

MFMA

Budget Adjustment report

FEB 2021

Makhado Local Municipality

Budget and Treasury

Vision: *“A dynamic hub for socio-economic development by 2050*

Mission: *“To ensure effective utilisation of economic resources to address socio-economics imperatives through, mining, agriculture and tourism.*



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1 CHAPTER 1: PROPOSED 2020/21 ADJUSTMENTS BUDGET

1.1 PURPOSE OF THE REPORT

- To seek approval from the Council on the adjustments proposed to the 2020/21 Original Operational and Capital Budget.
- To set out the options available to the Makhado Local Municipality (hereinafter referred to as MLM) to fund the adjusted capital budget and to improve the municipality's cash flow position.

1.2 LEGISLATIVE BACKGROUND

- Section 28 (1) of the Municipal Finance Management Act 56 of 2003 (MFMA) permits the municipality to revise its approved annual budget through an adjustments budget.
 - Section 28 (2) of the MFMA further states that an adjustments budget –
 - a) Must adjust the revenue and expenditure estimates downwards if there is a material under-collection of revenue during the current year*
 - b) May appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for;*
 - c) May, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;*
 - d) May authorise the utilisation of projected savings in one vote towards spending under another vote;*
 - e) May authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs where the annual budget for the current year was approved by the council;*
 - f) May correct any errors in the annual budget, and*
 - g) May provide for any other expenditure within a prescribed framework.*
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1.3 **TABLING OF THE BUDGET ADJUSTMENT AT MUNICIPAL COUNCIL**

According to section of 28 (4) of the MFMA “*only the Mayor may table an adjustments budget in the municipal council*” subject to certain limitation.

Section 28 (4) of the MFMA further dictates that the following information must be attached when adjustments budget is so tabled:

- a) *An explanation of how the adjustments budget affects the annual budget;*
- b) *A motivation of any material changes to the annual budget;*
- c) *An explanation of the impact of any increased spending on the annual budget and the annual budgets for the next two financial years;*
- d) *Any other supporting documentation that may be prescribed.*

2 **CHAPTER 2: BUDGET ADJUSTMENT REPORT**

2.1 **PROPOSED ADJUSTMENT BUDGET**

The total approved Revenue budget for Makhado Municipality for the 2020/21 financial year amounts to **R 1 109 billion** and the adjusted Revenue budget for the 2020/21 financial year amounts to R 1 118 billion.

The breakdown is as follows in R'000:

The breakdown is as follows in R'000:	Original Budget	Adjustment	Adjusted Budget 2020/21
Own Municipal funding	R 536 201	R 1 129	R 537 330
Capital Grants	R 53 014	(R 357)	R 52 657
Operational Grants	R 519 370	R 9 159	R 528 529
TOTAL BUDGET	R 1 109 billion	R 9 931	R 1 118 billion

LIM344 Makhado - Table B4 Adjustments Budget Financial Performance (Revenue - 28 /02/2021

Description	Budget Year 2020/21		
	Original Budget	Total Adjusts.	Adjusted Budget
R thousands			
Revenue By Source			
Property rates	83,070	4,371	87,441
Service charges - electricity revenue	364,210	-	364,210
Service charges - refuse revenue	11,610	-	11,610
Rental of facilities and equipment	361	-	361
Interest earned - external investments	6,695	(2,242)	4,453
Interest earned - outstanding debtors	22,690	-	22,690
Fines, penalties and forfeits	2,795	2,000	4,795
Licences and permits	7,520	(3,000)	4,520
Transfers and subsidies	519,370	9,159	528,529
Other revenue	37,250	-	37,250
Total Revenue (excluding capital transfers and contributions)	1,055,571	10,288	1,065,858
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	53,014	(357)	52,657
Total Revenue	1,108,585	9,931	1,118,516

LIM344 Makhado - Table B4 Adjustments Budget Financial Performance (Expenditure) 28/02/2021

Description	Budget Year 2020/21		
	Original Budget	Total Adjusts.	Adjusted Budget
R thousands			
Expenditure By Type			
Employee related costs	295,607	(10,000)	285,607
Remuneration of councillors	30,410	0	30,410
Debt impairment	51,135	(5,000)	46,135
Depreciation & asset impairment	120,089	-	120,089
Finance charges	8,170	745	8,915
Bulk purchases	269,822	31,000	300,822
Other materials	29,319	(0)	29,319
Contracted services	99,765	21,159	120,923
Other expenditure	93,971	(5,000)	88,971
Total Expenditure	998,288	32,903	1,031,192

The total approved operational expenditure budget for Makhado Municipality for the 2020/21 financial year amounted to R 998 288 million, and capital expenditure amounted to R 304 979 million. The Adjusted operational expenditure for 2020/21 financial year amounts to R 1 031 192 billion and capital expenditure amount R 293 671 million

The breakdown is as follows in R'000:

The format and contents of the adjustment budget and supporting documentation is in the format as specified by the Municipal Budget and Reporting Regulations. The adjustment budget as submitted herewith contains the applicable adjustment budget table.

