# Adjusted Medium Term Revenue and Expenditure Framework (MTREF)

# ADJUSTMENT BUDGET

## 2026/2027 MTREF (2027/28 and 2028/29)

## (26 OCTOBER 2026)

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# Glossary

**Adjustments budget –** Prescribed in section 28 of the Municipal Finance Management Act. It is the formal means by which a municipality may revise its budget during a financial year.
**Allocations –** Money received from Provincial and National Treasury.

**Budget –** The financial plan of a municipality.

**Budget-related policy –** Policy of a municipality affecting or affected by the budget.

**Capital Expenditure –** Spending on municipal assets such as land, buildings and vehicles. Any capital expenditure must be reflected as an asset on a municipality's balance sheet.

**Cash Flow Statement –** A statement showing when actual cash will be received and spent by the Municipality, and the month-end balances of cash and short-term investments. Cash receipts and payments do not always coincide with budgeted revenue and expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month that the services or goods are received, even though it may not be paid in the same period.

**DORA** – Division of Revenue Act. The annual piece of legislation that indicates the allocations from National Government to Local Government.

**Equitable Share –** A general grant paid to municipalities. It is predominantly targeted to assist with free basic services.

**ICT –** Information Communication Technology

**IDP –** Integrated Development Plan. The main strategic planning document of a municipality.

**KPI –** Key Performance Indicators. Measures of service output and/or outcome.

**MBRR -** Municipal Budget and Reporting Regulations

**MFMA -** Municipal Finance Management Act (No 53 of 2003). The principal piece of legislation relating to municipal financial management.

**MTREF –** Medium Term Revenue and Expenditure Framework as prescribed by the MFMA sets out indicative revenue and projected expenditure for the budget year plus two outer financial years to determine the affordability level.

**ODM –** Overberg District Municipality

**Operating Expenditure –** Spending on the day-to-day expenses of a municipality such as general expenses, salaries & wages, and repairs & maintenance.

**SDBIP –** Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

**Strategic Objectives –** The main priorities of a municipality as set out in the IDP Budgeted spending must contribute towards the achievement of these strategic objectives.
**Vote –** One of the main segments into which a budget is divided, usually at department level.

# PART 1 – ADJUSTMENT BUDGET

## 1) Mayors Report

The administration tables a revised budget for the 2026/27 financial year to council with justifications and reasons as follows –

Provincial Gazette – Gazette 9294 dated 11 September 2026

The Provincial Government gazetted additional funding to the municipality for funding of the Capacity building project after successful submission of a business plan. A formal letter was received from the Department of Local government dated 8 October 2026.

Department of Infrastructure (Addendum to the signed MOU for 2026/27

The provincial department of Infrastructure allocated additional funding to the district municipality in an addendum to the signed MOU. The funds are earmarked for the funding of the rising cost fuel and other operational cost. Specific project funding of resurfaced roads in the region is also prioritised with the additional funding.

Donated assets – Department of Mobility and Department of Forestry, Fisheries and Environmental

Strategic engagement between the municipality and the Department of Mobility resulted in a purchase and donation transaction, where additional vehicles from the Provincial garage fleet were donated to emergency services at ODM.

The Department of Forestry, Fisheries and Environmental affairs also donated an additional emergency vehicle to the municipality. These donations will expand the service delivery capacity and operations to the Overberg communities.

Department of Police oversight and Community safety - Seconding agreement

The department requested the municipal Council's approval for the seconding of the municipal manager to assist and support the department with community safety functions. As part of the Secondment agreement that Council approved, the department will compensate the municipality for the duration of the seconding agreement.

Capital committed projects

With the year-end closing for the 2025/26 financial year, capital projects for which SCM processes had already advanced could not be cancelled. These projects are recorded and reflected as Capital commitments in the Draft Annual Financial statements for 2025/26. These commitments need to be accounted for in the 2026/27 budget.

Review of operational items

An error with the duplication of revenue from SETA training was recorded in the initial budget and needs to be corrected.

Required capital projects reviewed due to impact on service delivery.

Other capital adjustments proposed will be explained in more detail in the report. Priority projects were also required to be included in the capital budget because of their urgency and to ensure delivery and risk mitigation.

**The adjustment budget is tabled to Council taking into consideration the following legislated stipulations**

*Section 28 of the MFMA.*

*(1) A municipality may revise an approved annual budget through an adjustments budget.*

***(2) An adjustments budget —***

*(a)* ***must adjust the revenue and expenditure estimates downwards*** *if there is* ***material under collection*** *of revenue during the budget 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, a****uthorise 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 financial year preceding*** *the budget year, where the under-spending* ***could not reasonably have been foreseen*** *at the time when the annual budget for the budget 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**."*

**In addition to Section 28 of the MFMA, Section 23 of the Municipal Budgeting and Reporting Regulations states as follows:**

"*23. Timeframes for tabling of adjustments budgets*

*(a) An adjustments budget referred to in section 28(2)(b), (d) and (f) of the Act may be tabled in the municipal council at any time **during the mid-year budget and performance assessment** has been tabled in the council, but not later than **28 February** of the current year.*

*(b) Only one adjustments budget referred to in sub-regulation (1) may be tabled in the municipal council during a financial year, except when the additional revenues contemplated in section 28(2)(b) of the Act are **allocations to a municipality in a national or provincial adjustments budget**, in which case sub-regulation (3) applies.*

*(c) If a national or provincial adjustments budget allocates or transfers additional revenues to a municipality, the mayor of the municipality must, at the **next available council meeting, but within 60 days** of the approval of the relevant national or provincial adjustments budget, table an adjustments budget referred to in section 28(2)(b) of the Act in the municipal council to appropriate these additional revenues.*

*(d) An adjustments budget referred to in section 28(2)(c) of the Act must be tabled in the municipal council at the **first available opportunity after the unforeseeable and unavoidable expenditure contemplated in that section was incurred** within the period set in section 29(3) of the Act.*

*(e) An adjustments budget referred to in section 28(2)(e) of the Act may only be **tabled after the end of the financial year to which the roll-overs relate** and must be approved by the municipal council by 25 August of the financial year following the financial year to which the roll-overs relate.*

*(f) An adjustments budget contemplated in section 28(2)(g) of the Act may **only authorize unauthorized expenditure as anticipated by section 32(2)(a)(i)** of the Act, and must be – dealt with as part of the adjustments budget contemplated in sub-regulation (1); and*

*(g) A special adjustments budget tabled in the municipal council when the **mayor tables the annual report in terms of section 127(2) of the Act, which may only deal with unauthorized expenditure** from the previous financial year which the council is being requested to authorize in terms of section 32(2)(a) (i) of the Act."*

# 2) High level overview of Adjustment budget

Based on the above legislative guidance, the following Adjustment budget is tabled to Council for approval. The sections below explain the adjustments in more detail.

### Operational Budget information

| Description | Ref | Budget Year 2026/27 | | | | Budget Year +1 2027/28 | Budget Year +2 2028/29 |
|---|---|---|---|---|---|---|---|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| R thousands | 1 | A | 8<br>F | 9<br>G | 10<br>H | | |
| **Revenue By Source** | | | | | | | |
| **Exchange Revenue** | | | | | | | |
| Service charges - Waste Water Management | 2 | 990 | – | – | 990 | 1 059 | 1 133 |
| Service charges - Waste Management | 2 | 20 150 | – | – | 20 150 | 21 561 | 22 854 |
| Sale of Goods and Rendering of Services | | 157 842 | 33 489 | 33 489 | 191 330 | 130 358 | 24 794 |
| Agency services | | 14 606 | 1 747 | 1 747 | 16 353 | 11 360 | – |
| Interest earned from Receivables | | 354 | – | – | 354 | 378 | 404 |
| Interest earned from Current and Non Current Assets | | 9 500 | – | – | 9 500 | 9 500 | 9 500 |
| Rental from Fixed Assets | | 18 377 | – | – | 18 377 | 20 141 | 21 506 |
| Licence and permits | | 1 531 | – | – | 1 531 | 2 000 | 2 200 |
| Operational Revenue | | 1 761 | 404 | 404 | 2 165 | 2 441 | 2 632 |
| Transfer and subsidies - Operational | | 97 424 | 200 | 200 | 97 624 | 97 931 | 102 770 |
| Gains on disposal of Fixed and Intangible Assets | | 2 660 | – | – | 2 660 | 3 600 | 12 155 |
| **Total Revenue (excluding capital transfers and contributions)** | | **325 195** | **35 840** | **35 840** | **361 034** | **300 329** | **199 950** |
| **Expenditure By Type** | | | | | | | |
| Employee related costs | | 186 009 | 90 | 90 | 186 099 | 177 416 | 123 922 |
| Inventory consumed | | 46 455 | 21 994 | 21 994 | 68 449 | 35 077 | 4 400 |
| Debt impairment | | 100 | – | – | 100 | 100 | 100 |
| Depreciation, amortisation and impairment | | 3 850 | (123) | (123) | 3 727 | 3 850 | 3 840 |
| Interest, Dividends and Rent on Land | | 3 487 | – | – | 3 487 | 3 353 | 3 012 |
| Contracted services | | 34 059 | 1 897 | 1 897 | 35 956 | 30 508 | 26 032 |
| Transfers and subsidies | | 1 000 | – | – | 1 000 | 799 | – |
| Operational Cost and Other Cost | | 41 750 | 10 527 | 10 527 | 52 278 | 39 945 | 26 326 |
| **Total Expenditure** | | **324 133** | **34 385** | **34 385** | **358 519** | **298 953** | **196 051** |
| **Surplus/(Deficit)** | | 1 061 | 1 454 | 1 454 | 2 516 | 1 376 | 3 899 |
| Transfers and subsidies - capital (monetary allocations) | | 2 799 | – | – | 2 799 | – | – |
| Transfers and subsidies - capital (in-kind - all) | | – | 3 598 | 3 598 | 3 598 | – | – |
| **Surplus/(Deficit) before taxation** | | **3 860** | **5 052** | **5 052** | **8 913** | **1 376** | **3 899** |
| **Surplus/(Deficit) after taxation** | | **3 860** | **5 052** | **5 052** | **8 913** | **1 376** | **3 899** |
| **Surplus/(Deficit) attributable to municipality** | | **3 860** | **5 052** | **5 052** | **8 913** | **1 376** | **3 899** |
| **Surplus/ (Deficit) for the year** | 1 | **3 860** | **5 052** | **5 052** | **8 913** | **1 376** | **3 899** |

### The municipality revised the Approved budget as follows –

The tabled adjustment budget increased from the Approved surplus budget of R3,860m to R8,913m for a net increase of R5,052m from the original Approved budget of Council.

The adjustments highlight additional revenue received totalling R35.840 million, and an additional R34.385 million in the adjusted expenditure. Most of the additional revenue and

expenditure recognised related to roads services, however more detail analysis will be provided below.

Below is a breakdown of the operational budget per Functional classification providing further clarifications relating to the specific adjustments proposed.

## Operational budget per function

| Standard Description | Ref | Budget Year 2026/27 | | | | Budget Year +1 2027/28 | Budget Year +2 2028/29 |
|---|---|---|---|---|---|---|---|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| R thousands | 1, 4 | A | 10 F | 11 G | 12 H | | |
| **Revenue - Functional** | | | | | | | |
| ***Governance and administration*** | | **115 295** | **2 351** | **2 351** | **117 646** | **113 347** | **114 948** |
| Executive and council | | 34 208 | 2 054 | 2 054 | 36 262 | 31 095 | 30 202 |
| Finance and administration | | 81 087 | 297 | 297 | 81 384 | 82 252 | 84 746 |
| Internal audit | | – | – | – | – | – | – |
| ***Community and public safety*** | | **52 441** | **3 598** | **3 598** | **56 039** | **56 335** | **61 902** |
| Sport and recreation | | 28 183 | – | – | 28 183 | 28 939 | 30 923 |
| Public safety | | 19 538 | 3 598 | 3 598 | 23 136 | 21 893 | 25 067 |
| Health | | 4 719 | – | – | 4 719 | 5 503 | 5 912 |
| ***Economic and environmental services*** | | **140 107** | **33 489** | **33 489** | **173 596** | **109 086** | **245** |
| Road transport | | 139 970 | 33 489 | 33 489 | 173 458 | 108 867 | – |
| Environmental protection | | 138 | – | – | 138 | 219 | 245 |
| ***Trading services*** | | **20 150** | **–** | **–** | **20 150** | **21 561** | **22 854** |
| Waste management | | 20 150 | – | – | 20 150 | 21 561 | 22 854 |
| ***Other*** | | **–** | **–** | – | **–** | **–** | **–** |
| **Total Revenue - Functional** | 2 | **327 994** | **39 438** | **39 438** | **367 431** | **300 329** | **199 950** |
| **Expenditure - Functional** | | | | | | | |
| ***Governance and administration*** | | **72 397** | **577** | **577** | **72 974** | **75 398** | **78 908** |
| Executive and council | | 12 302 | – | – | 12 302 | 13 098 | 13 880 |
| Finance and administration | | 58 190 | 577 | 577 | 58 767 | 60 274 | 62 873 |
| Internal audit | | 1 905 | – | – | 1 905 | 2 026 | 2 156 |
| ***Community and public safety*** | | **92 285** | **320** | **320** | **92 605** | **93 673** | **96 104** |
| Sport and recreation | | 20 075 | 320 | 320 | 20 395 | 18 678 | 17 598 |
| Public safety | | 49 824 | – | – | 49 824 | 51 310 | 53 421 |
| Health | | 22 386 | – | – | 22 386 | 23 685 | 25 084 |
| ***Economic and environmental services*** | | **146 056** | **33 489** | **33 489** | **179 545** | **116 080** | **6 806** |
| Planning and development | | 1 989 | – | – | 1 989 | 2 113 | 2 245 |
| Road transport | | 139 970 | 33 489 | 33 489 | 173 458 | 109 665 | – |
| Environmental protection | | 4 098 | – | – | 4 098 | 4 302 | 4 561 |
| ***Trading services*** | | **13 395** | **–** | **–** | **13 395** | **13 801** | **14 232** |
| Waste management | | 13 395 | – | – | 13 395 | 13 801 | 14 232 |
| **Total Expenditure - Functional** | 3 | **324 133** | **34 385** | **34 385** | **358 519** | **298 953** | **196 051** |
| **Surplus/ (Deficit) for the year** | | **3 860** | **5 052** | **5 052** | **8 913** | **1 376** | **3 899** |

Overall, the total revenue recorded will increase by 11%, totalling R361.03 million and expenditure will increase by a 10.4% increase, totalling R358.52 million. Taking into consideration the total non-cash recognitions, the surplus increased to R8.91 million. The

operational surplus movement increased positively from R1.061 million to R2.516 million in the adjustment budget.

