

CEDERBERG MUNICIPALITY

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK 2022/2023 TO 2024/2025



DRAFT ANNUAL BUDGET OF
CEDERBERG
MUNICIPALITY

2022/23 TO 2024/25
MEDIUM TERM REVENUE AND
EXPENDITURE FORECASTS

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Glossary

- **Adjustments budget** – Prescribed in Section 28 of the MFMA. The formal manner in which a municipality revises its annual budget during the year.
- **Budget** – The financial plan of the Municipality.
- **Budget-related Policy** – Policy of a municipality affecting the budget or affected by the budget, such as the tariff policy, rates policy and credit control and debt collection policy.
- **Capital expenditure** – Expenditure on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.
- **Cash flow statement** – A statement showing when actual cash is to be received and spent by the Municipality. Cash payments do not always correspond with budgeted expenditure frameworks. For example, when an invoice is received by the Municipality, it is regarded as expenditure in the month; even it is not paid within the same period.
- **DORA – Distribution of Revenue Act.** Annual legislation containing the total allocations by national government to provincial and local governments.
- **Equitable share** – A general allocation paid to municipalities. It is mainly aimed at rendering assistance with free basic services.
- **Fruitless and wasteful expenditure** – Expenditure done in vain and that could have been avoided if reasonable care was exercised.
- **GFS** – Government Finance Statistics. An internationally recognised classification system making a type by type comparison between municipalities.
- **Grants** – Money received from Provincial or National Government and other municipalities.
- **GRAP** – Generally Recognised Accounting Policy. The new standard for municipal accounting.
- **IDP** – Integrated Development Plan. The main strategic planning document of the Municipality.
- **KPI's** – Key Performance Indicators. Measurement of service outputs and/or outputs.
- **MFMA** – The Municipal Financial Management Act – No. 53 of 2003. The main legislation applicable to municipal financial management.
- **MTREF** – Medium term Revenue and Expenditure Framework. A Medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budgetary allocations. Also includes details of the financial position of the preceding and current year.
- **mSCOA** -means a multi-dimensional classification framework providing the method and format for recording and classifying financial transaction information in the general ledger forming part of the books of account containing a standard list of all available accounts.
- **Nett Assets** – Nett assets are the residual interest in the assets of the entity after all its liabilities have been deducted. This means that the net assets of the municipality equal the "net welfare" of the municipality, after all assets had been sold/recovered and all liabilities had been paid. Transactions that do not fall under the description of Revenue or Expenditure, such as increase in

the value of Property, Plant and Equipment, where no in- or outflow of resources occurs, are recorded under Nett Assets.

- **Operational expenditure** – Expenditure on the day-to-day expenses of the Municipality, such as salaries and wages.
- **Property rates** – Local authority rates based on the assessed value of a property. In order to calculate the rates payable, the assessed value is multiplied by the rate in the rand.
- **SDBIP** – Service Delivery and Budget Implementation Plan. A detailed plan consisting of quarterly performance targets and monthly budget estimates.
- **Strategic Objectives** – The main priorities of the Municipality as set out in the IDP. Budgeted expenditure must contribute to the achievement of the strategic objectives.
- **Unauthorized expenditure** – In general, expenditure without, or in excess of an approved budget.
- **Vote** – One of the main segments of a budget

1.1 Vision, Mission & Values

Our Vision

“Cederberg Municipality, your future of good governance, service excellence, opportunities and a better life.”

Our Mission Statement

Our vision will be achieved by doing the following:

- Developing and executing policies and projects, which are responsive and provide meaningful redress;
- Unlocking opportunities with economic growth and development for community prosperity;
- Ensuring sustainable, efficient and effective service delivery in an environmental sustainable manner;
- Making communities safer;
- Ensuring good governance, financial viability and sustainability;
- Promoting quality services in a cost effective manner through partnerships, information, knowledge management and connectivity;
- Advancing capacity building programs for both our staff and the community.

Our Values:

For the 4th generation IDP (5th revision 2017-2022), Council revisited its values to be incorporated into the IDP and ensure effective operation of its daily working environment. The values are as follows:

- Client Focus
- Respect
- Integrity
- Communication
- Loyalty
- Discipline
- Professionalism
- Performance Driven
- Transparency
- Equality
- Care

Cederberg Values:



1.2 Mayor's Report

Speaker, members of the mayoral committee, councilors, municipal manager, directors, guests, ladies and gentlemen, good morning, goeie môre and molweni kuni nonke.

Speaker, it is not only my honor and privilege, but also my duty to the table the first draft budget for Cederberg Municipality after the local Government elections. The Municipality still find itself in the shadow of the economic downturn and need to devise the budget in a constrained fiscal environment. It is not only my duty as Executive Mayor of Cederberg to lead the municipality and citizens of Cederberg towards financial sustainability and to ensure the protection of the scarce financial and other resources at our disposal, but also to ensure that the quality of life in our area is improved through the provision of basic and sustainable quality of services to all our communities.

"... any intelligent fool can make things bigger and more complex... it takes a touch of genius – and a lot of courage to move in the opposite direction." – Albert Einstein

I specifically decided to keep the quote above, the famous words of Albert Einstein, because it is so relevant and descriptive in the next budget cycle

To put this in perspective, I first have to give some background on observation by Mayco on the factors which lead to an unfunded and almost technical bankruptcy in the Municipality:

Firstly as Council, we inherited an unfunded budget of R60.589 million which is a result of previous budgets processes. This meant that with past budgets, expenditure was sanctioned by Council without enough money to finance the associated cost. In essence Council approved a none compliant final budget.

This backlog, to start with, is now requiring a touch of genius – and a lot of courage to move in the opposite direction, as said by Einstein. With the opposite direction I mean to turn away from the history of non-cash backed, unfunded budgets to a realistic, affordable and sustainable budget. However, to achieve this we have no other option but to apply a totally new approach in this budget which, may have been painful and unpopular to some, but unfortunately it is the right thing to do now to put the Municipality back on track financially. I also have a legal obligation in terms of section 21 of the MFMA to table a credible budget which is consistent with laws, regulations and our own policies.

Having said all the above, I now turn my attention to the draft budget for 2022/2023 MTREF.

Economic outlook:

Cederberg cannot function in isolation of the national economy and therefore the following economic indicators needs to be noted and taken into account in our own financial strategies.

- The global economy is expected to grow by 4.4 per cent in 2022 and 3.8 per cent in 2023.
- South Africa's GDP expanded significantly by 4.9 per cent in 2021 but is expected to slow down to 1.9 per cent in 2022 and 2023.
- South Africa's unemployment rate increased to 34.9 per cent in the third quarter of 2021. Youth unemployment at 49.3 per cent: a systemic challenge
- Risk to the SA economy. Rising geo-political tensions; electricity constraints; rising inflation and interest rates; additional waves of COVID-19.
- The Western Cape economy is expected to expand by 2.0 per cent in 2022 and by 1.9 per cent in 2023.
- Unemployment rate was 26.3 per cent in the third quarter of 2021. Since the second quarter of 2020, the number of unemployed individuals increased by 19.9 per cent to 794 000.

Cederberg financial overview:

The municipality still finds itself in a vulnerable financial position constantly having to manage out of past deficiencies and inappropriate financial management decisions to a position of financial viability and sustainability.

The following needs to be highlighted in the Cederberg Municipality 2022/23 Draft Annual Budget and MTREF:

- Trade Creditors have reduced from R68.019 million as at 30 June 2020 to R 44.819 million at the end of February 2021.
- The cash position has improved from an R16.685 million as at 30 June 2020 to R19.509 million as at 28 February 2021.
- Debtor's collection is averaging at 91% for the year to date with the average time taken to collect debt reducing from 92 days in 2019/2020 to 57 days by end of last financial year. It is projected to further decrease to 33 days over the MTREF.
- The cash flow remains under pressure as result of various legacy issues including previous unfunded budgets, Eskom repayment and issues of many legal cases that need to be concluded.

Focus of the 2022/2023 budget:

The budget steering committee made emphasis of the constricting economic climate and resolves to urge administration to ensure value for money procurement, protection of the poor and encourages the administration to carefully evaluate all spending decisions. Bearing the aforementioned in mind the draft budget tabled here today is focused on the following:

- Core service delivery obligations assigned to the municipality in the constitution.
- Maintenance of existing infrastructure to enjoy preference and focusing on preventative and scheduled maintenance preceded by proper planning processes.
- Provision of basic services, improvement of the quality of housing, infrastructure as well as sustainable service delivery to ensure the economic progression of our communities
- Balancing quality and affordability in the rendering of services to all communities within Cederberg municipal area.
- Ensuring the financial sustainability of the municipality.
- Strengthening of management, leadership and oversight.
- Improving the effectiveness of revenue management processes and procedures;
- Cost containment measures to, amongst other things, control unnecessary spending on nice-to-have items and non-essential activities as highlighted in the Municipal Cost Containment Regulations read with MFMA Circular No. 82 and Council approved policy;
- Ensuring value for money through the procurement process;
- The affordability of providing free basic services to all households;
- Review all the unfunded mandates; and
- Curbing the loses on water and electricity and excessive consumption by households

Capital Budget:

The capital budget flows from the IDP process and contains information obtained from relevant stakeholders through previous extensive public participation process as well as ward committee processes where applicable.

The total capital allocation for the 2022/2023 financial year amounts to R60.548 million with the main focus being the following:

- Energy sources: R26.880 million
- Planning and development: R1.774 million
- Road transport: R0.960 million
- Waste management: R1.105 million
- Waste water management: R5.514 million
- Water management: R20.614 million

The capital budget is funded by means of grants from National government in the amount of R48.418 million, Loan funding in the amount of R8.600 million and other own funding in the amount of R3.530 million.

Operating Budget

The operating expenditure budget for the 2022/2023 financial year amounts to; R403.639 million which represents an increase of R 8.857 million or 2.17% from the adjustment budget of 2021/2022.

The cost drivers of the increase in the budget can be summarized as follows:

- 7.50% increase in the wage bill in accordance with the multi-year wage agreement
- 9.6% increase in the purchase of electricity from Eskom.
- Inflationary pressure and the general increase in the price of goods and services
- The need for hygienic and healthy products as a result of the Pandemic and cost associated with improving life style and well-being.
- Operational requirements to ensure service delivery standards are complied with.
- Housing allocation for the upgrade of informal settlements amounts to R10.000 million.

The budgeted operating revenue for the 2022/2023 financial year amounts to; R398.876 million which represents an increase of R 41.046 million or 11.47% from the adjustment budget of 2021/2022.

Revenue sources remains under strain and in an attempt to balance service delivery with affordability proposed tariff increases have been limited as follows:

- Electricity 10.0%
- Water 4.9%
- Sewerage 9.0%
- Property rates rate in a rand decreased by 8% due to an increase in the new GV.
- Refuse removal 9%

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process. The municipality's new general valuation roll will be for the period 1 July 2022 to 30 June 2027. The new GV was accepted and signed off by the accounting officer and published for comment. The municipal valuer presented the methodology used to all councilors as well as some stakeholders like the farming community, business sector, and chamber of commerce and rate payers. The budget steering committee resolved to make an 8% decrease in a rate in a rand due to the increase in the value of the new GV.

Indigent subsidies:

Provision is made in the operating budget for the subsidizing of indigent households. This subsidization includes a free 6kl of water, 50 units of electricity, a 100% subsidy for refuse removal and sewerage charges per month. A 100% rebate on assessment rates will also be given for Indigent households. It must be noted that the subsidy provided for is above the National norm. The main intention is to ensure that the most vulnerable and poor are protected through this subsidization.

In conclusion

The draft budget tabled here today is a step closer in attaining the strategic goals of the municipality which includes amongst others:

1. Improve and sustain basic service delivery and infrastructure development
2. Financial viability and economical sustainability
3. Development and transformation of the institution to provide a people centered human resources and administrative service to citizens, staff and Council.
4. Facilitate and expand sustainable economic growth and eradicate poverty
5. Enable a resilient, sustainable, quality and inclusive living environment and human settlements i.e. housing development and informal settlement upgrade
6. Good Governance, oversight, community development and public participation

Speaker, please allow me to express my appreciation to the Municipal administration led by the accounting officer, the Chief Financial Officer and his team for the hard work and long hours put in for the compilation of the draft budget.

Speaker, it is my privilege to table the 2022/2023 draft budget for consideration and approval for public consultation. I conclude by inviting all stakeholders to contribute in the public participation process before the budget is submitted to council for final approval.

1.3 Legislative Background:

Chapter 4, Section 16 of the Municipal Finance Management Act states that:

- (1) The council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year.
- (2) In order for a municipality to comply with subsection (1), the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.

Furthermore, Chapter 4, section 17 (1) of the Municipal Finance Management Act states that: An annual budget of a municipality must be a schedule in the prescribed format-

- (a) setting out realistically anticipated revenue for the budget year from each revenue source;
- (b) appropriating expenditure for the budget year under the different votes of the municipality;
- (c) setting out indicative revenue per revenue source and projected expenditure by vote for the two financial years following the budget year;
- (d) setting out-
 - (i) estimated revenue and expenditure by vote for current year; and
 - (ii) actual revenue and expenditure by vote for the financial year preceding the current year; and
- (e) A statement containing any other information required by section 215 (3) of the Constitution or as may be prescribed.

Section 14 of the Municipal Budget and Reporting and Regulations:

Tabling of annual budgets in municipal councils

- 14 (1) An annual budget and supporting documentation tabled in a municipal council in terms of sections 16(2) and 17(3) of the Act must –
 - (a) be in the format in which it will eventually be approved by the council; and
 - (b) be credible and realistic such that it is capable of being approved and implemented as tabled.
- (2) When complying with section 68 of the Act, the municipal manager must submit the draft municipal service delivery and budget implementation plan to the mayor together with the annual budget to be considered by the mayor for tabling in terms of section 16(2) of the Act.
- (3) For effective planning and implementation of the annual budget, the draft municipal service delivery and budget implementation plan may form part of the budget

documentation and be tabled in the municipal council if so recommended by the budget steering committee.

The Budget has been drafted in accordance with the requirements of the Municipal Budget and Reporting Regulations.

The Budget has been drafted in accordance with the requirements of MFMA Circular No 112 & 115; The Division of Revenue Bill B6 of 2022 and the Provincial Gazette 8566, dated 14 March 2022 as well as prior MFMA Circulars.

1.4 Council Resolutions

That in respect of the 2022/2023 DRAFTS ANNUAL BUDGET (MTREF)

It is recommended that:

1. Council adopts the draft annual budget for public consultation APPENDIX A.
2. Council adopts for public consultation the draft annual budget tables as prescribed by the Budgeting and Reporting Regulations, as set out in APPENDIX B.
3. Council adopts for public consultation the draft annual budget supporting tables as prescribed by the Budgeting and Reporting Regulations, as set out in APPENDIX C.
4. Council approves the Quality Certificate signed by the Accounting Officer, as set out in APPENDIX D.
5. Council adopts for consultation the revised budget related policies, as set out in APENDIX E.
6. Council adopts for public consultation the property rates and charges on properties, tariffs, tariff structures and service charges for water, electricity, refuse, sewerage and other municipal services, as set out in APPENDIX F.
7. Council adopts the Draft Service Level Standards (Appendix H)
8. That council approves the Procurement Plans & Budget Locking certificate, as set out in APPENDIX (I) & (J).

1.5 Executive Summary

The application of sound financial management principles for the compilation of Cederberg Municipality's financial plan is essential and critical to ensure that Cederberg Municipality get out of technical insolvency, remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities. Cederberg Municipality's business and service delivery priorities were reviewed as part of this year's planning and budgeting process. In the main, funds were transferred to address crucial service delivery needs and to ensure compliance with legislative requirements and to meet service delivery obligations. This is in line with the Council resolution that focuses on strategic objective number one.

While preparing the current year adjustment budget it became difficult to have a balancing act. This is due to the following factors amongst others:

1. It was barely four months of the new Council after the local government elections
2. Municipality was experiencing cash flow challenges
3. Municipality had an unfunded budget
4. Old infrastructure that need urgent attention

Cederberg Municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers and to ensure that all revenue due is billed correctly and collected. Furthermore, Cederberg Municipality will be undertaking various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

National Treasury's MFMA Circular No.112 and 115 were used to guide the compilation of the 2022/23 MTREF. The main challenges experienced during the compilation of the 2022/23 MTREF can be summarized as follows:

- ✓ The slow recovery from the economic downturn due to the Pandemic, that is still hampering growth and development.
- ✓ The difficulties experienced in recovering from previous inappropriate financial management decisions.
- ✓ Population growth placing a strain on infrastructure and housing needs.
- ✓ Ageing and poorly maintained water, roads and electricity infrastructure;
- ✓ The increased cost of bulk water and electricity as a result of continued annual increases which is placing upward pressure on service tariffs to residents?
- ✓ Wage increases for municipal staff that continue to exceed consumer inflation, as well as the imbalance on filling of vacancies and the need to fill critical vacancies;
- ✓ Availability of affordable capital/borrowing.

The following budget principles and guidelines as adopted by the budget steering committee directly informed the compilation of the 2022/23 MTREF:

- ✓ Increase by NERSA on electricity
- ✓ Three years' salary and wage agreement
- ✓ Moving towards cost reflective tariffs
- ✓ Full subsidisation of indigent
- ✓ National Treasury Circular (No 112 and 115 of 2022), Guidelines and Macro Economy Policy
- ✓ Revenue Enhancement and Data Cleansing to maximise the current revenue base
- ✓ Improve traffic fines revenue and bring about efficiency
- ✓ Organisational re-design, alignment and restructuring
- ✓ Collection rate of 93%
- ✓ Effect of Covid-19 pandemic and municipal sustainability post Covid-19 pandemic
- ✓ Provincial and Local Macro Economic Environment
- ✓ Improve and increase staff productivity
- ✓ Non-negotiable tolerance on corruption and bringing about good governance
- ✓ Effective utilisation of grants
- ✓ Activities consistent with the IDP and vice versa, ensuring that the IDP is realistically achievable given the financial constraints of the municipality
- ✓ Financial viability of municipality not jeopardized – ensure that the financial position is maintained/ improved within generally accepted prudential limits and that short-term and long-term obligations can be met
- ✓ Capacity to spend the budget – institutional capacity (staff; infrastructure; institutional functioning; PMS operational/ PDO/ KPIs) and budget assumptions applied

In view of the aforementioned, the following table is a consolidated overview of the proposed 2022/23 Medium-term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the 2022/23 MTREF

Description	Current Year 2021/22	2022/23 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2022/23	Budget Year 2023/24	Budget Year 2024/25
Total Operating Revenue	346 291 233.00	398 876 447.00	405 607 682.00	439 411 546.00
Total Operating Expenditure	363 736 132.00	403 638 585.00	402 616 979.00	433 443 095.00
<i>Surplus/(Deficit)</i>	- 17 444 899.00	- 4 762 138.00	2 990 703.00	5 968 451.00
Capital Transfers and Subsidies	32 291 956.00	48 417 869.00	46 222 695.00	48 184 045.00
<i>Surplus/(Deficit) for the year after Capital Transfers</i>	14 847 057.00	43 655 731.00	49 213 398.00	54 152 496.00
Total Capital Expenditure	71 338 859.00	60 547 869.00	50 798 696.00	48 519 045.00

Total operating revenue has grown by 11.47% or R41.045 million for the 2022/23 financial year when compared to the 2021/22 Adjustments Budget. For the two outer years, operational

revenue will increase by 1.69% in the 2023/2024 and 8.33% for 2024/2025 respectively, equating to a total revenue growth of R40.536 million over the MTREF.

Total operating expenditure for the 2022/2023 financial year has been appropriated at R403.639 million and translates into a budgeted surplus of R43.656 million after taking into consideration capital funding. When compared to the 2021/22 Adjustments Budget, operational expenditure has grown by 2.17% in the 2022/2023 and decrease by 0.25% in the 2023/2024 and increase by 7.66% in the 2024/2025 budget year.

The operating surplus for the two outer years steadily increases to R49.213 million for 2023/24 and further increase to R54.152 million for 2024/25 after capital funding is accounted for. These surpluses will be used to fund capital expenditure and to further ensure cash backing of reserves and funds.

The capital budget of R60.548 million for 2022/2023 has decreased by 15.13% when compared to the 2021/22 Adjustment Budget. The reduction is due to lesser grant and affordability constraints in the light of current economic circumstances and financial recovery of the municipality. The capital program amounts to R50.799 million in the 2023/2024 financial year and R48.519 million in the 2024/2025 financial year. A mixture of different sources has been used to fund the projects over the MTREF.

The major portion of the capital budget will be funded from Government grants and subsidies as the municipality does not have the financial resources to commit its own funds to capital financing. A portion of the capital budget will be funded from borrowings, for the first two year of the MTREF with anticipated borrowings not exceeding R9.000 million in the 2022/2023 financial year. It needs to be noted that Cederberg Municipality has not yet reached its prudential borrowing limits and so there is still room for increasing borrowing over the medium-term. It is however very important to ensure that the municipality sufficiently recovers financially prior to the taking up of additional capital loan funding in excess of current annual redemption. The repayment of capital and interest (debt services costs) will not substantially increase over the MTREF and will therefore contribute to the financial recovery of the municipality.

Cederberg is immensely proud of improving on its audit outcome for 2020/21 and achieved a clean audit in that financial year. This clean audit status must be maintained as part of good governance strategy of the municipality.

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

Table 2 Revenue by municipal vote:

WC012 Cederberg - 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	1									
Vote 1 - Executive and Council		40 042	43 112	54 220	9 527	9 527	9 527	10 129	10 442	11 150
Vote 2 - Office of the Municipal Manager		40	16	41	-	39	39	-	-	-
Vote 3 - Financial Administrative Services		56 981	59 745	57 355	60 152	61 424	61 424	75 496	79 753	83 561
Vote 4 - Community Development Services		34 501	7 075	8 329	7 660	8 196	8 196	10 143	6 039	6 307
Vote 5 - Corporate and Strategic Services		412	652	363	6 703	6 847	6 847	3 437	5 452	5 469
Vote 6 - Planning and Development Services		239 427	13 121	3 046	2 593	2 587	2 587	2 979	3 120	3 269
Vote 7 - Public Safety		-	17 000	11 594	18 657	11 810	11 810	24 836	25 059	25 315
Vote 8 - Electricity		-	109 471	119 367	143 367	145 261	145 261	164 897	174 403	190 922
Vote 9 - Waste Management		-	14 278	11 364	21 032	22 933	22 933	24 009	25 017	26 560
Vote 10 - Waste Water Management		-	13 006	35 687	29 442	29 115	29 115	29 932	28 098	38 453
Vote 11 - Water		-	36 588	38 362	51 692	78 571	78 571	70 846	74 016	77 819
Vote 12 - Housing		-	-	-	21 257	27 767	27 767	25 340	-	6 000
Vote 13 - Road Transport		-	-	-	4 684	5 584	5 584	2 000	17 003	9 155
Vote 14 - Sports and Recreation		-	2 413	4 209	1 817	3 710	3 710	3 250	3 429	3 618
Total Revenue by Vote	2	371 401	316 476	343 937	378 583	413 372	413 372	447 294	451 830	487 596
Expenditure by Vote to be appropriated	1									
Vote 1 - Executive and Council		8 460	8 613	8 530	9 235	6 760	6 760	6 617	6 895	7 193
Vote 2 - Office of the Municipal Manager		7 207	8 788	11 210	12 722	13 920	13 920	20 117	21 016	22 095
Vote 3 - Financial Administrative Services		45 486	55 436	56 575	53 199	67 933	67 933	58 397	60 861	63 761
Vote 4 - Community Development Services		48 828	14 269	14 080	14 339	14 741	14 741	13 597	12 734	13 433
Vote 5 - Corporate and Strategic Services		16 427	18 512	18 069	21 185	23 769	23 769	21 704	22 328	23 214
Vote 6 - Planning and Development Services		164 437	6 402	7 625	8 495	10 655	10 655	8 954	9 515	10 090
Vote 7 - Public Safety		-	25 734	22 531	26 550	21 186	21 186	32 349	33 234	34 217
Vote 8 - Electricity		-	97 313	98 129	115 951	112 270	112 270	120 627	136 268	149 189
Vote 9 - Waste Management		-	16 917	15 866	15 592	17 913	17 913	15 955	16 728	16 985
Vote 10 - Waste Water Management		-	15 477	11 786	11 687	18 903	18 903	19 466	20 176	21 056
Vote 11 - Water		-	30 159	30 130	26 433	29 813	29 813	27 832	28 618	29 992
Vote 12 - Housing		-	2 062	2 571	22 473	28 939	28 939	28 412	3 273	9 490
Vote 13 - Road Transport		-	12 324	13 039	12 918	15 016	15 016	15 574	16 069	16 876
Vote 14 - Sports and Recreation		-	12 031	12 931	12 957	13 232	13 232	14 038	14 902	15 852
Total Expenditure by Vote	2	290 846	324 036	323 071	363 736	395 052	395 052	403 639	402 617	433 443
Surplus/(Deficit) for the year	2	80 555	(7 559)	20 866	14 847	18 321	18 321	43 656	49 213	54 152

Financial Viability

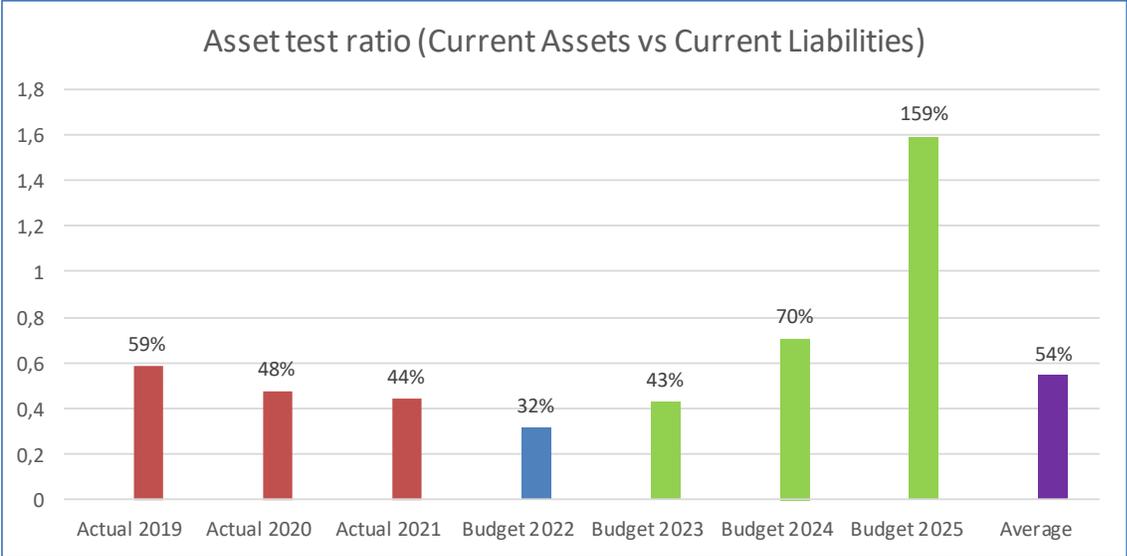
Cederberg Municipality needs to review its long terms financial plan that was adopted by Council in 2017 with the adoption of the IDP. The revised plan should be utilized to guide all future budget related decisions of the municipality. The following ratios and benchmarks were identified which is considered significant to the long term sustainability of the municipality:

Asset Test Ratio

The asset test ratio provides with an indication of the municipality’s ability to settle liabilities as and when they become due.

The ratio is calculated as the Current Assets (incl. inventory) compared to Current Liabilities. The benchmark for the said ratio is 2:1.

The table below indicates that over the period, the municipality was significantly below the norm of 2:1. However, with the approval of the 2022/23 MTREF the municipality aims to at least meet a ratio of 1:1 by 2024. Although the ratio of 1:1 is still below the benchmark, the municipality will be able to settle current liabilities when they become due.

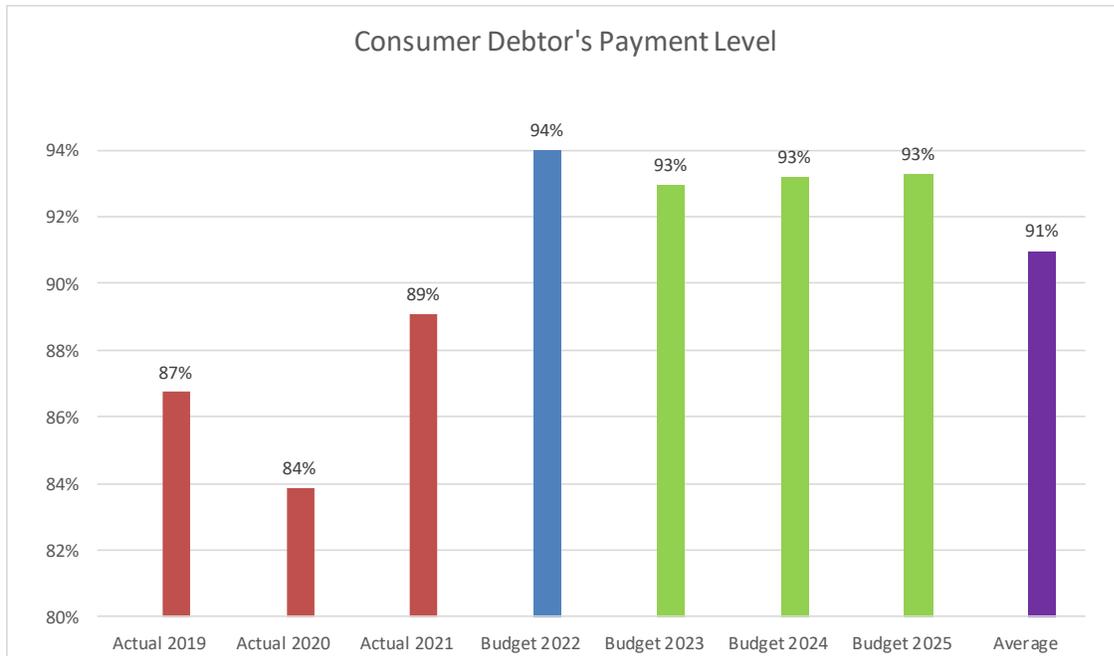


Payment Level

The municipality experienced debt collection challenges during 2019 and 2020 with 2021 marginally improving but still below the 90% mark and far below the national treasury norm. The main challenge was due Covid-19 pandemic and inefficiencies at credit control and debt collection unit. The inappropriate and incorrect application of the credit control and debt collection policy has been another factor. The credit control, debt collection and customer care policy has been amended to bring about improvements which will result in an increased collection rate for 2022/23 financial year.

The municipality aims to achieve a collection rate of 93% and has accordingly budgeted as such for 2022/23. This will be achieved by implementing more stringent credit control measures. Secondly, a debtor’s data cleansing exercise is being undertaken in the current financial year, which will attribute to revenue enhancement and ultimately revenue collection.

The municipality adjusted its collection rate for the 2022/23 MTREF to be within a reasonable target and actual collection rate of 2021, and set in the region of 93% taking into account the easing of the regulations on Covid-19 and post pandemic recovery.

