

DC47 SEKHUKHUNE DISTRICT MUNICIPALITY



Annual Adjusted Budget Narrative Report 2023-24

PART 1 – ANNUAL ADJUSTED BUDGET

1.1 Executive Mayor’s Report

FOREWORD BY HER WORSHIP EXECUTIVE MAYOR Cllr MAITULA B.M: ANNUAL ADJUSTED BUDGET FOR THE 2023-24 FINANCIAL YEAR

Thank you honourable speaker, the chief whip of council, Leader of executive business, members of the mayoral committee, section 79 committees, MPAC chair, leader of official opposition, honourable councillors from various opposition parties and all other honourable councillors, warm greetings to you all.

Our municipality has once again honourable speaker embarked on a process of adjusting the approved annual budget of the municipality in-line with the applicable section 28 of the Municipal Finance Management Act. The 2023/24 annual adjusted budget process comes after the municipality’s management lead by the accounting officer has assessed the performance of the municipality during the first half of the financial year, also having taken into account - (i) the monthly statements referred to in section 71 for the first half of the financial year (ii) the municipality’s service delivery performance during the first half of financial year (iii) the service delivery targets and performance indicators set in the service delivery and budget implementation plan (iv) the past year’s annual report and progress on resolving problems identified in the annual report (v) the performance of the municipal entity under the sole control of the municipality.

Honourable speaker the section 28 of the Municipal Finance Management Act, provides in sub-section 1 that a municipality may revise an approved annual budget through an adjustment budget, sub-section 2 provides that an adjustment budget:

- a) must adjust the revenue and expenditure estimates downwards if there is material under collection of revenue during the current year;
- b) may appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programs already budgeted for;
- c) may, within a prescribed framework, authorize unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;
- d) may authorize the utilization of projected savings in one vote towards spending under another vote
- e) may authorize the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the council;
- f) may correct any errors in the annual budget; and
- g) May provide for any other expenditure within a prescribed framework.

Honourable speaker the above provisions of the Municipal Finance Management Act as detailed were applicable in and during the preparation of the 2023/24 annual adjusted budget.

In detail, honourable speaker, the annual budget adjustment process detailed adjustments to the municipality's total annual revenue, operational expenditure and capital expenditure as approved. The municipality's revenue base is primarily the provision of water and sanitation services with collection gradually improving through the implementation of the credit control policy as one control measure in ensuring collection on own revenue sources, the municipality did improve from 37% in the 1st quarter to 58% in the 2nd quarter during the current financial year, an indication that the municipality will succeed in collection the annual targeted 65% on the approved annual own revenue budget hence a minor budget adjustment was effected for the 2023/24 financial year.

The municipality's short term investments also performed very well by more than 100% by end of the 1st half of the current financial year, the annual budget on interest from short-term investments was adjusted quite significantly from the approved annual budget having considered the performance by 31st December 2023.

Honourable speaker, the annual revenue budget was also adjusted to incorporate the allocation of the SETA grant allocation to the municipality for the current financial year.

The revenue from operational grants was reduced to incorporate the reduction in the annual Municipal Infrastructure Grant allocation to the municipality by the National Treasury for the 2023/24 financial year.

Honourable speaker, the municipality's total annual operational budget has increased quite significantly to firstly address some service delivery backlogs while also accelerating current service delivery programs, these programs include amongst others, the construction of the VIP toilets & special group programs through the office of the executive mayor.

Honourable speaker, the municipality's total capital budget has decreased quite significantly due to the reduction in the municipality's annual MIG allocation for the 2023/24 financial year by the National Treasury, a reallocation of financial resources by the Water & Infrastructure Services department will assist going forth in ensuring that there are no delays in implementation of the affected projects.

The following Infrastructure projects were affected by the reduction of the municipality's annual MIG allocation, and it must be noted honourable speaker that the re-allocation of the required financial resources amongst the projects was implemented in a manner that will ensure that all projects are implemented successfully:

- Motlailana/Makgemeng/Taung
- Ga-Mogashoa (Senkgapudi/Manamane)
- Lebalelo South connector pipes
- Lebalelo South Maroga & Motlolo Phase 3
- Upgrading of De-Hoop Water Treatment Works
- Upgrading of Groblersdal/Lukau
- Mampuru Water Scheme
- Moutse East/West Water Reticulation Phase 1
- Makgeru/Ga-Ratau/Matekane
- Moutse East/West Water Reticulation Phase 2
- Olifantspoort South Regional Water Supply Phase 6
- NSD07 Regional Water Scheme Reserve
- Ga-Maphopha command reservoir

Honourable speaker, our municipality's total annual expenditure budget is funded through a combination of government grants and own revenue sources, the government grants and subsidies alone contributes to almost 90% of the municipality's total funding model with the remaining 10% coming from the own revenue sources.

The municipality has maintained a very stable financial position both in the current and financial year, and as at 31st December 2023 the going concern assessment was very indicative of an assurance that the municipality will continue to operate for the foreseeable future.

Honourable speaker, I therefore presents before this council the 2023/23 annual adjusted budget as tabled.

Cllr Maitula B.M

1.2 Council Resolution

Council has in its special council sitting of the 23th of February 2024, resolved to approve the 2023/24 annual adjusted budget.

1.3 Legislative Background, Budget Tables and Narration on Budget Adjustments

In terms of Section 28(2) of the Municipal Finance Management Act, No 56 of 2003, A Municipality may revise an approved annual budget through an adjustment budget. Section 28(2) provides that an adjustments budget:

- h) must adjust the revenue and expenditure estimates downwards if there is material under collection of revenue during the current year;
- i) may appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programs already budgeted for;
- j) may, within a prescribed framework, authorize unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;
- k) may authorize the utilization of projected savings in one vote towards spending under another vote
- l) may authorize the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the council;
- m) may correct any errors in the annual budget; and
- n) May provide for any other expenditure within a prescribed framework.

In terms of regulation 21 of the Municipal Budgeting and Reporting Regulations, An adjustment budget and supporting documentation of a municipality must be in the format prescribed in Schedule B and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 169(1) of the Act. Regulation 25(1) also states that, a municipal council must consider the full implications, financial and otherwise, of the adjustments budget and supporting documentation referred to in regulation 21. The municipality has considered the provisions of both regulations in and during the preparation of the current year's adjusted budget.

The municipality also did consider and put in application the provisions of the mSCOA regulations in preparation of the adjusted budget.

1.3 Executive Summary

The total annual operational budget increased from **R 1.273 billion** to **R 1.312 billion**, the following are detailed budget adjustments per the revenue item:

- Service charges (Water services) decreased by **R 596 thousand**.
- Interest income (Short-term investments) increased by **R 42 million**. **R 45.8 million** interest earned from short-term investments as at 31st December 2023 as vs. the **R 26.9 million** annual budget.
- Interest income (Consumer Debtors) increased by **R 2.1 million** to **R 18.1 million**.
- Other revenue sources increased by **R 845 thousand** to **R 3.6 million**.
- Operational Grants decreased by **R 4.8 million** to **R 1.113 billion**, Expanded Public Works Program decreased by **R 909 million**, Municipal Infrastructure Grant decreased by **R 3.9 million** to **R 20.4 million**, the MIG DoRA allocation was revised and reduced by **R 39 million** for the 2023/24 financial year.

The total annual capital revenue budget decreased from **R 551 million** to **R 516 million** and below are the detailed budget adjustments:

- The Municipal Infrastructure Grant allocation was reduced by **R 35.4 million** to **R 513 million** in line with the revised DoRA allocation to the municipality for the 2023/24 financial year.

The following is a table on the proposed annual budget adjustments on revenue:

OPERATING REVENUE

Operating Revenue		Approved Annual Budget 2023/24	Actual to-date revenue	Budget Adjustments	Adjusted Budget 2023/24
	Service Charges - Water Services	- 109 059 224.74	- 55 432 355.47	536 666.90	- 108 522 557.84
	Interest income - Short-term Investments	- 26 991 908.00	- 45 810 195.12	- 42 000 000.00	- 68 991 908.00
	Interest income - Outstanding debtors	- 16 027 930.00	- 16 485 301.01	- 2 100 000.00	- 18 127 930.00
	Other revenue	- 2 795 678.00	- 2 322 570.98	- 845 409.70	- 3 641 087.70
	Operational Grants	- 1 118 176 990.00	- 814 396 336.08	4 813 465.66	- 1 113 363 524.34
Total		- 1 273 051 730.74	- 934 446 758.66	- 39 595 277.14	- 1 312 647 007.88

CAPITAL REVENUE

Capital Revenue		Approved Annual Budget 2023/24	Actual to-date revenue	Budget Adjustments	Adjusted Budget 2023/24
	Municipal Infrastructure Grant	- 549 148 010.00	- 121 024 832.13	35 451 535.84	- 513 696 474.16
	Rural Road Asset Management Systems	- 2 460 000.00	-	-	- 2 460 000.00
	Regional Bulk Infrastructure Grant	-	- 19 114 481.08	-	-
	Water Services Infrastructure Grant	-	- 540 848.85	-	-
Total		- 551 608 010.00	- 140 680 162.06	35 451 535.84	- 516 156 474.16
Total Annual Revenue Budget		- 1 824 659 740.74	- 1 075 126 920.72	- 4 143 741.30	- 1 828 803 482.04

The total annual operational budget increased from **R 1.230 billion** to **R 1.258 billion**, below are the detailed budget adjustments:

- The speaker's office annual budget decreased by **R 4.2 million** to **R 48.1 million**. **R 1.8 million** savings on vacant positions, **R 1.2 million** on bargaining council and **R 700 thousand** on hire charges were reallocated to other operational expenditure votes with excessive expenditure by end of December 2023.
- Executive Mayor's budget increased by **R 11.5 million** to **R 57.4 million**. New **R 6 million** budget allocation for publications, **R 2 million** new budget allocation for the mayoral outreach programs and **R 1.5 million** budget allocation for the special programs.
- Municipal office's annual budget increased by **R 9.9 million** to **R 107.9 million**. Security services increased by **R 6.5 million**, Legal services increased by **R 2.5 million**, Insurance premiums increased by **R 3 million**. Audit fees decreased by **R 2 million**.
- Budget and treasury office's annual budget decreased by **R 12.5 million**, budget on meter reading and data cleansing services reduced by **R 10 million**, budget on consulting services reduced by **R 2.5 million**.
- Infrastructure and Water Service's annual budget increased by **R 31 million**, the introduction of the VIP sanitation program with a budget of **R 27 million** was introduced. A re-allocation of **R 4 million** to other operational votes that were overspending by 31st December 2023.

- Economic Development and Planning's annual budget increased by decreased by **R 490 thousand** being a re-allocation to other operational expenditure votes with excessive expenditure by 31st December 2023.
- Community Service's annual budget decreased by **R 1.9 million** to **R 75.7 million** being a reallocation to other operational expenditure votes with excessive expenditure by 31st December 2023.
- Corporate service's annual budget decreased by **R 5.5 million** to **R 186 million**, being a reallocation to other operational expenditure votes with excessive expenditure by 31st December 2023.

OPERATING EXPENDITURE

Operating expenditure		Approved Annual Budget 2023/24	Actual to-date expenditure	Budget Adjustments	Adjusted Budget 2023/24
	Executive Council - Speaker's office	52 392 012.00	20 035 133.89	- 4 223 500.00	48 168 512.00
	Executive Mayor's office	46 344 292.00	23 957 833.00	11 150 000.00	57 494 292.00
	Municipal Manager's office	98 043 706.00	57 298 797.97	9 950 000.00	107 993 706.00
	Budget and Treasury	193 248 551.00	28 188 668.20	- 12 500 000.00	180 748 551.00
	Infrastructure and Water Services	539 944 984.00	324 011 979.41	31 317 840.98	571 262 824.98
	Planning and Econ Development	21 926 952.00	6 062 998.33	- 490 000.00	21 436 952.00
	Community services	77 608 437.00	35 590 109.54	- 1 900 000.00	75 708 437.00
	Sekhukhune Development Agency	9 314 935.00	2 120 469.41	-	9 314 935.00
	Corporate Services	191 893 649.00	90 576 604.17	- 5 510 468.00	186 383 181.00
	Total	1 230 717 518.00	587 842 593.92	27 793 872.98	1 258 511 390.98

The total annual capital budget decreased by **R 24 million** to **R 569 million**, the DoRA allocation on MIG was revised down by **R 35 million**, **R 11 million** additional budget in a form of Equitable Share was allocated to complete the stagnant capital projects. The following projects were affected by reduction of the annual MIG allocation to the municipality:

- Motlailana/Makgemeng/Taung – **R 7.6 million** new budget allocation.
- Ga-Mogashoa (Senkgapudi/Manamane) – **R 1.8 million** new budget allocation.
- Lebalelo South connector pipes – **R 5.6 million** new budget allocation.
- Lebalelo South Maroga & Motlolo Phase 3 – **R 10 million** additional budget.
- Upgrading of De-Hoop Water Treatment Works – **R 11.6 million** additional budget allocation.
- Upgrading of Groblersdal/Lukau – **R 15.5 million** reduction.
- Mampuru Water Scheme – **R 67.6 million** reduction.
- Moutse East/West Water Reticulation Phase 1 – **R 21.6 million** reduction.
- Makgeru/Ga-Ratau/Matekane – **R 1.1 million** new budget allocation.
- Moutse East/West Water Reticulation Phase 2 – **R 5.7 million** new budget allocation.

- Olifantspoort South Regional Water Supply Phase 6 – **R 20.5 million** new budget allocation.
- NSD07 Regional Water Scheme Reserve – **R 1.5 million** new budget allocation.
- Ga-Maphopha command reservoir – **R 400 thousand**.

The following items were affected by the capital budget adjustments funded through the equitable share:

- Office Furniture & Equipment – **R 2 million** additional budget allocation.
- Computer Equipment – **R 1.5 million** additional budget allocation.
- Upgrade of Vergelegen Phase 1 – **R 5 million** new additional
- Ga-Mogashoa (Senggapudi/Manamane) – **R 826 thousand** new budget allocation.
- Nkadameng RWS Ext 2 (Phase 9-11) FTL – **R 2 million** new budget allocation.

CAPITAL EXPENDITURE					
Capital expenditure		Approved Annual Budget 2023/24	Actual to-date expenditure	Budget Adjustments	Adjusted Budget 2023/24
	Municipal Infrastructure Grant	549 148 011.00	123 092 059.69	- 35 451 535.84	513 696 475.16
	Rural Road Asset Management Systems	2 460 000.00		-	2 460 000.00
	Total	551 608 011.00	123 092 059.69	- 35 451 535.84	516 156 475.16
	Equitable Share	42 135 314.00	7 470 485.87	11 326 086.96	53 461 400.96
	Total	593 743 325.00	130 562 545.56	- 24 125 448.88	569 617 876.12
	Total Annual Expenditure Budget	1 824 460 843.00	718 405 139.48	3 668 424.10	1 828 129 267.10

The municipality has reported a surplus as a result of total annual total budget adjustments effected to the 2023/24 approved annual budget.

Surplus/(Deficit)	- 198 897.74	- 356 721 781.24	- 475 317.20	- 674 214.94
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1.4 Funding of the Annual Adjusted Budget

The 2023/24 annual adjusted budget of the municipality is funded through a combination of government grants and subsidies from the National Treasury and own revenue sources such as the provision of water and sanitation services.

The financial position of the municipality was also considered from a cash flow point of view wherein the available cash balances as at 31st January 2024 where considered in addition to the expected receipts on government grants and own revenue in the second half of the 2023/24 financial year.

2. Municipal Budgeting and Reporting Regulations schedules and Detailed Narration on Adjustments

The municipality has prepared the 2023/24 annual adjusted budget in line with the provisions of the municipal budgeting and reporting regulations in terms of the prescribed formats and presentation of the adjusted budget inputs.

