ADJUSTMENT BUDGET FOR 2025/2026 FINANCIAL YEAR	
1.	**INTRODUCTION**
1.1.	In terms of Section 28 of the Local Government Municipal Finance Management Act No. 56 of 2003 (MFMA): Municipal adjustment budgets: (1) A municipality may revise an approved annual budget through an adjustment 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 prescribed framework, authorize unforeseeable and unavoidable expenditure recommended by the mayor of the municipality; (d) may authorize the utilization of projected savings in one vote towards spending under another vote; (e) may authorize 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 adjustment budget must be in a prescribed form. (4) Only the mayor may table an adjustments budget in the municipal council, but an adjustments budget in terms of subsection (2) (b) to (g) may only be tabled within any prescribed limitations as to timing and frequency. (5) When an adjustments budget is tabled, it must be accompanied by- (a) an explanation how the adjustments budget affects the annual budget; (b) a motivation of any material changes to the annual budget; (c) an explanation of the impact of any increased spending on annual budget and the annual budgets for the next two financial years; and (d) any other supporting documentation that may be prescribed. (6) Municipal tax and tariffs may not be increased during a financial year. (7) Sections 22(b), 23(3) and 24(3) apply in respect of an adjustments budget, and in such application a reference in those sections to an annual budget must be read as a reference to an adjustment budget. In terms of Regulation 23 of the Municipal Budget and Reporting Regulations

	promulgated in 2009 (MBRR) – Timeframes for tabling of adjustments budgets: Regulation 23(1) *stipulates that an adjustment budget referred to in section 28(2)(b), (d), (e) and (f) of the MFMA may be tabled in the municipal council at any time after The mid-year budget and performance assessment has been tabled in the council, but not later than 28 February in the current year.* Regulation 23(2) *Only one adjustments budget referred to in sub-regulation (1) may be tabled in the municipal council during a financial year, except when the additional revenues contemplated in section 28(2)(b) of the MFMA are allocations to a municipality in a National or Provincial adjustments budget, in which case sub-regulation (3) applies.* Regulation 23(3) *If a National or Provincial adjustments budget allocates or transfers additional revenues to a municipality, the mayor of the municipality must, at the next available council meeting, but within 60 days of the approval of the relevant national or provincial adjustments budget, table an adjustments budget referred to in section 28(2)(b) of the MFMA in the municipal council to appropriate these additional revenues.*
2.	**BACKGROUND**
2.1.	The Council at an ordinary meeting held on 30 January 2026, where the mid-year budget performance report as stipulated in section 72 of the MFMA was considered, resolved that an Adjustment Budget be prepared and submitted to Council for consideration before the end of February 2026.
3.	**PURPOSE OF THE REPORT**
3.1	The purpose of this report is to consider the proposed adjustment budget for 2025/2026 financial year for consideration and approval.
4.	**DISCUSSIONS**
4.1.	In May 2025, the Council resolved that all conditional grant infrastructural projects funded by MIG & WSIG be implemented by Fezile Dabi District Municipality. As a result, the budget had to be adjusted by taking them out of our budget.
4.2.	Provincial Treasury funded us with R5 million (R4 million for bulk water meters, budgeted as inventory; & R1 million for additional finance module on the financial system budgeted as capital expenditure).
4.3.	CoGTA funded us with R2 million to pay a historical debt for the financial system which was switched off.
4.4.	Bad debts written off were not budgeted for on the original budget amounting to R126 443 547, now rectified and budgeted for.

5.	**LEGAL IMPLICATIONS**
5.1. 5.2.	Local Government: Municipal Finance Management Act No. 56 of 2003. Municipal Budget and Reporting Regulations, as per Government Gazette No. 32141 on 17 April 2009.
6.	**FINANCIAL IMPLICATIONS**
6.1.	As per the proposed Adjustment Budget for 2025/2026 financial year.
7.	**RECOMMENDATIONS**
7.1.	**THAT,** the Council grant approval for the operational revenue budget adjusted from R372 059 382 to R399 145 452.26.
7.2.	**THAT,** the Council grant the approval of operational expenditure budget adjusted from R275 178 007 to R392 746 256.45.
7.3.	**THAT,** the Council grant the approval for the capital revenue budget adjusted from R37 450 000 to R6 982 098.
7.4.	**THAT,** the Council grant the approval for the capital expenditure budget adjusted from R46 743 750 to R7 382 098.
7.5.	**That,** the Service Delivery and Budget Implementation Plan be adjusted to reflect the change outlined in the 2025/2026 Adjustment Budget.
7.6. 7.7.	**THAT,** that the 2025/2026 Adjustment Budget be submitted to National and Provincial Treasury & COGTA. **THAT,** the Accounting Officer ensures further compliance on the 2025/2026 Adjustment Budget on relevant prescripts.

2025/2026 ADJUSTMENT BUDGET

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Glossary

Act – means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003)
Adjustments Budget – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.
Allocations – Money received from Provincial or National Government or other municipalities.
Budget – The financial plan of the Municipality.
Budget Related Policy – Policy of a municipality affecting or affected by the budget, such as the tariffs policy, rates policy and credit control and debt collection policy.
Capital Expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.
Cash flow statement – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it scores as expenditure in the month it is received, even though it may not be paid in the same period.
DORA – Division of Revenue Act. Annual piece of legislation that shows the amount of allocations from national to local government.
Equitable Share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.
GFS – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.
IDP – Integrated Development Plan. The main strategic planning document of the Municipality
KPI's – Key Performance Indicators. Measures of service output and/or outcome.
MFMA – The Municipal Finance Management Act – no 53 of 2003. The principal piece of legislation relating to municipal financial management.
MTREF – Medium Term Revenue and Expenditure Framework. A medium-term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.
Operating Expenditure – Spending on the day-to-day expenses of the Municipality such as salaries and wages.
Own Revenue – Means total revenue as reflected in the municipality's financial performance budget less national and provincial conditional transfers.
Rates – Local Government taxation based on an assessed value of a property. To determine the rates payable, the assessed ratable value is multiplied by the rate in the rand.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.
Strategic Objectives – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.
Virement – A transfer of budget.
Vote – One of the main segments into which a budget is divided, usually at directorate / department level.

