

WATERBERG DISTRICT MUNICIPALITY

MAY 2022



2022/23 MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE FINANCIAL YEAR

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Abbreviations and Acronyms

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

Part 1 – Annual Budget

1.1 Mayor's Report

To be presented separately

1.2 Recommendations

That:

1. In terms of Section 24 of the Municipal Finance Management Act (MFMA), the Annual Budget of the Municipality for the Financial year 2022/23 and the multi-year appropriations as set out in the following tables contained in Annexure A be approved:
 - 1.1 Budgeted financial performance revenue and expenditure by standard classification);
 - 1.2 Budgeted financial performance (revenue and expenditure by municipal vote);
 - 1.3 Budgeted financial performance (revenue and expenditure per type)
 - 1.4 Multi-year and single year capital appropriation by municipal vote, programme and standard classification and associated funding
 - 1.5 Budgeted financial position;
 - 1.6 Budgeted cash flow budget; and
 - 1.7 Cash-backed reserve and accumulated surplus reconciliation.
2. That the proposed tariffs for the final 2022/23 MTREF as outlined in Annexures 1 and 3 be approved with effect from 1 July 2022.
3. Council approves the multi-year operating and capital projects appropriations for the financial year 2022/23 and indicative for the two projected outer years 2022/23 and 2022/23.
4. The budget related policies as set out in Annexure to Annexure be approved;
5. The final 2022/23 MTREF be submitted:
 - 5.1 In both printed and electronic formats to the National and Provincial Treasury.

5.2 In either format to any prescribed national or provincial organs of state and such other municipalities as may be affected by the budget.

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

1.3 Executive Summary

Section 16(1) of the Municipal Finance Management Act (MFMA) stipulates that the council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year.

The 2022/23 Medium-term Revenue and Expenditure Framework will be tabled for approval by Council in May after considering the inputs from the public consultation process.

National Treasury issued MFMA Circular No 112 on 6 December 2021 and No 115 on 4 March 2022, to guide the compilation of the 2022/23 MTREF.

Considering the current economic conditions with the outlook still uncertain due to the economic effect of the pandemic, it is prudent for the WDM to ensure that stabilizing the finances remains a core focus for the Draft 2022/23 MTREF. 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 2022/23 MTREF.

The main challenges experienced during the compilation of the 2022/23 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.

Some of the guiding principles for the budget are as follows;

- Tariff increases should be affordable.
- Projects and programmes must be within affordability limits.
- Only funded projects that are ready for implementation will be prioritised in the 2022/23 financial year.
- The operating expenditure baseline was reduced, and the focus must be on efficiency gains and the principle of value for money (doing more with less, while prioritising service delivery).
- Some programmes will be deferred to the outer years in order to ensure that the WDM approves a funded budget.
- The budget must be aligned to the IDP priorities.
- 2021/22 Adjustment budget priorities and targets as well as the baseline allocations contained in the approved adjustment budget.
- The grants allocated in DORA.
- Inflation has been assumed at 4.8% in 2022/23, 4.4% in 2023/24 and 4.5% in 2024/25 in line with Municipal Budget Circular 115 for the 2022/23 MTREF.
- Salary increases has been assumed at 4.9% in 2022/23, 4.4% in 2023/24 and 4.5% in 2024/25.
- Realistically anticipated revenues to be collected
- Cash backed accumulated funds from previous year's surpluses not committed for other purposes.

Overview of the Final 2022/23 Medium Term Revenue and Expenditure Framework

Section 17(1) of the MFMA requires that the annual budget of the municipality must be in the prescribed format as follows:

- Setting out realistically anticipated revenue for the budget year from each revenue source.
- Appropriating expenditure for the budget year under the different votes of the municipality.
- Setting out indicative revenue per revenue source and projected expenditure by vote for the two financial years following the budget year.
- Setting out the estimated revenue and expenditure by vote for the current year and actual revenue and expenditure by vote for the financial year.

Table 1: Consolidated Overview of the 2022/23 MTREF

Description R thousands	Adjusted Budget	Draft Budget 2022/23	%	Draft Budget 2023/24	Draft Budget 2024/25
Total Revenue (excluding capital transfers and contribution)	149 890	152 992	2%	158 287	164 086
Total expenditure	188 588	183 696	-3%	191 006	200 166
Surplus/(Deficit)	(38 698)	(30 705)	-21%	(32 719)	(36 080)

The total operating revenue increased by 2% for the 2022/23 financial year when compared to the 2021/22 Adjusted Budget. Total operating expenditure for the 2022/23 financial year amounts to R184 million, which is a decrease of 3% from the 2021/22 Adjusted Budget, resulting in a Budgeted deficit of R31 million.

The shortfall in the 2021/22 operating budget of R39 million is unfunded as such spending should be kept at a minimum level in order to reduce this projected deficit. The underfunded functions, municipal health and fire-fighting services, as well as the Abattoir operations has a huge impact on this deficit. The full amount of the shortfall relates to an actual operating shortfall in the 2021/22 year whereby the revenue projected 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 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 has developed Revenue enhancement strategy to address the growing deficit. The strategy entails combination of bringing additional revenue streams and also increase revenue derived currently within the abattoir services. The strategy also explore various ways of reducing and containing operational costs. The revenue enhancement strategy is attached as Annexure 8.

Attached as Budget Table SA10 is the funding measurement test which indicates that currently only 2022/23 budget year is funded, 2023/24 and 2024/25 financial years are unfunded.

Due to funding constraints no capital expenditure has been provided for in the final 2022/23 Medium-term Revenue Expenditure Framework.

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 Subsidies 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 District has limited opportunities for revenue due the reduced powers and functions impacting negatively on the municipal ability to raise sufficient revenue to fund both operational and capital budget.

In terms of the MFMA, a credible and funded budget must be tabled based on realistic estimates of revenue that are consistent with budgetary resources and collection history.

The following key components are central to the Municipality revenue

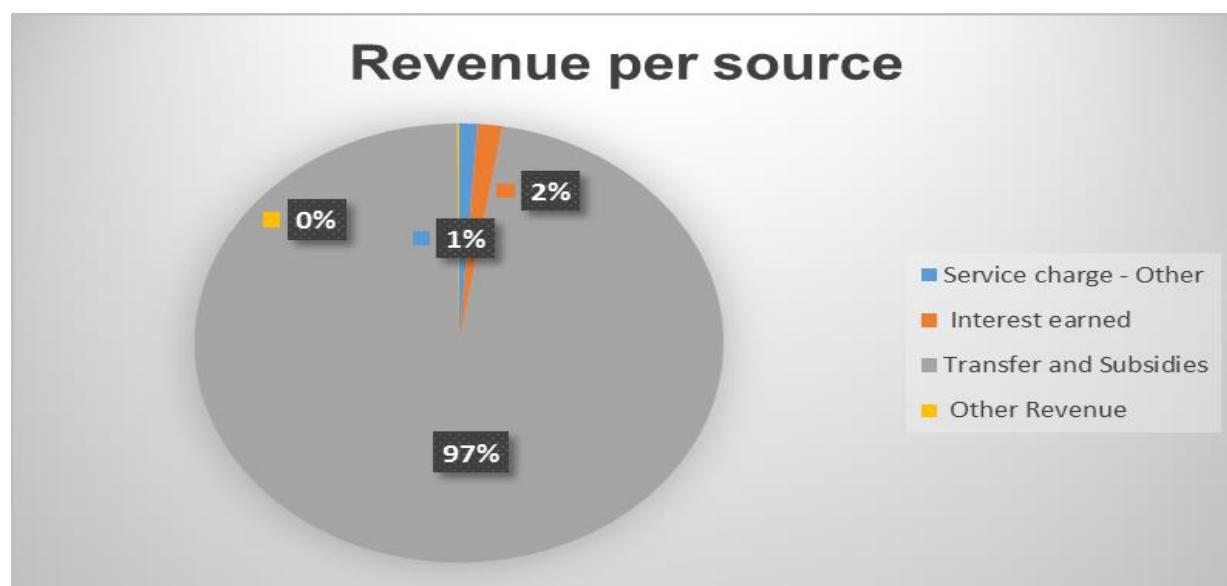
- National Treasury's guidelines and macroeconomic policy;
- Growth in the municipal economic development;
- The rate of abattoir revenue collection is currently expressed as a 100% of annual billings. Cash flow is assumed to be 100% of billings, due to the majority of clients being cash clients, plus 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 2022/23 MTREF (classified by main revenue source):

Table 2: Summary of revenue classified by main revenue source

Description R thousands	Adjusted Budget	Budget 2022/23	%	Budget 2023/24	Budget 2024/25
Service charge - Other	1 595	1 725	8%	1 800	1 881
Interest earned	4 569	2 320	-49%	2 422	2 531
Transfer and Subsidies	143 477	148 781	4%	153 891	159 492
Other Revenue	249	166	-33%	173	181
Total Expenditure	149 890	152 992	2%	158 287	164 086

Figure 1: Main operational revenue categories for the 2022/23 financial year



- Revenue generated from transfers and subsidies contributes 97% of the revenue basket of the Waterberg District Municipality.
- Service charges which entails revenue realized from Abattoir services contributed 1% to the revenue basket.
- Interest received is income from external investments and interest on the current account. Based on the current reserves and prevailing investment rates, a provision of R 2.3 million is made in this regard. The final budget for 2022/23 is 49% below the adjusted 2021/22 budget due to deteriorating cash position.
- The National allocations in terms of the Division of Revenue Act for 2022 are set out as follows:

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

Table 3: Summary of transfers and subsidies

Description	Budget Year 2022/23	Budget Year 2023/24	Budget Year 2024/25
R thousands			
<u>Operating expenditure of Transfers and Grants</u>			
Equitable share	145 500	150 601	156 119
Finance Management Grant	1 000	1 000	1 000
Rural Road Asset Management Systems Grant	2 281	2 290	2 373
Total operating expenditure of Transfers and Grants:	148 781	153 891	159 492

Tariff Setting

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 15% tariff increase is proposed for the 2022/23 financial year.

The proposed tariffs for the financial year 2022/23 are attached as Annexure 2.

1.4.2 Fire-fighting services

The proposed increase on Fire Fighting tariffs 2022/23 is 4.8% 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 2022/23 are attached as Annexure 3.

1.4.3 Municipal Health Service

The proposed tariff increase for the municipal health services is 4.8%. These are new tariffs and will be implemented for the first time in 2022/23 financial year after the promulgation of the by-laws.

The proposed tariffs for the financial year 2022/23 are attached as Annexure 4.