2.2 REVENUE MANAGEMENT

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Total Revenue (excluding capital transfers and contributions)	1,055,571	10,288	1,065,858
	53,014	(357)	52,657
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			
Total Revenue	1,108,585	9,931	1,118,516

Outlined below is the narration of the abovementioned operating revenue adjustment as per revenue by source R '000

a) **Property rates**

Revenue from property rate has increased by R 4 371 and the adjusted amount is R 87 441

b) **Service charges Electricity**

Electricity revenue remain unchanged and the adjusted amount is R 364 210

c) **Service charges Refuse Removal**

Refuse removal remain unchanged with the adjusted amount of R 11 610

d) **Rental revenue**

Rental revenue comprises of municipal activities on letting of properties remain unchanged with the adjusted amount of R 361

e) **External interest on investment(Primary bank account)**

The interest on investment has decreased by (R 2 242) million and the adjusted amount is R 4 453

f) **Interest earned on Outstanding debtors**

The interest on outstanding debtors remain unchanged with an adjusted amount of R 22 690

g) Fines, Penalties and forfeits

The Revenue for Fine s penalties and forfeits has increased by R 2 000 million and the adjusted amount is R 4 453 million

h) Licences and Permit

Other revenue has decreased by (R 3 000) million and the adjusted amount is R 4 520 million.

i) Other Revenue

Other revenue remain unchanged and the adjusted amount is R 37 250 million

The municipality is in the process of implementing revenue enhancement strategy to improve revenue collection.

2.3 EXPENDITURE MANAGEMENT

The total approved operational expenditure budget for Makhado Municipality for the 2020/21 financial year amounted to R 998 288 million, and capital expenditure amounted to R 304 979 million. The Adjusted operational expenditure for 2020/21 financial year amounts to R 1 031 192 billion and capital expenditure amount R 293 671 million.

The breakdown is as follows in R'000:

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- a) Employee related Cost:
Employee related cost has decreased by R 10 million; the adjusted amount is R 287 607 million
- b) Remuneration of Councillors
Remuneration of Councillors remain unchanged
- c) Debt impairment
This is non -cash item which is a provision for bad debts and has decreased by R 5 000 million, the adjusted amount is R 46 135 million
- d) Depreciation & Assets impairment
This is non -cash item which is a writing down carrying value of our Assets remain unchanged
- e) Finance Charges
The finance charges has increased by R 745, the adjusted amount is R 8 915 to cover finance on employee benefit and other finance lease at the end of financial year as required by standard of GRAP 25
- f) Bulk Purchases
The bulk purchases expenditure has increased by R 31 million the adjusted amount is R 300 822 million
- g) Other Material Expenditure
The other material expenditure remain unchanged
- h) Contracted services Expenditure
The Contracted service expenditure has increased by R 21 159 million, the adjusted amount is R 120 923 million
- i) Other expenditure
Other expenditure has decreased by R 5 000, the adjusted amount is R 88 971 million

Capital Expenditure

The capital expenditure for 2020/2021 has decreased by (R 11 308 million) and the adjusted amount is **R 293 671 million**

SUMMARY AS PER DEPARTMENT	APPROVED BUDGET IN R'000	ADJUSTMENT R'000	ADJUSTED CAPEX R'000
TECHNICAL SERVICES	R 202 253	R 13 814	R 216 068
COMMUNITY SERVICES	R 13 570	(R 960)	R 12 610
FINANCE	R 69 329	(R 19 320)	R 50 009
CORPORATE SERVICES	R 15 311	(R 4 042)	R 11 269
REGIONAL OFFICES	R 4 515	(R 800)	R 3 715
TOTAL	R 304 979	(R 11 308)	R 293 671

Description	Original Budget R'000	Adjustment R'000	Total Adjusted budget R'000
Own income funded projects	R 251 965	(R 10 952	R 241 013
Grants	R 53 014	R 357)	R 52 657
Total	R 304 979 million	(R 11 308)	R 293 671

The Capital income funding has decreased by R 10 952 million and adjusted is R 241 013 million

The capital grants funding has decreased by R 357 thousands and adjusted is R 52 657 million

SUMMARY OF CAPITAL ADJUSTEMENT BUDGET 2020/21 PER DEPARTMENT

TECHNICAL SERVICES

The capital budget for this department has increased by R 13 814 million and revised amount is R 216 068 million.

COMMUNITY SERVICES DEPARTMENT

The capital budget for this department has decreased by (R 960) and adjusted amount is R 12 610 million

FINANCE DEPARTMENT

The capital budget for this department has decreased by (R 19 320) million and revised amount is R 50 009.