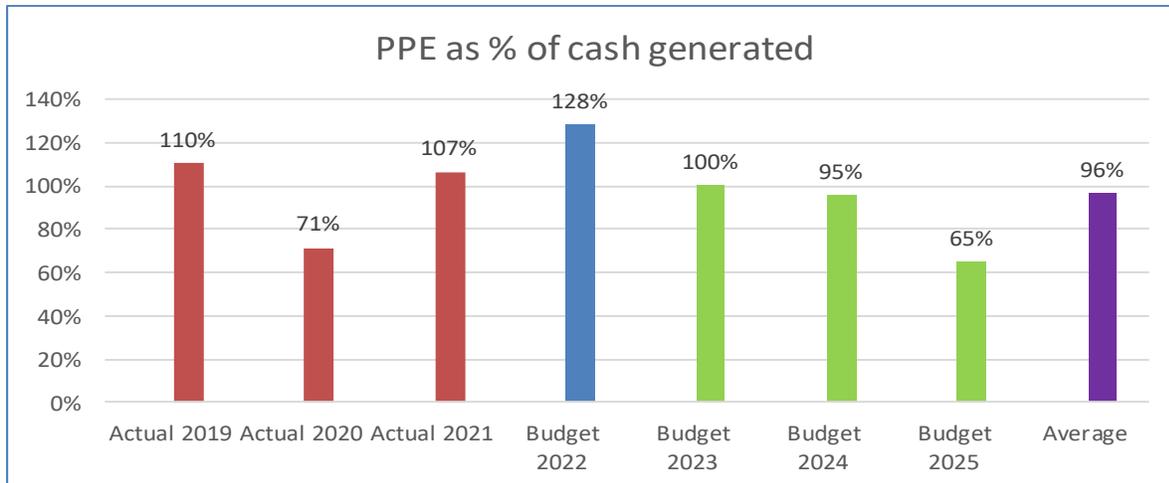


Purchase of PPE as % of Cash Generated

This indicator measures the ability of the municipality to finance the capital program from cash generated in the same financial period. Any indicator above 100% is indicative of a shortfall in cash which increases the need to utilise accumulated cash resources from prior years.

It should be noted that the municipality had an unspent grant at the end of 2021 of which some had to be paid back. It was however a huge improvement when compared to the 2020 financial year. This scenario must be taken into account when evaluating the graph below as 2018, 2019, 2020 and 2021 should be read in conjunction.

The graph below further states that the municipality have very little ability to incur capital expenditure by utilising accumulated cash resources for the 2022/23 MTREF.



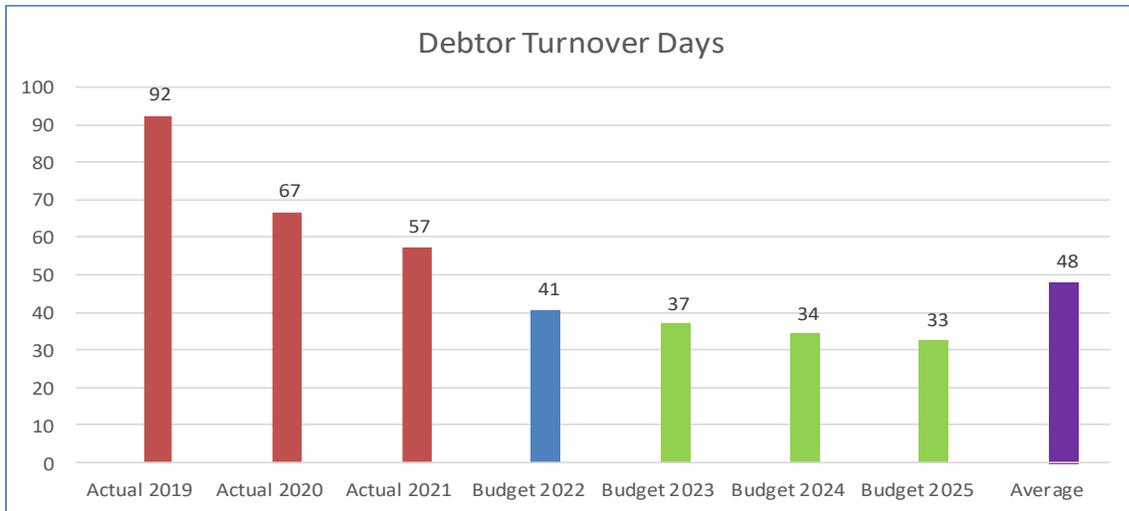
Debtor Turnover Days

The indicator provides an indication of how many days it takes to convert billed revenue into cash. Thus, it is a good indicator of how credit control and debt collection measures are being implemented at the municipality.

For 2019, outstanding debt was averaging at over three months resulting in relatively low debtor days. The current debtor's turnover days for 2022 are 41 and based on budgeted figures it is projected to be 33 days by end of 2025.

The long outstanding debt of the 2019 and 2020 financial year reflects the ripple effect of the statements which are sent out late at the start of the financial year due to the change in financial systems and implementation of mSCOA.

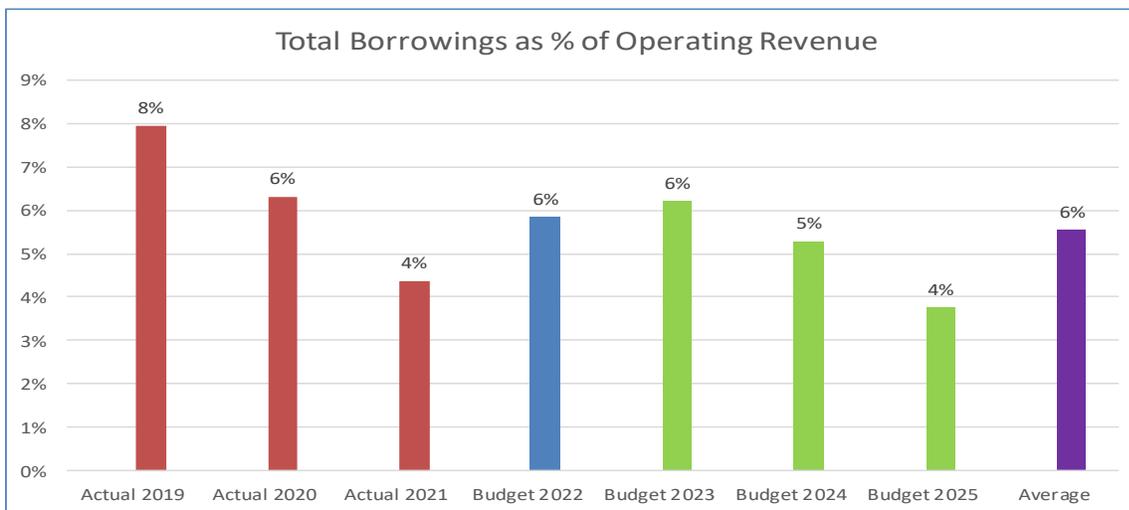
As it is projected that the debtor's days will be 37 days in the 2022/23 financial year, the municipality has to maintain high standards to collect debt from each consumer group. Credit control procedures have to be implemented more stringent than currently is, in order for the municipality to decrease its debtor's days to below 30 days.



Long Term Debt as % of Revenue

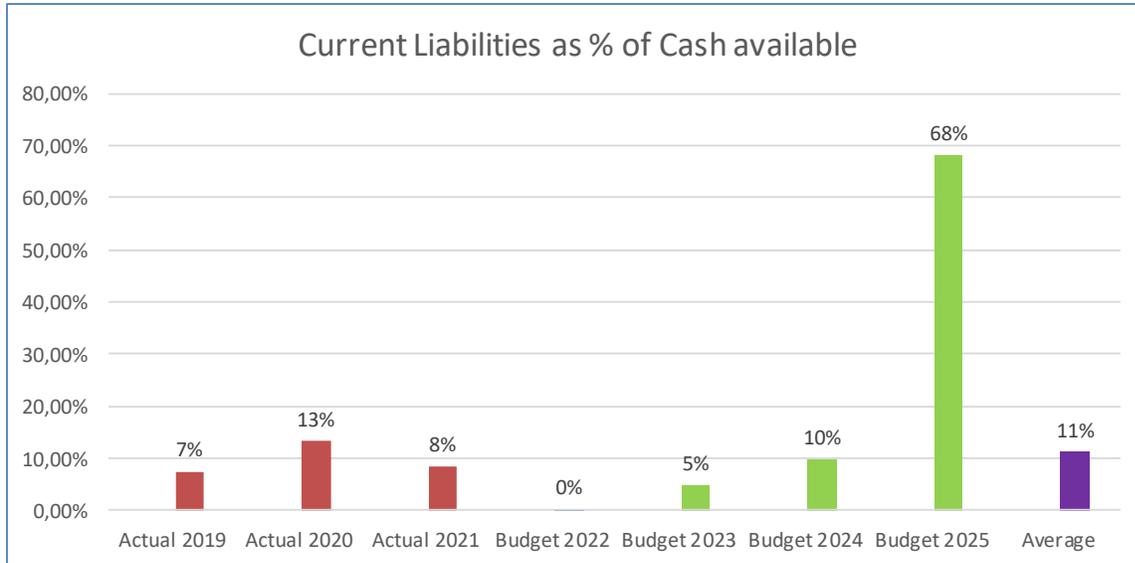
External borrowing is an important part of the funding model of the municipality. Not only does it instantly provide the municipality with relatively inexpensive capital to fast-track service delivery and infrastructure backlogs, but it also ensures that the user of the infrastructure pay for the use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

The norm for long term debt as percentage of revenue is 45%. The municipality's is maintaining funding levels of below 6% which is indicative that there is capacity to take on additional long-term debt. When considering additional long term debt, the ability to repay the long term debt has to be considered.



Short Term Debt as % of Cash

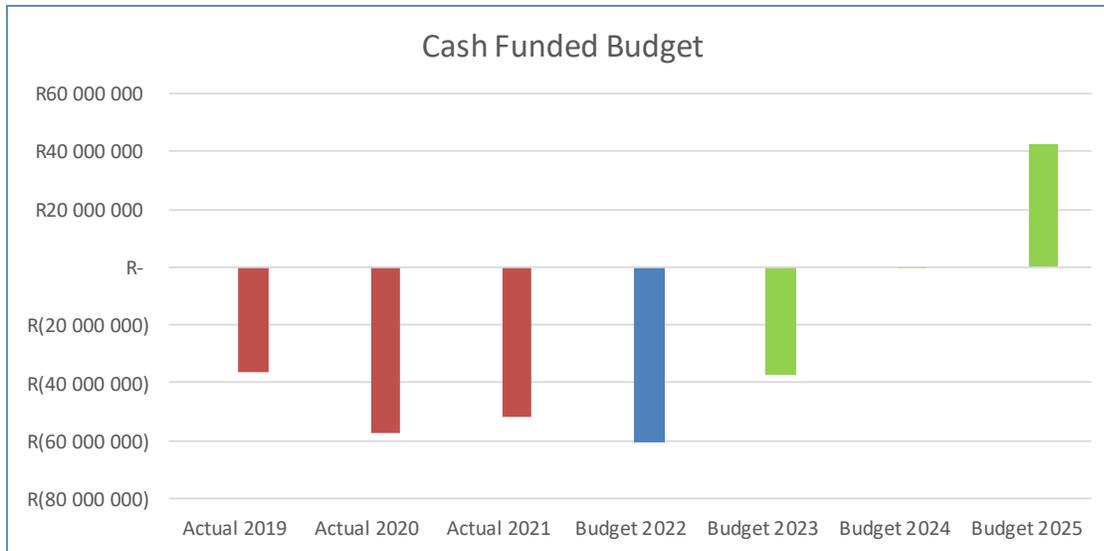
This indicator provides a measure of the municipality's ability to settle short term liabilities when they become due and payable. The municipality did not have cash backed unspent grant in the last three years, which resulted in a ratio being incomparable to other years. The current ratio is at 0%, which indicates potential cash flow challenges. However the municipality is constantly working on improving the cash flow which will result in an increase over the MTREF as indicated in the graph below.



Cash Funded Budget over the MTREF

A cash funded budget is arguably the most important indicator for a credible budget that is aligned to the funding requirement in MFMA Section 18.

As illustrated in the table below, the municipality is still trying to manage itself out of unfunded budget for the 2022/23 MTREF.



1.6 Operating Revenue Framework

For Cederberg Municipality to continue improving the quality of life of its communities through the delivery of services, it is necessary to generate sufficient revenue from rates and service charges. It is also important to ensure that all billable revenue is firstly correctly billed and secondly adequately collected. The post pandemic economic environment will pose challenges in collecting the revenue due to the municipality and additional savings initiatives has been implemented in the MTREF to ensure the financial sustainability of the municipality.

The expenditure required to address the needs of the community will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues. The municipality's revenue strategy is built around the following key components:

- ✓ National Treasury's guidelines and macroeconomic policy;
- ✓ Revenue enhancement and maximizing the revenue base;
- ✓ Efficient revenue management, which aims to ensure an average of 93% annual collection rate for property rates and other key service charges;
- ✓ Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- ✓ Ensuring cost reflective tariff increases for water, electricity and rates collection over the MTREF;
- ✓ Budgeting for a moderate surplus to ensure availability of cash reserves to back statutory funds and provisions.
- ✓ Fully subsidizing all indigent households in terms of the relief offered by the municipality

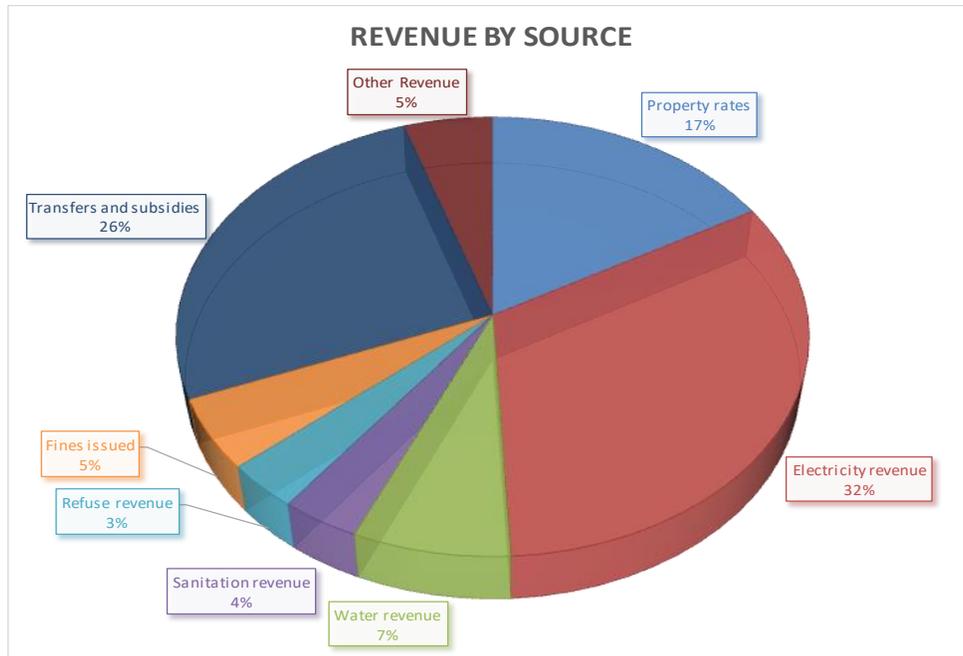
Table 3 Summary of revenue classified by main revenue source

WC012 Cederberg - Table A4 Budgeted Financial Performance (revenue and expenditure)										
Description	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 By Source										
Property rates	42 146	45 526	48 155	51 274	49 294	49 294	49 294	66 413	70 398	73 917
Service charges - electricity revenue	84 700	97 604	102 234	116 428	118 364	118 364	118 364	129 629	149 079	163 990
Service charges - water revenue	25 747	28 021	29 064	31 027	31 317	31 317	31 317	29 456	30 630	31 851
Service charges - sanitation revenue	9 649	9 106	9 457	10 030	11 204	11 204	11 204	14 656	15 535	16 467
Service charges - refuse revenue	8 792	10 033	10 806	11 777	12 598	12 598	12 598	13 794	14 484	15 208
Rental of facilities and equipment	508	480	705	364	800	800	800	437	461	486
Interest earned - external investments	893	506	749	486	486	486	486	634	669	706
Interest earned - outstanding debtors	3 996	4 984	5 733	6 041	6 041	6 041	6 041	4 006	4 226	4 459
Fines, penalties and forfeits	22 245	13 994	9 186	14 772	7 897	7 897	7 897	20 820	20 824	20 848
Licences and Permits	-	-	2	3	3	3	3	3	3	3
Agency services	3 333	2 736	3 720	3 954	3 935	3 935	3 935	4 042	4 264	4 498
Transfers and subsidies	61 945	64 462	77 633	89 873	102 866	102 866	102 866	104 175	81 903	93 509
Other revenue	4 326	4 352	4 182	10 260	11 024	11 024	11 024	8 812	11 131	11 468
Gains	7 906	5 934	73	-	2 000	2 000	2 000	2 000	2 000	2 000
Total Revenue (excluding and capital transfers and contributions)	276 186	287 736	301 700	346 291	357 831	357 831	357 831	398 876	405 608	439 412

Revenue generated from service charges remain the major source of revenue for the municipality amounting to 47.01% of the total revenue.

The second largest source is grants and subsidies totaling R104.175 million and mainly comprises of equitable share allocated through the Division of Revenue Act, Human Settlements Development Grant (HSDG), Integrated National Electrification Program (INEP) and Water Subsidy Infrastructure Grant (WSIG). Other operating grants include the Finance management grant and EPWP incentive grant.

Property rates is the third largest revenue source totaling 16.65% or R66.413 million and increases to R70.398 million by 2023/24. Other revenue consists of various items such as income received from building plan fees, connection fees, sale of land and other sundry receipts and totals R8.812 million for the 2022/2023 financial year. Departments have been urged to review the tariffs of these items on an annual basis to ensure they are cost reflective and market related.



The following is very important to bring to the attention of Council as discussed in the extended management meeting and communicated with the budget steering committee meeting.

Revenue from traffic fines

The traffic department has been given three months to come up with a comprehensive plan on how the traffic revenue will be improved. This budget has been prepared with the assumption that such plan will bring the Municipality back to where it was on percentage collection for traffic fines. It is therefore required that the traffic section report monthly to section 80 committee on the collections in traffic fines. Should this plan not materialize the traffic revenue must be adjusted downwards after the mid-year assessment.

This risk must further be escalated in the risk register of the Municipality and be monitored and reported on a quarterly basis.

Table 4: percentage growth in revenue by main revenue source

WC012 Cederberg - Table A4 Budgeted Financial Performance (revenue and expenditure)							
Description	Current Year 2021/22	2022/23 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	Budget Year 2022/23	% Change	Budget Year +1 2023/24	% Change	Budget Year +2 2024/25	% Change
R thousand							
Revenue By Source							
Property rates	49 294	66 413	34.73%	70 398	6.00%	73 917	0
Service charges - electricity revenue	118 364	129 629	9.52%	149 079	15.00%	163 990	10.00%
Service charges - water revenue	31 317	29 456	-5.94%	30 630	3.99%	31 851	3.98%
Service charges - sanitation revenue	11 204	14 656	30.81%	15 535	6.00%	16 467	6.00%
Service charges - refuse revenue	12 598	13 794	9.50%	14 484	5.00%	15 208	5.00%
Rental of facilities and equipment	800	437	-45.39%	461	5.50%	486	5.50%
Interest earned - external investments	486	634	30.37%	669	5.50%	706	5.50%
Interest earned - outstanding debtors	6 041	4 006	-33.69%	4 226	5.50%	4 459	5.50%
Fines, penalties and forfeits	7 897	20 820	163.63%	20 824	0.02%	20 848	0.12%
Licences and Permits	3	3	-6.80%	3	5.51%	3	5.49%
Agency services	3 935	4 042	2.70%	4 264	5.50%	4 498	5.50%
Transfers and subsidies	102 866	104 175	1.27%	81 903	-21.38%	93 509	14.17%
Other revenue	11 024	8 812	-20.07%	11 131	26.32%	11 468	3.03%
Gains	2 000	2 000	0.00%	2 000	0.00%	2 000	0.00%
Total Revenue (excluding and capital transfers and contributions)	357 831	398 876		405 608		439 412	

Table 5: major source of revenue for 2022/23 financial year can be summarized as follows:

Revenue by Source	Amount	Percentage
Property rates	R 66 412 845.00	16.65%
Service Charges - Electricity revenue	R 129 629 245.00	32.50%
Service Charges - Water revenue	R 29 455 573.00	7.38%
Fines issued	R 20 820 078.00	5.22%
Transfers and subsidies	R 104 175 473.00	26.12%

Table 6: The table below displays revenue by municipal vote:

WC012 Cederberg - 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
Revenue by Vote										
Vote 1 - Executive and Council	1	40 042	43 112	54 220	9 527	9 527	9 527	10 129	10 442	11 150
Vote 2 - Office of the Municipal Manager		40	16	41	-	39	39	-	-	-
Vote 3 - Financial Administrative Services		56 981	59 745	57 355	60 152	61 424	61 424	75 496	79 753	83 561
Vote 4 - Community Development Services		34 501	7 075	8 329	7 660	8 196	8 196	10 143	6 039	6 307
Vote 5 - Corporate and Strategic Services		412	652	363	6 703	6 847	6 847	3 437	5 452	5 469
Vote 6 - Planning and Development Services		239 427	13 121	3 046	2 593	2 587	2 587	2 979	3 120	3 269
Vote 7 - Public Safety		-	17 000	11 594	18 657	11 810	11 810	24 836	25 059	25 315
Vote 8 - Electricity		-	109 471	119 367	143 367	145 261	145 261	164 897	174 403	190 922
Vote 9 - Waste Management		-	14 278	11 364	21 032	22 933	22 933	24 009	25 017	26 560
Vote 10 - Waste Water Management		-	13 006	35 687	29 442	29 115	29 115	29 932	28 098	38 453
Vote 11 - Water		-	36 588	38 362	51 692	78 571	78 571	70 846	74 016	77 819
Vote 12 - Housing		-	-	-	21 257	27 767	27 767	25 340	-	6 000
Vote 13 - Road Transport		-	-	-	4 684	5 584	5 584	2 000	17 003	9 155
Vote 14 - Sports and Recreation		-	2 413	4 209	1 817	3 710	3 710	3 250	3 429	3 618
Total Revenue by Vote	2	371 401	316 476	343 937	378 583	413 372	413 372	447 294	451 830	487 596

Table 7: Transfers and Grant Receipts

WC012 Cederberg - 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:		51 470	59 776	69 849	64 455	67 945	67 945	73 030	76 022	81 382
Local Government Equitable Share		45 080	49 201	60 767	55 044	55 044	55 044	61 451	66 062	71 096
Finance Management		1 620	2 085	2 011	2 023	2 023	2 023	2 132	2 132	2 132
EPWP Incentive		1 819	1 954	2 121	1 755	1 755	1 755	1 359	-	-
Municipal Infrastructure Grant (PMU)		747	783	761	793	816	816	831	895	926
Municipal Infrastructure Grant (VAT)		1 160	1 905	1 972	2 022	2 022	2 022	2 145	2 218	2 296
Regional Bulk Infrastructure Grant (VAT)		-	-	-	-	3 468	3 468	1 982	1 976	2 070
Water Services Infrastructure Grant (VAT)		-	2 382	-	600	600	600	-	1 304	1 363
Integrated National Electrification Grant (VAT)		1 043	1 258	2 217	2 217	2 217	2 217	3 130	1 435	1 499
Municipal Disaster Grant (VAT)		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant (COVID-19)		-	209	-	-	-	-	-	-	-
Provincial Government:		6 488	7 403	5 995	25 418	34 436	34 436	31 145	5 881	12 127
PGWC Financial Management Capacity Building Grant		-	-	300	250	250	250	-	-	-
Road Maintenance (Proclaimed)		70	-	-	70	70	70	95	95	95
Library Services: MRFG		4 380	4 599	5 026	5 297	5 302	5 302	5 408	5 484	5 730
Thusong Service Centre (Sustainability Operational Support)		110	200	-	150	150	150	150	150	150
CDW Support		-	325	169	151	151	151	152	152	152
Human Settlement Development Grant		315	-	-	19 500	26 010	26 010	25 340	-	6 000
Municipal Capacity Building Grant		360	645	-	-	400	400	-	-	-
Financial Management Support Grant		501	580	500	-	958	958	-	-	-
Public Employment Support Grant		-	-	-	-	1 100	1 100	-	-	-
Municipal Library Support Grant		-	-	-	-	45	45	-	-	-
Acceleration of housing deliveries (VAT)		-	-	-	-	-	-	-	-	-
Municipal Drought Support (VAT)		-	-	-	-	-	-	-	-	-
Graduate Internship Grant		72	80	-	-	-	-	-	-	-
Municipal Drought Support		-	424	-	-	-	-	-	-	-
Municipal Disaster Grant (Drought Relief)		680	-	-	-	-	-	-	-	-
Local Government Support Grants (COVID-19)		-	550	-	-	-	-	-	-	-
Municipal Drought Support Grant (VAT)		-	-	-	-	-	-	-	-	-
District Municipality:		-	50	-	-	-	-	-	-	-
West Coast District Municipality - COVID 19		-	50	-	-	-	-	-	-	-
Other grant providers:		5	-	-	-	-	-	-	-	-
ASLA		5	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	57 963	67 229	75 844	89 873	102 381	102 381	104 175	81 903	93 509
Capital Transfers and Grants										
National Government:		12 397	47 727	27 948	32 287	55 382	55 382	48 418	46 223	48 184
Municipal Infrastructure Grant (MIG)		5 440	12 978	13 166	13 504	13 482	13 482	14 334	14 785	15 305
Regional Bulk Infrastructure Grant		-	-	-	-	23 117	23 117	13 215	13 177	13 797
Water Services Infrastructure Grant		-	26 364	-	4 000	4 000	4 000	-	8 696	9 087
Integrated National Electrification Grant (INEG)		6 957	8 384	14 783	14 783	14 783	14 783	20 870	9 565	9 995
Municipal Disaster Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		44 558	3 076	-	5	160	160	-	-	-
Library Services MRF Capital		20	-	-	5	-	-	-	-	-
Municipal Library Support Grant (Capital)		-	-	-	-	160	160	-	-	-
Human Settlement Development Grant (Beneficiaries)		44 251	-	-	-	-	-	-	-	-
Municipal Drought Support Grant		-	3 076	-	-	-	-	-	-	-
Acceleration of housing deliveries		-	-	-	-	-	-	-	-	-
Financial Management Support Grant		287	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
West Coast District Municipality - COVID 19		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
ASLA		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	56 955	50 802	27 948	32 292	55 542	55 542	48 418	46 223	48 184
TOTAL RECEIPTS OF TRANSFERS & GRANTS		114 918	118 032	103 793	122 165	157 923	157 923	152 593	128 126	141 693

Tariff Setting:

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, post pandemic (COVID-19), input costs and the affordability of services were taken into account to ensure the financial sustainability of the Municipality. Tariffs must be cost reflective in order to ensure full recovery of cost for providing each service.

National Treasury continues to encourage municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poor households and other customers while ensuring the financial sustainability of the municipality. Municipalities should justify in their budget narratives all increases in excess of the projected inflation target for 2022/2023 and pay careful attention to tariff increase across all consumer groups. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment. In addition, municipalities should include a detail of their revenue growth assumptions for the different service charges in the budget narrative.

The 10.0% increases in the average Eskom bulk purchase price once again exceeds the upper boundary of the Reserve bank inflation target resulting in an average proposed increase of 10.0% in the municipal electricity tariff.

Other factors contributing to the rising cost include the increased cost of living as a result of the pandemic, collective agreement on wages & salaries, the increase in the price of petrol and diesel as well as chemicals, spares and other materials that collectively contribute to the extent that tariffs needs to be increased annually.

Property Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process. The municipality's general valuation roll for the period 1 July 2022 to 30 June 2027 was prepared by the appointed valuer. The municipal valuer was requested to make a presentation to all Councilors as well as key stakeholders like farming, major rate payers and chamber of business. All notices were sent for public inspection and objection on the new GV. The objection period is open until 31 of March 2022. This is due to the fact that the new GV for implementation effectively 1 July 2022 had increased from R 6.000 billion to R 9.000 billion. It is advised that there be no increase in the rate in a rand but rather an 8.0% decrease is applied in the 2021/22 rate in a rand that is applicable. For the outer years a moderate increase of 6.0% in the assessment rates tariff is therefore proposed.

The following stipulations in the Property Rates Policy are highlighted:

- ✓ To the amount of R85 000 as per council approved tariff for 2022/23 financial year, for properties with valuation above R 100 000 (one hundred thousand rands)
- ✓ First 30% of the market value of public service infrastructure in terms of section 17(1) (a) of the Act is excluded from payment of rates.
- ✓ Relief measures based on income also provides for rebates varying as follows:

- 40% Rebate for taxpayers with income between R0 - R5 500 per month (Represents income of the entire household and taxpayer is restricted to only one ordinarily place of residence. The taxpayer must be older than 60 years of age.) Must be a pensioner.
- 20% Rebate for taxpayers with income between R5 501- R6 500 per month (Represents income of the entire household and taxpayer is restricted to only one ordinarily place of residence. The taxpayer must be older than 60 years of age.) Must be a pensioner.
- 10% Rebate for taxpayers with income of more than R6 501 per month (Represents income of the entire household and taxpayer is restricted to only one ordinarily place of residence. The taxpayer must be older than 60 years of age and must be a pensioner.

The following conditions apply to the granting of the rebates

- ✓ Sufficient proof of status / income of household / affidavits for proof of reasons / identity documents must be attached to all applications;
- ✓ Applicants must be the owner and occupy the property and not own more than one property;
- ✓ Where the owner is for acceptable reasons due to no fault of his/her own unable to occupy the property, the spouse or minor children may satisfy the occupancy requirements;
- ✓ The municipal manager or his/her nominee must approve all applications;
- ✓ Applications must reach the municipality before the end of May preceding the start of the new municipal financial year for which relief is sought; and
- ✓ The municipality retains the right to refuse exemptions, rebates or reductions if the details supplied in the application form were incomplete, incorrect or false.

The Municipality may also award a 100 per cent rebate on the assessment rates of rateable properties of certain classes such as registered welfare organizations, institutions or organizations performing charitable work and public benefit organizations as defined in the property rates policy of the municipality. The owner of such a property must apply to the Chief Financial Officer in the prescribed format and at the prescribed date in order to qualify for the relief.