1.5 Operating Expenditure Framework

WDM expenditure framework for the 2022/23 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 category

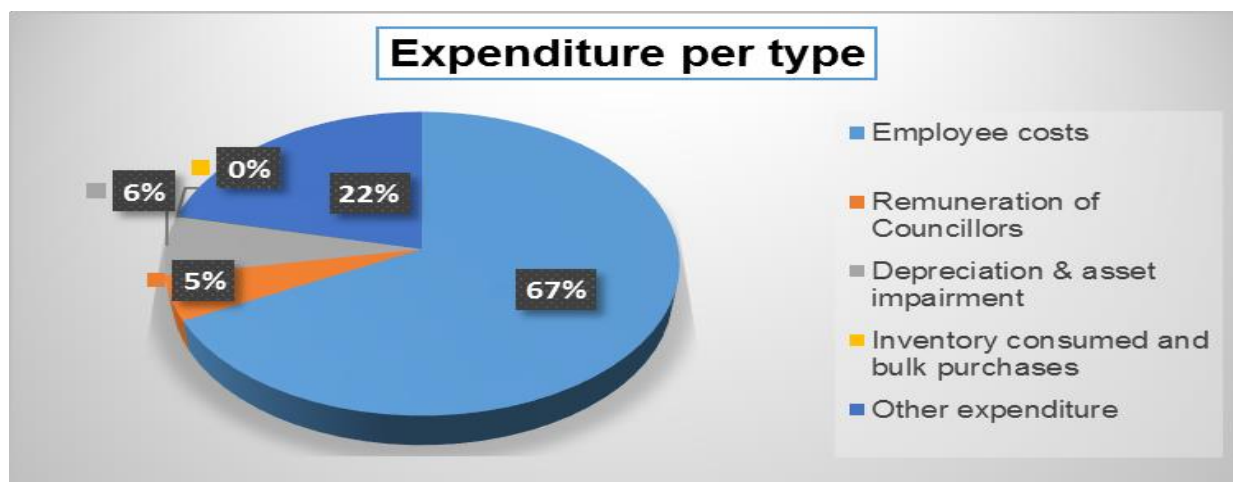
Description R thousands	Adjusted Budget	Budget 2022/23	%	Budget 2023/24	Budget 2024/25
Employee costs	121 601	123 925	2%	129 378	135 200
Remuneration of Councillors	8 337	8 746	5%	9 130	9 541
Depreciation & asset impairment	12 812	11 427	-11%	11 930	12 467
Inventory consumed and bulk purchases	271	105	-61%	109	114
Other expenditure	45 567	39 494	-13%	40 459	42 844
Total Expenditure	188 588	183 696	-3%	191 006	200 166

The operating expenditure equates to R184 million in the 2022/23 financial year and escalates to

R200 million in the 2024/25 financial year. Total operating expenditure decreased by 3% against the 2021/22 adjustments budget.

The following graph illustrates the percentage each expenditure group constitutes of the total expenditure for the 2022/23 financial year:

Figure 2: Main operational expenditure categories for the 2022/23 financial year



Employee costs

Personnel expenditure increase in 2022/23 to R 123 million for officials (2021/22 adjusted – R 122 million), including contributions to long service awards and post-retirement medical aid actuarial valuations. Due to budgetary constraints management to a decision to not budget for the filling of vacant positions; overtime and performance bonus in the 2022/23 draft MTREF budget. As a results the total employee related costs amounts to R 123 million (2021/22 R 122 million), which is a 2% increase on 2021/22 adjusted budget.

Provision is made for a general increase of 4.9 % for all employees. The Salary and Wage Collective Agreement for the period 01 July 2021 to 30 June 2024 has come into effect. The preparation of the 2022/23 is based on the concluded 3 year SALGA Circular No.7/2021 - Salary and Wage Collective Agreement dated 17 September 2021 and linked to projected average CPI percentage in terms of the January 2022 monetary committee statement.

Remuneration of Councilors

The cost associated with the remuneration of Councillors is determined and informed directly by the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The determined upper limits of salaries, allowances and benefits of members of Council are gazetted annually in December/January. Provision for the 2022/23 increase of 4, 9% has been made.

The total salaries and allowances for councilors amounts to R 8,7 million (2021/22 – R 8.3 million) and makes up 5% of the total operating expenditure, however this expenditure is subsidized by an equitable share allocation specifically for this purpose of R 6,7 million, resulting in under-funding of R 2 million for the 2022/23 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 2022/23 budget is R 11 million which equates to a decrease of 11% when compared to the 2021/22 adjustments budget. There are no new asset budgeted in the 2023 MTREF budget due to budget constraints.

Other expenditure

This group of expenditure comprises of general related expenditure which includes amongst others contracted services, audit fees, subsistence & travel, municipal services, annual insurance, financial system costs and allocations to all the Waterberg Local Municipalities' Disaster Centre's for the operation thereof. When compared to the 2020/21 adjusted budget this group has been decreased by 13% in line with realistic anticipated revenue.

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.

1.6 Capital expenditure

The level of capital spending is determined within prudential limits considering the available funds. The IDP Capital projects requirements for 2022/23 financial year amounts to R 9 million, however these projects are currently not included in the budget due to funding constraints.

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 2022/23 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

DC36 Waterberg - Table A1 Budget Statement Summary										
Description R thousands	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year 2023/24	Budget Year 2024/25
<u>Financial Performance</u>										
Property rates	0	0	0	0	0	0	0	0	0	0
Service charges	0	0	0	0	0	0	0	0	0	0
Investment revenue	10 575	7 075	3 517	5 569	4 569	4 569	1 849	2 320	2 422	2 531
Transfers recognised - operational	123 976	134 441	146 353	143 396	143 477	143 477	107 268	148 781	153 891	159 492
Other own revenue	5 231	1 021	1 419	1 804	1 844	1 844	1 029	1 891	1 974	2 063
Total Revenue (excluding capital transfers and contributions)	139 782	142 537	151 289	150 769	149 890	149 890	110 146	152 992	158 287	164 086
Employee costs	91 782	102 401	107 463	124 731	121 601	121 601	77 533	123 925	129 378	135 200
Remuneration of councillors	8 262	8 239	8 421	9 193	8 337	8 337	5 326	8 746	9 130	9 541
Depreciation & asset impairment	5 109	7 179	7 894	12 812	12 812	12 812	8 178	11 427	11 930	12 467
Finance charges	0	0	0	0	0	0	0	0	0	0
Inventory consumed and bulk purchases	1 664	1 791	3 815	300	271	271	0	104	109	114
Transfers and grants	139	0	0	0	0	0	0	0	0	0
Other expenditure	44 865	40 431	39 228	42 430	45 567	45 567	28 660	39 494	40 459	42 844
Total Expenditure	151 821	160 041	166 821	189 467	188 588	188 588	119 697	183 801	191 111	200 271
Surplus/(Deficit)	-12 039	-17 504	-15 532	-38 698	-38 698	-38 698	-9 550	-30 704	-32 719	-36 080
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	2 133	0	0	0	0	0	0	0	0	0
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental)										
Surplus/(Deficit) after capital transfers & contributions	-9 906	-17 504		-38 698	-38 698	-38 698	-9 550	-30 704	-32 719	-36 080
Surplus/(Deficit) for the year	-9 906	-17 504		-38 698	-38 698	-38 698	-9 550	-30 704	-32 719	-36 080
<u>Capital expenditure & funds sources</u>										
Capital expenditure	118 126	137 611	19 198	900	900	900	0	0	0	0
Transfers recognised - capital	0	0	0	0	0	0	0	0	0	0
Borrowing	0	0	0	0	0	0	0	0	0	0
Internally generated funds	0	4 736	4 708	900	900	900	0	0	0	0
Total sources of capital funds	0	4 736	4 708	900	900	900	0	0	0	0
<u>Financial position</u>										
Total current assets	102 959	74 525	52 169	79 177	78 088	78 088	49 441	75 573	18 508	-36 286
Total non current assets	77 867	90 000	86 487	79 883	79 883	104 419	78 289	91 360	91 341	91 320
Total current liabilities	25 001	29 842	24 426	27 148	26 059	-26 055	23 239	27 027	27 022	27 016
Total non current liabilities	30 358	28 158	22 229	27 355	27 355	-27 355	22 067	27 355	27 355	27 355
Community wealth/Equity	135 479	124 029	92 159	104 557	104 557	104 557	85 266	112 551	55 472	663
<u>Cash flows</u>										
Net cash from (used) operating	-378	9 855	8 600	-25 886	-26 958	-26 958	-4 083	-13 747	-12 229	-14 733
Net cash from (used) investing	0	0	-712	-900	-900	-900	0	0	0	0
Net cash from (used) financing	0	0	0	0	0	0	0	0	0	0
Cash/cash equivalents at the year end	-378	9 855	77 830	77 795	76 723	76 723	41 989	90 835	78 606	63 873
<u>Cash backing/surplus reconciliation</u>										
Cash and investments available	92 745	69 870	46 126	77 796	76 724	76 724	43 657	76 511	19 549	-35 136
Application of cash and investments	14 781	223	11 259	25 710	24 633	-27 481	10 226	28 745	28 939	29 145
Balance - surplus (shortfall)	77 963	69 647	34 867	52 085	52 090	104 205	33 430	47 766	-9 390	-64 281
<u>Asset management</u>										
Asset register summary (WDV)	77 812	89 945	86 432	79 829	79 829	79 829	79 829	91 305	91 286	91 266
Depreciation	5 109	5 901	7 894	12 812	12 812	12 812	12 812	11 427	11 930	12 467
Renewal and Upgrading of Existing Assets	-7	38 272	0	0	0	0	0	0	0	0
Repairs and Maintenance	372	1 018	0	181	181	181	181	0	0	0

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)

DC36 Waterberg - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)										
Functional Classification Description R thousand	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue - Functional										
<i>Governance and administration</i>		136 754	138 124	146 851	146 823	145 920	145 920	148 835	154 039	159 666
Executive and council	8	—	—	45	—	—	—	—	—	—
Finance and administration		136 746	138 124	146 806	146 823	145 920	145 920	148 835	154 039	159 666
Internal audit		—	—	—	—	—	—	—	—	—
<i>Community and public safety</i>		—	1 192	17	171	194	194	150	157	164
Community and social services		—	1 192	—	—	—	—	—	—	—
Sport and recreation		—	—	—	—	—	—	—	—	—
Public safety		—	—	17	—	11	11	50	52	55
Housing		—	—	—	—	—	—	—	—	—
Health		—	—	—	171	183	183	100	104	109
<i>Economic and environmental services</i>		4 141	2 259	3 156	2 179	2 179	2 179	2 281	2 290	2 373
Planning and development		4 141	2 259	2 219	—	—	—	—	—	—
Road transport		—	—	936	2 179	2 179	2 179	2 281	2 290	2 373
Environmental protection		—	—	—	—	—	—	—	—	—
<i>Other</i>	4	1 020	961	1 265	1 595	1 596	1 596	1 726	1 802	1 883
Total Revenue - Functional	2	141 915	142 537	151 289	150 769	149 890	149 890	152 992	158 287	164 086
Expenditure - Functional										
<i>Governance and administration</i>		70 622	77 083	74 081	85 589	86 493	86 493	89 022	92 257	96 993
Executive and council		32 728	27 635	23 602	40 091	39 290	39 290	39 889	41 007	43 481
Finance and administration		37 895	49 448	50 478	45 498	47 204	47 204	49 133	51 250	53 512
Internal audit		—	—	—	—	—	—	—	—	—
<i>Community and public safety</i>		55 891	62 843	65 892	77 090	76 810	76 810	70 615	73 722	77 040
Community and social services		2 179	3 282	2 446	7 324	5 047	5 047	4 826	5 044	5 276
Sport and recreation		—	—	—	—	—	—	—	—	—
Public safety		30 566	35 439	37 625	47 548	47 775	47 775	38 590	40 288	42 101
Housing		—	—	—	—	—	—	—	—	—
Health		23 145	24 123	25 821	22 218	23 988	23 988	27 094	28 286	29 559
<i>Economic and environmental services</i>		16 695	11 213	17 140	17 435	17 726	17 726	16 588	17 226	17 981
Planning and development		16 248	11 213	17 140	11 924	13 203	13 203	12 395	12 849	13 407
Road transport		447	—	—	5 512	4 523	4 523	4 193	4 377	4 574
Environmental protection		—	—	—	—	—	—	—	—	—
<i>Other</i>	4	8 613	8 902	9 709	9 352	7 558	7 558	7 472	7 801	8 152
Total Expenditure - Functional	3	151 821	160 041	166 821	189 467	188 588	188 588	183 696	191 006	200 166
Surplus/(Deficit) for the year		-9 906	-17 504	-15 532	-38 698	-38 698	-38 698	-30 705	-32 719	-36 080

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

- 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.

