



UMDONI MUNICIPALITY

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

ADJUSTMENT BUDGET 2025/2026 FINANCIAL YEAR 25th FEBRUARY 2026



[TABLE OF CONTENTS](#)





UMDONI MUNICIPALITY

ADJUSTMENT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

No.	DESCRIPTION	PAGE	ANNEXURE
1.	Draft Resolutions	2	
2.	Adjusted Budget Executive Summary	5	
2.1	Vision, Mission and Objectives of Umdoni Municipality	5	
2.2	Mayors Report	6-11	
2.3	Executive Summary	11-12	
2.4	Adjustment Budget Tables	13-27	
2.5	Overview of the 2025/2026 Adjusted Operational Budget	28	
2.6	Adjustments to Budget Assumptions	35	
2.7	Overview to Budget Funding	38	
2.8	Adjustments to Expenditure on Grants Allocations	39	
2.9	Adjustment to Allocations and Grants Made	41	
2.10	Adjustments to Councilor Allowances and Employee Costs	42	
3.	Quality Certification	44	



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 2025/2026 Adjusted Budget table the following resolutions for adoption:

- (a) In terms of Sec 28(2) of the MFMA, the proposed 2025/2026 Adjustment Budget (Capital & Operating) be approved as set out in the report
- (b) The 2025/26 Adjusted Medium Term Revenue and Expenditure Framework (MTREF) be approved as set out in Budget Tables
- (c) The report on the 2025/26 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 2025/26 Operating Budget do not result in any changes to the municipal taxes and tariffs.



2.1 VISION, MISSION AND OBJECTIVES OF THE UMDONI MUNICIPALITY

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
ECO 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

ADJUSTMENT BUDGET SPEECH DELIVERED BY THE MAYOR, CLLR MJ CELE-LUTHULI AT THE UMDONI COUNCIL MEETING HELD ON WEDNESDAY, 25 FEBRUARY 2026- UMDONI COUNCIL CHAMBER.

The Speaker of Umdoni Council, Cllr ME Mbutho

Amakhosi Asendlunkulu – Ngiyazithoba phambi kwenu

Deputy Mayor, Cllr PE Thabethe

Chief Whip of Council, Cllr S Zulu

Members of the Umdoni Exective Committee,

Councillors,

Acting Municipal Manager, Mr DD Naidoo

Members of Senior Management,

Esteemed Residents and business community of Umdoni,

On behalf of the municipality, I want to extend my deepest apologies to our community for the interruption of essential services as result of the recent labour unrest. We recognize the frustration and hardship this disruption has caused and we sincerely regret that our residents who rely on us daily were left without the support they deserve.

Our foremost responsibility is to serve you, the people of this community, and we are committed to ensuring that your needs always come first. Internal workplace challenges must never spill over into the services we provide. While we value and respect our employees, it is imperative that dissatisfaction in the workplace is addressed through proper channels and constructive dialogue, not through interruptions that affect the lives of our residents.



We are taking steps to strengthen communication and resolve internal issues swiftly, so that they do not compromise the trust you place in us. The community depends on the municipality, and we pledge to uphold that responsibility with integrity, accountability and renewed dedication.

We ask for your understanding as we move forward and we reaffirm our commitment to putting the people of this municipality at the heart of everything we do.

Mr Speaker, today, we table the 2025/2026 Adjustment Budget of Umdoni Municipality in terms of Section 28 of the Municipal Finance Management Act (MFMA). This is a difficult but necessary adjustment. It is honest, transparent and it reflects the financial realities confronting our municipality.

This Adjustment Budget reflects our commitment to responsible governance, fiscal discipline and responsive service delivery in a challenging economic climate. It is not merely a compliance exercise but a recalibration of our financial plan to address emerging pressures, incorporate Provincial Treasury comments and align spending with actual performance trends.

1. ECONOMIC AND POLITICAL CONTEXT

The 2025/2026 financial year has unfolded under continued economic strain. High unemployment levels within our municipal area, slow economic growth nationally and affordability pressures on households continue to impact our revenue collection rates.

As Council is aware, our municipality maintains an unqualified audit opinion with findings. While this is a positive foundation, the findings relating to deviations, awards to service providers in the service of the state, and consequence management require continued corrective action.

This Adjustment Budget responds directly to oversight commentary from Provincial Treasury and strengthens our governance controls while protecting frontline services.



2. ADJUSTMENT BUDGET 2025/2026

Mr Speaker, when Council approved the original 2025/2026 Budget, the operating budget reflected an operating revenue of R403.041 million, an operating expenditure of R448.9 million and an operating deficit of R45.9 million.

Mr Speaker and members of Council, the proposed adjustments budget is as followed:

1. Operating Revenue: R411.008 million
2. Operating Expenditure: R466,5 million
3. Operating Deficit: R55.5 million

The adjusted budget is funded through equitable share, conditional grants, and internally generated revenue. The deficit arose primarily due to Salary and wage cost pressures, Legal costs, Enhancement of financial management system, the Rising contractual obligations and a constrained revenue base due to affordability challenges within our communities

3. REASONS FOR THE ADJUSTMENT

In terms of Section 28(2) of the MFMA, the Adjustment Budget is necessitated by; Additional grant allocations and rollovers confirmed by Provincial Treasury, Incorporation of Council resolutions regarding Provincial Treasury comments, Revenue adjustments and Expenditure adjustments.

4. REVENUE ADJUSTMENTS

The total adjusted operating revenue is now projected at R411.008 million (upwards from R403.041 million)

Mr Speaker, this increase is mainly due to:

- Increase in property rates due to interim valuation roll R1,6 million.
- Additional grants and subsidies R2,6 million
- Increase on License and permits R293 Thousand



- Reduction on Fines and Penalties R344 Thousand
- Increase on Service charges R1,5 million
- Other revenue R2,051 million

We have received confirmation of grant rollovers under Municipal Infrastructure Grant (MIG): with an additional amount of R10,2 million

The approval for rollover application of Malengeni Bridge has ensured that this project will be completed in the current financial year.

5. EXPENDITURE ADJUSTMENTS

Operating expenditure has been adjusted upward to R466,5 million

Members of Council, key expenditure adjustments include:

Reduction in non-core contractual services, Employee related costs increase R19.9 million, Remuneration of councillors decrease by R1 million, Contracted services decrease of R4,2 million, Depreciation increased by R1.2 million, Other expenditure increased by R905 743,00 and Freeze on non-critical vacant posts.

We need to deliberately increase repairs and maintenance to 8% of operating expenditure to protect our infrastructure assets and improve service reliability.

6. CAPITAL BUDGET ADJUSTMENTS

The adjusted capital budget is now R89,5 million from R80,9 million original budget

MIG Expenditure 58%, Disaster Grant 49%, INEP 94% and Own Funding 25%

There were no capital reallocations. Included in the capital budget:

- Yellow plant to be procured
- Service delivery and Pool Vehicles
- Internal roads rehabilitation.
- Community hall refurbishments.



7. CASH FLOW AND FINANCIAL POSITION

The municipality remains cash-backed and solvent, although collection rates remain a key risk. We have strengthened Cash and cash coverage is at 4 months (R163 million), Current ratio 4:1

Repair and maintenance expenditure is 56% of the budget (R11,3 million), Revenue enhancement strategies, Indigent register verification, Debt collection processes and Credit control enforcement.

8. GOVERNANCE AND OVERSIGHT MATTERS

The Provincial Treasury's comments during the MFMA S72 performance assessment engagements has commented particularly on:

- Unfunded mandates
- Long-outstanding irregular expenditure
- Need for improved supply chain compliance
- UIFWE reporting accuracy
- Awards made to service providers in the service of the state

This Adjustment Budget incorporates those recommendations, including:

- Strengthened consequence management implementation
- Reduction in deviations
- Improved budget alignment with actual performance
- Enhanced monitoring of conditional grants

Mr Speaker, Umdoni Municipality operates in a constrained local economy with high unemployment and limited growth. Strictness alone cannot fix structural revenue weakness. This Council must collectively commit to fiscal discipline, implement strict cost containment measures in order to maintain financial stability in this institution and strongly decrease the current deficit. Further more Mr Speaker, this Council must work towards instilling political stability, strengthened oversight and ensure revenue protection.



Our unqualified audit opinion with findings must improve further and that requires consistency and accountability. We reaffirm Council's commitment to clean governance and stability in administration.

9. SERVICE DELIVERY FOCUS

Members of Council, despite financial pressures, this Adjustment Budget protects critical services which include Waste management services, Road maintenance in all wards, Job creation through EPWP.

We remain committed to ensuring that no community in Umdoni is left behind.

10. CONCLUSION

Honourable Councillors, this Adjustment Budget is a disciplined, responsible response to our current realities. It maintains financial sustainability while addressing service delivery needs. It reflects prudent leadership. It incorporates oversight recommendations. It protects infrastructure investment. It strengthens governance.

We therefore table the 2025/2026 Adjustment Budget for approval by Council.

I thank you.

Councillor MJ Cele-Luthuli

Mayor of Umdoni Municipality



2.3 EXECUTIVE SUMMARY

The municipality's service delivery priorities were reviewed as part of this year's planning and budget preparation process. Where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on non-core and 'nice to have' 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 but extensively to contain the spending.