## Capital Budget information

| Description | Ref | Budget Year 2026/27 | | | Budget Year +1 2027/28 | Budget Year +2 2028/29 |
|---|---|---|---|---|---|---|
| | | Original Budget | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| R thousands | | A | 11 G | 12 H | | |
| **Capital expenditure - Vote** | | | | | | |
| **Multi-year expenditure** ***to be adjusted*** | 2 | | | | | |
| Vote 5 - Community Services | | 20 800 | – | 20 800 | 2 900 | – |
| **Capital multi-year expenditure sub-total** | 3 | **20 800** | **–** | **20 800** | **2 900** | **–** |
| **Single-year expenditure** ***to be adjusted*** | 2 | | | | | |
| Vote 3 - Corporate Services | | 688 | 1 198 | 1 886 | 400 | 700 |
| Vote 5 - Community Services | | 6 938 | 2 756 | 9 694 | 880 | 3 150 |
| **Capital single-year expenditure sub-total** | | **7 626** | **3 955** | **11 581** | **1 280** | **3 850** |
| **Total Capital Expenditure - Vote** | | **28 426** | **3 955** | **32 381** | **4 180** | **3 850** |

The Adjustment in the capital budget is largely tabled to recognise the assets donated in kind from the Department of Infrastructure as well as the Department of Forestry, Fisheries and Environmental management.

The revision of the adjustment budget will also record capital commitments from the prior year rolled over and re-allocation of projects between departments to ensure better project management.

| Description | Ref | Budget Year 2026/27 | | | Budget Year +1 2027/28 | Budget Year +2 2028/29 |
|---|---|---|---|---|---|---|
| | | Original Budget | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| R thousands | | A | 11 G | 12 H | | |
| **Funded by:** | | | | | | |
| National Government | | – | – | – | – | – |
| Provincial Government | | 2 799 | – | 2 799 | – | – |
| District Municipality | | – | – | – | – | – |
| Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions) | | – | – | – | – | – |
| **Transfers recognised - capital** | 4 | **2 799** | **–** | **2 799** | **–** | **–** |
| **Borrowing** | | 20 800 | – | 20 800 | 2 900 | – |
| **Internally generated funds** | | 4 827 | 3 955 | 8 782 | 1 280 | 3 850 |
| **Total Capital Funding** | | **28 426** | **3 955** | **32 381** | **4 180** | **3 850** |

The main impact of the capital funding source is allocated to the “Internally generated funds” This is accounted for as follows –

- Donated assets – R 3,597m
- Capital replacement reserve funding R358k

## Balance sheet and Cashflow information

| Description | Budget Year 2026/27 | | | | Budget Year +1 2027/28 | Budget Year +2 2028/29 |
|---|---|---|---|---|---|---|
| R thousands | Original Budget A | Other Adjusts. 6 F | Total Adjusts. 7 G | Adjusted Budget 8 H | Adjusted Budget | Adjusted Budget |
| **Financial position** | | | | | | |
| Total current assets | 83 350 | (6 722) | (6 722) | 76 628 | 88 794 | 91 338 |
| Total non current assets | 189 751 | 3 955 | 3 955 | 193 706 | 191 323 | 192 897 |
| Total current liabilities | 35 100 | 1 794 | 1 794 | 36 893 | 38 193 | 41 341 |
| Total non current liabilities | 110 438 | (6 866) | (6 866) | 103 573 | 112 186 | 109 257 |
| Community wealth/Equity | **127 563** | **5 052** | **5 052** | **132 615** | **129 738** | **133 637** |
| **Cash flows** | | | | | | |
| Net cash from (used) operating | 7 376 | (1 293) | (1 293) | 6 083 | 5 929 | (987) |
| Net cash from (used) investing | (25 766) | (357) | (357) | (26 123) | (580) | 8 305 |
| Net cash from (used) financing | 16 205 | 27 968 | 27 968 | 44 174 | (20) | (4 920) |
| **Cash/cash equivalents at the year end** | **68 406** | **(6 722)** | **(6 722)** | **61 684** | **73 734** | **76 132** |

Analysing the Balance sheet impact of the adjustment information reflects the following –

Non-current assets increase – The additional donated assets have a positive impact on the total PPE of the municipality with an increase in total value reflected.

Overall – A net decrease in the cash equivalents at year-end: This is mainly due to the re-alignment of the new borrowing – the Karwyderskraal landfill site and the impact of the borrowing on the cash position. The site development and maintenance are subsidised / co-funded by the revenue receivable from the 3 local municipalities within the district. This arrangement is managed by a mutually agreed SLA on a yearly basis.

Projected year-end cash decreases from the R68.406 million in the original budget to R61.684 million for the period ending 30 June 2027.

Based on the above high-level explanation the mayor proposes the following –

## 3) Recommendations

It is recommended:

1) That the Adjustment budget for the 2026/2027 MTREF budget as tabled in the budget document be approved, and
2) That the SDBIP be amended according to the Adjustment Budget.

**Executive Mayor**
**Alderman AE Franken**

# 4) Resolutions

## ADJUSTMENT BUDGET 2026/2027

The resolution tabled at Council for consideration upon approval of the adjustment budget is:

## RECOMMENDATION:

That Council approves the following:

1) That the adjustments budget of the Overberg District Municipality for the financial year 2026/2027 as set out in the Adjustment budget report.
2) That the following B Schedules as required by National Treasury be approved
   i. Adjustment Budget Summary – Table B1;
   ii. Budgeted Financial Performance (Revenue and Expenditure by standard Classification) –Table B2;
   iii. Budgeted Financial Performance (revenue and expenditure by municipal vote) Table B3;
   v. Budgeted Financial Performance (revenue and expenditure) – Table B4;
   vii. Budgeted Capital Expenditure by vote and funding – Table B5;
   viii. Budgeted Financial Position – Table B6;
   ix. Budgeted Cash Flows Table B7;
   x. Cash backed reserves/accumulated surplus reconciliation – Table B8;
   xi. Asset Management – Table B9;

3) That the SDBIP be amended according to the Adjustment Budget information where applicable

4) That it be noted that there are no changes to any budget-related policies

# 5) Executive Summary

The following will be included/amended/corrected in the 2026/27 adjustment budget pertaining to the Operational and Capital Budget.

Table B1 Adjustments Budget Summary

| Description | Budget Year 2026/27 | | | | Budget Year +1 2027/28 | Budget Year +2 2028/29 |
|---|---|---|---|---|---|---|
| R thousands | Original Budget<br>A | Other Adjusts.<br>6<br>F | Total Adjusts.<br>7<br>G | Adjusted Budget<br>8<br>H | Adjusted Budget | Adjusted Budget |
| **Financial Performance** | | | | | | |
| Property rates | – | – | – | – | – | – |
| Service charges | 21 140 | – | – | 21 140 | 22 620 | 23 988 |
| Investment revenue | 9 500 | – | – | 9 500 | 9 500 | 9 500 |
| Transfer and subsidies - Operational | 97 424 | 200 | 200 | 97 624 | 97 931 | 102 770 |
| Other own revenue | 197 130 | 35 640 | 35 640 | 232 770 | 170 278 | 63 692 |
| **Total Revenue (excluding capital transfers and contributions)** | **325 195** | **35 840** | **35 840** | **361 034** | **300 329** | **199 950** |
| Employee costs | 186 009 | 90 | 90 | 186 099 | 177 416 | 123 922 |
| Remuneration of councillors | 7 423 | – | – | 7 423 | 7 905 | 8 419 |
| Depreciation, amortisation and impairment | 3 950 | (123) | (123) | 3 827 | 3 950 | 3 940 |
| Interest, Dividends and Rent on Land | 3 487 | – | – | 3 487 | 3 353 | 3 012 |
| Inventory consumed and bulk purchases | 46 455 | 21 994 | 21 994 | 68 449 | 35 077 | 4 400 |
| Transfers and subsidies | 1 000 | – | – | 1 000 | 799 | – |
| Other expenditure | 75 809 | 12 424 | 12 424 | 88 234 | 70 453 | 52 359 |
| ***Total Expenditure*** | **324 133** | **34 385** | **34 385** | **358 519** | **298 953** | **196 051** |
| **Surplus/(Deficit)** | 1 061 | 1 454 | 1 454 | 2 516 | 1 376 | 3 899 |
| Transfers and subsidies - capital (monetary allocations) | 2 799 | – | – | 2 799 | – | – |
| Transfers and subsidies - capital (in-kind - all) | – | 3 598 | 3 598 | 3 598 | – | – |
| **Surplus/(Deficit) after capital transfers & contributions** | **3 860** | **5 052** | **5 052** | **8 913** | **1 376** | **3 899** |
| Share of surplus/ (deficit) of associate | – | – | – | – | – | – |
| **Surplus/ (Deficit) for the year** | **3 860** | **5 052** | **5 052** | **8 913** | **1 376** | **3 899** |
| **Capital expenditure & funds sources** | | | | | | |
| **Capital expenditure** | 28 426 | 3 955 | 3 955 | 32 381 | 4 180 | 3 850 |
| Transfers recognised - capital | 2 799 | – | – | 2 799 | – | – |
| Borrowing | 20 800 | – | – | 20 800 | 2 900 | – |
| Internally generated funds | 4 827 | 3 955 | 3 955 | 8 782 | 1 280 | 3 850 |
| **Total sources of capital funds** | **28 426** | **3 955** | **3 955** | **32 381** | **4 180** | **3 850** |

| Description | Budget Year 2026/27 | | | | Budget Year +1 2027/28 | Budget Year +2 2028/29 |
|---|---|---|---|---|---|---|
| | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| R thousands | A | 6<br>F | 7<br>G | 8<br>H | | |
| **Financial position** | | | | | | |
| Total current assets | 83 350 | (6 722) | (6 722) | 76 628 | 88 794 | 91 338 |
| Total non current assets | 189 751 | 3 955 | 3 955 | 193 706 | 191 323 | 192 897 |
| Total current liabilities | 35 100 | 1 794 | 1 794 | 36 893 | 38 193 | 41 341 |
| Total non current liabilities | 110 438 | (6 866) | (6 866) | 103 573 | 112 186 | 109 257 |
| Community wealth/Equity | **127 563** | **5 052** | **5 052** | **132 615** | **129 738** | **133 637** |
| **Cash flows** | | | | | | |
| Net cash from (used) operating | 7 376 | (1 293) | (1 293) | 6 083 | 5 929 | (987) |
| Net cash from (used) investing | (25 766) | (357) | (357) | (26 123) | (580) | 8 305 |
| Net cash from (used) financing | 16 205 | 27 968 | 27 968 | 44 174 | (20) | (4 920) |
| **Cash/cash equivalents at the year end** | **68 406** | **(6 722)** | **(6 722)** | **61 684** | **73 734** | **76 132** |
| **Cash backing/surplus reconciliation** | | | | | | |
| Cash and investments available | 68 406 | (6 722) | (6 722) | 61 684 | 73 734 | 76 132 |
| Application of cash and investments | 6 347 | – | – | 6 347 | 6 735 | 16 000 |
| **Balance - surplus (shortfall)** | **62 059** | **(6 722)** | **(6 722)** | **55 337** | **66 999** | **60 132** |
| **Asset Management** | | | | | | |
| Asset register summary (WDV) | 164 922 | 3 955 | 3 955 | 168 877 | 165 252 | 165 262 |
| Depreciation | 3 850 | (123) | (123) | 3 727 | 3 850 | 3 840 |
| Renewal and Upgrading of Existing Assets | 22 185 | 3 794 | 3 794 | 25 979 | 4 180 | 1 350 |
| Repairs and Maintenance | 9 856 | (4 302) | (4 302) | 5 554 | 9 965 | 10 281 |

The administration tabled a revised budget based on the additional funding, grant allocation and donated assets that's needs to be accounted for.

The proposed adjustment will have a positive impact on the municipality's overall position for the 2026/27 financial year. The ongoing cashflow management should improve throughout the financial year.

Below is a detailed summary of the Revenue by Source and Expenditure per type with relevant explanations of all changes accommodated and included as part of the budget document.