CORPORATE SERVICES

The capital budget for this department has decreased by (R 4 042) million and revised amount is R 11 269 million.

REGIONAL OFFICE

The capital budget for this department has decreased by (R 800) and revised amount is R 3 715 million

3 CHAPTER 4: RECOMMENDATIONS

RECOMMENDATION (MUNICIPAL MANAGER).

1. THAT the 2020/21 Annual Budget be adjusted in February 2020 in terms of Section 28 of the MFMA.
2. THAT the 2020/2021 Adjustment Budget be submitted to the National and Provincial Treasury.
3. THAT the Council note that the adjustment budget for the income and expenditure projections for the financial year ending 30 June 2021 is more fully explained in Annexure A and Annexure B (Capital Expenditure breakdown) attached to the report in this regard.
4. THAT Council take note that depreciation and debt impairment provision was taken into consideration which are non-cash items amounting R 166 224 million

ANNEXURE A

LIM344 Makhado - Table B4 Adjustments Budget Financial Performance (Revenue - 28 /02/2021)			
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ANNEXURE B

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Total Expenditure	998,288	32,903	1,031,192

SUMMARISED FINAL ADJUSTED CAPITAL BUDGET FOR 2020/2021 FINANCIAL YEAR

DEPARTMENT	BUDGET	ROLLOVER	ADJUSTMENT	ADJUSTED
Technical Services	202,253,815.02	4,583,533.53	13,813,723.27	216,067,538.29
Community Services	13,570,000.00		(960,000.00)	12,610,000.00
Budget and Treasury	69,329,000.00		(19,320,000.00)	50,009,000.00
Corporate Services	15,311,000.00		(4,042,000.00)	11,269,000.00
Regional Offices	4,515,000.00		(800,000.00)	3,715,000.00
TOTAL	304,978,815.02	4,583,533.53	(11,308,276.73)	293,670,538.29
FUNDING	ORIGINAL BUDGET	ROLLOVER	ADJUSTMENT	ADJUSTED
INCOME	251,965,000.00		(10,951,702.90)	241,013,297.10
INEP	10,340,000.00			10,340,000.00
MIG	42,673,815.02	4,583,533.53	(356,573.83)	42,317,241.19
TOTAL	304,978,815.02	4,583,533.53	(11,308,276.73)	293,670,538.29

FINAL ADJUSTEMENT BUDGET BUDGET & TREASURY OFFICE 2020/2021 FINANCIAL YEAR					
BUDGET & TREASURY OFFICE					
ASSETS MANAGEMENT SECTION					
CODE	DESCRIPTION	SOURCES	BUDGET	ADJUSTMENT	ADJUSTED
SC	Half Truck for Road department x Waterval n	INCOME	1,500,000.00		1,500,000.00
SC	24 seaters min- bus speakers office	INCOME	800,000.00		800,000.00
SC	14 seaters mini-bus mayor office	INCOME	600,000.00		600,000.00
SC	Office furniture for the whole municipality	INCOME	800,000.00		800,000.00
SC	Furniture - High back desk chairs x 3 (Dzanani Regional office)	INCOME	30,000.00		30,000.00
SC	Purchase of 2x Tractor Lawnmower (Community services)	INCOME	100,000.00		100,000.00
SC	Desk with lockable drawer - Call Centre work stations x 2	INCOME	12,000.00		12,000.00
SC	High back chair for Call Centre work stations x 2	INCOME	10,000.00		10,000.00
SC	Furniture - Desk x 1, Visitors chairs x 2 (Manager's Office) speaker	INCOME	15,000.00		15,000.00
SC	Grader x 1	INCOME	3,700,000.00	-3,700,000.00	-
SC	Refuse removal compactor truck x 1	INCOME	2,500,000.00	-2,500,000.00	-
SC	Purchasing of 16 ton Skip Loader truck (Community services)	INCOME	2,400,000.00	-2,400,000.00	-
SC	Pole truck 1x7 Ton truck (half canopy+pole carrier) (Electrical division)	INCOME	1,500,000.00		1,500,000.00
SC	Vehicle Finance (Double cab and Polo)	INCOME	623,000.00		623,000.00
SC	Community Vehicles (Polo)	INCOME	239,000.00		239,000.00
SC	Tipper trucks, Grader and Water Tanker	INCOME	9,200,000.00	-9,120,000.00	80,000.00
SC	Goosneck lowbed Semi trailer	INCOME	1,500,000.00		1,500,000.00
SC	Forklift (Road and storm water)	INCOME	600,000.00		600,000.00
SC	3Ton diesel truck (Electrical division)	INCOME	800,000.00		800,000.00
SC	Water Tankers	INCOME	1,400,000.00		1,400,000.00
SC	LDV Bakkie 1 ton	INCOME	600,000.00		600,000.00
SC	2 X LDV Bakkie 1 ton	INCOME	600,000.00		600,000.00
SC	Refuse removal truck x 1	INCOME	1,600,000.00	-1,600,000.00	-
SC	5 x skip loader trucks (two makhado,one dzanani,one waterval and one luvuvhu)	ADDITIONAL ALLOCATION	12,500,000.00		12,500,000.00
SC	5 x 22m3 refuse removal trucks with 240L bin carrier (lifting equipment) one per region	ADDITIONAL ALLOCATION	10,000,000.00		10,000,000.00
SC	Chain dozers	ADDITIONAL ALLOCATION	5,000,000.00		5,000,000.00
SC	2 x Water tankers	ADDITIONAL ALLOCATION	5,000,000.00		5,000,000.00
SC	2 xTipper Trucker	ADDITIONAL ALLOCATION	5,000,000.00		5,000,000.00
SC	21 seates Mini bus	ADDITIONAL ALLOCATION	700,000.00		700,000.00
TOTAL BUDGET AND TREASURY BUDGET			69,329,000.00	(19,320,000.00)	50,009,000.00

