



CITY OF CAPE TOWN  
ISIXEKO SASEKAPA  
STAD KAAPSTAD

**ANNEXURE A**

# **2019/20 ADJUSTMENTS BUDGET**

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**29 January 2020**

**Including additional recommendations  
approved at the Council meeting  
(refer page)**

## **PART 1 - ADJUSTMENTS BUDGET: PARENT MUNICIPALITY – CITY OF CAPE TOWN1**

|                                                                                      |    |
|--------------------------------------------------------------------------------------|----|
| 1. MAYOR'S REPORT .....                                                              | 1  |
| 2. RESOLUTIONS .....                                                                 | 10 |
| 3. EXECUTIVE SUMMARY .....                                                           | 11 |
| 4. ADJUSTMENTS BUDGET TABLES – CITY OF CAPE TOWN .....                               | 31 |
| 5. ADJUSTMENTS TO BUDGET ASSUMPTIONS.....                                            | 47 |
| 6. ADJUSTMENTS TO BUDGET FUNDING .....                                               | 47 |
| 7. ADJUSTMENTS RELATED TO ALLOCATIONS AND GRANTS TO THE CITY OF CAPE TOWN .....      | 47 |
| 8. ADJUSTMENTS TO TRANSFERS AND GRANTS MADE BY THE CITY OF CAPE TOWN .....           | 47 |
| 9. ADJUSTMENTS TO COUNCILLOR AND BOARD MEMBER ALLOWANCES AND EMPLOYEE BENEFITS ..... | 47 |
| 10. ADJUSTMENTS TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN .....             | 47 |
| 11. ADJUSTMENTS TO CAPITAL EXPENDITURE .....                                         | 47 |
| 12. FUTURE OPERATIONAL IMPACT OF NEW INFRASTRUCTURE.....                             | 48 |

## **PART 2 - ADJUSTMENTS BUDGET: CONSOLIDATED TABLES – PARENT MUNICIPALITY AND ENTITIES ..... 50**

## **PART 3 - ADJUSTMENTS BUDGET: MUNICIPAL ENTITY - CAPE TOWN INTERNATIONAL CONVENTION CENTRE (CTICC)..... 64**

## **PART 4 - ADJUSTMENTS BUDGET: MUNICIPAL ENTITY - CAPE TOWN STADIUM... 71**

## **MUNICIPAL MANAGER'S QUALITY CERTIFICATION ..... 76**

## **ADDITIONAL RECOMMENDATIONS - COUNCIL MINUTES ..... 77**

## LIST OF TABLES

|                                                                                                                                   |    |
|-----------------------------------------------------------------------------------------------------------------------------------|----|
| TABLE 1: IMPLEMENTATION PROGRESS AGAINST YTD PLAN FOR 2019/20 .....                                                               | 12 |
| TABLE 2: IMPLEMENTATION PROGRESS AGAINST AUGUST 2019 APPROVED BUDGET .....                                                        | 12 |
| TABLE 3: FUND SHIFTS IN RELATION TO THE CAPITAL PROGRAMME FOR 2019/20 .....                                                       | 12 |
| TABLE 4: PROJECTS DECREASING IN 2019/20 WITHIN THE TRANSPORT DIRECTORATE .....                                                    | 22 |
| TABLE 5: PROJECTS BEING REPHASED WITHIN THE TRANSPORT DIRECTORATE .....                                                           | 22 |
| TABLE 6: PROJECTS INCREASING IN 2019/20 WITHIN THE TRANSPORT DIRECTORATE .....                                                    | 23 |
| TABLE 7: PROJECTS BEING REPHASED WITHIN THE SOLID WASTE MANAGEMENT DEPARTMENT .....                                               | 25 |
| TABLE 8: PROJECTS INCREASING WITHIN THE WATER & SANITATION SERVICES DEPARTMENT .....                                              | 27 |
| TABLE 9: PROJECTS BEING REPHASED WITHIN THE WATER & SANITATION SERVICES DEPARTMENT .....                                          | 29 |
| TABLE 10: MBRR TABLE B1 – ADJUSTMENTS BUDGET SUMMARY .....                                                                        | 31 |
| TABLE 11: MBRR TABLE B2 – ADJUSTMENTS BUDGET FINANCIAL PERFORMANCE (STANDARD CLASSIFICATION) .....                                | 33 |
| TABLE 12: MBRR TABLE B3 – ADJUSTMENTS BUDGET FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE BY MUNICIPAL VOTE) .....              | 35 |
| TABLE 13: MBRR TABLE B4 – ADJUSTMENTS BUDGET FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE) .....                                | 36 |
| TABLE 14: MBRR TABLE B5 – ADJUSTMENTS BUDGET CAPITAL EXPENDITURE BY VOTE, STANDARD CLASSIFICATION AND FUNDING SOURCE.....         | 37 |
| TABLE 15: MBRR TABLE B6 – ADJUSTMENTS BUDGET FINANCIAL POSITION.....                                                              | 39 |
| TABLE 16: MBRR TABLE B7 – ADJUSTMENTS BUDGET CASH FLOW STATEMENT.....                                                             | 40 |
| TABLE 17: MBRR TABLE B8 - CASH BACKED RESERVES/ACCUMULATED SURPLUS RECONCILIATION .....                                           | 41 |
| TABLE 18: MBRR TABLE B9 - ASSET MANAGEMENT .....                                                                                  | 42 |
| TABLE 19: MBRR TABLE B10 - BASIC SERVICE DELIVERY MEASUREMENT.....                                                                | 45 |
| TABLE 20: APPROVED REVENUE INCREASES FOR 2019/20 .....                                                                            | 48 |
| TABLE 21: MBRR TABLE B1 CONSOLIDATED ADJUSTMENTS BUDGET – STATEMENT SUMMARY .....                                                 | 50 |
| TABLE 22: MBRR TABLE B2 CONSOLIDATED ADJUSTMENTS BUDGET - FINANCIAL PERFORMANCE (STANDARD CLASSIFICATION).....                    | 52 |
| TABLE 23: MBRR TABLE B3 CONSOLIDATED ADJUSTMENTS BUDGET - FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE BY MUNICIPAL VOTE) ..... | 53 |
| TABLE 24: MBRR TABLE B4 CONSOLIDATED ADJUSTMENTS BUDGET - FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE) .....                   | 54 |
| TABLE 25: MBRR TABLE B5 CONSOLIDATED ADJUSTMENTS CAPITAL EXPENDITURE - BUDGET BY VOTE AND FUNDING .....                           | 55 |
| TABLE 26: MBRR TABLE B6 CONSOLIDATED ADJUSTMENTS BUDGET STATEMENT – FINANCIAL POSITION .....                                      | 56 |

|                                                                                                            |    |
|------------------------------------------------------------------------------------------------------------|----|
| TABLE 27: MBRR TABLE B7 CONSOLIDATED ADJUSTMENTS BUDGET STATEMENT – CASH FLOW .....                        | 57 |
| TABLE 28: MBRR TABLE B8 CONSOLIDATED CASH BACKED RESERVES/ACCUMULATED SURPLUS RECONCILIATION .....         | 58 |
| TABLE 29: MBRR TABLE B9 CONSOLIDATED ASSET MANAGEMENT .....                                                | 59 |
| TABLE 30: MBRR TABLE B10 CONSOLIDATED BASIC SERVICE DELIVERY MEASUREMENT .....                             | 62 |
| TABLE 31: MBRR TABLE E1 - ADJUSTMENTS BUDGET SUMMARY - CTICC .....                                         | 65 |
| TABLE 32: MBRR TABLE E2 ADJUSTMENTS BUDGET - FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE) - CTICC ..... | 66 |
| TABLE 33: MBRR TABLE E3 ADJUSTMENTS CAPITAL EXPENDITURE BUDGET BY ASSET CLASS AND FUNDING - CTICC .....    | 68 |
| TABLE 34: MBRR TABLE E4 ADJUSTMENTS BUDGET - FINANCIAL POSITION - CTICC .....                              | 69 |
| TABLE 35: MBRR TABLE E5 ADJUSTMENTS BUDGET - CASH FLOWS - CTICC.....                                       | 70 |
| TABLE 36: MBRR TABLE E1 - ADJUSTMENTS BUDGET SUMMARY - CTS .....                                           | 71 |
| TABLE 37: MBRR TABLE E2 ADJUSTMENTS BUDGET - FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE) - CTS .....   | 72 |
| TABLE 38: MBRR TABLE E4 ADJUSTMENTS BUDGET - FINANCIAL POSITION - CTS.....                                 | 74 |
| TABLE 39: MBRR TABLE E5 ADJUSTMENTS BUDGET - CASH FLOWS - CTS .....                                        | 75 |

## LIST OF ANNEXURES

|                                                                                                                                                                           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ANNEXURE 1.1: ADJUSTMENTS TO 2019/20 OPERATING BUDGET (JANUARY 2020) – ADDITIONAL RECOMMENDATIONS                                                                         |
| ANNEXURE 1.2: ADJUSTMENTS TO TRANSFERS AND GRANTS MADE BY THE CITY (JANUARY 2020)                                                                                         |
| ANNEXURE 1.3: 2019/20 WARD ALLOCATIONS OPERATING AMENDMENTS (JANUARY 2020)                                                                                                |
| ANNEXURE 2.1: 2019/20 TO 2021/22 CAPITAL ADJUSTMENTS BUDGET (JANUARY 2020): SUMMARY PER MAJOR FUND SOURCE – ADDITIONAL RECOMMENDATIONS                                    |
| ANNEXURE 2.2: 2019/20 TO 2021/22 CAPITAL ADJUSTMENTS BUDGET (JANUARY 2020): DETAILS OF 2019/20 INCREASES/DECREASES WITH MOTIVATIONS – ADDITIONAL RECOMMENDATIONS          |
| ANNEXURE 2.3: 2019/20 TO 2021/22 CAPITAL ADJUSTMENTS BUDGET (JANUARY 2020): DETAILS OF 2020/21 INCREASES/DECREASES WITH MOTIVATIONS                                       |
| ANNEXURE 2.4: 2019/20 TO 2021/22 CAPITAL ADJUSTMENTS BUDGET (JANUARY 2020): DETAILS OF 2021/22 INCREASES/DECREASES WITH MOTIVATIONS                                       |
| ANNEXURE 3: 2019/20 MTREF AMENDED CHAPTER REQUIRED TO BE INCLUDED IN THE IDP                                                                                              |
| ANNEXURE 4: INDIVIDUAL PROJECTS WITH A TOTAL PROJECT COST IN EXCESS OF R50 MILLION (TO GIVE EFFECT TO SECTION 19(1)(B) OF THE MFMA AND REGULATION 13 (1) (B) OF THE MBRR) |

## GLOSSARY OF TERMS AND ABBREVIATIONS

**Adjustments Budgets** – Prescribed in section 28 of the Municipal Finance Management Act, this is the formal means by which a municipality may revise its budget during a financial year.

**Allocations** – Money received from Provincial and National Treasury.

**BEC** – Bid Evaluation Committee

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

**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 and the month end cash and short-term investment balances.

**CGD** – Capital Grants and Donations mainly comprising of National and Provincial Government allocations as well as public contributions and donations from external parties.

**CCT** – City of Cape Town

**CRR** – Capital Replacement Reserve. An internal funding source used for capital projects, which must at all times be cash-backed in line with Section 18 of the MFMA.

**CTICC** - Cape Town International Convention Centre

**CTS** – Cape Town Stadium

**DoRA** – Division of Revenue Act. Annual legislation which shows the allocations from national to local government.

**DoRb** – Division of Revenue Bill. Annual legislation tabled in parliament, but not enacted, which shows the allocations from national to local government.

**EFF** – External Financing Fund. Internal funding mechanism and funded from borrowing for capital expenditure.

**GFS** – Government Finance Statistics. An internationally recognised classification system that facilitates comparisons between municipalities.

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

**MBRR** – Municipal Budget 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. It sets out indicative revenue and projected expenditure for the budget year, plus two outer financial years.

**NT** – National Treasury

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

**PT** – Provincial Treasury

**Rates** – Local Government tax based on assessed valuation of a property.

**SFA** – Strategic Focus Areas. The main priorities of a municipality as set out in the IDP. Budgeted spending must contribute towards achievement of these Strategic Focus Areas.

**Vote** – One of the main segments into which a budget is divided, usually at directorate level.

## **PART 1 - ADJUSTMENTS BUDGET: PARENT MUNICIPALITY – CITY OF CAPE TOWN**

### **1. Mayor's Report**

#### **1.1. Summary of reasons for the adjustments budget**

Primary reasons for the recommendation to adopt an adjustments budget are:

- The appropriation of approved, committed 2018/19 grant funding from National- and Provincial Treasury;
- Rephasing of internal funds where implementation will continue in the 2020/21 and 2021/22 financial years;
- Upward/downward adjustment of revenue- and expenditure estimates based on current trends;
- The change in funding source from Capital Replacement Reserve (CRR) to Capital Grants & Donations (CGD) on projects approved by National- and Provincial Treasury as part of the 2018/19 roll-over application, which was funded on an interim basis from the CRR pending outcome of the approval process.
- The re-alignment of sundry budgetary provisions resulting from updated implementation programmes; and
- Organisational structure changes.

Further details to these adjustments are listed below.

##### **a. Multi-year funds shifting in relation to the capital programme**

The reasons for multi-year shifting are inter alia:

- Committed 2018/19 conditional grants approved by National Treasury (NT) in terms of Section 22 (2) of the Division of Revenue Act (DoRA) (1 of 2018), dated 21 October 2019;
- Committed 2018/19 conditional grants approved by Provincial Treasury (PT) in terms of Section 10 (2) of the Western Cape Appropriation Act 2018 (3 of 2018), dated 21 November 2019;
- Additional- and amended allocations made by PT in terms of the 2019 Western Cape Adjusted Estimates Budget and Adjusted appropriation Bill 2018, Provincial Gazette Extraordinary 8181, dated 26 November 2019;
- Administrative transfers/virements of budgetary provisions as approved in terms of Council's System of Delegations of Powers and the Virement Policy; and

- Updated implementation programmes of projects funded from external sources i.e. Capital Grants & Donations (CGD) as well as internal sources i.e. Capital Replacement Reserve (CRR) and External Financing Fund (EFF). Whilst backed by approved business plans, local conditions often require amendments to implementation procedures, as agreed with donors (CGD- funded projects).
- Review and amendments to project linkages of approved 2019/20 capital projects to ensure correct alignment to programmes/routine programmes as per the approved definitions.
- Shifting of funding between the operating- and capital budget.

## **b. Allocations and grant adjustments**

The main reasons for adjustments to capital- and operating grants and donations are listed below.

### **Capital grants**

- Municipal Disaster Grant: Drought (MDG-Drought) (national funding) increases by R199.6 million resulting from approved committed 2018/19 conditional allocations.
- Integrated City Development Grant (ICDG) (national funding) decreases by R1.6 million on the capital budget with a corresponding increase on the operating budget.
- Informal Settlements Upgrading Partnership (ISUP) Grant (national funding) decreases by R5.9 million on the capital budget with a corresponding increase on the operating budget.
- Cultural Affairs and Sport Grant (WCG: Sport & Rec) (provincial funding) increases by R779 000 in line with the Western Cape Government's adjusted allocation for 2019/20.
- Municipal Accreditation and Capacity Building Grant (provincial funding) increases by R36 000 for the replacement of an obsolete printer with a corresponding decrease on the operating budget.
- Law Enforcement Advancement Plan Grant (provincial funding) increases by R19 million in line with the Western Cape Government's adjusted allocation for 2019/20.
- National Housing Programs Grant (State: Other) – accumulated interest - (unconditional grant) decreases by R74 million, due to savings realised.
- Urban Settlements Development Grant (USDG) (national funding) increases by R125 million as a result of:
  - R101 million approved committed 2018/19 conditional allocations; and
  - R24 million increase on the capital budget with a corresponding decrease on the operating budget.

- Energy Efficiency & Demand Side Management Grant (EE&DSM) (national funding) decreases by R40 000 on the capital budget with a corresponding increase on the operating budget.
- Committed 2018/19 conditional grants of R3.8 million approved by PT resulting in the following increases in 2019/20:
  - Library Services: Conditional Grant (WCG: Libraries) - R2.6 million;
  - Library Services: Metro Library Grant (PT Library: Metro) - R1.2 million; and
  - Safety & Security directorate: Law Enforcement Auxiliary Services (PGWC: LEAS) - R7 652.
- Expanded Public Works Programme (EPWP) (national funding) increases by R729 850 on the capital budget with a corresponding decrease on the operating budget.
- Human Settlements Development Grant (HSDG) (provincial funding) decreases by R7.9 million on the capital budget with a corresponding increase on the operating budget.
- Private Sector funding (unconditional grants) increases by R7.2 million, resulting mainly from:
  - Turfhall Stadium Upgrade project (R633 959), where funding was received from the National Lottery for the upgrade of facilities;
  - Air Pollution control equipment project (R52 961), where funding was received from the United States Environmental Protection Agency and will be utilised to procure equipment to monitor air pollution; and
  - Applications for new- and upgraded service connections supplies (R6.5 million), which is customer funded and demand driven and has been more than originally budgeted for.
- Restructuring Grant (RG) – accumulated interest - (unconditional grant) increases by R79 903 mainly for the procurement of laptops as the existing equipment has become obsolete.
- Neighbourhood Development Partnership Grant (NDPG) (national funding) increases by R10.6 million based on a letter received from NT, dated 6 November 2019, advising of additional funding allocations.

### **Operating grants and donations**

- Public Transport Interchange & Support Grant (unconditional) - accumulated interest - decreases by R12.9 million as there were tender delays in the appointment of the consultant for the management of the taxi scrapping payments. Delays in the appointment of the consultant for the 'Rail Feasibility Study' project further contributed to this adjustment.

- Additional private funding of R16 million from PRASA for Rail Safety as per the Memorandum of Agreement (MOA) between the City, Provincial Government and PRASA.
- Additional grant allocations of R113 million from PT (Provincial gazette 8181, dated 26 November 2019) for the following projects:
  - Law Enforcement Advancement Project (LEAP) (R110.95 million), within the Safety & Security directorate. The Premier of the Western Cape, in his 2019/20 State of the Province Address, drew attention to the serious safety and security challenges facing the province. A key goal, identified by the Western Cape Government (WCG), to deal with this challenge is to increase and enhance the law enforcement capacity in the province. The WCG committed to fund the appointment of 3000 Law Enforcement Officers (LEO) and 150 Investigation Officers. To deliver on this commitment, the WCG allocated additional funding to the City as the City has the necessary experience, structure and capacity to train, deploy and manage the LEO. This commitment included deployment readiness of the first 1000 LEO and 50 Investigation Officers to bolster the Safety & Security Investigation Unit (SSIU) by the end of the year. The LEO will be appointed out of a pool of trained officers that have come through the Auxiliary- and EPWP programmes. This process is the most viable staffing solution with lowest risk and the most efficient delivery.
  - Community Development Workers Project (R2 million), within the Urban Management directorate, to cover operational cost linked to the Community Development Workers (CDW) programme.
- Private Sector funding (unconditional grants) increases by R14.2 million, resulting from the following increases/decreases:
  - Additional funding of R2.6 million from various stakeholders i.e. Airports Company SA (ACSA), Golden Arrow Bus Services (GABS), Muizenberg CID etc. for the appointment of law enforcement- and traffic officers;
  - A decrease of R0.76 million resulting from the review of the Cape Town – Munich project;
  - Additional funding of R12.1 million from the National Skills Fund for the Cape Skills and Employment Accelerator Project to create job opportunities within the City. This forms part of the partnership between the City, the National Skills Fund and the Private Sector.
  - Additional funding of R0.12 million from the Medicins Sans Frontieres Trust Fund to cover operational expenditure for health services in Khayelitsha.
  - Additional funding of R73 093 from the University of Connecticut Trust Fund to cover operational expenditure at Gugulethu Clinic.

- Committed 2018/19 conditional grants approved by NT and shifting of funds between the operating- and capital budget.
  - R7.9 million decrease on various USDG-funded projects within several directorates in the City. This is the cumulative effect of the approved committed roll-overs of R16 million and the reduction of R23.9 million as a result of the shift of budget provision to the capital budget as projects to be implemented are capital in nature.
  - R4.6 million increase, within the Transport directorate, due to a refund of R3 million from PRASA for the 'Northern Corridor Modernisation Study' project, which will now be implemented by the City and the balance of R1.6 million, which was shifted to the capital budget as the project to be implemented is capital in nature.
  - R0.7 million decrease on the EPWP project, within the Urban Management directorate, with a concomitant increase on the capital budget as the project to be implemented is capital in nature.
  - R2.6 million decrease on the Infrastructure Skills Development Grant (ISDG) as the roll-over requirement was not met and therefore not supported by National Treasury.
  - R40 000 increase on the Energy Efficiency Demand Side Management grant, within the Energy & Climate Change directorate, due to shifting of funds from the capital budget to the operating budget as the project to be implemented is operational in nature.
  - R5.9 million increase on the 'Informal Settlements Enhanced Service Site' and 'Morkels Cottage' project, within the Human Settlements directorate, due to shifting of funds from the capital budget to the operating budget as the project to be implemented is operational in nature.
  - R36 000 decrease on the Municipal Accreditation Capacity Building grant, due to shifting of funds from the operating budget to the capital budget as the project to be implemented is capital in nature.
- Committed 2018/19 grant allocations of R102 million approved by PT, resulting in increases to the following grants in 2019/20:
  - Financial Management Capacity Grant – R0.12 million;
  - Training and Equipment for volunteers to service in the COCT – R0.56 million;
  - Appointment Training Equipping and Operationalisation of school resource officers – R0.16 million;
  - Library Conditional Grant – R0.6 million;
  - Libraries Services - Periodicals – R0.2 million;
  - Provision for persons with special needs - R1.2 million;

- Resourcing Funding for Establishment and Support of K9 Unit - R2.6 million;
  - Transport Safety and Compliance-Rail Safety - R6.5 million;
  - Settlement Assistance Grant – R0.6 million;
  - Title Deeds Restoration grant - R26.8 million;
  - Disaster Management Grant - R40 998; and
  - Human Settlement Development Grant - R62.1 million.
- Additional grant funding of R0.6 million from the Department of Environmental Affairs & Tourism to cover expenditure relating to the 'Helderberg Marine Protected Area and Invasive Species Special' project as per MOA between the City and the Department of Environmental Affairs & Tourism.

### **c. Revenue and expenditure estimates adjustments**

- An increase of R763 million on Electricity Sales and R14 million on Electricity Internal Service Charges is proposed. The current over-recovery on electricity sales is due to the over-recovery from commercial customers and is expected to continue until such time as customers have migrated to the Large User time-of-use tariff. The Large Power User tariff (non-time of use) as well as the Medium Voltage time-of-use tariff received an additional 7% increase when tariffs were implemented. It is envisaged that nearly all customers remaining on these tariffs will benefit from changing to the applicable time-of-use tariff. However, this change is voluntary and the decision to change must be made by the customer. These savings will be transferred to the CRR to fund future capital programmes and the concomitant increase on bulk electricity purchases within the directorate.
- A reduction of R329 million on Water Sales and R152 million on Internal Service Charges is proposed as these revenue categories currently reflect an under-recovery against the original approved budget. The under-recovery is due to current consumptive levels and trends being lower than anticipated. The related expenditure items, which are impacted by consumption trends such as Bulk Purchases, Electricity Consumption and Chemicals, have also been adjusted downwards. The adjustment on various expenditure items as well as the improved collection ratio within the Water & Sanitation Services department have been utilised to offset the projected under-recovery of service charges.
- A decrease of R45 million on Traffic Fines is proposed based on current trends, the public's inclination to contest fines issued and their ability to pay these fines. This reduction will be absorbed within Rates.
- An increase of R36 million on Solid Waste Internal Refuse Charges is proposed resulting from the insourcing of the Delft- and Mfuleni Refuse contracts, which necessitated an increase on Secondary Bulk Refuse Charges with a concomitant reduction on both primary revenue and expenditure.

- A decrease of R31 million on Income Forgone is proposed, due to fewer applicants and properties qualifying for rebates.
- An increase of R29 million on Rental of Facilities and Sale of Assets is proposed based on current trends and the updated lease register.
- A reduction of R25 million on MyCiTi revenue is proposed, due to loss of advertising space at MyCiTi bus stops resulting from vandalism; fewer MyConnect cards sales as the jobseeker programme was abandoned; and loss of fare revenue as the N2 Express Way contract was not renewed. This reduction will be absorbed from the concomitant reduction on various expenditure items.
- A reduction of R20 million on Rental of Facilities is proposed, due to an increase in rental subsidies as the number of applicants have increased. This reduction will be absorbed from the concomitant reduction on various expenditure items within the directorate.
- A reduction of R15 million on Building Levies, Rezoning Fees and Application Fees is proposed based on current trends and the state of the economy. This reduction will be absorbed from the concomitant reduction within the affected directorate.
- A decrease of R3.6 million on Broadband Charges is proposed, as current trends are reflecting lower than anticipated revenue from broadband services taken up by external customers.
- A reduction of R442 million on Salaries, Wages & Allowances (once-off savings) is proposed across various directorates/departments i.e. Rates-funded (R312.6 million), Energy & Climate Change directorate (R46.6 million), Solid Waste Management department (R31.1 million) and Water & Sanitation Services department (R51.9 million). These savings will be utilised to top up the Post-Retirement Medical Aid (PRMA) provision in line with the actuarial valuation.
- R100 million MURP allocation transferred from the Energy & Climate Change directorate to the Human Settlements directorate to address operational costs relating to maintenance of Council rental units.
- A reduction of R59 million on Internal Loan Interest is proposed, due to the review of interest on assets under construction (AUC) as well as the effect of the proposed adjusted 2019/20 capital budget.
- An increase of R36.87 million for the R44-Upgrade project (North and South Lanes) funded ex South African National Road Agency (SANRAL) as per agreement between the City and SANRAL.

- An increase of R9.9 million on External Interest is proposed based on the revised calculation for the new loan interest received from KFW German Development Bank.
- An increase of R6.3 million on ward allocations is proposed as a result of adjustments between capital- and operating ward allocations.
- An increase of R4.1 million on Depreciation Charges is proposed, due to the review of interest on AUC as well as the effect of the proposed adjusted 2019/20 capital budget.
- R2.6 million additional expenditure and revenue provision for the newly established City Improvement Districts (CID), Mitchells Plain Town Centre Improvement District and Oakwood Hughenden Meadows Improvement District.
- A budget rework performed within the Water & Sanitation Services department revealed a lower contribution requirement than originally budgeted for, which resulted in a saving of R110 million within Rates. This saving as well as prior year surpluses of R109 million were utilised to address financial gaps identified during the programme review as well as once-off service enhancements on various directorates within the Rates-funded directorates. These proposals include:
  - R20.6 million for implementation of a decentralised HR Business Model in various Rate-funded directorates to improve the turnaround time of filling vacancies.
  - R6.4 million within the Office of City Manager directorate to cover costs relating to Forensic Investigations, address staff capacity gaps to monitor city administration across sub-councils, and implementation of the internal audit graduate intern programme within the Internal Audit.
  - R15.4 million within the Finance Services directorate to address staff capacity requirements within the Supply Chain Management department and the Revenue department.
  - R69.8 million within the Corporate Services directorate:
    - R20 million - Professional fees for Future City/ Digital City Project, professional fees for detailed design phase of BIP, maintenance of data centre infrastructure, SAP licenses maintenance costs for the second half of the financial year;
    - R20 million – Additional requirement for legal costs;
    - R15 million - Transversal work on sector plans to address significant planning capacity gaps in line departments, where there is a serious risk of not completing the sector plans for the March 2021 deadline.
    - R14.8 million - Review of existing key strategies, frameworks, plans and extraction of information required for the Performance Measurement Plan (PMP), repairs and maintenance on clocking devices, and HR Graduate Training.

- R68.4 million within the Safety & Security Services directorate:
  - R2.4 million - Appointment of 19 Traffic Officers to expand current capacity within Traffic Services department to deal with a challenging workload. Many of the events and incidents occur on weekends and afterhours in the week placing this department in a predicament. This include requests for roadblocks and policing street racing etc. These problems are taking place after hours but it is impossible to redirect or change staff from any of the other shifts as this department will merely have too little staff to deal with all the issues that occur during those time frames.
  - R66 million - Additional allocation on overtime as current projections reflect possible over-expenditure.
- R10.8 million within the Economic Opportunities & Asset Management directorate:
  - R3.5 million - Airport branding at national- and intracontinental airports as well as possible branding at high traffic transport hubs in Africa and Europe in order to showcase the City as a premier destination to live, work, visit, play, study and invest.
  - R1.2 million - Repairs and maintenance to vacant City-owned immovable properties to ensure that it is habitable and safe. The restoration of derelict immovable assets to a condition where it can serve as social assets will assist with departments' service delivery objectives.
  - R6 million - Capacity gaps within the Corporate Fleet department.
- R5 million for additional staff, within the Transport directorate, to assist in delivering repairs and maintenance programmes within the directorate.
- R3.7 million for support staff requirements within the Human Settlements directorate.
- R1.5 million for catering at monthly sub-council meetings scheduled for 5 hours or more, the appointment of a tax consultant to work with SARS on CID-related tax matters, and support staff for a MayCo member.
- R20.5 million within the Community Services & Health directorate:
  - R10.5 million - Additional grant-in-aid allocations to various organisations:
    - The Haven - To assist with meal provision at the organisation's nine shelters;
    - Streetscapes - To help provide job opportunities to street people;
    - U-turn – To enable the organisation to open a service centre in Mitchells Plain. There are currently no shelters in the area and the establishment of a service centre will assist persons living on the street with possible reintegration through development programmes; and
    - BAZArt - To help provide arts and culture programmes within the City.
  - R10 million - Additional repairs and maintenance at various clinics within the City.

- Additional amendments relating to administrative transfers of budgetary provisions include:
  - Re-alignment of budgetary provisions between directorates, due to operational requirements;
  - Budgetary shifts on various operating projects and R&M provisions; and
  - Amendments on sundry expenditure items including operating projects and ward allocations, which are proposed in accordance with Council approved System of Delegations and the Virement Policy. These transfers do not affect the total budget quantum.
- *A reduction of R100 million on Contracted Services, within the Human Settlements directorate, is proposed, due to the shifting of funds from the operating budget to the capital budget as projects to be implemented are capital in nature.*

## **Recommendations to the Council regarding the budget**

Taking into consideration the reasons listed in paragraph 1.1, it is recommended that Council approves an adjustments budget.

## **2. Resolutions**

The resolutions tabled at Council for consideration with approval of the adjustments budget are:

- a. That the City's adjustment budget for the 2019/20 financial year be approved and adopted, as set out in the following tables and annexures:
  - i. Operating revenue and expenditure by standard classification reflected in Table 11 on page 33.
  - ii. Operating revenue and expenditure by municipal vote reflected in Table 12 on page 35.
  - iii. Operating revenue by source and expenditure by type reflected in Table 13 on page 36.
  - iv. Multi-year capital appropriations by vote reflected in Table 14 on page 37 and Annexure 2.1 and Annexure 2.2.
  - v. Capital expenditure by standard classification reflected in Table 14 on page 37.
  - vi. Capital funding by source reflected in Table 14 on page 37.
  - vii. Budgeted Cash Flow statement as reflected in Table 16 on page 40.
- b. That Council notes the impact of the 2019/20 adjustments budget (January 2020) on the 2020/21 and 2022/22 financial years.
- c. That the Cape Town International Convention Centre's (CTICC) adjustments budget for the 2019/20 financial year be approved and adopted, as set out in the following tables:
  - i. Operating revenue by source and expenditure by type reflected in Table 32 on page 66.
  - ii. Capital Expenditure by asset class and funding source reflected in Table 33 on page 68.

- d. That the Cape Town Stadium's (CTS) budget for the 2019/20 financial year be approved and adopted, as set out in the following table:
  - i. Operating revenue by source and expenditure by type reflected in Table 37 on page 72.
- e. That adjustments to transfers and grants made by the City, as set out in Annexure 1.2, be approved.
- f. That Council considers the projected cost covering all financial years until the project is operational as well as future operational costs and revenues on projects/programmes, to give effect to sections 19(2) and 19(3) and approve all projects and programmes so listed in Annexures 2 and 4.
- g. That the amended MTREF IDP chapter for 2019/20, as set out in annexure 3, be used to update the current chapter in the approved Integrated Development Plan (IDP).
- h. That individual projects with a total project cost in excess of R50 million (to give effect to section 19(1)(b), 19(2) and 19 (3) of the MFMA and regulation 13(1)(b) of the MBRR), which were previously approved as part of a programme, as set out in Annexure 4, be approved.

### **3. Executive Summary**

#### **3.1. General**

Matters proposed for incorporation into an adjustments operating- and capital budget, are listed below.

#### **3.2. Provision of basic services**

The budget amendments will have no detrimental impact on the provision of basic services.

#### **3.3. Adjustment highlights**

##### **3.3.1. Adjustments made to the operating budget**

Full details of proposed amendments to the 2019/20 operating budget are reflected in Annexure 1 to this report.

### 3.3.2. Adjustments to the capital budget

Details of amendments to the 2019/20 capital budget are outlined in Annexure 2.2 to this report.

Implementation progress achieved on the capital budget, when measured against planned year-to-date expenditure, for the respective funding sources at the end of the mid-year period (December 2019), are:

| Funding Source                            | YTD Planned Spend    | YTD Actual Spend     | Implementation progress |
|-------------------------------------------|----------------------|----------------------|-------------------------|
| Capital Replacement Reserve (CRR)         | 398 091 617          | 614 753 246          | 154.43%                 |
| Capital Grants & Donations (CGD)          | 632 226 335          | 621 161 976          | 98.25%                  |
| External Financing Fund (EFF)             | 1 120 813 289        | 1 224 557 176        | 109.26%                 |
| Revenue                                   | 11 876 830           | 9 948 870            | 83.77%                  |
| <b>All funding sources (Total Budget)</b> | <b>2 163 008 071</b> | <b>2 470 421 267</b> | <b>114.21%</b>          |

**Table 1: Implementation progress against YTD plan for 2019/20**

When measuring progress against the total current capital budget, the funding sources reflect the following:

| Funding Source                            | Budget (August 2019) | YTD Actual           | Implementation progress |
|-------------------------------------------|----------------------|----------------------|-------------------------|
| Capital Replacement Reserve (CRR)         | 1 466 487 029        | 614 753 246          | 41.92%                  |
| Capital Grants & Donations (CGD)          | 2 265 372 839        | 621 161 976          | 27.42%                  |
| External Financing Fund (EFF)             | 4 997 979 118        | 1 224 557 176        | 24.50%                  |
| Revenue                                   | 54 884 575           | 9 948 870            | 18.13%                  |
| <b>All funding sources (Total Budget)</b> | <b>8 784 723 561</b> | <b>2 470 421 267</b> | <b>28.12%</b>           |

**Table 2: Implementation progress against August 2019 approved budget**

Based on the aforementioned implementation rates, fund shifts in relation to the capital programme for 2019/20 are proposed as follows:

| Major Fund Source<br>R Thousands | Adjusted Budget (August 2019) | Proposed Budget (January 2020) | Increase/ Decrease |
|----------------------------------|-------------------------------|--------------------------------|--------------------|
| CGD                              | 2 265 373                     | 2 617 108                      | 351 735            |
| CRR                              | 1 466 487                     | 1 106 064                      | -360 424           |
| EFF                              | 4 997 979                     | 4 005 467                      | -992 512           |
| REVENUE                          | 54 885                        | 151 111                        | 96 226             |
| <b>TOTAL</b>                     | <b>8 784 724</b>              | <b>7 879 749</b>               | <b>-904 974</b>    |

**Table 3: Fund shifts in relation to the capital programme for 2019/20**

The major increases/decreases in the 2019/20 financial year, as reflected in the table above, are explained in detail below.

### **CGD amendments**

- MDG-Drought (national funding) increases by R199.6 million resulting from approved committed 2018/19 conditional allocations.
- ICDG (national funding) decreases by R1.6 million with a corresponding increase on the operating budget.
- ISUP Grant (national funding) decreases by R5.9 million with a corresponding increase on the operating budget.
- WCG: Sport & Rec (provincial funding) increases by R779 000 in line with the Western Cape Government's adjusted allocation for 2019/20.
- Municipal Accreditation and Capacity Building Grant (provincial funding) increases by R36 000 for the replacement of an obsolete printer with a corresponding decrease on the operating budget.
- Law Enforcement Advancement Plan Grant (provincial funding) increases by R19 million in line with the Western Cape Government's adjusted allocation for 2019/20.
- National Housing Programs Grant (State: Other) – accumulated interest - (unconditional grant) decreases by R74 million, due to savings realised.
- USDG (national funding) increases by R125 million:
  - R101 million approved committed 2018/19 conditional allocations; and
  - R24 million increase with a corresponding decrease on the operating budget
- EE&DSM (national funding) decreases by R40 000 with a corresponding increase on the operating budget.
- Committed 2018/19 conditional grants of R3.8 million approved by PT resulting in the following increases in 2019/20:
  - Library Services: Conditional Grant (WCG: Libraries) - R2.6 million;
  - Library Services: Metro Library Grant (PT Library: Metro) - R1.2 million; and
  - Safety & Security directorate: Law Enforcement Auxiliary Services (PGWC: LEAS) - R7 652.
- EPWP (national funding) increases by R729 850 with a corresponding decrease on the operating budget.
- HSDG (provincial funding) decreases by R7.9 million with a corresponding increase on the operating budget.

- Private Sector funding (unconditional grants) increases by R7.2 million, resulting mainly from:
  - Turfhall Stadium Upgrade project (R633 959), where funding was received from the National Lottery for the upgrade of facilities;
  - Air Pollution control equipment project (R52 961), where funding was received from the United States Environmental Protection Agency and will be utilised to procure equipment to monitor air pollution; and
  - Applications for new- and upgraded service connections supplies (R6.5 million), which is customer-funded and demand driven and more than originally budgeted for.
- RG – accumulated interest - (unconditional grant) increases by R79 903 mainly for the procurement of laptops as the existing equipment has become obsolete.
- NDPG (national funding) increases by R10.6 million as additional funding was received from NT as per the letter dated 6 November 2019.

### **CRR amendments**

- Community Services & Health directorate  
A decrease of R3.7 million is proposed, due to a change in funding source from CRR to USDG funding as a result of the roll-over approval received from NT.
- Economic Opportunities & Asset Management directorate  
A decrease of R1.9 million on the 'CHQ Ablution Facilities Upgrade' project is proposed, where quotations to complete the project was lower than anticipated.
- Energy & Climate Change directorate  
An increase of R32.8 million in 2019/20, increase of R10 million in 2020/21, and decrease of R82.2 million in 2021/22 is proposed, mainly due to:
  - A change in funding source where roll-over approval for USDG funding amounting to R3.6 million was received from NT resulting in a decrease in the CRR.
  - The need for extra vehicles and aerial platforms for additional staff appointed in the directorate resulting in an increase of R41 million and R8 million in 2019/20 and 2020/21 respectively. The aerial platforms have a long lead-time of approximately 9 months.
  - The cancellation of the 'Retreat Depot - Replacement for Muizenberg project' as building approval for the rezoning has not been given yet resulting in a decrease of R1 million in 2019/20 and 2020/21, and R50.1 million in 2021/22.
  - Re-phasing of the '132kV OH Insulator Replacement project' as the tender will only be awarded in 2020/21 resulting in a decrease of R3 million in 2019/20 with a corresponding increase in 2020/21.

- Delays on the 'Noordhoek LV Depot project' where it is anticipated that the construction phase of the project will only commence towards the end of 2021/22. The project is being rephased to 2022/23 and 2023/24 resulting in a decrease of R32.1 million in 2021/22.
- Finance directorate increases by R75 000 for the procurement of additional monitors and laptops to comply with the City-wide Windows 10 upgrade.
- Human Settlements directorate decreases by R17.6 million, R20.2 million and R21.1 million in 2019/20, 2020/21 and 2021/22 respectively, mainly due to:
  - A change in funding source where roll-over approval for USDG funding of R16.2 million was received from NT resulting in a decrease in the CRR; and
  - Rephasing of the 'ACSA Symphony Way Housing project' from 2019/20, 2020/21 and 2021/22 to outer years as a result of delays in the planning and design phases of the project.
- Safety & Security directorate  
A change in funding source where roll-over approval for USDG funding of R3.5 million was received from NT resulting in a decrease in the CRR.
- Spatial Planning & Environment directorate  
A decrease of R425 389 on the 'Helderberg Nature Reserve Development' project in 2019/20 with a corresponding increase in 2020/21, due a portion of the project being rephased to align to the latest implementation schedule.
- Transport directorate  
A decrease of R102.9 million in 2019/20, increase of R12.5 million in 2020/21 and decrease of R35.5 million in 2021/22, mainly due to:
  - A change in funding source where roll-over approval for R2.9 million USDG funding was received from NT resulting in a decrease in the CRR.
  - A change in funding as sufficient PTNG funding became available in 2019/20 resulting in a decrease of R58.4 million in the CRR.
  - Rephasing of the 'Upgrading of New Eisleben Road' project from 2019/20 to 2020/21, due to unauthorised structures in the road reserve, resulting in a decrease of R12.5 million in 2019/20 and an increase of R10.5 million in 2020/21. Construction will now commence in July 2020.
  - The 'Metro Roads: Reconstruction FY20' project reduces by R1.7 million in 2019/20, due to sufficient USDG funding.
  - The 'Road Upgrade: Langverwacht Road: Amandel – Zevenwacht' project increases by R5.3 million in 2019/20, due to an increase in contract sum.

- Rephasing of the 'Congestion Relief - Erica Drive' project to the outer years resulting in a decrease of R0.5 million, R19.5 million and R58.8 million in 2019/20, 2020/21 and 2021/22 respectively, due to the expiration of the professional tender as well as construction only starting in 2021/22.
- Rephasing of the 'Road Construction: Belhar Main Rd: Stellendale – Highbury' project from 2019/20 to 2021/22 as well as alignment to the latest construction schedule, due to the construction contract being delayed as a professional service provider for the construction needs to be appointed. This has resulted in a decrease of R22.4 million in 2019/20 and an increase of R22.6 million in 2020/21 and R5.8 million in 2021/22.
- The 'Kommetjie Road Dualling (Phase 3)' project increases by R1.1 million in 2019/20, R2 million in 2020/21 and decreases by R1.5 million in 2021/22, due to the necessary acquisition of three properties in order for the project to continue.
- The 'M3 Corridor: Hospital Bend-Constantia Main Road' project increases by R0.7 million in 2020/21 and decreases by R12 million in 2021/22 in order to align to the latest estimates for design stage, professional services and construction timeframes.
- The 'Road Upgrade - Voortrekker Road: Salt River C-Jakes Gerwel Drive' project is being brought forward in order to appoint professional services for the preliminary design stage resulting in an increase of R1.4 million in 2019/20 and a decrease of R1.5 million in 2020/21.
- The 'Road Dualling: Berkley Road - M5 - Ryger Street' project is being brought forward in order to appoint professional services for the preliminary design stage resulting in an increase of R1.5 million in 2019/20 and a corresponding decrease in 2020/21.
- The 'Road Upgrade: N7 M12 Sandown Road' project decreases by R12.7 million in 2019/20 in line with latest implementation schedules, due to better than expected progress in 2018/19.
- Rephasing of the Congestion Relief programme from 2019/20 and 2020/21 to 2021/22, due to the professional services tenders that expired as well as re-alignment of the budgetary provision to the latest implementation plan. This resulted in a decrease of R1.1 million in 2019/20, R0.8 million in 2020/21 and an increase of R31 million in 2021/22.

- Water & Waste directorate

A decrease of R256.7 million in 2019/20, an increase of R44 million in 2020/21 and a decrease of R146 million in 2021/22 in the following departments:

- Solid Waste Management – R240 million decrease in 2020/21 and R140 million decrease in 2021/22:

- Plant & Vehicles - Replacement programmes: A decrease of R140 million in 2020/21 and 2021/21, due to a change in funding from CRR to EFF.
- Purchase of Land Regional Landfill: A decrease of R100 million in 2020/21 with a corresponding increase in 2022/23, as a result of the current court case.

- Water & Sanitation Services department

R256.7 million decrease in 2019/20, R284 million increase in 2020/21 and R6 million decrease in 2021/22:

- A change in funding source where roll-over approval for R255.7 million USDG- and MDRG funding was received from NT resulting in a decrease in the CRR;
- Zevenwacht Reservoir and Network: A decrease of R1 million in 2019/20, R11 million in 2020/21 and R6 million in 2021/22, due to land acquisition negotiations taking longer than anticipated. The project will be rephased to 2028/29.
- A change in funding source from EFF to CRR, in order to optimise the usage of cash backed CRR funding and reduce the operating impact flowing from EFF funding in 2020/21, is proposed on the following projects:
  - Replace Water Network (City-wide) FY21 - R95 million
  - Replace Sewer Network (City-wide) FY21 - R70 million
  - Infrastructure Replacements WWTW FY21 - R40 million
  - Development of Add Infrastructure FY21 - R35 million
  - Bulk Water Infrastructure Replacement FY21 - R55 million

- Ward Allocation projects decrease by R6.4 million, due to:

- Rephasing of R152 810 in 2019/20 for re-allocation in 2020/21; and
- A decrease on the capital budget of R6.3 million with a corresponding increase on the operating budget.

