2 749	2 749	2 749	2 749	2 749	2 749	2 749	32 991	33 110	33 174
Vote 7 - Road Transport		63	63	63	63	63	63	63	63	63	63	63	63	755	757	758
Vote 8 - Health Services		3 925	3 925	3 925	3 925	3 925	3 925	3 925	3 925	3 925	3 925	3 925	3 925	47 102	50 657	50 747
Vote 9 - Abbatoir		1 760	1 760	1 760	1 760	1 760	1 760	1 760	1 760	1 760	1 760	1 760	1 760	21 116	21 183	21 223
Vote 10 - Vote 10: ABATTOIR		793	793	793	793	793	793	793	793	793	793	793	793	9 521	9 634	9 653
Total Expenditure by Vote		**15 864**	**15 864**	**15 864**	**15 864**	**15 864**	**15 864**	**15 864**	**15 864**	**15 864**	**15 864**	**15 864**	**15 864**	**190 369**	**196 250**	**200 099**
Surplus/(Deficit) before assoc.		**32 263**	**(15 535)**	**(15 535)**	**(15 535)**	**(15 535)**	**32 264**	**(15 535)**	**(15 535)**	**32 263**	**(15 535)**	**(15 535)**	**(12 109)**	**(39 600)**	**(40 456)**	**(41 468)**
Taxation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Attributable to minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	**32 263**	**(15 535)**	**(15 535)**	**(15 535)**	**(15 535)**	**32 264**	**(15 535)**	**(15 535)**	**32 263**	**(15 535)**	**(15 535)**	**(12 109)**	**(39 600)**	**(40 456)**	**(41 468)**

Table 34 MBRR SA27 - Budgeted monthly revenue and expenditure (standard classification)