The Mid-Year Budget and Performance assessment report of January 2026 and its SDBIP were used to review whether we have spent and collected accordingly and whether we have implemented the approved programmes.

The municipality could not cut or reduce budget deficit due to the below mentioned expenditures that could not be avoided however the municipality will maintain the cost containment policy to ensure that the deficit does not become worse. The main factors that contributed to the continuity of this deficit are mainly;

employee related costs; all Senior managers were under paid therefore the municipality decided to compensate all of them with the backpay for all the months they were paid using lower limits, in addition to that there was a backpay that was paid to the Human Resources Manager who recently returned to work and was suspended without pay. These adjustments include the an acting allowance for the Municipal Manager who is also getting paid and was budgeted for. The municipality also funded critical posts in different departments which are currently having people acting on them. In the previous financial years there were salary discrepancies which was no not fair to the municipal staff to rectify that the an upward adjustment was also provided for this salary equalization. An adjustment was also provided to cover for backpay that was paid to library staff Cyber cadet who were under paid.

Legal costs; The municipality also had to budget for the legal advise and litigation costs there is also a budget shortfall for this item since there is a number of pending legal cases the municipality had to provide more for this item.

Enhancement of the financial management system; The has started last year to change the financial system to a better financial system that will generate financial reports with minimum errors, so that we don't explain every time about the data strings that are not pulling.



UMDONI MUNICIPALITY

ADJUSTMENT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

2.4 ADJUSTMENTS BUDGET TABLES

Choose name from list - Table B1 Adjustments Budget Summary -

Description	Budget Year 2025/26								Budget Year +1 2026/27	Budget Year +2 2027/28	
	Original Budget A	Prior Adjusted 1 A1	Accum. Funds 2 B	Multi-year capital 3 C	Unfore. Unavoid. 4 D	Nat. or Prov. Govt 5 E	Other Adjusts. 6 F	Total Adjusts. 7 G	Adjusted Budget 8 H	Adjusted Budget	
R thousands											
Financial Performance											
Property rates	137 803	—	—	—	—	—	1 679	1 679	139 482	143 644	147 235
Service charges	14 136	—	—	—	—	—	1 593	1 593	15 728	20 976	21 501
Investment revenue	13 000	—	—	—	—	—	—	—	13 000	13 998	13 938
Transfers recognised - operational	200 570	—	2 300	—	—	—	308	2 608	203 178	202 308	207 272
Other own revenue	37 532	—	—	—	—	—	2 087	2 087	39 620	41 603	42 783
Total Revenue (excluding capital transfers and contributions)	403 041	—	2 300	—	—	—	5 667	7 967	411 008	422 129	432 729
Employee costs	177 968	—	3 144	—	—	—	16 799	19 943	197 911	184 954	189 682
Remuneration of councillors	18 539	—	—	—	—	—	(1 000)	(1 000)	17 539	19 392	19 877
Depreciation & asset impairment	50 197	—	2 319	—	—	—	(1 119)	1 200	51 397	52 506	53 712
Finance charges	2 367	—	—	—	—	—	—	—	2 367	2 476	2 538
Inventory consumed and bulk purchases	7 500	—	—	—	—	—	250	250	7 750	7 950	8 149
Transfers and subsidies	4 769	—	—	—	—	—	518	518	5 286	2 980	3 054
Other expenditure	187 602	—	17 275	—	—	—	(20 599)	(3 324)	184 278	217 155	213 866
Total Expenditure	448 943	—	22 738	—	—	—	(5 151)	17 587	466 530	487 413	490 879
Surplus/(Deficit)	(45 901)	—	(20 438)	—	—	—	10 818	(9 620)	(55 522)	(65 284)	(58 150)
Transfers and subsidies - capital (monetary allocations)	36 462	—	10 278	—	—	—	—	10 278	46 740	38 303	39 950
Transfers and subsidies - capital (in-kind - all)	—	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions	(9 440)	—	(10 160)	—	—	—	10 818	658	(8 782)	(26 981)	(18 199)
Share of surplus/ (deficit) of associate	—	—	—	—	—	—	—	—	—	—	—
Surplus/ (Deficit) for the year	(9 440)	—	(10 160)	—	—	—	10 818	658	(8 782)	(26 981)	(18 199)
Capital expenditure & funds sources											
Capital expenditure	80 919	—	9 285	—	—	—	(695)	8 591	89 509	49 716	51 848
Transfers recognised - capital	31 706	—	8 937	—	—	—	—	8 937	40 643	49 629	51 848
Borrowing	—	—	—	—	—	—	—	—	—	—	—
Internally generated funds	49 213	—	348	—	—	—	(695)	(347)	48 866	87	0
Total sources of capital funds	80 919	—	9 285	—	—	—	(695)	8 591	89 509	49 716	51 848
Financial position											
Total current assets	317 804	—	(8 981)	—	—	—	(49 662)	(58 643)	259 161	237 497	226 885
Total non current assets	725 484	—	9 285	—	—	—	(1 013)	8 272	733 756	726 883	732 847
Total current liabilities	189 199	—	—	—	—	—	430	430	189 630	187 445	195 539
Total non current liabilities	58 035	—	—	—	—	—	(5 763)	(5 763)	52 272	58 035	64 062
Community wealth/Equity	795 944	—	(10 160)	—	—	—	(34 769)	(44 929)	751 015	664 938	663 734
Cash flows											
Net cash from (used) operating	14 760	—	—	—	—	—	(14 336)	(14 336)	423	(27 763)	(19 163)
Net cash from (used) investing	(88 057)	—	(10 328)	—	—	—	(4 551)	(14 879)	(102 936)	(57 174)	(59 625)
Net cash from (used) financing	—	—	—	—	—	—	—	—	—	—	—
Cash/cash equivalents at the year end	144 813	—	(10 328)	—	—	—	(18 887)	(29 215)	115 597	30 660	(48 128)
Cash backing/surplus reconciliation											
Cash and investments available	260 452	—	(10 328)	—	—	—	(50 180)	(60 508)	199 944	171 388	153 676
Application of cash and investments	93 643	—	(1 347)	—	—	—	15 829	14 481	108 125	92 199	84 056
Balance - surplus (shortfall)	166 808	—	(8 981)	—	—	—	(66 009)	(74 990)	91 819	79 189	69 620
Asset Management											
Asset register summary (WDV)	608 676	—	9 285	—	—	—	(1 013)	8 272	616 948	560 446	514 562
Depreciation	41 894	—	2 319	—	—	—	(1 119)	1 200	43 094	43 821	44 810
Renewal and Upgrading of Existing Assets	29 639	—	—	—	—	—	841	841	30 480	8 492	8 410
Repairs and Maintenance	44 389	—	—	—	—	—	(1 249)	(1 249)	43 139	54 372	46 112
Free services											
Cost of Free Basic Services provided	773	—	—	—	—	—	(153)	(153)	620	808	829
Revenue cost of free services provided	20 715	—	—	—	—	—	(94)	(94)	20 621	21 708	22 251
Households below minimum service level											
Water:	—	—	—	—	—	—	—	—	—	—	—
Sanitation/sewerage:	—	—	—	—	—	—	—	—	—	—	—
Energy:	—	—	—	—	—	—	—	—	—	—	—
Refuse:	—	—	—	—	—	—	—	—	—	—	—



UMDONI MUNICIPALITY

ADJUSTMENT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

Choose name from list - Table B2 Adjustments Budget Financial Performance (functional classification) -

