



# **UMDONI MUNICIPALITY**

The **J.E.W.E.L** of the South Coast

## **2<sup>nd</sup> ADJUSTMENT BUDGET 2024/2025 FINANCIAL YEAR 27<sup>th</sup> MAY 2025**



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## 1. DRAFT RESOLUTIONS

Section 28 of the Municipal Finance Management Act, No.56 of 2003 states inter alia as follows:

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

*(2) An adjustments budget—*

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



*(3) An adjustments budget must be in a prescribed form.*

Council with regard to the 2024/2025 Adjusted Budget table the following resolutions for adoption:

- (a) In terms of Sec 28(2) of the MFMA, the proposed 2024/2025 Adjustment Budget (Capital & Operating) be approved as set out in the report
- (b) The 2024/25 Adjusted Medium Term Revenue and Expenditure Framework (MTREF) be approved as set out in Budget Tables
- (c) The report on the 2024/25 2<sup>nd</sup> Adjustments Budget, in electronic formats be submitted to both Provincial and National Treasuries within 10 working days as required by the Regulation 24 of the Municipal Budget and Reporting Regulations(MBRR).
- (d) It be noted that any adjustments made to the 2024/25 Operating Budget do not result in any changes to the municipal taxes and tariffs.



## **2.1 VISION, MISSION AND OBJECTIVES OF THE UMDONI MUNICIPALITY**

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### **VISION** **MISSION STATEMENT**

#### **PRINCIPLES OF UMDONI MUNICIPALITY**

**“BY 2030 UMDONI WILL BE THE **JEWEL** OF THE SOUTH COAST”**

***“WORKING TOGETHER IN CONTRIBUTING TO **J**OB CREATION, **E**CONOMIC VIABILITY THROUGH  
SUSTAINED **L**OCAL ECONOMIC DEVELOPMENT TO ENSURE THE **W**ELLBEING OF OUR COMMUNITY IN  
**E**CO FRIENDLY ENVIRONMENT.”***

- **J**OB CREATION
- **E**CONOMIC VIABILITY
- **W**ELLBEING OF THE COMMUNITY
- **E**NVIRONMENTALLY FRIENDLY ENVIRONMENT
- **L**OCAL ECONOMIC DEVELOPMENT



## **2.2 MAYORS REPORT**

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The Municipal Finance Management Act No. 56 of 2003 requires assessment of the Mid-Term budget and performance of the municipality, which must be compiled annually in January. During this assessment it was recommended that an adjustments budget is necessary due to matters identified during the mid-year assessment.

This Adjustments Budget is required to realign and reprioritize expenditure and other service delivery programmes to ensure our objectives are met by the end of the financial year. As government, we understand the economic situation which our communities are facing, the need to keep making a living while maintaining the high living cost. At the same time, we strive to provide the best and quality service for a better life for all, even though there are constraints from consumers in paying for services. We encourage consumers to get used to a culture of paying for services for provision of sustainable services.

Consumers are encouraged to apply for indigent relief should they find difficulty in meeting their payment obligations towards the Municipality. As a Municipality, we strive to be efficient, effective and prudent in the manner in which we deal with the state and municipal resources. We continue taking seriously the issues of governance and service delivery, striving towards clean administration and compliance with all applicable legislation.

We have in place an audit action addressing matters raised in the 2023/24 audit, structures in place entrusted with such oversight include the audit committee, the risk management committee and all Council structures. The audit action plan tabled in the Council is monitored on through the performance management system and the Management Committee to ensure that the findings are addressed and not repeated in the 2024/2025 audit.



The mid-term budget and performance assessment tabled in January 2025 at Council provided the financial status of operations within the municipality as well as its entity for the first six months. Subsequently, the first adjustment budget was prepared in February 2025.

Energy Efficiency grant was also down by R1.8 million, initial allocation was R3 million it is now R1.2 million these informs us to do 2<sup>nd</sup> adjustment budget to accommodate this reduction. Umdoni has recently been faced with heavy rains which caused serious damages in our road infrastructure to overcome these challenges we had to adjust votes with savings to get some money to repair our roads, we only managed to get R3 million from employee related cost and another R3 million contacted services, this is R6 million in total.

As outlined in the mid-year budget assessment sound financial management should be promoted and practised on a daily basis. The council will continue to prioritize service delivery and ensure that budgets remain funded and fully comply with all legislation prescripts.

I thank you.



