



**DRAFT ANNUAL BUDGET OF
DAWID KRUIPER MUNICIPALITY**

**2018/2019 TO 2020/2021
MEDIUM TERM REVENUE AND
EXPENDITURE FORECASTS**

**Approved by Council on
27 March 2018**

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Table of Contents

PART 1 – ANNUAL BUDGET	2
1.1 MAYOR’S REPORT	2
1.2 COUNCIL RESOLUTIONS	3
1.3 EXECUTIVE SUMMARY	5
1.4 OPERATING REVENUE FRAMEWORK	9
1.5 OPERATING EXPENDITURE FRAMEWORK	24
1.6 CAPITAL EXPENDITURE	30
1.7 ANNUAL BUDGET TABLES - PARENT MUNICIPALITY	32
2 PART 2 – SUPPORTING DOCUMENTATION.....	54
2.1 OVERVIEW OF THE ANNUAL BUDGET PROCESS.....	54
2.2 OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH IDP	58
2.3 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS	70
2.4 OVERVIEW OF BUDGET RELATED-POLICIES.....	79
2.5 OVERVIEW OF BUDGET ASSUMPTIONS.....	83
2.6 OVERVIEW OF BUDGET FUNDING	86
2.7 EXPENDITURE ON GRANTS AND RECONCILIATIONS OF UNSPENT FUNDS.....	104
2.8 COUNCILLOR AND EMPLOYEE BENEFITS	106
2.9 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW	109
2.10 ANNUAL BUDGETS AND SDBIPs – INTERNAL DEPARTMENTS.....	115
2.11 CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS.....	116
2.12 CAPITAL EXPENDITURE DETAILS	116
2.13 LEGISLATION COMPLIANCE STATUS.....	136
2.14 OTHER SUPPORTING DOCUMENTS	138
2.15 MUNICIPAL MANAGER’S QUALITY CERTIFICATE	145

List of Tables

Table 1 Consolidated Overview of the 2018/2019 MTREF	8
Table 2 Summary of revenue classified by main revenue source	10
Table 3 Percentage growth in revenue by main revenue source	11
Table 4 Operating Transfers and Grant Receipts.....	12
Table 5 Comparison of proposed rates to levied for the 2018/2019 financial year	15
Table 6 Proposed Water Tariffs	17
Table 7 Comparison between current water charges and increases (Domestic).....	17
Table 8 Comparison between current electricity charges and increases (Domestic)	19
Table 9 Comparison between current sanitation charges and increases.....	20
Table 10 Comparison between current sanitation charges and increases, houses	21
Table 11 Comparison between current waste removal fees and increases.....	22
Table 12 MBRR Table SA14 – Household bills	23
Table 13 Summary of operating expenditure by standard classification item.....	24
Table 14 Operational repairs and maintenance	28

Table 15 Repairs and maintenance per asset class.	29
Table 16 2018/2019 Medium-term capital budget per vote.....	31
Table 17 MBRR Table A1 – Budget Summary.	34
Table 18 MBRR Table A2 – Budgeted Financial Performance (revenue and expenditure by standard classification)	36
Table 19 MBRR Table A3 – Budgeted Financial Performance (revenue and expenditure by standard classification)	38
Table 20 Suplus/(Deficit) calculations for the trading services.	39
Table 21 MBRR Table A4 – Budgeted Financial Performance (revenue and expenditure)....	41
Table 22 MBRR Table A5 – Budgeted Capital Expenditure by vote, standard classification and funding source... ..	43
Table 23 MBRR Table A6 – Budgeted Financial Position	45
Table 24 MBRR Table A7 – Budgeted Cash Flow Statement	47
Table 25 MBRR Table A8 – Cash Backed Reserves/Accumulated Surplus Reconciliation	49
Table 26 MBRR Table A9 – Asset Management.....	50
Table 27 MBRR Table A10 – Basic Service Delivery Measurement	53
Table 28 IDP Strategic Objectives	60
Table 29 MBRR Table SA4 – Reconciliation between the IDP strategic objectives and budgeted revenue	66
Table 30 MBRR Table SA5 – Reconciliation between the IDP strategic objectives and budgeted operating expenditure	67
Table 31 MBRR Table SA6 – Reconciliation between the IDP strategic objectives and budgeted capital expenditure	69
Table 32 MBRR Table SA7 – Measureable performance objectives.....	72
Table 33 MBRR Table SA8 – Performance indicators and benchmarks	74
Table 34 Credit rating outlook	84
Table 35 Breakdown of the operating revenue over the medium-term.....	87
Table 36 Proposed tariff increases over the medium-term	90
Table 37 MBRR Table SA15 – Detail investment information	90
Table 38 MBRR Table SA16 – Investment particulars by maturity	90
Table 39 Sources of capital revenue over the MTREF	91
Table 40 MBRR Table SA17 – Details of borrowings.....	92
Table 41 MBRR Table SA18 – Capital transfers and grants receipts.....	93
Table 42 MBRR Table A7 – Budget cash flow statement.....	94
Table 43 MBRR Table A8 – Cash backed reserves/accumulated surplus reconciliation	96
Table 44 MBRR Table SA10 – Funding compliance measurement	98
Table 45 MBRR Table SA19 – Expenditure on transfers and grant programmes.....	104
Table 46 MBRR Table SA20 – Reconciliation between transfers, grant receipts and unspent funds	105
Table 47 MBRR Table SA22 – Summary of councillor and staff benefits	106

Table 48 MBRR Table SA23 – Salaries, allowance and benefits (political office bearers/councillors / senior managers)	107
Table 49 MBRR Table SA24 – Summary of personnel numbers	108
Table 50 MBRR Table SA25 – Budgeted monthly revenue and expenditure	109
Table 51 MBRR Table SA26 – Budgeted monthly revenue and expenditure (municipal vote).....	110
Table 52 MBRR Table SA27 – Budgeted monthly revenue and expenditure (standard classification).....	111
Table 53 MBRR Table SA28 – Budgeted monthly capital expenditure (municipal vote)	112
Table 54 MBRR Table SA29 – Budgeted monthly capital expenditure (standard classification).....	113
Table 55 MBRR Table SA30 – Budgeted monthly cash flow	114
Table 56 Water Services Department – operating revenue by source, expenditure by type and total capital expenditure.....	115
Table 57 Water Service Department – Performance objectives and indicators	115
Table 58 MBRR Table SA34a, SA34b en SA34e – Capital expenditure on new, renewal en upgrade of assets by asset class.....	117
Table 59 MBRR Table SA34d – Capital expenditure on depreciation of assets by asset class.....	120
Table 60 MBRR Table SA34c – Repairs and maintenance expenditure by asset class	121
Table 61 MBRR Table SA35 – Future financial implications of the capital budget.....	122
Table 62 MBRR Table SA36 – Detailed capital budget per municipal vote	123
Table 63 MBRR Table SA1 – Supporting detail to budgeted financial performance	138
Table 64 MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)	141
Table 65 MBRR Table SA3 – Supporting detail to Statement of Financial Position	142
Table 66 MBRR Table SA9 – Social, economic and demographic statistics and assumptions.....	143
Table 67 MBRR Table SA32 – List of external mechanisms	144

List of Figures

Figure 1 Main operational expenditure categories for the 2018/2019 financial year	27
Figure 2 Capital Infrastructure Programme	70
Figure 3 Expenditure by major type	71
Figure 4 Depreciation in relation to repairs and maintenance over the MTREF	87
Figure 5 Planning, budgeting and reporting cycle	92

Abbreviations and Acronyms

AMR	Automated Meter Reading	MEC	Member of the Executive Committee
ASGISA	Accelerated and Shared Growth Initiative	MFMA	Municipal Financial Management Act
BPC	Budget Planning Committee	MIG	Municipal Infrastructure Grant
CBD	Central Business District	MMC	Member of Mayoral Committee
CFO	Chief Financial Officer	MPRA	Municipal Properties Rates Act
CM	City Manager	MSA	Municipal Systems Act
CPI	Consumer Price Index	MSCOA	Municipal Standard Chart Of Accounts
CRRF	Capital Replacement Reserve Fund	MTEF	Medium-term Expenditure Framework
DBSA	Development Bank of South Africa	MTREF	Medium-Term Revenue and Expenditure Framework
DoRA	Division of Revenue Act	NERSA	National Electricity Regulator South Africa
DWA	Department of Water Affairs	NGO	Non-Governmental organisations
EE	Employment Equity	NKPIs	National Key Performance Indicators
EEDSM	Energy Efficiency Demand Side Management	OHS	Occupational Health and Safety
EM	Executive Mayor	OP	Operational Plan
FBS	Free basic services	PBO	Public Benefit Organisations
GAMAP	Generally Accepted Municipal Accounting Practice	PHC	Provincial Health Care
GDP	Gross domestic product	PMS	Performance Management System
GDS	Gauteng Growth and Development Strategy	PPE	Property Plant and Equipment
GFS	Government Financial Statistics	PPP	Public Private Partnership
GRAP	General Recognised Accounting Practice	PTIS	Public Transport Infrastructure System
HR	Human Resources	RG	Restructuring Grant
HSRC	Human Science Research Council	RSC	Regional Services Council
IDP	Integrated Development Strategy	SALGA	South African Local Government Association
IT	Information Technology	SAPS	South African Police Service
kℓ	kilolitre	SDBIP	Service Delivery Budget Implementation Plan
km	kilometre	SMME	Small Micro and Medium Enterprises
KPA	Key Performance Area		
KPI	Key Performance Indicator		
kWh	kilowatt per hour		
ℓ	litre		
LED	Local Economic Development		

Part 1 – Annual Budget

1.1 Mayor's Report

In his Budget Speech to Parliament on 17 February 2010, the Minister of Finance said: *"We cannot expect to do the same old things and expect different results"*. In the past three years, the world economy has gone through its deepest recession in over 70 years. Signals are that the recovery is still fragile and many commentators caution that current positive economic trends may be short-lived and that the world economy may yet experience a second recessionary wave. Dawid Kruiper Municipality was in no way immune to the harsh economic realities associated with the recession. Among the impacts are the serious cash flow challenges currently being experienced by the municipality due to among other things the depletion of cash-backed reserves; historic expenditure patterns and a general lack of "doing business smarter".

Management within local government has a significant role to play in strengthening the link between the citizen and government's overall priorities and spending plans. The goal should be to enhance service delivery aimed at improving the quality of life for all people within the Dawid Kruiper Municipality. Budgeting is primarily about the choices that the municipality has to make between competing priorities, available financial resources and fiscal realities. The challenge is to do more with the available resources. We need to remain focused on the effective delivery of the core municipal services through the application of efficient and effective service delivery mechanisms.

We, as leaders, have the power to take decisions and had to take hard decisions on how we will use available resources. We cannot please everyone and everyone will not necessarily agree with these decisions. Bill Cosby once said: *"I don't know the key to success, but the key to failure is trying to please everybody."*

The application of sound financial management principles for the compilation of the municipality's financial plan is essential and critical to ensure that the municipality remains financially viable and that sustainable municipal services are provided economically and equitably to all communities.

We as councillors and senior management together with the inputs and comments of the local community has developed an IDP and a credible and sustainable budget with realistically anticipated revenue sources to improve the quality of our people's life. Unfortunately our needs are far greater than our available resources and therefore not nearly enough of the developmental needs identified in our developed IDP could be met with the available financial resources. It is however a worldwide problem that identified needs by far exceeds available financial resources and therefore we had to prioritise our needs and implement those projects and programmes that have the biggest affect in improving our people's quality of life.

Based on the comments and inputs received on the draft IDP and draft budget and proposed tariffs, it is recommended that Council adopt the following budget resolutions.

1.2 Council Resolutions

On 27 March 2018 the Council of Dawid Kruiper Municipality met in the Council Chambers of Dawid Kruiper Municipality to consider the draft annual budget of the municipality for the financial year 2018/2019. The Council approved and adopted the following resolutions:

1. The Council of Dawid Kruiper Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:
 - 1.1. The draft annual budget of the municipality for the financial year 2018/2019 and the multi-year and single-year operating and capital appropriations as set out in the following tables:
 - 1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table 18 on page 36;
 - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table 19 on page 38;
 - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table 21 on page 41; and

- 1.1.4. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table 22 on page 43.
- 1.2. The financial position, cash flow budget, cash-backed reserve / accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
 - 1.2.1. Budgeted Financial Position as contained in Table 23 on page 45;
 - 1.2.2. Budgeted Cash Flows as contained in Table 24 on page 47;
 - 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table 25 on page 49;
 - 1.2.4. Asset management as contained in Table 26 on page 50; and
 - 1.2.5. Basic service delivery measurement as contained in Table 27 on page 53.
2. The Council of Dawid Kruiper Municipality is planning to, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approve and adopt with effect from 1 July 2018:
 - 2.1. The tariffs for property rates – as set out in Annexure A (Draft Tariff List);
 - 2.2. The tariffs for electricity – as set out in Annexure A (Draft Tariff List);
 - 2.3. The tariffs for the supply of water – as set out in Annexure A (Draft Tariff List);
 - 2.4. The tariffs for sanitation services – as set out in Annexure A (Draft Tariff List);
and
 - 2.5. The tariffs for solid waste services – as set out in Annexure A (Draft Tariff List).
3. The Council of Dawid Kruiper Municipality is planning to, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approve and adopt with effect from 1 July 2018 the tariffs for all other services, as set out in Annexure A (Draft Tariff List).

4. To give proper effect to the municipality's draft annual budget, the Council of Dawid Kruiper Municipality approves:
 - 4.1. That cash backing is implemented through the utilisation of a portion of the revenue generated from property rates to ensure that all capital reserves and provisions, unspent long-term loans and unspent conditional grants are cash backed as required in terms of the municipality's funding and reserves policy as prescribed by section 8 of the Municipal Budget and Reporting Regulations.
 - 4.2. That the municipality do not plan to commit to any new long term loans for the 2018/2019 MTREF.
 - 4.3. That the Municipal Manager be authorised to sign all necessary agreements and documents to give effect to the above funding programme.

1.3 Executive Summary

The application of sound financial management principles for the compilation of the municipality's financial plan is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low-to high-priority programs so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on non-core and 'nice to have' items. This has resulted in savings to the municipality. Key areas were savings for councillors on telephone and internet usage, printing, attending of workshops, overseas and national travel and accommodation and catering.

The municipality has embarked on implementing a range of revenue collection strategies to collect of debt owed by consumers. Furthermore, the municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

National Treasury's MFMA Circulars Number 89 and 90 were used to guide the compilation of the 2018/2019 MTREF.

The main challenges experienced during the compilation of the 2018/2019 MTREF can be summarised as follows:

- The on-going difficulties in the national and local economy;
- Aging water, sewerage, roads and electricity infrastructure;
- The need to reprioritised projects and expenditure within the existing resource envelope given the cash flow realities;
- The increased cost of bulk water and electricity (due to tariff increases from DWA and Eskom), which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable – as there will be point where services will no-longer be affordable;
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies; and
- Affordability of capital projects – original allocations had to be reduced and the operational expenditure associated with prior year's capital investments needed to be factored into the budget as part of the 2018/2019 MTREF process.

The following budget principles and guidelines directly informed the compilation of the 2018/2019 MTREF:

- The 2017/2018 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2018/2019 draft annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI; except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the

wage negotiations as well as cost of bulk water and electricity. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;

- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;
- The municipality did budget for two allocations that were not gazetted. As the municipality is not allowed to increase income via the Virement Policy and the adjustment budget is only approved after the festival took place; this should remain on the budget. The municipality is not allowed to increase income via virements.
- The amalgamation of Dawid Kruiper and Mier Municipalities in the 2017/2018 Financial year also put immeasurable strain on the 2018/2019 Draft budget as the two municipality's budget needs to be aligned to ensure that when the amalgamation takes place, that the combination of the two budgets are done seamlessly.
- Expenditure on certain items were limited and for the following items and allocations to these items it had to be supported by a list and / or motivation setting out the intention and cost of the expenditure which was used to prioritise expenditures:
 - Special Projects;
 - Consultant Fees;
 - Furniture and office equipment;
 - Special Events;
 - Refreshments and entertainment;
 - Donations;
 - Ad-hoc travelling; and
 - Subsistence, Travelling & Conference fees (national & international).

In view of the aforementioned, the following table is a consolidated overview of the proposed 2018/2019 Medium-term Revenue and Expenditure Framework:

Due to changes in the accounts brought about by mSCOA (Municipal Standard Chart Of Accounts) as well as the merger between //Khara Hais Municipality and Mier Municipality, no comparative totals for 2014/2015 to 2015/2016 are available. Subsequently no % increase/decrease will be shown for the 2018/2019 budget year in the tables that follow.

Table 1 Consolidated Overview of the 2018/2019 MTREF

R thousands	2016/2017 Audited	2017/2018 Adjusted	Budget Year 2018/19	2018/19 % Increase	Budget Year +1 2019/20	2019/20 % Increase	Budget Year +2 2020/21	2020/21 % Increase
Total Operating Revenue	543 764	622 461	711 607	14.3%	736 713	3.5%	785 765	6.7%
Total Operating Expenditure	590 942	663 798	751 140	13.2%	796 279	6.0%	842 000	5.7%
Surplus/(Deficit)	(47 178)	(41 338)	(39 534)	-4.4%	(59 566)	50.7%	(56 235)	-5.6%
Total Capital Expenditure	35 364	69 457	44 060	-36.6%	28 874	-34.5%	30 433	5.4%

Total operating revenue for 2018/2019 is R 711.607 million. For the two outer years, operational revenue will increase by 3.5% and 6.7% respectively; equating to a total revenue growth of R 74.2 million over the MTREF when compared to the 2018/2019 financial year.

Total operating expenditure for the 2018/2019 financial year has been appropriated at R 751.140 million and translates into a budgeted deficit of R 39.534 million. When compared to the respective outer years of the MTREF 2018/2019 Budget; operating expenditure grow by 6.0% and 5.7%. The operating deficit for the two outer years increases to R 59.566 million and R 56.235 million. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register. This has resulted in a significant increase in depreciation relative to previous years. This depreciation is not allowed to be offset as per SA1 as the municipality is not on the revaluation model of GRAP 17. The municipality only adopted GRAR 17 with the higher DRC values, and therefore the municipality MUST budget for the full budgeted amount for depreciation, otherwise it will result in unauthorised expenditure. This depreciation is not included in the budget for tariff calculation purposes. However, the municipality can expect to generate a non-cash operating deficit when the 2018/2019 annual financial statements are compiled compliant with the Accounting Standards since this off-setting depreciation is reflected in the Statement of Financial Performance and not directly to the Statement of Changes in Net Assets.

