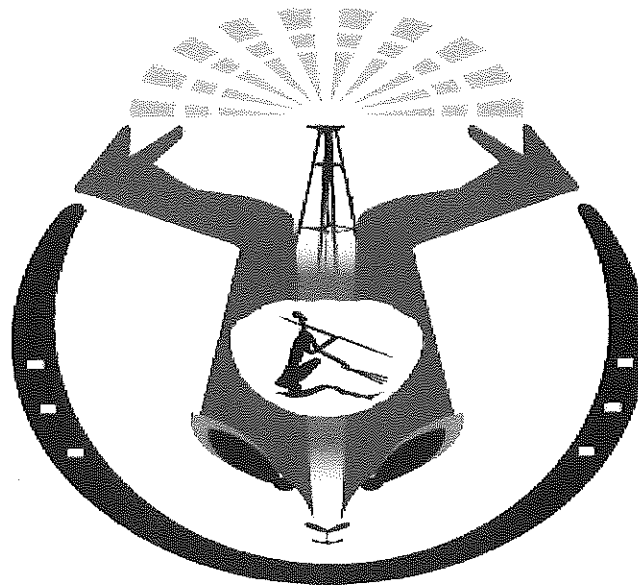


# UBUNTU LOCAL MUNICIPALITY

## Original Budget

### 2020-2021

## Ubuntu Municipality



*menswaardigheid • hoop • erfenis  
ubuntu • ithemba • izithethe  
humanity • hope • heritage*

**ORIGINAL BUDGET OF**  
**UBUNTU LOCAL**  
**MUNICIPALITY**

**2020/21**

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- **In the foyers of all municipal buildings**
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  - **At [www.ubuntu.gov.za](http://www.ubuntu.gov.za)**



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## Abbreviations and Acronyms

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

## Part 1 – Annual Budget

### 1.1 Mayor's Report

We are indeed living in difficult times given the current Covid 19 pandemic that has rocked the entire world. It is important that as the Municipality, we play our role in terms of protecting the lives of our residents during this pandemic by unlocking all the resources that are at our disposal.

This budget is a service delivery-based budget as we are faced with the Covid 19 pandemic and ensuring that even after we have defeated the Corona Virus, the livelihood of our residents continue to improve.

Section 215 of the Constitution of the Republic of South Africa requires that all National, Provincial and Municipal budgets and budgetary processes promote the following principles -

- Transparency;
- Accountability; and
- The effective financial management of the economy, debt and the public sector.

In order to fulfill this constitutional obligation towards the citizens of South Africa, sound financial principles and policies should be adopted and applied by municipalities at all times.

Most municipalities in South Africa, with Ubuntu Municipality being no exception, are faced with numerous community needs, infrastructure backlogs and financial distress. The cash resources available to eradicate infrastructure backlogs, redeem the debt that was accrued in previous financial years and to attend to the vast number of needs are very limited to deplete. It is thus the responsibility of Council to strike the perfect balance between delivering high quality basic services while also ensuring that the municipality remain financially viable.

The municipality has been experiencing financial difficulties over recent years to the extent that all financial resources are almost depleted, while there are still significant liabilities that need to be settled.

From a sustainability point of view, it is of the utmost importance to ensure that budgets are implemented where cash resources are maintained (or even improved) at acceptable levels. In order to ensure that acceptable levels of cash are maintained at all times, the municipality should continuously explore the following options:

- Cut back on operational expenditure to a point where the budget will be cash funded.
- Council should refrain from allocating resources to non-priority expenditure items.
- Limit capital additions from own resources in times when own resources are scarce.
- Ensure vigorous and aggressive debt collection mechanisms are put in place. It is time that we as consumers starts paying for all the services that we need.

The following long-term strategies should also be explored:

- Explore avenues to increase internal revenue streams. Currently the only option for the municipality is to increase rates and tariffs. The municipality should however guard against excessive increases that might be counterproductive and lead to an increase in non-payment;

- Ensure that all departments with the ability to generate own revenue become cost reflective (i.e. traffic department, electricity, refuse and sanitation departments). These departments should not be financed from property rates or service charges; and/or
- Explore further avenues to obtain more grants funding for operating and capital purposes (keeping in mind the additional maintenance expenditure that will still be the liability of the municipality even though the additional capital acquisitions are financed from external sources).
- The municipality is herewith introducing the Small-Scale Embedded Generation by law to stimulate and encourage alternative energy production. Kindly visit the by law that deals with this which is attached.

The main objective of a municipal budget is to allocate realistically expected resources to the service delivery goals or performance objectives identified as priorities in the Integrated Development Plan.

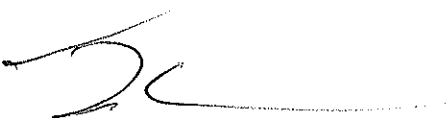
Fiscal constraints mean that transfers to municipalities will grow more slowly in the period ahead than they have in the past. Accordingly, municipalities must renew their focus on core service delivery functions and reduce costs without adversely affecting basic services. Furthermore, municipalities must ensure that efficiency gains, eradication of non-priority spending (cost containment measures) and the reprioritization of expenditure relating to core infrastructure continue to inform the planning framework.

The state of the economy has an adverse effect on the consumers. As a result, municipalities' revenues and cash flows are expected to remain under pressure. Furthermore, municipalities should carefully consider affordability of tariff increases, especially as it relates to domestic consumers while considering the level of services versus the associated cost. To assist municipalities, Government will also provide support to improve revenue collection.

The Medium-Term Strategic Framework (MTSF) priorities for structural reform over the period ahead include:

- Building the capacity of local government through the **"back to basics"** approach which will focus on improving service delivery, accountability and financial management. Local government should be effective and efficient; and this will be measured by its ability to perform the basic mandate of service delivery.
- Reshaping South Africa's urban environment through integrated spatial planning and an expansion of the municipal debt market. Municipalities play a critical role in growing the economy through well-planned and well-managed urbanization. In order to achieve this, large municipalities require massive investment to stimulate growth, maintain infrastructure and ensure that basic services are provided for growing populations. The municipality is also embarking on rewriting the core service master plans that will create the map for economic and other developments.

Sustainable job creation remains a national priority. Ubuntu Municipality is committed to this cause through the full participation in the Expanded Public Works Program (EPWP). The municipality does however recognize the fact that the EPWP incentive provided by National Government will not succeed as a stand-alone solution to address unemployment and poverty in the municipal area and for this reason the municipality will always strive to do more to assist the community. However, Council (and the community) should recognize the fact that it is very



important for the municipality to be financially viable first, before it will really be in a position to assist the community that is very much in need. A financial recovery plan has been put in place to avoid service delivery comes to a standstill.

The Integrated Development Plan (IDP) is a 5-year strategic developmental plan, setting strategic and budget priorities as required in terms of the Municipal Systems Act of 2000. It is a plan to help us set our budget priorities, so in essence it indicates how Ubuntu Municipality will spend its money for the next five years. The IDP is alignment with National Key Performance objectives and the MTREF. Therefore, the IDP enables Ubuntu Municipality to make the best use of scarce resources and it also enables the councilors to make decisions based on the needs and priorities of their communities.

With the IDP, Ubuntu Municipality can:

- Develop a clear vision
- Identify its key development priorities
- Formulate appropriate strategies
- Develop the appropriate organizational structure and systems
- Align resources with development priorities

## 1.2 Council Resolutions

1.1. The original annual budget of the municipality for the financial year 2020/21 and the multi-year and single-year capital appropriations as set out in the following tables in part 1.4 of this report

- 1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table A2;
- 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table A3;
- 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table A4; and
- 1.1.4. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table A5.

1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables in part 1.4 of this report:

- 1.2.1. Budgeted Financial Position as contained in Table A6;
- 1.2.2. Budgeted Cash Flows as contained in Table A7;
- 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table A8;
- 1.2.4. Asset management as contained in Table A9; and

- 2. The Council of Ubuntu Municipality take note of the fact that original budget is not funded in Table A8. The financial recovery plan has been adopted to make the budget funded over the long term.
- 3. The original budget is adopted on 17 June 2020 via virtual Zoom meeting due to Covid 19 Limitations.



### 1.3 Executive Summary

For Ubuntu Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue to fund the expenditure program of the municipality. In these tough economic times, strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty.

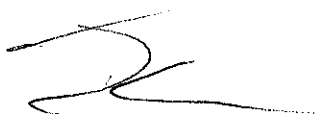
The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditure against realistically anticipated revenues.

For the previous three years [2016/2017, 2017/2018 and 2018/2019] received a qualified audit opinion with regards to annual financial statement, there were also issues raised with regards to compliance of legislation and only during 2018/2019 financial year the performance management system was submitted for audit. However it was disclaimed. A lot of work is needed to strengthen the internal control to ensure an unqualified audit opinion, compliance with legislation and performance management system that is line with the relative legislation.

There were no major changes to the IDP. The IDP is in alignment with the national KPA's and the MTREF.

The municipality is introducing a few new budget related policies. It is available on the website for public comments.

All tariffs will increase with 6% except for electricity which will increase with 6.22% as prescribed by NERSA. There is a severe cash shortage on the budget; see table A8. This is due to growing debt book. The credit control and debt collection policy/ by law need to be implemented more effectively to save the municipality from severe service delivery and contractual nonperformance. It is quite concerning that some government departments and business does not pay their rates and taxes. This is not allowable and needs to be dealt with. The cost containment measures also need to be implemented to cut the expenditure to ensure that there is enough cash to reduce the growing creditors book. This budget is reflective of that.





In view of the aforementioned, the following table is a consolidated overview of the proposed 2020/2021 Original Budget:

NC071 Ubuntu - Table A1 Budget Summary

Description	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Financial Performance</b>										
Property rates	5 343	5 043	9 260	9 065	19 943	19 943	-	23 131	24 518	25 890
Service charges	24 734	18 725	26 660	26 991	34 162	34 162	-	31 972	40 081	40 081
Investment revenue	318	402	436	364	364	364	-	386	409	409
Transfers recognised - operational	31 576	38 632	39 795	38 707	38 763	38 763	-	41 866	43 863	46 684
Other own revenue	36 039	37 557	22 607	37 859	26 567	26 567	-	40 129	42 533	42 533
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>99 010</b>	<b>100 360</b>	<b>97 658</b>	<b>112 966</b>	<b>119 799</b>	<b>119 799</b>	<b>-</b>	<b>137 484</b>	<b>151 503</b>	<b>155 696</b>
Employee costs	30 342	29 482	35 364	43 831	37 474	37 474	-	38 487	40 788	43 244
Remuneration of councillors	2 484	2 603	2 766	2 691	2 502	2 502	-	2 977	3 161	3 328
Depreciation & asset impairment	46 872	24 780	31 509	28 711	31 603	31 603	-	24 820	25 856	27 122
Finance charges	5 867	6 765	7 544	5 802	5 802	5 802	-	6 150	6 519	6 519
Materials and bulk purchases	17 664	18 025	18 437	19 522	19 522	19 522	-	20 694	21 935	21 935
Transfers and grants	-	-	-	-	-	-	-	0	0	0
Other expenditure	86 907	50 718	41 531	54 166	48 040	48 040	-	55 266	58 568	58 568
<b>Total Expenditure</b>	<b>169 015</b>	<b>132 373</b>	<b>137 151</b>	<b>154 744</b>	<b>144 843</b>	<b>144 843</b>	<b>-</b>	<b>148 184</b>	<b>156 837</b>	<b>160 735</b>
<b>Surplus/(Deficit)</b>	<b>(71 905)</b>	<b>(32 014)</b>	<b>(39 493)</b>	<b>(41 769)</b>	<b>(25 144)</b>	<b>(25 144)</b>	<b>-</b>	<b>(10 710)</b>	<b>(5 333)</b>	<b>(5 039)</b>
Transfers and subsidies - capital (monetary allocation)	2 101	12 629	9 110	14 975	14 975	20 175	-	24 934	19 397	30 735
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(69 804)</b>	<b>(19 185)</b>	<b>(30 383)</b>	<b>(26 794)</b>	<b>(10 169)</b>	<b>(4 969)</b>	<b>-</b>	<b>14 224</b>	<b>14 064</b>	<b>25 696</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>(69 804)</b>	<b>(19 185)</b>	<b>(30 383)</b>	<b>(26 794)</b>	<b>(10 169)</b>	<b>(4 969)</b>	<b>-</b>	<b>14 224</b>	<b>14 064</b>	<b>25 696</b>
<b>Capital expenditure &amp; funds sources</b>										
Capital expenditure	-	-	-	14 975	20 625	20 625	-	25 234	19 397	30 701
Transfers recognised - capital	-	-	-	14 975	20 175	20 175	-	24 934	19 397	30 701
Borrowing	-	-	-	0	0	0	-	0	0	0
Internally generated funds	-	-	-	-	350	350	-	300	0	0
<b>Total sources of capital funds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14 975</b>	<b>20 625</b>	<b>20 625</b>	<b>-</b>	<b>25 234</b>	<b>19 397</b>	<b>30 701</b>
<b>Financial position</b>										
Total current assets	15 683	24 641	25 855	18 008	33 992	33 992	-	13 223	19 815	13 928
Total non current assets	652 709	639 600	616 060	15 176	646 528	646 528	-	646 678	698 113	753 986
Total current liabilities	75 034	69 820	81 282	(1 530)	88 744	88 744	-	83 077	73 077	63 077
Total non current liabilities	8 646	26 477	18 928	8 846	18 047	18 047	-	12 432	12 432	12 432
Community wealth/Equity	584 512	667 944	540 725	25 867	673 729	673 729	-	664 056	609 656	658 701
<b>Cash flows</b>										
Net cash from (used) operating	(75 862)	(73 927)	(84 500)	(39 466)	22 892	22 892	-	25 513	19 989	30 848
Net cash from (used) investing	-	-	-	-	(14 975)	(14 975)	-	(24 934)	(19 397)	(30 735)
Net cash from (used) financing	-	-	-	(0)	0	0	-	0	0	0
<b>Cash/cash equivalents at the year end</b>	<b>(75 862)</b>	<b>(73 927)</b>	<b>(84 500)</b>	<b>(39 466)</b>	<b>7 917</b>	<b>7 917</b>	<b>-</b>	<b>2 385</b>	<b>2 977</b>	<b>3 090</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	2 529	5 174	1 860	18 008	2 090	2 090	-	2 385	2 977	3 090
Application of cash and investments	67 339	64 371	77 001	(1 530)	87 360	87 360	-	74 346	64 109	54 106
<b>Balance - surplus (shortfall)</b>	<b>(64 811)</b>	<b>(59 197)</b>	<b>(75 141)</b>	<b>18 538</b>	<b>(65 270)</b>	<b>(65 270)</b>	<b>-</b>	<b>(71 961)</b>	<b>(61 132)</b>	<b>(51 016)</b>
<b>Asset management</b>										
Asset register summary (WDV)	652 709	639 600	616 060	15 175	646 528	646 528	646 528	646 678	698 113	753 986
Depreciation	46 672	24 780	31 509	28 565	31 458	31 458	31 458	24 466	25 693	26 958
Renewal and Upgrading of Existing Assets	-	-	-	14 975	9 970	9 970	9 970	9 934	10 397	10 701
Repairs and Maintenance	-	-	-	-	-	-	-	-	-	-
<b>Free services</b>										
Cost of Free Basic Services provided	(3 839)	(454)	5 509	725	1 059	1 059	1 140	1 140	1 208	1 208
Revenue cost of free services provided	1 516	(5 810)	961	921	1 455	1 455	1 371	1 371	1 454	1 541
<b>Households below minimum service level</b>										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

As can be seen from the above, the growth in own revenue is not keeping up with the growth in operating expenditure over the MTREF. This will result in the scenario where insufficient revenue is generated to cover all operating expenditure.

Ubuntu Local Municipality recognize the fact that there are significant non-cash items included in operating expenditure (such as depreciation and debt impairment), and ultimately the municipality should review the impact that the proposed budget will have on the cash position of the municipality before reaching any conclusions with regards to the affordability of the planned expenditure program.

As a rule of thumb, all trading services (water, electricity, refuse and sanitation) should be cost reflective, meaning that sufficient revenue is raised to cover all the costs associated with the provision of the service. Service delivery is currently under severe pressure at the municipality. Currently with the draft cost of supply information at disposal the municipality is running material losses on all key services. This can be mainly attributed to water and electricity theft, meters not working and dilapidated bulk infrastructure. The IDP addresses some of these issues.

Electricity is historically the largest "profit making" service and for many years assisted municipalities to ensure that budgets are funded. However, with significant increases in the cost of bulk electricity (provided by Eskom) and the inability of the municipality to pass these cost increases down to the Ubuntu Municipality consumer, the municipality is not able to generate a gross profit in delivering electricity to the consumers. With a proposed tariff increase in the service charges and the bulk purchase price of 6.22% CPI (proposed by NERSA).

With the cost of bulk purchases largely beyond the control of the municipality, and the constraints with regards to excessive consumer tariff increases over and above already provided in the budget, the municipality should investigate the service to reduce the deficit. One option is to investigate illegal connections to reduce distribution losses to a minimum. Internal consumption should also be limited.

Other than the trading services, the municipality should also ensure that departments with the ability to generate its own revenue are delivering a cash surplus to fund other operations.

### **Auditor-General**

Ubuntu Municipality has attained two (3) qualified audit reports, one (1) disclaimer report and two (1) unqualified (with matters) in the last five years. Whilst having a qualified audit opinion rather than an unqualified, audit has subsequently no effect on the financial stability or performance of this Council, however does have a considerably negative effect upon the sentiment of investors, banking and all relevant stakeholders in all their aspects locally and internationally. It is therefore remarkable that locally there remains a very few individuals ignorant and talkative who appear to want nothing more than to criticize Ubuntu's very considerable achievements for reasons that are nothing more than politically motivated.

Ubuntu Municipality has their sights on "clean" governance and we will attempt to reach the level requested by Provincial government by 2022.

Legislative compliance, good governance and clean audits require competent and qualified staff at all levels throughout Council directorates.

### **mSCOA**

The Municipal Regulations on a Standard Chart of Accounts (mSCOA) is applicable to all municipalities and municipal entities with effect from 01 July 2017. Ubuntu Municipality is expected to be fully compliant with mSCOA effective 1 July 2020. The mSCOA project of

National Treasury and the resources required, human and financial, to undertake it successfully is imposing strains upon the administration. MSCOA is not a simple financial system change, it is a change in the manner in which Council undertakes and reports on its business activities.

### **Tariff Implications of the Annual Budget**

It is recommended that because of the continuing stresses being placed on the commercial and industrial sections of the economy that no differentiation in rate and tariff increases is made between domestic and non-domestic sectors in this budget until there is a noticeable and positive shift in economic trading conditions.

#### **Electricity Tariff**

- ✓ The municipality has embarked on a Cost of Supply Study with regards to electricity tariffs. Ubuntu LM will engage National Energy Regulator of South Africa to increase the tariffs smoothly over the MTREF in order to have a cost reflective tariffs in future. Currently the electricity department is being run at a lost and one of the consequences is that we are unable to pay for bulk purchases from Eskom. This debt is increasing annually and this council cannot create a burden for the next generation. The council is also considering other methods like renewable energy. Kindly see the SSEG by law attached.



### 1.4 Annual Budget Tables

NC071 Ubuntu - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		38 482	39 448	63 787	51 447	65 908	71 108	85 885	72 607	76 759
Executive and council		116	3 185	1 000	1 001	1 001	1 001	1 059	2	2
Finance and administration		38 366	36 262	62 787	50 446	64 906	70 106	84 826	72 605	76 767
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		2 848	1 920	687	700	700	700	802	842	882
Community and social services		809	1 913	687	689	689	689	790	829	869
Sport and recreation		2 040	8	0	11	11	11	12	12	12
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		34 280	42 843	12 096	33 854	19 054	19 054	18 881	38 033	38 033
Planning and development		3 179	3 971	14	84	84	84	88	89	89
Road transport		31 101	38 873	12 082	33 771	18 971	18 971	18 793	37 945	37 945
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		24 501	28 977	30 198	41 959	49 112	49 112	56 850	59 418	70 756
Energy sources		11 286	4 757	17 355	19 007	19 007	19 007	25 655	34 434	35 434
Water management		5 782	18 354	9 519	14 629	20 783	20 783	14 872	15 632	15 970
Waste water management		3 585	3 517	1 402	4 521	4 521	4 521	12 293	5 080	15 080
Waste management		3 848	2 349	1 861	3 802	4 801	4 801	4 030	4 272	4 272
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	<b>100 111</b>	<b>113 189</b>	<b>106 768</b>	<b>127 961</b>	<b>134 774</b>	<b>138 974</b>	<b>162 418</b>	<b>170 900</b>	<b>186 431</b>
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		68 601	33 328	53 879	67 044	47 003	47 003	64 192	68 136	69 277
Executive and council		10 068	3 551	5 719	6 424	5 076	5 076	5 315	5 627	5 922
Finance and administration		58 536	29 777	48 160	60 620	41 927	41 927	58 877	62 508	63 355
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		(737)	3 678	1 792	1 828	5 924	5 924	8 563	9 032	9 528
Community and social services		(847)	2 530	1 724	1 817	1 868	1 868	6 525	6 869	7 235
Sport and recreation		110	1 148	67	0	4 049	4 049	2 026	2 149	2 280
Public safety		-	-	-	12	8	8	12	13	13
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		19 857	32 497	30 354	21 383	19 668	19 668	22 706	23 962	25 141
Planning and development		13 985	26 384	24 647	12 239	13 252	13 252	4 322	4 454	4 581
Road transport		5 872	6 112	5 707	9 144	6 414	6 414	18 444	19 508	20 559
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		82 193	62 871	51 126	64 489	72 350	72 350	52 672	55 788	56 789
Energy sources		52 901	7 731	36 038	44 939	44 317	44 317	26 907	28 501	28 671
Water management		11 978	18 905	3 701	3 260	14 676	14 676	5 326	5 628	6 807
Waste water management		7 741	28 259	5 404	8 277	6 432	6 432	11 815	12 483	12 958
Waste management		9 573	7 976	5 984	8 013	8 924	8 924	8 623	9 096	9 353
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	3	<b>169 915</b>	<b>132 373</b>	<b>137 151</b>	<b>154 744</b>	<b>144 943</b>	<b>144 943</b>	<b>148 194</b>	<b>156 837</b>	<b>160 735</b>
<b>Surplus/(Deficit) for the year</b>		<b>(69 804)</b>	<b>(19 185)</b>	<b>(30 383)</b>	<b>(26 784)</b>	<b>(10 169)</b>	<b>(4 969)</b>	<b>14 224</b>	<b>14 064</b>	<b>25 696</b>