## 2.3 *EXECUTIVE SUMMARY*

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The Municipality had a challenge of achieving a target of 50% performance in the first six months of the 2024/2025 financial year because of the disturbances that occurred in July and August which affected a municipality very badly. This can be seen from the revenue and expenditure results from the mid-year report presented in Council on 29 January 2025. In an effort to achieve service delivery with the limited resource envelop available, the municipality's service delivery priorities were reviewed as part of this year's planning and budget preparation process. In addressing the state of infrastructure and amenities, Council re-prioritized from low- to high-priority programmes so as to maintain sound financial discipline. A review was undertaken of expenditures on non-core items. Budget has been reduced in some of the administrative programmes in lieu of the service delivery programmes. Cost containment measures will continue to be implemented to a greater extent to contain the spending. The focus will be to aggressively chase up arrear debtors and reduce the debtors in arrear and improve the cash flow and liquidity of the municipality. The challenge is to remain financially viable and remain a going concern going forward in order to continue service delivery. In terms of the capital budget, it envisaged that grant funds will be spent during the 2024-2025 financial year, which will improve service delivery, where projects will be completed. In instances where transferring departments adjusted their allocations, the adjustment budget reflects these changes.

In view of the aforementioned, the following table is a consolidated overview of the 2024/2025 Adjusted Medium-term Revenue and Expenditure Framework:





# UMDONI MUNICIPALITY

## 2<sup>nd</sup> ADJUSTMENT BUDGET DOCUMENTATION FOR THE 2024/2025 BUDGET YEAR

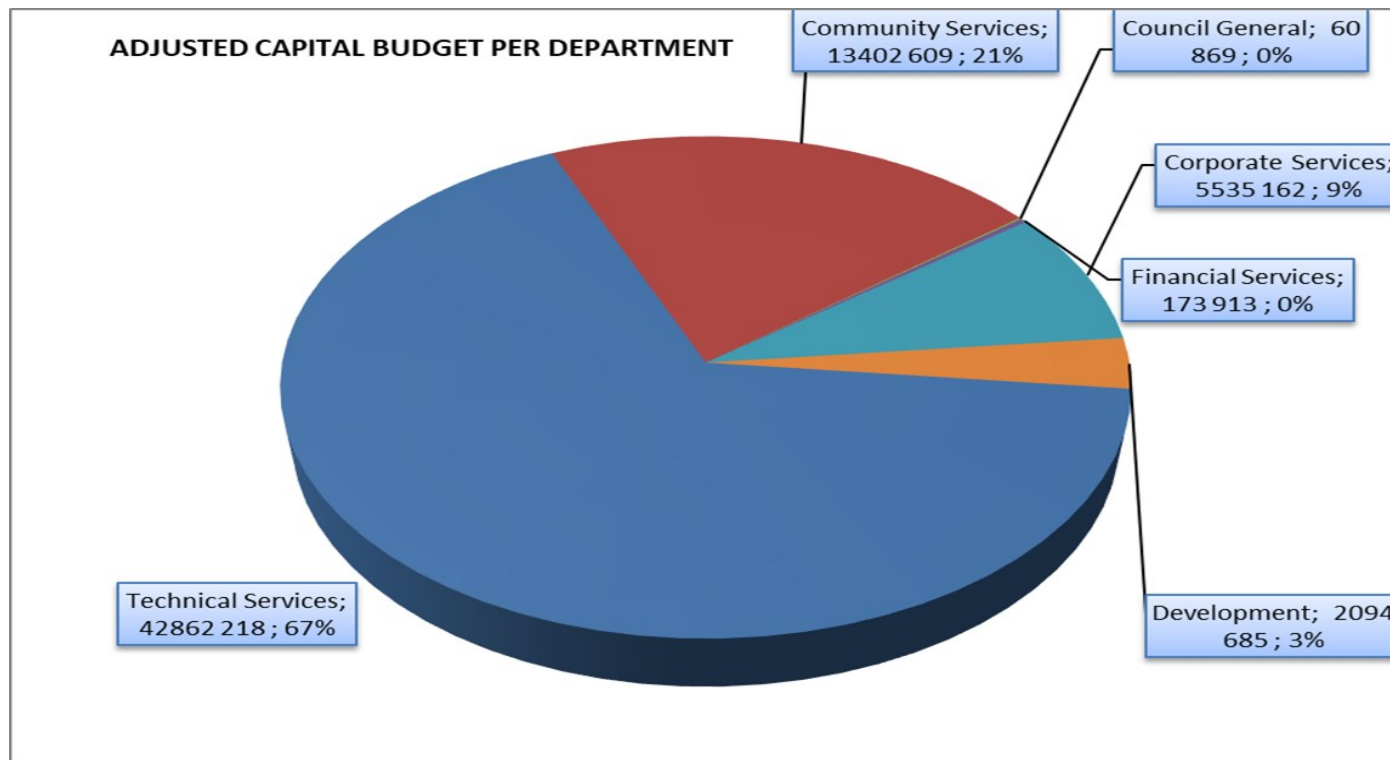
### 2024/2025 2<sup>nd</sup> ADJUSTMENT BUDGET EXECUTIVE SUMMARY