The capital budget for 2018/2019 is R 127.478 million. The capital programme then decreases to R 36.190 million in the 2019/2020 financial year and decreases then to R 30.433 million in the 2020/2021 financial year. More than half of the 2018/2019 capital

budget will be funded from own funding (revenue) over MTREF with anticipated own funding of R 83.417 million and R 7.316 million in 2018/2019 and 2019/2020 of the MTREF. Own funding will contribute 65.4% and 20.2% of capital expenditure in 2018/2019 and 2019/2020 of the MTREF; and, government grants and transfers will contribute 34.6%, 79.8% and 100% of capital expenditure in each of the MTREF years. No projects will be funded from external borrowing. Note that the municipality has reached its prudential borrowing limits and so there is very little scope to substantially increase these borrowing levels over the medium-term. The repayment of capital and interest (debt services costs) has substantially increased over the past four years as a result of the aggressive capital infrastructure programme implemented over the past four years. Consequently, the capital budget remains relatively flat over the medium-term.

1.4 Operating Revenue Framework

For Dawid Kruiper Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 98 per cent (98%) annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing / calculating the revenue requirement of each service;

- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of "free" basic services; and
- Tariff policies of the municipality.

The following Table 2 is a summary of the 2018/2019 MTREF (classified by main revenue source). In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus / (deficit).

Table 2 Summary of revenue classified by main revenue source

Description / R thousand	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue By Source							
Property rates	75 406	97 249	93 832	93 832	99 462	105 429	112 282
Service charges - electricity revenue	242 247	274 113	278 151	278 151	316 656	335 656	357 473
Service charges - water revenue	47 585	66 226	59 458	59 458	62 987	66 766	71 106
Service charges - sanitation revenue	27 264	34 235	33 399	33 399	34 657	36 736	39 124
Service charges - refuse revenue	20 263	29 653	26 626	26 626	33 295	35 292	37 586
Rental of facilities and equipment	8 341	9 640	9 029	9 029	7 987	8 466	9 015
Interest earned - external investments	2 844	2 590	4 055	4 055	4 350	4 568	4 819
Interest earned - outstanding debtors	2 985	3 710	3 000	3 000	3 000	3 150	3 323
Fines	4 459	668	737	737	5 702	6 043	6 434
Licences and permits	1 571	1 644	1 707	1 707	1 986	2 105	2 242
Agency services	4 208	3 657	1 765	1 765			
Transfers recognised - operational	70 984	89 758	82 646	82 646	93 221	96 855	104 663
Other revenue	34 879	13 714	15 056	15 056	19 220	19 897	21 080
Gains on disposal of PPE	729	13 064	13 000	13 000	29 086	15 750	16 616
Total Revenue (excluding capital transfers and contributions)	543 764	639 921	622 461	622 461	711 607	736 713	785 765

The following Table 3 shows the percentage growth in revenue by main revenue source for the two outer years of the MTREF.

Table 3 Percentage growth in revenue by main revenue source

Description / R thousand	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Budget Year 2018/19	%	Budget Year +1 2019/20	%	Budget Year +2 2020/21	%
Revenue By Source								
Property rates	93 832	15.1%	99 462	13.2%	105 429	14.3%	112 282	14.3%
Service charges - electricity revenue	278 151	44.7%	316 656	44.5%	335 656	45.6%	357 473	45.5%
Service charges - water revenue	59 458	9.6%	62 987	8.9%	66 766	9.1%	71 106	9.0%
Service charges - sanitation revenue	33 399	5.4%	34 657	4.9%	36 736	5.0%	39 124	5.0%
Service charges - refuse revenue	26 626	4.3%	33 295	4.7%	35 292	4.8%	37 586	4.8%
Rental of facilities and equipment	9 029	1.5%	7 987	1.1%	8 466	1.1%	9 015	1.1%
Interest earned - external investments	4 055	0.7%	4 350	0.6%	4 568	0.6%	4 819	0.6%
Interest earned - outstanding debtors	3 000	0.5%	3 000	0.4%	3 150	0.4%	3 323	0.4%
Fines	737	0.1%	5 702	0.8%	6 043	0.8%	6 434	0.8%
Licences and permits	1 707	0.3%	1 986	0.3%	2 105	0.3%	2 242	0.3%
Agency services	1 765	0.3%	–	0.0%	–	0.0%	–	0.0%
Transfers recognised - operational	82 646	13.3%	93 221	13.1%	96 855	13.1%	104 663	13.3%
Other revenue	15 056	2.4%	19 220	2.7%	19 897	2.7%	21 080	2.7%
Gains on disposal of PPE	13 000	2.1%	29 086	4.1%	15 750	2.1%	16 616	2.1%
Total Revenue (excluding capital transfers and contributions)	622 461	100.0%	711 607	100.0%	736 713	100.0%	785 765	100.0%
Total Revenue from rates and service charges	491 465	79.0%	547 056	76.9%	579 880	78.7%	617 572	78.7%

Revenue generated from rates and services charges forms a significant percentage of the revenue basket of the municipality. Rates and service charge revenues comprise more than three quarters of the total revenue mix. In the 2018/2019 financial year, revenue from rates and services charges totals R 547.056 million or 76.9%. This increases to R 579.880 million and R 617.572 million in the respective outer financial years of the MTREF. A notable trend is the how the total percentage revenue generated from rates and services have stabilised at an average of around 79.0% over the MTREF with it being 76.9% in 2018/2019, 78.7% in 2019/2020 and 78.7% in 2020/2021. This shows that the municipality tariffs are reasonably in line with their goals. The above table excludes revenue foregone arising from discounts and rebates associated with the tariff policies of the Municipality. Details in this regard are contained in Table 63 MBRR SA1.

Electricity sales is the largest revenue source totalling R 316.656 million rand and increases to R 357.473 million by 2020/2021. Property rates is the third largest revenue, source totalling R 99.462 million rand and increases to R 112.282 million by 2020/2021, after Transfer recognised – Operational that is in second, totalling R 93.221 million rand

and increases to R 104.663 million by 2020/2021. Water is the fourth largest revenue source, Departments have been urged to review the tariffs of these items on an annual basis to ensure they are cost reflective and market related.

Note that the year-on-year growth for Operating Transfers and Grants are 13.1%, 13.1% and 13.3% for the MTREF years. The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

Table 4 Operating Transfers and Grant Receipts

Description / R thousand	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
RECEIPTS:							
<u>Operating Transfers and Grants</u>							
National Government:	75 635	80 679	73 600	73 600	89 858	93 292	101 100
Local Government Equitable Share	57 989	70 769	70 769	70 769	77 934	84 739	92 253
Finance Management	3 635	4 045	2 804	2 804	4 115	3 000	3 000
Energy Efficiency and Demand Management	886	26	26	26	391	522	522
Municipal Infrastructure Grant (MIG)	4 250	1 273	-	-	4 287	4 363	4 574
Integrated National Elektrification Programme	604	-	-	-	1 826	668	751
EPWP	213	-	-	-	-	-	-
Water Service Infrastructure Grant	-	-	-	-	1 304	-	-
Municipal Demarcation Grant	8 057	4 565	-	-	-	-	-
Provincial Government:	3 138	2 404	1 950	1 950	3 363	3 563	3 563
Housing	-	-	650	650	650	650	650
Sport and Recreation	3 138	2 404	1 300	1 300	2 713	2 913	2 913
District Municipality:	-	-	-	-	-	-	-
Other grant providers:	253	6 675	7 096	7 096	-	-	-
LGSETA	50	-	-	-	-	-	-
VAT on Grants	-	6 675	7 096	7 096	-	-	-
Directo Signs	203	-	-	-	-	-	-
Total Operating Transfers and Grants	79 026	89 758	82 646	82 646	93 221	96 855	104 663

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the municipality.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the 5.4% upper boundary of the South African

Reserve Bank's inflation target. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

The percentage increases of Eskom and DWA bulk tariffs determined by external agencies, the impact they have on the municipality's electricity and in these tariffs are largely outside the control of the municipality. Discounting the impact of these price increases in lower consumer tariffs will erode the municipality's future financial position and viability.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, petrol and medical services; whereas the cost drivers of a municipality are informed by items such as the cost of remuneration of salaries and allowances, bulk purchases of electricity and water, petrol, diesel, chemicals, cement, etcetera. The current challenge facing the municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the municipality has undertaken the tariff setting process relating to service charges as follows.

1.4.1 Property Rates

Property rates partially cover the cost of the provision of general services. However, some of these costs are subsidised through profits generated from trading services (electricity and water sales). Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio for the non-residential categories, public service infrastructure (PSI) and agricultural properties relative to residential properties to be 0.25:1. The implementation of

these regulations was done in the 2009/2010 budget process and the Property Rates Policy of the Municipality has been amended accordingly.

The following stipulations in the Property Rates Policy are highlighted:

- The first R 15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA);
- 100% rebate may be granted to registered indigents in terms of the Customer Care, Credit Control, Debt Collection and Indigent Support Policy;
- For pensioners, physically and mentally disabled persons, a rebate of 20% to 100% (calculated on a sliding scale) will be granted to owners of rate-able property if the total gross income of the applicant and / or his / her spouse, if any, does not exceed the amount of R 6 340 per month. In this regard the following stipulations are relevant:
 - The rate-able property concerned must be occupied only by the applicant and his/her spouse, if any, and by dependents without income;
 - The applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, proof of certification by a Medical Officer of Health, also proof of the annual income from a social pension;
 - The applicant's account must be paid in full, or if not, an arrangement to pay the debt should be in place; and
 - The property must be categorised as residential.
- The Municipality may award a 100% grant-in-aid on the assessment rates of rate-able properties of certain classes such as registered welfare organisations, institutions or organisations performing charitable work, sports grounds used for purposes of amateur sport. The owner of such a property must apply in the prescribed format and time for such a grant.
- Agricultural properties in terms of the Dawid Kruiper Municipality's Property Rates Policy may qualify for a further rebate of up to 20%. The owner of such a property must apply in the prescribed format for such a rebate before August.

A new valuation roll was implemented on the 1st of July 2014. This valuation roll is valid for a period of 4 years. The municipality has requested extension for a further 1 year. Approval was granted by the MEC for a further two years on the 6th of December 2017.

The categories of rate-able properties for purposes of levying rates and the proposed rates for the 2018/2019 financial year based on the $\pm 6\%$ increase from 1 July 2018 is contained in Table 5 below.

Table 5 Comparison of proposed rates to levied for the 2018/2019 financial year

Category	Proposed Tariff from 1 July 2017	Proposed Tariff from 1 July 2018
	Cent / R 1	Cent / R 1
Former //Khara Hais Municipality's Tariffs		
Residential Properties (Ratio 1.00: 1.00)	1.23078	1.16111
Residential Zone 3 Properties (Ratio 1.00: 1.25)	1.53853	1.45144
Public Benefit Organisations (Ratio 1.00: 0.25)	0.30769	0.29028
Undeveloped Properties (Ratio 1.00: 2.00)	2.46155	2.32222
Business Properties (Ratio 1.00: 1.50)	1.84617	1.74167
Industrial Properties (Ratio 1.00: 1.50)	1.84617	1.74167
State Other Properties (Ratio 1.00: 1.50)	1.84617	1.74167
State Residential Properties (Ratio 1.00: 1.00)	1.23078	1.16111
Public Infrastructure (Ratio 1.00: 0.25)	0.30769	0.29028
Institutional / Educational Properties (Ratio 1.00: 1.50)	1.84617	1.71670
Agricultural Properties (including small holdings) (Ratio 1.00: 0.25)	0.30769	0.29028
Resorts with access to refuse and sanitation services (Ratio 1.00: 1.25)	1.53853	1.45144
Forner Mier Municipality's Tariffs		
Residential Properties (Ratio 1.00: 1.00)	1.07244	0.99300
Public Benefit Organisations (Ratio 1.00: 0.25)	0.26892	0.24900
Business Properties (Ratio 1.00: 1.50)	1.60936	1.49015
State Other Properties (Ratio 1.00: 1.50)	1.60936	1.49015
Institutional / Educational Properties (Ratio 1.00: 1.00)	1.07244	0.99300
Agricultural Properties (including small holdings) (Ratio 1.00: 0.25)	0.00046	0.00043

1.4.2 Sale of Water and Impact of Tariff Increases

South Africa faces similar challenges with regard to water supply as it did with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent households); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

In addition National Treasury has urged all municipalities to ensure that water tariff structures are cost reflective by 2014. Better maintenance of infrastructure and cost-reflective tariffs will ensure that the supply challenges are managed in future to ensure sustainability. The municipality pumps its raw water from the Orange River and pays DWA for it.

A tariff increase of $\pm 6\%$ from 1 July 2018 for water is proposed. This is based on input cost assumptions (bulk water purchases from DWA); the cost of other inputs like chemicals, vehicle costs and salaries; etc. Furthermore, more tariffs were introduced for water. This is being done to ensure that the community use water sparingly and treat water as a rare commodity. In addition, 6 kl water per month will again be granted through the equitable share grant to all registered indigent households.

A summary of the proposed tariffs for households (residential) and non-residential are as follows:

Table 6 Proposed Water Tariffs

Category	Proposed Tariff from 1 July 2018 (exclusive of VAT)
	Rand per kl
RESIDENTIAL	
Basic charge per month	-
1 to 6 kl per month	6.88
7 to 10 kl per month	7.91
11 to 15 kl per month	9.10
16 to 30 kl per month	10.46
31 to 40 kl per month	13.83
41 to 50 kl per month	15.91
51 to 70 kl per month	17.50
71 to 90 kl per month	19.25
more than 91 kl per month	21.18
NON-RESIDENTIAL	
Basic charge per month	-
1 to 6 kl per month	8.26
7 to 10 kl per month	9.49
11 to 15 kl per month	10.92
16 to 20 kl per month	12.55
21 to 30 kl per month	14.55
31 to 40 kl per month	16.60
41 to 50 kl per month	19.08
51 to 70 kl per month	20.99
71 to 90 kl per month	23.09
more than 91 kl per month	25.40

The following Table 7 shows the impact of the proposed increases in water tariffs (for different usages) on the water charges for a single dwelling-house.

Table 7 Comparison between current water charges and increases (Domestic)

Monthly Consumption kl	Current Amount Payable (VAT Exclusive) R	Proposed Amount Payable (VAT Exclusive) R	Difference / Increase (VAT Exclusive) R	Percentage Change
20	155.72	170.72	15.00	9.63%
30	217.92	275.32	57.40	26.34%
40	280.12	413.62	133.50	47.66%
50	342.32	572.72	230.40	67.31%
80	547.52	1 115.22	567.70	103.69%
100	705.12	1 519.52	814.40	115.50%

The tariff structure of the 2018/2019 financial year has not been changed. The tariff structure is designed to charge higher levels of consumption a higher rate, starting at R6.88 (VAT exclusive) for water consumption between 0-6kℓ, steadily increasing to a rate of R 14.30 (VAT exclusive) per kiloliter for consumption in excess of 91 kℓ per month.

1.4.3 Sale of Electricity and Impact of Tariff Increases

NERSA has announced the revised bulk electricity pricing structure. An increase of 7.32 in the Eskom bulk electricity tariff to municipalities will be effective from 1 July 2018.

Considering the Eskom bulk purchases increases, the consumer tariff had to be increased by an average of 6.84% to offset the additional bulk purchase cost from 1 July 2018. Furthermore, it should be noted that given the magnitude of the tariff increase, it is expected to increase growth in electricity consumption, which will have a positive impact on the municipality's revenue from electricity. Furthermore, note should be taken that should load-shedding be implemented again by Eskom, this will have a negative effect on the income from the sale of electricity.

Registered indigents will again be granted 50 kWh per month as a free basic service through the equitable share grant. Only registered indigent households receive free basic services (property rates, electricity, water, refuse removal and sanitation services). Registered indigent consumers' tariffs will increase with 6.84%.

The following Table 8 shows the impact of the proposed increases in electricity tariffs on the electricity charges for domestic customers:

Table 8 Comparison between current electricity charges and increases (Domestic)

Monthly Consumption 60 amp (1 phase) units	Current Amount Payable (VAT Exclusive) R	Proposed Amount Payable (VAT Exclusive) R	Difference / Increase (VAT Exclusive) R	Percentage Change
100	173.27	185.12	11.85	6.84%
250	433.18	462.80	29.63	6.84%
500	866.35	925.60	59.25	6.84%
750	1 299.53	1 388.40	88.88	6.84%
1 000	1 732.70	1 851.20	118.50	6.84%
2 000	3 465.40	3 702.40	237.00	6.84%

It should further be noted that NERSA has advised that a stepped tariff structure for the sale of electricity needs to be implemented from 1 July 2011. The effect thereof will be that the higher the consumption, the higher the cost per kWh. The aim is to subsidise the lower consumption users (mostly the poor). The municipality is granted exemption for the implementation of step / block tariffs for now, although this might change in the future.

Owing to the high increases in Eskom's bulk tariffs over the last five years, it is clearly not possible to fund necessary upgrades through increases in the municipal electricity tariff – as the resultant tariff increases would be unaffordable for the consumers. As part of the 2018/2019 medium-term capital programme, funding has been allocated to electricity infrastructure. This infrastructure is being funded by INEP allocations and own revenue. The total INEP funding of R 14.0 million and own funding of R16.6 million will be used to connect new households in Louisvale to the electricity network.

1.4.4 Sanitation and Impact of Tariff Increases

A tariff increase of $\pm 6\%$ for sanitation from 1 July 2018 is proposed. This is based on the input cost assumptions related to sanitation services. It should be noted that electricity costs, chemical costs, and, salaries and allowances contributes approximately 45% of waste water treatment input costs; therefore the higher than CPI increase of 6% per cent for sanitation tariffs.

The following factors also contribute to the proposed tariff increase:

- Sanitation charges are calculated according to the size of the improvements on the property with the argument that properties with bigger improvements on it will

accommodate more people or business activities that will lead to the use more water to be discharged in the sewerage distribution networks – see calculations made in Table 9 below;

- Free sanitation services will be applicable to all registered indigents households; and
- The total revenue expected to be generated from rendering sanitation services amounts to R 34.657 million for the 2018/2019 financial year.

The following Table 9 compares the current and proposed tariffs for household, business and other consumers.