## **EFF amendments**

A review of implementation readiness and assessment of the current procurement status of capital projects was undertaken by all directorates over the last few months. This resulted in amendments to budgetary provisions with decreases of R942.5 million, R2.67 billion and R2.05 billion in 2019/20, 2020/21 and 2021/22 respectively across the following directorates:

- Community Services & Health - R5 million increase in 2019/20 and corresponding decrease in 2020/21
  - IT Modernisation project: The project is being brought forward as a result of good contractor performance.

- Corporate Services - R24.9 million increase in 2019/20, R22.2 million increase in 2020/21 and R0.1 million decrease in 2021/22
  - The following projects are being rephased from 2019/20 to 2020/21 resulting in a decrease of R21.9 million in 2019/20 and a corresponding increase in 2020/21:
    - CityWeb/CityApps Redevelopment Resources (R14.3 million);
    - Integration and Enhancement (R4.9 million); and
    - Automation of On-Boarding System (R2.7 million), due to lack of suitable resources available to implement the project.
  - The following projects are increasing in 2019/20:
    - Electronic project planning system – PMO (R1.8 million): This project has been transferred from the Urban Management directorate as a result of an organisational structure change; and
    - Contract Management System Integration (R0.5 million): Enhancement of the contract monitoring function.
    - GIS and IT Equipment (R50 000): Replacement of ageing infrastructure.
  - The following project increases in 2020/21:
    - GIS and IT Equipment FY22 (R0.1 million): Replacement of ageing GPS equipment.
- Economic Opportunities & Asset Management - R88.2 million increase in 2019/20, R21.8 million increase in 2020/21 and R100 million decrease in 2021/22
  - Fleet Replacement Programme (R100 million increase): The project is being brought forward from 2020/21 to 2019/20 in order to accelerate the replacement programme.
  - Fleet Facilities Upgrade FY21 (R10 million increase in 2020/21): To complete the upgrade of facilities programme.
  - The following projects are being rephased from 2019/20 to 2020/21:
    - Electronic Workflow - Immovable Property (R8 million), due to limited specialised resource capacity; and
    - FM Infrastructure (R3.8 million), due to complexities in the land use application process.
- Energy & Climate Change - R45 million decrease in 2019/20, R13.4 million increase in 2020/21 and R63.5 million decrease in 2021/22
  - The following projects are being rephased and aligned to the latest construction cost and timeframes:
    - Eversdal Substation Upgrade - Phase 2 (R3.7 million decrease in 2019/20 and R10.4 million increase in 2020/21), due to delays as a result of the building tender not being in place; and

- Koeberg Road Switching Station Phase 3 (R1.4 million decrease in 2019/20 and R1.8 million increase in 2020/21), due to the building tender not being in place.
- The following projects are increasing in 2019/20:
  - Oakdale Switching Station Upgrade Phase 3 (R0.3 million), where the cost of panels is more than anticipated;
  - Uitkamp Transformer Refurbishment (R46 000), due to the invoice for work done being higher than anticipated as well as payment of the Contract Price Adjustment on this project; and
  - Acquisition of Land & Servitudes (R0.1 million), where ownership of a 900mm water pipe required acquisition of the land.
- The following projects are decreasing in 2019/20:
  - HV Switchgear SICAM Module Replacement (R0.5 million), due to savings realised;
  - Substation Fencing programme (R11 million), where cancellation of the palisade fencing tender necessitated alignment to revised project schedules;
  - MV System Infrastructure programme (R24 million), where tender delays on the switchgear- and building tenders necessitated budgetary alignment to revised project schedules;
  - Disturbance Recorder Replacement FY20 (R0.35 million), as the substation where the replacement recorder will be installed has not yet been identified; and
  - HV OH Line Refurbish (structures) FY20 (R0.65 million), where budget is being aligned to the revised consultant's report and available resources.
- Photovoltaic Install in Municipal building FY20 (R8.6 million decrease in 2019/20, R9.5 million decrease in 2020/21 and R18.1 million increase in 2021/22): The project is being rephased, due to the building tender not being in place.
- Paardevlei Switching Station (R4.6 million increase in 2019/20, R108.8 million increase in 2020/21 and R44.2 million decrease in 2021/22): The project is being brought forward as the tenders are available earlier than anticipated.
- Morgen Gronde Switching Station (R100.4 million decrease in 2020/21 and R37.3 million decrease in 2021/22): This project is being rephased to outer years, due to cancellation of a large HV customer application.
- Finance - R8.6 million decrease in 2019/20, R30.3 million decrease in 2020/21 and R40 million increase in 2021/22
  - E-Tendering System: This project is being rephased from 2019/20 (R9.7 million) and 2020/21 (R30.3 million) to 2021/22 as a result of the pending review and assessment by the IS&T department.

- The following projects are increasing in 2019/20:
  - Video Conferencing Equipment FY20 (R0.19 million), for the procurement of video conferencing equipment;
  - Computer Equipment: Replacement FY20 (R0.5 million), for the procurement of printers and high-spec computers for the SCM Tender team;
  - IT Equipment FY20 (R73 000), in order to procure a new printer for the Finance Support Office as the current printer is obsolete;
  - Furniture: Additional FY20 HR Business Partner (R16 500), to procure furniture for new staff members to be appointed by June 2020 to give effect to the new HR Business Partner Strategy, which will be implemented in 2020/21;
  - IT Equipment: Replacement FY20 HRBP (R84 200), for replacement computers in order to comply with the City-wide Windows 10 upgrade; and
  - IT Equipment: Additional FY20 Cape Town Stadium (R0.13 million).
- Safety & Security - R7.7 million decrease in 2019/20, R87.7 million increase in 2020/21 and R58 million decrease in 2021/22
  - The following projects are being re-phased from 2019/20 to 2020/21:
    - Building Upgrades FY20 - R4 million;
    - Vehicles: Additional FY20 - R5.9 million;
    - Vehicle Replacement FY20 - R0.5 million;
    - Specialised Vehicles FY20 - R12.3 million;
    - Fire Vehicles: Replacement FY20 - R22.2 million;
    - Digital Backend Upgrade - R2 million;
    - Vehicles (Volunteers): Additional FY20 - R0.13 million;
    - Events Support Online Application System - R5 million;
    - Online Event Calendar - R1 million; and
    - Film & Events Permitting System - R0.5 million.
  - The following projects are increasing in 2019/20 and 2020/21:
    - Radios – R0.28 million (2019/20);
    - Computer equipment – R0.2 million (2019/20)
    - Firearms – R0.29 million (2020/21); and
    - Vehicles: Additional – R6.6 million (2020/21).
  - The following Law Enforcement Advanced Plan (LEAP) projects are proposed in 2019/20 and 2020/21:
    - IT Equipment - R2.2 million (2019/20) and R6.7 million (2020/21);
    - Additional Vehicles - R28.7 million (2019/20) and R43.8 million (2020/21);
    - Furniture - R1.3 million (2019/20) and R3.9 million (2020/21);
    - Radio - R6.4 million (2019/20 and 2020/21);
    - Building Upgrades - R5.1 million (2019/20) and R10.2 million (2020/21); and
    - Additional Firearms - R3 million (2019/20) and R8.2 million (2020/21).

- Property Improvement Training College (R52 million decrease in 2020/21 and R58 million decrease in 2021/22): This project is being rephased from 2020/21 and 2021/22 to 2022/23 and 2023/24. It is anticipated that the planning of the project will be done in 2020/21 and 2021/22 and the construction of the new training facility for Metro Police will take place in 2022/23 with the completion date in 2023/24.
- Generator and UPS project (R1.5 million decrease in 2019/20), as the project is being transferred to the Transport directorate.
- Spatial Planning & Environment - R23.3 million decrease in 2019/20, R58.6 million increase in 2020/21 and R104.4 million increase in 2021/22
  - Transfer of R9 million in 2019/20, R25 million in 2020/21 and R98.3 million in 2021/22 from the Transport directorate as a result of an organisational structure change.
  - Reserve Upgrade: Fencing FY20 (R3 million in 2019/20), due to additional allocations received.
  - Basement Parking & Access project (R18.1 million decrease in 2019/20, R12.3 million increase in 2020/21 and R8.5 million increase in 2021/22), where the budget is being realigned to the latest construction programme.
  - Helderberg Nature Reserve Development project (R7.5 million decrease in 2019/20, R21.6 million increase in 2020/21 and R4.4 million decrease in 2021/22), due to reprioritisation in order to complete the project in 2020/21.
  - The following projects are being rephased from 2019/20 to 2020/21:
    - Bracken Visitor Education Centre - R50 000;
    - Coastal Structures: Rehabilitation FY20 - R5.2 million;
    - SAP Enhancements (Heritage Delegations) - R1 million;
    - Harmony Flats Visitor Education Centre – R0.3 million;
    - Upgrade to ArcGIS 10.7 - R2.8 million; and
    - Green Point Park EE Garden – R0.4 million.
- Transport - R93.9 million decrease in 2019/20, R35.1 million decrease in 2020/21 and R6.5 million increase in 2021/22
  - Generator and UPS project (R1.5 million increase in 2019/20), as the project is being transferred from the Safety & Security directorate.
  - Transfer of funding of R26.6 million in 2019/20, R66.9 million in 2020/21 and R39 million in 2021/22 to the Spatial Planning & Environment directorate as a result of an organisational structure change.
  - Reconstruction of Giel Basson Drive project (R6.5 million increase in 2019/20 and corresponding decrease in 2020/21), due to alignment of the project to latest implementation programme.

- Reconstruction of Ottery Road project (R11.2 million decrease in 2019/20 and R0.4 million increase in 2020/21), due to a change in funding source from EFF to grant funding in 2019/20 and additional funding required to complete the project in 2020/21.
- Road Rehabilitation: Heideveld: Area 5 project - R20 million decrease in 2019/20, R13.2 million increase in 2020/21 and R11 million increase in 2021/22, as the project is being rephased, due to the expiration of a tender and in order to align the budgetary provision to the latest professional construction cost and timeframes.
- The following projects decrease in 2019/20, 2020/21 and 2021/22, due to savings realised, expiration of tender, and in order to align the budgetary provision to the latest construction cost and timeframes:

| Project Description                  | 2019/20<br>Decrease | 2020/21<br>Decrease | 2021/22<br>Decrease |
|--------------------------------------|---------------------|---------------------|---------------------|
| Traffic Calming City Wide FY20       | 1 273 000           | -                   | -                   |
| Rehab of Irene Avenue, Somerset West | 555 954             | -                   | -                   |
| Guard Rails & Fencing FY20           | 312 344             | -                   | -                   |
| Road Structures: Construction        | -                   | 8 700 000           | 3 000 000           |
| Transport Registry system            | -                   | 1 500 000           | -                   |
| N2 Interchange (Phase 1)             | 1 654 538           | 1 158 361           | -                   |
| Metro Roads: Reconstruction          | 19 919 950          | -                   | 23 787 906          |
| Rehab of Jan Van Riebeeck Drive      | 18 076 109          | -                   | -                   |
| Reconstruction of Tafelberg Road     | -                   | 10 000 000          | -                   |
| Reconstruction of Swartklip Road     | -                   | 32 679 323          | 1 500 000           |
| <b>Grand Total</b>                   | <b>41 791 895</b>   | <b>54 037 684</b>   | <b>28 287 906</b>   |

Table 4: Projects decreasing in 2019/20 within the Transport directorate

- The following project are being rephased from 2019/20 and 2020/21 to 2021/22 in order to align the budgetary provision to the latest construction cost and timeframes as a result of tenders that were cancelled and/or expired:

| Project Description                                | Rephased<br>from 2019/20<br>to 2021/22 | Rephased<br>from 2020/21<br>to 2021/22 | Rephased<br>from 2019/20<br>& 2020/21 |
|----------------------------------------------------|----------------------------------------|----------------------------------------|---------------------------------------|
| Upgrade: Head Office, Depot and District buildings | 6 500 000                              | 5 000 000                              | 4 215 039                             |
| Pedestrianisation                                  | 1 645 535                              | 357 400                                | 1 018 789                             |
| Road Rehabilitation: Bonteheuwel/Uitsig            | 11 500 000                             | 10 000 000                             | 19 000 000                            |
| <b>Grand Total</b>                                 | <b>19 645 535</b>                      | <b>15 357 400</b>                      | <b>24 233 828</b>                     |

Table 5: Projects being rephased within the Transport directorate

- The following projects increase to procure equipment, vehicles and computer equipment for operational requirements, to address backlogs of stormwater improvements necessary to prevent flooding and safeguard infrastructure, to enable the extension of the CTICC marshalling yard, and to align with the latest construction cost schedules and timeframes:

| Project Description                                           | 2019/20 Increase  | 2020/21 Increase  | 2021/22 Increase  |
|---------------------------------------------------------------|-------------------|-------------------|-------------------|
| Buttskop Rd upgrade                                           | -                 | 6 000 000         | 1 400 000         |
| Road Upgrade :Sir Lowrys Pass Village Rd - Phase 2            | -                 | 3 350 000         | -                 |
| Vehicles & Plant: Additional FY20                             | 4 918 717         | -                 | -                 |
| Computer Equipment & Software: Add FY20                       | 1 873 811         | -                 | -                 |
| Vehicles & Plant: Additional FY22                             | -                 | -                 | 5 000 000         |
| Computer Equipment & Software: Add FY21                       | -                 | 700 000           | -                 |
| Computer Equipment & Software: Add FY22                       | -                 | -                 | 700 000           |
| Furniture, Tools & Equipment: Replacement FY20                | 1 000 000         | -                 | -                 |
| CSRM General Stormwater projects FY20                         | 3 242 877         | -                 | -                 |
| CSRM General Stormwater projects FY21                         | -                 | 2 000 000         | -                 |
| CSRM General Stormwater projects FY22                         | -                 | -                 | 3 000 000         |
| Rehabilitation of Jakes Gerwel - N2 & N1                      | -                 | 42 679 232        | 26 500 000        |
| R44 Road Upgrade: North & South Bound Lanes                   | -                 | 7 269 072         | -                 |
| Rehabilitation of Halt Road                                   | 5 700 000         | -                 | -                 |
| Rehabilitation of Japhta K: Bonga Dr & Icelekwane Rd          | -                 | 6 200 000         | -                 |
| Rehabilitation of Japhta K: Nyati Rd & Lawulo Rd              | -                 | 6 200 000         | -                 |
| Rehabilitation of existing balustrades - Nelson Mandela Drive | -                 | 10 000 000        | 2 000 000         |
| Slope Stabilisation Philip Kgosana Drive                      | -                 | 1 800 000         | -                 |
| Road Upgrade: CTICC FW De Klerk Boulevard                     | 535 000           | 7 845 000         | -                 |
| <b>Grand Total</b>                                            | <b>17 270 405</b> | <b>94 043 304</b> | <b>38 600 000</b> |

**Table 6: Projects increasing in 2019/20 within the Transport directorate**

- Human Settlements - R13 million increase in 2019/20 with a corresponding decrease in 2020/21
  - Asset Management Programme (R10 million): Project is being fast-tracked; and
  - Computer Equipment (R3 million): Reprioritisation of funding for the procurement of replacement computers in order to comply with the City-wide Windows 10 upgrade.
- Office of the City Manager - R0.6 million increase
  - Procurement of furniture and IT equipment for newly appointed staff within the Probity- and Internal Audit departments.

- Urban Management – *R10.2 million* decrease in 2019/20 and R0.9 million increase in 2020/21
  - Renovation of Sub Council 18 project (R0.9 million): The project is being rephased to align with latest implementation plans; and
  - Electronic project planning system – PMO (R1.8 million): Transfer of funding to the Corporate Services directorate as a result of an organisational structure change.
  - *Community Based Recycling Drop off FY20: R7.5 million transferred from the Urban Management directorate to the Solid Waste Management department for the acquisition of grab trucks to remove illegal dumping.*
  
- Water & Waste directorate - *R935 million* decrease in 2019/20, R2.8 billion decrease in 2020/21 and R2 billion decrease in 2021/22
  - Solid Waste Management department - *R221.8 million* decrease in 2019/20, R43.5 million decrease in 2020/21 and R56.3 million increase in 2021/22
    - Coastal Park - Design and development project (R49.2 million decrease in 2019/20, R29.3 million increase in 2020/21 and R5 million decrease in 2021/22): This project is being rephased from 2019/20 to 2020/21, 2021/22 and outer years as well as being aligned to the latest construction cost as a result of protracted due diligence processes, which required specialised engineering services, with construction anticipated to commence in April 2020.
    - Coastal Park - Design and develop (Material Recovery Facility) (R35.7 million decrease in 2019/20, R113 million decrease in 2020/21 and R125 million increase in 2021/22): This project is being rephased from 2019/20 and 2020/21 to 2021/22 as well as aligned to the latest construction estimates as a result of an appeal that was upheld and subsequently resolved. The construction portion of the project will now only commence in 2020/21 with completion anticipated in 2021/22.
    - Coastal Park: LFG Infrastructure – Beneficiation project (R6.8 million decrease in 2019/20, R6.5 million increase in 2020/21 and R6 million decrease in 2021/22): This project is being rephased from 2019/20 to 2020/21 as well as aligned to latest construction timeframes and estimates, due to delays experienced as a result of clarification requests during the BEC process.
    - New Prince George Drop-off project (R22.5 million decrease in 2019/20, R21.8 million increase in 2020/21 and R19.4 million increase in 2020/21): This project is being rephased from 2019/20 to 2020/21 and 2021/22 as well as aligned to latest construction timeframes and estimates, due to initial delay as a result of lengthy procurement processes including legal consideration of objection to fencing specification. The construction portion of the project will now only commence in 2020/21 with completion anticipated in 2021/22.

- *Plant & Vehicles: Replacement FY20: R7.5 million transferred from the Urban Management directorate to the Solid Waste Management department for the acquisition of grab trucks to remove illegal dumping.*
- The following projects are being rephased from 2019/20 to 2020/21, 2021/22 and outers years as well as being aligned to the latest implementation schedule, due to initial delays as a result of the appeal linked to the professional services tender 217C:

| Project Description                                 | Rephased to 2020/21, 2021/22 and outers years | Rephased from 2019/20 or rephased to outers years | Rephased from 2019/20 or rephased to outers years |
|-----------------------------------------------------|-----------------------------------------------|---------------------------------------------------|---------------------------------------------------|
| Vissershok North: Design and develop Airspace       | -4 150 000                                    | 50 800 000                                        | -14 000 000                                       |
| Vissershok: LFG Infrastructure to Flaring           | -30 000 000                                   | 32 928 696                                        | 0                                                 |
| Killarney Drop-off Upgrade Waste Minimisation       | -853 259                                      | -7 951 605                                        | 8 804 864                                         |
| Gordons Bay Drop-off Upgrade Waste Minimisation     | -8 102 052                                    | 3 925 044                                         | 1 895 773                                         |
| Wynberg Drop-off Upgrade Waste Minimisation         | -7 956 993                                    | 3 925 044                                         | 1 764 045                                         |
| Vissershok South: Development Triangle              | -6 500 000                                    | -76 500 000                                       | -30 000 000                                       |
| Mitchells Plain Depot Upgrade                       | -6 413 557                                    | 10 426 156                                        | 0                                                 |
| Hanover Park Depot Upgrade                          | -6 442 470                                    | 10 426 156                                        | 0                                                 |
| CBD Depot Upgrade                                   | -1 085 390                                    | 677 571                                           | 0                                                 |
| Woodstock Depot Upgrade                             | -5 522 696                                    | -2 523 736                                        | 7 737 394                                         |
| Major Upgrade of Collection Facilities FY20         | -5 313 472                                    | 0                                                 | 0                                                 |
| Major Upgrade of Cleansing Facilities FY20          | -2 843 535                                    | 0                                                 | 0                                                 |
| Drop-off Facilities: New FY20                       | -4 297 422                                    | 0                                                 | 0                                                 |
| Major Upgrade of Technical Services Facilities FY20 | -9 260 331                                    | 0                                                 | 0                                                 |
| <b>Grand total</b>                                  | <b>-98 741 177</b>                            | <b>26 133 326</b>                                 | <b>-23 797 924</b>                                |

**Table 7: Projects being rephased within the Solid Waste Management department**

- The following projects decrease in 2019/20, due to savings realised:
  - Kommetjie Drop-off Upgrade Waste Minimisation – R0.3 million;
  - Houtbay Drop-off Upgrade Waste Minimisation – R0.25 million;
  - Vissershok South: Refurbishment of heritage building – R0.27 million;
  - Major Upgrade of Transfer Stations FY20 - R5 million;
  - Bellville: LFG Infrastructure to Flaring - R3 million
  - Scottsdale Depot Upgrade – R0.8 million;
  - Kuils River Depot Upgrade – R0.9 million;
  - Parow depot Upgrade - R1.8 million;
  - Maitland Specialised Equip Depot Upgrade - R1.2 million; and
  - Hillstar Workshop Upgrade – R0.8 million.

- Water & Sanitation department - R713.6 million decrease in 2019/20, R2.7 billion decrease in 2020/21 and R2 billion decrease in 2021/22

The aforementioned decreases are based on analysis of the deliverables of the department's projects and is based on the latest available information and capacity with due cognisance that the revised implementation timeframes will still ensure continuous service delivery.

- Cape Flats Aquifer project (R43.4 million increase in 2019/20, R142 million decrease in 2020/21 and R150 million decrease in 2021/22): The project is ahead of schedule, due to good contractor performance and can be fast-tracked.
- Bulk Reticulation Sewers in Milnerton Rehabilitation project (R1 million decrease in 2019/20, R3 million increase in 2020/21 and R49 million decrease in 2021/22): The project was delayed, due to issues experienced in acquiring the servitude.
- Flood Alleviation - Lourens River (R18 million decrease in 2019/20, R6 million increase in 2020/21 and R10 million decrease in 2021/22). The project is being aligned to the latest implementation programme.
- The following projects are being rephased from 2019/20 and 2020/21 to 2021/22:
  - Atlantis Aquifer – R137.9 million decrease in 2019/20, R70.5 million decrease in 2020/21, and R79 million increase in 2021/22; and
  - Gordon's Bay Sewer Rising Main – R0.5 million decrease in 2019/20, R13 million decrease in 2020/21 and R38 million increase in 2021/22.
- The following projects are being rephased from 2019/20 to 2020/21 and 2021/22 and aligned to the latest construction cost and timeframes, due to appeals and delayed EIA approvals resulting in a decrease of R124.6 million in 2019/20 and increases of R183.9 million, R400.3 million in 2020/21 and 2021/22, respectively:
  - Cape Flats Rehabilitation - R15 million decrease in 2019/20, R45 million increase in 2020/21 and R74 million increase in 2021/22;
  - Contermanskloof Reservoir - R54.5 million decrease in 2019/20, R18.5 million increase in 2020/21 and R38.8 million increase in 2021/22;
  - Paardevlei Stormwater - R4.5 million decrease in 2019/20 and R1 million increase in 2020/21;
  - Retreat Low Lift Pump station - R5 million decrease in 2019/20 and R15 million increase in 2020/21; and
  - Zandvliet WWTW: Prim Treatment & Sludge - R45.6 million decrease in 2019/20, R104 million increase in 2020/21 and R327.5 million increase in 2021/22.

- The following projects are increasing, due to good contractor performance and to procure equipment to optimise service delivery:

| Project Description                               | 2019/20 Increase  | 2020/21 Increase   | 2021/22 Increase   |
|---------------------------------------------------|-------------------|--------------------|--------------------|
| Bellville WWTW Extension                          | 20 000 000        | 3 000 000          | 45 500 000         |
| Cape Flats WWTW - Biosolids                       | -                 | 62 500 000         | 125 000 000        |
| Digtebij sewer Installation                       | 135 000           | -                  | -                  |
| Firearms FY21                                     | -                 | 300 000            | -                  |
| Fisantekraal WWTW                                 | -                 | -                  | 20 000 000         |
| Flood Alleviation-Lourens River Phase II          | -                 | 876 547            | 8 745 565          |
| Furniture & Equipment: Additional FY20            | 250 000           | -                  | -                  |
| GSM General Stormwater Projects FY20              | 510 000           | -                  | -                  |
| Laboratory Equipment: Additional FY20             | 3 000 000         | -                  | -                  |
| Laboratory Extension SANS                         | 224 000           | -                  | -                  |
| Litter Traps Citywide                             | -                 | 516 667            | 452 633            |
| Macassar Flood Alleviation                        | -                 | 703 292            | 426 358            |
| Penhill Sewer Installation                        | -                 | 9 092 525          | -                  |
| Plant & Equipment: Replacement FY21               | -                 | 250 000            | -                  |
| Radios FY2020                                     | 300 000           | -                  | -                  |
| Rehabilitation of Diep River - Erica Road Outfall | -                 | 326 500            | 216 779            |
| Rehabilitation of Diep River - Theo Marais Canal  | -                 | 400 275            | 365 966            |
| Rehabilitation Keysers River Steenberg            | -                 | 314 620            | 450 000            |
| Rehabilitation of Grootboschkloof River           | -                 | 414 620            | 500 000            |
| Rehabilitation of Westlake River                  | -                 | 456 031            | 300 000            |
| Stormwater Dams - Driftsands                      | -                 | 105 000            | 152 943            |
| Upgrade of Geelsloot - Somerset West              | -                 | -                  | 141 245            |
| Upgrade of Geelsloot Pond -Somerset West          | -                 | 841 409            | 344 175            |
| Upgrade of Zandvlei Canal                         | -                 | 355 000            | 260 079            |
| Upgrade Rietvlei Sewer Pump Station               | -                 | 2 000 000          | 53 500 000         |
| Vehicles, Plant Equip: Additional FY20            | 2 500 000         | -                  | -                  |
| Wesfleur Aeration & Blower Replacement            | -                 | 40 000 000         | 23 600 000         |
| Zandvlei - Spaanschemat &P/kasteel River          | -                 | 519 210            | 400 000            |
| <b>Grand Total</b>                                | <b>26 919 000</b> | <b>122 971 696</b> | <b>280 355 743</b> |

**Table 8: Projects increasing within the Water & Sanitation Services department**

- The following projects are being rephased from 2019/20, 2020/21 and 2021/22 to the outers years, resulting in decreases of R502.4 million, R2.8 billion and R2.7 billion in 2019/20, 2020/21 and 2021/22, respectively:

| Project Description                                                                                                     | Rephased from 2019/20 to Outer years | Rephased from 2020/21 to Outer years | Rephased from 2021/22 to Outer years |
|-------------------------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Athlone Waste Water Treatment Works - Capacity Extension-phase 1                                                        | 39 000 000                           | 97 000 000                           | 95 000 000                           |
| Bulk Water Infrastructure Replacement FY20                                                                              | 5 000 000                            | -                                    | -                                    |
| Bulk Water Infrastructure Replacement FY21                                                                              | -                                    | 80 000 000                           | -                                    |
| Bulk Water Infrastructure Replacement FY22                                                                              | -                                    | -                                    | 20 000 000                           |
| Bulk Water Augmentation Scheme: Servitudes Phases C2 and C4                                                             | -                                    | -                                    | 3 200 000                            |
| Bulk Water Augmentation Schem: Muldersvlei Reservoir and Pipeline                                                       | -                                    | 295 000 000                          | 155 300 000                          |
| Bulk Water Augmentation Scheme: Muldersvlei Water Treatment Plant 500M/day Phases C3 to D and CS                        | -                                    | 2 000 000                            | 4 500 000                            |
| Bulk Water Augmentation Schem: Muldersvlei Water Treatment Plant -Spes Bona Reservoir Pipeline -13km Phases C4 to CS    | -                                    | 5 000 000                            | 70 800 000                           |
| Bulk Water Augmentation Schem: Muldersvlei Water Treatment Plant - Spes Bona Reservoir Pipeline -13km Phases C4 and DCS | 500 000                              | 2 000 000                            | 700 000                              |
| Bulk Water Augmentation Schem: Phase 2: Spes Bona Reservoir (300M) Phases C6-C-VV-GG                                    | -                                    | -                                    | 30 000 000                           |
| Bulk Water Augmentation Schem: Phase 2: Spes Bona Reservoir (300M) Phases C6-C-VV-GG                                    | 500 000                              | 5 000 000                            | 5 000 000                            |
| Bulk Water Augmentation Schem: Phase 3: Spes Bona Reservoir - Glengarry Pipeline - 13km C7 - D and CS - VV - GG         | -                                    | -                                    | 800 000                              |
| Bulk Water Augmentation Schem :Raw Water Pipeline - Muldersvlei Water                                                   | -                                    | 1 000 000                            | 500 000                              |
| Cape Flats Aquifer Recharge                                                                                             | -                                    | 155 000 000                          | 9 000 000                            |
| Cape Flats Waste Water Treatment Works - Refurbish various structures                                                   | -                                    | 378 900 000                          | 209 800 000                          |
| Depot Upgrading FY20                                                                                                    | 10 000 000                           | -                                    | -                                    |
| Desalination                                                                                                            | 5 000 000                            | 4 800 000                            | 6 000 000                            |
| Development of Additional Infrastructure FY20                                                                           | 35 000 000                           | -                                    | -                                    |
| Development of Additional Infrastructure FY21                                                                           | -                                    | 60 000 000                           | -                                    |
| Development of Additional Infrastructure FY22                                                                           | -                                    | -                                    | 10 000 000                           |
| Doordkraal Sewer Pumpstation                                                                                            | -                                    | 5 000 000                            | 35 000 000                           |
| Expansion of Waste Water Treatment Works FY21                                                                           | -                                    | 3 000 000                            | -                                    |
| Expansion of Waste Water Treatment Works FY22                                                                           | -                                    | -                                    | 10 000 000                           |
| Gordons Bay Beach Front Sewer                                                                                           | 2 800 000                            | -                                    | -                                    |
| Gordon's Bay Firlands Sewerage Services                                                                                 | -                                    | 5 500 000                            | 6 000 000                            |
| Gordon's Bay Sewers Upgrade                                                                                             | 1 900 000                            | 10 000 000                           | -                                    |
| General Stormwater Management Projects FY21                                                                             | -                                    | 10 000 000                           | -                                    |
| GSM General Stormwater Projects FY22                                                                                    | -                                    | -                                    | 10 000 000                           |
| Helderberg/Faure Scheme                                                                                                 | 500 000                              | 500 000                              | 500 000                              |
| Infrastructure Replacements - Waste Water Treatment Works FY20                                                          | 10 000 000                           | -                                    | -                                    |
| Infrastructure Replacements - Waste Water Treatment Works FY21                                                          | -                                    | 80 000 000                           | -                                    |
| Infrastructure Replacements - Waste Water Treatment Works FY22                                                          | -                                    | -                                    | 110 000 000                          |
| IT: System Infrastrasture Equipment: Additional FY20                                                                    | 3 000 000                            | -                                    | -                                    |
| IT: Systems and Equipment Replacement FY20                                                                              | 3 000 000                            | -                                    | -                                    |
| Macassar Waste Water Treatment Works Extension                                                                          | -                                    | 30 000 000                           | 50 000 000                           |
| Melkbos Waste Water Treatment Works - Effluent Disinfection                                                             | 530 000                              | 20 000 000                           | 1 000 000                            |
| Meter Replacement Programme FY20                                                                                        | 165 000 000                          | -                                    | -                                    |
| Meter Replacement Programme FY21                                                                                        | -                                    | 120 000 000                          | -                                    |
| Mitchells Plain Waste Water Treatment Works - Improvements Phase 2                                                      | -                                    | 40 000 000                           | 16 600 000                           |
| Network Replament: Gordon's Bay Firlands Retictulation                                                                  | -                                    | 5 500 000                            | 16 000 000                           |
| Northern Regional Sludge Facility                                                                                       | 2 115 570                            | 20 000 000                           | 54 800 000                           |
| OSEC (Electrolytic Chlorination Infrastructure)                                                                         | 1 000 000                            | 5 000 000                            | 19 000 000                           |

Continues on next page.

| Project Description                       | Rephased<br>from 2019/20<br>to Outer years | Rephased<br>from 2020/21<br>to Outer years | Rephased<br>from 2021/22<br>to Outer years |
|-------------------------------------------|--------------------------------------------|--------------------------------------------|--------------------------------------------|
| Philippi Collector Sewer                  | -                                          | 46 376 000                                 | 32 446 800                                 |
| Potsdam WWTW - Extension                  | 11 684 587                                 | 180 000 000                                | 200 000 000                                |
| Pressure Management: COCT FY20            | 6 000 000                                  | -                                          | -                                          |
| Replace & Upgrade Sewer Pump Station FY20 | 1 000 000                                  | -                                          | -                                          |
| Replace & Upgrade Sewer Pump Station FY21 | -                                          | 15 000 000                                 | -                                          |
| Replace Sewer Network (Citywide) FY20     | 20 000 000                                 | -                                          | -                                          |
| Replace Sewer Network (Citywide) FY21     | -                                          | 150 000 000                                | -                                          |
| Replace Sewer Network (Citywide) FY22     | -                                          | -                                          | 154 000 000                                |
| Replace Water Network (City Wide) FY20    | 10 000 000                                 | -                                          | -                                          |
| Replace Water Network (City Wide) FY21    | -                                          | 175 000 000                                | -                                          |
| Replace Water Network (City Wide) FY22    | -                                          | -                                          | 114 000 000                                |
| Sewer Projects as per Master Plan FY21    | -                                          | 12 000 000                                 | -                                          |
| Sewer Projects as per Master Plan FY22    | -                                          | -                                          | 17 000 000                                 |
| Sir Lowry's Pass parallel sewer           | 500 000                                    | 4 500 000                                  | -                                          |
| Sir Lowry's Pass River Upgrade            | 41 433 287                                 | 30 000 000                                 | 31 444 572                                 |
| Steenbras Reservoir                       | 500 000                                    | 4 200 000                                  | 5 400 000                                  |
| Table Mountain Group Aquifer              | 30 000 000                                 | 151 600 000                                | 20 000 000                                 |
| Telemetry Automation (Reticulation) FY20  | 1 000 000                                  | -                                          | -                                          |
| Telemetry Automation (Reticulation) FY21  | -                                          | 1 000 000                                  | -                                          |
| Telemetry Automation (Reticulation) FY22  | -                                          | -                                          | 1 500 000                                  |
| Water Projects as per Master Plan FY20    | 500 000                                    | -                                          | -                                          |
| Water Projects as per Master Plan FY21    | -                                          | 12 000 000                                 | -                                          |
| Water Projects as per Master Plan FY22    | -                                          | -                                          | 27 000 000                                 |
| Water Supply at Baden Powell Dr to Khaye  | -                                          | 10 000 000                                 | -                                          |
| Wesfleur WWTW - Capacity Extension        | 86 595 458                                 | 91 400 000                                 | 13 600 000                                 |
| Wildevollevlei WWTW - Upgrade dewatering  | 2 000 000                                  | 4 000 000                                  | -                                          |
| Zandvliet Plant Re-use (50ML)             | 5 800 000                                  | 340 400 000                                | 746 000 000                                |
| Zandvliet WWTW - Extension                | -                                          | 162 400 000                                | 327 500 000                                |
| Zevenwacht Reservoir and Network          | -                                          | 3 000 000                                  | 5 000 000                                  |
| Rietvlei P/Station, R/Main Bottelary      | -                                          | -                                          | 15 000 000                                 |
| <b>Grand Total</b>                        | <b>501 858 902</b>                         | <b>2 833 076 000</b>                       | <b>2 659 391 372</b>                       |

**Table 9: Projects being rephased within the Water & Sanitation Services department****Revenue amendments**

A net *increase of R96.2 million* in 2019/20 and an increase of R9.9 million in 2020/21 is proposed within the following directorates:

- Community Services & Health - R9.8 million decrease in 2019/20 and R9.8 million increase in 2020/21 on the following projects:
  - Bloekombos Community Hall (R4.7 million) and the Bardale Multi-purpose centre Mfuleni (R5.1 million) projects, due to rephasing from 2019/20 to 2020/21 as the result of community unrest; and
  - IT Equipment: Replacement Luvuyo Clinic (R41 900) as a result of settlement of an insurance claim.

- Corporate Services (R4.1million increase), due to settlement of an insurance claim for the 'Network Upgrade Underserviced Areas FY20' project.
- Economic Opportunities & Asset Management (R1 million decrease), due to the reduction in the contingency provision for insurance claims in 2019/20.
- Energy & Climate Change (R10 million increase), due to the increase in the contingency provision for insurance claims in 2019/20.
- *Human Settlement (R100.8 million increase), due to:*
  - *An increase of R0.8 million in the contingency provision for insurance claims in 2019/20; and*
  - *Asset Management Programme (APM) (R100 million increase) for the replacement of roofs, staircases, windows, doors, sanitary ware and fittings, and the stripping and rewiring of the entire electrical reticulation including new distribution boards, plugs and switches at various community rental units across the City. The funding was appropriated in the original approved 2019/20 operating budget, but will be shifted to the capital budget, due to the nature of expenditure that will be incurred.*
- Office of the City Manager (R25 000 decrease), due to the reduction in the contingency provision for insurance claims in 2019/20.
- Spatial Planning & Environment (R321 205 decrease), due to the reduction in the contingency provision for insurance claims in 2019/20.
- Urban Management (R50 000 increase), due to the increase in the contingency provision for insurance claims in 2019/20.
- Water & Waste Services - Solid Waste Management (R7.5 million decrease), due to the reduction in the contingency provision for insurance claims in 2019/20.

#### 4. Adjustments Budget Tables – City of Cape Town

The ten primary budget tables, as required in terms of Part 4 of the Municipal Budget and Reporting Regulations (MBRR), are presented on page 31 to page 45. These tables reflect the City's 2019/20 adjustments budget and MTREF to be approved by Council. Each table is accompanied by explanatory notes.

**Table 10: MBRR Table B1 – Adjustments Budget Summary**

| Description                                                          | Budget Year 2019/20 |                   |              |                    |                  |                    |                  |                  |                   | Budget Year +1 2020/21 | Budget Year +2 2021/22 |
|----------------------------------------------------------------------|---------------------|-------------------|--------------|--------------------|------------------|--------------------|------------------|------------------|-------------------|------------------------|------------------------|
|                                                                      | Original Budget     | Prior Adjusted    | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts.   | Total Adjusts.   | Adjusted Budget   | Adjusted Budget        | Adjusted Budget        |
| <b>R thousands</b>                                                   |                     |                   |              |                    |                  |                    |                  |                  |                   |                        |                        |
| <b>Financial Performance</b>                                         |                     |                   |              |                    |                  |                    |                  |                  |                   |                        |                        |
| Property rates                                                       | 9 916 685           | 9 916 685         | –            | –                  | –                | –                  | 33 495           | 33 495           | 9 950 180         | 10 517 014             | 11 045 428             |
| Service charges                                                      | 19 690 195          | 19 690 195        | –            | –                  | –                | –                  | 366 732          | 366 732          | 20 056 927        | 22 419 166             | 25 311 082             |
| Investment revenue                                                   | 912 495             | 912 495           | –            | –                  | –                | –                  | (22)             | (22)             | 912 473           | 930 613                | 1 022 317              |
| Transfers recognised - operational                                   | 7 376 568           | 7 493 227         | –            | –                  | –                | 114 428            | 114 778          | 229 206          | 7 722 432         | 7 707 345              | 8 136 559              |
| Other own revenue                                                    | 3 026 006           | 3 026 006         | –            | –                  | –                | –                  | (118)            | (118)            | 3 025 888         | 3 198 176              | 3 322 166              |
| <b>Total Revenue (excluding capital transfers and contributions)</b> | <b>40 921 950</b>   | <b>41 038 608</b> | –            | –                  | –                | <b>114 428</b>     | <b>514 865</b>   | <b>629 293</b>   | <b>41 667 901</b> | <b>44 772 315</b>      | <b>48 837 552</b>      |
| Employee costs                                                       | 13 817 805          | 13 817 842        | –            | –                  | –                | 86 985             | 125 615          | 212 600          | 14 030 442        | 14 894 366             | 16 064 208             |
| Remuneration of councillors                                          | 179 818             | 179 818           | –            | –                  | –                | –                  | –                | –                | 179 818           | 190 697                | 202 234                |
| Depreciation & asset impairment                                      | 3 015 086           | 3 015 086         | –            | –                  | –                | –                  | 25 697           | 25 697           | 3 040 783         | 3 259 139              | 3 493 178              |
| Finance charges                                                      | 790 756             | 790 756           | –            | –                  | –                | –                  | 10 060           | 10 060           | 800 816           | 921 279                | 1 304 855              |
| Materials and bulk purchases                                         | 11 704 364          | 11 703 910        | –            | –                  | –                | 4 771              | (163 024)        | (158 253)        | 11 545 657        | 13 066 819             | 14 208 635             |
| Transfers and grants                                                 | 446 206             | 470 162           | –            | –                  | –                | –                  | 97 204           | 97 204           | 567 366           | 544 944                | 491 532                |
| Other expenditure                                                    | 11 825 581          | 11 918 700        | –            | –                  | –                | 22 672             | (172 453)        | (149 781)        | 11 768 919        | 11 670 649             | 12 389 309             |
| <b>Total Expenditure</b>                                             | <b>41 779 617</b>   | <b>41 896 275</b> | –            | –                  | –                | <b>114 428</b>     | <b>(76 901)</b>  | <b>37 527</b>    | <b>41 933 802</b> | <b>44 547 894</b>      | <b>48 153 952</b>      |
| <b>Surplus/(Deficit)</b>                                             | <b>(857 667)</b>    | <b>(857 667)</b>  | –            | –                  | –                | –                  | <b>591 766</b>   | <b>591 766</b>   | <b>(265 900)</b>  | <b>224 421</b>         | <b>683 600</b>         |
| Transfers recognised - capital                                       | 2 211 385           | 2 211 673         | –            | –                  | –                | 19 825             | 324 723          | 344 548          | 2 556 221         | 3 043 827              | 3 608 514              |
| Contributions recognised - capital & contributed assets              | 53 700              | 53 700            | –            | –                  | –                | –                  | 7 187            | 7 187            | 60 887            | 56 700                 | 57 000                 |
| <b>Surplus/(Deficit) after capital transfers &amp; contributions</b> | <b>1 407 418</b>    | <b>1 407 706</b>  | –            | –                  | –                | <b>19 825</b>      | <b>923 676</b>   | <b>943 501</b>   | <b>2 351 207</b>  | <b>3 324 948</b>       | <b>4 349 114</b>       |
| Share of surplus/ (deficit) of associate                             | –                   | –                 | –            | –                  | –                | –                  | –                | –                | –                 | –                      | –                      |
| <b>Surplus/ (Deficit) for the year</b>                               | <b>1 407 418</b>    | <b>1 407 706</b>  | –            | –                  | –                | <b>19 825</b>      | <b>923 676</b>   | <b>943 501</b>   | <b>2 351 207</b>  | <b>3 324 948</b>       | <b>4 349 114</b>       |
| <b>Capital expenditure &amp; funds sources</b>                       |                     |                   |              |                    |                  |                    |                  |                  |                   |                        |                        |
| <b>Capital expenditure</b>                                           | <b>8 388 432</b>    | <b>8 784 724</b>  | –            | –                  | –                | <b>19 825</b>      | <b>(924 800)</b> | <b>(904 974)</b> | <b>7 879 749</b>  | <b>8 907 343</b>       | <b>9 528 097</b>       |
| Transfers recognised - capital                                       | 2 265 085           | 2 265 373         | –            | –                  | –                | 19 825             | 331 909          | 351 735          | 2 617 108         | 3 100 527              | 3 665 514              |
| Borrowing                                                            | 1 091 580           | 1 091 580         | –            | –                  | –                | –                  | –                | –                | 1 091 580         | 3 000 000              | 3 000 000              |
| Internally generated funds                                           | 5 031 767           | 5 427 771         | –            | –                  | –                | –                  | (1 256 709)      | (1 256 709)      | 4 171 062         | 2 806 816              | 2 862 583              |
| <b>Total sources of capital funds</b>                                | <b>8 388 432</b>    | <b>8 784 724</b>  | –            | –                  | –                | <b>19 825</b>      | <b>(924 800)</b> | <b>(904 974)</b> | <b>7 879 749</b>  | <b>8 907 343</b>       | <b>9 528 097</b>       |
| <b>Financial position</b>                                            |                     |                   |              |                    |                  |                    |                  |                  |                   |                        |                        |
| Total current assets                                                 | 18 469 328          | 15 471 870        | –            | –                  | –                | –                  | 2 884 429        | 2 884 429        | 18 356 299        | 19 760 284             | 22 043 462             |
| Total non current assets                                             | 58 066 233          | 59 024 584        | –            | –                  | –                | –                  | (1 805 501)      | (1 805 501)      | 57 219 083        | 62 717 005             | 68 605 300             |
| Total current liabilities                                            | 12 857 487          | 8 490 539         | –            | –                  | –                | –                  | 1 109 362        | 1 109 362        | 9 599 900         | 10 234 312             | 11 315 801             |
| Total non current liabilities                                        | 14 911 172          | 14 911 172        | –            | –                  | –                | –                  | 11 854           | 11 854           | 14 923 026        | 17 865 574             | 20 606 443             |
| <b>Community wealth/Equity</b>                                       | <b>48 766 902</b>   | <b>51 094 743</b> | –            | –                  | –                | –                  | <b>(42 287)</b>  | <b>(42 287)</b>  | <b>51 052 456</b> | <b>54 377 404</b>      | <b>58 726 518</b>      |
| <b>Cash flows</b>                                                    |                     |                   |              |                    |                  |                    |                  |                  |                   |                        |                        |
| Net cash from (used) operating                                       | 4 563 204           | 4 563 492         | –            | –                  | –                | –                  | 1 388 321        | 1 388 321        | 5 951 813         | 6 597 499              | 8 305 591              |
| Net cash from (used) investing                                       | (7 718 788)         | (8 075 450)       | –            | –                  | –                | –                  | 818 627          | 818 627          | (7 256 823)       | (8 211 261)            | (8 804 336)            |
| Net cash from (used) financing                                       | 748 685             | 748 685           | –            | –                  | –                | –                  | (886)            | (886)            | 747 798           | 2 673 711              | 2 378 232              |
| <b>Cash/cash equivalents at the year end</b>                         | <b>4 985 877</b>    | <b>5 656 001</b>  | –            | –                  | –                | –                  | <b>2 206 062</b> | <b>2 206 062</b> | <b>7 862 063</b>  | <b>8 922 012</b>       | <b>10 801 498</b>      |
| <b>Cash backing/surplus reconciliation</b>                           |                     |                   |              |                    |                  |                    |                  |                  |                   |                        |                        |
| Cash and investments available                                       | 11 517 654          | 13 685 552        | –            | –                  | –                | –                  | 2 206 062        | 2 206 062        | 15 891 614        | 16 951 563             | 18 831 049             |
| Application of cash and investments                                  | 8 822 834           | 7 700 447         | –            | –                  | –                | –                  | 448 713          | 448 713          | 8 149 160         | 8 170 923              | 9 180 784              |
| <b>Balance - surplus (shortfall)</b>                                 | <b>2 694 820</b>    | <b>5 985 105</b>  | –            | –                  | –                | –                  | <b>1 757 349</b> | <b>1 757 349</b> | <b>7 742 454</b>  | <b>8 780 640</b>       | <b>9 650 265</b>       |
| <b>Asset Management</b>                                              |                     |                   |              |                    |                  |                    |                  |                  |                   |                        |                        |
| Asset register summary (WDV)                                         | 52 871 578          | 53 248 055        | –            | –                  | –                | –                  | (1 813 425)      | (1 813 425)      | 51 434 629        | 56 637 465             | 62 195 979             |
| Depreciation & asset impairment                                      | 3 015 086           | 3 015 086         | –            | –                  | –                | –                  | 25 697           | 25 697           | 3 040 783         | 3 259 139              | 3 493 178              |
| Renewal and Upgrading of Existing Assets                             | 4 521 835           | 4 791 592         | –            | –                  | –                | 19 825             | (499 328)        | (479 503)        | 4 312 089         | 4 177 429              | 4 514 373              |
| Repairs and Maintenance                                              | 4 129 677           | 4 129 677         | –            | –                  | –                | –                  | 114 238          | 114 238          | 4 243 915         | 4 398 747              | 4 614 356              |
| <b>Free services</b>                                                 |                     |                   |              |                    |                  |                    |                  |                  |                   |                        |                        |
| Cost of Free Basic Services provided                                 | 1 674 816           | 1 228 225         | –            | –                  | –                | –                  | –                | –                | 1 228 225         | 1 887 725              | 2 186 431              |
| Revenue cost of free services provided                               | 1 263 535           | 1 263 535         | –            | –                  | –                | –                  | (30 943)         | (30 943)         | 1 232 593         | 1 333 676              | 1 407 711              |
| <b>Households below minimum service level</b>                        |                     |                   |              |                    |                  |                    |                  |                  |                   |                        |                        |
| Water:                                                               | –                   | –                 | –            | –                  | –                | –                  | –                | –                | –                 | –                      | –                      |
| Sanitation/sewerage:                                                 | 0                   | 0                 | –            | –                  | –                | –                  | –                | –                | 0                 | 0                      | 0                      |
| Energy:                                                              | 28                  | 28                | –            | –                  | –                | –                  | –                | –                | 28                | 26                     | 25                     |
| Refuse:                                                              | –                   | –                 | –            | –                  | –                | –                  | –                | –                | –                 | –                      | –                      |

## **Explanatory notes to MBRR Table B1 – Adjustments Budget Summary**

1. Table B1 represents a high-level summation of the City's budget, providing a view that includes all major components, i.e. operating, capital, financial position, cash flow and MFMA funding compliance.
2. In essence it provides a synopsis of the amounts to be approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance and the City's commitment to eliminate basic service delivery backlogs.
3. The MFMA, through Section 18, requires that a budget is funded by realistically anticipated revenue to be collected and cash-backed accumulated funds from previous years, not committed for other purposes. To test whether the City's budget is funded it is required therefore to collectively assess the financial performance, capital budget, financial position and cash flow budgets. The City's key outcomes in this regard are as follows:
  - a. The City's Financial Performance section of the prescribed pro forma Table B1 shows a balanced budget position over the 2019/20 MTREF.
  - b. The Financial Performance does not show a surplus, due to appropriations, which are included in the Financial Position (Table B6 – Adjustments Budget Financial Position) and not in the Financial Performance budget. These appropriations include the depreciation reserves (for capital grants), Housing Development Fund, Insurance Fund and contributions to the Capital Replacement Reserve (CRR).
  - c. The cash flow budget outcome shows that budget is funded from uncommitted, previous years' surpluses.
  - d. The capital budget is funded from the following sources:
    - i. Transfers recognised - capital and public contributions & donations, which are shown on the financial performance budget;
    - ii. Borrowing, which is shown in the cash flow budget as part of the net cash from financing activities; and
    - iii. Internally generated funds financed from previous years' accumulated surpluses, previous years' contributions to CRR and bulk infrastructure levies already collected. The affordability and sustainability of these funds are confirmed by the positive cash flow outcome over the 2019/20 MTREF.
4. The City's cash backing/surplus reconciliation over the 2019/20 MTREF shows a positive outcome, which is an indication that the City will be able to afford its commitments over the next three years.
5. The City's persistent strive to eradicate infrastructure backlogs is evident in the annual increase of investment in the Cost of Free Basic Services and the Revenue Cost of Free Basic Services provided. Backlogs still exist for Electricity Services but are projected to reduce annually.