KZN212 Umdoni - Table B1 Adjustments Budget Summary - 23/05/2025											
Description	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
	A	1 A1	2 B	3 C	4 D	5 E	6 F	7 G	8 H		
<b>R thousands</b>											
<b>Financial Performance</b>											
Property rates	130,005	131,127	—	—	—	—	—	—	131,127	135,648	141,888
Service charges	13,833	13,422	—	—	—	—	—	—	13,422	14,469	15,120
Investment revenue	12,500	12,500	—	—	—	—	—	—	12,500	13,075	13,663
Transfers recognised - operational	203,785	205,651	—	—	—	—	(1,800)	(1,800)	203,851	197,509	192,590
Other own revenue	43,049	40,315	—	—	—	—	—	—	40,315	41,537	42,224
<b>Total Revenue (excluding capital transfers and</b>	<b>403,171</b>	<b>403,014</b>	—	—	—	—	<b>(1,800)</b>	<b>(1,800)</b>	<b>401,214</b>	<b>402,238</b>	<b>405,485</b>
Employee costs	180,736	164,620	—	—	—	—	(3,000)	(3,000)	181,620	189,234	197,939
Remuneration of councillors	17,631	17,631	—	—	—	—	—	—	17,631	18,442	19,272
Depreciation & asset impairment	40,873	40,873	—	—	—	—	—	—	40,873	43,873	43,873
Interest	2	2,276	—	—	—	—	—	—	2,276	2	2
Inventory consumed and bulk purchases	12,076	7,543	—	—	—	—	—	—	7,543	12,489	13,093
Transfers and subsidies	3,505	4,255	—	—	—	—	—	—	4,255	3,666	3,831
Other expenditure	197,891	212,792	—	—	—	—	1,200	1,200	213,992	198,107	200,185
<b>Total Expenditure</b>	<b>452,715</b>	<b>449,990</b>	—	—	—	—	<b>(1,800)</b>	<b>(1,800)</b>	<b>448,190</b>	<b>465,814</b>	<b>478,197</b>
<b>Surplus/(Deficit)</b>	<b>(49,544)</b>	<b>(46,976)</b>	—	—	—	—	—	—	<b>(46,976)</b>	<b>(63,576)</b>	<b>(72,712)</b>
Transfers and subsidies - capital (monetary allocations)	40,603	53,797	—	—	—	—	—	—	53,797	35,170	42,093
Transfers and subsidies - capital (in-kind - all)	—	—	—	—	—	—	—	—	—	—	—
<b>Surplus/(Deficit) after capital transfers &amp;</b>	<b>(8,941)</b>	<b>6,821</b>	—	—	—	—	—	—	<b>6,821</b>	<b>(28,406)</b>	<b>(30,619)</b>
Share of surplus/ (deficit) of associate	—	—	—	—	—	—	—	—	—	—	—
<b>Surplus/ (Deficit) for the year</b>	<b>(8,941)</b>	<b>6,821</b>	—	—	—	—	—	—	<b>6,821</b>	<b>(28,406)</b>	<b>(30,619)</b>
<b>Capital expenditure &amp; funds sources</b>											
<b>Capital expenditure</b>	<b>50,041</b>	<b>64,129</b>	—	—	—	—	0	0	<b>64,129</b>	<b>34,061</b>	<b>34,868</b>
Transfers recognised - capital	35,307	46,780	—	—	—	—	0	0	46,780	34,061	34,868
Borrowing	—	—	—	—	—	—	—	—	—	—	—
Internally generated funds	14,734	17,349	—	—	—	—	—	—	17,349	—	—
<b>Total sources of capital funds</b>	<b>50,041</b>	<b>64,129</b>	—	—	—	—	<b>0</b>	<b>0</b>	<b>64,129</b>	<b>34,061</b>	<b>34,868</b>
<b>Financial position</b>											
Total current assets	290,619	357,028	—	—	—	—	(1,800)	(1,800)	355,228	397,144	353,621
Total non current assets	676,939	687,483	—	—	—	—	0	0	687,483	667,126	658,121
Total current liabilities	170,961	186,745	—	—	—	—	(1,300)	(1,300)	185,445	288,359	257,329
Total non current liabilities	64,590	62,382	—	—	—	—	(500)	(500)	51,882	72,310	81,429
<b>Community wealth/Equity</b>	<b>732,008</b>	<b>805,384</b>	—	—	—	—	—	—	<b>805,384</b>	<b>703,602</b>	<b>672,983</b>
<b>Cash flows</b>											
Net cash from (used) operating	51,227	145,498	—	—	—	—	(1,530)	(1,530)	143,968	110,410	33,704
Net cash from (used) investing	(54,067)	(73,787)	—	—	—	—	—	—	(73,787)	(37,714)	(36,078)
Net cash from (used) financing	50	—	—	—	—	—	—	—	—	50	—
<b>Cash/cash equivalents at the year end</b>	<b>128,604</b>	<b>218,110</b>	—	—	—	—	<b>(1,530)</b>	<b>(1,530)</b>	<b>216,580</b>	<b>201,351</b>	<b>123,869</b>
<b>Cash backing/surplus reconciliation</b>											
Cash and investments available	128,604	218,110	—	—	—	—	(1,530)	(1,530)	216,580	201,351	123,869
Application of cash and investments	(6,712)	31,449	—	—	—	—	(1,462)	(1,462)	29,987	76,891	9,482
<b>Balance - surplus (shortfall)</b>	<b>135,316</b>	<b>186,660</b>	—	—	—	—	<b>(68)</b>	<b>(68)</b>	<b>186,592</b>	<b>124,460</b>	<b>114,387</b>
<b>Asset Management</b>											
Asset register summary (WDV)	676,939	687,483	—	—	—	—	0	0	687,483	667,126	658,121
Depreciation	40,873	40,873	—	—	—	—	—	—	40,873	43,873	43,873
Renewal and Upgrading of Existing Assets	17,426	32,508	—	—	—	—	—	—	32,508	7,510	—
Repairs and Maintenance	52,513	45,229	—	—	—	—	19,200	19,200	64,429	49,522	51,793
<b>Free services</b>											
Cost of Free Basic Services provided	735	735	—	—	—	—	—	—	735	769	803
Revenue cost of free services provided	14,046	14,744	—	—	—	—	—	—	14,744	14,584	15,255
<b>Households below minimum service level</b>											
Water:	—	—	—	—	—	—	—	—	—	—	—
Sanitation/sewerage:	—	—	—	—	—	—	—	—	—	—	—
Energy:	—	—	—	—	—	—	—	—	—	—	—
Refuse:	—	—	—	—	—	—	—	—	—	—	—