- 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.
- Note that as a general principle the revenues for the Trading Services should exceed their expenditures. WDM does not have any trading services.
- 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)

DC36 Waterberg - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)										
Vote Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand										
Revenue by Vote										
Vote 1 - Vote 1: BUDGET AND TREASURY	1	136 623	138 124	146 665	146 823	145 840	145 840	148 835	154 039	159 666
Vote 2 - Vote 2: MUNICIPAL MANAGER		8	-	45	-	-	-	-	-	-
Vote 3 - Vote 3: CORPORATE SERVICES		123	-	142	-	81	81	-	-	-
Vote 4 - Vote 4: PLANNING		4 141	-	68	-	-	-	-	-	-
Vote 5 - Vote 5: INFRASTRUCTURE SERVICES		-	2 259	2 151	-	-	-	-	-	-
Vote 6 - Vote 6: MAYORS OFFICE		-	-	-	-	-	-	-	-	-
Vote 7 - Vote 7: SOCIAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 8 - Vote 8: FIRE FIGHTING SERVICES		-	-	17	-	11	11	50	52	55
Vote 9 - Vote 9: MUNICIPAL HEALTH SERVICES		-	1 192	936	2 350	2 362	2 362	2 381	2 394	2 482
Vote 10 - Vote 10: ABATTOIR		1 020	961	1 265	1 595	1 596	1 596	1 726	1 802	1 883
Total Revenue by Vote	2	141 915	142 537	151 289	150 769	149 890	149 890	152 992	158 287	164 086
Expenditure by Vote to be appropriated										
Vote 1 - Vote 1: BUDGET AND TREASURY	1	15 718	22 690	22 736	21 501	21 543	21 543	24 468	25 501	26 603
Vote 2 - Vote 2: MUNICIPAL MANAGER		7 154	3 285	-1 136	13 028	12 138	12 138	12 628	12 546	13 740
Vote 3 - Vote 3: CORPORATE SERVICES		22 177	26 758	27 743	23 997	25 661	25 661	24 664	25 750	26 908
Vote 4 - Vote 4: PLANNING		6 075	6 778	9 200	9 745	9 751	9 751	8 778	9 164	9 577
Vote 5 - Vote 5: INFRASTRUCTURE SERVICES		10 173	4 436	7 941	2 179	3 453	3 453	3 617	3 685	3 830
Vote 6 - Vote 6: MAYORS OFFICE		25 573	24 349	24 738	27 062	27 152	27 152	27 261	28 460	29 741
Vote 7 - Vote 7: SOCIAL SERVICES		2 159	1 062	-153	6 078	3 757	3 757	3 704	3 867	4 041
Vote 8 - Vote 8: FIRE FIGHTING SERVICES		30 566	35 439	37 625	47 548	47 775	47 775	38 590	40 288	42 101
Vote 9 - Vote 9: MUNICIPAL HEALTH SERVICES		23 612	26 342	28 420	28 976	29 801	29 801	32 514	33 945	35 473
Vote 10 - Vote 10: ABATTOIR		8 613	8 902	9 709	9 352	7 558	7 558	7 472	7 801	8 152
Total Expenditure by Vote	2	151 821	160 041	166 821	189 467	188 588	188 588	183 696	191 006	200 166
Surplus/(Deficit) for the year	2	-9 906	-17 504	-15 532	-38 698	-38 698	-38 698	-30 705	-32 719	-36 080

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

- Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating

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

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

DC36 Waterberg - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description R thousand	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue By Source											
Property rates	2	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		-	-	-	-	-	-	-	-	-	-
Interest earned - external investments		10 575	7 075	3 517	5 569	4 569	4 569	1 849	2 320	2 422	2 531
Interest earned - outstanding debtors		0	0	1	1	1	1	0	1	1	1
Transfers and subsidies		123 976	134 441	146 353	143 396	143 477	143 477	107 268	148 781	153 891	159 492
Other revenue	2	5 231	1 021	1 418	1 803	1 843	1 843	1 029	1 890	1 973	2 062
Gains		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		139 782	142 537	151 289	150 769	149 890	149 890	110 146	152 992	158 287	164 086
Expenditure By Type											
Employee related costs	2	91 782	102 401	107 463	124 731	121 601	121 601	77 533	123 925	129 378	135 200
Remuneration of councillors		8 262	8 239	8 421	9 193	8 337	8 337	5 326	8 746	9 130	9 541
Debt impairment	3	-	-	111	-	-	-	-	-	-	-
Depreciation & asset impairment	2	5 109	7 179	7 894	12 812	12 812	12 812	8 178	11 427	11 930	12 467
Finance charges		-	-	-	-	-	-	-	-	-	-
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-
Inventory consumed	8	1 664	1 791	3 815	300	271	271	-	104	109	114
Contracted services		24 359	21 312	10 898	14 251	14 795	14 795	10 402	9 945	10 383	10 850
Transfers and subsidies		139	-	-	-	-	-	-	-	-	-
Other expenditure	4, 5	20 479	18 812	28 127	28 179	30 772	30 772	18 258	29 549	30 076	31 994
Losses		27	307	92	-	-	-	-	-	-	-
Total Expenditure		151 821	160 041	166 821	189 467	188 588	188 588	119 697	183 696	191 006	200 166
Surplus/(Deficit)		-12 039	-17 504	-15 532	-38 698	-38 698	-38 698	-9 550	-30 705	-32 719	-36 080
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		2 133	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		-9 906	-17 504	-15 532	-38 698	-38 698	-38 698	-9 550	-30 705	-32 719	-36 080
Taxation		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		-9 906	-17 504	-15 532	-38 698	-38 698	-38 698	-9 550	-30 705	-32 719	-36 080
Attributable to minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		-9 906	-17 504	-15 532	-38 698	-38 698	-38 698	-9 550	-30 705	-32 719	-36 080
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		-9 906	-17 504	-15 532	-38 698	-38 698	-38 698	-9 550	-30 705	-32 719	-36 080

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

1. Total revenue is R 153 million in 2022/23 and escalates to R 164 million by 2024/25.
2. The budgeted revenue is less than the budgeted expenditure, this shortfall in the 2022/23 operating budget of R 31 million is funded for by available accumulated cash, and as such spending should be kept at a minimum level in order to reduce this projected deficit.

3. The underfunded 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.
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 million for 2022/23 (R 8 for 2021/22)**.
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

DC36 Waterberg -Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description R thousand	Ref 1	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital expenditure - Vote											
<i>Single-year expenditure to be appropriated</i>	2										
Vote 1 - Vote 1: BUDGET AND TREASURY		119 094	118 841	--	--	--	--	--	--	--	--
Vote 2 - Vote 2: MUNICIPAL MANAGER		--	--	--	--	--	--	--	--	--	--
Vote 3 - Vote 3: CORPORATE SERVICES		-724	3 967	4 468	900	900	900	--	--	--	--
Vote 4 - Vote 4: PLANNING		--	--	--	--	--	--	--	--	--	--
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		-236	14 570	14 489	--	--	--	--	--	--	--
Vote 9 - Vote 9: MUNICIPAL HEALTH SERVICES		--	240	240	--	--	--	--	--	--	--
Vote 10 - Vote 10: ABATTOIR		-7	-7	--	--	--	--	--	--	--	--
Vote 15 -		--	--	--	--	--	--	--	--	--	--
Capital single-year expenditure sub-total		118 126	137 611	19 198	900	900	900	--	--	--	--
Total Capital Expenditure - Vote		118 126	137 611	19 198	900	900	900	--	--	--	--
Capital Expenditure - Functional											
Governance and administration		118 369	122 808	4 468	900	900	900	--	--	--	--
Executive and council		--	--	--	--	--	--	--	--	--	--
Finance and administration		118 369	122 808	4 468	900	900	900	--	--	--	--
Internal audit		--	--	--	--	--	--	--	--	--	--
Community and public safety		-236	14 810	14 730	--	--	--	--	--	--	--
Community and social services		--	--	--	--	--	--	--	--	--	--
Sport and recreation		--	--	--	--	--	--	--	--	--	--
Public safety		-236	14 570	14 489	--	--	--	--	--	--	--
Housing		--	--	--	--	--	--	--	--	--	--
Health		--	240	240	--	--	--	--	--	--	--
Total Capital Expenditure - Functional	3	118 126	137 611	19 198	900	900	900	--	--	--	--
Funded by:											
National Government		--	--	--	--	--	--	--	--	--	--
Provincial Government		--	--	--	--	--	--	--	--	--	--
District Municipality		--	--	--	--	--	--	--	--	--	--
Transfers and subsidies - capital (monetary allocations) (national / provincial)		--	--	--	--	--	--	--	--	--	--
Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Administration, Higher Educational Institutions		--	--	--	--	--	--	--	--	--	--
Transfers recognised - capital	4	--	--	--	--	--	--	--	--	--	--
Borrowing	6	--	--	--	--	--	--	--	--	--	--
Internally generated funds		--	4 736	4 708	900	900	900	--	--	--	--
Total Capital Funding	7	--	4 736	4 708	900	900	900	--	--	--	--

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

DC36 Waterberg - Table A6 Budgeted Financial Position											
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand											
ASSETS											
Current assets											
Cash		93 261	71 585	47 731	77 714	77 714	77 714	31 090	11 813	50 516	22 241
Call investment deposits	1	–	–	–	–	–	–	–	–	–	–
Consumer debtors	1	55	–	–	–	–	–	50	50	50	50
Other debtors		4 954	2 466	2 730	–	882	882	1 360	1 421	1 485	1 552
Current portion of long-term receivables		–	–	–	–	–	–	–	–	–	–
Inventory	2	106	–	157	–	–	–	–	–	–	–
Total current assets		98 376	74 051	50 618	77 714	78 596	78 596	32 500	13 284	52 051	23 843
Non current assets											
Long-term receivables		55	55	55	55	55	55	55	55	55	55
Investments		–	–	–	–	–	–	–	–	–	–
Investment property		–	–	–	–	–	–	–	–	–	–
Investment in Associate		–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	3	69 911	88 088	85 049	5 656	94 132	94 132	73 137	74 893	63 836	52 780
Biological		–	–	–	–	–	–	–	–	–	–
Intangible		1 753	1 862	1 383	1 455	1 862	1 862	2 057	1 012	641	270
Other non-current assets		–	–	–	–	–	–	–	–	–	–
Total non current assets		71 719	90 005	86 487	7 166	96 049	96 049	75 249	75 960	64 532	53 105
TOTAL ASSETS		170 096	164 057	137 105	84 880	174 645	174 645	107 749	89 244	116 583	76 948
LIABILITIES											
Current liabilities											
Bank overdraft	1	–	–	–	–	–	–	–	–	–	–
Borrowing	4	–	–	–	–	–	–	–	–	–	–
Consumer deposits	2	2	2	2	–	2	2	2	2	2	2
Trade and other payables	4	25 322	27 583	21 989	46 474	27 101	27 101	15 295	12 356	12 912	13 493
Provisions		1 355	1 432	1 506	–	–	–	1 253	1 443	1 508	1 576
Total current liabilities		26 679	29 017	23 497	46 474	27 103	27 103	16 551	13 801	14 422	15 071
Non current liabilities											
Borrowing		–	–	–	–	–	–	–	–	–	–
Provisions		29 662	27 355	21 450	–	27 355	27 355	28 158	29 600	30 932	32 324
Total non current liabilities		29 662	27 355	21 450	–	27 355	27 355	28 158	29 600	30 932	32 324
TOTAL LIABILITIES		56 341	56 372	44 947	46 474	54 458	54 458	44 708	43 401	45 354	47 395
NET ASSETS	5	113 755	107 685	92 158	38 406	120 187	120 187	63 041	45 843	71 229	29 553
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		113 755	107 685	92 158	38 406	120 187	120 187	63 041	45 843	71 229	29 553
Reserves	4	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	5	113 755	107 685	92 158	38 406	120 187	120 187	63 041	45 843	71 229	29 553

Explanatory notes to Table A6 - Budgeted Financial Position

- 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).
- 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.
- 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