FINAL ADJUSTEMENT BUDGET COMMUNITY SERVICES 2020/2021 FINANCIAL YEAR

LIBRARY SERVICES					
CODE	DESCRIPTION	SOURCES	BUDGET	ADJUSTMENT	ADJUSTED
SC	Extension of Circulation Area	INCOME	200,000.00	0	200,000.00
SC	Stock taking portable scanner	INCOME	40,000.00	(18,000.00)	22,000.00
TOTAL			240,000.00	(18,000.00)	222,000.00

PARKS AND RECREATION SECTION					
CODE	DESCRIPTION	SOURCES	BUDGET	ADJUSTMENT	ADJUSTED
SC	Development of Dzanani Park Phase 2 (Installation of outdoor gym, playing equipment and swimming pool)	INCOME	1,500,000.00	500,000.00	2,000,000.00
SC	Ficibility study of Potgitters Park	INCOME	500,000.00	0	500,000.00
TOTAL			2,000,000.00	500,000.00	2,500,000.00

MAKHADO REGION					
CODE	DESCRIPTION	SOURCES	BUDGET	ADJUSTMENT	ADJUSTED
SC	Carpot and washing bay (Landfil site)	INCOME	200,000.00	(200,000.00)	-
SC	20 Skip Bins	INCOME	700,000.00	-	700,000.00
SC	1x New borehole at Makhado New Landfill Site	INCOME	150,000.00	(12,000.00)	138,000.00
SC	2 X High mast light at Makhado Landfill site	INCOME	700,000.00	-	700,000.00
SC	20 X Grass cutter Machine	INCOME	120,000.00	80,000.00	200,000.00
SC	Rehabilitation of old landfill site (Vondeling) Phase 2 (Construction of evaporation pond, abluision facilities, planting vegetation, drainage and storm water systems)	INCOME	2,000,000.00	(110,000.00)	1,890,000.00
SC	25 Skips bins additional (Tshikota ,mavhunga,bungeni,tshakhuma.biaba,siloam and luvuvhu and elim)	Additional allocated funds	1,300,000.00	0	1,300,000.00
TOTAL			5,170,000.00	(242,000.00)	4,928,000.00

DZANANI TRAFFIC STATION					
CODE	DESCRIPTION	SOURCES	BUDGET	ADJUSTMENT	ADJUSTED
SC	Upgrading of Vehicle Testing station (Grade B to A) Dzanani	INCOME	3,500,000.00	0	3,500,000.00
TOTAL			3,500,000.00		3,500,000.00

MAKHADO TRAFFIC STATION					
CODE	DESCRIPTION	SOURCES	BUDGET	ADJUSTMENT	ADJUSTED
SC	Purchase of 20 X portable radios and 2 X Base radios	INCOME	150,000.00	0	150,000.00
SC	Water Borehole and equipping (Testing Ground)	INCOME	150,000.00		150,000.00
SC	Grass Bailing machine and its trackor for cattle fodder	INCOME	500,000.00	0	500,000.00
SC	Construction of cattle pound storage room	INCOME	160,000.00	0	160,000.00
SC	Design of the existing cattle pound Structure	INCOME	1,200,000.00	(700,000.00)	500,000.00
TOTAL			2,160,000.00	(700,000.00)	1,460,000.00

WATERVAL TRAFFIC STATION					
CODE	DESCRIPTION	SOURCES	BUDGET	ADJUSTMENT	ADJUSTED
SC	Refurbishment of the roof structure at Watervaal Office	INCOME	500,000.00	(500,000.00)	-
TOTAL			500,000.00	(500,000.00)	-