Part 1 – Adjustments Budget

Mayors' Report

1. Foreword

The Local Government: Municipal Finance Management Act (Act No. 56 of 2003) Section 28 ensures how a municipal adjustment budget is prepared and submitted to Council. It highlights key changes to the approved annual budget, focusing on revised revenue and expenditure projections, additional grant allocations, utilization of projected savings in one vote towards spending under another vote, correct any errors in the annual budget, unforeseen/unavoidable expenditure, and roll-overs of unspent funds.

This is essential for accountability, showing how the municipality has adapted its plans to financial realties

Municipal Budget and Reporting Regulations (MBRR)

The Local Government: Municipal Finance Management Act (Act No. 56 of 2003): Municipal Budget and Reporting Regulations stipulate in Regulation 23 how and when the adjustment is prepared; highlighting: mid-year assessment linkage, timing, specific reasons for adjustment, impact on service delivery.

1.1 Background

To submit to Council an Adjustments Budget for approval as prescribed in Section 28 of the Local Government: Municipal Finance Management Act, (Act No. 56 of 2003) and the Municipal Budget and Reporting Regulations to accommodate changes in grant funding, additional grant allocations, virement, correct any errors, revise revenue and expenditure projections.

1.2 Council Resolutions

On 27 February 2026, the Council of Mafube Local Municipality met to consider the adjustments budget for approval. Council approved the following resolutions:

(a) That the Capital Budget for 2025/2026 be adjusted to exclude the 2025/2026 capital projects conditional grant that will be implemented by Fezile Dabi District Municipality as per Council resolution of May 2025.
(b) That the Council recognizes R7 million received from Free State Provincial (Provincial Treasury R4million for water meter & R1 million for additional financial module and (CoGTA R2 million for paying long outstanding debt of financial system which was closed).
(c) that the Service Delivery and Budget Implementation Plan (SDBIP) be amended;
(d) that the formal budget tables be updated with the adjustments and submitted to National and Provincial Government.
(e) That Council approve the Budget Funding Plan that accompanies the unfunded adjustment budget.

Executive Summary

MOTIVATION

The Council resolved that the 2025/2026 capital projects of Mafube Local Municipality (MIG &WSIP) be implemented by Fezile Dabi District Municipality on May 2025.On the basis of that we are removing them from our budget.

The Free State Provincial Government (Provincial Treasury) funded us with R5 million: R4 million for procuring bulk water meters and R1 million for Finance modules. The R4 million has been included in the inventory and R1 million as a capital project.

The Free State Provincial Government (CoGTA) assisted us with paying long outstanding debt of financial system (BCX) which was closed and funded with R2 million.

Input from Provincial Treasury has been taken into consideration on the original budget as well as half-yearly report to budget correctly.

Table A: Operating Revenue Per Source

Description	Approved Budget 2025/2026	Revenue Adjustment	Proposed Adjustment Budget 2025/2026
Grants	R163 937 000	(R12 971 500.00)	R150 965 500.00
Property Rates	R 32 794 667	(R 73 544.32)	R 32 721 122.68.
Service Charges	R 94 463 958	R15 014 477.12	R109 478 435.12
Interest on Dividends & Rent on Land	R 66 229 578	R22 136 163.22	R 88 365 741.22
Interest on Non-Exchange	R 5 953 333	R 5 937 584.72	R 11 890 917.72
Sales & Rendering of Services	R 3 249 700	R 15 514.26	R 3 265 214.26
Operational Revenue	R 2 141 624.	(R 910 260.52)	R 1 231 363.48
Rental from Fixed Assets	R 1 286 050	(R 58 892.22)	R 1 227 157.78
Fines Penalties & Forfeits	R 3 472	(R 3 472.00.00)	-
TOTAL	**R 372 059 382**	**R 29 086 070.26**	**R 399 145 452.26**

Table B: Capital Revenue by Source

Description	Approved Budget 2025/2026	Revenue Adjustment	Proposed Adjustment 2025/2026
Grants	R37 420 000	(R30 437 902)	R6 982 098
TOTAL	**R37 420 000**	**(R30 437 902)**	**R6 982 098**

Table B: Operating Expenditure by Category / Type

Description	Approved Budget 2025/2026	Expenditure Adjustment	Proposed Adjustment 2025/2026
Employee Related Costs	R 113 202 568	(R 7 238 025.82)	R 105 964 542.16
Remuneration of Councillors	R 6 769 937	R 257 337.91	R 7 027 274.91
Contracted Services	R 24 514 955	R 636 620.70	R 25 151 575.70
Operational Cost	R 23 042 595	(R 6 431 246.50)	R 16 611 348.50
Inventory	R 18 918 549	R 4 000 000.00	R 22 918 549.00
Interest & Dividend & Rent on Land	R 50 000 000	-	R 50 000 000.00
Bad Debts Written-off	-	R126 443 547.18	R126 443 547.18
Operating Lease	R 1 750 000	-	R 1 750 000.00
Depreciation & Amortization	R 34 996 342	R 8.50	R 34 996 350.00
Operational: Monetary	R 1 983 061	(R 99 992.00)	R 1 883 069.00
TOTAL	**R 275 178 007**	**R 117 566 249.45**	**R 392 744 256.45**