Standard Description	Ref	Budget Year 2025/26									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2026/27 Adjusted Budget	+2 2027/28 Adjusted Budget
R thousands	1, 4	A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
Revenue - Functional												
Governance and administration		357 087	–	–	–	–	–	3 730	3 730	360 817	364 083	376 895
Executive and council		182 785	–	–	–	–	–	5	5	182 790	182 153	190 372
Finance and administration		174 302	–	–	–	–	–	3 725	3 725	178 027	181 930	186 524
Internal audit		–	–	–	–	–	–	–	–	–	–	–
Community and public safety		12 328	–	12 578	–	–	–	329	12 907	25 236	12 770	13 349
Community and social services		11 777	–	12 578	–	–	–	260	12 838	24 615	12 194	12 758
Sport and recreation		513	–	–	–	–	–	70	70	583	537	551
Public safety		–	–	–	–	–	–	–	–	–	–	–
Housing		38	–	–	–	–	–	–	–	38	39	40
Health		–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		54 114	–	–	–	–	–	(48)	(48)	54 066	60 681	58 965
Planning and development		3 931	–	–	–	–	–	25	25	3 956	571	585
Road transport		50 184	–	–	–	–	–	(73)	(73)	50 110	60 110	58 380
Environmental protection		–	–	–	–	–	–	–	–	–	–	–
Trading services		15 973	–	–	–	–	–	1 656	1 656	17 628	22 898	23 470
Energy sources		–	–	–	–	–	–	–	–	–	–	–
Water management		–	–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–	–
Waste management		15 973	–	–	–	–	–	1 656	1 656	17 628	22 898	23 470
Other		–	–	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	439 503	–	12 578	–	–	–	5 667	18 245	457 748	460 432	472 679
Expenditure - Functional												
Governance and administration		211 029	–	16 765	–	–	–	(4 902)	11 863	222 892	225 846	231 168
Executive and council		48 130	–	2 177	–	–	–	4 818	6 995	55 125	51 011	51 927
Finance and administration		160 719	–	14 588	–	–	–	(9 393)	5 194	165 914	172 554	176 904
Internal audit		2 180	–	–	–	–	–	(327)	(327)	1 853	2 280	2 337
Community and public safety		76 515	–	4 676	–	–	–	(334)	4 341	80 856	81 848	84 012
Community and social services		30 189	–	2 376	–	–	–	(1 043)	1 333	31 522	32 236	33 159
Sport and recreation		36 601	–	–	–	–	–	310	310	36 911	39 285	40 267
Public safety		6 512	–	–	–	–	–	193	193	6 705	6 854	7 026
Housing		3 213	–	2 300	–	–	–	206	2 506	5 719	3 473	3 560
Health		–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		119 226	–	1 298	–	–	–	3 700	4 998	124 225	125 698	124 428
Planning and development		21 855	–	1 082	–	–	–	1 396	2 478	24 333	19 359	20 915
Road transport		97 371	–	216	–	–	–	2 304	2 520	99 891	106 339	103 513
Environmental protection		–	–	–	–	–	–	–	–	–	–	–
Trading services		42 172	–	–	–	–	–	(3 615)	(3 615)	38 557	54 020	51 271
Energy sources		3 400	–	–	–	–	–	(500)	(500)	2 900	7 556	3 645
Water management		–	–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–	–	0
Waste management		38 772	–	–	–	–	–	(3 115)	(3 115)	35 657	46 464	47 626
Other		–	–	–	–	–	–	–	–	–	–	–
Total Expenditure - Functional	3	448 943	–	22 738	–	–	–	(5 151)	17 587	466 530	487 413	490 879
Surplus/ (Deficit) for the year		(9 440)	–	(10 160)	–	–	–	10 818	658	(8 782)	(26 981)	(18 199)



UMDONI MUNICIPALITY

ADJUSTMENT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

Choose name from list - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) -

Vote Description <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfore. Unavoid. 6	Nat. or Prov. Govt 7	Other Adjus. 8	Total Adjus. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
Revenue by Vote	1											
Vote 1 - Community Services		20 695	-	10 278	-	-	-	256	10 534	31 230	21 522	22 320
Vote 2 - Corporate Services		7 931	-	-	-	-	-	-	-	7 931	8 296	8 503
Vote 3 - Technical Services		58 562	-	2 300	-	-	-	1 503	3 803	62 365	75 064	73 708
Vote 4 - FINANCIAL SERVICES		166 371	-	-	-	-	-	3 725	3 725	170 096	173 635	178 021
Vote 5 - MUNICIPAL MANAGER		182 012	-	-	-	-	-	158	158	182 170	181 345	189 543
Vote 6 - Planning And Development		3 931	-	-	-	-	-	25	25	3 956	571	585
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	439 503	-	12 578	-	-	-	5 667	18 245	457 748	460 432	472 679
Expenditure by Vote	1											
Vote 1 - Community Services		121 220	-	2 376	-	-	-	(1 368)	1 007	122 227	130 421	133 777
Vote 2 - Corporate Services		81 545	-	966	-	-	-	621	1 586	83 132	87 523	89 808
Vote 3 - Technical Services		122 239	-	2 516	-	-	-	(731)	1 785	124 024	141 821	135 782
Vote 4 - FINANCIAL SERVICES		52 799	-	13 622	-	-	-	(9 927)	3 695	56 494	55 585	56 935
Vote 5 - MUNICIPAL MANAGER		51 924	-	2 177	-	-	-	4 491	6 668	58 593	54 980	55 995
Vote 6 - Planning And Development		19 214	-	1 082	-	-	-	1 764	2 846	22 060	17 083	18 582
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	448 943	-	22 738	-	-	-	(5 151)	17 587	466 530	487 413	490 879
Surplus/ (Deficit) for the year	2	(9 440)	-	(10 160)	-	-	-	10 818	658	(8 782)	(26 981)	(18 199)



UMDONI MUNICIPALITY

ADJUSTMENT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

Choose name from list - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Ref	Budget Year 2025/26									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2026/27 Adjusted Budget	+2 2027/28 Adjusted Budget
R thousands	1	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Revenue By Source												
Exchange Revenue												
Service charges - Electricity	2	-	-	-	-	-	-	-	-	-	-	0
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	2	14 136	-	-	-	-	-	1 593	1 593	15 728	20 976	21 501
Sale of Goods and Rendering of Services		7 761	-	-	-	-	-	52	52	7 814	10 463	10 865
Agency services		2 247	-	-	-	-	-	-	-	2 247	2 350	2 409
Interest		-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		1 837	-	-	-	-	-	63	63	1 900	1 921	1 969
Interest earned from Current and Non Current Assets		13 000	-	-	-	-	-	-	-	13 000	13 598	13 938
Dividends		-	-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		7 644	-	-	-	-	-	(24)	(24)	7 620	7 995	8 195
Special rating levies												
Licence and permits		10	-	-	-	-	-	-	-	10	10	11
Operational Revenue		501	-	-	-	-	-	2 051	2 051	2 552	524	537
Non-Exchange Revenue												
Property rates	2	137 803	-	-	-	-	-	1 679	1 679	139 482	143 644	147 235
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1 603	-	-	-	-	-	(344)	(344)	1 258	1 677	1 718
Licences or permits		3 272	-	-	-	-	-	293	293	3 565	3 423	3 507
Transfer and subsidies - Operational		200 570	-	2 300	-	-	-	308	2 608	203 178	202 308	207 272
Interest		12 658	-	-	-	-	-	(3)	(3)	12 654	13 240	13 571
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		403 041		2 300				5 667	7 967	411 008	422 129	432 729
Expenditure By Type												
Employee related costs		177 968	-	3 144	-	-	-	16 799	19 943	197 911	184 954	189 682
Remuneration of councillors		18 539	-	-	-	-	-	(1 000)	(1 000)	17 539	19 392	19 877
Bulk purchases - electricity		-	-	-	-	-	-	-	-	-	-	-
Inventory consumed		7 500	-	-	-	-	-	250	250	7 750	7 950	8 149
Debt impairment		7 280	-	-	-	-	-	-	-	7 280	7 615	7 805
Depreciation and amortisation		42 917	-	2 319	-	-	-	(1 119)	1 200	44 117	44 891	45 907
Interest		2 367	-	-	-	-	-	-	-	2 367	2 476	2 538
Contracted services		120 965	-	11 602	-	-	-	(15 832)	(4 230)	116 735	146 418	141 607
Transfers and subsidies		4 769	-	-	-	-	-	518	518	5 286	2 980	3 054
Irrecoverable debts written off		-	-	-	-	-	-	-	-	-	-	0
Operational costs		66 637	-	5 673	-	-	-	(4 767)	906	67 542	70 737	72 259
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		448 943		22 738				(5 151)	17 587	466 530	487 413	490 879
Surplus/(Deficit)		(45 901)		(20 438)				10 818	(9 620)	(55 522)	(65 284)	(58 150)
Transfers and subsidies - capital (monetary allocations)		36 462	-	10 278	-	-	-	-	10 278	46 740	38 303	39 950
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) before taxation		(9 440)		(10 160)				10 818	658	(8 782)	(26 981)	(18 199)
Income Tax		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		(9 440)		(10 160)				10 818	658	(8 782)	(26 981)	(18 199)
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(9 440)		(10 160)				10 818	658	(8 782)	(26 981)	(18 199)
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	1	(9 440)		(10 160)				10 818	658	(8 782)	(26 981)	(18 199)



UMDONI MUNICIPALITY

ADJUSTMENT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

Choose name from list - Table B5 Adjustments Capital Expenditure Budget by vote and funding -