TOTAL COMMUNITY SERVICES BUDGET			13,570,000.00	(960,000.00)	12,610,000.00
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FINAL ADJUSTEMENT BUDGET CORPORATE SERVICES 2020/2021 FINANCIAL YEAR					
	DESCRIPTION	SOURCES	BUDGET 2020/21	ADJUSTMENT	ADJUSTED
1	Upgrade software MS 2010 to MS2019 (Complete 2019/20 project)	INCOME	2,500,000.00		2,500,000.00
2	Office 365 E1 Licencing	INCOME	500,000.00		500,000.00
3	Upgrade Server Infrastructure Hardware and software phase 1 and 2	INCOME	1,500,000.00	1,500,000.00	3,000,000.00
4	Enhance Call Centre software into one system (call , ticketing & sms)	INCOME	300,000.00		300,000.00
5	Disaster Recovery - Replicate infrastructure for ICT Continuity	INCOME	1,500,000.00	(1,500,000.00)	0.00
6	Mimecast Cyber Resilience Upgrade from G1 to M2R	INCOME	312,000.00		312,000.00
7	Connectivity - HR Mobile Offices & Levubu Regional Office	INCOME	250,000.00	(250,000.00)	0.00
			6,862,000.00	(250,000.00)	6,612,000.00
ICT EQUIPMENT FOR ALL DEPARTMENTS					
	DESCRIPTION	SOURCES	BUDGET 2020/21	ADJUSTMENT	ADJUSTED
8	Computer and IT related office equipment all departments	INCOME	2,500,000.00	265,000.00	2,765,000.00
9	Server Cabinet with built-in air conditioning and controls	INCOME		600,000.00	600,000.00
10	Desktop computer x 1 (Dzanani regional office)	INCOME	15,000.00	(15,000.00)	-
11	Computer and IT related office equipment for PMU (Copier)	MIG	500,000.00	(500,000.00)	
12	ROADS MANAGEMENT SYSTEM	INCOME	1,300,000.00	(1,300,000.00)	
13	TRAFFIC CONTRAVENTION MANAGEMENT SYSTEM	INCOME	1,300,000.00	(1,300,000.00)	
	TOTAL		5,615,000.00	(2,250,000.00)	3,365,000.00
SPEAKER'S OFFICE					
	DESCRIPTION	SOURCES	BUDGET 2020/21	ADJUSTMENT	ADJUSTED
14	Equipment - Fixed sound & recording system for Council Chamber	INCOME	1,300,000.00	(1,300,000.00)	-
	TOTAL		1,300,000.00	(1,300,000.00)	-

COMMUNICATIONS DIVISION					
	DESCRIPTION	SOURCES	BUDGET 2020/21	ADJUSTMENT	ADJUSTED
15	Speakers for existing sound system x 2	INCOME	15,000.00		15,000.00
16	National flags to hoist at all office premises x 8	INCOME	50,000.00		50,000.00
	TOTAL		65,000.00	-	65,000.00
RECORDS MANAGEMENT					
	DESCRIPTION	SOURCES	BUDGET 2020/21	ADJUSTMENT	ADJUSTED
17	Records Management system	INCOME		1,200,000.00	1,200,000.00
	TOTAL		-	1,200,000.00	1,200,000.00
HUMAN RESOURCE DIVISION					
	DESCRIPTION	SOURCES	BUDGET 2020/21	ADJUSTMENT	ADJUSTED
18	One Digital Camera (Occupational Health Safety)	INCOME	27,000.00		27,000.00
19	HR Mobile Offices & Levubu Regional mobile Office	INCOME	1,400,000.00	(1,400,000.00)	-
20	Desks x 8 HR and Levubu office	INCOME	42,000.00	(42,000.00)	-
	TOTAL		1,469,000.00	(1,442,000.00)	27,000.00
	TOTAL		15,311,000.00	(4,042,000.00)	11,269,000.00