**Table 11: MBRR Table B2 – Adjustments Budget Financial Performance (standard classification)**

| Standard Description                       | Budget Year 2019/20 |                   |              |                    |                  |                    |                |                |                 | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|--------------------------------------------|---------------------|-------------------|--------------|--------------------|------------------|--------------------|----------------|----------------|-----------------|---------------------------|---------------------------|
|                                            | Original Budget     | Prior Adjusted    | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget           | Adjusted Budget           |
| <b>R thousands</b>                         |                     |                   |              |                    |                  |                    |                |                |                 |                           |                           |
| <b>Revenue - Functional</b>                |                     |                   |              |                    |                  |                    |                |                |                 |                           |                           |
| <b>Governance and administration</b>       | <b>15 376 936</b>   | <b>15 376 949</b> | –            | –                  | –                | 3 474              | 64 288         | 67 762         | 15 444 712      | 16 332 322                | 17 299 713                |
| Executive and council                      | 299                 | 299               | –            | –                  | –                | 2 034              | (0)            | 2 034          | 2 333           | 314                       | 330                       |
| Finance and administration                 | 15 376 634          | 15 376 647        | –            | –                  | –                | 1 440              | 64 289         | 65 729         | 15 442 376      | 16 332 005                | 17 299 347                |
| Internal audit                             | 3                   | 3                 | –            | –                  | –                | –                  | 0              | 0              | 3               | 3                         | 36                        |
| <b>Community and public safety</b>         | <b>3 278 566</b>    | <b>3 394 402</b>  | –            | –                  | –                | 19 825             | 96 499         | 116 324        | 3 510 727       | 3 533 048                 | 3 667 227                 |
| Community and social services              | 125 649             | 125 649           | –            | –                  | –                | –                  | 14 025         | 14 025         | 139 675         | 135 834                   | 197 122                   |
| Sport and recreation                       | 63 591              | 63 591            | –            | –                  | –                | 779                | (2 052)        | (1 273)        | 62 318          | 57 770                    | 63 612                    |
| Public safety                              | 1 238 308           | 1 238 308         | –            | –                  | –                | 19 046             | (51 880)       | (32 834)       | 1 205 474       | 1 241 637                 | 1 241 676                 |
| Housing                                    | 1 374 066           | 1 489 902         | –            | –                  | –                | –                  | 159 743        | 159 743        | 1 649 645       | 1 599 353                 | 1 624 910                 |
| Health                                     | 476 952             | 476 952           | –            | –                  | –                | –                  | (23 337)       | (23 337)       | 453 615         | 498 453                   | 539 907                   |
| <b>Economic and environmental services</b> | <b>2 297 417</b>    | <b>2 297 692</b>  | –            | –                  | –                | 110 954            | 27 438         | 138 392        | 2 436 084       | 2 899 203                 | 3 396 937                 |
| Planning and development                   | 450 811             | 450 811           | –            | –                  | –                | –                  | (17 448)       | (17 448)       | 433 363         | 430 141                   | 471 601                   |
| Road transport                             | 1 831 775           | 1 832 049         | –            | –                  | –                | 110 954            | 29 605         | 140 559        | 1 972 608       | 2 464 615                 | 2 920 664                 |
| Environmental protection                   | 14 831              | 14 831            | –            | –                  | –                | –                  | 15 282         | 15 282         | 30 113          | 4 447                     | 4 671                     |
| <b>Trading services</b>                    | <b>22 228 113</b>   | <b>22 228 810</b> | –            | –                  | –                | –                  | 658 549        | 658 549        | 22 887 359      | 25 103 320                | 28 133 991                |
| Energy sources                             | 14 080 480          | 14 081 178        | –            | –                  | –                | –                  | 745 065        | 745 065        | 14 826 243      | 15 655 263                | 17 353 324                |
| Water management                           | 4 468 355           | 4 468 354         | –            | –                  | –                | –                  | 31 214         | 31 214         | 4 499 568       | 5 272 942                 | 6 023 124                 |
| Waste water management                     | 1 956 104           | 1 956 104         | –            | –                  | –                | –                  | (91 175)       | (91 175)       | 1 864 930       | 2 337 092                 | 2 791 631                 |
| Waste management                           | 1 723 174           | 1 723 174         | –            | –                  | –                | –                  | (26 556)       | (26 556)       | 1 696 618       | 1 838 022                 | 1 965 912                 |
| <b>Other</b>                               | <b>6 002</b>        | <b>6 127</b>      | –            | –                  | –                | –                  | 0              | 0              | 6 127           | 4 949                     | 5 199                     |
| <b>Total Revenue - Functional</b>          | <b>43 187 035</b>   | <b>43 303 981</b> | –            | –                  | –                | 134 253            | 846 775        | 981 028        | 44 285 009      | 47 872 841                | 52 503 066                |
| <b>Expenditure - Functional</b>            |                     |                   |              |                    |                  |                    |                |                |                 |                           |                           |
| <b>Governance and administration</b>       | <b>8 994 792</b>    | <b>8 988 071</b>  | –            | –                  | –                | 3 474              | 319 480        | 322 954        | 9 311 025       | 9 543 299                 | 10 522 214                |
| Executive and council                      | 535 009             | 534 134           | –            | –                  | –                | 2 034              | (3 680)        | (1 646)        | 532 487         | 537 004                   | 573 837                   |
| Finance and administration                 | 8 413 698           | 8 408 452         | –            | –                  | –                | 1 440              | 320 757        | 322 197        | 8 730 649       | 8 957 438                 | 9 895 508                 |
| Internal audit                             | 46 085              | 45 485            | –            | –                  | –                | –                  | 2 403          | 2 403          | 47 888          | 48 857                    | 52 869                    |
| <b>Community and public safety</b>         | <b>7 785 248</b>    | <b>7 906 854</b>  | –            | –                  | –                | –                  | (68 574)       | (68 574)       | 7 838 280       | 8 347 907                 | 8 786 270                 |
| Community and social services              | 971 924             | 971 926           | –            | –                  | –                | –                  | (18 462)       | (18 462)       | 953 465         | 1 039 901                 | 1 113 166                 |
| Sport and recreation                       | 1 114 871           | 1 114 860         | –            | –                  | –                | –                  | 26 486         | 26 486         | 1 141 346       | 1 163 998                 | 1 230 766                 |
| Public safety                              | 2 910 539           | 2 916 318         | –            | –                  | –                | –                  | (15 262)       | (15 262)       | 2 901 056       | 3 029 216                 | 3 185 736                 |
| Housing                                    | 1 480 067           | 1 595 903         | –            | –                  | –                | –                  | (1 045)        | (1 045)        | 1 594 858       | 1 702 684                 | 1 738 557                 |
| Health                                     | 1 307 848           | 1 307 848         | –            | –                  | –                | –                  | (60 292)       | (60 292)       | 1 247 555       | 1 412 109                 | 1 518 046                 |
| <b>Economic and environmental services</b> | <b>5 277 186</b>    | <b>5 277 197</b>  | –            | –                  | –                | 110 954            | (39 689)       | 71 265         | 5 348 462       | 5 018 327                 | 5 272 746                 |
| Planning and development                   | 1 511 371           | 1 511 347         | –            | –                  | –                | –                  | (63 920)       | (63 920)       | 1 447 426       | 1 237 045                 | 1 320 947                 |
| Road transport                             | 3 607 973           | 3 607 973         | –            | –                  | –                | 110 954            | 6 785          | 117 739        | 3 725 713       | 3 631 418                 | 3 791 457                 |
| Environmental protection                   | 157 842             | 157 877           | –            | –                  | –                | –                  | 17 446         | 17 446         | 175 323         | 149 864                   | 160 342                   |
| <b>Trading services</b>                    | <b>19 596 544</b>   | <b>19 598 239</b> | –            | –                  | –                | –                  | (296 786)      | (296 786)      | 19 301 452      | 21 502 444                | 23 429 357                |
| Energy sources                             | 11 596 405          | 11 598 082        | –            | –                  | –                | –                  | 32 802         | 32 802         | 11 630 884      | 12 749 243                | 14 037 839                |
| Water management                           | 3 747 227           | 3 747 230         | –            | –                  | –                | –                  | (409 152)      | (409 152)      | 3 338 078       | 4 261 463                 | 4 502 626                 |
| Waste water management                     | 2 049 818           | 2 049 833         | –            | –                  | –                | –                  | 76 656         | 76 656         | 2 126 489       | 2 270 377                 | 2 485 738                 |
| Waste management                           | 2 203 094           | 2 203 093         | –            | –                  | –                | –                  | 2 908          | 2 908          | 2 206 001       | 2 221 361                 | 2 403 153                 |
| <b>Other</b>                               | <b>125 847</b>      | <b>125 914</b>    | –            | –                  | –                | –                  | 8 668          | 8 668          | 134 582         | 135 916                   | 143 365                   |
| <b>Total Expenditure - Functional</b>      | <b>41 779 617</b>   | <b>41 896 275</b> | –            | –                  | –                | 114 428            | (76 901)       | 37 526         | 41 933 801      | 44 547 894                | 48 153 952                |
| <b>Surplus/ (Deficit) for the year</b>     | <b>1 407 418</b>    | <b>1 407 706</b>  | –            | –                  | –                | 19 825             | 923 676        | 943 502        | 2 351 208       | 3 324 948                 | 4 349 114                 |

## **Explanatory notes to MBRR Table B2 – Adjustments Budget Financial Performance (Standard classification)**

1. Table B2 is an overview of the budgeted financial performance in relation to revenue and expenditure per standard classification, which divides the municipal services into 15 functional areas.
2. A surplus of R2 251 million is reflected in this table. The reason for this surplus is that the revenue category includes Capital Grants and Transfers (Capital Grants & Donations) while the expenditure category excludes these transfers.
3. This table shows that the revenue for Trading services (excluding Waste Management) exceeds its expenditure (it excludes Internal Charges). The deficit in Waste Management is absorbed within Rates Revenue.
4. Other functions within Rates show a deficit when comparing revenue and expenditure, which is financed from Rates Revenue.

**Table 12: MBRR Table B3 – Adjustments Budget Financial Performance (revenue and expenditure by municipal vote)**

| Vote Description                                  | Budget Year 2019/20 |                   |              |            |                  |                |                 |                |                   | Budget Year +1    | Budget Year +2    |
|---------------------------------------------------|---------------------|-------------------|--------------|------------|------------------|----------------|-----------------|----------------|-------------------|-------------------|-------------------|
|                                                   | Original Budget     | Prior Adjusted    | Accum. Funds | Multi-year | Unfore. Unavoid. | Nat. or Prov.  | Other Adjusts.  | Total Adjusts. | Adjusted Budget   | Adjusted Budget   | Adjusted Budget   |
| <b>R thousands</b>                                |                     |                   |              |            |                  |                |                 |                |                   |                   |                   |
| <b>Revenue by Vote</b>                            |                     |                   |              |            |                  |                |                 |                |                   |                   |                   |
| Vote 1 - Community Services & Health              | 974 189             | 974 189           | –            | –          | –                | 779            | 11 542          | 12 321         | 986 510           | 1 069 806         | 1 163 854         |
| Vote 2 - Corporate Services                       | 71 523              | 71 523            | –            | –          | –                | –              | (5 293)         | (5 293)        | 66 230            | 64 758            | 68 813            |
| Vote 3 - Economic Opportunities & Asset Managemnt | 181 445             | 181 570           | –            | –          | –                | –              | 41 295          | 41 295         | 222 865           | 187 620           | 195 500           |
| Vote 4 - Energy & Climate Change                  | 13 874 705          | 13 875 403        | –            | –          | –                | –              | 745 065         | 745 065        | 14 620 468        | 15 439 096        | 17 126 241        |
| Vote 5 - Finance                                  | 16 196 525          | 16 196 538        | –            | –          | –                | 1 440          | 27 245          | 28 685         | 16 225 223        | 17 158 014        | 18 206 913        |
| Vote 6 - Human Settlements                        | 1 249 070           | 1 364 906         | –            | –          | –                | –              | 159 743         | 159 743        | 1 524 649         | 1 468 044         | 1 486 970         |
| Vote 7 - Office of the City Manager               | 6                   | 6                 | –            | –          | –                | –              | (0)             | (0)            | 6                 | 6                 | 40                |
| Vote 8 - Safety & Security                        | 1 291 229           | 1 291 229         | –            | –          | –                | 130 000        | (34 642)        | 95 358         | 1 386 588         | 1 297 230         | 1 300 075         |
| Vote 9 - Spatial Planning & Environment           | 166 410             | 166 410           | –            | –          | –                | –              | 2 567           | 2 567          | 168 977           | 152 828           | 162 158           |
| Vote 10 - Transport                               | 1 801 886           | 1 802 161         | –            | –          | –                | –              | 5 356           | 5 356          | 1 807 517         | 2 426 308         | 2 877 817         |
| Vote 11 - Urban Management                        | 301 768             | 301 769           | –            | –          | –                | 2 034          | (20 534)        | (18 500)       | 283 268           | 284 506           | 314 260           |
| Vote 12 - Water & Waste                           | 7 078 278           | 7 078 278         | –            | –          | –                | –              | (85 568)        | (85 568)       | 6 992 710         | 8 324 623         | 9 600 425         |
| <b>Total Revenue by Vote</b>                      | <b>43 187 035</b>   | <b>43 303 981</b> | <b>–</b>     | <b>–</b>   | <b>–</b>         | <b>134 253</b> | <b>846 776</b>  | <b>981 029</b> | <b>44 285 010</b> | <b>47 872 841</b> | <b>52 503 065</b> |
| <b>Expenditure by Vote</b>                        |                     |                   |              |            |                  |                |                 |                |                   |                   |                   |
| Vote 1 - Community Services & Health              | 3 925 379           | 3 925 379         | –            | –          | –                | –              | (81 067)        | (81 067)       | 3 844 311         | 4 108 988         | 4 407 761         |
| Vote 2 - Corporate Services                       | 1 808 667           | 1 808 678         | –            | –          | –                | –              | 64 067          | 64 067         | 1 872 745         | 1 913 763         | 2 057 774         |
| Vote 3 - Economic Opportunities & Asset Managemnt | 1 368 210           | 1 368 324         | –            | –          | –                | –              | 57 543          | 57 543         | 1 425 867         | 1 425 104         | 1 526 629         |
| Vote 4 - Energy & Climate Change                  | 12 060 720          | 12 061 417        | –            | –          | –                | –              | 36 517          | 36 517         | 12 097 934        | 13 251 284        | 14 576 654        |
| Vote 5 - Finance                                  | 3 004 417           | 3 004 417         | –            | –          | –                | 1 440          | 315 248         | 316 688        | 3 321 105         | 3 227 264         | 3 759 822         |
| Vote 6 - Human Settlements                        | 1 468 810           | 1 584 646         | –            | –          | –                | –              | 16 157          | 16 157         | 1 600 804         | 1 690 950         | 1 726 302         |
| Vote 7 - Office of the City Manager               | 237 561             | 237 561           | –            | –          | –                | –              | 1 553           | 1 553          | 239 114           | 219 189           | 236 864           |
| Vote 8 - Safety & Security                        | 3 598 555           | 3 598 555         | –            | –          | –                | 110 954        | (113 103)       | (2 149)        | 3 596 406         | 3 768 118         | 3 971 962         |
| Vote 9 - Spatial Planning & Environment           | 711 474             | 711 474           | –            | –          | –                | –              | (14 129)        | (14 129)       | 697 345           | 711 677           | 766 626           |
| Vote 10 - Transport                               | 3 679 302           | 3 679 302         | –            | –          | –                | –              | (14 783)        | (14 783)       | 3 664 518         | 3 700 711         | 3 862 248         |
| Vote 11 - Urban Management                        | 1 142 379           | 1 142 379         | –            | –          | –                | 2 034          | (47 160)        | (45 126)       | 1 097 253         | 908 765           | 969 186           |
| Vote 12 - Water & Waste                           | 8 774 142           | 8 774 141         | –            | –          | –                | –              | (297 745)       | (297 745)      | 8 476 396         | 9 622 080         | 10 292 123        |
| <b>Total Expenditure by Vote</b>                  | <b>41 779 617</b>   | <b>41 896 273</b> | <b>–</b>     | <b>–</b>   | <b>–</b>         | <b>114 428</b> | <b>(76 900)</b> | <b>37 528</b>  | <b>41 933 801</b> | <b>44 547 894</b> | <b>48 153 952</b> |
| <b>Surplus/ (Deficit) for the year</b>            | <b>1 407 418</b>    | <b>1 407 708</b>  | <b>–</b>     | <b>–</b>   | <b>–</b>         | <b>19 825</b>  | <b>923 676</b>  | <b>943 501</b> | <b>2 351 209</b>  | <b>3 324 947</b>  | <b>4 349 113</b>  |

**Explanatory notes to MBRR Table B3 – Adjustments Budget Financial Performance (revenue and expenditure by municipal vote)**

- Table B3 shows budgeted financial performance in relation to the revenue and expenditure and the operating surplus or deficit per municipal vote.

**Table 13: MBRR Table B4 – Adjustments Budget Financial Performance (revenue and expenditure)**

| Description                                                                                                                                                                                                            | Budget Year 2019/20 |                   |                 |                       |                     |                       |                   |                |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-------------------|-----------------|-----------------------|---------------------|-----------------------|-------------------|----------------|--------------------|---------------------------|---------------------------|
|                                                                                                                                                                                                                        | Original<br>Budget  | Prior<br>Adjusted | Accum.<br>Funds | Multi-year<br>capital | Unfore.<br>Unavoid. | Nat. or Prov.<br>Govt | Other<br>Adjusts. | Total Adjusts. | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>R thousands</b>                                                                                                                                                                                                     |                     |                   |                 |                       |                     |                       |                   |                |                    |                           |                           |
| <b>Revenue By Source</b>                                                                                                                                                                                               |                     |                   |                 |                       |                     |                       |                   |                |                    |                           |                           |
| Property rates                                                                                                                                                                                                         | 9 916 685           | 9 916 685         | –               | –                     | –                   | –                     | 33 495            | 33 495         | 9 950 180          | 10 517 014                | 11 045 428                |
| Service charges - electricity revenue                                                                                                                                                                                  | 13 623 146          | 13 623 146        | –               | –                     | –                   | –                     | 745 101           | 745 101        | 14 368 248         | 15 187 931                | 16 826 227                |
| Service charges - water revenue                                                                                                                                                                                        | 3 212 017           | 3 212 017         | –               | –                     | –                   | –                     | (242 244)         | (242 244)      | 2 969 773          | 3 838 969                 | 4 593 963                 |
| Service charges - sanitation revenue                                                                                                                                                                                   | 1 568 599           | 1 568 599         | –               | –                     | –                   | –                     | (86 527)          | (86 527)       | 1 482 072          | 2 014 201                 | 2 409 460                 |
| Service charges - refuse revenue                                                                                                                                                                                       | 1 286 433           | 1 286 433         | –               | –                     | –                   | –                     | (49 599)          | (49 599)       | 1 236 834          | 1 378 065                 | 1 481 432                 |
| Rental of facilities and equipment                                                                                                                                                                                     | 311 781             | 311 781           | –               | –                     | –                   | –                     | 8 178             | 8 178          | 319 959            | 327 597                   | 343 990                   |
| Interest earned - external investments                                                                                                                                                                                 | 912 495             | 912 495           | –               | –                     | –                   | –                     | (22)              | (22)           | 912 473            | 930 613                   | 1 022 317                 |
| Interest earned - outstanding debtors                                                                                                                                                                                  | 380 814             | 380 814           | –               | –                     | –                   | –                     | 13 673            | 13 673         | 394 487            | 425 792                   | 489 054                   |
| Dividends received                                                                                                                                                                                                     | –                   | –                 | –               | –                     | –                   | –                     | –                 | –              | –                  | –                         | –                         |
| Fines, penalties and forfeits                                                                                                                                                                                          | 1 185 453           | 1 185 453         | –               | –                     | –                   | –                     | (42 705)          | (42 705)       | 1 142 748          | 1 211 026                 | 1 205 439                 |
| Licences and permits                                                                                                                                                                                                   | 82 218              | 82 218            | –               | –                     | –                   | –                     | (2 523)           | (2 523)        | 79 696             | 86 371                    | 90 732                    |
| Agency services                                                                                                                                                                                                        | 217 672             | 217 672           | –               | –                     | –                   | –                     | 1 665             | 1 665          | 219 336            | 245 412                   | 254 598                   |
| Transfers and subsidies                                                                                                                                                                                                | 7 376 568           | 7 493 227         | –               | –                     | –                   | 114 428               | 114 778           | 229 206        | 7 722 432          | 7 707 345                 | 8 136 559                 |
| Other revenue                                                                                                                                                                                                          | 804 335             | 804 335           | –               | –                     | –                   | –                     | 17 822            | 17 822         | 822 156            | 858 245                   | 894 621                   |
| Gains on disposal of PPE                                                                                                                                                                                               | 43 732              | 43 732            | –               | –                     | –                   | –                     | 3 772             | 3 772          | 47 505             | 43 732                    | 43 732                    |
| <b>Total Revenue (excluding capital transfers and contributions)</b>                                                                                                                                                   | <b>40 921 950</b>   | <b>41 038 608</b> | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>114 428</b>        | <b>514 865</b>    | <b>629 293</b> | <b>41 667 901</b>  | <b>44 772 315</b>         | <b>48 837 552</b>         |
| <b>Expenditure By Type</b>                                                                                                                                                                                             |                     |                   |                 |                       |                     |                       |                   |                |                    |                           |                           |
| Employee related costs                                                                                                                                                                                                 | 13 817 805          | 13 817 842        | –               | –                     | –                   | 86 985                | 125 615           | 212 600        | 14 030 442         | 14 894 366                | 16 064 208                |
| Remuneration of councillors                                                                                                                                                                                            | 179 818             | 179 818           | –               | –                     | –                   | –                     | –                 | –              | 179 818            | 190 697                   | 202 234                   |
| Debt impairment                                                                                                                                                                                                        | 2 341 628           | 2 341 628         | –               | –                     | –                   | –                     | (128 385)         | (128 385)      | 2 213 244          | 2 343 143                 | 2 529 692                 |
| Depreciation & asset impairment                                                                                                                                                                                        | 3 015 086           | 3 015 086         | –               | –                     | –                   | –                     | 25 697            | 25 697         | 3 040 783          | 3 259 139                 | 3 493 178                 |
| Finance charges                                                                                                                                                                                                        | 790 756             | 790 756           | –               | –                     | –                   | –                     | 10 060            | 10 060         | 800 816            | 921 279                   | 1 304 855                 |
| Bulk purchases                                                                                                                                                                                                         | 10 092 601          | 10 092 601        | –               | –                     | –                   | –                     | (23 507)          | (23 507)       | 10 069 094         | 11 473 833                | 12 575 400                |
| Other materials                                                                                                                                                                                                        | 1 611 763           | 1 611 309         | –               | –                     | –                   | 4 771                 | (139 517)         | (134 746)      | 1 476 563          | 1 592 986                 | 1 633 236                 |
| Contracted services                                                                                                                                                                                                    | 7 156 498           | 7 235 806         | –               | –                     | –                   | 2 034                 | 60 835            | 62 869         | 7 298 675          | 6 838 036                 | 7 164 620                 |
| Transfers and subsidies                                                                                                                                                                                                | 446 206             | 470 162           | –               | –                     | –                   | –                     | 97 204            | 97 204         | 567 366            | 544 944                   | 491 532                   |
| Other expenditure                                                                                                                                                                                                      | 2 326 698           | 2 340 510         | –               | –                     | –                   | 20 638                | (104 930)         | (84 292)       | 2 256 218          | 2 488 676                 | 2 694 163                 |
| Loss on disposal of PPE                                                                                                                                                                                                | 756                 | 756               | –               | –                     | –                   | –                     | 27                | 27             | 783                | 794                       | 834                       |
| <b>Total Expenditure</b>                                                                                                                                                                                               | <b>41 779 617</b>   | <b>41 896 275</b> | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>114 428</b>        | <b>(76 901)</b>   | <b>37 527</b>  | <b>41 933 802</b>  | <b>44 547 894</b>         | <b>48 153 952</b>         |
| <b>Surplus/(Deficit)</b>                                                                                                                                                                                               | <b>(857 667)</b>    | <b>(857 667)</b>  | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>–</b>              | <b>591 766</b>    | <b>591 766</b> | <b>(265 900)</b>   | <b>224 421</b>            | <b>683 600</b>            |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)                                                                                                                          | 2 211 385           | 2 211 673         | –               | –                     | –                   | 19 825                | 324 723           | 344 548        | 2 556 221          | 3 043 827                 | 3 608 514                 |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) | 53 700              | 53 700            | –               | –                     | –                   | –                     | 7 187             | 7 187          | 60 887             | 56 700                    | 57 000                    |
| Transfers and subsidies - capital (in-kind - all)                                                                                                                                                                      | –                   | –                 | –               | –                     | –                   | –                     | –                 | –              | –                  | –                         | –                         |
| <b>Surplus/(Deficit) before taxation</b>                                                                                                                                                                               | <b>1 407 418</b>    | <b>1 407 706</b>  | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>19 825</b>         | <b>923 676</b>    | <b>943 501</b> | <b>2 351 207</b>   | <b>3 324 948</b>          | <b>4 349 114</b>          |
| Taxation                                                                                                                                                                                                               | –                   | –                 | –               | –                     | –                   | –                     | –                 | –              | –                  | –                         | –                         |
| <b>Surplus/(Deficit) after taxation</b>                                                                                                                                                                                | <b>1 407 418</b>    | <b>1 407 706</b>  | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>19 825</b>         | <b>923 676</b>    | <b>943 501</b> | <b>2 351 207</b>   | <b>3 324 948</b>          | <b>4 349 114</b>          |
| Attributable to minorities                                                                                                                                                                                             | –                   | –                 | –               | –                     | –                   | –                     | –                 | –              | –                  | –                         | –                         |
| <b>Surplus/(Deficit) attributable to municipality</b>                                                                                                                                                                  | <b>1 407 418</b>    | <b>1 407 706</b>  | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>19 825</b>         | <b>923 676</b>    | <b>943 501</b> | <b>2 351 207</b>   | <b>3 324 948</b>          | <b>4 349 114</b>          |
| Share of surplus/ (deficit) of associate                                                                                                                                                                               | –                   | –                 | –               | –                     | –                   | –                     | –                 | –              | –                  | –                         | –                         |
| <b>Surplus/ (Deficit) for the year</b>                                                                                                                                                                                 | <b>1 407 418</b>    | <b>1 407 706</b>  | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>19 825</b>         | <b>923 676</b>    | <b>943 501</b> | <b>2 351 207</b>   | <b>3 324 948</b>          | <b>4 349 114</b>          |

**Explanatory notes to MBRR Table B4 – Adjustments Budget Financial Performance (revenue and expenditure)**

- Table B4 shows the budgeted financial performance in relation to the revenue by source and expenditure by type. The total adjusted revenue for 2019/20 is R41 668 million (including the budgeted surplus, which is set aside for the replacement of externally-funded capital assets) and escalates to R48 838 million in 2021/22. The total adjusted expenditure for 2019/20 is R42 034 million and escalates to R48 154 million in 2021/22.

**Table 14: MBRR Table B5 – Adjustments Budget Capital Expenditure by vote, standard classification and funding source**

| Description                                       | Budget Year 2019/20 |                  |              |                    |                  |                    |                  |                  |                  | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|---------------------------------------------------|---------------------|------------------|--------------|--------------------|------------------|--------------------|------------------|------------------|------------------|---------------------------|---------------------------|
|                                                   | Original Budget     | Prior Adjusted   | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjus.     | Total Adjus.     | Adjusted Budget  | Adjusted Budget           | Adjusted Budget           |
| <b>R thousands</b>                                |                     |                  |              |                    |                  |                    |                  |                  |                  |                           |                           |
| <b>Capital expenditure - Vote</b>                 |                     |                  |              |                    |                  |                    |                  |                  |                  |                           |                           |
| <b>Multi-year expenditure to be adjusted</b>      |                     |                  |              |                    |                  |                    |                  |                  |                  |                           |                           |
| Vote 1 - Community Services & Health              | 354 281             | 366 393          | -            | -                  | -                | 779                | 6 969            | 7 748            | 374 140          | 356 384                   | 375 057                   |
| Vote 2 - Corporate Services                       | 149 863             | 158 194          | -            | -                  | -                | -                  | 29 017           | 29 017           | 187 210          | 218 361                   | 101 329                   |
| Vote 3 - Economic Opportunities & Asset Managemnt | 389 498             | 393 253          | -            | -                  | -                | -                  | 85 267           | 85 267           | 478 520          | 449 036                   | 254 814                   |
| Vote 4 - Energy & Climate Change                  | 834 094             | 890 899          | -            | -                  | -                | -                  | (19 761)         | (19 761)         | 871 137          | 1 031 550                 | 1 375 032                 |
| Vote 5 - Finance                                  | 116 957             | 117 129          | -            | -                  | -                | -                  | (8 409)          | (8 409)          | 108 721          | 245 279                   | 91 351                    |
| Vote 6 - Human Settlements                        | 869 063             | 885 245          | -            | -                  | -                | -                  | 167 299          | 167 299          | 1 052 544        | 954 701                   | 861 500                   |
| Vote 7 - Office of the City Manager               | 973                 | 1 115            | -            | -                  | -                | -                  | 595              | 595              | 1 710            | 839                       | 910                       |
| Vote 8 - Safety & Security                        | 535 237             | 539 292          | -            | -                  | -                | 19 046             | (5 824)          | 13 223           | 552 515          | 258 427                   | 77 332                    |
| Vote 9 - Spatial Planning & Environment           | 92 847              | 111 072          | -            | -                  | -                | -                  | (24 263)         | (24 263)         | 86 810           | 140 503                   | 162 937                   |
| Vote 10 - Transport                               | 1 326 126           | 1 482 117        | -            | -                  | -                | -                  | (206 975)        | (206 975)        | 1 275 143        | 1 902 777                 | 2 357 766                 |
| Vote 11 - Urban Management                        | 122 981             | 123 901          | -            | -                  | -                | -                  | (16 910)         | (16 910)         | 106 991          | 111 467                   | 145 030                   |
| Vote 12 - Water & Waste                           | 3 596 511           | 3 716 114        | -            | -                  | -                | -                  | (931 805)        | (931 805)        | 2 784 309        | 3 238 019                 | 3 725 038                 |
| <b>Total Capital Expenditure - Vote</b>           | <b>8 388 432</b>    | <b>8 784 724</b> | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>19 825</b>      | <b>(924 800)</b> | <b>(904 974)</b> | <b>7 879 749</b> | <b>8 907 343</b>          | <b>9 528 097</b>          |
| <b>Capital Expenditure - Functional</b>           |                     |                  |              |                    |                  |                    |                  |                  |                  |                           |                           |
| <b>Governance and administration</b>              | <b>1 120 012</b>    | <b>1 143 583</b> | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>779</b>         | <b>52 447</b>    | <b>53 226</b>    | <b>1 196 809</b> | <b>1 203 367</b>          | <b>818 129</b>            |
| Executive and council                             | 24 280              | 24 985           | -            | -                  | -                | -                  | (19 479)         | (19 479)         | 5 506            | 4 778                     | 2 802                     |
| Finance and administration                        | 1 095 600           | 1 118 466        | -            | -                  | -                | 779                | 71 466           | 72 245           | 1 190 711        | 1 198 529                 | 815 217                   |
| Internal audit                                    | 131                 | 131              | -            | -                  | -                | -                  | 460              | 460              | 591              | 60                        | 110                       |
| <b>Community and public safety</b>                | <b>1 547 286</b>    | <b>1 575 611</b> | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>-</b>           | <b>151 454</b>   | <b>151 454</b>   | <b>1 727 066</b> | <b>1 505 734</b>          | <b>1 204 390</b>          |
| Community and social services                     | 105 089             | 107 201          | -            | -                  | -                | -                  | 7 757            | 7 757            | 114 958          | 69 791                    | 110 914                   |
| Sport and recreation                              | 141 792             | 146 081          | -            | -                  | -                | -                  | 3 094            | 3 094            | 149 174          | 262 526                   | 80 200                    |
| Public safety                                     | 349 905             | 353 450          | -            | -                  | -                | -                  | (22 899)         | (22 899)         | 330 551          | 119 721                   | 53 475                    |
| Housing                                           | 869 063             | 885 245          | -            | -                  | -                | -                  | 167 299          | 167 299          | 1 052 544        | 954 701                   | 861 500                   |
| Health                                            | 81 436              | 83 634           | -            | -                  | -                | -                  | (3 796)          | (3 796)          | 79 838           | 98 996                    | 98 300                    |
| <b>Economic and environmental services</b>        | <b>1 534 310</b>    | <b>1 708 246</b> | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>19 046</b>      | <b>(184 583)</b> | <b>(165 537)</b> | <b>1 542 709</b> | <b>2 198 368</b>          | <b>2 616 053</b>          |
| Planning and development                          | 151 588             | 167 436          | -            | -                  | -                | -                  | (14 812)         | (14 812)         | 152 624          | 131 610                   | 142 382                   |
| Road transport                                    | 1 345 610           | 1 501 128        | -            | -                  | -                | 19 046             | (171 791)        | (152 745)        | 1 348 383        | 1 978 055                 | 2 356 326                 |
| Environmental protection                          | 37 112              | 39 682           | -            | -                  | -                | -                  | 2 020            | 2 020            | 41 702           | 88 703                    | 117 345                   |
| <b>Trading services</b>                           | <b>4 176 629</b>    | <b>4 347 023</b> | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>-</b>           | <b>(937 718)</b> | <b>(937 718)</b> | <b>3 409 305</b> | <b>3 983 179</b>          | <b>4 883 830</b>          |
| Energy sources                                    | 805 190             | 858 054          | -            | -                  | -                | -                  | (19 949)         | (19 949)         | 838 105          | 1 019 550                 | 1 372 532                 |
| Water management                                  | 1 517 922           | 1 536 248        | -            | -                  | -                | -                  | (361 569)        | (361 569)        | 1 174 679        | 1 172 097                 | 1 478 391                 |
| Waste water management                            | 1 381 056           | 1 432 087        | -            | -                  | -                | -                  | (325 788)        | (325 788)        | 1 106 299        | 1 273 994                 | 1 550 041                 |
| Waste management                                  | 472 461             | 520 633          | -            | -                  | -                | -                  | (230 411)        | (230 411)        | 290 222          | 517 538                   | 482 867                   |
| <b>Other</b>                                      | <b>10 195</b>       | <b>10 261</b>    | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>-</b>           | <b>(6 400)</b>   | <b>(6 400)</b>   | <b>3 861</b>     | <b>16 695</b>             | <b>5 695</b>              |
| <b>Total Capital Expenditure - Functional</b>     | <b>8 388 432</b>    | <b>8 784 724</b> | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>19 825</b>      | <b>(924 800)</b> | <b>(904 974)</b> | <b>7 879 749</b> | <b>8 907 343</b>          | <b>9 528 097</b>          |
| <b>Funded by:</b>                                 |                     |                  |              |                    |                  |                    |                  |                  |                  |                           |                           |
| National Government                               | 2 189 348           | 2 189 635        | -            | -                  | -                | -                  | 328 798          | 328 798          | 2 518 433        | 2 961 322                 | 3 547 884                 |
| Provincial Government                             | 22 038              | 22 038           | -            | -                  | -                | 19 825             | (4 075)          | 15 750           | 37 788           | 82 505                    | 60 630                    |
| District Municipality                             | -                   | -                | -            | -                  | -                | -                  | -                | -                | -                | -                         | -                         |
| Other transfers and grants                        | 53 700              | 53 700           | -            | -                  | -                | -                  | 7 187            | 7 187            | 60 887           | 56 700                    | 57 000                    |
| <b>Transfers recognised - capital</b>             | <b>2 265 085</b>    | <b>2 265 373</b> | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>19 825</b>      | <b>331 909</b>   | <b>351 735</b>   | <b>2 617 108</b> | <b>3 100 527</b>          | <b>3 665 514</b>          |
| Borrowing                                         | 1 091 580           | 1 091 580        | -            | -                  | -                | -                  | -                | -                | 1 091 580        | 3 000 000                 | 3 000 000                 |
| Internally generated funds                        | 5 031 767           | 5 427 771        | -            | -                  | -                | -                  | (1 256 709)      | (1 256 709)      | 4 171 062        | 2 806 816                 | 2 862 583                 |
| <b>Total Capital Funding</b>                      | <b>8 388 432</b>    | <b>8 784 724</b> | <b>-</b>     | <b>-</b>           | <b>-</b>         | <b>19 825</b>      | <b>(924 800)</b> | <b>(904 974)</b> | <b>7 879 749</b> | <b>8 907 343</b>          | <b>9 528 097</b>          |

**Explanatory notes to Table B5 – Adjustments Budget Capital Expenditure by vote, standard classification and funding source**

1. Table B5 reflects the City's capital programme in relation to capital expenditure by municipal vote (directorate); capital expenditure by standard classification; and funding sources required to fund the Capital budget, including information on capital transfers from National and Provincial Departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. The City has revised its multi-year appropriations to R7 780 million for 2019/20, while the two outer years' appropriations remain unchanged.
3. The capital budget is funded from allocations in the form of grants, public contributions, donations, borrowings and internally-generated funds. Capital transfers from National Government, Provincial Government Western Cape (PGWC), and other transfers and grants and public contributions amount to R2 617 million in 2019/20, R3 101 million and R3 665 million in 2020/21 and 2021/22 respectively. Borrowings amount to R1 092 million in 2019/20 and R3 000 million in each of the two outer years. Internally generated funds amounting to R4 071 million, R2 807 million and R2 863 million for each of the respective financial years have been provided for in the MTREF.