2025/26 PROPOSED ADJUSTMENT BUDGET

Description	Origina Budget 2025-26	Actuals at 31 Dec 2025	Revenue / Expenditure Adjustment	Proposed Adjustment Budget
REVENUE				
NON - EXCHANGE REVENUE				
INTEREST - NON-EXCHANGE				
INTEREST NON-EXCH-PROP RATES	(5 953 333.00)	(5 945 458.86)	(5 937 584.72)	(11 890 917.72)
SUB TOTAL: INTEREST - NON-EXCHANGE	**(5 953 333.00)**	**(5 945 458.86)**	(5 937 584.72)	**(11 890 917.72)**
PROPERTY RATES				
BUSINESS & COMMERCIAL PROPERTIES	(13 565 046.00)	-	13 565 046.00	-
COMMUNAL LAND: BUSINESS & COMMERCIAL	-	(6 642 229.44)	(13 284 458.88)	(13 284 458.88)
INDUSTRIAL PROPERTIES	(1 693 294.00)	-	1 693 294.00	-
MUNICIPAL PROPERTIES	-	6 132 043.80	12 264 087.60	12 264 087.60
PUBLIC BENEFIT ORGANISATIONS	-	16 121.70	32 243.40	32 243.40
PUBLIC SERVICE INFRASTRUCTURE	-	184 215.96	368 431.92	368 431.92
RESIDENTIAL PROPERTIES: DEVELOPED	(9 778 092.00)	(5 535 637.69)	(1 293 183.38)	(11 071 275.38)
RESIDENTIAL PROPERTIES: VACANT LAND	153 747.00	(382.73)	(154 512.46)	(765.46)
STATE-OWNED PROPERTIES	(4 016 454.00)	(7 912 957.50)	(11 809 461.00)	(15 825 915.00)
AGRICULTURAL PROPERTY	(3 895 528.00)	(2 601 735.44)	(1 307 942.88)	(5 203 470.88)
SUB TOTAL : PROPERTY RATES	**(32 794 667.00)**	**(16 360 561.34)**	**73 544.32**	**(32 721 122.68)**
FINES PENALTIES AND FORFEITS			**-**	
FINES: TRAFFIC - COURT FINES	(3 472.00)	-	3 472.00	-
SUB TOTAL : FINES PENALTIES AND FORFEITS	**(3 472.00)**	**-**	**3 472.00**	**-**
TRANSFERS AND SUBSIDIES				
OPERATIONAL : MONETARY				
TS_O_M_NG_LOCAL GOV FIN MNG GRANT	(3 000 000.00)	(345 740.08)	-	(3 000 000.00)
TS_O_M_NG_MIG GRANT	(19 970 000.00)	-	18 971 500.00	(998 500.00)
TS_O_M_NRF_EQUITABLE SHARE	(140 967 000.00)	(102 984 000.00)	-	(140 967 000.00)
TS_O_M_PG_FS_CAP BLD	-	(5 000 000.00)	(6 000 000.00)	(6 000 000.00)
SUB TOTAL : OPERATIONAL : MONETARY	**(163 937 000.00)**	**(108 329 740.08)**	**12 971 500.00**	**(150 965 500.00)**
CAPITAL : MONETARY				
TS_C_M_NG_MIG GRANT	(19 970 000.00)	(822 122.24)	19 970 000.00	-
TS_C_M_NG_WSIG GRANT	(17 450 000.00)	(1 484 460.87)	11 467 902.00	(5 982 098.00)
TS_C_M_PG_FS_CAP_BLD_TREASURY	-	-	(1 000 000.00)	(1 000 000.00)
SUB TOTAL : CAPITAL : MONETARY	**(37 420 000.00)**	**(2 306 583.11)**	**30 437 902.00**	**(6 982 098.00)**
SUB TOTAL : TRANSFERS & SUBSIDIES	**(201 357 000.00)**	**(110 636 323.19)**	**43 409 402.00**	**(157 947 598.00)**
SUB TOTAL : NON - EXCHANGE REVENUE	**(240 108 472.00)**	**(132 942 343.39)**	**37 548 833.60**	**(202 559 638.40)**
EXCHANGE REVENUE				
SERVICE CHARGES				
WASTE MANGEMENT: REFUSE REMOVAL (Indigent)	-	84 282.48	1 500 000.00	1 500 000.00
WASTE MANGEMENT: REFUSE REMOVAL	(22 991 731.00)	(11 823 293.18)	(654 855.36)	(23 646 586.36)
WASTE WATER MANG: SANITATION CHARGES (Indigent)	-	234 314.84	1 500 000.00	1 500 000.00
WASTE WATER MANG: SANITATION CHARGES	(29 278 048.00)	(14 980 114.49)	(682 180.98)	(29 960 228.98)
WASTE WATER MANG: INDUSTRIAL WASTE WATER	(66 937.00)	(21 259.44)	24 418.12	(42 518.88)
WASTE WATER MANG: CONNECTION/RECONNECTIO	(3 277.00)	-	-	(3 277.00)
WASTE WATER M: PUMP/REMOVAL WASTE WATER	(11 229.00)	(5 646.96)	-	-11229
WATER: CONNECTION/RECONNECTION	(60 243.00)	(15 572.86)	29 097.28	(31 145.72)
WATER: SALE - CONVENTIONAL (Indigent)	-	2 646.57	3 000 000.00	3 000 000.00
WATER: SALE - CONVENTIONAL	(33 282 854.00)	(25 060 794.54)	(16 838 735.08)	-50121589.08
WATER: SALE - PREPAID	(1 016 852.00)	(307 287.58)	402 276.84	(614 575.16)
WATER: INDUSTRIAL WATER	(33 252.00)	(16 715.56)	(179.12)	(33 431.12)
WATER: AVAILABILITY CHARGES (Basic charge)	(9 719 535.00)	(5 506 926.91)	(1 294 318.82)	(11 013 853.82)
SUB TOTAL : SERVICE CHARGES	**(96 463 958.00)**	**(57 416 367.63)**	**(13 014 477.12)**	**(109 478 435.12)**