Table B4 Adjustments Budget Financial Performance (revenue and expenditure)

| Description | Ref | Budget Year 2026/27 | | | | Budget Year +1 2027/28 | Budget Year +2 2028/29 |
|---|---|---|---|---|---|---|---|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| R thousands | 1 | A | 8<br>F | 9<br>G | 10<br>H | | |
| **Revenue By Source** | | | | | | | |
| **Exchange Revenue** | | | | | | | |
| Service charges - Waste Water Management | 2 | 990 | – | – | 990 | 1 059 | 1 133 |
| Service charges - Waste Management | 2 | 20 150 | – | – | 20 150 | 21 561 | 22 854 |
| Sale of Goods and Rendering of Services | | 157 842 | 33 489 | 33 489 | 191 330 | 130 358 | 24 794 |
| Agency services | | 14 606 | 1 747 | 1 747 | 16 353 | 11 360 | – |
| Interest earned from Receivables | | 354 | – | – | 354 | 378 | 404 |
| Interest earned from Current and Non Current Assets | | 9 500 | – | – | 9 500 | 9 500 | 9 500 |
| Rental from Fixed Assets | | 18 377 | – | – | 18 377 | 20 141 | 21 506 |
| Licence and permits | | 1 531 | – | – | 1 531 | 2 000 | 2 200 |
| Operational Revenue | | 1 761 | 404 | 404 | 2 165 | 2 441 | 2 632 |
| Transfer and subsidies - Operational | | 97 424 | 200 | 200 | 97 624 | 97 931 | 102 770 |
| Gains on disposal of Fixed and Intangible Assets | | 2 660 | – | – | 2 660 | 3 600 | 12 155 |
| **Total Revenue (excluding capital transfers and contributions)** | | **325 195** | **35 840** | **35 840** | **361 034** | **300 329** | **199 950** |
| **Expenditure By Type** | | | | | | | |
| Employee related costs | | 186 009 | 90 | 90 | 186 099 | 177 416 | 123 922 |
| Inventory consumed | | 46 455 | 21 994 | 21 994 | 68 449 | 35 077 | 4 400 |
| Debt impairment | | 100 | – | – | 100 | 100 | 100 |
| Depreciation, amortisation and impairment | | 3 850 | (123) | (123) | 3 727 | 3 850 | 3 840 |
| Interest, Dividends and Rent on Land | | 3 487 | – | – | 3 487 | 3 353 | 3 012 |
| Contracted services | | 34 059 | 1 897 | 1 897 | 35 956 | 30 508 | 26 032 |
| Transfers and subsidies | | 1 000 | – | – | 1 000 | 799 | – |
| Operational Cost and Other Cost | | 41 750 | 10 527 | 10 527 | 52 278 | 39 945 | 26 326 |
| **Total Expenditure** | | **324 133** | **34 385** | **34 385** | **358 519** | **298 953** | **196 051** |
| **Surplus/(Deficit)** | | 1 061 | 1 454 | 1 454 | 2 516 | 1 376 | 3 899 |
| Transfers and subsidies - capital (monetary allocations) | | 2 799 | – | – | 2 799 | – | – |
| Transfers and subsidies - capital (in-kind - all) | | – | 3 598 | 3 598 | 3 598 | – | – |
| **Surplus/(Deficit) before taxation** | | **3 860** | **5 052** | **5 052** | **8 913** | **1 376** | **3 899** |
| **Surplus/(Deficit) after taxation** | | **3 860** | **5 052** | **5 052** | **8 913** | **1 376** | **3 899** |
| **Surplus/(Deficit) attributable to municipality** | | **3 860** | **5 052** | **5 052** | **8 913** | **1 376** | **3 899** |
| **Surplus/ (Deficit) for the year** | 1 | **3 860** | **5 052** | **5 052** | **8 913** | **1 376** | **3 899** |

## Summary

These changes reflect the total expenditure review as tabled to Council with all relevant information. Most of these changes related to Roads Service's allocation to the expenditure items as well as all the processed virement adjustments during the financial year to date.

The impact on the cashflow projections is as per the table below –

Table B6 Adjustments Budget Financial Position

| Description | Budget Year 2025/26 | | | | | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
|---|---|---|---|---|---|---|---|
| | Original | Prior | Other | Total | Adjusted | Adjusted | Adjusted |
| | | 1 | 6 | 7 | 8 | | |
| R thousands | A | A1 | F | G | H | | |
| **Financial position** | | | | | | | |
| Total current assets | 78 259 | 85 531 | (267) | (267) | 85 265 | 84 140 | 85 430 |
| Total non current assets | 138 329 | 164 286 | (9 733) | (9 733) | 154 553 | 172 632 | 173 171 |
| Total current liabilities | 31 921 | 33 435 | – | – | 33 435 | 35 100 | 38 193 |
| Total non current liabilities | 63 289 | 92 679 | (10 000) | (10 000) | 82 679 | 97 645 | 95 909 |
| Community wealth/Equity | **121 378** | **123 703** | **–** | **–** | **123 703** | **124 027** | **124 498** |
| **Cash flows** | | | | | | | |
| Net cash from (used) operating | 2 140 | 1 241 | – | – | 1 241 | 4 477 | 6 490 |
| Net cash from (used) investing | (12 218) | (37 375) | 9 733 | 9 733 | (27 642) | (19 008) | (2 397) |
| Net cash from (used) financing | 2 099 | 27 899 | (10 000) | (10 000) | 17 899 | 13 403 | (2 920) |
| **Cash/cash equivalents at the year end** | **64 346** | **70 590** | **(267)** | **(267)** | **70 324** | **69 196** | **70 370** |
| **Cash backing/surplus reconciliation** | | | | | | | |
| Cash and investments available | 64 346 | 70 590 | (267) | (267) | 70 324 | 69 196 | 70 370 |
| Application of cash and investments | 24 778 | 25 234 | (126) | (126) | 25 108 | 24 779 | 24 808 |
| **Balance - surplus (shortfall)** | **39 568** | **45 357** | **(140)** | **(140)** | **45 216** | **44 417** | **45 562** |

A detailed analysis of the different Revenue sources and Expenditure classifications is presented in the tabled information below.

## 1.1 Adjusted Revenue sources

| Description | Ref | Budget Year 2026/27 | | | | Budget Year +1 2027/28 | Budget Year +2 2028/29 |
|---|---|---|---|---|---|---|---|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| | | | 8 | 9 | 10 | | |
| R thousands | 1 | A | F | G | H | | |
| **Revenue By Source** | | | | | | | |
| **Exchange Revenue** | | | | | | | |
| Service charges - Waste Water Management | 2 | 990 | – | – | 990 | 1 059 | 1 133 |
| Service charges - Waste Management | 2 | 20 150 | – | – | 20 150 | 21 561 | 22 854 |
| Sale of Goods and Rendering of Services | | 157 842 | 33 489 | 33 489 | 191 330 | 130 358 | 24 794 |
| Agency services | | 14 606 | 1 747 | 1 747 | 16 353 | 11 360 | – |
| Interest earned from Receivables | | 354 | – | – | 354 | 378 | 404 |
| Interest earned from Current and Non Current Assets | | 9 500 | – | – | 9 500 | 9 500 | 9 500 |
| Rental from Fixed Assets | | 18 377 | – | – | 18 377 | 20 141 | 21 506 |
| Licence and permits | | 1 531 | – | – | 1 531 | 2 000 | 2 200 |
| Operational Revenue | | 1 761 | 404 | 404 | 2 165 | 2 441 | 2 632 |
| Transfer and subsidies - Operational | | 97 424 | 200 | 200 | 97 624 | 97 931 | 102 770 |
| Gains on disposal of Fixed and Intangible Assets | | 2 660 | – | – | 2 660 | 3 600 | 12 155 |
| **Total Revenue (excluding capital transfers and contributions)** | | **325 195** | **35 840** | **35 840** | **361 034** | **300 329** | **199 950** |

## REVENUE BY SOURCE

### Exchange Revenue

Sale of Goods and Rendering of Services – R33.489 million increase

The budget for roads function services will increase. The additional allocation for the Roads function from the Department of Infrastructure will predominantly be allocated towards the steep increase in fuel cost and a resealing project in the region.

Agency Services – R1.747 million increase

With the additional allocation from the Department of Infrastructure a 6% agency service fees applies to additional awards made during the year (amount excluding VAT).

Operational Revenues:

Seconding agreement with the Department of Police oversight and Community safety – R307,000. The department formally requested the seconding of municipal officials to assist in community safety functions. A formal agreement was signed, and the conditions and stipulations of the agreement were that the department will compensate the municipality for the duration of the agreement based on the cost of employment of the official.

Insurance payouts received for claims submitted to the insurer amounting to R96 874.

### Non-Exchange Revenue

Transfers and Subsidies – Operational R200 000 increase

Provincial Gazette – Gazette 9294 – R500,000

A conditional grant was awarded by Provincial Treasury for Service Delivery and Capacity building as per the business plan submitted by Corporate Support Services for identified ICT projects that the department wishes to undertake amounting to R500 000.

Correction of error – SETA allocations

Duplicate of SETA training funding of R300,000 recorded in the initial budget will be removed.

## Operational expenditure adjustments

| Description | Ref | Budget Year 2026/27 | | | | Budget Year +1 2027/28 | Budget Year +2 2028/29 |
|---|---|---|---|---|---|---|---|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| R thousands | 1 | A | 8 F | 9 G | 10 H | | |
| **Expenditure By Type** | | | | | | | |
| Employee related costs | | 186 009 | 90 | 90 | 186 099 | 177 416 | 123 922 |
| Inventory consumed | | 46 455 | 21 994 | 21 994 | 68 449 | 35 077 | 4 400 |
| Debt impairment | | 100 | – | – | 100 | 100 | 100 |
| Depreciation, amortisation and impairment | | 3 850 | (123) | (123) | 3 727 | 3 850 | 3 840 |
| Interest, Dividends and Rent on Land | | 3 487 | – | – | 3 487 | 3 353 | 3 012 |
| Contracted services | | 34 059 | 1 897 | 1 897 | 35 956 | 30 508 | 26 032 |
| Transfers and subsidies | | 1 000 | – | – | 1 000 | 799 | – |
| Operational Cost and Other Cost | | 41 750 | 10 527 | 10 527 | 52 278 | 39 945 | 26 326 |
| **Total Expenditure** | | **324 133** | **34 385** | **34 385** | **358 519** | **298 953** | **196 051** |

## Expenditure by Type

Employee related costs - (R90 000)

The decrease in employee-related costs is accounted for within the Roads department. The roads department is funded by the Department of Infrastructure. The review of the expenditures was to ensure spending of the allocated budget on maintenance related activities where due to numerous vacancies and overtime savings budgets could not be utilised. Saving was redirected to maintenance related activities.

Inventory consumed – (R21.994 million)

The impact of the increase is due to the additional funding provided from the Department of Infrastructure due to the increase in the cost for goods and services with the fuel hike as well as the additional projects to be performed.

Depreciation, amortisation and impairment – (R123 000)

Depreciation incorrectly allocated to the Roads Agency has been rectified and reallocated.

Contracted services – (R1 897 000)

The increase is due to the additional funding received from the Department of Infrastructure due to the increase in the cost for goods and services with the fuel cost as well as the additional projects to be performed.

Operational costs – (R10 527 million)

The increase is predominantly allocated towards to the additional funding received from the Department of Infrastructure due to the increase in the cost for goods and services with the fuel cost as well as the additional projects to be performed by the roads function.

Most of these funds are allocated to the Fuel cost.

## CONSOLIDATED SUMMARY ON REVENUE AND EXPENDITURE

| SUMMARY INCOME & EXPENDITURE 2026/2027 MTREF - ODM | | | | | | |
|---|---|---|---|---|---|---|
| **Revenue by Source** | **Original Budget 2026/27** | | **Adjustment Budget 2026/27** | | **Adjustment** | |
| Service charges - Water | R | - | R | - | R | - |
| Service charges - Waste Water Management | R | 990 000.00 | R | 990 000.00 | R | - |
| Service charges - Waste Management | R | 20 150 321.00 | R | 20 150 321.00 | R | - |
| Sales of Goods and Rendering of Services | R | 157 841 945.00 | R | 191 330 492.00 | R | 33 488 547.00 |
| Agency services | R | 14 605 528.00 | R | 16 352 757.00 | R | 1 747 229.00 |
| Interest earned from Receivables | R | 353 800.00 | R | 353 800.00 | R | - |
| Interest earned from Current and Non Current Assets | R | 9 500 000.00 | R | 9 500 000.00 | R | - |
| Rental from Fixed Assets | R | 18 377 000.00 | R | 18 377 000.00 | R | - |
| Licences or Permits | R | 1 531 170.00 | R | 1 531 170.00 | R | - |
| Operational Revenue | R | 1 760 889.00 | R | 2 164 763.00 | R | 403 874.00 |
| Transfer and subsidies - Operational | R | 97 424 000.00 | R | 97 624 000.00 | R | 200 000.00 |
| Transfers and subsidies - Capital | R | 2 799 000.00 | R | 6 396 936.00 | R | 3 597 936.00 |
| Gains on Disposal of Fixed and Intangible Assets | R | 2 660 000.00 | R | 2 660 000.00 | R | - |
| **Total** | **R** | **327 993 653.00** | **R** | **367 431 239.00** | **R** | **39 437 586.00** |
| | | | | | | |
| **Expenditure by Type** | **Original Budget 2026/27** | | **Adjustment Budget 2026/27** | | **Adjustment** | |
| Employee related costs | R | 186 009 209.00 | R | 186 099 209.00 | R | 90 000.00 |
| Remuneration of councillors | R | 7 422 516.00 | R | 7 422 516.00 | R | - |
| Inventory Consumed | R | 46 454 771.00 | R | 68 448 892.00 | R | 21 994 121.00 |
| Debt impairment | R | 100 000.00 | R | 100 000.00 | R | - |
| Depreciation, Amortisation and Impairment | R | 3 850 000.00 | R | 3 727 000.00 | R | -123 000.00 |
| Interest, Dividends and Rent on Land | R | 3 487 236.00 | R | 3 487 236.00 | R | - |
| Contracted Services | R | 34 059 370.00 | R | 35 956 244.00 | R | 1 896 874.00 |
| Transfers and Subsidies | R | 1 000 000.00 | R | 1 000 000.00 | R | - |
| Operational Cost | R | 41 750 106.00 | R | 52 277 532.00 | R | 10 527 426.00 |
| Other Losses | R | - | R | - | R | - |
| **Total** | **R** | **324 133 208.00** | **R** | **358 518 629.00** | **R** | **34 385 421.00** |
| | | | | | | |
| **Surplus/(Deficit)** | **R** | **3 860 445.00** | **R** | **8 912 610.00** | **R** | **5 052 165.00** |