DC36 Waterberg - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue - Functional																
Governance and administration		**47 799**	**–**	**–**	**–**	**–**	**47 799**	**–**	**–**	**47 799**	**–**	**–**	**3 427**	**146 823**	**151 738**	**154 565**
Executive and council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Finance and administration		47 799	–	–	–	–	47 799	–	–	47 799	–	–	3 427	146 823	151 738	154 565
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		**14**	**14**	**14**	**14**	**14**	**14**	**14**	**14**	**14**	**14**	**14**	**14**	**171**	**172**	**172**
Community and social services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Sport and recreation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Public safety		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health		14	14	14	14	14	14	14	14	14	14	14	14	171	172	172
Economic and environmental services		**182**	**182**	**182**	**182**	**182**	**182**	**182**	**182**	**182**	**182**	**182**	**182**	**2 179**	**2 284**	**2 290**
Planning and development		182	182	182	182	182	182	182	182	182	182	182	182	2 179	2 284	2 290
Road transport		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other		**133**	**133**	**133**	**133**	**133**	**133**	**133**	**133**	**133**	**133**	**133**	**133**	**1 595**	**1 600**	**1 603**
Total Revenue - Functional		**48 127**	**329**	**329**	**329**	**329**	**48 128**	**329**	**329**	**48 127**	**329**	**329**	**3 755**	**150 769**	**155 794**	**158 630**
			510	510	510	510	48 309	510	510	48 309	510	510				
Expenditure - Functional																
Governance and administration		**7 690**	**7 690**	**7 690**	**7 690**	**7 690**	**7 690**	**7 690**	**7 690**	**7 690**	**7 690**	**7 690**	**7 690**	**92 281**	**92 460**	**92 635**
Executive and council		3 683	3 683	3 683	3 683	3 683	3 683	3 683	3 683	3 683	3 683	3 683	3 683	44 197	44 353	44 438
Finance and administration		4 007	4 007	4 007	4 007	4 007	4 007	4 007	4 007	4 007	4 007	4 007	4 007	48 085	48 106	48 197
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		**5 748**	**5 748**	**5 748**	**5 748**	**5 748**	**5 748**	**5 748**	**5 748**	**5 748**	**5 748**	**5 748**	**5 747**	**68 972**	**72 597**	**72 728**
Community and social services		823	823	823	823	823	823	823	823	823	823	823	823	9 876	7 301	7 315
Sport and recreation													–	–	–	–
Public safety		3 165	3 165	3 165	3 165	3 165	3 165	3 165	3 165	3 165	3 165	3 165	3 165	37 980	44 743	44 190
Housing													–	–	–	–
Health		1 760	1 760	1 760	1 760	1 760	1 760	1 760	1 760	1 760	1 760	1 760	1 760	21 116	21 183	21 223
Economic and environmental services		**1 633**	**1 633**	**1 633**	**1 633**	**1 633**	**1 633**	**1 633**	**1 633**	**1 633**	**1 633**	**1 633**	**1 633**	**19 594**	**21 559**	**25 083**
Planning and development		1 612	1 612	1 612	1 612	1 612	1 612	1 612	1 612	1 612	1 612	1 612	1 612	19 339	21 304	24 827
Road transport		21	21	21	21	21	21	21	21	21	21	21	21	254	255	256
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other		**793**	**793**	**793**	**793**	**793**	**793**	**793**	**793**	**793**	**793**	**793**	**793**	**9 521**	**9 634**	**9 653**
Total Expenditure - Functional		**15 864**	**15 864**	**15 864**	**15 864**	**15 864**	**15 864**	**15 864**	**15 864**	**15 864**	**15 864**	**15 864**	**15 864**	**190 368**	**196 250**	**200 099**
Surplus/(Deficit) before assoc.		**32 263**	**(15 535)**	**(15 535)**	**(15 535)**	**(15 535)**	**32 264**	**(15 535)**	**(15 535)**	**32 263**	**(15 535)**	**(15 535)**	**(12 108)**	**(39 599)**	**(40 456)**	**(41 468)**
Share of surplus/ (deficit) of		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	**32 263**	**(15 535)**	**(15 535)**	**(15 535)**	**(15 535)**	**32 264**	**(15 535)**	**(15 535)**	**32 263**	**(15 535)**	**(15 535)**	**(12 108)**	**(39 599)**	**(40 456)**	**(41 468)**

Table 35 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

DC36 Waterberg - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Single-year expenditure *to be appropriated*																
Vote 1 - Executive & Council.		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - Corporate Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 3 - Budget & Treasury		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 4 - Planning & Development		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 5 - Community Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 6 - Public Safety		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 7 - Road Transport		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 8 - Health Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 9 - Abbatoir		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 - Vote 10: ABATTOIR		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 - Null		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 - Null		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 - Null		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 - Null		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 - Null		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

Table 36 MBRR SA29 - Budgeted monthly capital expenditure (standard classification)

DC36 Waterberg - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Capital Expenditure - Functional	1															
Governance and administration		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Executive and council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Finance and administration		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and social services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Sport and recreation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Public safety		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Planning and development		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Road transport		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Funded by:																
National Government		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Provincial Government		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
District Municipality		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies,		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Internally generated funds		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Capital Funding		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