## 2.4 OVERVIEW OF THE 2024/2025 2<sup>nd</sup> ADJUSTMENT CAPITAL BUDGET

The Capital Expenditure has increased from R 57 781 689 to R 73 748 880 (including vat). Capital budget excluding vat amounts to R 64 129 460 which was originally approved at R 50 040 982 It has increased approximately by R 15 413 000 (28%). The emanates mostly from the various reasons including the withdrawal of the EDTEA GRANT(Umzinto Bus Rank) (R750 000).





**ADJUSTMENTS PER VOTE/DEPT CLASSIFICATION**

Council – an adjustment amounting to R70 thousands has been effected. This adjustment is made in order to procure a camera for communications manager and a sound system.

Finance –No Adjustment was made.

Corporate Services – Adjustments is a top up R500 000 allocated for laptops and R500 000 allocated for air conditioners.

Community Services – An upward adjustment of R60 000 to purchase and install water tanks,R500 000 for purchasing and installation of airconditioners and R14.8 million allocated for Malangeni bridge funded funded by Disaster grant.

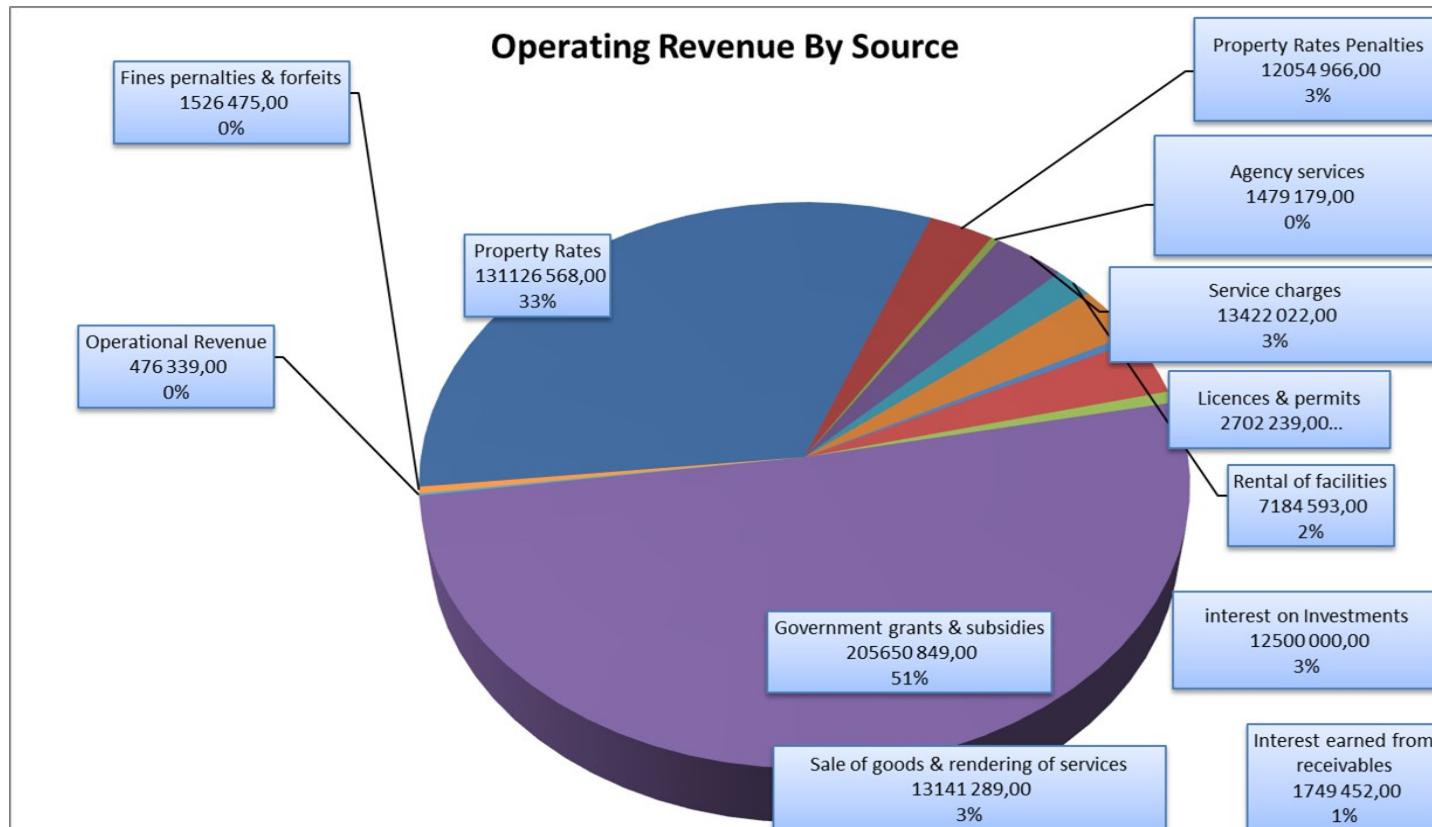
Technical Services –Adjustments were made in MIG projects and purchase of radios, high pressure cleaners and generators all these adjustments will be funded by adjustment made from operational budget.

Planning and Development – An amount of R2 million has been approved as rollover for the Informal Economy Infrastructure Grant, the project being Umzinto Bus Rank as funded by KZNEDTEA. Futhermore, R256 thousands has been re-allocated to the purchase of office furniture.



## 2.5 OVERVIEW OF THE 2024/2025 2<sup>nd</sup> ADJUSTMENT OPERATING BUDGET

### 2.5.1. OPERATING INCOME



The operating income has decreased from R 403 171 162 to R 403 013 971,00 This is a decrease of R 157 171 (0%), a graphical presentation of the adjusted composition of income is shown below, together with comparatives per source of revenue:



Property Rates Income an adjustment has been made in this category. Adjusted upward by R1.1 million. The adjustment emanates from the new properties as a result of property developments within the municipal boundary (Renishaw Hills Development and Umdoni South Point Development).

Service Charges Income adjusted downward by R411 thousands due to poor performance in this category in the first six months of the financial year.

Rental from Fixed Assets revenue budgeted under this source comprises of the rental from businesses, staff members and Community Halls. Adjustment made amounts to R319 thousands. The adjustment comes after the poor performance at mid-year level due to the activities that were less than anticipated.

Interest earned from Current and Non-Current Assets No adjustment

Interest an adjustment of R845 thousand has been made. The ever increasing debtors book has been noted which is the cause of the increase.

Fines and penalty income There was a downward adjustment of R137 thousand in this category due to poor performance in this first six months of the financial year.

Licenses and permits an amount of R6 thousands has been added here. The revenue source consists of the monies collected from issuing the drivers and learner's licenses. The performance at mid-year was below 50% due to system challenges and other issues experienced. The municipality is currently engaging with the DOT to resolve issues.

Sale of Goods and Rendering of Services Adjustments have been effected on this revenue item. The revenue source has been increased by R44 thousand to accommodate INEP. This revenue source consists of general revenue sources like building plan fees, subdivisions revenue, camp site fees and scholar patrol revenue.