The categories of rate-able properties for purposes of levying rates and the proposed rates for the 2022/2023 financial from 1 July 2022 are contained below:

Table 8 Comparison of proposed rates 2021/2022 to levied for 2022/23

PROPERTY RATES	2021 - 2022	2022 - 2023
<u>Rate Categories - Rates Amendment Act 2014</u>		
Residential Properties		
Residential Improved properties	R 0.01455976	R 0.01339498
Residential vacant properties		R 0.01310379
Self Sustainable towns without municipal services outside municipal towns. (Residential in GV) (no R100 000 free)	75 % rebate on Residential tariff (no R50 000 Free)	0.00327625
Agricultural Properties		
Agricultural (Ratio in relation to residential property being the Ratio of 1:0.25)	R 0.00364028	R 0.00334905
Industrial Properties	R 0.01882332	R 0.01731746
Public Benefits Organisation (PBO)	R 0.00363994	R 0.00334874
Business Properties		
Business & Commercial (No Rebate)	R 0.01882332	R 0.01727953
Industrial vacant properties	R -	R 0.01882332
Public Service Purpose (Government):		
Hospitals or clinics; schools, pre-schools, early childhood development centres or further education and training colleges; national and provincial libraries and archives; police stations; correctional facilities; or courts of law	R 0.01882332	R 0.01731745
Impermissible Properties		
Place of Worship	100% Exempted	100% Exempted
Old Age Homes (must annually apply on prescribed forms for the rebate at municipal offices)	100% Exempted	100% Exempted
Municipal	100% Exempted	100% Exempted
National Monuments	100% Exempted	100% Exempted
Protected Areas/ Nature Reserves	100% Exempted	100% Exempted
Public Service Infrastructure: (be no more than 10 per cent of the rate for that year otherwise applicable to that property)		
P S I - Railway	R 0.00363994	R 0.00334874
P S I - Roads	R 0.00363994	R 0.00334874
P S I - Servitudes	R 0.00363994	R 0.00334874
Penalty Fee A penalty fee is applicable to accommodation establishments who fail to register with the municipality.		200.00
Interim Valuation Fee An interim valuation request fee in respect of interim valuations submitted outside the prescribed objection period(s) will be payable and proof of payment must accompany the said interim form		250.00

Water tariff increases

Cederberg Municipality faces similar challenges with regard to water supply, due to aged infrastructure, inadequate maintenance and repairs and the draught that were experienced in the Western few years ago. Budget Circular 112 & 115 makes specific reference to the fact that the municipality must budget for bulk water purchases as inventory in the 2021/2022 MTREF. Water tariffs should be cost reflective and the municipality should ensure that water complies with all applicable quality standards. The water tariff structure must therefore ensure that:

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

A tariff increase of 4.9% from 1 July 2022 for water is proposed. This is based on input cost assumptions inclusive of the increase in the cost of bulk water from Department of Water Affairs, increased wage bill of 8.5% and the cost of other inputs increasing by between 7.0% and 9.0%. In addition 6 kℓ water per month will again be granted free of charge to residents who qualify for the indigent subsidy.

Table 9: A summary of the proposed tariffs for households (residential) and non-residential are as follows:

WATER RATES*	2021- 2022	2022- 2023
DOMESTIC / RESIDENTIAL CONSUMERS		
Domestic Tariffs (Indigent) (Level 1 - Not Drought Season)		
Basic Charge	-	-
Residential		
0 - 6kl subsidised	-	-
7 - 15 kilolitre	9.22	9.67
16 - 30 kilolitre	11.53	12.09
31 - 45 kilolitre	13.46	14.12
> 46 kilolitre	22.96	24.09
Domestic Tariffs (Level 1 - Not Drought Season)		
Basic Charge	135.27	124.45
Residential Consumer		
Per kilolitre, per month		
0 - 15 kilolitre	9.23	9.68
16 - 30 kilolitre	11.33	11.89
31 - 45 kilolitre	13.16	13.81
> 46 kilolitre	22.86	23.98
please note that a daily tariff is used when calculating the monthly consumption account		
Domestic Tariffs (Level 2 - Drought Season Tariff; 45% - Clanwilliam Dam / Jan Dissels River System)		
Basic Charge	135.27	124.45
Residential users		
Per kilolitre, per month		
0-6 kilolitre (Subsidised)	13.16	13.80
0 - 15 kilolitre	16.29	17.09
16 - 30 kilolitre	19.24	20.18
31 - 45 kilolitre	26.07	27.35
> 46 kilolitre	30.44	31.93
Domestic Tariffs (Level 3 - Emergency Tariffs; 15% - Clanwilliam Dam / Jan Dissels River System)		
Basic Charge	135.27	124.45
Residential users		
Per kilolitre, per month		
0-6 kilolitre (Subsidised)		
0 - 15 kilolitre	16.29	17.09
16 - 30 kilolitre	26.07	27.35
31 - 45 kilolitre	32.01	33.58
> 46 kilolitre	171.30	179.69

COMMERCIAL, BUSINESS, INDUSTRY CONSUMERS		
Commercial Tariffs (Level 1 - No Drought Season)		
Basic Charge	211.57	194.64
Business (0 - 30 kl)	13.16	13.80
Business (> 30 kl)	16.29	17.09
Commercial Tariffs (Level 2 - Drought Season Tariff; 45% - Clanwilliam dam / Jan Dissels River system)		
Basic Charge	211.57	194.64
Business (0 - 30 kl)	19.24	20.18
Business (> 30 kl)	26.07	27.35
Commercial Tariffs (Level 3 - No Drought Season Tariff; 15% - Clanwilliam dam / Jan Dissels River system)		
Basic Charge	211.57	194.64
Business (0 - 30 kl)	32.01	33.58
Business (> 30 kl)	171.30	179.69
SPECIAL CONSUMERS		
Hotel & Holiday Accommodation Tarriffs (Level 1 - Not Drought Season)		
Basic Charge	180.00	165.60
Institute (0-15 kl)	7.13	7.48
Institute (16 - 30 kl)	8.91	9.35
Institute (31 - 45 kl)	12.59	13.21
Institute (> 46 kl)	18.88	19.81
Hotel & Holiday Accommodation Tarriffs (Level 2 - Drought Season Tariff; 45% - Clanwilliam dam / Jan Dissels River system)		
Basic Charge	180.00	165.60
Institute (0-15 kl)	16.29	17.09
Institute (16 - 30 kl)	19.24	20.18
Institute (31 - 45 kl)	26.07	27.35
Institute (> 46 kl)	30.44	31.93
Hotel & Holiday Accommodation Tarriffs (Level 3 - Emergency Tariffs; 15% - Clanwilliam dam / Jan Dissels River system)		
Basic Charge	180.00	165.60
Institute (0-15 kl)	16.29	17.09
Institute (16 - 30 kl)	26.07	27.35
Institute (31 - 45 kl)	32.01	33.58
Institute (> 46 kl)	171.30	179.69
OTHER CONSUMERS		
Old Age Homes and Churches (Level 1 - No Drought Season)		
Basic Charge	135.27	124.45
Per Kiloitre (Per Month)		
Institute (0 - 15 kl)	7.48	7.85
Institute (16 - 30 kl)	9.35	9.81
Institute (30 - 45 kl)	13.22	13.87
Institute (> 46 kl)	19.83	20.80
Old Age Homes and Churches (Level 2 - Drought Season Tariff; 45% - Clanwilliam dam / Jan Dissels River system)		
Basic Charge	135.27	124.45
Per Kiloitre (Per Month)		
Institute (0 - 15 kl)	16.29	17.09
Institute (16 - 30 kl)	19.24	20.18
Institute (30 - 45 kl)	26.07	27.35
Institute (> 46 kl)	30.44	31.93

<u>Old Age Homes and Churches (Level 3 - Emergency Tariiff; 15% - Clanwilliam dam / Jan Dissels River system)</u>		
<u>Basic Charge</u>	135.27	124.45
<u>Per Kilolitre (Per Month)</u>		
Institute (0 - 15 kl)	16.29	17.09
Institute (16 - 30 kl)	26.07	27.35
Institute (30 - 45 kl)	32.01	33.58
Institute (> 46 kl)	171.30	179.69
<u>Schools, Hostels, Day Care & Hospital (Level 1 - Not Drought Season)</u>		
<u>Basic Charge</u>	135.27	124.45
<u>Per Kilolitre (Per Month)</u>		
Institute (0 - 15 kl)	7.49	7.86
Institute (16 - 30 kl)	9.36	9.82
Institute (30 - 45 kl)	13.22	13.87
Institute (> 46 kl)	19.83	20.80
<u>Schools, Hostels, Day Care & Hospital (Level 2 - Drought Season Tariff; 45% - Clanwilliam dam / Jan Dissels River system)</u>		
<u>Basic Charge</u>	135.27	124.45
<u>Per Kilolitre (Per Month)</u>		
Institute (0 - 15 kl)	16.29	17.09
Institute (16 - 30 kl)	19.24	20.18
Institute (30 - 45 kl)	26.07	27.35
Institute (> 46 kl)	30.44	31.93
<u>Schools, Hostels, Day Care & Hospital (Level 3 - Emergency Tariiff; 15% - Clanwilliam dam / Jan Dissels River system)</u>		
<u>Basic Charge</u>	135.27	124.45
<u>Per Kilolitre (Per Month)</u>		
Institute (0 - 15 kl)	16.29	17.09
Institute (16 - 30 kl)	26.07	27.35
Institute (30 - 45 kl)	32.01	33.58
Institute (> 46 kl)	171.30	179.69
<u>Sport Club, Golf Club & Sport Ground (Level 1 - Not Dought Season)</u>		
<u>Basic Charge</u>	135.27	124.45
Sport - Flat Rate	5.70	5.98
Water to Golf Course	14.44	15.15
<u>Sport Club, Golf Club & Sport Ground (Level 2 - Drought Season Tariff; 45% - Clanwilliam dam / Jan Dissels River system)</u>		
<u>Basic Charge</u>	135.27	124.45
Leisure - Flat Rate	13.16	13.80
Water to Golf Course	22.96	24.09
<u>Sport Club, Golf Club & Sport Ground (Level 3 - Emergency Tariiff; 15% - Clanwilliam dam / Jan Dissels River system)</u>		
<u>Basic Charge</u>	135.27	124.45
Leisure - Flat Rate	13.16	13.80
Water to Golf Course	22.96	24.09
<u>AGRICULTURE & CONSTRUCTION SITE</u>		
<u>Basic Charge</u>	120.00	110.40
Farmers & Construction (0 - 60kl)	8.41	8.82
Farmers & Construction (> 60kl)	15.37	16.12
<u>Basic Charge</u>	120.00	110.40
LBFC - Brackish Water Borehole (0 - 60kl)	8.41	8.82
LBFC - Brackish Water Borehole (> 60kl)	15.37	16.12
<u>Basic Charge</u>	37.87	34.84
Irrigation ditch water per 2 000m ² or part thereof	-	-
<u>GOVERNMENT, MUNICIPAL</u>		
Municipal - Flat Rate	14.20	14.90
Government - Flat Rate	14.44	15.15

Table 10: The following table shows the impact of the proposed increases in water tariffs on the water charges for a single dwelling-house

Monthly Consumption	Current amount payable R	Proposed amount payable R	Difference	Percentage
Basic Charge	R 135.27	R 124.45	-R 10.82	-8.00%
0 - 15 kilolitre	R 9.23	R 9.68	R 0.45	4.90%
16 - 30 kilolitre	R 11.33	R 11.89	R 0.56	4.90%
31 - 45 kilolitre	R 13.16	R 13.81	R 0.64	4.90%
> 46 kilolitre	R 22.86	R 23.98	R 1.12	4.90%

The tariff structure of the 2022/2023 financial year has been changed in line with the cost reflective tariffs study that was conducted. The tariff structure is designed to charge higher levels of consumption a higher rate, steadily increasing to a rate of R23.98 per kiloliter for consumption in excess of 46kl per month.

Sale of Electricity and Impact of Tariff Increases

NERSA has announced the revised bulk electricity pricing structure. A 9.6% increase in the Eskom bulk electricity tariff to municipalities will be effective from 1 July 2022. Considering the Eskom increases, the consumer tariff had to be increased by 10.0% to offset the additional bulk purchase cost as well as recover the additional cost components such as the increase in the wage bill, general expenditure and increased maintenance and material cost for the 2022/2023 financial year. The continued above average increase in electricity prices has resulted in a downward trend in the average consumption patterns of consumers in an attempt to mitigate the effect of the increased cost of electricity resulting in a negative impact on the municipal electricity revenue. The electricity department has completed the SSEG policy and Renewable Energy Policy which are in draft and have been submitted with this draft budget.

Registered indigents as well as sub-economic consumers will again be granted 50 kWh per month free of charge.

Table 11: The following table shows the impact of the proposed increases in electricity tariffs on the electricity charges for domestic customers:

	2021/22	2022/23
ELECTRICITY RATES*		
Domestic Customers		
Domestic Tariffs (Indigent)		
Prepaid Indigent (0 - 50kWh) (Free per Calendar month)	-	-
Basic - (R/Month)	-	-
Prepaid Indigent 20 Amp 1Ph (Block 1 = 51-350kWh)	1.58	1.66
Prepaid Indigent 20 Amp 1Ph (Block 2 = 351-600kWh)	-	2.16
Prepaid Indigent 20 Amp 1Ph (Block 3 = >600kWh)	-	2.73
Domestic Tariffs 20 Amp (Prepaid)		
Basic - (R/Month)	-	21.92
Domestic 20 Amp 1Ph (Block 1 = 0-350kWh)	2.52	2.11
Domestic 20 Amp 1Ph (Block 2 = 351-600kWh)	-	2.13
Domestic 20 Amp 1Ph (Block 3 = >600kWh)	-	2.51
Domestic Tariffs >20 Amp -1Ph (Prepaid & Conventional)		
Basic - (R/Month)	262.77	261.72
Domestic 20 Amp 1Ph (Block 1 = 0-350kWh)	2.13	2.24
Domestic 20 Amp 1Ph (Block 2 = 351-600kWh)	-	2.46
Domestic 20 Amp 1Ph (Block 3 = >600kWh)	-	2.66
Domestic Tariffs >20 Amp - 3Ph (Prepaid & Conventional)		
Basic - (R/Month)	361.37	359.92
Domestic >20 Amp 3Ph (Block 1 = 0-350kWh)	2.20	2.31
Domestic >20 Amp 3Ph (Block 2 = 351-600kWh)	-	2.59
Domestic >20 Amp 3Ph (Block 3 = >600kWh)	-	2.66

Sanitation and Impact of Tariff Increases

A tariff increase of 9.0 % for sanitation from 1 July 2022 is proposed. The increase in tariffs can also be ascribed to rising wage cost, the increase in electricity used in purification and pumping processes, the increase in fuel prices and the general increase in the price of goods and services as a result of the pandemic. It must also be emphasized that the municipality must ensure that purification processes complies with quality standards. A cost reflective exercise was also performed for sanitation as with the water services. The Mayco considered the study and deliberated on the proposal given by administration. The proposal was to do away with the current structure for charging per point of connection (number of toilets) and introduce the percentage of water usage as a flat charge rate for sanitation. This is due to the unavailability of data for number of connection points on each property. The percentage of water usage structure would have meant an average increase of 26.0% if an 80.0% of water usage was applied.

However, considering that Council has appointed a service provider for the data cleansing and also revenue enhancement, Mayco opted to continue with the point of connection and complete the cost reflective tariff only in the following financial year.

Table 12: The impact of the proposed increases in sanitation tariffs on the amounts charged per consumer category

SEWAGE RATES*	2021 - 2022	2022 - 2023
<u>Availability Fees</u>		
Availability Fees (yearly)	1 414.41	1 541.71
<u>Basic Charge</u> (Indigent clients excluded)	35.73	38.95
<u>Connection Fees</u>		
<u>Sewage Connection Fee</u>	2 083.15	2 270.64
<u>Sewage Connection Fee (a road crossing)</u>	6 312.38	6 880.50
<u>Sewage blockage</u>		
Within working hours	224.41	244.60
After hours	492.63	536.97
Weekends/ public holidays	559.24	609.57
<u>Flush Toilets</u>		
<u>Households</u>		
Standard levy	178.81	194.91
<u>Businesses</u>		
1-3 Toilets	178.81	194.91
More than 3 Toilets (per additional toilet)	59.61	64.97
<u>Hotels and Flats</u>		
Per toilet	119.22	129.95
<u>Schools and Hostels</u>		
Per toilet	57.38	62.54
<u>Old age homes</u>		
Per toilet	57.38	62.54
<u>Special Rates</u>		
All churches and halls	442.82	482.68
SAPS	1 826.88	1 991.30
Hospital	1 550.77	1 690.34
Wine Cellars	1 429.21	1 557.84
<u>Goede Hoop Citrus Corporation</u>		
Head office	962.46	1 049.08
Residence	2 771.70	3 021.15
Warehouse	7 208.85	7 857.64
Kampong	3 609.68	3 934.55
<u>LBFC Slide Construction</u>		
Fixed Amount	1 230.69	1 341.45
90% of water usage	1.49	1.62
<u>Indigent cases</u>	Fully subsidized	Fully subsidized
<u>Suction tanks per load</u>		
<u>Within working hours</u>		
Single Load	122.43	133.45
Double Load	232.71	253.65
Outside Town area	663.61	723.34
Rate per km outside Town area	10.39	11.33
<u>After hours, weekends and public holidays</u>		
Single Load	663.61	723.34
Double Load	875.89	954.72
Outside Town area	875.89	954.72
Rate per km outside municipal area	10.43	11.37
<u>Outside Contractor to dump sewerage at Mun. Works</u>		
Single load	308.99	336.80
Dubble load	556.18	606.24
<u>Application for Bulk Sewerage Connections</u>	actual cost + 25%	actual cost + 25%
Per kiloliter	64.60	70.41
<u>Industrial Effluent Tariff</u>		
Industrial effluent		
effluent from water intensive industries such as abattoirs, winery's, major food processors, etc.)		R7,00/KG COD
Trade Effluent (Garages, butcheries, take-aways etc.)		420.58

Refuse Removal and Impact of Tariff Increases

It was a requirement in budget Circular 66 and 67 that municipalities should strive to budget for a moderate surplus in order to ensure that the required funding levels are maintained and to ensure that the provision for the rehabilitation of the land fill site is cash backed. Currently solid waste removal is operating at a loss. The Municipality is currently in a process to close the Graafwater landfill site and it is therefore of essence that sufficient funds are available for the rehabilitation of the landfill site. No cost reflective study was done for solid waste. It is planned for the 2023/24 financial year.

A 9.0% per cent increase in the waste removal tariff is proposed from 1 July 2022. The higher increase is not only necessary to provide for sufficient reserves, but also to fund the additional operational and capital cost associated with the purchase of the two new refuse compactor in the 2021/2022 financial year.

Table 13: Comparison of current and proposed amounts payable from 1 July 2022:

REFUSE REMOVAL RATES*	2021 - 2022		2022 - 2023
Basic Charge (Indigent clients excluded) (Infrastructure levy Households)	27.69	9%	30.18
Basic Charge (Businesses) (Infrastructure levy Business)	217.66	9%	237.25
Households: once per week	115.39	9%	125.78
Businesses: once per week	128.57	9%	140.14
2 times per week	236.02	9%	257.26
3 times per week	359.77	9%	392.15
4 times per week	487.91	9%	531.82
More than 4 times per week	620.49	9%	676.34
<u>Special Rates</u>			
Schools	219.81	9%	239.60
School residences	328.86	9%	358.45
Church and halls	110.79	9%	120.76
Nursery schools	110.79	9%	120.76
Hospital	328.86	9%	358.45
Old age homes	650.67	9%	709.24
Refuse removal of businesses where business requires refuse to be removed more than once a week and no black bags provided			
All businesses	5 513.59	9%	6 009.81
Construction rubble per cart	814.56	9%	887.87
Garden rubble per cart	406.70	9%	443.30
Residential rubble/ refuse dumped at municipal Landfill sites - per cart	173.31	9%	188.91
Businesses rubble/ refuse dumped at municipal Landfill sites - per cart	647.02	9%	705.26
Cleaning of plots (where the municipality clean a plot on request from owner or where the municipality must do it to prevent a fire or health risk. Will be charged to owners acc.)	882.73	9%	962.17
Waste removal outside municipal area: KM rate.	10.69	9%	11.65
<u>Per Removal (per wheelie bin, per month regardless of number of removals) outside municipal area</u>			
Rate per km outside municipal area	497.74	9%	542.53
Residents Refuse Removal Elandskloof: 4 x R25 per household per month	10.17	9%	11.08
Replacement of Wheelie Bin (New)	122.47	9%	133.49
	-		710.00

Overall impact of tariff increases on households

The following table shows the overall expected impact of the tariff increases on a large and small household, as well as an indigent household receiving free basic services.

Table 14: Overall expected impact of tariff increases on households:

WC012 Cederberg - Supporting Table SA14 Household bills											
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 % incr.	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Rand/cent											
Monthly Account for Household - 'Middle Income Range'											
Rates and services charges:											
Property rates		833.68	882.00	934.03	727.98	727.98	727.98	(8.0%)	582.00	607.61	634.95
Electricity: Basic levy		257.64	287.52	384.11	398.91	398.91	398.91	(34.2%)	262.64	274.20	286.53
Electricity: Consumption		1 496.25	1 669.00	1 772.48	2 090.86	2 090.86	2 090.86	29.7%	2 710.80	2 830.08	2 957.43
Water: Basic levy		113.57	120.38	127.61	135.27	135.27	135.27	(0.2%)	135.00	140.94	147.28
Water: Consumption		344.00	364.00	647.10	685.80	685.80	685.80	(52.8%)	323.51	337.75	352.95
Sanitation		141.86	150.00	168.69	214.54	214.54	214.54	(4.1%)	205.85	214.91	224.58
Refuse removal		94.22	99.87	131.27	143.08	143.08	143.08	9.0%	155.96	162.82	170.15
Other											
sub-total		3 281.22	3 572.77	4 165.29	4 396.44	4 396.44	4 396.44	(0.5%)	4 375.76	4 568.30	4 773.87
VAT on Services											
Total large household bill:		3 281.22	3 572.77	4 165.29	4 396.44	4 396.44	4 396.44	(0.5%)	4 375.76	4 568.30	4 773.87
% increase/-decrease			8.9%	16.6%	5.5%	-	-	(0.5%)	(0.5%)	4.4%	4.5%
Monthly Account for Household - 'Affordable Range'											
Rates and services charges:											
Property rates		212.81	230.00	246.10	485.33	485.33	485.33	(20.1%)	388.00	405.07	423.30
Electricity: Basic levy		257.64	287.52	384.11	398.91	398.91	398.91	(34.2%)	262.64	274.20	286.53
Electricity: Consumption		667.91	744.00	851.88	1 045.43	1 045.43	1 045.43	20.1%	1 255.52	1 310.76	1 369.75
Water: Basic levy		113.57	120.38	127.61	135.27	135.27	135.27	(0.2%)	135.00	140.94	147.28
Water: Consumption		431.76	461.10	488.77	571.50	571.50	571.50	(53.8%)	264.09	275.71	288.11
Sanitation		150.37	160.90	202.40	214.54	214.54	214.54	(4.1%)	205.85	214.91	224.58
Refuse removal		94.22	99.87	131.27	143.08	143.08	143.08	9.0%	155.96	162.82	170.15
Other											
sub-total		1 928.28	2 103.77	2 432.14	2 994.06	2 994.06	2 994.06	(10.9%)	2 667.06	2 784.41	2 909.71
VAT on Services											
Total small household bill:		1 928.28	2 103.77	2 432.14	2 994.06	2 994.06	2 994.06	(10.9%)	2 667.06	2 784.41	2 909.71
% increase/-decrease			9.1%	15.6%	23.1%	-	-	(10.9%)	(10.9%)	4.4%	4.5%
Monthly Account for Household - 'Indigent' Household receiving free basic services											
Rates and services charges:											
Property rates		145.20	140.00	148.40	145.60	145.60	145.60	(20.1%)	116.40	121.52	126.99
Electricity: Basic levy		143.74	128.80	-	-	-	-	-	-	-	-
Electricity: Consumption		295.74	265.00	281.43	465.13	465.13	465.13	21.9%	567.00	591.95	618.59
Water: Basic levy		120.38	113.57	127.61	135.27	135.27	135.27	(100.0%)	0.00	0.00	0.00
Water: Consumption		140.98	133.00	140.98	158.62	158.62	158.62	(14.5%)	135.55	141.52	147.88
Sanitation	subsidised		subsidised	subsidised	35.73	35.73	35.73	51.7%	54.21	56.59	59.14
Refuse removal		94.22	94.22	99.87	115.39	115.39	115.39	9.0%	125.78	131.31	137.22
Other											
sub-total		940.26	874.59	798.29	1 055.74	1 055.74	1 055.74	(5.4%)	998.94	1 042.89	1 089.82
VAT on Services											
Total small household bill:		940.26	874.59	798.29	1 055.74	1 055.74	1 055.74	(5.4%)	998.94	1 042.89	1 089.82
% increase/-decrease			(7.0%)	(8.7%)	32.2%	-	-	(5.4%)	(5.4%)	4.4%	4.5%

1.7 Operating Expenditure Framework

Cederberg Municipality's expenditure framework for the 2022/23 budget and MTREF is informed by the following:

- ✓ The asset renewal strategy and the repairs and maintenance plan;
- ✓ Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- ✓ The financial recovery of the municipality to ensure the required funding levels are achieved and maintained.
- ✓ Addressing and finalizing previous unfunded budgets, legacy issues in relation to ESKOM, payment of creditors on time and escalating wage bill in order to focus on service delivery and financial sustainability
- ✓ Operational gains and efficiencies will be directed to ensure appropriate cash backing of statutory funds, provisions and reserves as well as funding the capital budget and other core services.
- ✓ Increasing staff productivity
- ✓ Implement fully the cost containment policy and regulations

Employee related cost

The budgeted allocation for employee related costs for the 2022/2023 financial year totals R140.891 million (including remuneration of Councilors), which equals 34.91% of the total operating expenditure. The Salary and Wage Collective Agreement for the period 01 July 2021 to 30 June 2024 dated 17 September 2021 through the South African Local Government Bargaining Council, Circular 7 of 2021. For the purposes of the draft budget the 5.00% & 2.5% notch increase was used.

In order to ensure economic viability and to not overstretch the already limited financial resources and cash management strategy vacancies have been rationalized downwards and a balanced between service delivery and support services was looked at. Some assumptions in relation to staff over the age of 60 years were made with the understanding that such process must still be finalized with the affected staff members and their union representatives. Covid-19 had made it known that some functions could be performed with lesser staff numbers as most staff was at home during the pandemic. Staff positions that are critical for service delivery have been budgeted for the 2022/2023 financial year. This is a critical process and should it be implemented successfully it will go a long way in achieving financial sustainability within Cederberg municipality. At the same time failure in this process will negatively affect the sustainability. It is therefore against this background that a holistic approach to the macro organizational structure is being undertaken to reduce the head count on the structure while combining certain functions and improving productivity.

Council resolved to keep the three directorates at micro structure level with the following directorates:

- ✓ Office of the Municipal Manager

- ✓ Director technical services
- ✓ Director financial services
- ✓ Director Support services and Community development

The organization is finalizing the new macro structure which will be ready for implementation effectively 01 July 2022. The focus is organizational redesign, rationalization and focusing on constitutional mandate.

Remuneration of Councilors

The cost associated with the remuneration of public office bearers is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The remuneration cost of councilors is partially subsidized through the equitable share allocation awarded to the municipality in terms of the division of revenue Act. Provision is made for councilor's remuneration and anticipated increases in the amount of R5.106 million for the 2022/2023 financial year.

Debt impairment

The provision of debt impairment was determined based on an annual collection rate of 93% and the revised debt write-off policy of the Municipality. The current collection rate average at 91% and it is anticipated that the recovery of debt, through the increase in debt collection action will increase to a level of 93% upon conclusion of the current financial year. The provision amounts to R35.203 million for the 2022/2023 financial year.

Depreciation & asset impairment

Provision for depreciation and asset impairment has been informed by the Municipality's asset management policy. Depreciation is widely considered a proxy for the measurement of the rate at which assets are consumed. Budget appropriations in this regard total R28.151 million for the 2022/2023 financial and equates to 6.97% of the total operating expenditure.

Finance Charges

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges make up 2.81% (R11.328 million) of operating expenditure excluding annual redemption for 2022/2023 and decreases through the remainder of the MTREF. Cederberg Municipality has not reached its prudential limits for borrowing and care needs to be taken to ensure that annual finance charges remains within the affordability threshold of ratepayers and consumers considering the prevailing economic circumstances.

Bulk Purchases

Bulk purchases are directly informed by the purchase of electricity from Eskom. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The expenditure includes distribution losses which currently equal 7.2% of the increased purchase price and a concerted effort is necessary to ensure the reduction of the losses to within acceptable norms.

Other materials

Other materials comprise of amongst others the purchase of fuel, diesel, materials and spares for maintenance, cleaning materials and chemicals. In line with Cederberg Municipality's repairs and maintenance plan this group of expenditure has been prioritized to ensure sustainability of Cederberg Municipality's infrastructure. For 2022/2023 the appropriation against this group of expenditure has declined by 13.42% (-R1.202 Million).

Contracted Services

Contracted services relates to the provision of services by means of the appointment of service providers where the necessary in-house skills are not available or have not yet been adequately developed. Certain functions also require the contracting of specialist knowledge contracted from time to time due to the fact that the municipality cannot afford to employ experts on a fulltime basis. The biggest amount for provision of contracted services is Human Settlement allocation, which makes up about R26.5 Million. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved in line with the approved cost containment policy.

Other expenditure

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved in line with the approved cost containment policy. The growth in other expenditure amounts to 7.66% for the 2022/2023 financial year and remains more or less the same for the outer years.

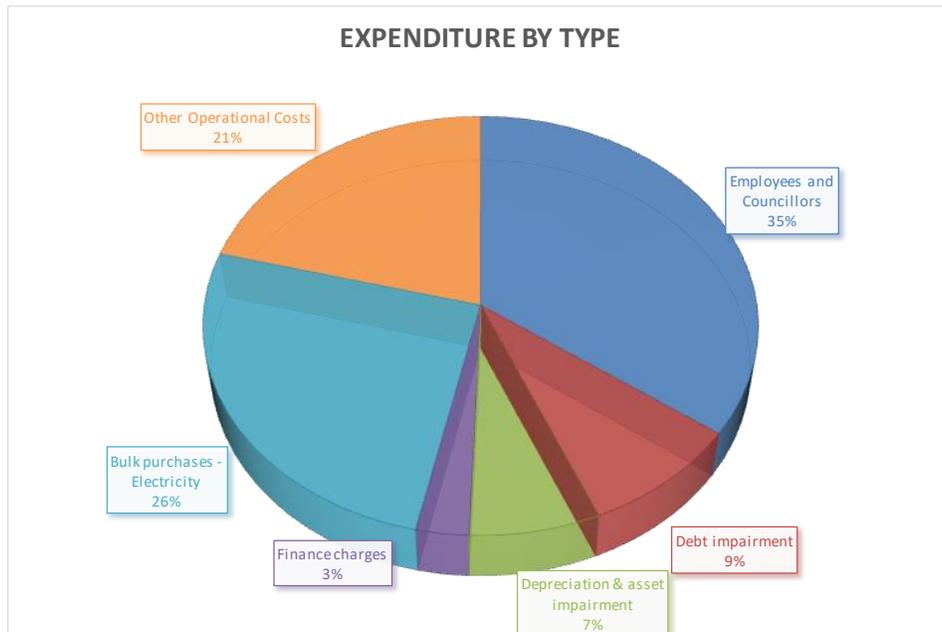
Cederberg Municipality has implemented the cost containment measures on the following focus areas namely, consultancy fees, travel and related costs, advertising, catering, events costs and accommodation. With the implementation of cost containment measures, Cederberg municipality is trying to control unnecessary spending on nice-to-have items and non-essential and non-priority activities.