Table 37 MBRR SA30 - Budgeted monthly cash flow

DC36 Waterberg - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	dget Year 2021/22												Medium Term Revenue and Expenditure		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Cash Receipts By Source													1		
Property rates	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest earned - external investments	464	464	464	464	464	464	464	464	464	464	464	466	5 570	5 586	5 596
Interest earned - outstanding debtors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Licences and permits	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Agency services	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and Subsidies - Operational	47 799	–	–	–	–	47 799	–	–	47 798	–	–	–	143 396	148 400	151 222
Other revenue	150	150	150	150	150	150	150	150	150	150	150	153	1 803	1 808	1 812
Cash Receipts by Source	**48 413**	**614**	**614**	**614**	**614**	**48 413**	**614**	**614**	**48 412**	**614**	**614**	**619**	**150 769**	**155 794**	**158 630**
Cash Payments by Type															
Employee related costs	11 194	11 194	11 194	11 194	11 194	11 194	11 194	11 194	11 194	11 194	11 194	11 194	134 324	134 640	134 898
Remuneration of councillors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Finance charges	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Bulk purchases - electricity	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Acquisitions - water & other inventory	1 000	–	–	–	–	1 000	–	–	–	–	1 000	892	3 892	3 904	3 911
Contracted services	905	905	905	905	905	905	905	905	905	905	905	905	10 859	10 304	10 351
Transfers and grants - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and grants - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other expenditure	–	–	–	–	–	–	–	–	–	–	–	34 279	34 279	34 226	37 745
Cash Payments by Type	**13 099**	**12 099**	**12 099**	**12 099**	**12 099**	**13 099**	**12 099**	**12 099**	**12 099**	**12 099**	**13 099**	**47 270**	**183 355**	**183 074**	**186 905**
Other Cash Flows/Payments by Type															
Capital assets	1 000	–	5 000	250	250	250	250	5 000	–	–	4 000	1 960	17 960	–	–
Repayment of borrowing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Cash Flows/Payments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type	**14 099**	**12 099**	**17 099**	**12 349**	**12 349**	**13 349**	**12 349**	**17 099**	**12 099**	**12 099**	**17 099**	**49 230**	**201 315**	**183 074**	**186 905**
NET INCREASE/(DECREASE) IN CASH HELD	**34 314**	**(11 485)**	**(16 485)**	**(11 735)**	**(11 735)**	**35 064**	**(11 735)**	**(16 485)**	**36 313**	**(11 485)**	**(16 485)**	**(48 611)**	**(50 546)**	**(27 280)**	**(28 275)**
Cash/cash equivalents at the month/year begin:	123 113	157 427	145 943	129 458	117 724	105 989	141 053	129 319	112 834	149 148	137 663	121 179	123 113	72 567	45 287
Cash/cash equivalents at the month/year end:	157 427	145 943	129 458	117 724	105 989	141 053	129 319	112 834	149 148	137 663	121 179	72 567	72 567	45 287	17 012

2.10 Annual budgets and SDBIPs

2.11 Capital expenditure details

The following three tables present details of the WDM capital expenditure programme, firstly on new assets, then the renewal of assets and finally on the repair and maintenance of assets.

Table 38 MBRR SA 34a - Capital expenditure on new assets by asset class

DC36 Waterberg - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Capital expenditure on new assets by Asset Class/Sub-class										
Other assets		**–**	**38 744**	**547**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		–	38 744	547	–	–	–	–	–	–
Municipal Offices		–	38 744	547	–	–	–	–	–	–
Intangible Assets		877	472	–	2 000	2 750	2 750	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		877	472	–	2 000	2 750	2 750	–	–	–
Computer Software and Applications		877	472	–	2 000	2 750	2 750	–	–	–
Computer Equipment		497	236	149	–	–	–	–	–	–
Computer Equipment		497	236	149	–	–	–	–	–	–
Furniture and Office Equipment		32 124	14 231	15 176	1 036	286	286	–	–	–
Furniture and Office Equipment		32 124	14 231	15 176	1 036	286	286	–	–	–
Machinery and Equipment		804	5 972	4 911	2 091	1 791	1 791	–	–	–
Machinery and Equipment		804	5 972	4 911	2 091	1 791	1 791	–	–	–
Transport Assets		–	58 528	76 705	4 984	4 184	4 184	–	–	–
Transport Assets		–	58 528	76 705	4 984	4 184	4 184	–	–	–
Land		–	1 366	1 366	–	–	–	–	–	–
Land		–	1 366	1 366	–	–	–	–	–	–
Total Capital Expenditure on new assets	1	**34 301**	**119 549**	**98 853**	**10 111**	**9 011**	**9 011**	**–**	**–**	**–**