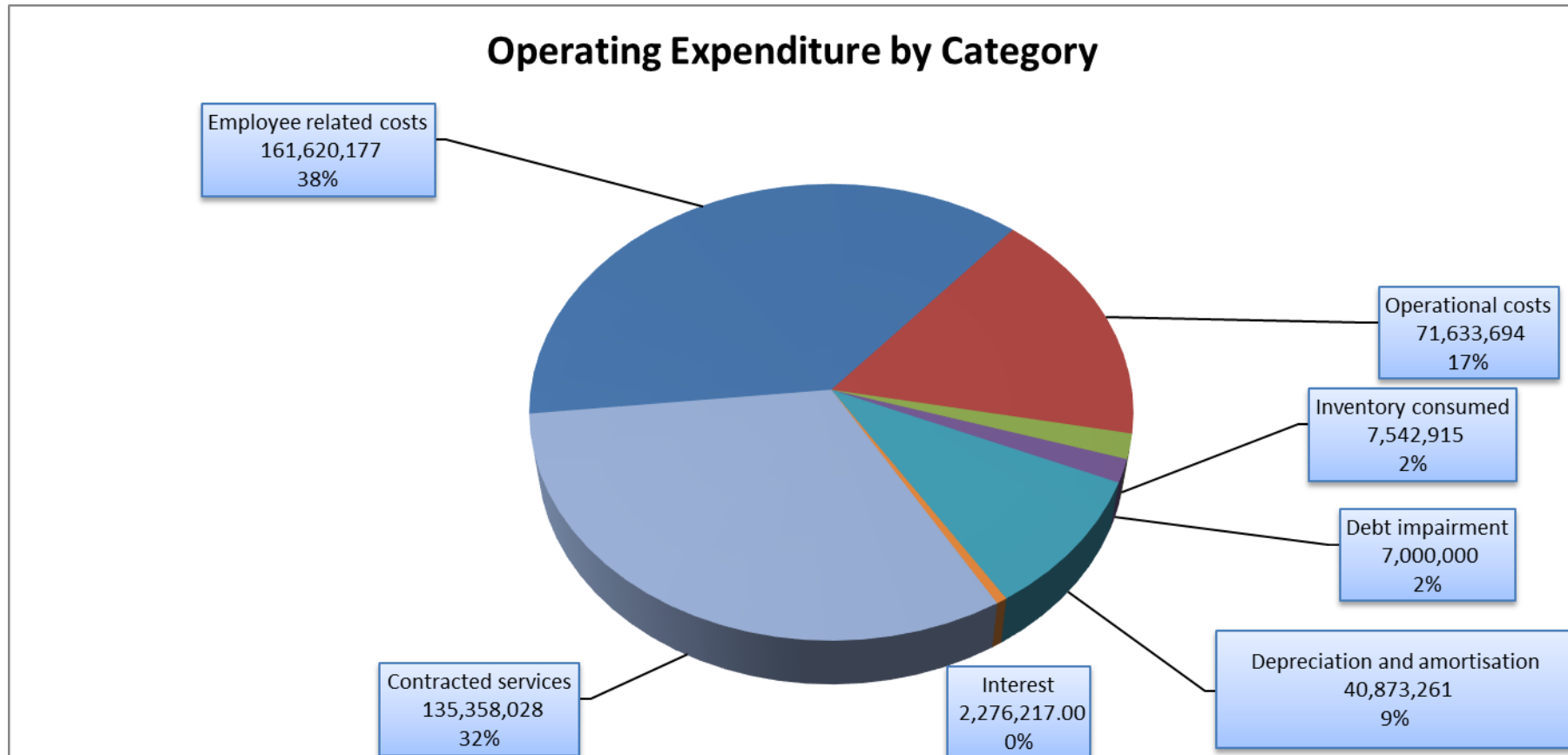
Government Grants have increased by R1.8 million. The increase emanates from the additional funds which have been allocated to the municipality through the Beach Development Grant and the reduction of the Operational MIG.

Agency Services In this category there was a downward adjustment of R1 million due to poor performance in the first six months of the financial year.



### 2.5.2. OPERATING EXPENDITURE

Operating expenditure decreased from R 449 990 281,00, to R448 190 281.00 resulting in R 1 800 000.00 (1%) decrease in expenditure. A graphical overview of the composition of operational expenditure as well as comparisons by category to the approved budget follows:





Employee related costs have been decrease to R 161.6 million. Employee costs were previously budgeted at R164,6 million. The adjustments amounts to R3 million which is a downward adjustment.

Remuneration of Councilors No adjustment.

Depreciation No adjustment

Contracted services R1.2 million being the upward adjustment. This adjustment is a result of adjustment of R1.8 million on street light downward which is funded by energy efficiency grant, downwards adjustment of R3 million in security services and upwards adjustment of R6 million in maintenance of roads.

Other Expenditure No adjustment

Other Materials No adjustment

Transfers and Subsidies No adjustment.

Debt Impairment No adjustment.



## **2.8 ADJUSTMENTS TO BUDGET ASSUMPTIONS**

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Budget assumptions have changed due to several issues.