The following table is a high level summary of the 2022/23 budget and MTREF (classified per main type of operating expenditure):

Table 15 Summary of operating expenditure by standard classification item

WC012 Cederberg - Table A4 Budgeted Financial Performance (revenue and expenditure)										
Description	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
Expenditure By Type										
Employee related costs	103 806	114 817	121 857	125 300	132 846	132 846	132 846	135 785	143 414	153 267
Remuneration of councillors	5 392	5 570	5 572	5 591	4 840	4 840	4 840	5 106	5 331	5 571
Debt impairment	38 387	46 525	32 637	29 577	27 236	27 236	27 236	35 203	36 363	37 478
Depreciation & asset impairment	16 635	18 858	21 748	21 246	26 957	26 957	26 957	28 151	29 322	29 943
Finance charges	8 456	9 822	11 585	10 917	11 757	11 757	11 757	11 328	11 868	12 573
Bulk purchases - Electricity	70 865	81 546	81 771	100 857	94 552	94 552	94 552	103 638	119 184	131 102
Inventory consumed	10 381	8 026	6 858	7 188	8 679	8 679	8 679	6 972	7 019	7 117
Contracted services	16 617	18 206	17 911	40 414	60 630	60 630	60 630	50 654	23 049	29 338
Transfers and grants	1 132	1 293	489	884	839	839	839	1 980	2 026	2 073
Other expenditure	18 708	19 174	20 147	21 761	24 716	24 716	24 716	22 822	23 042	22 982
Losses	468	198	2 496	-	2 000	2 000	2 000	2 000	2 000	2 000
Total Expenditure	290 846	324 036	323 071	363 736	395 052	395 052	395 052	403 639	402 617	433 443

The following graph gives a breakdown of main expenditure categories for the 2022/2023 financial year:



Transfers and Grants

Transfer and grants consist out of cash and non-cash transfers to other, organizations and or individuals. The increase is mainly to deal with the social contributions as a result of difficulty faced by our communities during and post Covid-19 pandemic. The provision for the 2022/23 MTREF is at R1.980 million and increases to R2.000 million in the outer years. This type of expenditure will be utilized within a policy framework where organizations and or individuals apply through a grant in aid policy for assistance by the Municipality.

Repairs and maintenance

In order to ensure the health of the assets of the municipality and to prolong the useful lives, it is necessary to ensure that repairs and maintenance is adequately budgeted. Budget circular 66 cautions municipalities not to but to ensure that sufficient budgetary allocation is made for this expenditure following table is a consolidation of all the expenditures associated with repairs and maintenance. Asset management is a strategic imperative for any municipality and needs to be prioritized as a spending objective in the budget of municipalities.

The municipality has made great strides to achieve both these benchmarks. A large contributing factor to reaching the required levels of repairs and maintenance can be attributed to the costing system of the municipality where employee related and other costs directly related to repairs and maintenance projects are not factored accurately.

Repairs & maintenance is increased from R30.161 million in the 2021/2022 financial year to R30.364 million in 2022/2023 budget year. As part of the 2022/23 MTREF this strategic imperative remains a priority as can be seen by the budget appropriations over the MTREF. The allocation to repairs & maintenance gradually increases over the MTREF and is reliant on the financial recovery of the municipality to be further supplemented.

Table 16: Breakdown of the repairs and maintenance in relation to 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
R thousand	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		18 544	15 819	13 219	16 404	17 195	17 195	16 249	16 603	17 382
Roads Infrastructure		6 995	6 686	6 132	6 832	7 283	7 283	7 841	8 043	8 528
Roads		1 547	1 052	-	-	104	104	112	116	121
Road Structures		5 449	5 635	6 132	6 832	7 179	7 179	7 728	7 927	8 408
Storm water Infrastructure		794	770	755	1 138	985	985	1 149	1 185	1 233
Storm water Conveyance		239	113	21	83	22	22	70	69	69
Attenuation		555	657	733	1 055	963	963	1 079	1 116	1 164
Electrical Infrastructure		787	531	722	1 022	720	720	736	684	686
LV Networks		787	531	722	1 022	720	720	736	684	686
Water Supply Infrastructure		3 235	2 106	941	1 200	1 441	1 441	1 061	1 057	1 066
Water Treatment Works		748	398	170	390	390	390	320	318	321
Distribution		2 487	1 708	771	810	1 050	1 050	742	739	745
Sanitation Infrastructure		6 208	4 966	4 229	5 054	5 623	5 623	4 780	4 956	5 188
Reticulation		5 640	4 730	4 141	4 382	5 199	5 199	4 245	4 430	4 657
Waste Water Treatment Works		568	237	88	672	423	423	536	526	531
Solid Waste Infrastructure		525	760	440	1 159	1 142	1 142	682	678	680
Landfill Sites		525	760	440	1 159	1 142	1 142	682	678	680
Community Assets		6 622	7 298	7 696	8 681	8 761	8 761	9 728	10 326	10 982
Community Facilities		5 413	6 142	6 391	6 899	6 927	6 927	7 724	8 213	8 747
Halls		384	749	868	1 007	996	996	994	1 052	1 115
Libraries		3	1	-	-	7	7	-	-	-
Cemeteries/Crematoria		15	10	1	88	55	55	79	80	81
Public Open Space		5 011	5 382	5 522	5 804	5 869	5 869	6 651	7 081	7 550
Sport and Recreation Facilities		1 209	1 156	1 305	1 782	1 834	1 834	2 004	2 113	2 235
Outdoor Facilities		1 209	1 156	1 305	1 782	1 834	1 834	2 004	2 113	2 235
Other assets		607	605	191	496	488	488	549	550	556
Operational Buildings		607	605	191	496	488	488	549	550	556
Municipal Offices		607	605	191	496	488	488	549	550	556
Computer Equipment		174	67	29	123	110	110	107	106	107
Computer Equipment		174	67	29	123	110	110	107	106	107
Machinery and Equipment		239	67	52	609	279	279	599	598	599
Machinery and Equipment		239	67	52	609	279	279	599	598	599
Transport Assets		2 794	2 851	3 103	2 197	3 331	3 331	3 133	3 145	3 214
Transport Assets		2 794	2 851	3 103	2 197	3 331	3 331	3 133	3 145	3 214
Total Repairs and Maintenance Expenditure	1	28 980	26 707	24 289	28 510	30 164	30 164	30 364	31 328	32 839
R&M as a % of PPE		4.8%	4.3%	3.8%	4.3%	4.4%	4.4%	4.4%	4.3%	4.4%
R&M as % Operating Expenditure		10.0%	8.2%	7.5%	7.8%	7.6%	7.6%	7.7%	7.8%	8.2%

For the 2022/23 financial year 54.68% or R16.249 million of total repairs and maintenance will be spent on infrastructure assets. Roads infrastructure has received a significant proportion of this allocation totaling 48.26% (R7.841 million), Storm Water infrastructure 7.07% (R1.149 Thousand), Electrical Infrastructure 4.53% (R0.736 million), Water Supply Infrastructure 6.53% (R1.061 million), Sanitation Infrastructure 29.42% (R4.780 million) Solid Waste Infrastructure 4.19% (R0.682 Thousand). Community assets have been allocated R9.728 million of total repairs and maintenance equating to 32.04%.

Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of Cederberg Municipality's Indigent Policy. It is estimated that between 2000 and 3000 households will receive subsidy on tariffs and rates in the 2022/2023 financial year, either by means of the full basket of services given as Indigent subsidies or in terms of the property value threshold where owners of properties with a value of less than R100 000 qualify for services at sub-economic tariffs. The estimated expenditure on free and subsidized services, inclusive of property rate rebates will amount to R11.620 million for the 2022/2023 financial year.

The results of Census 2011 have also shown that the population of Cederberg has significantly increased over the last 10 years. The indigent process is one of self-registration therefore households needing assistance must annually apply for the subsidy. Detail relating to free services, cost of free basis services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in below in MBRR Table A10 (Basic Service Delivery Measurement)

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

Table 17: The cost of provision of free basic services:

WC012 Cederberg - Table A10 Basic service delivery measurement

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Household service targets	1									
Water:										
Piped water inside dwelling		4 970	5 700	5 779	5 832	5 832	5 832	5 890	5 949	6 009
Piped water inside yard (but not in dwelling)		82	84	85	86	86	86	87	88	89
Using public tap (at least min.service level)	2	1 500	1 600	1 650	1 665	1 665	1 665	1 682	1 698	1 715
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		6 552	7 384	7 514	7 583	7 583	7 583	7 659	7 735	7 813
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	6 552	7 384	7 514	7 583	7 583	7 583	7 659	7 735	7 813
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		5 049	4 758	4 760	4 854	4 854	4 854	4 903	4 952	5 001
Flush toilet (with septic tank)		378	378	378	380	380	380	384	388	392
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		5 427	5 136	5 138	5 234	5 234	5 234	5 286	5 339	5 393
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	5 427	5 136	5 138	5 234	5 234	5 234	5 286	5 339	5 393
Energy:										
Electricity (at least min.service level)		1 350	1 380	1 380	482	482	482	487	492	497
Electricity - prepaid (min.service level)		5 500	6 497	6 497	7 578	7 578	7 578	7 654	7 730	7 808
<i>Minimum Service Level and Above sub-total</i>		6 850	7 877	7 877	8 060	8 060	8 060	8 141	8 222	8 304
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	6 850	7 877	7 877	8 060	8 060	8 060	8 141	8 222	8 304
Refuse:										
Removed at least once a week		5 000	5 100	5 800	5 735	5 735	5 735	5 792	5 850	5 909
<i>Minimum Service Level and Above sub-total</i>		5 000	5 100	5 800	5 735	5 735	5 735	5 792	5 850	5 909
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	5 000	5 100	5 800	5 735	5 735	5 735	5 792	5 850	5 909
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free minimum level service)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed at least once a week)		-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per indigent household per month)		895	896	1 137	1 180	1 206	1 206	906	946	988
Sanitation (free sanitation service to indigent households)		3 364	3 579	4 801	5 026	3 801	3 801	2 915	3 090	3 275
Electricity/other energy (50kwh per indigent household per month)		68	64	72	82	71	71	52	55	57
Refuse (removed once a week for indigent households)		420	423	536	577	605	605	452	475	499
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		-	-	-	-	-	-	-	-	-
Total cost of FBS provided		4 747	4 961	6 546	6 865	5 683	5 683	4 325	4 565	4 819
Highest level of free service provided per household										
Property rates (R value threshold)		-	-	50 000	-	-	-	-	-	-
Water (kilolitres per household per month)		-	-	6	-	-	-	-	-	-
Sanitation (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)		-	-	194	-	-	-	-	-	-
Electricity (kwh per household per month)		-	-	50	-	-	-	-	-	-
Refuse (average litres per week)		-	-	22	-	-	-	-	-	-
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)		-	-	-	-	-	-	-	-	-
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		3 268	3 474	3 919	4 154	6 871	6 871	7 542	7 994	8 394
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates		-	-	-	-	-	-	-	-	-
Housing - top structure subsidies	6	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total revenue cost of subsidised services provided		3 268	3 474	3 919	4 154	6 871	6 871	7 542	7 994	8 394

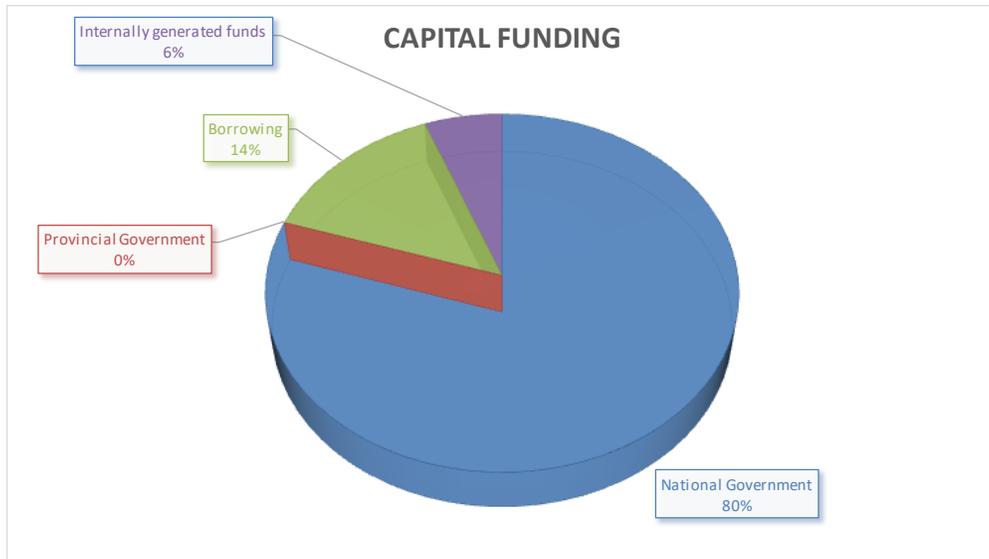
1.8 Capital expenditure

Table 18: Breakdown of budgeted capital expenditure by 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	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 3 - Financial Administrative Services		-	-	-	-	-	-	-	-	-	-
Vote 4 - Community Development Services		-	-	-	-	-	-	-	-	-	-
Vote 5 - Corporate and Strategic Services		-	-	-	-	-	-	-	-	-	-
Vote 6 - Planning and Development Services		49 178	8 918	351	4 073	4 508	4 508	4 508	1 739	14 785	7 961
Vote 7 - Public Safety		-	-	-	-	-	-	-	-	-	-
Vote 8 - Electricity		-	4 554	120	64	60	60	60	-	-	-
Vote 9 - Waste Management		-	-	-	-	-	-	-	-	-	-
Vote 10 - Waste Water Management		-	3 363	11 619	7 307	6 003	6 003	6 003	-	-	-
Vote 11 - Water		-	-	-	-	23 117	23 117	23 117	13 215	13 177	13 797
Vote 12 - Housing		-	-	-	-	-	-	-	-	-	-
Vote 13 - Road Transport		-	-	-	-	-	-	-	-	-	-
Vote 14 - Sports and Recreation		-	-	1 195	150	1 016	1 016	1 016	-	120	-
Capital multi-year expenditure sub-total	7	49 178	16 834	13 286	11 594	34 703	34 703	34 703	14 954	28 082	21 758
Single-year expenditure to be appropriated	2										
Vote 1 - Executive and Council		2	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		13	-	-	-	-	-	-	-	-	-
Vote 3 - Financial Administrative Services		597	52	-	283	13	13	13	350	-	-
Vote 4 - Community Development Services		4 064	60	36	1 005	4 660	4 660	4 660	2 871	-	-
Vote 5 - Corporate and Strategic Services		2 534	829	245	2 020	400	400	400	480	-	-
Vote 6 - Planning and Development Services		48 485	622	18	23	-	-	-	35	-	-
Vote 7 - Public Safety		-	989	6	700	1	1	1	-	-	-
Vote 8 - Electricity		-	6 808	15 519	20 603	18 520	18 520	18 520	26 880	12 765	9 995
Vote 9 - Waste Management		-	58	24	2 000	2 000	2 000	2 000	1 105	-	-
Vote 10 - Waste Water Management		-	1 933	8 205	598	205	205	205	5 514	245	7 679
Vote 11 - Water		-	5 974	7 364	6 323	6 381	6 381	6 381	7 400	8 807	9 087
Vote 12 - Housing		-	0	-	1 528	1 528	1 528	1 528	-	-	-
Vote 13 - Road Transport		-	108	40	4 164	1 300	1 300	1 300	960	900	-
Vote 14 - Sports and Recreation		-	316	366	420	1 628	1 628	1 628	-	-	-
Capital single-year expenditure sub-total		55 696	17 749	31 823	39 668	36 636	36 636	36 636	45 594	22 717	26 761
Total Capital Expenditure - Vote		104 874	34 584	45 109	51 262	71 339	71 339	71 339	60 548	50 799	48 519

Table 19: Breakdown of capital budget funding sources

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	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1										
Funded by:											
National Government		25 185	25 845	42 237	32 287	55 382	55 382	55 382	48 418	46 223	48 184
Provincial Government		58 845	3 846	-	5	160	160	160	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		11 477	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	95 506	29 691	42 237	32 292	55 542	55 542	55 542	48 418	46 223	48 184
Borrowing	6	1 835	749	-	15 404	10 800	10 800	10 800	8 600	3 400	-
Internally generated funds		7 532	4 144	2 872	3 565	4 997	4 997	4 997	3 530	1 176	335
Total Capital Funding	7	104 874	34 584	45 109	51 262	71 339	71 339	71 339	60 548	50 799	48 519



Total new assets represent 84.14% or R50.909 million of the total capital budget while upgrade of asset equates to 15.91% or R9.639 million. Further detail relating to asset classes and proposed capital expenditure is contained in MBRR Table A9 (Asset Management). In addition to the MBRR Table A9, MBRR Tables SA34a, b, c and e provides a detailed breakdown of the capital program relating to new asset construction, capital asset renewal, upgrading of existing assets as well as operational repairs and maintenance by asset class.

Table 20 New Assets

WC012 Cederberg - 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
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		69 258	19 815	35 183	22 726	44 119	44 119	38 313	31 437	40 223
Roads Infrastructure		14 350	40	-	-	-	-	-	-	-
Roads		14 350	40	-	-	-	-	-	-	-
Storm water Infrastructure		1 401	-	-	120	-	-	-	-	-
Storm water Conveyance		1 401	-	-	120	-	-	-	-	-
Electrical Infrastructure		10 367	11 160	15 475	15 249	14 999	14 999	22 320	9 565	9 995
MV Switching Stations		2 798	3 747	-	80	80	80	-	-	-
LV Networks		7 568	7 413	15 475	15 169	14 919	14 919	22 320	9 565	9 995
Water Supply Infrastructure		9 246	8 572	7 137	-	23 117	23 117	13 215	21 872	22 884
Dams and Weirs		-	1 522	7 137	-	-	-	-	-	-
Boreholes		4 260	3 687	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	8 696	9 087
Distribution		4 986	3 363	-	-	23 117	23 117	13 215	13 177	13 797
Sanitation Infrastructure		33 894	43	12 570	7 357	6 003	6 003	2 779	-	7 344
Pump Station		-	43	-	50	-	-	-	-	-
Reticulation		33 894	-	-	-	-	-	2 779	-	-
Waste Water Treatment Works		-	-	12 570	7 307	6 003	6 003	-	-	7 344
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Community Assets		2 000	-	-	2 528	6 028	6 028	2 871	-	-
Community Facilities		2 000	-	-	2 528	6 028	6 028	2 871	-	-
Halls		-	-	-	1 000	4 500	4 500	2 871	-	-
Cemeteries/Crematoria		124	-	-	-	-	-	-	-	-
Public Ablution Facilities		1 877	-	-	1 528	1 528	1 528	-	-	-
Other assets		45	-	-	-	-	-	-	-	-
Operational Buildings		45	-	-	-	-	-	-	-	-
Municipal Offices		45	-	-	-	-	-	-	-	-
Computer Equipment		2 393	763	188	2 028	399	399	515	-	-
Computer Equipment		2 393	763	188	2 028	399	399	515	-	-
Furniture and Office Equipment		1 322	173	6	763	567	567	-	-	-
Furniture and Office Equipment		1 322	173	6	763	567	567	-	-	-
Machinery and Equipment		1 014	1 536	422	2 288	1 285	1 285	7 350	1 856	335
Machinery and Equipment		1 014	1 536	422	2 288	1 285	1 285	7 350	1 856	335
Transport Assets		131	-	-	3 750	3 750	3 750	1 860	-	-
Transport Assets		131	-	-	3 750	3 750	3 750	1 860	-	-
Land		-	200	30	-	-	-	-	-	-
Land		-	200	30	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	76 163	22 488	35 829	34 083	56 148	56 148	50 909	33 293	40 558

Table 21 Renewal of Existing Assets

WC012 Cederberg - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

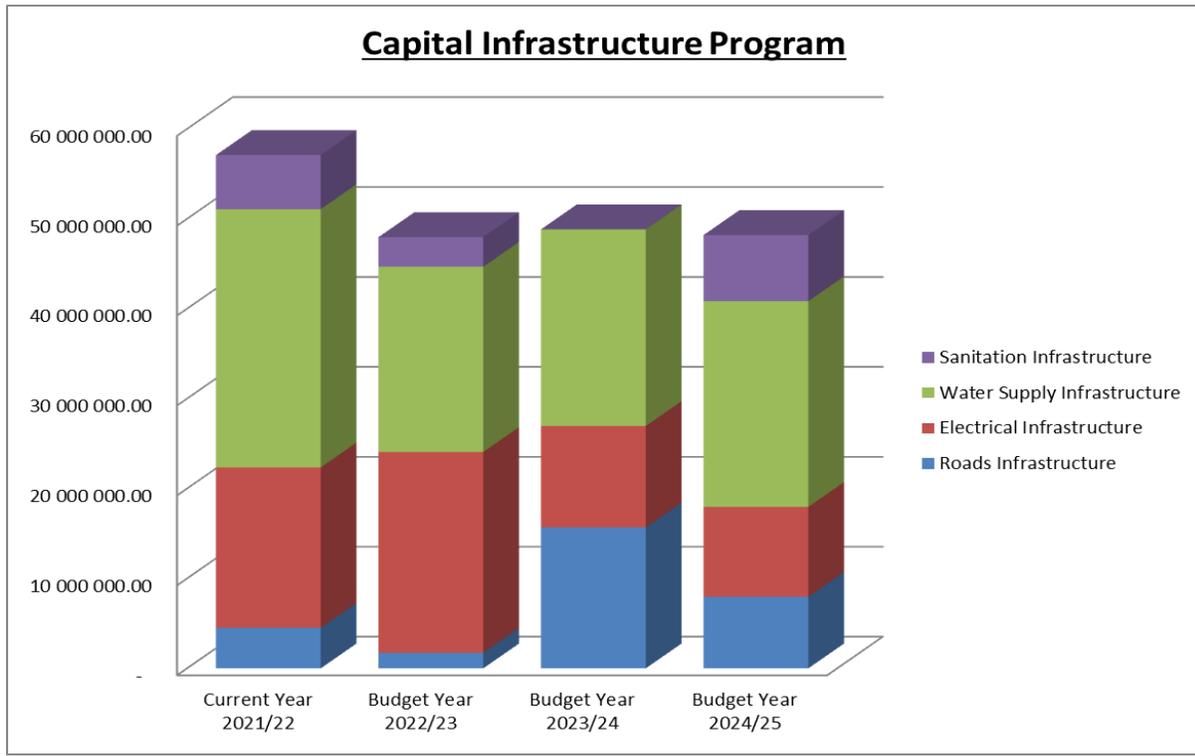
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		10 365	629	27	2 130	800	800	-	1 000	-
Roads Infrastructure		119	-	-	-	-	-	-	-	-
Roads		119	-	-	-	-	-	-	-	-
Electrical Infrastructure		52	22	-	1 580	550	550	-	1 000	-
LV Networks		52	22	-	1 580	550	550	-	1 000	-
Water Supply Infrastructure		-	-	27	550	250	250	-	-	-
Reservoirs		-	-	27	550	250	250	-	-	-
Sanitation Infrastructure		10 194	607	-	-	-	-	-	-	-
Waste Water Treatment Works		10 194	607	-	-	-	-	-	-	-
Community Assets		3 912	247	1 559	150	2 228	2 228	-	120	-
Community Facilities		103	28	-	150	146	146	-	120	-
Halls		86	28	-	-	-	-	-	-	-
Cemeteries/Crematoria		15	-	-	150	146	146	-	120	-
Public Open Space		2	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		3 809	219	1 559	-	2 082	2 082	-	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		3 809	219	1 559	-	2 082	2 082	-	-	-
Total Capital Expenditure on renewal of existing assets	1	14 277	877	1 587	2 280	3 028	3 028	-	1 120	-
<i>Renewal of Existing Assets as % of total capex</i>		98.9%	2.5%	3.5%	4.4%	4.2%	4.2%	0.0%	2.2%	0.0%
<i>Renewal of Existing Assets as % of deprecn"</i>		85.8%	4.6%	7.3%	10.7%	11.2%	11.2%	0.0%	3.8%	0.0%

Table 22 Upgrade of assets:

WC012 Cederberg - Supporting Table SA34e Capital expenditure on the upgrading of existing 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
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		14 408	10 698	7 628	14 898	12 163	12 163	9 639	16 385	7 961
Roads Infrastructure		4 250	8 831	351	6 757	4 508	4 508	1 739	15 685	7 961
Roads		4 250	8 831	351	6 757	4 508	4 508	1 739	15 685	7 961
Electrical Infrastructure		255	248	120	2 938	2 286	2 286	-	700	-
MV Networks		-	-	-	-	-	-	-	400	-
LV Networks		255	248	120	2 938	2 286	2 286	-	300	-
Water Supply Infrastructure		9 903	-	-	5 003	5 368	5 368	7 400	-	-
Reservoirs		-	-	-	853	703	703	-	-	-
Water Treatment Works		9 903	-	-	150	-	-	-	-	-
Distribution		-	-	-	4 000	4 665	4 665	7 400	-	-
Sanitation Infrastructure		-	1 562	7 133	200	-	-	500	-	-
Pump Station		-	-	-	200	-	-	500	-	-
Waste Water Treatment Works		-	1 562	7 133	-	-	-	-	-	-
Solid Waste Infrastructure		-	57	24	-	-	-	-	-	-
Landfill Sites		-	57	24	-	-	-	-	-	-
Community Assets		-	-	36	-	-	-	-	-	-
Community Facilities		-	-	36	-	-	-	-	-	-
Halls		-	-	-	-	-	-	-	-	-
Centres		-	-	36	-	-	-	-	-	-
Other assets		25	28	30	-	-	-	-	-	-
Operational Buildings		25	28	30	-	-	-	-	-	-
Municipal Offices		25	28	30	-	-	-	-	-	-
Machinery and Equipment		-	494	-	-	-	-	-	-	-
Machinery and Equipment		-	494	-	-	-	-	-	-	-
Total Capital Expenditure on upgrading of existing assets	1	14 434	11 220	7 694	14 898	12 163	12 163	9 639	16 385	7 961
<i>Upgrading of Existing Assets as % of total capex</i>		0.0%	32.4%	17.1%	29.1%	17.0%	17.0%	15.9%	32.3%	16.4%
<i>Upgrading of Existing Assets as % of deprecn"</i>		86.8%	59.5%	35.4%	70.1%	45.1%	45.1%	34.2%	55.9%	26.6%

The following graph provides a breakdown of the capital budget spent on infrastructure related projects over the MTREF. As can be seen below, an amount of R36.248 million has been appropriated for the development of infrastructure which represents 81.57% of the total capital budget.



1.9 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 to be approved by the Council.