FINAL ADJUSTEMENT BUDGET TECHNICAL SERVICES 2020/2021 FINANCIAL YEAR

TECHNICAL SERVICES DEPARTMENT

ELECTRICAL ENGINEERING				PROPOSED ADJUSTMENTS	
CODE	DESCRIPTION	SOURCES	BUDGET	ADJUSTMENT	ADJUSTED
SC	Air conditioners	INCOME	500,000.00		500,000.00
SC	CT VT Units 11kv & 22kV various sub stations	INCOME	180,000.00	(180,000.00)	-
SC	Mini Subs (2x315KVA, 2x630KVA)	INCOME	1,000,000.00	1,500,000.00	2,500,000.00
SC	MV Cable 70mm² 22kV - urban network	INCOME	600,000.00		600,000.00
SC	Transformers 1x5MVA 22/11(Cricket Club substation)	INCOME		1,850,000.00	1,850,000.00
SC	Transformers 1x10MVA 22/11(Stubb)		2,800,000.00		2,800,000.00
SC	Transformers 4x5MVA 22/11(1xEltivillas East, 1xBoom Park, 2xEmmarential: substations)			10,000,000.00	10,000,000.00
SC	Emerentia substation refurbishment - building.	INCOME	250,000.00	(100,000.00)	150,000.00
SC	Upgrade Lev1	INCOME	1,000,000.00	(1,000,000.00)	-
SC	Upgrade Levubu 2 line (Beja branch line)	INCOME	1,000,000.00	(1,000,000.00)	-
SC	Upgrade Mara Line	INCOME	650,000.00	150,000.00	800,000.00
SC	Upgrade Levubu East line	INCOME	2,000,000.00		2,000,000.00
SC	Upgrade Shefeera Line	INCOME	800,000.00	(800,000.00)	-
SC	Standby quarters furnitture for two new rooms	INCOME	50,000.00	(50,000.00)	-
SC	Incomer intake point Eskom Substation	INCOME	6,200,000.00	3,800,000.00	10,000,000.00
SC	Ring Main Units 11kV (RMU)	INCOME	2,000,000.00	2,000,000.00	4,000,000.00
SC	Electrification of villages top up to INEP grant	INCOME	12,000,000.00		12,000,000.00
SC	Post connections Munic area	INCOME	2,500,000.00	332,000.00	2,832,000.00
SC	Pre-Paid Meters Conventional Single phase	INCOME	2,000,000.00	(800,000.00)	1,200,000.00
SC	Minor Extensions	INCOME	2,000,000.00	3,000,000.00	5,000,000.00
SC	Led street lights system design - all areas	INCOME	1,300,000.00	(550,000.00)	750,000.00
SC	Electrical Network System GIS inventory	INCOME	1,960,000.00	(1,000,000.00)	960,000.00
SC	Upgrade wooden pole line to Emma substation	INCOME	240,000.00	(100,000.00)	140,000.00
SC	Hand and car radio	INCOME	80,000.00		80,000.00
SC	Electric fence - Main, Laevubu Beufort substations	INCOME	140,000.00	(140,000.00)	-
SC	Mara - Makhitha ringfeed line	INCOME	400,000.00	(200,000.00)	200,000.00
SC	Designs for High masts all villages	INCOME	1,500,000.00	(500,000.00)	1,000,000.00
SC	Designs for villages to be electrified(21/22)	INCOME	900,000.00	(900,000.00)	-
TOTAL			44,050,000.00	15,312,000.00	59,362,000.00

ELECTRIFICATION					
CODE	DESCRIPTION	SOURCES	BUDGET	ADJUSTMENT	ADJUSTED
SC	Muananzhele Feeder Line	INEP	6,200,000.00	(3,200,000.00)	3,000,000.00
SC	Muananzhele Phase3 Kanana	INEP	4,140,000.00	3,200,000.00	7,340,000.00
TOTAL			10,340,000.00	-	10,340,000.00

CIVIL ENGINEERING SECTION						
CODE	DESCRIPTION	SOURCES	BUDGET	ROLLOVER	ADJUSTMENT	ADJUSTED
SC	Waterval Sports Facility Phase 3	MIG Capex	15,445,376.66	1,062,626.71	(1,093,196.38)	14,352,180.28
SC	Fencing of Makhado municipality cemetery	MIG Capex	4,800,000.00		(1,000,000.00)	3,800,000.00
SC	Valdezia Xitacini to Jiweni access road phase 3	MIG Capex	12,546,888.16		(600,000.00)	11,946,888.16
SC	Lutanandwa Acces Road & Bridge	MIG Capex	2,381,550.20		1,000,000.00	3,381,550.20
SC	Rivoni to Xihobyeni Access road	MIG Capex	5,000,000.00		(2,184,284.27)	2,815,715.73
SC	Tshikwarani phase 3			3,520,906.82		3,520,906.82
SC	Sane to Natalie Bridge	MIG Capex	2,500,000.00			2,500,000.00
TOTAL			42,673,815.02	4,583,533.53	(356,573.83)	42,317,241.19