2.1 The B schedule is attached with details of the 2023/24 adjusted budget in a prescribed format of the Municipal Budgeting and Reporting Regulations, the following tables are the budget tables as prescribed:

Table B1: Adjustment Budget Summary

DC47 Sekhukhune - Table B1 Adjustments Budget Summary - 28/02/2024									
Description	Budget Year 2023/24							Budget Year +1 2024/25	Budget Year +2 2025/26
	Original Budget	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	C	D	E	F	G	H		
Financial Performance									
Service charges	109 059	-	-	-	(537)	(537)	108 523	114 403	119 780
Investment revenue	26 992	-	-	-	42 000	42 000	68 992	31 170	41 594
Transfers recognised - operational	1 118 177	-	-	-	(3 013)	(3 013)	1 115 164	1 261 384	1 359 398
Other own revenue	18 824	-	-	-	1 145	1 145	19 969	19 746	20 674
Total Revenue (excluding capital transfers and contributions)	1 273 052	-	-	-	39 595	39 595	1 312 647	1 426 704	1 541 447
Employee costs	478 529	-	-	-	(14 812)	(14 812)	463 718	502 056	525 652
Remuneration of councillors	19 083	-	-	-	(1 800)	(1 800)	17 283	20 018	20 958
Depreciation & asset impairment	99 840	-	-	-	(110)	(110)	99 730	104 732	109 655
Finance charges	105	-	-	-	-	-	105	110	116
Inventory consumed and bulk purchases	185 067	-	-	-	22 200	22 200	207 267	224 718	269 084
Transfers and subsidies	20 000	-	-	-	-	-	20 000	-	-
Other expenditure	428 123	-	-	-	22 286	22 286	450 409	551 626	591 286
Total Expenditure	1 230 747	-	-	-	27 765	27 765	1 258 511	1 403 260	1 516 751
Surplus/(Deficit)	42 305	-	-	-	11 831	11 831	54 136	23 444	24 695
Transfers and subsidies - capital (monetary allocations)	551 608	-	-	-	(34 452)	(34 452)	517 156	557 786	572 602
Surplus/(Deficit) after capital transfers & contributions	593 913	-	-	-	(22 621)	(22 621)	571 292	581 229	597 297
Surplus/ (Deficit) for the year	593 913	-	-	-	(22 621)	(22 621)	571 292	581 229	597 297
Capital expenditure & funds sources									
Capital expenditure	593 743	-	-	-	(24 125)	(24 125)	569 618	579 118	595 087
Transfers recognised - capital	551 608	-	-	-	(34 452)	(34 452)	517 156	557 786	572 602
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	42 135	-	-	-	10 326	10 326	52 461	21 333	22 485
Total sources of capital funds	593 743	-	-	-	(24 125)	(24 125)	569 618	579 118	595 087
Financial position									
Total current assets	1 306 349	-	-	-	410 444	410 444	1 716 793	1 251 295	1 712 194
Total non current assets	3 877 063	-	-	-	(24 125)	(24 125)	3 852 938	4 023 321	4 201 640
Total current liabilities	259 209	-	-	-	100 000	100 000	359 209	247 876	254 497
Total non current liabilities	54 003	-	-	-	-	-	54 003	53 775	56 690
Community wealth/Equity	4 870 201	-	-	-	286 318	286 318	5 156 519	4 972 965	5 602 646
Cash flows									
Net cash from (used) operating	733 678	-	-	-	(124 193)	(124 193)	609 485	880 659	631 829
Net cash from (used) investing	(593 291)	-	-	-	24 125	24 125	(569 165)	(578 643)	(594 590)
Net cash from (used) financing	-	-	-	-	-	-	-	111	116
Cash/cash equivalents at the year end	416 350	-	-	-	552 362	552 362	968 712	717 603	816 154
Cash backing/surplus reconciliation									
Cash and investments available	406 790	-	-	-	510 831	510 831	917 621	508 642	875 822
Application of cash and investments	226 148	-	-	-	100 358	100 358	326 507	212 884	221 037
Balance - surplus (shortfall)	180 641	-	-	-	410 473	410 473	591 114	295 758	654 785
Asset Management									
Asset register summary (WDV)	2 751 035	-	-	-	(24 125)	(24 125)	2 726 910	2 842 117	2 964 919
Depreciation	99 840	-	-	-	(110)	(110)	99 730	104 732	109 655
Renewal and Upgrading of Existing Assets	8 410	-	-	-	1 523	1 523	9 933	28 214	35 911
Repairs and Maintenance	68 712	-	-	-	30 100	30 100	98 812	159 351	179 322
Free services									
Households below minimum service level									
Water:	15	-	-	-	-	-	15	-	-
Sanitation/sewerage:	10	-	-	-	-	-	10	15	-

Table B2: Adjustment Budget Financial Performance (Functional Classification)

DC47 Sekhukhune - Table B2 Adjustments Budget Financial Performance (functional classification) - 28/02/2024										
Standard Description	Ref	Budget Year 2023/24							Budget Year	Budget Year
		Original Budget	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			7	8	9	10	11	12		
R thousands	1, 4	A	C	D	E	F	G	H		
Revenue - Functional										
Governance and administration		1 824 660	-	-	-	5 144	5 144	1 829 803	1 984 489	2 114 048
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		1 824 660	-	-	-	5 144	5 144	1 829 803	1 984 489	2 114 048
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	1 824 660	-	-	-	5 144	5 144	1 829 803	1 984 489	2 114 048
Expenditure - Functional										
Governance and administration		659 531	-	-	-	(3 034)	(3 034)	656 497	709 950	743 732
Executive and council		196 780	-	-	-	16 877	16 877	213 657	223 096	232 452
Finance and administration		462 751	-	-	-	(19 910)	(19 910)	442 840	486 854	511 280
Community and public safety		-	-	-	-	-	-	-	-	-
Economic and environmental services		31 242	-	-	-	(490)	(490)	30 752	36 862	40 187
Planning and development		31 242	-	-	-	(490)	(490)	30 752	36 862	40 187
Trading services		539 974	-	-	-	31 289	31 289	571 263	656 448	732 833
Water management		537 508	-	-	-	32 689	32 689	570 196	653 861	730 124
Waste water management		2 466	-	-	-	(1 400)	(1 400)	1 066	2 587	2 709
Other		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	1 230 747	-	-	-	27 765	27 765	1 258 511	1 403 260	1 516 751
Surplus/ (Deficit) for the year		593 913	-	-	-	(22 621)	(22 621)	571 292	581 229	597 297

Table B3: Adjustment Budget Financial Performance (Revenue and Expenditure by Vote)

DC47 Sekhukhune - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 28/02/2024										
Vote Description	Ref	Budget Year 2023/24							Budget Year +1 2024/25	Budget Year +2 2025/26
		Original Budget	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
<i>[Insert departmental structure etc]</i>			5	6	7	8	9	10		
R thousands		A	C	D	E	F	G	H		
Revenue by Vote	1									
Vote 01 - Speakers Office		-	-	-	-	-	-	-	-	-
Vote 02 - Executive Mayor's Office		-	-	-	-	-	-	-	-	-
Vote 03 - Municipal Manager Office		-	-	-	-	-	-	-	-	-
Vote 04 - Budget And Treasury		1 824 660	-	-	-	5 144	5 144	1 829 803	1 984 489	2 114 048
Vote 05 - Infrastructure And Water Services		-	-	-	-	-	-	-	-	-
Vote 06 - Planning And Economic Development		-	-	-	-	-	-	-	-	-
Vote 07 - Community Services		-	-	-	-	-	-	-	-	-
Vote 08 - Sekhukhune Development Angancy		-	-	-	-	-	-	-	-	-
Vote 09 - Corporate Services		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	1 824 660	-	-	-	5 144	5 144	1 829 803	1 984 489	2 114 048
Expenditure by Vote	1									
Vote 01 - Speakers Office		52 392	-	-	-	(4 224)	(4 224)	48 169	55 163	58 326
Vote 02 - Executive Mayor's Office		46 344	-	-	-	11 150	11 150	57 494	49 215	51 331
Vote 03 - Municipal Manager Office		98 044	-	-	-	9 950	9 950	107 994	118 718	122 795
Vote 04 - Budget And Treasury		193 249	-	-	-	(12 500)	(12 500)	180 749	202 326	212 063
Vote 05 - Infrastructure And Water Services		539 974	-	-	-	31 289	31 289	571 263	656 448	732 833
Vote 06 - Planning And Economic Development		21 927	-	-	-	(490)	(490)	21 437	24 741	27 159
Vote 07 - Community Services		77 608	-	-	-	(1 900)	(1 900)	75 708	81 411	85 238
Vote 08 - Sekhukhune Development Angancy		9 315	-	-	-	-	-	9 315	12 120	13 027
Vote 09 - Corporate Services		191 894	-	-	-	(5 510)	(5 510)	186 383	203 117	213 979
Total Expenditure by Vote	2	1 230 747	-	-	-	27 765	27 765	1 258 511	1 403 260	1 516 751
Surplus/ (Deficit) for the year	2	593 913	-	-	-	(22 621)	(22 621)	571 292	581 229	597 297

Table B4: Adjustment Budget Financial Performance (Revenue and Expenditure)

DC47 Sekhukhune - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 28/02/2024										
Description	Ref	Budget Year 2023/24							Budget Year	Budget Year
		Original Budget	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			5	6	7	8	9	10		
R thousands	1	A	C	D	E	F	G	H		
Revenue By Source										
Exchange Revenue										
Service charges - Water	2	93 542	-	-	-	(537)	(537)	93 005	98 125	102 737
Service charges - Waste Water Management	2	15 517	-	-	-	-	-	15 517	16 278	17 043
Sale of Goods and Rendering of Services		2 249	-	-	-	(943)	(943)	1 306	2 360	2 471
Interest earned from Receivables		16 028	-	-	-	2 100	2 100	18 128	16 813	17 604
Interest earned from Current and Non Current Assets		26 992	-	-	-	42 000	42 000	68 992	31 170	41 594
Operational Revenue		37	-	-	-	(7)	(7)	30	39	41
Non-Exchange Revenue										
Surcharges and Taxes		3	-	-	-	-	-	3	4	4
Fines, penalties and forfeits		53	-	-	-	(4)	(4)	49	55	58
Transfer and subsidies - Operational		1 118 177	-	-	-	(3 013)	(3 013)	1 115 164	1 261 384	1 359 398
Gains on disposal of Assets		453	-	-	-	-	-	453	475	497
Total Revenue (excluding capital transfers and contributions)		1 273 052	-	-	-	39 595	39 595	1 312 647	1 426 704	1 541 447
Expenditure By Type										
Employee related costs		478 529	-	-	-	(14 812)	(14 812)	463 718	502 056	525 652
Remuneration of councillors		19 083	-	-	-	(1 800)	(1 800)	17 283	20 018	20 958
Inventory consumed		185 067	-	-	-	22 200	22 200	207 267	224 718	269 084
Debt impairment		-	-	-	-	-	-	-	-	-
Depreciation and amortisation		99 840	-	-	-	(110)	(110)	99 730	104 732	109 655
Interest		105	-	-	-	-	-	105	110	116
Contracted services		202 768	-	-	-	21 564	21 564	224 332	312 161	339 979
Transfers and subsidies		20 000	-	-	-	-	-	20 000	-	-
Irrecoverable debts written off		5 307	-	-	-	-	-	5 307	5 567	5 828
Operational costs		220 048	-	-	-	722	722	220 770	233 899	245 479
Total Expenditure		1 230 747	-	-	-	27 765	27 765	1 258 511	1 403 260	1 516 751
Surplus/(Deficit)		42 305	-	-	-	11 831	11 831	54 136	23 444	24 695
Transfers and subsidies - capital (monetary allocations)		551 608	-	-	-	(34 452)	(34 452)	517 156	557 786	572 602
Surplus/ (Deficit) for the year	1	593 913	-	-	-	(22 621)	(22 621)	571 292	581 229	597 297

Annual Revenue Budget Adjustments 2023/24

The municipality's total annual revenue budget increased from R 1.824 billion to R 1.828 billion in the 2023/24 financial year. The total annual operating revenue budget increased from R 1.273 billion to R 1.312 billion, the total capital expenditure budget decreased from R 551 million to R 516 million.

The increase in annual operational revenue was due to the increased annual budget in the following items of revenue:

- Interest on short-term investments increased by R 42 million to R 68.9 million, the initial annual budget was R 26 million with R 45 million actual interest earned by 31st December 2023. Interest on outstanding debtors increased by R 2.1 million to R 18.1 million.
- Other revenue sources increased by R 845 thousand to R 3.6 million as collection on other revenue sources was 70% above the projected actual revenue by 31st December 2023.
- Service charges decreased by R 536 thousand and operational grants decreased by R 4.8 million.

OPERATING REVENUE

Operating Revenue	Approved Annual Budget 2023/24	Actual to-date revenue	Budget Adjustments	Adjusted Budget 2023/24
Service Charges - Water Services	- 109 059 224.74	- 55 432 355.47	536 666.90	- 108 522 557.84
Interest income - Short-term Investments	- 26 991 908.00	- 45 810 195.12	- 42 000 000.00	- 68 991 908.00
Interest income - Outstanding debtors	- 16 027 930.00	- 16 485 301.01	- 2 100 000.00	- 18 127 930.00
Other revenue	- 2 795 678.00	- 2 322 570.98	845 409.70	- 3 641 087.70
Operational Grants	- 1 118 176 990.00	- 814 396 336.08	4 813 465.66	- 1 113 363 524.34
Total	- 1 273 051 730.74	- 934 446 758.66	- 39 595 277.14	- 1 312 647 007.88

The decrease in annual capital budget was due to the decreased annual budget in the following items:

- The annual budget on projects funded through the Municipal Infrastructure Grants was reduced by R 35 million to R 513 million in the current year. The annual MIG allocation of the municipality was reduced by R 39 million as per the Division of Revenue Act amendment bill for the 2023/24 financial year as a result the annual capital budget allocation was adjusted accordingly.

CAPITAL REVENUE

Capital Revenue	Approved Annual Budget 2023/24	Actual to-date revenue	Budget Adjustments	Adjusted Budget 2023/24
Municipal Infrastructure Grant	- 549 148 010.00	- 121 024 832.13	35 451 535.84	- 513 696 474.16
Rural Road Asset Management Systems	- 2 460 000.00	-	-	- 2 460 000.00
Regional Bulk Infrastructure Grant	-	- 19 114 481.08	-	-
Water Services Infrastructure Grant	-	- 540 848.85	-	-
Total	- 551 608 010.00	- 140 680 162.06	35 451 535.84	- 516 156 474.16

Annual Operational Expenditure Budget Adjustments 2023/24

The municipality's total annual operational expenditure budget increased from R 1.230 billion to R 1.258 billion. The increase was due to the following budgets adjustments per vote:

- Infrastructure and Water services budget increased by R 31 million to R 571 million, the budget on VIP toilets was increased by R 29 million as plans were concluded to add more units to be constructed during the last half of the financial year.
- Municipal Manager's budget increased by R 9.9 million to R 107 million. Security services budget was increased by R 6 million as the to-date expenditure was a bit higher than projected for in the financial year. Legal services budget was also increased by R 2.5 million as the municipality is currently engaging in quite a number of legal processes in defence of the some litigations in a court of law.
- Executive Mayor's office, the budget increased by R 11 million to R 57 million, additional budget was allocated to the Mayor's special programs, outreach programs & publications.
- The Budget & Treasury Office, the budget decreased by R 12 million to R 180 million, there savings on the annual budget allocations for meter readings and data cleansing, the service providers were appointed in December 2023 and started working in January 2024, savings for the first half of the financial year amounting to R 12.5 million were reallocated to other departments to assist in the implementation of other service delivery projects.
- Executive council, the budget decreased by R 4 million to R 48 million, savings on annual budget allocation to SLAGA payments were reallocated to other service delivery projects.
- Corporate Services, the budget decreased by R 5.5 million to R 186 million, savings on asset maintenance budget were reallocated to other service delivery projects.
- Community services budget decreased by R 1.9 million to R 75.7 million.
- PED's budget decreased by R 490 thousand to R 21.4 million.