**Table 15: MBRR Table B6 – Adjustments Budget Financial Position**

| Description                              | Budget Year 2019/20 |                   |              |                    |                  |                    |                    |                    |                   | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|------------------------------------------|---------------------|-------------------|--------------|--------------------|------------------|--------------------|--------------------|--------------------|-------------------|---------------------------|---------------------------|
|                                          | Original Budget     | Prior Adjusted    | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts.     | Total Adjusts.     | Adjusted Budget   | Adjusted Budget           | Adjusted Budget           |
| <b>R thousands</b>                       |                     |                   |              |                    |                  |                    |                    |                    |                   |                           |                           |
| <b>ASSETS</b>                            |                     |                   |              |                    |                  |                    |                    |                    |                   |                           |                           |
| <b>Current assets</b>                    |                     |                   |              |                    |                  |                    |                    |                    |                   |                           |                           |
| Cash                                     | 146 904             | 146 904           | –            | –                  | –                | –                  | –                  | –                  | 146 904           | 146 904                   | 146 396                   |
| Call investment deposits                 | 6 199 428           | 7 773 568         | –            | –                  | –                | –                  | 2 206 062          | 2 206 062          | 9 979 630         | 10 741 103                | 12 288 519                |
| Consumer debtors                         | 9 710 204           | 6 538 936         | –            | –                  | –                | –                  | 71 473             | 71 473             | 6 610 409         | 7 036 202                 | 7 525 255                 |
| Other debtors                            | 1 826 248           | 528 864           | –            | –                  | –                | –                  | 604 120            | 604 120            | 1 132 985         | 1 302 932                 | 1 498 372                 |
| Current portion of long-term receivables | 15 755              | 4 007             | –            | –                  | –                | –                  | 2 774              | 2 774              | 6 781             | 5 594                     | 4 615                     |
| Inventory                                | 570 789             | 479 590           | –            | –                  | –                | –                  | –                  | –                  | 479 590           | 527 549                   | 580 304                   |
| <b>Total current assets</b>              | <b>18 469 328</b>   | <b>15 471 870</b> | <b>–</b>     | <b>–</b>           | <b>–</b>         | <b>–</b>           | <b>2 884 429</b>   | <b>2 884 429</b>   | <b>18 356 299</b> | <b>19 760 284</b>         | <b>22 043 462</b>         |
| <b>Non current assets</b>                |                     |                   |              |                    |                  |                    |                    |                    |                   |                           |                           |
| Long-term receivables                    | 23 333              | 11 450            | –            | –                  | –                | –                  | 7 925              | 7 925              | 19 374            | 15 984                    | 13 186                    |
| Investments                              | 5 171 322           | 5 765 080         | –            | –                  | –                | –                  | –                  | –                  | 5 765 080         | 6 063 556                 | 6 396 134                 |
| Investment property                      | 581 285             | 581 285           | –            | –                  | –                | –                  | (38)               | (38)               | 581 247           | 579 534                   | 577 820                   |
| Investment in Associate                  | –                   | –                 | –            | –                  | –                | –                  | –                  | –                  | –                 | –                         | –                         |
| Property, plant and equipment            | 51 856 546          | 52 233 023        | –            | –                  | –                | –                  | (1 926 986)        | (1 926 986)        | 50 306 036        | 55 663 220                | 61 361 303                |
| Biological                               | –                   | –                 | –            | –                  | –                | –                  | –                  | –                  | –                 | –                         | –                         |
| Intangible                               | 424 856             | 424 856           | –            | –                  | –                | –                  | 112 210            | 112 210            | 537 066           | 384 432                   | 246 577                   |
| Other non-current assets                 | 8 891               | 8 891             | –            | –                  | –                | –                  | 1 389              | 1 389              | 10 280            | 10 280                    | 10 280                    |
| <b>Total non current assets</b>          | <b>58 066 233</b>   | <b>59 024 584</b> | <b>–</b>     | <b>–</b>           | <b>–</b>         | <b>–</b>           | <b>(1 805 501)</b> | <b>(1 805 501)</b> | <b>57 219 083</b> | <b>62 717 005</b>         | <b>68 605 300</b>         |
| <b>TOTAL ASSETS</b>                      | <b>76 535 561</b>   | <b>74 496 454</b> | <b>–</b>     | <b>–</b>           | <b>–</b>         | <b>–</b>           | <b>1 078 928</b>   | <b>1 078 928</b>   | <b>75 575 382</b> | <b>82 477 289</b>         | <b>90 648 762</b>         |
| <b>LIABILITIES</b>                       |                     |                   |              |                    |                  |                    |                    |                    |                   |                           |                           |
| <b>Current liabilities</b>               |                     |                   |              |                    |                  |                    |                    |                    |                   |                           |                           |
| Bank overdraft                           | –                   | –                 | –            | –                  | –                | –                  | –                  | –                  | –                 | –                         | –                         |
| Borrowing                                | 489 858             | 489 858           | –            | –                  | –                | –                  | –                  | –                  | 489 858           | 692 994                   | 893 902                   |
| Consumer deposits                        | 461 809             | 452 058           | –            | –                  | –                | –                  | –                  | –                  | 452 058           | 497 264                   | 546 990                   |
| Trade and other payables                 | 10 762 203          | 6 405 006         | –            | –                  | –                | –                  | 1 111 243          | 1 111 243          | 7 516 249         | 7 798 226                 | 8 592 180                 |
| Provisions                               | 1 143 617           | 1 143 617         | –            | –                  | –                | –                  | (1 882)            | (1 882)            | 1 141 735         | 1 245 828                 | 1 282 728                 |
| <b>Total current liabilities</b>         | <b>12 857 487</b>   | <b>8 490 539</b>  | <b>–</b>     | <b>–</b>           | <b>–</b>         | <b>–</b>           | <b>1 109 362</b>   | <b>1 109 362</b>   | <b>9 599 900</b>  | <b>10 234 312</b>         | <b>11 315 801</b>         |
| <b>Non current liabilities</b>           |                     |                   |              |                    |                  |                    |                    |                    |                   |                           |                           |
| Borrowing                                | 7 838 577           | 7 838 577         | –            | –                  | –                | –                  | –                  | –                  | 7 838 577         | 10 302 047                | 12 381 349                |
| Provisions                               | 7 072 595           | 7 072 595         | –            | –                  | –                | –                  | 11 854             | 11 854             | 7 084 449         | 7 563 527                 | 8 225 094                 |
| <b>Total non current liabilities</b>     | <b>14 911 172</b>   | <b>14 911 172</b> | <b>–</b>     | <b>–</b>           | <b>–</b>         | <b>–</b>           | <b>11 854</b>      | <b>11 854</b>      | <b>14 923 026</b> | <b>17 865 574</b>         | <b>20 606 443</b>         |
| <b>TOTAL LIABILITIES</b>                 | <b>27 768 659</b>   | <b>23 401 711</b> | <b>–</b>     | <b>–</b>           | <b>–</b>         | <b>–</b>           | <b>1 121 215</b>   | <b>1 121 215</b>   | <b>24 522 926</b> | <b>28 099 886</b>         | <b>31 922 244</b>         |
| <b>NET ASSETS</b>                        | <b>48 766 902</b>   | <b>51 094 743</b> | <b>–</b>     | <b>–</b>           | <b>–</b>         | <b>–</b>           | <b>(42 287)</b>    | <b>(42 287)</b>    | <b>51 052 456</b> | <b>54 377 404</b>         | <b>58 726 518</b>         |
| <b>COMMUNITY WEALTH/EQUITY</b>           |                     |                   |              |                    |                  |                    |                    |                    |                   |                           |                           |
| Accumulated Surplus/(Deficit)            | 43 002 095          | 46 323 333        | –            | –                  | –                | –                  | (51 078)           | (51 078)           | 46 272 255        | 49 634 063                | 53 431 123                |
| Reserves                                 | 5 764 808           | 4 771 410         | –            | –                  | –                | –                  | 8 791              | 8 791              | 4 780 201         | 4 743 340                 | 5 295 395                 |
| <b>TOTAL COMMUNITY WEALTH/EQUITY</b>     | <b>48 766 902</b>   | <b>51 094 743</b> | <b>–</b>     | <b>–</b>           | <b>–</b>         | <b>–</b>           | <b>(42 287)</b>    | <b>(42 287)</b>    | <b>51 052 456</b> | <b>54 377 404</b>         | <b>58 726 518</b>         |

**Explanatory notes to MBRR B6 – Adjustments Budget Financial Position**

1. The budgeted Statement of Financial Position of the City has been prepared on a basis consistent with GRAP 1 and international accounting standards and as such makes it comparable with the present Statement of Financial Position and those of previous years, to enable all stakeholders to interpret the impact of the budget as such on the Statement of Financial Position.
2. The assets are in the order of relative liquidity and liabilities according to their priority of being met with cash.
3. Movements on the Budgeted Statement of Financial Performance will impact on the Budgeted Statement of Financial Position. Assumptions made on the collection rate for instance, will affect the budgeted cash position of the City and the budgeted impairment of debtors. As such the assumptions form a critical link in determining the applicability and relevance of the budget, the determination of financial indicators, the assessment of funding compliance and the general viability of the municipality.

**Table 16: MBRR Table B7 – Adjustments Budget Cash Flow Statement**

| Description                                       | Budget Year 2019/20 |                    |              |                    |                  |                    |                  |                  |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|---------------------------------------------------|---------------------|--------------------|--------------|--------------------|------------------|--------------------|------------------|------------------|--------------------|---------------------------|---------------------------|
|                                                   | Original Budget     | Prior Adjusted     | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts.   | Total Adjusts.   | Adjusted Budget    | Adjusted Budget           | Adjusted Budget           |
| <b>R thousands</b>                                |                     |                    |              |                    |                  |                    |                  |                  |                    |                           |                           |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>        |                     |                    |              |                    |                  |                    |                  |                  |                    |                           |                           |
| <b>Receipts</b>                                   |                     |                    |              |                    |                  |                    |                  |                  |                    |                           |                           |
| Property rates                                    | 9 714 194           | 9 714 194          | –            | –                  | –                | –                  | 55 074           | 55 074           | 9 769 268          | 10 327 307                | 10 830 171                |
| Service charges                                   | 18 787 179          | 18 787 179         | –            | –                  | –                | –                  | 472 007          | 472 007          | 19 259 186         | 21 538 550                | 24 311 790                |
| Other revenue                                     | 1 746 152           | 1 746 152          | –            | –                  | –                | –                  | (2 360)          | (2 360)          | 1 743 792          | 1 881 622                 | 1 963 292                 |
| Government - operating                            | 7 376 568           | 7 493 227          | –            | –                  | –                | –                  | 229 206          | 229 206          | 7 722 432          | 7 707 345                 | 8 136 559                 |
| Government - capital                              | 2 211 385           | 2 211 673          | –            | –                  | –                | –                  | 344 548          | 344 548          | 2 556 221          | 3 043 827                 | 3 608 514                 |
| Interest                                          | 912 495             | 912 495            | –            | –                  | –                | –                  | (22)             | (22)             | 912 473            | 930 613                   | 1 022 317                 |
| Dividends                                         | –                   | –                  | –            | –                  | –                | –                  | –                | –                | –                  | –                         | –                         |
| <b>Payments</b>                                   |                     |                    |              |                    |                  |                    |                  |                  |                    |                           |                           |
| Suppliers and employees                           | (35 467 695)        | (35 584 353)       | –            | –                  | –                | –                  | 289 868          | 289 868          | (35 294 485)       | (38 100 437)              | (40 375 207)              |
| Finance charges                                   | (717 075)           | (717 075)          | –            | –                  | –                | –                  | –                | –                | (717 075)          | (731 329)                 | (1 191 845)               |
| Transfers and Grants                              | –                   | –                  | –            | –                  | –                | –                  | –                | –                | –                  | –                         | –                         |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>  | <b>4 563 204</b>    | <b>4 563 492</b>   | <b>–</b>     | <b>–</b>           | <b>–</b>         | <b>–</b>           | <b>1 388 321</b> | <b>1 388 321</b> | <b>5 951 813</b>   | <b>6 597 499</b>          | <b>8 305 591</b>          |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>       |                     |                    |              |                    |                  |                    |                  |                  |                    |                           |                           |
| <b>Receipts</b>                                   |                     |                    |              |                    |                  |                    |                  |                  |                    |                           |                           |
| Proceeds on disposal of PPE                       | 97 432              | 97 432             | –            | –                  | –                | –                  | 10 959           | 10 959           | 108 392            | 100 432                   | 100 732                   |
| Decrease (increase) in non-current debtors        | –                   | –                  | –            | –                  | –                | –                  | –                | –                | –                  | –                         | –                         |
| Decrease (increase) other non-current receivables | 1 228               | 1 228              | –            | –                  | –                | –                  | 3 191            | 3 191            | 4 419              | 3 390                     | 2 797                     |
| Decrease (increase) in non-current investments    | (267 859)           | (267 859)          | –            | –                  | –                | –                  | –                | –                | (267 859)          | (298 475)                 | (332 578)                 |
| <b>Payments</b>                                   |                     |                    |              |                    |                  |                    |                  |                  |                    |                           |                           |
| Capital assets                                    | (7 549 589)         | (7 906 251)        | –            | –                  | –                | –                  | 804 477          | 804 477          | (7 101 774)        | (8 016 608)               | (8 575 287)               |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>  | <b>(7 718 788)</b>  | <b>(8 075 450)</b> | <b>–</b>     | <b>–</b>           | <b>–</b>         | <b>–</b>           | <b>818 627</b>   | <b>818 627</b>   | <b>(7 256 823)</b> | <b>(8 211 261)</b>        | <b>(8 804 336)</b>        |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>       |                     |                    |              |                    |                  |                    |                  |                  |                    |                           |                           |
| <b>Receipts</b>                                   |                     |                    |              |                    |                  |                    |                  |                  |                    |                           |                           |
| Short term loans                                  | –                   | –                  | –            | –                  | –                | –                  | –                | –                | –                  | –                         | –                         |
| Borrowing long term/refinancing                   | 1 091 580           | 1 091 580          | –            | –                  | –                | –                  | –                | –                | 1 091 580          | 3 000 000                 | 3 000 000                 |
| Increase (decrease) in consumer deposits          | 41 983              | 41 983             | –            | –                  | –                | –                  | (886)            | (886)            | 41 096             | 45 206                    | 49 726                    |
| <b>Payments</b>                                   |                     |                    |              |                    |                  |                    |                  |                  |                    |                           |                           |
| Repayment of borrowing                            | (384 878)           | (384 878)          | –            | –                  | –                | –                  | –                | –                | (384 878)          | (371 495)                 | (671 495)                 |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>  | <b>748 685</b>      | <b>748 685</b>     | <b>–</b>     | <b>–</b>           | <b>–</b>         | <b>–</b>           | <b>(886)</b>     | <b>(886)</b>     | <b>747 798</b>     | <b>2 673 711</b>          | <b>2 378 232</b>          |
| <b>NET INCREASE/ (DECREASE) IN CASH HELD</b>      | <b>(2 406 899)</b>  | <b>(2 763 274)</b> | <b>–</b>     | <b>–</b>           | <b>–</b>         | <b>–</b>           | <b>2 206 062</b> | <b>2 206 062</b> | <b>(557 212)</b>   | <b>1 059 949</b>          | <b>1 879 486</b>          |
| Cash/cash equivalents at the year begin:          | 7 392 776           | 8 419 275          | –            | –                  | –                | –                  | –                | –                | 8 419 275          | 7 862 063                 | 8 922 012                 |
| Cash/cash equivalents at the year end:            | 4 985 877           | 5 656 001          | –            | –                  | –                | –                  | 2 206 062        | 2 206 062        | 7 862 063          | 8 922 012                 | 10 801 498                |

**Explanatory notes to MBRR Table B7 – Adjustments Budget Cash Flow Statement**

- The table shows the cash and cash equivalents of the City for the 2019/20 MTREF.
- For the 2019/20 MTREF, the budget has been prepared to ensure sufficient levels of cash and cash equivalents over the medium-term with cash levels anticipated to reach R7 862 million in 2019/20, R8 922 million in 2020/21 and R10 801 million by 2021/22.

**Table 17: MBRR Table B8 - Cash Backed Reserves/Accumulated Surplus Reconciliation**

| Description                                       | Budget Year 2019/20 |                   |                 |                           |                     |                          |                   |                   |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|---------------------------------------------------|---------------------|-------------------|-----------------|---------------------------|---------------------|--------------------------|-------------------|-------------------|--------------------|---------------------------|---------------------------|
|                                                   | Original<br>Budget  | Prior<br>Adjusted | Accum.<br>Funds | Multi-<br>year<br>capital | Unfore.<br>Unavoid. | Nat. or<br>Prov.<br>Govt | Other<br>Adjusts. | Total<br>Adjusts. | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>R thousands</b>                                |                     |                   |                 |                           |                     |                          |                   |                   |                    |                           |                           |
| <b>Cash and investments available</b>             |                     |                   |                 |                           |                     |                          |                   |                   |                    |                           |                           |
| Cash/cash equivalents at the year end             | 4 985 877           | 5 656 001         | –               | –                         | –                   | –                        | 2 206 062         | 2 206 062         | 7 862 063          | 8 922 012                 | 10 801 498                |
| Other current investments > 90 days               | 1 360 455           | 2 264 471         | –               | –                         | –                   | –                        | 0                 | 0                 | 2 264 471          | 1 965 995                 | 1 633 417                 |
| Non current assets - Investments                  | 5 171 322           | 5 765 080         | –               | –                         | –                   | –                        | –                 | –                 | 5 765 080          | 6 063 556                 | 6 396 134                 |
| <b>Cash and investments available:</b>            | <b>11 517 654</b>   | <b>13 685 552</b> | <b>–</b>        | <b>–</b>                  | <b>–</b>            | <b>–</b>                 | <b>2 206 062</b>  | <b>2 206 062</b>  | <b>15 891 614</b>  | <b>16 951 563</b>         | <b>18 831 049</b>         |
| <b>Applications of cash and investments</b>       |                     |                   |                 |                           |                     |                          |                   |                   |                    |                           |                           |
| Unspent conditional transfers                     | 1 425 028           | 1 425 028         | –               | –                         | –                   | –                        | –                 | –                 | 1 425 028          | 1 479 064                 | 1 530 857                 |
| Unspent borrowing                                 | –                   | –                 | –               | –                         | –                   | –                        | –                 | –                 | –                  | –                         | –                         |
| Statutory requirements                            | –                   | –                 | –               | –                         | –                   | –                        | –                 | –                 | –                  | –                         | –                         |
| Other working capital requirements                | (1 538 617)         | (1 727 390)       | –               | –                         | –                   | –                        | 439 922           | 439 922           | (1 287 468)        | (1 637 131)               | (1 549 522)               |
| Other provisions                                  | 400 000             | 459 784           | –               | –                         | –                   | –                        | –                 | –                 | 459 784            | 515 560                   | 501 385                   |
| Long term investments committed                   | 2 771 615           | 2 771 615         | –               | –                         | –                   | –                        | –                 | –                 | 2 771 615          | 3 070 090                 | 3 402 669                 |
| Reserves to be backed by cash/investments         | 5 764 808           | 4 771 410         | –               | –                         | –                   | –                        | 8 791             | 8 791             | 4 780 201          | 4 743 340                 | 5 295 395                 |
| <b>Total Application of cash and investments:</b> | <b>8 822 834</b>    | <b>7 700 447</b>  | <b>–</b>        | <b>–</b>                  | <b>–</b>            | <b>–</b>                 | <b>448 713</b>    | <b>448 713</b>    | <b>8 149 160</b>   | <b>8 170 923</b>          | <b>9 180 784</b>          |
| <b>Surplus(shortfall)</b>                         | <b>2 694 820</b>    | <b>5 985 105</b>  | <b>–</b>        | <b>–</b>                  | <b>–</b>            | <b>–</b>                 | <b>1 757 349</b>  | <b>1 757 349</b>  | <b>7 742 454</b>   | <b>8 780 640</b>          | <b>9 650 265</b>          |

### Explanatory notes to MBRR Table B8 - Cash Backed Reserves / Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. From the table it can be seen that for the City remains in a surplus net cash flow position for 2019/20 MTREF.
5. Considering the requirements of section 18 of the MFMA, it can be concluded that the 2019/20 MTREF is fully funded.
6. As part of the budgeting and planning guidelines that informed the compilation of the 2019/20 MTREF, the end objective of the medium-term framework was to ensure the budget is funded / aligned to section 18 of the MFMA.
7. Table B8 reflects a surplus of R7 737 million in 2019/20 increasing to R9 645 million by 2021/22.

**Table 18: MBRR Table B9 - Asset Management**

| Description                                                   | Budget Year 2019/20 |                   |                 |                       |                     |                       |                   |                   |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|---------------------------------------------------------------|---------------------|-------------------|-----------------|-----------------------|---------------------|-----------------------|-------------------|-------------------|--------------------|---------------------------|---------------------------|
|                                                               | Original<br>Budget  | Prior<br>Adjusted | Accum.<br>Funds | Multi-year<br>capital | Unfore.<br>Unavoid. | Nat. or Prov.<br>Govt | Other<br>Adjusts. | Total<br>Adjusts. | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>R thousands</b>                                            |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| <b>CAPITAL EXPENDITURE</b>                                    |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| <b><u>Total New Assets to be adjusted</u></b>                 | <b>3 866 597</b>    | <b>3 993 132</b>  | –               | –                     | –                   | –                     | (425 471)         | (425 471)         | <b>3 567 661</b>   | <b>4 729 913</b>          | <b>5 013 724</b>          |
| Roads Infrastructure                                          | 929 567             | 982 614           | –               | –                     | –                   | –                     | (77 386)          | (77 386)          | 905 227            | 1 628 439                 | 2 061 379                 |
| Storm water Infrastructure                                    | 117 312             | 119 541           | –               | –                     | –                   | –                     | 45 535            | 45 535            | 165 076            | 158 217                   | 179 421                   |
| Electrical Infrastructure                                     | 375 200             | 384 729           | –               | –                     | –                   | –                     | (62 450)          | (62 450)          | 322 279            | 467 672                   | 409 181                   |
| Water Supply Infrastructure                                   | 971 327             | 972 373           | –               | –                     | –                   | –                     | (158 681)         | (158 681)         | 813 692            | 611 738                   | 788 143                   |
| Sanitation Infrastructure                                     | 218 499             | 212 435           | –               | –                     | –                   | –                     | 10 706            | 10 706            | 223 141            | 426 292                   | 397 443                   |
| Solid Waste Infrastructure                                    | 251 120             | 264 371           | –               | –                     | –                   | –                     | (169 074)         | (169 074)         | 95 298             | 405 975                   | 278 492                   |
| Coastal Infrastructure                                        | –                   | –                 | –               | –                     | –                   | –                     | –                 | –                 | –                  | 764                       | 9 102                     |
| Information and Communication Infrastructure                  | 30 000              | 31 014            | –               | –                     | –                   | –                     | (4 000)           | (4 000)           | 27 014             | 66 311                    | 1 000                     |
| Infrastructure                                                | 2 893 025           | 2 967 076         | –               | –                     | –                   | –                     | (415 351)         | (415 351)         | 2 551 726          | 3 765 407                 | 4 124 161                 |
| Community Facilities                                          | 242 440             | 261 204           | –               | –                     | –                   | –                     | (50 334)          | (50 334)          | 210 870            | 274 903                   | 414 324                   |
| Sport and Recreation Facilities                               | 720                 | 731               | –               | –                     | –                   | –                     | 125               | 125               | 856                | –                         | –                         |
| Community Assets                                              | 243 160             | 261 934           | –               | –                     | –                   | –                     | (50 209)          | (50 209)          | 211 725            | 274 903                   | 414 324                   |
| Heritage Assets                                               | 30                  | 30                | –               | –                     | –                   | –                     | –                 | –                 | 30                 | –                         | –                         |
| Operational Buildings                                         | 158 180             | 173 780           | –               | –                     | –                   | –                     | (11 490)          | (11 490)          | 162 289            | 249 500                   | 154 055                   |
| Housing                                                       | 50 920              | 53 092            | –               | –                     | –                   | –                     | 3 239             | 3 239             | 56 331             | 53 500                    | 16 750                    |
| Other Assets                                                  | 209 100             | 226 872           | –               | –                     | –                   | –                     | (8 251)           | (8 251)           | 218 620            | 303 000                   | 170 805                   |
| Licences and Rights                                           | 44 752              | 44 752            | –               | –                     | –                   | –                     | (15 220)          | (15 220)          | 29 532             | 26 365                    | 82 565                    |
| Intangible Assets                                             | 44 752              | 44 752            | –               | –                     | –                   | –                     | (15 220)          | (15 220)          | 29 532             | 26 365                    | 82 565                    |
| Computer Equipment                                            | 86 886              | 93 321            | –               | –                     | –                   | –                     | (8 645)           | (8 645)           | 84 677             | 129 654                   | 43 837                    |
| Furniture and Office Equipment                                | 118 167             | 121 633           | –               | –                     | –                   | –                     | 10 774            | 10 774            | 132 407            | 112 739                   | 72 732                    |
| Machinery and Equipment                                       | 48 127              | 54 083            | –               | –                     | –                   | –                     | 8 993             | 8 993             | 63 076             | 43 673                    | 35 050                    |
| Transport Assets                                              | 197 348             | 197 429           | –               | –                     | –                   | –                     | 32 188            | 32 188            | 229 617            | 54 173                    | 50 251                    |
| Land                                                          | 26 000              | 26 000            | –               | –                     | –                   | –                     | 20 250            | 20 250            | 46 250             | 20 000                    | 20 000                    |
| <b><u>Total Renewal of Existing Assets to be adjusted</u></b> | <b>2 351 609</b>    | <b>2 437 743</b>  | –               | –                     | –                   | <b>19 046</b>         | <b>(267 522)</b>  | <b>(248 476)</b>  | <b>2 189 267</b>   | <b>2 008 786</b>          | <b>2 367 234</b>          |
| Roads Infrastructure                                          | 214 477             | 246 691           | –               | –                     | –                   | –                     | (102 123)         | (102 123)         | 144 568            | 210 751                   | 178 000                   |
| Storm water Infrastructure                                    | 59 700              | 71 394            | –               | –                     | –                   | –                     | (36 300)          | (36 300)          | 35 094             | 14 606                    | 12 363                    |
| Electrical Infrastructure                                     | 346 825             | 376 784           | –               | –                     | –                   | –                     | (33 459)          | (33 459)          | 343 324            | 446 390                   | 738 540                   |
| Water Supply Infrastructure                                   | 409 900             | 409 900           | –               | –                     | –                   | –                     | (180 000)         | (180 000)         | 229 900            | 338 300                   | 483 000                   |
| Sanitation Infrastructure                                     | 436 433             | 440 946           | –               | –                     | –                   | –                     | (166 004)         | (166 004)         | 274 942            | 336 500                   | 530 200                   |
| Solid Waste Infrastructure                                    | –                   | 200               | –               | –                     | –                   | –                     | (11)              | (11)              | 189                | –                         | 10 000                    |
| Information and Communication Infrastructure                  | 1 500               | 1 915             | –               | –                     | –                   | –                     | –                 | –                 | 1 915              | 2 650                     | –                         |
| Infrastructure                                                | 1 468 835           | 1 547 830         | –               | –                     | –                   | –                     | (517 898)         | (517 898)         | 1 029 933          | 1 349 197                 | 1 952 103                 |
| Community Facilities                                          | 19 283              | 19 283            | –               | –                     | –                   | –                     | 14 242            | 14 242            | 33 525             | 24 983                    | 12 900                    |
| Community Assets                                              | 19 283              | 19 283            | –               | –                     | –                   | –                     | 14 242            | 14 242            | 33 525             | 24 983                    | 12 900                    |
| Heritage Assets                                               | 600                 | 1 251             | –               | –                     | –                   | –                     | –                 | –                 | 1 251              | 1 200                     | 1 200                     |
| Operational Buildings                                         | 26 689              | 26 921            | –               | –                     | –                   | –                     | (3 472)           | (3 472)           | 23 448             | 30 514                    | 18 590                    |
| Housing                                                       | 44 561              | 44 561            | –               | –                     | –                   | –                     | 100 056           | 100 056           | 144 617            | 77 184                    | –                         |
| Other Assets                                                  | 71 250              | 71 482            | –               | –                     | –                   | –                     | 96 584            | 96 584            | 168 066            | 107 698                   | 18 590                    |
| Licences and Rights                                           | 7 000               | 7 600             | –               | –                     | –                   | –                     | –                 | –                 | 7 600              | 7 000                     | 7 000                     |
| Intangible Assets                                             | 7 000               | 7 600             | –               | –                     | –                   | –                     | –                 | –                 | 7 600              | 7 000                     | 7 000                     |
| Computer Equipment                                            | 121 359             | 123 660           | –               | –                     | –                   | –                     | 7 102             | 7 102             | 130 763            | 63 322                    | 62 186                    |
| Furniture and Office Equipment                                | 28 889              | 29 344            | –               | –                     | –                   | –                     | 19 231            | 19 231            | 48 576             | 16 472                    | 13 456                    |
| Machinery and Equipment                                       | 11 454              | 11 426            | –               | –                     | –                   | –                     | 2 032             | 2 032             | 13 458             | 60 300                    | 57 350                    |
| Transport Assets                                              | 622 937             | 625 867           | –               | –                     | –                   | 19 046                | 111 184           | 130 231           | 756 098            | 378 614                   | 242 449                   |

Table continues on next page.

## City of Cape Town 2019/20 Adjustments Budget – 29 January 2020 (including additional recommendations)

| Description                                              | Budget Year 2019/20 |                   |                 |                       |                     |                       |                   |                   |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|----------------------------------------------------------|---------------------|-------------------|-----------------|-----------------------|---------------------|-----------------------|-------------------|-------------------|--------------------|---------------------------|---------------------------|
|                                                          | Original<br>Budget  | Prior<br>Adjusted | Accum.<br>Funds | Multi-year<br>capital | Unfore.<br>Unavoid. | Nat. or Prov.<br>Govt | Other<br>Adjusts. | Total<br>Adjusts. | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>R thousands</b>                                       |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| <b>Total Upgrading of Existing Assets to be adjusted</b> | <b>2 170 227</b>    | <b>2 353 848</b>  | –               | –                     | –                   | 779                   | (231 806)         | (231 027)         | 2 122 821          | 2 168 643                 | 2 147 139                 |
| Roads Infrastructure                                     | 192 672             | 233 740           | –               | –                     | –                   | –                     | (11 881)          | (11 881)          | 221 860            | 114 685                   | 128 501                   |
| Storm water Infrastructure                               | 41 000              | 44 307            | –               | –                     | –                   | –                     | (41 433)          | (41 433)          | 2 874              | 80 000                    | 115 000                   |
| Electrical Infrastructure                                | 29 582              | 29 582            | –               | –                     | –                   | –                     | (4 740)           | (4 740)           | 24 842             | 15 263                    | 130 000                   |
| Water Supply Infrastructure                              | 75 350              | 93 676            | –               | –                     | –                   | –                     | (2 584)           | (2 584)           | 91 093             | 85 700                    | 30 000                    |
| Sanitation Infrastructure                                | 788 773             | 831 015           | –               | –                     | –                   | –                     | (96 511)          | (96 511)          | 734 504            | 785 305                   | 845 600                   |
| Solid Waste Infrastructure                               | 111 425             | 123 388           | –               | –                     | –                   | –                     | (23 283)          | (23 283)          | 100 105            | 34 159                    | 124 287                   |
| Coastal Infrastructure                                   | 290                 | 290               | –               | –                     | –                   | –                     | 1 450             | 1 450             | 1 740              | 42 249                    | 82 192                    |
| Information and Communication Infrastructure             | 5 000               | 5 000             | –               | –                     | –                   | –                     | 19 500            | 19 500            | 24 500             | 2 351                     | –                         |
| Infrastructure                                           | 1 244 091           | 1 360 998         | –               | –                     | –                   | –                     | (159 482)         | (159 482)         | 1 201 516          | 1 159 712                 | 1 455 580                 |
| Community Facilities                                     | 220 535             | 230 566           | –               | –                     | –                   | –                     | 9 458             | 9 458             | 240 024            | 167 873                   | 193 820                   |
| Sport and Recreation Facilities                          | 147 154             | 152 590           | –               | –                     | –                   | 779                   | (3 542)           | (2 763)           | 149 827            | 317 607                   | 119 331                   |
| Community Assets                                         | 367 689             | 383 156           | –               | –                     | –                   | 779                   | 5 916             | 6 695             | 389 851            | 485 480                   | 313 151                   |
| Heritage Assets                                          | –                   | –                 | –               | –                     | –                   | –                     | 236               | 236               | 236                | –                         | –                         |
| Operational Buildings                                    | 424 270             | 475 503           | –               | –                     | –                   | –                     | (105 877)         | (105 877)         | 369 626            | 381 828                   | 331 676                   |
| Operational Buildings                                    | 424 270             | 475 503           | –               | –                     | –                   | –                     | (105 877)         | (105 877)         | 369 626            | 381 828                   | 331 676                   |
| Housing                                                  | 75 878              | 75 878            | –               | –                     | –                   | –                     | 26 577            | 26 577            | 102 454            | 65 971                    | 15 000                    |
| Other Assets                                             | 500 147             | 551 381           | –               | –                     | –                   | –                     | (79 301)          | (79 301)          | 472 080            | 447 799                   | 346 676                   |
| Licences and Rights                                      | 26 950              | 26 952            | –               | –                     | –                   | –                     | (8 752)           | (8 752)           | 18 200             | 27 602                    | 5 000                     |
| Intangible Assets                                        | 26 950              | 26 952            | –               | –                     | –                   | –                     | (8 752)           | (8 752)           | 18 200             | 27 602                    | 5 000                     |
| Computer Equipment                                       | 15 540              | 15 540            | –               | –                     | –                   | –                     | 5 370             | 5 370             | 20 910             | 22 500                    | 6 250                     |
| Furniture and Office Equipment                           | 10 147              | 10 147            | –               | –                     | –                   | –                     | 4 325             | 4 325             | 14 472             | 18 550                    | 19 481                    |
| Machinery and Equipment                                  | 5 662               | 5 673             | –               | –                     | –                   | –                     | (119)             | (119)             | 5 555              | 7 000                     | 1 000                     |
| <b>Total Capital Expenditure to be adjusted</b>          | <b>8 388 432</b>    | <b>8 784 724</b>  | –               | –                     | –                   | 19 825                | (924 800)         | (904 974)         | 7 879 749          | 8 907 343                 | 9 528 097                 |
| Roads Infrastructure                                     | 1 336 715           | 1 463 045         | –               | –                     | –                   | –                     | (191 390)         | (191 390)         | 1 271 655          | 1 953 875                 | 2 367 880                 |
| Storm water Infrastructure                               | 218 012             | 235 242           | –               | –                     | –                   | –                     | (32 199)          | (32 199)          | 203 043            | 252 824                   | 306 784                   |
| Electrical Infrastructure                                | 751 607             | 791 095           | –               | –                     | –                   | –                     | (100 650)         | (100 650)         | 690 445            | 929 325                   | 1 277 721                 |
| Water Supply Infrastructure                              | 1 456 577           | 1 475 949         | –               | –                     | –                   | –                     | (341 265)         | (341 265)         | 1 134 685          | 1 035 738                 | 1 301 143                 |
| Sanitation Infrastructure                                | 1 443 705           | 1 484 396         | –               | –                     | –                   | –                     | (251 809)         | (251 809)         | 1 232 586          | 1 548 097                 | 1 773 243                 |
| Solid Waste Infrastructure                               | 362 545             | 387 959           | –               | –                     | –                   | –                     | (192 368)         | (192 368)         | 195 591            | 440 134                   | 412 780                   |
| Coastal Infrastructure                                   | 290                 | 290               | –               | –                     | –                   | –                     | 1 450             | 1 450             | 1 740              | 43 013                    | 91 293                    |
| Information and Communication Infrastructure             | 36 500              | 37 929            | –               | –                     | –                   | –                     | 15 500            | 15 500            | 53 429             | 71 311                    | 1 000                     |
| Infrastructure                                           | 5 605 952           | 5 875 905         | –               | –                     | –                   | –                     | (1 092 730)       | (1 092 730)       | 4 783 175          | 6 274 316                 | 7 531 844                 |
| Community Facilities                                     | 482 258             | 511 053           | –               | –                     | –                   | –                     | (26 634)          | (26 634)          | 484 419            | 467 759                   | 621 044                   |
| Sport and Recreation Facilities                          | 147 874             | 153 321           | –               | –                     | –                   | 779                   | (3 417)           | (2 638)           | 150 682            | 317 607                   | 119 331                   |
| Community Assets                                         | 630 132             | 664 374           | –               | –                     | –                   | 779                   | (30 052)          | (29 273)          | 635 101            | 785 365                   | 740 375                   |
| Heritage Assets                                          | 630                 | 1 281             | –               | –                     | –                   | –                     | 236               | 236               | 1 518              | 1 200                     | 1 200                     |
| Operational Buildings                                    | 609 139             | 676 204           | –               | –                     | –                   | –                     | (120 840)         | (120 840)         | 555 364            | 661 842                   | 504 321                   |
| Housing                                                  | 171 359             | 173 531           | –               | –                     | –                   | –                     | 129 871           | 129 871           | 303 403            | 196 655                   | 31 750                    |
| Other Assets                                             | 780 498             | 849 735           | –               | –                     | –                   | –                     | 9 032             | 9 032             | 858 766            | 858 497                   | 536 071                   |
| Licences and Rights                                      | 78 702              | 79 304            | –               | –                     | –                   | –                     | (23 972)          | (23 972)          | 55 332             | 60 967                    | 94 565                    |
| Intangible Assets                                        | 78 702              | 79 304            | –               | –                     | –                   | –                     | (23 972)          | (23 972)          | 55 332             | 60 967                    | 94 565                    |
| Computer Equipment                                       | 223 786             | 232 522           | –               | –                     | –                   | –                     | 3 827             | 3 827             | 236 349            | 215 476                   | 112 273                   |
| Furniture and Office Equipment                           | 157 203             | 161 124           | –               | –                     | –                   | –                     | 34 331            | 34 331            | 195 455            | 147 761                   | 105 669                   |
| Machinery and Equipment                                  | 65 243              | 71 182            | –               | –                     | –                   | –                     | 10 906            | 10 906            | 82 089             | 110 973                   | 93 400                    |
| Transport Assets                                         | 820 286             | 823 296           | –               | –                     | –                   | 19 046                | 143 372           | 162 418           | 985 715            | 432 786                   | 292 700                   |
| Land                                                     | 26 000              | 26 000            | –               | –                     | –                   | –                     | 20 250            | 20 250            | 46 250             | 20 000                    | 20 000                    |
| <b>TOTAL CAPITAL EXPENDITURE to be adjusted</b>          | <b>8 388 432</b>    | <b>8 784 724</b>  | –               | –                     | –                   | 19 825                | (924 800)         | (904 974)         | 7 879 749          | 8 907 343                 | 9 528 097                 |

Table continues on next page.

City of Cape Town 2019/20 Adjustments Budget – 29 January 2020 (including additional recommendations)

| Description                                                  | Budget Year 2019/20 |                   |                 |                           |                     |                          |                    |                    |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|--------------------------------------------------------------|---------------------|-------------------|-----------------|---------------------------|---------------------|--------------------------|--------------------|--------------------|--------------------|---------------------------|---------------------------|
|                                                              | Original<br>Budget  | Prior<br>Adjusted | Accum.<br>Funds | Multi-<br>year<br>capital | Unfore.<br>Unavoid. | Nat. or<br>Prov.<br>Govt | Other<br>Adjusts.  | Total<br>Adjusts.  | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>R thousands</b>                                           |                     |                   |                 |                           |                     |                          |                    |                    |                    |                           |                           |
| <b>ASSET REGISTER SUMMARY - PPE (WDV)</b>                    | <b>52 871 578</b>   | <b>53 248 055</b> | <b>-</b>        | <b>-</b>                  | <b>-</b>            | <b>-</b>                 | <b>(1 813 425)</b> | <b>(1 813 425)</b> | <b>51 434 629</b>  | <b>56 637 465</b>         | <b>62 195 979</b>         |
| Roads Infrastructure                                         | 10 520 662          | 10 640 675        | -               | -                         | -                   | -                        | (326 063)          | (326 063)          | 10 314 612         | 11 723 004                | 13 487 222                |
| Storm water Infrastructure                                   | 1 014 851           | 1 031 219         | -               | -                         | -                   | -                        | 521                | 521                | 1 031 740          | 1 222 434                 | 1 462 171                 |
| Electrical Infrastructure                                    | 8 041 029           | 8 078 543         | -               | -                         | -                   | -                        | (234 101)          | (234 101)          | 7 844 442          | 8 477 661                 | 9 425 127                 |
| Water Supply Infrastructure                                  | 5 355 893           | 5 374 297         | -               | -                         | -                   | -                        | (688 052)          | (688 052)          | 4 686 244          | 5 335 062                 | 6 191 282                 |
| Sanitation Infrastructure                                    | 4 806 251           | 4 844 907         | -               | -                         | -                   | -                        | (538 317)          | (538 317)          | 4 306 590          | 5 468 320                 | 6 796 999                 |
| Solid Waste Infrastructure                                   | 788 863             | 813 006           | -               | -                         | -                   | -                        | (132 717)          | (132 717)          | 680 289            | 1 065 647                 | 1 414 392                 |
| Coastal Infrastructure                                       | 108 950             | 108 950           | -               | -                         | -                   | -                        | 36 005             | 36 005             | 144 955            | 181 253                   | 263 104                   |
| Information and Communication Infrastructure                 | 3 838 397           | 3 839 754         | -               | -                         | -                   | -                        | 146 984            | 146 984            | 3 986 738          | 4 009 050                 | 3 956 586                 |
| Infrastructure                                               | 34 474 895          | 34 731 351        | -               | -                         | -                   | -                        | (1 735 741)        | (1 735 741)        | 32 995 610         | 37 482 431                | 42 996 882                |
| Community Assets                                             | 6 671 115           | 6 711 863         | -               | -                         | -                   | -                        | (219 092)          | (219 092)          | 6 492 771          | 6 869 336                 | 7 173 061                 |
| Heritage Assets                                              | 8 891               | 8 891             | -               | -                         | -                   | -                        | 1 389              | 1 389              | 10 280             | 10 280                    | 10 280                    |
| Investment properties                                        | 581 286             | 581 286           | -               | -                         | -                   | -                        | (38)               | (38)               | 581 248            | 579 534                   | 577 820                   |
| Other Assets                                                 | 5 906 277           | 5 971 861         | -               | -                         | -                   | -                        | (303 894)          | (303 894)          | 5 667 968          | 6 218 021                 | 6 455 381                 |
| Intangible Assets                                            | 521 885             | 505 035           | -               | -                         | -                   | -                        | 84 596             | 84 596             | 589 631            | 494 916                   | 446 898                   |
| Computer Equipment                                           | 594 661             | 612 139           | -               | -                         | -                   | -                        | (27 464)           | (27 464)           | 584 675            | 572 161                   | 458 875                   |
| Furniture and Office Equipment                               | 431 571             | 436 130           | -               | -                         | -                   | -                        | (22 504)           | (22 504)           | 413 626            | 442 699                   | 427 123                   |
| Machinery and Equipment                                      | 487 638             | 493 280           | -               | -                         | -                   | -                        | 12 184             | 12 184             | 505 464            | 486 955                   | 448 656                   |
| Transport Assets                                             | 2 219 973           | 2 222 833         | -               | -                         | -                   | -                        | 373 367            | 373 367            | 2 596 200          | 2 537 725                 | 2 315 022                 |
| Land                                                         | 973 386             | 973 386           | -               | -                         | -                   | -                        | 23 771             | 23 771             | 997 157            | 943 406                   | 885 981                   |
| <b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>              | <b>52 871 578</b>   | <b>53 248 055</b> | <b>-</b>        | <b>-</b>                  | <b>-</b>            | <b>-</b>                 | <b>(1 813 425)</b> | <b>(1 813 425)</b> | <b>51 434 629</b>  | <b>56 637 465</b>         | <b>62 195 979</b>         |
| <b>EXPENDITURE OTHER ITEMS</b>                               |                     |                   |                 |                           |                     |                          |                    |                    |                    |                           |                           |
| <u>Depreciation &amp; asset impairment</u>                   | <b>3 015 086</b>    | <b>3 015 086</b>  | <b>-</b>        | <b>-</b>                  | <b>-</b>            | <b>-</b>                 | <b>25 697</b>      | <b>25 697</b>      | <b>3 040 783</b>   | <b>3 259 139</b>          | <b>3 493 178</b>          |
| <u>Repairs and Maintenance by asset class</u>                | <b>4 129 677</b>    | <b>4 129 677</b>  | <b>-</b>        | <b>-</b>                  | <b>-</b>            | <b>-</b>                 | <b>114 238</b>     | <b>114 238</b>     | <b>4 243 915</b>   | <b>4 398 747</b>          | <b>4 614 356</b>          |
| Roads Infrastructure                                         | 688 377             | 688 377           | -               | -                         | -                   | -                        | (3 628)            | (3 628)            | 684 749            | 730 816                   | 776 063                   |
| Storm water Infrastructure                                   | -                   | -                 | -               | -                         | -                   | -                        | -                  | -                  | -                  | -                         | -                         |
| Electrical Infrastructure                                    | 541 437             | 541 437           | -               | -                         | -                   | -                        | (57)               | (57)               | 541 381            | 608 723                   | 646 927                   |
| Water Supply Infrastructure                                  | 440 218             | 440 218           | -               | -                         | -                   | -                        | 150 642            | 150 642            | 590 860            | 477 832                   | 507 425                   |
| Sanitation Infrastructure                                    | 374 750             | 374 750           | -               | -                         | -                   | -                        | (28 121)           | (28 121)           | 346 628            | 414 486                   | 429 485                   |
| Solid Waste Infrastructure                                   | 2 250               | 2 250             | -               | -                         | -                   | -                        | -                  | -                  | 2 250              | 2 387                     | 2 531                     |
| Infrastructure                                               | 2 047 033           | 2 047 033         | -               | -                         | -                   | -                        | 118 836            | 118 836            | 2 165 869          | 2 234 243                 | 2 362 431                 |
| Community Facilities                                         | 122 404             | 122 404           | -               | -                         | -                   | -                        | 901                | 901                | 123 305            | 129 823                   | 137 727                   |
| Sport and Recreation Facilities                              | 382 327             | 382 327           | -               | -                         | -                   | -                        | (21 900)           | (21 900)           | 360 426            | 380 116                   | 393 915                   |
| Community Assets                                             | 504 731             | 504 731           | -               | -                         | -                   | -                        | (20 999)           | (20 999)           | 483 731            | 509 940                   | 531 642                   |
| Heritage Assets                                              | 1 916               | 1 916             | -               | -                         | -                   | -                        | -                  | -                  | 1 916              | 2 031                     | 2 154                     |
| Revenue Generating                                           | 43                  | 43                | -               | -                         | -                   | -                        | 791                | 791                | 833                | 45                        | 48                        |
| Non-revenue Generating                                       | 8 001               | 8 001             | -               | -                         | -                   | -                        | (3 719)            | (3 719)            | 4 281              | 8 482                     | 8 995                     |
| Investment properties                                        | 8 043               | 8 043             | -               | -                         | -                   | -                        | (2 929)            | (2 929)            | 5 115              | 8 527                     | 9 043                     |
| Operational Buildings                                        | 338 649             | 338 649           | -               | -                         | -                   | -                        | 92 623             | 92 623             | 431 272            | 308 414                   | 327 258                   |
| Housing                                                      | -                   | -                 | -               | -                         | -                   | -                        | 6                  | 6                  | 6                  | -                         | -                         |
| Other Assets                                                 | 338 649             | 338 649           | -               | -                         | -                   | -                        | 92 629             | 92 629             | 431 278            | 308 414                   | 327 258                   |
| Computer Equipment                                           | 246 058             | 246 058           | -               | -                         | -                   | -                        | (56 597)           | (56 597)           | 189 461            | 263 211                   | 279 352                   |
| Furniture and Office Equipment                               | 542 256             | 542 256           | -               | -                         | -                   | -                        | (126 808)          | (126 808)          | 415 448            | 607 519                   | 609 041                   |
| Machinery and Equipment                                      | -                   | -                 | -               | -                         | -                   | -                        | 66 070             | 66 070             | 66 070             | -                         | -                         |
| Transport Assets                                             | 440 991             | 440 991           | -               | -                         | -                   | -                        | 44 036             | 44 036             | 485 027            | 464 863                   | 493 436                   |
| <b>TOTAL EXPENDITURE OTHER ITEMS to be adjusted</b>          | <b>7 144 763</b>    | <b>7 144 763</b>  | <b>-</b>        | <b>-</b>                  | <b>-</b>            | <b>-</b>                 | <b>139 935</b>     | <b>139 935</b>     | <b>7 284 699</b>   | <b>7 657 887</b>          | <b>8 107 534</b>          |
| Renewal and upgrading of Existing Assets as % of total capex | 53.9%               | 54.5%             | -               | -                         | -                   | -                        | -                  | -                  | 54.7%              | 46.9%                     | 47.4%                     |
| Renewal and upgrading of Existing Assets as % of deprecn"    | 150.0%              | 158.9%            | -               | -                         | -                   | -                        | -                  | -                  | 141.8%             | 128.2%                    | 129.2%                    |
| R&M as a % of PPE                                            | 7.8%                | 7.8%              | -               | -                         | -                   | -                        | -                  | -                  | 8.3%               | 7.8%                      | 7.4%                      |
| Renewal and upgrading and R&M as a % of PPE                  | 16.4%               | 16.8%             | -               | -                         | -                   | -                        | -                  | -                  | 16.6%              | 15.1%                     | 14.7%                     |

## Explanatory notes to Table B9 – Asset Management

- Table B9 provides an overview of municipal capital allocations for new assets and renewal of existing assets, as well as spending on repairs and maintenance by asset class.
- At this stage spending on repairs and maintenance cannot be reflected by asset class, due to the misalignment of the existing asset classes with the plant maintenance asset classes on the financial system. To ensure compliance, the City will embark on an asset creation project, which will only be finalised in the next few years.