Table 9 Comparison between current sanitation charges and increases

Category	Proposed Tariff from 1 July 2017	Proposed Tariff from 1 July 2018
	Rand per month	Rand per month
HOUSEHOLD PROPERTIES		
Improvements to 70 m ²	104.08	110.33
Improvements between 71 m ² and 100 m ²	133.67	141.68
Improvements between 101 m ² and 200 m ²	204.75	217.03
Improvements between 201 m ² and 400 m ²	244.92	259.60
Improvements between 401 m ² and 600 m ²	New Tariff	311.52
Improvements between 601 m ² and 800 m ²	New Tariff	373.82
Improvements larger than 800 m ²	New Tariff	448.83
HOTELS, BUSINESSES AND OFFICES		
For improvements up to 200 m ²	228.42	251.26
The next 300 m ² or portion thereof	228.42	251.26
For the next 400 m ² or portion thereof above 500 m ²	228.42	251.26
INDUSTRIAL PROPERTIES		
For improvements up to 200 m ²	228.42	251.26
The next 300 m ² or portion thereof	191.67	210.83
For the next 400 m ² or portion thereof above 500 m ² to 4 100 m ²	154.67	170.13
For the next 400 m ² or portion thereof above 4 100 m ²	76.50	84.15

Above tariffs are applicable on the former //Khara Hais Municipality. The previous Mier Municipality's tariffs are available in the tariff list.

The following table shows the impact of the proposed increases in sanitation tariffs on the sanitation charges for a single dwelling-house:

Table 10 Comparison between current sanitation charges and increases, houses

Category	Current Amount Payable (VAT Exclusive) R	Proposed Amount Payable (VAT Exclusive) R	Difference / Increase (VAT Exclusive) R	Percentage Change
Improvements to 70 m ²	104.08	110.33	6.25	6.00%
Improvements between 71 m ² and 100 m ²	133.67	141.68	8.01	6.00%
Improvements between 101 m ² and 200 m ²	204.75	217.03	12.28	6.00%
Improvements between 201 m ² and 400 m ²	244.92	259.60	14.68	6.00%
Improvements between 401 m ² and 600 m ²	New Tariff	311.52	311.52	27.19%
Improvements between 601 m ² and 800 m ²	New Tariff	373.82	373.82	52.63%

Above tariffs are applicable on the former //Khara Hais Municipality. The previous Mier Municipality's tariffs are available in the tariff list.

1.4.5 Waste Removal and Impact of Tariff Increases

Currently solid waste removal is operating at a deficit. It is widely accepted that the rendering of this service should at least break even, which is currently not the case. The municipality will have to implement a solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term. The main contributors to this deficit are repairs and maintenance on vehicles, increases in general expenditure such as petrol and diesel and the cost of remuneration, the vast area of the service area of the municipality that needs to be serviced and the emergence of new informal settlements.

A ±6% increase in the waste removal tariff is proposed from 1 July 2018.

The following table compares current and proposed amounts payable from 1 July 2018 for refuse removal services.

Table 11 Comparison between current waste removal fees and increases

Category	Proposed Tariff from 1 July 2017	Proposed Tariff from 1 July 2018
	Rand per month	Rand per month
HOUSEHOLD PROPERTIES		
Improvements less than 100 m ²	110.50	117.15
Improvements between 101 m ² and 200 m ²	161.67	171.35
Improvements larger than 200 m ²	206.00	218.35
BUSINESS PROPERTIES		
For improvements up to 1 500 m ² with minimum of 125m ²	1 597.50	1 725.00
Improvements between 1 501 m ² - 3 000 m ²	800.00	855.00
Per m ² above 3000 m ²	0.35	0.37

Above tariffs are applicable on the former //Khara Hais Municipality. The previous Mier Municipality's tariffs are available in the tariff list.

The monthly amount payable for one removal per week varies from R 117.15 (VAT Exclusive) to R 218.35 (VAT Exclusive) for a household. This tariff includes free black plastic bags. Indigent households will get this basic service free by means of an indigent subsidy through the equitable share allocation from National Government.

1.4.6 Overall impact of tariff increases on households

The following table shows the overall expected impact of the tariff increases on a middle income household (property with a municipal valuation of R 700 000; 1 000 kWh electricity consumption and 30 kl of water consumption per month); affordable income household (property with a municipal valuation of R 500 000; 500 kWh electricity consumption and 25 kl of water consumption per month) and a low income household (property with a municipal valuation of R 300 000; 350 kWh electricity consumption and 20 kl of water consumption per month). Note that in all instances the overall impact of the tariff increases on household's bills has been kept to less than 6.0%. This is mainly due to the increase of electricity of 1.88%. Indigent household's bills are fully subsidised where the indigent household have prepaid services Where the indigent household have conventional

services, the household will be responsible for the services received more than the subsidized amount of 6 kℓ water and 50kW electricity.

Table 12 MBRR Table SA14 – Household bills

Description	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework			
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19 % incr.	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Rand/cent								
Monthly Account for Household - 'Middle Income Range'								
Rates and services charges:								
Property rates	622.32	662.80	662.80	662.80	6.0%	702.57	744.72	789.41
Electricity: Basic levy	242.20	246.75	246.75	246.75	6.8%	263.63	279.45	296.21
Electricity: Consumption	1 384.60	1 395.90	1 395.90	1 395.90	6.8%	1 491.40	1 580.88	1 675.74
Water: Basic levy	–	–	–	–	–	–	–	–
Water: Consumption	204.30	217.56	217.56	217.56	5.6%	229.82	243.61	258.23
Sanitation	230.00	244.92	244.92	244.92	14.7%	259.60	275.18	291.69
Refuse removal	193.50	206.00	206.00	206.00	6.0%	218.35	231.45	245.34
sub-total	2 876.92	2 973.93	2 973.93	2 973.93	6.4%	3 165.37	3 355.29	3 556.61
VAT on Services	315.64	346.67	346.67	346.67		369.42	391.59	415.08
Total large household bill:	3 192.56	3 320.60	3 320.60	3 320.60		3 534.79	3 746.88	3 971.69
% increase/-decrease	–	4.0%	–	–		6.5%	6.0%	6.0%
Monthly Account for Household - 'Affordable Range'								
Rates and services charges:								
Property rates	440.62	469.28	469.28	469.28	6.0%	497.44	527.29	558.92
Electricity: Basic levy	242.20	246.75	246.75	246.75	6.8%	263.63	279.45	296.21
Electricity: Consumption	692.30	697.95	697.95	697.95	6.8%	745.70	790.44	837.87
Water: Basic levy	–	–	–	–	–	–	–	–
Water: Consumption	175.05	186.41	186.41	186.41	19.6%	223.02	236.40	250.59
Sanitation	192.25	204.78	204.78	204.78	6.0%	217.03	230.05	243.85
Refuse removal	151.75	161.67	161.67	161.67	6.0%	171.35	181.63	192.53
Other	–	–	–	–	–	–	–	–
sub-total	1 894.17	1 966.84	1 966.84	1 966.84	7.7%	2 118.17	2 245.26	2 379.98
VAT on Services	203.50	205.46	205.46	205.46		243.11	257.70	273.16
Total small household bill:	2 097.67	2 172.30	2 172.30	2 172.30	8.7%	2 361.28	2 502.96	2 653.13
% increase/-decrease	–	3.6%	–	–		8.7%	6.0%	6.0%
Monthly Account for Household - 'Indigent' Household receiving free basic services								
Rates and services charges:								
Property rates	–	–	–	–	–	–	–	–
Electricity: Basic levy	–	–	–	–	–	–	–	–
Electricity: Consumption	415.38	419.46	419.46	419.46	27.3%	448.14	475.03	503.53
Water: Basic levy	–	–	–	–	–	–	–	–
Water: Consumption	111.42	118.66	118.66	118.66	(17.6%)	97.80	103.67	109.89
Sanitation	–	–	–	–	–	–	–	–
Refuse removal	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–
sub-total	526.80	538.12	538.12	538.12	1.5%	545.94	578.70	613.42
VAT on Services	72.75	75.34	75.34	75.34		81.89		
Total small household bill:	599.55	613.46	613.46	613.46	2.3%	627.83	578.70	613.42
% increase/-decrease	–	2.3%	–	–		2.3%	(7.8%)	6.0%

1.5 Operating Expenditure Framework

The municipality's expenditure framework for the 2018/2019 budget and MTREF is informed by the following:

- The asset renewal strategy and the repairs and maintenance plan;
- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to the asset renewal strategy and backlog eradication plan;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of *no project plans no budget*. If there is no business plan no funding allocation can be made.

The following table is a high level summary of the 2018/2019 budget and MTREF (classified per main type of operating expenditure).

Table 13 Summary of operating expenditure by standard classification item

Description / R thousand	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework			
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	%	Budget Year +1 2019/20	Budget Year +2 2020/21
Expenditure By Type								
Employee related costs	221 902	259 650	274 025	274 025	325 494	43.3%	348 933	369 740
Remuneration of councillors	8 514	11 416	10 916	10 916	11 571	1.5%	12 323	13 063
Debt impairment	18 409	5 000	5 300	5 300	–	0.0%	–	–
Depreciation & asset impairment	93 761	80 534	80 538	80 538	95 594	12.7%	100 385	105 919
Finance charges	11 838	12 481	12 527	12 527	12 225	1.6%	12 836	13 542
Bulk purchases	159 260	177 976	183 085	183 085	186 291	24.8%	195 606	206 364
Other materials	–	18 388	17 985	17 985	30 247	4.0%	31 760	33 506
Contracted services	15 252	19 490	17 247	17 247	22 352	3.0%	23 469	24 760
Transfers and grants	464	610	867	867	862	0.1%	905	955
Other expenditure	61 541	77 501	61 309	61 309	66 504	8.9%	70 061	74 150
Loss on disposal of PPE	–	–	–	–	–	0.0%	–	–
Total Expenditure	590 942	663 046	663 798	663 798	751 140	100.0%	796 279	842 000

The budgeted allocation for employee related costs for the 2018/2019 financial year totals R 325.5 million, which equals 43.3% per cent of the total operating expenditure and 49.7% of operating expenditure excluding non-cash items. No salary collective agreement for 2018/2019 has been met and therefore the municipality budgeted in terms of the guidelines provided for 4.5% and onwards exists and the municipality has budgeted for a cost-of-living increase of 6%. Provision was made for critical vacant positions and increase in contributions towards medical aid above inflation rate.

An annual cost-of-living increase of 6.0% has been included in the two outer years of the MTREF. As part of the municipality's cost reprioritisation and cash management strategy vacancies have been significantly rationalised downwards. In addition expenditure against overtime was significantly reduced, with provisions against this budget item only being provided for emergency services and other critical functions. All overtime is being approved by the Accounting Officer to ensure that the overtime is monitored at all times.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the municipality's budget.

No provision for debt impairment was made. Provision for write off bad debt of R 5.5 million was budgeted for as part of other expenditure in terms of MSCOA. For the 2018/2019 financial year this amount equates to R 5.5 million and R 5.8 million and R 6.1 million for the two outer years. While this expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues. The moratorium on the handover of residential consumers was lifted in 2016/2017 and therefore defaulting consumer debtors will be handed over for collection.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R 95.6 million for the 2018/2019 financial and equates to 12.7% of the total operating

expenditure. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register. This has resulted in a significant increase in depreciation relative to previous years. This additional off-setting depreciation is not included in the budget for tariff calculation purposes. However, the municipality can expect to generate a non-cash operating deficit when the 2018/2019 annual financial statements are compiled compliant with the Accounting Standards since this off-setting depreciation is reflected in the Statement of Financial Performance and not directly to the Statement of Changes in Net Assets.

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges make up 1.6% (R 12.3 million) of operating expenditure excluding annual redemption for 2018/2019 and increases to R 12.5 million by 2020/2021. As previously noted, the municipality has reached its prudential limits for borrowing. Therefore no external borrowing is being budgeted for from 2018/2019 – 2020/2021.

Bulk purchases are directly informed by the purchase of electricity from Eskom and water from DWA. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The expenditures include distribution losses.

Repairs and maintenance to be procured for the maintenance of the municipality's assets are included under other materials. This includes an amount of R 30.2 million for the 2018/2019 financial year and R 31.8 million and R 33.5 million for the two outer years of the MTREF. With the adoption of GRAP 17 Dawid Kruiper Municipality adopted the revaluation method with the higher Depreciated Replacement Cost (DRC), this resulted in a net asset value of R 1.8 billion. Circular 55 requires that municipalities should ensure that repairs and maintenance is at least 8% of the total value of Property, Plant and Equipment, this is however impossible to budget for repairs and maintenance of R 145.6 million as this expenditure must be funded with tariff increases. Therefore the implication of the revaluation method of GRAP 17 is taken into consideration when determining the budgeted amounts for repairs and maintenance.

Contracted services have been identified as a cost saving area for the municipality. As part of the compilation of the 2018/2019 MTREF this group of expenditure was critically evaluated and operational efficiencies were enforced. In the 2018/2019 financial year, this

group of expenditure totals R 22.4 million and has increased compared to the 2017/2018 adjustments budget, clearly. For the two outer years growth has been limited to 5.0% and 5.4%. As part of the process of identifying further cost efficiencies, a business process re-engineering project will commence in the 2018/2019 financial year to identify alternative practices and procedures, including building in-house capacity for certain activities that are currently being contracted out. The outcome of this exercise will be factored into the next budget cycle and it is envisaged that additional cost savings will be implemented. Further details relating to contracted services can be seen in Table 63 MBRR SA1.

Other expenditure comprises of various line items relating to the daily operations of the municipality. As mentioned above it includes other materials for repair and maintenance of the municipality's assets. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. Further details relating to other expenditure can be seen in Table 63 MBRR SA1.

The following chart gives a breakdown of the main expenditure categories for the 2018/2019 financial year.

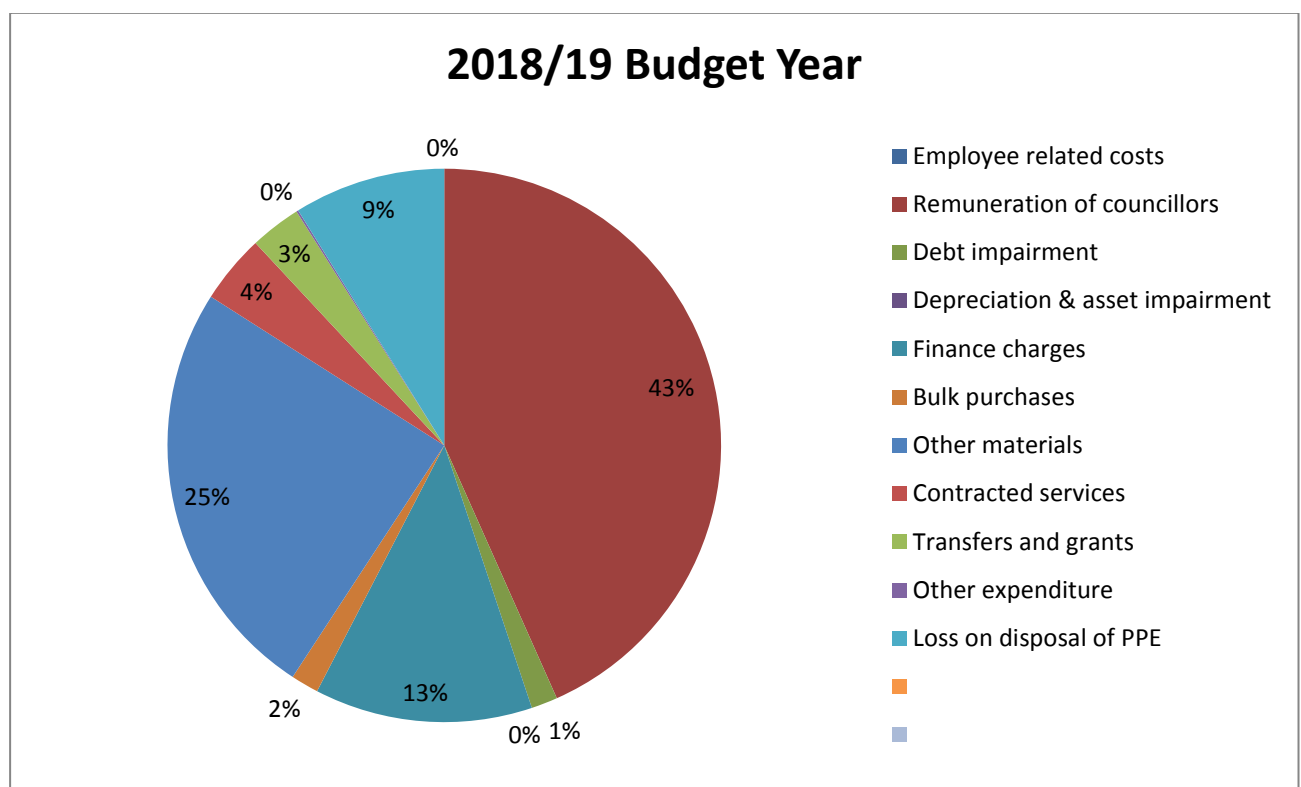


Figure 1 Main operational expenditure categories for the 2018/2019 financial year

1.5.1 Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the municipality's current infrastructure, the 2018/2019 budget and MTREF provide for extensive growth in the area of asset maintenance (higher than the inflation rate), as informed by the asset renewal strategy and repairs and maintenance plan of the municipality. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials, vehicle costs and contracted services.

Unfortunately the financial system of the municipality is set up in such a way that these costs cannot be calculated and allocated very easily to the different asset classes. Therefore the following table will only reflect other materials to be procured for repairs and maintenance purposes. Table 14 gives a better picture of the consolidated cost drivers of all the expenditures associated with repairs and maintenance.

Table 14 Operational repairs and maintenance

Description / R thousand	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Repairs and Maintenance by Expenditure Item							
Employee related costs	–	–	–	–	–	–	–
Other materials	11 216	18 435	17 985	17 985	10 023	10 524	11 103
Contracted Services	–	–	–	–	5 893	6 188	6 528
Other Expenditure							
Total Repairs and Maintenance Expenditure	11 216	18 435	17 985	17 985	15 916	16 712	17 631

During the compilation of the 2017/2018 Adjustment Budget operational repairs and maintenance was identified as a strategic imperative owing to the aging of the municipality's infrastructure. To this end, total repairs and maintenance was increased in the 2018/2019 financial year to R 15.9 million from R 11.2 million in 2016/2017. As part of the 2018/2019 MTREF this strategic imperative remains a priority as can be seen by the

budget appropriations over the MTREF. Table 15 below provides a breakdown of the repairs and maintenance (only other materials costs) in relation to asset class.