OPERATING EXPENDITURE

Operating expenditure	Approved Annual Budget 2023/24	Actual to-date expenditure	Budget Adjustments	Adjusted Budget 2023/24
Executive Council - Speaker's office	52 392 012.00	20 035 133.89	- 4 223 500.00	48 168 512.00
Executive Mayor's office	46 344 292.00	23 957 833.00	11 150 000.00	57 494 292.00
Municipal Manager's office	98 043 706.00	57 298 797.97	9 950 000.00	107 993 706.00
Budget and Treasury	193 248 551.00	28 188 668.20	- 12 500 000.00	180 748 551.00
Infrastructure and Water Services	539 944 984.00	324 011 979.41	31 317 840.98	571 262 824.98
Planning and Econ Development	21 926 952.00	6 062 998.33	- 490 000.00	21 436 952.00
Community services	77 608 437.00	35 590 109.54	- 1 900 000.00	75 708 437.00
Sekhukhune Development Agency	9 314 935.00	2 120 469.41	-	9 314 935.00
Corporate Services	191 893 649.00	90 576 604.17	- 5 510 468.00	186 383 181.00
Total	1 230 717 518.00	587 842 593.92	27 793 872.98	1 258 511 390.98

The following were the annual operational expenditure budget adjustments per the economic classification:

- The total employee related cost has decreased by R 14.8 million to R 463 million.

- Remuneration of councillors decreased by R 1.8 million to R 17.2 million, the municipality's staff organizational structure had quite a number of vacant positions which were budgeted for in the 2023/24 financial year, such vacancies were not filled the budget savings were reallocated to other service delivery projects.
- Bulk water purchases increased by R 22 million to R 207 million, the budget on bulk water supply was increased due to additional villages which were supplied with water and required additional funding.
- Depreciation decreased by R 110 thousand to R 99.7 million.
- Contracted services increased by R 21.5 million to R 224 million, the annual budget on contracted services has increased as result of increase in budgets for security services, publications, maintenance of assets.
- Other operational costs increased by R 722 thousand to R 220 thousand.

DC47 Sekhukhune - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 28/02/2024												
Description	Ref	Budget Year 2023/24									Budget Year +1 2024/25	Budget Year +2 2025/26
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			3	4	5	6	7	8	9	10		
R thousands	1	A	A1	B	C	D	E	F	G	H		
Expenditure By Type												
Employee related costs		478 529	-	-	-	-	-	(14 812)	(14 812)	463 718	502 056	525 652
Remuneration of councillors		19 083	-	-	-	-	-	(1 800)	(1 800)	17 283	20 018	20 958
Inventory consumed		185 067	-	-	-	-	-	22 200	22 200	207 267	224 718	269 084
Depreciation and amortisation		99 840	-	-	-	-	-	(110)	(110)	99 730	104 732	109 655
Interest		105	-	-	-	-	-	-	-	105	110	116
Contracted services		202 768	-	-	-	-	-	21 564	21 564	224 332	312 161	339 979
Transfers and subsidies		20 000	-	-	-	-	-	-	-	20 000	-	-
Irrecoverable debts written off		5 307	-	-	-	-	-	-	-	5 307	5 567	5 828
Operational costs		220 048	-	-	-	-	-	722	722	220 770	233 899	245 479
Total Expenditure		1 230 747	-	-	-	-	-	27 765	27 765	1 258 511	1 403 260	1 516 751

Table B5: Adjustment Capital Expenditure Budget by vote and funding

DC47 Sekhukhune - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 28/02/2024										
Description	Ref	Budget Year 2023/24							Budget Year +1 2024/25	Budget Year +2 2025/26
		Original Budget	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			7	8	9	10	11	12		
R thousands		A	C	D	E	F	G	H		
Capital expenditure - Vote										
Multi-year expenditure to be adjusted	2									
Capital multi-year expenditure sub-total	3	-	-	-	-	-	-	-	-	-
Single-year expenditure to be adjusted	2									
Vote 04 - Budget And Treasury		28 450	-	-	-	2 000	2 000	30 450	8 160	8 600
Vote 05 - Infrastructure And Water Services		563 293	-	-	-	(26 625)	(26 625)	536 668	570 008	585 387
Vote 06 - Planning And Economic Development		-	-	-	-	-	-	-	-	-
Vote 07 - Community Services		200	-	-	-	-	-	200	250	300
Vote 08 - Sekhukhune Development Angancy		1 500	-	-	-	-	-	1 500	700	800
Vote 09 - Corporate Services		300	-	-	-	500	500	800	-	-
Capital single-year expenditure sub-total		593 743	-	-	-	(24 125)	(24 125)	569 618	579 118	595 087
Total Capital Expenditure - Vote		593 743	-	-	-	(24 125)	(24 125)	569 618	579 118	595 087
Capital Expenditure - Functional										
Governance and administration		28 950	-	-	-	2 500	2 500	31 450	8 410	8 900
Finance and administration		28 950	-	-	-	2 500	2 500	31 450	8 410	8 900
Community and public safety		-	-	-	-	-	-	-	-	-
Economic and environmental services		1 500	-	-	-	-	-	1 500	700	800
Planning and development		1 500	-	-	-	-	-	1 500	700	800
Trading services		563 293	-	-	-	(26 625)	(26 625)	536 668	570 008	585 387
Energy sources		-	-	-	-	-	-	-	-	-
Water management		563 293	-	-	-	(26 625)	(26 625)	536 668	570 008	585 387
Total Capital Expenditure - Functional	3	593 743	-	-	-	(24 125)	(24 125)	569 618	579 118	595 087
Funded by:										
National Government		551 608	-	-	-	(34 452)	(34 452)	517 156	557 786	572 602
Transfers recognised - capital	4	551 608	-	-	-	(34 452)	(34 452)	517 156	557 786	572 602
Internally generated funds		42 135	-	-	-	10 326	10 326	52 461	21 333	22 485
Total Capital Funding		593 743	-	-	-	(24 125)	(24 125)	569 618	579 118	595 087

The municipality's total capital budget decreased by R 24 million to R 569 million for the 2023/24 financial year. The annual municipal infrastructure grant allocation of the municipality was reduced by R 39 million for the 2023/24 financial year in terms of the revised Division of Revenue Act amendment bill. The annual budget on capital projects funded through the MIG was reduced by R 35 million to R 513 million as a result, though there was an increase of about R 11 million on the annual budget for the capital projects funded through the Equitable Share.

CAPITAL EXPENDITURE					
Capital expenditure		Approved Annual Budget 2023/24	Actual to-date expenditure	Budget Adjustments	Adjusted Budget 2023/24
	Municipal Infrastructure Grant	549 148 011.00	123 092 059.69	- 35 451 535.84	513 696 475.16
	Rural Road Asset Management Systems	2 460 000.00		-	2 460 000.00
	Total	551 608 011.00	123 092 059.69	- 35 451 535.84	516 156 475.16
	Equitable Share	42 135 314.00	7 470 485.87	11 326 086.96	53 461 400.96
	Total	593 743 325.00	130 562 545.56	- 24 125 448.88	569 617 876.12
	Total Annual Expenditure Budget	1 824 460 843.00	718 405 139.48	3 668 424.10	1 828 129 267.10

The following projects funded through the Municipal Infrastructure Grant were affected by the adjustments on the annual budget allocations:

- Motlailana/Makgemeng/Taung – R 7.6 million increased budget allocation.
- Ga-Mogashoa (Senkgapudi/Manamane) – R 1.8 million increased budget allocation.
- Lebalelo South connector pipes – R 5.6 million increased budget allocation.
- Lebalelo South Maroga & Motlolo Phase 3 – R 10 million additional budget.
- Upgrading of De-Hoop Water Treatment Works – R 11.6 million additional budget allocation.
- Upgrading of Groblersdal/Lukau – R 15.5 million reduction.
- Mampuru Water Scheme – R 67.6 million reduction.
- Moutse East/West Water Reticulation Phase 1 – R 21.6 million reduction.
- Makgeru/Ga-Ratau/Matekane – R 1.1 million increased budget allocation.
- Moutse East/West Water Reticulation Phase 2 – R 5.7 million new budget allocation.
- Olifantspoort South Regional Water Supply Phase 6 – R 20.5 million new budget allocation.
- NSD07 Regional Water Scheme Reserve – R 1.5 million increased budget allocation.
- Ga-Maphopha command reservoir – R 400 thousand.

The following items were affected by the capital budget adjustments funded through the equitable share:

- Office Furniture & Equipment – R 2 million additional budget allocation.
- Computer Equipment – R 1.5 million additional budget allocation.
- Upgrade of Vergelegen Phase 1 – R 5 million new additional
- Ga-Mogashoa (Senkgapudi/Manamane) – R 826 thousand new budget allocation.
- Nkadimeng RWS Ext 2 (Phase 9-11) FTL – R 2 million new budget allocation.

Table B6: Adjustment Budget Financial Position

DC47 Sekhukhune - Table B6 Adjustments Budget Financial Position - 28/02/2024										
Description	Ref	Budget Year 2023/24							Budget Year +1 2024/25	Budget Year +2 2025/26
		Original Budget	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	5	6	7	8	9	10		
			C	D	E	F	G	H		
ASSETS										
Current assets										
Cash and cash equivalents		406 790	-	-	-	510 831	510 831	917 621	508 642	875 822
Trade and other receivables from exchange transactions	1	544 395	-	-	-	(401)	(401)	543 994	537 525	508 117
Inventory		212 731	-	-	-	(99 986)	(99 986)	112 746	73 258	203 400
VAT		50 851	-	-	-	-	-	50 851	53 342	55 849
Other current assets		91 582	-	-	-	-	-	91 582	78 527	69 004
Total current assets		1 306 349	-	-	-	410 444	410 444	1 716 793	1 251 295	1 712 194
Non current assets										
Property, plant and equipment	3	3 875 563	-	-	-	(24 125)	(24 125)	3 851 438	4 022 621	4 200 840
Intangible assets		1 500	-	-	-	-	-	1 500	700	800
Total non current assets		3 877 063	-	-	-	(24 125)	(24 125)	3 852 938	4 023 321	4 201 640
TOTAL ASSETS		5 183 413	-	-	-	386 319	386 319	5 569 731	5 274 616	5 913 833
LIABILITIES										
Current liabilities										
Consumer deposits		4 209	-	-	-	-	-	4 209	4 426	4 739
Trade and other payables from exchange transactions		155 000	-	-	-	100 000	100 000	255 000	138 551	139 928
Trade and other payables from non-exchange transactions		100 000	-	-	-	-	-	100 000	104 900	109 830
Total current liabilities		259 209	-	-	-	100 000	100 000	359 209	247 876	254 497
Non current liabilities										
Provisions	1	54 003	-	-	-	-	-	54 003	53 775	56 690
Total non current liabilities		54 003	-	-	-	-	-	54 003	53 775	56 690
TOTAL LIABILITIES		313 212	-	-	-	100 000	100 000	413 212	301 651	311 187
NET ASSETS	2	4 870 201	-	-	-	286 318	286 318	5 156 519	4 972 965	5 602 646
COMMUNITY WEALTH/EQUITY										
Accumulated Surplus/(Deficit)		4 870 201	-	-	-	286 318	286 318	5 156 519	4 972 965	5 602 646
TOTAL COMMUNITY WEALTH/EQUITY		4 870 201	-	-	-	286 318	286 318	5 156 519	4 972 965	5 602 646

The municipality's financial position remained in good shape as adjusted having considered the budget adjustments of the total municipal assets and liabilities. The total municipal assets were adjusted as follows:

Current assets

Cash & cash equivalents, the annual budget increased by R 509 million to R 917 million as the municipality expects to end the financial year with huge bank balances influenced by the slow spending on capital projects. The appointment of contractors were finalized later than expected with spending on capital projects reported at 24% as at 31st December 2023.

Trade and other receivables annual budget reduced by R 401 thousand to R 543 million, as the collection keeps on improving for service charges.

Inventory reduced by R 99 million to R 112 million, the projections on bulk water supply were realistically revised due to a number of water reticulation projects completed in the first half of the financial year with a great potential of reducing the water inventories by end of the financial year.

Non-current assets

The annual budgeted property, plant & equipment has reduced by R 24 million as a result of the reduction in the annual MIG allocation of the municipality as per the revised Division of Revenue Act amendment bill.

Current Liabilities

The municipality's current liabilities were increased by R 100 million, the signed settlement agreement with Lepelle Northern Water Board did include payments which were previously disputed and an agreement was reached between the municipality and LNW to settle such amounts. The municipality is maintaining a few investment portfolios as a cash backed reserves committed to settle the amounts while the two parties were engaging to resolve the dispute.

Table B7: Adjustment Budget Cash Flows

DC47 Sekhukhune - Table B7 Adjustments Budget Cash Flows - 28/02/2024										
Description	Ref	Budget Year 2023/24						Budget Year	Budget Year	
		Original Budget	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	5	6	7	8	9	10		
			C	D	E	F	G	H		
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Service charges		65 249	-	-	-	(136)	(136)	65 114	78 794	84 467
Other revenue		2 219	-	-	-	1 422	1 422	3 641	2 336	2 662
Transfers and Subsidies - Operational	1	1 118 177	-	-	-	(4 813)	(4 813)	1 113 364	1 261 384	1 359 398
Transfers and Subsidies - Capital	1	551 608	-	-	-	(34 452)	(34 452)	517 156	557 786	569 339
Interest		22 612	-	-	-	46 379	46 379	68 992	23 630	23 789
Payments										
Suppliers and employees		(1 026 188)	-	-	-	(132 594)	(132 594)	(1 158 781)	(1 043 270)	(1 407 826)
NET CASH FROM/(USED) OPERATING ACTIVITIES		733 678	-	-	-	(124 193)	(124 193)	609 485	880 659	631 829
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		453	-	-	-	-	-	453	475	497
Payments										
Capital assets		(593 743)	-	-	-	24 125	24 125	(569 618)	(579 118)	(595 087)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(593 291)	-	-	-	24 125	24 125	(569 165)	(578 643)	(594 590)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	111	116
Payments										
Repayment of borrowing		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	111	116
NET INCREASE/ (DECREASE) IN CASH HELD		140 388	-	-	-	(100 068)	(100 068)	40 320	302 127	37 356
Cash/cash equivalents at the year begin:	2	275 962	-	-	-	652 430	652 430	928 392	415 476	778 799
Cash/cash equivalents at the year end:	2	416 350	-	-	-	552 362	552 362	968 712	717 603	816 154

The municipality's cash balances were quite favourable as adjusted. The adjustments were as follows on the municipality's annual cash flow projections:

Cash Flow Operating Activities:

Service charges, the budget decreased by R 136 thousand as the collection rate kept on improving gradually throughout the year.

Other revenue, the budget increased by R 1.4 million due to the actual revenue which was 70% more than the projected revenue by 31st December 2023.

Transfers and subsidies (Operational), the budget reduced by R 4.8 million as the result of the reduction in the MIG allocation for the 2023/24 financial year, the overheads budget was affected and reduced by the said amount as a result.

Transfers and subsidies (Capital), the budget reduced by R 34 million as result of the reduction in the MIG allocation for the 2023/24 financial year in terms of the revised Division of Revenue Act amendment bill.