2025/26 PROPOSED ADJUSTMENT BUDGET				
Description	Origina Budget 2025-26	Actuals at 31 Dec 2025	Revenue / Expenditure Adjustment	Proposed Adjustment Budget
INTEREST DIVIDENDS AND RENT ON LAND				
INTER: RECEIV - ELECTRICITY	-	(162 493.29)	(324 986.58)	(324 986.58)
INTER: RECEIV - MERCHANDIS JOB & CONTR	(668 133.00)	(91 566.96)	484 999.08	(183 133.92)
INTER: RECEIV - SERVICE CHARGES	(723 562.00)	(1 527 022.35)	(2 330 482.70)	(3 054 044.70)
INTER: RECEIV - WASTE MANAGEMENT	(9 625 034.00)	(8 459 115.96)	(7 293 197.92)	(16 918 231.92)
INTER: RECEIV - WASTE WATER MANAGEMENT	(15 403 258.00)	(12 497 785.48)	(9 592 312.96)	(24 995 570.96)
INTER: RECEIV - WATER	(34 068 519.00)	(19 188 306.34)	(4 308 093.68)	(38 376 612.68)
INTER: BANK ACCOUNTS	(5 605.00)	(127 059.04)	(244 512.64)	(250 117.64)
INTER: FINANCIAL ASSETS	-	(13 609.20)	-	-
INTER: SHORT TERM INVEST & CALL ACCOUNTS	(47 467.00)	(31 521.41)	(15 575.82)	(63 042.82)
DIVIDENDS: EXTERNAL INVESTMENTS (Royalties)	(3 600 000.00)	-	-	(3 600 000.00)
RENT ON LAND: LAND - GRAZING FEES	(1 044 000.00)	-	744 000.00	(300 000.00)
RENT ON LAND: LAND - UNDEVELOPED LAND	(1 044 000.00)	-	744 000.00	(300 000.00)
SUB TOTAL : INTEREST DIV RENT ON LAND	**(66 229 578.00)**	**(42 098 480.03)**	**(22 136 163.22)**	**(88 365 741.22)**
OPERATIONAL REVENUE				
BAD DEBTS RECOVERED	(26 100.00)	-	-	(26 100.00)
BREAKAGES RECOVERED	(36.00)	(21.74)	(7.48)	(43.48)
COMMISSION: INSURANCE	(20 880.00)	-	20 880.00	-
STAFF RECOVERIES	(117.00)	-	117.00	-
REQ INFO - ACCIDENT REPORTS	(1 271.00)	-	1 271.00	-
REQ INFO - PLAN PRINTING & DUPLICATES	(5 220.00)	-	-	(5 220.00)
INSURANCE REFUND	(208 800.00)	-	(591 200.00)	(800 000.00)
SALE OF PROPERTY	(1 879 200.00)	-	1 479 200.00	(400 000.00)
SUB TOTAL : OPERATIONAL REVENUE	**(2 141 624.00)**	**(21.74)**	**910 260.52**	**(1 231 363.48)**
RENTAL FROM FIXED ASSETS				
N-M-R PPE: AD HOC-COMMUNITY ASSETS	(71 468.00)	(33 067.02)	5 333.96	(66 134.04)
M-R INV PROP - SUB-LEASE PAYMENT	(197 236.00)	(102 298.26)	(7 360.52)	(204 596.52)
M-R INV PROP - AD HOC RENTALS	(1 017 346.00)	(478 213.61)	60 918.78	(956 427.22)
SUB TOTAL : RENTAL FROM FIXED ASSETS	**(1 286 050.00)**	**(613 578.89)**	**58 892.22**	**(1 227 157.78)**
SALES OF GOODS AND RENDERING OF SERVICES				
ADVERTISEMENTS	(8 363.00)	-	-	(8 363.00)
CEMETERY & BURIAL	(488 314.00)	(274 972.23)	(61 630.46)	(549 944.46)
CLEANING & REMOVAL	-	(729.04)	(1 458.08)	(1 458.08)
OBJECTIONS & APPEALS	(31 320.00)	-	-	(31 320.00)
PLAN & DEV: BUILDING PLAN APPROVAL	(44 232.00)	(110 665.97)	(177 099.94)	(221 331.94)
PLAN & DEV: BUILDING PLAN CLAUSE LEVY	(5 360.00)	(3 259.04)	(1 158.08)	(6 518.08)
PLAN & DEV: CLEARANCE CERTIFICATES	(41 379.00)	(11 590.11)	-	(41 379.00)
SALE OF: PUBLICATION - TENDER DOCUMENTS	(204 202.00)	(6 321.11)	191 559.78	(12 642.22)
SALE OF: VALUATION ROLLS	(46 136.00)	(19 631.34)	-	-46136
SALE OF: BEACH & RIVER SAND	(39 500.00)	-	34 500.00	(5 000.00)
SALE OF: CONSUMABLES	(36.00)	-	36.00	-
SALE OF: SUB-DIV & CONSOLIDATION FEES	-	(131.74)	(263.48)	(263.48)
VALUATION SERVICES	(2 340 858.00)	(1 177 908.03)	-	(2 340 858.00)
SUB TOTAL : SALES & RENDERING OF SERV	**(3 249 700.00)**	**(1 605 208.61)**	**(15 514.26)**	**(3 265 214.26)**
TOTAL : INCOME	**(409 479 382.00)**	**(234 676 000.29)**	**3 351 831.74**	**(406 127 550.26)**