DC36 Waterberg - Table A7 Budgeted Cash Flows

Description		Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 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 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
			–	–	–	–	–	–	–	–	–	–
			929	888	1 177	–	–	–	–	–	–	–
			70	31	251	1 804	1 844	1 844	1 844	1 891	1 974	2 063
	1		117 500	134 436	146 417	143 396	143 477	143 477	143 477	148 781	153 891	159 492
	1		–	–	–	–	–	–	–	–	–	–
			10 576	7 183	3 518	5 569	4 569	4 569	4 569	2 320	2 422	2 531
			–	–	–	–	–	–	–	–	–	–
Payments												
			(145 814)	(144 147)	(170 825)	(176 655)	(175 776)	(175 776)	(165 629)	(172 269)	(179 076)	(187 699)
			–	–	–	–	–	–	–	–	–	–
	1		–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES			(16 740)	(1 609)	(19 463)	(25 886)	(25 886)	(25 886)	(15 739)	(19 277)	(20 789)	(23 613)
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
			–	–	–	–	–	–	–	–	–	–
			–	–	–	–	–	–	–	–	–	–
			34 585	–	(0)	–	–	–	–	–	–	–
Payments												
			(26 186)	(20 067)	(4 468)	(900)	(900)	(900)	(900)	–	–	–
NET CASH FROM/(USED) INVESTING ACTIVITIES			8 398	(20 067)	(4 468)	(900)	(900)	(900)	(900)	–	–	–
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
			–	–	74	–	–	–	–	–	–	–
			–	–	–	–	–	–	–	–	–	–
			2	–	–	–	–	–	–	–	–	–
Payments												
			–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES			2	–	74	–	–	–	–	–	–	–
NET INCREASE/ (DECREASE) IN CASH HELD			(8 339)	(21 676)	(23 856)	(26 786)	(26 786)	(26 786)	(16 639)	(19 277)	(20 789)	(23 613)
	2		101 600	93 261	71 585	104 500	104 500	104 500	47 729	31 090	11 813	(8 976)
	2		93 261	71 585	47 729	77 714	77 714	77 714	31 090	11 813	(8 976)	(32 589)

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.

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

DC36 Waterberg - Table A8 Cash backed reserves/accumulated surplus reconciliation

BDO Waterberg - Table A6 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	93 261	71 585	47 729	77 714	77 714	77 714	31 090	11 813	(8 976)	(32 589)
Other current investments > 90 days		131 301	(7 582)	(14 382)	58 215	(90 761)	(90 761)	(24 801)	-	-	-
Non current assets - Investments	1	55	55	55	-	-	-	55	-	-	-
Cash and investments available:		224 617	64 058	33 402	135 929	(13 047)	(13 047)	6 344	11 813	(8 976)	(32 589)
Application of cash and investments											
Unspent conditional transfers		115	0	64	-	(0)	(0)	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	15 871	25 116	19 248	186 110	25 665	25 665	13 885	10 885	11 377	11 891
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		15 985	25 117	19 311	186 110	25 665	25 665	13 885	10 885	11 377	11 891
Surplus(shortfall)		208 631	38 941	14 090	(50 182)	(38 712)	(38 712)	(7 541)	928	(20 353)	(44 480)

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 2022/23 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA.
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		
		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
R thousand										
CAPITAL EXPENDITURE										
<u>Total New Assets</u>	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		-	-	-	-	-	-	-	-	-
<u>Total Renewal of Existing Assets</u>	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 aim 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 2022/23 IDP/Budget Process Plan was adopted by Council in August 2021. The 2020/21 mid-year performance assessment was conducted in January 2022 which determined the 2021/22 Adjustment Budget and formed the baseline of the 2022/23 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 2022/23 Budget.

QUARTER 1	1 ST IDP REPRESENTATIVES FORUM	APPROVAL OF 2022/23 PROCESS PLAN	PUBLICATION OF THE PROCESS PLAN	PLACEMENT ON THE WEBSITE
	19 August 2021	30 August 2021	3 September 2021-Die Pos and Sowetan	6 September 2021
QUARTER 2	2 nd IDP Rep Forum	IDP Steering committee	MPAC	Council meeting
	Postponed due to the LG elections	12 October 2021	Postponed due to the LG elections	30 September 2021 and inaugural council held 02 December 2021
QUARTER 3	Strategic Planning session	3 rd IDP Rep Forum	Tabling of the Draft 2022/23 IDP and Budget	Publication
	08-10 March 2022	28 March 2022	31 March 2022	Notice issued 07 April 2022 Placed on the website 8 April 2022

2.1.2 IDP and Service Delivery and Budget Implementation Plan

The IDP and Budget, marks the 1st review of the new term of overall strategic framework for our district for the period 2022/23. The process started in September 2021 after the tabling of the IDP Process Plan and the Budget Time Schedule for the 2022/23 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 2022/23 MTREF, based on the approved 2021/22 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 2022/23 MTREF, each department had to review the planning process, including the setting of priorities and targets after reviewing the mid-year performance against the 2021/22 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.

2.1.3 Financial Modelling and Key Planning Drivers

The following key factors and planning strategies have informed the compilation of the 2022/23MTREF:

- Policy priorities and strategic objectives
- 2021/22 Adjustment Budget and Performance against SDBIP
- 2020/21 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 112 & 115 have been taken into consideration in the planning and prioritisation process.

2.1.4 Community Consultation

The institution has held two IDP representative forums. The first was held 19 August 2021, the second was held 28 March 2022. The 2022/23 strategic planning session was held on the 8 -10 March 2022. The Draft 2022/23 IDP and Budget was tabled to Council on the 30 March 2022. The approved budget and IDP were sent to various stakeholders including Provincial and National Treasury as required by the MFMA as well as placed on the Municipality website.

Feedback received from the WDM website, newspaper adverts, public road show as well as Provincial Treasury were considered where possible, adjustments to the Tabled Budget were made, where necessary. The final 2022/23 budget & IDP is therefore tabled for approval on 26 May 2022, within the deadlines as stipulated by legislation.

There were no deviations from the key dates set out in the 2022/23 IDP/Budget Time Schedule tabled in Council.

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:

NO.	PRIORITY
1	Municipal Health & Environmental Management
2	Air Quality
3	Firefighting Services
4	Disaster Management
5	Abattoir
6	Local Economic Development & Tourism
7	Community Participation and Good Governance
8	Financial Viability
9	Municipal Roads & Storm Water
10	Municipal Support & Institutional Development
11	Sports, Arts and Culture
12	Water & Sanitation
13	Electricity
14	Transport

Due to funding constraints all priority areas could not be accommodated in the 2022/23 MTREF Budget

WDM IDP Strategic Objectives

KPA	Strategies objectives
Spatial Rationale	To coordinating spatial transformation.
Basic Service Delivery	To coordinate and monitor social and infrastructure development for the provision and access to services.
Local Economic Development	To create a conducive environment for radical economic development.
Financial Management & Viability	To effectively and efficiently manage finances and resource mobilization.
Good Governance & Public Participation	To develop and implement integrated management & governance systems
Transformation & Organizational 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	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand												
Basic services	To coordinate and monitor Social and Infrastructure development for the provision and access to services			999	2 201	1 419	1 804	1 844	1 844	1 891	1 974	2 063
Financial management & viability	To effectively manage finances and resource mobilisation			8 532	8 421	3 517	5 569	4 569	4 569	2 320	2 422	2 531
Good Governance and Public Participation	To develop and implement integrated management & governance systems			130 251	132 201	146 353	143 396	143 477	143 477	148 781	153 891	159 492
Allocations to other priorities												
Total Revenue (excluding capital transfers and contributions)				139 782	142 823	151 289	150 769	149 890	149 890	152 992	158 287	164 086

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	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25	
R thousand													
Basic services	To coordinate and monitor Social and Infrastructure development for the provision and access to services			72 371	72 371	87 452	92 281	90 491	90 491	85 897	89 585	93 596	
Financial management & viability	To effectively manage finances and resource mobilisation			15 476	15 476	24 414	23 353	23 395	23 395	24 468	25 501	26 603	
Good Governance and Public Participation	To develop and implement integrated management & governance systems			36 827	36 827	23 602	40 091	39 290	39 290	39 889	41 007	43 481	
Local Economic Development	To create a conducive environment for radical economic development			7 864	7 864	8 758	9 745	9 751	9 751	8 778	9 164	9 577	
Transformation & Organisational Development	To attract, develop and retain ethical and best human capital			26 249	26 249	22 590	23 997	25 660	25 660	24 664	25 750	26 908	
Allocations to other priorities													
Total Expenditure				1	158 787	158 787	166 815	189 467	188 588	188 588	183 696	191 006	200 166

Table 18 MBRR Table SA6 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure

DC36 Waterberg - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

DC36 Waterberg - Supporting Table SAO Reconciliation of IDP Strategic Objectives and Budget (capital expenditure)												
Strategic Objective	Goal	Goal Code	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Transformation & Organisational Development	To attract, develop and retain ethical and best human capital	A		118 000	137 000	4 468	900	900	900			
Allocations to other priorities			3									
Total Capital Expenditure			1	118 000	137 000	4 468	900	900	900	-	-	-

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

Table 19 MBRR Table SA7 - Measurable performance objectives

DC36 Waterberg - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Vote 1 - vote name										
Council	R - value									
To develop and implement intergrated management and governance systems		27 204	26 732	24 738	27 062	27 152	27 152	27 261	28 460	29 741
Municipal Manager	R - value									
To develop and implement intergrated management and governance systems		7 145	10 925	(1 136)	13 028	12 138	12 138	12 628	12 546	13 740
Fire fighting Services	R - value									
To coordinate and monitor social and infrastructure development for the provision and access to services		36 801	35 331	41 234	45 696	45 923	45 923	38 590	40 288	42 101
Municipal Health Services	R - value									
To coordinate and monitor social and infrastructure development for the provision and access to services		23 127	22 444	24 525	22 218	23 988	23 988	27 094	28 286	29 559
Social Services	R - value									
To create a conducive environment for radical economic development		2 189	3 334	3 742	7 324	5 047	5 047	4 932	5 149	5 381
Abattoir	R - value									
To coordinate and monitor social and infrastructure development for the provision and access to services		8 604	9 380	9 568	9 352	7 558	7 558	7 472	7 801	8 152
Sub-function 2 - Planning and Economic										
To coordinate spatial transformation	R - value	6 077	8 185	8 758	9 745	9 751	9 751	8 778	9 164	9 577
Sub-function 3 - Technical Services										
development for the provision and access to services	R - value	3 030	(4 096)	8 383	7 691	7 975	7 975	7 810	8 062	8 405
Vote 3 - Financial management & viability										
Function 1 - Office of the CFO										
Sub-function 1 - Financial services	R - value									
To effectively manage finances and resource mobilisation		16 197	21 164	24 414	23 353	23 395	23 395	24 468	25 501	26 603
Function 2 - Corporate Support and Shared										
Sub-function 1 - Corporate Services										
To attract, develop and retain ethical and best human capital	R - value	19 782	25 180	22 590	23 997	25 660	25 660	24 664	25 750	26 908
And so on for the rest of the Votes		150 157	158 581	166 815	189 467	188 588	188 588	183 696	191 006	200 166

The following table sets out the municipalities main performance objectives and benchmarks for the 2022/23 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	Annual Target 2022-2023	Target Quarter 1	Target Quarter 2
1.	Spatial rationale	To coordinate spatial transformation	Integrated Planning	Number of Highly rated IDP	1	1X highly rated IDP attained by 30 June 2022	N/A	N/A
2.	Spatial rationale	To coordinate spatial transformation	Integrated Planning	Number of IDP (s) Approved by council by 31 May 2023	1/1	1X 2021/22-2025/26 IDP Approved by 30 June 2022	N/A	N/A
3.	Spatial rationale	To facilitate access and transform land and rural tourism development	Integrated planning	Number of DMPT Meeting held	0/4	4 X DMPT Meeting held by 30 June 2023	1	1
4.	Basic service delivery	To preserve and protect natural resources and promote	Municipal Health	Number of Food outlets issued with certificate of compliance	New	80 X Food outlets issued with certificate of compliance by 30 June 2023	20	20