Interest on short-term investments, the annual budget increased by R 46 million, the municipality initially budgeted about R 26 million for the entire financial year, as at 31st December 2023 the actual interest earnings on short-term investments were reported at R 45 million, the annual budget was adjusted accordingly.

Payments to suppliers and employees

The annual budget on suppliers and employee payments was increased by R 132 million to R 1.158 billion, more reallocation of budget savings from administrative processes to service delivery programs contributed mainly to the adjustment as the municipality is currently busy unlocking service delivery programs.

Payments (Capital)

The reduction in the municipality's annual MIG allocation as per the revised Division of Revenue Act amendment bill was the only factor that contributed to reduction in the annual capital expenditure budget of the municipality.

Table B8: Cash backed reserves/accumulated surplus reconciliation

DC47 Sekhukhune - Table B8 Cash backed reserves/accumulated surplus reconciliation - 28/02/2024										
Description	Ref	Budget Year 2023/24							Budget Year	Budget Year
		Original Budget	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2024/25	+2 2025/26
			5	6	7	8	9	10		
R thousands		A	C	D	E	F	G	H		
Cash and investments available										
Cash/cash equivalents at the year end	1	416 350	-	-	-	552 362	552 362	968 712	717 603	816 154
Other current investments > 90 days		(9 560)	-	-	-	(41 532)	(41 532)	(51 092)	(208 961)	59 668
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-
Cash and investments available:		406 790	-	-	-	510 831	510 831	917 621	508 642	875 822
Applications of cash and investments										
Unspent conditional transfers		100 000	-	-	-	-	-	100 000	104 900	109 830
Other working capital requirements	2	126 148				100 358	100 358	226 507	107 984	111 207
Long term investments committed		-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments		-				-	-	-	-	-
Total Application of cash and investments:		226 148	-	-	-	100 358	100 358	326 507	212 884	221 037
Surplus(shortfall)		180 641	-	-	-	410 473	410 473	591 114	295 758	654 785

The municipality's funding model is a combination of government transfers and subsidies and own revenue sources. The government transfers and subsidies budgeted for in the 2023/24 were all received as expected as per the schedule of transfers by the 31st of December 2023. The following transfers and grants were received:

Total Operational Transfers and subsidies received to-date	R 820 million
Total Capital Transfers and subsidies received to-date	R 181 million
Total own revenue collected to-date	R 47.3 million
Total interest on short-term investments	R 45 million
Total Revenue collected as at 31st December 2023	R 1.093 billion

The municipality is also maintaining a number short-term investments with different banking institutions, the investments are ring-fenced primarily to maintain both the historical and current creditors' accounts of the municipality so as to maintain a good financial position now and in future. The following are the short-term investment and their balances as at 29th of February 2024:

FNB Account No: 62858613980	R 284 million
Nedbank Account No:	R 953 thousand
ABSA Account No: 9368456281	R 169 thousand
ABSA Account No: 2080786868	R 166 million
ABSA Account No: 2080973405	R 159 million
Standard Bank Account No: 238890708008	R 148 million
Total Investment balances as at 29th February 2024	R 761 million

The short-term investment with FNB is maintained as a capital reserve portfolio of investments aimed at refurbishing the existing infrastructure network, this investment portfolio was initiated almost three years ago at it has grown to almost R 300 million, the monies deposited into this investment accounts are all the VAT refunds from the South African Revenue Service collected in the past two years and current year, such funds are not committed for spending during the budgeting processes.

The three ABSA accounts are maintained to cover the retentions amounts on the capital projects that are currently in progress currently with a balance of R 202 million, the investments are also aimed cover the municipality's historical debt to the Lepelle Northern Water Board current with a balance of R 119 million.

The Standard Bank Investment is a daily call investment wherein the municipality enjoys the flexibility of withdrawing the money only when it is required for use while it generates interest on a daily basis.

The municipality also closed its books with a positive bank balance of about R 22 million as at end of February 2024.

The municipality's cash flows are currently very stable and sufficient to cover all day today operational activities whilst it is also quite evident that operations are expected to go quite smoothly for the next few years supported by the municipality's financial resources.

Table B9: Adjustment Budget Financial Position

DC47 Sekhukhune - Table B9 Asset Management - 28/02/2024

Description	Ref	Budget Year 2023/24						Budget Year	Budget Year	
		Original Budget	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	
		A	9	10	11	12	13	14		
R thousands		A	C	D	E	F	G	H		
CAPITAL EXPENDITURE										
Total New Assets to be adjusted	1	585 333	-	-	-	(25 648)	(25 648)	559 685	550 905	559 175
<i>Water Supply Infrastructure</i>		580 833	-	-	-	(29 148)	(29 148)	551 685	549 955	558 075
Infrastructure		580 833	-	-	-	(29 148)	(29 148)	551 685	549 955	558 075
Licences and Rights		1 500	-	-	-	-	-	1 500	700	800
Intangible Assets		1 500	-	-	-	-	-	1 500	700	800
Computer Equipment		1 300	-	-	-	1 500	1 500	2 800	-	-
Furniture and Office Equipment		1 700	-	-	-	2 000	2 000	3 700	250	300
Total Renewal of Existing Assets to be adjusted	2	5 750	-	-	-	1 523	1 523	7 273	25 393	32 925
<i>Water Supply Infrastructure</i>		-	-	-	-	1 523	1 523	1 523	19 483	26 625
Infrastructure		-	-	-	-	1 523	1 523	1 523	19 483	26 625
Transport Assets		5 750	-	-	-	-	-	5 750	5 910	6 300
Total Upgrading of Existing Assets to be adjusted	2a	2 660	-	-	-	-	-	2 660	2 821	2 986
<i>Roads Infrastructure</i>		2 460	-	-	-	-	-	2 460	2 571	2 686
Infrastructure		2 460	-	-	-	-	-	2 460	2 571	2 686
Operational Buildings		200	-	-	-	-	-	200	250	300
Other Assets	6	200	-	-	-	-	-	200	250	300
Total Capital Expenditure to be adjusted	4	593 743	-	-	-	(24 125)	(24 125)	569 618	579 118	595 087
<i>Roads Infrastructure</i>		2 460	-	-	-	-	-	2 460	2 571	2 686
<i>Water Supply Infrastructure</i>		580 833	-	-	-	(27 625)	(27 625)	553 208	569 437	584 701
Infrastructure		583 293	-	-	-	(27 625)	(27 625)	555 668	572 008	587 387
Operational Buildings		200	-	-	-	-	-	200	250	300
Other Assets		200	-	-	-	-	-	200	250	300
Licences and Rights		1 500	-	-	-	-	-	1 500	700	800
Intangible Assets		1 500	-	-	-	-	-	1 500	700	800
Computer Equipment		1 300	-	-	-	1 500	1 500	2 800	-	-
Furniture and Office Equipment		1 700	-	-	-	2 000	2 000	3 700	250	300
Transport Assets		5 750	-	-	-	-	-	5 750	5 910	6 300
TOTAL CAPITAL EXPENDITURE to be adjusted	4	593 743	-	-	-	(24 125)	(24 125)	569 618	579 118	595 087
ASSET REGISTER SUMMARY - PPE (WDV)	5	2 751 035	-	-	-	(24 125)	(24 125)	2 726 910	2 842 117	2 964 919
<i>Roads Infrastructure</i>		31 367	-	-	-	-	-	31 367	32 894	34 434
<i>Water Supply Infrastructure</i>		2 654 474	-	-	-	(27 625)	(27 625)	2 626 849	2 744 687	2 862 187
<i>Sanitation Infrastructure</i>		48 398	-	-	-	-	-	48 398	50 770	53 156
Infrastructure		2 734 239	-	-	-	(27 625)	(27 625)	2 706 614	2 828 351	2 949 777
Community Assets		35 182	-	-	-	-	-	35 182	36 906	39 113
Heritage Assets		1 500	-	-	-	-	-	1 500	700	800
Other Assets		(15 208)	-	-	-	-	-	(15 208)	(15 913)	(16 623)
Computer Equipment		(21 177)	-	-	-	1 500	1 500	(19 677)	(23 578)	(24 686)
Furniture and Office Equipment		6 295	-	-	-	2 000	2 000	8 295	5 071	5 347
Machinery and Equipment		3 791	-	-	-	-	-	3 791	3 977	4 163
Transport Assets		6 412	-	-	-	-	-	6 412	6 605	7 028
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	2 751 035	-	-	-	(24 125)	(24 125)	2 726 910	2 842 117	2 964 919

EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		99 840	-	-	-	(110)	(110)	99 730	104 732	109 655
Repairs and Maintenance by asset class	3	68 712	-	-	-	30 100	30 100	98 812	159 351	179 322
<i>Water Supply Infrastructure</i>		31 902	-	-	-	3 500	3 500	35 402	44 060	46 317
<i>Sanitation Infrastructure</i>		10 093	-	-	-	24 200	24 200	34 293	87 311	103 038
<i>Solid Waste Infrastructure</i>		1 248	-	-	-	-	-	1 248	994	1 041
Infrastructure		43 243	-	-	-	27 700	27 700	70 943	132 366	150 395
Heritage Assets		500	-	-	-	500	500	1 000	522	546
<i>Operational Buildings</i>		3 058	-	-	-	-	-	3 058	3 473	3 589
Other Assets		3 058	-	-	-	-	-	3 058	3 473	3 589
Computer Equipment		636	-	-	-	-	-	636	667	699
Furniture and Office Equipment		2 106	-	-	-	-	-	2 106	2 209	2 313
Machinery and Equipment		9 669	-	-	-	(100)	(100)	9 569	10 114	10 580
Transport Assets		9 500	-	-	-	2 000	2 000	11 500	10 000	11 200
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		168 552	-	-	-	29 990	29 990	198 542	264 084	288 976
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		1.4%						1.7%	4.9%	6.0%
<i>Renewal and upgrading of Existing Assets as % of deprecn"</i>		8.4%						10.0%	26.9%	32.7%
<i>R&M as a % of PPE</i>		2.5%						3.6%	5.6%	6.0%
<i>Renewal and upgrading and R&M as a % of PPE</i>		2.8%						4.0%	6.6%	7.3%

Table B10: Basic service delivery measurement

DC47 Sekhukhune - Table B10 Basic service delivery measurement - 28/02/2024										
Description	Ref	Budget Year 2023/24							Budget Year +1 2024/25	Budget Year +2 2025/26
		Original Budget	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			9	10	11	12	13	14		
		A	C	D	E	F	G	H		
Household service targets	1									
<u>Water:</u>										
Piped water inside dwelling		20000	0	0	0	0	-	20	0	
Piped water inside yard (but not in dwelling)		15000	0	0	0	0	-	15	0	
Using public tap (at least min.service level)	2	469235	0	0	0	0	-	469	500880	
Other water supply (at least min.service level)		119597	0	0	0	0	-	120	146	
<i>Minimum Service Level and Above sub-total</i>		624	-	-	-	-	-	624	647	
Using public tap (< min.service level)	3						-	-		
Other water supply (< min.service level)	3,4	10000	0	0	0	0	-	10	0	
No water supply		5000	0	0	0	0	-	5	0	
<i>Below Minimum Service Level sub-total</i>		15	-	-	-	-	-	15	-	
Total number of households	5	639	-	-	-	-	-	639	647	
<u>Sanitation/sewerage:</u>										
Flush toilet (connected to sewerage)		0	0	0	0	0	-	-	0	
Flush toilet (with septic tank)		15000	0	0	0	0	-	15 000	20000	
Chemical toilet							-	-		
Pit toilet (ventilated)		48000	0	0	0	0	-	48 000	0	
Other toilet provisions (> min.service level)							-	-		
<i>Other water supply (at least min.service level)</i>		63 000	-	-	-	-	-	63 000	20 000	
Bucket toilet							-	-		
Other toilet provisions (< min.service level)		10000	0	0	0	0	-	10 000	15000	
No toilet provisions							-	-		
<i>No water supply</i>		10 000	-	-	-	-	-	10 000	15 000	
Below Minimum Service Level sub-total	0	73 000	-	-	-	-	-	73 000	35 000	
<u>Energy:</u>										
<i>No water supply</i>		-	-	-	-	-	-	-	-	
Below Minimum Service Level sub-total	0	-	-	-	-	-	-	-	-	
<u>Refuse:</u>										
Removed at least once a week (min.service)							-	-		
Below Minimum Service Level sub-total	0	-	-	-	-	-	-	-	-	
<u>Households receiving Free Basic Service</u>	15									
<u>Cost of Free Basic Services provided (R'000)</u>	16									
Water (6 kilolitres per indigent household per month)		93 542	-	-	-	(537)	(537)	93 005	98 125	
Sanitation (free sanitation service to indigent households)		15 517	-	-	-	-	-	15 517	16 278	
Total cost of FBS provided		109 059	-	-	-	(537)	(537)	108 523	114 403	
<u>Highest level of free service provided</u>										
Water (kilolitres per household per month)		28000	0	0	0	0	-	28 000	35000	
Sanitation (kilolitres per household per month)		15000	0	0	0	0	-	15 000	20000	
Sanitation (Rand per household per month)		10000	0	0	0	0	-	10 000	15000	
<u>Revenue cost of free services provided (R'000)</u>	17									
Total revenue cost of subsidised services provided		-	-	-	-	-	-	-	-	

Table SB1: Supporting detail to 'Budget Financial Performance'

DC47 Sekhukhune - Supporting Table SB1 Supporting detail to 'Budgeted Financial Performance' - 28/02/2024										
Description	Ref	Budget Year 2023/24						Budget Year	Budget Year	
		Original Budget	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	8	9	10	11	12	13		
R thousands										
REVENUE ITEMS										
Service charges - Water										
Total Service charges - water		93 542	-	-	-	(537)	(537)	93 005	98 125	102 737
Net Service charges - Water		93 542	-	-	-	(537)	(537)	93 005	98 125	102 737
Service charges - Waste Water Management										
Total Service charges - Waste Water Management		15 517	-	-	-	-	-	15 517	16 278	17 043
Net Service charges - Waste Water Management		15 517	-	-	-	-	-	15 517	16 278	17 043
EXPENDITURE ITEMS										
Employee related costs										
Basic Salaries and Wages		334 432	-	-	-	(13 538)	(13 538)	320 894	359 582	376 483
Pension and UIF Contributions		49 637	-	-	-	(1 246)	(1 246)	48 391	52 069	54 517
Medical Aid Contributions		15 193	-	-	-	1 092	1 092	16 285	15 937	16 686
Overtime		19 990	-	-	-	(4 112)	(4 112)	15 877	20 969	21 955
Performance Bonus		-	-	-	-	520	520	520	-	-
Motor Vehicle Allowance		29 012	-	-	-	(490)	(490)	28 522	30 434	31 864
Cellphone Allowance		19 212	-	-	-	432	432	19 644	11 469	12 008
Housing Allowances		3 672	-	-	-	(1 066)	(1 066)	2 606	3 852	4 033
Other benefits and allowances		1 402	-	-	-	3 052	3 052	4 454	1 471	1 540
Payments in lieu of leave		4 259	-	-	-	(50)	(50)	4 209	4 468	4 678
Long service awards		1 440	-	-	-	647	647	2 088	1 511	1 582
Post-retirement benefit obligations	4	213	-	-	-	-	-	213	223	234
Acting and post related allowance		66	-	-	-	(52)	(52)	14	70	73
sub-total		478 529	-	-	-	(14 812)	(14 812)	463 718	502 056	525 652
Less: Employees costs capitalised to PPE		-	-	-	-	-	-	-	-	-
Total Employee related costs	1	478 529	-	-	-	(14 812)	(14 812)	463 718	502 056	525 652
Depreciation and amortisation										
Depreciation of Property, Plant & Equipment		99 840	-	-	-	(110)	(110)	99 730	104 732	109 655
Total Depreciation and amortisation	1	99 840	-	-	-	(110)	(110)	99 730	104 732	109 655
Transfers and grants										
Non-cash transfers and grants		20 000	-	-	-	-	-	20 000	-	-
Total transfers and grants		20 000	-	-	-	-	-	20 000	-	-