CIVIL ENGINEERING SECTION - OWN FUNDING					
CODE	DESCRIPTION	SOURCES	BUDGET	ADJUSTMENT	ADJUSTED
SC	Stormwater Infrastructure and resurfacing of roads within Makhado Municip	INCOME	6,000,000.00	-	6,000,000.00
SC	Erf 210 Burger Street market revitalization project	INCOME	500,000.00	-	500,000.00
SC	ERF 10 Burger street Market stalls	Additional alloc	7,000,000.00	(1,000,000.00)	6,000,000.00
SC	GPRS and plota system	Additional alloc	200,000.00		200,000.00
SC	New Council chamber and offices	INCOME	10,750,000.00	(5,750,000.00)	5,000,000.00
SC	Refurbishment of Information Centre	INCOME	2,000,000.00		2,000,000.00
SC	Construction of Admin Block at Testing Ground	INCOME	10,750,000.00	-	10,750,000.00
SC	Rathidili Incubation Centre	INCOME	4,000,000.00	2,000,000.00	6,000,000.00
SC	Tshakhuma fruit market Phase 1	INCOME	15,000,000.00	(13,932,153.29)	1,067,846.71
SC	Tshakhuma fruit market Phase 2	INCOME		10,000,000.00	10,000,000.00
SC	Sane to Natalie Bridge	INCOME		5,000,000.00	5,000,000.00
SC	Rehabilitation of Dzanani Streets (Biaba)	INCOME	10,000,000.00	-	10,000,000.00
SC	N1 Tourism Park Inclusive of Arts and Craft Centre	INCOME	3,500,000.00	800,000.00	4,300,000.00
SC	Waterval Sports Facility Phase 3	INCOME	6,000,000.00	-	6,000,000.00
SC	Kutama / Sinthumule Sports Facility	INCOME	2,500,000.00	(1,356,546.61)	1,143,453.39
SC	Waterval Clinic road to Waterval ring road for proper design	INCOME	2,000,000.00		2,000,000.00
SC	Rehabilitation of Djunane street at Waterval Township for proper design	INCOME	2,000,000.00		2,000,000.00
SC	Rehabilitation of Joe Slovo street at Vliefontein proper design	INCOME	1,500,000.00		1,500,000.00
SC	Ablution Blocks / Changing Room	INCOME	1,000,000.00	(1,000,000.00)	-
SC	Tshikwarani to Zamkomste Road Phase 3	INCOME	1,000,000.00	1,600,000.00	2,600,000.00
SC	Renovation Dzanani Regional Office building	INCOME	600,000.00		600,000.00
TOTAL			86,300,000.00	(3,638,699.90)	82,661,300.10

ROADS AND STORM WATER					
CODE	DESCRIPTION	SOURCES	BUDGET	ADJUSTMENT	ADJUSTED
SC	3X Pedestrian Roller as per Region	INCOME	500,000.00		500,000.00
SC	3X Jump stamper as per Region/compactor	INCOME	50,000.00	20,000.00	70,000.00
SC	Four ways stop paving of road at Baobab street 250m x 8m	INCOME	1,000,000.00	4,500,000.00	5,500,000.00
SC	Culvert pipe	INCOME	800,000.00	700,000.00	1,500,000.00
SC	Rehabitation of Kruger street 300m x 7m	INCOME	800,000.00	200,000.00	1,000,000.00
SC	1x Hydraulic Lifting Jacks	INCOME	500,000.00	(100,000.00)	400,000.00
SC	1X10 Ton Gearbox Jack	INCOME	20,000.00		20,000.00
SC	2X10 Ton Trolley Jack	INCOME	20,000.00		20,000.00
TOTAL			3,690,000.00	5,320,000.00	9,010,000.00

BUILDING MAINTANANCE					
CODE	DESCRIPTION	SOURCES	BUDGET	ADJUSTMENT	ADJUSTED
SC	Refurbishment of old age home	INCOME	800,000.00	200,000.00	1,000,000.00
SC	Refurbishment of Electrical Store and Warehouse	INCOME	1,955,000.00	(1,355,000.00)	600,000.00
SC	Fencing of Ha Mutsha Community hall	INCOME	2,400,000.00	(200,000.00)	2,200,000.00
SC	Re-painting of Dzanani Traffic Station office	INCOME	300,000.00	(110,000.00)	190,000.00
SC	Refurbishment of Eltivilas swimming pool(buildings) and installation of pal	INCOME	1,000,000.00		1,000,000.00
SC	Refurbishment of Waterval regional office	INCOME	1,500,000.00	(500,000.00)	1,000,000.00
SC	Pay-point Cargo Container and Fencing of Madodonga and zamenkomste	INCOME	400,000.00	(173,000.00)	227,000.00
SC	Refurbishment of all taxi rank public Toilets	INCOME	1,000,000.00		1,000,000.00
SC	Refurbishment of Vleifontein Stadium ablutions and fencing	INCOME	2,500,000.00		2,500,000.00
SC	Roofing and tilling of veranda of DDP Office	INCOME	200,000.00		200,000.00
SC	Drilling and Equipment of two boreholes at Civic Centre	INCOME	45,000.00	45,000.00	90,000.00
SC	Borehole and equipping Madodonga and Zamekomste	Additional alloc	400,000.00	(100,000.00)	300,000.00
SC	Borehole and equipping Ha Mutsha	Additional alloc	200,000.00	(50,000.00)	150,000.00
SC	Library water connection system and water tank	Additional alloc	100,000.00	(100,000.00)	-
SC	Borehole and equipping Muduluni community hall	Additional alloc	200,000.00	(50,000.00)	150,000.00
SC	Additional borehole and equipping at civic centre	Additional alloc	200,000.00	(200,000.00)	-
SC	Refurbishment of 5 ablution block facilities in tax ranks (Biaba,siloam , elim &	Additional alloc	2,000,000.00	(500,000.00)	1,500,000.00
SC	Paving of Workshop Makhado			269,997.00	269,997.00
TOTAL			15,200,000.00	(2,823,003.00)	12,376,997.00