## SUMMARY INCOME & EXPENDITURE 2026/2027 MTREF EXCLUDING ROADS AGENCY

| Revenue by Source | Original Budget 2026/27 | Adjustment Budget 2026/27 | Adjustment |
|---|---|---|---|
| Service charges - Water | R - | R - | R - |
| Service charges - Waste Water Management | R 990 000.00 | R 990 000.00 | R - |
| Service charges - Waste Management | R 20 150 321.00 | R 20 150 321.00 | R - |
| Sales of Goods and Rendering of Services | R 17 872 302.00 | R 17 872 302.00 | R - |
| Agency services | R 14 605 528.00 | R 16 352 757.00 | R 1 747 229.00 |
| Interest earned from Receivables | R 353 800.00 | R 353 800.00 | R - |
| Interest earned from Current and Non Current Assets | R 9 500 000.00 | R 9 500 000.00 | R - |
| Rental from Fixed Assets | R 18 377 000.00 | R 18 377 000.00 | R - |
| Licences or Permits | R 1 531 170.00 | R 1 531 170.00 | R - |
| Operational Revenue | R 1 760 889.00 | R 2 164 763.00 | R 403 874.00 |
| Transfer and subsidies - Operational | R 97 424 000.00 | R 97 624 000.00 | R 200 000.00 |
| Transfers and subsidies - Capital | R 2 799 000.00 | R 6 396 936.00 | R 3 597 936.00 |
| Gains on Disposal of Fixed and Intangible Assets | R 2 660 000.00 | R 2 660 000.00 | R - |
| **Total** | **R 188 024 010.00** | **R 193 973 049.00** | **R 5 949 039.00** |

| Expenditure by Type | Original Budget 2026/27 | Adjustment Budget 2026/27 | Adjustment |
|---|---|---|---|
| Employee related costs | R 109 776 209.00 | R 109 776 209.00 | R - |
| Remuneration of councillors | R 7 422 516.00 | R 7 422 516.00 | R - |
| Inventory Consumed | R 4 244 771.00 | R 4 244 771.00 | R - |
| Debt impairment | R 100 000.00 | R 100 000.00 | R - |
| Depreciation, Amortisation and Impairment | R 3 727 000.00 | R 3 727 000.00 | R - |
| Interest, Dividends and Rent on Land | R 3 137 236.00 | R 3 137 236.00 | R - |
| Contracted Services | R 28 706 227.00 | R 29 603 101.00 | R 896 874.00 |
| Transfers and Subsidies | R - | R - | R - |
| Operational Cost | R 27 049 606.00 | R 27 049 606.00 | R - |
| Other Losses | R - | R - | R - |
| **Total** | **R 184 163 565.00** | **R 185 060 439.00** | **R 896 874.00** |
| **Surplus/(Deficit)** | **R 3 860 445.00** | **R 8 912 610.00** | **R 5 052 165.00** |

## SUMMARY INCOME & EXPENDITURE 2026/2027 MTREF ROADS AGENCY

| Revenue by Source | Original Budget 2026/27 | Adjustment Budget 2026/27 | Adjustment |
|---|---|---|---|
| Sales of Goods and Rendering of Services | R 139 969 643.00 | R 173 458 190.00 | R 33 488 547.00 |
| Operational Revenue | R - | R - | R - |
| **Total** | **R 139 969 643.00** | **R 173 458 190.00** | **R 33 488 547.00** |

| Expenditure by Type | Original Budget 2026/27 | Adjustment Budget 2026/27 | Adjustment |
|---|---|---|---|
| Employee related costs | R 76 233 000.00 | R 76 323 000.00 | R 90 000.00 |
| Inventory Consumed | R 42 210 000.00 | R 64 204 121.00 | R 21 994 121.00 |
| Depreciation, Amortisation and Impairment | R 123 000.00 | R - | R -123 000.00 |
| Interest, Dividends and Rent on Land | R 350 000.00 | R 350 000.00 | R - |
| Contracted Services | R 5 353 143.00 | R 6 353 143.00 | R 1 000 000.00 |
| Transfers and Subsidies | R 1 000 000.00 | R 1 000 000.00 | R - |
| Operational Cost | R 14 700 500.00 | R 25 227 926.00 | R 10 527 426.00 |
| Other Losses | R - | R - | R - |
| **Total** | **R 139 969 643.00** | **R 173 458 190.00** | **R 33 488 547.00** |
| **Surplus/(Deficit)** | **R -** | **R -** | **R -** |

Significant (high value) changes are apparent due to the additional funds allocated to the Roads Services function and as explained in the revenue and expenditure section of the document. Virements submitted by the user-department to date also form part of the adjustments recorded on the schedule above. Overall, the operational budget has a net zero effect.

**1.2** Capital budget review and multi-year adjustments

## Capital budget

| Description | Ref | Budget Year 2026/27 | | | Budget Year +1 2027/28 | Budget Year +2 2028/29 |
|---|---|---|---|---|---|---|
| | | Original Budget | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| R thousands | | A | 11 G | 12 H | | |
| **Capital expenditure - Vote** | | | | | | |
| **Multi-year expenditure *to be adjusted*** | 2 | | | | | |
| Vote 5 - Community Services | | 20 800 | – | 20 800 | 2 900 | – |
| **Capital multi-year expenditure sub-total** | 3 | **20 800** | **–** | **20 800** | **2 900** | **–** |
| **Single-year expenditure *to be adjusted*** | 2 | | | | | |
| Vote 3 - Corporate Services | | 688 | 1 198 | 1 886 | 400 | 700 |
| Vote 5 - Community Services | | 6 938 | 2 756 | 9 694 | 880 | 3 150 |
| **Capital single-year expenditure sub-total** | | **7 626** | **3 955** | **11 581** | **1 280** | **3 850** |
| **Total Capital Expenditure - Vote** | | **28 426** | **3 955** | **32 381** | **4 180** | **3 850** |
| **Capital Expenditure - Functional** | | | | | | |
| ***Governance and administration*** | | **688** | **1 198** | **1 886** | **400** | **700** |
| Finance and administration | | 688 | 1 198 | 1 886 | 400 | 700 |
| ***Community and public safety*** | | **6 887** | **2 756** | **9 644** | **880** | **3 150** |
| Sport and recreation | | 180 | 196 | 376 | 180 | – |
| Public safety | | 5 479 | 3 759 | 9 238 | 680 | 3 130 |
| Health | | 1 228 | (1 198) | 30 | 20 | 20 |
| ***Economic and environmental services*** | | **51** | **–** | **51** | **–** | **–** |
| Environmental protection | | 51 | – | 51 | – | – |
| ***Trading services*** | | **20 800** | **–** | **20 800** | **2 900** | **–** |
| Waste management | | 20 800 | – | 20 800 | 2 900 | – |
| **Total Capital Expenditure - Functional** | 3 | **28 426** | **3 955** | **32 381** | **4 180** | **3 850** |
| **Funded by:** | | | | | | |
| National Government | | – | – | – | – | – |
| Provincial Government | | 2 799 | – | 2 799 | – | – |
| District Municipality | | – | – | – | – | – |
| Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions) | | – | – | – | – | – |
| **Transfers recognised - capital** | 4 | **2 799** | **–** | **2 799** | **–** | **–** |
| **Borrowing** | | 20 800 | – | 20 800 | 2 900 | – |
| **Internally generated funds** | | 4 827 | 3 955 | 8 782 | 1 280 | 3 850 |
| **Total Capital Funding** | | **28 426** | **3 955** | **32 381** | **4 180** | **3 850** |

The capital adjustment budget proposes the following changes that ensure alignment of the project spending as well as the review of the completed projects.

Below explanation of the capital projects reviewed –

**Vote 3 – Corporate services**

Reallocation of the building project from Municipal Health department to Corporate Services Property Maintenance Services.

**Vote 5 - Community services**

**Sport and Recreation –**

Equipment and Machinery - Pumps: R91 032

The LED and Resorts function experienced an emergency where the sewerage infrastructure failed, and emergency procurement was required to ensure limit environmental damage. Provision needed to be made for the purchase of additional sewerage pumps and a virement was processed.

Capital Commitments: R105 000

The resorts had a capital commitment for a lawnmower that was only delivered in the new financial year, and a roll-over provision is required in the adjustment budget.

**Public Safety**

Vehicle Replacement - DC3_Donated Assets

The municipality received donated assets in kind at a fair value of R3 597 936 which consisted of:

- R1 950 000 – Hilux bakkies (x8) and x1 Hino truck (Department of Mobility)
- R1 600 000 – Iveco Euro cab Truck (Department of Forestry, Fisheries and Environmental)

**Health**

Office building in Caledon reallocated to Corporate Services department for better project management under the property management portfolio. (R1 198 000)

An overall increase in the total capital budget for the financial year amounting to R3.955 million will reflect on the capital project list in the supporting documentation.

## 1.3 Allocation and grants adjustments

An additional grant of R500 000 was allocated to the municipality and published in the Provincial Gazette dated 11 September 2026.

The Roll-over unspent grant application process is not finalised yet, and no Roll-over projects are included in the Adjustment budget tabled.

## 1.4 Summary

Only significant amendments, as tabled, were performed and alignment of all revenue categories is also included as part of the adjustment budget tabling.

**The following adjustments are recommended and tabled for consideration:**

| Description | Ref | Budget Year 2026/27 | | | | Budget Year +1 2027/28 | Budget Year +2 2028/29 |
|---|---|---|---|---|---|---|---|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| R thousands | 1 | A | 8<br>F | 9<br>G | 10<br>H | | |
| **Total Revenue (excluding capital transfers and contributions)** | | **325 195** | **35 840** | **35 840** | **361 034** | **300 329** | **199 950** |
| **Total Expenditure** | | **324 133** | **34 385** | **34 385** | **358 519** | **298 953** | **196 051** |
| **Surplus/(Deficit)** | | 1 061 | 1 454 | 1 454 | 2 516 | 1 376 | 3 899 |
| Transfers and subsidies - capital (monetary allocations) | | 2 799 | – | – | 2 799 | – | – |
| Transfers and subsidies - capital (in-kind - all) | | – | 3 598 | 3 598 | 3 598 | – | – |
| **Surplus/ (Deficit) for the year** | 1 | **3 860** | **5 052** | **5 052** | **8 913** | **1 376** | **3 899** |

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## 1.5 Revised Capital Adjustment Budget