Contracted services										
<i>Outsourced Services</i>		44 987	-	-	-	(7 010)	(7 010)	37 977	125 141	145 101
<i>Consultants and Professional Services</i>		59 020	-	-	-	(11 000)	(11 000)	48 020	62 891	65 172
<i>Contractors</i>		98 761	-	-	-	39 574	39 574	138 335	124 129	129 706
Total contracted services		202 768	-	-	-	21 564	21 564	224 332	312 161	339 979
Operational Costs										
Collection costs		421	-	-	-	420	420	841	442	463
Audit fees		10 900	-	-	-	(2 400)	(2 400)	8 500	11 439	11 983
<i>Other Operational Costs</i>		208 727	-	-	-	2 702	2 702	211 429	222 018	233 033
Total Other Operational Costs	1	220 048	-	-	-	722	722	220 770	233 899	245 479
Repairs and Maintenance by Expenditure Item	14									
Contracted Services		38 926	-	-	-	33 400	33 400	72 326	123 047	141 116
Other Expenditure		2 848	-	-	-	(1 000)	(1 000)	1 848	2 668	2 792
Total Repairs and Maintenance Expenditure	15	41 774	-	-	-	32 400	32 400	74 174	125 715	143 908
Inventory Consumed										
Inventory Consumed - Water		(146 618)	-	-	-	-	-	(146 618)	(153 802)	(161 031)
Inventory Consumed - Other		331 685	-	-	-	22 200	22 200	353 885	378 520	430 115
Total Inventory Consumed & Other Material		185 067	-	-	-	22 200	22 200	207 267	224 718	269 084

Table SB2: Supporting detail to 'Budget Financial Position'

DC47 Sekhukhune - Supporting Table SB2 Supporting detail to 'Financial Position Budget' - 28/02/2024									
Description	Ref	Budget Year 2023/24						Budget Year	Budget Year
		Original Budget	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget
		A	6	7	8	9	10	11	
R thousands		A	C	D	E	F	G	H	
ASSETS									
Trade and other receivables from exchange transactions									
Water		468 104	-	-	-	(401)		494 428	395 605
Waste Water		81 143	-	-	-	-		73 383	145 307
Other trade receivables from exchange transactions		121 245	-	-	-	-		101 989	105 697
Gross: Trade and other receivables from exchange transactions		670 492	-	-	-	(401)	-	669 801	646 610
Less: Impairment for debt	1	(126 097)	-	-	-	-	-	(132 276)	(138 493)
Impairment for Water		(101 016)	-	-	-	-		(105 966)	(110 946)
Impairment for other trade receivables from exchange transactions		(25 081)	-	-	-	-		(26 310)	(27 546)
Total net Trade and other receivables from Exchange Transactions		544 395	-	-	-	(401)	-	537 525	508 117
-									
Receivables from non-exchange transactions									
Inventory									
Water									
Opening Balance		119 584	-	-	-	-	-	119 584	125 443
System Input Volume		140 743	-	-	-	-	-	140 743	147 640
Water Treatment Works		40 743	-	-	-	-	-	40 743	44 748
Bulk Purchases		100 000	-	-	-	-	-	100 000	109 830
Authorised Consumption	12	146 618	-	-	-	-	-	146 618	153 802
Billed Authorised Consumption		116 618	-	-	-	-	-	116 618	122 332
Billed Metered Consumption		116 618	-	-	-	-	-	116 618	122 332
Free Basic Water		40 000	-	-	-	-	-	40 000	43 932
Revenue Water		76 618	-	-	-	-	-	76 618	84 150
Billed Unmetered Consumption		-	-	-	-	-	-	-	-
UnBilled Authorised Consumption		30 000	-	-	-	-	-	30 000	31 470
Unbilled Metered Consumption		30 000	-	-	-	-	-	30 000	32 949
Water Losses		14 074	-	-	-	-	-	14 074	14 764
Apparent losses		-	-	-	-	-	-	-	-
Real losses		14 074	-	-	-	-	-	14 074	14 764
Leakage on Transmission and Distribution Mains		14 074	-	-	-	-	-	14 074	15 458
Non-revenue Water		44 074	-	-	-	-	-	44 074	48 407
Closing Balance Water		421 019	-	-	-	-	-	421 019	441 649
Standard Rated									
Opening Balance		24 001	-	-	-	-	-	24 001	86 687
Acquisitions		119 563	-	-	-	(77 786)	(77 786)	41 778	166 898
Issues	13	(331 685)	-	-	-	(22 200)	(22 200)	(353 885)	(378 520)
Adjustments	14	(20 167)	-	-	-	-	-	(20 167)	(82 666)
Closing balance - Consumables Standard Rated		(208 288)	-	-	-	(99 986)	(99 986)	(308 273)	(368 391)
Zero Rated									
Closing Balance - Inventory & Consumables		212 731	-	-	-	(99 986)	(99 986)	112 746	203 400

Property, plant & equipment										
PPE at cost/valuation (excl. finance leases)		4 598 448	-	-	-	(24 125)	(24 125)	4 574 322	4 780 927	4 994 313
<u>Less: Accumulated depreciation</u>		722 884	-	-	-	-	-	722 884	758 306	793 474
Total Property, plant & equipment	1	3 875 563	-	-	-	(24 125)	(24 125)	3 851 438	4 022 621	4 200 840
LIABILITIES										
Current liabilities - Financial liabilities										
Total Current liabilities - Financial liabilities		-	-	-	-	-	-	-	-	-
Trade and other payables										
Trade and other payables from exchange transactions		155 000	-	-	-	100 000	100 000	255 000	138 551	139 928
Trade payables from Non-exchange transactions: Unspent conditional Grants		100 000	-	-	-	-	-	100 000	104 900	109 830
Total Trade and other payables	1	255 000	-	-	-	100 000	100 000	355 000	243 451	249 758
Non current liabilities - Financial liabilities										
Total Non current liabilities - Financial liabilities		-	-	-	-	-	-	-	-	-
Provisions - non current										
Other		54 003	-	-	-	-	-	54 003	53 775	56 690
Total Provisions - non current		54 003	-	-	-	-	-	54 003	53 775	56 690
CHANGES IN NET ASSETS										
Accumulated surplus/(Deficit)										
Accumulated surplus/(Deficit) - opening balance		4 275 753	-	-	-	308 939	308 939	4 584 692	4 391 173	5 004 761
GRAP adjustments		-	-	-	-	-	-	-	-	-
Restated balance		4 275 753	-	-	-	308 939	308 939	4 584 692	4 391 173	5 004 761
Surplus/(Deficit)		593 913	-	-	-	(22 621)	(22 621)	571 292	581 229	597 297
Other adjustments		536	-	-	-	-	-	536	562	588
Accumulated Surplus/(Deficit)	1	4 870 201	-	-	-	286 318	286 318	5 156 519	4 972 965	5 602 646
Reserves										
Total Reserves	2	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	4 870 201	-	-	-	286 318	286 318	5 156 519	4 972 965	5 602 646

Table SB3: Adjustments to the SDBIP – Performance objectives

DC47 Sekhukhune - Supporting Table SB3 Adjustments to the SDBIP - performance objectives - 28/02/2024												
Description	Unit of measurement	Budget Year 2023/24									Budget Year +1 2024/25	Budget Year +2 2025/26
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	A1	B	C	D	E	F	G	H		
05 - Infrastructure And Water Services												
Water Management												
Water Distribution												
<i>Formal Settlement Households Receiving Water</i>	Households	52	-	-	-	-	-	-	-	52	57	-
<i>No Water Supply</i>	Households	5	-	-	-	-	-	-	-	5	-	-
<i>Other Water Supply (< Min. Service Level)</i>	Households	10	-	-	-	-	-	-	-	10	-	-
<i>Other Water Supply (At Least Min. Service Level)</i>	Households	120	-	-	-	-	-	-	-	120	146	-
<i>Piped Water Inside Dwelling</i>	Households	20	-	-	-	-	-	-	-	20	-	-
<i>Piped Water Inside Yard (But Not In Dwelling)</i>	Households	15	-	-	-	-	-	-	-	15	-	-
<i>Using Public Tap (At Least Min. Service Level)</i>	Households	469	-	-	-	-	-	-	-	469	501	-

Table SB4: Adjustments to budgeted performance indicators and benchmarks

DC47 Sekhukhune - Supporting Table SB4 Adjustments to budgeted performance indicators and benchmarks - 28/02/2024									
Description of financial indicator	Basis of calculation	2020/21	2021/22	2022/23	Budget Year 2023/24			Budget Year +1 2024/25	Budget Year +2 2025/26
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Adjusted Budget	Adjusted Budget
<u>Borrowing Management</u>									
Credit Rating	Short term/long term rating								
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure				0.0%	0.0%	0.0%	0.0%	0.0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue				0.0%	0.0%	0.0%	0.0%	0.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants				0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>									
Gearing	Long Term Borrowing/ Funds & Reserves				0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>									
Current Ratio	Current assets/current liabilities				504.0%	0.0%	477.9%	504.8%	672.8%
Current Ratio adjusted for aged debtors	Current assets/current liabilities less debtors > 90 days/current liabilities				487.7%	0.0%	0.0%	0.0%	0.0%
Liquidity Ratio	Monetary Assets/Current Liabilities				1.6	0.0	2.6	2.1	3.4
<u>Revenue Management</u>									
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing								
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)									
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue				63.5%	0.0%	53.9%	46.5%	49.8%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old				0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>									
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))								
Creditors to Cash and Investments					61.2%	0.0%	36.6%	33.9%	30.6%
<u>Other Indicators</u>									
Electricity Distribution Losses (2)	Total Volume Losses (kW)	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
	Total Volume Losses (kW) non technical								
	Total Cost of Losses (Rand '000)	-	-	-	-		-	-	-
Water Volumes :System input	% Volume (units purchased and generated less units sold)/units purchased and generated	-	-	-	-		-	-	-
	Bulk Purchase	-	-	-	-		-	-	-
	Water treatment works	-	-	-	-		-	-	-
	Natural sources	-	-	-	-		-	-	-
Water Distribution Losses (2)	Total Volume Losses (kℓ)								
	Total Cost of Losses (Rand '000)								
	% Volume (units purchased and generated less units sold)/units purchased and generated								
Employee costs	Employee costs/(Total Revenue - capital revenue)				37.6%	0.0%	35.3%	35.2%	34.1%
Remuneration	Total remuneration/(Total Revenue - capital revenue)								
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)				5.4%	0.0%	7.5%	11.2%	11.6%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)				14.5%	0.0%	15.8%	15.8%	17.5%
<u>IDP regulation financial viability indicators</u>									
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)				0.0%	0.0%	0.0%	0.0%	0.0%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services				42.8%	0.0%	41.4%	37.7%	33.0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure				0.0	0.0	0.0	0.0	0.0

Municipal in-house services		Ref.			2020/21	2021/22	2022/23	Budget Year 2023/24			2023/24 Medium Term Revenue & Expenditure Framework		
					Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
			Household service targets (000)										
			Water:										
			Piped water inside dwelling	-	-	-	20 000	20 000	20 000	-	-	-	
			Piped water inside yard (but not in dwelling)	-	-	-	15 000	15 000	15 000	-	-	-	
	8		Using public tap (at least min.service level)	-	-	-	469 235	469 235	469 235	500 880	-	-	
	10		Other water supply (at least min.service level)	-	-	-	119 597	119 597	119 597	146 028	-	-	
			<i>Minimum Service Level and Above sub-to</i>	-	-	-	623 832	623 832	623 832	646 908	-	-	
	10		Other water supply (< min.service level)	-	-	-	10 000	10 000	10 000	-	-	-	
			No water supply	-	-	-	5 000	5 000	5 000	-	-	-	
			<i>Below Minimum Service Level sub-total</i>	-	-	-	15 000	15 000	15 000	-	-	-	
			Total number of households	-	-	-	638 832	638 832	638 832	646 908	-	-	
			Sanitation/sewerage:										
			Flush toilet (connected to sewerage)	-	-	-	-	-	-	-	-	-	
			Flush toilet (with septic tank)	-	-	-	15 000	15 000	15 000	20 000	-	-	
			Pit toilet (ventilated)	-	-	-	48 000	48 000	48 000	-	-	-	
			Other toilet provisions (> min.service level)	-	-	-	-	-	-	-	-	-	
			<i>Minimum Service Level and Above sub-to</i>	-	-	-	63 000	63 000	63 000	20 000	-	-	
			Other toilet provisions (< min.service level)	-	-	-	10 000	10 000	10 000	15 000	-	-	
			<i>Below Minimum Service Level sub-total</i>	-	-	-	10 000	10 000	10 000	15 000	-	-	
			Total number of households	-	-	-	73 000	73 000	73 000	35 000	-	-	
			Energy:										
			<i>Minimum Service Level and Above sub-to</i>	-	-	-	-	-	-	-	-	-	
			<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-	
			Total number of households	-	-	-	-	-	-	-	-	-	
			Refuse:										
			<i>Minimum Service Level and Above sub-to</i>	-	-	-	-	-	-	-	-	-	
			<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-	
			Total number of households	-	-	-	-	-	-	-	-	-	
Municipal entity services		Ref.			2020/21	2021/22	2022/23	Budget Year 2023/24			2023/24 Medium Term Revenue & Expenditure Framework		
					Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26

Table SB6: Social, economic and demographic statistics and assumptions

DC47 Sekhukhune - Supporting Table SB6 Adjustments Budget - funding measurement - 28/02/2024										
Description	Ref	MFMA section	2020/21	2021/22	2022/23	Medium Term Revenue and Expenditure Framework				
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousands										
Funding measures										
Cash/cash equivalents at the year end - R'000	1	18(1)b				416 350	-	968 712	717 603	816 154
Cash + investments at the yr end less applications - R'000	2	18(1)b				180 641	-	591 114	295 758	654 785
Cash year end/monthly employee/supplier payments	3	18(1)b				-	-	-	-	-
Surplus/(Deficit) excluding depreciation offsets: R'000	4	18(1)				593 913	-	-	-	-
Service charge rev % change - macro CPIX target exclusive	5	18(1)a,(2)				0.0%	0.0%	0.0%	-22.3%	4.1%
Cash receipts % of Ratepayer & Other revenue	6	18(1)a,(2)	0.0%	0.0%	0.0%	5.3%	0.0%	5.2%	5.7%	5.7%
Debt impairment expense as a % of total billable revenue	7	18(1)a,(2)				0.0%	0.0%	0.0%	0.0%	0.0%
Capital payments % of capital expenditure	8	18(1)c;19				100.0%	0.0%	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	9	18(1)c				0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	10	18(1)a				0.0%	0.0%	0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	11	18(1)a							-1.2%	15.5%
Long term receivables % change - incr(decr)	12	18(1)a							-45.7%	1.0%
R&M % of Property Plant & Equipment	13	20(1)(vi)				2.5%	0.0%	3.6%	5.6%	6.0%
Asset renewal % of capital budget	14	20(1)(vi)				1.0%	0.0%	1.3%	4.4%	5.5%