Table 39 MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class

DC36 Waterberg - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class										
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Other assets		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–
Municipal Offices		–	–	–	–	–	–	–	–	–
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–
Workshops		–	–	–	–	–	–	–	–	–
Yards		–	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–
Training Centres		–	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Staff Housing		–	–	–	–	–	–	–	–	–
Social Housing		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Total Capital Expenditure on renewal of existing assets	1	–	–	–	–	–	–	–	–	–
Renewal of Existing Assets as % of total capex		*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Renewal of Existing Assets as % of deprecn"		*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*

Table 41 MBRR SA34d – Depreciation by asset class

DC36 Waterberg - Supporting Table SA34d Depreciation by asset class										
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Depreciation by Asset Class/Sub-class										
Operational Buildings		1 213	826	1 213	545	545	545	1 313	1 412	1 651
Municipal Offices		1 213	826	1 213	545	545	545	1 313	1 412	1 651
Furniture and Office Equipment		1 192	1 180	1 192	2 526	2 526	2 526	1 526	1 587	1 650
Furniture and Office Equipment		1 192	1 180	1 192	2 526	2 526	2 526	1 526	1 587	1 650
Machinery and Equipment		568	897	2 068	5 557	5 557	5 557	5 354	5 371	4 894
Machinery and Equipment		568	897	2 068	5 557	5 557	5 557	5 354	5 371	4 894
Transport Assets		3 450	2 206	3 130	–	–	–	4 620	4 805	4 997
Transport Assets		3 450	2 206	3 130	–	–	–	4 620	4 805	4 997
Total Depreciation	1	**6 422**	**5 109**	**7 602**	**8 628**	**8 628**	**8 628**	**12 813**	**13 175**	**13 192**

Table 42 MBRR SA36 - Detailed capital budget per municipal vote

N/a

Table 43 MBRR SA37 - Projects delayed from previous financial year

N/a

2.12 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 Executive Mayor (within 10 working days) was compiled wit and includes supporting documentation pertaining to material month end procedures

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 BTO and Internal Audit. Although there have not been 5 at all times during the year, we endeavoured to have vacancies filled in internships as soon as possible. The majority of interns have been permanently absorbed in either Waterberg District Municipality or our local municipalities.

3. Budget and Treasury Office

   The Budget and Treasury Office has been established in accordance with the MFMA.

4. Audit Committee

   An Audit Committee has been established and is fully functional.

5. Service Delivery and Implementation Plan

   The detail SDBIP document is at a draft stage and will be finalised after approval of the 2021/22 MTREF in June 2010 directly aligned and informed by the 2021/22 MTREF.

6. Annual Report
   Annual report is compiled in terms of the MFMA and National Treasury requirements.

7. MFMA Competency

   Skills assessments have been conducted in terms of the Minimum Competency Gazette and special merit cases have been registered with and approved by National Treasury for which the officials are currently in the progress of obtaining those unit standards outstanding.

8. Policies

   All MFMA Circulars and Regulations have been considered in the review of policies to be approved with the final budget.