Table A1 - Budget Summary

WC012 Cederberg - Table A1 Budget Summary

Description	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 thousands										
Financial Performance										
Property rates	42 146	45 526	48 155	51 274	49 294	49 294	49 294	66 413	70 398	73 917
Service charges	128 888	144 763	151 562	169 263	173 483	173 483	173 483	187 535	209 729	227 516
Investment revenue	893	506	749	486	486	486	486	634	669	706
Transfers recognised - operational	61 945	64 462	77 633	89 873	102 866	102 866	102 866	104 175	81 903	93 509
Other own revenue	42 314	32 479	23 601	35 394	31 701	31 701	31 701	40 119	42 909	43 763
Total Revenue (excluding capital transfers and contributions)	276 186	287 736	301 700	346 291	357 831	357 831	357 831	398 876	405 608	439 412
Employee costs	103 806	114 817	121 857	125 300	132 846	132 846	132 846	135 785	143 414	153 267
Remuneration of councillors	5 392	5 570	5 572	5 591	4 840	4 840	4 840	5 106	5 331	5 571
Depreciation & asset impairment	16 635	18 858	21 748	21 246	26 957	26 957	26 957	28 151	29 322	29 943
Finance charges	8 456	9 822	11 585	10 917	11 757	11 757	11 757	11 328	11 868	12 573
Inventory consumed and bulk purchases	81 246	89 573	88 629	108 045	103 231	103 231	103 231	110 610	126 203	138 219
Transfers and grants	1 132	1 293	489	884	839	839	839	1 980	2 026	2 073
Other expenditure	74 180	84 102	73 190	91 753	114 582	114 582	114 582	110 679	84 454	91 797
Total Expenditure	290 846	324 036	323 071	363 736	395 052	395 052	395 052	403 639	402 617	433 443
Surplus/(Deficit)	(14 661)	(36 300)	(21 371)	(17 445)	(37 221)	(37 221)	(37 221)	(4 762)	2 991	5 968
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	83 739	28 740	42 237	32 292	55 542	55 542	55 542	48 418	46 223	48 184
allocations) (National / Provincial Departmental	11 477	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	80 555	(7 559)	14 847	18 321	18 321	18 321	18 321	43 656	49 213	54 152
Surplus/(Deficit) for the year	80 555	(7 559)	-	14 847	18 321	18 321	18 321	43 656	49 213	54 152
Capital expenditure & funds sources										
Capital expenditure	104 874	34 584	45 109	51 262	71 339	71 339	71 339	60 548	50 799	48 519
Transfers recognised - capital	95 506	29 691	42 237	32 292	55 542	55 542	55 542	48 418	46 223	48 184
Borrowing	1 835	749	-	15 404	10 800	10 800	10 800	8 600	3 400	-
Internally generated funds	7 532	4 144	2 872	3 565	4 997	4 997	4 997	3 530	1 176	335
Total sources of capital funds	104 874	34 584	45 109	51 262	71 339	71 339	71 339	60 548	50 799	48 519
Financial position										
Total current assets	57 159	60 559	51 753	43 134	35 312	35 312	35 312	40 101	41 942	64 334
Total non current assets	681 989	692 878	725 377	748 335	769 759	769 759	769 759	802 156	823 632	842 208
Total current liabilities	97 514	127 079	117 217	117 429	111 965	111 965	111 965	93 393	59 498	40 400
Total non current liabilities	79 732	71 988	84 677	91 933	99 549	99 549	99 549	111 650	119 650	125 564
Community wealth/Equity	561 902	554 371	575 236	582 107	593 557	593 557	593 557	637 213	686 426	740 579
Cash flows										
Net cash from (used) operating	83 044	47 344	42 331	42 611	55 741	55 741	55 741	60 629	53 322	74 958
Net cash from (used) investing	(90 860)	(33 769)	(44 758)	(51 061)	(71 118)	(71 118)	(71 118)	(60 548)	(50 799)	(48 519)
Net cash from (used) financing	(3 529)	(4 078)	(4 508)	10 508	5 831	5 831	5 831	4 162	(1 265)	(4 665)
Cash/cash equivalents at the year end	7 187	16 685	9 750	2 748	203	203	203	4 446	5 706	27 480
Cash backing/surplus reconciliation										
Cash and investments available	7 187	16 685	9 750	2 748	203	203	203	4 446	5 706	27 480
Application of cash and investments	43 476	74 150	61 809	62 421	60 792	60 792	60 792	41 672	5 906	(14 785)
Balance - surplus (shortfall)	(36 289)	(57 465)	(52 059)	(59 673)	(60 589)	(60 589)	(60 589)	(37 225)	(200)	42 265
Asset management										
Asset register summary (WDV)	681 989	692 878	725 377	748 335	769 760	769 760	769 760	802 156	823 632	842 208
Depreciation	16 635	18 858	21 748	21 246	26 957	26 957	26 957	28 151	29 322	29 943
Renewal and Upgrading of Existing Assets	28 711	12 096	9 280	17 178	15 191	15 191	15 191	9 639	17 505	7 961
Repairs and Maintenance	28 980	26 707	24 289	28 510	30 164	30 164	30 164	30 364	31 328	32 839
Free services										
Cost of Free Basic Services provided	4 747	4 961	6 546	6 865	5 683	5 683	4 325	4 325	4 565	4 819
Revenue cost of free services provided	3 268	3 474	3 919	4 154	6 871	6 871	7 542	7 542	7 994	8 394

Explanatory notes to MBRR Table A1 - Budget Summary

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

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

WC012 Cederberg - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification 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	1									
Revenue - Functional										
<i>Governance and administration</i>		99 571	105 865	115 102	78 562	80 341	80 341	90 758	96 003	100 554
Executive and council		40 042	43 112	54 220	9 527	9 527	9 527	10 129	10 442	11 150
Finance and administration		59 529	62 753	60 881	69 034	70 813	70 813	80 629	85 561	89 404
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		74 433	21 411	17 289	43 258	45 046	45 046	57 832	29 907	36 366
Community and social services		5 395	5 474	5 214	5 490	5 703	5 703	8 448	5 685	5 934
Sport and recreation		2 847	2 413	4 209	1 817	3 710	3 710	3 250	3 429	3 618
Public safety		20 790	13 524	7 865	14 693	7 866	7 866	20 793	20 793	20 815
Housing		45 402	-	-	21 257	27 767	27 767	25 340	-	6 000
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		26 214	15 857	6 766	11 231	12 106	12 106	9 021	24 387	16 922
Planning and development		22 882	13 121	3 046	2 593	2 587	2 587	2 979	3 120	3 269
Road transport		3 333	2 736	3 720	8 638	9 519	9 519	6 042	21 267	13 653
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		171 182	173 343	204 780	245 533	275 880	275 880	289 684	301 534	333 754
Energy sources		92 890	109 471	119 367	143 367	145 261	145 261	164 897	174 403	190 922
Water management		44 312	36 588	38 362	51 692	78 571	78 571	70 846	74 016	77 819
Waste water management		13 271	13 006	35 687	29 442	29 115	29 115	29 932	28 098	38 453
Waste management		20 708	14 278	11 364	21 032	22 933	22 933	24 009	25 017	26 560
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	371 401	316 476	343 937	378 583	413 372	413 372	447 294	451 830	487 596
Expenditure - Functional										
<i>Governance and administration</i>		87 759	99 657	102 454	103 349	121 524	121 524	109 541	112 723	118 156
Executive and council		11 063	11 758	13 518	13 933	12 251	12 251	13 456	14 061	14 760
Finance and administration		75 853	86 878	87 841	88 268	108 308	108 308	93 254	95 652	100 188
Internal audit		842	1 021	1 095	1 148	965	965	2 832	3 010	3 208
<i>Community and public safety</i>		44 467	43 908	42 445	67 154	68 439	68 439	80 189	56 864	65 249
Community and social services		6 053	9 366	9 324	10 532	8 680	8 680	8 171	8 424	8 861
Sport and recreation		10 941	12 031	12 931	12 957	13 232	13 232	14 038	14 902	15 852
Public safety		25 504	20 449	17 620	21 192	17 588	17 588	29 567	30 265	31 046
Housing		1 970	2 062	2 571	22 473	28 939	28 939	28 412	3 273	9 490
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		17 383	19 287	20 946	21 753	24 627	24 627	28 225	29 376	30 879
Planning and development		5 290	6 832	7 550	8 815	9 379	9 379	12 859	13 465	14 115
Road transport		12 093	12 455	13 395	12 938	15 248	15 248	15 366	15 911	16 764
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		141 237	161 184	157 226	171 480	180 462	180 462	185 683	203 654	219 159
Energy sources		82 098	97 313	98 129	115 951	112 270	112 270	120 627	136 268	149 189
Water management		28 437	30 159	30 130	26 433	29 813	29 813	27 832	28 618	29 992
Waste water management		15 414	16 796	13 101	13 504	20 466	20 466	21 270	22 040	22 993
Waste management		15 289	16 917	15 866	15 592	17 913	17 913	15 955	16 728	16 985
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	290 846	324 036	323 071	363 736	395 052	395 052	403 639	402 617	433 443
Surplus/(Deficit) for the year		80 555	(7 559)	20 866	14 847	18 321	18 321	43 656	49 213	54 152

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

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

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

WC012 Cederberg - 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
Revenue by Vote	1									
Vote 1 - Executive and Council		40 042	43 112	54 220	9 527	9 527	9 527	10 129	10 442	11 150
Vote 2 - Office of the Municipal Manager		40	16	41	-	39	39	-	-	-
Vote 3 - Financial Administrative Services		56 981	59 745	57 355	60 152	61 424	61 424	75 496	79 753	83 561
Vote 4 - Community Development Services		34 501	7 075	8 329	7 660	8 196	8 196	10 143	6 039	6 307
Vote 5 - Corporate and Strategic Services		412	652	363	6 703	6 847	6 847	3 437	5 452	5 469
Vote 6 - Planning and Development Services		239 427	13 121	3 046	2 593	2 587	2 587	2 979	3 120	3 269
Vote 7 - Public Safety		-	17 000	11 594	18 657	11 810	11 810	24 836	25 059	25 315
Vote 8 - Electricity		-	109 471	119 367	143 367	145 261	145 261	164 897	174 403	190 922
Vote 9 - Waste Management		-	14 278	11 364	21 032	22 933	22 933	24 009	25 017	26 560
Vote 10 - Waste Water Management		-	13 006	35 687	29 442	29 115	29 115	29 932	28 098	38 453
Vote 11 - Water		-	36 588	38 362	51 692	78 571	78 571	70 846	74 016	77 819
Vote 12 - Housing		-	-	-	21 257	27 767	27 767	25 340	-	6 000
Vote 13 - Road Transport		-	-	-	4 684	5 584	5 584	2 000	17 003	9 155
Vote 14 - Sports and Recreation		-	2 413	4 209	1 817	3 710	3 710	3 250	3 429	3 618
Total Revenue by Vote	2	371 401	316 476	343 937	378 583	413 372	413 372	447 294	451 830	487 596
Expenditure by Vote to be appropriated	1									
Vote 1 - Executive and Council		8 460	8 613	8 530	9 235	6 760	6 760	6 617	6 895	7 193
Vote 2 - Office of the Municipal Manager		7 207	8 788	11 210	12 722	13 920	13 920	20 117	21 016	22 095
Vote 3 - Financial Administrative Services		45 486	55 436	56 575	53 199	67 933	67 933	58 397	60 861	63 761
Vote 4 - Community Development Services		48 828	14 269	14 080	14 339	14 741	14 741	13 597	12 734	13 433
Vote 5 - Corporate and Strategic Services		16 427	18 512	18 069	21 185	23 769	23 769	21 704	22 328	23 214
Vote 6 - Planning and Development Services		164 437	6 402	7 625	8 495	10 655	10 655	8 954	9 515	10 090
Vote 7 - Public Safety		-	25 734	22 531	26 550	21 186	21 186	32 349	33 234	34 217
Vote 8 - Electricity		-	97 313	98 129	115 951	112 270	112 270	120 627	136 268	149 189
Vote 9 - Waste Management		-	16 917	15 866	15 592	17 913	17 913	15 955	16 728	16 985
Vote 10 - Waste Water Management		-	15 477	11 786	11 687	18 903	18 903	19 466	20 176	21 056
Vote 11 - Water		-	30 159	30 130	26 433	29 813	29 813	27 832	28 618	29 992
Vote 12 - Housing		-	2 062	2 571	22 473	28 939	28 939	28 412	3 273	9 490
Vote 13 - Road Transport		-	12 324	13 039	12 918	15 016	15 016	15 574	16 069	16 876
Vote 14 - Sports and Recreation		-	12 031	12 931	12 957	13 232	13 232	14 038	14 902	15 852
Total Expenditure by Vote	2	290 846	324 036	323 071	363 736	395 052	395 052	403 639	402 617	433 443
Surplus/(Deficit) for the year	2	80 555	(7 559)	20 866	14 847	18 321	18 321	43 656	49 213	54 152

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

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

WC012 Cederberg - Table A4 Budgeted Financial Performance (revenue and expenditure)

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
Revenue By Source											
Property rates	2	42 146	45 526	48 155	51 274	49 294	49 294	49 294	66 413	70 398	73 917
Service charges - electricity revenue	2	84 700	97 604	102 234	116 428	118 364	118 364	118 364	129 629	149 079	163 990
Service charges - water revenue	2	25 747	28 021	29 064	31 027	31 317	31 317	31 317	29 456	30 630	31 851
Service charges - sanitation revenue	2	9 649	9 106	9 457	10 030	11 204	11 204	11 204	14 656	15 535	16 467
Service charges - refuse revenue	2	8 792	10 033	10 806	11 777	12 598	12 598	12 598	13 794	14 484	15 208
Rental of facilities and equipment		508	480	705	364	800	800	800	437	461	486
Interest earned - external investments		893	506	749	486	486	486	486	604	669	706
Interest earned - outstanding debtors		3 996	4 984	5 733	6 041	6 041	6 041	6 041	4 006	4 226	4 459
Fines, penalties and forfeits		22 245	13 994	9 186	14 772	7 897	7 897	7 897	20 820	20 824	20 848
Licences and permits		-	-	2	3	3	3	3	3	3	3
Agency services		3 333	2 736	3 720	3 954	3 935	3 935	3 935	4 042	4 264	4 498
Transfers and subsidies		61 945	64 462	77 633	89 873	102 866	102 866	102 866	104 175	81 903	93 509
Other revenue	2	4 326	4 352	4 182	10 260	11 024	11 024	11 024	8 812	11 131	11 468
Gains		7 906	5 934	73	-	2 000	2 000	2 000	2 000	2 000	2 000
Total Revenue (excluding capital transfers and contributions)		276 186	287 736	301 700	346 291	357 831	357 831	357 831	398 876	405 608	439 412
Expenditure By Type											
Employee related costs	2	103 806	114 817	121 857	125 300	132 846	132 846	132 846	135 785	143 414	153 267
Remuneration of councillors		5 392	5 570	5 572	5 591	4 840	4 840	4 840	5 106	5 331	5 571
Debt impairment	3	38 387	46 525	32 637	29 577	27 236	27 236	27 236	35 203	36 363	37 478
Depreciation & asset impairment	2	16 635	18 858	21 748	21 246	26 957	26 957	26 957	28 151	29 322	29 943
Finance charges		8 456	9 822	11 585	10 917	11 757	11 757	11 757	11 328	11 868	12 573
Bulk purchases - electricity	2	70 865	81 546	81 771	100 857	94 552	94 552	94 552	103 638	119 184	131 102
Inventory consumed	8	10 381	8 026	6 858	7 188	8 679	8 679	8 679	6 972	7 019	7 117
Contracted services		16 617	18 206	17 911	40 414	60 630	60 630	60 630	50 654	23 049	29 338
Transfers and grants		1 132	1 293	489	884	839	839	839	1 980	2 026	2 073
Other expenditure	4, 5	18 708	19 174	20 147	21 761	24 716	24 716	24 716	22 822	23 042	22 982
Losses		468	198	2 496	-	2 000	2 000	2 000	2 000	2 000	2 000
Total Expenditure		290 846	324 036	323 071	363 736	395 052	395 052	395 052	403 639	402 617	433 443
Surplus/(Deficit)		(14 661)	(36 300)	(21 371)	(17 445)	(37 221)	(37 221)	(37 221)	(4 762)	2 991	5 968
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	83 739	28 740	42 237	32 292	55 542	55 542	55 542	48 418	46 223	48 184
Transfers and subsidies - capital (in-kind - all)		11 477	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		80 555	(7 559)	20 866	14 847	18 321	18 321	18 321	43 656	49 213	54 152
Surplus/(Deficit) after taxation		80 555	(7 559)	20 866	14 847	18 321	18 321	18 321	43 656	49 213	54 152
Surplus/(Deficit) attributable to municipality		80 555	(7 559)	20 866	14 847	18 321	18 321	18 321	43 656	49 213	54 152
Surplus/(Deficit) for the year		80 555	(7 559)	20 866	14 847	18 321	18 321	18 321	43 656	49 213	54 152

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

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

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

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	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand											
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 6 - Planning and Development Services		49 178	8 918	351	4 073	4 508	4 508	4 508	1 739	14 785	7 961
Vote 8 - Electricity		-	4 554	120	64	60	60	60	-	-	-
Vote 10 - Waste Water Management		-	3 363	11 619	7 307	6 003	6 003	6 003	-	-	-
Vote 11 - Water		-	-	-	-	23 117	23 117	23 117	13 215	13 177	13 797
Vote 14 - Sports and Recreation		-	-	1 195	150	1 016	1 016	1 016	-	120	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	49 178	16 834	13 286	11 594	34 703	34 703	34 703	14 954	28 082	21 758
Single-year expenditure to be appropriated	2										
Vote 1 - Executive and Council		2	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		13	-	-	-	-	-	-	-	-	-
Vote 3 - Financial Administrative Services		597	52	-	283	13	13	13	350	-	-
Vote 4 - Community Development Services		4 064	60	36	1 005	4 660	4 660	4 660	2 871	-	-
Vote 5 - Corporate and Strategic Services		2 534	829	245	2 020	400	400	400	480	-	-
Vote 6 - Planning and Development Services		48 485	622	18	23	-	-	-	35	-	-
Vote 7 - Public Safety		-	989	6	700	1	1	1	-	-	-
Vote 8 - Electricity		-	6 808	15 519	20 603	18 520	18 520	18 520	26 880	12 765	9 995
Vote 9 - Waste Management		-	58	24	2 000	2 000	2 000	2 000	1 105	-	-
Vote 10 - Waste Water Management		-	1 933	8 205	598	205	205	205	5 514	245	7 679
Vote 11 - Water		-	5 974	7 364	6 323	6 381	6 381	6 381	7 400	8 807	9 087
Vote 12 - Housing		-	0	-	1 528	1 528	1 528	1 528	-	-	-
Vote 13 - Road Transport		-	108	40	4 164	1 300	1 300	1 300	960	900	-
Vote 14 - Sports and Recreation		-	316	366	420	1 628	1 628	1 628	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		55 696	17 749	31 823	39 668	36 636	36 636	36 636	45 594	22 717	26 761
Total Capital Expenditure - Vote		104 874	34 584	45 109	51 262	71 339	71 339	71 339	60 548	50 799	48 519
Capital Expenditure - Functional											
Governance and administration		3 180	884	245	2 303	413	413	413	830	-	-
Executive and council		2	-	-	-	-	-	-	-	-	-
Finance and administration		3 178	884	245	2 303	413	413	413	830	-	-
Community and public safety		48 526	1 362	1 603	3 803	8 833	8 833	8 833	2 871	120	-
Community and social services		111	57	36	1 005	4 660	4 660	4 660	2 871	-	-
Sport and recreation		4 164	316	1 562	570	2 644	2 644	2 644	-	120	-
Public safety		-	989	6	700	1	1	1	-	-	-
Housing		44 251	0	-	1 528	1 528	1 528	1 528	-	-	-
Economic and environmental services		25 605	9 641	409	8 139	5 808	5 808	5 808	2 734	15 685	7 961
Planning and development		18 435	9 539	369	4 096	4 508	4 508	4 508	1 774	14 785	7 961
Road transport		7 170	101	40	4 044	1 300	1 300	1 300	960	900	-
Trading services		27 562	22 697	42 851	37 016	56 285	56 285	56 285	54 113	34 993	40 558
Energy sources		7 940	11 361	15 639	20 667	18 579	18 579	18 579	26 880	12 765	9 995
Water management		16 711	5 974	7 364	6 323	29 498	29 498	29 498	20 614	21 983	22 884
Waste water management		2 859	5 303	19 824	8 025	6 208	6 208	6 208	5 514	245	7 679
Waste management		53	58	24	2 000	2 000	2 000	2 000	1 105	-	-
Total Capital Expenditure - Functional	3	104 874	34 584	45 109	51 262	71 339	71 339	71 339	60 548	50 799	48 519
Funded by:											
National Government		25 185	25 845	42 237	32 287	55 382	55 382	55 382	48 418	46 223	48 184
Provincial Government		58 845	3 846	-	5	160	160	160	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary)		11 477	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	95 506	29 691	42 237	32 292	55 542	55 542	55 542	48 418	46 223	48 184
Borrowing	6	1 835	749	-	15 404	10 800	10 800	10 800	8 600	3 400	-
Internally generated funds		7 532	4 144	2 872	3 565	4 997	4 997	4 997	3 530	1 176	335
Total Capital Funding	7	104 874	34 584	45 109	51 262	71 339	71 339	71 339	60 548	50 799	48 519

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, functional 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 functional classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations.
3. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the Municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.
4. The capital program is funded from National, Provincial and Other grants and transfers, borrowing and internally generated funds from current and prior year surpluses.

MBRR Table A6 - Budgeted Financial Position

WC012 Cederberg - 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		3 452	8 918	5 318	2 748	203	203	203	4 446	5 706	27 480
Call investment deposits	1	3 735	7 767	4 432	-	-	-	-	-	-	-
Consumer debtors	1	44 319	35 728	32 365	31 458	25 504	25 504	25 504	26 049	26 631	27 249
Other debtors		4 102	6 758	8 200	7 540	8 200	8 200	8 200	8 200	8 200	8 200
Current portion of long-term receivables		-	-	32	-	-	-	-	-	-	-
Inventory	2	1 551	1 388	1 406	1 388	1 406	1 406	1 406	1 406	1 406	1 406
Total current assets		57 159	60 559	51 753	43 134	35 312	35 312	35 312	40 101	41 942	64 334
Non current assets											
Long-term receivables		-	-	-	-	-	-	-	-	-	-
Investments		-	-	-	-	-	-	-	-	-	-
Investment property		77 214	77 144	77 059	77 035	77 006	77 006	77 006	76 953	76 897	76 838
Investment in Associate		-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	3	603 074	614 257	647 064	670 285	691 711	691 711	691 711	724 364	746 113	764 976
Biological		-	-	-	-	-	-	-	-	-	-
Intangible		1 701	1 477	1 254	1 015	1 042	1 042	1 042	838	622	394
Other non-current assets		-	-	-	-	-	-	-	-	-	-
Total non current assets		681 989	692 878	725 377	748 335	769 759	769 759	769 759	802 156	823 632	842 208
TOTAL ASSETS		739 148	753 437	777 130	791 469	805 071	805 071	805 071	842 256	865 575	906 542
LIABILITIES											
Current liabilities											
Bank overdraft	1	-	-	-	-	-	-	-	-	-	-
Borrowing	4	4 112	4 718	5 179	4 074	4 074	4 074	4 074	4 648	4 874	4 874
Consumer deposits		2 055	2 108	2 318	2 363	2 528	2 528	2 528	2 738	2 947	3 157
Trade and other payables	4	81 850	108 608	96 787	96 134	91 705	91 705	91 705	71 705	36 705	16 705
Provisions		9 497	11 645	12 933	14 858	13 658	13 658	13 658	14 303	14 972	15 663
Total current liabilities		97 514	127 079	117 217	117 429	111 965	111 965	111 965	93 393	59 498	40 400
Non current liabilities											
Borrowing		16 470	12 481	7 302	18 862	14 028	14 028	14 028	17 407	15 706	10 831
Provisions		63 263	59 507	77 375	73 071	85 522	85 522	85 522	94 244	103 945	114 733
Total non current liabilities		79 732	71 988	84 677	91 933	99 549	99 549	99 549	111 650	119 650	125 564
TOTAL LIABILITIES		177 246	199 067	201 893	209 362	211 514	211 514	211 514	205 044	179 149	165 964
NET ASSETS	5	561 902	554 371	575 236	582 107	593 557	593 557	593 557	637 213	686 426	740 579
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		561 902	554 371	575 236	582 107	593 557	593 557	593 557	637 213	686 426	740 579
Reserves	4	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	5	561 902	554 371	575 236	582 107	593 557	593 557	593 557	637 213	686 426	740 579

Explanatory notes to Table A6 - Budgeted Financial Position

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

MBRR Table A7 - Budgeted Cash Flow Statement

WC012 Cederberg - Table A7 Budgeted Cash Flows

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
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		38 334	40 582	45 968	47 217	47 967	47 967	47 967	64 753	68 638	72 070
Service charges		109 485	123 172	137 056	155 956	166 772	166 772	166 772	174 791	196 096	213 061
Other revenue		14 994	12 107	9 474	18 073	16 838	16 838	16 838	16 575	19 145	19 748
Transfers and Subsidies - Operational	1	31 312	89 244	51 241	89 873	101 934	101 934	101 934	104 175	81 903	93 509
Transfers and Subsidies - Capital	1	83 599	28 740	42 237	32 292	55 392	55 392	55 392	48 418	46 223	48 184
Interest		4 889	506	749	3 269	825	825	825	835	880	929
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		(196 143)	(242 081)	(238 633)	(299 215)	(328 982)	(328 982)	(328 982)	(343 962)	(354 863)	(368 021)
Finance charges		(2 360)	(3 781)	(5 355)	(3 970)	(4 166)	(4 166)	(4 166)	(2 975)	(2 674)	(2 449)
Transfers and Grants	1	(1 066)	(1 144)	(406)	(884)	(839)	(839)	(839)	(1 980)	(2 026)	(2 073)
NET CASH FROM/(USED) OPERATING ACTIVITIES		83 044	47 344	42 331	42 611	55 741	55 741	55 741	60 629	53 322	74 958
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		702	67	351	200	189	189	189	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	32	32	32	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Payments											
Capital assets		(91 562)	(33 835)	(45 109)	(51 262)	(71 339)	(71 339)	(71 339)	(60 548)	(50 799)	(48 519)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(90 860)	(33 769)	(44 758)	(51 061)	(71 118)	(71 118)	(71 118)	(60 548)	(50 799)	(48 519)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	15 634	10 800	10 800	10 800	8 600	3 400	-
Increase (decrease) in consumer deposits		101	53	210	53	210	210	210	210	210	210
Payments											
Repayment of borrowing		(3 630)	(4 131)	(4 717)	(5 179)	(5 179)	(5 179)	(5 179)	(4 648)	(4 874)	(4 874)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(3 529)	(4 078)	(4 508)	10 508	5 831	5 831	5 831	4 162	(1 265)	(4 665)
NET INCREASE/ (DECREASE) IN CASH HELD		(11 345)	9 497	(6 935)	2 058	(9 547)	(9 547)	(9 547)	4 244	1 259	21 774
Cash/cash equivalents at the year begin:	2	18 532	7 187	16 685	690	9 750	9 750	9 750	203	4 446	5 706
Cash/cash equivalents at the year end:	2	7 187	16 685	9 750	2 748	203	203	203	4 446	5 706	27 480

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

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

MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

WC012 Cederberg - Table A8 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	7 187	16 685	9 750	2 748	203	203	203	4 446	5 706	27 480
Other current investments > 90 days		0	0	0	0	0	0	0	-	-	-
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		7 187	16 685	9 750	2 748	203	203	203	4 446	5 706	27 480
Application of cash and investments											
Unspent conditional transfers		2 692	27 474	1 082	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	40 784	46 676	60 727	62 421	60 792	60 792	60 792	41 672	5 906	(14 785)
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		43 476	74 150	61 809	62 421	60 792	60 792	60 792	41 672	5 906	(14 785)
Surplus(shortfall)		(36 289)	(57 465)	(52 059)	(59 673)	(60 589)	(60 589)	(60 589)	(37 225)	(200)	42 265

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

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be funded.
4. As part of the budgeting and planning guidelines that informed the compilation of the 2022/23 MTREF the end objective of the medium-term framework is to ensure the budget is funded and aligned to section 18 of the MFMA.

MBRR Table A9 - Asset Management

WC012 Cederberg - Table A9 Asset Management										
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										
CAPITAL EXPENDITURE										
Total New Assets	1	76 163	22 488	35 829	34 083	56 148	56 148	50 909	33 293	40 558
<i>Roads Infrastructure</i>		14 350	40	-	-	-	-	-	-	-
<i>Storm water Infrastructure</i>		1 401	-	-	120	-	-	-	-	-
<i>Electrical Infrastructure</i>		10 367	11 160	15 475	15 249	14 999	14 999	22 320	9 565	9 995
<i>Water Supply Infrastructure</i>		9 246	8 572	7 137	-	23 117	23 117	13 215	21 872	22 884
<i>Sanitation Infrastructure</i>		33 894	43	12 570	7 357	6 003	6 003	2 779	-	7 344
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		69 258	19 815	35 183	22 726	44 119	44 119	38 313	31 437	40 223
<i>Community Facilities</i>		2 000	-	-	2 528	6 028	6 028	2 871	-	-
<i>Sport and Recreation Facilities</i>		-	-	-	-	-	-	-	-	-
Community Assets		2 000	-	-	2 528	6 028	6 028	2 871	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
<i>Revenue Generating</i>		-	-	-	-	-	-	-	-	-
<i>Non-revenue Generating</i>		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
<i>Operational Buildings</i>		45	-	-	-	-	-	-	-	-
<i>Housing</i>		-	-	-	-	-	-	-	-	-
Other Assets		45	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<i>Servitudes</i>		-	-	-	-	-	-	-	-	-
<i>Licences and Rights</i>		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
<i>Computer Equipment</i>		2 393	763	188	2 028	399	399	515	-	-
<i>Furniture and Office Equipment</i>		1 322	173	6	763	567	567	-	-	-
<i>Machinery and Equipment</i>		1 014	1 536	422	2 288	1 285	1 285	7 350	1 856	335
Transport Assets		131	-	-	3 750	3 750	3 750	1 860	-	-
<i>Land</i>		-	200	30	-	-	-	-	-	-
<i>Zoo's, Marine and Non-biological Animals</i>		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	14 277	877	1 587	2 280	3 028	3 028	-	1 120	-
<i>Roads Infrastructure</i>		119	-	-	-	-	-	-	-	-
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		52	22	-	1 580	550	550	-	1 000	-
<i>Water Supply Infrastructure</i>		-	-	27	550	250	250	-	-	-
<i>Sanitation Infrastructure</i>		10 194	607	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		10 365	629	27	2 130	800	800	-	1 000	-
<i>Community Facilities</i>		103	28	-	150	146	146	-	120	-
<i>Sport and Recreation Facilities</i>		3 809	219	1 559	-	2 082	2 082	-	-	-
Community Assets		3 912	247	1 559	150	2 228	2 228	-	120	-
Heritage Assets		-	-	-	-	-	-	-	-	-
<i>Revenue Generating</i>		-	-	-	-	-	-	-	-	-
<i>Non-revenue Generating</i>		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
<i>Operational Buildings</i>		-	-	-	-	-	-	-	-	-
<i>Housing</i>		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<i>Servitudes</i>		-	-	-	-	-	-	-	-	-
<i>Licences and Rights</i>		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
<i>Computer Equipment</i>		-	-	-	-	-	-	-	-	-
<i>Furniture and Office Equipment</i>		-	-	-	-	-	-	-	-	-
<i>Machinery and Equipment</i>		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
<i>Land</i>		-	-	-	-	-	-	-	-	-
<i>Zoo's, Marine and Non-biological Animals</i>		-	-	-	-	-	-	-	-	-

WC012 Cederberg - Table A9 Asset Management

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										
Total Upgrading of Existing Assets	6	14 434	11 220	7 694	14 898	12 163	12 163	9 639	16 385	7 961
Roads Infrastructure		4 250	8 831	351	6 757	4 508	4 508	1 739	15 685	7 961
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		255	248	120	2 938	2 286	2 286	-	700	-
Water Supply Infrastructure		9 903	-	-	5 003	5 368	5 368	7 400	-	-
Sanitation Infrastructure		-	1 562	7 133	200	-	-	500	-	-
Solid Waste Infrastructure		-	57	24	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		14 408	10 698	7 628	14 898	12 163	12 163	9 639	16 385	7 961
Community Facilities		-	-	36	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	36	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		25	28	30	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		25	28	30	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	494	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	104 874	34 584	45 109	51 262	71 339	71 339	60 548	50 799	48 519
Roads Infrastructure		18 720	8 871	351	6 757	4 508	4 508	1 739	15 685	7 961
Storm water Infrastructure		1 401	-	-	120	-	-	-	-	-
Electrical Infrastructure		10 673	11 430	15 596	19 767	17 835	17 835	22 320	11 265	9 995
Water Supply Infrastructure		19 149	8 572	7 165	5 553	28 736	28 736	20 614	21 872	22 884
Sanitation Infrastructure		44 088	2 212	19 703	7 557	6 003	6 003	3 279	-	7 344
Solid Waste Infrastructure		-	57	24	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		94 032	31 142	42 838	39 754	57 082	57 082	47 952	48 823	48 184
Community Facilities		2 103	28	36	2 678	6 174	6 174	2 871	120	-
Sport and Recreation Facilities		3 809	219	1 559	-	2 082	2 082	-	-	-
Community Assets		5 912	247	1 595	2 678	8 257	8 257	2 871	120	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		70	28	30	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		70	28	30	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		2 393	763	188	2 028	399	399	515	-	-
Furniture and Office Equipment		1 322	173	6	763	567	567	-	-	-
Machinery and Equipment		1 014	2 030	422	2 288	1 285	1 285	7 350	1 856	335
Transport Assets		131	-	-	3 750	3 750	3 750	1 860	-	-
Land		-	200	30	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		104 874	34 584	45 109	51 262	71 339	71 339	60 548	50 799	48 519

WC012 Cederberg - Table A9 Asset Management

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
R thousand										
ASSET REGISTER SUMMARY - PPE (WDV)	5	681 989	692 878	725 377	748 335	769 760	769 760	802 156	823 632	842 208
<i>Roads Infrastructure</i>		95 483	100 503	95 650	100 631	94 828	94 828	91 184	101 260	103 374
<i>Storm water Infrastructure</i>		22 143	21 593	21 044	20 736	20 492	20 492	19 940	19 364	18 763
<i>Electrical Infrastructure</i>		76 219	83 707	95 261	110 047	108 676	108 676	126 140	132 347	137 069
<i>Water Supply Infrastructure</i>		144 860	147 279	159 026	152 901	182 528	182 528	197 462	213 414	230 128
<i>Sanitation Infrastructure</i>		142 880	146 238	153 664	165 149	153 813	153 813	151 187	145 033	145 963
<i>Solid Waste Infrastructure</i>		8 021	2 602	11 645	785	10 045	10 045	7 896	5 747	4 197
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		489 606	501 921	536 290	550 249	570 382	570 382	593 809	617 164	639 495
Community Assets		70 924	70 533	71 455	74 149	78 969	78 969	81 098	80 440	79 624
Heritage Assets		-	-	-	-	-	-	-	-	-
Investment properties		77 214	77 144	77 059	77 035	77 006	77 006	76 953	76 897	76 838
Other Assets		13 035	12 933	12 916	12 769	12 781	12 781	12 646	12 503	12 352
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		1 701	1 477	1 254	1 015	1 042	1 042	838	622	394
Computer Equipment		1 527	1 242	1 135	2 850	1 282	1 282	1 584	1 344	1 077
Furniture and Office Equipment		6 190	6 141	5 198	5 019	4 865	4 865	4 084	3 240	2 334
Machinery and Equipment		4 312	4 674	4 076	6 043	4 519	4 519	11 251	12 455	12 098
Transport Assets		9 296	8 628	7 779	10 992	10 699	10 699	11 678	10 753	9 782
Land		8 185	8 185	8 215	8 215	8 215	8 215	8 215	8 215	8 215
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	681 989	692 878	725 377	748 335	769 760	769 760	802 156	823 632	842 208
EXPENDITURE OTHER ITEMS		45 615	45 566	46 038	49 756	57 121	57 121	58 515	60 650	62 782
Depreciation	7	16 635	18 858	21 748	21 246	26 957	26 957	28 151	29 322	29 943
Repairs and Maintenance by Asset Class	3	28 980	26 707	24 289	28 510	30 164	30 164	31 364	31 328	32 839
<i>Roads Infrastructure</i>		6 995	6 686	6 132	6 832	7 283	7 283	7 841	8 043	8 528
<i>Storm water Infrastructure</i>		794	770	755	1 138	985	985	1 149	1 185	1 233
<i>Electrical Infrastructure</i>		787	531	722	1 022	720	720	736	684	686
<i>Water Supply Infrastructure</i>		3 235	2 106	941	1 200	1 441	1 441	1 061	1 057	1 066
<i>Sanitation Infrastructure</i>		6 208	4 966	4 229	5 054	5 623	5 623	4 780	4 956	5 188
<i>Solid Waste Infrastructure</i>		525	760	440	1 159	1 142	1 142	682	678	680
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		18 544	15 819	13 219	16 404	17 195	17 195	16 249	16 603	17 382
Community Facilities		5 413	6 142	6 391	6 899	6 927	6 927	7 724	8 213	8 747
Sport and Recreation Facilities		1 209	1 156	1 305	1 782	1 834	1 834	2 004	2 113	2 235
Community Assets		6 622	7 298	7 696	8 681	8 761	8 761	9 728	10 326	10 982
Heritage Assets		-	-	-	-	-	-	-	-	-
<i>Revenue Generating</i>		-	-	-	-	-	-	-	-	-
<i>Non-revenue Generating</i>		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
<i>Operational Buildings</i>		607	605	191	496	488	488	549	550	556
<i>Housing</i>		-	-	-	-	-	-	-	-	-
Other Assets		607	605	191	496	488	488	549	550	556
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<i>Servitudes</i>		-	-	-	-	-	-	-	-	-
<i>Licences and Rights</i>		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		174	67	29	123	110	110	107	106	107
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		239	67	52	609	279	279	599	598	599
Transport Assets		2 794	2 851	3 103	2 197	3 331	3 331	3 133	3 145	3 214
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		45 615	45 566	46 038	49 756	57 121	57 121	58 515	60 650	62 782
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		27.4%	35.0%	20.6%	33.5%	21.3%	21.3%	15.9%	34.5%	16.4%
<i>Renewal and upgrading of Existing Assets as % of deprecn</i>		172.6%	64.1%	42.7%	80.9%	56.4%	56.4%	34.2%	59.7%	26.6%
<i>R&M as a % of PPE</i>		4.8%	4.3%	3.8%	4.3%	4.4%	4.4%	4.2%	4.2%	4.3%
<i>Renewal and upgrading and R&M as a % of PPE</i>		8.0%	6.0%	5.0%	6.0%	6.0%	6.0%	5.0%	6.0%	5.0%

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% of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8% of PPE. The Municipality meets the requirement that 40% of the capital budget should be allocated to renewal of existing assets, however it does not meet the requirement of RME to be 8% of PPE as RME is only 4% of PPE.