NC071 Ubuntu - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2018/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Revenue by Vote</b>	1									
Vote 1 - Office of the Municipal Manager		20 653	17 746	1 000	-	-	-	-	-	-
Vote 2 - Financial Services Directorate		7 772	61 444	62 612	50 164	83 103	68 303	84 479	72 237	76 389
Vote 3 - Corporate & Community Services		71 686	5 774	14 819	35 613	20 813	20 813	20 802	38 942	38 982
Vote 4 - Infrastructure & Planning		-	28 224	28 336	42 184	50 833	50 833	57 136	59 721	71 059
Vote 5 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	24	24	-	-	-
Vote 6 - Executive and Council		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	100 111	113 189	106 768	127 961	134 774	139 974	162 418	170 900	186 431
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 1 - Office of the Municipal Manager		72 620	6	5 859	4 328	3 573	3 573	2 991	3 159	3 285
Vote 2 - Financial Services Directorate		41 954	77 603	41 507	51 141	34 811	34 811	54 149	57 505	58 137
Vote 3 - Corporate & Community Services		54 834	8 689	44 643	16 498	18 193	18 193	18 624	19 752	20 801
Vote 4 - Infrastructure & Planning		506	46 076	45 142	79 543	85 718	85 718	69 230	73 024	74 947
Vote 5 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	24	24	-	-	-
Vote 6 - Executive and Council		-	-	-	3 233	2 624	2 624	3 200	3 397	3 565
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	169 916	132 373	137 151	154 744	144 943	144 943	148 194	156 837	160 735
<b>Surplus/(Deficit) for the year</b>	2	(69 804)	(19 185)	(30 383)	(26 784)	(10 169)	(4 969)	14 224	14 064	25 696

NC071 Ubuntu - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Revenue By Source</b>											
Property rates	2	5 343	5 043	9 280	9 085	19 943	19 943	-	23 131	24 518	25 990
Service charges - electricity revenue	2	11 522	11 536	13 320	13 819	13 819	13 819	-	18 115	25 383	25 393
Service charges - water revenue	2	5 781	2 250	9 517	4 750	10 922	10 922	-	5 035	5 337	5 337
Service charges - sanitation revenue	2	3 584	1 929	1 482	4 521	4 521	4 521	-	4 783	5 080	5 080
Service charges - refuse revenue	2	3 848	3 009	1 361	3 801	4 800	4 800	-	4 029	4 271	4 271
Rental of facilities and equipment		262	220	140	204	1 700	1 700	-	216	229	229
Interest earned - external investments		318	402	436	364	364	364	-	386	409	409
Interest earned - outstanding debtors		4 037	1 945	9 053	3 170	5 182	5 182	-	3 381	3 582	3 582
Dividends received		-	-	-	0	0	0	-	0	0	0
Fines, penalties and forfeits		30 508	33 248	11 533	33 402	18 402	18 402	-	35 408	37 531	37 531
Licences and permits		568	107	533	-	-	-	-	-	-	-
Agency services		-	-	-	350	550	550	-	371	393	393
Transfers and subsidies		31 576	38 632	39 795	38 707	38 763	38 763	-	41 868	43 983	46 684
Other revenue	2	373	843	398	732	732	732	-	776	818	818
Gains on disposal of PPE		312	1 194	852	-	-	-	-	(0)	(0)	(0)
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>98 010</b>	<b>100 360</b>	<b>97 658</b>	<b>112 988</b>	<b>119 789</b>	<b>119 789</b>	<b>-</b>	<b>137 484</b>	<b>161 503</b>	<b>165 696</b>
<b>Expenditure By Type</b>											
Employee related costs	2	30 342	29 482	35 364	43 831	37 474	37 474	-	38 487	40 798	43 244
Remuneration of councillors		2 464	2 603	2 766	2 691	2 502	2 502	-	2 977	3 161	3 328
Debt impairment	3	45 938	32 463	20 030	35 097	32 097	32 097	-	37 203	39 435	39 435
Depreciation & asset impairment	2	48 672	24 780	31 509	28 711	31 603	31 603	-	24 620	25 858	27 122
Finance charges		5 887	6 765	7 544	5 802	5 802	5 802	-	6 150	6 519	6 519
Bulk purchases	2	17 544	17 988	18 251	19 491	19 491	19 491	-	20 681	21 900	21 900
Other materials	8	119	37	186	31	31	31	-	33	35	35
Contracted services		11 264	6 522	5 929	6 970	6 970	6 970	-	6 232	6 728	6 728
Transfers and subsidies		-	-	-	-	-	-	-	0	0	0
Other expenditure	4, 5	9 705	11 314	15 572	12 120	8 973	8 973	-	11 831	12 407	12 425
Loss on disposal of PPE		-	419	-	-	-	-	-	(0)	(0)	(0)
<b>Total Expenditure</b>		<b>169 915</b>	<b>132 373</b>	<b>137 151</b>	<b>154 744</b>	<b>144 943</b>	<b>144 943</b>	<b>-</b>	<b>148 194</b>	<b>156 837</b>	<b>160 735</b>
<b>Surplus/(Deficit)</b>											
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		2 101	12 828	9 110	14 976	14 976	20 175	-	24 934	19 397	30 735
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Transfers and subsidies - capital (a-kind - all)	6	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(69 804)</b>	<b>(19 185)</b>	<b>(30 383)</b>	<b>(26 784)</b>	<b>(10 169)</b>	<b>(4 969)</b>	<b>-</b>	<b>14 224</b>	<b>14 084</b>	<b>25 696</b>
Taxation		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>(69 804)</b>	<b>(19 185)</b>	<b>(30 383)</b>	<b>(26 784)</b>	<b>(10 169)</b>	<b>(4 969)</b>	<b>-</b>	<b>14 224</b>	<b>14 084</b>	<b>25 696</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(69 804)</b>	<b>(19 185)</b>	<b>(30 383)</b>	<b>(26 784)</b>	<b>(10 169)</b>	<b>(4 969)</b>	<b>-</b>	<b>14 224</b>	<b>14 084</b>	<b>25 696</b>
Share of surplus/ (deficit) of associates	7	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>		<b>(69 804)</b>	<b>(19 185)</b>	<b>(30 383)</b>	<b>(26 784)</b>	<b>(10 169)</b>	<b>(4 969)</b>	<b>-</b>	<b>14 224</b>	<b>14 084</b>	<b>25 696</b>

Table A5 Capital Expenditure

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Capital expenditure - Vote</b>											
<b>Multi-year expenditure, to be appropriated</b>	2										
Vote 1 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 2 - Financial Services Directorate		-	-	-	0	0	0	-	0	0	0
Vote 3 - Corporate & Community Services		-	-	-	-	-	-	-	-	-	-
Vote 4 - Infrastructure & Planning		-	-	-	14 975	20 175	20 175	-	24 934	19 397	30 701
Vote 5 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 6 - Executive and Council		-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	7	-	-	-	14 975	20 175	20 175	-	24 934	19 397	30 701
<b>Single-year expenditure to be appropriated</b>	2										
Vote 1 - Office of the Municipal Manager		-	-	-	0	0	0	-	0	0	0
Vote 2 - Financial Services Directorate		4 643	-	-	0	0	0	-	0	0	0
Vote 3 - Corporate & Community Services		-	182	720	-	-	-	-	-	-	-
Vote 4 - Infrastructure & Planning		-	11 223	8 043	0	350	350	-	300	0	0
Vote 5 - COMMUNITY & SOCIAL SERVICES		-	-	-	0	0	0	-	0	0	0
Vote 6 - Executive and Council		-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		4 643	11 405	8 764	0	350	350	-	300	0	0
<b>Total Capital Expenditure - Vote</b>		4 643	11 405	8 764	14 975	20 525	20 525	-	25 234	19 397	30 701
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>		4 643	-	-	0	0	0	-	0	0	0
Executive and council		-	-	-	0	0	0	-	0	0	0
Finance and administration		4 643	-	-	0	0	0	-	0	0	0
Internal audit		-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	182	720	-	-	-	-	-	-	-
Community and social services		-	182	720	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		-	11 202	-	0	0	0	-	0	0	0
Planning and development		-	-	-	-	-	-	-	-	-	-
Road transport		-	11 202	-	0	0	0	-	0	0	0
Environmental protection		-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		-	21	8 043	14 975	20 175	20 175	-	24 934	19 397	30 701
Energy services		-	-	5 621	5 005	5 005	5 005	-	7 500	9 000	10 000
Water management		-	10	2 423	9 970	15 170	15 170	-	17 434	10 397	20 701
Waste water management		-	11	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	350	350	-	300	0	0
<b>Total Capital Expenditure - Functional</b>	3	4 643	11 405	8 764	14 975	20 525	20 525	-	25 234	19 397	30 701
<b>Funded by:</b>											
National Government		4 643	11 223	8 043	14 975	20 175	20 175	-	24 934	19 397	30 701
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	4 643	11 223	8 043	14 975	20 175	20 175	-	24 934	19 397	30 701
Borrowing	6	-	-	-	0	0	0	-	0	0	0
Internally generated funds		-	182	358	-	350	350	-	300	0	0
<b>Total Capital Funding</b>	7	4 643	11 405	8 401	14 975	20 525	20 525	-	25 234	19 397	30 701

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>ASSETS</b>											
<b>Current assets</b>											
Cash		2 629	5 174	1 660	18 008	2 090	2 090	-	2 365	2 977	3 090
Call investment deposits	1	-	-	-	-	-	-	-	0	0	0
Consumer debtors	1	8 333	6 769	9 268	0	10 834	10 834	-	10 838	10 838	10 838
Other debtors		4 754	12 589	13 917	0	20 945	20 945	-	0	0	0
Current portion of long-term receivables		66	107	698	-	-	-	-	-	-	-
Inventory	2	11	11	112	0	123	123	-	0	0	0
<b>Total current assets</b>		<b>15 683</b>	<b>24 641</b>	<b>25 655</b>	<b>18 008</b>	<b>33 992</b>	<b>33 992</b>	<b>-</b>	<b>13 223</b>	<b>13 815</b>	<b>13 928</b>
<b>Non current assets</b>											
Long-term receivables		-	-	-	-	(0)	(0)	-	-	-	-
Investments		-	-	-	-	-	-	-	-	-	-
Investment property		-	29 286	29 638	0	29 638	29 638	-	29 638	32 009	34 570
Investment in Associate		-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	3	652 681	610 281	688 395	16 176	616 864	616 864	-	617 014	666 076	719 385
Biological		-	-	-	-	-	-	-	-	-	-
Intangible		48	33	27	(0)	27	27	-	27	29	31
Other non-current assets		-	-	-	0	0	0	-	0	0	0
<b>Total non current assets</b>		<b>652 709</b>	<b>639 600</b>	<b>616 060</b>	<b>16 176</b>	<b>646 628</b>	<b>646 628</b>	<b>-</b>	<b>646 678</b>	<b>698 113</b>	<b>763 866</b>
<b>TOTAL ASSETS</b>		<b>668 392</b>	<b>684 240</b>	<b>641 915</b>	<b>33 183</b>	<b>680 621</b>	<b>680 621</b>	<b>-</b>	<b>659 901</b>	<b>711 928</b>	<b>767 914</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft	1	-	-	-	-	-	-	-	-	-	-
Borrowing	4	600	466	200	0	0	0	-	0	0	0
Consumer deposits		194	189	192	0	0	0	-	0	0	0
Trade and other payables	4	67 955	64 371	77 001	(1 630)	85 667	85 667	-	80 080	70 000	60 000
Provisions		6 284	4 805	3 870	0	3 077	3 077	-	3 077	3 077	3 077
<b>Total current liabilities</b>		<b>75 034</b>	<b>69 820</b>	<b>81 262</b>	<b>(1 630)</b>	<b>88 744</b>	<b>88 744</b>	<b>-</b>	<b>83 077</b>	<b>73 077</b>	<b>63 077</b>
<b>Non current liabilities</b>											
Borrowing		1 619	17 373	9 114	1 619	7 233	7 233	-	1 619	1 619	1 619
Provisions		7 227	9 103	10 814	7 228	10 814	10 814	-	10 814	10 814	10 814
<b>Total non current liabilities</b>		<b>8 846</b>	<b>26 477</b>	<b>19 928</b>	<b>8 846</b>	<b>18 047</b>	<b>18 047</b>	<b>-</b>	<b>12 432</b>	<b>12 432</b>	<b>12 432</b>
<b>TOTAL LIABILITIES</b>		<b>83 880</b>	<b>96 297</b>	<b>101 190</b>	<b>7 317</b>	<b>106 791</b>	<b>106 791</b>	<b>-</b>	<b>95 510</b>	<b>85 510</b>	<b>75 510</b>
<b>NET ASSETS</b>	6	<b>584 512</b>	<b>567 944</b>	<b>540 725</b>	<b>25 867</b>	<b>573 729</b>	<b>573 729</b>	<b>-</b>	<b>564 391</b>	<b>626 418</b>	<b>692 404</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated Surplus/(Deficit)		584 512	567 944	540 725	25 867	573 729	573 729	-	564 391	626 418	692 404
Reserves	4	-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	6	<b>584 512</b>	<b>567 944</b>	<b>540 725</b>	<b>25 867</b>	<b>573 729</b>	<b>573 729</b>	<b>-</b>	<b>564 391</b>	<b>626 418</b>	<b>692 404</b>