2.13 Other supporting documents

Table 44 MBRR Table SA1 - Supporting detail to budgeted financial performance

DC36 Waterberg - Supporting Table SA1 Supportinging detail to 'Budgeted Financial Performance'											
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand											
REVENUE ITEMS:											
Other Revenue by source											
Fuel Levy											
Other Revenue		1 089	5 231	1 021	1 066	1 736	1 736	950	1 803	1 808	1 812
Total 'Other' Revenue	1	**1 089**	**5 231**	**1 021**	**1 066**	**1 736**	**1 736**	**950**	**1 803**	**1 808**	**1 812**
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	45 212	47 318	62 823	13 145	73 294	73 294	47 271	75 765	75 984	76 130
Pension and UIF Contributions		13 267	15 364	11 540	49 483	14 298	14 298	7 738	15 038	15 081	15 110
Medical Aid Contributions		6 186	7 396	6 244	6 281	5 900	5 900	3 661	6 131	6 148	6 160
Overtime		–	–	–	–	–	–	–	–	–	–
Performance Bonus		–	–	261	–	195	195	162	203	203	203
Motor Vehicle Allowance		7 020	7 555	9 694	2 227	7 834	7 834	5 974	8 345	8 369	8 385
Cellphone Allowance		440	458	518	635	625	625	373	650	652	653
Housing Allowances		2 475	2 571	2 721	2 934	2 904	2 904	1 839	3 017	3 026	3 032
Other benefits and allowances		3 397	4 165	7 066	11 256	5 749	5 749	5 134	5 973	5 991	6 002
Payments in lieu of leave		3 061	3 372	2 787	26 860	3 688	3 688	1 951	3 832	3 843	3 850
Long service awards		2 694	3 260	(1 350)	8 273	3 999	3 999	534	4 227	4 167	4 175
Post-retirement benefit obligations	4	(2)	322	5	1 419	1 492	1 492	516	1 550	1 555	1 558
sub-total	5	**83 750**	**91 782**	**102 309**	**122 511**	**119 980**	**119 980**	**75 153**	**124 731**	**125 019**	**125 259**
Less: Employees costs capitalised to PPE		–	–	–	–	–	–	–	–	–	–
Total Employee related costs	1	**83 750**	**91 782**	**102 309**	**122 511**	**119 980**	**119 980**	**75 153**	**124 731**	**125 019**	**125 259**
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		6 222	4 913	6 102	8 083	8 083	8 083	–	12 268	8 422	8 439
Lease amortisation		200	196	222	545	545	545	–	545	568	569
Capital asset impairment		–	–	1 278	–	–	–	–	–	–	–
Total Depreciation & asset impairment	1	**6 422**	**5 109**	**7 602**	**8 628**	**8 628**	**8 628**	**–**	**12 812**	**8 990**	**9 007**
Cash transfers and grants		100	130	–	–	–	–	–	–	–	–
Non-cash transfers and grants		–	–	–	–	–	–	–	–	–	–
Total transfers and grants	1	**100**	**130**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Contracted services											
Outsourced Services		7 772	9 434	5 279	5 300	6 555	6 555	3 528	5 507	5 523	5 534
Consultants and Professional Services		2 801	4 647	4 952	–	1 500	1 500	117	2 050	1 470	1 500
Contractors		12 267	10 279	11 081	2 979	3 428	3 428	2 356	3 302	3 311	3 318
Total contracted services		**22 839**	**24 359**	**21 312**	**8 280**	**11 483**	**11 483**	**6 001**	**10 859**	**10 304**	**10 351**
Other Expenditure By Type											
Collection costs		2	91	73	–	76	76	53	79	79	79
Contributions to 'other' provisions		–	–	–	–	–	–	–	–	–	–
Audit fees		2 521	2 739	2 509	2 161	2 644	2 644	804	2 747	2 755	2 760
Other Expenditure		17 069	17 676	16 230	29 253	27 380	27 380	10 933	31 454	31 393	34 906
Total 'Other' Expenditure	1	**19 591**	**20 505**	**18 812**	**31 414**	**30 100**	**30 100**	**11 790**	**34 279**	**34 226**	**37 745**
Repairs and Maintenance by Expenditure Item	8										
Employee related costs		83 750	91 782	102 309	122 511	119 980	119 980	–	124 731	125 019	125 259
Inventory Consumed (Project Maintenance)		2 004	1 664	1 791	4 058	4 046	4 046	–	3 892	3 904	3 911
Contracted Services		22 839	24 359	21 312	8 280	11 483	11 483	–	10 859	10 304	10 351
Other Expenditure		19 591	20 479	18 812	31 414	30 100	30 100	–	34 279	34 226	37 745
Total Repairs and Maintenance Expenditure	9	128 185	138 285	144 223	166 263	165 608	165 608	–	173 762	173 453	177 266
Inventory Consumed											
Inventory Consumed - Water		–	–	–	–	–	–	–	–	–	–
Inventory Consumed - Other		–	–	–	4 058	4 046	4 046	–	3 892	3 904	3 911
Total Inventory Consumed & Other Material		**–**	**–**	**–**	**4 058**	**4 046**	**4 046**	**–**	**3 892**	**3 904**	**3 911**