Description	Ref	Budget Year 2025/26									Budget Year	Budget Year	
		Original Budget A	Prior Adjusted 5 A1	Accum. Funds 6 B	Multi-year capital 7 C	Unfore. Unavoid. 8 D	Nat. or Prov. Govt 9 E	Other Adjusts. 10 F	Total Adjusts. 11 G	Adjusted Budget 12 H	Adjusted Budget	Adjusted Budget	
R thousands													
Capital expenditure - Vote													
Multi-year expenditure to be adjusted	2												
Vote 1 - Community Services		4 170	-	-	-	-	-	-	-	-	4 170	-	0
Vote 2 - Corporate Services		18 652	-	-	-	-	-	-	(304)	(304)	18 348	-	-
Vote 3 - Technical Services		56 923	-	-	-	-	-	-	(390)	(390)	56 533	49 629	51 848
Vote 4 - FINANCIAL SERVICES		130	-	-	-	-	-	-	-	-	130	-	-
Vote 5 - MUNICIPAL MANAGER		87	-	-	-	-	-	-	-	-	87	-	-
Vote 6 - Planning And Development		957	-	-	-	-	-	-	-	-	957	87	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	3	80 919	-	-	-	-	-	-	(695)	(695)	80 224	49 716	51 848
Single-year expenditure to be adjusted	2												
Vote 1 - Community Services		-	-	8 981	-	-	-	-	-	8 981	8 981	-	-
Vote 2 - Corporate Services		-	-	304	-	-	-	-	-	304	304	-	-
Vote 3 - Technical Services		-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Planning And Development		-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		-	-	9 285	-	-	-	-	-	9 285	9 285	-	-
Total Capital Expenditure - Vote		80 919	-	9 285	-	-	-	-	(695)	8 591	89 509	49 716	51 848
Capital Expenditure - Functional													
Governance and administration		18 900	-	304	-	-	-	-	(304)	0	18 900	-	-
Executive and council		87	-	-	-	-	-	-	-	-	87	-	-
Finance and administration		18 813	-	304	-	-	-	-	(304)	0	18 813	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety		18 674	-	8 981	-	-	-	-	(924)	8 056	26 731	7 830	7 750
Community and social services		15 935	-	8 981	-	-	-	-	(924)	8 056	23 991	7 830	7 750
Sport and recreation		2 739	-	-	-	-	-	-	-	-	2 739	-	0
Public safety		-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		40 736	-	-	-	-	-	-	924	924	41 660	41 886	44 098
Planning and development		957	-	-	-	-	-	-	-	-	957	87	-
Road transport		39 779	-	-	-	-	-	-	924	924	40 704	41 799	44 098
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-
Trading services		2 609	-	-	-	-	-	-	(390)	(390)	2 218	-	0
Energy sources		-	-	-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-
Waste management		2 609	-	-	-	-	-	-	(390)	(390)	2 218	-	0
Other		-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	80 919	-	9 285	-	-	-	-	(695)	8 591	89 509	49 716	51 848
Funded by:													
National Government		30 836	-	8 937	-	-	-	-	-	8 937	39 774	49 629	51 848
Provincial Government		870	-	-	-	-	-	-	-	-	870	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	31 706	-	8 937	-	-	-	-	-	8 937	40 643	49 629	51 848
Borrowing		-	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		49 213	-	348	-	-	-	-	(695)	(347)	48 866	87	0
Total Capital Funding		80 919	-	9 285	-	-	-	-	(695)	8 591	89 509	49 716	51 848



UMDONI MUNICIPALITY

ADJUSTMENT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

Choose name from list - Table B6 Adjustments Budget Financial Position -

Description	Ref	Budget Year 2025/26									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjus.	Adjusted Budget	+1 2026/27 Adjusted Budget	+2 2027/28 Adjusted Budget
		A	A1	B	C	D	E	F	G	H		
R thousands												
ASSETS												
Current assets												
Cash and cash equivalents		144 813	-	(10 328)	-	-	-	(22 333)	(32 661)	112 151	55 749	8 984
Trade and other receivables from exchange transactions	1	29 758	-	-	-	-	-	(2 922)	(2 922)	26 836	33 026	39 763
Receivables from non-exchange transactions	1	115 639	-	-	-	-	-	(27 847)	(27 847)	87 792	115 639	144 692
Current portion of non-current receivables	2	-	-	-	-	-	-	-	-	-	-	-
Inventory		-	-	-	-	-	-	5 391	5 391	5 391	5 754	5 898
VAT		26 806	-	1 347	-	-	-	(1 751)	(404)	26 402	26 540	26 550
Other current assets		789	-	-	-	-	-	(200)	(200)	588	789	998
Total current assets		317 804	-	(8 981)	-	-	-	(49 662)	(58 643)	259 161	237 497	226 885
Non current assets												
Investments		-	-	-	-	-	-	-	-	-	-	-
Investment property		6 815	-	-	-	-	-	-	-	6 815	6 441	6 059
Property, plant and equipment	3	718 427	-	9 285	-	-	-	(1 013)	8 272	726 699	720 248	726 643
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Living and non-living resources		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		261	-	-	-	-	-	-	-	261	261	261
Intangible assets		(19)	-	-	-	-	-	-	-	(19)	(67)	(116)
Trade and other receivables from exchange transactions		-	-	-	-	-	-	-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-	-	-	-	-	-	-
Other non-current assets		-	-	-	-	-	-	-	-	-	-	-
Total non current assets		725 484	-	9 285	-	-	-	(1 013)	8 272	733 756	726 883	732 847
TOTAL ASSETS		1 043 289	-	304	-	-	-	(50 676)	(50 371)	992 917	964 380	959 733
LIABILITIES												
Current liabilities												
Bank overdraft		-	-	-	-	-	-	-	-	-	-	-
Financial liabilities		301	-	-	-	-	-	-	-	301	301	301
Consumer deposits		2 526	-	-	-	-	-	-	-	2 526	2 526	2 526
Trade and other payables from exchange transactions		171 470	-	-	-	-	-	(2 914)	(2 914)	168 557	169 606	178 512
Trade and other payables from non-exchange transactions		3 255	-	-	-	-	-	3 680	3 680	6 935	3 255	1 791
Provisions		3 339	-	-	-	-	-	-	-	3 339	3 339	3 339
VAT		8 307	-	-	-	-	-	(336)	(336)	7 971	8 417	9 069
Other current liabilities		-	-	-	-	-	-	-	-	-	-	-
Total current liabilities		189 199	-	-	-	-	-	430	430	189 630	187 445	195 539
Non current liabilities												
Borrowing	1	65	-	-	-	-	-	-	-	65	65	65
Provisions	1	26 763	-	-	-	-	-	(1 485)	(1 485)	25 278	26 763	28 316
Long term portion of trade payables		-	-	-	-	-	-	-	-	-	-	-
Other non-current liabilities		31 207	-	-	-	-	-	(4 278)	(4 278)	26 930	31 207	35 681
Total non current liabilities		58 035	-	-	-	-	-	(5 763)	(5 763)	52 272	58 035	64 062
TOTAL LIABILITIES		247 235	-	-	-	-	-	(5 333)	(5 333)	241 902	245 480	259 600
NET ASSETS	2	796 054	-	304	-	-	-	(45 343)	(45 039)	751 015	718 900	700 132
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		792 581	-	(10 160)	-	-	-	(34 769)	(44 929)	747 652	661 574	660 370
Funds and Reserves		3 363	-	-	-	-	-	-	-	3 363	3 363	3 363
Other		-	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY		795 944	-	(10 160)	-	-	-	(34 769)	(44 929)	751 015	664 938	663 734



UMDONI MUNICIPALITY

ADJUSTMENT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

Choose name from list - Table B7 Adjustments Budget Cash Flows -

Description	Ref	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfore. Unavoid. 6	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates		117 132	-	-	-	-	-	(19 194)	(19 194)	97 938	100 389	102 899
Service charges		13 818	-	-	-	-	-	844	844	14 662	19 574	20 064
Other revenue		60 655	-	-	-	-	-	18 369	18 369	79 024	68 886	69 632
Transfers and Subsidies - Operational	1	200 570	-	-	-	-	-	2 608	2 608	203 178	202 308	207 272
Transfers and Subsidies - Capital	1	35 462	-	-	-	-	-	-	-	35 462	38 303	39 950
Interest		13 000	-	-	-	-	-	1 900	1 900	14 900	15 519	15 907
Dividends		-	-	-	-	-	-	-	-	-	-	-
Payments												
Suppliers and employees		(419 729)	-	-	-	-	-	(22 644)	(22 644)	(442 373)	(470 267)	(472 349)
Finance charges		-	-	-	-	-	-	(2 367)	(2 367)	(2 367)	(2 476)	(2 538)
Transfers and Subsidies	1	(6 149)	-	-	-	-	-	6 149	6 149	-	-	(0)
NET CASH FROM/(USED) OPERATING ACTIVITIES		14 760	-	-	-	-	-	(14 336)	(14 336)	423	(27 763)	(19 163)
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	-
Payments												
Capital assets		(88 057)	-	(10 328)	-	-	-	(4 551)	(14 879)	(102 936)	(57 174)	(59 625)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(88 057)	-	(10 328)	-	-	-	(4 551)	(14 879)	(102 936)	(57 174)	(59 625)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans		-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-	-
Payments												
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		(73 297)	-	(10 328)	-	-	-	(18 887)	(29 215)	(102 513)	(84 937)	(78 788)
Cash/cash equivalents at the year begin:	2	218 110	-	-	-	-	-	-	-	218 110	115 597	30 660
Cash/cash equivalents at the year end:	2	144 813	-	(10 328)	-	-	-	(18 887)	(29 215)	115 597	30 660	(48 128)



UMDONI MUNICIPALITY

ADJUSTMENT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

Choose name from list - Table B8 Cash backed reserves/accumulated surplus reconciliation -