NC071 Ubuntu - Table A7 Budgeted Cash Flows

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates		-	-	-	5 782	14 840	14 840	-	13 079	13 864	14 696
Service charges		-	-	-	20 151	23 639	23 639	-	24 618	31 666	31 666
Other revenue		-	-	-	8 296	7 993	7 993	-	11 984	12 699	12 699
Government - operating	1	-	-	-	-	38 697	38 697	-	41 866	43 863	46 684
Government - capital	1	-	-	-	14 975	14 975	14 975	-	24 634	19 397	30 735
Interest		-	-	-	2 268	3 991	3 991	-	2 402	2 546	2 546
Dividends		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Suppliers and employees		(69 995)	(67 182)	(76 956)	(65 135)	(75 441)	(75 441)	-	(87 221)	(97 627)	(101 659)
Finance charges		(5 887)	(6 785)	(7 544)	(5 802)	(5 802)	(5 802)	-	(8 150)	(6 619)	(6 619)
Transfers and Grants	1	-	-	-	-	-	-	-	(0)	(0)	(0)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>(75 862)</b>	<b>(73 927)</b>	<b>(84 500)</b>	<b>(39 466)</b>	<b>22 892</b>	<b>22 892</b>	<b>-</b>	<b>25 513</b>	<b>19 989</b>	<b>30 848</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current debtors		-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Capital assets		-	-	-	-	(14 975)	(14 975)	-	(24 934)	(19 397)	(30 735)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(14 975)</b>	<b>(14 975)</b>	<b>-</b>	<b>(24 934)</b>	<b>(19 397)</b>	<b>(30 735)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Repayment of borrowing		-	-	-	(0)	(0)	(0)	-	0	0	0
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(75 862)</b>	<b>(73 927)</b>	<b>(84 500)</b>	<b>(39 466)</b>	<b>7 917</b>	<b>7 917</b>	<b>-</b>	<b>579</b>	<b>692</b>	<b>113</b>
Cash/cash equivalents at the year begin:	2	-	-	-	-	-	-	-	1 806	2 385	2 977
Cash/cash equivalents at the year end:	2	<b>(75 862)</b>	<b>(73 927)</b>	<b>(84 500)</b>	<b>(39 466)</b>	<b>7 917</b>	<b>7 917</b>	<b>-</b>	<b>2 385</b>	<b>2 977</b>	<b>3 090</b>

NC071 Ubuntu - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	(75 862)	(73 927)	(84 500)	(39 466)	7 917	7 917	-	2 385	2 977	3 090
Other current investments > 90 days		78 391	79 101	86 360	57 474	(5 827)	(5 827)	-	0	0	0
Non current assets - investments	1	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>2 529</b>	<b>5 174</b>	<b>1 860</b>	<b>18 008</b>	<b>2 090</b>	<b>2 090</b>	<b>-</b>	<b>2 385</b>	<b>2 977</b>	<b>3 090</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		9 040	4 112	2 541	(1 530)	3 802	3 802	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	58 300	60 259	74 460	0	63 658	63 658	-	74 348	64 109	64 106
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
<b>Total Application of cash and investments:</b>		<b>67 339</b>	<b>64 371</b>	<b>77 001</b>	<b>(1 530)</b>	<b>67 360</b>	<b>67 360</b>	<b>-</b>	<b>74 348</b>	<b>64 109</b>	<b>64 106</b>
<b>Surplus(shortfall)</b>		<b>(64 811)</b>	<b>(59 197)</b>	<b>(75 141)</b>	<b>19 538</b>	<b>(65 270)</b>	<b>(65 270)</b>	<b>-</b>	<b>(71 961)</b>	<b>(61 132)</b>	<b>(51 016)</b>

2021/2022 - Psp 20 Road Management												
Description	Unit	2020/2021 Approved Budget	2020/2021 Actual Outcome	Current Year 2020/2021				2021/2022 Medium Term Financial Plan				
				Approved Budget	Adjusted Budget	Variance	2020/2021 Approved Budget	2021/2022 Approved Budget	2021/2022 Estimated Cost	2021/2022 Estimated Revenue	2021/2022 Estimated Net Cost	
<b>ROADS</b>		14 015	14 015	14 015	14 015	0	14 015	14 015	14 015	0	0	14 015
<b>ROADS - Psp 20</b>		14 015	14 015	14 015	14 015	0	14 015	14 015	14 015	0	0	14 015
Roads		14 015	14 015	14 015	14 015	0	14 015	14 015	14 015	0	0	14 015
Roads - Psp 20		14 015	14 015	14 015	14 015	0	14 015	14 015	14 015	0	0	14 015
Roads - Psp 20 - Psp 20		14 015	14 015	14 015	14 015	0	14 015	14 015	14 015	0	0	14 015
Roads - Psp 20 - Psp 20 - Psp 20		14 015	14 015	14 015	14 015	0	14 015	14 015	14 015	0	0	14 015
Roads - Psp 20 - Psp 20 - Psp 20 - Psp 20		14 015	14 015	14 015	14 015	0	14 015	14 015	14 015	0	0	14 015
Roads - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20		14 015	14 015	14 015	14 015	0	14 015	14 015	14 015	0	0	14 015
Roads - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20		14 015	14 015	14 015	14 015	0	14 015	14 015	14 015	0	0	14 015
Roads - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20		14 015	14 015	14 015	14 015	0	14 015	14 015	14 015	0	0	14 015
Roads - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20		14 015	14 015	14 015	14 015	0	14 015	14 015	14 015	0	0	14 015
Roads - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20		14 015	14 015	14 015	14 015	0	14 015	14 015	14 015	0	0	14 015
Roads - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20		14 015	14 015	14 015	14 015	0	14 015	14 015	14 015	0	0	14 015
Roads - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20 - Psp 20		14 015	14 015	14 015	14 015	0	14 015	14 015	14 015	0	0	14 015

NC071 Ubuntu - Table A10 Basic service delivery measurement

Description	Ref	2016/17	2017/18	2018/19	Current Year 2018/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Household service targets</b>										
<b>Water:</b>										
Piped water inside dwelling	1	-	-	-	-	-	-	-	-	-
Piped water inside yard (but not in dwelling)	2	-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	4	-	-	-	-	-	-	-	-	-
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>										
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>										
Total number of households	6	-	-	-	-	-	-	-	-	-
<b>Sanitation/sewage:</b>										
Flush toilet (connected to sewerage)		-	-	-	-	-	-	-	-	-
Flush toilet (with septic tank)		-	-	-	-	-	-	-	-	-
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>										
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>										
Total number of households	6	-	-	-	-	-	-	-	-	-
<b>Energy:</b>										
Electricity (at least min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>										
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>										
Total number of households	6	-	-	-	-	-	-	-	-	-
<b>Refuse:</b>										
Removed at least once a week		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>										
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>										
Total number of households	6	-	-	-	-	-	-	-	-	-
<b>Households receiving Free Basic Service</b>										
Water (6 kilolitre per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free minimum level service)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed at least once a week)		-	-	-	-	-	-	-	-	-
<b>Cost of Free Basic Services provided - Formal Settlements (R'000)</b>										
Water (6 kilolitre per indigent household per month)		-	352	362	178	419	419	189	201	201
Sanitation (free sanitation service to indigent households)		-	682	2 310	-	-	-	371	393	393
Electricity/other energy (50kwh per indigent household per month)		9	669	430	192	192	192	203	215	215
Refuse (removed once a week for indigent households)		(3 848)	(2 357)	2 388	355	448	448	376	399	399
<b>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</b>										
Total cost of FBS provided		(3 839)	(454)	5 688	725	1 059	1 059	1 140	1 208	1 208
<b>Highest level of free service provided per household</b>										
Property rates (R value threshold)		-	-	-	-	-	-	-	-	-
Water (kilolitre per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (kilolitre per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)		-	-	-	-	-	-	-	-	-
Electricity (kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (average litres per week)		-	-	-	-	-	-	-	-	-
<b>Revenue cost of subsidised services provided (R'000)</b>										
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)		-	-	-	-	-	-	-	-	-
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		1 616	(6 810)	961	571	1 257	1 257	1 371	1 454	1 641
Water (in excess of 6 kilolitre per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	350	198	198	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates		-	-	-	-	-	-	-	-	-
Housing - top structure subsidies		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total revenue cost of subsidised services provided		1 616	(6 810)	961	921	1 455	1 455	1 371	1 454	1 641

## Part 2 Supporting Documentation

### 2.1 Overview of annual budget process

- a. The budget process started in August 2019 when the budget plan was approved. There were challenges specifically to community engagements but it was mitigated through a Virtual Public Consultation process. The draft budget was adopted and available for public comments since 31 March 2020.
- b. The municipality introduced four new policies with this budget. The purpose of these policies is in the main to stimulate economic growth and to deal with the huge losses and inefficiencies within the electricity department. These policies forms part of this budget. It is numbers 1, 18, 19 and 20 of the policies.
- c. The budget was emailed to key stakeholders during April 2020 and May 2020. A virtual public consultation meeting also took place on 4 June 2020.

### 2.2 Overview of alignment of annual budget with Integrated Development Plan

- a) There are no material changes to the IDP for the MTREF.
- b) Below is the breakdown of the revenue, operational expenditure and the capital expenditure. This is to prove that IDP is aligned to MTREF.