Table 45 MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)

DC36 Waterberg - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - Executive & Council	Vote 2 - Corporate Services	Vote 3 - Budget & Treasury	Vote 4 - Planning & Development	Vote 5 - Community Services	Vote 6 - Public Safety	Vote 7 - Road Transport	Vote 8 - Health Services	Vote 9 - Abbatoir	Vote 10 - Vote 10: ABATTOIR	Vote 11 - Null	Vote 12 - Null	Vote 13 - Null	Vote 14 - Null	Vote 15 - Null	Total
R thousand	1																
Revenue By Source																	
Property rates		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest earned - external investments		5 569	–	–	–	–	–	–	–	–	–	–	–	–	–	–	5 569
Interest earned - outstanding debtors		–	–	–	–	–	–	–	–	–	1	–	–	–	–	–	1
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Licences and permits		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Agency services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other revenue		37	–	–	–	–	–	–	–	171	1 595	–	–	–	–	–	1 803
Transfers and subsidies		141 217	–	–	2 179	–	–	–	–	–	–	–	–	–	–	–	143 396
Gains		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		**146 823**	**–**	**–**	**2 179**	**–**	**–**	**–**	**–**	**171**	**1 595**	**–**	**–**	**–**	**–**	**–**	**150 769**
Expenditure By Type																	
Employee related costs		14 538	8 589	15 062	10 515	254	19 190	730	30 066	19 379	6 407	–	–	–	–	–	124 731
Remuneration of councillors		–	–	–	–	–	9 593	–	–	–	–	–	–	–	–	–	9 593
Debt impairment		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Depreciation & asset impairment		203	121	1 296	91	–	617	–	9 880	130	473	–	–	–	–	–	12 812
Finance charges		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Bulk purchases - electricity		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Inventory consumed		–	–	242	1 452	–	114	–	771	–	1 313	–	–	–	–	–	3 892
Contracted services		–	–	2 005	2 050	–	–	–	6 804	–	1	–	–	–	–	–	10 859
Transfers and subsidies		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other expenditure		7 969	2 496	6 769	5 232	–	3 477	25	5 379	1 607	1 326	–	–	–	–	–	34 279
Losses		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		**22 711**	**11 206**	**25 374**	**19 339**	**254**	**32 991**	**755**	**52 900**	**21 116**	**9 521**	**–**	**–**	**–**	**–**	**–**	**196 167**
Surplus/(Deficit)		**124 112**	**(11 206)**	**(25 374)**	**(17 160)**	**(254)**	**(32 991)**	**(755)**	**(52 900)**	**(20 945)**	**(7 925)**	**–**	**–**	**–**	**–**	**–**	**(45 398)**
Surplus/(Deficit) after capital transfers & contributions		**124 112**	**(11 206)**	**(25 374)**	**(17 160)**	**(254)**	**(32 991)**	**(755)**	**(52 900)**	**(20 945)**	**(7 925)**	**–**	**–**	**–**	**–**	**–**	**(45 398)**

Table 46 MBRR Table SA3 – Supporting detail to Statement of Financial Position

DC36 Waterberg - Supporting Table SA3 Supportinging detail to 'Budgeted Financial Position'