	KPA	Strategic Objective	Programme / Focus area	Performance Indicators	Baseline 2020/21	Annual Target 2022-2023	Target Quarter 1	Target Quarter 2
		public health						
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	9/9	9 X Permitted land fill site monitored by 30 June 2023	9	9
6.	Basic Service Delivery	To preserve and protect natural resources and promote public health	Air quality management	Number of ambient air quality monitoring reports submitted	6	8X ambient air quality monitoring reports submitted by 30 June 2023	2	2
7.	Basic delivery service	To coordinate and monitor	Disaster Management	Number of Disaster Management stakeholder	8	8 X Disaster Management stakeholder consultative	2	4

	KPA	Strategic Objective	Programme / Focus area	Performance Indicators	Baseline 2020/21	Annual Target 2022-2023	Target Quarter 1	Target Quarter 2
		infrastructure development for the provision and access to service		consultative meetings held		meetings held by 30 June 2023		
8.	Basic service delivery	To coordinate and monitor infrastructure development for the provision and access to	Fire fighting	Number of Fire-fighting reports submitted by local municipalities	24	24 X Fire-fighting reports submitted by local municipalities by 30 June 2023	6	12
9.	Financial management and viability	To effectively manage finances and resource mobilization.	Expenditure Management	Percentage of Operating budget variance in terms of SDBIP	20,31 %	≤10% of Operating budget variance attained by 30 June 2023	≤10%	≤10%
10.	Financial	To effectively	Expenditure	Percentage Capital budget	14%	≤10% of Capital budget variance	≤10%	≤10%

	KPA	Strategic Objective	Programme / Focus area	Performance Indicators	Baseline 2020/21	Annual Target 2022-2023	Target Quarter 1	Target Quarter 2
	management and viability	manage finances and resource mobilization.	Management	variance in terms of SDBIP		attained by 30 June 2023		
11.	Financial management and viability	To effectively manage finances and resource mobilisation.	Reporting	Number of section 71 MFMA report submitted within timeframe	12/12	12 X 71 MFMA report submitted within 10 working days of start of the each Month	3	3
12.	Local Economic Development	To create a conducive environment for radical economic development.	Economic development	Number LED forum meeting held	4	4 X LED forum meeting held by 30 June 2023	1	1
13.	Local Economic	To create a conducive environment for	Economic development	Percentage of LED Forums resolutions implemented	100% 9/9	100% LED forums resolutions	100%	100%

	KPA	Strategic Objective	Programme / Focus area	Performance Indicators	Baseline 2020/21	Annual Target 2022-2023	Target Quarter 1	Target Quarter 2
	Development	radical economic development.				implemented by 30 June 2023		
14.	Good Governance and Public Participation	To develop and implement integrated management & governance systems	Monitoring and Evaluation	Number of section 72 Report (s)-Mid-year Budget and performance Assessment Report submitted	1/1 25/01/2022	1 X (MFMA S72 Report) Mid-year Budget and performance Assessment Report submitted by 25 January 2023	N/A	N/A
15.	Good Governance and Public Participation	To develop and implement integrated management & governance systems	Monitoring and Evaluation	Number of Submission of Annual Performance Report (APR) and AFS .	1/1	1X APR and AFS submitted to AGSA by 31 August 2023.	1	N/A
16.	Good Governance and Public Participation	To develop and implement integrated management and	Auditing	AG -Audit outcome/Opinion	Unqualified	Unqualified attained by 31 March 2023	N/A	N/A

	KPA	Strategic Objective	Programme / Focus area	Performance Indicators	Baseline 2020/21	Annual Target 2022-2023	Target Quarter 1	Target Quarter 2
		governance systems						
17.	Good Governance and Public Participation	To develop and implement integrated management and governance systems	Auditing	Percentage AG material audit queries resolved	100% 28/28	100% of Prior Year material audit queries resolved by 30 June 2023	N/A	20%
18.	Good Governance and Public Participation	To develop and implement integrated management and governance systems	Auditing	Percentage Identified risk resolved within timeframes as specified in risk plan	50% 9/18	100% of Identified risk resolved within timeframes as specified in risk plan by 30 June 2023	25%	50%
19.	Good Governance and Public Participation	To develop and implement integrated management and governance systems	Auditing	Percentage of internal audit findings resolved	70% 14/20	100% of internal audit findings resolved by 30 June 2023	25%	50%
20.	Good Governance	To develop and	Auditing	Number of Audit	4	4 X Audit committee	1	1

	KPA	Strategic Objective	Programme / Focus area	Performance Indicators	Baseline 2020/21	Annual Target 2022-2023	Target Quarter 1	Target Quarter 2
	nce and Public Participation	implement integrated management and governance systems		committee meetings held		meetings held by 30 June 2023		
21.	Good Governance and Public Participation	To develop and implement integrated management and governance systems	Auditing	Percentage of Audit Committee recommendations implemented	83% 5/6	100% of Audit Committee recommendations implemented by 30 June 2023	100%	100%
22.	Good Governance and Public Participation	To develop and implement integrated management and governance systems	Governance	Percentage Council resolutions implemented within timeframes	88.29% 83/94	100% Council resolutions implemented by 30 June 2023	100%	100%
23.	Good Governance and Public Participation	To develop and implement integrated management and	Public Participation	Number of IDP Representative Forum meetings convened	4/4	4 X IDP Representative Forum meetings convened by 30 June 2023	1X Approval of IDP Review Process	1X Analysis phase

	KPA	Strategic Objective	Programme / Focus area	Performance Indicators	Baseline 2020/21	Annual Target 2022-2023	Target Quarter 1	Target Quarter 2
		governance						
24.	Good Governance and Public Participation	To develop and implement integrated management and governance	Governance	Percentage of MPAC resolutions implemented	100% 6/6	100% MPAC resolutions implemented by 30 June 2023	100%	100%
25.	Good Governance and Public Participation	To develop and implement integrated management and governance	Governance	Number of 2019/20 Oversight report(s) approved by council	1	1 X 2019/20 Oversight report(s) approved by council by 31 march 2023	N/A	N/A
26.	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 X Senior Management with signed Performance Agreements by 31 July 2022	6	N/A
27.	Transformation and	To attract, develop and retain	Capacity building and	Number of officials and Councillors	21	25 X Officials and Councillors capacitated in	5	5

	KPA	Strategic Objective	Programme / Focus area	Performance Indicators	Baseline 2020/21	Annual Target 2022-2023	Target Quarter 1	Target Quarter 2
	Organisational Development	ethical and best human capital	Training (HRD)	capacitated in terms of the workplace skills plan (WSP)		terms of the workplace skills plan by end June 2023		
28.	Transformation and Organisational Development	To Improve, attract, develop and retain best human capital	Occupational Health and Safety	Number of OHS Committee meetings held	New	4 X OHS Committee meetings held by 30 June 2023	1 OHS Meeting	1 OHS Meeting
29.	Transformation and Organisational Development	To improve Administration and Governance Capacity	Information and Communication Technology	Number of ICT Steering Committee Meeting Held	4	4 X ICT Steering Committee Meeting Held by 30 June 2023	1	1
30.	Transformation and Organisational Development	To attract, develop and retain ethical and best human capital	Organisational Development	Number of approved 2022/23 SDBIP by the Executive Mayor	100% 11 June 2021	1 X 2021/22 SDBIP Approved by the EM by the 28 June 2023	N/A	N/A
31.	Transformation and	To attract, develop and retain	Monitoring and Evaluation	Number of 2021/22 Annual Performance	0/1	1X 2021/22 Annual Performance	N/A	N/A

	KPA	Strategic Objective	Programme / Focus area	Performance Indicators	Baseline 2020/21	Annual Target 2022-2023	Target Quarter 1	Target Quarter 2
	Organisational Development	ethical and best human capital		evaluation conducted		evaluation conducted by 30 June 2021		
32.	Transformation and Organisational Development	To attract, develop and retain ethical and best human capital	Monitoring and Evaluation	Number of Annual report (sec 121) adopted & submitted to MEC	100% approved 30 May 2022	1 X Annual Report (sec 121) adopted & submitted to MEC by 31 March 2023	N/A	N/A
33.	Transformation and Organisational Development	To improve Administration and Governance Capacity	Legal Services	Number of litigation reports compiled and submitted to council	2	4 X litigation reports compiled and submitted to council by 30 June 2023	1	1
34.	Transformation and Organisational Development	To improve Administration and Governance Capacity	Human Resource Management	Number of LLF meetings held by end June 2023	4	1 X LLF meetings held by end June 2023	1	1

2.4 Overview of budget related-policies

The WDM budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies. The budget policies are being reviewed and the revised versions, if applicable, will be approved with the final budget:

2.4.1 Review of debt collection and credit control Policy

The debt collection and credit control policies as approved by Council in June 2021 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 rate of collection in 2022/23 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 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.

2.4.4 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 Final policies are attached for consideration and approval by Council.

2.4.5 Petty Cash, Catering and S&T policy

The revised policy are attached for consideration and approval.

2.4.6 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.

2.4.7 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 under funded. The additional allocation received for Councillor Remuneration amount to R 7

million in 2022/23 versus the budgeted 2022/23 Councillor Salaries of R 9 million . 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 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 2022/23 MTREF:

- National Government macro-economic targets;
- The general inflationary outlook in terms of MFMA Circular 112 & 115;
- The impact of municipal cost drivers;
- The grants allocated in DORA; and
- The increase in the cost of remuneration.

Inflation has been assumed at 4.8% in 2022/23, 4.4% in 2023/24 and 4.5% in 2024/25.

Salary increases has been assumed at 4.9% in 2022/23, 4.4% in 2023/24 and 4.5% in 2024/25

For simplicity, the 2022/23 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 for the 2022/23 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 20220 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 7.5% minus 2.5% as agreed with our banking service provider.

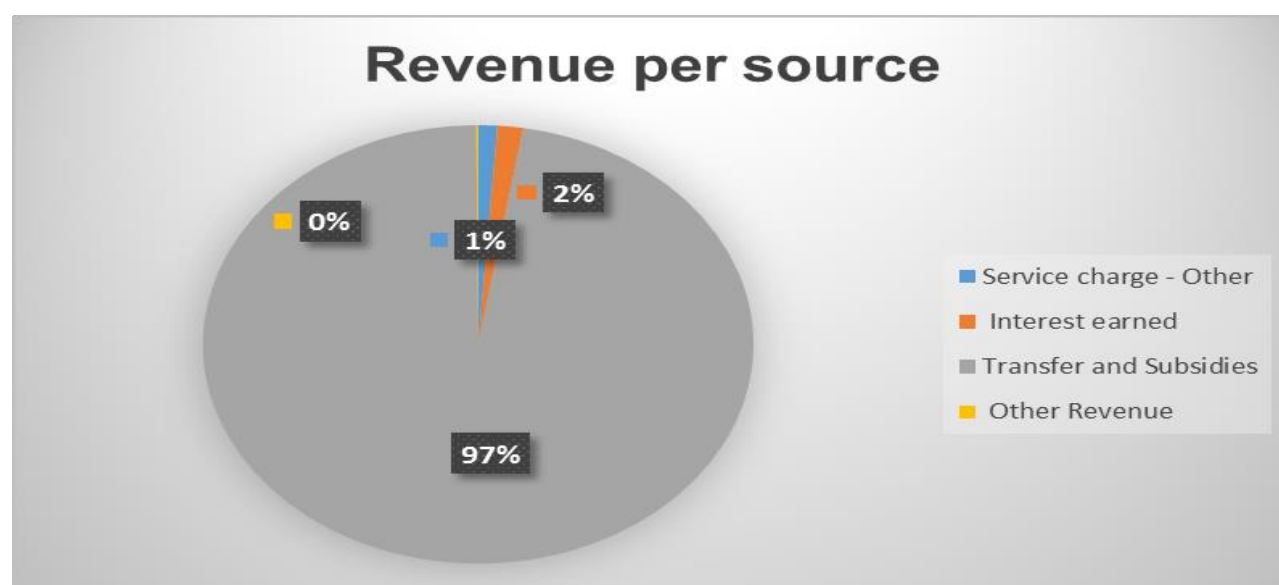
2.6 Overview of budget funding

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

Description R thousands	Budget 2022/23	%	Budget 2023/24	%	Budget 2024/25
Revenue by Sources					
Service charge - Other	1 725	4% 	1 800	4%	1 881
Interest earned	2 320	4% 	2 422	4%	2 531
Transfer and Subsidies	148 781	3% 	153 891	4%	159 492
Other Revenue	166	4% 	173	5%	181
Surplus/(Deficit)	152 992		158 287		164 086