**Table 19: MBRR Table B10 - Basic Service Delivery Measurement**

| Description                                                                       | Budget Year 2019/20 |                   |                 |                       |                     |                       |                   |                   |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|-----------------------------------------------------------------------------------|---------------------|-------------------|-----------------|-----------------------|---------------------|-----------------------|-------------------|-------------------|--------------------|---------------------------|---------------------------|
|                                                                                   | Original<br>Budget  | Prior<br>Adjusted | Accum.<br>Funds | Multi-year<br>capital | Unfore.<br>Unavoid. | Nat. or<br>Prov. Govt | Other<br>Adjusts. | Total<br>Adjusts. | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>Household service targets</b>                                                  |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| <b>Water:</b>                                                                     |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| Piped water inside dwelling                                                       | 1 214 760           | 1 214 760         | -               | -                     | -                   | -                     | -                 | -                 | 1 214 760          | 1 239 353                 | 1 263 946                 |
| Piped water inside yard (but not in dwelling)                                     | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| Using public tap (at least min.service level)                                     | 166 919             | 166 919           | -               | -                     | -                   | -                     | -                 | -                 | 166 919            | 169 929                   | 172 729                   |
| Other water supply (at least min.service level)                                   | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| Minimum Service Level and Above sub-total                                         | 1 381 679           | 1 381 679         | -               | -                     | -                   | -                     | -                 | -                 | 1 381 679          | 1 409 282                 | 1 436 675                 |
| Using public tap (< min.service level)                                            | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| Other water supply (< min.service level)                                          | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| No water supply                                                                   | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| Below Minimum Service Level sub-total                                             | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| <b>Total number of households</b>                                                 | <b>1 381 679</b>    | <b>1 381 679</b>  | -               | -                     | -                   | -                     | -                 | -                 | <b>1 381 679</b>   | <b>1 409 282</b>          | <b>1 436 675</b>          |
| <b>Sanitation/sewerage:</b>                                                       |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| Flush toilet (connected to sewerage)                                              | 1 285 080           | 1 285 080         | -               | -                     | -                   | -                     | -                 | -                 | 1 285 080          | 1 310 073                 | 1 338 275                 |
| Flush toilet (with septic tank)                                                   | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| Chemical toilet                                                                   | 35 120              | 35 120            | -               | -                     | -                   | -                     | -                 | -                 | 35 120             | 35 120                    | 35 120                    |
| Pit toilet (ventilated)                                                           | 197                 | 197               | -               | -                     | -                   | -                     | -                 | -                 | 197                | 197                       | 197                       |
| Other toilet provisions (> min.service level)                                     | 62 633              | 62 633            | -               | -                     | -                   | -                     | -                 | -                 | 62 633             | 65 575                    | 65 375                    |
| Minimum Service Level and Above sub-total                                         | 1 383 030           | 1 383 030         | -               | -                     | -                   | -                     | -                 | -                 | 1 383 030          | 1 410 965                 | 1 438 967                 |
| Bucket toilet                                                                     | 149                 | 149               | -               | -                     | -                   | -                     | -                 | -                 | 149                | 149                       | 149                       |
| Other toilet provisions (< min.service level)                                     | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| No toilet provisions                                                              | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| Below Minimum Service Level sub-total                                             | 149                 | 149               | -               | -                     | -                   | -                     | -                 | -                 | 149                | 149                       | 149                       |
| <b>Total number of households</b>                                                 | <b>1 383 179</b>    | <b>1 383 179</b>  | -               | -                     | -                   | -                     | -                 | -                 | <b>1 383 179</b>   | <b>1 411 114</b>          | <b>1 439 116</b>          |
| <b>Energy:</b>                                                                    |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| Electricity (at least min. service level)                                         | 820 313             | 820 313           | -               | -                     | -                   | -                     | -                 | -                 | 820 313            | 821 813                   | 823 313                   |
| Electricity - prepaid (> min.service level)                                       | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| Minimum Service Level and Above sub-total                                         | 820 313             | 820 313           | -               | -                     | -                   | -                     | -                 | -                 | 820 313            | 821 813                   | 823 313                   |
| Electricity (< min.service level)                                                 | 27 841              | 27 841            | -               | -                     | -                   | -                     | -                 | -                 | 27 841             | 26 341                    | 24 841                    |
| Electricity - prepaid (< min. service level)                                      | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| Other energy sources                                                              | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| Below Minimum Service Level sub-total                                             | 27 841              | 27 841            | -               | -                     | -                   | -                     | -                 | -                 | 27 841             | 26 341                    | 24 841                    |
| <b>Total number of households</b>                                                 | <b>848 154</b>      | <b>848 154</b>    | -               | -                     | -                   | -                     | -                 | -                 | <b>848 154</b>     | <b>848 154</b>            | <b>848 154</b>            |
| <b>Refuse:</b>                                                                    |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| Removed at least once a week (min.service)                                        | 958 534             | 958 534           | -               | -                     | -                   | -                     | -                 | -                 | 958 534            | 977 704                   | 997 258                   |
| Minimum Service Level and Above sub-total                                         | 958 534             | 958 534           | -               | -                     | -                   | -                     | -                 | -                 | 958 534            | 977 704                   | 997 258                   |
| Removed less frequently than once a week                                          | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| Using communal refuse dump                                                        | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| Using own refuse dump                                                             | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| Other rubbish disposal                                                            | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| No rubbish disposal                                                               | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| Below Minimum Service Level sub-total                                             | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| <b>Total number of households</b>                                                 | <b>958 534</b>      | <b>958 534</b>    | -               | -                     | -                   | -                     | -                 | -                 | <b>958 534</b>     | <b>977 704</b>            | <b>997 258</b>            |
| <b>Households receiving Free Basic Service</b>                                    |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| Water (6 kilolitres per household per month)                                      | 270 025             | 270 025           | -               | -                     | -                   | -                     | -                 | -                 | 270 025            | 270 025                   | 270 025                   |
| Sanitation (free minimum level service)                                           | 270 025             | 270 025           | -               | -                     | -                   | -                     | -                 | -                 | 270 025            | 270 025                   | 270 025                   |
| Electricity/other energy (50kwh per household per month)                          | 197 064             | 197 064           | -               | -                     | -                   | -                     | -                 | -                 | 197 064            | 198 564                   | 200 064                   |
| Refuse (removed at least once a week)                                             | 310 526             | 310 526           | -               | -                     | -                   | -                     | -                 | -                 | 310 526            | 316 736                   | 323 070                   |
| <b>Cost of Free Basic Services provided (R'000)</b>                               |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| Water (6 kilolitres per indigent household per month)                             | 449 106             | 449 106           | -               | -                     | -                   | -                     | -                 | -                 | 449 106            | 520 297                   | 627 898                   |
| Sanitation (free sanitation service to indigent households)                       | 232 446             | 232 446           | -               | -                     | -                   | -                     | -                 | -                 | 232 446            | 269 293                   | 324 985                   |
| Electricity/other energy (50kwh per indigent household per month)                 | 104 999             | 104 999           | -               | -                     | -                   | -                     | -                 | -                 | 104 999            | 113 399                   | 122 471                   |
| Refuse (removed once a week for indigent households)                              | 287 133             | 287 133           | -               | -                     | -                   | -                     | -                 | -                 | 287 133            | 301 633                   | 316 866                   |
| <b>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</b> | <b>601 132</b>      | <b>154 542</b>    | -               | -                     | -                   | -                     | -                 | -                 | <b>154 542</b>     | <b>683 103</b>            | <b>794 211</b>            |
| <b>Total cost of FBS provided</b>                                                 | <b>1 674 816</b>    | <b>1 228 225</b>  | -               | -                     | -                   | -                     | -                 | -                 | <b>1 228 225</b>   | <b>1 887 725</b>          | <b>2 186 431</b>          |

Table continues on next page.

City of Cape Town 2019/20 Adjustments Budget – 29 January 2020 (including additional recommendations)

| Description                                                                                                 | Budget Year 2019/20 |                   |                 |                       |                     |                       |                   |                   |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|-------------------------------------------------------------------------------------------------------------|---------------------|-------------------|-----------------|-----------------------|---------------------|-----------------------|-------------------|-------------------|--------------------|---------------------------|---------------------------|
|                                                                                                             | Original<br>Budget  | Prior<br>Adjusted | Accum.<br>Funds | Multi-year<br>capital | Unfore.<br>Unavoid. | Nat. or<br>Prov. Govt | Other<br>Adjusts. | Total<br>Adjusts. | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>Highest level of free service provided</b>                                                               |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| Property rates (R'000 value threshold)                                                                      |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| Water (kilolitres per household per month)                                                                  | 11                  | 10.5              | –               | –                     | –                   | –                     | –                 | –                 | 11                 | 11                        | 11                        |
| Sanitation (kilolitres per household per month)                                                             | 7                   | 7.35              | –               | –                     | –                   | –                     | –                 | –                 | 7                  | 7                         | 7                         |
| Sanitation (Rand per household per month)                                                                   |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| Electricity (kw per household per month)                                                                    | 60                  | 60                | –               | –                     | –                   | –                     | –                 | –                 | 60                 | 60                        | 60                        |
| Refuse (average litres per week)                                                                            | 240                 | 240               | –               | –                     | –                   | –                     | –                 | –                 | 240                | 240                       | 240                       |
| <b>Revenue cost of free services provided (R'000)</b>                                                       |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| Property rates (tariff adjustment) ( impermissible values per section 17 of MPRA)                           | –                   | –                 | –               | –                     | –                   | –                     | –                 | –                 | –                  | –                         | –                         |
| Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA) | 1 231 247           | 1 231 247         | –               | –                     | –                   | –                     | (30 943)          | (30 943)          | 1 200 304          | 1 299 612                 | 1 371 772                 |
| 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                                                                          | 32 289              | 32 289            | –               | –                     | –                   | –                     | –                 | –                 | 32 289             | 34 065                    | 35 938                    |
| Housing - top structure subsidies                                                                           | –                   | –                 | –               | –                     | –                   | –                     | –                 | –                 | –                  | –                         | –                         |
| Other                                                                                                       | –                   | –                 | –               | –                     | –                   | –                     | –                 | –                 | –                  | –                         | –                         |
| <b>Total revenue cost of subsidised services provided</b>                                                   | <b>1 263 535</b>    | <b>1 263 535</b>  | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>–</b>              | <b>(30 943)</b>   | <b>(30 943)</b>   | <b>1 232 593</b>   | <b>1 333 676</b>          | <b>1 407 711</b>          |

The following should be noted in respect of the highest level of free services provided for Water & Sanitation, Electricity and Solid Waste:

- **Water:** 10.5 kℓ of water per month per indigent household, free of charge.
- **Sanitation:** 7.35 kℓ of sanitation per month per indigent household, free of charge.
- **Electricity** Each connection supplied by the City to properties with a municipal property value of less than and equal to R400 000 and a prepaid meter receives a monthly 60 kWh free electricity if they normally buy less than 250 kWh per month on average over a 12-month period; or 25 kWh free electricity if they normally buy between 250 and 450 kWh per month on average over a 12-month period.
- **Waste removal:** Consumers whose properties are valued between R1 and R500 000 receive rebates between 0% and 100% on the first 240 ℓ container. Consumers who earn below R6 000 and who are registered on the Indigent Register will qualify for a rebate between 0% and 100% on the first 240 ℓ container. Customers living in Council-owned housing rental and selling schemes earning R4 500 and below will receive 100% rebate.

## Explanatory notes to Table B10 – Basic Service Delivery Measurement

1. Table B10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.
2. The City is persistently striving to eradicate backlogs. The City's backlog status is as follows:
  - a. Water – Cape Town's population, both formal and informal settlements, receives potable water in accordance with the National minimum standards as required by the Water Services Act 108 (of 1997).
  - b. Sanitation – Cape Town's population, both formal and informal settlements, receives sanitation services in accordance with the National minimum standards. Funding is still provided to further improve the service levels in Informal Settlements in line with the City's strategy.
  - c. Energy – The electrification strategy is to reduce the backlog by 1 500 annually.
  - d. Refuse – There are no backlogs for refuse.

## **5. Adjustments to budget assumptions**

The budget assumptions underpinning the 2019/20 budget do not require any adjustments at this stage. In this regard, primary variables such as CPI, collection ratios, interest levels and wage awards remain unchanged.

## **6. Adjustments to budget funding**

### **a. Narrative summary of the impact of the adjustments budget on:**

#### **▪ Funding of operating and capital expenditure**

The Capital expenditure remains fully funded from both internal- (i.e. EFF, CRR & Revenue) and external sources (National- and Provincial Government and other public contributions).

#### **▪ Financial plans**

The financial plan will be revisited considering the longer term effects of the adjustments.

### **b. Reconciliation showing that operating- and capital expenditure remain funded in accordance with MFMA section 18**

See **Table 10** on page 31.

## **7. Adjustments related to allocations and grants to the City of Cape Town**

Refer to **Allocations and grant adjustments** on page 2.

## **8. Adjustments to transfers and grants made by the City of Cape Town**

Additional allocations to various organisations are proposed for inclusion in the 2019/20 operating budget.

Refer Annexure 1.2 for adjustments to transfers and grants made by the City.

## **9. Adjustments to councillor and board member allowances and employee benefits**

Amendments include reductions made to top-up the Post-Retirement Medical Aid (PRMA) provision in line with the actuarial valuation and additional allocations made to address capacity gaps identified on various directorates/departments.

## **10. Adjustments to service delivery and budget implementation plan**

Revisions to service delivery targets and performance indicators in the plan may only be made with the approval of Council following approval of an adjustments budget as per Section 54 of the MFMA. These targets will therefore be updated after the adjustment budget has been approved on 29 January 2020.

## **11. Adjustments to capital expenditure**

Full disclosure on adjustments to the capital budget is provided in Annexure 2.2.

## 12. Future operational impact of new infrastructure

MFMA Section 19(2)(b) requires a municipal Council to consider future operational costs and revenues on capital projects, including the municipal tax and tariff implications, before approving projects individually or as part of a consolidated programme.

To give effect to this requirement, the future operational cost and revenue of projects/programmes are reflected in Annexures 2 and 4 to the proposed adjustments budget report.

The estimated future operating impact indicated in these annexures, represents the sum of the operating expenditure of the current 3-year MTREF. This includes estimated operating expenditure in respect of salaries, contracted services (including repairs and maintenance), other general expenditure, depreciation and interest cost to be incurred in the running of the asset once operational as well as future operating revenue. The operating impacts excluding depreciation and interest charges were provided by the respective directorates (depreciation and interest charges calculated by the Finance directorate).

Directorates have confirmed that the future operating impacts (excluding interest charges and depreciation) will be absorbed on their current operating budgets over the MTREF through efficiency gains and the prioritisation of existing operational resources, which were considered during the calculation of the revenue increases for the 2019/20 MTREF.

The approved revenue increases were as follows:

| Category    | Budget Year<br>2019/20                                                        | Budget Year<br>2020/21 | Budget Year<br>2021/22 |
|-------------|-------------------------------------------------------------------------------|------------------------|------------------------|
| Electricity | 8.88%                                                                         | 3.00%                  | 10.77%                 |
| Water       | 9.00%                                                                         | 15.00%                 | 19.80%                 |
| Sanitation  | 9.00%                                                                         | 15.00%                 | 19.80%                 |
| Refuse      | 5.00%                                                                         | 6.00%                  | 6.00%                  |
| Disposal    | 5.00%                                                                         | 11.50%                 | 13.50%                 |
| Rates       | Decrease of<br>22% in the rate-<br>in-the-rand from<br>0.007154 to<br>0.00555 | -                      | -                      |

**Table 20: Approved revenue increases for 2019/20**

Operating impacts are reviewed annually and amended, where necessary, during the budget process, while taking into consideration the impacts on Rates and Tariffs to ensure future sustainability of the City overall.

## **Total Project Cost and projected cost covering all financial years until the project is operational**

Section 19 (1)(b) of the MFMA requires that before a municipality may spend money on a capital project, the project, including the total cost, has been approved by Council.

Furthermore, Section 19(3) of the MFMA states that the municipal council may in terms of subsection 19(1)(b) approve capital projects below the value of R50 million (amount as prescribed in MBBR regulation 13(2)(c)), either individually or as part of a consolidated capital programme.

The total project cost of existing projects was reviewed by implementing directorates and amended, where required, while the estimated total project cost on any new project/programme proposed for inclusion in this adjustments budget, are included in Annexures 2 and/or 4.

Moreover, Section 19(2)(a) states that *“before approving a capital project in terms of subsection (1)(b), the council of a municipality must consider the projected cost covering all financial years until the project is operational.”* This information is also provided in Annexure 4, and submitted for approval to Council, for those projects being approved individually with a total project cost in excess of R50 million. Outer years' estimates are reviewed annually during the budget process and amended/updated in line with latest project implementation plans.

## PART 2 - ADJUSTMENTS BUDGET: CONSOLIDATED TABLES – PARENT MUNICIPALITY AND ENTITIES

The consolidated tables of the City and its entities, Cape Town International Convention Centre (CTICC) and Cape Town Stadium (CTS), are presented on page 50 to page 62.

**Table 21: MBRR Table B1 Consolidated Adjustments Budget – Statement Summary**

| Description                                                          | Budget Year 2019/20 |                   |                 |                       |                     |                       |                   |                   |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|----------------------------------------------------------------------|---------------------|-------------------|-----------------|-----------------------|---------------------|-----------------------|-------------------|-------------------|--------------------|---------------------------|---------------------------|
|                                                                      | Original<br>Budget  | Prior<br>Adjusted | Accum.<br>Funds | Multi-year<br>capital | Unfore.<br>Unavoid. | Nat. or Prov.<br>Govt | Other<br>Adjusts. | Total<br>Adjusts. | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>R thousands</b>                                                   |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| <b>Financial Performance</b>                                         |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| Property rates                                                       | 9 916 685           | 9 916 685         | –               | –                     | –                   | –                     | 33 495            | 33 495            | 9 950 180          | 10 517 014                | 11 045 428                |
| Service charges                                                      | 19 690 195          | 19 690 195        | –               | –                     | –                   | –                     | 366 732           | 366 732           | 20 056 927         | 22 419 166                | 25 311 082                |
| Investment revenue                                                   | 919 395             | 919 395           | –               | –                     | –                   | –                     | 4 828             | 4 828             | 924 223            | 937 927                   | 1 030 070                 |
| Transfers recognised - operational                                   | 7 376 568           | 7 493 227         | –               | –                     | –                   | 114 428               | 114 778           | 229 206           | 7 722 432          | 7 707 345                 | 8 136 559                 |
| Other own revenue                                                    | 3 305 614           | 3 305 614         | –               | –                     | –                   | –                     | (117)             | (117)             | 3 305 496          | 3 495 727                 | 3 638 577                 |
| <b>Total Revenue (excluding capital transfers and contributions)</b> | <b>41 208 458</b>   | <b>41 325 116</b> | –               | –                     | –                   | <b>114 428</b>        | <b>519 715</b>    | <b>634 143</b>    | <b>41 959 259</b>  | <b>45 077 179</b>         | <b>49 161 715</b>         |
| Employee costs                                                       | 13 908 778          | 13 908 815        | –               | –                     | –                   | 86 985                | 115 468           | 202 453           | 14 111 268         | 14 991 559                | 16 167 233                |
| Remuneration of councillors                                          | 179 818             | 179 818           | –               | –                     | –                   | –                     | –                 | –                 | 179 818            | 190 697                   | 202 234                   |
| Depreciation & asset impairment                                      | 3 065 250           | 3 065 250         | –               | –                     | –                   | –                     | 31 826            | 31 826            | 3 097 076          | 3 302 926                 | 3 534 364                 |
| Finance charges                                                      | 790 756             | 790 756           | –               | –                     | –                   | –                     | 10 060            | 10 060            | 800 816            | 921 279                   | 1 304 856                 |
| Materials and bulk purchases                                         | 11 746 242          | 11 745 788        | –               | –                     | –                   | 4 771                 | (162 650)         | (157 879)         | 11 587 909         | 13 111 293                | 14 255 875                |
| Transfers and grants                                                 | 374 860             | 398 816           | –               | –                     | –                   | –                     | 97 204            | 97 204            | 496 020            | 475 247                   | 418 316                   |
| Other expenditure                                                    | 12 033 540          | 12 126 659        | –               | –                     | –                   | 22 672                | (171 028)         | (148 356)         | 11 978 303         | 11 885 979                | 12 617 524                |
| <b>Total Expenditure</b>                                             | <b>42 099 245</b>   | <b>42 215 903</b> | –               | –                     | –                   | <b>114 428</b>        | <b>(79 120)</b>   | <b>35 308</b>     | <b>42 251 210</b>  | <b>44 878 981</b>         | <b>48 500 402</b>         |
| <b>Surplus/(Deficit)</b>                                             | <b>(890 787)</b>    | <b>(890 786)</b>  | –               | –                     | –                   | –                     | <b>598 835</b>    | <b>598 835</b>    | <b>(291 951)</b>   | <b>198 198</b>            | <b>661 313</b>            |
| Transfers recognised - capital                                       | 2 211 385           | 2 211 673         | –               | –                     | –                   | 19 825                | 324 723           | 344 548           | 2 556 221          | 3 043 827                 | 3 608 514                 |
| Contributions recognised - capital & contributed assets              | 53 700              | 53 700            | –               | –                     | –                   | –                     | 7 187             | 7 187             | 60 887             | 56 700                    | 57 000                    |
| <b>Surplus/(Deficit) after capital transfers &amp; contributions</b> | <b>1 374 299</b>    | <b>1 374 587</b>  | –               | –                     | –                   | <b>19 825</b>         | <b>930 745</b>    | <b>950 570</b>    | <b>2 325 157</b>   | <b>3 298 725</b>          | <b>4 326 827</b>          |
| Share of surplus/ (deficit) of associate                             | –                   | –                 | –               | –                     | –                   | –                     | –                 | –                 | –                  | –                         | –                         |
| <b>Surplus/ (Deficit) for the year</b>                               | <b>1 374 299</b>    | <b>1 374 587</b>  | –               | –                     | –                   | <b>19 825</b>         | <b>930 745</b>    | <b>950 570</b>    | <b>2 325 157</b>   | <b>3 298 725</b>          | <b>4 326 827</b>          |
| <b>Capital expenditure &amp; funds sources</b>                       |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| <b>Capital expenditure</b>                                           | <b>8 430 911</b>    | <b>8 836 940</b>  | –               | –                     | –                   | <b>19 825</b>         | <b>(917 250)</b>  | <b>(897 424)</b>  | <b>7 939 516</b>   | <b>8 982 825</b>          | <b>9 602 991</b>          |
| Transfers recognised - capital                                       | 2 265 085           | 2 265 373         | –               | –                     | –                   | 19 825                | 331 909           | 351 735           | 2 617 108          | 3 100 527                 | 3 665 514                 |
| Borrowing                                                            | 1 091 580           | 1 091 580         | –               | –                     | –                   | –                     | –                 | –                 | 1 091 580          | 3 000 000                 | 3 000 000                 |
| Internally generated funds                                           | 5 074 246           | 5 479 987         | –               | –                     | –                   | –                     | (1 249 159)       | (1 249 159)       | 4 230 828          | 2 882 298                 | 2 937 477                 |
| <b>Total sources of capital funds</b>                                | <b>8 430 911</b>    | <b>8 836 940</b>  | –               | –                     | –                   | <b>19 825</b>         | <b>(917 250)</b>  | <b>(897 424)</b>  | <b>7 939 516</b>   | <b>8 982 825</b>          | <b>9 602 991</b>          |
| <b>Financial position</b>                                            |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| Total current assets                                                 | 18 660 159          | 15 652 963        | –               | –                     | –                   | –                     | 2 911 728         | 2 911 728         | 18 564 691         | 19 975 923                | 22 233 329                |
| Total non current assets                                             | 58 112 027          | 59 080 115        | –               | –                     | –                   | –                     | (2 302 605)       | (2 302 605)       | 56 777 510         | 62 928 210                | 68 825 722                |
| Total current liabilities                                            | 12 973 358          | 8 606 410         | –               | –                     | –                   | –                     | 1 079 775         | 1 079 775         | 9 686 185          | 10 342 116                | 11 431 461                |
| Total non current liabilities                                        | 14 911 172          | 14 911 172        | –               | –                     | –                   | –                     | 11 854            | 11 854            | 14 923 026         | 17 865 574                | 20 606 443                |
| <b>Community wealth/Equity</b>                                       | <b>48 887 656</b>   | <b>51 215 497</b> | –               | –                     | –                   | –                     | <b>(482 506)</b>  | <b>(482 506)</b>  | <b>50 732 991</b>  | <b>54 696 443</b>         | <b>59 021 147</b>         |

Table continues on next page.

City of Cape Town 2019/20 Adjustments Budget – 29 January 2020 (including additional recommendations)

| Description                                   | Budget Year 2019/20 |                   |                 |                       |                     |                       |                   |                   |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|-----------------------------------------------|---------------------|-------------------|-----------------|-----------------------|---------------------|-----------------------|-------------------|-------------------|--------------------|---------------------------|---------------------------|
|                                               | Original<br>Budget  | Prior<br>Adjusted | Accum.<br>Funds | Multi-year<br>capital | Unfore.<br>Unavoid. | Nat. or<br>Prov. Govt | Other<br>Adjusts. | Total<br>Adjusts. | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>R thousands</b>                            |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| <b>Cash flows</b>                             |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| Net cash from (used) operating                | 4 472 317           | 4 472 604         | –               | –                     | –                   | –                     | 1 381 997         | 1 381 997         | 5 854 601          | 6 670 899                 | 8 355 237                 |
| Net cash from (used) investing                | (7 761 267)         | (8 127 667)       | –               | –                     | –                   | –                     | 911 077           | 911 077           | (7 216 590)        | (8 286 743)               | (8 879 230)               |
| Net cash from (used) financing                | 748 685             | 748 685           | –               | –                     | –                   | –                     | (886)             | (886)             | 747 798            | 2 673 711                 | 2 378 232                 |
| <b>Cash/cash equivalents at the year end</b>  | <b>5 087 575</b>    | <b>5 747 962</b>  | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>–</b>              | <b>2 292 187</b>  | <b>2 292 187</b>  | <b>8 040 149</b>   | <b>9 098 016</b>          | <b>10 952 255</b>         |
| <b>Cash backing/surplus reconciliation</b>    |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| Cash and investments available                | 11 023 847          | 13 182 007        | –               | –                     | –                   | –                     | 1 537 646         | 1 537 646         | 14 719 654         | 16 451 275                | 18 303 567                |
| Application of cash and investments           | 10 149 316          | 9 032 455         | –               | –                     | –                   | –                     | 235 274           | 235 274           | 9 267 729          | 9 304 270                 | 10 317 531                |
| <b>Balance - surplus (shortfall)</b>          | <b>874 531</b>      | <b>4 149 553</b>  | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>–</b>              | <b>1 302 372</b>  | <b>1 302 372</b>  | <b>5 451 925</b>   | <b>7 147 005</b>          | <b>7 986 037</b>          |
| <b>Asset Management</b>                       |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| Asset register summary (WDV)                  | 53 454 658          | 53 840 873        | –               | –                     | –                   | –                     | (1 810 663)       | (1 810 663)       | 52 030 210         | 57 228 965                | 62 798 820                |
| Depreciation & asset impairment               | 3 065 250           | 3 065 250         | –               | –                     | –                   | –                     | 31 827            | 31 827            | 3 097 077          | 3 302 926                 | 3 534 364                 |
| Renewal and Upgrading of Existing Assets      | 4 549 079           | 4 827 705         | –               | –                     | –                   | 19 825                | (499 328)         | (479 503)         | 4 348 202          | 4 198 927                 | 4 539 417                 |
| Repairs and Maintenance                       | 4 170 377           | 4 170 377         | –               | –                     | –                   | –                     | 116 614           | 116 614           | 4 286 991          | 4 440 447                 | 4 658 558                 |
| <b>Free services</b>                          |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| Cost of Free Basic Services provided          | 1 674 816           | 1 228 225         | –               | –                     | –                   | –                     | –                 | –                 | 1 228 225          | 1 887 725                 | 2 186 431                 |
| Revenue cost of free services provided        | 1 263 535           | 1 263 535         | –               | –                     | –                   | –                     | (30 943)          | (30 943)          | 1 232 593          | 1 333 676                 | 1 407 711                 |
| <b>Households below minimum service level</b> |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| Water:                                        | –                   | –                 | –               | –                     | –                   | –                     | –                 | –                 | –                  | –                         | –                         |
| Sanitation/sewerage:                          | 149                 | 149               | –               | –                     | –                   | –                     | –                 | –                 | 149                | 149                       | 149                       |
| Energy:                                       | 27 841              | 27 841            | –               | –                     | –                   | –                     | –                 | –                 | 27 841             | 26 341                    | 24 841                    |
| Refuse:                                       | –                   | –                 | –               | –                     | –                   | –                     | –                 | –                 | –                  | –                         | –                         |

**Table 22: MBRR Table B2 Consolidated Adjustments Budget - Financial Performance (standard classification)**

| Standard Description                              | Budget Year 2019/20 |                   |                 |                       |                     |                       |                  |                  |                    | Budget Year +1<br>2020/21 | Budget Year +2<br>2021/22 |
|---------------------------------------------------|---------------------|-------------------|-----------------|-----------------------|---------------------|-----------------------|------------------|------------------|--------------------|---------------------------|---------------------------|
|                                                   | Original<br>Budget  | Prior<br>Adjusted | Accum.<br>Funds | Multi-year<br>capital | Unfore.<br>Unavoid. | Nat. or Prov.<br>Govt | Other Adjusts.   | Total Adjusts.   | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>R thousands</b>                                |                     |                   |                 |                       |                     |                       |                  |                  |                    |                           |                           |
| <b>Revenue - Functional</b>                       |                     |                   |                 |                       |                     |                       |                  |                  |                    |                           |                           |
| <i><b>Governance and administration</b></i>       | <b>15 354 923</b>   | <b>15 354 936</b> | –               | –                     | –                   | <b>3 474</b>          | <b>86 301</b>    | <b>89 775</b>    | <b>15 444 712</b>  | <b>16 309 197</b>         | <b>17 275 420</b>         |
| Executive and council                             | 299                 | 299               | –               | –                     | –                   | 2 034                 | (0)              | 2 034            | 2 333              | 314                       | 330                       |
| Finance and administration                        | 15 354 622          | 15 354 634        | –               | –                     | –                   | 1 440                 | 86 302           | 87 742           | 15 442 376         | 16 308 880                | 17 275 054                |
| Internal audit                                    | 3                   | 3                 | –               | –                     | –                   | –                     | 0                | 0                | 3                  | 3                         | 36                        |
| <i><b>Community and public safety</b></i>         | <b>3 301 487</b>    | <b>3 417 323</b>  | –               | –                     | –                   | <b>19 825</b>         | <b>74 486</b>    | <b>94 312</b>    | <b>3 511 635</b>   | <b>3 557 572</b>          | <b>3 693 222</b>          |
| Community and social services                     | 125 649             | 125 649           | –               | –                     | –                   | –                     | 14 025           | 14 025           | 139 675            | 135 834                   | 197 122                   |
| Sport and recreation                              | 86 512              | 86 512            | –               | –                     | –                   | 779                   | (24 065)         | (23 286)         | 63 226             | 82 294                    | 89 608                    |
| Public safety                                     | 1 238 308           | 1 238 308         | –               | –                     | –                   | 19 046                | (51 880)         | (32 834)         | 1 205 474          | 1 241 637                 | 1 241 676                 |
| Housing                                           | 1 374 066           | 1 489 902         | –               | –                     | –                   | –                     | 159 743          | 159 743          | 1 649 645          | 1 599 353                 | 1 624 910                 |
| Health                                            | 476 952             | 476 952           | –               | –                     | –                   | –                     | (23 337)         | (23 337)         | 453 615            | 498 453                   | 539 907                   |
| <i><b>Economic and environmental services</b></i> | <b>2 297 417</b>    | <b>2 297 692</b>  | –               | –                     | –                   | <b>110 954</b>        | <b>27 438</b>    | <b>138 392</b>   | <b>2 436 084</b>   | <b>2 899 203</b>          | <b>3 396 937</b>          |
| Planning and development                          | 450 811             | 450 811           | –               | –                     | –                   | –                     | (17 448)         | (17 448)         | 433 363            | 430 141                   | 471 601                   |
| Road transport                                    | 1 831 775           | 1 832 049         | –               | –                     | –                   | 110 954               | 29 605           | 140 559          | 1 972 608          | 2 464 615                 | 2 920 664                 |
| Environmental protection                          | 14 831              | 14 831            | –               | –                     | –                   | –                     | 15 282           | 15 282           | 30 113             | 4 447                     | 4 671                     |
| <i><b>Trading services</b></i>                    | <b>22 228 113</b>   | <b>22 228 810</b> | –               | –                     | –                   | –                     | <b>658 549</b>   | <b>658 549</b>   | <b>22 887 359</b>  | <b>25 103 318</b>         | <b>28 133 991</b>         |
| Energy sources                                    | 14 080 480          | 14 081 178        | –               | –                     | –                   | –                     | 745 065          | 745 065          | 14 826 243         | 15 655 263                | 17 353 324                |
| Water management                                  | 4 468 354           | 4 468 354         | –               | –                     | –                   | –                     | 31 214           | 31 214           | 4 499 568          | 5 272 941                 | 6 023 125                 |
| Waste water management                            | 1 956 104           | 1 956 104         | –               | –                     | –                   | –                     | (91 175)         | (91 175)         | 1 864 930          | 2 337 092                 | 2 791 631                 |
| Waste management                                  | 1 723 174           | 1 723 174         | –               | –                     | –                   | –                     | (26 556)         | (26 556)         | 1 696 618          | 1 838 022                 | 1 965 912                 |
| <i><b>Other</b></i>                               | <b>291 603</b>      | <b>291 728</b>    | –               | –                     | –                   | –                     | <b>4 850</b>     | <b>4 850</b>     | <b>296 577</b>     | <b>308 415</b>            | <b>327 659</b>            |
| <b>Total Revenue - Functional</b>                 | <b>43 473 543</b>   | <b>43 590 489</b> | –               | –                     | –                   | <b>134 253</b>        | <b>851 625</b>   | <b>985 878</b>   | <b>44 576 367</b>  | <b>48 177 706</b>         | <b>52 827 229</b>         |
| <b>Expenditure - Functional</b>                   |                     |                   |                 |                       |                     |                       |                  |                  |                    |                           |                           |
| <i><b>Governance and administration</b></i>       | <b>8 923 446</b>    | <b>8 916 725</b>  | –               | –                     | –                   | <b>3 474</b>          | <b>390 826</b>   | <b>394 300</b>   | <b>9 311 025</b>   | <b>9 473 603</b>          | <b>10 448 998</b>         |
| Executive and council                             | 535 009             | 534 134           | –               | –                     | –                   | 2 034                 | (3 680)          | (1 646)          | 532 487            | 537 004                   | 573 837                   |
| Finance and administration                        | 8 342 352           | 8 337 106         | –               | –                     | –                   | 1 440                 | 392 103          | 393 543          | 8 730 649          | 8 887 741                 | 9 822 292                 |
| Internal audit                                    | 46 085              | 45 485            | –               | –                     | –                   | –                     | 2 403            | 2 403            | 47 888             | 48 857                    | 52 869                    |
| <i><b>Community and public safety</b></i>         | <b>7 857 502</b>    | <b>7 979 108</b>  | –               | –                     | –                   | –                     | <b>(139 920)</b> | <b>(139 920)</b> | <b>7 839 188</b>   | <b>8 419 003</b>          | <b>8 861 189</b>          |
| Community and social services                     | 971 924             | 971 926           | –               | –                     | –                   | –                     | (18 462)         | (18 462)         | 953 465            | 1 039 901                 | 1 113 166                 |
| Sport and recreation                              | 1 187 125           | 1 187 114         | –               | –                     | –                   | –                     | (44 860)         | (44 860)         | 1 142 254          | 1 235 093                 | 1 305 685                 |
| Public safety                                     | 2 910 539           | 2 916 318         | –               | –                     | –                   | –                     | (15 262)         | (15 262)         | 2 901 056          | 3 029 216                 | 3 185 736                 |
| Housing                                           | 1 480 067           | 1 595 903         | –               | –                     | –                   | –                     | (1 045)          | (1 045)          | 1 594 858          | 1 702 684                 | 1 738 557                 |
| Health                                            | 1 307 848           | 1 307 848         | –               | –                     | –                   | –                     | (60 292)         | (60 292)         | 1 247 555          | 1 412 109                 | 1 518 046                 |
| <i><b>Economic and environmental services</b></i> | <b>5 277 186</b>    | <b>5 277 197</b>  | –               | –                     | –                   | <b>110 954</b>        | <b>(39 689)</b>  | <b>71 265</b>    | <b>5 348 462</b>   | <b>5 018 327</b>          | <b>5 272 746</b>          |
| Planning and development                          | 1 511 371           | 1 511 347         | –               | –                     | –                   | –                     | (63 920)         | (63 920)         | 1 447 426          | 1 237 045                 | 1 320 947                 |
| Road transport                                    | 3 607 973           | 3 607 973         | –               | –                     | –                   | 110 954               | 6 785            | 117 739          | 3 725 713          | 3 631 418                 | 3 791 457                 |
| Environmental protection                          | 157 842             | 157 877           | –               | –                     | –                   | –                     | 17 446           | 17 446           | 175 323            | 149 864                   | 160 342                   |
| <i><b>Trading services</b></i>                    | <b>19 596 547</b>   | <b>19 598 241</b> | –               | –                     | –                   | –                     | <b>(240 495)</b> | <b>(240 495)</b> | <b>19 357 746</b>  | <b>21 502 445</b>         | <b>23 429 358</b>         |
| Energy sources                                    | 11 596 405          | 11 598 082        | –               | –                     | –                   | –                     | 89 095           | 89 095           | 11 687 178         | 12 749 243                | 14 037 839                |
| Water management                                  | 3 747 229           | 3 747 232         | –               | –                     | –                   | –                     | (409 154)        | (409 154)        | 3 338 078          | 4 261 463                 | 4 502 627                 |
| Waste water management                            | 2 049 818           | 2 049 833         | –               | –                     | –                   | –                     | 76 656           | 76 656           | 2 126 489          | 2 270 377                 | 2 485 738                 |
| Waste management                                  | 2 203 094           | 2 203 093         | –               | –                     | –                   | –                     | 2 908            | 2 908            | 2 206 001          | 2 221 361                 | 2 403 153                 |
| <i><b>Other</b></i>                               | <b>444 564</b>      | <b>444 632</b>    | –               | –                     | –                   | –                     | <b>(49 842)</b>  | <b>(49 842)</b>  | <b>394 790</b>     | <b>465 603</b>            | <b>488 111</b>            |
| <b>Total Expenditure - Functional</b>             | <b>42 099 245</b>   | <b>42 215 902</b> | –               | –                     | –                   | <b>114 428</b>        | <b>(79 120)</b>  | <b>35 308</b>    | <b>42 251 210</b>  | <b>44 878 981</b>         | <b>48 500 402</b>         |
| <b>Surplus/ (Deficit) for the year</b>            | <b>1 374 298</b>    | <b>1 374 587</b>  | –               | –                     | –                   | <b>19 825</b>         | <b>930 745</b>   | <b>950 570</b>   | <b>2 325 157</b>   | <b>3 298 725</b>          | <b>4 326 827</b>          |