NC071 Ubuntu - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
R thousand													
Provision of sustainable services				38 368	48 607	63 948	50 448	47 050	52 250	87 822	72 905	76 767	
Spatial Planning Excellence				116	191	1 000	1 001	1 001	1 001	1 059	2	2	
Spatial development Bulk Infrastructure Optimisation				61 829	68 490	41 820	76 513	86 723	86 723	93 637	98 294	109 672	
Allocations to other priorities			2										
<b>Total Revenue (excluding capital transfers and contributions)</b>				1	100 111	113 189	106 768	127 961	134 774	139 974	162 418	170 900	186 451

NC071 Ubuntu - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Provision of sustainable services				56 280	58 169	49 298	80 620	41 607	41 607	51 068	54 038	55 958
Spatial Planning Excellence				10 066	7 797	5 742	6 424	5 576	5 576	5 497	5 704	6 093
Spatial development Bulk Infrastructure Optimisation				103 569	88 407	82 111	87 700	97 560	97 560	91 620	97 005	88 863
Allocations to other priorities												
<b>Total Expenditure</b>				<b>169 915</b>	<b>192 373</b>	<b>137 151</b>	<b>154 744</b>	<b>144 943</b>	<b>144 943</b>	<b>148 194</b>	<b>156 837</b>	<b>160 735</b>

NC071 Ubuntu - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Provision of sustainable services		A										
Spafal Planning Excellence		B										
Spafal development Bulk Infrastructure Optimisation		C		4 643	11 405	8 764	14 975	20 525	20 525	25 234	19 397	30 701
		D										
		E										
		F										
		G										
		H										
		I										
		J										
		A										
		B										
		C										
		N										
		O										
		P										
Allocations to other priorities			3									
<b>Total Capital Expenditure</b>			1	4 643	11 405	8 764	14 975	20 525	20 525	25 234	19 397	30 701

**2.3 Measurable performance objectives and indicators**

NC071 Ubuntu - Supporting Table SA6 Performance Indicators and benchmarks

Description of financial indicator	Basis of calculation	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Borrowing Management</b>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	3.5%	5.1%	6.6%	3.7%	4.6%	4.0%	0.0%	4.1%	4.2%	4.1%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	8.8%	11.0%	13.0%	7.8%	7.2%	7.2%	0.0%	6.4%	6.1%	6.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Safety of Capital</b>											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Liquidity</b>											
Current Ratio	Current assets/current liabilities	0.2	0.4	0.3	(11.8)	0.4	0.4	-	0.2	0.2	0.2
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0.2	0.4	0.3	(11.8)	0.4	0.4	-	0.2	0.2	0.2
Liquidity Ratio	Monetary Assets/Current Liabilities	0.0	0.1	0.0	(11.8)	0.0	0.0	-	0.0	0.0	0.0
<b>Revenue Management</b>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	0.0%	0.0%	71.8%	71.1%	71.1%	0.0%	68.4%	70.5%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	0.0%	0.0%	71.9%	71.1%	71.1%	0.0%	68.4%	70.5%	70.2%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	13.4%	19.4%	24.5%	0.0%	28.5%	28.5%	0.0%	7.8%	7.2%	7.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<b>Creditors Management</b>											
Creditor System Efficiency	% of Creditors Paid Within Terms (within MFMA's 65(a))										
Creditors to Cash and Investments		-76.8%	-81.5%	-88.1%	0.0%	1034.0%	1034.0%	0.0%	3354.6%	2351.3%	1941.8%
<b>Other Indicators</b>											
Electricity Distribution Losses (2)	Total Volume Losses (kW)										
	Total Cost of Losses (Rand '000)										
Water Distribution Losses (2)	% Volume (units purchased and generated less units sold/units purchased and generated)										
	Total Cost of Losses (Rand '000)										
Employee costs	Employee costs/(Total Revenue - capital revenue)	31.0%	29.4%	30.2%	38.6%	31.3%	31.3%	0.0%	28.0%	28.0%	27.6%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	32.0%	31.2%	37.9%	41.2%	33.4%	33.4%		30.2%	29.0%	29.9%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	53.6%	31.4%	40.0%	30.5%	31.2%	31.2%	0.0%	22.4%	21.4%	21.6%
<b>IDP regulation financial viability indicators</b>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	-	-	25.5	18.6	18.6	18.6	-	37.6	42.2	42.8
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	43.3%	81.1%	68.1%	0.0%	58.8%	58.8%	0.0%	19.6%	16.7%	16.3%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	(7.8)	(6.8)	(10.5)	(4.0)	0.9	0.9	-	0.2	0.3	0.3

**References**

1. Consumer debtors > 12 months old are excluded from current assets
2. Only include if services provided by the municipality

**Calculation data**

Debtors > 90 days	9 779	8 364	6 016	9 895	8 895	8 895	-	6 705	10 293	10 511
Monthly fixed operational expenditure	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%
Fixed operational expenditure % assumption		182	720		350	350		300	0	0
Own capex										
Borrowing										

- a) The key Financial indicators are as follows:
- a. The municipality does not have any long-term borrowing. However the current finance charges are also fruitless and wasteful. The majority thereof is the Eskom debt. The payment plans need to address these issues with creditors.
  - b. The municipality does not have long term borrowing therefore the safety of capital is not applicable.
  - c. It is clear that the municipality liquidity ratio is below the norm and pose a material risk to the going concern of the municipality.
  - d. The current debtor's collection rate is still a bit low. More data cleansing and serious credit control is needed. The creditors growing also need to be looked at. The municipality is in serious trouble with credit coverage 3354
  - e. The majority of expenditure as per table A4 is for employee related cost 28%, depreciation and debt impairment 22%. Over the long term the municipality needs to improve the expenditure on Repairs and maintenance.
  - f. The main revenue resources are increasing steadily which will make the municipality less reliant on grants. For the 2021 budget operating grants contribute only 31% of operating revenue. This is a material decrease from prior years.
  - g. Electricity losses was reduced to 31.08% and Water to 30.8% for the 18/19 audited year. Although it was materially reduced it is still excessively high therefore; the municipality embarked a process in reducing the water and electricity losses. Own usage meetings are taking place monthly to measure and evaluate internal usage. The external 40 water meters are replaced during June 2020 to address the losses. More meters will be replaced during the MTREF. 35 high electricity consumers will receive modern upgraded meters during the first quarter of 2021 to address the losses.

#### **2.4 Overview of budget-related policies**

The following policies is approved and is available on the municipal website and all municipal offices and libraries:

1. Asset Transfer policy.
2. Banking and investment policy.
3. Budget Implementation Policy.
4. Credit control and debt collection policy.
5. By-Law Policy.
6. Risk management policy.
7. Disposal of Land and Other Immovable Policy.
8. Indigent household policy.
9. Fixed Asset Management Policy.
10. Fraud and Prevention Policy.
11. HR Manual Policy.
12. Investment Management Policy.





13. Performance Management System Policy.
14. Rates Policy.
15. Subsistence and Travel Policy.
16. Supply Chain Management Policy.
17. Tariffs Policy.
18. Unauthorised, Irregular or Fruitless and Wasteful Expenditure Policy.
19. Electricity by Laws
20. Bulk Electricity Contribution Policy
21. SSEG requirements for Embedded Generation.

## **2.5 Overview of budget assumptions**

- a. With regards to collection rates the following budget assumptions applies
  - a. Property rates 60%
  - b. Electricity 90%
  - c. All other service charges 60%
  - d. Fines and penalties 15%
  - e. All other revenue including grants at 100%
  - f. Increased in Employee related cost for municipal staff is 6.25% as prescribed by SALGBC.
  - g. Increased in Senior Managers Salary and Councillors Remuneration is 5%.
  - h. All tariffs increase with 6% except for electricity which is 6.22% the tariffs are attached under section 2.16.
- b. There are now material changes in previous assumptions.

## **2.6 Overview of budget funding**

- a) Funding Summary
  - a. The operational expenditure and capital expenditure are funded by resources as prescribed in section 18 of the MFMA. This can be seen on table A7.
  - b. There is a financial recovery plan to deal with financial, administrative and technical sustainability of the municipality and to ensure dealing with the creditors over the long term as well as with the debtors.
  - c. There are no material reserves.
  - d. The municipality can meet its short current obligations, however the creditors book and lack of operational capital have an impact on the overall funding of the budget. The financial recovery plan has been adopted to deal with this issue.
  - e. Rates and tariffs will not increase materially due to the current economic climate.
- b) The Budget is funded as per section 18 of the MFMA; however the narrations above must not be ignored.
- c) All property valuation rates and charges are under section 2.16 below.
- d) Debtors collection is calculated at 60%
- e) The material decrease in water losses and electricity losses will deal with reducing the internal inefficiencies. There is also a plan in place to reduce the reliance on consultants.



- f) There are no investments.
- g) Senior Managers and councilors will contribute 4% of their salary and allowances for July 2020 as resolved in a council meeting on 19 May 2020
- h) There are no planned proceeds on the sale of assets at this stage. However after an assessment is done this might change.
- i) The municipality is projecting to generate R216 thousand from the lease of assets and equipment. This might improve with new lease agreements.
- j) There are no prior year's cash backed reserves.
- k) A new revenue source will be introduced with the SSEG policy.
- l) The municipality is not planning to make use of a bank overdraft.
- m) There are no new or proposed borrowing.



n) The budget allocations are as follows:

NC071 Ubuntu - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>RECEIPTS:</b>										
<b>Operating Transfers and Grants</b>										
National Government:		29 434	31 952	34 795	38 037	38 103	-	41 086	43 155	45 836
Local Government Equitable Share		25 817	28 192	31 165	34 602	34 602		37 172	40 055	42 736
EPWP Incentive		1 000	1 000	1 970	1 000	1 000		1 067		
Finance Management		1 825	1 900	1 000	2 435	2 435		2 867	3 100	3 100
						-				
						-				
Other transfers/grants (Disaster, COGHSTA)		792	860	660		66				
Provincial Government:		-	3 092	5 000	660	660	-	760	798	838
Sport and Recreation					660	660		760	798	838
Other transfers/grants (Disaster, COGHSTA)		-	3 092	5 000						
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Total Operating Transfers and Grants</b>	<b>5</b>	<b>29 434</b>	<b>35 044</b>	<b>39 795</b>	<b>38 697</b>	<b>38 763</b>	<b>-</b>	<b>41 856</b>	<b>43 953</b>	<b>46 674</b>
<b>Capital Transfers and Grants</b>										
National Government:		2 101	12 829	9 110	14 975	20 175	-	24 934	17 897	28 235
Municipal Infrastructure Grant (MIG)		2 101	9 676	262	9 970	9 970		9 934	10 397	10 735
Other capital transfers/grants (INEP+ WSIK)		-	3 153	8 847	5 005	10 205		15 000	7 500	17 500
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Total Capital Transfers and Grants</b>	<b>5</b>	<b>2 101</b>	<b>12 829</b>	<b>9 110</b>	<b>14 975</b>	<b>20 175</b>	<b>-</b>	<b>24 934</b>	<b>17 897</b>	<b>28 235</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		<b>31 535</b>	<b>47 874</b>	<b>48 905</b>	<b>53 672</b>	<b>58 938</b>	<b>-</b>	<b>66 790</b>	<b>61 850</b>	<b>74 909</b>

**2.7 Expenditure on allocations and grant programmes**

a. Sa19 shows that the municipality intends to spend all it's grants and allocations.