Operational grants and subsidies amount to R 149 million, R154 million and R160 million for each of the respective financial years of the MTREF, or 97 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 R2.3 million, R2.4 million and R2.5 million for the respective three financial years of the 2022/23 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	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand										
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		90 091	71 548	47 705	100 000	100 000	31 090	11 813	8 976	32 589
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Consolidated total:		90 091	71 548	47 705	100 000	100 000	31 090	11 813	8 976	32 589

Table 23 MBRR SA16 – Investment particulars by maturity

DC36 Waterberg - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/No)	Variable or Fixed interest rate	Interest Rate	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
no of institution & investment:	1	Yrs/Months												
Parent municipality														
ABSA		CALL	CALL		VARIABLE	4.5	NO	NO	CALL	6 090	220	(23 277)	20 000	2 813
ABSA		60 days	SHORT TERM		FIXED	4.5	NO	NO		10 000	700	(47 000)	40 000	3 000
NEDBANK		60 days	SHORT TERM		FIXED	4.5	NO	NO		10 000	700	(47 000)	40 000	3 000
STANDARD BANK		60 days	SHORT TERM		FIXED	4.5	NO	NO		5 000	700	(42 000)	40 000	3 000
Municipality sub-total										31 090	2 320	(159 277)	140 000	11 813
TOTAL INVESTMENTS AND IF	1									31 090	2 320	(159 277)	140 000	11 813

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 R31 million,

R33 million and R36 million in each of the financial years. This deficit for 2022/23 financial is funded by available accumulated cash backed surplus and the deficit for the two outer financial years are unfunded.

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

DC36 Waterberg - Table A7 Budgeted Cash Flows

Description		Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 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 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates			–	–	–	–	–	–	–	–	–	–
Service charges			929	888	1 177	–	–	–	–	–	–	–
Other revenue			70	31	251	1 804	1 844	1 844	1 844	1 891	1 974	2 063
Transfers and Subsidies - Operational		1	117 500	134 436	146 417	143 396	143 477	143 477	143 477	148 781	153 891	159 492
Transfers and Subsidies - Capital		1	–	–	–	–	–	–	–	–	–	–
Interest			10 576	7 183	3 518	5 569	4 569	4 569	4 569	2 320	2 422	2 531
Dividends			–	–	–	–	–	–	–	–	–	–
Payments												
Suppliers and employees			(145 814)	(144 147)	(170 825)	(176 655)	(175 776)	(175 776)	(165 629)	(172 269)	(179 076)	(187 699)
Finance charges			–	–	–	–	–	–	–	–	–	–
Transfers and Grants		1	–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES			(16 740)	(1 609)	(19 463)	(25 886)	(25 886)	(25 886)	(15 739)	(19 277)	(20 789)	(23 613)
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE			–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables			–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments			34 585	–	(0)	–	–	–	–	–	–	–
Payments												
Capital assets			(26 186)	(20 067)	(4 468)	(900)	(900)	(900)	(900)	–	–	–
NET CASH FROM/(USED) INVESTING ACTIVITIES			8 398	(20 067)	(4 468)	(900)	(900)	(900)	(900)	–	–	–
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Advance of operating lease			–	–	74	–	–	–	–	–	–	–
Borrowing long term/refinancing			–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		2	–	–	–	–	–	–	–	–	–	–
Payments												
Repayment of borrowing			–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES			2	–	74	–	–	–	–	–	–	–
NET INCREASE/ (DECREASE) IN CASH HELD			(8 339)	(21 676)	(23 856)	(26 786)	(26 786)	(26 786)	(16 639)	(19 277)	(20 789)	(23 613)
Cash/cash equivalents at the year begin:		2	101 600	93 261	71 585	104 500	104 500	104 500	47 729	31 090	11 813	(8 976)
Cash/cash equivalents at the year end:		2	93 261	71 585	47 729	77 714	77 714	77 714	31 090	11 813	(8 976)	(32 589)

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

DC36 Waterberg - Table A8 Cash backed reserves/accumulated surplus reconciliation

DCSO Waterberg - Table A6 Cash backed reserves/accumulated surplus reconciliation										2022/23 Medium Term Revenue & Expenditure Framework		
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25	
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome				
Cash and investments available												
Cash/cash equivalents at the year end	1	93 261	71 585	47 729	77 714	77 714	77 714	31 090	11 813	(8 976)	(32 589)	
Other current investments > 90 days		131 301	(7 582)	(14 382)	58 215	(90 761)	(90 761)	(24 801)	-	-	-	
Non current assets - Investments	1	55	55	55	-	-	-	55	-	-	-	
Cash and investments available:		224 617	64 058	33 402	135 929	(13 047)	(13 047)	6 344	11 813	(8 976)	(32 589)	
Application of cash and investments												
Unspent conditional transfers		115	0	64	-	(0)	(0)	-	-	-	-	
Unspent borrowing		-	-	-	-	-	-	-	-	-	-	
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-	
Other working capital requirements	3	15 871	25 116	19 248	186 110	25 665	25 665	13 885	10 885	11 377	11 891	
Other provisions		-	-	-	-	-	-	-	-	-	-	
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-	
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-	
Total Application of cash and investments:		15 985	25 117	19 311	186 110	25 665	25 665	13 885	10 885	11 377	11 891	
Surplus(shortfall)		208 631	38 941	14 090	(50 182)	(38 712)	(38 712)	(7 541)	928	(20 353)	(44 480)	

From the above table it can be seen that the cash and investments available total R 14 million in 2022/23 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 - Table SA10 Funding measurement												
Description	MFMA section	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	128 437	362 091	200 489	77 796	77 796	77 796	81 801	11 813	(8 976)	(32 589)
Cash + investments at the yr end less applications - R'000	18(1)b	2	114 403	77 963	70 614	52 085	52 085	52 085	63 626	10 885	11 377	11 891
Cash year end/monthly employee/supplier payments	18(1)b	3	12.7	32.6	17.2	5.9	5.9	5.9	8.5	5.9	3.7	1.3
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	(6 930)	(10 325)	(7 638)	(38 698)	(38 698)	(38 698)	(38 698)	(19 277)	(20 789)	(23 613)
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%	100.0%	100.0%	100.0%	100.0%	104.8%	105.0%	105.1%
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	0.8%	0.0%	(4.5%)	0.0%	(100.0%)	(100.0%)	(3.7%)	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%	215.9%	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%	1.2%	0.0%	0.0%	0.0%	0.2%	0.2%	0.2%	0.2%
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												

DC36 Waterberg - Table SA10 Funding measurement

DC36 Waterberg - Table SA10 Funding measurement												
Description	MFMA section	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Supporting indicators												
% incr total service charges (incl prop rates)	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Property Tax	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - electricity revenue	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - water revenue	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - sanitation revenue	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - refuse revenue	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr in	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18(1)a		-	-	-	-	-	-	-	-	-	-
Capital expenditure excluding capital grant funding			(30 862)	118 126	136 827	900	900	900	900	-	-	-
Cash receipts from ratepayers	18(1)a		1 546	3 991	5 535	1 803	1 803	1 803	1 803	1 891	1 974	2 063
Ratepayer & Other revenue	18(1)a		1 090	5 231	1 021	1 804	1 804	1 804	1 804	1 804	1 880	1 962
Change in consumer debtors (current and non-current)			1 008	3 436	(5 381)	371	371	371	371	-	0	0
Operating and Capital Grant Revenue	18(1)a		121 975	126 109	134 441	143 396	143 396	143 396	143 396	148 781	153 891	159 492
Capital expenditure - total	20(1)(vi)		(30 862)	118 126	136 827	900	900	900	900	-	-	-
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%
DoRA operating												
Finance Management										1 000	1 000	1 000
Rural Roads Asset Management Systems Grant										2 281	2 290	2 373
										3 281	3 290	3 373
Trend												
Change in consumer debtors (current and non-current)			1 008	3 436	(5 381)	371	-	0	0	-	-	-
Total Operating Revenue			131 505	139 782	142 715	150 769	150 769	150 769	150 769	152 992	158 287	164 086
Total Operating Expenditure			140 606	151 821	159 948	189 467	189 467	189 467	189 467	183 801	191 111	200 271
Operating Performance Surplus/(Deficit)			(9 101)	(12 039)	(17 233)	(38 698)	(38 698)	(38 698)	(38 698)	(30 809)	(32 824)	(36 185)
Cash and Cash Equivalents (30 June 2012)												
Revenue												
% Increase in Total Operating Revenue				6.3%	2.1%	5.3%	2.1%	0.0%	(3.6%)	(1.7%)	3.4%	1.9%
% 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				8.0%	5.4%	15.1%	(0.4%)	0.0%	(26.8%)	3.3%	3.5%	4.3%
% Increase in Employee Costs				9.6%	11.5%	19.7%	(2.1%)	0.0%	(22.2%)	4.0%	4.2%	4.4%
% Increase in Electricity Bulk Purchases				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of PPE			0.4%	0.5%	1.2%	0.0%	0.0%	0.0%	0.0%	0.2%	0.2%	0.2%
Asset Renewal and R&M as a % of PPE			1.0%	0.0%	44.0%	79.0%	6.0%	6.0%	0.0%	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	900	900	900	900	-	-	-
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	900	900	900	900	-	-	-
Asset Renewal			78	(7)	38 272	-	-	-	-	-	-	-
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%	106.3%	100.0%	96.2%	92.3%
Cash Coverage Ratio			0	0	0	-	0	0	0	0	0	0
Reserves												
Surplus/(Deficit)			114 403	77 963	70 614	(37 674)	43 572	43 572	63 626	928	(20 353)	(44 480)
High Level Outcome of Funding Compliance												
Total Operating Revenue			131 505	139 782	142 715	150 769	150 769	150 769	150 769	152 992	158 287	164 086
Total Operating Expenditure			140 606	151 821	159 948	189 467	189 467	189 467	189 467	183 801	191 111	200 271
Surplus/(Deficit) Budgeted Operating Statement			(9 101)	(12 039)	(17 233)	(38 698)	(38 698)	(38 698)	(38 698)	(30 809)	(32 824)	(36 185)
Surplus/(Deficit) Considering Reserves and Cash Backing			114 403	77 963	70 614	52 085	52 085	43 572	63 626	928	(20 353)	(44 480)
MTREF Funded (1) / Unfunded (0)	15		1	1	1	1	1	1	1	1	0	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 SA18 - Expenditure on transfers and grant programmes

DC36 Waterberg - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		125 986	133 249	145 275	143 396	143 396	143 396	148 781	153 891	159 492
Local Government Equitable Share		122 853	129 990	142 124	140 217	140 217	140 217	145 500	150 601	156 119
Finance Management		1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000
Rural Road Asset Management System		2 133	2 259	2 151	2 179	2 179	2 179	2 281	2 290	2 373
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Other grant providers:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Total Operating Transfers and Grants	5	125 986	133 249	145 275	143 396	143 396	143 396	148 781	153 891	159 492