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand											
ASSETS											
Consumer debtors											
Consumer debtors		1 931	3 930	3 959	1 066	499	499	1 994	499	499	499
Less: Provision for debt impairment		(168)	(168)	(2 168)	–	–	–	(168)	–	–	–
Total Consumer debtors	2	**1 763**	**3 762**	**1 791**	**1 066**	**499**	**499**	**1 826**	**499**	**499**	**499**
Debt impairment provision											
Balance at the beginning of the year		(168)	(168)	(168)	–	–	–	(168)	–	–	–
Contributions to the provision		–	–	–	–	–	–	–	–	–	–
Bad debts written off		–	–	(2 000)	–	–	–	–	–	–	–
Balance at end of year		**(168)**	**(168)**	**(2 168)**	**–**	**–**	**–**	**(168)**	**–**	**–**	**–**
Acquisitions		–	–	–	–	4 001	4 001	–	2 328	2 335	2 339
Issues	7	–	–	–	(2 794)	(2 541)	(2 541)	–	(2 328)	(2 335)	(2 339)
Adjustments	8	–	–	–	–	–	–	–	–	–	–
Write-offs	9	–	–	–	–	–	–	–	–	–	–
Closing balance - Consumables Standard Rated		**–**	**–**	**–**	**(2 794)**	**1 461**	**1 461**	**–**	**–**	**–**	**–**
Acquisitions		–	–	–	–	–	–	–	1 313	1 317	1 319
Issues	7	–	–	–	(1 264)	(1 264)	(1 264)	–	(1 313)	(1 317)	(1 319)
Adjustments	8	–	–	–	–	–	–	–	–	–	–
Write-offs	9	–	–	–	–	–	–	–	–	–	–
Closing balance - Consumables Zero Rated		**–**	**–**	**–**	**(1 264)**	**(1 264)**	**(1 264)**	**–**	**–**	**–**	**–**
Finished Goods											
Opening Balance		**–**	**–**	**(105)**	**–**	**–**	**–**	**(212)**	**–**	**–**	**–**
Acquisitions		–	–	(106)	–	–	–	–	–	–	–
Issues	7	–	–	–	–	–	–	–	–	–	–
Adjustments	8	–	–	–	–	–	–	–	–	–	–
Write-offs	9	–	(105)	–	–	–	–	–	–	–	–
Closing balance - Finished Goods		**–**	**(105)**	**(212)**	**–**	**–**	**–**	**(212)**	**–**	**–**	**–**
Materials and Supplies											
Opening Balance		**–**	**105**	**212**	**–**	**–**	**–**	**212**	**–**	**–**	**–**
Acquisitions		–	106	–	–	–	–	–	251	252	253
Issues	7	–	–	–	–	(242)	(242)	–	(251)	(252)	(253)
Adjustments	8	–	–	–	–	–	–	–	–	–	–
Write-offs	9	–	–	–	–	–	–	–	–	–	–
Closing balance - Materials and Supplies		**–**	**212**	**212**	**–**	**(242)**	**(242)**	**212**	**–**	**–**	**–**
Closing Balance - Land		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Closing Balance - Inventory & Consumables		**–**	**106**	**–**	**(4 058)**	**(45)**	**(45)**	**–**	**–**	**–**	**–**
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		59 983	119 035	136 496	13 739	102 215	102 215	141 255	106 400	102 571	102 571
Leases recognised as PPE	3	–	–	–	–	–	–	–	–	–	–
Less: Accumulated depreciation		11 674	42 976	45 307	8 083	8 083	8 083	45 307	12 268	8 422	8 439
Total Property, plant and equipment (PPE)	2	**48 309**	**76 059**	**91 189**	**5 656**	**94 132**	**94 132**	**95 947**	**94 132**	**94 148**	**94 132**
Trade and other payables											
Trade Payables	5	15 503	22 583	25 304	187 176	27 101	27 101	(3 629)	27 146	27 146	27 146
Other creditors		579	–	–	–	–	–	–	–	–	–
Unspent conditional transfers		8 145	0	0	(140 703)	(0)	(0)	2 927	–	–	–
VAT		2 389	1 875	1 712	–	–	–	1 702	–	–	–
Total Trade and other payables	2	**26 617**	**24 458**	**27 016**	**46 474**	**27 101**	**27 101**	**1 000**	**27 146**	**27 146**	**27 146**
Provisions - non-current											
Retirement benefits		24 295	26 162	23 967	–	–	–	23 967	–	–	–
Refuse landfill site rehabilitation		–	–	–	–	27 355	27 355	–	–	–	–
Other		3 577	4 196	4 191	–	–	–	4 191	27 355	27 355	27 355
Total Provisions - non-current		**27 872**	**30 358**	**28 158**	**–**	**27 355**	**27 355**	**28 158**	**27 355**	**27 355**	**27 355**
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		137 180	130 701	127 758	–	140 823	140 823	110 211	159 460	123 069	95 790
GRAP adjustments											
Restated balance		137 180	130 701	127 758	–	140 823	140 823	110 211	159 460	123 069	95 790
Surplus/(Deficit)		(5 949)	(8 259)	(15 757)	(33 555)	(30 091)	(30 091)	23 711	(45 398)	(36 270)	(37 282)
Other adjustments		486	4 779	–	(33 555)	(30 091)	(30 091)	–	(45 398)	(36 270)	(37 282)
Accumulated Surplus/(Deficit)	1	**131 717**	**127 220**	**112 002**	**(67 109)**	**80 641**	**80 641**	**133 922**	**68 664**	**50 530**	**21 225**
Total Reserves	2	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
TOTAL COMMUNITY WEALTH/EQUITY	2	**131 717**	**127 220**	**112 002**	**(67 109)**	**80 641**	**80 641**	**133 922**	**68 664**	**50 530**	**21 225**