MBRR Table A10 - Basic Service Delivery Measurement

WC012 Cederberg - Table A10 Basic service delivery measurement

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Household service targets	1									
Water:										
Piped water inside dwelling		4 970	5 700	5 779	5 832	5 832	5 832	5 890	5 949	6 009
Piped water inside yard (but not in dwelling)		82	84	85	86	86	86	87	88	89
Using public tap (at least min.service level)	2	1 500	1 600	1 650	1 665	1 665	1 665	1 682	1 698	1 715
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		6 552	7 384	7 514	7 583	7 583	7 583	7 659	7 735	7 813
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	6 552	7 384	7 514	7 583	7 583	7 583	7 659	7 735	7 813
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		5 049	4 758	4 760	4 854	4 854	4 854	4 903	4 952	5 001
Flush toilet (with septic tank)		378	378	378	380	380	380	384	388	392
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		5 427	5 136	5 138	5 234	5 234	5 234	5 286	5 339	5 393
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	5 427	5 136	5 138	5 234	5 234	5 234	5 286	5 339	5 393
Energy:										
Electricity (at least min.service level)		1 350	1 380	1 380	482	482	482	487	492	497
Electricity - prepaid (min.service level)		5 500	6 497	6 497	7 578	7 578	7 578	7 654	7 730	7 808
<i>Minimum Service Level and Above sub-total</i>		6 850	7 877	7 877	8 060	8 060	8 060	8 141	8 222	8 304
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min.service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	6 850	7 877	7 877	8 060	8 060	8 060	8 141	8 222	8 304
Refuse:										
Removed at least once a week		5 000	5 100	5 800	5 735	5 735	5 735	5 792	5 850	5 909
<i>Minimum Service Level and Above sub-total</i>		5 000	5 100	5 800	5 735	5 735	5 735	5 792	5 850	5 909
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	5 000	5 100	5 800	5 735	5 735	5 735	5 792	5 850	5 909
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free minimum level service)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed at least once a week)		-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per indigent household per month)		895	896	1 137	1 180	1 206	1 206	906	946	988
Sanitation (free sanitation service to indigent households)		3 364	3 579	4 801	5 026	3 801	3 801	2 915	3 090	3 275
Electricity/other energy (50kwh per indigent household per month)		68	64	72	82	71	71	52	55	57
Refuse (removed once a week for indigent households)		420	423	536	577	605	605	452	475	499
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		-	-	-	-	-	-	-	-	-
Total cost of FBS provided		4 747	4 961	6 546	6 865	5 683	5 683	4 325	4 565	4 819
Highest level of free service provided per household										
Property rates (R value threshold)		-	-	50 000	-	-	-	-	-	-
Water (kilolitres per household per month)		-	-	6	-	-	-	-	-	-
Sanitation (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)		-	-	194	-	-	-	-	-	-
Electricity (kwh per household per month)		-	-	50	-	-	-	-	-	-
Refuse (average litres per week)		-	-	22	-	-	-	-	-	-
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)		-	-	-	-	-	-	-	-	-
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		3 268	3 474	3 919	4 154	6 871	6 871	7 542	7 994	8 394
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates		-	-	-	-	-	-	-	-	-
Housing - top structure subsidies		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total revenue cost of subsidised services provided	6	3 268	3 474	3 919	4 154	6 871	6 871	7 542	7 994	8 394

2.1 Overview of the annual budget process

Political oversight of the Budget Process

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

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

Schedule of Key Deadlines relating to the Budget Process

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

Purpose of the Budget and IDP Process Plan

The purpose of the process plan is to indicate the various planned activities and strategies on which the municipality will embark to compose its Integrated Development Plan for the five year cycle and the budget for the 2022/2023 financial year and the two outer years.

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

IDP and Service Delivery and Budget Implementation Plan

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

2.2 Overview of alignment of annual budget with IDP

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

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

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

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

The 2022/23 MTREF has therefore been directly informed by the IDP process and the following tables provide the reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

Table 23: Reconciliation of IDP Strategic Objectives and Budget (Revenue)

WC012 Cederberg - 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													
Improve and Sustain basic service delivery and infrastructure development	Provision and maintenance of municipal services	A		193 013	185 108	206 022	251 103	282 350	282 350	292 644	319 527	343 930	
Implement strategies to ensure financial viability and economical sustainability	Financial Viability and Sustainability	B		56 981	59 745	57 355	60 152	61 424	61 424	75 496	79 753	83 561	
Good Governance, Community Development and Public Participation	Provision of Democratic and accountable governance	C		42 494	45 687	57 644	12 152	12 659	12 659	12 013	10 995	11 734	
Aggressive facilitate, expand and nurture sustainable economic growth and eradicate poverty	Promotion of tourism, agriculture and economic development	D		-	-	-	-	-	-	-	-	-	
Enable a resilient, sustainable, quality and inclusive living environment and human settlements. i.e.Housing development and informal settlement upgrade	Provide quality housing and ensure human dignity of our people	E		46 413	1 356	1 804	22 964	29 468	29 468	27 359	2 130	8 247	
To Facilitate social cohesion, sage and healthy communities	Promote health and safety environment	F		32 364	24 147	21 009	25 954	21 213	21 213	36 533	34 171	34 865	
Development and transformation for the institution to provide a people-centered human resources and administrative service to citizens, staff and Council	Provide training and capacity building	G		135	433	103	6 257	6 257	6 257	3 249	5 254	5 260	
Allocations to other priorities			2										
Total Revenue (excluding capital transfers and contributions)				1	371 401	316 476	343 937	378 583	413 372	413 372	447 294	451 830	487 596

Table 24: Reconciliation of IDP Strategic Objectives and Budget (Operating Expenditure)

WC012 Cederberg - 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													
Improve and Sustain basic service delivery and infrastructure development	Provision and maintenance of municipal services	A		157 924	178 676	175 511	190 392	201 070	201 070	207 432	226 342	243 091	
Implement strategies to ensure financial viability and economical sustainability	Financial Viability and Sustainability	B		45 486	55 436	56 575	53 199	67 933	67 933	58 397	60 861	63 761	
Good Governance, Community Development and Public Participation	Provision of Democratic and accountable governance	C		32 183	33 470	36 497	39 327	40 073	40 073	39 670	40 121	42 197	
Aggressive facilitate, expand and nurture sustainable economic growth and eradicate poverty	Promotion of tourism, agriculture and economic development	D		1 837	2 153	2 490	2 917	3 013	3 013	4 996	5 246	5 515	
Enable a resilient, sustainable, quality and inclusive living environment and human settlements. i.e.Housing development and informal settlement upgrade	Provide quality housing and ensure human dignity of our people	E		4 269	4 948	5 867	25 221	32 399	32 399	32 464	7 557	14 038	
To Facilitate social cohesion, sage and healthy communities	Promote health and safety environment	F		38 712	37 572	35 745	40 349	35 026	35 026	46 316	47 808	49 616	
Development and transformation for the institution to provide a people-centered human resources and administrative service to citizens, staff and Council	Provide training and capacity building	G		10 435	11 782	10 385	12 332	15 536	15 538	14 363	14 681	15 224	
Allocations to other priorities													
Total Expenditure				1	290 846	324 036	323 071	363 736	395 052	395 052	403 639	402 617	433 443

Table 25: Reconciliation of IDP Strategic Objectives and Budget (Capital Expenditure)

WC012 Cederberg - Supporting Table SA6 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		
				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												
Improve and Sustain basic service delivery and infrastructure development	Provision and maintenance of municipal services	A		53 328	32 397	43 263	45 325	62 263	62 263	56 846	50 799	48 519
Implement strategies to ensure financial viability and economical sustainability	Financial Viability and Sustainability	B		597	52	-	283	13	13	350	-	-
Good Governance, Community Development and Public Participation	Provision of Democratic and accountable governance	C		2 292	779	171	2 020	399	399	480	-	-
Aggressive facilitate, expand and nurture sustainable economic growth and eradicate poverty	Promotion of tourism, agriculture and economic development	D		-	-	-	-	-	-	-	-	-
Enable a resilient, sustainable, quality and inclusive living environment and human settlements. i.e.Housing development and informal settlement upgrade	Provide quality housing and ensure human dignity of our people	E		44 335	0	-	1 528	1 528	1 528	-	-	-
To Facilitate social cohesion, sage and healthy communities	Promote health and safety environment	F		4 031	1 302	1 601	2 105	7 135	7 135	2 871	-	-
Development and transformation for the institution to provide a people-centered human resources and administrative service to citizens, staff and Council	Provide training and capacity building	G		291	53	75	-	1	1	-	-	-
Allocations to other priorities			3									
Total Capital Expenditure			1	104 874	34 584	45 109	51 262	71 339	71 339	60 548	50 799	48 519

Measurable performance objectives and indicators

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

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

Table 26: The municipality's main performance objectives and benchmarks for the 2022/23 MTREF:

WC012 Cederberg - Supporting Table SA8 Performance indicators and benchmarks											
Description of financial indicator	Basis of calculation	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
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	4.2%	4.3%	5.0%	4.4%	4.3%	4.3%	4.3%	4.0%	4.2%	4.0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	5.6%	6.2%	7.3%	6.3%	6.6%	6.6%	6.6%	5.4%	5.2%	5.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	82.4%	68.4%	68.4%	68.4%	70.9%	74.3%	0.0%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity											
Current Ratio	Current assets/current liabilities	0.6	0.5	0.4	0.4	0.3	0.3	0.3	0.4	0.7	1.6
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0.6	0.5	0.4	0.4	0.3	0.3	0.3	0.4	0.7	1.6
Liquidity Ratio	Monetary Assets/Current Liabilities	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.1	0.7
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		86.4%	86.1%	91.6%	92.1%	96.4%	96.4%	96.4%	94.3%	94.5%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		86.4%	86.1%	91.6%	92.1%	96.4%	96.4%	96.4%	94.3%	94.5%	94.6%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	17.5%	14.8%	13.5%	11.3%	9.4%	9.4%	9.4%	8.6%	8.6%	8.1%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))										
Creditors to Cash and Investments		1101.3%	486.2%	981.5%	3498.5%	45187.5%	45187.5%	45187.5%	1612.5%	643.2%	60.8%
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW)	2631944	4 522								
	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated	4.2%	7.20%								
Water Distribution Losses (2)	Total Volume Losses (kℓ)	272	304								
	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated	11.09%	10.31%								
Employee costs	Employee costs/(Total Revenue - capital revenue)	37.6%	39.9%	40.4%	36.2%	37.1%	37.1%	37.1%	34.0%	35.4%	34.9%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	39.5%	41.8%	42.2%	37.8%	38.5%	38.5%	38.5%	35.3%	36.7%	36.1%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	10.5%	9.3%	8.1%	8.2%	8.4%	8.4%	8.4%	7.6%	7.7%	7.5%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	9.1%	10.0%	11.0%	9.3%	10.8%	10.8%	10.8%	9.9%	10.2%	9.7%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	46.2	40.8	26.5	42.7	42.7	42.7	46.5	51.2	55.8	59.6
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	28.2%	22.3%	20.3%	17.7%	15.1%	15.1%	15.1%	13.5%	12.4%	11.7%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	0.3	0.7	0.4	0.1	0.0	0.0	0.0	0.2	0.2	0.9

Performance indicators and benchmarks

Borrowing Management

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

Safety of Capital

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

Liquidity

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

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

Revenue Management

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

Creditors Management

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

Other Indicators

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

Repairs and maintenance as percentage of operating revenue is showing an increasing trend over the MTREF. This is mainly due to the allocation of Employee Related Costs to Repairs and Maintenance when the Employee Related cost is related to a repairs and maintenance project.

Table 27: Performance indicators & Benchmarks

WC012 Cederberg - 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
ENGINEERING & LANNING SERVICES										
Improve and Sustain basic services										
Water distribution and treatment	Project percentage	9.8%	9.3%	9.3%	7.3%	7.5%	7.5%	6.9%	7.1%	6.9%
Access to all residents										
Sewerage and Waste Management										
To ensure a high quality	Project percentage	5.3%	5.2%	4.1%	3.7%	5.2%	5.2%	5.3%	5.5%	5.3%
Solid Waste Disposal (landfill sites)										
Access to Refuse Removal	Project percentage	5.3%	5.2%	4.9%	4.3%	4.5%	4.5%	4.0%	4.2%	3.9%
Electricity Distribution										
Provision of Electricity connections	Project percentage	28.2%	30.0%	30.4%	31.9%	28.4%	28.4%	29.9%	33.8%	34.4%
Roads & Stormwater Management										
To develop and maintain the urban road	Project percentage	4.2%	3.8%	4.1%	3.6%	3.9%	3.9%	3.8%	4.0%	3.9%
Environmental Protection										
Ensure clean and healthy environment	Project percentage	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
COMMUNITY AND SOCIAL SERVICES										
Quality livings environment and human										
Housing & Informal Settlements										
Improve livings condition through human	Project percentage	0.7%	0.6%	0.8%	6.2%	7.3%	7.3%	7.0%	0.8%	2.2%
Sport & Recreation										
Effective Sport Facilities	Project percentage	5.8%	6.6%	6.9%	6.5%	5.5%	5.5%	5.5%	5.8%	5.7%
LED and tourism										
Access to economic development	Project percentage	1.8%	2.1%	2.3%	2.4%	2.4%	2.4%	3.2%	3.3%	3.3%
CORPORATE & STRATEGIC SERIVES										
Promote health and safety environment										
Health and safety of people										
Ensure health and safety environment	Project percentage	8.8%	6.3%	5.5%	5.8%	4.5%	4.5%	7.3%	7.5%	7.2%
FINANCIAL SERVICES										
Financial viability and Sustainability										
Financial Sustainability										
Financial viable	Project percentage	26.1%	26.8%	27.2%	24.3%	27.4%	27.4%	23.1%	23.8%	23.1%
General Council										
Governance & Administration										
Provision of Democratic and accountable governance	Project percentage	4.1%	3.9%	4.5%	4.1%	3.3%	3.3%	4.0%	4.2%	4.1%

2.3 Overview of budget related-policies

The budget related policies have been reviewed and are tabled in conjunction with this draft budget.

2.4 Overview of budget assumptions

External factors

The recovery rate of service debtors and rates are currently 93%. The recovery rate of fines, which is also considered a significant revenue source, is approximately 15%.

General inflation outlook and its impact on the municipal activities

The inflation outlook for South Africa is indicated below and has been taken into consideration in the compilation of the 2022/23 MTREF.

Fiscal year	2020/21	2021/22	2022/23	2023/24	2024/25
	Actual	Estimate	Forecast		
CPI Inflation	2.9%	4.5%	4.8%	4.4%	4.5%

Credit rating outlook

The credit outlook of South Africa remained under pressure, given the fact that the credit rating is currently being reviewed by major credit agencies.

Interest rates for borrowing and investment of funds

The inflation rate is currently in line with the target range of the South African Reserve Bank (3 % – 6 %) at 4.8%. Given this, it is assumed that interest rates will not significantly change over the MTREF.

Collection rate for revenue services

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

The rate of revenue collection is currently expressed as a percentage of annual billings. Cash flow is assumed to be 93% of billings. The performance of any increased collections or arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.

Growth or decline in tax base of the municipality

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

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

Salary increases

The Salary and Wage Collective Agreement for the period 01 July 2021 to 30 June 2024 dated 17 September 2021, through the South African Local Government Bargaining Council and therefore for the purposes of the draft budget, the 5.0% & 2.5% notch increase was used.

Impact of national, provincial and local policies

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

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

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link

between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

2.5 Overview of budget funding

Medium-term outlook: operating revenue

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

Description	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
Financial Performance										
Property rates	42 146	45 526	48 155	51 274	49 294	49 294	49 294	66 413	70 398	73 917
Service charges	128 888	144 763	151 562	169 263	173 483	173 483	173 483	187 535	209 729	227 516
Investment revenue	893	506	749	486	486	486	486	634	669	706
Transfers recognised - operational	61 945	64 462	77 633	89 873	102 866	102 866	102 866	104 175	81 903	93 509
Other own revenue	42 314	32 479	23 601	35 394	31 701	31 701	31 701	40 119	42 909	43 763
Total Revenue (excluding capital transfers and contributions)	276 186	287 736	301 700	346 291	357 831	357 831	357 831	398 876	405 608	439 412

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

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

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:

1. Clear separation of receipts and payments within each cash flow category;
2. 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

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

MBRR Table A7 - Budget cash flow statement

WC012 Cederberg - Table A7 Budgeted Cash Flows											
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
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		38 334	40 582	45 968	47 217	47 967	47 967	47 967	64 753	68 638	72 070
Service charges		109 485	123 172	137 056	155 956	166 772	166 772	166 772	174 791	196 096	213 061
Other revenue		14 994	12 107	9 474	18 073	16 838	16 838	16 838	16 575	19 145	19 748
Transfers and Subsidies - Operational	1	31 312	89 244	51 241	89 873	101 934	101 934	101 934	104 175	81 903	93 509
Transfers and Subsidies - Capital	1	83 599	28 740	42 237	32 292	55 392	55 392	55 392	48 418	46 223	48 184
Interest		4 889	506	749	3 269	825	825	825	835	880	929
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		(196 143)	(242 081)	(238 633)	(299 215)	(328 982)	(328 982)	(328 982)	(343 962)	(354 863)	(368 021)
Finance charges		(2 360)	(3 781)	(5 355)	(3 970)	(4 166)	(4 166)	(4 166)	(2 975)	(2 674)	(2 449)
Transfers and Grants	1	(1 066)	(1 144)	(406)	(884)	(839)	(839)	(839)	(1 980)	(2 026)	(2 073)
NET CASH FROM/(USED) OPERATING ACTIVITIES		83 044	47 344	42 331	42 611	55 741	55 741	55 741	60 629	53 322	74 958
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		702	67	351	200	189	189	189	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	32	32	32	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Payments											
Capital assets		(91 562)	(33 835)	(45 109)	(51 262)	(71 339)	(71 339)	(71 339)	(60 548)	(50 799)	(48 519)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(90 860)	(33 769)	(44 758)	(51 061)	(71 118)	(71 118)	(71 118)	(60 548)	(50 799)	(48 519)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	15 634	10 800	10 800	10 800	8 600	3 400	-
Increase (decrease) in consumer deposits		101	53	210	53	210	210	210	210	210	210
Payments											
Repayment of borrowing		(3 630)	(4 131)	(4 717)	(5 179)	(5 179)	(5 179)	(5 179)	(4 648)	(4 874)	(4 874)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(3 529)	(4 078)	(4 508)	10 508	5 831	5 831	5 831	4 162	(1 265)	(4 665)
NET INCREASE/ (DECREASE) IN CASH HELD		(11 345)	9 497	(6 935)	2 058	(9 547)	(9 547)	(9 547)	4 244	1 259	21 774
Cash/cash equivalents at the year begin:	2	18 532	7 187	16 685	690	9 750	9 750	9 750	203	4 446	5 706
Cash/cash equivalents at the year end:	2	7 187	16 685	9 750	2 748	203	203	203	4 446	5 706	27 480

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:

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

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

there were much larger surpluses then this negative trend may be a concern that requires closer examination.

MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation

WC012 Cederberg - Table A8 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
Cash and investments available											
Cash/cash equivalents at the year end	1	7 187	16 685	9 750	2 748	203	203	203	4 446	5 706	27 480
Other current investments > 90 days		0	0	0	0	0	0	0	-	-	-
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		7 187	16 685	9 750	2 748	203	203	203	4 446	5 706	27 480
Application of cash and investments											
Unspent conditional transfers		2 692	27 474	1 082	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	40 784	46 676	60 727	62 421	60 792	60 792	60 792	41 672	5 906	(14 785)
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		43 476	74 150	61 809	62 421	60 792	60 792	60 792	41 672	5 906	(14 785)
Surplus(shortfall)		(36 289)	(57 465)	(52 059)	(59 673)	(60 589)	(60 589)	(60 589)	(37 225)	(200)	42 265

The municipality will be cash funded only from outer two years of the MTREF. However, it is very important for the municipality to increase cash levels in order to allow for a contribution to the capital replacement reserve.

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

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

Funding compliance measurement

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

MBRR SA10 – Funding compliance measurement

Description	MFMA section	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	7 187	16 685	9 750	2 748	203	203	203	4 446	5 706	27 480
Cash + investments at the yr end less applications - R'000	18(1)b	2	(36 289)	(57 465)	(52 059)	(59 673)	(60 589)	(60 589)	(60 589)	(37 225)	(200)	42 265
Cash year end/monthly employee/supplier payments	18(1)b	3	0.3	0.7	0.4	0.1	0.0	0.0	0.0	0.2	0.2	0.9
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	80 555	(7 559)	20 866	14 847	18 321	18 321	18 321	43 666	49 213	54 152
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	5.3%	(1.0%)	4.4%	(5.0%)	(6.0%)	(6.0%)	8.0%	4.3%	1.6%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	79.3%	81.1%	86.2%	86.4%	91.7%	91.7%	91.7%	87.7%	88.4%	88.8%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	22.4%	24.4%	16.3%	13.4%	12.2%	12.2%	12.2%	13.9%	13.0%	12.4%
Capital payments % of capital expenditure	18(1)c,(19)	8	87.3%	97.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	82.4%	68.4%	68.4%	68.4%	70.9%	74.3%	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.	(12.3%)	(4.4%)	(3.9%)	(13.6%)	0.0%	0.0%	1.6%	1.7%	1.8%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	4.8%	4.3%	3.8%	4.3%	4.4%	4.4%	4.4%	4.2%	4.2%	4.3%
Asset renewal % of capital budget	20(1)(vi)	14	13.6%	2.5%	3.5%	4.4%	4.2%	4.2%	0.0%	0.0%	2.2%	0.0%

2.6 Expenditure on grants and reconciliations of unspent funds

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

WC012 Cederberg - 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:		51 470	59 776	69 849	64 455	67 945	67 945	73 030	76 022	81 382
Local Government Equitable Share		45 080	49 201	60 767	55 044	55 044	55 044	61 451	66 062	71 096
Finance Management		1 620	2 085	2 011	2 023	2 023	2 023	2 132	2 132	2 132
EPWP Incentive		1 819	1 954	2 121	1 755	1 755	1 755	1 359	-	-
Municipal Infrastructure Grant (PMU)		747	783	761	793	816	816	831	895	926
Municipal Infrastructure Grant (VAT)		1 160	1 905	1 972	2 022	2 022	2 022	2 145	2 218	2 296
Regional Bulk Infrastructure Grant (VAT)		-	-	-	-	3 468	3 468	1 982	1 976	2 070
Water Services Infrastructure Grant (VAT)		-	2 382	-	600	600	600	-	1 304	1 363
Integrated National Electrification Grant (VAT)		1 043	1 258	2 217	2 217	2 217	2 217	3 130	1 435	1 499
Municipal Disaster Grant (VAT)		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant (COVID-19)		-	209	-	-	-	-	-	-	-
Provincial Government:		6 488	7 403	5 995	25 418	34 436	34 436	31 145	5 881	12 127
PGWC Financial Management Capacity Building Grant		-	-	300	250	250	250	-	-	-
Road Maintenance (Proclaimed)		70	-	-	70	70	70	95	95	95
Library Services: MRFG		4 380	4 599	5 026	5 297	5 302	5 302	5 408	5 484	5 730
Thusong Service Centre (Sustainability Operational Support)		110	200	-	150	150	150	150	150	150
CDW Support		-	325	169	151	151	151	152	152	152
Human Settlement Development Grant		315	-	-	19 500	26 010	26 010	25 340	-	6 000
Municipal Capacity Building Grant		360	645	-	-	400	400	-	-	-
Financial Management Support Grant		501	580	500	-	958	958	-	-	-
Public Employment Support Grant		-	-	-	-	1 100	1 100	-	-	-
Municipal Library Support Grant		-	-	-	-	45	45	-	-	-
Acceleration of housing deliveries (VAT)		-	-	-	-	-	-	-	-	-
Municipal Drought Support (VAT)		-	-	-	-	-	-	-	-	-
Graduate Internship Grant		72	80	-	-	-	-	-	-	-
Municipal Drought Support		-	424	-	-	-	-	-	-	-
Municipal Disaster Grant (Drought Relief)		680	-	-	-	-	-	-	-	-
Local Government Support Grants (COVID-19)		-	550	-	-	-	-	-	-	-
Municipal Drought Support Grant (VAT)		-	-	-	-	-	-	-	-	-
District Municipality:		-	50	-	-	-	-	-	-	-
West Coast District Municipality - COVID 19		-	50	-	-	-	-	-	-	-
Other grant providers:		5	-	-	-	-	-	-	-	-
ASLA		5	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	57 963	67 229	75 844	89 873	102 381	102 381	104 175	81 903	93 509
Capital Transfers and Grants										
National Government:		12 397	47 727	27 948	32 287	55 382	55 382	48 418	46 223	48 184
Municipal Infrastructure Grant (MIG)		5 440	12 978	13 166	13 504	13 482	13 482	14 334	14 785	15 305
Regional Bulk Infrastructure Grant		-	-	-	-	23 117	23 117	13 215	13 177	13 797
Water Services Infrastructure Grant		-	26 364	-	4 000	4 000	4 000	-	8 696	9 087
Integrated National Electrification Grant (INEG)		6 957	8 384	14 783	14 783	14 783	14 783	20 870	9 565	9 995
Municipal Disaster Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		44 558	3 076	-	5	160	160	-	-	-
Library Services MRF Capital		20	-	-	5	-	-	-	-	-
Municipal Library Support Grant (Capital)		-	-	-	-	160	160	-	-	-
Human Settlement Development Grant (Beneficiaries)		44 251	-	-	-	-	-	-	-	-
Municipal Drought Support Grant		-	3 076	-	-	-	-	-	-	-
Acceleration of housing deliveries		-	-	-	-	-	-	-	-	-
Financial Management Support Grant		287	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
West Coast District Municipality - COVID 19		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
ASLA		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	56 955	50 802	27 948	32 292	55 542	55 542	48 418	46 223	48 184
TOTAL RECEIPTS OF TRANSFERS & GRANTS		114 918	118 032	103 793	122 165	157 923	157 923	152 593	128 126	141 693