Table 28 MBRR SA19 - Expenditure on transfers and grant programmes

DC36 Waterberg - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		125 986	133 249	145 275	143 396	143 396	143 396	148 781	153 891	159 492
Local Government Equitable Share		122 853	129 990	142 124	140 217	140 217	140 217	145 500	150 601	156 119
Finance Management		1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000
Rural Road Asset Management System		2 133	2 259	2 151	2 179	2 179	2 179	2 281	2 290	2 373
Provincial Government:		-	-	-	-	-	-	-	-	-
Rural Road Asset Management System										
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Other grant providers:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Total operating expenditure of Transfers and Grants:		125 986	133 249	145 275	143 396	143 396	143 396	148 781	153 891	159 492

2.8 Councilors and employee benefits

Table 29 MBRR SA22 - Summary of councilors and staff benefits

DC36 Waterberg - Supporting Table SA22 Summary Councilors and Staff Benefit

Summary of Employee and Councillor remuneration R thousand	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Councillors (Political Office Bearers plus Other)	1	A	B	C	D	E	F	G	H	I
Basic Salaries and Wages		4 864	3 926	5 217	5 967	5 224	5 224	5 544	5 788	6 049
Pension and UIF Contributions		884	600	615	638	620	620	598	624	652
Medical Aid Contributions		458	82	87	230	220	220	236	246	257
Motor Vehicle Allowance		1 492	3 069	1 925	412	522	522	412	430	449
Cellphone Allowance		564	558	571	593	690	690	633	661	691
Housing Allowances		—	—	—	—	—	—	—	—	—
Other benefits and allowances		—	5	5	1 352	1 060	1 060	1 323	1 381	1 443
Sub Total - Councillors			8 239	8 421	9 193	8 337	8 337	8 746	9 130	9 541
% increase	4	8 262	-0.30%	2.20%	9.20%	-9.30%	—	4.90%	4.40%	4.50%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		—	6 078	7 096	4 905	5 231	5 231	5 184	5 412	5 655
Pension and UIF Contributions		121	1 008	1 142	1 905	1 298	1 298	1 360	1 420	1 484
Medical Aid Contributions		—	219	266	260	255	255	267	279	292
Overtime		—	—	—	—	—	—	—	—	—
Performance Bonus		—	261	589	128	499	499	455	475	496
Motor Vehicle Allowance	3	—	1 232	1 231	1 141	1 055	1 055	1 107	1 155	1 207
Cellphone Allowance	3	—	71	93	72	72	72	76	79	83
Housing Allowances	3	—	18	18	—	—	—	—	—	—
Other benefits and allowances	3	—	861	944	—	98	98	93	97	102
Payments in lieu of leave		—	133	174	—	238	238	58	61	64
Long service awards		235	-46	1 427	74	74	74	78	81	85
Post-retirement benefit obligations	6	—	—	—	—	—	—	—	—	—
Sub Total - Senior Managers of Municipality			9 834	12 979	8 486	8 820	8 820	8 678	9 060	9 467
% increase	4	356	2666.20%	32.00%	-34.60%	3.90%	—	-1.60%	4.40%	4.50%
Other Municipal Staff										
Basic Salaries and Wages		47 318	56 837	60 861	65 880	59 076	59 076	63 571	66 369	69 355
Pension and UIF Contributions		15 243	10 532	10 889	11 667	11 420	11 420	12 322	12 864	13 443
Medical Aid Contributions		7 396	6 025	5 323	7 216	7 372	7 372	7 519	7 849	8 203
Overtime		2 783	4 028	4 601	2 477	5 272	5 272	42	44	46
Performance Bonus		—	—	—	4 988	5 598	5 598	6 292	6 569	6 864
Motor Vehicle Allowance	3	7 555	8 462	8 102	9 507	7 967	7 967	10 326	10 780	11 265
Cellphone Allowance	3	458	447	490	625	552	552	579	605	632
Housing Allowances	3	2 571	2 703	2 779	3 126	3 111	3 111	2 521	2 632	2 751
Other benefits and allowances	3	1 382	2 178	2 236	3 562	3 789	3 789	3 975	4 150	4 337
Payments in lieu of leave		3 372	2 654	4 918	2 334	4 339	4 339	3 482	3 635	3 799
Long service awards		3 025	-1 304	-6 509	3 443	2 765	2 765	3 234	3 376	3 528
Post-retirement benefit obligations	6	322	5	795	1 419	1 519	1 519	1 384	1 445	1 510
Sub Total - Other Municipal Staff			92 567	94 484	116 246	112 781	112 781	115 247	120 318	125 733
% increase	4	91 427	1.20%	2.10%	23.00%	-3.00%	—	2.20%	4.40%	4.50%
Total Parent Municipality		100 044	110 640	115 884	133 924	129 938	129 938	132 671	138 508	144 741

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		524 921	79 140	156 756			760 818
Chief Whip			492 115	73 918	149 665			715 698
Executive Mayor			576 102	180 442	184 780			941 324
Deputy Executive Mayor			–	–	–			–
Executive Committee			2 223 659	313 616	529 411			3 066 686
Total for all other councillors			2 121 114	296 562	843 334			3 261 010
Total Councillors	8	–	5 937 911	943 679	1 863 946			8 745 537
Senior Managers of the Municipality	5							
Municipal Manager (MM)			993 414	231 125	228 107			1 452 646
Chief Finance Officer			791 563	194 791	159 109			1 145 463
MANAGER CORPORATE SUPPORT AND SHARED SERVICES			768 271	170 431	206 761			1 145 463
MANAGER INFRASTRUCTURE DEVELOPMENT			768 888	167 987	208 589			1 145 463
MANAGER PLANNING & ECONOMIC DEVELOPM			768 888	167 987	208 589			1 145 463
MANAGER SOCIAL DEV & COMMUNITY SERV			791 563	194 791	159 109			1 145 463
Total Senior Managers of the Municipality	8,10	–	4 882 586	1 127 112	1 170 266	–		7 179 964
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	–	10 820 498	2 070 790	3 034 212	–		15 925 500

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 Budgetted monthly revenue and expenditure

Description R thousand	Ref	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue By Source																
Property rates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned - external investments		193	193	193	193	193	193	193	193	193	193	193	193	2 320	2 422	2 531
Interest earned - outstanding debtors		0	0	0	0	0	0	0	0	0	0	0	0	1	1	1
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies		63 707	-	-	-	-	48 015	-	-	37 059	-	-	-	148 781	153 891	159 492
Other revenue		157	157	157	157	157	157	157	157	157	157	157	157	1 890	1 973	2 062
Gains		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		64 058	351	351	351	351	48 366	351	351	37 410	351	351	351	152 992	158 287	164 086
Expenditure By Type																
Employee related costs		10 327	10 327	10 327	10 327	10 327	10 327	10 327	10 327	10 327	10 327	10 327	10 327	123 925	129 378	135 200
Remuneration of councillors		729	729	729	729	729	729	729	729	729	729	729	729	8 746	9 130	9 541
Debt impairment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment		952	952	952	952	952	952	952	952	952	952	952	952	11 427	11 930	12 467
Finance charges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inventory consumed		9	9	9	9	9	9	9	9	9	9	9	9	105	109	114
Contracted services		829	829	829	829	829	829	829	829	829	829	829	829	9 945	10 383	10 850
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure		2 462	2 462	2 462	2 462	2 462	2 462	2 462	2 462	2 462	2 462	2 462	2 462	29 549	30 076	31 994
Losses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		15 308	15 308	15 308	15 308	15 308	15 308	15 308	15 308	15 308	15 308	15 308	15 308	183 697	191 006	200 166
Surplus/(Deficit)		48 750	-14 957	-14 957	-14 957	-14 957	33 058	-14 957	-14 957	22 102	-14 957	-14 957	-14 957	-30 705	-32 719	-36 080
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		48 750	-14 957	-14 957	-14 957	-14 957	33 058	-14 957	-14 957	22 102	-14 957	-14 957	-14 957	-30 705	-32 719	-36 080
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	48 750	-14 957	-14 957	-14 957	-14 957	33 058	-14 957	-14 957	22 102	-14 957	-14 957	-14 957	-30 705	-32 719	-36 080

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

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

Description R thousand	Ref	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue by Vote																
Vote 1 - Vote 1: BUDGET AND TREASURY		62 305	195	195	195	195	48 210	195	195	36 570	195	195	195	148 835	154 039	159 666
Vote 2 - Vote 2: MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Vote 3: CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Vote 4: PLANNING		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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		4	4	4	4	4	4	4	4	4	4	4	4	50	52	55
Vote 9 - Vote 9: MUNICIPAL HEALTH SERVICES		1 605	8	8	8	8	8	8	8	693	8	8	8	2 381	2 394	2 482
Vote 10 - Vote 10: ABATTOIR		144	144	144	144	144	144	144	144	144	144	144	144	1 726	1 802	1 883
		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote		64 058	351	351	351	351	48 366	351	351	37 410	351	351	351	152 992	158 287	164 086
Expenditure by Vote to be appropriated																
Vote 1 - Vote 1: BUDGET AND TREASURY		2 039	2 039	2 039	2 039	2 039	2 039	2 039	2 039	2 039	2 039	2 039	2 039	24 468	25 501	26 603
Vote 2 - Vote 2: MUNICIPAL MANAGER		1 052	1 052	1 052	1 052	1 052	1 052	1 052	1 052	1 052	1 052	1 052	1 052	12 628	12 546	13 740
Vote 3 - Vote 3: CORPORATE SERVICES		2 055	2 055	2 055	2 055	2 055	2 055	2 055	2 055	2 055	2 055	2 055	2 055	24 664	25 750	26 908
Vote 4 - Vote 4: PLANNING		731	731	731	731	731	731	731	731	731	731	731	731	8 778	9 164	9 577
Vote 5 - Vote 5: INFRASTRUCTURE SERVICES		301	301	301	301	301	301	301	301	301	301	301	301	3 617	3 685	3 830
Vote 6 - Vote 6: MAYORS OFFICE		2 272	2 272	2 272	2 272	2 272	2 272	2 272	2 272	2 272	2 272	2 272	2 272	27 261	28 460	29 741
Vote 7 - Vote 7: SOCIAL SERVICES		309	309	309	309	309	309	309	309	309	309	309	309	3 704	3 867	4 041
Vote 8 - Vote 8: FIRE FIGHTING SERVICES		3 216	3 216	3 216	3 216	3 216	3 216	3 216	3 216	3 216	3 216	3 216	3 216	38 590	40 288	42 101
Vote 9 - Vote 9: MUNICIPAL HEALTH SERVICES		2 710	2 710	2 710	2 710	2 710	2 710	2 710	2 710	2 710	2 710	2 710	2 710	32 514	33 945	35 473
Vote 10 - Vote 10: ABATTOIR		623	623	623	623	623	623	623	623	623	623	623	623	7 472	7 801	8 152
		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote		15 308	15 308	15 308	15 308	15 308	15 308	15 308	15 308	15 308	15 308	15 308	15 308	183 696	191 006	200 166
Surplus/(Deficit) before assoc.		48 750	-14 957	-14 957	-14 957	-14 957	33 058	-14 957	-14 957	22 102	-14 957	-14 957	-14 957	-30 705	-32 719	-36 080
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	48 750	-14 957	-14 957	-14 957	-14 957	33 058	-14 957	-14 957	22 102	-14 957	-14 957	-14 957	-30 705	-32 719	-36 080