Description	Ref	Budget Year 2025/26									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or Prov.	Other	Total	Adjusted	+1 2026/27	+2 2027/28
		Budget	Adjusted	Funds	capital	Unavoid.	Govt	Adjusts.	Adjusts.	Budget	Adjusted	Adjusted
R thousands		A	A1	B	C	D	E	F	G	H		
Cash and investments available												
Cash/cash equivalents at the year end	1	144 813	-	(10 328)	-	-	-	(18 887)	(29 215)	115 597	30 660	(48 128)
Other current investments > 90 days		115 639	-	-	-	-	-	(31 293)	(31 293)	84 346	140 728	201 804
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		260 452	-	(10 328)	-	-	-	(50 180)	(60 508)	199 944	171 388	153 676
Applications of cash and investments												
Unspent conditional transfers		5 935	-	-	-	-	-	1 000	1 000	6 935	3 255	1 791
Unspent borrowing		-	-	-	-	-	-	-	-	-	-	-
Statutory requirements		(18 499)	-	(1 347)	-	-	-	1 415	68	(18 431)	(18 123)	(17 481)
Other working capital requirements	2	99 504	-	-	-	-	-	13 414	13 414	112 918	100 364	93 044
Other provisions		3 339	-	-	-	-	-	-	-	3 339	3 339	3 339
Long term investments committed		-	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments		3 363	-	-	-	-	-	-	-	3 363	3 363	3 363
Total Application of cash and investments:		93 643	-	(1 347)	-	-	-	15 829	14 481	108 125	92 199	84 056
Surplus(shortfall)		166 808	-	(8 981)	-	-	-	(66 009)	(74 990)	91 819	79 189	69 620



UMDONI MUNICIPALITY

ADJUSTMENT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

Choose name from list - Table B9 Asset Management -

Description	Ref	Budget Year 2025/26									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2026/27	+2 2027/28
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H	Adjusted Budget	Adjusted Budget
R thousands												
CAPITAL EXPENDITURE												
Total New Assets to be adjusted	1	51 280	-	9 285	-	-	-	(1 536)	7 750	59 030	41 224	43 438
Roads Infrastructure		15 217	-	-	-	-	-	(4)	(4)	15 213	25 477	26 566
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		15 217	-	-	-	-	-	(4)	(4)	15 213	25 477	26 566
Community Facilities		8 589	-	-	-	-	-	(837)	(837)	7 752	15 660	16 872
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Community Assets		8 589	-	-	-	-	-	(837)	(837)	7 752	15 660	16 872
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		1 052	-	-	-	-	-	-	-	1 052	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets	6	1 052	-	-	-	-	-	-	-	1 052	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-



UMDONI MUNICIPALITY

ADJUSTMENT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

Computer Equipment		391	-	-	-	-	-	87	87	478	-	-
Furniture and Office Equipment		1 791	-	304	-	-	-	(391)	(87)	1 704	87	-
Machinery and Equipment		5 283	-	8 981	-	-	-	(390)	8 591	13 873	-	0
Transport Assets		18 957	-	-	-	-	-	-	-	18 957	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets to be adjusted	2	29 117	-	-	-	-	-	(650)	(650)	28 467	-	-
Roads Infrastructure		22 609	-	-	-	-	-	-	-	22 609	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		22 609	-	-	-	-	-	-	-	22 609	-	-
Community Facilities		6 508	-	-	-	-	-	(650)	(650)	5 859	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Community Assets		6 508	-	-	-	-	-	(650)	(650)	5 859	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets	6	-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-



UMDONI MUNICIPALITY

ADJUSTMENT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

Immature		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-
Total Upgrading of Existing Assets to be adjusted	2a	522	-	-	-	-	1 491	1 491	2 012	8 492	8 410	8 410
Roads Infrastructure		522	-	-	-	-	1 491	1 491	2 012	8 492	8 410	8 410
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		522	-	-	-	-	1 491	1 491	2 012	8 492	8 410	8 410
Community Facilities		-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets	6	-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure to be adjusted	4	80 919	-	9 285	-	-	(695)	8 591	89 509	49 716	51 848	51 848
Roads Infrastructure		38 347	-	-	-	-	1 487	1 487	39 834	33 969	34 976	34 976
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-



UMDONI MUNICIPALITY

ADJUSTMENT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure		38 347	-	-	-	-	-	1 487	1 487	39 834	33 969	34 976	-
Community Facilities		15 097	-	-	-	-	-	(1 487)	(1 487)	13 611	15 660	16 872	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-	-
Community Assets		15 097	-	-	-	-	-	(1 487)	(1 487)	13 611	15 660	16 872	-
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		1 052	-	-	-	-	-	-	-	1 052	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-
Other Assets		1 052	-	-	-	-	-	-	-	1 052	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		391	-	-	-	-	-	87	87	478	-	-	-
Furniture and Office Equipment		1 791	-	304	-	-	-	(391)	(87)	1 704	87	-	-
Machinery and Equipment		5 283	-	8 981	-	-	-	(390)	8 591	13 873	-	0	-
Transport Assets		18 957	-	-	-	-	-	-	-	18 957	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE to be adjusted	4	80 919	-	9 285	-	-	-	(695)	8 591	89 509	49 716	51 848	-



UMDONI MUNICIPALITY

ADJUSTMENT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

ASSET REGISTER SUMMARY - PPE (WDV)	5	608 676	-	9 285	-	-	-	(1 013)	8 272	616 948	560 446	514 562
<i>Roads Infrastructure</i>		236 431	-	8 937	-	-	-	(1 200)	7 737	244 169	221 659	206 624
<i>Storm water Infrastructure</i>		85 741	-	-	-	-	-	-	-	85 741	81 833	77 827
<i>Electrical Infrastructure</i>		(7)	-	-	-	-	-	-	-	(7)	(17)	(27)
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	0
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		12 504	-	-	-	-	-	-	-	12 504	11 916	11 314
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		334 669	-	8 937	-	-	-	(1 200)	7 737	342 407	315 392	295 738
Community Assets		142 637	-	-	-	-	-	-	-	142 637	128 983	114 988
Heritage Assets		261	-	-	-	-	-	-	-	261	261	261
Investment properties		6 815	-	-	-	-	-	-	-	6 815	6 441	6 059
Other Assets		7 005	-	-	-	-	-	881	881	7 886	2 776	(2 481)
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		(19)	-	-	-	-	-	-	-	(19)	(67)	(116)
Computer Equipment		1 256	-	-	-	-	-	87	87	1 343	(193)	(1 678)
Furniture and Office Equipment		4 977	-	304	-	-	-	(391)	(87)	4 890	4 705	4 337
Machinery and Equipment		8 330	-	43	-	-	-	(390)	(347)	7 983	6 862	5 358
Transport Assets		31 910	-	-	-	-	-	-	-	31 910	24 450	21 261
Land		70 836	-	-	-	-	-	-	-	70 836	70 836	70 836
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	608 676	-	9 285	-	-	-	(1 013)	8 272	616 948	560 446	514 562
EXPENDITURE OTHER ITEMS												
Depreciation & asset impairment		41 894	-	2 319	-	-	-	(1 119)	1 200	43 094	43 821	44 810
Repairs and Maintenance by asset class	3	44 389	-	-	-	-	-	(1 249)	(1 249)	43 139	54 372	46 112
<i>Roads Infrastructure</i>		3 140	-	-	-	-	-	-	-	3 140	3 295	3 377
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		2 500	-	-	-	-	-	(500)	(500)	2 000	6 615	2 680
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		26 000	-	-	-	-	-	-	-	26 000	29 288	24 501
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		31 640	-	-	-	-	-	(500)	(500)	31 140	39 198	30 558
Community Facilities		1 827	-	-	-	-	-	(858)	(858)	969	2 261	2 318
Sport and Recreation Facilities		846	-	-	-	-	-	(54)	(54)	792	983	1 008
Community Assets		2 673	-	-	-	-	-	(912)	(912)	1 761	3 245	3 326
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
<i>Revenue Generating</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Non-revenue Generating</i>		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
<i>Operational Buildings</i>		4 050	-	-	-	-	-	648	648	4 698	4 984	5 109
<i>Housing</i>		-	-	-	-	-	-	-	-	-	-	-
Other Assets		4 050	-	-	-	-	-	648	648	4 698	4 984	5 109
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
<i>Servitudes</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Licences and Rights</i>		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		24	-	-	-	-	-	-	-	24	25	26
Furniture and Office Equipment		29	-	-	-	-	-	(20)	(20)	9	30	31
Machinery and Equipment		2 843	-	-	-	-	-	(149)	(149)	2 694	3 242	3 323
Transport Assets		3 130	-	-	-	-	-	(316)	(316)	2 814	3 648	3 740
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	6	-	-	-	-	-	-	-	-	-	-	-
<i>Mature</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Immature</i>		-	-	-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		86 283	-	2 319	-	-	-	(2 369)	(49)	86 233	98 194	90 923
Renewal and upgrading of Existing Assets as % of total capex		36,6%	0,0%							34,1%	17,1%	16,2%
Renewal and upgrading of Existing Assets as % of deprecn"		70,7%	0,0%							70,7%	19,4%	18,8%
R&M as a % of PPE		7,3%	0,0%							7,0%	9,7%	9,0%
Renewal and upgrading and R&M as a % of PPE		12,2%	0,0%							11,9%	11,2%	10,6%