NC071 Ubuntu - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>EXPENDITURE:</b>										
<b>Operating expenditure of Transfers and Grants</b>										
National Government:		29 434	31 952	34 795	38 037	38 037	-	41 856	43 953	46 674
Local Government Equitable Share		25 817	28 192	31 165	34 602	34 602		37 172	40 055	42 736
EPWP Incentive		1 000	1 000	1 970	1 000	1 000		1 057		
Finance Management		1 825	1 900	1 000	2 435	2 435		2 867	3 100	3 100
Other transfers/grants [Disaster, COGHSTA]		792	860	660				760	798	838
Provincial Government:		-	3 092	5 000	660	660	-	760	798	838
Sport and Recreation					660	660		760	798	838
Other transfers/grants [Disaster, COGHSTA]			3 092	5 000						
District Municipality: [insert description]		-	-	-	-	-	-	-	-	-
Other grant providers: [insert description]		-	-	-	-	-	-	-	-	-
<b>Total operating expenditure of Transfers and Grants</b>		<b>29 434</b>	<b>35 044</b>	<b>39 795</b>	<b>38 697</b>	<b>38 697</b>	<b>-</b>	<b>42 616</b>	<b>44 751</b>	<b>47 512</b>
<b>Capital expenditure of Transfers and Grants</b>										
National Government:		2 101	12 829	9 110	14 975	20 175	-	24 934	17 697	28 235
Municipal Infrastructure Grant (MIG)		2 101	9 676	262	9 970	9 970		9 934	10 397	10 735
Other capital transfers/grants [INEP+ VWSIG]		-	3 153	8 847	5 005	10 205		15 000	7 500	17 500
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality: [insert description]		-	-	-	-	-	-	-	-	-
Other grant providers: [insert description]		-	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>		<b>2 101</b>	<b>12 829</b>	<b>9 110</b>	<b>14 975</b>	<b>20 175</b>	<b>-</b>	<b>24 934</b>	<b>17 697</b>	<b>28 235</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>31 535</b>	<b>47 874</b>	<b>48 905</b>	<b>53 672</b>	<b>58 872</b>	<b>-</b>	<b>67 550</b>	<b>62 648</b>	<b>75 747</b>

**2.8 Allocations or grants made by the municipality**


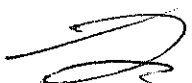
a) The municipality does not make any grants or allocations to any entity.

**2.9 Councillors and board member allowances and employee benefits.**

a) The municipality intends to increase councillors allowance by 5% as normally prescribed by COGTA.

b) The municipality is aware that the number of councillors might increase during the financial year. There is a local government election that must take place. These changes and increases

will force an adjustment budget as soon as the details is known.



NC071 Ubuntu - Supporting Table 8A22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		A	B	C	D	E	F	G	H	I
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		1 509	1 822	1 702	1 902	1 701	1 781	1 888	2 114	2 228
Pension and UIF Contributions		187	201	113	0	0	0	0	0	0
Medical Aid Contributions		9	68	31	0	0	0	0	0	0
Motor Vehicle Allowance		668	575	591	479	489	489	678	721	759
Cellphone Allowance		173	218	308	311	233	233	311	327	344
Housing Allowances		--	--	--	--	--	--	--	--	--
Other benefits and allowances		20	28	23	0	0	0	0	0	0
<b>Sub Total - Councillors</b>		<b>2 464</b>	<b>2 603</b>	<b>2 768</b>	<b>2 691</b>	<b>2 502</b>	<b>2 502</b>	<b>2 977</b>	<b>3 161</b>	<b>3 328</b>
% Increase	4		5.6%	6.3%	(2.7%)	(7.0%)	--	19.0%	6.2%	5.3%
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages		--	--	--	2 888	3 111	3 111	3 889	3 874	4 087
Pension and UIF Contributions		--	--	--	217	109	109	216	227	232
Medical Aid Contributions		--	--	--	0	0	0	0	0	0
Overtime		--	--	--	0	0	0	0	0	0
Performance Bonus		--	--	--	99	49	49	99	103	108
Motor Vehicle Allowance	3	--	--	--	120	60	60	119	126	128
Cellphone Allowance	3	--	--	--	0	0	0	0	0	0
Housing Allowances	3	--	--	--	0	0	0	0	0	0
Other benefits and allowances	3	--	--	--	0	0	0	0	0	0
Payments in lieu of leave	3	--	--	--	0	0	0	0	0	0
Long service awards		--	--	--	--	--	--	--	--	--
Post-retirement benefit obligations	6	--	--	--	68	0	0	--	--	0
<b>Sub Total - Senior Managers of Municipality</b>		<b>--</b>	<b>--</b>	<b>--</b>	<b>3 482</b>	<b>3 329</b>	<b>3 329</b>	<b>4 123</b>	<b>4 329</b>	<b>4 534</b>
% Increase	4		--	--	--	(4.7%)	--	23.6%	6.0%	4.7%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		20 572	20 781	25 681	27 011	24 517	24 517	23 582	25 071	26 688
Pension and UIF Contributions		3 349	3 437	4 342	6 375	4 780	4 780	6 411	6 688	6 975
Medical Aid Contributions		--	254	222	648	496	496	569	605	643
Overtime		1 648	844	1 314	1 180	66	66	0	0	0
Performance Bonus		1 140	1 406	1 351	1 688	1 584	1 584	2 074	2 207	2 348
Motor Vehicle Allowance	3	302	368	187	106	36	36	0	0	0
Cellphone Allowance	3	13	11	0	314	4	4	4	4	4
Housing Allowances	3	395	379	363	445	348	348	316	336	357
Other benefits and allowances	3	17	20	19	2 424	2 304	2 304	2 407	2 558	2 717
Payments in lieu of leave	3	--	--	--	276	0	0	0	0	0
Long service awards		133	154	151	124	0	0	--	--	0
Post-retirement benefit obligations	6	1 531	864	825	765	6	6	0	0	0
<b>Sub Total - Other Municipal Staff</b>		<b>28 699</b>	<b>28 698</b>	<b>34 252</b>	<b>40 339</b>	<b>34 144</b>	<b>34 144</b>	<b>34 354</b>	<b>36 467</b>	<b>38 711</b>
% Increase	4		(0.2%)	19.4%	17.8%	(15.4%)	--	0.6%	6.1%	6.2%
<b>Total Parent Municipality</b>		<b>31 383</b>	<b>31 301</b>	<b>37 018</b>	<b>48 623</b>	<b>39 876</b>	<b>39 876</b>	<b>41 464</b>	<b>43 957</b>	<b>46 572</b>
% Increase	4		(0.2%)	18.3%	25.7%	(14.1%)	--	3.7%	6.0%	6.9%
<b>Board Members of Entities</b>										
Basic Salaries and Wages		--	--	--	--	--	--	--	--	--
Pension and UIF Contributions		--	--	--	--	--	--	--	--	--
Medical Aid Contributions		--	--	--	--	--	--	--	--	--
Overtime		--	--	--	--	--	--	--	--	--
Performance Bonus		--	--	--	--	--	--	--	--	--
Motor Vehicle Allowance	3	--	--	--	--	--	--	--	--	--
Cellphone Allowance	3	--	--	--	--	--	--	--	--	--
Housing Allowances	3	--	--	--	--	--	--	--	--	--
Other benefits and allowances	3	--	--	--	--	--	--	--	--	--
Board Fees		--	--	--	--	--	--	--	--	--
Payments in lieu of leave		--	--	--	--	--	--	--	--	--
Long service awards		--	--	--	--	--	--	--	--	--
Post-retirement benefit obligations	6	--	--	--	--	--	--	--	--	--
<b>Sub Total - Board Members of Entities</b>		<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
% Increase	4		--	--	--	--	--	--	--	--
<b>Senior Managers of Entities</b>										
Basic Salaries and Wages		--	--	--	--	--	--	--	--	--
Pension and UIF Contributions		--	--	--	--	--	--	--	--	--
Medical Aid Contributions		--	--	--	--	--	--	--	--	--
Overtime		--	--	--	--	--	--	--	--	--
Performance Bonus		--	--	--	--	--	--	--	--	--
Motor Vehicle Allowance	3	--	--	--	--	--	--	--	--	--
Cellphone Allowance	3	--	--	--	--	--	--	--	--	--
Housing Allowances	3	--	--	--	--	--	--	--	--	--
Other benefits and allowances	3	--	--	--	--	--	--	--	--	--
Payments in lieu of leave		--	--	--	--	--	--	--	--	--
Long service awards		--	--	--	--	--	--	--	--	--
Post-retirement benefit obligations	6	--	--	--	--	--	--	--	--	--
<b>Sub Total - Senior Managers of Entities</b>		<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
% Increase	4		--	--	--	--	--	--	--	--
<b>Other Staff of Entities</b>										
Basic Salaries and Wages		--	--	--	--	--	--	--	--	--
Pension and UIF Contributions		--	--	--	--	--	--	--	--	--
Medical Aid Contributions		--	--	--	--	--	--	--	--	--
Overtime		--	--	--	--	--	--	--	--	--
Performance Bonus		--	--	--	--	--	--	--	--	--
Motor Vehicle Allowance	3	--	--	--	--	--	--	--	--	--
Cellphone Allowance	3	--	--	--	--	--	--	--	--	--
Housing Allowances	3	--	--	--	--	--	--	--	--	--
Other benefits and allowances	3	--	--	--	--	--	--	--	--	--
Payments in lieu of leave		--	--	--	--	--	--	--	--	--
Long service awards		--	--	--	--	--	--	--	--	--
Post-retirement benefit obligations	6	--	--	--	--	--	--	--	--	--
<b>Sub Total - Other Staff of Entities</b>		<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
% Increase	4		--	--	--	--	--	--	--	--
<b>Total Municipal Entities</b>		<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>31 383</b>	<b>31 301</b>	<b>37 018</b>	<b>48 623</b>	<b>39 876</b>	<b>39 876</b>	<b>41 464</b>	<b>43 957</b>	<b>46 572</b>
% Increase	4		(0.2%)	18.3%	25.7%	(14.1%)	--	3.7%	6.0%	6.9%
<b>TOTAL MANAGERS AND STAFF</b>	6,7	<b>28 699</b>	<b>28 698</b>	<b>34 252</b>	<b>43 831</b>	<b>37 474</b>	<b>37 474</b>	<b>38 487</b>	<b>40 786</b>	<b>43 244</b>