WC012 Cederberg - 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:										
Operating Transfers and Grants										
National Government:		51 470	59 776	69 849	64 455	67 945	67 945	73 030	76 022	81 382
Local Government Equitable Share		45 080	49 201	60 767	55 044	55 044	55 044	61 451	66 062	71 096
Finance Management		1 620	2 085	2 011	2 023	2 023	2 023	2 132	2 132	2 132
EPWP Incentive		1 819	1 954	2 121	1 755	1 755	1 755	1 359	-	-
Municipal Infrastructure Grant (PMU)		747	783	761	793	816	816	831	895	926
Municipal Infrastructure Grant (VAT)		1 160	1 905	1 972	2 022	2 022	2 022	2 145	2 218	2 296
Regional Bulk Infrastructure Grant (VAT)		-	-	-	-	3 468	3 468	1 982	1 976	2 070
Water Services Infrastructure Grant (VAT)		-	2 382	-	600	600	600	-	1 304	1 363
Integrated National Electrification Grant (VAT)		1 043	1 258	2 217	2 217	2 217	2 217	3 130	1 435	1 499
Municipal Disaster Grant (VAT)		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant (COVID-19)		-	209	-	-	-	-	-	-	-
Provincial Government:		6 488	7 403	5 995	25 418	34 436	34 436	31 145	5 881	12 127
PGWC Financial Management Capacity Building Grant		-	-	300	250	250	250	-	-	-
Road Maintenance (Proclaimed)		70	-	-	70	70	70	95	95	95
Library Services: MRFG		4 380	4 599	5 026	5 297	5 302	5 302	5 408	5 484	5 730
Thusong Service Centre (Sustainability Operational Support)		110	200	-	150	150	150	150	150	150
CDW Support		-	325	169	151	151	151	152	152	152
Human Settlement Development Grant		315	-	-	19 500	26 010	26 010	25 340	-	6 000
Municipal Capacity Building Grant		360	645	-	-	400	400	-	-	-
Financial Management Support Grant		501	580	500	-	958	958	-	-	-
Public Employment Support Grant		-	-	-	-	1 100	1 100	-	-	-
Municipal Library Support Grant		-	-	-	-	45	45	-	-	-
Acceleration of housing deliveries (VAT)		-	-	-	-	-	-	-	-	-
Municipal Drought Support (VAT)		-	-	-	-	-	-	-	-	-
Graduate Internship Grant		72	80	-	-	-	-	-	-	-
Municipal Drought Support		-	424	-	-	-	-	-	-	-
Municipal Disaster Grant (Drought Relief)		680	-	-	-	-	-	-	-	-
Local Government Support Grants (COVID-19)		-	550	-	-	-	-	-	-	-
Municipal Drought Support Grant (VAT)		-	-	-	-	-	-	-	-	-
District Municipality:		-	50	-	-	-	-	-	-	-
West Coast District Municipality - COVID 19		-	50	-	-	-	-	-	-	-
Other grant providers:		5	-	-	-	-	-	-	-	-
ASLA		5	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	57 963	67 229	75 844	89 873	102 381	102 381	104 175	81 903	93 509
Capital Transfers and Grants										
National Government:		12 397	47 727	27 948	32 287	55 382	55 382	48 418	46 223	48 184
Municipal Infrastructure Grant (MIG)		5 440	12 978	13 166	13 504	13 482	13 482	14 334	14 785	15 305
Regional Bulk Infrastructure Grant		-	-	-	-	23 117	23 117	13 215	13 177	13 797
Water Services Infrastructure Grant		-	26 364	-	4 000	4 000	4 000	-	8 696	9 087
Integrated National Electrification Grant (INEG)		6 957	8 384	14 783	14 783	14 783	14 783	20 870	9 565	9 995
Municipal Disaster Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		44 558	3 076	-	5	160	160	-	-	-
Library Services MRF Capital		20	-	-	5	-	-	-	-	-
Municipal Library Support Grant (Capital)		-	-	-	-	160	160	-	-	-
Human Settlement Development Grant (Beneficiaries)		44 251	-	-	-	-	-	-	-	-
Municipal Drought Support Grant		-	3 076	-	-	-	-	-	-	-
Acceleration of housing deliveries		-	-	-	-	-	-	-	-	-
Financial Management Support Grant		287	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
West Coast District Municipality - COVID 19		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
ASLA		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	56 955	50 802	27 948	32 292	55 542	55 542	48 418	46 223	48 184
TOTAL RECEIPTS OF TRANSFERS & GRANTS		114 918	118 032	103 793	122 165	157 923	157 923	152 593	128 126	141 693

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

WC012 Cederberg - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds										
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
Operating transfers and grants:										
National Government:										
Balance unspent at beginning of the year		1 673	164	2 096	-	77	77	-	-	-
Repaid to Treasury		-	-	-	-	(77)	(77)	-	-	-
Current year receipts		51 470	59 776	69 849	64 455	67 945	67 945	73 030	76 022	81 382
Conditions met - transferred to revenue		52 979	57 844	71 869	64 455	67 945	67 945	73 030	76 022	81 382
Conditions still to be met - transferred to liabilities		164	2 096	77	-	-	-	-	-	-
Provincial Government:										
Balance unspent at beginning of the year		3 142	667	1 455	-	856	856	-	-	-
Repaid to Treasury		(2)	(48)	(829)	-	(371)	(371)	-	-	-
Current year receipts		6 488	7 403	5 995	25 418	34 436	34 436	31 145	5 881	12 127
Conditions met - transferred to revenue		8 961	6 567	5 765	25 418	34 921	34 921	31 145	5 881	12 127
Conditions still to be met - transferred to liabilities		667	1 455	856	-	-	-	-	-	-
District Municipality:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	50	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	50	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Other grant providers:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		5	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		5	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Total operating transfers and grants revenue		61 945	64 462	77 633	89 873	102 866	102 866	104 175	81 903	93 509
Total operating transfers and grants - CTBM	2	831	3 551	933	-	-	-	-	-	-
Capital transfers and grants:										
National Government:										
Balance unspent at beginning of the year		13 449	1 091	23 923	-	149	149	-	-	-
Repaid to Treasury		-	-	(9 486)	-	(149)	(149)	-	-	-
Current year receipts		12 397	47 727	27 948	32 287	55 382	55 382	48 418	46 223	48 184
Conditions met - transferred to revenue		24 754	24 894	42 237	32 287	55 382	55 382	48 418	46 223	48 184
Conditions still to be met - transferred to liabilities		1 091	23 923	149	-	-	-	-	-	-
Provincial Government:										
Balance unspent at beginning of the year		15 196	770	-	-	-	-	-	-	-
Repaid to Treasury		-	-	-	-	-	-	-	-	-
Current year receipts		44 558	3 076	-	5	160	160	-	-	-
Conditions met - transferred to revenue		58 984	3 846	-	5	160	160	-	-	-
Conditions still to be met - transferred to liabilities		770	-	-	-	-	-	-	-	-
District Municipality:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Other grant providers:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Total capital transfers and grants revenue		83 739	28 740	42 237	32 292	55 542	55 542	48 418	46 223	48 184
Total capital transfers and grants - CTBM	2	1 861	23 923	149	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		145 684	93 202	119 870	122 165	158 408	158 408	152 593	128 126	141 693
TOTAL TRANSFERS AND GRANTS - CTBM		2 692	27 474	1 082	-	-	-	-	-	-

2.7 Allocations and Grants made by the municipality

The following contributions are projected over the MTREF:

WC012 Cederberg - Supporting Table SA21 Transfers and grants made by the municipality											
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 Transfers to Organisations											
<i>Sport Councils</i>		117	63	50	46	35	35	35	180	181	182
<i>Tourism</i>		300	-	13	300	100	100	100	1 500	1 538	1 576
<i>Public Schools</i>		3	-	-	-	-	-	-	-	-	-
<i>National Sea Rescue Institute</i>		-	94	-	-	-	-	-	-	-	-
<i>Old Dam Festival</i>		340	15	-	-	-	-	-	-	-	-
<i>ATKV</i>		-	20	-	-	-	-	-	-	-	-
Total Cash Transfers To Organisations		759	192	63	346	135	135	135	1 680	1 718	1 757
Cash Transfers to Groups of Individuals											
<i>Bursaries for non-employees</i>		307	184	314	250	395	395	395	-	-	-
Total Cash Transfers To Groups Of Individuals:		307	184	314	250	395	395	395	-	-	-
TOTAL CASH TRANSFERS AND GRANTS	6	1 066	376	377	596	530	530	530	1 680	1 718	1 757
Groups of Individuals											
<i>Wuppertal Support</i>	5	-	19	7	15	14	14	14	-	-	-
<i>Social Relief</i>		66	898	106	273	294	294	294	300	308	315
Total Non-Cash Grants To Groups Of Individuals:		66	917	113	288	309	309	309	300	308	315
TOTAL NON-CASH TRANSFERS AND GRANTS		66	917	113	288	309	309	309	300	308	315
TOTAL TRANSFERS AND GRANTS	6	1 132	1 293	489	884	839	839	839	1 980	2 026	2 073

2.8 Councilor and employee benefits

MBRR SA22 - Summary of councilor and staff benefits

WC012 Cederberg - Supporting Table SA22 Summary councilor and staff benefits										
Summary of Employee and Councilor remuneration	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		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		4 061	4 313	4 392	4 671	3 998	3 998	4 218	4 404	4 602
Pension and UIF Contributions		519	510	585	622	205	205	216	225	236
Medical Aid Contributions		110	142	162	180	100	100	105	110	115
Motor Vehicle Allowance		257	75	-	-	217	217	229	239	249
Cellphone Allowance		445	529	433	118	320	320	338	353	369
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		5 392	5 570	5 572	5 591	4 840	4 840	5 106	5 331	5 571
% increase	4		3.3%	0.0%	0.3%	(13.4%)	-	5.5%	4.4%	4.5%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		5 211	2 069	3 676	3 291	4 754	4 754	4 281	4 576	4 897
Pension and UIF Contributions		212	308	22	395	397	397	518	554	593
Medical Aid Contributions		39	66	-	58	58	58	121	130	139
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		156	1	74	63	63	63	-	-	-
Motor Vehicle Allowance	3	396	316	244	510	494	494	401	428	458
Cellphone Allowance	3	54	50	100	223	234	234	210	224	240
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	27	26	0	51	50	50	23	25	26
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		6 095	2 836	4 116	4 591	6 051	6 051	5 554	5 938	6 353
% increase	4		(53.5%)	45.1%	11.6%	31.8%	-	(8.2%)	6.9%	7.0%
Other Municipal Staff										
Basic Salaries and Wages		66 863	76 974	82 854	87 877	89 067	89 067	92 346	97 008	103 626
Pension and UIF Contributions		10 384	11 422	12 794	13 484	13 970	13 970	14 797	15 794	16 896
Medical Aid Contributions		3 660	4 051	4 325	4 763	4 912	4 912	5 211	5 570	5 958
Overtime		3 791	4 268	3 349	1 795	3 050	3 050	2 768	2 959	3 166
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	4 289	5 174	5 423	3 511	6 546	6 546	5 989	6 395	6 835
Cellphone Allowance	3	356	361	374	315	435	435	331	354	379
Housing Allowances	3	639	505	420	441	335	335	336	359	384
Other benefits and allowances	3	4 000	4 399	4 632	3 698	4 271	4 271	3 955	4 227	4 522
Payments in lieu of leave		1 230	2 600	1 957	3 009	2 079	2 079	2 152	2 228	2 305
Long service awards		344	475	495	547	539	539	590	647	708
Post-retirement benefit obligations	6	2 155	1 752	1 118	1 269	1 591	1 591	1 754	1 934	2 133
Sub Total - Other Municipal Staff		97 711	111 981	117 741	120 708	126 795	126 795	130 230	137 476	146 914
% increase	4		14.6%	5.1%	2.5%	5.0%	-	2.7%	5.6%	6.9%
TOTAL SALARY, ALLOWANCES & BENEFITS		109 198	120 387	127 429	130 891	137 686	137 686	140 891	148 745	158 838
% increase	4		10.2%	5.8%	2.7%	5.2%	-	2.3%	5.6%	6.8%
TOTAL MANAGERS AND STAFF	5.7	103 806	114 817	121 857	125 300	132 846	132 846	135 785	143 414	153 267

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

WC012 Cederberg - 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.
<u>Councillors</u>	3							
Speaker	4		555 443	76 497	30 545			662 485
Chief Whip			-	-	-			-
Executive Mayor			739 785	46 180	27 861			813 826
Deputy Executive Mayor			616 388	-	27 861			644 249
Executive Committee			847 789	81 322	299 445			1 228 556
Total for all other councillors			1 458 969	117 218	181 026			1 757 213
Total Councillors	8	-	4 218 374	321 217	566 738			5 106 329
<u>Senior Managers of the Municipality</u>	5							
Municipal Manager (MM)			1 135 573	232 837	154 926	-		1 523 336
Chief Finance Officer			1 043 637	172 747	180 133	-		1 396 517
Director Community Development Services			1 013 822	231 738	142 769	-		1 388 329
Director Corporate Services			-	-	-	-		-
Director Engineering Services			1 087 975	2 285	156 000	-		1 246 260
								-
Total Senior Managers of the Municipality	8,10	-	4 281 007	639 607	633 828	-		5 554 442
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	-	8 499 381	960 824	1 200 566	-		10 660 771

MBRR SA24 – Summary of personnel numbers

WC012 Cederberg - Supporting Table SA24 Summary of personnel numbers										
Summary of Personnel Numbers	Ref	2020/21			Current Year 2021/22			Budget Year 2022/23		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		11		10	11		11	11		11
Board Members of municipal entities	4	-	-	-	-	-	-	-	-	-
Municipal employees	5									
Municipal Manager and Senior Managers	3	4	1	2	4	-	1	4	-	4
Other Managers	7	15	14	1	15	13	2	16	16	-
Professionals		34	30	-	34	30	-	36	33	3
<i>Finance</i>		11	8	-	11	8	-	8	8	-
<i>Spatial/town planning</i>		2	2	-	2	2	-	1	1	-
<i>Information Technology</i>		1	1	-	1	1	-	1	1	-
<i>Roads</i>		-	-	-	-	-	-	4	4	-
<i>Electricity</i>		-	-	-	-	-	-	1	1	-
<i>Water</i>		1	1	-	1	1	-	-	-	-
<i>Sanitation</i>		-	-	-	-	-	-	1	1	-
<i>Refuse</i>		1	1	-	1	1	-	-	-	-
<i>Other</i>		18	17	-	18	17	-	20	17	3
Technicians		38	34	2	38	34	2	47	47	-
<i>Finance</i>		-	-	-	-	-	-	4	4	-
<i>Spatial/town planning</i>		-	-	-	-	-	-	2	2	-
<i>Information Technology</i>		-	-	-	-	-	-	-	-	-
<i>Roads</i>		19	16	1	19	16	1	3	3	-
<i>Electricity</i>		7	6	1	7	6	1	5	5	-
<i>Water</i>		5	5	-	5	5	-	3	3	-
<i>Sanitation</i>		3	3	-	3	3	-	-	-	-
<i>Refuse</i>		3	3	-	3	3	-	3	3	-
<i>Other</i>		1	1	-	1	1	-	27	27	-
Clerks (Clerical and administrative)		45	40	5	45	40	5	63	61	2
Service and sales workers		64	63	1	64	63	1	26	24	2
Skilled agricultural and fishery workers		-	-	-	-	-	-	-	-	-
Craft and related trades		-	-	-	-	-	-	4	4	-
Plant and Machine Operators		20	16	2	20	16	2	31	31	-
Elementary Occupations		158	131	5	158	131	5	136	124	12
TOTAL PERSONNEL NUMBERS	9	389	329	28	389	327	29	374	340	34
% increase						(0.6%)	3.6%	(3.9%)	4.0%	17.2%
Total municipal employees headcount	6, 10	49	43	6	49	43	6	49	43	6
Finance personnel headcount	8, 10	42	36	6	42	36	6	42	36	6
Human Resources personnel headcount	8, 10	7	7	-	7	7	-	7	7	-

2.9 Monthly targets for revenue, expenditure and cash flow

MBRR SA25 - Budgeted monthly revenue and expenditure

WC012 Cederberg - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	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		13 053	4 871	4 870	4 873	4 859	4 860	4 857	4 866	4 850	4 848	4 847	4 757	66 413	70 398	73 917
Service charges - electricity revenue		12 928	13 243	11 273	10 834	8 428	11 718	8 377	10 469	9 517	10 530	9 080	13 231	129 629	149 079	163 990
Service charges - water revenue		2 267	2 635	2 327	2 569	2 408	2 356	2 651	2 492	2 548	2 768	2 530	1 904	29 456	30 630	31 851
Service charges - sanitation revenue		1 279	1 292	1 297	1 252	1 208	1 220	1 091	1 238	1 110	1 254	1 306	1 109	14 656	15 535	16 467
Service charges - refuse revenue		1 142	1 154	1 137	1 169	1 140	1 153	1 134	1 160	1 148	1 156	1 161	1 139	13 794	14 484	15 208
Rental of facilities and equipment		36	36	36	36	36	36	36	36	36	36	36	36	437	461	486
Interest earned - external investments		53	53	53	53	53	53	53	53	53	53	53	53	634	669	706
Interest earned - outstanding debtors		334	334	334	334	334	334	334	334	334	334	334	334	4 006	4 226	4 459
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1 882	1 666	1 835	1 865	1 865	1 857	1 693	1 693	1 663	1 673	1 640	1 488	20 820	20 824	20 848
Licences and permits		-	-	-	3	-	-	-	-	-	-	-	-	3	3	3
Agency services		392	383	383	424	363	283	377	388	323	247	216	262	4 042	4 264	4 498
Transfers and subsidies		33 076	1 145	2 315	2 715	2 558	21 559	1 533	7 504	20 297	2 062	1 908	7 504	104 175	81 903	93 509
Other revenue		305	287	458	1 878	1 150	904	264	553	964	1 651	341	57	8 812	11 131	11 468
Gains		-	-	-	-	-	-	-	-	-	-	-	2 000	2 000	2 000	
Total Revenue (excluding capital transfers and contributions)		66 746	27 100	26 319	28 005	24 403	46 333	22 401	30 787	42 843	26 612	23 451	33 876	398 876	405 608	439 412
Expenditure By Type																
Employee related costs		10 427	10 171	10 760	10 889	16 305	11 321	11 114	11 114	11 114	10 636	10 857	11 077	135 785	143 414	153 267
Remuneration of councillors		409	409	409	409	410	410	405	432	404	387	383	638	5 106	5 331	5 571
Debt impairment		2 934	2 934	2 934	2 934	2 934	2 934	2 934	2 934	2 934	2 934	2 934	2 934	35 203	36 363	37 478
Depreciation & asset impairment		2 346	2 346	2 346	2 346	2 346	2 346	2 346	2 346	2 346	2 346	2 346	2 346	28 151	29 322	29 943
Finance charges		944	944	944	944	944	944	944	944	944	944	944	944	11 328	11 868	12 573
Bulk purchases - electricity		10 335	10 588	9 013	8 662	6 738	9 368	6 697	8 370	7 609	8 419	7 259	10 578	103 638	119 184	131 102
Inventory consumed		407	442	489	673	593	309	547	856	580	686	619	772	6 972	7 019	7 117
Contracted services		1 300	1 942	2 709	2 706	3 721	1 901	2 830	6 470	6 811	4 862	6 266	9 134	50 654	23 049	29 338
Transfers and grants		106	65	15	30	10	10	169	10	668	106	124	667	1 980	2 026	2 073
Other expenditure		371	1 124	702	2 556	1 483	1 605	1 904	883	2 984	675	2 839	5 697	22 822	23 042	22 982
Losses		-	-	-	-	-	-	-	-	-	-	-	2 000	2 000	2 000	
Total Expenditure		29 580	30 963	30 322	32 149	35 483	31 147	29 890	34 360	36 394	31 995	34 570	46 787	403 639	402 617	433 443
Surplus/(Deficit)																
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		37 166	(3 863)	(4 003)	(4 144)	(11 080)	15 185	(7 489)	(3 572)	6 450	(5 383)	(11 119)	(12 911)	(4 762)	2 991	5 968
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		79	150	5 710	7 187	3 178	3 796	2 376	472	7 834	7 126	5 574	4 936	48 418	46 223	48 184
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		37 246	(3 712)	1 707	3 043	(7 902)	18 981	(5 114)	(3 101)	14 284	1 744	(5 545)	(7 975)	43 656	49 213	54 152
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	37 246	(3 712)	1 707	3 043	(7 902)	18 981	(5 114)	(3 101)	14 284	1 744	(5 545)	(7 975)	43 656	49 213	54 152

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

WC012 Cederberg - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)																
Description	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 - Executive and Council		3 216	111	225	264	249	2 096	149	730	1 974	200	185	730	10 129	10 442	11 150
Vote 2 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Financial Administrative Services		14 127	5 292	5 321	5 381	5 339	5 720	5 285	5 426	5 686	5 335	5 285	7 299	75 496	79 753	83 561
Vote 4 - Community Development Services		2 342	111	480	610	381	1 737	252	578	1 856	557	443	796	10 143	6 039	6 307
Vote 5 - Corporate and Strategic Services		166	113	177	693	428	367	105	219	387	610	134	39	3 437	5 452	5 469
Vote 6 - Planning and Development Services		364	76	130	460	288	401	76	194	407	402	99	83	2 979	3 120	3 269
Vote 7 - Public Safety		2 271	2 047	2 215	2 289	2 226	2 138	2 068	2 079	1 983	1 918	1 853	1 748	24 836	25 059	25 315
Vote 8 - Electricity		17 529	13 467	14 056	14 309	10 153	16 331	9 614	11 710	15 697	13 888	11 747	16 396	164 897	174 403	190 922
Vote 9 - Waste Management		4 385	1 266	1 364	1 435	1 391	3 267	1 284	1 895	3 138	1 359	1 348	1 875	24 009	25 017	26 560
Vote 10 - Waste Water Management		5 280	1 439	1 894	1 979	1 693	4 035	1 408	2 171	3 998	1 898	1 846	2 290	29 932	28 098	38 453
Vote 11 - Water		8 895	2 928	5 220	6 171	4 272	8 271	3 969	4 189	9 930	6 214	5 284	5 502	70 846	74 016	77 819
Vote 12 - Housing		8 046	279	563	660	622	5 244	373	1 825	4 937	501	464	1 825	25 340	-	6 000
Vote 13 - Road Transport		86	8	211	265	121	190	89	36	332	261	205	196	2 000	17 003	9 155
Vote 14 - Sports and Recreation		119	113	173	675	418	331	105	207	352	595	132	32	3 250	3 429	3 618
Total Revenue by Vote		66 825	27 251	32 028	35 192	27 582	50 128	24 776	31 259	50 678	33 738	29 025	38 812	447 294	451 830	487 596
Expenditure by Vote to be appropriated																
Vote 1 - Executive and Council		508	500	492	503	531	495	528	524	648	494	501	892	6 617	6 895	7 193
Vote 2 - Office of the Municipal Manager		1 236	1 275	1 320	1 479	1 988	1 373	1 565	1 630	2 287	1 527	1 804	2 633	20 117	21 016	22 095
Vote 3 - Financial Administrative Services		3 599	3 927	3 951	4 720	5 352	4 308	4 508	4 526	5 385	4 171	5 223	8 728	58 397	60 861	63 761
Vote 4 - Community Development Services		1 025	1 008	1 063	1 090	1 600	1 119	1 109	1 113	1 139	1 061	1 104	1 165	13 597	12 734	13 433
Vote 5 - Corporate and Strategic Services		1 102	1 287	1 372	1 681	2 061	1 435	1 606	1 954	2 306	1 659	2 194	3 046	21 704	22 328	23 214
Vote 6 - Planning and Development Services		642	645	681	719	1 024	714	721	749	773	699	753	835	8 954	9 515	10 090
Vote 7 - Public Safety		2 500	2 503	2 583	2 612	3 141	2 604	2 629	2 761	2 769	2 653	2 728	2 866	32 349	33 234	34 217
Vote 8 - Electricity		11 558	11 842	10 314	10 043	8 364	10 668	8 058	9 857	9 120	9 806	8 743	12 254	120 627	136 268	149 189
Vote 9 - Waste Management		1 169	1 184	1 228	1 308	1 662	1 264	1 294	1 344	1 379	1 267	1 354	1 502	15 955	16 728	16 985
Vote 10 - Waste Water Management		1 287	1 395	1 395	1 642	1 731	1 482	1 564	1 593	1 837	1 480	1 795	2 265	19 466	20 176	21 056
Vote 11 - Water		1 926	2 026	2 055	2 330	2 689	2 169	2 252	2 281	2 525	2 137	2 471	2 972	27 832	28 618	29 992
Vote 12 - Housing		877	1 197	1 593	1 605	2 219	1 198	1 666	3 493	3 664	2 673	3 386	4 841	28 412	3 273	9 490
Vote 13 - Road Transport		1 122	1 151	1 189	1 280	1 524	1 203	1 255	1 341	1 374	1 254	1 351	1 531	15 574	16 069	16 876
Vote 14 - Sports and Recreation		1 029	1 024	1 084	1 137	1 598	1 114	1 136	1 194	1 188	1 115	1 163	1 258	14 038	14 902	15 852
Total Expenditure by Vote		29 580	30 963	30 322	32 149	35 483	31 147	29 890	34 360	36 394	31 995	34 570	46 787	403 639	402 617	433 443
Surplus/(Deficit) before assoc.		37 246	(3 712)	1 707	3 043	(7 902)	18 981	(5 114)	(3 101)	14 284	1 744	(5 545)	(7 975)	43 656	49 213	54 152
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	37 246	(3 712)	1 707	3 043	(7 902)	18 981	(5 114)	(3 101)	14 284	1 744	(5 545)	(7 975)	43 656	49 213	54 152

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

WC012 Cederberg - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)																
Description	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
R thousand																
Revenue - Functional																
<i>Governance and administration</i>		17 961	5 551	5 776	6 423	6 085	8 495	5 579	6 497	8 343	6 217	5 650	8 181	90 758	96 003	100 554
Executive and council		3 216	111	225	264	249	2 096	149	730	1 974	200	185	730	10 129	10 442	11 150
Finance and administration		14 745	5 439	5 551	6 159	5 836	6 399	5 430	5 768	6 370	6 017	5 464	7 452	80 629	85 561	89 404
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		11 934	2 132	2 996	3 727	3 214	8 854	2 381	4 178	8 509	3 252	2 630	4 026	57 832	29 907	36 366
Community and social services		1 890	77	427	526	312	1 425	212	455	1 559	485	397	683	8 448	5 685	5 934
Sport and recreation		119	113	173	675	418	331	105	207	352	595	132	32	3 250	3 429	3 618
Public safety		1 880	1 664	1 832	1 865	1 862	1 854	1 691	1 691	1 660	1 670	1 637	1 486	20 793	20 793	20 815
Housing		8 046	279	563	660	622	5 244	373	1 825	4 937	501	464	1 825	25 340	-	6 000
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		841	467	723	1 148	772	875	542	618	1 062	910	520	542	9 021	24 387	16 922
Planning and development		364	76	130	460	288	401	76	194	407	402	99	83	2 979	3 120	3 269
Road transport		477	391	594	689	484	473	466	424	655	508	421	458	6 042	21 267	13 653
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		36 089	19 101	22 533	23 894	17 509	31 905	16 275	19 966	32 764	23 359	20 225	26 063	289 684	301 534	333 754
Energy sources		17 529	13 467	14 056	14 309	10 153	16 331	9 614	11 710	15 697	13 888	11 747	16 396	164 897	174 403	190 922
Water management		8 895	2 928	5 220	6 171	4 272	8 271	3 969	4 189	9 930	6 214	5 284	5 502	70 846	74 016	77 819
Waste water management		5 280	1 439	1 894	1 979	1 693	4 035	1 408	2 171	3 998	1 898	1 846	2 290	28 932	28 098	38 453
Waste management		4 385	1 266	1 364	1 435	1 391	3 267	1 284	1 895	3 138	1 359	1 348	1 875	24 009	25 017	26 560
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional		66 825	27 251	32 028	35 192	27 582	50 128	24 776	31 259	50 678	33 738	29 025	38 812	447 294	451 830	487 596
Expenditure - Functional																
<i>Governance and administration</i>		6 798	7 315	7 532	8 683	10 521	8 010	8 444	8 972	10 375	8 135	9 879	14 878	109 541	112 723	118 156
Executive and council		949	953	990	1 014	1 274	993	1 049	1 151	1 293	1 053	1 119	1 619	13 456	14 061	14 760
Finance and administration		5 644	6 157	6 325	7 443	8 918	6 788	7 167	7 586	8 839	6 862	8 523	13 001	93 254	95 652	100 188
Internal audit		205	205	217	226	329	228	228	235	243	220	236	259	2 832	3 010	3 208
<i>Community and public safety</i>		4 811	5 123	5 682	5 784	7 588	5 359	5 868	7 894	8 072	6 865	7 718	9 426	80 189	56 864	65 249
Community and social services		614	605	640	654	959	670	664	677	682	643	665	697	8 171	8 424	8 861
Sport and recreation		1 029	1 024	1 084	1 137	1 598	1 114	1 136	1 194	1 188	1 115	1 163	1 258	14 038	14 902	15 852
Public safety		2 290	2 297	2 365	2 389	2 812	2 377	2 402	2 530	2 539	2 435	2 630	2 630	29 567	30 265	31 046
Housing		877	1 197	1 593	1 605	2 219	1 198	1 666	3 493	3 664	2 673	3 386	4 841	28 412	3 273	9 490
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		1 919	1 957	1 989	2 212	2 763	2 070	2 269	2 255	2 913	2 160	2 441	3 277	28 225	29 376	30 879
Planning and development		787	808	801	950	1 213	860	1 024	948	1 581	928	1 131	1 828	12 859	13 465	14 115
Road transport		1 132	1 149	1 188	1 261	1 550	1 210	1 246	1 307	1 331	1 233	1 310	1 449	15 366	15 911	16 764
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		16 052	16 569	15 119	15 471	14 611	15 709	13 308	15 239	15 033	14 834	14 532	19 206	185 683	203 654	219 159
Energy sources		11 558	11 842	10 314	10 043	8 364	10 668	8 058	9 857	9 120	9 806	8 743	12 254	120 627	136 268	149 189
Water management		1 926	2 026	2 055	2 330	2 689	2 169	2 252	2 281	2 525	2 137	2 471	2 972	27 832	29 992	29 992
Waste water management		1 399	1 517	1 522	1 789	1 896	1 607	1 704	1 757	2 011	1 625	1 964	2 479	21 270	22 040	22 993
Waste management		1 169	1 184	1 228	1 308	1 662	1 264	1 294	1 344	1 379	1 267	1 354	1 502	15 955	16 728	16 985
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional		29 580	30 963	30 322	32 149	35 483	31 147	29 890	34 360	36 394	31 995	34 570	46 787	403 639	402 617	433 443
Surplus/(Deficit) before assoc.		37 246	(3 712)	1 707	3 043	(7 902)	18 981	(5 114)	(3 101)	14 284	1 744	(5 545)	(7 975)	43 656	49 213	54 152
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	37 246	(3 712)	1 707	3 043	(7 902)	18 981	(5 114)	(3 101)	14 284	1 744	(5 545)	(7 975)	43 656	49 213	54 152

MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

WC012 Cederberg - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	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	1															
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Financial Administrative Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Community Development Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Corporate and Strategic Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Planning and Development Services		-	-	696	-	-	696	-	-	348	-	-	-	1 739	14 785	7 961
Vote 7 - Public Safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Waste Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Water		-	-	-	2 500	2 500	2 500	2 500	2 500	715	-	-	-	13 215	13 177	13 797
Vote 12 - Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Road Transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Sports and Recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	120	-
Capital multi-year expenditure sub-total	2	-	-	696	2 500	2 500	3 196	2 500	2 500	1 063	-	-	-	14 954	28 082	21 758
Single-year expenditure to be appropriated																
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Financial Administrative Services		-	-	-	350	-	-	-	-	-	-	-	-	350	-	-
Vote 4 - Community Development Services		1 200	1 271	400	-	-	-	-	-	-	-	-	-	2 871	-	-
Vote 5 - Corporate and Strategic Services		-	-	-	480	-	-	-	-	-	-	-	-	480	-	-
Vote 6 - Planning and Development Services		-	-	35	-	-	-	-	-	-	-	-	-	35	-	-
Vote 7 - Public Safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Electricity		1 739	1 949	1 739	1 739	1 739	1 739	1 739	4 039	3 239	2 739	2 739	1 739	26 880	12 765	9 995
Vote 9 - Waste Management		-	-	205	-	-	-	-	900	-	-	-	-	1 105	-	-
Vote 10 - Waste Water Management		-	-	1 515	385	-	1 075	-	1 538	1 000	-	-	-	5 514	245	7 679
Vote 11 - Water		-	-	2 960	-	-	2 960	-	-	1 480	-	-	-	7 400	8 807	9 087
Vote 12 - Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Road Transport		-	60	-	-	-	-	-	900	-	-	-	-	960	900	-
Vote 14 - Sports and Recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2	2 939	3 281	6 854	2 954	1 739	5 774	1 739	5 839	6 257	3 739	2 739	1 739	45 594	22 717	26 761
Total Capital Expenditure	2	2 939	3 281	7 550	5 454	4 239	8 970	4 239	8 339	7 319	3 739	2 739	1 739	60 548	50 799	48 519