UMDONI MUNICIPALITY

ADJUSTMENT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

Choose name from list - Table B10 Basic service delivery measurement -

Description	Ref	Budget Year 2025/26									Budget Year +1 2026/27	Budget Year +2 2027/28
		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	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Household service targets	1											
Water:												
Piped water inside dwelling									-	-		
Piped water inside yard (but not in dwelling)									-	-		
Using public tap (at least min.service level)	2								-	-		
Other water supply (at least min.service level)									-	-		
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-	-	-
Using public tap (< min.service level)	3								-	-		
Other water supply (< min.service level)	3.4								-	-		
No water supply									-	-		
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:												
Flush toilet (connected to sewerage)									-	-		
Flush toilet (with septic tank)									-	-		
Chemical toilet									-	-		
Pit toilet (ventilated)									-	-		
Other toilet provisions (> min.service level)									-	-		
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-	-	-
Bucket toilet									-	-		
Other toilet provisions (< min.service level)									-	-		
No toilet provisions									-	-		
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-	-	-
Energy:												
Electricity (at least min. service level)									-	-		
Electricity - prepaid (> min.service level)									-	-		
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-	-	-



UMDONI MUNICIPALITY

ADJUSTMENT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

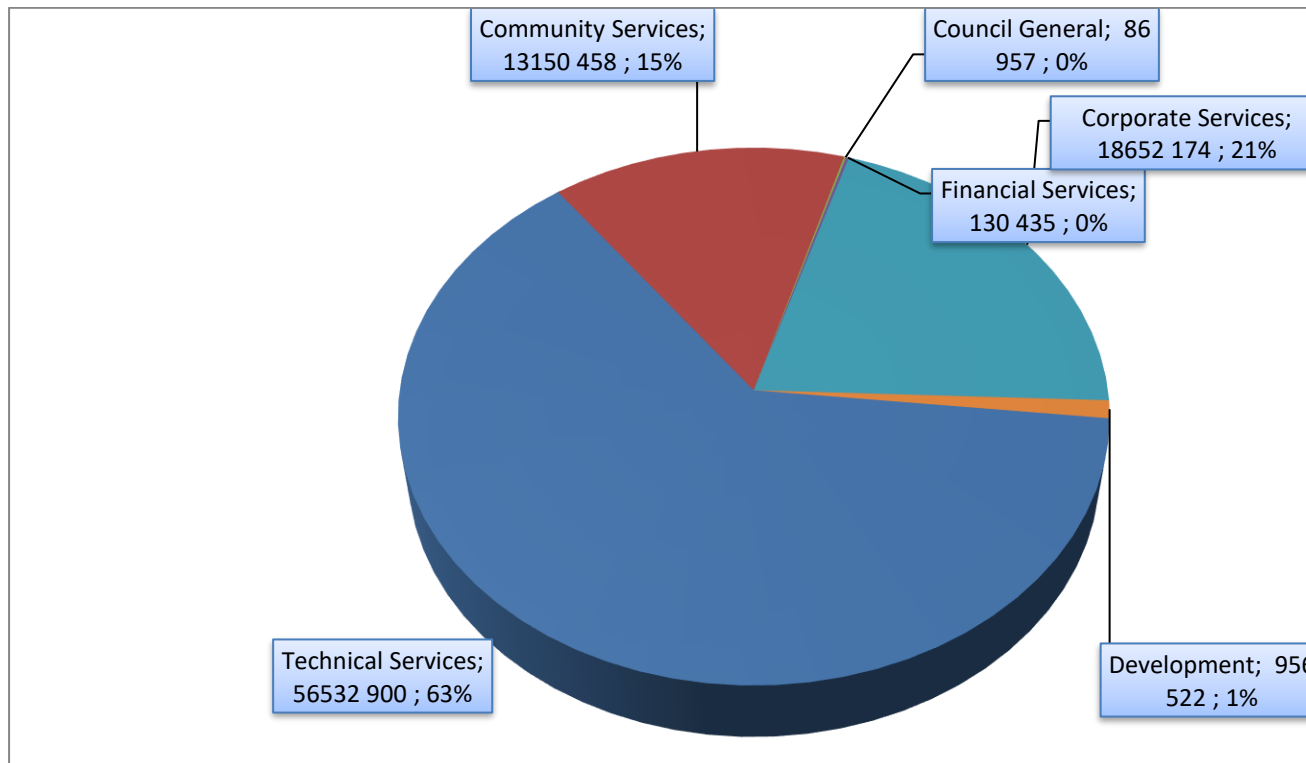
Electricity (< min.service level)									-	-				
Electricity - prepaid (< min. service level)									-	-				
Other energy sources									-	-				
<i>Below Minimum Service Level sub-total</i>									-	-				
Total number of households	5								-	-				
Refuse:														
Removed at least once a week (min.service)									-	-				
Minimum Service Level and Above sub-total									-	-				
Removed less frequently than once a week									-	-				
Using communal refuse dump									-	-				
Using own refuse dump									-	-				
Other rubbish disposal									-	-				
No rubbish disposal									-	-				
<i>Below Minimum Service Level sub-total</i>									-	-				
Total number of households	5								-	-				
Households receiving Free Basic Service	15													
Water (6 kilolitres per household per month)									-	-				
Sanitation (free minimum level service)									-	-				
Electricity/other energy (50kwh per household per month)									-	-				
Refuse (removed at least once a week)									-	-				
Informal Settlements														
Cost of Free Basic Services provided (R'000)	16													
Water (6 kilolitres per indigent household per month)									-	-				
Sanitation (free sanitation service to indigent households)									-	-				
Electricity/other energy (50kwh per indigent household per month)									-	-				
Refuse (removed once a week for indigent households)									773					
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)														
Total cost of FBS provided									773	(153)	(153)	620	808	829
Highest level of free service provided														
Property rates (R'000 value threshold)									-	-				
Water (kilolitres per household per month)									-	-				
Sanitation (kilolitres per household per month)									-	-				
Sanitation (Rand per household per month)									-	-				
Electricity (kw per household per month)									-	-				
Refuse (average litres per week)									-	-				
Revenue cost of free services provided (R'000)	17													
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)									-	-				
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)									20 715					
Water (in excess of 6 kilolitres per indigent household per month)									-	-				
Sanitation (in excess of free sanitation service to indigent households)									-	-				
Electricity/other energy (in excess of 50 kwh per indigent household per month)									-	-				
Refuse (in excess of one removal a week for indigent households)									-	-				
Municipal Housing - rental rebates									-	-				
Housing - top structure subsidies									-	-				
Other									-	-				
Total revenue cost of subsidised services provided	6								20 715	(94)	(94)	20 621	21 708	22 251



2025/2026 ADJUSTMENT BUDGET EXECUTIVE SUMMARY

2.4 OVERVIEW OF THE 2025/2026 ADJUSTMENT CAPITAL BUDGET

The Capital Expenditure has increased from R 82 918 782.62 excluding vat amounts to R 89 509 446.40 It has increased approximately by R 8 590 664 (11%).





ADJUSTMENTS PER VOTE/DEPT CLASSIFICATION

Council – No Adjustment was made.

Finance –No Adjustment was made.

Corporate Services – No Adjustment was made.

Community Services – An upward adjustment of R 8 980 893,00 allocated for Malangeni bridge funded funded by Disaster grant. This adjustment is resulting from rollover.

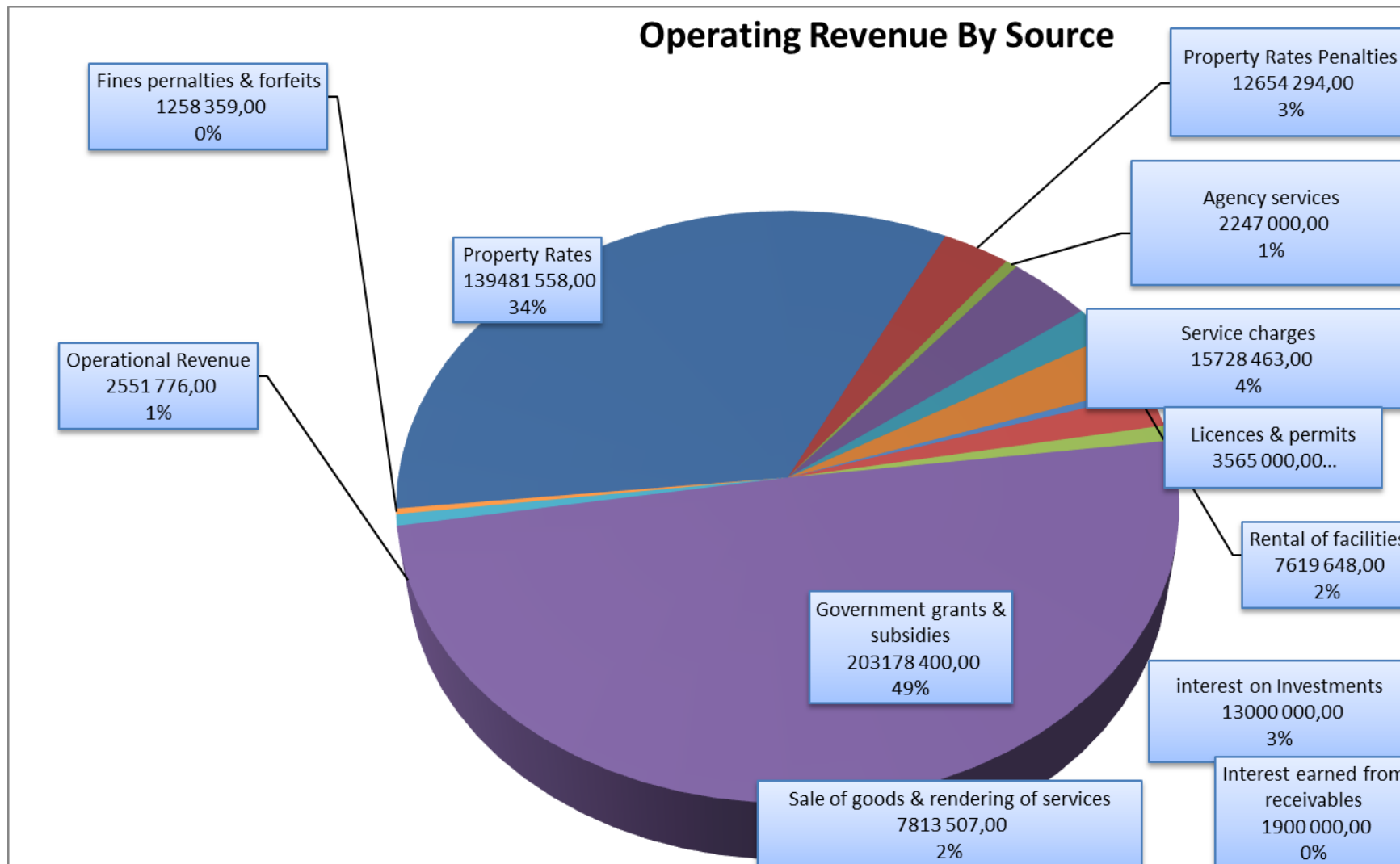
Technical Services –A downward adjustment of R390 230,00 was made in the vote allocated for the purchase of skips.