Table 15 Repairs and maintenance per asset class

Description / R thousand	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Repairs and maintenance expenditure by Asset Class/Sub-class							
Infrastructure	2 383	7 303	3 526	3 526	5 313	5 578	5 885
Roads Infrastructure	71	1 245	1 100	1 100	2 170	2 279	2 404
Roads	71	838	950	950	2 010	2 111	2 227
Road Furniture	—	407	150	150	160	168	177
Storm water Infrastructure	—	—	—	—	—	—	—
Electrical Infrastructure	1 246	1 372	571	571	1 578	1 657	1 748
MV Substations	—	7	—	—	23	24	25
MV Networks	1 246	138	—	—	—	—	—
LV Networks	—	1 228	571	571	1 555	1 633	1 723
Capital Spares	—	—	—	—	—	—	—
Water Supply Infrastructure	557	2 375	1 095	1 095	1 000	1 050	1 108
Reservoirs	—	96	—	—	—	—	—
Pump Stations	—	10	—	—	—	—	—
Water Treatment Works	553	748	60	60	—	—	—
Distribution	4	894	825	825	1 000	1 050	1 108
Distribution Points	—	626	210	210	—	—	—
Sanitation Infrastructure	498	1 288	722	722	510	536	565
Reticalation	—	1 040	510	510	380	399	421
Waste Water Treatment Works	498	36	—	—	—	—	—
Toilet Facilities	—	212	212	212	130	137	144
Solid Waste Infrastructure	11	3	—	—	—	—	—
Waste Processing Facilities	11	—	—	—	—	—	—
Waste Drop-off Points	—	3	—	—	—	—	—
Rail Infrastructure	—	650	—	—	—	—	—
Rail Lines	—	650	—	—	—	—	—
Coastal Infrastructure	—	—	—	—	—	—	—
Information and Communication Infrastructure	—	371	38	38	55	58	61
Data Centres	—	221	—	—	—	—	—
Distribution Layers	—	150	38	38	55	58	61
Community Assets	56	607	620	620	1 588	1 667	1 759
Community Facilities	—	8	278	278	922	968	1 021
Halls	—	—	8	8	705	740	781
Fire/Ambulance Stations	—	—	—	—	32	33	35
Libraries	—	—	250	250	10	11	11
Cemeteries/Crematoria	—	8	20	20	—	—	—
Parks	—	—	—	—	175	184	194
Sport and Recreation Facilities	56	599	343	343	666	699	738
Indoor Facilities	—	224	—	—	—	—	—
Outdoor Facilities	56	376	343	343	666	699	738
Heritage assets	—	—	—	—	—	—	—
Investment properties	—	—	—	—	—	—	—
Other assets	679	2 021	1 109	1 109	1 467	1 540	1 625
Operational Buildings	679	2 021	1 109	1 109	1 467	1 540	1 625
Municipal Offices	679	1 800	1 109	1 109	1 467	1 540	1 625
Workshops	—	1	—	—	—	—	—
Yards	—	220	—	—	—	—	—
Intangible Assets	—	—	—	—	490	515	543
Licences and Rights	—	—	—	—	490	515	543
Computer Software and Applications	—	—	—	—	490	515	543
Computer Equipment	—	—	—	—	153	161	169
Computer Equipment	—	—	—	—	153	161	169
Furniture and Office Equipment	—	—	—	—	537	563	594
Furniture and Office Equipment	—	—	—	—	537	563	594
Machinery and Equipment	2 666	1 529	7 401	7 401	140	147	155
Machinery and Equipment	2 666	1 529	7 401	7 401	140	147	155
Transport Assets	5 432	6 975	5 329	5 329	6 229	6 540	6 900
Transport Assets	5 432	6 975	5 329	5 329	6 229	6 540	6 900
Total Repairs and Maintenance Expenditure	11 216	18 435	17 985	17 985	15 916	16 712	17 631

1.5.2 Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the municipality's Indigent Policy. It should be noted that the Indigent Subsidy Policy was reviewed and that changes were made. For more detail on the policy visit our website at www.dkm.gov.za. Detail relating to free services, cost of free basis services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in Table 27 MBRR A10 (Basic Service Delivery Measurement).

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.

1.6 Capital expenditure

The following table provides a breakdown of budgeted single- and multi-year capital expenditure by vote. For 2018/2019 an amount of R 127.5 million has been appropriated for investment in property, plant and equipment. In the outer years this amount totals R 36.2 million and R 30.4 million respectively for each of the financial years. Electro-Mechanical Services receives the highest allocation of R 39.7 million in 2018/2019 which equates to 31.2% of the capital budget.

Table 16 2018/2019 Medium-term capital budget per vote

Description / R thousand	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Budget Year 2018/19	%	Budget Year +1 2019/20	%	Budget Year +2 2020/21	%
Capital expenditure - Vote								
Multi-year expenditure to be appropriated								
Vote 1 - Municipal Manager	–	0.0%	–	0.0%	–	0.0%	–	0.0%
Vote 2 - Corporate Services	–	0.0%	–	0.0%	–	0.0%	–	0.0%
Vote 3 - Budget & Treasury Office	–	0.0%	1 000	0.8%	–	0.0%	–	0.0%
Vote 4 - Community Services	–	0.0%	–	0.0%	–	0.0%	–	0.0%
Vote 5 - Technical Director	–	0.0%	–	0.0%	–	0.0%	–	0.0%
Vote 6 - Electro Mech Services	–	0.0%	–	0.0%	–	0.0%	–	0.0%
Vote 7 - Civil Engineering Services	–	0.0%	13 769	10.8%	–	0.0%	–	0.0%
Vote 8 - Planning and Development Services	–	0.0%	20 301	15.9%	20 727	57.3%	21 729	71.4%
Capital multi-year expenditure sub-total	–	0.0%	35 070	27.5%	20 727	57.3%	21 729	71.4%
Single-year expenditure to be appropriated								
Vote 1 - Municipal Manager	576	0.5%	36	0.0%	–	0.0%	–	0.0%
Vote 2 - Corporate Services	341	0.3%	2 292	1.8%	–	0.0%	–	0.0%
Vote 3 - Budget & Treasury Office	18 504	15.9%	7 400	5.8%	–	0.0%	–	0.0%
Vote 4 - Community Services	1 462	1.3%	1 691	1.3%	217	0.6%	217	2.5%
Vote 5 - Technical Director	–	0.0%	–	0.0%	–	0.0%	–	0.0%
Vote 6 - Electro Mech Services	51 538	44.4%	59 440	46.6%	15 246	42.1%	8 487	97.5%
Vote 7 - Civil Engineering Services	28 949	24.9%	21 479	16.8%	–	0.0%	–	0.0%
Vote 8 - Planning and Development Services	14 672	12.6%	70	0.1%	–	0.0%	–	0.0%
Capital single-year expenditure sub-total	116 042	100.0%	92 408	72.5%	15 464	42.7%	8 704	28.6%
Total Capital Expenditure - Vote	116 042	100.0%	127 478	100.0%	36 190	100.0%	30 433	100.0%

Further detail relating to asset classes and proposed capital expenditure is contained in Table 26 MBRR A9 (Asset Management). In addition to the MBRR Table A9, MBRR Tables SA34a, b and c provides a detailed breakdown of the capital programme relating to new asset construction; capital asset renewal as well as operational repairs and maintenance by asset class.

Refer to pages 123 to 137 contain a detail breakdown of the capital budget per project over the medium-term.

1.6.1 Future operational cost of new infrastructure

The future operational costs and revenues associated with the capital programme have been included in Table 61 MBRR SA35. This concomitant operational expenditure is expected to escalate as new capital projects are implemented. It needs to be noted that as part of the 2018/2019 MTREF, this expenditure has been factored into the two outer years of the operational budget.

1.7 Annual Budget Tables – Parent Municipality

The following eighteen pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2018/2019 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory notes*.

Explanatory notes to MBRR Table A1 – Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF.
 - b. Capital expenditure is balanced by capital funding sources, of which:
 - Transfers recognised is reflected on the Financial Performance Budget;
 - Borrowing is incorporated in the net cash from financing on the Cash Flow Budget; and
 - Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains

positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.

4. The Cash backing / surplus reconciliation shows that in previous financial years the municipality was not paying much attention to managing this aspect of its finances, and consequently many of its obligations are not cash-backed. This places the municipality in a very vulnerable financial position, as the recent slow-down in revenue collections highlighted. Consequently Council has taken a deliberate decision to ensure adequate cash-backing for all material obligations in accordance with the recently adopted Funding and Reserves Policy. This cannot be achieved in one financial year. But over the MTREF there is progressive improvement in the level of cash-backing of obligations.
5. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs.

Table 17 MBRR Table A1 – Budget Summary

Description / R thousand	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Financial Performance							
Property rates	75 406	97 249	93 832	93 832	99 462	105 429	112 282
Service charges	337 359	404 227	397 633	397 633	447 595	474 450	505 290
Investment revenue	2 844	2 590	4 055	4 055	4 350	4 568	4 819
Transfers recognised - operational	70 984	89 758	82 646	82 646	93 221	96 855	104 663
Other own revenue	57 172	46 098	44 295	44 295	66 980	55 411	58 711
Total Revenue (excluding capital transfers and contributions)	543 764	639 921	622 461	622 461	711 607	736 713	785 765
Employee costs	221 902	259 650	274 025	274 025	325 494	348 933	369 740
Remuneration of councillors	8 514	11 416	10 916	10 916	11 571	12 323	13 063
Depreciation & asset impairment	93 761	80 534	80 538	80 538	95 594	100 385	105 919
Finance charges	11 838	12 481	12 527	12 527	12 225	12 836	13 542
Materials and bulk purchases	159 260	196 364	201 070	201 070	216 538	227 365	239 870
Transfers and grants	464	610	867	867	862	905	955
Other expenditure	95 201	101 991	83 856	83 856	88 856	93 531	98 911
Total Expenditure	590 942	663 046	663 798	663 798	751 140	796 279	842 000
Surplus/(Deficit)	(47 178)	(23 124)	(41 338)	(41 338)	(39 534)	(59 566)	(56 235)
Transfers recognised - capital	35 364	48 280	69 457	69 457	44 060	28 874	30 433
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(11 813)	25 155	28 120	28 120	4 527	(30 692)	(25 802)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(11 813)	25 155	28 120	28 120	4 527	(30 692)	(25 802)
Capital expenditure & funds sources							
Capital expenditure	192 885	91 817	116 042	116 042	127 478	36 190	30 433
Transfers recognised - capital	34 984	48 280	69 537	69 537	44 060	28 874	30 433
Public contributions & donations	–	–	–	–	–	–	–
Borrowing	–	10 000	10 000	10 000	–	–	–
Internally generated funds	157 900	33 537	36 505	36 505	83 417	7 316	–
Total sources of capital funds	192 885	91 817	116 042	116 042	127 478	36 190	30 433
Financial position							
Total current assets	126 649	96 800	102 545	102 545	89 755	122 533	150 873
Total non current assets	2 405 770	2 315 050	2 436 832	2 436 832	2 488 769	2 435 074	2 370 666
Total current liabilities	181 997	105 714	117 114	117 114	175 400	176 900	157 900
Total non current liabilities	366 199	268 615	278 615	278 615	386 255	394 530	403 263
Community wealth/Equity	1 984 223	2 037 521	2 143 648	2 143 648	2 016 870	1 986 178	1 960 375
Cash flows							
Net cash from (used) operating	81 342	89 981	164 452	164 452	124 497	52 268	52 249
Net cash from (used) investing	(38 042)	(78 747)	(103 042)	(103 042)	(98 392)	(20 440)	(13 817)
Net cash from (used) financing	(11 999)	340	340	340	(14 000)	(16 000)	(18 000)
Cash/cash equivalents at the year end	43 754	24 395	74 572	74 572	19 934	35 761	56 194
Cash backing/surplus reconciliation							
Cash and investments available	43 754	24 395	17 445	17 445	19 934	35 761	56 194
Application of cash and investments	34 868	(12 041)	(38 248)	(38 248)	31 736	19 961	(8 909)
Balance - surplus (shortfall)	8 887	36 437	55 694	55 694	(11 802)	15 800	65 103
Asset management							
Asset register summary (WDV)	2 405 770	2 315 050	2 315 050	2 315 050	2 488 769	2 435 074	2 370 666
Depreciation & asset impairment	–	80 534	80 538	80 538	95 594	100 385	105 919
Renewal of Existing Assets	19 525	19 774	10 806	10 806	32 202	10 794	3 478
Repairs and Maintenance	11 216	18 435	17 985	17 985	15 916	16 712	17 631
Free services							
Cost of Free Basic Services provided	23 551	23 551	20 117	20 117	23 551	23 551	23 551
Revenue cost of free services provided	8 224	10 884	10 109	10 109	10 715	11 358	12 096
Households below minimum service level							
Water:	–	–	–	–	–	–	–
Sanitation/sewerage:	1	1	1	1	1	1	1
Energy:	2	2	2	2	2	2	2
Refuse:	10	10	10	10	10	10	10

Explanatory notes to MBRR Table A2 – Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4.
3. Note that as a general principle the revenues for the Trading Services should exceed their expenditures. The table highlights that this is the case for Electricity, but not for Water, Waste Water Management and Waste Management functions. This deficit shown on the above mentioned functions is non-cash deficits as the depreciation cost are included in the deficit. This is a result of the implementation of GRAP 17 – as detailed discussed on page 21.
4. Other functions that show a deficit between revenue and expenditure are being financed through the trading services profit, from rates revenues and other revenue sources reflected in the table.

**Table 18 MBRR Table A2 – Budgeted Financial Performance
(Revenue and expenditure by standard classification)**

Standard Classification Description / R thousand	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue - Standard							
Governance and administration	210 742	257 502	256 724	256 724	233 655	232 810	249 408
Executive and council	4 011	–	–	–	–	–	–
Finance and administration	206 730	257 502	256 724	256 724	233 655	232 810	249 408
Internal audit	–	–	–	–	–	–	–
Community and public safety	7 255	8 566	12 099	12 099	8 783	9 295	9 653
Community and social services	1 656	2 656	2 709	2 709	3 179	3 393	3 411
Sport and recreation	4 774	5 870	4 680	4 680	4 684	4 965	5 288
Public safety	53	39	4 060	4 060	218	231	246
Housing	772	–	650	650	703	706	709
Health	–	–	–	–	–	–	–
Economic and environmental services	17 157	12 847	19 607	19 607	38 608	39 884	42 058
Planning and development	6 295	6 186	15 088	15 088	31 015	31 834	33 486
Road transport	10 862	6 661	4 520	4 520	7 594	8 049	8 573
Environmental protection	–	–	–	–	–	–	–
Trading services	343 974	409 286	403 487	403 487	474 621	483 598	515 079
Energy sources	248 785	278 955	282 844	282 844	333 680	344 801	367 260
Water management	47 662	66 305	60 458	60 458	72 989	66 768	71 108
Waste water management	27 264	34 373	33 559	33 559	34 657	36 736	39 124
Waste management	20 263	29 653	26 627	26 627	33 295	35 292	37 586
Other	0	–	0	0	–	–	–
Total Revenue - Standard	579 128	688 201	691 918	691 918	755 667	765 587	816 198
Expenditure - Standard							
Governance and administration	142 173	151 884	149 806	149 806	243 650	260 660	275 783
Executive and council	31 645	44 957	53 882	53 882	73 874	80 923	85 637
Finance and administration	110 528	105 545	94 799	94 799	167 043	176 830	187 066
Internal audit	–	1 382	1 125	1 125	2 733	2 907	3 080
Community and public safety	48 596	59 841	64 214	64 214	64 686	68 735	72 805
Community and social services	8 804	8 633	9 173	9 173	12 319	13 089	13 863
Sport and recreation	28 070	34 843	33 870	33 870	32 401	34 403	36 431
Public safety	11 048	12 835	16 488	16 488	15 039	16 007	16 964
Housing	2 559	2 526	4 682	4 682	4 926	5 236	5 547
Health	(1 885)	1 005	–	–	–	–	–
Economic and environmental services	66 578	85 280	72 388	72 388	69 662	73 698	77 956
Planning and development	16 305	26 966	17 493	17 493	13 843	14 691	15 555
Road transport	50 273	58 314	54 895	54 895	55 819	59 007	62 401
Environmental protection	–	–	–	–	–	–	–
Trading services	331 898	363 714	375 180	375 180	370 524	390 398	412 502
Energy sources	196 863	216 353	218 349	218 349	235 150	247 278	261 164
Water management	54 804	69 753	72 763	72 763	62 943	66 460	70 247
Waste water management	38 874	43 207	44 191	44 191	30 039	31 863	33 730
Waste management	41 357	34 401	39 878	39 878	42 392	44 796	47 361
Other	1 697	2 326	2 211	2 211	2 619	2 788	2 954
Total Expenditure - Standard	590 942	663 046	663 798	663 798	751 140	796 279	842 000
Surplus/(Deficit) for the year	(11 813)	25 155	28 120	28 120	4 527	(30 692)	(25 802)

Explanatory notes to MBRR Table A3 – Budgeted Financial Performance (revenue and expenditure by municipal vote)

1. Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the municipality. This means it is possible to present the operating surplus or deficit of a vote.

The following table is an analysis of the surplus or deficit for the electricity and water trading services.