**2.10 Monthly targets for revenue, expenditure and cash flow**

NC071 Ubuntu - Supporting Table SA28 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
		July	August	SepL	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Revenue By Source</b>																
Property rates		1 928	1 928	1 928	1 928	1 928	1 928	1 928	1 928	1 928	1 928	1 928	1 928	23 131	24 619	26 690
Service charges - electricity revenue		1 610	1 610	1 610	1 610	1 610	1 610	1 610	1 610	1 610	1 610	1 610	1 610	19 185	20 593	22 303
Service charges - water revenue		420	420	420	420	420	420	420	420	420	420	420	420	5 035	5 337	5 337
Service charges - sanitation revenue		399	399	399	399	399	399	399	399	399	399	399	399	4 793	5 050	5 050
Service charges - refuse revenue		336	336	336	336	336	336	336	336	336	336	336	336	4 029	4 271	4 271
Rental of facilities and equipment		18	18	18	18	18	18	18	18	18	18	18	18	216	229	229
Interest earned - external investments		32	32	32	32	32	32	32	32	32	32	32	32	389	409	409
Interest earned - outstanding debtors		280	280	280	280	280	280	280	280	280	280	280	280	3 361	3 662	3 662
Dividends received		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fines, penalties and forfeits		1 634	1 634	1 634	1 634	1 634	1 634	1 634	1 634	1 634	1 634	1 634	18 537	35 406	37 531	
Licences and permits		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Agency services		31	31	31	31	31	31	31	31	31	31	31	31	371	393	393
Transfers and subsidies		3 489	3 489	3 489	3 489	3 489	3 489	3 489	3 489	3 489	3 489	3 489	41 899	43 963	48 684	
Other revenue		65	65	65	65	65	65	65	65	65	65	65	65	778	818	818
Gains on disposal of PPE		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>10 040</b>	<b>10 040</b>	<b>10 040</b>	<b>10 040</b>	<b>10 040</b>	<b>10 040</b>	<b>10 040</b>	<b>10 040</b>	<b>10 040</b>	<b>10 040</b>	<b>10 040</b>	<b>27 444</b>	<b>137 494</b>	<b>151 603</b>	<b>155 696</b>
<b>Expenditure By Type</b>																
Employee related costs		3 208	3 207	3 207	3 207	3 207	3 207	3 207	3 207	3 207	3 207	3 207	3 207	38 497	40 799	43 244
Remuneration of councillors		248	248	248	248	248	248	248	248	248	248	248	248	2 977	3 151	3 325
Debt Impairment		3 100	3 100	3 100	3 100	3 100	3 100	3 100	3 100	3 100	3 100	3 100	3 100	37 203	39 435	39 435
Depreciation & asset impairment		2 052	2 052	2 052	2 052	2 052	2 052	2 052	2 052	2 052	2 052	2 052	2 052	24 820	25 658	27 122
Finance charges		519	512	512	512	512	512	512	512	512	512	512	512	6 150	6 519	6 519
Bulk purchases		1 722	1 722	1 722	1 722	1 722	1 722	1 722	1 722	1 722	1 722	1 722	1 722	20 661	21 900	21 600
Other materials		3	3	3	3	3	3	3	3	3	3	3	3	33	35	35
Contracted services		619	619	619	619	619	619	619	619	619	619	619	619	6 232	6 728	6 728
Transfers and subsidies		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other expenditure		988	988	988	988	988	988	988	988	988	988	988	988	11 831	12 487	12 426
Loss on disposal of PPE		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Expenditure</b>		<b>12 351</b>	<b>12 349</b>	<b>12 349</b>	<b>12 349</b>	<b>12 349</b>	<b>12 349</b>	<b>12 349</b>	<b>12 349</b>	<b>12 349</b>	<b>12 349</b>	<b>12 349</b>	<b>12 349</b>	<b>148 194</b>	<b>159 837</b>	<b>160 735</b>
<b>Surplus/(Deficit)</b>																
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	24 934	19 397	30 735
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers and subsidies - capital (in-kind - all)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(2 310)</b>	<b>(2 349)</b>	<b>(2 349)</b>	<b>(2 349)</b>	<b>(2 349)</b>	<b>(2 349)</b>	<b>(2 349)</b>	<b>(2 349)</b>	<b>(2 349)</b>	<b>(2 349)</b>	<b>(2 349)</b>	<b>(2 349)</b>	<b>14 695</b>	<b>(10 710)</b>	<b>(6 939)</b>
Taxation		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Attributable to minorities		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Share of surplus/ (deficit) of associates		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Surplus/(Deficit)</b>		<b>(2 310)</b>	<b>(2 349)</b>	<b>(2 349)</b>	<b>(2 349)</b>	<b>(2 349)</b>	<b>(2 349)</b>	<b>(2 349)</b>	<b>(2 349)</b>	<b>(2 349)</b>	<b>(2 349)</b>	<b>(2 349)</b>	<b>(2 349)</b>	<b>16 772</b>	<b>14 224</b>	<b>23 696</b>

NC071 Ubuntu - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
		July	August	SepL	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Capital Expenditure - Functional</b>																
Governance and administration		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Executive and council		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Finance and administration		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Internal audit		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Community and public safety		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Community and social services		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sport and recreation		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Public safety		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Housing		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Health		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Economic and environmental services		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Planning and development		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Road transport		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Environmental protection		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Trading services		2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	24 934	19 397	30 701
Energy services		626	626	626	626	626	626	626	626	626	626	626	626	7 600	9 000	10 000
Water management		1 453	1 453	1 453	1 453	1 453	1 453	1 453	1 453	1 453	1 453	1 453	1 453	17 434	10 397	20 701
Waste water management		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Waste management		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other		28	28	28	28	28	28	28	28	28	28	28	28	350	0	0
<b>Total Capital Expenditure - Functional</b>		<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>25 234</b>	<b>19 397</b>	<b>30 701</b>
<b>Funded by:</b>																
National Government		2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	24 934	19 397	30 701
Provincial Government		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
District Municipality		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other transfers and grants		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers recognised - capital		2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	24 934	19 397	30 701
Borrowing		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Internally generated funds		25	25	25	25	25	25	25	25	25	25	25	25	300	0	0
<b>Total Capital Funding</b>		<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>25 234</b>	<b>19 397</b>	<b>30 701</b>

NC071 Ubuntu - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Cash Receipts by Source</b>													1		
Property rate	1 090	1 090	1 090	1 090	1 090	1 090	1 090	1 090	1 090	1 090	1 090	1 090	13 078	13 664	14 596
Service charges - electricity revenue	1 359	1 359	1 359	1 359	1 359	1 359	1 359	1 359	1 359	1 359	1 359	1 359	16 304	22 853	22 853
Service charges - water revenue	252	252	252	252	252	252	252	252	252	252	252	252	3 021	3 202	3 202
Service charges - sanitation revenue	240	240	240	240	240	240	240	240	240	240	240	240	2 878	3 048	3 048
Service charges - refuse revenue	201	201	201	201	201	201	201	201	201	201	201	201	2 418	2 563	2 563
Rental of facilities and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned - external investments	180	180	180	180	180	180	180	180	180	180	180	180	2 182	2 291	2 291
Interest earned - outstanding debtors	20	20	20	20	20	20	20	20	20	20	20	20	240	255	255
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	443	443	443	443	443	443	443	443	443	443	443	443	5 311	5 630	5 630
Licences and permits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer receipts - operational	3 489	3 489	3 489	3 489	3 489	3 489	3 489	3 489	3 489	3 489	3 489	3 489	41 868	43 963	48 684
Other revenue	558	558	558	558	558	558	558	558	558	558	558	558	6 673	7 089	7 089
<b>Cash Receipts by Source</b>	<b>7 828</b>	<b>7 828</b>	<b>7 828</b>	<b>7 828</b>	<b>7 828</b>	<b>7 828</b>	<b>7 828</b>	<b>7 828</b>	<b>7 828</b>	<b>7 828</b>	<b>7 828</b>	<b>7 828</b>	<b>93 849</b>	<b>104 738</b>	<b>109 291</b>
<b>Other Cash Flows by Source</b>															
Transfer receipts - capital	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	24 694	19 397	30 735
Transfers and subsidies - capital (moneynary allocations) (National / Provincial / Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>	<b>9 907</b>	<b>9 907</b>	<b>9 907</b>	<b>9 907</b>	<b>9 907</b>	<b>9 907</b>	<b>9 907</b>	<b>9 907</b>	<b>9 907</b>	<b>9 907</b>	<b>9 907</b>	<b>9 907</b>	<b>118 543</b>	<b>124 135</b>	<b>139 026</b>
<b>Cash Payments by Type</b>															
Employee related costs	3 208	3 207	3 207	3 207	3 207	3 207	3 207	3 207	3 207	3 207	3 207	3 207	38 487	40 799	43 244
Remuneration of councillors	248	248	248	248	248	248	248	248	248	248	248	248	2 877	3 181	3 328
Finance charges	513	512	512	512	512	512	512	512	512	512	512	512	6 180	6 519	6 519
Bulk purchases - Electricity	1 593	1 593	1 593	1 593	1 593	1 593	1 593	1 593	1 593	1 593	1 593	1 593	19 122	20 289	20 289
Bulk purchases - Water & Sewer	128	128	128	128	128	128	128	128	128	128	128	128	1 539	1 631	1 631
Other materials	3	3	3	3	3	3	3	3	3	3	3	3	33	35	35
Contracted services	518	519	519	519	519	519	519	519	519	519	519	519	6 232	6 728	6 728
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	0	-	-	-	-	-	-	-	-	-	-	-	0	0	0
Other expenditure	986	985	985	985	985	985	985	985	985	985	985	985	11 831	12 407	12 425
<b>Cash Payments by Type</b>	<b>7 199</b>	<b>7 197</b>	<b>7 197</b>	<b>7 197</b>	<b>7 197</b>	<b>7 197</b>	<b>7 197</b>	<b>7 197</b>	<b>7 197</b>	<b>7 197</b>	<b>7 197</b>	<b>7 197</b>	<b>86 371</b>	<b>91 545</b>	<b>94 178</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	24 694	19 397	30 735
Repayment of borrowing	(0)	-	-	-	-	-	-	-	-	-	-	-	(0)	(0)	(0)
Other Cash Flows/Payments	583	583	583	583	583	583	583	583	583	583	583	583	7 000	12 800	14 000
<b>Total Cash Payments by Type</b>	<b>9 860</b>	<b>9 859</b>	<b>9 859</b>	<b>9 859</b>	<b>9 859</b>	<b>9 859</b>	<b>9 859</b>	<b>9 859</b>	<b>9 859</b>	<b>9 859</b>	<b>9 859</b>	<b>9 859</b>	<b>118 305</b>	<b>123 542</b>	<b>138 913</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>47</b>	<b>48</b>	<b>48</b>	<b>48</b>	<b>48</b>	<b>48</b>	<b>48</b>	<b>48</b>	<b>48</b>	<b>48</b>	<b>48</b>	<b>48</b>	<b>578</b>	<b>592</b>	<b>113</b>
Cash/cash equivalents at the month/year begin:	1 805	1 853	1 902	1 950	1 998	2 047	2 095	2 143	2 191	2 240	2 288	2 336	1 805	2 385	2 977
Cash/cash equivalents at the month/year end:	1 853	1 902	1 950	1 998	2 047	2 095	2 143	2 191	2 240	2 288	2 336	2 385	2 385	2 977	3 090



a. Below are the targets monthly targets for revenue, expenditure and cash flow.

NC071 Ubuntu - Supporting Table SA20 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
<b>Capital Expenditure - Functional</b>																	
Government and administration		0	--	--	--	--	--	--	--	--	--	--	--	0	0	0	
Executive and council		0	--	--	--	--	--	--	--	--	--	--	--	0	0	0	
Finance and administration		0	--	--	--	--	--	--	--	--	--	--	--	0	0	0	
Internal audit		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Community and public safety		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Community and social services		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Sport and recreation		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Public safety		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Housing		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Health		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Economic and environmental services		0	--	--	--	--	--	--	--	--	--	--	--	0	0	0	
Planning and development		--	--	--	--	--	--	--	--	--	--	--	--	0	0	0	
Road transport		0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Environmental protection		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Trading services		2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	24 934	19 397	30 701	
Energy sources		626	626	626	626	626	626	626	626	626	626	626	626	7 600	8 000	10 000	
Water management		1 453	1 453	1 453	1 453	1 453	1 453	1 453	1 453	1 453	1 453	1 453	1 453	17 434	10 397	20 701	
Waste water management		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Waste management		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Other		25	25	25	25	25	25	25	25	25	25	25	25	300	0	0	
<b>Total Capital Expenditure - Functional</b>	<b>2</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>25 234</b>	<b>19 397</b>	<b>30 701</b>	
<b>Funded by:</b>																	
National Government		2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	24 934	19 397	30 701	
Provincial Government		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
District Municipality		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Transfers and subsidies - capital (monetary allocations) (National / Provincial)		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Transfers recognised - capital		2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	24 934	19 397	30 701	
Borrowing		0	--	--	--	--	--	--	--	--	--	--	--	0	0	0	
Internally generated funds		25	25	25	25	25	25	25	25	25	25	25	25	300	0	0	
<b>Total Capital Funding</b>		<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>2 103</b>	<b>25 234</b>	<b>19 397</b>	<b>30 701</b>	