2025/26 PROPOSED ADJUSTMENT BUDGET				
Description	Origina Budget 2025-26	Actuals at 31 Dec 2025	Revenue / Expenditure Adjustment	Proposed Adjustment Budget
EXPENDITURE				
EMPLOYEE RELATED COST				
SENIOR MANAGEMENT				
SM: SAL & ALL - BASIC SALARY	3 918 863.00	1 390 672.78	846 366.76	3 651 183.00
SM: ALLOW - TRAVEL OR MOTOR VEHICLE	419 520.00	200 919.24	242 318.48	661 838.48
SM: ALLOW - ACCOM TRAVEL & INCIDENT.	-	18 199.09	78 513.78	78 513.78
SUB TOTAL: SM SAL ALLOW & SERV BENEF	**4 338 383.00**	**1 609 791.11**	**1 167 199.02**	**4 391 535.26**
SALARIES ALLOW AND SERV BENEFITS			**-**	
SM : SOC CONTR: UIF	6 657.00	2 125.44	(2 312.56)	4 344.44
SM : SOC CONTR: BARGAINING COUNCIL	-	-	-	
SUB TOTAL: SM SOCIAL CONTRIBUTIONS	**6 657.00**	**2 125.44**	**(2 312.56)**	**4 344.44**
SUB TOTAL : SENIOR MANAGEMENT	**4 345 040.00**	**1 611 916.55**	**1 164 886.46**	**4 395 879.70**
MUNICIPAL STAFF				
MS - SALARIES ALLOW AND SERV BENEFITS				
MS: SAL & ALL: BASIC SALARY & WAGES	68 671 732.00	36 121 579.12	(1 161 867.82)	67 509 864.18
MS: ALL - CELLULAR & TELEPHONE	84 022.00	47 289.39	16 235.78	100 257.78
MS: HB & INC: HOUSING BENEFITS	558 899.00	273 030.05	(79 232.30)	479 666.70
MS: ALL - LEAVE PAY	850 552.00	218 242.35	(93 431.28)	757 120.72
MS: ALL - TRAVEL OR MOTOR VEHICLE	8 218 484.00	3 893 532.37	(1 750 450.82)	6 468 033.18
MS: OVERTIME - STRUCTURED	4 470 460.00	1 751 928.12	(1 194 441.94)	3 276 018.06
MS: OVERTIME - NIGHT SHIFT	445 909.00	144 309.25	(304 813.92)	141 095.08
MS: SRB - ACTING ALLOWANCE	2 127 554.00	926 113.22	(521 816.80)	1 605 737.20
MS: SRB - ANNUAL BONUS	5 456 485.00	2 686 401.34	(52 271.50)	5 404 213.50
MS: SRB - STANDBY ALLOWANCE	1 193 559.00	603 190.02	49 711.16	1 243 270.16
SUB TOTAL : MS - SAL ALLOW & SERV BENEF	**92 077 656.00**	**46 665 615.23**	**(5 092 379.44)**	**86 985 276.56**
MS - SOCIAL CONTRIBUTIONS				
MS: SOC CONTR - BARGAINING COUNCIL	82 746.00	36 665.10	(13 009.50)	69 736.50
MS: SOC CONTR - MEDICAL	4 622 263.00	2 480 067.49	(744 025.40)	3 878 237.60
MS: SOC CONTR - PENSION	11 330 505.00	5 603 242.42	(1 465 168.64)	9 865 336.36
MS: SOC CONTR - UNEMPLOYMENT INSUR FUND	744 358.00	402 638.67	25 709.02	770 067.02
SUB TOTAL : MS - SOCIAL CONTRIBUTIONS	**16 779 872.00**	**8 522 617.68**	**(2 196 486.52)**	**14 583 385.48**
SUB TOTAL : MUNICIPAL STAFF	**108 857 528.00**	**55 188 232.91**	**(7 288 865.96)**	**101 568 662.04**
SUB TOTAL : EMPLOYEE RELATED COST	**113 202 568.00**	**56 800 149.46**	**(6 123 979.50)**	**105 964 541.74**
REMUNERATION OF COUNCILLORS				
ROC - ALLOWANCES & SERV RELATED BENEFITS				
TRAVELLING ALLOWANCE	652 417.00	336 016.82	35 125.69	687 542.69
BASIC SALARY	5 437 686.00	2 643 790.14	194 339.03	5 632 025.03
HOUSING ALLOWANCE	548 089.00	262 494.54	22 471.65	570 560.65
SUB TOTAL : ROC - ALLOW & SER REL BENEF	**6 638 192.00**	**3 242 301.50**	**251 936.37**	**6 890 128.37**
ROC - SOCIAL CONTRIBUTIONS				
MEDICAL AID BENEFITS	18 040.00	1 440.00	739.64	18 779.64
PENSION FUND CONTRIBUTIONS	113 705.00	54 456.24	4 661.90	118 366.91
SUB TOTAL : OTH COUNCIL-SOCIAL CONTRIBUT	**113 705.00**	**54 456.24**	**4 661.90**	**118 366.91**
SUB TOTAL : ROC - SOCIAL CONTRIBUTIONS	**131 745.00**	**55 896.24**	**5 401.54**	**137 146.55**
SUB TOTAL : REMUNERATION OF COUNCILLORS	**6 769 937.00**	**3 298 197.74**	**257 337.91**	**7 027 274.91**