1. The electricity trading surplus is sustained over the 2018/2019 MTREF around 33.8% - 33.1% from 2018/2019 to 2020/2021. This is primarily as a result of the high increases in Eskom bulk purchases and the tariff setting policy of the municipality and NERSA to buffer the impact of these increases on individual consumers.
2. The surplus on the water account remains relatively constant over the MTREF translating into a surplus of 35.4%, 25.3% and 25.9% for each of the respective financial years.
3. Note that the surpluses on these trading accounts are accounted for as an internal funding source for the capital programme for asset renewal, refurbishment and the development of new asset infrastructure, *and to cross-subsidise other municipal services.*

**Table 19 MBRR Table A3 – Budgeted Financial Performance
(Revenue and expenditure by municipal vote)**

Description / R thousand	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue by Vote							
Vote 1 - Municipal Manager	4 011	–	–	–	–	–	–
Vote 2 - Corporate Services	5 527	17 579	18 208	18 208	44 780	31 910	33 715
Vote 3 - Budget & Treasury Office	201 204	239 921	238 584	238 584	188 875	200 901	215 693
Vote 4 - Community Services	33 995	40 056	39 024	39 024	45 509	48 264	51 198
Vote 5 - Technical Director	–	–	–	–	–	–	–
Vote 6 - Electro Mech Services	248 785	278 955	282 844	282 844	333 680	344 801	367 260
Vote 7 - Civil Engineering Services	75 087	100 932	101 255	101 255	107 748	103 613	110 348
Vote 8 - Planning and Development Services	10 519	10 758	12 003	12 003	35 075	36 099	37 984
Total Revenue by Vote	579 128	688 201	691 918	691 918	755 667	765 587	816 198
Expenditure by Vote to be appropriated							
Vote 1 - Municipal Manager	31 645	47 050	45 186	45 186	69 528	76 291	80 726
Vote 2 - Corporate Services	25 125	31 114	33 266	33 266	44 324	46 962	49 695
Vote 3 - Budget & Treasury Office	58 311	50 878	42 712	42 712	65 746	69 576	73 596
Vote 4 - Community Services	108 306	120 372	124 932	124 932	129 096	136 994	145 042
Vote 5 - Technical Director	–	–	–	–	–	–	–
Vote 6 - Electro Mech Services	208 408	220 056	221 852	221 852	268 333	282 281	298 149
Vote 7 - Civil Engineering Services	138 533	166 600	167 350	167 350	144 799	153 044	161 827
Vote 8 - Planning and Development Services	20 614	26 974	28 501	28 501	29 314	31 130	32 967
Total Expenditure by Vote	590 942	663 046	663 798	663 798	751 140	796 279	842 000
Surplus/(Deficit) for the year	(11 813)	25 155	28 120	28 120	4 527	(30 692)	(25 802)

Table 20 Surplus/(Deficit) calculations for the trading services

Description / R thousand	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Electricity							
Total Revenue (Excluding capital)	248 785	278 955	282 844	282 844	333 680	344 801	367 260
Operating Expenditure (excluding depreciation)	182 754	203 632	205 627	205 627	221 040	232 463	245 533
Surplus/(Deficit) for the year	66 032	75 323	77 217	77 217	112 640	112 338	121 727
Percentage Surplus	26.5%	27.0%	27.3%	27.3%	33.8%	32.6%	33.1%
Water							
Total Revenue (Excluding capital)	47 662	66 305	60 458	60 458	72 989	66 768	71 108
Operating Expenditure (excluding depreciation)	38 986	51 347	54 357	54 357	47 125	49 851	52 725
Surplus/(Deficit) for the year	8 677	14 959	6 101	6 101	25 864	16 917	18 383
Percentage Surplus	18.2%	22.6%	10.1%	10.1%	35.4%	25.3%	25.9%

Explanatory notes to Table A4 – Budgeted Financial Performance (revenue and expenditure)

1. Total revenue is R 711.6 million in 2018/2019 and escalates to R 785.8 million by 2020/2021. This represents a year-on-year increase of 3.5% for the 2019/2020 financial year and 6.7% for the 2020/2021 financial year.
2. Revenue to be generated from property rates is R 99.5 million in the 2018/2019 financial year and increases to R 112.3 million by 2020/2021 which represents 12.9% of the operating revenue base of the municipality and therefore remains a significant funding source for the municipality. It remains relatively constant over the medium-term and tariff increases have been factored in at $\pm 6.0\%$ for each of the respective financial years of the MTREF.
3. Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the municipality totalling R 447.6 million for the 2018/2019 financial year and increasing to R 505.3 million by 2020/2021. For the 2018/2019 financial year services charges amount to 44.5% of

the total revenue base and increases to 45.5% by 2020/2021. This increase can mainly be attributed to the increase in the bulk prices of electricity and water.

4. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. Operating grants and transfers totals R 93.2 million in the 2018/2019 financial year and increases to R 104.7 million for 2020/2021. The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

Table 21 MBRR Table A4 – Budgeted Financial Performance (revenue and expenditure)

Description / R thousand	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue By Source							
Property rates	75 406	97 249	93 832	93 832	99 462	105 429	112 282
Service charges - electricity revenue	242 247	274 113	278 151	278 151	316 656	335 656	357 473
Service charges - water revenue	47 585	66 226	59 458	59 458	62 987	66 766	71 106
Service charges - sanitation revenue	27 264	34 235	33 399	33 399	34 657	36 736	39 124
Service charges - refuse revenue	20 263	29 653	26 626	26 626	33 295	35 292	37 586
Rental of facilities and equipment	8 341	9 640	9 029	9 029	7 987	8 466	9 015
Interest earned - external investments	2 844	2 590	4 055	4 055	4 350	4 568	4 819
Interest earned - outstanding debtors	2 985	3 710	3 000	3 000	3 000	3 150	3 323
Fines	4 459	668	737	737	5 702	6 043	6 434
Licences and permits	1 571	1 644	1 707	1 707	1 986	2 105	2 242
Agency services	4 208	3 657	1 765	1 765	–	–	–
Transfers recognised - operational	70 984	89 758	82 646	82 646	93 221	96 855	104 663
Other revenue	34 879	13 714	15 056	15 056	19 220	19 897	21 080
Gains on disposal of PPE	729	13 064	13 000	13 000	29 086	15 750	16 616
Total Revenue (excluding capital transfers and contributions)	543 764	639 921	622 461	622 461	622 461	711 607	736 713
Expenditure By Type							
Employee related costs	221 902	259 650	274 025	274 025	274 025	325 494	348 933
Remuneration of councillors	8 514	11 416	10 916	10 916	10 916	11 571	12 323
Debt impairment	18 409	5 000	5 300	5 300	5 300	–	–
Depreciation & asset impairment	93 761	80 534	80 538	80 538	80 538	95 594	100 385
Finance charges	11 838	12 481	12 527	12 527	12 527	12 225	12 836
Bulk purchases	159 260	177 976	183 085	183 085	183 085	186 291	195 606
Other materials	–	18 388	17 985	17 985	17 985	30 247	31 760
Contracted services	15 252	19 490	17 247	17 247	17 247	22 352	23 469
Transfers and subsidies	464	610	867	867	867	862	905
Other expenditure	61 541	77 501	61 309	61 309	61 309	66 504	70 061
Loss on disposal of PPE	–	–	–	–	–	–	–
Total Expenditure	590 942	663 046	663 798	663 798	663 798	751 140	796 279
Surplus/(Deficit)	(47 178)	(23 124)	(41 338)	(46 838)	(46 838)	(39 534)	(59 566)
Transfers recognised - capital	35 364	48 280	69 457	69 457	69 457	44 060	28 874
Surplus/(Deficit) after capital transfers & contributions	(11 813)	25 155	28 120	22 620	22 620	4 527	(30 692)
Taxation	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation	(11 813)	25 155	28 120	22 620	22 620	4 527	(30 692)
Attributable to minorities	–	–	28 120	–	–	–	–
Surplus/(Deficit) attributable to municipality	(11 813)	25 155	56 239	22 620	22 620	4 527	(30 692)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(11 813)	25 155	56 239	22 620	22 620	4 527	(30 692)

Explanatory notes to Table A5 – Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 below is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. In relation to multi-year appropriations, for the 2018/2019 financial year R 35.1 million has been allocated of the total R 127.4 million capital budget, which totals 27.5%. This allocation decreases to R 20.7 million in 2019/2020 and then increases to R 21.7 million in 2020/2021.
3. Single-year capital expenditure has been appropriated at R 92.4 million for the 2018/2019 financial year and R 15.5 million and R 8.7 million respectively for the two outer years.
4. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialised tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.
5. The capital programme is funded from capital and provincial grants and transfers, public contributions and donations and internally generated funds from current year surpluses. For 2018/2019, capital transfers totals R 44.1 million (34.6%) and decrease to R 28.6 million (79.8%) for 2019/2020 and then increases to R 30.4 million (100.0%) for 2020/2021.

Table 22 MBRR Table A5 – Budgeted Capital Expenditure by vote, standard classification and funding source

Description / R thousand	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital expenditure - Vote							
<i>Multi-year expenditure to be appropriated</i>							
Vote 1 - Municipal Manager	-	-	-	-	-	-	-
Vote 2 - Corporate Services	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury Office	-	-	-	-	1 000	-	-
Vote 4 - Community Services	-	-	-	-	-	-	-
Vote 5 - Technical Director	-	-	-	-	-	-	-
Vote 6 - Electro Mech Services	1 889	-	-	-	-	-	-
Vote 7 - Civil Engineering Services	118	6 140	-	-	13 769	-	-
Vote 8 - Planning and Development Services	17 577	21 223	-	-	20 301	20 727	21 729
Capital multi-year expenditure sub-total	19 584	27 364	-	-	35 070	20 727	21 729
<i>Single-year expenditure to be appropriated</i>							
Vote 1 - Municipal Manager	52	1 524	576	576	576	36	-
Vote 2 - Corporate Services	46	-	341	341	341	2 292	-
Vote 3 - Budget & Treasury Office	517	-	18 504	18 504	18 504	7 400	-
Vote 4 - Community Services	64 710	936	1 462	359	359	1 691	217
Vote 5 - Technical Director	-	-	-	-	-	-	-
Vote 6 - Electro Mech Services	19 668	38 230	51 538	47 178	47 178	59 440	15 246
Vote 7 - Civil Engineering Services	88 095	23 739	28 949	28 949	28 949	21 479	-
Vote 8 - Planning and Development Services	186	44	14 672	87	87	70	-
Capital single-year expenditure sub-total	173 274	64 473	116 042	95 994	95 994	92 408	15 464
Total Capital Expenditure - Vote	192 858	91 837	116 042	95 994	131 064	113 135	37 192
Capital Expenditure - Standard							
<i>Governance and administration</i>	686	1 524	32 652	32 652	32 652	29 976	7 316
Executive and council	79	1 524	578	578	578	3	-
Budget and treasury office	607	-	32 074	32 074	32 074	29 973	7 316
Corporate services	-	-	-	-	-	-	-
<i>Community and public safety</i>	3 902	5 296	1 438	1 438	1 438	2 008	5 777
Community and social services	22	626	1 104	1 104	1 104	1 032	217
Sport and recreation	3 832	4 360	52	52	52	706	5 559
Public safety	49	311	282	282	282	270	-
<i>Economic and environmental services</i>	95 876	46 686	24 884	24 884	24 884	11 885	15 167
Planning and development	4	28 426	14 734	14 734	14 734	70	-
Road transport	95 872	18 260	10 150	10 150	10 150	11 815	15 167
<i>Trading services</i>	92 421	38 310	57 068	57 068	57 068	83 609	7 930
Electricity	19 930	27 270	38 334	38 334	38 334	39 742	7 930
Water	4 106	11 040	17 372	17 372	17 372	36 891	-
Waste water management	2 904	-	1 362	1 362	1 362	6 971	-
Waste management	65 480	-	-	-	-	4	-
<i>Other</i>	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	192 885	91 817	116 042	116 042	116 042	127 478	36 190
Funded by:							
National Government	33 381	47 654	64 633	64 633	64 633	43 843	28 657
Provincial Government	1 603	626	4 904	4 904	4 904	217	217
Transfers recognised - capital	34 984	48 280	69 537	69 537	69 537	44 060	28 874
Borrowing	-	10 000	10 000	10 000	10 000	-	-
Internally generated funds	157 900	33 537	36 505	36 505	36 505	83 417	7 316
Total Capital Funding	192 885	91 817	116 042	116 042	116 042	127 478	36 190

Explanatory notes to Table A6 – Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councillors, management and other users of budget documentation of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. Table 65 is supported by an extensive table of notes (SA3 which can be found on page 142) providing a detailed analysis of the major components of a number of items, including:
 - Call investments deposits;
 - Consumer debtors;
 - Property, plant and equipment;
 - Trade and other payables;
 - Provisions non-current;
 - Changes in net assets; and
 - Reserves
4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning

assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the Statement of Financial Position.

Table 23 MBRR Table A6 – Budgeted Financial Position

Description / R thousand	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
ASSETS							
Current assets							
Cash	43 754	29 395	9 395	10 329	19 934	35 761	56 194
Call investment deposits	-	-	-	-	-	-	-
Consumer debtors	71 620	57 066	83 316	70 949	63 987	78 938	86 845
Other debtors	1 614	5 488	4 488	4 488	-	-	-
Current portion of long-term receivables	13	5	-	-	-	-	-
Inventory	9 648	4 845	5 345	5 345	5 834	7 834	7 834
Total current assets	126 649	96 800	102 545	91 112	89 755	122 533	150 873
Non current assets							
Investments	-	-	10 550	-	-	-	-
Investment property	593 198	584 341	593 198	598 498	609 148	619 648	630 725
Property, plant and equipment	1 804 316	1 725 542	1 829 338	1 825 139	1 854 784	1 790 589	1 715 102
Intangible	3 746	5 167	3 746	18 738	20 328	20 328	20 328
Other non-current assets	4 509	-	-	4 509	4 509	4 509	4 509
Total non current assets	2 405 770	2 315 050	2 436 832	2 446 885	2 488 769	2 435 074	2 370 666
TOTAL ASSETS	2 532 418	2 411 850	2 539 376	2 537 998	2 578 525	2 557 607	2 521 539
LIABILITIES							
Current liabilities							
Bank overdraft	-	5 000	2 500	2 500	-	-	-
Borrowing	8 716	8 912	10 162	10 162	10 000	12 000	13 000
Consumer deposits	10 868	12 500	12 650	12 650	12 650	12 650	12 650
Trade and other payables	108 415	54 552	54 552	85 500	95 500	95 000	75 000
Provisions	53 998	24 750	37 250	37 250	57 250	57 250	57 250
Total current liabilities	181 997	105 714	117 114	148 062	175 400	176 900	157 900
Non current liabilities							
Borrowing	104 021	104 995	114 995	102 914	89 077	71 077	52 077
Provisions	262 178	163 620	163 620	274 678	297 178	323 453	351 186
Total non current liabilities	366 199	268 615	278 615	377 592	386 255	394 530	403 263
TOTAL LIABILITIES	548 195	374 329	395 729	525 655	561 655	571 430	561 163
NET ASSETS	1 984 223	2 037 521	2 143 648	2 012 343	2 016 870	1 986 178	1 960 375
COMMUNITY WEALTH/EQUITY							
Accumulated Surplus/(Deficit)	1 984 223	2 037 521	2 143 648	2 012 343	2 016 870	1 986 178	1 960 375
TOTAL COMMUNITY WEALTH/EQUITY	1 984 223	2 037 521	2 143 648	2 012 343	2 016 870	1 986 178	1 960 375

Explanatory notes to Table A7 – Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. The 2018/2019 MTREF provide for a net increase in cash of R 12.1 million for the 2018/2019 financial year resulting in an overall projected positive cash position at year end.
4. In addition the municipality has undertaken an extensive debt collection drive resulting in cash receipts on arrear debtors.
5. The 2018/2019 MTREF has been informed by the planning principle of ensuring adequate cash reserves over the medium-term.

Table 24 MBRR Table A7 – Budgeted Cash Flow Statement

Description / R thousand	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
CASH FLOW FROM OPERATING ACTIVITIES							
Receipts							
Property rates	86 102	93 773	93 832	81 133	110 424	88 479	104 375
Service charges	335 245	404 227	397 633	397 633	447 595	474 450	505 290
Other revenue	26 924	24 024	28 295	13 238	24 894	26 011	27 694
Government - operating	70 984	89 758	82 646	82 646	93 221	96 855	104 663
Government - capital	35 364	48 280	69 457	69 457	44 060	28 874	30 433
Interest	5 829	6 300	70 550	7 055	7 350	7 718	8 142
Payments							
Suppliers and employees	(466 803)	(563 288)	(564 567)	(570 979)	(589 960)	(656 377)	(713 851)
Finance charges	(11 838)	(12 481)	(12 527)	(12 527)	(12 225)	(12 836)	(13 542)
Transfers and Grants	(464)	(610)	(867)	(867)	(862)	(905)	(955)
NET CASH FROM/(USED) OPERATING ACTIVITIES	81 342	89 981	164 452	66 789	124 497	52 268	52 249
CASH FLOWS FROM INVESTING ACTIVITIES							
Receipts							
Proceeds on disposal of PPE	729	13 064	13 000	13 000	29 086	15 750	16 616
Decrease (increase) other non-current receivables	10	5	-	(13)	-	-	-
Payments							
Capital assets	(38 782)	(91 817)	(116 042)	(116 042)	(127 478)	(36 190)	(30 433)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(38 042)	(78 747)	(103 042)	(103 055)	(98 392)	(20 440)	(13 817)
CASH FLOWS FROM FINANCING ACTIVITIES							
Receipts							
Borrowing long term/refinancing	-	10 000	10 000	10 000	-	-	-
Increase (decrease) in consumer deposits	(882)	-	-	-	-	-	-
Payments							
Repayment of borrowing	(11 118)	(9 660)	(9 660)	(9 660)	(14 000)	(16 000)	(18 000)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(11 999)	340	340	340	(14 000)	(16 000)	(18 000)
NET INCREASE/ (DECREASE) IN CASH HELD	31 301	11 574	61 750	(35 925)	12 105	15 827	20 433
Cash/cash equivalents at the year begin:	12 454	12 821	12 821	43 754	7 829	19 934	35 761
Cash/cash equivalents at the year end:	43 754	24 395	74 572	7 829	19 934	35 761	56 194

Explanatory notes to Table A8 – Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves / accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.

2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.
5. The main reason for these "unfunded" projections were a lack of cash due to government not honouring their service charges, outstanding debt, moratorium on handover of consumer debtors, unspent grants not being cash backed for previous financial years, the roll-over of capital projects that is ongoing for more than a year which is being funded from external loans and own funds, housing programme claims not paid out by provincial government and unfunded mandates for Primary Health Care Services, Environmental Services, Library Services, Disaster Management, etc. Based on Circular 74 (Unfunded Mandates) the municipality has identified certain functions, which is not the core function of the municipality and is jeopardizing our financial situation. An item was tabled to Council and discussions and decisions will determine these function(s) will dispose or rented out. The municipality will be unable to raise external loans until the shortfall on A8 is R 0. Therefore Council has approved a Municipal Turn Around Strategy (MTAS) to ensure that our current financial situation improves during the MTREF.
6. Considering the requirements of section 18 of the MFMA, it can be concluded that the draft 2018/2019 MTREF was funded.
7. As part of the budgeting and planning guidelines that informed the compilation of the 2018/2019 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA.

Table 25 MBRR Table A8 – Cash Backed Reserves/Accumulated Surplus Reconciliation

Description / R thousand	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Cash and investments available							
Cash/cash equivalents at the year end	43 754	24 395	74 572	7 829	19 934	35 761	56 194
Other current investments > 90 days	–	–	(67 676)	–	–	–	–
Non current assets - Investments	–	–	10 550	–	–	–	–
Cash and investments available:	43 754	24 395	17 445	7 829	19 934	35 761	56 194
Application of cash and investments							
Unspent conditional transfers	19 144	–	–	–	–	–	–
Other working capital requirements	15 724	(12 041)	(38 248)	4 995	23 736	13 961	(14 909)
Reserves to be backed by cash/investments	–	–	–	–	–	–	–
Total Application of cash and investments:	34 868	(12 041)	(38 248)	10 495	31 736	19 961	(8 909)
Surplus(shortfall)	8 887	36 437	55 694	(2 666)	(11 802)	15 800	65 103

Explanatory notes to Table A9 – Asset Management

- Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
- National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. This is however impossible to budget for repairs and maintenance of 8% as this would equate to R 145.6 million. This expenditure will have to be funded with tariff increases, resulting in tariffs increases above 25%. Therefore the implication of the revaluation method of GRAP 17 is taken into consideration when determining the budgeted amounts for repairs and maintenance.
- Depreciation and asset impairment costs (off-setting depreciation included) due to the implementation of the GRAP Accounting Standards on the carrying values of componentised assets makes it virtually unaffordable to maintain the municipality's assets at depreciated replacement cost.