MBRR SA29 - Budgeted monthly capital expenditure (standard classification)

WC012 Cederberg - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	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	1																
<i>Governance and administration</i>					830									830			
Executive and council																	
Finance and administration					830									830			
Internal audit																	
<i>Community and public safety</i>		1 200	1 271	400										2 871	120		
Community and social services		1 200	1 271	400										2 871			
Sport and recreation															120		
Public safety																	
Housing																	
Health																	
<i>Economic and environmental services</i>			60	730			696		900	348				2 734	15 685	7 961	
Planning and development				730			696			348				1 774	14 785	7 961	
Road transport			60						900					960	900		
Environmental protection																	
<i>Trading services</i>		1 739	1 949	6 419	4 624	4 239	8 274	4 239	7 439	6 972	3 739	2 739	1 739	54 113	34 993	40 558	
Energy sources		1 739	1 949	1 739	1 739	1 739	1 739	1 739	4 039	3 239	2 739	2 739	1 739	26 880	12 765	9 995	
Water management				2 960	2 500	2 500	5 460	2 500	2 500	2 195				20 614	21 983	22 884	
Waste water management				1 515	385		1 075			1 538	1 000			5 514	245	7 679	
Waste management				205					900					1 105			
<i>Other</i>																	
Total Capital Expenditure - Functional	2	2 939	3 281	7 550	5 454	4 239	8 970	4 239	8 339	7 319	3 739	2 739	1 739	60 548	50 799	48 519	
Funded by:																	
National Government		2 939	3 011	6 505	4 239	4 239	8 970	4 239	4 239	4 819	1 739	1 739	1 739	48 418	46 223	48 184	
Provincial Government																	
District Municipality																	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)																	
Transfers recognised - capital		2 939	3 011	6 505	4 239	4 239	8 970	4 239	4 239	4 819	1 739	1 739	1 739	48 418	46 223	48 184	
Borrowing									3 100	2 500	2 000	1 000		8 600	3 400		
Internally generated funds			270	1 045	1 215				1 000					3 530	1 176	335	
Total Capital Funding		2 939	3 281	7 550	5 454	4 239	8 970	4 239	8 339	7 319	3 739	2 739	1 739	60 548	50 799	48 519	

MBRR SA30 - Budgeted monthly cash flow

WC012 Cederberg - 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
Cash Receipts By Source													1		
Property rates	12 727	4 750	4 749	4 751	4 738	4 738	4 736	4 745	4 729	4 727	4 726	4 638	64 753	68 638	72 070
Service charges - electricity revenue	12 669	12 978	11 048	10 618	8 259	11 484	8 210	10 260	9 327	10 320	8 898	12 967	127 037	146 098	160 710
Service charges - water revenue	1 927	2 240	1 978	2 184	2 047	2 003	2 253	2 118	2 166	2 353	2 150	1 619	25 037	26 036	27 073
Service charges - sanitation revenue	959	969	973	939	906	915	818	929	833	940	980	832	10 992	11 651	12 350
Service charges - refuse revenue	971	981	967	993	969	980	964	986	976	983	987	969	11 725	12 312	12 927
Rental of facilities and equipment	36	36	36	36	36	36	36	36	36	36	36	36	437	461	486
Interest earned - external investments	53	53	53	53	53	53	53	53	53	53	53	53	634	669	706
Interest earned - outstanding debtors	17	17	17	17	17	17	17	17	17	17	17	17	200	211	223
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	297	263	289	294	294	293	267	267	262	264	258	235	3 282	3 286	3 292
Licences and permits	-	-	-	3	-	-	-	-	-	-	-	-	3	3	3
Agency services	392	383	383	424	363	283	377	388	323	247	216	262	4 042	4 264	4 498
Transfers and Subsidies - Operational	33 076	1 145	2 315	2 715	2 558	21 559	1 533	7 504	20 297	2 062	1 908	7 504	104 175	81 903	93 509
Other revenue	305	287	458	1 878	1 150	904	264	553	964	1 651	341	57	8 812	11 131	11 468
Cash Receipts by Source	63 427	24 101	23 265	24 904	21 391	43 264	19 528	27 856	39 982	23 652	20 570	29 188	361 128	366 662	399 316
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	79	150	5 710	7 187	3 178	3 796	2 376	472	7 834	7 126	5 574	4 936	48 418	46 223	48 184
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	8 600	8 600	3 400	-
Increase (decrease) in consumer deposits	17	17	17	17	17	17	17	17	17	17	17	17	210	210	210
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	63 524	24 269	28 992	32 109	24 586	47 077	21 921	28 345	47 834	30 796	26 161	42 742	418 356	416 495	447 710
Cash Payments by Type															
Employee related costs	10 349	10 095	10 680	10 807	16 183	11 237	11 031	11 031	11 031	10 556	10 775	10 994	134 770	142 238	151 911
Remuneration of councillors	409	409	409	409	410	410	405	432	404	387	383	638	5 106	5 331	5 571
Finance charges	248	248	248	248	248	248	248	248	248	248	248	248	2 975	2 674	2 449
Bulk purchases - electricity	12 330	12 631	10 752	10 334	8 038	11 176	7 990	9 986	9 077	10 044	8 660	12 620	123 638	154 184	151 102
Acquisitions - water & other inventory	407	442	489	673	593	309	547	856	580	686	619	772	6 972	7 019	7 117
Contracted services	1 300	1 942	2 709	2 706	3 721	1 901	2 830	6 470	6 811	4 862	6 266	9 134	50 654	23 049	29 338
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	106	65	15	30	10	10	169	10	668	106	124	667	1 980	2 026	2 073
Other expenditure	371	1 124	702	2 556	1 483	1 605	1 904	883	2 984	675	2 839	5 697	22 822	23 042	22 982
Cash Payments by Type	25 521	26 955	26 005	27 763	30 686	26 895	25 124	29 916	31 803	27 564	29 914	40 770	348 917	359 563	372 543
Other Cash Flows/Payments by Type															
Capital assets	-	-	-	-	-	-	-	-	-	-	-	60 548	60 548	50 799	48 519
Repayment of borrowing	-	-	1 162	-	-	1 162	-	-	1 162	-	-	1 162	4 648	4 874	4 874
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	25 521	26 955	27 167	27 763	30 686	28 057	25 124	29 916	32 965	27 564	29 914	102 480	414 112	415 236	425 936
NET INCREASE/(DECREASE) IN CASH HELD	38 004	(2 686)	1 825	4 346	(6 099)	19 020	(3 203)	(1 572)	14 869	3 231	(3 753)	(59 738)	4 244	1 259	21 774
Cash/cash equivalents at the month/year begin:	203	38 206	35 521	37 346	41 692	35 592	54 612	51 409	49 838	64 706	67 937	64 185	203	4 446	5 706
Cash/cash equivalents at the month/year end:	38 206	35 521	37 346	41 692	35 592	54 612	51 409	49 838	64 706	67 937	64 185	4 446	4 446	5 706	27 480

2.10 Annual budgets and service delivery and budget implementation plans **– internal departments**

Refer to the SDBIP

2.11 Annual budgets and service delivery agreement – municipal entities **and other external mechanisms**

Not applicable as the municipality does not have any entities or external mechanisms

2.12 Contracts having future budgetary implications

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

2.13 Capital expenditure details

The following four tables present details of the Municipality's capital expenditure programme, firstly Depreciation per asset class, then future financial implications of the capital budget and then detailed capital budget per municipal vote,

MBRR SA34d - Depreciation by asset class

WC012 Cederberg - Supporting Table SA34d Depreciation 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
R thousand	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		13 025	15 122	18 025	17 223	22 989	22 989	24 525	25 468	25 853
Roads Infrastructure		3 314	3 851	5 204	3 826	5 330	5 330	5 383	5 610	5 846
Roads		3 314	3 851	5 204	3 826	5 330	5 330	5 383	5 610	5 846
Storm water Infrastructure		-	550	550	585	552	552	552	576	601
Storm water Conveyance		-	550	550	585	552	552	552	576	601
Electrical Infrastructure		3 362	3 884	4 085	4 527	4 420	4 420	4 855	5 059	5 272
LV Networks		3 362	3 884	4 085	4 527	4 420	4 420	4 855	5 059	5 272
Water Supply Infrastructure		3 093	3 550	4 104	4 638	5 234	5 234	5 681	5 920	6 170
Distribution		3 093	3 550	4 104	4 638	5 234	5 234	5 681	5 920	6 170
Sanitation Infrastructure		2 184	2 490	3 746	2 765	5 853	5 853	5 905	6 154	6 414
Reticulation		2 184	2 490	3 746	2 765	5 853	5 853	5 905	6 154	6 414
Solid Waste Infrastructure		1 072	798	336	883	1 600	1 600	2 149	2 149	1 550
Landfill Sites		1 072	798	336	883	1 600	1 600	2 149	2 149	1 550
Community Assets		618	665	670	728	743	743	742	778	816
Community Facilities		101	135	137	144	191	191	191	201	211
Halls		13	14	16	15	54	54	54	57	60
Museums		6	-	-	-	-	-	-	-	-
Libraries		71	71	71	76	72	72	72	76	80
Cemeteries/Crematoria		10	50	51	53	65	65	65	68	71
Sport and Recreation Facilities		518	530	533	584	552	552	551	577	605
Indoor Facilities		-	-	0	1	1	1	1	2	3
Outdoor Facilities		518	530	533	583	551	551	550	575	602
Investment properties		52	52	52	56	53	53	53	56	59
Revenue Generating		52	52	52	56	53	53	53	56	59
Improved Property		52	52	52	56	53	53	53	56	59
Other assets		129	130	134	140	135	135	135	143	151
Operational Buildings		129	130	134	140	135	135	135	143	151
Municipal Offices		129	130	134	140	135	135	135	143	151
Intangible Assets		214	224	222	237	212	212	204	216	228
Licences and Rights		214	224	222	237	212	212	204	216	228
Computer Software and Applications		214	224	222	237	212	212	204	216	228
Computer Equipment		297	297	283	314	252	252	213	240	267
Computer Equipment		297	297	283	314	252	252	213	240	267
Furniture and Office Equipment		758	949	930	1 005	898	898	783	844	906
Furniture and Office Equipment		758	949	930	1 005	898	898	783	844	906
Machinery and Equipment		711	752	764	829	845	845	615	652	692
Machinery and Equipment		711	752	764	829	845	845	615	652	692
Transport Assets		831	867	867	713	830	830	881	925	971
Transport Assets		831	867	867	713	830	830	881	925	971
Total Depreciation	1	16 635	18 858	21 748	21 246	26 957	26 957	28 151	29 322	29 943

MBRR SA35 - Future financial implications of the capital budget

WC012 Cederberg - Supporting Table SA35 Future financial implications of the capital budget

Vote Description	Ref	2022/23 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Present value
R thousand								
Capital expenditure	1							
Vote 1 - Executive and Council		-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		-	-	-	-	-	-	-
Vote 3 - Financial Administrative Services		350	-	-	-	-	-	-
Vote 4 - Community Development Services		2 871	-	-	-	-	-	-
Vote 5 - Corporate and Strategic Services		480	-	-	-	-	-	-
Vote 6 - Planning and Development Services		1 774	14 785	7 961	-	-	-	-
Vote 7 - Public Safety		-	-	-	-	-	-	-
Vote 8 - Electricity		26 880	12 765	9 995	-	-	-	-
Vote 9 - Waste Management		1 105	-	-	-	-	-	-
Vote 10 - Waste Water Management		5 514	245	7 679	-	-	-	-
Vote 11 - Water		20 614	21 983	22 884	-	-	-	-
Vote 12 - Housing		-	-	-	-	-	-	-
Vote 13 - Road Transport		960	900	-	-	-	-	-
Vote 14 - Sports and Recreation		-	120	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-
<i>List entity summary if applicable</i>								
Total Capital Expenditure		60 548	50 799	48 519	-	-	-	-
Future operational costs by vote	2							
Vote 1 - Executive and Council		-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		-	-	-	-	-	-	-
Vote 3 - Financial Administrative Services		-	-	-	-	-	-	-
Vote 4 - Community Development Services		-	-	-	-	-	-	-
Vote 5 - Corporate and Strategic Services		-	-	-	-	-	-	-
Vote 6 - Planning and Development Services		-	-	-	-	-	-	-
Vote 7 - Public Safety		-	-	-	-	-	-	-
Vote 8 - Electricity		-	-	-	-	-	-	-
Vote 9 - Waste Management		-	-	-	-	-	-	-
Vote 10 - Waste Water Management		-	-	-	-	-	-	-
Vote 11 - Water		-	-	-	-	-	-	-
Vote 12 - Housing		-	-	-	-	-	-	-
Vote 13 - Road Transport		-	-	-	-	-	-	-
Vote 14 - Sports and Recreation		-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-
<i>List entity summary if applicable</i>								
Total future operational costs		-	-	-	-	-	-	-
Future revenue by source	3							
Property rates		-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-
Service charges - refuse revenue		-	-	-	-	-	-	-
Rental of facilities and equipment		-	-	-	-	-	-	-
<i>List other revenues sources if applicable</i>		-	-	-	-	-	-	-
<i>List entity summary if applicable</i>								
Total future revenue		-	-	-	-	-	-	-
Net Financial Implications		60 548	50 799	48 519	-	-	-	-

MBRR SA36 - Detailed capital budget per municipal vote

WC012 Cederberg - Supporting Table SA36 Detailed capital budget											
R thousand	Function	Project Description	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	2022/23 Medium Term Revenue & Expenditure Framework				
							Audited Outcome 2020/21	Current Year 2021/22 Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Parent municipality:											
<i>List all capital projects grouped by Function</i>											
	Finance and administration	OFFICE FURNITURE/EQUIPMENT	B	Furniture and Office Equipment	Furniture and Office Equipment	All	-	13	-	-	-
	Sport and recreation	OFFICE FURNITURE/EQUIPMENT RESORTS CLANWILLIAM	F	Furniture and Office Equipment	Furniture and Office Equipment	3	-	391	-	-	-
	Sport and recreation	UPGRADE SPORT FIELDS CLANWILLIAM	F	Sport and Recreation Facilities	Outdoor Facilities	3	364	1 213	-	-	-
	Finance and administration	OFFICE FURNITURE/EQUIPMENT	G	Furniture and Office Equipment	Furniture and Office Equipment	All	-	1	-	-	-
	Finance and administration	IT EQUIPMENT , SOFTWARE	C	Computer Equipment	Computer Equipment	All	171	399	480	-	-
	Planning and development	MIG: UPGRADE ROADS AND STORMWATER INFRASTRUCTURE -	A	Roads Infrastructure	Roads	2	351	4 508	-	-	-
	Planning and development	MIG PMU COMPUTER EQUIPMENT	A	Computer Equipment	Computer Equipment	All	18	-	35	-	-
	Waste water management	Sewerage: Pump , Pypleiding vanaf Oksidasie damme	A	Sanitation Infrastructure	Reticulation	4	-	-	90	-	-
	Waste water management	SEWERAGE: EQUIPMENT GRAAFWATER	A	Machinery and Equipment	Machinery and Equipment	4	2	15	-	-	-
	Waste water management	SEWERAGE: EQUIPMENT LAMBERTSBAY	A	Machinery and Equipment	Machinery and Equipment	5	26	55	-	-	85
	Water management	RBIG - LAMBERTS BAY REGIONAL WATER SUPPLY AND	A	Water Supply Infrastructure	Distribution	5	-	23 117	13 215	13 177	13 797
	Water management	PLANT , EQUIPMENT LAMBERTSBAY	A	Machinery and Equipment	Machinery and Equipment	5	51	71	-	71	-
	Water management	PLANT , EQUIPMENT ELANDSBAY	A	Machinery and Equipment	Machinery and Equipment	5	86	-	-	-	-
	Water management	PLANT , EQUIPMENT CITRUSDAL	A	Machinery and Equipment	Machinery and Equipment	5	-	184	-	-	-
	Waste management	REFUSE: EQUIPMENT	A	Machinery and Equipment	Machinery and Equipment	All	-	-	205	-	-
	Energy sources	STREETLIGHTS , SPOTLIGHTS	A	Electrical Infrastructure	LV Networks	3	-	33	50	-	-
	Energy sources	STREETLIGHTS , SPOTLIGHTS	A	Electrical Infrastructure	LV Networks	2	-	53	50	-	-
	Energy sources	STREETLIGHTS , SPOTLIGHTS	A	Electrical Infrastructure	LV Networks	5	35	50	50	-	-
	Public safety	OFFICE FURNITURE CLW	F	Furniture and Office Equipment	Furniture and Office Equipment	3	-	1	-	-	-
	Public safety	OFFICE FURNITURE CITR	F	Furniture and Office Equipment	Furniture and Office Equipment	2	6	-	-	-	-
	Road transport	ROADS: EQUIPMENT EBAAI , LBAAI	A	Machinery and Equipment	Machinery and Equipment	5	40	-	60	-	-
	Waste water management	SEWERAGE: EQUIPMENT CITRUSDAL	A	Machinery and Equipment	Machinery and Equipment	2	-	50	150	245	-
	Waste water management	SEWERAGE: EQUIPMENT EBAAI	A	Machinery and Equipment	Machinery and Equipment	5	27	-	-	-	-
	Waste water management	SEWERAGE: EQUIPMENT CLW	A	Machinery and Equipment	Machinery and Equipment	3	67	85	85	-	250
	Water management	WATER EQUIPMENT CITR	A	Machinery and Equipment	Machinery and Equipment	2	-	14	-	-	-
	Water management	REPLACE ASBESPLAAT BY PLATDAMME CLW	A	Water Supply Infrastructure	Reservoirs	3	-	250	-	-	-
	Water management	FENCING VAN PLATDAMME - CLANW	A	Water Supply Infrastructure	Reservoirs	3	27	-	-	-	-
	Water management	WATER EQUIPMENT CLW	A	Machinery and Equipment	Machinery and Equipment	3	22	393	-	20	-
	Water management	WATER: EQUIPMENT	A	Machinery and Equipment	Machinery and Equipment	5	41	-	-	-	-
	Waste management	BUILDING DUMPING SITE CLW	A	Solid Waste Infrastructure	Landfill Sites	3	24	-	-	-	-

WC012 Cederberg - Supporting Table SA36 Detailed capital budget

R thousand	Function	Project Description	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	2022/23 Medium Term Revenue & Expenditure Framework			
							Audited Outcome 2020/21	Current Year 2021/22 Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24
Parent municipality:										
	Sport and recreation	PARKS , GARDENS: EQUIPMENT LBAAI	A	Machinery and Equipment	Machinery and Equipment	5	3	-	-	-
	Energy sources	INEP - BULK ELECTRICITY UPGRADE CLANWILLIAM	A	Electrical Infrastructure	LV Networks	3	14 783	14 783	20 870	9 565
	Waste water management	WSIG : UPGRADE OF GRAAFWATER OXIDATION PONDS	A	Sanitation Infrastructure	Waste Water Treatment Works	4	7 133	-	-	-
	Water management	WSIG : UPGRADE OF GRAAFWATER RAW WATER INFRASTRUCTURE	A	Water Supply Infrastructure	Dams and Weirs	4	7 137	-	-	-
	Finance and administration	FENCING , SAFETY GATE CITRUSDAL HEAD OFFICE	G	Operational Buildings	Municipal Offices	2	30	-	-	-
	Water management	WATER: EQUIPMENT ELANDSBAAI , LAMBERTSBAAI	A	Machinery and Equipment	Machinery and Equipment	5	-	100	-	-
	Finance and administration	GENERATOR: SCM	B	Machinery and Equipment	Machinery and Equipment	3	-	-	350	-
	Community and social services	UPGRADE THUSONG CENTRE CITRUSDAL	F	Community Facilities	Centres	2	36	-	-	-
	Water management	WATER: EQUIPMENT GRAAFWATER	A	Machinery and Equipment	Machinery and Equipment	5	-	-	-	20
	Sport and recreation	FENCING CEMETRIES: LAMBERTS BAY	A	Community Facilities	Cemeteries/Crematoria	5	-	146	-	120
	Sport and recreation	PARKS , GARDENS: EQUIPMENT CLANWILLIAM	A	Machinery and Equipment	Machinery and Equipment	3	-	24	-	-
	Energy sources	ELECTRICITY : EQUIPMENT ELANDS BAY	A	Electrical Infrastructure	LV Networks	5	-	60	-	-
	Energy sources	ELECTRICITY: UPGRADE NETWORK CITRUSDAL	A	Electrical Infrastructure	LV Networks	2	120	-	-	-
	Energy sources	UPGRADE WATER NETWORK - STARTING PANEL	A	Electrical Infrastructure	LV Networks	5	-	85	-	-
	Energy sources	CITRUSDAL: 11KV CABLES - ESKOM , MUN SWITCHING STATION	A	Machinery and Equipment	Machinery and Equipment	3	-	290	-	-
	Energy sources	MACHINERY , EQUIPMENT (PANEL GENERATOR)	A	Machinery and Equipment	Machinery and Equipment	2	-	-	1 000	-
	Energy sources	FENCING: SUB STATION	A	Community Facilities	MV Switching Stations	5	-	80	-	-
	Energy sources	ELECTRICITY : EQUIPMENT CLANWILLIAM	A	Machinery and Equipment	Machinery and Equipment	3	43	-	-	-
	Waste water management	MIG: WWTW CITRUSDAL	A	Sanitation Infrastructure	Waste Water Treatment Works	2	11 619	6 003	-	-
	Sport and recreation	MIG: UPGRADE SPORTFIELDS CLANWILLIAM	F	Sport and Recreation Facilities	Outdoor Facilities	3	1 195	870	-	-
	Finance and administration	PLANT , EQUIPMENT	G	Machinery and Equipment	Machinery and Equipment	All	15	-	-	-
	Finance and administration	PURCHASE OF LAND: PALEISHEUWEL	G	Land	Land	4	30	-	-	-
	Community and social services	CONSTRUCTION OF MULTI-PURPOSE CENTRE (PHASE 1) GRAAFWATER	F	Community Facilities	Halls	4	-	4 500	-	-
	Housing	MIG: ABLUTION FACILITIES AND WASH THROUGH ELANDS B	E	Community Facilities	Public Ablution Facilities	5	-	693	-	-
	Housing	MIG: ABLUTION FACILITIES AND WATER POINTS CLANWILL	E	Community Facilities	Public Ablution Facilities	3	-	835	-	-
	Road transport	VEHICLES CLANWILLIAM (DIGGER LOADER , SINGLE CAB B	A	Transport Assets	Transport Assets	3	-	1 300	900	-
	Road transport	UPGRADE STORM WATER SYSTEM LBAAI/EBAAI	A	Roads Infrastructure	Roads	5	-	-	-	150
	Road transport	PAVE ROADS: GRAAFWATER NOORD , ASLA	A	Roads Infrastructure	Roads	4	-	-	-	750
	Water management	MIG UPGRADE RESERVOIR ELANDS BAY	A	Water Supply Infrastructure	Reservoirs	5	-	573	-	-
	Water management	WSIG WATER PRESSURE MANAGEMENT CITRUSDAL	A	Water Supply Infrastructure	Distribution	2	-	4 000	-	-
	Waste management	VEHICLES (3x BAKKIES LDV)	A	Transport Assets	Transport Assets	All	-	2 000	900	-
	Energy sources	CLANWILLIAM: 11KV CABLE - MARK STREET	A	Electrical Infrastructure	LV Networks	3	-	1 000	-	-
	Energy sources	LAMBERTS BAY: 11KV CABLE - RMU WATERWORKS , OVERHE	A	Electrical Infrastructure	LV Networks	5	-	1 000	-	-
	Energy sources	GRAAFWATER: REFURBISH OVERHEADLINE EAST OF TOWN	A	Electrical Infrastructure	LV Networks	4	-	-	-	1 000
	Energy sources	CITRUSDAL: REPLACE RMU IN VOORTREKKER STREET	A	Electrical Infrastructure	LV Networks	2	-	550	-	-
	Energy sources	CITRUSDAL: VEHICLES (4X4 BAKKIE)	A	Transport Assets	Transport Assets	2	-	450	-	-
	Energy sources	HIGH MAST LIGHTS (TOWNSHIP) EBAAI	A	Electrical Infrastructure	LV Networks	5	-	-	1 300	-

WC012 Cederberg - Supporting Table SA36 Detailed capital budget

R thousand	Function	Project Description	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	2022/23 Medium Term Revenue & Expenditure Framework			
							Audited Outcome 2020/21	Current Year 2021/22 Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24
Parent municipality:										
Water management	WSIG: CLANWILLIAM NEW RESERVOIR , PIPELINE	A	Water Supply Infrastructure	Water Treatment Works	3	-	-	-	8 696	9 087
Waste water management	MIG UPGRADE VAN SEWER NETWORK LAMBERTSBAY	A	Sanitation Infrastructure	Reticulation	5	-	-	2 689	-	-
Water management	MIG UPGRADE WATER NETWORK LAMBERTS BAY	A	Water Supply Infrastructure	Distribution	5	-	-	7 400	-	-
Waste water management	UPGRADE VAN RIOOLNETWERK CLANWILLIAM	A	Sanitation Infrastructure	Pump Station	3	-	-	350	-	-
Water management	RESEAL 3ML RESERVOIR CLANWILLIAM , CALETTA COVE	A	Water Supply Infrastructure	Reservoirs	3	-	130	-	-	-
Energy sources	ELECTRICITY: UPGRADE NETWORK EBAAI	A	Electrical Infrastructure	LV Networks	5	-	141	-	-	-
Energy sources	ELECTRICITY : EQUIPMENT	A	Machinery and Equipment	Machinery and Equipment	2	-	4	-	-	-
Community and social services	MLSG: OFFICE FURNITURE/EQUIPMENT	F	Furniture and Office Equipment	Furniture and Office Equipment	All	-	160	-	-	-
Water management	UPGRADE WATER NETWORK: CLANWILLIAM	A	Water Supply Infrastructure	Distribution	3	-	665	-	-	-
Waste water management	WWTW CITRUSDAL CO-FUNDING	A	Sanitation Infrastructure	Waste Water Treatment Works	2	951	-	-	-	-
Energy sources	INEP - BULK ELECTRICITY UPGRADE CLANWILLIAM CO-FUNDING	A	Electrical Infrastructure	LV Networks	3	657	-	-	-	-
Planning and development	MIG: UPGRADE ROADS AND STORMWATER INFRASTRUCTURE -GRAAFWATER	A	Roads Infrastructure	Roads	4	-	-	1 739	5 355	-
Planning and development	MIG: UPGRADE ROADS AND STORMWATER INFRASTRUCTURE -CLANWILLIA	A	Roads Infrastructure	Roads	3	-	-	-	9 431	7 961
Waste water management	MIG: WWTW CLANWILLIAM	A	Sanitation Infrastructure	Waste Water Treatment Works	3	-	-	-	-	7 344
Energy sources	TRANSPORT ASSETS	A	Transport Assets	Transport Assets	All	-	-	60	-	-
Energy sources	ELECTRICITY : EQUIPMENT	A	Machinery and Equipment	Machinery and Equipment	All	-	-	3 500	1 500	-
Waste water management	UPGRADE VAN RIOOLNETWERK CITRUSDAL	A	Sanitation Infrastructure	Pump Station	2	-	-	150	-	-
Energy sources	ELECTRICITY: UPGRADE NETWORK GRAAFWATER	A	Electrical Infrastructure	MV Networks	4	-	-	-	200	-
Energy sources	ELECTRICITY: UPGRADE NETWORK LAMBERTSBAY	A	Electrical Infrastructure	MV Networks	5	-	-	-	200	-
Energy sources	ELECTRICITY: UPGRADE NETWORK LAMBERTSBAY	A	Electrical Infrastructure	LV Networks	5	-	-	-	300	-
Community and social services	CONSTRUCTION OF MULTI-PURPOSE CENTRE (PHASE 1) GRAAFWATER	F	Community Facilities	Halls	4	-	-	400	-	-
Waste water management	SEWERAGE: EQUIPMENT CLW	A	Machinery and Equipment	Machinery and Equipment	3	-	-	2 000	-	-
Community and social services	MIG: CONSTRUCTION OF MULTI-PURPOSE CENTRE (PHASE 1) GRAAFWAT	F	Community Facilities	Halls	4	-	-	2 471	-	-
Parent Capital expenditure						45 109	71 339	60 548	50 799	48 519
Total Capital expenditure						45 109	71 339	60 548	50 799	48 519

2.14 Legislation compliance status

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

1. **Service Delivery and Implementation Plan**
The detail SDBIP document is at a draft and is to be finalized after approval of the 2022/2023 MTREF at least 30 days before the start of the next financial year directly aligned and informed by the 2022/2023 MTREF.
2. **In year reporting**
Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the Municipality's website.
3. **Internship program**
The Municipality is participating in the Municipal Financial Management Internship program. Currently 6 interns are undergoing training in the Budget and Treasury Office. The municipality has already employed 6 interns on a permanent basis through the internship program.
4. **Budget and Treasury Office**
The Budget and Treasury Office has been established. The unit needs to be further capacitated in order to fulfill its legislative objective and to be fully effective to deliver in terms of its mandate accordingly.
5. **Audit Committee**
An Audit Committee has been established and is fully functional.
6. **Annual Report**
Annual report is compiled in terms of the MFMA and National Treasury requirements.
7. **MFMA Training**
MFMP Training is taking place this year and most officials are busy with exams. It is planned that other officials will attend the next MFMP rollout towards the end of the financial year.
8. **Policies**
Budget related policies has been reviewed and updated for final submission with the approval of the 2022/2023 MTREF & outer two years.

2.15 Other supporting documents

All other supporting schedules not specifically addressed in this document are included in Appendix C

2022/23 Proposed tariff structure:

Please refer to Appendix F

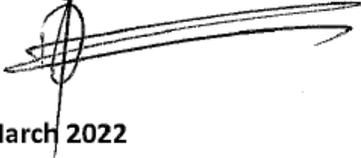
2.16 Manager's quality certificate

Municipal Manager Quality Certificate

I, **Dawid Adonis**, Municipal Manager of CEDERBERG MUNICIPALITY, Hereby Certify that the Annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the Annual budget and supporting documents are consistent with the Integrated Development Plan of the Municipality,

Print Name: **Dawid Adonis**

Municipal Manager of **CEDERBERG MUNICIPALITY**

Signature: 

Date: **31 March 2022**