### **Revenue**

- All other revenue are still the same except for grants & subsidies which has decreased by R1.8 million of energy efficiency grant.
- Tariffs, rates and surcharges: still the same.

### **Expenditure**

- Expenditure levels were kept as low as possible whilst prioritizing service delivery
- All other expenditure are still the same except for contracted services which has decreased by R1.8 million of energy efficiency grant, employee related cost which has decrease by R3 million Contracted services which has increased by R1.2 million.

### **Financing the capital budget (borrowing, own revenue, surpluses not committed)**

Capital Budget has been funded by Grants (MIG), Informal Trader Stalls Grant, Finance Management Grant and internal funding. The majority of the capital budget has been allocated to Roads, Community halls and Sports fields. No borrowing to be utilised as funding.

### **Service Delivery Backlogs**

Service delivery backlogs have been addressed extensively as a results a substantial amount of the capital budget has been set aside for upgrading of assets in an effort to eradicate backlog.

### **Main revenue streams**

The municipality's main revenue streams comprise of property rates, service charges: refuse and own revenue. Revenue projections have been made based on the current trends.





### **Operating expenditure appropriations and major expenditure items**

Expenditure has been estimated taking into account cost containment measures. Major expenses are employee related costs (38%), Contracted services (32%) and other expenditure (17%).

### **Asset management / repairs and maintenance appropriations aligned to infrastructure plans**

Repairs and maintenance budget is above the norm of 8% (sitting at 9.4%). This has been achieved because additional repairs for roads added on this adjustment budget.

### **Conditional grants and planned applications and outcomes**

Grants support plans are being implemented. The aim is 100% spending.

### **External factors**

The National Treasury forecasts real GDP growth of 1.1 per cent in 2024, compared with 0.9 per cent projected in the 2023 Budget Review. Growth is projected to average 1.4 per cent from 2024 to 2026. Relative to the 2023 Budget, the weaker projection for 2023 mainly reflects lower household consumption expenditure due to higher inflation and interest rates, and lower net exports.

### **General inflation outlook and its impact on the municipal activities**

These are key factors that have been taken into consideration in the compilation of the 2024/25 Adjustment Budget:

- National Government macro-economic targets;
- The general inflationary outlook and the impact on municipality's residents and businesses;
- The impact of municipal cost drivers;

### **Growth or decline in tax base of the municipality**

Debtor's revenue is assumed to increase at a rate that is influenced by the consumer debtors' collection rate, tariff/rate pricing, real growth rate of the municipality, household formation growth rate and the poor household change rate.



Household formation is the key factor in measuring municipal revenue and expenditure growth, as servicing 'households' is a greater municipal service factor than servicing individuals. Household formation rates are assumed to convert to household dwellings. In addition, the change in the number of poor households influences the net revenue benefit derived from household formation growth, as it assumes that the same costs incurred for servicing the household exist, but that no consumer revenue is derived as the 'poor household' limits consumption to the level of free basic services.

### **Impact of national, provincial and local policies**

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and in this regard various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Creating jobs;
- Enhancing education and skill development;
- Improving Health services;
- Rural development and agriculture; and
- Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

### **Ability of the municipality to spend and deliver on the programmes**

It is estimated that a spending rate of approximately to 100 per cent is achieved on operating and capital expenditure for the 2024V2025 Adjustment Budget of which performance has been factored into the cash flow budget at 90% to accommodate the accruals at year end for operating expenditure and 100% capital budget except retentions withheld.



## **2.9 OVERVIEW OF BUDGET FUNDING**

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### **Challenges and risks facing the municipality with the implementation of the 2024/2025 Budget;**

- The ongoing difficulties in the national and local economy;
- Aging infrastructure;
- The major challenge facing the municipality is low revenue collections as they are below the norm,
- The need to reprioritize projects and expenditure within the existing resource envelope given the cash flow realities
- The increasing salary bill and the need to fill critical vacancies;
- Aged fleet
- SARS delays in releasing vat refunds due to the current audit that is currently under way.

### **Utilisation of Reserves and the Funding of the Outer years of the MTREF:**

- Reserves are only anticipated to be utilized in the 2024/25 financial year and the next financial year if there are unspent funds.



## 2.10 ADJUSTMENTS TO BUDGET FUNDING

Umdoni Municipality primary funding source is rates and grants.