Planning and Development – No Adjustment was made.

2.5 OVERVIEW OF THE 2025/2026 ADJUSTMENT OPERATING BUDGET

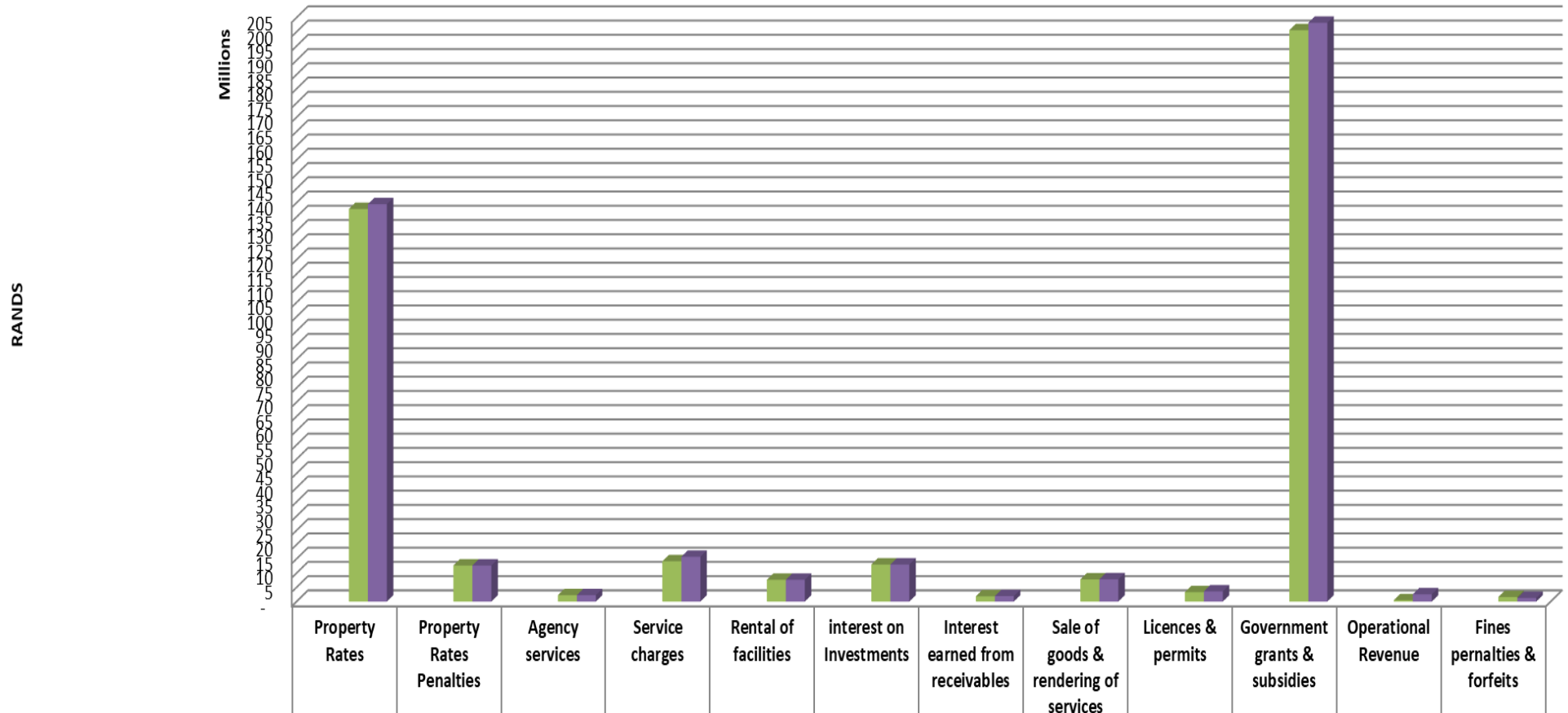
2.5.1. OPERATING INCOME

The operating income has increased from R 403 041 207,00 to R 411 008 005,00 This is an increase of R 7 966 798,00 (2%), a graphical presentation of the adjusted composition of income is shown below, together with comparatives per source of revenue:





ANALYSIS OF REVISED PERFORMANCE OF INCOME BY SOURCE



	Property Rates	Property Rates Penalties	Agency services	Service charges	Rental of facilities	interest on Investments	Interest earned from receivables	Sale of goods & rendering of services	Licences & permits	Government grants & subsidies	Operational Revenue	Fines pernalties & forfeits
■ ADJUSTMENTS BUDGET 2025/2026												
■ ADJUSTMENTS BUDGET 2025/2026												
■ 2025/2026 Original	137802 839	12657 715	2247 000	14135 769	7643 823	13000 000	1836 924	7761 243	3272 130	200570 400	500 565	1602 799
■ 2025/2026 Adjusted	139481 558	12654 294	2247 000	15728 463	7619 648	13000 000	1900 000	7813 507	3565 000	203178 400	2551 776	1258 359



UMDONI MUNICIPALITY

ADJUSTMENT BUDGET DOCUMENTATION FOR THE 2025/2026 BUDGET YEAR

Property Rates Income an adjustment has been made in this category. Adjusted upward by R1.6 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 R1.5 million due to over performance in this category in the first six month 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 R24 175,00. The downward 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 (investments revenue)No adjustment

Interest from receivables an adjustment of R 63 076,00 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 R 344 440,00 in this category due to poor performance in this first six months of the financial year.

Licenses and permits an amount of R 292 870,00 has been adjusted upward in this category. The revenue source consists of the monies collected from issuing the drivers and learner's licenses. The performance at mid-year was above 50%, this over performance is due to activities that was less that anticipated.

Sale of Goods and Rendering of Services Adjustments have been effected on this revenue item. The revenue source has been increased by R 52 264,00 taking into account the performance at mid-year. This revenue source consists of general revenue sources like building plan fees, subdivisions revenue, camp site fees and scholar patrol revenue.