**OVERBERG DISRICT MUNICIPALITY - MULTI YEAR CAPITAL BUDGET FOR 2026/27 - 2028/29**

| | UKEY Descriptio | Department | FUNDING TYPE | DESCRIPTION | BUDGET 2026/27 | Adjustments | Adjusted Budget 2026/27 |
|---|---|---|---|---|---|---|---|
| | **DIRECTORATE: MUNICIPAL MANAGER OFFICE** | | | | | | |
| | | | | **TOTAL** | **R0** | **R0** | **R0** |
| | **DIRECTORATE: CORPORATE SERVICES** | | | | | | |
| | | | | **Corporate Support** | | | |
| 1 | | **Corporate Support** | CRR | DC3_Trailer | R25 000.00 | | R25 000.00 |
| | | **Corporate Support** | CRR | DC3_Building | R0.00 | R1 198 400.00 | R1 198 400.00 |
| | | | | **TOTAL** | **R25 000** | **R1 198 400** | **R1 223 400** |
| | | | | **ICT SERVICES** | | | |
| 2 | | **ICT SERVICES** | CRR | DC3_Computers and Computer Equipment | R450 000.00 | R0.00 | R450 000.00 |
| 3 | | **ICT SERVICES** | CRR | DC3_Network cable roll stand | R13 000.00 | R0.00 | R13 000.00 |
| 4 | | **ICT SERVICES** | CRR | DC3_Alarm and cameras | R200 000.00 | R0.00 | R200 000.00 |
| | | | | **TOTAL** | **R663 000.00** | **R0.00** | **R663 000.00** |
| | **DIRECTORATE: FINANCIAL SERVICES** | | | | | | |
| | | | | **TOTAL** | **R0** | **R0** | **R0** |
| | **DIRECTORATE: COMMUNITY SERVICES** | | | | | | |
| 5 | | **EMERGENCY SERVICES** | CRR | New Vehicle | R2 000 000.00 | R0.00 | R2 000 000.00 |
| 6 | | **EMERGENCY SERVICES** | CRR | Refurbishing of vehicles | R200 000.00 | R0.00 | R200 000.00 |
| 7 | | **EMERGENCY SERVICES** | CRR | Bunker Clothing | R300 000.00 | R0.00 | R300 000.00 |
| 8 | | **EMERGENCY SERVICES** | CRR | Office Furniture and Appliances | R30 000.00 | R0.00 | R30 000.00 |
| 9 | | **EMERGENCY SERVICES** | CRR | DC3_Rescue Equipment | R150 000.00 | R0.00 | R150 000.00 |
| 10 | | **EMERGENCY SERVICES** | GRANTS | Water Resilience Grant | R1 500 000.00 | R0.00 | R1 500 000.00 |
| 11 | | **EMERGENCY SERVICES** | GRANTS | Fire Capicity Grant | R1 299 000.00 | R0.00 | R1 299 000.00 |
| | | **EMERGENCY SERVICES** | 5 | Donated Assets | R0.00 | R3 597 936.00 | R3 597 936.00 |
| | | **EMERGENCY SERVICES** | CRR | Training materials | R0.00 | R160 805.00 | R160 805.00 |
| | | | | **TOTAL** | **R5 479 000** | **R3 758 741** | **R9 237 741** |
| | | | | **ENVIRONMENTAL MANAGEMENT SERVICES** | | | |
| 12 | | **ENVIRONMENTAL MANAGEMENT SERVICES** | CRR | 4x4 fitment of bullbar and winch | R35 000.00 | R0.00 | R35 000.00 |
| 13 | | **ENVIRONMENTAL MANAGEMENT SERVICES** | CRR | Towbar | R10 000.00 | R0.00 | R10 000.00 |
| 14 | | **ENVIRONMENTAL MANAGEMENT SERVICES** | CRR | Off road tire pump | R3 000.00 | R0.00 | R3 000.00 |
| 15 | | **ENVIRONMENTAL MANAGEMENT SERVICES** | CRR | Measuring wheel | R2 700.00 | R0.00 | R2 700.00 |
| | | | | **TOTAL** | **R50 700** | **R0** | **R50 700** |
| | | | | **LED, TOURISM, RESORTS AND EPWP** | | | |
| 16 | | **LED, TOURISM, RESORTS AND EPWP** | CRR | Gas Conversion(Ablution x2) | R180 000.00 | R0.00 | R180 000.00 |
| | | **LED, TOURISM, RESORTS AND EPWP** | CRR | Lawnmower | R0.00 | R105 000.00 | R105 000.00 |
| | | **LED, TOURISM, RESORTS AND EPWP** | CRR | Pumps | R0.00 | R91 032.00 | R91 032.00 |
| | | | | **TOTAL** | **180 000** | **196 032** | **376 032** |
| 17 | | **MUNICIPAL HEALTH SERVICES** | CRR | Furniture | R30 000.00 | R0.00 | R30 000.00 |
| | | **MUNICIPAL HEALTH SERVICES** | CRR | DC3_Building | R1 198 400.00 | -R1 198 400.00 | R0.00 |
| | | | | **TOTAL** | **R1 228 400** | **-R1 198 400** | **R30 000** |
| 19 | | **SOLID WASTE MANAGEMENT** | LOANS | DC3_Cell 5 | R20 800 000.00 | R0.00 | R20 800 000.00 |
| | | | | **TOTAL** | **R20 800 000** | **R0** | **R20 800 000** |
| | | | | **GRAND TOTAL** | **R28 426 100.00** | **R7 856 373.00** | **R32 380 873.00** |

| Type | Funding Sources | BUDGET 2026/27 | Adjustments | Adjusted Budget 2026/27 | BUDGET 2027/28 | BUDGET 2028/29 |
|---|---|---|---|---|---|---|
| CRR | Capital Replacement Reserve | R4 827 100 | R356 837 | R5 183 937 | R2 780 000 | R2 350 000 |
| 2 | Revenue | R0 | R0 | R0 | R0 | R0 |
| LOANS | External Loans | R20 800 000 | R0 | R20 800 000 | R0 | R0 |
| GRANTS | Grants | R2 799 000 | R0 | R2 799 000 | R0 | R0 |
| 5 | Donated Assets | R0 | R3 597 936 | R3 597 936 | R0 | R0 |
| | **TOTAL** | **R28 426 100** | **R3 954 773** | **R32 380 873** | **R2 780 000** | **R2 350 000** |

Capital increases reflect as follows –

Donated asset projects

Committed capital projects – CRR funding.

Priority capital projects

Total revised capital projects table to the value of R32 380 873.

# 6) Adjustment Budget Tables

The adjustment budget tables compiled in terms of the Municipal Budgeting and Reporting Regulations (MBRR) (Schedule B) are listed below:

## TABLE B1 – Adjustment Budget Summary

| Description | Budget Year 2026/27 | | | | Budget Year +1 2027/28 | Budget Year +2 2028/29 |
|---|---|---|---|---|---|---|
| R thousands | Original Budget<br>A | Other Adjusts.<br>6<br>F | Total Adjusts.<br>7<br>G | Adjusted Budget<br>8<br>H | Adjusted Budget | Adjusted Budget |
| **Financial Performance** | | | | | | |
| Service charges | 21 140 | – | – | 21 140 | 22 620 | 23 988 |
| Investment revenue | 9 500 | – | – | 9 500 | 9 500 | 9 500 |
| Transfer and subsidies - Operational | 97 424 | 200 | 200 | 97 624 | 97 931 | 102 770 |
| Other own revenue | 197 130 | 35 640 | 35 640 | 232 770 | 170 278 | 63 692 |
| **Total Revenue (excluding capital transfers and contributions)** | **325 195** | **35 840** | **35 840** | **361 034** | **300 329** | **199 950** |
| Employee costs | 186 009 | 90 | 90 | 186 099 | 177 416 | 123 922 |
| Remuneration of councillors | 7 423 | – | – | 7 423 | 7 905 | 8 419 |
| Depreciation, amortisation and impairment | 3 950 | (123) | (123) | 3 827 | 3 950 | 3 940 |
| Interest, Dividends and Rent on Land | 3 487 | – | – | 3 487 | 3 353 | 3 012 |
| Inventory consumed and bulk purchases | 46 455 | 21 994 | 21 994 | 68 449 | 35 077 | 4 400 |
| Transfers and subsidies | 1 000 | – | – | 1 000 | 799 | – |
| Other expenditure | 75 809 | 12 424 | 12 424 | 88 234 | 70 453 | 52 359 |
| ***Total Expenditure*** | **324 133** | **34 385** | **34 385** | **358 519** | **298 953** | **196 051** |
| **Surplus/(Deficit)** | 1 061 | 1 454 | 1 454 | 2 516 | 1 376 | 3 899 |
| Transfers and subsidies - capital (monetary allocations) | 2 799 | – | – | 2 799 | – | – |
| Transfers and subsidies - capital (in-kind - all) | – | 3 598 | 3 598 | 3 598 | – | – |
| **Surplus/(Deficit) after capital transfers & contributions** | **3 860** | **5 052** | **5 052** | **8 913** | **1 376** | **3 899** |
| **Surplus/ (Deficit) for the year** | **3 860** | **5 052** | **5 052** | **8 913** | **1 376** | **3 899** |
| **Capital expenditure & funds sources** | | | | | | |
| **Capital expenditure** | 28 426 | 3 955 | 3 955 | 32 381 | 4 180 | 3 850 |
| Transfers recognised - capital | 2 799 | – | – | 2 799 | – | – |
| Borrowing | 20 800 | – | – | 20 800 | 2 900 | – |
| Internally generated funds | 4 827 | 3 955 | 3 955 | 8 782 | 1 280 | 3 850 |
| **Total sources of capital funds** | **28 426** | **3 955** | **3 955** | **32 381** | **4 180** | **3 850** |
| **Financial position** | | | | | | |
| Total current assets | 83 350 | (6 722) | (6 722) | 76 628 | 88 794 | 91 338 |
| Total non current assets | 189 751 | 3 955 | 3 955 | 193 706 | 191 323 | 192 897 |
| Total current liabilities | 35 100 | 1 794 | 1 794 | 36 893 | 38 193 | 41 341 |
| Total non current liabilities | 110 438 | (6 866) | (6 866) | 103 573 | 112 186 | 109 257 |
| Community wealth/Equity | **127 563** | **5 052** | **5 052** | **132 615** | **129 738** | **133 637** |
| **Cash flows** | | | | | | |
| Net cash from (used) operating | 7 376 | (1 293) | (1 293) | 6 083 | 5 929 | (987) |
| Net cash from (used) investing | (25 766) | (357) | (357) | (26 123) | (580) | 8 305 |
| Net cash from (used) financing | 16 205 | 27 968 | 27 968 | 44 174 | (20) | (4 920) |
| **Cash/cash equivalents at the year end** | **68 406** | **(6 722)** | **(6 722)** | **61 684** | **73 734** | **76 132** |
| **Cash backing/surplus reconciliation** | | | | | | |
| Cash and investments available | 68 406 | (6 722) | (6 722) | 61 684 | 73 734 | 76 132 |
| Application of cash and investments | 6 347 | – | – | 6 347 | 6 735 | 16 000 |
| **Balance - surplus (shortfall)** | **62 059** | **(6 722)** | **(6 722)** | **55 337** | **66 999** | **60 132** |
| **Asset Management** | | | | | | |
| Asset register summary (WDV) | 164 922 | 3 955 | 3 955 | 168 877 | 165 252 | 165 262 |
| Depreciation | 3 850 | (123) | (123) | 3 727 | 3 850 | 3 840 |
| Renewal and Upgrading of Existing Assets | 22 185 | 3 794 | 3 794 | 25 979 | 4 180 | 1 350 |
| Repairs and Maintenance | 9 856 | (4 302) | (4 302) | 5 554 | 9 965 | 10 281 |

## TABLE B2 – Adjustment Budget Financial Performance (Standard Classification)

| Standard Description | Ref | Budget Year 2026/27 | | | | Budget Year +1 2027/28 | Budget Year +2 2028/29 |
|---|---|---|---|---|---|---|---|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| | | | 10 | 11 | 12 | | |
| R thousands | 1, 4 | A | F | G | H | | |
| **Revenue - Functional** | | | | | | | |
| ***Governance and administration*** | | **115 295** | **2 351** | **2 351** | **117 646** | **113 347** | **114 948** |
| Executive and council | | 34 208 | 2 054 | 2 054 | 36 262 | 31 095 | 30 202 |
| Finance and administration | | 81 087 | 297 | 297 | 81 384 | 82 252 | 84 746 |
| Internal audit | | – | – | – | – | – | – |
| ***Community and public safety*** | | **52 441** | **3 598** | **3 598** | **56 039** | **56 335** | **61 902** |
| Sport and recreation | | 28 183 | – | – | 28 183 | 28 939 | 30 923 |
| Public safety | | 19 538 | 3 598 | 3 598 | 23 136 | 21 893 | 25 067 |
| Health | | 4 719 | – | – | 4 719 | 5 503 | 5 912 |
| ***Economic and environmental services*** | | **140 107** | **33 489** | **33 489** | **173 596** | **109 086** | **245** |
| Road transport | | 139 970 | 33 489 | 33 489 | 173 458 | 108 867 | – |
| Environmental protection | | 138 | – | – | 138 | 219 | 245 |
| ***Trading services*** | | **20 150** | **–** | **–** | **20 150** | **21 561** | **22 854** |
| Waste management | | 20 150 | – | – | 20 150 | 21 561 | 22 854 |
| ***Other*** | | **–** | **–** | – | **–** | **–** | **–** |
| **Total Revenue - Functional** | 2 | **327 994** | **39 438** | **39 438** | **367 431** | **300 329** | **199 950** |
| **Expenditure - Functional** | | | | | | | |
| ***Governance and administration*** | | **72 397** | **577** | **577** | **72 974** | **75 398** | **78 908** |
| Executive and council | | 12 302 | – | – | 12 302 | 13 098 | 13 880 |
| Finance and administration | | 58 190 | 577 | 577 | 58 767 | 60 274 | 62 873 |
| Internal audit | | 1 905 | – | – | 1 905 | 2 026 | 2 156 |
| ***Community and public safety*** | | **92 285** | **320** | **320** | **92 605** | **93 673** | **96 104** |
| Sport and recreation | | 20 075 | 320 | 320 | 20 395 | 18 678 | 17 598 |
| Public safety | | 49 824 | – | – | 49 824 | 51 310 | 53 421 |
| Health | | 22 386 | – | – | 22 386 | 23 685 | 25 084 |
| ***Economic and environmental services*** | | **146 056** | **33 489** | **33 489** | **179 545** | **116 080** | **6 806** |
| Planning and development | | 1 989 | – | – | 1 989 | 2 113 | 2 245 |
| Road transport | | 139 970 | 33 489 | 33 489 | 173 458 | 109 665 | – |
| Environmental protection | | 4 098 | – | – | 4 098 | 4 302 | 4 561 |
| ***Trading services*** | | **13 395** | **–** | **–** | **13 395** | **13 801** | **14 232** |
| Waste management | | 13 395 | – | – | 13 395 | 13 801 | 14 232 |
| **Total Expenditure - Functional** | 3 | **324 133** | **34 385** | **34 385** | **358 519** | **298 953** | **196 051** |
| **Surplus/ (Deficit) for the year** | | **3 860** | **5 052** | **5 052** | **8 913** | **1 376** | **3 899** |