### OPERATIONAL REVENUE

DESCRIPTION	ADJUSTED BUDGET
<b><u>OPERATING REVENUE BY SOURCE:</u></b>	-
Property rates	131 126 568,00
Sale of Goods and Rendering of Services	13 141 289,00
Service charges - Waste Management	13 422 022,00
Rental from Fixed Assets	7 184 593,00
Agency Services	1 479 179,00
Interest earned from Current and Non-Current Assets	12 500 000
Fines and Penalty income	1 526 475,00
Interest earned from Receivables	1 749 452,00
Interest	12 054 966,00
Operational Revenue	476 339,00
Licences and permits	7 130,00
Government grants and subsidies	203 850 849,00
<b>Total Revenue by Source</b>	<b>401 213 971,00</b>



## 2.11 ADJUSTMENTS TO ALLOCATIONS AND GRANTS MADE

No adjustments made except the ones for energy efficiency grant.

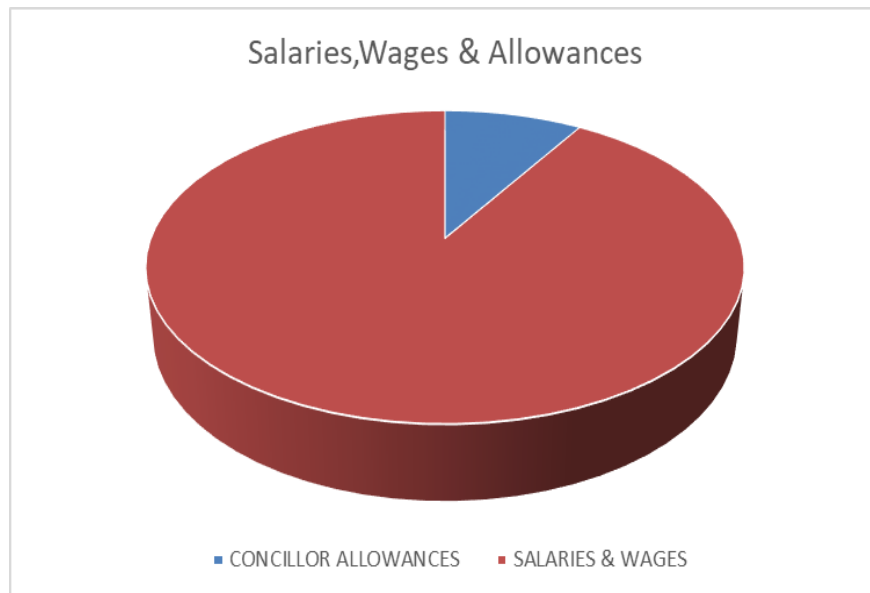
Government Grants And Subsidies		Original Budget	1st adjusted budget	2 <sup>nd</sup> adjusted budget	Variance
Title Deed Restoration Grant (Balance Sheet Only)		0	857 558.00	0	857 558.00
Title Deed Restoration Grant (Balance Sheet Only)		0	857 558.01	0	857 558.01
(EDTEA) Informal Economy Infrastructure-Umzinto Bus Rank Grant		750 000.00	2 091 939.00	0	2 091 939.00
ENERGY EFFICIENCY AND DEMAND-SIDE MANAGEMENT		3 000 000.00	0	-1 800 000.00	1 200 000.00
EPWP		1,249,000.00	0	0	1,249,000.00
LIBRARIES GRANT		10,976,000.00	0	0	10,976,000.00
FMG		1,900,000.00	0	0	1,900,000.00
INEP		11,487,000.00	0	0	11,487,000.00
Municipal infrastructure grant		38,529,000.00	0	0	38,529,000.00
<b>FUNDING SOURCE: CAPITAL</b>					
National Grants	44 961 352,87				
Provincial Grants	1 819 077,39				
Internal Revenue	17 349 030,25				
<b>TOTAL: FUNDING SOURCE</b>	<b>64 129 460,52</b>				



## 2.13 ADJUSTMENTS TO COUNCILLOR ALLOWANCES AND EMPLOYEE COSTS

Both Councilor Allowances and employee costs have been adjusted as stratified below:

### Salaries, Wages and Allowances



Description	2nd adjusted budget	Percentage
Employee related cost	161,620,177.00	90%
Remuneration of Councillors	17,631,431.00	10%
Total	179,251,608.00	100%

The total annual budget for salaries and allowances (including councillor allowances) was R 182,2 has been adjusted to R179,2 million. Explanations have been provided under operating expenditure. The remuneration ratio is currently sitting at 37%(Over the threshold of 25% - 40%).



### 3. MUNICIPAL MANAGER'S QUALITY CERTIFICATION

I, MRS. A.N. DLAMINI, Acting Municipal Manager of UMDONI MUNICIPALITY, hereby certify that the adjustment budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act, No.56 of 2003 and, to the extent as indicated in the budget documents, the regulations made under this Act, and that the annual budget and supporting documentation are consistent with the revised Integrated Development Plan of the Municipality.

PRINT NAME: \_\_\_\_\_

MUNICIPAL MANAGER OF: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_