2025/26 PROPOSED ADJUSTMENT BUDGET				
Description	**Origina Budget 2025-26**	**Actuals at 31 Dec 2025**	**Revenue / Expenditure Adjustment**	**Proposed Adjustment Budget**
CONTRACTED SERVICES				
OUTSOURCE SERVICES				
OS: BURIAL SERVICES	16 679.00	-	(6 679.00)	10 000.00
OS: B&A BUSINESS & FINANCIAL MANAGEMENT	4 000 000.00	436 152.44	-	4 000 000.00
OS: B&A PROJECT MANAGEMENT	437 460.00	-	(224 960.00)	212 500.00
OS: B&A RESEARCH & ADVISORY	30 000.00	-	-	-
OS: CATERING SERVICES	15 000.00	-	-	15 000.00
OS: PERSONNEL & LABOUR	303 806.00	-	(132 070.00)	171 736.00
SUB TOTAL : OUTSOURCE SERVICES	**4 802 945.00**	**436 152.44**	**(393 709.00)**	**4 409 236.00**
CONSULTANTS AND PROFESSIONAL SERVICES				
C&PS: B&A AUDIT COMMITTEE	-	-	80 000.00	80 000.00
C&PS: B&A BUSINESS & FIN MANAGEMENT	138 993.00	-	(138 993.00)	-
C&PS: B&A VALUER & ASSESSORS	1 400 000.00	-	-	1 400 000.00
C&PS: B&A SYSTEM SUPPORT	1 616 247.00	9 576.05	2 000 000.00	3 616 247.00
C&PS: LAB SERV WATER	1 044 000.00	-	-	1 044 000.00
C&PS: LEGAL COST ADVICE & LITIGATION	3 000 000.00	-	-	3 000 000.00
C&PS: LEGAL COST ISSUE OF SUMMONS	121 658.00	-	-	121 658.00
C&PS: LEGAL COST COLLECTION	171 808.00	-	-	171 808.00
SUB TOTAL : CONSULTANT AND PROF SERVICES	**7 492 706.00**	**9 576.05**	**1 941 007.00**	**9 433 713.00**
CONTRACTORS				
CONTR: ARTISTS & PERFORMERS	5 827.00	-	-	5 827.00
CONTR: AUDIO-VISUAL SERVICES	307 913.00	-	(200 000.00)	107 913.00
CONTR: BUILDING CONTRACTORS	100 000.00	-	(50 000.00)	50 000.00
CONTR: EMPLOYEE WELLNESS	41 910.00	-	(21 910.00)	20 000.00
CONTR: MAINT OF BUILDINGS & FACILITIES	150 000.00	4 371.51	(50 000.00)	100 000.00
CONTR: MAINTENANCE OF EQUIPMENT	150 000.00	119 506.72	100 000.00	250 000.00
CONTR: MAINTENANCE OF UNSPECIFIED ASSETS	3 000 001.00	173 697.72	(2 000 000.00)	1 000 001.00
CONTR: PEST CONTROL & FUMIGATION	50 000.00	-	-	50 000.00
CONTR: SAFEGUARD & SECURITY	8 000 000.00	5 780 616.35	3 561 232.70	11 561 232.70
CONTR: SPORTS & RECREATION	100 000.00	-	(50 000.00)	50 000.00
CONTR: STAGE & SOUND CREW	310 740.00	-	(200 000.00)	110 740.00
CONTR: EXHIBIT INSTALLERS	2 913.00	-	-	2 913.00
SUB TOTAL : CONTRACTORS	**12 219 304.00**	**6 078 192.30**	**1 089 322.70**	**13 308 626.70**
SUB TOTAL : CONTRACTED SERVICES	**24 514 955.00**	**6 523 920.79**	**2 636 620.70**	**27 151 575.70**
OPERATIONAL COST				
OC: ADV/PUB/MARK - CORP & MUN ACTIVITIES	60 283.00	52 980.00	67 285.00	127 568.00
OC: ADV/PUB/MARK - GIFTS & PROMO ITEMS	6 116.00	-	-	6 116.00
OC: ADV/PUB/MARK - MUNICIPAL NEWSLETTERS	10 008.00	-	-	10 008.00
OC: ADV/PUB/MARK - STAFF RECRUITMENT	150 000.00	-	-	150 000.00
OC: ADV/PUB/MARK - TENDERS	150 000.00	-	-	150 000.00
OC: AUDIT COST: EXTERNAL	5 000 000.00	-	-	5 000 000.00