Table SB7: Adjustments budget – transfers and grant receipts

DC47 Sekhukhune - Supporting Table SB7 Adjustments Budget - transfers and grant receipts - 28/02/2024										
Description	Ref	Budget Year 2023/24							Budget Year +1 2024/25	Budget Year +2 2025/26
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjus.	Total Adjus.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F		
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		1 115 868	-	-	-	(4 813)	(4 813)	1 111 055	1 261 384	1 359 398
Local Government Equitable Share		1 072 869	-	-	-	-	-	1 072 869	1 155 825	1 237 157
Expanded Public Works Programme Integrated Grant	3	16 264	-	-	-	(909)	(909)	15 355	-	-
Local Government Financial Management Grant		2 400	-	-	-	-	-	2 400	2 400	2 500
Municipal Infrastructure Grant		24 335	-	-	-	(3 904)	(3 904)	20 431	103 159	119 741
Other grant providers:		2 309	-	-	-	1 800	1 800	4 109	-	-
Education Training and Development Practices SETA		2 309	-	-	-	1 800	1 800	4 109	-	-
Total Operating Transfers and Grants	6	1 118 177	-	-	-	(3 013)	(3 013)	1 115 164	1 261 384	1 359 398
Capital Transfers and Grants										
National Government:		551 608	-	-	-	(34 452)	(34 452)	517 156	557 786	572 602
Municipal Infrastructure Grant		549 148	-	-	-	(34 452)	(34 452)	514 696	497 891	510 044
Rural Road Asset Management Systems Grant		2 460	-	-	-	-	-	2 460	2 571	2 686
Water Services Infrastructure Grant		-	-	-	-	-	-	-	57 324	59 872
Total Capital Transfers and Grants	6	551 608	-	-	-	(34 452)	(34 452)	517 156	557 786	572 602
TOTAL RECEIPTS OF TRANSFERS & GRANTS		1 669 785	-	-	-	(37 465)	(37 465)	1 632 320	1 819 170	1 932 000

Table SB8: Adjustments budget – expenditure on transfers and grant programme

DC47 Sekhukhune - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme - 28/02/2024										
Description	Ref	Budget Year 2023/24						Budget Year	Budget Year	
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	
		A	2 A1	3 B	4 C	5 D	6 E	7 F	+1 2024/25	+2 2025/26
R thousands										
EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:	1									
Operating expenditure of Transfers and Grants										
National Government:		965 811	-	-	-	(396)	(396)	965 416	1 099 949	1 165 594
Equitable Share		922 812	-	-	-	6 281	6 281	929 093	991 734	1 040 680
Expanded Public Works Programme Integrated Grant		16 264	-	-	-	(709)	(709)	15 555	-	-
Local Government Financial Management Grant		2 400	-	-	-	-	-	2 400	2 498	2 597
Municipal Infrastructure Grant		24 335	-	-	-	(5 967)	(5 967)	18 368	105 717	122 318
Rural Road Asset Management Systems Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		2 309	-	-	-	1 800	1 800	4 109	2 551	2 670
Education Training and Development Practices SETA		2 309	-	-	-	1 800	1 800	4 109	2 551	2 670
Total operating expenditure of Transfers and Grants:		968 120	-	-	-	1 404	1 404	969 525	1 102 500	1 168 264
Capital expenditure of Transfers and Grants										
National Government:		551 608	-	-	-	(34 452)	(34 452)	517 156	557 786	572 602
Municipal Infrastructure Grant		549 148	-	-	-	(34 452)	(34 452)	514 696	497 891	510 044
Regional Bulk Infrastructure Grant		-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant		2 460	-	-	-	-	-	2 460	2 571	2 686
Water Services Infrastructure Grant		-	-	-	-	-	-	-	57 324	59 872
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		551 608	-	-	-	(34 452)	(34 452)	517 156	557 786	572 602
Total capital expenditure of Transfers and Grants		1 519 728	-	-	-	(33 047)	(33 047)	1 486 681	1 660 285	1 740 866

Table SB9: Adjustments budget – reconciliation of transfers, grants receipts, and unspent funds

DC47 Sekhukhune - Supporting Table SB9 Adjustments Budget - reconciliation of transfers, grant receipts, and unspent funds - 28/02/2024										
Description	Ref	Budget Year 2023/24						Budget Year	Budget Year	
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	
		2	3	4	5	6	7			
R thousands		A	A1	B	C	D	E	F		
Operating transfers and grants:										
National Government:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		(42 999)	-	-	-	4 813	4 813	(38 186)	(105 559)	(122 241)
Conditions met - transferred to revenue		42 999	-	-	-	(4 813)	4 813	(38 186)	105 559	122 241
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Provincial Government:										
Other grant providers:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		(2 309)	-	-	-	-	-	(2 309)	-	-
Conditions met - transferred to revenue		2 309	-	-	-	-	-	(2 309)	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Total operating transfers and grants revenue		45 308	-	-	-	(4 813)	4 813	(40 495)	105 559	122 241
Total operating transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
Capital transfers and grants:										
National Government:										
Balance unspent at beginning of the year		(100 000)	-	-	-	-	-	(100 000)	(104 900)	(109 830)
Current year receipts		(551 608)	-	-	-	34 452	34 452	(517 156)	(557 786)	(569 339)
Conditions met - transferred to revenue		551 608	-	-	-	(34 452)	34 452	(517 156)	557 786	569 339
Conditions still to be met - transferred to liabilities		(100 000)	-	-	-	-	-	(100 000)	(104 900)	(109 830)
Provincial Government:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-
Total capital transfers and grants revenue		551 608	-	-	-	(34 452)	34 452	(517 156)	557 786	569 339
Total capital transfers and grants - CTBM		(100 000)	-	-	-	-	-	(100 000)	(104 900)	(109 830)
TOTAL TRANSFERS AND GRANTS REVENUE		596 916	-	-	-	(39 265)	39 265	(557 651)	663 345	691 581
TOTAL TRANSFERS AND GRANTS - CTBM		(100 000)	-	-	-	-	-	(100 000)	(104 900)	(109 830)

Table SB10: Adjustments budget – reconciliation of transfers and grants made by the municipality

DC47 Sekhukhune - Supporting Table SB10 Adjustments Budget - transfers and grants made by the municipality - 28/02/2024												Budget Year +1 2024/25	Budget Year +2 2025/26
Description	Ref	Budget Year 2023/24									Adjusted Budget	Adjusted Budget	Adjusted Budget
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget			
R thousands		A	A1	B	C	D	E	F	G	H			
Cash transfers to other municipalities													
<i>[insert description]</i>	1								-	-			
TOTAL ALLOCATIONS TO MUNICIPALITIES:		-	-	-	-	-	-	-	-	-	-	-	-
Cash transfers to Entities/Other External Mechanisms													
<i>[insert description]</i>									-	-			
TOTAL ALLOCATIONS TO ENTITIES/EMs'		-	-	-	-	-	-	-	-	-	-	-	-
Cash transfers to other Organs of State													
<i>[insert description]</i>									-	-			
TOTAL ALLOCATIONS TO OTHER ORGANS OF STATE:		-	-	-	-	-	-	-	-	-	-	-	-
Cash transfers to other Organisations													
<i>[insert description]</i>									-	-			
TOTAL CASH TRANSFERS TO OTHER ORGANISATIONS:		-	-	-	-	-	-	-	-	-	-	-	-
Groups of Individuals													
<i>[insert description]</i>									-	-			
Total Non-Cash Grants To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-	-	-
TOTAL CASH TRANSFERS	5	-	-	-	-	-	-	-	-	-	-	-	-
Non-cash transfers to other municipalities													
<i>[insert description]</i>									-	-			
TOTAL ALLOCATIONS TO MUNICIPALITIES:		-	-	-	-	-	-	-	-	-	-	-	-
Non-cash transfers to Entities/Other External Mechanisms													
<i>[insert description]</i>									-	-			
TOTAL ALLOCATIONS TO ENTITIES/EMs'		-	-	-	-	-	-	-	-	-	-	-	-
Non-cash transfers to other Organs of State													
<i>Prv Dpt Agen - Lim Econ Dev Agency</i>		20 000	-	-	-	-	-	-	-	20 000	-	-	-
TOTAL ALLOCATIONS TO OTHER ORGANS OF STATE:		20 000	-	-	-	-	-	-	-	20 000	-	-	-
Non-cash transfers to other Organisations													
<i>[insert description]</i>									-	-			
Total Non-Cash Grants To Organisations		-	-	-	-	-	-	-	-	-	-	-	-
Groups of Individuals													
<i>Hh Ssp Soc Ass: Old Age Grant</i>		-	-	-	-	-	-	-	-	-	-	-	-
Total Non-Cash Grants To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-	-	-
TOTAL NON-CASH TRANSFERS TO OTHER ORGANISATIONS:		-	-	-	-	-	-	-	-	-	-	-	-
TOTAL NON-CASH TRANSFERS	5	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS		-	-	-	-	-	-	-	-	-	-	-	-

Table SB11: Adjustments budget – Councillors and staff benefits

DC47 Sekhukhune - Supporting Table SB11 Adjustments Budget - councillor and staff benefits - 28/02/2024											
Summary of remuneration	Ref	Budget Year 2023/24									% change
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	
R thousands		A	A1	B	C	D	E	F	G	H	
Councillors (Political Office Bearers plus Other)											
Basic Salaries and Wages		8 389	-			-		(500)	(500)	7 889	-6.0%
Pension and UIF Contributions		631	-			-		-	-	631	0.0%
Medical Aid Contributions		267	-			-		-	-	267	0.0%
Cellphone Allowance		1 775	-			-		(300)	(300)	1 475	
Other benefits and allowances		8 021	-			-		(1 000)	(1 000)	7 021	
Sub Total - Councillors		19 083	-			-		(1 800)	(1 800)	17 283	-9.4%
% increase			(0)							(0)	
Senior Managers of the Municipality											
Basic Salaries and Wages		6 445	-	-		-		200	200	6 645	3.1%
Pension and UIF Contributions		505	-	-		-		2	2	507	0.4%
Medical Aid Contributions		-	-	-		-		92	92	92	#DIV/0!
Motor Vehicle Allowance		692	-	-		-		510	510	1 202	73.7%
Cellphone Allowance		183	-	-		-		22	22	205	12.0%
Housing Allowances		132	-	-		-		-	-	132	
Other benefits and allowances		222	-	-		-		50	50	272	
Payments in lieu of leave		165	-	-		-		-	-	165	
Acting and post related allowance		66	-	-		-		(52)	(52)	14	
In kind benefits		-	-	-		-		-	-	-	
Sub Total - Senior Managers of Municipality		8 410	-	-		-		824	824	9 234	9.8%
% increase			(0)							0	
Other Municipal Staff											
Basic Salaries and Wages		327 987	-	-	-	-	-	(13 738)	(13 738)	314 249	-4.2%
Pension and UIF Contributions		49 132	-	-	-	-	-	(1 248)	(1 248)	47 884	-2.5%
Medical Aid Contributions		15 193	-	-	-	-	-	1 000	1 000	16 193	6.6%
Overtime		19 990	-	-	-	-	-	(4 112)	(4 112)	15 877	-20.6%
Performance Bonus		-	-	-	-	-	-	520	520	520	
Motor Vehicle Allowance		28 321	-	-	-	-	-	(1 000)	(1 000)	27 321	-3.5%
Cellphone Allowance		19 029	-	-	-	-	-	410	410	19 439	2.2%
Housing Allowances		3 540	-	-	-	-	-	(1 066)	(1 066)	2 474	
Other benefits and allowances		1 181	-	-	-	-	-	3 002	3 002	4 182	
Payments in lieu of leave		4 094	-	-	-	-	-	(50)	(50)	4 044	-1.2%
Long service awards		1 440	-	-	-	-	-	647	647	2 088	44.9%
Post-retirement benefit obligations	5	213	-	-	-	-	-	-	-	213	0.0%
Sub Total - Other Municipal Staff		470 119	-	-	-	-	-	(15 636)	(15 636)	454 484	-3.3%
% increase											
Total Parent Municipality		497 612	-	-	-	-	-	(16 612)	(16 612)	481 000	-3.3%
TOTAL SALARY, ALLOWANCES & BENEFITS		497 612	-	-	-	-	-	(16 612)	(16 612)	481 000	-3.3%
% increase											
TOTAL MANAGERS AND STAFF		478 529	-	-	-	-	-	(14 812)	(14 812)	463 718	-3.1%

Table SB12: Adjustments budget – monthly revenue and expenditure (municipal vote)

DC47 Sekhukhune - Supporting Table SB12 Adjustments Budget - monthly revenue and expenditure (municipal vote) - 28/02/2024															Medium Term Revenue and Expenditure Framework		
Description	Ref	Budget Year 2023/24												Full year budget	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
		July	August	Sept.	October	November	December	January	February	March	April	May	June		Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget		Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue by Vote																	
Vote 01 - Speakers Office		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Executive Mayor's Office		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 03 - Municipal Manager Office		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 04 - Budget And Treasury		441 563	13 847	63 329	24 815	71 739	192 760	275 799	1 328	15 652	11 772	17 603	699 596	1 829 803	1 829 803	1 984 489	2 114 048
Vote 05 - Infrastructure And Water Services		-	-	-	-	-	2	-	-	-	-	-	(2)	-	-	-	-
Vote 06 - Planning And Economic Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 07 - Community Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 08 - Sekhukhune Development Angancy		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 09 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote		441 563	13 847	63 329	24 815	71 739	192 762	275 799	1 328	15 652	11 772	17 603	699 594	1 829 803	1 829 803	1 984 489	2 114 048
Expenditure by Vote																	
Vote 01 - Speakers Office		4 780	3 025	3 236	1 595	4 259	3 094	3 046	239	3 521	3 521	3 521	14 332	48 169	48 169	55 163	58 326
Vote 02 - Executive Mayor's Office		1 068	4 211	3 244	7 077	3 632	4 306	3 272	755	6 092	6 092	6 092	11 653	57 494	57 494	49 215	51 331
Vote 03 - Municipal Manager Office		1 501	7 392	15 664	5 385	10 860	12 471	8 987	9 561	10 160	10 160	10 160	5 691	107 994	107 994	118 718	122 795
Vote 04 - Budget And Treasury		4 926	5 129	4 062	4 901	4 708	4 413	3 784	2 100	13 604	13 604	13 604	105 914	180 749	180 749	202 326	212 063
Vote 05 - Infrastructure And Water Services		26 395	39 998	57 168	70 164	58 238	64 601	48 589	22 008	67 452	51 256	51 256	14 140	571 263	571 263	656 448	732 833
Vote 06 - Planning And Economic Development		766	749	929	858	1 379	1 333	935	36	1 729	1 729	1 729	9 263	21 437	21 437	24 741	27 159
Vote 07 - Community Services		6 571	5 659	5 525	5 977	6 275	5 448	6 418	210	6 931	5 432	3 662	17 601	75 708	75 708	81 411	85 238
Vote 08 - Sekhukhune Development Angancy		108	143	199	442	498	731	396	424	776	776	776	4 046	9 315	9 315	12 120	13 027
Vote 09 - Corporate Services		6 139	28 721	12 486	13 162	11 088	14 951	11 128	10 212	12 416	15 837	17 505	32 737	186 383	186 383	203 117	213 979
Total Expenditure by Vote		52 253	95 028	102 513	109 562	100 937	111 350	86 553	45 543	122 682	108 407	108 306	215 377	1 258 511	1 258 511	1 403 260	1 516 751
Surplus/ (Deficit)		389 310	(81 181)	(39 184)	(84 746)	(29 199)	81 412	189 246	(44 215)	(107 030)	(96 635)	(90 703)	484 217	571 292	571 292	581 229	597 297

Table SB13: Adjustments budget – monthly revenue and expenditure (functional classification)