Table 26 MBRR Table A9 – Asset Management

Description	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand							
CAPITAL EXPENDITURE							
Total New Assets	173 360	72 042	105 236	105 236	50 415	25 179	26 737
Roads Infrastructure	348	5 685	7 222	7 222	11 623	12 734	12 162
Storm water Infrastructure	–	–	–	–	–	–	–
Electrical Infrastructure	15 966	31 561	38 319	38 319	12 494	4 452	5 009
Water Supply Infrastructure	3 381	15 066	23 472	23 472	1 843	–	–
Sanitation Infrastructure	2 341	5 440	1 605	1 605	15 780	2 433	–
Solid Waste Infrastructure	147 576	–	–	–	–	–	–
Infrastructure	169 613	57 752	70 617	70 617	41 740	19 619	17 171
Community Facilities	–	138	700	700	517	–	–
Sport and Recreation Facilities	3 187	5 141	414	414	690	5 559	9 566
Community Assets	3 187	5 279	1 114	1 114	1 207	5 559	9 566
Heritage Assets	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	650	–	–
Investment properties	–	–	–	–	650	–	–
Operational Buildings	70	4	875	875	2 715	–	–
Other Assets	70	4	875	875	2 715	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–
Licences and Rights	–	–	14 993	14 993	25	–	–
Intangible Assets	–	–	14 993	14 993	25	–	–
Computer Equipment	238	58	3 089	3 089	130	–	–
Furniture and Office Equipment	133	1 933	672	672	701	–	–
Machinery and Equipment	118	707	662	662	3 126	–	–
Transport Assets	–	6 310	13 213	13 213	120	–	–
Total Renewal of Existing Assets	19 525	19 774	10 806	10 806	32 202	10 794	3 478
Roads Infrastructure	11 910	11 000	10 000	10 000	–	–	–
Electrical Infrastructure	3 964	–	–	–	7 869	3 478	3 478
Water Supply Infrastructure	547	8 740	438	438	400	–	–
Sanitation Infrastructure	551	–	–	–	200	–	–
Infrastructure	16 973	19 740	10 438	10 438	8 469	3 478	3 478
Sport and Recreation Facilities	592	–	26	26	–	–	–
Community Assets	592	–	26	26	–	–	–
Investment properties	–	–	–	–	–	–	–
Operational Buildings	–	–	192	192	–	–	–
Other Assets	–	–	192	192	–	–	–
Licences and Rights	–	–	–	–	15	–	–
Intangible Assets	–	–	–	–	15	–	–
Computer Equipment	162	34	34	34	566	–	–
Furniture and Office Equipment	164	–	93	93	32	–	–
Machinery and Equipment	118	–	23	23	3 924	–	–
Transport Assets	1 515	–	–	–	19 196	7 316	–
Total Upgrading of Existing Assets	–	–	–	–	44 861	217	217
Electrical Infrastructure	–	–	–	–	17 609	–	–
Water Supply Infrastructure	–	–	–	–	25 702	–	–
Infrastructure	–	–	–	–	43 311	–	–
Community Facilities	–	–	–	–	–	217	217
Sport and Recreation Facilities	–	–	–	–	–	–	–
Community Assets	–	–	–	–	–	217	217
Licences and Rights	–	–	–	–	1 550	–	–
Intangible Assets	–	–	–	–	1 550	–	–
Total Capital Expenditure	12 258	16 685	17 222	17 222	11 623	12 734	12 162
Roads Infrastructure	–	–	–	–	–	–	–
Storm water Infrastructure	19 930	31 561	38 319	38 319	37 971	7 930	8 487
Electrical Infrastructure	3 929	23 807	23 910	23 910	27 946	–	–
Water Supply Infrastructure	2 893	5 440	1 605	1 605	15 980	2 433	–
Sanitation Infrastructure	147 576	–	–	–	–	–	–
Solid Waste Infrastructure	–	–	–	–	–	–	–
Infrastructure	186 586	77 492	81 056	81 056	93 520	23 097	20 649
Community Facilities	–	138	700	700	517	217	217
Sport and Recreation Facilities	3 780	5 141	440	440	690	5 559	9 566
Community Assets	3 780	5 279	1 140	1 140	1 207	5 777	9 784
Heritage Assets	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	650	–	–
Investment properties	–	–	–	–	650	–	–
Operational Buildings	70	4	1 067	1 067	2 715	–	–
Housing	–	–	–	–	–	–	–
Other Assets	70	4	1 067	1 067	2 715	–	–
Licences and Rights	–	–	14 993	14 993	1 590	–	–
Intangible Assets	–	–	14 993	14 993	1 590	–	–
Computer Equipment	400	92	3 123	3 123	696	–	–
Furniture and Office Equipment	297	1 933	765	765	734	–	–
Machinery and Equipment	236	707	685	685	7 050	–	–
Transport Assets	1 515	6 310	13 213	13 213	19 316	7 316	–
TOTAL CAPITAL EXPENDITURE - Asset class	192 885	91 817	116 042	116 042	127 478	36 190	30 433

Description	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand							
ASSET REGISTER SUMMARY - PPE (WDV)							
Roads Infrastructure	308 790	495 996	495 996	304 832	296 081	287 423	277 016
Storm water Infrastructure	200 000	–	–	200 000	198 086	196 077	193 957
Electrical Infrastructure	305 808	322 223	322 223	331 406	355 268	348 383	341 239
Water Supply Infrastructure	402 356	423 641	423 641	407 860	419 988	403 379	385 856
Sanitation Infrastructure	105 210	128 706	128 706	99 033	109 922	107 010	101 372
Solid Waste Infrastructure	169 120	24 918	24 918	167 736	149 163	129 662	109 088
Rail Infrastructure	1 235	–	–	1 235	121	(1 059)	(2 317)
Information and Communication Infrastructure	2 467	–	–	2 467	2 465	2 463	2 460
Infrastructure	1 494 987	1 395 483	1 395 483	1 514 570	1 531 095	1 473 337	1 408 672
Community Facilities	12 111	–	–	12 387	11 269	9 770	8 176
Sport and Recreation Facilities	55 718	70 763	70 763	52 544	50 035	52 234	58 254
Community Assets	67 829	70 763	70 763	64 931	61 304	62 004	66 430
Heritage Assets	4 509	4 509	4 509	4 509	4 509	4 509	4 509
Revenue Generating	593 198	584 341	584 341	598 498	609 148	619 648	630 725
Non-revenue Generating	–	–	–	–	–	–	–
Investment properties	593 198	584 341	584 341	598 498	609 148	619 648	630 725
Operational Buildings	192 165	198 503	198 503	188 632	187 167	182 778	178 147
Housing	–	–	–	–	–	–	–
Other Assets	192 165	198 503	198 503	188 632	187 167	182 778	178 147
Biological or Cultivated Assets	–	–	–	–	–	–	–
Servitudes	–	–	–	–	–	–	–
Licences and Rights	3 746	5 167	5 167	18 738	20 328	20 328	20 328
Intangible Assets	3 746	5 167	5 167	18 738	20 328	20 328	20 328
Computer Equipment	3 726	191	191	6 486	5 964	4 685	3 335
Furniture and Office Equipment	15 606	2 322	2 322	10 031	7 369	3 804	42
Machinery and Equipment	7 358	47 460	47 460	8 044	14 925	14 749	14 562
Transport Assets	22 645	6 310	6 310	32 445	46 959	49 233	43 913
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	2 405 770	2 315 050	2 315 050	2 446 885	2 488 769	2 435 074	2 370 666
EXPENDITURE OTHER ITEMS							
<u>Depreciation</u>	–	80 534	80 538	80 538	95 594	100 385	105 919
<u>Repairs and Maintenance by Asset Class</u>	11 216	18 435	17 985	17 985	15 916	16 712	17 631
Roads Infrastructure	71	1 245	1 100	1 100	2 170	2 279	2 404
Electrical Infrastructure	1 246	1 372	571	571	1 578	1 657	1 748
Water Supply Infrastructure	557	2 375	1 095	1 095	1 000	1 050	1 108
Sanitation Infrastructure	498	1 288	722	722	510	536	565
Solid Waste Infrastructure	11	3	–	–	–	–	–
Rail Infrastructure	–	650	–	–	–	–	–
Information and Communication Infrastructure	–	371	38	38	55	58	61
Infrastructure	2 383	7 303	3 526	3 526	5 313	5 578	5 885
Community Facilities	–	8	278	278	922	968	1 021
Sport and Recreation Facilities	56	599	343	343	666	699	738
Community Assets	56	607	620	620	1 588	1 667	1 759
Investment properties	–	–	–	–	–	–	–
Operational Buildings	679	2 021	1 109	1 109	1 467	1 540	1 625
Housing	–	–	–	–	–	–	–
Other Assets	679	2 021	1 109	1 109	1 467	1 540	1 625
Licences and Rights	–	–	–	–	490	515	543
Intangible Assets	–	–	–	–	490	515	543
Computer Equipment	–	–	–	–	153	161	169
Furniture and Office Equipment	–	–	–	–	537	563	594
Machinery and Equipment	2 666	1 529	7 401	7 401	140	147	155
Transport Assets	5 432	6 975	5 329	5 329	6 229	6 540	6 900
TOTAL EXPENDITURE OTHER ITEMS	11 216	98 969	98 523	98 523	111 509	117 097	123 550

Explanatory notes to Table A10 – Basic Service Delivery Measurement

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.
2. The municipality continues to make good progress with the eradication of backlogs:
 - a. The minimum level of water services is available to all households – formal as well as informal areas.
 - b. Sanitation services backlogs decreases to the projected 1 245 households in 2020/2021 who receive a service below the minimum service level.
 - c. Electricity services backlogs will be reduced to an estimated 2 457 households by 2020/2021.
 - d. The minimum level of refuse removal services is available to all households – formal as well as informal areas.
3. The changes in the Indigent Subsidy Policy will result in more households to be registered as indigent in 2018/2019, and therefore result in fewer households entitled to receive Free Basic Services.
4. It is anticipated that these Free Basic Services will cost the municipality R 27.3 million in 2018/2019, stabilise at R 30.9 million by 2020/2021. This is covered by the municipality's equitable share allocation from national government.

Table 27 MBRR Table A10 – Basic Service Delivery Measurement

Description	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Household service targets							
Water:							
Piped water inside dwelling	12 746	12 746	12 746	12 746	12 746	12 746	12 746
Piped water inside yard (but not in dwelling)	12 658	12 658	12 658	12 658	12 658	12 658	12 658
Using public tap (at least min.service level)	3 934	3 934	3 934	3 934	3 934	3 934	3 934
Other water supply (at least min.service level)	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total	29 338	29 338	29 338	29 338	29 338	29 338	29 338
Below Minimum Service Level sub-total	–	–	–	–	–	–	–
Total number of households	29 338	29 338	29 338	29 338	29 338	29 338	29 338
Sanitation/sewerage:							
Flush toilet (connected to sewerage)	19 360	19 360	19 360	19 360	19 360	19 360	19 360
Flush toilet (with septic tank)	763	763	763	763	763	763	763
Chemical toilet	24	24	24	24	24	24	24
Pit toilet (ventilated)	306	306	306	306	306	306	306
Other toilet provisions (> min.service level)	2 814	2 814	2 814	2 814	2 814	2 814	2 814
Minimum Service Level and Above sub-total	23 267	23 267	23 267	23 267	23 267	23 267	23 267
Bucket toilet	1 037	1 037	1 037	1 037	1 037	1 037	1 037
Other toilet provisions (< min.service level)	13	13	13	13	13	13	13
No toilet provisions	195	195	195	195	195	195	195
Below Minimum Service Level sub-total	1 245	1 245	1 245	1 245	1 245	1 245	1 245
Total number of households	24 512	24 512	24 512	24 512	24 512	24 512	24 512
Energy:							
Electricity (at least min.service level)	1 637	1 637	1 637	1 637	1 637	1 637	1 637
Electricity - prepaid (min.service level)	21 593	21 593	21 593	21 593	21 593	21 593	21 593
Minimum Service Level and Above sub-total	23 230	23 230	23 230	23 230	23 230	23 230	23 230
Electricity (< min.service level)	–	–	–	–	–	–	–
Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–
Other energy sources	2 457	2 457	2 457	2 457	2 457	2 457	2 457
Below Minimum Service Level sub-total	2 457	2 457	2 457	2 457	2 457	2 457	2 457
Total number of households	25 687	25 687	25 687	25 687	25 687	25 687	25 687
Refuse:							
Removed at least once a week	20 396	20 396	20 396	20 396	20 396	20 396	20 396
Minimum Service Level and Above sub-total	20 396	20 396	20 396	20 396	20 396	20 396	20 396
Removed less frequently than once a week	9 255	9 255	9 255	9 255	9 255	9 255	9 255
Using communal refuse dump	145	145	145	145	145	145	145
Using own refuse dump	765	765	765	765	765	765	765
Other rubbish disposal	4	4	4	4	4	4	4
Below Minimum Service Level sub-total	10 169	10 169	10 169	10 169	10 169	10 169	10 169
Total number of households	30 565	30 565	30 565	30 565	30 565	30 565	30 565
Households receiving Free Basic Service							
Water (10 kilolitres per household per month)	6 162	6 162	6 162	6 162	6 162	6 162	6 162
Sanitation (free minimum level service)	6 162	6 162	6 162	6 162	6 162	6 162	6 162
Electricity/other energy (50kwh per household per month)	4 048	4 048	4 048	4 048	4 048	4 048	4 048
Refuse (removed at least once a week)	6 162	6 162	6 162	6 162	6 162	6 162	6 162
Cost of Free Basic Services provided (R'000)							
Water (10 kilolitres per household per month)	737	737	2 476	2 476	4 109	4 355	4 638
Sanitation (free sanitation service)	8 771	8 771	6 873	6 873	9 106	9 653	10 280
Electricity/other energy (50kwh per household per month)	4 664	4 664	4 099	4 099	5 350	5 671	6 040
Refuse (removed once a week)	9 379	9 379	6 670	6 670	8 770	9 296	9 900
Indigent Subsidy Totals	–	–	–	–	–	–	–
Total cost of FBS provided (minimum social package)	23 551	23 551	20 117	20 117	27 335	28 975	30 858
Highest level of free service provided							
Property rates (R value threshold)	15 000	15 000	15 000	15 000	15 000	15 000	15 000
Water (kilolitres per household per month)	6	6	6	6	6	6	6
Sanitation (Rand per household per month)	–	128	128	128	135	143	152
Electricity (kwh per household per month)	50	50	50	50	50	50	50
Refuse (R per household per month)	–	130	130	130	138	146	155
Revenue cost of free services provided (R'000)							
Property rates (other exemptions, reductions and rebates)	8 224	10 884	10 109	10 109	10 715	11 358	12 096
Total revenue cost of free services provided (total social package)	8 224	10 884	10 109	10 109	10 715	11 358	12 096

Part 2 – Supporting Documentation

2.1 Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Executive Committee members, the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the Mayor.

The primary aims of the Budget Steering Committee are to ensure:

- That the process followed to compile the budget complies with legislation and good budget practices;
- That there is proper alignment between the policy and service delivery priorities set out in the municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- That the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- That the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

1.2.1 Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August every year) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required the IDP and budget process plan with time schedule before the 31st of August 2017. Key dates applicable to the process were:

- **November 2017** – 1st Budget work session of all councillors and senior management. Aim: to review past performance trends of the capital and operating budgets, the economic realities and to set the prioritisation criteria for the compilation of the 2018/2019 MTREF;
- **January 2018** – Detail departmental budget proposals (capital and operating) submitted to the Budget and Treasury Office for consolidation and assessment against the financial planning guidelines and the compilation of the 1st draft MTREF;
- **January 2018** – Review of the financial strategy and key economic and financial planning assumptions by the Budget Steering Committee. This included financial forecasting and scenario considerations;
- **February 2018** – Multi-year budget proposals are submitted to the Executive Committee (2nd budget work session of all councillors and senior management) for endorsement;
- **28 February 2018** – Council considers the 2017/2018 Mid-year Review and Adjustments Budget;
- **31 March 2018** – Tabling in Council of the draft 2018/2019 IDP, 2018/2019 draft SDBIP and 2018/2019 draft MTREF for public consultation;
- **April 2018 – May 2018** – Public consultation
- **13 May 2018** – Closing date for written comments;
- **28 May 2018** – Finalisation and workshop with Council of the 2018/2019 IDP and 2018/2019 MTREF, taking into consideration comments received from the public, comments from National Treasury, and updated information from the most recent Division of Revenue Bill and financial framework; and

- **31 May 2018** – Tabling of the 2018/2019 MTREF before Council for consideration and final approval.

There were no serious deviations from the key dates set out in the Budget Time Schedule tabled in Council.

1.2.2 IDP and Service Delivery and Budget Implementation Plan

This is a newly developed IDP for Council after the municipal elections that were held in August 2016.

The municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the newly developed IDP includes the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP, and
- The review of the performance management and monitoring processes.

The IDP has been taken into a business and financial planning process leading up to the 2018/2019 MTREF, based on the approved 2017/2018 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2018/2019 MTREF, each department / function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2018/2019 Departmental Service

Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

1.2.3 Financial Modeling and Key Planning Drivers

As part of the compilation of the 2018/2019 MTREF; extensive financial modelling were undertaken to ensure affordable tariffs and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2018/2019 MTREF:

- Municipality's growth;
- Policy priorities and strategic objectives;
- Asset maintenance;
- Economic climate and trends (i.e. inflation, Eskom increases, household debt, migration patterns);
- Performance trends;
- The approved 2017/2018 adjustments budget and performance against the SDBIP;
- Cash Flow Management Strategy;
- Debtor payment levels;
- Loan and investment possibilities;
- The need for tariff increases vs. The ability of the community to pay for services; and
- Improved and sustainable service delivery.

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 85 & 86 has been taken into consideration in the planning and prioritisation process.

1.2.4 Community Consultation

The draft 2018/2019 MTREF as tabled before Council on 31 March 2018; and, for community consultation was published on the municipality's website and hard copies were made available at customer care offices, municipal notice boards and various libraries.

All documents in the appropriate format (electronic and printed) were provided to National Treasury, and other national and provincial departments in accordance with section 23 of the MFMA, to provide an opportunity for them to make inputs.

Ward Committees was utilised to facilitate the community consultation process during April 2018 – May 2018, and it included a public workshop for all councillors, senior management, ward committee members, sector departments, organisational stakeholders and any member of the local public. The applicable dates and venue will be published in all the local newspapers.