**Table 23: MBRR Table B3 Consolidated Adjustments Budget - Financial Performance (revenue and expenditure by municipal vote)**

| Vote Description                                    | Budget Year 2019/20 |                   |                 |                       |                     |                       |                 |                |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|-----------------------------------------------------|---------------------|-------------------|-----------------|-----------------------|---------------------|-----------------------|-----------------|----------------|--------------------|---------------------------|---------------------------|
|                                                     | Original<br>Budget  | Prior<br>Adjusted | Accum.<br>Funds | Multi-year<br>capital | Unfore.<br>Unavoid. | Nat. or Prov.<br>Govt | Other<br>Adjus. | Total Adjus.   | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>R thousands</b>                                  |                     |                   |                 |                       |                     |                       |                 |                |                    |                           |                           |
| <b>Revenue by Vote</b>                              |                     |                   |                 |                       |                     |                       |                 |                |                    |                           |                           |
| Vote 1 - Community Services & Health                | 974 189             | 974 189           | –               | –                     | –                   | 779                   | 11 542          | 12 321         | 986 510            | 1 069 806                 | 1 163 854                 |
| Vote 2 - Corporate Services                         | 71 523              | 71 523            | –               | –                     | –                   | –                     | (5 293)         | (5 293)        | 66 230             | 64 758                    | 68 813                    |
| Vote 3 - Economic Opportunities & Asset Managemnt   | 181 445             | 181 570           | –               | –                     | –                   | –                     | 41 295          | 41 295         | 222 865            | 187 620                   | 195 500                   |
| Vote 4 - Energy & Climate Change                    | 13 874 705          | 13 875 403        | –               | –                     | –                   | –                     | 745 065         | 745 065        | 14 620 468         | 15 439 096                | 17 126 241                |
| Vote 5 - Finance                                    | 16 174 512          | 16 174 525        | –               | –                     | –                   | 1 440                 | 49 258          | 50 698         | 16 225 223         | 17 158 014                | 18 206 913                |
| Vote 6 - Human Settlements                          | 1 249 070           | 1 364 906         | –               | –                     | –                   | –                     | 159 743         | 159 743        | 1 524 649          | 1 468 044                 | 1 486 970                 |
| Vote 7 - Office of the City Manager                 | 6                   | 6                 | –               | –                     | –                   | –                     | (0)             | (0)            | 6                  | 6                         | 40                        |
| Vote 8 - Safety & Security                          | 1 291 229           | 1 291 229         | –               | –                     | –                   | 130 000               | (34 642)        | 95 358         | 1 386 588          | 1 297 230                 | 1 300 075                 |
| Vote 9 - Spatial Planning & Environment             | 166 410             | 166 410           | –               | –                     | –                   | –                     | 2 567           | 2 567          | 168 977            | 152 828                   | 162 158                   |
| Vote 10 - Transport                                 | 1 801 886           | 1 802 161         | –               | –                     | –                   | –                     | 5 356           | 5 356          | 1 807 517          | 2 426 308                 | 2 877 817                 |
| Vote 11 - Urban Management                          | 301 768             | 301 769           | –               | –                     | –                   | 2 034                 | (20 534)        | (18 500)       | 283 268            | 284 506                   | 314 260                   |
| Vote 12 - Water & Waste                             | 7 078 278           | 7 078 278         | –               | –                     | –                   | –                     | (85 568)        | (85 568)       | 6 992 710          | 8 324 623                 | 9 600 425                 |
| Vote 13 - Cape Town International Convention Centre | 285 600             | 285 600           | –               | –                     | –                   | –                     | 4 850           | 4 850          | 290 450            | 303 465                   | 322 460                   |
| Vote 14 - Cape Town Stadium                         | 22 921              | 22 921            | –               | –                     | –                   | –                     | (22 013)        | (22 013)       | 908                | 1 399                     | 1 703                     |
| <b>Total Revenue by Vote</b>                        | <b>43 473 543</b>   | <b>43 590 489</b> | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>134 253</b>        | <b>851 626</b>  | <b>985 879</b> | <b>44 576 368</b>  | <b>48 177 705</b>         | <b>52 827 228</b>         |
| <b>Expenditure by Vote</b>                          |                     |                   |                 |                       |                     |                       |                 |                |                    |                           |                           |
| Vote 1 - Community Services & Health                | 3 925 379           | 3 925 379         | –               | –                     | –                   | –                     | (81 067)        | (81 067)       | 3 844 311          | 4 108 988                 | 4 407 761                 |
| Vote 2 - Corporate Services                         | 1 808 667           | 1 808 678         | –               | –                     | –                   | –                     | 64 067          | 64 067         | 1 872 745          | 1 913 763                 | 2 057 774                 |
| Vote 3 - Economic Opportunities & Asset Managemnt   | 1 368 210           | 1 368 324         | –               | –                     | –                   | –                     | 57 543          | 57 543         | 1 425 867          | 1 425 104                 | 1 526 629                 |
| Vote 4 - Energy & Climate Change                    | 12 060 720          | 12 061 417        | –               | –                     | –                   | –                     | 92 811          | 92 811         | 12 154 228         | 13 251 284                | 14 576 654                |
| Vote 5 - Finance                                    | 2 933 071           | 2 933 071         | –               | –                     | –                   | 1 440                 | 386 594         | 388 034        | 3 321 105          | 3 157 568                 | 3 686 606                 |
| Vote 6 - Human Settlements                          | 1 468 810           | 1 584 646         | –               | –                     | –                   | –                     | 16 157          | 16 157         | 1 600 804          | 1 690 950                 | 1 726 302                 |
| Vote 7 - Office of the City Manager                 | 237 561             | 237 561           | –               | –                     | –                   | –                     | 1 553           | 1 553          | 239 114            | 219 189                   | 236 864                   |
| Vote 8 - Safety & Security                          | 3 598 555           | 3 598 555         | –               | –                     | –                   | 110 954               | (113 103)       | (2 149)        | 3 596 406          | 3 768 118                 | 3 971 962                 |
| Vote 9 - Spatial Planning & Environment             | 711 474             | 711 474           | –               | –                     | –                   | –                     | (14 129)        | (14 129)       | 697 345            | 711 677                   | 766 626                   |
| Vote 10 - Transport                                 | 3 679 302           | 3 679 302         | –               | –                     | –                   | –                     | (14 783)        | (14 783)       | 3 664 518          | 3 700 711                 | 3 862 248                 |
| Vote 11 - Urban Management                          | 1 142 379           | 1 142 379         | –               | –                     | –                   | 2 034                 | (47 160)        | (45 126)       | 1 097 253          | 908 765                   | 969 186                   |
| Vote 12 - Water & Waste                             | 8 774 143           | 8 774 142         | –               | –                     | –                   | –                     | (297 746)       | (297 746)      | 8 476 396          | 9 622 080                 | 10 292 124                |
| Vote 13 - Cape Town International Convention Centre | 318 719             | 318 719           | –               | –                     | –                   | –                     | (58 511)        | (58 511)       | 260 208            | 329 688                   | 344 746                   |
| Vote 14 - Cape Town Stadium                         | 72 254              | 72 254            | –               | –                     | –                   | –                     | (71 346)        | (71 346)       | 908                | 71 096                    | 74 919                    |
| <b>Total Expenditure by Vote</b>                    | <b>42 099 245</b>   | <b>42 215 901</b> | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>114 428</b>        | <b>(79 118)</b> | <b>35 309</b>  | <b>42 251 210</b>  | <b>44 878 981</b>         | <b>48 500 402</b>         |
| <b>Surplus/ (Deficit) for the year</b>              | <b>1 374 298</b>    | <b>1 374 589</b>  | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>19 825</b>         | <b>930 744</b>  | <b>950 569</b> | <b>2 325 158</b>   | <b>3 298 725</b>          | <b>4 326 826</b>          |

**Table 24: MBRR Table B4 Consolidated Adjustments Budget - Financial Performance (revenue and expenditure)**

| Description                                                                                                                                                                                                            | Budget Year 2019/20 |                   |                 |                       |                     |                       |                   |                |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-------------------|-----------------|-----------------------|---------------------|-----------------------|-------------------|----------------|--------------------|---------------------------|---------------------------|
|                                                                                                                                                                                                                        | Original<br>Budget  | Prior<br>Adjusted | Accum.<br>Funds | Multi-year<br>capital | Unfore.<br>Unavoid. | Nat. or Prov.<br>Govt | Other<br>Adjusts. | Total Adjusts. | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>R thousands</b>                                                                                                                                                                                                     |                     |                   |                 |                       |                     |                       |                   |                |                    |                           |                           |
| <b>Revenue By Source</b>                                                                                                                                                                                               |                     |                   |                 |                       |                     |                       |                   |                |                    |                           |                           |
| Property rates                                                                                                                                                                                                         | 9 916 685           | 9 916 685         | -               | -                     | -                   | -                     | 33 495            | 33 495         | 9 950 180          | 10 517 014                | 11 045 428                |
| Service charges - electricity revenue                                                                                                                                                                                  | 13 623 146          | 13 623 146        | -               | -                     | -                   | -                     | 745 101           | 745 101        | 14 368 248         | 15 187 931                | 16 826 227                |
| Service charges - water revenue                                                                                                                                                                                        | 3 212 017           | 3 212 017         | -               | -                     | -                   | -                     | (242 244)         | (242 244)      | 2 969 773          | 3 838 969                 | 4 593 963                 |
| Service charges - sanitation revenue                                                                                                                                                                                   | 1 568 599           | 1 568 599         | -               | -                     | -                   | -                     | (86 527)          | (86 527)       | 1 482 072          | 2 014 201                 | 2 409 460                 |
| Service charges - refuse revenue                                                                                                                                                                                       | 1 286 433           | 1 286 433         | -               | -                     | -                   | -                     | (49 599)          | (49 599)       | 1 236 834          | 1 378 065                 | 1 481 432                 |
| Rental of facilities and equipment                                                                                                                                                                                     | 459 882             | 459 882           | -               | -                     | -                   | -                     | 14 619            | 14 619         | 474 501            | 484 954                   | 511 188                   |
| Interest earned - external investments                                                                                                                                                                                 | 919 395             | 919 395           | -               | -                     | -                   | -                     | 4 828             | 4 828          | 924 223            | 937 927                   | 1 030 070                 |
| Interest earned - outstanding debtors                                                                                                                                                                                  | 380 814             | 380 814           | -               | -                     | -                   | -                     | 13 673            | 13 673         | 394 487            | 425 792                   | 489 054                   |
| Dividends received                                                                                                                                                                                                     | -                   | -                 | -               | -                     | -                   | -                     | -                 | -              | -                  | -                         | -                         |
| Fines, penalties and forfeits                                                                                                                                                                                          | 1 185 453           | 1 185 453         | -               | -                     | -                   | -                     | (42 705)          | (42 705)       | 1 142 748          | 1 211 026                 | 1 205 439                 |
| Licences and permits                                                                                                                                                                                                   | 82 218              | 82 218            | -               | -                     | -                   | -                     | (2 523)           | (2 523)        | 79 696             | 86 371                    | 90 732                    |
| Agency services                                                                                                                                                                                                        | 217 672             | 217 672           | -               | -                     | -                   | -                     | 1 665             | 1 665          | 219 336            | 245 412                   | 254 598                   |
| Transfers and subsidies                                                                                                                                                                                                | 7 376 568           | 7 493 227         | -               | -                     | -                   | 114 428               | 114 778           | 229 206        | 7 722 432          | 7 707 345                 | 8 136 559                 |
| Other revenue                                                                                                                                                                                                          | 935 842             | 935 842           | -               | -                     | -                   | -                     | 11 382            | 11 382         | 947 223            | 998 439                   | 1 043 832                 |
| Gains on disposal of PPE                                                                                                                                                                                               | 43 732              | 43 732            | -               | -                     | -                   | -                     | 3 772             | 3 772          | 47 505             | 43 733                    | 43 733                    |
| <b>Total Revenue (excluding capital transfers and contributions)</b>                                                                                                                                                   | <b>41 208 458</b>   | <b>41 325 116</b> | -               | -                     | -                   | <b>114 428</b>        | <b>519 715</b>    | <b>634 143</b> | <b>41 959 259</b>  | <b>45 077 179</b>         | <b>49 161 715</b>         |
| <b>Expenditure By Type</b>                                                                                                                                                                                             |                     |                   |                 |                       |                     |                       |                   |                |                    |                           |                           |
| Employee related costs                                                                                                                                                                                                 | 13 908 778          | 13 908 815        | -               | -                     | -                   | 86 985                | 115 468           | 202 453        | 14 111 268         | 14 991 559                | 16 167 233                |
| Remuneration of councillors                                                                                                                                                                                            | 179 818             | 179 818           | -               | -                     | -                   | -                     | -                 | -              | 179 818            | 190 697                   | 202 234                   |
| Debt impairment                                                                                                                                                                                                        | 2 341 928           | 2 341 928         | -               | -                     | -                   | -                     | (128 685)         | (128 685)      | 2 213 244          | 2 343 443                 | 2 529 992                 |
| Depreciation & asset impairment                                                                                                                                                                                        | 3 065 250           | 3 065 250         | -               | -                     | -                   | -                     | 31 826            | 31 826         | 3 097 076          | 3 302 926                 | 3 534 364                 |
| Finance charges                                                                                                                                                                                                        | 790 756             | 790 756           | -               | -                     | -                   | -                     | 10 060            | 10 060         | 800 816            | 921 279                   | 1 304 856                 |
| Bulk purchases                                                                                                                                                                                                         | 10 092 601          | 10 092 601        | -               | -                     | -                   | -                     | (23 507)          | (23 507)       | 10 069 094         | 11 473 833                | 12 575 400                |
| Other materials                                                                                                                                                                                                        | 1 653 641           | 1 653 187         | -               | -                     | -                   | 4 771                 | (139 143)         | (134 372)      | 1 518 815          | 1 637 459                 | 1 680 475                 |
| Contracted services                                                                                                                                                                                                    | 7 273 811           | 7 353 119         | -               | -                     | -                   | 2 034                 | 53 372            | 55 406         | 7 408 525          | 6 958 998                 | 7 292 496                 |
| Transfers and subsidies                                                                                                                                                                                                | 374 860             | 398 816           | -               | -                     | -                   | -                     | 97 204            | 97 204         | 496 020            | 475 247                   | 418 316                   |
| Other expenditure                                                                                                                                                                                                      | 2 417 044           | 2 430 855         | -               | -                     | -                   | 20 638                | (95 851)          | (75 212)       | 2 355 643          | 2 582 744                 | 2 794 202                 |
| Loss on disposal of PPE                                                                                                                                                                                                | 756                 | 756               | -               | -                     | -                   | -                     | 135               | 135            | 891                | 794                       | 834                       |
| <b>Total Expenditure</b>                                                                                                                                                                                               | <b>42 099 245</b>   | <b>42 215 903</b> | -               | -                     | -                   | <b>114 428</b>        | <b>(79 120)</b>   | <b>35 308</b>  | <b>42 251 210</b>  | <b>44 878 981</b>         | <b>48 500 402</b>         |
| <b>Surplus/(Deficit)</b>                                                                                                                                                                                               | <b>(890 787)</b>    | <b>(890 786)</b>  | -               | -                     | -                   | -                     | <b>598 835</b>    | <b>598 835</b> | <b>(291 951)</b>   | <b>198 198</b>            | <b>661 313</b>            |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)                                                                                                                          | 2 211 385           | 2 211 673         | -               | -                     | -                   | 19 825                | 324 723           | 344 548        | 2 556 221          | 3 043 827                 | 3 608 514                 |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) | 53 700              | 53 700            | -               | -                     | -                   | -                     | 7 187             | 7 187          | 60 887             | 56 700                    | 57 000                    |
| Transfers and subsidies - capital (in-kind - all)                                                                                                                                                                      | -                   | -                 | -               | -                     | -                   | -                     | -                 | -              | -                  | -                         | -                         |
| <b>Surplus/(Deficit) before taxation</b>                                                                                                                                                                               | <b>1 374 299</b>    | <b>1 374 587</b>  | -               | -                     | -                   | <b>19 825</b>         | <b>930 745</b>    | <b>950 570</b> | <b>2 325 157</b>   | <b>3 298 725</b>          | <b>4 326 827</b>          |
| Taxation                                                                                                                                                                                                               | -                   | -                 | -               | -                     | -                   | -                     | -                 | -              | -                  | -                         | -                         |
| <b>Surplus/(Deficit) after taxation</b>                                                                                                                                                                                | <b>1 374 299</b>    | <b>1 374 587</b>  | -               | -                     | -                   | <b>19 825</b>         | <b>930 745</b>    | <b>950 570</b> | <b>2 325 157</b>   | <b>3 298 725</b>          | <b>4 326 827</b>          |
| Attributable to minorities                                                                                                                                                                                             | (9 472)             | (9 472)           | -               | -                     | -                   | -                     | 4 354             | 4 354          | (5 118)            | (7 500)                   | (6 374)                   |
| <b>Surplus/(Deficit) attributable to municipality</b>                                                                                                                                                                  | <b>1 364 827</b>    | <b>1 365 115</b>  | -               | -                     | -                   | <b>19 825</b>         | <b>935 099</b>    | <b>954 924</b> | <b>2 320 039</b>   | <b>3 291 226</b>          | <b>4 320 453</b>          |
| Share of surplus/ (deficit) of associate                                                                                                                                                                               | -                   | -                 | -               | -                     | -                   | -                     | -                 | -              | -                  | -                         | -                         |
| <b>Surplus/ (Deficit) for the year</b>                                                                                                                                                                                 | <b>1 364 827</b>    | <b>1 365 115</b>  | -               | -                     | -                   | <b>19 825</b>         | <b>935 099</b>    | <b>954 924</b> | <b>2 320 039</b>   | <b>3 291 226</b>          | <b>4 320 453</b>          |

**Table 25: MBRR Table B5 Consolidated Adjustments Capital Expenditure - Budget by vote and funding**

| Description                                         | Budget Year 2019/20 |                   |                 |                       |                     |                       |                   |                  |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|-----------------------------------------------------|---------------------|-------------------|-----------------|-----------------------|---------------------|-----------------------|-------------------|------------------|--------------------|---------------------------|---------------------------|
|                                                     | Original<br>Budget  | Prior<br>Adjusted | Accum.<br>Funds | Multi-year<br>capital | Unfore.<br>Unavoid. | Nat. or Prov.<br>Govt | Other<br>Adjusts. | Total Adjusts.   | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>R thousands</b>                                  |                     |                   |                 |                       |                     |                       |                   |                  |                    |                           |                           |
| <b>Capital expenditure - Vote</b>                   |                     |                   |                 |                       |                     |                       |                   |                  |                    |                           |                           |
| <b>Multi-year expenditure to be adjusted</b>        |                     |                   |                 |                       |                     |                       |                   |                  |                    |                           |                           |
| Vote 1 - Community Services & Health                | 354 281             | 366 393           | -               | -                     | -                   | 779                   | 6 969             | 7 748            | 374 140            | 356 384                   | 375 057                   |
| Vote 2 - Corporate Services                         | 149 863             | 158 194           | -               | -                     | -                   | -                     | 29 017            | 29 017           | 187 210            | 218 361                   | 101 329                   |
| Vote 3 - Economic Opportunities & Asset Managemnt   | 389 498             | 393 253           | -               | -                     | -                   | -                     | 85 267            | 85 267           | 478 520            | 449 036                   | 254 814                   |
| Vote 4 - Energy & Climate Change                    | 834 094             | 890 899           | -               | -                     | -                   | -                     | (19 761)          | (19 761)         | 871 137            | 1 031 550                 | 1 375 032                 |
| Vote 5 - Finance                                    | 116 957             | 117 129           | -               | -                     | -                   | -                     | (8 409)           | (8 409)          | 108 721            | 245 279                   | 91 351                    |
| Vote 6 - Human Settlements                          | 869 063             | 885 245           | -               | -                     | -                   | -                     | 167 299           | 167 299          | 1 052 544          | 954 701                   | 861 500                   |
| Vote 7 - Office of the City Manager                 | 973                 | 1 115             | -               | -                     | -                   | -                     | 595               | 595              | 1 710              | 839                       | 910                       |
| Vote 8 - Safety & Security                          | 535 237             | 539 292           | -               | -                     | -                   | 19 046                | (5 824)           | 13 223           | 552 515            | 258 427                   | 77 332                    |
| Vote 9 - Spatial Planning & Environment             | 92 847              | 111 072           | -               | -                     | -                   | -                     | (24 263)          | (24 263)         | 86 810             | 140 503                   | 162 937                   |
| Vote 10 - Transport                                 | 1 326 126           | 1 482 117         | -               | -                     | -                   | -                     | (206 975)         | (206 975)        | 1 275 143          | 1 902 777                 | 2 357 766                 |
| Vote 11 - Urban Management                          | 122 981             | 123 901           | -               | -                     | -                   | -                     | (16 910)          | (16 910)         | 106 991            | 111 467                   | 145 030                   |
| Vote 12 - Water & Waste                             | 3 596 511           | 3 716 114         | -               | -                     | -                   | -                     | (931 805)         | (931 805)        | 2 784 309          | 3 238 019                 | 3 725 038                 |
| Vote 13 - Cape Town International Convention Centre | 42 479              | 52 217            | -               | -                     | -                   | -                     | 7 550             | 7 550            | 59 767             | 75 483                    | 74 894                    |
| Vote 14 - Cape Town Stadium                         | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                | -                  | -                         | -                         |
| <b>Capital multi-year expenditure sub-total</b>     | <b>8 430 911</b>    | <b>8 836 940</b>  | -               | -                     | -                   | <b>19 825</b>         | <b>(917 250)</b>  | <b>(897 424)</b> | <b>7 939 516</b>   | <b>8 982 825</b>          | <b>9 602 991</b>          |
| <b>Total Capital Expenditure - Vote</b>             | <b>8 430 911</b>    | <b>8 836 940</b>  | -               | -                     | -                   | <b>19 825</b>         | <b>(917 250)</b>  | <b>(897 424)</b> | <b>7 939 516</b>   | <b>8 982 825</b>          | <b>9 602 991</b>          |
| <b>Capital Expenditure - Functional</b>             |                     |                   |                 |                       |                     |                       |                   |                  |                    |                           |                           |
| <b>Governance and administration</b>                | <b>1 120 012</b>    | <b>1 143 583</b>  | -               | -                     | -                   | <b>779</b>            | <b>52 447</b>     | <b>53 226</b>    | <b>1 196 809</b>   | <b>1 203 367</b>          | <b>818 129</b>            |
| Executive and council                               | 24 280              | 24 985            | -               | -                     | -                   | -                     | (19 479)          | (19 479)         | 5 506              | 4 778                     | 2 802                     |
| Finance and administration                          | 1 095 600           | 1 118 466         | -               | -                     | -                   | 779                   | 71 466            | 72 245           | 1 190 711          | 1 198 529                 | 815 217                   |
| Internal audit                                      | 131                 | 131               | -               | -                     | -                   | -                     | 460               | 460              | 591                | 60                        | 110                       |
| <b>Community and public safety</b>                  | <b>1 547 286</b>    | <b>1 575 611</b>  | -               | -                     | -                   | -                     | <b>151 454</b>    | <b>151 454</b>   | <b>1 727 066</b>   | <b>1 505 734</b>          | <b>1 204 390</b>          |
| Community and social services                       | 105 089             | 107 201           | -               | -                     | -                   | -                     | 7 757             | 7 757            | 114 958            | 69 791                    | 110 914                   |
| Sport and recreation                                | 141 792             | 146 081           | -               | -                     | -                   | -                     | 3 094             | 3 094            | 149 174            | 262 526                   | 80 200                    |
| Public safety                                       | 349 905             | 353 450           | -               | -                     | -                   | -                     | (22 899)          | (22 899)         | 330 551            | 119 721                   | 53 475                    |
| Housing                                             | 869 063             | 885 245           | -               | -                     | -                   | -                     | 167 299           | 167 299          | 1 052 544          | 954 701                   | 861 500                   |
| Health                                              | 81 436              | 83 634            | -               | -                     | -                   | -                     | (3 796)           | (3 796)          | 79 838             | 98 996                    | 98 300                    |
| <b>Economic and environmental services</b>          | <b>1 534 310</b>    | <b>1 708 246</b>  | -               | -                     | -                   | <b>19 046</b>         | <b>(184 583)</b>  | <b>(165 537)</b> | <b>1 542 709</b>   | <b>2 198 368</b>          | <b>2 616 053</b>          |
| Planning and development                            | 151 588             | 167 436           | -               | -                     | -                   | -                     | (14 812)          | (14 812)         | 152 624            | 131 610                   | 142 382                   |
| Road transport                                      | 1 345 610           | 1 501 128         | -               | -                     | -                   | 19 046                | (171 791)         | (152 745)        | 1 348 383          | 1 978 055                 | 2 356 326                 |
| Environmental protection                            | 37 112              | 39 682            | -               | -                     | -                   | -                     | 2 020             | 2 020            | 41 702             | 88 703                    | 117 345                   |
| <b>Trading services</b>                             | <b>4 176 629</b>    | <b>4 347 023</b>  | -               | -                     | -                   | -                     | <b>(937 718)</b>  | <b>(937 718)</b> | <b>3 409 305</b>   | <b>3 983 179</b>          | <b>4 883 830</b>          |
| Energy sources                                      | 805 190             | 858 054           | -               | -                     | -                   | -                     | (19 949)          | (19 949)         | 838 105            | 1 019 550                 | 1 372 532                 |
| Water management                                    | 1 517 922           | 1 536 248         | -               | -                     | -                   | -                     | (361 569)         | (361 569)        | 1 174 679          | 1 172 097                 | 1 478 391                 |
| Waste water management                              | 1 381 056           | 1 432 087         | -               | -                     | -                   | -                     | (325 788)         | (325 788)        | 1 106 299          | 1 273 994                 | 1 550 041                 |
| Waste management                                    | 472 461             | 520 633           | -               | -                     | -                   | -                     | (230 411)         | (230 411)        | 290 222            | 517 538                   | 482 867                   |
| <b>Other</b>                                        | <b>52 674</b>       | <b>62 478</b>     | -               | -                     | -                   | -                     | <b>1 150</b>      | <b>1 150</b>     | <b>63 628</b>      | <b>92 178</b>             | <b>80 589</b>             |
| <b>Total Capital Expenditure - Functional</b>       | <b>8 430 911</b>    | <b>8 836 940</b>  | -               | -                     | -                   | <b>19 825</b>         | <b>(917 250)</b>  | <b>(897 424)</b> | <b>7 939 516</b>   | <b>8 982 825</b>          | <b>9 602 991</b>          |
| <b>Funded by:</b>                                   |                     |                   |                 |                       |                     |                       |                   |                  |                    |                           |                           |
| National Government                                 | 2 189 348           | 2 189 635         | -               | -                     | -                   | -                     | 328 798           | 328 798          | 2 518 433          | 2 961 322                 | 3 547 884                 |
| Provincial Government                               | 22 038              | 22 038            | -               | -                     | -                   | 19 825                | (4 075)           | 15 750           | 37 788             | 82 505                    | 60 630                    |
| District Municipality                               | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                | -                  | -                         | -                         |
| Other transfers and grants                          | 53 700              | 53 700            | -               | -                     | -                   | -                     | 7 187             | 7 187            | 60 887             | 56 700                    | 57 000                    |
| <b>Transfers recognised - capital</b>               | <b>2 265 085</b>    | <b>2 265 373</b>  | -               | -                     | -                   | <b>19 825</b>         | <b>331 909</b>    | <b>351 735</b>   | <b>2 617 108</b>   | <b>3 100 527</b>          | <b>3 665 514</b>          |
| Borrowing                                           | 1 091 580           | 1 091 580         | -               | -                     | -                   | -                     | -                 | -                | 1 091 580          | 3 000 000                 | 3 000 000                 |
| Internally generated funds                          | 5 074 246           | 5 479 987         | -               | -                     | -                   | -                     | (1 249 159)       | (1 249 159)      | 4 230 828          | 2 882 298                 | 2 937 477                 |
| <b>Total Capital Funding</b>                        | <b>8 430 911</b>    | <b>8 836 940</b>  | -               | -                     | -                   | <b>19 825</b>         | <b>(917 250)</b>  | <b>(897 424)</b> | <b>7 939 516</b>   | <b>8 982 825</b>          | <b>9 602 991</b>          |

**Table 26: MBRR Table B6 Consolidated Adjustments Budget Statement – Financial Position**

| Description                              | Budget Year 2019/20 |                   |                 |                       |                     |                       |                    |                    |                    | Budget Year +1<br>2020/21 | Budget Year +2<br>2021/22 |
|------------------------------------------|---------------------|-------------------|-----------------|-----------------------|---------------------|-----------------------|--------------------|--------------------|--------------------|---------------------------|---------------------------|
|                                          | Original<br>Budget  | Prior<br>Adjusted | Accum.<br>Funds | Multi-year<br>capital | Unfore.<br>Unavoid. | Nat. or<br>Prov. Govt | Other<br>Adjusts.  | Total<br>Adjusts.  | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>R thousands</b>                       |                     |                   |                 |                       |                     |                       |                    |                    |                    |                           |                           |
| <b>ASSETS</b>                            |                     |                   |                 |                       |                     |                       |                    |                    |                    |                           |                           |
| <b>Current assets</b>                    |                     |                   |                 |                       |                     |                       |                    |                    |                    |                           |                           |
| Cash                                     | 156 520             | 156 520           | –               | –                     | –                   | –                     | (9 606)            | (9 606)            | 146 914            | 146 914                   | 146 406                   |
| Call investment deposits                 | 6 362 856           | 7 927 258         | –               | –                     | –                   | –                     | 2 216 659          | 2 216 659          | 10 143 917         | 10 910 211                | 12 430 434                |
| Consumer debtors                         | 9 710 204           | 6 538 936         | –               | –                     | –                   | –                     | 71 473             | 71 473             | 6 610 409          | 7 036 202                 | 7 525 255                 |
| Other debtors                            | 1 842 280           | 544 896           | –               | –                     | –                   | –                     | 628 305            | 628 305            | 1 173 201          | 1 345 505                 | 1 542 293                 |
| Current portion of long-term receivables | 15 755              | 4 007             | –               | –                     | –                   | –                     | 4 898              | 4 898              | 8 905              | 7 718                     | 6 739                     |
| Inventory                                | 572 544             | 481 345           | –               | –                     | –                   | –                     | –                  | –                  | 481 345            | 529 374                   | 582 202                   |
| <b>Total current assets</b>              | <b>18 660 159</b>   | <b>15 652 963</b> | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>–</b>              | <b>2 911 728</b>   | <b>2 911 728</b>   | <b>18 564 691</b>  | <b>19 975 923</b>         | <b>22 233 329</b>         |
| <b>Non current assets</b>                |                     |                   |                 |                       |                     |                       |                    |                    |                    |                           |                           |
| Long-term receivables                    | 23 333              | 11 450            | –               | –                     | –                   | –                     | 180 852            | 180 852            | 192 301            | 186 787                   | 181 866                   |
| Investments                              | 4 504 471           | 5 098 229         | –               | –                     | –                   | –                     | (669 406)          | (669 406)          | 4 428 822          | 5 394 150                 | 5 726 728                 |
| Investment property                      | 581 285             | 581 285           | –               | –                     | –                   | –                     | (38)               | (38)               | 581 247            | 579 534                   | 577 820                   |
| Investment in Associate                  | –                   | –                 | –               | –                     | –                   | –                     | –                  | –                  | –                  | –                         | –                         |
| Property, plant and equipment            | 52 439 627          | 52 825 841        | –               | –                     | –                   | –                     | (1 914 486)        | (1 914 486)        | 50 911 355         | 56 254 719                | 61 964 143                |
| Biological                               | –                   | –                 | –               | –                     | –                   | –                     | –                  | –                  | –                  | –                         | –                         |
| Intangible                               | 424 856             | 424 856           | –               | –                     | –                   | –                     | 112 210            | 112 210            | 537 066            | 384 432                   | 246 577                   |
| Other non-current assets                 | 138 455             | 138 455           | –               | –                     | –                   | –                     | (11 736)           | (11 736)           | 126 719            | 128 589                   | 128 589                   |
| <b>Total non current assets</b>          | <b>58 112 027</b>   | <b>59 080 115</b> | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>–</b>              | <b>(2 302 605)</b> | <b>(2 302 605)</b> | <b>56 777 510</b>  | <b>62 928 210</b>         | <b>68 825 722</b>         |
| <b>TOTAL ASSETS</b>                      | <b>76 772 186</b>   | <b>74 733 079</b> | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>–</b>              | <b>609 123</b>     | <b>609 123</b>     | <b>75 342 201</b>  | <b>82 904 133</b>         | <b>91 059 051</b>         |
| <b>LIABILITIES</b>                       |                     |                   |                 |                       |                     |                       |                    |                    |                    |                           |                           |
| <b>Current liabilities</b>               |                     |                   |                 |                       |                     |                       |                    |                    |                    |                           |                           |
| Bank overdraft                           | –                   | –                 | –               | –                     | –                   | –                     | –                  | –                  | –                  | –                         | –                         |
| Borrowing                                | 489 858             | 489 858           | –               | –                     | –                   | –                     | –                  | –                  | 489 858            | 692 994                   | 893 902                   |
| Consumer deposits                        | 494 658             | 484 907           | –               | –                     | –                   | –                     | –                  | –                  | 484 907            | 532 741                   | 585 306                   |
| Trade and other payables                 | 10 840 416          | 6 483 218         | –               | –                     | –                   | –                     | 1 081 321          | 1 081 321          | 7 564 540          | 7 865 383                 | 8 663 967                 |
| Provisions                               | 1 148 426           | 1 148 426         | –               | –                     | –                   | –                     | (1 547)            | (1 547)            | 1 146 880          | 1 250 998                 | 1 288 286                 |
| <b>Total current liabilities</b>         | <b>12 973 358</b>   | <b>8 606 410</b>  | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>–</b>              | <b>1 079 775</b>   | <b>1 079 775</b>   | <b>9 686 185</b>   | <b>10 342 116</b>         | <b>11 431 461</b>         |
| <b>Non current liabilities</b>           |                     |                   |                 |                       |                     |                       |                    |                    |                    |                           |                           |
| Borrowing                                | 7 838 577           | 7 838 577         | –               | –                     | –                   | –                     | –                  | –                  | 7 838 577          | 10 302 047                | 12 381 349                |
| Provisions                               | 7 072 595           | 7 072 595         | –               | –                     | –                   | –                     | 11 854             | 11 854             | 7 084 449          | 7 563 527                 | 8 225 094                 |
| <b>Total non current liabilities</b>     | <b>14 911 172</b>   | <b>14 911 172</b> | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>–</b>              | <b>11 854</b>      | <b>11 854</b>      | <b>14 923 026</b>  | <b>17 865 574</b>         | <b>20 606 443</b>         |
| <b>TOTAL LIABILITIES</b>                 | <b>27 884 530</b>   | <b>23 517 582</b> | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>–</b>              | <b>1 091 629</b>   | <b>1 091 629</b>   | <b>24 609 211</b>  | <b>28 207 691</b>         | <b>32 037 904</b>         |
| <b>NET ASSETS</b>                        | <b>48 887 656</b>   | <b>51 215 497</b> | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>–</b>              | <b>(482 506)</b>   | <b>(482 506)</b>   | <b>50 732 991</b>  | <b>54 696 443</b>         | <b>59 021 147</b>         |
| <b>COMMUNITY WEALTH/EQUITY</b>           |                     |                   |                 |                       |                     |                       |                    |                    |                    |                           |                           |
| Accumulated Surplus/(Deficit)            | 41 845 420          | 45 166 659        | –               | –                     | –                   | –                     | (491 297)          | (491 297)          | 44 675 362         | 48 675 675                | 52 448 325                |
| Reserves                                 | 7 042 235           | 6 048 838         | –               | –                     | –                   | –                     | 8 791              | 8 791              | 6 057 629          | 6 020 768                 | 6 572 823                 |
| <b>TOTAL COMMUNITY WEALTH/EQUITY</b>     | <b>48 887 656</b>   | <b>51 215 497</b> | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>–</b>              | <b>(482 506)</b>   | <b>(482 506)</b>   | <b>50 732 991</b>  | <b>54 696 443</b>         | <b>59 021 147</b>         |

**Table 27: MBRR Table B7 Consolidated Adjustments Budget Statement – Cash Flow**

| Description                                       | Budget Year 2019/20 |                    |                 |                       |                     |                       |                   |                  |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|---------------------------------------------------|---------------------|--------------------|-----------------|-----------------------|---------------------|-----------------------|-------------------|------------------|--------------------|---------------------------|---------------------------|
|                                                   | Original<br>Budget  | Prior Adjusted     | Accum.<br>Funds | Multi-year<br>capital | Unfore.<br>Unavoid. | Nat. or<br>Prov. Govt | Other<br>Adjusts. | Total Adjusts.   | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>R thousands</b>                                |                     |                    |                 |                       |                     |                       |                   |                  |                    |                           |                           |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>        |                     |                    |                 |                       |                     |                       |                   |                  |                    |                           |                           |
| <b>Receipts</b>                                   |                     |                    |                 |                       |                     |                       |                   |                  |                    |                           |                           |
| Property rates                                    | 9 714 194           | 9 714 194          | –               | –                     | –                   | –                     | 55 074            | 55 074           | 9 769 268          | 10 327 307                | 10 830 171                |
| Service charges                                   | 18 787 179          | 18 787 179         | –               | –                     | –                   | –                     | 472 007           | 472 007          | 19 259 186         | 21 538 550                | 24 311 790                |
| Other revenue                                     | 2 046 212           | 2 046 212          | –               | –                     | –                   | –                     | (6 925)           | (6 925)          | 2 039 288          | 2 209 611                 | 2 317 545                 |
| Government - operating                            | 7 376 568           | 7 493 227          | –               | –                     | –                   | –                     | 229 206           | 229 206          | 7 722 432          | 7 777 316                 | 8 202 055                 |
| Government - capital                              | 2 211 385           | 2 211 673          | –               | –                     | –                   | –                     | 344 548           | 344 548          | 2 556 221          | 3 043 827                 | 3 608 514                 |
| Interest                                          | 919 395             | 919 395            | –               | –                     | –                   | –                     | 4 828             | 4 828            | 924 223            | 937 927                   | 1 030 070                 |
| Dividends                                         | –                   | –                  | –               | –                     | –                   | –                     | –                 | –                | –                  | –                         | –                         |
| <b>Payments</b>                                   |                     |                    |                 |                       |                     |                       |                   |                  |                    |                           |                           |
| Suppliers and employees                           | (35 865 543)        | (35 982 201)       | –               | –                     | –                   | –                     | 283 259           | 283 259          | (35 698 942)       | (38 432 311)              | (40 753 063)              |
| Finance charges                                   | (717 075)           | (717 075)          | –               | –                     | –                   | –                     | –                 | –                | (717 075)          | (731 329)                 | (1 191 845)               |
| Transfers and Grants                              | –                   | –                  | –               | –                     | –                   | –                     | –                 | –                | –                  | –                         | –                         |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>  | <b>4 472 317</b>    | <b>4 472 604</b>   | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>–</b>              | <b>1 381 997</b>  | <b>1 381 997</b> | <b>5 854 601</b>   | <b>6 670 899</b>          | <b>8 355 237</b>          |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>       |                     |                    |                 |                       |                     |                       |                   |                  |                    |                           |                           |
| <b>Receipts</b>                                   |                     |                    |                 |                       |                     |                       |                   |                  |                    |                           |                           |
| Proceeds on disposal of PPE                       | 97 432              | 97 432             | –               | –                     | –                   | –                     | 10 959            | 10 959           | 108 392            | 100 432                   | 100 732                   |
| Decrease (Increase) in non-current debtors        | –                   | –                  | –               | –                     | –                   | –                     | –                 | –                | –                  | –                         | –                         |
| Decrease (increase) other non-current receivables | 1 228               | 1 228              | –               | –                     | –                   | –                     | 3 191             | 3 191            | 4 419              | 3 390                     | 2 797                     |
| Decrease (increase) in non-current investments    | (267 859)           | (267 859)          | –               | –                     | –                   | –                     | –                 | –                | (267 859)          | (298 475)                 | (332 578)                 |
| <b>Payments</b>                                   |                     |                    |                 |                       |                     |                       |                   |                  |                    |                           |                           |
| Capital assets                                    | (7 592 068)         | (7 958 468)        | –               | –                     | –                   | –                     | 896 927           | 896 927          | (7 061 541)        | (8 092 091)               | (8 650 181)               |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>  | <b>(7 761 267)</b>  | <b>(8 127 667)</b> | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>–</b>              | <b>911 077</b>    | <b>911 077</b>   | <b>(7 216 590)</b> | <b>(8 286 743)</b>        | <b>(8 879 230)</b>        |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>       |                     |                    |                 |                       |                     |                       |                   |                  |                    |                           |                           |
| <b>Receipts</b>                                   |                     |                    |                 |                       |                     |                       |                   |                  |                    |                           |                           |
| Short term loans                                  | –                   | –                  | –               | –                     | –                   | –                     | –                 | –                | –                  | –                         | –                         |
| Borrowing long term/refinancing                   | 1 091 580           | 1 091 580          | –               | –                     | –                   | –                     | –                 | –                | 1 091 580          | 3 000 000                 | 3 000 000                 |
| Increase (decrease) in consumer deposits          | 41 983              | 41 983             | –               | –                     | –                   | –                     | (886)             | (886)            | 41 096             | 45 206                    | 49 726                    |
| <b>Payments</b>                                   |                     |                    |                 |                       |                     |                       |                   |                  |                    |                           |                           |
| Repayment of borrowing                            | (384 878)           | (384 878)          | –               | –                     | –                   | –                     | –                 | –                | (384 878)          | (371 495)                 | (671 495)                 |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>  | <b>748 685</b>      | <b>748 685</b>     | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>–</b>              | <b>(886)</b>      | <b>(886)</b>     | <b>747 798</b>     | <b>2 673 711</b>          | <b>2 378 232</b>          |
| <b>NET INCREASE/ (DECREASE) IN CASH HELD</b>      | <b>(2 540 265)</b>  | <b>(2 906 378)</b> | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>–</b>              | <b>2 292 187</b>  | <b>2 292 187</b> | <b>(614 190)</b>   | <b>1 057 867</b>          | <b>1 854 239</b>          |
| Cash/cash equivalents at the year begin:          | 7 627 840           | 8 654 339          | –               | –                     | –                   | –                     | –                 | –                | 8 654 339          | 8 040 149                 | 9 098 016                 |
| Cash/cash equivalents at the year end:            | 5 087 575           | 5 747 962          | –               | –                     | –                   | –                     | 2 292 187         | 2 292 187        | 8 040 149          | 9 098 016                 | 10 952 255                |

**Table 28: MBRR Table B8 Consolidated Cash backed reserves/accumulated surplus reconciliation**

| Description                                        | Budget Year 2019/20 |                   |                 |                       |                     |                       |                   |                  |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|----------------------------------------------------|---------------------|-------------------|-----------------|-----------------------|---------------------|-----------------------|-------------------|------------------|--------------------|---------------------------|---------------------------|
|                                                    | Original<br>Budget  | Prior<br>Adjusted | Accum.<br>Funds | Multi-year<br>capital | Unfore.<br>Unavoid. | Nat. or<br>Prov. Govt | Other<br>Adjusts. | Total Adjusts.   | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>R thousands</b>                                 |                     |                   |                 |                       |                     |                       |                   |                  |                    |                           |                           |
| <b><u>Cash and investments available</u></b>       |                     |                   |                 |                       |                     |                       |                   |                  |                    |                           |                           |
| Cash/cash equivalents at the year end              | 5 087 575           | 5 747 962         | –               | –                     | –                   | –                     | 2 292 187         | 2 292 187        | 8 040 149          | 9 098 016                 | 10 952 255                |
| Other current investments > 90 days                | 1 431 802           | 2 335 817         | –               | –                     | –                   | –                     | (85 135)          | (85 135)         | 2 250 682          | 1 959 109                 | 1 624 585                 |
| Non current assets - Investments                   | 4 504 471           | 5 098 229         | –               | –                     | –                   | –                     | (669 406)         | (669 406)        | 4 428 822          | 5 394 150                 | 5 726 728                 |
| <b>Cash and investments available:</b>             | <b>11 023 847</b>   | <b>13 182 007</b> | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>–</b>              | <b>1 537 646</b>  | <b>1 537 646</b> | <b>14 719 654</b>  | <b>16 451 275</b>         | <b>18 303 567</b>         |
| <b><u>Applications of cash and investments</u></b> |                     |                   |                 |                       |                     |                       |                   |                  |                    |                           |                           |
| Unspent conditional transfers                      | 1 425 028           | 1 425 028         | –               | –                     | –                   | –                     | –                 | –                | 1 425 028          | 1 479 064                 | 1 530 857                 |
| Unspent borrowing                                  | –                   | –                 | –               | –                     | –                   | –                     | –                 | –                | –                  | –                         | –                         |
| Statutory requirements                             | –                   | –                 | –               | –                     | –                   | –                     | –                 | –                | –                  | –                         | –                         |
| Other working capital requirements                 | (1 489 563)         | (1 672 810)       | –               | –                     | –                   | –                     | 226 483           | 226 483          | (1 446 327)        | (1 781 213)               | (1 690 203)               |
| Other provisions                                   | 400 000             | 459 784           | –               | –                     | –                   | –                     | –                 | –                | 459 784            | 515 560                   | 501 385                   |
| Long term investments committed                    | 2 771 615           | 2 771 615         | –               | –                     | –                   | –                     | –                 | –                | 2 771 615          | 3 070 090                 | 3 402 669                 |
| Reserves to be backed by cash/investments          | 7 042 235           | 6 048 838         | –               | –                     | –                   | –                     | 8 791             | 8 791            | 6 057 629          | 6 020 768                 | 6 572 823                 |
| <b>Total Application of cash and investments:</b>  | <b>10 149 316</b>   | <b>9 032 455</b>  | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>–</b>              | <b>235 274</b>    | <b>235 274</b>   | <b>9 267 729</b>   | <b>9 304 270</b>          | <b>10 317 531</b>         |
| <b>Surplus(shortfall)</b>                          | <b>874 531</b>      | <b>4 149 553</b>  | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>–</b>              | <b>1 302 372</b>  | <b>1 302 372</b> | <b>5 451 925</b>   | <b>7 147 005</b>          | <b>7 986 037</b>          |