TOTAL TECHNICAL SERVICES BUDGET

202,253,815.02

13,813,723.27

216,067,538.29

FINAL ADJUSTEMENT BUDGET REGIONAL OFFICES 2020/2021 FINANCIAL YEAR

WATERVAL REGIONAL OFFICE					
CODE	DESCRIPTION	SOURCES	BUDGET	ADJUSTMENT	ADJUSTED
SC	Nameboards for Dzanani Community Hall Premises	INCOME	30,000.00		30,000.00
SC	Nameboards for Musekwa Thusong Centre Premises	INCOME	30,000.00		30,000.00
SC	Carports at Regional Office	INCOME	150,000.00		150,000.00
SC	Paving Regional Office premises (yard)	INCOME	1,500,000.00		1,500,000.00
SC	Boreholes and equipping Tshitale office	Additional allocated	200,000.00		200,000.00
TOTAL			1,910,000.00	-	1,910,000.00

DZANANI REGIONAL OFFICE					
CODE	DESCRIPTION	SOURCES	BUDGET	ADJUSTMENT	ADJUSTED
SC	Carport for Waterval Regional Offices and Vleinfointein	INCOME	550,000.00		550,000.00
SC	Lawn mower machine for parks	INCOME	100,000.00		100,000.00
SC	Palisade Fence for Waterval Regional Office	INCOME	700,000.00		700,000.00
SC	Window Blinder	INCOME	60,000.00		60,000.00
SC	Fridge (vleinfointein and stores)	INCOME	20,000.00		20,000.00
SC	Borehole Mutsha community and Tank	INCOME	150,000.00	(150,000.00)	-
SC	Ablution facility at Waterval cemetery	INCOME	80,000.00		80,000.00
SC	Registry Counter	INCOME	35,000.00		35,000.00
SC	Shredding Machine	INCOME	10,000.00		10,000.00
SC	Steel cabinet for Staff	INCOME	45,000.00		45,000.00
SC	3X Floor Polisher Machine	INCOME	55,000.00		55,000.00
SC	Boreholes and equipping Mudimeli	Additional allocated	200,000.00	(150,000.00)	50,000.00
SC	Boreholes and equipping khomele	Additional allocated	200,000.00	(150,000.00)	50,000.00
SC	Borehole and equipping Matshavhawe	Additional allocated	200,000.00	(150,000.00)	50,000.00
SC	Boreholes and equipping Ha mutsha office	Additional allocated	200,000.00	(200,000.00)	-
TOTAL			2,605,000.00	(800,000.00)	1,805,000.00

TOTAL REGIONAL OFFICES BUDGET	4,515,000.00	(800,000.00)	3,715,000.00
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LIM344 Makhado - Table B7 Adjustments Budget Cash Flows - 26022021				
Description	Budget Year 2020/21			
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget
		8	9	10
R thousands	A	F	G	H
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Property rates	50,735	4,573	4,573	55,308
Service charges	320,134	2,000	2,000	322,134
Other revenue	88,122	15,724	15,724	103,846
Transfers and Subsidies - Operational	519,370	-	-	519,370
Transfers and Subsidies - Capital	53,014	-	-	53,014
Interest	29,385	-	-	29,385
Dividends	-	-	-	-
Payments				
Suppliers and employees	(747,694)	(15,000)	(15,000)	(762,694)
Finance charges	(105)	-	-	(105)
Transfers and Grants	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES	312,962	7,297	7,297	320,259
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-
Payments				
Capital assets	(304,979)	11,308	11,308	(293,671)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(304,979)	11,308	11,308	(293,671)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	-	-	-	-
Borrowing long term/refinancing	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-
Payments				
Repayment of borrowing	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD	7,983	18,605	18,605	26,588
Cash/cash equivalents at the year begin:	143,652	-	-	143,652
Cash/cash equivalents at the year end:	151,635	18,605	18,605	170,240

REVISED CASHFLOW BUDGET 2020/21 FINANCIAL YEAR