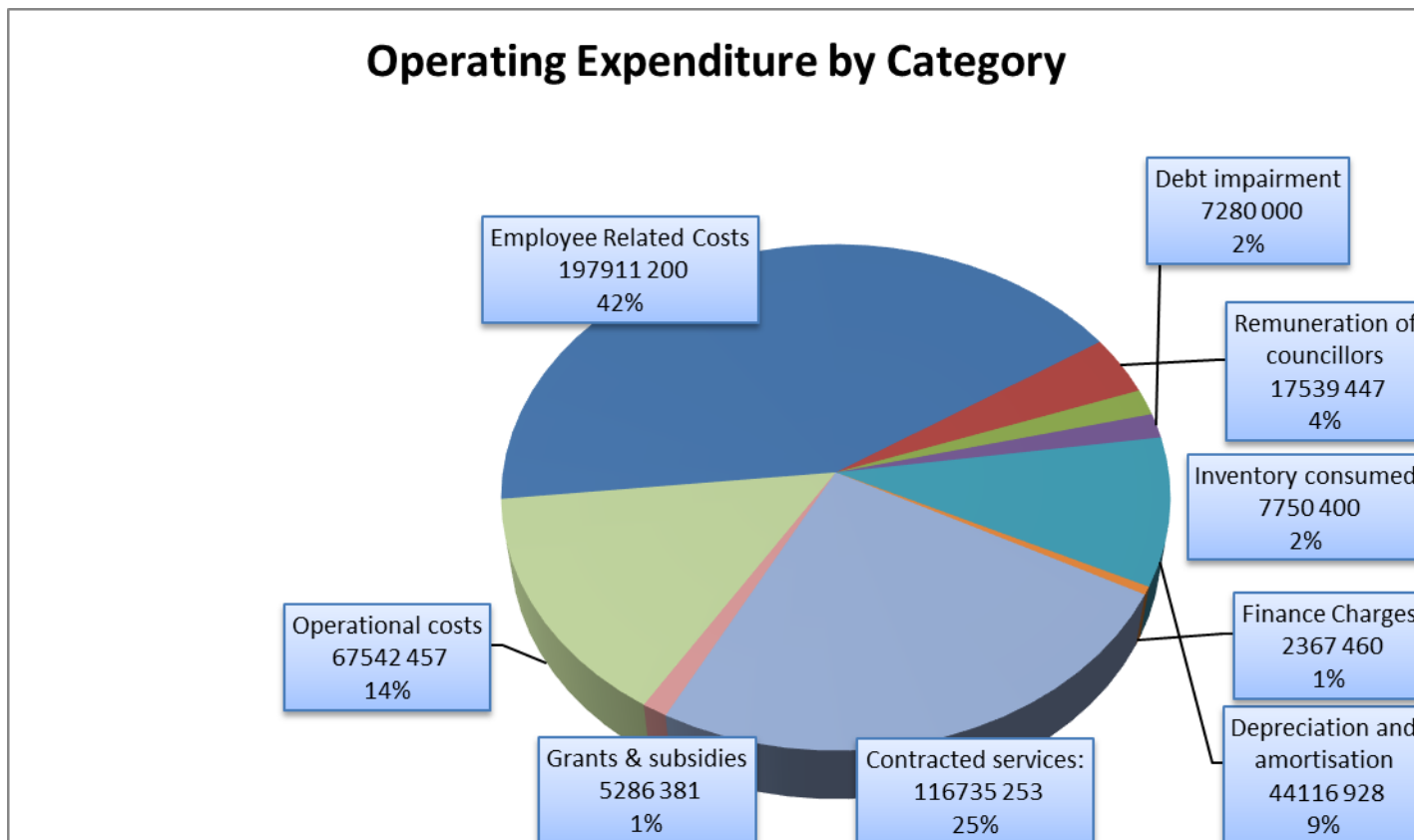
Government Grants have increased by R 308 000,00. The increase emanates from the rollover approval of the Energy efficiency and demand side management grant.

Agency Services No adjustment



2.5.2. OPERATING EXPENDITURE

Operating expenditure increased from R 448.9 million to R 466.5 million resulting in R 17.5 million (4%) increase 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 increased to R 197.9 million. Employee costs were previously budgeted at R177,9 million. The adjustments amounts to R19.9 million which is a upward adjustment.

Remuneration of Councilors R 1 million being a downward adjustment to correct an over allocation previously allocated on this line item.

Depreciation An upward adjustment of 1.2 million was effected on this line item to cover for the over performance never anticipated in the first six months.

Contracted services R4,2 million being the downward adjustment. Major portion of this variance is resulting in from the community services.

The budget for Other Expenditure R905 743,00 being the upward adjustment this adjustment was made to cover for municipal services (sanitation) in the Housing department.

Other Materials R 250 000,00 being an upward adjustment made here and reallocated to materials and supplies.

Transfers and Subsidies R517 700,00 being the top adjustment on this expenditure category allocated for agriculture support.

Debt Impairment No adjustment made under this category. Debtors are assessed as an on-going exercise and the impact of the proposed incentive cannot be quantified currently. The prescribed debt write off will also affect the impairment.



2.6 ADJUSTMENTS TO BUDGET ASSUMPTIONS

Budget assumptions have changed due to several issues.

Revenue

- All revenue levels were based on current and past year actual trends, and therefore resulted in a realistic revenue base and kept in line with inflation as far as possible;
- Tariffs, rates and service charges: there was an increase in rates and decrease in service charges.
- Mostly other income was increased taking into account the prevailing current trends.

Expenditure

- Expenditure levels were kept as low as possible whilst prioritizing service delivery
- The following areas were targeted in terms of expenditure:
 - General expenses
- Employee costs budgeted was decrease.
- Administrative costs budgeted have been decreased.

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

Capital Budget has been funded by Grants (MIG), EDTEA grant, Disaster Response Grant. 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 (42%), Contracted services (25%) and other expenditure (14%).

Asset management / repairs and maintenance appropriations aligned to infrastructure plans

Repairs and maintenance budget is below the norm of 8% (sitting at 7%). This difference is slightly below the norm.

Conditional grants and planned applications and outcomes

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

External factors

GDP growth is expected to average 1.8 per cent from 2025 to 2027. Medium-term growth will be underpinned by household consumption on the back of rising purchasing power, moderate employment recovery and wealth gains.

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 2025/26 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 2025V2026 Adjustment Budget of which performance has been factored into the cash flow budget at 85% to accommodate the accruals at year end for operating expenditure and 100% capital budget except retentions withheld.



2.7 OVERVIEW OF BUDGET FUNDING

Challenges and risks facing the municipality with the implementation of the 2025/2026 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 need to fill critical vacancies;
- Aged fleet

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

- The reserves can only be used when the municipality faces financial difficulties.



2.8 ADJUSTMENTS TO EXPENDITURE ON GRANT ALLOCATIONS

No further adjustments were made except for the one mentioned above in the expenditure analysis.

Government Grants And Subsidies	Original Budget	Adjusted Budget	Variance
Energy Efficiency and Demand-Side Management (Operational)	0	305 300,00	305 300,00
Municipal Disaster Recovery Grant (Capex)	0	10 278 027,55	10 278 027,55



2.9 ADJUSTMENTS TO ALLOCATIONS AND GRANTS MADE

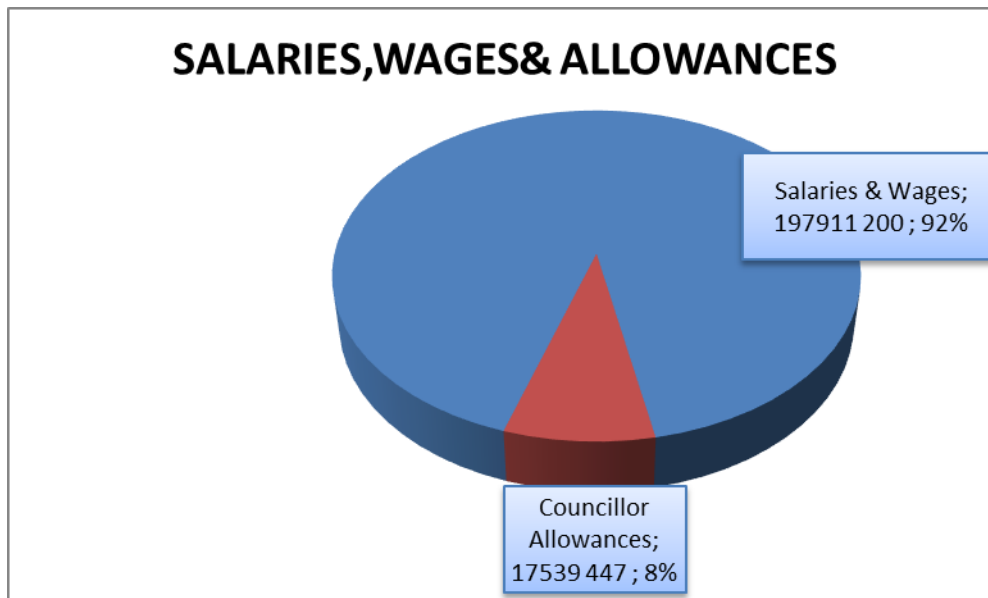
	ORIGINAL BUDGET	ADJUSTED BUDGET
Row Labels	Sum of OriginalBudgetAmount	Sum of CostEstimate
Agriculture Support	300 000,00	950 000,00
AMAKHOSI	100 000,00	100 000,00
Community Development: Child Programmes	200 000,00	215 000,00
Community Development: Elderly	200 000,00	200 000,00
Co-Orp Development/LED	2 000 000,00	2 000 000,00
Disability	100 000,00	99 700,00
Emergency Relief Expenses	558 681,00	258 681,00
HIV AIDS Day	60 000,00	60 000,00
Indigent families	500 000,00	750 000,00
Youth Development	750 000,00	653 000,00
Grand Total	4 768 681,00	5 286 381,00



2.10 ADJUSTMENTS TO COUNCILLOR ALLOWANCES AND EMPLOYEE COSTS

Adjustments have been made on both Councilor's allowances and employee related costs.

Salaries, Wages and Allowances



DESCRIPTION	ADJUSTMENT BUDGET AMOUNT	PERCENTAGE (%)
Employee related costs	197,911,200.00	92%
Remuneration of councilor's	17,539,447.00	8%
TOTAL	215,450,647.00	100%



The total annual budget for salaries and allowances (including councilor allowances) was R196.5 million. It has been adjusted to R 215.4 million. Explanations have been provided under operating expenditure. The remuneration ratio is currently sitting at 46% (Over the threshold of 25% - 40%).



S3.MUNICIPAL MANAGER'S QUALITY CERTIFICATION

I, **MR D.D Naidoo**, 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: _____