**Table 29: MBRR Table B9 Consolidated Asset Management**

| Description                                                   | Budget Year 2019/20 |                   |                 |                       |                     |                       |                   |                  |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|---------------------------------------------------------------|---------------------|-------------------|-----------------|-----------------------|---------------------|-----------------------|-------------------|------------------|--------------------|---------------------------|---------------------------|
|                                                               | Original<br>Budget  | Prior<br>Adjusted | Accum.<br>Funds | Multi-year<br>capital | Unfore.<br>Unavoid. | Nat. or Prov.<br>Govt | Other<br>Adjusts. | Total Adjusts.   | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>R thousands</b>                                            |                     |                   |                 |                       |                     |                       |                   |                  |                    |                           |                           |
| <b>CAPITAL EXPENDITURE</b>                                    |                     |                   |                 |                       |                     |                       |                   |                  |                    |                           |                           |
| <b><u>Total New Assets to be adjusted</u></b>                 | <b>3 881 833</b>    | <b>4 009 235</b>  | –               | –                     | –                   | –                     | (417 921)         | (417 921)        | <b>3 591 314</b>   | <b>4 783 898</b>          | <b>5 063 573</b>          |
| Roads Infrastructure                                          | 929 567             | 982 614           | –               | –                     | –                   | –                     | (77 386)          | (77 386)         | 905 227            | 1 628 439                 | 2 061 379                 |
| Storm water Infrastructure                                    | 117 312             | 119 541           | –               | –                     | –                   | –                     | 45 535            | 45 535           | 165 076            | 158 217                   | 179 421                   |
| Electrical Infrastructure                                     | 375 200             | 384 729           | –               | –                     | –                   | –                     | (62 450)          | (62 450)         | 322 279            | 467 672                   | 409 181                   |
| Water Supply Infrastructure                                   | 971 327             | 972 373           | –               | –                     | –                   | –                     | (158 681)         | (158 681)        | 813 692            | 611 738                   | 788 143                   |
| Sanitation Infrastructure                                     | 218 499             | 212 435           | –               | –                     | –                   | –                     | 10 706            | 10 706           | 223 141            | 426 292                   | 397 443                   |
| Solid Waste Infrastructure                                    | 251 120             | 264 371           | –               | –                     | –                   | –                     | (169 074)         | (169 074)        | 95 298             | 405 975                   | 278 492                   |
| Coastal Infrastructure                                        | –                   | –                 | –               | –                     | –                   | –                     | –                 | –                | –                  | 764                       | 9 102                     |
| Information and Communication Infrastructure                  | 30 000              | 31 014            | –               | –                     | –                   | –                     | (4 000)           | (4 000)          | 27 014             | 66 311                    | 1 000                     |
| Infrastructure                                                | 2 893 025           | 2 967 076         | –               | –                     | –                   | –                     | (415 351)         | (415 351)        | 2 551 726          | 3 765 407                 | 4 124 161                 |
| Community Facilities                                          | 242 440             | 261 204           | –               | –                     | –                   | –                     | (50 334)          | (50 334)         | 210 870            | 274 903                   | 414 324                   |
| Sport and Recreation Facilities                               | 720                 | 731               | –               | –                     | –                   | –                     | 125               | 125              | 856                | –                         | –                         |
| Community Assets                                              | 243 160             | 261 934           | –               | –                     | –                   | –                     | (50 209)          | (50 209)         | 211 725            | 274 903                   | 414 324                   |
| Heritage Assets                                               | 30                  | 30                | –               | –                     | –                   | –                     | –                 | –                | 30                 | –                         | –                         |
| Operational Buildings                                         | 167 880             | 183 480           | –               | –                     | –                   | –                     | (3 940)           | (3 940)          | 179 539            | 287 357                   | 195 755                   |
| Housing                                                       | 50 920              | 53 092            | –               | –                     | –                   | –                     | 3 239             | 3 239            | 56 331             | 53 500                    | 16 750                    |
| Other Assets                                                  | 218 800             | 236 572           | –               | –                     | –                   | –                     | (701)             | (701)            | 235 870            | 340 857                   | 212 505                   |
| Licences and Rights                                           | 44 752              | 44 752            | –               | –                     | –                   | –                     | (15 220)          | (15 220)         | 29 532             | 26 365                    | 82 565                    |
| Intangible Assets                                             | 44 752              | 44 752            | –               | –                     | –                   | –                     | (15 220)          | (15 220)         | 29 532             | 26 365                    | 82 565                    |
| Computer Equipment                                            | 91 486              | 98 789            | –               | –                     | –                   | –                     | (8 645)           | (8 645)          | 90 144             | 143 244                   | 50 161                    |
| Furniture and Office Equipment                                | 118 622             | 122 088           | –               | –                     | –                   | –                     | 10 774            | 10 774           | 132 862            | 114 357                   | 74 069                    |
| Machinery and Equipment                                       | 48 608              | 54 564            | –               | –                     | –                   | –                     | 8 993             | 8 993            | 63 557             | 44 592                    | 35 538                    |
| Transport Assets                                              | 197 348             | 197 429           | –               | –                     | –                   | –                     | 32 188            | 32 188           | 229 617            | 54 173                    | 50 251                    |
| Land                                                          | 26 000              | 26 000            | –               | –                     | –                   | –                     | 20 250            | 20 250           | 46 250             | 20 000                    | 20 000                    |
| <b><u>Total Renewal of Existing Assets to be adjusted</u></b> | <b>2 378 852</b>    | <b>2 473 856</b>  | –               | –                     | –                   | <b>19 046</b>         | <b>(267 522)</b>  | <b>(248 476)</b> | <b>2 225 381</b>   | <b>2 030 284</b>          | <b>2 392 279</b>          |
| Roads Infrastructure                                          | 214 477             | 246 691           | –               | –                     | –                   | –                     | (102 123)         | (102 123)        | 144 568            | 210 751                   | 178 000                   |
| Storm water Infrastructure                                    | 59 700              | 71 394            | –               | –                     | –                   | –                     | (36 300)          | (36 300)         | 35 094             | 14 606                    | 12 363                    |
| Electrical Infrastructure                                     | 346 825             | 376 784           | –               | –                     | –                   | –                     | (33 459)          | (33 459)         | 343 324            | 446 390                   | 738 540                   |
| Water Supply Infrastructure                                   | 409 900             | 409 900           | –               | –                     | –                   | –                     | (180 000)         | (180 000)        | 229 900            | 338 300                   | 483 000                   |
| Sanitation Infrastructure                                     | 436 433             | 440 946           | –               | –                     | –                   | –                     | (166 004)         | (166 004)        | 274 942            | 336 500                   | 530 200                   |
| Solid Waste Infrastructure                                    | –                   | 200               | –               | –                     | –                   | –                     | (11)              | (11)             | 189                | –                         | 10 000                    |
| Information and Communication Infrastructure                  | 1 500               | 1 915             | –               | –                     | –                   | –                     | –                 | –                | 1 915              | 2 650                     | –                         |
| Infrastructure                                                | 1 468 835           | 1 547 830         | –               | –                     | –                   | –                     | (517 898)         | (517 898)        | 1 029 933          | 1 349 197                 | 1 952 103                 |
| Community Facilities                                          | 19 283              | 19 283            | –               | –                     | –                   | –                     | 14 242            | 14 242           | 33 525             | 24 983                    | 12 900                    |
| Community Assets                                              | 19 283              | 19 283            | –               | –                     | –                   | –                     | 14 242            | 14 242           | 33 525             | 24 983                    | 12 900                    |
| Heritage Assets                                               | 600                 | 1 251             | –               | –                     | –                   | –                     | –                 | –                | 1 251              | 1 200                     | 1 200                     |
| Operational Buildings                                         | 39 439              | 46 741            | –               | –                     | –                   | –                     | (3 472)           | (3 472)          | 43 268             | 34 369                    | 20 836                    |
| Housing                                                       | 44 561              | 44 561            | –               | –                     | –                   | –                     | 100 056           | 100 056          | 144 617            | 77 184                    | –                         |
| Other Assets                                                  | 84 000              | 91 302            | –               | –                     | –                   | –                     | 96 584            | 96 584           | 187 886            | 111 553                   | 20 836                    |
| Licences and Rights                                           | 7 000               | 7 600             | –               | –                     | –                   | –                     | –                 | –                | 7 600              | 7 000                     | 7 000                     |
| Intangible Assets                                             | 7 000               | 7 600             | –               | –                     | –                   | –                     | –                 | –                | 7 600              | 7 000                     | 7 000                     |
| Computer Equipment                                            | 133 810             | 136 111           | –               | –                     | –                   | –                     | 7 102             | 7 102            | 143 214            | 76 318                    | 79 212                    |
| Furniture and Office Equipment                                | 30 064              | 30 519            | –               | –                     | –                   | –                     | 19 231            | 19 231           | 49 751             | 19 372                    | 17 140                    |
| Machinery and Equipment                                       | 12 321              | 14 093            | –               | –                     | –                   | –                     | 2 032             | 2 032            | 16 125             | 62 048                    | 59 440                    |
| Transport Assets                                              | 622 937             | 625 867           | –               | –                     | –                   | 19 046                | 111 184           | 130 231          | 756 098            | 378 614                   | 242 449                   |

Table continues on next page.

City of Cape Town 2019/20 Adjustments Budget – 29 January 2020 (including additional recommendations)

| Description                                                     | Budget Year 2019/20 |                   |                 |                       |                     |                       |                  |                  |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|-----------------------------------------------------------------|---------------------|-------------------|-----------------|-----------------------|---------------------|-----------------------|------------------|------------------|--------------------|---------------------------|---------------------------|
|                                                                 | Original<br>Budget  | Prior<br>Adjusted | Accum.<br>Funds | Multi-year<br>capital | Unfore.<br>Unavoid. | Nat. or Prov.<br>Govt | Other<br>Adjuts. | Total Adjuts.    | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>R thousands</b>                                              |                     |                   |                 |                       |                     |                       |                  |                  |                    |                           |                           |
| <b><u>Total Upgrading of Existing Assets to be adjusted</u></b> | <b>2 170 227</b>    | <b>2 353 848</b>  | –               | –                     | –                   | 779                   | (231 806)        | (231 027)        | <b>2 122 821</b>   | <b>2 168 643</b>          | <b>2 147 139</b>          |
| Roads Infrastructure                                            | 192 672             | 233 740           | –               | –                     | –                   | –                     | (11 881)         | (11 881)         | 221 860            | 114 685                   | 128 501                   |
| Storm water Infrastructure                                      | 41 000              | 44 307            | –               | –                     | –                   | –                     | (41 433)         | (41 433)         | 2 874              | 80 000                    | 115 000                   |
| Electrical Infrastructure                                       | 29 582              | 29 582            | –               | –                     | –                   | –                     | (4 740)          | (4 740)          | 24 842             | 15 263                    | 130 000                   |
| Water Supply Infrastructure                                     | 75 350              | 93 676            | –               | –                     | –                   | –                     | (2 584)          | (2 584)          | 91 093             | 85 700                    | 30 000                    |
| Sanitation Infrastructure                                       | 788 773             | 831 015           | –               | –                     | –                   | –                     | (96 511)         | (96 511)         | 734 504            | 785 305                   | 845 600                   |
| Solid Waste Infrastructure                                      | 111 425             | 123 388           | –               | –                     | –                   | –                     | (23 283)         | (23 283)         | 100 105            | 34 159                    | 124 287                   |
| Coastal Infrastructure                                          | 290                 | 290               | –               | –                     | –                   | –                     | 1 450            | 1 450            | 1 740              | 42 249                    | 82 192                    |
| Information and Communication Infrastructure                    | 5 000               | 5 000             | –               | –                     | –                   | –                     | 19 500           | 19 500           | 24 500             | 2 351                     | –                         |
| Infrastructure                                                  | 1 244 091           | 1 360 998         | –               | –                     | –                   | –                     | (159 482)        | (159 482)        | 1 201 516          | 1 159 712                 | 1 455 580                 |
| Community Facilities                                            | 220 535             | 230 566           | –               | –                     | –                   | –                     | 9 458            | 9 458            | 240 024            | 167 873                   | 193 820                   |
| Sport and Recreation Facilities                                 | 147 154             | 152 590           | –               | –                     | –                   | 779                   | (3 542)          | (2 763)          | 149 827            | 317 607                   | 119 331                   |
| Community Assets                                                | 367 689             | 383 156           | –               | –                     | –                   | 779                   | 5 916            | 6 695            | 389 851            | 485 480                   | 313 151                   |
| Heritage Assets                                                 | –                   | –                 | –               | –                     | –                   | –                     | 236              | 236              | 236                | –                         | –                         |
| Operational Buildings                                           | 424 270             | 475 503           | –               | –                     | –                   | –                     | (105 877)        | (105 877)        | 369 626            | 381 828                   | 331 676                   |
| Housing                                                         | 75 878              | 75 878            | –               | –                     | –                   | –                     | 26 577           | 26 577           | 102 454            | 65 971                    | 15 000                    |
| Other Assets                                                    | 500 147             | 551 381           | –               | –                     | –                   | –                     | (79 301)         | (79 301)         | 472 080            | 447 799                   | 346 676                   |
| Licences and Rights                                             | 26 950              | 26 952            | –               | –                     | –                   | –                     | (8 752)          | (8 752)          | 18 200             | 27 602                    | 5 000                     |
| Intangible Assets                                               | 26 950              | 26 952            | –               | –                     | –                   | –                     | (8 752)          | (8 752)          | 18 200             | 27 602                    | 5 000                     |
| Computer Equipment                                              | 15 540              | 15 540            | –               | –                     | –                   | –                     | 5 370            | 5 370            | 20 910             | 22 500                    | 6 250                     |
| Furniture and Office Equipment                                  | 10 147              | 10 147            | –               | –                     | –                   | –                     | 4 325            | 4 325            | 14 472             | 18 550                    | 19 481                    |
| Machinery and Equipment                                         | 5 662               | 5 673             | –               | –                     | –                   | –                     | (119)            | (119)            | 5 555              | 7 000                     | 1 000                     |
| <b><u>Total Capital Expenditure to be adjusted</u></b>          | <b>8 430 911</b>    | <b>8 836 940</b>  | –               | –                     | –                   | 19 825                | (917 250)        | (897 424)        | <b>7 939 516</b>   | <b>8 982 825</b>          | <b>9 602 991</b>          |
| Roads Infrastructure                                            | 1 336 715           | 1 463 045         | –               | –                     | –                   | –                     | (191 390)        | (191 390)        | 1 271 655          | 1 953 875                 | 2 367 880                 |
| Storm water Infrastructure                                      | 218 012             | 235 242           | –               | –                     | –                   | –                     | (32 199)         | (32 199)         | 203 043            | 252 824                   | 306 784                   |
| Electrical Infrastructure                                       | 751 607             | 791 095           | –               | –                     | –                   | –                     | (100 650)        | (100 650)        | 690 445            | 929 325                   | 1 277 721                 |
| Water Supply Infrastructure                                     | 1 456 577           | 1 475 949         | –               | –                     | –                   | –                     | (341 265)        | (341 265)        | 1 134 685          | 1 035 738                 | 1 301 143                 |
| Sanitation Infrastructure                                       | 1 443 705           | 1 484 396         | –               | –                     | –                   | –                     | (251 809)        | (251 809)        | 1 232 586          | 1 548 097                 | 1 773 243                 |
| Solid Waste Infrastructure                                      | 362 545             | 387 959           | –               | –                     | –                   | –                     | (192 368)        | (192 368)        | 195 591            | 440 134                   | 412 780                   |
| Coastal Infrastructure                                          | 290                 | 290               | –               | –                     | –                   | –                     | 1 450            | 1 450            | 1 740              | 43 013                    | 91 293                    |
| Information and Communication Infrastructure                    | 36 500              | 37 929            | –               | –                     | –                   | –                     | 15 500           | 15 500           | 53 429             | 71 311                    | 1 000                     |
| Infrastructure                                                  | 5 605 952           | 5 875 905         | –               | –                     | –                   | –                     | (1 092 730)      | (1 092 730)      | 4 783 175          | 6 274 316                 | 7 531 844                 |
| Community Facilities                                            | 482 258             | 511 053           | –               | –                     | –                   | –                     | (26 634)         | (26 634)         | 484 419            | 467 759                   | 621 044                   |
| Sport and Recreation Facilities                                 | 147 874             | 153 321           | –               | –                     | –                   | 779                   | (3 417)          | (2 638)          | 150 682            | 317 607                   | 119 331                   |
| Community Assets                                                | 630 132             | 664 374           | –               | –                     | –                   | 779                   | (30 052)         | (29 273)         | 635 101            | 785 365                   | 740 375                   |
| Heritage Assets                                                 | 630                 | 1 281             | –               | –                     | –                   | –                     | 236              | 236              | 1 518              | 1 200                     | 1 200                     |
| Operational Buildings                                           | 631 589             | 705 724           | –               | –                     | –                   | –                     | (113 290)        | (113 290)        | 592 434            | 703 555                   | 548 267                   |
| Housing                                                         | 171 359             | 173 531           | –               | –                     | –                   | –                     | 129 871          | 129 871          | 303 403            | 196 655                   | 31 750                    |
| Other Assets                                                    | 802 948             | 879 255           | –               | –                     | –                   | –                     | 16 582           | 16 582           | 895 836            | 900 210                   | 580 017                   |
| Licences and Rights                                             | 78 702              | 79 304            | –               | –                     | –                   | –                     | (23 972)         | (23 972)         | 55 332             | 60 967                    | 94 565                    |
| Intangible Assets                                               | 78 702              | 79 304            | –               | –                     | –                   | –                     | (23 972)         | (23 972)         | 55 332             | 60 967                    | 94 565                    |
| Computer Equipment                                              | 240 837             | 250 440           | –               | –                     | –                   | –                     | 3 827            | 3 827            | 254 268            | 242 062                   | 135 623                   |
| Furniture and Office Equipment                                  | 158 833             | 162 754           | –               | –                     | –                   | –                     | 34 331           | 34 331           | 197 085            | 152 279                   | 110 690                   |
| Machinery and Equipment                                         | 66 591              | 74 330            | –               | –                     | –                   | –                     | 10 906           | 10 906           | 85 237             | 113 640                   | 95 978                    |
| Transport Assets                                                | 820 286             | 823 296           | –               | –                     | –                   | 19 046                | 143 372          | 162 418          | 985 715            | 432 786                   | 292 700                   |
| Land                                                            | 26 000              | 26 000            | –               | –                     | –                   | –                     | 20 250           | 20 250           | 46 250             | 20 000                    | 20 000                    |
| <b>TOTAL CAPITAL EXPENDITURE to be adjusted</b>                 | <b>8 430 911</b>    | <b>8 836 940</b>  | –               | –                     | –                   | <b>19 825</b>         | <b>(917 250)</b> | <b>(897 424)</b> | <b>7 939 516</b>   | <b>8 982 825</b>          | <b>9 602 991</b>          |

Table continues on next page.

## City of Cape Town 2019/20 Adjustments Budget – 29 January 2020 (including additional recommendations)

| Description                                                         | Budget Year 2019/20 |                   |                 |                       |                     |                       |                    |                    |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|---------------------------------------------------------------------|---------------------|-------------------|-----------------|-----------------------|---------------------|-----------------------|--------------------|--------------------|--------------------|---------------------------|---------------------------|
|                                                                     | Original<br>Budget  | Prior<br>Adjusted | Accum.<br>Funds | Multi-year<br>capital | Unfore.<br>Unavoid. | Nat. or Prov.<br>Govt | Other<br>Adjus.    | Total Adjus.       | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>R thousands</b>                                                  |                     |                   |                 |                       |                     |                       |                    |                    |                    |                           |                           |
| <b>ASSET REGISTER SUMMARY - PPE (WDV)</b>                           | <b>53 454 658</b>   | <b>53 840 873</b> | <b>-</b>        | <b>-</b>              | <b>-</b>            | <b>-</b>              | <b>(1 810 663)</b> | <b>(1 810 663)</b> | <b>52 030 210</b>  | <b>57 228 965</b>         | <b>62 798 820</b>         |
| Roads Infrastructure                                                | 10 520 662          | 10 640 675        | -               | -                     | -                   | -                     | (326 063)          | (326 063)          | 10 314 612         | 11 723 004                | 13 487 222                |
| Storm water Infrastructure                                          | 1 014 851           | 1 031 219         | -               | -                     | -                   | -                     | 521                | 521                | 1 031 740          | 1 222 434                 | 1 462 171                 |
| Electrical Infrastructure                                           | 8 041 029           | 8 078 543         | -               | -                     | -                   | -                     | (234 101)          | (234 101)          | 7 844 442          | 8 477 661                 | 9 425 127                 |
| Water Supply Infrastructure                                         | 5 355 893           | 5 374 297         | -               | -                     | -                   | -                     | (688 052)          | (688 052)          | 4 686 244          | 5 335 062                 | 6 191 282                 |
| Sanitation Infrastructure                                           | 4 806 251           | 4 844 907         | -               | -                     | -                   | -                     | (538 317)          | (538 317)          | 4 306 590          | 5 468 320                 | 6 796 999                 |
| Solid Waste Infrastructure                                          | 788 863             | 813 006           | -               | -                     | -                   | -                     | (132 717)          | (132 717)          | 680 289            | 1 065 647                 | 1 414 392                 |
| Coastal Infrastructure                                              | 108 950             | 108 950           | -               | -                     | -                   | -                     | 36 005             | 36 005             | 144 955            | 181 253                   | 263 104                   |
| Information and Communication Infrastructure                        | 3 838 397           | 3 839 754         | -               | -                     | -                   | -                     | 146 984            | 146 984            | 3 986 738          | 4 009 050                 | 3 956 586                 |
| Infrastructure                                                      | 34 474 895          | 34 731 351        | -               | -                     | -                   | -                     | (1 735 741)        | (1 735 741)        | 32 995 610         | 37 482 431                | 42 996 882                |
| Community Assets                                                    | 6 671 115           | 6 711 863         | -               | -                     | -                   | -                     | (219 092)          | (219 092)          | 6 492 771          | 6 869 336                 | 7 173 061                 |
| Heritage Assets                                                     | 8 891               | 8 891             | -               | -                     | -                   | -                     | 1 389              | 1 389              | 10 280             | 10 280                    | 10 280                    |
| Investment properties                                               | 581 286             | 581 286           | -               | -                     | -                   | -                     | (38)               | (38)               | 581 248            | 579 534                   | 577 820                   |
| Other Assets                                                        | 6 489 357           | 6 564 680         | -               | -                     | -                   | -                     | (301 131)          | (301 131)          | 6 263 548          | 6 809 521                 | 7 058 221                 |
| Intangible Assets                                                   | 521 885             | 505 035           | -               | -                     | -                   | -                     | 84 596             | 84 596             | 589 631            | 494 916                   | 446 898                   |
| Computer Equipment                                                  | 594 661             | 612 139           | -               | -                     | -                   | -                     | (27 464)           | (27 464)           | 584 675            | 572 161                   | 458 875                   |
| Furniture and Office Equipment                                      | 431 571             | 436 130           | -               | -                     | -                   | -                     | (22 504)           | (22 504)           | 413 626            | 442 699                   | 427 123                   |
| Machinery and Equipment                                             | 487 638             | 493 280           | -               | -                     | -                   | -                     | 12 184             | 12 184             | 505 464            | 486 955                   | 448 656                   |
| Transport Assets                                                    | 2 219 973           | 2 222 833         | -               | -                     | -                   | -                     | 373 367            | 373 367            | 2 586 200          | 2 537 725                 | 2 315 022                 |
| Land                                                                | 973 386             | 973 386           | -               | -                     | -                   | -                     | 23 771             | 23 771             | 997 157            | 943 406                   | 885 981                   |
| <b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>                     | <b>53 454 658</b>   | <b>53 840 873</b> | <b>-</b>        | <b>-</b>              | <b>-</b>            | <b>-</b>              | <b>(1 810 663)</b> | <b>(1 810 663)</b> | <b>52 030 210</b>  | <b>57 228 965</b>         | <b>62 798 820</b>         |
| <b>EXPENDITURE OTHER ITEMS</b>                                      |                     |                   |                 |                       |                     |                       |                    |                    |                    |                           |                           |
| <u>Depreciation &amp; asset impairment</u>                          | 3 065 250           | 3 065 250         | -               | -                     | -                   | -                     | 31 827             | 31 827             | 3 097 077          | 3 302 926                 | 3 534 364                 |
| <u>Repairs and Maintenance by asset class</u>                       | <b>4 170 377</b>    | <b>4 170 377</b>  | <b>-</b>        | <b>-</b>              | <b>-</b>            | <b>-</b>              | <b>116 614</b>     | <b>116 614</b>     | <b>4 286 991</b>   | <b>4 440 447</b>          | <b>4 658 558</b>          |
| Roads Infrastructure                                                | 688 377             | 688 377           | -               | -                     | -                   | -                     | (3 628)            | (3 628)            | 684 749            | 730 816                   | 776 063                   |
| Electrical Infrastructure                                           | 541 437             | 541 437           | -               | -                     | -                   | -                     | (57)               | (57)               | 541 381            | 608 723                   | 646 927                   |
| Water Supply Infrastructure                                         | 440 218             | 440 218           | -               | -                     | -                   | -                     | 150 642            | 150 642            | 590 860            | 477 832                   | 507 425                   |
| Sanitation Infrastructure                                           | 374 750             | 374 750           | -               | -                     | -                   | -                     | (28 121)           | (28 121)           | 346 628            | 414 486                   | 429 485                   |
| Solid Waste Infrastructure                                          | 2 250               | 2 250             | -               | -                     | -                   | -                     | -                  | -                  | 2 250              | 2 387                     | 2 531                     |
| Infrastructure                                                      | 2 047 033           | 2 047 033         | -               | -                     | -                   | -                     | 118 836            | 118 836            | 2 165 869          | 2 234 243                 | 2 362 431                 |
| Community Facilities                                                | 122 404             | 122 404           | -               | -                     | -                   | -                     | 901                | 901                | 123 305            | 129 823                   | 137 727                   |
| Sport and Recreation Facilities                                     | 406 025             | 406 025           | -               | -                     | -                   | -                     | (20 618)           | (20 618)           | 385 407            | 403 793                   | 419 012                   |
| Community Assets                                                    | 528 429             | 528 429           | -               | -                     | -                   | -                     | (19 716)           | (19 716)           | 508 712            | 533 617                   | 556 739                   |
| Heritage Assets                                                     | 1 916               | 1 916             | -               | -                     | -                   | -                     | -                  | -                  | 1 916              | 2 031                     | 2 154                     |
| Revenue Generating                                                  | 43                  | 43                | -               | -                     | -                   | -                     | 791                | 791                | 833                | 45                        | 48                        |
| Non-revenue Generating                                              | 8 001               | 8 001             | -               | -                     | -                   | -                     | (3 719)            | (3 719)            | 4 281              | 8 482                     | 8 995                     |
| Investment properties                                               | 8 043               | 8 043             | -               | -                     | -                   | -                     | (2 929)            | (2 929)            | 5 115              | 8 527                     | 9 043                     |
| Operational Buildings                                               | 338 649             | 338 649           | -               | -                     | -                   | -                     | 93 716             | 93 716             | 432 365            | 308 414                   | 327 258                   |
| Housing                                                             | -                   | -                 | -               | -                     | -                   | -                     | 6                  | 6                  | 6                  | -                         | -                         |
| Other Assets                                                        | 338 649             | 338 649           | -               | -                     | -                   | -                     | 93 722             | 93 722             | 432 371            | 308 414                   | 327 258                   |
| Computer Equipment                                                  | 246 058             | 246 058           | -               | -                     | -                   | -                     | (56 597)           | (56 597)           | 189 461            | 263 211                   | 279 352                   |
| Furniture and Office Equipment                                      | 559 259             | 559 259           | -               | -                     | -                   | -                     | (126 808)          | (126 808)          | 432 451            | 625 542                   | 628 145                   |
| Machinery and Equipment                                             | -                   | -                 | -               | -                     | -                   | -                     | 66 070             | 66 070             | 66 070             | -                         | -                         |
| Transport Assets                                                    | 440 991             | 440 991           | -               | -                     | -                   | -                     | 44 036             | 44 036             | 485 027            | 464 863                   | 493 436                   |
| <b>TOTAL EXPENDITURE OTHER ITEMS to be adjusted</b>                 | <b>7 235 627</b>    | <b>7 235 627</b>  | <b>-</b>        | <b>-</b>              | <b>-</b>            | <b>-</b>              | <b>148 440</b>     | <b>148 440</b>     | <b>7 384 068</b>   | <b>7 743 373</b>          | <b>8 192 922</b>          |
| <b>Renewal and upgrading of Existing Assets as % of total capex</b> | <b>54.0%</b>        | <b>54.6%</b>      | <b>0.0%</b>     | <b>0.0%</b>           | <b>0.0%</b>         | <b>0.0%</b>           | <b>0.0%</b>        | <b>0.0%</b>        | <b>54.8%</b>       | <b>46.7%</b>              | <b>47.3%</b>              |
| <b>Renewal and upgrading of Existing Assets as % of deprecn*</b>    | <b>148.4%</b>       | <b>157.5%</b>     | <b>0.0%</b>     | <b>0.0%</b>           | <b>0.0%</b>         | <b>0.0%</b>           | <b>0.0%</b>        | <b>0.0%</b>        | <b>140.4%</b>      | <b>127.1%</b>             | <b>128.4%</b>             |
| <b>R&amp;M as a % of PPE</b>                                        | <b>7.8%</b>         | <b>7.7%</b>       | <b>0.0%</b>     | <b>0.0%</b>           | <b>0.0%</b>         | <b>0.0%</b>           | <b>0.0%</b>        | <b>0.0%</b>        | <b>8.2%</b>        | <b>7.8%</b>               | <b>7.4%</b>               |
| <b>Renewal and upgrading and R&amp;M as a % of PPE</b>              | <b>16.3%</b>        | <b>16.7%</b>      | <b>0.0%</b>     | <b>0.0%</b>           | <b>0.0%</b>         | <b>0.0%</b>           | <b>0.0%</b>        | <b>0.0%</b>        | <b>16.6%</b>       | <b>15.1%</b>              | <b>14.6%</b>              |

**Table 30: MBRR Table B10 Consolidated Basic service delivery measurement**

| Description                                      | Budget Year 2019/20 |                   |                 |                       |                     |                       |                   |                   |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|--------------------------------------------------|---------------------|-------------------|-----------------|-----------------------|---------------------|-----------------------|-------------------|-------------------|--------------------|---------------------------|---------------------------|
|                                                  | Original<br>Budget  | Prior<br>Adjusted | Accum.<br>Funds | Multi-year<br>capital | Unfore.<br>Unavoid. | Nat. or<br>Prov. Govt | Other<br>Adjusts. | Total<br>Adjusts. | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>Household service targets</b>                 |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| <b>Water:</b>                                    |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| Piped water inside dwelling                      | 1 214 760           | 1 214 760         | -               | -                     | -                   | -                     | -                 | -                 | 1 214 760          | 1 239 353                 | 1 263 946                 |
| Piped water inside yard (but not in dwelling)    | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| Using public tap (at least min.service level)    | 166 919             | 166 919           | -               | -                     | -                   | -                     | -                 | -                 | 166 919            | 169 929                   | 172 729                   |
| Other water supply (at least min.service level)  | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| <i>Minimum Service Level and Above sub-total</i> | 1 381 679           | 1 381 679         | -               | -                     | -                   | -                     | -                 | -                 | 1 381 679          | 1 409 282                 | 1 436 675                 |
| Using public tap (< min.service level)           | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| Other water supply (< min.service level)         | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| No water supply                                  | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| <i>Below Minimum Service Level sub-total</i>     | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| <b>Total number of households</b>                | <b>1 381 679</b>    | <b>1 381 679</b>  | <b>-</b>        | <b>-</b>              | <b>-</b>            | <b>-</b>              | <b>-</b>          | <b>-</b>          | <b>1 381 679</b>   | <b>1 409 282</b>          | <b>1 436 675</b>          |
| <b>Sanitation/sewerage:</b>                      |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| Flush toilet (connected to sewerage)             | 1 285 080           | 1 285 080         | -               | -                     | -                   | -                     | -                 | -                 | 1 285 080          | 1 310 073                 | 1 338 275                 |
| Flush toilet (with septic tank)                  | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| Chemical toilet                                  | 35 120              | 35 120            | -               | -                     | -                   | -                     | -                 | -                 | 35 120             | 35 120                    | 35 120                    |
| Pit toilet (ventilated)                          | 197                 | 197               | -               | -                     | -                   | -                     | -                 | -                 | 197                | 197                       | 197                       |
| Other toilet provisions (> min.service level)    | 62 633              | 62 633            | -               | -                     | -                   | -                     | -                 | -                 | 62 633             | 65 575                    | 65 375                    |
| <i>Minimum Service Level and Above sub-total</i> | 1 383 030           | 1 383 030         | -               | -                     | -                   | -                     | -                 | -                 | 1 383 030          | 1 410 965                 | 1 438 967                 |
| Bucket toilet                                    | 149                 | 149               | -               | -                     | -                   | -                     | -                 | -                 | 149                | 149                       | 149                       |
| Other toilet provisions (< min.service level)    | -                   | 0                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| No toilet provisions                             | -                   | 0                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| <i>Below Minimum Service Level sub-total</i>     | 149                 | 149               | -               | -                     | -                   | -                     | -                 | -                 | 149                | 149                       | 149                       |
| <b>Total number of households</b>                | <b>1 383 179</b>    | <b>1 383 179</b>  | <b>-</b>        | <b>-</b>              | <b>-</b>            | <b>-</b>              | <b>-</b>          | <b>-</b>          | <b>1 383 179</b>   | <b>1 411 114</b>          | <b>1 439 116</b>          |
| <b>Energy:</b>                                   |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| Electricity (at least min. service level)        | 820 313             | 820 313           | 0               | -                     | -                   | -                     | -                 | -                 | 820 313            | 821 813                   | 823 313                   |
| Electricity - prepaid (> min.service level)      | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| <i>Minimum Service Level and Above sub-total</i> | 820 313             | 820 313           | -               | -                     | -                   | -                     | -                 | -                 | 820 313            | 821 813                   | 823 313                   |
| Electricity (< min.service level)                | 27 841              | 27 841            | -               | -                     | -                   | -                     | -                 | -                 | 27 841             | 26 341                    | 24 841                    |
| Electricity - prepaid (< min. service level)     | -                   | 0                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| Other energy sources                             | -                   | 0                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| <i>Below Minimum Service Level sub-total</i>     | 27 841              | 27 841            | -               | -                     | -                   | -                     | -                 | -                 | 27 841             | 26 341                    | 24 841                    |
| <b>Total number of households</b>                | <b>848 154</b>      | <b>848 154</b>    | <b>-</b>        | <b>-</b>              | <b>-</b>            | <b>-</b>              | <b>-</b>          | <b>-</b>          | <b>848 154</b>     | <b>848 154</b>            | <b>848 154</b>            |
| <b>Refuse:</b>                                   |                     |                   |                 |                       |                     |                       |                   |                   |                    |                           |                           |
| Removed at least once a week (min.service)       | 958 534             | 958 534           | -               | -                     | -                   | -                     | -                 | -                 | 958 534            | 977 704                   | 997 258                   |
| <i>Minimum Service Level and Above sub-total</i> | 958 534             | 958 534           | -               | -                     | -                   | -                     | -                 | -                 | 958 534            | 977 704                   | 997 258                   |
| Removed less frequently than once a week         | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| Using communal refuse dump                       | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| Using own refuse dump                            | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| Other rubbish disposal                           | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| No rubbish disposal                              | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| <i>Below Minimum Service Level sub-total</i>     | -                   | -                 | -               | -                     | -                   | -                     | -                 | -                 | -                  | -                         | -                         |
| <b>Total number of households</b>                | <b>958 534</b>      | <b>958 534</b>    | <b>-</b>        | <b>-</b>              | <b>-</b>            | <b>-</b>              | <b>-</b>          | <b>-</b>          | <b>958 534</b>     | <b>977 704</b>            | <b>997 258</b>            |

Table continues on next page.

City of Cape Town 2019/20 Adjustments Budget – 29 January 2020 (including additional recommendations)

| Description                                                                                                 | Budget Year 2019/20 |                   |                 |                       |                     |                       |                   |                 |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|-------------------------------------------------------------------------------------------------------------|---------------------|-------------------|-----------------|-----------------------|---------------------|-----------------------|-------------------|-----------------|--------------------|---------------------------|---------------------------|
|                                                                                                             | Original<br>Budget  | Prior<br>Adjusted | Accum.<br>Funds | Multi-year<br>capital | Unfore.<br>Unavoid. | Nat. or<br>Prov. Govt | Other<br>Adjusts. | Total Adjusts.  | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>Households receiving Free Basic Service</b>                                                              |                     |                   |                 |                       |                     |                       |                   |                 |                    |                           |                           |
| Water (6 kilolitres per household per month)                                                                | 270 025             | 270 025           | –               | –                     | –                   | –                     | –                 | –               | 270 025            | 270 025                   | 270 025                   |
| Sanitation (free minimum level service)                                                                     | 270 025             | 270 025           | –               | –                     | –                   | –                     | –                 | –               | 270 025            | 270 025                   | 270 025                   |
| Electricity/other energy (50kwh per household per month)                                                    | 197 064             | 197 064           | –               | –                     | –                   | –                     | –                 | –               | 197 064            | 198 564                   | 200 064                   |
| Refuse (removed at least once a week)                                                                       | 310 526             | 310 526           | –               | –                     | –                   | –                     | –                 | –               | 310 526            | 316 736                   | 323 070                   |
| <b>Cost of Free Basic Services provided (R'000)</b>                                                         |                     |                   |                 |                       |                     |                       |                   |                 |                    |                           |                           |
| Water (6 kilolitres per indigent household per month)                                                       | 449 106             | 449 106           | –               | –                     | –                   | –                     | –                 | –               | 449 106            | 520 297                   | 627 898                   |
| Sanitation (free sanitation service to indigent households)                                                 | 232 446             | 232 446           | –               | –                     | –                   | –                     | –                 | –               | 232 446            | 269 293                   | 324 985                   |
| Electricity/other energy (50kwh per indigent household per month)                                           | 104 999             | 104 999           | –               | –                     | –                   | –                     | –                 | –               | 104 999            | 113 399                   | 122 471                   |
| Refuse (removed once a week for indigent households)                                                        | 287 133             | 287 133           | –               | –                     | –                   | –                     | –                 | –               | 287 133            | 301 633                   | 316 866                   |
| Cost of Free Basic Services provided - Informal Formal Settlements                                          | 601 132             | 154 542           | –               | –                     | –                   | –                     | –                 | –               | 154 542            | 683 103                   | 794 211                   |
| <b>Total cost of FBS provided</b>                                                                           | <b>1 674 816</b>    | <b>1 228 225</b>  | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>–</b>              | <b>–</b>          | <b>–</b>        | <b>1 228 225</b>   | <b>1 887 725</b>          | <b>2 186 431</b>          |
| <b>Highest level of free service provided</b>                                                               |                     |                   |                 |                       |                     |                       |                   |                 |                    |                           |                           |
| Property rates (R'000 v value threshold)                                                                    | –                   | –                 | –               | –                     | –                   | –                     | –                 | –               | –                  | –                         | –                         |
| Water (kilolitres per household per month)                                                                  | 10.50               | 10.50             | –               | –                     | –                   | –                     | –                 | –               | 10.50              | 10.50                     | 10.50                     |
| Sanitation (kilolitres per household per month)                                                             | 7.35                | 7.35              | –               | –                     | –                   | –                     | –                 | –               | 7.35               | 7.35                      | 7.35                      |
| Sanitation (Rand per household per month)                                                                   | –                   | –                 | –               | –                     | –                   | –                     | –                 | –               | –                  | –                         | –                         |
| Electricity (kw per household per month)                                                                    | 60                  | 60                | 0               | 0                     | 0                   | 0                     | 0                 | 0               | 60                 | 60                        | 60                        |
| Refuse (average litres per week)                                                                            | 240                 | 240               | 0               | 0                     | 0                   | 0                     | 0                 | 0               | 240                | 240                       | 240                       |
| <b>Revenue cost of free services provided (R'000)</b>                                                       |                     |                   |                 |                       |                     |                       |                   |                 |                    |                           |                           |
| Property rates (tariff adjustment) ( impermissible values per section 17 of MPRA)                           | –                   | –                 | –               | –                     | –                   | –                     | –                 | –               | –                  | –                         | –                         |
| Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA) | 1 231 247           | 1 231 247         | –               | –                     | –                   | –                     | (30 943)          | (30 943)        | 1 200 304          | 1 299 612                 | 1 371 772                 |
| 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                                                                          | 32 289              | 32 289            | –               | –                     | –                   | –                     | –                 | –               | 32 289             | 34 065                    | 35 938                    |
| Housing - top structure subsidies                                                                           | –                   | –                 | –               | –                     | –                   | –                     | –                 | –               | –                  | –                         | –                         |
| Other                                                                                                       | –                   | –                 | –               | –                     | –                   | –                     | –                 | –               | –                  | –                         | –                         |
| <b>Total revenue cost of subsidised services provided</b>                                                   | <b>1 263 535</b>    | <b>1 263 535</b>  | <b>–</b>        | <b>–</b>              | <b>–</b>            | <b>–</b>              | <b>(30 943)</b>   | <b>(30 943)</b> | <b>1 232 593</b>   | <b>1 333 676</b>          | <b>1 407 711</b>          |

### **PART 3 - ADJUSTMENTS BUDGET: MUNICIPAL ENTITY - CAPE TOWN INTERNATIONAL CONVENTION CENTRE (CTICC)**

The entity has prepared an adjustments budget to adjust the expenditure estimates included in the original budget to take into account the increased costs and savings achieved. The net movement in expenditure is a reduction, which improves the forecasted net profit for the year.

The company has not adjusted the revenue targets for the year as it is expected to be achieved. However, adjustments have been made within the revenue categories to better reflect the forecasted revenue split. A net loss after taxation of R17.9 million against the original budgeted loss of R33.1 million is forecasted.

The CTICC's five primary budget tables, as required in terms of Part 4 of the MBRR, are presented on page 65 to page 70.