Table 47 MBRR Table SA9 – Social, economic and demographic statistics and assumptions

DC36 Waterberg - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2017/18	2018/19	2019/20	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics												
Population		Statistics SA	605	596	679 336							
Females aged 5 - 14			65	61	63							
Males aged 5 - 14			67	65	62							
Females aged 15 - 34			109	121	137							
Males aged 15 - 34			103	100	119							
Unemployment			209	167	82							
Monthly household income (no. of households)	1, 12											
No income		Statistics SA	244 388	201 210	24 779							
R1 - R1 600			262 022	132 900	4 110							
R1 601 - R3 200			24 357	24 558	3 100							
R3 201 - R6 400			22 054	19 581	14 279							
R6 401 - R12 800			16 406	21 156	35 573							
R12 801 - R25 600			5 800	7 380	38 710							
R25 601 - R51 200			2 095	6 921	24 706							
R52 201 - R102 400			851	3 260	16 134							
R102 401 - R204 800			507	780	11 025							
R204 801 - R409 600			332	510	5 246							
R409 601 - R819 200												
> R819 200												
Poverty profiles (no. of households)												
< R2 060 per household per month	13		506 410	334 110	7 210							
Insert description	2											
Household/demographics (000)												
Number of people in municipal area		Statistics SA	604 936	596 094	679 336							
Number of poor people in municipal area			244 388	198 550	24 779							
Number of households in municipal area			160 720	168 420	179 866							
Number of poor households in municipal area			98 450	83 552	120 001							
Definition of poor household (R per month)			800	1 200	1 600							
Housing statistics	3											
Formal		Statistics SA	158 520	164 969	174 076							
Informal			2 200	3 451	5 790							
Total number of households			160 720	168 420	179 866	-	-	-	-	-	-	-
Dwellings provided by municipality	4	Statistics SA			-							
Dwellings provided by province/s			19 320	22 415	53 800							
Dwellings provided by private sector	5				-							
Total new housing dwellings			19 320	22 415	53 800	-	-	-	-	-	-	-

Table 48 MBRR SA32 – List of external mechanisms

N/a

2.14 Municipal manager's quality certificate

I ……, municipal manager of WDM, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name _____

Municipal manager of WDM (DC36)

Signature _____

Date _____