2.2 Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realised through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the municipality strategically complies with the key national and provincial priorities.

The aim of this newly developed IDP was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the municipality's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

- Green Paper on National Strategic Planning of 2009;
- Government Programme of Action;
- Development Facilitation Act of 1995;
- Provincial Growth and Development Strategy (GGDS);
- National and Provincial spatial development perspectives;
- Relevant sector plans such as transportation, legislation and policy;
- National Key Performance Indicators (NKPIs);
- Accelerated and Shared Growth Initiative (ASGISA);
- National 2014 Vision;
- National Spatial Development Perspective (NSDP) and
- The National Priority Outcomes.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's eleven

strategic objectives for the 2018/2019 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 28 IDP Strategic Objectives

Key Performance Area (KPA)	Key Performance Indicator (KPI)	Strategic Objective
KPA 1: Land Management	1. Spatial Development, Town Planning and Land-use Management	Provide the framework and vision required for improving the quality of life of the people living in Dawid Kruiper
		Manage the development of sustainable land use, economic, spatial and environmental planning according to predetermined acceptable levels
KPA 2: Service Delivery and Infrastructure Delivery	2. Water Resources and Services;	Develop, manage and maintain essential bulk water infrastructure and facilities to accommodate the aspirations, needs and pressures of present and future industries, businesses and dependent communities
		Develop, manage and maintain necessary infrastructure and facilities required to improve the provision of water services
	3. Sewerage;	Develop, manage and maintain essential bulk sewerage infrastructure and facilities to accommodate the aspirations, needs and pressures of present and future industries, businesses and dependent communities
		Develop, manage and maintain necessary infrastructure and facilities required to improve the provision of sewerage services
	4. Human Settlement and Housing;	Eradicate housing backlogs in municipal area
		Provide for sustainable human settlements (housing)
	5. Energy and Electricity;	Provide, manage and maintain essential infrastructure required to improve electricity provision
	6. Roads,	Develop, manage and maintain necessary

		Transport and Storm Water Drainage;	Road, Transport and Storm water infrastructure and facilities required to improve transportation in, and aesthetic qualities of urban areas
		7. Sanitation, Waste Management and Waste Removal	Regulate and manage waste disposal to prevent pollution of the natural environment and natural resources
KPA 3: Local Economic Development	8 Economic Growth and Job Creation		Promote the development of tourist infrastructure that will enhance tourism
			Create an environment that promotes the development of a diversified and sustainable economy
KPA 4: Financial Viability	9 Community Development and Facilities; and 10 Administrative and Institutional Capacity		Provide equal access to sport, park, recreational facilities and other public amenities to all residents
KPA 5: Institutional Transformation			Manage and maintain municipal property, plant, equipment and vehicle fleet
			Pro-active prevention, mitigation, identification and management of environmental health, fire and disaster risks
			Provide safety to communities through law enforcement services and through legislative requirements
			Promote and improve public relations through stakeholder participation and good customer service.
KPA 6: Good Governance and Customer Care			Align institutional arrangements to provide an effective and efficient support service to deliver on organizational objectives.
			Enable and improve financial viability and management through well-structured budget processes, financial systems and MFMA compliance
KPA 7: Social Services			

In order to ensure integrated and focused service delivery between all spheres of government it was important for the municipality to align its budget priorities with that of

national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities. The key performance areas can be summarised as follows against the five strategic objectives (National KPA's):

1. Provision of quality basic services and infrastructure which includes, amongst others:
 - Provide electricity;
 - Provide water;
 - Provide sanitation;
 - Provide waste removal;
 - Provide housing;
 - Provide roads and storm water;
 - Provide public transport;
 - Provide city planning services; and
 - Maintaining the infrastructure of the municipality.
2. Economic growth and development that leads to sustainable job creation by:
 - Ensuring there is a clear structural plan for the municipality;
 - Ensuring planning processes function in accordance with set timeframes; and
 - Facilitating the use of labour intensive approaches in the delivery of services and the building of infrastructure.
3. Fight poverty and build clean, healthy, safe and sustainable communities:
 - Effective implementation of the Indigent Policy;
 - Working with the provincial department of health to provide primary health care services;
 - Extending waste removal services and ensuring effective city cleansing;
 - Ensuring all waste water treatment works are operating optimally;
 - Working with strategic partners such as SAPS to address crime;

- Ensuring safe working environments by effective enforcement of building and health regulations;
- Promote viable, sustainable communities through proper zoning; and
- Promote environmental sustainability by protecting wetlands and key open spaces.

4. Integrated Social Services for empowered and sustainable communities:

- Work with provincial departments to ensure the development of community infrastructure such as schools and clinics is properly co-ordinated with the informal settlements upgrade programme.

5. Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service by:

- Optimising effective community participation in the ward committee system; and
- Implementing Batho Pele in the revenue management strategy.

6. Promote sound governance through:

- Publishing the outcomes of all tender processes on the municipal website.

7. Ensure financial sustainability through:

- Reviewing the use of contracted services; and
- Continuing to implement the infrastructure renewal strategy and the repairs and maintenance plan.

8. Optimal institutional transformation to ensure capacity to achieve set objectives:

- Review of the organizational structure to optimize the use of personnel.

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the municipality. The five-year programme responds to the development challenges and opportunities faced by the municipality by identifying the key performance areas to achieve the five national strategic objectives mentioned above.

In addition to the five-year IDP, the municipality undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years. This process is aimed at influencing the development path by proposing a substantial programme of public-led investment to restructure current patterns of settlement, activity and access to resources in the municipality so as to promote greater equity and enhanced opportunity. The strategy specifically targets future developmental opportunities in traditional dormitory settlements. It provides direction to the municipality's IDP, associated sectorial plans and strategies, and the allocation of resources of the municipality and other service delivery partners.

This development strategy introduces important policy shifts which have further been translated into seven strategic focus areas/objectives as outlined below:

- Developing dormant areas;
- Enforcing hard development lines – so as to direct private investment;
- Maintaining existing urban areas;
- Strengthening key economic clusters;
- Building social cohesion;
- Strong developmental initiatives in relation to the municipal institution as a whole; and
- Sound financial fundamentals.

Lessons learned with previous IDP revision and planning cycles as well as changing environments were taken into consideration in the compilation of the newly developed IDP, including:

- Strengthening the analysis and strategic planning processes of the municipality;
- Initiating zonally planning processes that involve the communities in the analysis and planning processes. More emphasis was placed on area based interventions, within the overall holistic framework;
- Ensuring better co-ordination through a programmatic approach and attempting to focus the budgeting process through planning interventions; and
- Strengthening performance management and monitoring systems in ensuring the objectives and deliverables are achieved.

The 2018/2019 MTREF has therefore been directly informed by the IDP revision process and tables 29 – 31 provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

**Table 29 MBRR Table SA4 –
Reconciliation between the IDP strategic objectives and budgeted revenue**

Strategic Objective / R thousand	Goal	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
1. Spatial Development Framework	Provide the framework and vision required for improving the quality of life of the people living in Dawid Kruiper	4 815	7 894	7 894	6 348	6 728	7 166
2. Basic Service Delivery	Develop, manage and maintain essential bulk sewerage infrastructure and facilities to accommodate the aspirations, needs and pressures of present and future industries, businesses and dependent communities.	29 135	28 935	28 935	30 197	32 008	34 089
	Develop, manage and maintain essential bulk water infrastructure and facilities to accommodate the aspirations, needs and pressures of present and future industries, businesses and dependent communities	67 579	67 570	67 570	97 641	91 858	97 411
	Develop, manage and maintain necessary infrastructure and facilities required to improve the provision of sewerage services	67	26	26	28	29	31
	Develop, manage and maintain necessary road, transport and storm water infrastructure and facilities required to improve transportation in and aesthetic qualities of urban areas	5 090	410	410	102	109	116
	Provide for sustainable human settlements (housing)	–	650	650	703	706	709
	Provide, manage and maintain essential infrastructure required to improve electricity provision	278 955	278 458	278 458	333 680	344 801	367 260
	Regulate and manage waste disposal to prevent pollution of the natural environment and natural resources	34 824	31 224	31 224	37 728	39 991	42 591
3. Local Economic Development	Create an environment that promotes the development of a diversified and sustainable economy	518	149	149	15	16	17
	Promote the development of tourist infrastructure that will enhance tourism	4 572	3 378	3 378	3 357	3 558	3 790
4. Municipal Financial Viability and Management	Enable and improve financial viability and management through well-structured budget processes, financial systems and MFMA Compliance	235 356	222 717	222 717	188 875	200 901	215 693
5. Municipal Transformation and Organizational Development	Align institutional arrangements to provide an effective and efficient support service to deliver on organisational objectives	212	212	212	300	320	339
6. Good Governance and Public Participation	Facilitate the establishment of good governance practices	2	0	0	0	0	0
	Manage and maintain municipal property, plant, equipment and vehicle fleet	16 946	37 855	37 855	44 480	31 590	33 376
	Pro-active prevention, mitigation, identification and management of environmental health, fire and disaster risks	39	–	–	218	231	246
	Provide equal access to sport, park, recreational facilities and other public amenities to all residents	10 091	12 439	12 439	11 997	12 741	13 366
Total Revenue (excluding capital transfers and contributions)		688 201	691 918	691 918	755 667	765 587	816 198

**Table 30 MBRR Table SA5 –
Reconciliation between the IDP strategic objectives and budgeted operating
expenditure**

Strategic Objective / R thousand	Goal	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
1. Spatial Development Framework	Provide the framework and vision required for improving the quality of life of the people living in Dawid Kruiper	8 265	8 826	8 826	9 099	9 645	10 207
2. Basic Service Delivery	Develop, manage and maintain essential bulk sewerage infrastructure and facilities to accommodate the aspirations, needs and pressures of present and future industries, businesses and dependent communities.	21 620	21 620	21 620	13 010	13 754	14 544
	Develop, manage and maintain essential bulk water infrastructure and facilities to accommodate the aspirations, needs and pressures of present and future industries, businesses and dependent communities	79 598	79 598	79 598	73 416	77 572	82 011
	Develop, manage and maintain necessary infrastructure and facilities required to improve the provision of sewerage services	10 214	10 214	10 214	5 765	6 129	6 493
	Develop, manage and maintain necessary road, transport and storm water infrastructure and facilities required to improve transportation in and aesthetic qualities of urban areas	47 197	42 632	42 632	39 755	41 916	44 291
	Provide for sustainable human settlements (housing)	2 526	2 526	2 526	4 926	5 236	5 547
	Provide, manage and maintain essential infrastructure required to improve electricity provision	216 353	216 327	216 327	236 184	248 379	262 330
	Regulate and manage waste disposal to prevent pollution of the natural environment and natural resources	57 522	49 387	49 387	56 167	59 447	62 885

**Table 30 MBRR Table SA5 –
Reconciliation between the IDP strategic objectives and budgeted operating
expenditure (continue)**

Strategic Objective / R thousand	Goal	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
3. Local Economic Development	Create an environment that promotes the development of a diversified and sustainable economy	997	981	981	1 352	1 434	1 519
	Promote the development of tourist infrastructure that will enhance tourism	10 683	10 683	10 683	9 396	9 981	10 571
4. Municipal Financial Viability and Management	Enable and improve financial viability and management through well-structured budget processes, financial systems and MFMA Compliance	41 101	41 101	41 101	58 478	61 881	65 455
5. Municipal Transformation and Organizational Development	Align institutional arrangements to provide an effective and efficient support service to deliver on organisational objectives	33 756	46 462	46 462	64 191	70 575	74 656
	Create an environment that promotes the development of a diversified and sustainable economy	1 005	–	–	1 530	1 630	1 727
	Provide equal access to sport, park, recreational facilities and other public amenities to all residents	1 585	–	–	1 589	1 692	1 794
6. Good Governance and Public Participation	Facilitate the establishment of good governance practices	31 558	34 349	34 349	38 837	41 314	43 776
	Manage and maintain municipal property, plant, equipment and vehicle fleet	14 629	14 629	14 629	47 717	50 329	53 177
	Pro-active prevention, mitigation, identification and management of environmental health, fire and disaster risks	13 438	13 438	13 438	16 826	17 908	18 978
	Promote and improve public relations through stakeholder participation and good customer service	5 194	5 194	5 194	6 990	7 387	7 809
	Provide equal access to sport, park, recreational facilities and other public amenities to all residents	50 198	50 224	50 224	52 034	55 293	58 567
	Provide safety to communities through law enforcement services and through legislative requirements	15 608	15 608	15 608	13 879	14 776	15 661
	Total Expenditure	663 046	663 798	663 798	751 140	796 279	842 000

**Table 31 MBRR Table SA6 –
Reconciliation between the IDP strategic objectives and budgeted capital
expenditure**

Strategic Objective / R thousand	Goal	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
1. Spatial Development Framework	Provide the framework and vision required for improving the quality of life of the people living in Dawid Kruiper	44	8	8	–	–	–
2. Basic Service Delivery	Develop, manage and maintain essential bulk sewerage infrastructure and facilities to accommodate the aspirations, needs and pressures of present and future industries, businesses and dependent communities.	7 159	1 362	1 362	200	–	–
	Develop, manage and maintain essential bulk water infrastructure and facilities to accommodate the aspirations, needs and pressures of present and future industries, businesses and dependent communities	11 040	32 071	32 071	55 312	20 727	21 729
	Develop, manage and maintain necessary infrastructure and facilities required to improve the provision of sewerage services	21 223	–	–	–	–	–
	Develop, manage and maintain necessary road, transport and storm water infrastructure and facilities required to improve transportation in and aesthetic qualities of urban areas	11 680	25 967	25 967	–	–	–
	Provide for sustainable human settlements (housing)	–	–	–	–	–	–
	Provide, manage and maintain essential infrastructure required to improve electricity provision	31 630	33 974	33 974	39 742	7 930	8 487
	Regulate and manage waste disposal to prevent pollution of the natural environment and natural resources	–	–	–	104	–	–
		–	–	–	–	–	–
3. Local Economic Development	Create an environment that promotes the development of a diversified and sustainable economy	–	26	26	500	–	–
	Promote the development of tourist infrastructure that will enhance tourism	–	52	52	–	–	–
4. Municipal Financial Viability and Management	Enable and improve financial viability and management through well-structured budget processes, financial systems and MFMA Compliance	–	426	426	1 409	–	–
5. Municipal Transformation and Organizational Development	Align institutional arrangements to provide an effective and efficient support service to deliver on organisational objectives	–	356	356	28	–	–
6. Good Governance and Public Participation	Facilitate the establishment of good governance practices	1 524	227	227	596	–	–
	Manage and maintain municipal property, plant, equipment and vehicle fleet	6 600	15 750	15 750	27 873	7 316	–
	Pro-active prevention, mitigation, identification and management of environmental health, fire and disaster risks	311	282	282	284	–	–
	Promote and improve public relations through stakeholder participation and good customer service	–	0	0	26	–	–
	Provide equal access to sport, park, recreational facilities and other public amenities to all residents	626	5 513	5 513	1 352	217	217
	Provide safety to communities through law enforcement services and through legislative requirements	–	27	27	50	–	–
		–	–	–	–	–	–
Total Capital Expenditure		91 837	116 042	116 042	127 478	36 190	30 433

2.3 Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assess and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting and reporting cycle can be graphically illustrated as follows:

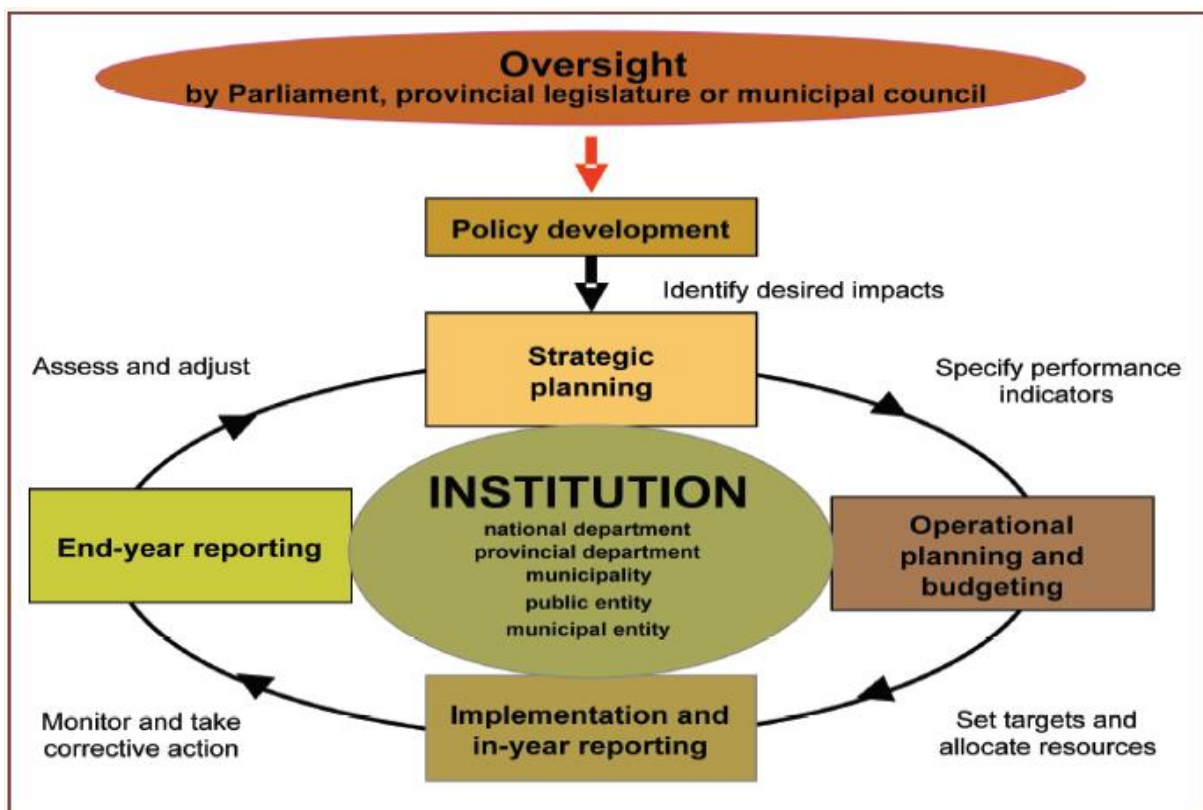


Figure 2 Planning, budgeting and reporting cycle

The performance of the municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The municipality therefore has adopted one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets and benchmarks);
- Monitoring (regular monitoring and checking on the progress against plan);
- Measurement (indicators of success);
- Review (identifying areas requiring change and improvement);
- Reporting (what information, to whom, from whom, how often and for what purpose); and
- Improvement (making changes where necessary).