**Table 31: MBRR Table E1 - Adjustments Budget Summary - CTICC**

| Description                                                          | Budget Year 2019/20 |                   |                     |                 |                     |                   |                   |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|----------------------------------------------------------------------|---------------------|-------------------|---------------------|-----------------|---------------------|-------------------|-------------------|--------------------|---------------------------|---------------------------|
|                                                                      | Original<br>Budget  | Prior<br>Adjusted | Downward<br>adjusts | Parent<br>muni. | Unfore.<br>Unavoid. | Other<br>Adjusts. | Total<br>Adjusts. | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>R thousands</b>                                                   |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| <b><u>Financial Performance</u></b>                                  |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| Property rates                                                       | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Service charges                                                      | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Investment revenue                                                   | 6 900               | 6 900             | –                   | –               | –                   | 4 850             | 4 850             | 11 750             | 7 314                     | 7 753                     |
| Transfers recognised - operational                                   | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Other own revenue                                                    | 278 700             | 278 700           | –                   | –               | –                   | –                 | –                 | 278 700            | 296 151                   | 314 707                   |
| <b>Total Revenue (excluding capital transfers and contributions)</b> | <b>285 600</b>      | <b>285 600</b>    | <b>–</b>            | <b>–</b>        | <b>–</b>            | <b>4 850</b>      | <b>4 850</b>      | <b>290 450</b>     | <b>303 465</b>            | <b>322 460</b>            |
| Employee costs                                                       | 89 652              | 89 652            | –                   | –               | –                   | (9 807)           | (9 807)           | 79 845             | 95 801                    | 101 549                   |
| Remuneration of Board Members                                        | 581                 | 581               | –                   | –               | –                   | –                 | –                 | 581                | 616                       | 653                       |
| Depreciation and debt impairment                                     | 50 464              | 50 464            | –                   | –               | –                   | 6 130             | 6 130             | 56 593             | 44 087                    | 41 486                    |
| Finance charges                                                      | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Materials and bulk purchases                                         | 40 524              | 40 524            | –                   | –               | –                   | 1 083             | 1 083             | 41 607             | 43 045                    | 45 725                    |
| Transfers and grants                                                 | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Other expenditure                                                    | 137 498             | 137 498           | –                   | –               | –                   | (48)              | (48)              | 137 450            | 148 262                   | 157 456                   |
| <b>Total Expenditure</b>                                             | <b>318 719</b>      | <b>318 719</b>    | <b>–</b>            | <b>–</b>        | <b>–</b>            | <b>(2 643)</b>    | <b>(2 643)</b>    | <b>316 076</b>     | <b>331 812</b>            | <b>346 870</b>            |
| <b>Surplus/(Deficit)</b>                                             | <b>(33 118)</b>     | <b>(33 118)</b>   | <b>–</b>            | <b>–</b>        | <b>–</b>            | <b>7 493</b>      | <b>7 493</b>      | <b>(25 626)</b>    | <b>(28 347)</b>           | <b>(24 410)</b>           |
| Transfers recognised - capital                                       | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Contributions recognised - capital & contributed assets              | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| <b>Surplus/(Deficit) after capital transfers &amp; contributions</b> | <b>(33 118)</b>     | <b>(33 118)</b>   | <b>–</b>            | <b>–</b>        | <b>–</b>            | <b>7 493</b>      | <b>7 493</b>      | <b>(25 626)</b>    | <b>(28 347)</b>           | <b>(24 410)</b>           |
| Taxation                                                             | –                   | –                 | –                   | –               | –                   | (7 731)           | (7 731)           | (7 731)            | –                         | –                         |
| <b>Surplus/ (Deficit) for the year</b>                               | <b>(33 118)</b>     | <b>(33 118)</b>   | <b>–</b>            | <b>–</b>        | <b>–</b>            | <b>15 224</b>     | <b>15 224</b>     | <b>(17 894)</b>    | <b>(28 347)</b>           | <b>(24 410)</b>           |
| <b><u>Capital expenditure &amp; funds sources</u></b>                |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| <b>Capital expenditure</b>                                           | <b>42 479</b>       | <b>52 217</b>     | <b>–</b>            | <b>–</b>        | <b>–</b>            | <b>7 550</b>      | <b>7 550</b>      | <b>59 767</b>      | <b>75 483</b>             | <b>74 894</b>             |
| Transfers recognised - capital                                       | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Borrowing                                                            | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Internally generated funds                                           | 42 479              | 52 217            | –                   | –               | –                   | 7 550             | 7 550             | 59 767             | 75 483                    | 74 894                    |
| <b>Total sources of capital funds</b>                                | <b>42 479</b>       | <b>52 217</b>     | <b>–</b>            | <b>–</b>        | <b>–</b>            | <b>7 550</b>      | <b>7 550</b>      | <b>59 767</b>      | <b>75 483</b>             | <b>74 894</b>             |
| <b><u>Financial position</u></b>                                     |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| Total current assets                                                 | 181 214             | 171 477           | –                   | –               | –                   | 42 458            | 42 458            | 213 935            | 211 193                   | 185 155                   |
| Total non current assets                                             | 712 645             | 722 382           | –                   | –               | –                   | 162 564           | 162 564           | 884 947            | 880 611                   | 889 828                   |
| Total current liabilities                                            | 106 255             | 106 255           | –                   | –               | –                   | (24 165)          | (24 165)          | 82 090             | 103 359                   | 110 948                   |
| Total non current liabilities                                        | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Community wealth/Equity                                              | 787 605             | 787 605           | –                   | –               | –                   | 229 187           | 229 187           | 1 016 792          | 988 445                   | 964 036                   |
| <b><u>Cash flows</u></b>                                             |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| Net cash from (used) operating                                       | (23 312)            | (23 312)          | –                   | –               | –                   | 93 676            | 93 676            | 70 364             | 70 566                    | 47 700                    |
| Net cash from (used) investing                                       | (42 479)            | (52 217)          | –                   | –               | –                   | (7 550)           | (7 550)           | (59 767)           | (75 483)                  | (74 894)                  |
| Net cash from (used) financing                                       | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| <b>Cash/cash equivalents at the year end</b>                         | <b>163 428</b>      | <b>153 690</b>    | <b>–</b>            | <b>–</b>        | <b>–</b>            | <b>–</b>          | <b>–</b>          | <b>239 816</b>     | <b>234 899</b>            | <b>207 706</b>            |

**Table 32: MBRR Table E2 Adjustments Budget - Financial Performance (revenue and expenditure) - CTICC**

| Description                                                                                                                                                                                                            | Budget Year 2019/20 |                   |                     |                 |                     |                   |                   |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-------------------|---------------------|-----------------|---------------------|-------------------|-------------------|--------------------|---------------------------|---------------------------|
|                                                                                                                                                                                                                        | Original<br>Budget  | Prior<br>Adjusted | Downward<br>adjusts | Parent<br>muni. | Unfore.<br>Unavoid. | Other<br>Adjusts. | Total<br>Adjusts. | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>R thousands</b>                                                                                                                                                                                                     |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| <b>Revenue By Source</b>                                                                                                                                                                                               |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| Property rates                                                                                                                                                                                                         | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Service charges - electricity revenue                                                                                                                                                                                  | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Service charges - water revenue                                                                                                                                                                                        | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Service charges - sanitation revenue                                                                                                                                                                                   | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Service charges - refuse revenue                                                                                                                                                                                       | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Rental of facilities and equipment                                                                                                                                                                                     | 131 820             | 131 820           | -                   | -               | -                   | -                 | -                 | 131 820            | 140 101                   | 148 907                   |
| Interest earned - external investments                                                                                                                                                                                 | 6 900               | 6 900             | -                   | -               | -                   | 4 850             | 4 850             | 11 750             | 7 314                     | 7 753                     |
| Interest earned - outstanding debtors                                                                                                                                                                                  | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Dividends received                                                                                                                                                                                                     | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Fines, penalties and forfeits                                                                                                                                                                                          | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Licences and permits                                                                                                                                                                                                   | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Agency services                                                                                                                                                                                                        | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Transfers and subsidies                                                                                                                                                                                                | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Other revenue                                                                                                                                                                                                          | 146 880             | 146 880           | -                   | -               | -                   | -                 | -                 | 146 880            | 156 050                   | 165 800                   |
| Gains on disposal of PPE                                                                                                                                                                                               | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| <b>Total Revenue (excluding capital transfers and contributions)</b>                                                                                                                                                   | <b>285 600</b>      | <b>285 600</b>    | <b>-</b>            | <b>-</b>        | <b>-</b>            | <b>4 850</b>      | <b>4 850</b>      | <b>290 450</b>     | <b>303 465</b>            | <b>322 460</b>            |
| <b>Expenditure By Type</b>                                                                                                                                                                                             |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| Employee related costs                                                                                                                                                                                                 | 89 652              | 89 652            | -                   | -               | -                   | (9 807)           | (9 807)           | 79 845             | 95 801                    | 101 549                   |
| Remuneration of Directors                                                                                                                                                                                              | 581                 | 581               | -                   | -               | -                   | -                 | -                 | 581                | 616                       | 653                       |
| Debt impairment                                                                                                                                                                                                        | 300                 | 300               | -                   | -               | -                   | -                 | -                 | 300                | 300                       | 300                       |
| Depreciation & asset impairment                                                                                                                                                                                        | 50 164              | 50 164            | -                   | -               | -                   | 6 130             | 6 130             | 56 293             | 43 787                    | 41 186                    |
| Finance charges                                                                                                                                                                                                        | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Bulk purchases                                                                                                                                                                                                         | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Other materials                                                                                                                                                                                                        | 40 524              | 40 524            | -                   | -               | -                   | 1 083             | 1 083             | 41 607             | 43 045                    | 45 725                    |
| Contracted services                                                                                                                                                                                                    | 66 227              | 66 227            | -                   | -               | -                   | (6 798)           | (6 798)           | 59 428             | 72 336                    | 76 573                    |
| Transfers and subsidies                                                                                                                                                                                                | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Other expenditure                                                                                                                                                                                                      | 71 272              | 71 272            | -                   | -               | -                   | 6 750             | 6 750             | 78 021             | 75 927                    | 80 884                    |
| Loss on disposal of PPE                                                                                                                                                                                                | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| <b>Total Expenditure</b>                                                                                                                                                                                               | <b>318 719</b>      | <b>318 719</b>    | <b>-</b>            | <b>-</b>        | <b>-</b>            | <b>(2 643)</b>    | <b>(2 643)</b>    | <b>316 076</b>     | <b>331 812</b>            | <b>346 870</b>            |
| <b>Surplus/(Deficit)</b>                                                                                                                                                                                               | <b>(33 118)</b>     | <b>(33 118)</b>   | <b>-</b>            | <b>-</b>        | <b>-</b>            | <b>7 493</b>      | <b>7 493</b>      | <b>(25 626)</b>    | <b>(28 347)</b>           | <b>(24 410)</b>           |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)                                                                                                                          | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Transfers and subsidies - capital (in-kind - all)                                                                                                                                                                      | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| <b>Surplus/(Deficit) before taxation</b>                                                                                                                                                                               | <b>(33 118)</b>     | <b>(33 118)</b>   | <b>-</b>            | <b>-</b>        | <b>-</b>            | <b>7 493</b>      | <b>7 493</b>      | <b>(25 626)</b>    | <b>(28 347)</b>           | <b>(24 410)</b>           |
| Taxation                                                                                                                                                                                                               | -                   | -                 | -                   | -               | -                   | (7 731)           | (7 731)           | (7 731)            | -                         | -                         |
| <b>Surplus/ (Deficit) for the year</b>                                                                                                                                                                                 | <b>(33 118)</b>     | <b>(33 118)</b>   | <b>-</b>            | <b>-</b>        | <b>-</b>            | <b>15 224</b>     | <b>15 224</b>     | <b>(17 894)</b>    | <b>(28 347)</b>           | <b>(24 410)</b>           |

## **Explanatory notes to MBRR Table E2 Adjustments Budget - Financial Performance (revenue and expenditure)**

**1. Interest earned - external investments**

This revenue category increases from R6.9 million to R11.75 million, due to available cash reserves and favourable interest rates.

**2. Employee related costs**

Total employee related costs decreases by R9.8 million. The adjustment relates to the delay in reallocation of flexi-staff costs from direct personnel costs to savings as a results of vacancies, which were budgeted for the full year.

**3. Depreciation & asset impairment**

Depreciation increases by R6.1 million to R56.3 million as a result of the capitalisation of most of the CTICC2's assets as well as the reassessment of the useful live of assets, which deferred depreciation to this period.

**4. Other materials**

This category increases by R1.1 million to R41.6 million, due to an increase in costs as well as realignment of expenditure between categories.

**5. Contracted Services**

This expenditure category decreases by R6.8 million to R59.4 million. The decrease is due to savings on costs initially estimated to be incurred in CTICC2 but not materialising as well as realignment of expenditure between categories.

**6. Other Expenditure**

This category increases by R6.75 million to R78 million as a result of increased costs of certain expenditure accounts, an increase in utility services where an electricity tariff was not initially budgeted for, a non-cash service-in-kind charge of R2.1 million relating to the below market rental for the CTICC land as well as realignment of expenditure between categories.

**Table 33: MBRR Table E3 Adjustments Capital Expenditure Budget by asset class and funding - CTICC**

| Description                                                | Budget Year 2019/20 |                   |                     |                 |                     |                   |                   |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|------------------------------------------------------------|---------------------|-------------------|---------------------|-----------------|---------------------|-------------------|-------------------|--------------------|---------------------------|---------------------------|
|                                                            | Original<br>Budget  | Prior<br>Adjusted | Downward<br>adjusts | Parent<br>muni. | Unfore.<br>Unavoid. | Other<br>Adjusts. | Total<br>Adjusts. | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>R thousands</b>                                         |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| <b><u>Capital expenditure by Asset Class/Sub-class</u></b> |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| <b><u>Other assets</u></b>                                 | 22 450              | 29 520            | –                   | –               | –                   | 7 550             | 7 550             | 37 070             | 41 713                    | 43 946                    |
| Operational Buildings                                      | 22 450              | 29 520            | –                   | –               | –                   | 7 550             | 7 550             | 37 070             | 41 713                    | 43 946                    |
| Municipal Offices                                          | 22 450              | 29 520            | –                   | –               | –                   | 7 550             | 7 550             | 37 070             | 41 713                    | 43 946                    |
| <b><u>Computer Equipment</u></b>                           | 17 051              | 17 919            | –                   | –               | –                   | –                 | –                 | 17 919             | 26 586                    | 23 349                    |
| Computer Equipment                                         | 17 051              | 17 919            | –                   | –               | –                   | –                 | –                 | 17 919             | 26 586                    | 23 349                    |
| <b><u>Furniture and Office Equipment</u></b>               | 1 630               | 1 630             | –                   | –               | –                   | –                 | –                 | 1 630              | 4 518                     | 5 021                     |
| Furniture and Office Equipment                             | 1 630               | 1 630             | –                   | –               | –                   | –                 | –                 | 1 630              | 4 518                     | 5 021                     |
| <b><u>Machinery and Equipment</u></b>                      | 1 348               | 3 148             | –                   | –               | –                   | –                 | –                 | 3 148              | 2 667                     | 2 578                     |
| Machinery and Equipment                                    | 1 348               | 3 148             | –                   | –               | –                   | –                 | –                 | 3 148              | 2 667                     | 2 578                     |
| <b>Total Capital Expenditure to be adjusted</b>            | <b>42 479</b>       | <b>52 217</b>     | <b>–</b>            | <b>–</b>        | <b>–</b>            | <b>7 550</b>      | <b>7 550</b>      | <b>59 767</b>      | <b>75 483</b>             | <b>74 894</b>             |
| <b><u>Funded by:</u></b>                                   |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| National Government                                        | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Provincial Government                                      | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Parent Municipality                                        | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| District Municipality                                      | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| <b>Transfers recognised - capital</b>                      | <b>–</b>            | <b>–</b>          | <b>–</b>            | <b>–</b>        | <b>–</b>            | <b>–</b>          | <b>–</b>          | <b>–</b>           | <b>–</b>                  | <b>–</b>                  |
| Borrowing                                                  | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Internally generated funds                                 | 42 479              | 52 217            | –                   | –               | –                   | 7 550             | 7 550             | 59 767             | 75 483                    | 74 894                    |
| <b>Total Capital Funding</b>                               | <b>42 479</b>       | <b>52 217</b>     | <b>–</b>            | <b>–</b>        | <b>–</b>            | <b>7 550</b>      | <b>7 550</b>      | <b>59 767</b>      | <b>75 483</b>             | <b>74 894</b>             |

**Explanatory notes to MBRR Table E3 – Capital Expenditure Budget by asset class and funding - CTICC**

- Various projects and related unspent budgets from 2018/19 have been carried over to 2019/20, and approved by the Board in May 2019. The capital program for the remainder of the financial year was reviewed and projects were re-prioritised to ensure that the complex is well maintained. As a result, the following projects are proposed for inclusion:
  - Building Enhancements – R5.55 million
  - CTICC East - R2 million

**Table 34: MBRR Table E4 Adjustments Budget - Financial Position - CTICC**

| Description                              | Budget Year 2019/20 |                   |                     |                 |                     |                   |                   |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|------------------------------------------|---------------------|-------------------|---------------------|-----------------|---------------------|-------------------|-------------------|--------------------|---------------------------|---------------------------|
|                                          | Original<br>Budget  | Prior<br>Adjusted | Downward<br>adjusts | Parent<br>muni. | Unfore.<br>Unavoid. | Other<br>Adjusts. | Total<br>Adjusts. | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>R thousands</b>                       |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| <b>ASSETS</b>                            |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| <b>Current assets</b>                    |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| Cash                                     | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Call investment deposits                 | 163 428             | 153 690           | –                   | –               | –                   | 20 334            | 20 334            | 174 025            | 169 108                   | 141 915                   |
| Consumer debtors                         | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Other debtors                            | 16 032              | 16 032            | –                   | –               | –                   | 20 000            | 20 000            | 36 032             | 38 137                    | 39 219                    |
| Current portion of long-term receivables | –                   | –                 | –                   | –               | –                   | 2 124             | 2 124             | 2 124              | 2 124                     | 2 124                     |
| Inventory                                | 1 755               | 1 755             | –                   | –               | –                   | –                 | –                 | 1 755              | 1 825                     | 1 898                     |
| <b>Total current assets</b>              | <b>181 214</b>      | <b>171 477</b>    | <b>–</b>            | <b>–</b>        | <b>–</b>            | <b>42 458</b>     | <b>42 458</b>     | <b>213 935</b>     | <b>211 193</b>            | <b>185 155</b>            |
| <b>Non current assets</b>                |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| Long-term receivables                    | –                   | –                 | –                   | –               | –                   | 172 927           | 172 927           | 172 927            | 170 803                   | 168 679                   |
| Investments                              | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | 0                         | 0                         |
| Investment property                      | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Investment in Associate                  | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Property, plant and equipment            | 583 081             | 592 818           | –                   | –               | –                   | 2 763             | 2 763             | 595 581            | 591 499                   | 602 840                   |
| Biological                               | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Intangible                               | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Other non-current assets                 | 129 564             | 129 564           | –                   | –               | –                   | (13 125)          | (13 125)          | 116 439            | 118 309                   | 118 309                   |
| <b>Total non current assets</b>          | <b>712 645</b>      | <b>722 382</b>    | <b>–</b>            | <b>–</b>        | <b>–</b>            | <b>162 564</b>    | <b>162 564</b>    | <b>884 947</b>     | <b>880 611</b>            | <b>889 828</b>            |
| <b>TOTAL ASSETS</b>                      | <b>893 859</b>      | <b>893 859</b>    | <b>–</b>            | <b>–</b>        | <b>–</b>            | <b>205 023</b>    | <b>205 023</b>    | <b>1 098 882</b>   | <b>1 091 804</b>          | <b>1 074 983</b>          |
| <b>LIABILITIES</b>                       |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| <b>Current liabilities</b>               |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| Bank overdraft                           | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Borrowing                                | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Consumer deposits                        | 32 849              | 32 849            | –                   | –               | –                   | –                 | –                 | 32 849             | 35 477                    | 38 315                    |
| Trade and other payables                 | 68 596              | 68 596            | –                   | –               | –                   | (24 500)          | (24 500)          | 44 096             | 62 712                    | 67 074                    |
| Provisions                               | 4 810               | 4 810             | –                   | –               | –                   | 335               | 335               | 5 145              | 5 170                     | 5 558                     |
| <b>Total current liabilities</b>         | <b>106 255</b>      | <b>106 255</b>    | <b>–</b>            | <b>–</b>        | <b>–</b>            | <b>(24 165)</b>   | <b>(24 165)</b>   | <b>82 090</b>      | <b>103 359</b>            | <b>110 948</b>            |
| <b>Non current liabilities</b>           |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| Borrowing                                | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Provisions                               | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| <b>Total non current liabilities</b>     | <b>–</b>            | <b>–</b>          | <b>–</b>            | <b>–</b>        | <b>–</b>            | <b>–</b>          | <b>–</b>          | <b>–</b>           | <b>–</b>                  | <b>–</b>                  |
| <b>TOTAL LIABILITIES</b>                 | <b>106 255</b>      | <b>106 255</b>    | <b>–</b>            | <b>–</b>        | <b>–</b>            | <b>(24 165)</b>   | <b>(24 165)</b>   | <b>82 090</b>      | <b>103 359</b>            | <b>110 948</b>            |
| <b>NET ASSETS</b>                        | <b>787 605</b>      | <b>787 605</b>    | <b>–</b>            | <b>–</b>        | <b>–</b>            | <b>229 187</b>    | <b>229 187</b>    | <b>1 016 792</b>   | <b>988 445</b>            | <b>964 036</b>            |
| <b>COMMUNITY WEALTH/EQUITY</b>           |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| Accumulated Surplus/(Deficit)            | (489 823)           | (489 823)         | –                   | –               | –                   | 229 187           | 229 187           | (260 636)          | (288 982)                 | (313 392)                 |
| Reserves                                 | 1 277 428           | 1 277 428         | –                   | –               | –                   | –                 | –                 | 1 277 428          | 1 277 428                 | 1 277 428                 |
| <b>TOTAL COMMUNITY WEALTH/EQUITY</b>     | <b>787 605</b>      | <b>787 605</b>    | <b>–</b>            | <b>–</b>        | <b>–</b>            | <b>229 187</b>    | <b>229 187</b>    | <b>1 016 792</b>   | <b>988 445</b>            | <b>964 036</b>            |

**Table 35: MBRR Table E5 Adjustments Budget - Cash Flows - CTICC**

| Description                                       | Budget Year 2019/20 |                   |                     |                 |                     |                   |                   |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|---------------------------------------------------|---------------------|-------------------|---------------------|-----------------|---------------------|-------------------|-------------------|--------------------|---------------------------|---------------------------|
|                                                   | Original<br>Budget  | Prior<br>Adjusted | Downward<br>adjusts | Parent<br>muni. | Unfore.<br>Unavoid. | Other<br>Adjusts. | Total<br>Adjusts. | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>R thousands</b>                                |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>        |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| <b>Receipts</b>                                   |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| Property rates                                    | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Service charges                                   | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Other revenue                                     | 277 139             | 277 139           | -                   | -               | -                   | (4 565)           | (4 565)           | 272 574            | 303 465                   | 322 460                   |
| Government - operating                            | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Government - capital                              | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Interest                                          | 6 900               | 6 900             | -                   | -               | -                   | 4 850             | 4 850             | 11 750             | 7 314                     | 7 753                     |
| Dividends                                         | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| <b>Payments</b>                                   |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| Suppliers and employees                           | (307 351)           | (307 351)         | -                   | -               | -                   | 93 391            | 93 391            | (213 961)          | (240 213)                 | (282 513)                 |
| Finance charges                                   | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Dividends paid                                    | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Transfers and Grants                              | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>  | <b>(23 312)</b>     | <b>(23 312)</b>   | <b>-</b>            | <b>-</b>        | <b>-</b>            | <b>93 676</b>     | <b>93 676</b>     | <b>70 364</b>      | <b>70 566</b>             | <b>47 700</b>             |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>       |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| <b>Receipts</b>                                   |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| Proceeds on disposal of PPE                       | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Decrease (increase) in non-current debtors        | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Decrease (increase) other non-current receivables | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Decrease (increase) in non-current investments    | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| <b>Payments</b>                                   |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| Capital assets                                    | (42 479)            | (52 217)          | -                   | -               | -                   | (7 550)           | (7 550)           | (59 767)           | (75 483)                  | (74 894)                  |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>  | <b>(42 479)</b>     | <b>(52 217)</b>   | <b>-</b>            | <b>-</b>        | <b>-</b>            | <b>(7 550)</b>    | <b>(7 550)</b>    | <b>(59 767)</b>    | <b>(75 483)</b>           | <b>(74 894)</b>           |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>       |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| <b>Receipts</b>                                   |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| Short term loans                                  | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Borrowing long term/refinancing                   | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Increase (decrease) in consumer deposits          | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| <b>Payments</b>                                   |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| Repayment of borrowing                            | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>  | <b>-</b>            | <b>-</b>          | <b>-</b>            | <b>-</b>        | <b>-</b>            | <b>-</b>          | <b>-</b>          | <b>-</b>           | <b>-</b>                  | <b>-</b>                  |
| <b>NET INCREASE/ (DECREASE) IN CASH HELD</b>      | <b>(65 791)</b>     | <b>(75 529)</b>   | <b>-</b>            | <b>-</b>        | <b>-</b>            | <b>86 126</b>     | <b>86 126</b>     | <b>10 597</b>      | <b>(4 917)</b>            | <b>(27 193)</b>           |
| Cash/cash equivalents at the year begin:          | 229 219             | 229 219           | -                   | -               | -                   | -                 | -                 | 229 219            | 239 816                   | 234 899                   |
| Cash/cash equivalents at the year end:            | 163 428             | 153 690           | -                   | -               | -                   | -                 | -                 | 239 816            | 234 899                   | 207 706                   |

**PART 4 - ADJUSTMENTS BUDGET: MUNICIPAL ENTITY - CAPE TOWN STADIUM**

The entity is not proposing any adjustments to its approved 2019/20 budget, however, the budget has been re-aligned taking into account the current spending trend as well as the actual spend in 2018/19. There is no effect on the overall statement of financial performance and position.

The Cape Town Stadium's (CTS) primary budget tables, as required in terms of Part 4 of the MBRR, are presented on page 71 to page 75.

**Table 36: MBRR Table E1 - Adjustments Budget Summary - CTS**

| Description                                                          | Budget Year 2019/20 |                   |                     |                 |                     |                   |                   |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|----------------------------------------------------------------------|---------------------|-------------------|---------------------|-----------------|---------------------|-------------------|-------------------|--------------------|---------------------------|---------------------------|
|                                                                      | Original<br>Budget  | Prior<br>Adjusted | Downward<br>adjusts | Parent<br>muni. | Unfore.<br>Unavoid. | Other<br>Adjusts. | Total<br>Adjusts. | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>R thousands</b>                                                   |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| <b><u>Financial Performance</u></b>                                  |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| Property rates                                                       | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Service charges                                                      | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Investment revenue                                                   | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Transfers recognised - operational                                   | 71 346              | 71 346            | -                   | -               | -                   | -                 | -                 | 71 346             | 69 971                    | 65 496                    |
| Other own revenue                                                    | 22 921              | 22 921            | -                   | -               | -                   | -                 | -                 | 22 921             | 24 524                    | 31 794                    |
| <b>Total Revenue (excluding capital transfers and contributions)</b> | <b>94 267</b>       | <b>94 267</b>     | <b>-</b>            | <b>-</b>        | <b>-</b>            | <b>-</b>          | <b>-</b>          | <b>94 267</b>      | <b>94 495</b>             | <b>97 290</b>             |
| Employee costs                                                       | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Remuneration of Board Members                                        | 739                 | 739               | -                   | -               | -                   | (339)             | (339)             | 400                | 450                       | 550                       |
| Depreciation and debt impairment                                     | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Finance charges                                                      | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Materials and bulk purchases                                         | 1 354               | 1 354             | -                   | -               | -                   | (709)             | (709)             | 645                | 684                       | 725                       |
| Transfers and grants                                                 | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Other expenditure                                                    | 92 174              | 92 174            | -                   | -               | -                   | 1 048             | 1 048             | 93 222             | 93 362                    | 96 015                    |
| <b>Total Expenditure</b>                                             | <b>94 267</b>       | <b>94 267</b>     | <b>-</b>            | <b>-</b>        | <b>-</b>            | <b>-</b>          | <b>-</b>          | <b>94 267</b>      | <b>94 495</b>             | <b>97 290</b>             |
| <b>Surplus/(Deficit)</b>                                             | <b>-</b>            | <b>-</b>          | <b>-</b>            | <b>-</b>        | <b>-</b>            | <b>-</b>          | <b>-</b>          | <b>-</b>           | <b>(0)</b>                | <b>(0)</b>                |
| Transfers recognised - capital                                       | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Contributions recognised - capital & contributed assets              | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| <b>Surplus/(Deficit) after capital transfers &amp; contributions</b> | <b>-</b>            | <b>-</b>          | <b>-</b>            | <b>-</b>        | <b>-</b>            | <b>-</b>          | <b>-</b>          | <b>-</b>           | <b>(0)</b>                | <b>(0)</b>                |
| Taxation                                                             | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| <b>Surplus/ (Deficit) for the year</b>                               | <b>-</b>            | <b>-</b>          | <b>-</b>            | <b>-</b>        | <b>-</b>            | <b>-</b>          | <b>-</b>          | <b>-</b>           | <b>(0)</b>                | <b>(0)</b>                |
| <b><u>Financial position</u></b>                                     |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| Total current assets                                                 | 9 616               | 9 616             | -                   | -               | -                   | (5 422)           | (5 422)           | 4 195              | 4 446                     | 4 712                     |
| Total non current assets                                             | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Total current liabilities                                            | 9 616               | 9 616             | -                   | -               | -                   | (5 422)           | (5 422)           | 4 195              | 4 446                     | 4 712                     |
| Total non current liabilities                                        | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Community wealth/Equity                                              | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| <b><u>Cash flows</u></b>                                             |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| Net cash from (used) operating                                       | 3 771               | 3 771             | -                   | -               | -                   | -                 | -                 | 3 771              | 2 835                     | 1 946                     |
| Net cash from (used) investing                                       | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Net cash from (used) financing                                       | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| <b>Cash/cash equivalents at the year end</b>                         | <b>9 616</b>        | <b>13 387</b>     | <b>-</b>            | <b>-</b>        | <b>-</b>            | <b>-</b>          | <b>-</b>          | <b>9 616</b>       | <b>12 451</b>             | <b>14 397</b>             |

**Table 37: MBRR Table E2 Adjustments Budget - Financial Performance (revenue and expenditure) - CTS**

| Description                                                                                                                                                                                                            | Budget Year 2019/20 |                   |                     |                 |                     |                   |                   |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-------------------|---------------------|-----------------|---------------------|-------------------|-------------------|--------------------|---------------------------|---------------------------|
|                                                                                                                                                                                                                        | Original<br>Budget  | Prior<br>Adjusted | Downward<br>adjusts | Parent<br>muni. | Unfore.<br>Unavoid. | Other<br>Adjusts. | Total<br>Adjusts. | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>R thousands</b>                                                                                                                                                                                                     |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| <b>Revenue By Source</b>                                                                                                                                                                                               |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| Property rates                                                                                                                                                                                                         | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Service charges - electricity revenue                                                                                                                                                                                  | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Service charges - water revenue                                                                                                                                                                                        | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Service charges - sanitation revenue                                                                                                                                                                                   | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Service charges - refuse revenue                                                                                                                                                                                       | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Rental of facilities and equipment                                                                                                                                                                                     | 16 071              | 16 071            | -                   | -               | -                   | 6 650             | 6 650             | 22 721             | 24 312                    | 31 569                    |
| Interest earned - external investments                                                                                                                                                                                 | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Interest earned - outstanding debtors                                                                                                                                                                                  | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Dividends received                                                                                                                                                                                                     | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Fines, penalties and forfeits                                                                                                                                                                                          | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Licences and permits                                                                                                                                                                                                   | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Agency services                                                                                                                                                                                                        | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Transfers and subsidies                                                                                                                                                                                                | 71 346              | 71 346            | -                   | -               | -                   | -                 | -                 | 71 346             | 69 971                    | 65 496                    |
| Other revenue                                                                                                                                                                                                          | 6 850               | 6 850             | -                   | -               | -                   | (6 650)           | (6 650)           | 200                | 212                       | 225                       |
| Gains on disposal of PPE                                                                                                                                                                                               | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| <b>Total Revenue (excluding capital transfers and contributions)</b>                                                                                                                                                   | <b>94 267</b>       | <b>94 267</b>     | <b>-</b>            | <b>-</b>        | <b>-</b>            | <b>-</b>          | <b>-</b>          | <b>94 267</b>      | <b>94 495</b>             | <b>97 290</b>             |
| <b>Expenditure By Type</b>                                                                                                                                                                                             |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| Employee related costs                                                                                                                                                                                                 | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Remuneration of Directors                                                                                                                                                                                              | 739                 | 739               | -                   | -               | -                   | (339)             | (339)             | 400                | 450                       | 550                       |
| Debt impairment                                                                                                                                                                                                        | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Depreciation & asset impairment                                                                                                                                                                                        | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Finance charges                                                                                                                                                                                                        | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Bulk purchases                                                                                                                                                                                                         | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Other materials                                                                                                                                                                                                        | 1 354               | 1 354             | -                   | -               | -                   | (709)             | (709)             | 645                | 684                       | 725                       |
| Contracted services                                                                                                                                                                                                    | 73 100              | 73 100            | -                   | -               | -                   | (664)             | (664)             | 72 435             | 74 150                    | 76 860                    |
| Transfers and subsidies                                                                                                                                                                                                | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Other expenditure                                                                                                                                                                                                      | 19 074              | 19 074            | -                   | -               | -                   | 1 713             | 1 713             | 20 787             | 19 212                    | 19 156                    |
| Loss on disposal of PPE                                                                                                                                                                                                | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| <b>Total Expenditure</b>                                                                                                                                                                                               | <b>94 267</b>       | <b>94 267</b>     | <b>-</b>            | <b>-</b>        | <b>-</b>            | <b>-</b>          | <b>-</b>          | <b>94 267</b>      | <b>94 495</b>             | <b>97 290</b>             |
| <b>Surplus/(Deficit)</b>                                                                                                                                                                                               |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)                                                                                                                          | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Transfers and subsidies - capital (in-kind - all)                                                                                                                                                                      | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| <b>Surplus/(Deficit) before taxation</b>                                                                                                                                                                               | <b>-</b>            | <b>-</b>          | <b>-</b>            | <b>-</b>        | <b>-</b>            | <b>-</b>          | <b>-</b>          | <b>-</b>           | <b>(0)</b>                | <b>(0)</b>                |
| Taxation                                                                                                                                                                                                               | -                   | -                 | -                   | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| <b>Surplus/ (Deficit) for the year</b>                                                                                                                                                                                 | <b>-</b>            | <b>-</b>          | <b>-</b>            | <b>-</b>        | <b>-</b>            | <b>-</b>          | <b>-</b>          | <b>-</b>           | <b>(0)</b>                | <b>(0)</b>                |

## **Explanatory notes to MBRR Table E2 Adjustments Budget - Financial Performance (revenue and expenditure)**

### **1. Rental of facilities & equipment**

This revenue category increases from R16.1 million to R22.7 million, due to additional events scheduled to take place that was not included in the original budget. In addition, revenue from other income, particularly advertising fees, will most likely not be realised in the current financial year and less revenue from tours and parking fees will be realised than anticipated. The budget from these categories is being reallocated to the revenue anticipated to be earned from rental.

### **2. Other Revenue**

This revenue category decreases by R6.65 million to R0.2 million, due to decreases in the following revenue elements:

- **Tours Income**

This revenue element reduces from R0.3 million to R0.1 million taking into consideration the planned tours for the current year as well as the actual tours, which took place in the previous financial year.

- **Parking fees**

Parking fees income reduces from R1.9 million to R0.1 million, as the parking fees tender will only be awarded in the third quarter of the current financial year.

- **Advertising fees**

This element reduces from R4.4 million to Rnil as the naming rights tender will in all probability not be awarded during the current financial year. It is therefore anticipated that no income will be generated from advertising fees.

### **3. Remuneration of directors**

The budget reduces from R0.7 million to R0.4 million taking into consideration that only four board meetings will take place for the year.

### **4. Other materials**

The decrease of R0.7 million is largely due to the reduction in the printing and stationery budget.

### **5. Contracted services**

The reduction of R0.66 million is attributable to the reduction in the budget of the event promoters, graphic designers and professional services rendered by engineers.

### **6. Other expenditure**

The increase of R1.7 million is largely attributable to municipal services, which was not originally budgeted for.

**Table 38: MBRR Table E4 Adjustments Budget - Financial Position - CTS**

| Description                              | Budget Year 2019/20 |                   |                     |                 |                     |                   |                   |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|------------------------------------------|---------------------|-------------------|---------------------|-----------------|---------------------|-------------------|-------------------|--------------------|---------------------------|---------------------------|
|                                          | Original<br>Budget  | Prior<br>Adjusted | Downward<br>adjusts | Parent<br>muni. | Unfore.<br>Unavoid. | Other<br>Adjusts. | Total<br>Adjusts. | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>R thousands</b>                       |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| <b>ASSETS</b>                            |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| <b>Current assets</b>                    |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| Cash                                     | 9 616               | 9 616             | –                   | –               | –                   | (9 606)           | (9 606)           | 10                 | 10                        | 10                        |
| Call investment deposits                 | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Consumer debtors                         | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Other debtors                            | –                   | –                 | –                   | –               | –                   | 4 185             | 4 185             | 4 185              | 4 436                     | 4 702                     |
| Current portion of long-term receivables | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Inventory                                | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| <b>Total current assets</b>              | <b>9 616</b>        | <b>9 616</b>      | <b>–</b>            | <b>–</b>        | <b>–</b>            | <b>(5 422)</b>    | <b>(5 422)</b>    | <b>4 195</b>       | <b>4 446</b>              | <b>4 712</b>              |
| <b>Non current assets</b>                |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| Long-term receivables                    | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Investments                              | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Investment property                      | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Investment in Associate                  | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Property, plant and equipment            | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Biological                               | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Intangible                               | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Other non-current assets                 | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| <b>Total non current assets</b>          | <b>–</b>            | <b>–</b>          | <b>–</b>            | <b>–</b>        | <b>–</b>            | <b>–</b>          | <b>–</b>          | <b>–</b>           | <b>–</b>                  | <b>–</b>                  |
| <b>TOTAL ASSETS</b>                      | <b>9 616</b>        | <b>9 616</b>      | <b>–</b>            | <b>–</b>        | <b>–</b>            | <b>(5 422)</b>    | <b>(5 422)</b>    | <b>4 195</b>       | <b>4 446</b>              | <b>4 712</b>              |
| <b>LIABILITIES</b>                       |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| <b>Current liabilities</b>               |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| Bank overdraft                           | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Borrowing                                | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Consumer deposits                        | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Trade and other payables                 | 9 616               | 9 616             | –                   | –               | –                   | (5 422)           | (5 422)           | 4 195              | 4 446                     | 4 712                     |
| Provisions                               | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| <b>Total current liabilities</b>         | <b>9 616</b>        | <b>9 616</b>      | <b>–</b>            | <b>–</b>        | <b>–</b>            | <b>(5 422)</b>    | <b>(5 422)</b>    | <b>4 195</b>       | <b>4 446</b>              | <b>4 712</b>              |
| <b>Non current liabilities</b>           |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| Borrowing                                | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Provisions                               | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| <b>Total non current liabilities</b>     | <b>–</b>            | <b>–</b>          | <b>–</b>            | <b>–</b>        | <b>–</b>            | <b>–</b>          | <b>–</b>          | <b>–</b>           | <b>–</b>                  | <b>–</b>                  |
| <b>TOTAL LIABILITIES</b>                 | <b>9 616</b>        | <b>9 616</b>      | <b>–</b>            | <b>–</b>        | <b>–</b>            | <b>(5 422)</b>    | <b>(5 422)</b>    | <b>4 195</b>       | <b>4 446</b>              | <b>4 712</b>              |
| <b>NET ASSETS</b>                        | <b>–</b>            | <b>–</b>          | <b>–</b>            | <b>–</b>        | <b>–</b>            | <b>–</b>          | <b>–</b>          | <b>–</b>           | <b>–</b>                  | <b>–</b>                  |
| <b>COMMUNITY WEALTH/EQUITY</b>           |                     |                   |                     |                 |                     |                   |                   |                    |                           |                           |
| Accumulated Surplus/(Deficit)            | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| Reserves                                 | –                   | –                 | –                   | –               | –                   | –                 | –                 | –                  | –                         | –                         |
| <b>TOTAL COMMUNITY WEALTH/EQUITY</b>     | <b>–</b>            | <b>–</b>          | <b>–</b>            | <b>–</b>        | <b>–</b>            | <b>–</b>          | <b>–</b>          | <b>–</b>           | <b>–</b>                  | <b>–</b>                  |

**Explanatory notes to MBRR Table E4 Adjustments Budget - Financial Position****1. Cash**

The cash balance has been reduced to reflect the actual cash in the entity's bank account.

**2. Other debtors**

The adjustment in this category relates to the grant, which will be due at the end of the financial year to cover the anticipated liabilities.

**3. Trade and other payables**

This category reduces by R 5.4 million as it is anticipated that the liabilities at the end of the current financial year will be less than originally budgeted for.

**Table 39: MBRR Table E5 Adjustments Budget - Cash Flows - CTS**

| Description                                       | Budget Year 2019/20 |                   |                      |                 |                     |                   |                   |                    | Budget Year<br>+1 2020/21 | Budget Year<br>+2 2021/22 |
|---------------------------------------------------|---------------------|-------------------|----------------------|-----------------|---------------------|-------------------|-------------------|--------------------|---------------------------|---------------------------|
|                                                   | Original<br>Budget  | Prior<br>Adjusted | Downwar<br>d adjusts | Parent<br>muni. | Unfore.<br>Unavoid. | Other<br>Adjusts. | Total<br>Adjusts. | Adjusted<br>Budget | Adjusted<br>Budget        | Adjusted<br>Budget        |
| <b>R thousands</b>                                |                     |                   |                      |                 |                     |                   |                   |                    |                           |                           |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>        |                     |                   |                      |                 |                     |                   |                   |                    |                           |                           |
| <b>Receipts</b>                                   |                     |                   |                      |                 |                     |                   |                   |                    |                           |                           |
| Property rates                                    | -                   | -                 | -                    | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Service charges                                   | -                   | -                 | -                    | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Other revenue                                     | 22 921              | 22 921            | -                    | -               | -                   | -                 | -                 | 22 921             | 24 524                    | 31 794                    |
| Government - operating                            | 71 346              | 71 346            | -                    | -               | -                   | -                 | -                 | 71 346             | 69 971                    | 65 496                    |
| Government - capital                              | -                   | -                 | -                    | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Interest                                          | -                   | -                 | -                    | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Dividends                                         | -                   | -                 | -                    | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| <b>Payments</b>                                   |                     |                   |                      |                 |                     |                   |                   |                    |                           |                           |
| Suppliers and employees                           | (90 496)            | (90 496)          | -                    | -               | -                   | -                 | -                 | (90 496)           | (91 660)                  | (95 344)                  |
| Finance charges                                   | -                   | -                 | -                    | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Dividends paid                                    | -                   | -                 | -                    | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Transfers and Grants                              | -                   | -                 | -                    | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>  | <b>3 771</b>        | <b>3 771</b>      | <b>-</b>             | <b>-</b>        | <b>-</b>            | <b>-</b>          | <b>-</b>          | <b>3 771</b>       | <b>2 835</b>              | <b>1 946</b>              |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>       |                     |                   |                      |                 |                     |                   |                   |                    |                           |                           |
| <b>Receipts</b>                                   |                     |                   |                      |                 |                     |                   |                   |                    |                           |                           |
| Proceeds on disposal of PPE                       | -                   | -                 | -                    | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Decrease (Increase) in non-current debtors        | -                   | -                 | -                    | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Decrease (increase) other non-current receivables | -                   | -                 | -                    | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Decrease (increase) in non-current investments    | -                   | -                 | -                    | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| <b>Payments</b>                                   |                     |                   |                      |                 |                     |                   |                   |                    |                           |                           |
| Capital assets                                    | -                   | -                 | -                    | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>  | <b>-</b>            | <b>-</b>          | <b>-</b>             | <b>-</b>        | <b>-</b>            | <b>-</b>          | <b>-</b>          | <b>-</b>           | <b>-</b>                  | <b>-</b>                  |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>       |                     |                   |                      |                 |                     |                   |                   |                    |                           |                           |
| <b>Receipts</b>                                   |                     |                   |                      |                 |                     |                   |                   |                    |                           |                           |
| Short term loans                                  | -                   | -                 | -                    | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Borrowing long term/refinancing                   | -                   | -                 | -                    | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| Increase (decrease) in consumer deposits          | -                   | -                 | -                    | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| <b>Payments</b>                                   |                     |                   |                      |                 |                     |                   |                   |                    |                           |                           |
| Repayment of borrowing                            | -                   | -                 | -                    | -               | -                   | -                 | -                 | -                  | -                         | -                         |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>  | <b>-</b>            | <b>-</b>          | <b>-</b>             | <b>-</b>        | <b>-</b>            | <b>-</b>          | <b>-</b>          | <b>-</b>           | <b>-</b>                  | <b>-</b>                  |
| <b>NET INCREASE/ (DECREASE) IN CASH HELD</b>      | <b>3 771</b>        | <b>3 771</b>      | <b>-</b>             | <b>-</b>        | <b>-</b>            | <b>-</b>          | <b>-</b>          | <b>3 771</b>       | <b>2 835</b>              | <b>1 946</b>              |
| Cash/cash equivalents at the year begin:          | 5 846               | 9 616             |                      |                 |                     |                   |                   | 5 846              | 9 616                     | 12 451                    |
| Cash/cash equivalents at the year end:            | 9 616               | 13 387            |                      |                 |                     |                   |                   | 9 616              | 12 451                    | 14 397                    |

## MUNICIPAL MANAGER'S QUALITY CERTIFICATION

I, **Lungelo Mbandazayo**, municipal manager of the **City of Cape Town**, hereby certify that the 2019/20 adjustments budget (**January 2020**) and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the adjustments budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name \_\_\_\_\_

**Municipal Manager of City of Cape Town (CPT)**

Signature \_\_\_\_\_

Date \_\_\_\_\_

**ADDITIONAL RECOMMENDATIONS - COUNCIL MINUTES****RESOLVED that:**

(b) the Adjustment Budget be further adjusted by:

- (i) appropriating R100 million on the capital budget within the Human Settlements directorate as indicated in the table below for the 2019/20 financial year:

| Directorate       | Approval Object | Description                      | Fund Source | Amount      | Additional Information                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-------------------|-----------------|----------------------------------|-------------|-------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Human Settlements | CPX/0007735     | Asset Management Programme (AMP) | Revenue     | 100 000 000 | The scope of works for the AMP includes: replacement of roofs; staircases; windows; doors; replacement of plumbing sanitary ware and fittings; and the stripping and rewiring of the entire electrical reticulation including new distribution boards, plugs and switches. This will be implemented at various Community Rental Units. The funding was appropriated in the original 2019/20 Operating Budget, but will be shifted from the Operating Budget to the Capital Budget due to the nature of expenditure that will be incurred. |

- (ii) reducing expenditure within the Human Settlement directorate by R100 million on cost centre 19040018 and various cost elements as indicated below:

| Cost Element | Element Description                     | Amount 2019/20 |
|--------------|-----------------------------------------|----------------|
| 673000       | R&M Mat General & Consumables           | 8 000 000      |
| 413000       | Materials Consumables Tools & Equipment | 2 000 000      |
| 763080       | R&M Electrical                          | 70 000 000     |
| 453080       | Electrical                              | 20 000 000     |
|              |                                         | 100 000 000    |

- (iii) that R7.5 million (funding source 1 EFF: 2) be moved in the capital budget from the Urban Management directorate from Approval Object CPX/0016116 Community Based Recycling Drop Off Project to Approval Object CPX/0000411 Plant & Vehicles: Replacement within Water & Waste directorate, Solid Waste Management department (Rates component) in the 2019/20 financial year.