DC47 Sekhukhune - Supporting Table SB13 Adjustments Budget - monthly revenue and expenditure (functional classification) - 28/02/2024																	
Description - Standard classification	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Full year budget	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousands		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget		Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue - Functional																	
<i>Governance and administration</i>		441 563	13 847	63 329	24 815	71 739	192 760	275 799	1 328	15 652	11 772	17 603	699 596	1 829 803	1 829 803	1 984 489	2 114 048
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance and administration		441 563	13 847	63 329	24 815	71 739	192 760	275 799	1 328	15 652	11 772	17 603	699 596	1 829 803	1 829 803	1 984 489	2 114 048
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	2	-	-	-	-	-	(2)	-	-	-	-
Water management		-	-	-	-	-	2	-	-	-	-	-	(2)	-	-	-	-
Total Revenue - Functional		441 563	13 847	63 329	24 815	71 739	192 762	275 799	1 328	15 652	11 772	17 603	699 594	1 829 803	1 829 803	1 984 489	2 114 048
Expenditure - Functional																	
<i>Governance and administration</i>		24 984	54 138	44 217	38 097	40 822	44 685	36 634	23 076	52 725	54 646	54 545	187 928	656 497	656 497	709 950	743 732
Executive and council		7 349	14 628	22 144	14 056	18 751	19 872	15 305	10 554	19 774	19 774	19 774	31 676	213 657	213 657	223 096	232 452
Finance and administration		17 636	39 509	22 073	24 040	22 071	24 813	21 329	12 522	32 951	34 872	34 771	156 253	442 840	442 840	486 854	511 280
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		874	892	1 128	1 301	1 877	2 064	1 331	460	2 506	2 506	2 506	13 309		30 752	36 862	40 187
Planning and development		874	892	1 128	1 301	1 877	2 064	1 331	460	2 506	2 506	2 506	13 309		30 752	36 862	40 187
<i>Trading services</i>		26 395	39 998	57 168	70 164	58 238	64 601	48 589	22 008	67 452	51 256	51 256	14 140	571 263	571 263	656 448	732 833
Energy sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water management		26 395	39 998	57 168	70 164	58 238	64 601	48 589	22 008	67 526	51 330	51 330	12 850	570 196	570 196	653 861	730 124
Waste water management		-	-	-	-	-	-	-	-	(74)	(74)	(74)	1 290	1 066	2 587	2 709	
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional		52 253	95 028	102 513	109 562	100 937	111 350	86 553	45 543	122 682	108 407	108 306	215 377	1 227 760	1 258 511	1 403 260	1 516 751
Surplus/ (Deficit) 1.		389 310	(81 181)	(39 184)	(84 746)	(29 199)	81 412	189 246	(44 215)	(107 030)	(96 635)	(90 703)	484 217	602 044	571 292	581 229	597 297

Table SB14: Adjustments budget – monthly revenue and expenditure (municipal vote)

DC47 Sekhukhune - Supporting Table SB14 Adjustments Budget - monthly revenue and expenditure - 28/02/2024															Medium Term Revenue and Expenditure Framework		
Description	Ref	Budget Year 2023/24												Full year budget	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
		July	August	Sept.	October	November	December	January	February	March	April	May	June				
R thousands		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget		Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue By Source																	
Exchange Revenue																	
Service charges - Water		(19 922)	8 305	7 720	8	7 967	14 940	6 209	166	8 236	6 180	8 318	44 877	93 005	93 005	98 125	102 737
Service charges - Waste Water Management		1 282	1 214	1 221	-	1 398	2 301	1 503	670	997	1 175	1 264	2 494	15 517	15 517	16 278	17 043
Sale of Goods and Rendering of Services		40	61	76	96	155	22	101	57	(1)	(1)	(1)			1 306	2 360	2 471
Interest earned from Receivables		2 690	2 709	2 707	-	2 630	5 749	2 896	(3)	1 756	1 756	1 756	(6 518)	18 128	18 128	16 813	17 604
Interest earned from Current and Non Current Assets		8 847	1 507	14 708	7 597	6 567	6 142	5 320	317	11 910	9 908	9 797	(13 627)	68 992	68 992	31 170	41 594
Operational Revenue		-	-	-	0	-	-	-	-	2	2	2	25	30	30	39	41
Non-Exchange Revenue																	
Surcharges and Taxes		-	-	-	-	-	-	-	-	0	0	0	3	3	3	4	4
Fines, penalties and forfeits		-	-	-	-	-	-	5	-	4	4	4	33	49	49	55	58
Transfer and subsidies - Operational		448 549	-	5 086	2 957	3 137	116 751	240 570	-	(603)	(603)	3 112	296 208	1 115 164	1 115 164	1 261 384	1 359 398
Gains on disposal of Assets		-	-	-	-	-	-	-	-	38	38	38	340	453	453	475	497
Total Revenue		441 487	13 796	31 518	10 658	21 854	145 906	256 603	1 208	22 338	18 458	24 288	323 834	195 672	1 312 647	1 426 704	1 541 447
Expenditure By Type																	
Employee related costs		32 750	33 359	34 002	39 998	35 249	34 235	34 453	139	52 562	35 510	36 936	94 525	463 718	463 718	502 056	525 652
Remuneration of councillors		3 256	1 441	1 476	(287)	2 547	1 278	1 328	-	1 230	1 230	1 230	2 554	17 283	17 283	20 018	20 958
Inventory consumed		8 059	25 238	29 455	43 084	34 064	26 875	(93 906)	13 873	19 862	19 862	19 862	60 938	207 267	207 267	224 718	269 084
Depreciation and amortisation		-	-	-	-	-	-	-	-	8 298	8 298	8 298	74 836	99 730	99 730	104 732	109 655
Interest		-	-	-	-	-	-	-	-	9	9	9	79	105	105	110	116
Contracted services		552	13 805	18 341	6 389	12 981	23 148	125 986	18 432	21 210	21 210	21 210	(58 933)	224 332	224 332	312 161	339 979
Transfers and subsidies		-	-	-	-	-	-	-	-	1 667	1 667	1 667	15 000	20 000	20 000	-	-
Irrecoverable debts written off		-	-	-	-	-	-	-	-	442	442	442	3 980	5 307	5 307	5 567	5 828
Operational costs		7 636	21 186	19 238	20 377	16 097	25 814	18 692	13 100	17 402	20 179	18 652	22 398		220 770	233 899	245 479
Total Expenditure		52 253	95 028	102 513	109 562	100 937	111 350	86 553	45 543	122 682	108 407	108 306	215 377	1 037 741	1 258 511	1 403 260	1 516 751
Surplus/(Deficit)		389 234	(81 232)	(70 995)	(98 904)	(79 084)	34 556	170 050	(44 335)	(100 344)	(89 949)	(84 018)	108 457	(842 069)	54 136	23 444	24 695
Transfers and subsidies - capital (monetary allocations)		76	-	31 811	14 157	49 885	46 591	19 196	-	(6 685)	(6 685)	(6 685)	375 497		517 156	557 786	572 602
Transfers and subsidies - capital (in-kind - all)		-	51	-	-	-	266	-	120	-	-	-	(437)		-	-	-
Surplus/(Deficit) after capital transfers & contributions		389 310	(81 181)	(39 184)	(84 746)	(29 199)	81 412	189 246	(44 215)	(107 030)	(96 635)	(90 703)	483 517	(842 069)	571 292	581 229	597 297

Table SB15: Adjustments budget – monthly cash flow

DC47 Sekhukhune - Supporting Table SB15 Adjustments Budget - monthly cash flow - 28/02/2024															Medium Term Revenue and Expenditure Framework		
Monthly cash flows	Ref	Budget Year 2023/24													Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Full year budget	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousands		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget		Adjusted Budget	Adjusted Budget	Adjusted Budget
Cash Receipts By Source	1																
Service charges - water revenue		2 640	2 601	2 832	8	5 615	2 845	2 155	-	3 485	3 485	3 485	12 669	41 819	41 819	48 981	55 689
Service charges - sanitation revenue		1 269	1 286	1 197	-	1 778	1 817	1 617	-	1 941	1 941	1 941	8 506	23 294	23 294	29 812	28 778
Interest earned - external investments		8 702	-	14 475	7 261	6 395	6 022	4 878	-	5 749	5 749	5 749	4 011	68 992	68 992	23 630	23 789
Fines, penalties and forfeits		-	-	-	-	-	-	5	-	4	4	4	29	45	45	47	49
Transfers and Subsidies - Operational		447 029	6 466	-	-	7 319	112 979	237 600	-	92 780	92 780	92 780	23 630	1 113 364	1 113 364	1 261 384	1 359 398
Other revenue		7 474	14 758	7 109	28 413	11 620	17 306	(156 558)	-	300	300	300	72 575	3 596	3 596	2 288	2 612
Cash Receipts by Source		467 114	25 111	25 613	35 682	32 728	140 968	89 697	-	104 259	104 259	104 259	121 419	1 251 110	1 251 110	1 366 144	1 470 316
Other Cash Flows by Source																	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		143 600	-	-	1 722	-	-	148 152	-	43 096	43 096	43 096	94 393	517 156	517 156	557 786	569 339
Proceeds on Disposal of Fixed and Intangible Assets		-	-	-	-	-	-	-	-	38	38	38	340	453	453	475	497
Increase (decrease) in consumer deposits		27	37	50	(6)	36	14	13	-	-	-	-	(171)	-	-	111	116
Total Cash Receipts by Source		610 741	25 148	25 664	37 398	32 763	140 982	237 862	-	147 393	147 393	147 393	215 982	1 768 719	1 768 719	1 924 515	2 040 268
Cash Payments by Type																	
Employee related costs		36 273	29 400	34 848	46 073	30 235	40 764	30 654	-	20 914	20 914	20 914	(60 026)	250 962	250 962	83 416	377 313
Remuneration of councillors		-	-	-	-	1 723	944	5 302	-	1 583	1 583	1 583	6 281	19 000	19 000	-	-
Acquisitions - water & other inventory	3	17 266	9 065	17 198	33 587	7 366	19 744	7 439	-	5 571	5 571	5 571	54 143	182 521	182 521	153 747	321 477
Contracted services		-	-	-	-	-	-	-	-	9 316	9 316	9 316	83 842	-	111 790	(133 973)	226 976
Other expenditure		89 481	86 724	110 898	121 180	140 276	150 132	100 693	-	59 182	59 182	59 182	(266 750)	710 179	710 179	940 081	482 059
Cash Payments by Type		143 020	125 190	162 944	200 840	179 600	211 584	144 089	-	96 565	96 565	96 565	(182 510)	1 162 662	1 274 452	1 043 270	1 407 826
Other Cash Flows/Payments by Type																	
Capital assets		-	17 450	16 258	21 794	49 255	47 724	17 425	-	47 468	47 468	47 468	257 308	569 618	569 618	579 118	595 087
Other Cash Flows/Payments		872	-	659	5 054	2 910	3 062	-	-	-	-	-	(12 558)	-	-	-	-
Total Cash Payments by Type		143 893	142 639	179 861	227 688	231 765	262 370	161 513	-	144 033	144 033	144 033	62 241	1 732 280	1 844 069	1 622 389	2 002 913
NET INCREASE/(DECREASE) IN CASH HELD		466 848	(117 492)	(154 197)	(190 291)	(199 001)	(121 388)	76 349	-	3 360	3 360	3 360	153 741	36 440	(75 350)	302 127	37 356
Cash/cash equivalents at the month/year beginning:		732 696	1 199 545	1 082 053	927 856	737 566	538 564	417 177	493 525	493 525	496 885	500 245	503 605	732 696	657 346	959 473	959 473
Cash/cash equivalents at the month/year end:		1 199 545	1 082 053	927 856	737 566	538 564	417 177	493 525	493 525	496 885	500 245	503 605	657 346	657 346	959 473	996 828	996 828

Table SB16: Adjustments budget – monthly capital expenditure (municipal vote)

DC47 Sekhukhune - Supporting Table SB16 Adjustments Budget - monthly capital expenditure (municipal vote) - 28/02/2024																	
Description - Municipal Vote	Ref	Budget Year 2023/24													Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Full year budget	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousands		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget		Adjusted Budget	Adjusted Budget	Adjusted Budget	
Multi-year expenditure appropriation	1																
Vote 01 - Speakers Office		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 02 - Executive Mayor's Office		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 03 - Municipal Manager Office		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 04 - Budget And Treasury		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 05 - Infrastructure And Water Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 06 - Planning And Economic Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 07 - Community Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 08 - Sekhukhune Development Angancy		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 09 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Capital Multi-year expenditure sub-total	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Single-year expenditure appropriation																	
Vote 04 - Budget And Treasury		-	391	-	191	-	167	-	576	2 771	2 771	2 771	20 814	30 450	8 160	8 600	
Vote 05 - Infrastructure And Water Services		-	16 961	16 258	21 603	49 107	47 557	17 425	20 586	61 067	18 489	54 227	213 388	536 668	570 008	585 387	
Vote 06 - Planning And Economic Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 07 - Community Services		-	-	-	-	148	-	-	-	17	17	17	2	200	250	300	
Vote 08 - Sekhukhune Development Angancy		-	-	-	-	-	-	-	-	125	125	125	1 125	1 500	700	800	
Vote 09 - Corporate Services		-	98	-	-	-	-	-	-	125	125	125	327	800	-	-	
Capital single-year expenditure sub-total	3	-	17 450	16 258	21 794	49 255	47 724	17 425	21 162	64 104	21 526	57 265	235 656	569 618	579 118	595 087	
Total Capital Expenditure	2	-	17 450	16 258	21 794	49 255	47 724	17 425	21 162	64 104	21 526	57 265	235 656	569 618	579 118	595 087	

Table SB17: Adjustments budget – monthly capital expenditure (functional classification)

DC47 Sekhukhune - Supporting Table SB17 Adjustments Budget - monthly capital expenditure (functional classification) - 28/02/2024																	
Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	
R thousands																	
Capital Expenditure - Functional																	
Governance and administration		-	489	-	191	148	167	-	576	2 913	2 913	2 913	21 143	31 450	8 410	8 900	
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Finance and administration		-	489	-	191	148	167	-	576	2 913	2 913	2 913	21 143	31 450	8 410	8 900	
Internal audit																	
Community and public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Community and social services																	
Sport and recreation																	
Public safety																	
Housing																	
Health																	
Economic and environmental services		-	-	-	-	-	-	-	-	125	125	125	1 125	1 500	700	800	
Planning and development		-	-	-	-	-	-	-	-	125	125	125	1 125	1 500	700	800	
Road transport																	
Environmental protection																	
Trading services		-	16 961	16 258	21 603	49 107	47 557	17 425	20 586	61 067	18 489	54 227	213 388	536 668	570 008	585 387	
Energy sources																	
Water management		-	16 961	16 258	21 603	49 107	47 557	17 425	20 586	61 067	18 489	54 227	213 388	536 668	570 008	585 387	
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Waste management																	
Other																	
Total Capital Expenditure - Functional		-	17 450	16 258	21 794	49 255	47 724	17 425	21 162	64 104	21 526	57 265	235 656	569 618	579 118	595 087	