## TABLE B3 - Adjustment Budget Financial Performance (Rev & Exp by Municipal Vote)

| Vote Description<br>*[Insert departmental structure etc]*<br>R thousands | Ref | Budget Year 2026/27<br>Original Budget<br>A | Other Adjusts.<br>8<br>F | Total Adjusts.<br>9<br>G | Adjusted Budget<br>10<br>H | Budget Year +1 2027/28<br>Adjusted Budget | Budget Year +2 2028/29<br>Adjusted Budget |
|---|---|---|---|---|---|---|---|
| **Revenue by Vote** | 1 | | | | | | |
| Vote 1 - Municipal Manager | | 34 208 | 2 054 | 2 054 | 36 262 | 31 095 | 30 202 |
| Vote 3 - Corporate Services | | 541 | (300) | (300) | 241 | 548 | 556 |
| Vote 4 - Finance | | 80 547 | 597 | 597 | 81 144 | 81 703 | 84 189 |
| Vote 5 - Community Services | | 212 699 | 37 086 | 37 086 | 249 785 | 186 982 | 85 002 |
| **Total Revenue by Vote** | 2 | **327 994** | **39 438** | **39 438** | **367 431** | **300 329** | **199 950** |
| **Expenditure by Vote** | 1 | | | | | | |
| Vote 1 - Municipal Manager | | 18 114 | – | – | 18 114 | 19 230 | 20 273 |
| Vote 3 - Corporate Services | | 22 589 | 577 | 577 | 23 166 | 23 320 | 24 350 |
| Vote 4 - Finance | | 31 884 | – | – | 31 884 | 33 058 | 34 516 |
| Vote 5 - Community Services | | 251 546 | 33 809 | 33 809 | 285 355 | 223 344 | 116 912 |
| **Total Expenditure by Vote** | 2 | **324 133** | **34 385** | **34 385** | **358 519** | **298 953** | **196 051** |
| **Surplus/ (Deficit) for the year** | 2 | **3 860** | **5 052** | **5 052** | **8 913** | **1 376** | **3 899** |

## TABLE B4 - Adjustment Budget Financial Performance (Revenue & Expenditure)

| Description | Ref | Budget Year 2026/27 | | | | Budget Year +1 2027/28 | Budget Year +2 2028/29 |
|---|---|---|---|---|---|---|---|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| | | | 8 | 9 | 10 | | |
| R thousands | 1 | A | F | G | H | | |
| **Revenue By Source** | | | | | | | |
| **Exchange Revenue** | | | | | | | |
| Service charges - Waste Water Management | 2 | 990 | – | – | 990 | 1 059 | 1 133 |
| Service charges - Waste Management | 2 | 20 150 | – | – | 20 150 | 21 561 | 22 854 |
| Sale of Goods and Rendering of Services | | 157 842 | 33 489 | 33 489 | 191 330 | 130 358 | 24 794 |
| Agency services | | 14 606 | 1 747 | 1 747 | 16 353 | 11 360 | – |
| Interest earned from Receivables | | 354 | – | – | 354 | 378 | 404 |
| Interest earned from Current and Non Current Assets | | 9 500 | – | – | 9 500 | 9 500 | 9 500 |
| Rental from Fixed Assets | | 18 377 | – | – | 18 377 | 20 141 | 21 506 |
| Licence and permits | | 1 531 | – | – | 1 531 | 2 000 | 2 200 |
| Operational Revenue | | 1 761 | 404 | 404 | 2 165 | 2 441 | 2 632 |
| **Non-Exchange Revenue** | | | | | | | |
| Transfer and subsidies - Operational | | 97 424 | 200 | 200 | 97 624 | 97 931 | 102 770 |
| Gains on disposal of Fixed and Intangible Assets | | 2 660 | – | – | 2 660 | 3 600 | 12 155 |
| **Total Revenue (excluding capital transfers and contributions)** | | **325 195** | **35 840** | **35 840** | **361 034** | **300 329** | **199 950** |
| **Expenditure By Type** | | | | | | | |
| Employee related costs | | 186 009 | 90 | 90 | 186 099 | 177 416 | 123 922 |
| Remuneration of councillors | | 7 423 | – | – | 7 423 | 7 905 | 8 419 |
| Inventory consumed | | 46 455 | 21 994 | 21 994 | 68 449 | 35 077 | 4 400 |
| Debt impairment | | 100 | – | – | 100 | 100 | 100 |
| Depreciation, amortisation and impairment | | 3 850 | (123) | (123) | 3 727 | 3 850 | 3 840 |
| Interest, Dividends and Rent on Land | | 3 487 | – | – | 3 487 | 3 353 | 3 012 |
| Contracted services | | 34 059 | 1 897 | 1 897 | 35 956 | 30 508 | 26 032 |
| Transfers and subsidies | | 1 000 | – | – | 1 000 | 799 | – |
| Operational Cost and Other Cost | | 41 750 | 10 527 | 10 527 | 52 278 | 39 945 | 26 326 |
| **Total Expenditure** | | **324 133** | **34 385** | **34 385** | **358 519** | **298 953** | **196 051** |
| **Surplus/(Deficit)** | | 1 061 | 1 454 | 1 454 | 2 516 | 1 376 | 3 899 |
| Transfers and subsidies - capital (monetary allocations) | | 2 799 | – | – | 2 799 | – | – |
| Transfers and subsidies - capital (in-kind - all) | | – | 3 598 | 3 598 | 3 598 | – | – |
| **Surplus/(Deficit) before taxation** | | **3 860** | **5 052** | **5 052** | **8 913** | **1 376** | **3 899** |
| **Surplus/(Deficit) after taxation** | | **3 860** | **5 052** | **5 052** | **8 913** | **1 376** | **3 899** |
| **Surplus/(Deficit) attributable to municipality** | | **3 860** | **5 052** | **5 052** | **8 913** | **1 376** | **3 899** |
| **Surplus/ (Deficit) for the year** | 1 | **3 860** | **5 052** | **5 052** | **8 913** | **1 376** | **3 899** |

## TABLE B5 – Adjustments Capital Expenditure Budget by Vote and Funding

| Description | Ref | Budget Year 2026/27 | | | Budget Year +1 2027/28 | Budget Year +2 2028/29 |
|---|---|---|---|---|---|---|
| | | Original Budget | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| R thousands | | A | 11<br>G | 12<br>H | | |
| **Capital expenditure - Vote** | | | | | | |
| **Multi-year expenditure *to be adjusted*** | 2 | | | | | |
| Vote 5 - Community Services | | 20 800 | – | 20 800 | 2 900 | – |
| **Capital multi-year expenditure sub-total** | 3 | **20 800** | **–** | **20 800** | **2 900** | **–** |
| **Single-year expenditure *to be adjusted*** | 2 | | | | | |
| Vote 3 - Corporate Services | | 688 | 1 198 | 1 886 | 400 | 700 |
| Vote 5 - Community Services | | 6 938 | 2 756 | 9 694 | 880 | 3 150 |
| **Capital single-year expenditure sub-total** | | **7 626** | **3 955** | **11 581** | **1 280** | **3 850** |
| **Total Capital Expenditure - Vote** | | **28 426** | **3 955** | **32 381** | **4 180** | **3 850** |
| **Capital Expenditure - Functional** | | | | | | |
| ***Governance and administration*** | | **688** | **1 198** | **1 886** | **400** | **700** |
| Finance and administration | | 688 | 1 198 | 1 886 | 400 | 700 |
| ***Community and public safety*** | | **6 887** | **2 756** | **9 644** | **880** | **3 150** |
| Sport and recreation | | 180 | 196 | 376 | 180 | – |
| Public safety | | 5 479 | 3 759 | 9 238 | 680 | 3 130 |
| Health | | 1 228 | (1 198) | 30 | 20 | 20 |
| ***Economic and environmental services*** | | **51** | **–** | **51** | **–** | **–** |
| Environmental protection | | 51 | – | 51 | – | – |
| ***Trading services*** | | **20 800** | **–** | **20 800** | **2 900** | **–** |
| Waste management | | 20 800 | – | 20 800 | 2 900 | – |
| **Total Capital Expenditure - Functional** | 3 | **28 426** | **3 955** | **32 381** | **4 180** | **3 850** |
| **Funded by:** | | | | | | |
| National Government | | – | – | – | – | – |
| Provincial Government | | 2 799 | – | 2 799 | – | – |
| District Municipality | | – | – | – | – | – |
| Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions) | | – | – | – | – | – |
| **Transfers recognised - capital** | 4 | **2 799** | **–** | **2 799** | **–** | **–** |
| **Borrowing** | | 20 800 | – | 20 800 | 2 900 | – |
| **Internally generated funds** | | 4 827 | 3 955 | 8 782 | 1 280 | 3 850 |
| **Total Capital Funding** | | **28 426** | **3 955** | **32 381** | **4 180** | **3 850** |

## TABLE B6 – Adjustment Budget Position

| Description | Ref | Budget Year 2026/27 | | | | Budget Year +1 2027/28 | Budget Year +2 2028/29 |
|---|---|---|---|---|---|---|---|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| R thousands | | A | 8 F | 9 G | 10 H | | |
| **ASSETS** | | | | | | | |
| **Current assets** | | | | | | | |
| Cash and cash equivalents | | 68 406 | (6 722) | (6 722) | 61 684 | 73 734 | 76 132 |
| Trade and other receivables from exchange transactions | 1 | 9 963 | – | – | 9 963 | 9 963 | 9 963 |
| Receivables from non-exchange transactions | 1 | 605 | – | – | 605 | 605 | 605 |
| Current portion of non-current receivables | 2 | 2 320 | – | – | 2 320 | 2 436 | 2 582 |
| Inventory | | 1 263 | – | – | 1 263 | 1 263 | 1 263 |
| VAT Receivable | | 793 | – | – | 793 | 793 | 793 |
| **Total current assets** | | **83 350** | **(6 722)** | **(6 722)** | **76 628** | **88 794** | **91 338** |
| **Non current assets** | | | | | | | |
| Investment property | | 12 701 | – | – | 12 701 | 12 620 | 12 539 |
| Property, plant and equipment | 3 | 151 957 | 3 955 | 3 955 | 155 912 | 152 520 | 152 718 |
| Intangible assets | | 265 | – | – | 265 | 113 | 6 |
| Non-current receivables from non-exchange transactions | | 24 829 | – | – | 24 829 | 26 070 | 27 635 |
| **Total non current assets** | | **189 751** | **3 955** | **3 955** | **193 706** | **191 323** | **192 897** |
| **TOTAL ASSETS** | | **273 101** | **(2 767)** | **(2 767)** | **270 334** | **280 117** | **284 235** |
| **LIABILITIES** | | | | | | | |
| **Current liabilities** | | | | | | | |
| Financial liabilities | | 2 920 | 1 794 | 1 794 | 4 714 | 4 920 | 6 920 |
| Consumer deposits | | 8 | – | – | 8 | 8 | 8 |
| Trade and other payables from exchange transactions | | 6 999 | – | – | 6 999 | 6 999 | 6 999 |
| Trade and other payables from non-exchange transactions | | 3 303 | – | – | 3 303 | 3 303 | 3 303 |
| Provision | | 17 158 | – | – | 17 158 | 18 016 | 18 917 |
| Other current liabilities | | 4 711 | – | – | 4 711 | 4 947 | 5 194 |
| **Total current liabilities** | | **35 100** | **1 794** | **1 794** | **36 893** | **38 193** | **41 341** |
| **Non current liabilities** | | | | | | | |
| Financial liabilities | 1 | 47 703 | (6 866) | (6 866) | 40 837 | 45 683 | 38 763 |
| Provision | 1 | 3 576 | – | – | 3 576 | 3 793 | 4 022 |
| Other non-current liabilities | | 59 160 | – | – | 59 160 | 62 710 | 66 472 |
| **Total non current liabilities** | | **110 438** | **(6 866)** | **(6 866)** | **103 573** | **112 186** | **109 257** |
| **TOTAL LIABILITIES** | | **145 538** | **(5 072)** | **(5 072)** | **140 466** | **150 379** | **150 598** |
| **NET ASSETS** | 2 | **127 563** | **2 305** | **2 305** | **129 868** | **129 738** | **133 637** |
| **COMMUNITY WEALTH/EQUITY** | | | | | | | |
| Accumulated Surplus/(Deficit) | | 106 563 | 5 052 | 5 052 | 111 615 | 108 738 | 112 637 |
| Funds and Reserves | | 21 000 | – | – | 21 000 | 21 000 | 21 000 |
| Other | | – | – | – | – | – | – |
| **TOTAL COMMUNITY WEALTH/EQUITY** | | **127 563** | **5 052** | **5 052** | **132 615** | **129 738** | **133 637** |

## TABLE B7 – Adjusted Budget Cash flows

| Description | Ref | Budget Year 2026/27 | | | Budget Year +1 2027/28 | Budget Year +2 2028/29 |
|---|---|---|---|---|---|---|
| | | Original Budget | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| | | | 9 | 10 | | |
| R thousands | | A | G | H | | |
| **CASH FLOW FROM OPERATING ACTIVITIES** | | | | | | |
| **Receipts** | | | | | | |
| Property rates | | | – | – | | |
| Service charges | | 21 140 | – | 21 140 | 22 620 | 23 988 |
| Other revenue | | 194 017 | 404 | 194 420 | 166 200 | 51 032 |
| Transfers and Subsidies - Operational | 1 | 97 424 | 200 | 97 624 | 97 931 | 102 770 |
| Transfers and Subsidies - Capital | 1 | 2 799 | – | 2 799 | | |
| Interest | | 9 854 | – | 9 854 | 9 878 | 9 904 |
| **Payments** | | | | | | |
| Suppliers and employees | | (314 358) | (1 897) | (316 254) | (287 502) | (186 382) |
| Finance charges | | (2 500) | – | (2 500) | (2 400) | (2 300) |
| Transfers and Subsidies | 1 | (1 000) | – | (1 000) | (799) | |
| **NET CASH FROM/(USED) OPERATING ACTIVITIES** | | **7 376** | **(1 293)** | **6 083** | **5 929** | **(987)** |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | | | |
| **Receipts** | | | | | | |
| Proceeds on disposal of PPE | | 2 660 | – | 2 660 | 3 600 | 12 155 |
| **Payments** | | | | | | |
| Capital assets | | (28 426) | (357) | (28 783) | (4 180) | (3 850) |
| Retention (Capital) | | | – | – | | |
| **NET CASH FROM/(USED) INVESTING ACTIVITIES** | | **(25 766)** | **(357)** | **(26 123)** | **(580)** | **8 305** |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | | | | |
| **Receipts** | | | | | | |
| Borrowing long term/refinancing | | 20 800 | 28 400 | 49 200 | 2 900 | |
| **Payments** | | | | | | |
| Repayment of borrowing | | (4 595) | (432) | (5 026) | (2 920) | (4 920) |
| **NET CASH FROM/(USED) FINANCING ACTIVITIES** | | **16 205** | **27 968** | **44 174** | **(20)** | **(4 920)** |
| **NET INCREASE/ (DECREASE) IN CASH HELD** | | **(2 185)** | **26 318** | **24 134** | **5 328** | **2 398** |
| Cash/cash equivalents at the year begin: | 2 | 70 590 | (33 040) | 37 550 | 68 406 | 73 734 |
| Cash/cash equivalents at the year end: | 2 | 68 406 | (6 722) | 61 684 | 73 734 | 76 132 |