OC: BC/FAC/C FEES - BANK ACCOUNTS	421 720.00	146 071.08	(129 577.84)	292 142.16
OC: BC/FAC/C FEES - INVESTMENTS	30 386.00	-	-	30 386.00
OC: BURSARIES (EMPLOYEES)	300 000.00	-	-	300 000.00
OC: COMM - POSTAGE/STAMPS/FRANKING MACH	50 000.00	6 042.12	250 000.00	300 000.00
OC: COMM - PHONE FAX TELEGRAPH & TELEX	750 000.00	914 073.04	1 078 146.08	1 828 146.08
OC: EXT COM SERV PROV - DATA LINES	41 698.00	-	-	41 698.00
OC: EXT COM SERV PROV - INFORMATION SERV	33 358.00	-	-	33 358.00
OC: EXT COM SERV PROV - INTERNET EXPENSE	61 157.00	24 624.96	-	61 157.00
OC: EXT COM SERV PROV - NETWORK EXTENS	14 567.00	-	-	14 567.00
OC: EXT COM SERV PROV - S/WARE LICENCES	912 672.00	-	(412 672.00)	500 000.00
OC: EXT COM SERV PROV - SPEC COMPUT SERV	37 875.00	1 589.91	-	37 875.00
OC: EXT COM SERV PROV - SYS DEVELOPMENT	100 000.00	-	(50 000.00)	50 000.00
OC: HIRE CHARGES	230 785.00	-	(140 000.00)	90 785.00
OC: FINE ROAD TRAFFIC & OTHERS	5 827.00	-	-	5 827.00
OC: INSUR UNDER - EXCESS PAYMENTS	63 323.00	-	-	63 323.00
OC: INSUR UNDER - RISK MAN PROGRAMS	15 000.00	-	-	15 000.00
OC: INSUR UNDER - PREMIUMS	1 716 987.00	-	(216 987.00)	1 500 000.00
OC: LIC - VEHICLE LIC & REGISTRATIONS	222 388.00	-	-	222 388.00
OC: MUNICIPAL SERVICES	1 010 015.00	156 911.35	-	1 010 015.00
OC: PRINTING & PUBLICATIONS	500 000.00	51 145.28	-	500 000.00
OC: REG FEESPROF & REGULATORY BODIES	33 358.00	-	(33 358.00)	-
OC: SYSTEM ACCESS & INFORMATION FEES	5 000.00	-	-	5 000.00
OC: SKILLS DEVELOPMENT FUND LEVY	1 070 385.00	507 990.10	36 477.44	1 106 862.44
OC: SIGNAGE	93 675.00	-	(28 675.00)	65 000.00
OC: TAKING OVER CONTRACTUAL OBLIGATIONS	48 616.00	-	(48 616.00)	-
OC: T&S DOM - ACCOMMODATION	860 760.00	132 874.57	(167 102.86)	693 657.14
OC: T&S DOM - DAILY ALLOWANCE	68 544.00	5 787.89	(9 172.56)	59 371.44
OC: T&S DOM - FOOD & BEVERAGE (SERVED)	101 973.00	20 105.00	-	101 973.00
OC: T&S DOM - INCIDENTAL COST	44 492.00	462.60	-	44 492.00
OC: T&S DOM TRP - WITHOUT OPR CAR RENTAL	81 029.00	-	(7 480.00)	73 549.00
OC: T&S DOM TRP - W/OUT OPR OWN TRANSPRT	673 511.00	27 499.40	(177 596.00)	495 915.00
OC: T&S DOM TRP - WITH OPER OTH TRP PROV	12 293.00	-	-	12 293.00
OC: T&S DOM PUB TRP - AIR TRANSPORT	35 317.00	-	(35 317.00)	-
OC: T&S DOM PUB TRP - ROAD TRANSPORT	10 430.00	-	-	10 430.00
OC: T&S - NON-EMPLOYEES	145 701.00	1 700.00	(20 843.00)	124 858.00
OC: TRANSPORT - MUNICIPAL ACTIVITIES	131 100.00	-	(35 000.00)	96 100.00
OC: UNIFORM & PROTECTIVE CLOTHING	600 000.00	7 854.29	(200 000.00)	400 000.00
OC: VEHICLE TRACKING FLEET	50 000.00	-	-	50 000.00
OC: WET FUEL	800 000.00	465 744.12	131 488.24	931 488.24
OC: INDIGENT RELIEF	6 282 246.00	-	(6 282 246.00)	-
SUB TOTAL : OPERATIONAL COST	**23 042 595.00**	**2 523 455.71**	**(6 431 246.50)**	**16 611 348.50**