Table SB18a: Adjustments budget – capital expenditure on new assets by assets

DC47 Sekhukhune - Supporting Table SB18a Adjustments Budget - capital expenditure on new assets by asset class - 28/02/2024											
Description	Ref	Budget Year 2023/24							Budget Year	Budget Year	
		Original Budget	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2024/25	+2 2025/26	
		A	9	10	11	12	13	14	Adjusted Budget	Adjusted Budget	
R thousands		A	C	D	E	F	G	H			
Capital expenditure on new assets by Asset Class/Sub-class											
Infrastructure		580 833	-	-	-	(29 148)	(29 148)	551 685	549 955	558 075	
Water Supply Infrastructure		580 833	-	-	-	(29 148)	(29 148)	551 685	549 955	558 075	
<i>Boreholes</i>		-	-	-	-	-	-	-	-	-	
<i>Bulk Mains</i>		-	-	-	-	7 000	7 000	7 000	67 917	144 614	
<i>Distribution</i>		580 833	-	-	-	(36 148)	(36 148)	544 685	482 038	413 461	
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	
Other assets		-	-	-	-	-	-	-	-	-	
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-	
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	
Intangible Assets		1 500	-	-	-	-	-	1 500	700	800	
<i>Servitudes</i>		-	-	-	-	-	-	-	-	-	
<i>Licences and Rights</i>		1 500	-	-	-	-	-	1 500	700	800	
<i>Computer Software and Applications</i>		1 500	-	-	-	-	-	1 500	700	800	
Computer Equipment		1 300	-	-	-	1 500	1 500	2 800	-	-	
Computer Equipment		1 300	-	-	-	1 500	1 500	2 800	-	-	
Furniture and Office Equipment		1 700	-	-	-	2 000	2 000	3 700	250	300	
Furniture and Office Equipment		1 700	-	-	-	2 000	2 000	3 700	250	300	
Machinery and Equipment		-	-	-	-	-	-	-	-	-	
Machinery and Equipment		-	-	-	-	-	-	-	-	-	
Transport Assets		-	-	-	-	-	-	-	-	-	
Transport Assets		-	-	-	-	-	-	-	-	-	
Land		-	-	-	-	-	-	-	-	-	
Land		-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	
Total Capital Expenditure on new assets to be adjusted	1	585 333	-	-	-	(25 648)	(25 648)	559 685	550 905	559 175	

Table SB18b: Adjustments budget – capital expenditure on renewal of existing assets

DC47 Sekhukhune - Supporting Table SB18b Adjustments Budget - capital expenditure on renewal of existing assets by asset class - 28/02/2024												
Description	Ref	Budget Year 2023/24									Budget Year +1 2024/25	Budget Year +2 2025/26
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjus.	Total Adjus.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7	8	9	10	11	12	13	14		
		A1	B	C	D	E	F	G	H			
Capital expenditure on renewal of existing assets by Asset Class/Sub-class												
Infrastructure		-	-	-	-	-	-	1 523	1 523	1 523	19 483	26 625
Water Supply Infrastructure		-	-	-	-	-	-	1 523	1 523	1 523	19 483	26 625
Boreholes		-	-	-	-	-	-	-	-	-	19 483	26 625
Water Treatment Works		-	-	-	-	-	-	1 523	1 523	1 523	-	-
Community Assets		-	-	-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Transport Assets		5 750	-	-	-	-	-	-	-	5 750	5 910	6 300
Transport Assets		5 750	-	-	-	-	-	-	-	5 750	5 910	6 300
Land		-	-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Living resources		-	-	-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing assets to be adjusted	1	5 750	-	-	-	-	-	1 523	1 523	7 273	25 393	32 925

Table SB18c: Adjustments budget – expenditure on repairs and maintenance by asset class

DC47 Sekhukhune - Supporting Table SB18c Adjustments Budget - expenditure on repairs and maintenance by asset class - 28/02/2024										
Description	Ref	Budget Year 2023/24						Budget Year	Budget Year	
		Original Budget	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	9	10	11	12	13	14		
R thousands										
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		43 243	-	-	-	27 700	27 700	70 943	132 366	150 395
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		31 902	-	-	-	3 500	3 500	35 402	44 060	46 317
<i>Dams and Weirs</i>										
<i>Boreholes</i>		21 821	-	-	-	3 900	3 900	25 721	28 284	29 816
<i>Distribution</i>		10 082	-	-	-	(400)	(400)	9 682	15 776	16 501
Sanitation Infrastructure		10 093	-	-	-	24 200	24 200	34 293	87 311	103 038
<i>Reticulation</i>		-	-	-	-	-	-	-	71 524	86 524
<i>Outfall Sewers</i>		10 093	-	-	-	(1 800)	(1 800)	8 293	15 787	16 514
<i>Toilet Facilities</i>		-	-	-	-	26 000	26 000	26 000	-	-
Solid Waste Infrastructure		1 248	-	-	-	-	-	1 248	994	1 041
<i>Electricity Generation Facilities</i>		1 248	-	-	-	-	-	1 248	994	1 041
Heritage assets		500	-	-	-	500	500	1 000	522	546
Other Heritage		500	-	-	-	500	500	1 000	522	546
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		3 058	-	-	-	-	-	3 058	3 473	3 589
Operational Buildings		3 058	-	-	-	-	-	3 058	3 473	3 589
<i>Municipal Offices</i>		2 496	-	-	-	-	-	2 496	2 408	2 521
<i>Building Plan Offices</i>		562	-	-	-	-	-	562	1 065	1 068
Computer Equipment		636	-	-	-	-	-	636	667	699
Computer Equipment		636	-	-	-	-	-	636	667	699
Furniture and Office Equipment		2 106	-	-	-	-	-	2 106	2 209	2 313
Furniture and Office Equipment		2 106	-	-	-	-	-	2 106	2 209	2 313
Machinery and Equipment		9 669	-	-	-	(100)	(100)	9 569	10 114	10 580
Machinery and Equipment		9 669	-	-	-	(100)	(100)	9 569	10 114	10 580
Transport Assets		9 500	-	-	-	2 000	2 000	11 500	10 000	11 200
Transport Assets		9 500	-	-	-	2 000	2 000	11 500	10 000	11 200
Total Repairs and Maintenance Expenditure to be adjusted	1	68 712	-	-	-	30 100	30 100	98 812	159 351	179 322

Table SB18d: Adjustments budget – depreciation by asset class

DC47 Sekhukhune - Supporting Table SB18d Adjustments Budget - depreciation by asset class - 28/02/2024												
Description	Ref	Budget Year 2023/24									Budget Year +1	Budget Year +2 2025/26
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			7	8	9	10	11	12	13	14		
R thousands		A	A1	B	C	D	E	F	G	H		
Depreciation by Asset Class/Sub-class												
Infrastructure		99 629	-	-	-	-	-	-	-	99 629	104 511	109 423
Roads Infrastructure		5 895	-	-	-	-	-	-	-	5 895	6 184	6 475
<i>Roads</i>		5 895	-	-	-	-	-	-	-	5 895	6 184	6 475
Water Supply Infrastructure		84 816	-	-	-	-	-	-	-	84 816	88 972	93 153
<i>Dams and Weirs</i>		20 919	-	-	-	-	-	-	-	20 919	21 944	22 975
<i>Distribution</i>		63 897	-	-	-	-	-	-	-	63 897	67 028	70 178
Sanitation Infrastructure		5 700	-	-	-	-	-	-	-	5 700	5 979	6 260
<i>Pump Station</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Reticulation</i>		5 700	-	-	-	-	-	-	-	5 700	5 979	6 260
Solid Waste Infrastructure		3 218	-	-	-	-	-	-	-	3 218	3 376	3 535
<i>Landfill Sites</i>		3 218	-	-	-	-	-	-	-	3 218	3 376	3 535
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		211	-	-	-	-	-	(110)	(110)	101	221	231
Computer Equipment		211	-	-	-	-	-	(110)	(110)	101	221	231
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
<i>Policing and Protection</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Zoological plants and animals</i>		-	-	-	-	-	-	-	-	-	-	-
Total Depreciation to be adjusted	1	99 840	-	-	-	-	-	(110)	(110)	99 730	104 732	109 655

Table SB18e: Adjustments budget – capital expenditure on upgrading of existing assets by asset class

DC47 Sekhukhune - Supporting Table SB18e Adjustments Budget - capital expenditure on upgrading of existing assets by asset class - 28/02/2024												
Description	Ref	Budget Year 2023/24								Budget Year	Budget Year	
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		7	8	9	10	11	12	13	14			
R thousands	A	A1	B	C	D	E	F	G	H			
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class												
Infrastructure		2 460	-	-	-	-	-	-	-	2 460	2 571	2 686
Roads Infrastructure		2 460	-	-	-	-	-	-	-	2 460	2 571	2 686
Roads												
Road Structures		2 460	-	-	-	-	-	-	-	2 460	2 571	2 686
Road Furniture												
Capital Spares												
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Other assets		200	-	-	-	-	-	-	-	200	250	300
Operational Buildings		200	-	-	-	-	-	-	-	200	250	300
Municipal Offices												
Pay/Enquiry Points												
Building Plan Offices												
Workshops												
Yards												
Stores		200	-	-	-	-	-	-	-	200	250	300
Laboratories												
Training Centres												
Manufacturing Plant												
Depots												
Capital Spares												
Total Capital Expenditure on upgrading of existing assets to be adjusted	1	2 660	-	-	-	-	-	-	-	2 660	2 821	2 986

Table SB19: Adjustments budget – depreciation by asset class

DC47 Sekhukhune - Supporting Table SB19 List of capital programmes and projects affected by Adjustments Budget - 28/02/2024									
Function	Project Description	GPS Longitude	GPS Latitude	Medium Term Revenue and Expenditure Framework					
				Budget Year 2023/24		Budget Year +1 2024/25		Budget Year +2 2025/26	
R thousands				Original Budget	Adjusted Budget	Original Budget	Adjusted Budget	Original Budget	Adjusted Budget
Parent municipality:									
<i>List all capital projects grouped by Function</i>									
Administrative And Corporate Support	Computer	0	0	300	800	-	-	-	-
Administrative And Corporate Support	Practical Operational Site	0	0	200	200	250	250	300	300
Finance	Machinery And Equipment	0	0	20 000	20 000	2 000	2 000	2 000	2 000
Finance	Iws Machinery Yellow Vehicles	0	0	5 750	5 750	5 910	5 910	6 300	6 300
Finance	Hard Ware Equipment	0	0	1 000	1 000	-	-	-	-
Finance	Office Equipment	0	0	1 700	3 700	250	250	300	300
Support To Local Municipalities	Computer	0	0	-	-	-	-	-	-
Support To Local Municipalities	Financial System	0	0	1 500	1 500	700	700	800	800
Water Distribution	Wsig-Tukagomo Water Supply - Phase 6	0	0	-	-	8 145	8 145	-	-
Water Distribution	Wsig-Tukagomo Water Supply Phase V	0	0	-	-	3 000	3 000	13 625	13 625
Water Distribution	Wsig:Laesdrift Water Source Dev & Bulk	0	0	-	-	8 338	8 338	13 000	13 000
Water Distribution	Mig-Nsd07 Region Water Schm Reserv	0	0	-	1 523	-	-	-	-
Water Distribution	Rrams Capital Acquisition	0	0	2 460	2 460	2 571	2 571	2 686	2 686
Water Distribution	Mig - Upgrading Of Groblersdal-Luckau P3	0	0	-	-	34 917	34 917	92 614	92 614
Water Distribution	Mig - Upgrading Of Groblersdal-Luckau P4	0	0	-	-	-	-	52 000	52 000
Water Distribution	Mig Nkadameng Rws Ext2(Ph 9-11)fl	0	0	-	7 000	33 000	33 000	-	-
Water Distribution	Covid-19 Mig - Covid 19 Projects	0	0	-	2 807	-	-	-	-
Water Distribution	Dehoop/Nebo Pla/Schonord Sch Vilgs Mkger	0	0	-	1 107	-	-	-	-
Water Distribution	Ga Maphopha Command Res	0	0	-	-	-	-	-	-
Water Distribution	Gamogashwa(Sengapudi & Manamane)	0	0	-	826	-	-	-	-
Water Distribution	Lebalelo South Connector Pipes & Retic	0	0	-	-	-	-	-	-
Water Distribution	Makgeru;Garatau & Matekane	0	0	-	-	-	-	-	-
Water Distribution	Mig - Mampuru Bulk Water Scheme	0	0	77 036	9 405	150 000	150 000	235 179	235 179
Water Distribution	Mig - Upgrading Of De Hoop Wtw	0	0	38 376	50 042	-	-	-	-
Water Distribution	Mig - Upgrading Of Groblersdal-Luckau P1	0	0	170 313	170 313	66 293	66 293	-	-
Water Distribution	Mig - Upgrading Of Groblersdal-Luckau P2	0	0	46 755	31 165	124 319	124 319	-	-
Water Distribution	Mig Motlailana; Makgemeng & Taung Ws	0	0	-	7 638	-	-	-	-
Water Distribution	Mig- Moutse East & West Water Retic	0	0	99 304	77 678	-	-	-	-
Water Distribution	Mig- Moutse East & West Water Retic Ph2	0	0	-	5 786	68 362	68 362	-	-
Water Distribution	Mig- Moutse East & West Water Retic Ph3	0	0	-	-	-	-	55 576	55 576
Water Distribution	Mig- Moutse East & West Water Retic Ph4	0	0	-	-	-	-	74 674	74 674
Water Distribution	Mig-Gamaphopha Command Reservoir	0	0	-	400	-	-	-	-
Water Distribution	Mig-Gamogashwa(Sengapudi) & (Manamane)	0	0	-	1 838	-	-	-	-
Water Distribution	Mig-GlIm Lebalelo South Conn Pipes&Retic	0	0	-	5 699	-	-	-	-
Water Distribution	Mig-Lebalelo South Ph3maroga & Motolo	0	0	10 148	20 515	-	-	-	-
Water Distribution	Mig-Malekane Regional Water Scheme	0	0	107 216	107 216	-	-	-	-
Water Distribution	Mig-Olifantspoort South Rws Phase 8	0	0	-	20 565	21 000	21 000	-	-
Water Distribution	Sdm-Capital Replacement Reserve	0	0	11 685	11 685	12 223	12 223	12 785	12 785
Water Distribution	Settlement Of Vehicles	0	0	-	-	-	-	-	-
Water Distribution	Wsig-Wcwdm	0	0	-	-	6 000	6 000	-	-
Water Distribution	Wsig Phokwane Brooklyn Water Supply	0	0	-	-	9 000	9 000	-	-
Water Distribution	Wsig-Enkosini Water Supply	0	0	-	-	5 380	5 380	10 000	10 000
Water Distribution	Wsig-Ga Marishane Village Water Supply	0	0	-	-	4 236	4 236	-	-
Water Distribution	Wsig-Legolaneng 440 Vidp Toilets	0	0	-	-	4 000	4 000	6 000	6 000
Water Distribution	Wsig-Maebe Water Supply Phase Iv	0	0	-	-	9 225	9 225	-	-
Water Distribution	Wsig:Mapodile Wc/Wdm	0	0	-	-	-	-	17 247	17 247
Water Distribution	Computers (Mig)	0	0	-	1 000	-	-	-	-
Water Distribution	Tv;Chairs; Headsets; Tablets And Router	0	0	-	-	-	-	-	-

Table SB20: Adjustments budget – depreciation by asset class

DC47 Sekhukhune - Supporting Table SB20 Not required - 28/02/2024												
Description	Ref	Budget Year 2023/24									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			3	4	5	6	8	9	10	11		
R thousands		A	A1	B	C	D	E	F	G	H		
Revenue By Municipal Entity												
Entity 1 total revenue												
Entity 2 total revenue												
Entity 3 (etc) total revenue												
Total Operating Revenue	1	-	-	-	-	-	-	-	-	-	-	-
Expenditure By Municipal Entity												
Entity 1 total operating expenditure												
Entity 2 total operating expenditure												
Entity 3 etc. total operating expenditure												
Total Operating Expenditure	2	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure By Municipal Entity												
Entity 1 total capital expenditure												
Entity 2 total capital expenditure												
Entity 3 etc. total capital expenditure												
Total Capital Expenditure	2	-	-	-	-	-	-	-	-	-	-	-

Quality Certification

I, **Mr. Kgware M.M**, The municipal manager of the Sekhukhune District Municipality, hereby certify that the 2023/24 annual adjusted budget and supporting documentation were prepared in accordance with the Municipal Finance Management Act and its regulations.

Print Name: Meshack Mahlagaume Kgware

Accounting Officer of Sekhukhune District Municipality (DC47)

Signature _____

Date _____