NC071 Ubuntu - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOW	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Cash Receipts By Source</b>													1		
Property rate	1 090	1 090	1 090	1 090	1 090	1 090	1 090	1 090	1 090	1 090	1 090	1 090	13 079	13 864	14 696
Service charges - electricity revenue	1 359	1 359	1 359	1 359	1 359	1 359	1 359	1 359	1 359	1 359	1 359	1 359	16 304	22 853	22 853
Service charges - water revenue	262	262	262	262	262	262	262	262	262	262	262	262	3 021	3 202	3 202
Service charges - sanitation revenue	240	240	240	240	240	240	240	240	240	240	240	240	2 876	3 048	3 048
Service charges - refuse revenue	201	201	201	201	201	201	201	201	201	201	201	201	2 418	2 663	2 663
Rent of facilities and equipment	18	18	18	18	18	18	18	18	18	18	18	18	216	228	228
Interest earned - external investments	32	32	32	32	32	32	32	32	32	32	32	32	386	408	409
Interest earned - outstanding debtors	188	188	188	188	188	188	188	188	188	188	188	188	2 018	2 137	3 582
Dividends received	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fines, penalties and forfeits	443	443	443	443	443	443	443	443	443	443	443	443	5 311	5 630	5 630
Licences and permits	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Agency services	31	31	31	31	31	31	31	31	31	31	31	31	371	393	393
Transfers and Subsidies - Operational	3 489	3 489	3 489	3 489	3 489	3 489	3 489	3 489	3 489	3 489	3 489	3 489	41 868	43 963	48 684
Other revenue	65	65	65	65	65	65	65	65	65	65	65	65	778	818	818
<b>Cash Receipts by Source</b>	<b>7 387</b>	<b>7 387</b>	<b>7 387</b>	<b>7 387</b>	<b>7 387</b>	<b>7 387</b>	<b>7 387</b>	<b>7 387</b>	<b>7 387</b>	<b>7 387</b>	<b>7 387</b>	<b>7 387</b>	<b>88 658</b>	<b>99 108</b>	<b>104 686</b>
<b>Other Cash Flows by Source</b>															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	24 934	19 397	30 735
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Proceeds on Disposal of Fixed and Intangible Assets	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Short term loans	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Borrowing long term/renfinancing	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Increase (decrease) in consumer deposits	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Decrease (increase) in non-current receivables	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Decrease (increase) in non-current investments	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Total Cash Receipts by Source</b>	<b>9 464</b>	<b>9 464</b>	<b>9 464</b>	<b>9 464</b>	<b>9 464</b>	<b>9 464</b>	<b>9 464</b>	<b>9 464</b>	<b>9 464</b>	<b>9 464</b>	<b>9 464</b>	<b>9 464</b>	<b>119 572</b>	<b>118 505</b>	<b>134 921</b>
<b>Cash Payments by Type</b>															
Employee related costs	3 412	3 412	3 412	3 412	3 412	3 412	3 412	3 412	3 412	3 412	3 412	3 412	40 946	43 391	45 870
Remuneration of councillors	260	260	260	260	260	260	260	260	260	260	260	260	3 002	3 161	3 326
Finance charges	613	612	612	612	612	612	612	612	612	612	612	612	6 160	6 619	6 619
Bulk purchases - Electricity	1 593	1 593	1 593	1 593	1 593	1 593	1 593	1 593	1 593	1 593	1 593	1 593	18 122	20 269	20 269
Bulk purchases - Water & Sewer	128	128	128	128	128	128	128	128	128	128	128	128	1 539	1 631	1 631
Other materials	3	3	3	3	3	3	3	3	3	3	3	3	33	35	35
Contracted services	519	519	519	519	519	519	519	519	519	519	519	519	6 232	6 728	6 728
Transfers and grants - other municipalities	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Transfers and grants - other	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Other expenditure	968	968	968	968	968	968	968	968	968	968	968	968	11 831	12 407	12 428
<b>Cash Payments by Type</b>	<b>7 405</b>	<b>7 404</b>	<b>7 404</b>	<b>7 404</b>	<b>7 404</b>	<b>7 404</b>	<b>7 404</b>	<b>7 404</b>	<b>7 404</b>	<b>7 404</b>	<b>7 404</b>	<b>7 404</b>	<b>88 834</b>	<b>94 140</b>	<b>98 904</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	2 078	24 934	19 397	30 735
Repayment of borrowing	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Other Cash Flows/Payments	--	--	--	--	--	--	--	--	--	--	--	--	--	8 000	7 000
<b>Total Cash Payments by Type</b>	<b>9 483</b>	<b>9 482</b>	<b>9 482</b>	<b>9 482</b>	<b>9 482</b>	<b>9 482</b>	<b>9 482</b>	<b>9 482</b>	<b>9 482</b>	<b>9 482</b>	<b>9 482</b>	<b>9 482</b>	<b>113 788</b>	<b>118 537</b>	<b>134 639</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>(19)</b>	<b>(18)</b>	<b>(18)</b>	<b>(18)</b>	<b>(18)</b>	<b>(18)</b>	<b>(18)</b>	<b>(18)</b>	<b>(18)</b>	<b>(18)</b>	<b>(18)</b>	<b>(18)</b>	<b>(216)</b>	<b>(32)</b>	<b>162</b>
Cash/cash equivalents at the month/year begin:	1 608	1 787	1 788	1 781	1 733	1 716	1 698	1 680	1 662	1 644	1 628	1 608	1 606	1 590	1 558
Cash/cash equivalents at the month/year end:	1 787	1 769	1 751	1 733	1 716	1 698	1 680	1 662	1 644	1 628	1 608	1 590	1 590	1 558	1 740

**2.11 Annual Budgets and SDBIP plans – internal departments.**

- a. This plan will be available with 15 working days after adoption of budget.

**2.12 Annual Budgets and Service delivery agreements – entities and other external mechanisms**

- a. This plan will be available with 15 working days after adoption of budget.

**2.13 Contracts having future budgetary implications**

- a. There are no contracts having future budgetary implications.

**2.14 Capital expenditure details**

Capital expenditure details		
PROJECT DESCRIPTION	FUNDING SOURCE	AMOUNT
New 22kv substation in Victoria West	INEP	R3 625 000.00
Upgrading the Existing Eskom Supply in Victoria West	INEP	R1 500 000.00
Yard Connection of 35 sites in Loxton	INEP	R875 000.00
Yard Connection 60 sites in Goutrou	INEP	R3 500 000.00

Capital expenditure details		
PROJECT DESCRIPTION	FUNDING SOURCE	AMOUNT
Replacement of asbestos pipe with PVC pipes in Loxton.	WSIG	R7 500 000.00
Fixed Asset Register	Own Funding	R1 500 000.00
Annual Financial Statements	Own Funding	R800 000.00
Job Creation	EPWP	R1 057 000.00
Building of 51 Low Cost Housing	COGHSTA	Implemented by COGHSTA
Salary of contract workers and library programme	DSAC	R760 000.00

**2.15 Legislation compliance status**

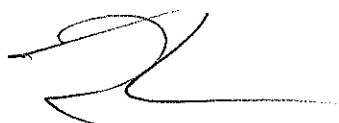
- a) The municipality is in line with all legislative requirements.

**2.16 Other supporting documents**

- a. Tariffs is attached as Annexure A

**2.17 Annual budgets of municipal entities attached to the annual budget**

- a) There are no municipal entities.



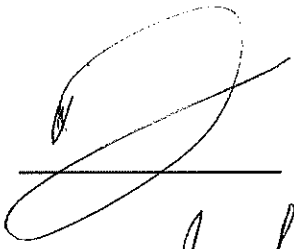
**2.18 Municipal manager's quality certification**

**QUALITY CERTIFICATE**

I Dibere Maposa as acting municipal manager of **Ubuntu Municipality**,  
hereby certify that –  
The Original Budget.

For Financial **2020/2021 – 2022/23 financial years** has been prepared in terms of Local Government Municipal Finance Management Act (56/2003) Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 May 2009

Acting Municipal Manager of **Ubuntu Local Municipality (NC071)**

Signature 

Date 17/06/20



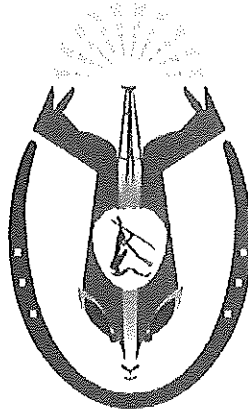
# Ubuntu Municipality

Navrae/Enquiries

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www.ubuntu.gov.za

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**LOXTON**  
Phone: 053 381 3102  
Fax: 053 381 3116



*menswaardigheid · hoop · erfenis*  
*ubuntu · ithemba · izithethe*  
*humanity · hope · heritage*

Kantoor van die Munisipale Bestuurder  
Office of the Municipal Manager

U Verwysing:  
Your Reference: \_\_\_\_\_

Ons Verwysing:  
Our Reference: \_\_\_\_\_

Datum:  
Date: \_\_\_\_\_

Enquiries: Mr. RA Jacobs  
Chief Financial Officer  
Ubuntu Local Municipality (NC  
071)  
Tel (053) 6210 026  
Fax (086) 605 1834  
E-mail: [asperitojacobs@gmail.com](mailto:asperitojacobs@gmail.com)

The Energy Regulator  
PO Box 40343  
Arcadia 0007  
Pretoria

## ***ELECTRICITY TARRIFS APPLICATION FOR THE PERIOD 1 JULY 2020 – 30 JUNE 2021***

Ubuntu Municipality in terms of Section 16 (2) of the Electricity Regulation Act, 2006 (Act No.4 of 2006) would hereby like to apply for the approval of electricity Tariffs as set below in line with the NERSA guided increase level of 6.23%.

### **DOMESTIC TARIFFS**

- ***Domestic Prepaid***

<b><i>Tariff Blocks</i></b>	<b><i>c/kWh</i></b>
<i>Block 1 (0-50 kWh)</i>	<i>109.83</i>
<i>Block 2 (51-350 kWh)</i>	<i>141.20</i>
<i>Block 3 (351-700 kWh)</i>	<i>198.75</i>
<i>Block 4 (701-1000 kWh)</i>	<i>234.05</i>

#### **VISION**

We, Ubuntu Municipality commit ourselves to be developmental and economically viable to ensure a better life for all.

#### **MISSION**

We strive to achieve - Effective and efficient service delivery - Optimal human and natural resource development - Local economic growth and development - job

<u>Tariff Blocks</u>	<u>c/kWh</u>
Block 1 (0-50 kWh)	109.83
Block 2 (51-350 kWh)	141.20
Block 3 (351-700 kWh)	198.75
Block 4 (701-1000 kWh)	234.05

Basic Charge (R/month)	160.17
------------------------	--------

**COMMERCIAL TARRIFFS**

- **Commercial Pre-Paid**
  - Energy Charge : 229.83 c/kWh
- **Commercial Conventional Single Phase**
  - Basic Charge (R/month): R 451.71
  - Energy Charge

<u>Tariff Blocks</u>	<u>c/kWh</u>
Block 1 (2000 kWh)	224.89
Block 2 (3000 kWh)	219.65
Block 3 (7000 kWh)	194.82

- **Commercial Conventional Three Phase**
  - Basic Charge (R/month): R 451.71
  - Energy Charge

<u>Tariff Blocks</u>	<u>c/kWh</u>
Block 1 (98 550 kWh)	217.04
Block 2 (730 000 kWh)	196.12

The municipality is engaged in an expanded and ongoing Cost of Supply study as already discussed with NERSA. We are making progress to account for all used energy (kWh) and to ensure billing is accurate – This already delivered positive results as per the latest D-Forms. Please contact CFO for any queries.

Yours Sincerely

.....  
D. MAPOSA  
ACTING MUN-MANAGER

Date: 30/04/20