2025/26 PROPOSED ADJUSTMENT BUDGET				
Description	**Origina Budget 2025-26**	**Actuals at 31 Dec 2025**	**Revenue / Expenditure Adjustment**	**Proposed Adjustment Budget**
INVENTORY			**-**	
INV - CONSUMABLE STORES - STANDARD RATED	3 041.00	-	-	3 041.00
INVENTORY - MATERIALS & SUPPLIES	8 915 508.00	65 568.28	4 000 000.00	12 915 508.00
INVENTORY - WATER	10 000 000.00	(1.02)	-	10 000 000.00
SUB TOTAL - INVENTORY	**18 918 549.00**	**65 567.26**	**4 000 000.00**	**22 918 549.00**
INTEREST DIVIDENDS AND RENT ON LAND				
INT PAID: OVERDUE ACCOUNTS	50 000 000.00	5 742.69	-	50 000 000.00
SUB TOTAL - INTEREST DIVID & RENT - LAND	**50 000 000.00**	**5 742.69**	**-**	**50 000 000.00**
OPERATING LEASES				
OPR LEASES: MACHINERY & EQUIPMENT	50 000.00	-	-	50 000.00
OPR LEASES: OTHER ASSETS	200 000.00	10 200.00	-	200 000.00
OPR LEASES: TRANSPORT ASSETS	1 500 000.00	166 037.00	-	1 500 000.00
SUB TOTAL : OPERATING LEASES	**1 750 000.00**	**176 237.00**	**-**	**1 750 000.00**
BAD DEBTS WRITTEN OFF				
IRRECOVERABLE DEBTS WRITTEN OFF_EXCHANGE				
IRRECOV DEBTS W/OFF_EXCHG:ELECTRICITY	-	520 907.25	8 039 889.18	8 039 889.18
IRRECOV DEBTS W/OFF_EXCHG:NON-SPECIFIC	-	64 528.91	30 000 000.00	30 000 000.00
IRRECOV DEBTS W/OFF_EXCHG:WASTE	-	260 592.75	30 000 000.00	30 000 000.00
IRRECOV DEBTS W/OFF_EXCHG:WASTE WATER	-	411 673.84	28 403 658.00	28 403 658.00
SUB TOTAL : IRRECOV BAD DEBT W/OFF _EXCH	**-**	**1 257 702.75**	**96 443 547.18**	**96 443 547.18**
IRRECOVERABLE DEBTS W/OFF_NON-EXCHANGE				
IRRECOV DEBTS W/OFF_NON-EXCH:PROP RATES	-	1 017 594.06	30 000 000.00	30 000 000.00
SUB TOTAL : IRREC BAD DEBT W/OFF _NON-EX	**-**	**1 017 594.06**	**30 000 000.00**	**30 000 000.00**
SUB TOTAL : BAD DEBTS WRITTEN OFF	**-**	**2 275 296.81**	**126 443 547.18**	**126 443 547.18**
OTHER PROGRAMMES				
SA LOCAL GOVERN ASSOC	1 283 061.00	-	-	1 283 061.00
HOUSING - PROGRAMMES	500 000.00	-	-	500 000.00
SOCIAL RELIEF	100 000.00	-	(100 000.00)	-
SKILL DEV&TRAI	100 000.00	-	-	100 000.00
SUB TOTAL : OTHER PROGRAMMES	**1 983 061.00**	**4.00**	**(99 992.00)**	**1 883 069.00**
DEPRECIATION & AMORTISATION			**-**	
AMORTISATION INTANG COMPUTER SOFTWARE	790 137.00	-	-	790 137.00
DEPRECIATION BIOLOGICAL/CULTIV ASSETS	243 085.00	-	-	243 085.00
DEPRECIATION COMPUTER EQUIPMENT	303 855.00	-	-	303 855.00
DEPRECIATION SOLID WASTE LANDFILL SITES	7 000 000.00	-	-	7 000 000.00
DEPRECIATION WATER SUPPLY DISTRIBUTION	6 500 000.00	-	-	6 500 000.00
DEPRECIATION FURNITURE & OFFICE EQUIPM	289 938.00	-	-	289 938.00
DEPRECIATION SANITATION RETICULATION	8 500 000.00	-	-	8 500 000.00
DEPRECIATION SANITATION OUTFALL SEWERS	650 000.00	-	-	650 000.00
DEPRECIATION TRANSPORT ASSETS	2 188 214.00	-	-	2 188 214.00
DEPRECIATION ROADS	7 500 000.00	-	-	7 500 000.00
DEPRECIATION COMMUNITY HALLS	1 031 113.00	-	-	1 031 113.00
SUB TOTAL : DEPRECIATION & AMORTISATION	**34 996 342.00**	**4.00**	**8.00**	**34 996 350.00**
TOTAL : EXPENDITURE	**275 178 007.00**	**71 668 575.46**	**120 682 295.79**	**394 746 256.03**
TOTAL OPERATING REVENUE				**(399 145 452.26)**
TOTAL OPERATING EXPENDITURE				**394 746 256.03**
OPERATING SURPLUS				**(4 399 196.23)**
TOTAL CAPITAL REVENUE				**(6 982 098.00)**
TOTAL CAPITAL EXPENDITURE - GRANTS				**6 982 098.00**
TOTL CAPITAL EXPENDITURE - OWN (Funded from operating surplus)				**400 000.00**
CAPITAL EXPENDITURE				
UPGRADE OF VILLIERS SPORTS GROUND	1 434 328.00	-	(1 434 328.00)	-
VEHICLES	1 000 000.00	-	(1 000 000.00)	-
VEHICLES	3 266 752.00	-	(3 266 752.00)	-
COMPUTER EQUIPMENT	-	-	400 000.00	400 000.00
REPL. OF AC PIPES WITH A-PVC PIPELINES	12 542 170.00	-	(12 542 170.00)	-
CONSTR 12ML CONCRETE RESERVOIR NAMAHADI	4 000 000.00	-	(4 000 000.00)	-
WATER BULK EXTRACTION POINT PROJECT	13 450 000.00	1 290 835.54	(7 467 902.00)	5 982 098.00
STONE CRUSHER	3 000 000.00	-	(3 000 000.00)	-
CONSTRUCT PAVED RD NAMAHADI	550 500.00	-	(550 500.00)	-
MSCOA IMPLEMENTATION	-	-		1 000 000.00
CONSTRUCTION OF TOILET STRUCTURES IN MAMELLO	7 500 000.00		(7 500 000.00)	-
TOTAL CAPITAL EXPENDITURE	**46 743 750.00**	**1 290 835.54**	**(40 361 652.00)**	**7 382 098.00**

Municipal Manager's Quality Certificate

I, **Jamela Berlina Selapyane**, the Acting Municipal Manager of Mafube Local Municipality hereby certify that the adjustments budget and supporting documentation for the 2025/26 financial year have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the adjustments budget and supporting documentation are consistent with the Integrated Development Plan of the municipality.

Print Name	**Ms JB Selapyane**
Municipal Manager of	**Mafube Local Municipality FS205**
Signature	______________________
Date	27/02/2026