## TABLE B8 – Cash back reserves/accumulated surplus provision.

| Description | Ref | Budget Year 2026/27 | | | | Budget Year +1 2027/28 | Budget Year +2 2028/29 |
|---|---|---|---|---|---|---|---|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| R thousands | | A | 8 F | 9 G | 10 H | | |
| **Cash and investments available** | | | | | | | |
| Cash/cash equivalents at the year end | 1 | 68 406 | (6 722) | (6 722) | 61 684 | 73 734 | 76 132 |
| **Cash and investments available:** | | **68 406** | **(6 722)** | **(6 722)** | **61 684** | **73 734** | **76 132** |
| **Applications of cash and investments** | | | | | | | |
| Unspent conditional transfers | | 3 303 | – | – | 3 303 | 3 303 | 3 303 |
| Other working capital requirements | 2 | (17 956) | | – | (15 521) | (17 568) | (8 304) |
| Reserves to be backed by cash/investments | | 21 000 | | – | 21 000 | 21 000 | 21 000 |
| **Total Application of cash and investments:** | | **6 347** | **–** | **–** | **8 782** | **6 735** | **16 000** |
| **Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits** | | **62 059** | **(6 722)** | **(6 722)** | **52 902** | **66 999** | **60 132** |
| **Creditors transferred to Debt Relief - Non-Current portion** | | | | | | | |
| **Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits** | | **62 059** | **(6 722)** | **(6 722)** | **52 902** | **66 999** | **60 132** |

## TABLE B9 – Asset Management

| Description | Ref | Budget Year 2026/27 | | | | Budget Year +1 2027/28 | Budget Year +2 2028/29 |
|---|---|---|---|---|---|---|---|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| R thousands | | A | 12 F | 13 G | 14 H | | |
| **CAPITAL EXPENDITURE** | | | | | | | |
| **Total New Assets *to be adjusted*** | 1 | **6 241** | **161** | **161** | **6 402** | – | **2 500** |
| Operational Buildings | | 1 198 | – | – | 1 198 | – | – |
| Other Assets | 6 | 1 198 | – | – | 1 198 | – | – |
| Biological or Cultivated Assets | | – | – | – | – | – | – |
| Furniture and Office Equipment | | 213 | 161 | 161 | 374 | – | – |
| Machinery and Equipment | | 6 | – | – | 6 | – | – |
| Transport Assets | | 4 824 | – | – | 4 824 | – | 2 500 |
| **Total Renewal of Existing Assets *to be adjusted*** | 2 | **710** | **3 794** | **3 794** | **4 504** | **700** | **650** |
| Furniture and Office Equipment | | 60 | – | – | 60 | 50 | 50 |
| Machinery and Equipment | | 450 | 3 794 | 3 794 | 4 244 | 450 | 400 |
| Transport Assets | | 200 | – | – | 200 | 200 | 200 |
| **Total Upgrading of Existing Assets *to be adjusted*** | 2a | **21 475** | – | – | **21 475** | **3 480** | **700** |
| *Solid Waste Infrastructure* | | 20 800 | – | – | 20 800 | 2 900 | – |
| Infrastructure | | 20 800 | – | – | 20 800 | 2 900 | – |
| Housing | | 180 | – | – | 180 | 180 | – |
| Other Assets | 6 | 180 | – | – | 180 | 180 | – |
| Furniture and Office Equipment | | 450 | – | – | 450 | 400 | 700 |
| Transport Assets | | 45 | – | – | 45 | – | – |
| **Total Capital Expenditure *to be adjusted*** | 4 | 28 426 | 3 955 | 3 955 | 32 381 | 4 180 | 3 850 |
| *Solid Waste Infrastructure* | | 20 800 | – | – | 20 800 | 2 900 | – |
| Infrastructure | | 20 800 | – | – | 20 800 | 2 900 | – |
| Operational Buildings | | 1 198 | – | – | 1 198 | – | – |
| Housing | | 180 | – | – | 180 | 180 | – |
| Other Assets | | 1 378 | – | – | 1 378 | 180 | – |
| Furniture and Office Equipment | | 723 | 161 | 161 | 884 | 450 | 750 |
| Machinery and Equipment | | 456 | 3 794 | 3 794 | 4 250 | 450 | 400 |
| Transport Assets | | 5 069 | – | – | 5 069 | 200 | 2 700 |
| **TOTAL CAPITAL EXPENDITURE *to be adjusted*** | 4 | **28 426** | **3 955** | **3 955** | **32 381** | **4 180** | **3 850** |
| **ASSET REGISTER SUMMARY - PPE (WDV)** | 5 | 164 922 | 3 955 | 3 955 | 168 877 | 165 252 | 165 262 |
| *Roads Infrastructure* | | 458 | – | – | 458 | 458 | 458 |
| *Electrical Infrastructure* | | 369 | – | – | 369 | 369 | 369 |
| *Water Supply Infrastructure* | | 676 | – | – | 676 | 676 | 676 |
| *Sanitation Infrastructure* | | 829 | – | – | 829 | 829 | 829 |
| *Solid Waste Infrastructure* | | 83 410 | – | – | 83 410 | 85 301 | 84 292 |
| Infrastructure | | 85 742 | – | – | 85 742 | 87 633 | 86 624 |
| Community Assets | | 12 | – | – | 12 | 12 | 12 |
| Investment properties | | 12 701 | – | – | 12 701 | 12 620 | 12 539 |
| Other Assets | | 13 355 | – | – | 13 355 | 13 135 | 12 776 |
| Intangible Assets | | 265 | – | – | 265 | 113 | 6 |
| Computer Equipment | | 1 878 | – | – | 1 878 | 1 234 | 590 |
| Furniture and Office Equipment | | 5 443 | 161 | 161 | 5 604 | 4 601 | 3 982 |
| Machinery and Equipment | | 9 317 | 3 794 | 3 794 | 13 111 | 9 676 | 9 986 |
| Transport Assets | | 30 603 | – | – | 30 603 | 30 622 | 33 141 |
| Land | | 5 608 | – | – | 5 608 | 5 608 | 5 608 |
| **TOTAL ASSET REGISTER SUMMARY - PPE (WDV)** | 5 | **164 922** | **3 955** | **3 955** | **168 877** | **165 252** | **165 262** |
| **EXPENDITURE OTHER ITEMS** | | | | | | | |
| **Depreciation & asset impairment** | | 3 850 | (123) | (123) | 3 727 | 3 850 | 3 840 |
| **Repairs and Maintenance by asset class** | 3 | **9 856** | **(4 302)** | **(4 302)** | **5 554** | **9 965** | **10 281** |
| *Solid Waste Infrastructure* | | 6 399 | (4 399) | (4 399) | 2 000 | 6 719 | 7 054 |
| **Infrastructure** | | 6 399 | (4 399) | (4 399) | 2 000 | 6 719 | 7 054 |
| **Investment properties** | | – | – | – | – | – | – |
| Operational Buildings | | 1 006 | 97 | 97 | 1 103 | 800 | 750 |
| Housing | | – | – | – | – | – | – |
| **Other Assets** | | 1 006 | 97 | 97 | 1 103 | 800 | 750 |
| **Machinery and Equipment** | | 627 | – | – | 627 | 633 | 653 |
| **Transport Assets** | | 1 825 | – | – | 1 825 | 1 814 | 1 824 |
| **TOTAL EXPENDITURE OTHER ITEMS to be adjusted** | | **13 706** | **(4 425)** | **(4 425)** | **9 281** | **13 815** | **14 121** |
| ***Renewal and upgrading of Existing Assets as % of total cape*** | | *78.0%* | | | *80.2%* | *100.0%* | *35.1%* |
| ***Renewal and upgrading of Existing Assets as % of deprecn"*** | | *576.2%* | | | *697.0%* | *108.6%* | *35.2%* |
| ***R&M as a % of PPE*** | | *6.0%* | | | *3.3%* | *6.0%* | *6.2%* |
| ***Renewal and upgrading and R&M as a % of PPE*** | | *19.4%* | | | *18.7%* | *8.6%* | *7.0%* |

| Description | Ref | Budget Year 2026/27 | | | | Budget Year +1 2027/28 | Budget Year +2 2028/29 |
|---|---|---|---|---|---|---|---|
| | | Original Budget | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| R thousands | | A | 12 F | 13 G | 14 H | | |
| **CAPITAL EXPENDITURE** | | | | | | | |
| **Total New Assets *to be adjusted*** | 1 | **6 241** | **161** | **161** | **6 402** | – | **2 500** |
| Operational Buildings | | 1 198 | – | – | 1 198 | – | – |
| Other Assets | 6 | 1 198 | – | – | 1 198 | – | – |
| Biological or Cultivated Assets | | – | – | – | – | – | – |
| Furniture and Office Equipment | | 213 | 161 | 161 | 374 | – | – |
| Machinery and Equipment | | 6 | – | – | 6 | – | – |
| Transport Assets | | 4 824 | – | – | 4 824 | – | 2 500 |
| **Total Renewal of Existing Assets *to be adjusted*** | 2 | **710** | **3 794** | **3 794** | **4 504** | **700** | **650** |
| Furniture and Office Equipment | | 60 | – | – | 60 | 50 | 50 |
| Machinery and Equipment | | 450 | 3 794 | 3 794 | 4 244 | 450 | 400 |
| Transport Assets | | 200 | – | – | 200 | 200 | 200 |
| **Total Upgrading of Existing Assets *to be adjusted*** | 2a | **21 475** | – | – | **21 475** | **3 480** | **700** |
| *Solid Waste Infrastructure* | | 20 800 | – | – | 20 800 | 2 900 | – |
| Infrastructure | | 20 800 | – | – | 20 800 | 2 900 | – |
| Housing | | 180 | – | – | 180 | 180 | – |
| Other Assets | 6 | 180 | – | – | 180 | 180 | – |
| Furniture and Office Equipment | | 450 | – | – | 450 | 400 | 700 |
| Transport Assets | | 45 | – | – | 45 | – | – |
| **Total Capital Expenditure *to be adjusted*** | 4 | 28 426 | 3 955 | 3 955 | 32 381 | 4 180 | 3 850 |
| *Solid Waste Infrastructure* | | 20 800 | – | – | 20 800 | 2 900 | – |
| Infrastructure | | 20 800 | – | – | 20 800 | 2 900 | – |
| Operational Buildings | | 1 198 | – | – | 1 198 | – | – |
| Housing | | 180 | – | – | 180 | 180 | – |
| Other Assets | | 1 378 | – | – | 1 378 | 180 | – |
| Furniture and Office Equipment | | 723 | 161 | 161 | 884 | 450 | 750 |
| Machinery and Equipment | | 456 | 3 794 | 3 794 | 4 250 | 450 | 400 |
| Transport Assets | | 5 069 | – | – | 5 069 | 200 | 2 700 |
| **TOTAL CAPITAL EXPENDITURE *to be adjusted*** | 4 | **28 426** | **3 955** | **3 955** | **32 381** | **4 180** | **3 850** |
| **ASSET REGISTER SUMMARY - PPE (WDV)** | 5 | 164 922 | 3 955 | 3 955 | 168 877 | 165 252 | 165 262 |
| *Roads Infrastructure* | | 458 | – | – | 458 | 458 | 458 |
| *Electrical Infrastructure* | | 369 | – | – | 369 | 369 | 369 |
| *Water Supply Infrastructure* | | 676 | – | – | 676 | 676 | 676 |
| *Sanitation Infrastructure* | | 829 | – | – | 829 | 829 | 829 |
| *Solid Waste Infrastructure* | | 83 410 | – | – | 83 410 | 85 301 | 84 292 |
| Infrastructure | | 85 742 | – | – | 85 742 | 87 633 | 86 624 |
| Community Assets | | 12 | – | – | 12 | 12 | 12 |
| Investment properties | | 12 701 | – | – | 12 701 | 12 620 | 12 539 |
| Other Assets | | 13 355 | – | – | 13 355 | 13 135 | 12 776 |
| Intangible Assets | | 265 | – | – | 265 | 113 | 6 |
| Computer Equipment | | 1 878 | – | – | 1 878 | 1 234 | 590 |
| Furniture and Office Equipment | | 5 443 | 161 | 161 | 5 604 | 4 601 | 3 982 |
| Machinery and Equipment | | 9 317 | 3 794 | 3 794 | 13 111 | 9 676 | 9 986 |
| Transport Assets | | 30 603 | – | – | 30 603 | 30 622 | 33 141 |
| Land | | 5 608 | – | – | 5 608 | 5 608 | 5 608 |
| **TOTAL ASSET REGISTER SUMMARY - PPE (WDV)** | 5 | **164 922** | **3 955** | **3 955** | **168 877** | **165 252** | **165 262** |
| **EXPENDITURE OTHER ITEMS** | | | | | | | |
| **Depreciation & asset impairment** | | 3 850 | (123) | (123) | 3 727 | 3 850 | 3 840 |
| **Repairs and Maintenance by asset class** | 3 | **9 856** | **(4 302)** | **(4 302)** | **5 554** | **9 965** | **10 281** |
| *Solid Waste Infrastructure* | | 6 399 | (4 399) | (4 399) | 2 000 | 6 719 | 7 054 |
| **Infrastructure** | | 6 399 | (4 399) | (4 399) | 2 000 | 6 719 | 7 054 |
| **Investment properties** | | – | – | – | – | – | – |
| Operational Buildings | | 1 006 | 97 | 97 | 1 103 | 800 | 750 |
| Housing | | – | – | – | – | – | – |
| **Other Assets** | | 1 006 | 97 | 97 | 1 103 | 800 | 750 |
| **Machinery and Equipment** | | 627 | – | – | 627 | 633 | 653 |
| **Transport Assets** | | 1 825 | – | – | 1 825 | 1 814 | 1 824 |
| **TOTAL EXPENDITURE OTHER ITEMS to be adjusted** | | **13 706** | **(4 425)** | **(4 425)** | **9 281** | **13 815** | **14 121** |
| ***Renewal and upgrading of Existing Assets as % of total cape*** | | *78.0%* | | | *80.2%* | *100.0%* | *35.1%* |
| ***Renewal and upgrading of Existing Assets as % of deprecn"*** | | *576.2%* | | | *697.0%* | *108.6%* | *35.2%* |
| ***R&M as a % of PPE*** | | *6.0%* | | | *3.3%* | *6.0%* | *6.2%* |
| ***Renewal and upgrading and R&M as a % of PPE*** | | *19.4%* | | | *18.7%* | *8.6%* | *7.0%* |