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

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

Description R thousand	Ref	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue - Functional																
Governance and administration		62 305	195	195	195	195	48 210	195	195	36 570	195	195	195	148 835	154 039	159 666
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance and administration		62 305	195	195	195	195	48 210	195	195	36 570	195	195	195	148 835	154 039	159 666
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety		12	12	12	12	12	12	12	12	12	12	12	12	150	157	164
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		4	4	4	4	4	4	4	4	4	4	4	4	50	52	55
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		8	8	8	8	8	8	8	8	8	8	8	8	100	104	109
Economic and environmental services		1 597	-	-	-	-	-	-	-	684	-	-	-	2 281	2 290	2 373
Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Road transport		1 597	-	-	-	-	-	-	-	684	-	-	-	2 281	2 290	2 373
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other		144	144	144	144	144	144	144	144	144	144	144	144	1 726	1 802	1 883
Total Revenue - Functional		64 058	351	351	351	351	48 366	351	351	37 410	351	351	351	152 992	158 287	164 086
Expenditure - Functional																
Governance and administration		7 418	7 418	7 418	7 418	7 418	7 418	7 418	7 418	7 418	7 418	7 418	7 418	89 022	92 257	96 993
Executive and council		3 324	3 324	3 324	3 324	3 324	3 324	3 324	3 324	3 324	3 324	3 324	3 324	39 889	41 007	43 481
Finance and administration		4 094	4 094	4 094	4 094	4 094	4 094	4 094	4 094	4 094	4 094	4 094	4 094	49 133	51 250	53 512
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety		5 885	5 885	5 885	5 885	5 885	5 885	5 885	5 885	5 885	5 885	5 885	5 885	70 615	73 722	77 040
Community and social services		411	411	411	411	411	411	411	411	411	411	411	411	4 932	5 149	5 381
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		3 216	3 216	3 216	3 216	3 216	3 216	3 216	3 216	3 216	3 216	3 216	3 216	38 590	40 288	42 101
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		2 258	2 258	2 258	2 258	2 258	2 258	2 258	2 258	2 258	2 258	2 258	2 258	27 094	28 286	29 559
Economic and environmental services		1 382	1 382	1 382	1 382	1 382	1 382	1 382	1 382	1 382	1 382	1 382	1 382	16 588	17 226	17 981
Planning and development		1 033	1 033	1 033	1 033	1 033	1 033	1 033	1 033	1 033	1 033	1 033	1 033	12 395	12 849	13 407
Road transport		349	349	349	349	349	349	349	349	349	349	349	349	4 193	4 377	4 574
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other		623	623	623	623	623	623	623	623	623	623	623	623	7 472	7 801	8 152
Total Expenditure - Functional		15 308	15 308	15 308	15 308	15 308	15 308	15 308	15 308	15 308	15 308	15 308	15 308	183 696	191 006	200 166
Surplus/(Deficit) before assoc.		48 750	-14 957	-14 957	-14 957	-14 957	33 058	-14 957	-14 957	22 102	-14 957	-14 957	-14 957	-30 705	-32 719	-36 080
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	48 750	-14 957	-14 957	-14 957	-14 957	33 058	-14 957	-14 957	22 102	-14 957	-14 957	-14 957	-30 705	-32 719	-36 080

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

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

Description R thousand	Ref	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Multi-year expenditure to be appropriated																
Vote 1 - Vote 1: BUDGET AND TREASURY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Vote 2: MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Vote 3: CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Vote 4: PLANNING		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Vote 9: MUNICIPAL HEALTH SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Vote 10: ABATTOIR		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated																
Vote 1 - Vote 1: BUDGET AND TREASURY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Vote 2: MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Vote 3: CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Vote 4: PLANNING		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Vote 9: MUNICIPAL HEALTH SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Vote 10: ABATTOIR		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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

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

Description R thousand	Ref	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital Expenditure - Functional																
<i>Governance and administration</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance and administration		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Funded by:																
National Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provincial Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand															
Cash Receipts By Source															
Property rates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned - external investments	193	193	193	193	193	193	193	193	193	193	193	193	2 320	2 422	2 531
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational	12 398	12 398	12 398	12 398	12 398	12 398	12 398	12 398	12 398	12 398	12 398	12 398	148 781	153 891	159 492
Other revenue	158	158	158	158	158	158	158	158	158	158	158	158	1 891	1 974	2 063
Cash Receipts by Source	12 749	12 749	12 749	12 749	12 749	12 749	12 749	12 749	12 749	12 749	12 749	12 749	152 992	158 287	164 086
Other Cash Flows by Source															
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	12 749	12 749	12 749	12 749	12 749	12 749	12 749	12 749	12 749	12 749	12 749	12 749	152 992	158 287	164 086
Cash Payments by Type															
Employee related costs	10 327	10 327	10 327	10 327	10 327	10 327	10 327	10 327	10 327	10 327	10 327	10 327	123 925	129 378	135 200
Remuneration of councillors	729	729	729	729	729	729	729	729	729	729	729	729	8 746	9 130	9 541
Finance charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisitions - water & other inventory	9	9	9	9	9	9	9	9	9	9	9	9	104	109	114
Contracted services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	3 291	3 291	3 291	3 291	3 291	3 291	3 291	3 291	3 291	3 291	3 291	3 291	39 494	40 459	42 844
Cash Payments by Type	14 356	14 356	14 356	14 356	14 356	14 356	14 356	14 356	14 356	14 356	14 356	14 356	172 269	179 076	187 699
Other Cash Flows/Payments by Type															
Capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	14 356	14 356	14 356	14 356	14 356	14 356	14 356	14 356	14 356	14 356	14 356	14 356	172 269	179 076	187 699
NET INCREASE/(DECREASE) IN CASH HELD	(1 606)	(1 606)	(1 606)	(1 606)	(1 606)	(1 606)	(1 606)	(1 606)	(1 606)	(1 606)	(1 606)	(1 606)	(19 277)	(20 789)	(23 613)
Cash/cash equivalents at the month/year begin:	31 090	29 483	27 877	26 270	24 664	23 058	21 451	19 845	18 238	16 632	15 025	13 419	31 090	11 813	(8 976)
Cash/cash equivalents at the month/year end:	29 483	27 877	26 270	24 664	23 058	21 451	19 845	18 238	16 632	15 025	13 419	11 813	11 813	(8 976)	(32 589)

2.10 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	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Other assets		38 744	547	–	–	–	–	–	–	–
Operational Buildings		38 744	547	–	–	–	–	–	–	–
Municipal Offices		38 744	547	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		(472)	–	328	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		(472)	–	328	–	–	–	–	–	–
Computer Software and Applications		(472)	–	328	–	–	–	–	–	–
Computer Equipment		(236)	(149)	21	200	200	200	–	–	–
Computer Equipment		(236)	(149)	21	200	200	200	–	–	–
Furniture and Office Equipment		14 231	15 176	–	–	–	–	–	–	–
Furniture and Office Equipment		14 231	15 176	–	–	–	–	–	–	–
Machinery and Equipment		5 972	5 695	240	–	–	–	–	–	–
Machinery and Equipment		5 972	5 695	240	–	–	–	–	–	–
Transport Assets		58 528	76 705	18 608	700	700	700	–	–	–
Transport Assets		58 528	76 705	18 608	700	700	700	–	–	–
Land		1 366	1 366	–	–	–	–	–	–	–
Land		1 366	1 366	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Capital Expenditure on new assets	1	118 133	99 340	19 197	900	900	900	–	–	–

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

DC36 Waterberg - Supporting Table SA34d Depreciation by asset class

Description R thousand	Ref 1	2017/18	2018/19	2019/20	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<u>Depreciation by Asset Class/Sub-class</u>										
<u>Other assets</u>		213	-	-	-	-	-	-	-	-
Operational Buildings		213	-	-	-	-	-	-	-	-
Municipal Offices		72	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		141	-	-	-	-	-	-	-	-
<u>Intangible Assets</u>		196	222	479	545	545	545	571	596	623
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		196	222	479	545	545	545	571	596	623
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		196	222	479	545	545	545	571	596	623
<u>Computer Equipment</u>		145	-	-	-	-	-	-	-	-
Computer Equipment		145	-	-	-	-	-	-	-	-
<u>Furniture and Office Equipment</u>		1 180	5 679	6 355	2 526	2 526	2 526	2 647	2 763	2 888
Furniture and Office Equipment		1 180	5 679	6 355	2 526	2 526	2 526	2 647	2 763	2 888
<u>Machinery and Equipment</u>		897	-	1 061	9 742	9 742	9 742	8 209	8 571	8 956
Machinery and Equipment		897	-	1 061	9 742	9 742	9 742	8 209	8 571	8 956
<u>Transport Assets</u>		2 206	-	-	-	-	-	-	-	-
Transport Assets		2 206	-	-	-	-	-	-	-	-
Total Depreciation	1	4 837	5 901	7 895	12 813	12 813	12 813	11 427	11 930	12 467

Table 41 MBRR SA34d – Depreciation by asset class

DC36 Waterberg - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand										
Repairs and maintenance expenditure by Asset Class/Sub-class										
Other assets		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		372	1 018	-	181	181	181	-	-	-
Transport Assets		372	1 018	-	181	181	181	-	-	-
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	372	1 018	-	181	181	181	-	-	-

Table 42 MBRR SA36 - Detailed capital budget per municipal vote

N/a

Table 43 MBRR SA37 - Projects delayed from previous financial year

N/a

2.11 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 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 endeavored 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 Final stage and will be finalized after approval of the 2022/23 MTREF in May 2022 directly aligned and informed by the 2022/23 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.

2.12 Other supporting documents

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

DC36 Waterberg - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'											
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand											
REVENUE ITEMS:											
Other Revenue by source		-	-	-	-	-	-	-	-	-	-
Other Revenue		5 231	1 021	1 418	1 803	1 843	1 843	1 029	1 890	1 973	2 062
Total 'Other' Revenue	1	5 231	1 021	1 418	1 803	1 843	1 843	1 029	1 890	1 973	2 062
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	47 318	62 915	67 957	70 785	64 307	64 307	44 831	68 755	71 780	75 010
Pension and UIF Contributions		15 364	11 540	12 031	13 572	12 718	12 718	7 797	13 682	14 284	14 927
Medical Aid Contributions		7 396	6 244	5 589	7 476	7 627	7 627	4 125	7 786	8 128	8 494
Overtime		2 783	4 028	4 601	2 477	5 272	5 272	3 371	42	44	46
Performance Bonus		-	261	589	5 116	6 097	6 097	2 956	6 747	7 043	7 360
Motor Vehicle Allowance		7 555	9 694	9 333	10 648	9 022	9 022	5 703	11 432	11 935	12 473
Cellphone Allowance		458	518	584	697	624	624	365	655	684	714
Housing Allowances		2 571	2 721	2 797	3 126	3 111	3 111	1 897	2 521	2 632	2 751
Other benefits and allowances		1 382	3 038	3 179	3 562	3 887	3 887	2 031	4 068	4 247	4 439
Payments in lieu of leave		3 372	2 787	5 091	2 334	4 578	4 578	3 363	3 540	3 696	3 862
Long service awards		3 260	-1 350	-5 082	3 517	2 839	2 839	78	3 312	3 457	3 613
Post-retirement benefit obligations	4	322	5	795	1 419	1 519	1 519	1 016	1 384	1 445	1 510
sub-total	5	91 782	102 401	107 463	124 731	121 601	121 601	77 533	123 925	129 378	135 200
Less: Employees costs capitalised to PPE		-	-	-	-	-	-	-	-	-	-
Total Employee related costs	1	#	102 401	107 463	124 731	121 601	121 601	77 533	123 925	129 378	135 200
Depreciation & asset impairment		#									
Depreciation of Property, Plant & Equipment		4 913	5 679	7 415	12 268	12 268	12 268	8 178	10 856	11 334	11 844
Lease amortisation		196	222	479	545	545	545	-	571	596	623
Capital asset impairment		-	1 278	-	-	-	-	-	-	-	-
Total Depreciation & asset impairment	1	5 109	7 179	7 894	12 812	#	#	8 178	11 427	#	#
Bulk purchases - electricity						#	#			#	#
Electricity bulk purchases		-	-	-	-	-	-	-	-	-	-
Total bulk purchases	1	-	-	-	-	-	-	-	-	-	-
Transfers and grants		-	-	-	-	-	-	-	-	-	-

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 Supporting 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	2018/19	2019/20	2020/21	Current Year 2022/23	2022/23 Medium Term Revenue & Expenditure Framework		
						Audited Outcome	Audited Outcome	Audited 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

2.13 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 _____