| Description | Ref | Budget Year 2026/27 | | | Budget Year +1 2027/28 | Budget Year +2 2028/29 |
|---|---|---|---|---|---|---|
| | | Original Budget | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| | | A | 13<br>G | 14<br>H | | |
| **Household service targets** | 1 | | | | | |
| ***Water:*** | | | | | | |
| Piped water inside dwelling | | | – | – | | |
| Piped water inside yard (but not in dwelling) | | | – | – | | |
| Using public tap (at least min.service level) | 2 | | – | – | | |
| Other water supply (at least min.service level) | | | – | – | | |
| *Minimum Service Level and Above sub-total* | | – | – | – | – | – |
| Using public tap (< min.service level) | 3 | | – | – | | |
| Other water supply (< min.service level) | 3,4 | | – | – | | |
| No water supply | | | – | – | | |
| *Below Minimum Servic Level sub-total* | | – | – | – | – | – |
| **Total number of households** | 5 | – | – | – | – | – |
| ***Sanitation/sewerage:*** | | | | | | |
| Flush toilet (connected to sewerage) | | | – | – | | |
| Flush toilet (with septic tank) | | | – | – | | |
| Chemical toilet | | | – | – | | |
| Pit toilet (ventilated) | | | – | – | | |
| Other toilet provisions (> min.service level) | | | – | – | | |
| *Minimum Service Level and Above sub-total* | | – | – | – | – | – |
| Bucket toilet | | | – | – | | |
| Other toilet provisions (< min.service level) | | | – | – | | |
| No toilet provisions | | | – | – | | |
| *Below Minimum Servic Level sub-total* | | – | – | – | – | – |
| **Total number of households** | 5 | – | – | – | – | – |
| ***Energy:*** | | | | | | |
| Electricity (at least min. service level) | | | – | – | | |
| Electricity - prepaid (> min.service level) | | | – | – | | |
| *Minimum Service Level and Above sub-total* | | – | – | – | – | – |
| Electricity (< min.service level) | | | – | – | | |
| Electricity - prepaid (< min. service level) | | | – | – | | |
| Other energy sources | | | – | – | | |
| *Below Minimum Servic Level sub-total* | | – | – | – | – | – |
| **Total number of households** | 5 | – | – | – | – | – |
| ***Refuse:*** | | | | | | |
| Removed at least once a week (min.service) | | | – | – | | |
| Minimum Service Level and Above sub-total | | – | – | – | – | – |
| Removed less frequently than once a week | | | – | – | | |
| Using communal refuse dump | | | – | – | | |
| Using own refuse dump | | | – | – | | |
| Other rubbish disposal | | | – | – | | |
| No rubbish disposal | | | – | – | | |
| *Below Minimum Servic Level sub-total* | | – | – | – | – | – |
| **Total number of households** | 5 | – | – | – | – | – |
| **Households receiving Free Basic Service** | 15 | | | | | |
| Water (6 kilolitres per household per month) | | – | – | – | – | – |
| Sanitation (free minimum level service) | | – | – | – | – | – |
| Electricity/other energy (50kwh per household per month) | | – | – | – | – | – |
| Refuse (removed at least once a week) | | – | – | – | – | – |
| Informal Settlements | | | | | | |
| **Cost of Free Basic Services provided (R'000)** | 16 | | | | | |
| Water (6 kilolitres per indigent household per month) | | – | – | – | – | – |
| Sanitation (free sanitation service to indigent households) | | – | – | – | – | – |
| Electricity/other energy (50kwh per indigent household per month) | | – | – | – | – | – |
| Refuse (removed once a week for indigent households) | | – | – | – | – | – |
| **Cost of Free Basic Services provided - Informal Formal Settlements (R'000)** | | – | – | – | – | – |
| **Total cost of FBS provided** | | – | – | – | – | – |
| **Highest level of free service provided** | | | | | | |
| Property rates (R'000 value threshold) | | | – | – | | |
| Water (kilolitres per household per month) | | | – | – | | |
| Sanitation (kilolitres per household per month) | | | – | – | | |
| Sanitation (Rand per household per month) | | | – | – | | |
| Electricity (kw per household per month) | | | – | – | | |
| Refuse (average litres per week) | | | – | – | | |
| **Revenue cost of free services provided (R'000)** | 17 | | | | | |
| Property rates (tariff adjustment) ( impermissable values per section 17 of MPRA) | | | – | – | | |
| Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA) | | – | – | – | – | – |
| Water (in excess of 6 kilolitres per indigent household per month) | | – | – | – | – | – |
| Sanitation (in excess of free sanitation service to indigent households) | | – | – | – | – | – |
| Electricity/other energy (in excess of 50 kwh per indigent household per month) | | – | – | – | – | – |
| Refuse (in excess of one removal a week for indigent households) | | – | – | – | – | – |
| Municipal Housing - rental rebates | | | – | – | | |
| Housing - top structure subsidies | 6 | | – | – | | |
| Other | | | – | – | | |
| **Total revenue cost of subsidised services provided** | | – | – | – | – | – |

## TABLE B10 – Service Delivery Measurement

| Description | Ref | Budget Year 2026/27 | | | Budget Year +1 2027/28 | Budget Year +2 2028/29 |
|---|---|---|---|---|---|---|
| | | Original Budget | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| | | A | 13 G | 14 H | | |
| **Household service targets** | 1 | | | | | |
| ***Water:*** | | | | | | |
| Piped water inside dwelling | | | – | – | | |
| Piped water inside yard (but not in dwelling) | | | – | – | | |
| Using public tap (at least min.service level) | 2 | | – | – | | |
| Other water supply (at least min.service level) | | | – | – | | |
| *Minimum Service Level and Above sub-total* | | – | – | – | – | – |
| Using public tap (< min.service level) | 3 | | – | – | | |
| Other water supply (< min.service level) | 3,4 | | – | – | | |
| No water supply | | | – | – | | |
| *Below Minimum Servic Level sub-total* | | – | – | – | – | – |
| **Total number of households** | 5 | – | – | – | – | – |
| ***Sanitation/sewerage:*** | | | | | | |
| Flush toilet (connected to sewerage) | | | – | – | | |
| Flush toilet (with septic tank) | | | – | – | | |
| Chemical toilet | | | – | – | | |
| Pit toilet (ventilated) | | | – | – | | |
| Other toilet provisions (> min.service level) | | | – | – | | |
| *Minimum Service Level and Above sub-total* | | – | – | – | – | – |
| Bucket toilet | | | – | – | | |
| Other toilet provisions (< min.service level) | | | – | – | | |
| No toilet provisions | | | – | – | | |
| *Below Minimum Servic Level sub-total* | | – | – | – | – | – |
| **Total number of households** | 5 | – | – | – | – | – |
| ***Energy:*** | | | | | | |
| Electricity (at least min. service level) | | | – | – | | |
| Electricity - prepaid (> min.service level) | | | – | – | | |
| *Minimum Service Level and Above sub-total* | | – | – | – | – | – |
| Electricity (< min.service level) | | | – | – | | |
| Electricity - prepaid (< min. service level) | | | – | – | | |
| Other energy sources | | | – | – | | |
| *Below Minimum Servic Level sub-total* | | – | – | – | – | – |
| **Total number of households** | 5 | – | – | – | – | – |
| ***Refuse:*** | | | | | | |
| Removed at least once a week (min.service) | | | – | – | | |
| Minimum Service Level and Above sub-total | | – | – | – | – | – |
| Removed less frequently than once a week | | | – | – | | |
| Using communal refuse dump | | | – | – | | |
| Using own refuse dump | | | – | – | | |
| Other rubbish disposal | | | – | – | | |
| No rubbish disposal | | | – | – | | |
| *Below Minimum Servic Level sub-total* | | – | – | – | – | – |
| **Total number of households** | 5 | – | – | – | – | – |
| **Households receiving Free Basic Service** | 15 | | | | | |
| Water (6 kilolitres per household per month) | | – | – | – | – | – |
| Sanitation (free minimum level service) | | – | – | – | – | – |
| Electricity/other energy (50kwh per household per month) | | – | – | – | – | – |
| Refuse (removed at least once a week) | | – | – | – | – | – |
| Informal Settlements | | | | | | |
| **Cost of Free Basic Services provided (R'000)** | 16 | | | | | |
| Water (6 kilolitres per indigent household per month) | | – | – | – | – | – |
| Sanitation (free sanitation service to indigent households) | | – | – | – | – | – |
| Electricity/other energy (50kwh per indigent household per month) | | – | – | – | – | – |
| Refuse (removed once a week for indigent households) | | – | – | – | – | – |
| **Cost of Free Basic Services provided - Informal Formal Settlements (R'000)** | | – | – | – | – | – |
| **Total cost of FBS provided** | | – | – | – | – | – |
| **Highest level of free service provided** | | | | | | |
| Property rates (R'000 value threshold) | | | – | – | | |
| Water (kilolitres per household per month) | | | – | – | | |
| Sanitation (kilolitres per household per month) | | | – | – | | |
| Sanitation (Rand per household per month) | | | – | – | | |
| Electricity (kw per household per month) | | | – | – | | |
| Refuse (average litres per week) | | | – | – | | |
| **Revenue cost of free services provided (R'000)** | 17 | | | | | |
| Property rates (tariff adjustment) ( impermissable values per section 17 of MPRA) | | | – | – | | |
| Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA) | | – | – | – | – | – |
| Water (in excess of 6 kilolitres per indigent household per month) | | – | – | – | – | – |
| Sanitation (in excess of free sanitation service to indigent households) | | – | – | – | – | – |
| Electricity/other energy (in excess of 50 kwh per indigent household per month) | | – | – | – | – | – |
| Refuse (in excess of one removal a week for indigent households) | | – | – | – | – | – |
| Municipal Housing - rental rebates | | | – | – | | |
| Housing - top structure subsidies | 6 | | – | – | | |
| Other | | | – | – | | |
| **Total revenue cost of subsidised services provided** | | – | – | – | – | – |

# 7) PART 2 – SUPPORTING DOCUMENTATION

### Adjustments to Budget Assumptions

Budget Assumptions were applied when reviewing revenue streams, projected expenditure, and reprioritization of needs.

### Adjustments to Budget Funding

The budget remains funded, and amendments were required to ensure a credible budget is tabled and to recognise significant changes which will enhance and improve service delivery. Priority expenditure was accommodated by projects being reprioritized and additional revenue incorporated.

### Adjustments to Expenditure on Allocations and Grant Programmes

All grant recognitions to date have been included.

### Adjustments to Allocations and Grants made by the municipality.

A Provincial Government conditional grant was awarded to the municipality – WC Capacity Building Grant R500 000.

### Adjustment to Councillor allowances and Employee Benefits

No adjustment was made to councillor's allowances and Employee Benefits.

### Adjustment to Service Delivery and Budget Implementation Plan

The updated KPI's that were affected in the SDBIP by the adjustment budget will be tabled separately at the council meeting, if required.

### Adjustment to Capital Expenditure

See section 1.2 of the mayor's report for a comprehensive explanation of all amendments.

### Other supporting documentation

There is no other supporting documentation.

# 8) Municipal Manager Quality Certificate

## QUALITY CERTIFICATE

I, ***R Bosman***, the Municipal Manager of Overberg District Municipality, hereby certify that-

The adjustments budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act, and that the adjustments budget and supporting documentation are consistent with the Integrated Development Plan of the Municipality.

Print Name Richard Bosman

Municipal Manager of Overberg District Municipality – DC3

Signature  Digitally signed by Richard Bosman Date: 2026.10.27 11:58:07 +02'00'

Date 27/10/2026