The performance information concepts used by the municipality in its integrated performance management system are aligned to the **Framework of Managing Programme Performance Information** issued by the National Treasury:

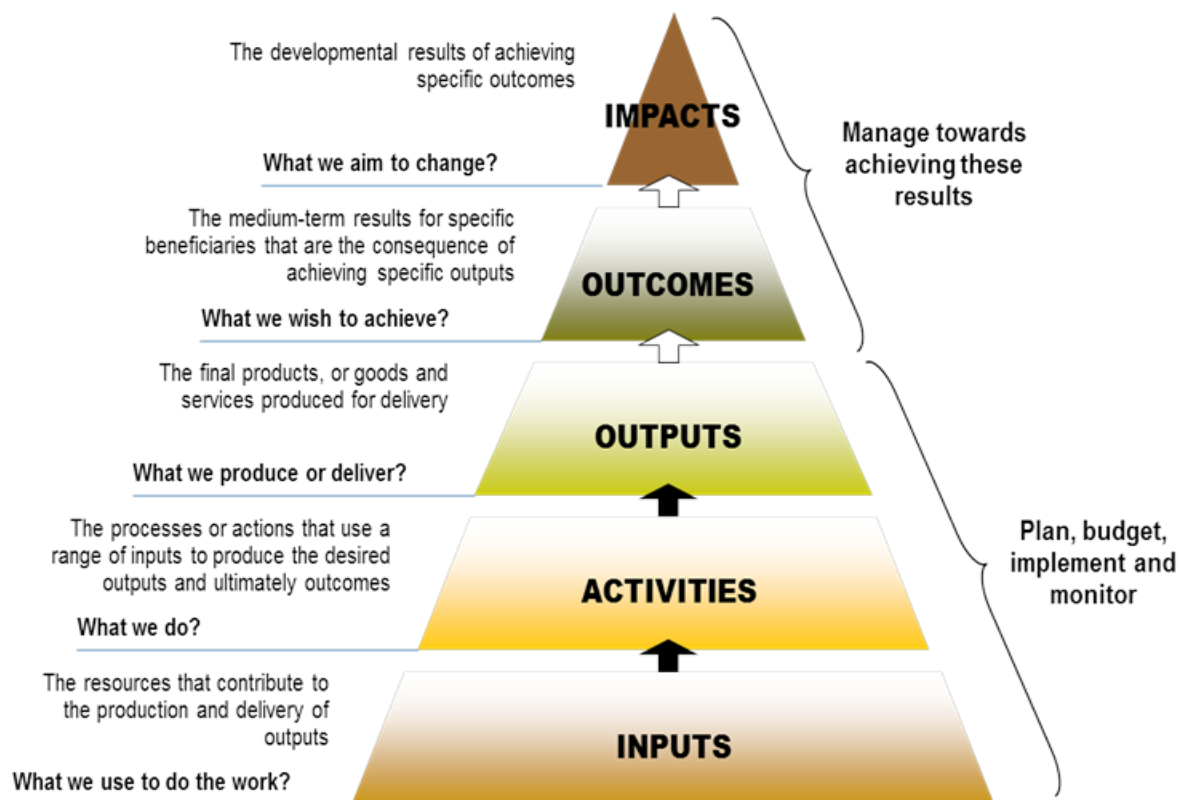


Figure 3 Definition of performance information concepts

The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.

Table 32 MBRR Table SA7 – Measurable performance objectives

Description	Unit of measurement	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
1: Municipal Manager	Annual Report		Annual Report	Annual Report	Annual Report	Annual Report	Annual Report	Annual Report
0002: Municipal Council								
Execution of National calendar special events per quarter								
0011: Office of the Municipal Manager	Percentage	88.8%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
Actual Operational expenditure /								
0032: Internal Audit								
3 year Risk based audit rolling plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan
0070: Performance Management								
SDBIP approved 28 days after budget approval	Approval	Approval	Approval	Approval	Approval	Approval	Approval	Approval
	Percentage	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
0071: Risk Management								
100% execution of risk assessment annual plan activities per quarter								
	Report	Report	Report	Report	Report	Report	Report	Report
0083: Municipal Manager								
Project clean audit: to maintain a clean								
1037: Cultural Festival	Report	Report	Report	Report	Report	Report	Report	Report
Execution of special events per annum								
1037: Council Ward Committee	Minutes	Minutes	Minutes	Minutes	Minutes	Minutes	Minutes	Minutes
Ward based sector meeting per ward								
2. Corporate Services	Percentage	83.8%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%
0001: Administration								
80% of assigned council resolutions executed by end of each quarter								
	Report	Report	Report	Report	Report	Report	Report	Report
0004: Property Administration								
Updated and reconcile land disposal register								
	Report	Report	Report	Report	Report	Report	Report	Report
0008: Communications								
Die Werker - issues								
	Percentage	0.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
0009: Human Resource								
The percentage of a municipality's salary								
	Percentage	79.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%
0038: Director Corporate Service								
The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved								
	Report	Report	Report	Report	Report	Report	Report	Report
0039: Legal Services								
Report on legal supporting services rendered to								
	Register	Register	Register	Register	Register	Register	Register	Register
0043: Commonage								
Updated Commonage Register								

Description	Unit of measurement	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
3. Budget & Treasury Office								
0007: Financial Services								
Actual operational expenditure as a % of	percentage	125.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
0033: Information Technology								
Maintain information technology equipment,	Report	Report	Report	Report	Report	Report	Report	Report
0080: Chief Financial Officer (Office of the CFO)								
Debtors administration - Debtors Test = (Gross	Narrative	50.21 Days	66Days	66Days	66Days	66Days	66Days	66Days
0085: Budget and Treasury Office								
Compilation & submission of Annual Financial	Proof of submission	Proof of	Proof of	Proof of	Proof of	Proof of	Proof of	Proof of
0086: Supply Chain Management Unit								
Reviewed and approved Supply Chain Management Policy by 31/05/2018	Updated Policy	Updated Policy	Updated Policy	Updated Policy	Updated Policy	Updated Policy	Updated Policy	Updated Policy
0088: Asset Management Unit								
Reviewed and approved Asset Management	Updated Policy	Updated	Updated	Updated	Updated	Updated	Updated	Updated
4. Community Service								
0003: Libraries								
Number and percentage of library material issued	Number	42531.00	38600.00	38600.00	38600.00	38600.00	38600.00	38600.00
0020: Traffic Services								
Number of fines issued.	Number	6483.00	6960.00	6960.00	6960.00	6960.00	6960.00	6960.00
0021: Fire Brigade Service								
Percentage of call-outs responded to within the required response times	Percentage	100.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
0024: Security Service								
Render a security service pertaining to	Report	Report	Report	Report	Report	Report	Report	Report
0027: Refuse Removal Services								
100% rendering of refuse removal services as per service delivery programme per quarter	Report	Report	Report	Report	Report	Report	Report	Report
0050: Parks								
Turf Maintenance Parks : Execution of maintenance as per maintenance plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan
0052: Swimming Pools								
Swimming Pools : Execution of maintenance	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan
0055: Sport Grounds								
Conduct Maintenance (Sports grounds) as per	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan
0057: Cemeteries								
Keeping of cemetery registers as per legislation : Updated register per quarter	Register	Register	Register	Register	Register	Register	Register	Register
0084: Electro Mech Services								
0034: Fleet Management								
90% vehicles and equipment serviced within	Percentage	21.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
0059: Electricity Administration								
New electricity Pre-paid meter connections	Percentage	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
0063: Electricity Planning and Metering								
Prepayment meters for new customers	Percentage	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Civil Engineering Service								
0026: Sanitation Services								
Rendering of sanitation services as per service delivery programme	Percentage	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
0028: Vacuum Tank Services								
Rendering of vacuum tank services on request	Percentage	100.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
0040: Civil Engineering Services								
80% of assigned council resolutions executed by end of each quarter	Percentage	83.0%	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%
0066: Water Production								
Ensure minimum drinking water quality standards compliant with SANS 241 : 95% of quarterly samples meeting minimum biological standards	Percentage	80.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%

The following table sets out the municipalities main performance objectives and benchmarks for the 2018/2019 MTREF.

Table 33 MBRR Table SA8 – Performance indicators and benchmarks

Table 1: MERP Table 1: Performance Indicators and Benchmarks								
Description of financial indicator	Basis of calculation	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<u>Borrowing Management</u>								
Credit Rating	Interest & Principal Paid	3.9%	3.3%	3.3%	3.3%	3.5%	3.6%	3.7%
Capital Charges to Operating Expenditure	/Operating Expenditure							
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	4.9%	4.0%	4.1%	4.2%	4.2%	4.5%	4.6%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure ex cl. transfers and grants and contributions	0.0%	23.0%	21.5%	37.8%	0.0%	0.0%	0.0%
<u>Liquidity</u>								
Current Ratio	Current assets/current liabilities	0.70	0.92	0.88	0.62	0.62	0.51	0.69
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0.70	0.92	0.88	0.62	0.62	0.51	0.69
Liquidity Ratio	Monetary Assets/Current Liabilities	0.24	0.28	0.08	0.07	0.07	0.11	0.20
<u>Revenue Management</u>								
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	0.0%	102.1%	99.3%	100.0%	97.4%	97.4%	102.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		102.1%	99.3%	100.0%	97.4%	97.4%	102.0%	97.1%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	13.5%	9.8%	14.1%	12.2%	12.2%	9.0%	10.7%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	102.1%	99.3%	100.0%	97.4%	102.0%	97.1%	98.7%
<u>Creditors Management</u>								
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))	95.0%	95.0%	95.0%	95.0%	95.0%	99.0%	100.0%
Creditors to Cash and Investments		195.8%	201.1%	65.8%	1021.8%	1021.8%	438.9%	248.9%
<u>Other Indicators</u>								
Employee costs	Employee costs/(Total Revenue - capital revenue)	41%	41%	44%	44%	44%	46%	47%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	0%	42%	46%	46%	0%	47%	49%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	2%	3%	3%	3%	0%	2%	2%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	19%	15%	15%	15%	15%	15%	15%
<u>IDP regulation financial viability indicators</u>								
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	29.6	6.9	6.9	6.9	25.0	26.1	24.5
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	0.2	0.1	0.2	0.2	0.2	0.1	0.1
iii. Cost coverage	(Av ailable cash + Investments)/monthly fixed operational expenditure	1.2	0.6	1.7	0.2	0.2	0.4	0.7

2.3.1 Performance indicators and benchmarks

2.3.1.1 Borrowing Management

Capital expenditure in local government can be funded by capital grants, own-source revenue and long term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. As with all other municipalities, Dawid Kruiper Municipality's borrowing strategy is primarily informed by the affordability of debt repayments. The structure of the municipality's debt portfolio is dominated by annuity loans. The following financial performance indicators have formed part of the compilation of the 2018/2019 MTREF:

- *Capital charges to operating expenditure* are a measure of the cost of borrowing in relation to the operating expenditure. It can be seen that the cost of borrowing has steadily increased. This increase can be attributed to the raising of loans to fund portions of the capital programme. While borrowing is considered a prudent financial instrument in financing capital infrastructure development, this indicator will have to be carefully monitored going forward as the municipality has reached its prudential borrowing limits. As the municipality has reached its borrowing limits, no external loans will be raised from 2018/2019 – 2020/2021.
- *Borrowing funding of own capital expenditure* measures the degree to which own capital expenditure (excluding grants and contributions) has been funded by way of borrowing.

The municipality's debt profile provides some interesting insights on the municipality's future borrowing capacity. Firstly, the use of amortising loans leads to high debt service costs at the beginning of the loan, which declines steadily towards the end of the loan's term.

In summary, various financial risks could have a negative impact on the future borrowing capacity of the municipality. In particular, the continued ability of the municipality to meet its revenue targets and ensure its forecasted cash flow targets are achieved will be critical in meeting the repayments of the debt service costs. As part of the compilation of the

2018/2019 MTREF the potential of smoothing out the debt profile over the longer term will be investigated.

2.3.1.2 *Safety of Capital*

The reason for this was that all cash-backed reserves for funding capital expenditure were depleted. It stays at 0% until 2020/2021. The medium term strategy is to steadily increase the gearing ratio to a level that does not exceed 50% as a prudential limit, hence, the municipality will have to find ways and means to get rid of unfunded mandates and to service land for resale purposes to build up cash back reserves for capital expenditure again. Also should investment in basic services infrastructure in formal and informal areas for breaking new ground housing purposes with the municipality's own reserves be recouped from national and provincial housing funding programmes. The municipality cannot carry on borrowing funds from external sources.

2.3.1.3 *Liquidity*

- *Current ratio* is a measure of the current assets divided by the current liabilities and as a benchmark the municipality has set a limit of 1, hence at no point in time should this ratio be less than 1:1. For the MTREF the current ratio is 0.07 in the 2018/2019 financial year and 0.11 and 0.20 for the two outer years of the MTREF. Going forward it will be necessary to improve these levels to the benchmark limit.
- *The liquidity ratio* is a measure of the ability of the municipality to utilise cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations. This needs to be considered a pertinent risk for the municipality as any under collection of revenue will translate into serious financial challenges for the municipality. As part of the longer term financial planning objectives this ratio will have to be set at a minimum of 1.

2.3.1.4 *Revenue Management*

As part of the financial sustainability strategy, an aggressive revenue management framework has been implemented to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days. The intention of the strategy is to streamline the revenue value chain by ensuring accurate billing, customer service, and credit control and debt collection.

2.3.1.5 *Creditors Management*

The municipality has striven to ensure that creditors are settled within the legislated 30 days of receiving invoices. While the liquidity ratio is of concern, by applying daily cash flow management the municipality has managed to ensure that most payments comply with this legislative obligation. This has had a favourable impact on suppliers' perceptions of risk of doing business with the municipality, which is expected to benefit the municipality in the form of more competitive pricing of tenders, as suppliers compete for the municipality's business.

2.3.1.6 *Other Indicators*

- Employee costs as a percentage of operating revenue increases and decreases depending on factors like the implementation of housing programmes over the past and future financial years. Another factor that affects this percentage the high increase in bulk purchases which directly increase revenue levels. National Treasury has indicated in MFMA Circular No 66 that there is no benchmark to be measured against due to all these factors influencing it.
- Similar to that of employee costs, repairs and maintenance as percentage of operating revenue is also decreasing owing directly to cost drivers such as bulk purchases increasing far above inflation. In real terms, repairs and maintenance has increased as part of the municipality's strategy to ensure the management of its asset base.

2.3.2 Free Basic Services: basic social services package for indigent households

The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of the municipality. With the exception of water, only registered indigents qualify for the free basic services.

In terms of the municipality's indigent policy registered households are entitled to 6 kℓ "free" water, 50 kWh "free" electricity, "free" sanitation and "free" waste removal services once a week, as well as a 100% discount on their property rates.

Further detail relating to the number of households receiving free basic services, the cost of free basic services, highest level of free basic services as well as the revenue cost associated with the free basic services is contained in Table 27 MBRR A10 (Basic Service Delivery Measurement) on page 53.

Note that the number of households in informal areas that receive free services and the cost of these services (e.g. the provision of water through stand pipes, water tankers, and etcetera) are taken into account in the table noted above.

2.3.3 Providing clean water and managing waste water

The municipality is the Water Services Authority for the entire municipality in terms of the Water Services Act, 1997 and acts as water services provider. The municipality buys its raw water from Department of Water Affairs (DWA) by extracting it directly from the Orange River to purify it before distributing it to the local community.

The DWA conducts an annual performance rating of potable and waste water treatment works; presenting a Blue Drop or Green Drop award respectively to potable water treatment works and waste water treatment works that meet certain criteria of excellence.

Our purified drinking water is of exceptional quality, free of e-coli although there are some management issues that have to be attended to before the municipality can obtain Blue Drop status in 2018/2019.

None of our waste water treatment works were awarded Green Drop status in 2016/2017, indicating that these plants will require renewals / upgrading to meet the minimum Green

Drop certification standards. This has been prioritised as part of the 2018/2019 – 2020/2021 medium term capital budget.

The following is briefly the main challenges facing the municipality in this regard:

- The infrastructure at most of the waste water treatment works is old and insufficient to treat the increased volumes of waste water to the necessary compliance standard;
- Shortage of skilled personnel makes proper operations and maintenance difficult; and
- There is a lack of proper regional catchment management, resulting in storm water entering the sewerage system.

The following are some of the steps that have been taken to address these challenges:

- Infrastructure shortcomings are being addressed through the capital budget in terms of a 5-year upgrade plan;
- The filling of vacancies has commenced and the Waste Water Division will embark on an in-house training programme, especially for operational personnel; and
- The Division is working in consultation with the Department of Water Affairs to address catchment management.

2.4 Overview of budget related-policies

The municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

2.4.1 Review of credit control and debt collection procedures/policies

The Customer Care, Credit Control, Debt Collection and Indigent Support Policy was approved by Council and reviewed in 2017/2018. The revised policy will be finally approved during May 2018.

As most of the indigents within the municipal area are unable to pay for municipal services because they are unemployed, the Integrated Indigent Exit Programme aims to link the registered indigent households to development, skills and job opportunities. The programme also seeks to ensure that all departments as well as external role players are actively involved in the reduction of the number of registered indigent households.

The 2018/2019 MTREF has been prepared on the basis of achieving an average debtors' collection rate of 98% on current billings. The first nine months of the 2017/2018 financial year yielded a collection rate of 98% due to government departments honouring their commitments. The municipality expects government departments to honour their past and future commitments during 2018/2019 to avoid their services being discontinued. In addition the collection of debt in excess of 90 days has been prioritised as a pertinent strategy in increasing the municipality's cash levels. In addition, the municipality's payment incentive scheme through its Writing-Off of Irrecoverable Debt Policy seems to be working and it is taking the customers out of their spiral debt. The increase in the provision for bad debt is due to the revised method used to calculate the provision in terms of GRAP 9.

2.4.2 Asset Management, Infrastructure Investment and Funding Policy

A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis. Preserving the investment in existing infrastructure needs to be considered a significant strategy in ensuring the future sustainability of infrastructure and the municipality's revenue base. Within the framework, the need for asset renewal was considered a priority and hence the capital programme, where possible, was determined based on renewal of current assets versus new asset construction.

Further, continued improvements in technology generally allows many assets to be renewed at a lesser 'real' cost than the original construction cost. Therefore, it is considered prudent to allow for a slightly lesser continual level of annual renewal than the average annual depreciation. The Asset Management, Infrastructure and Funding Policy is therefore considered a strategic guide in ensuring a sustainable approach to asset renewal, repairs and maintenance and is utilised as a guide to the selection and prioritisation of individual capital projects. In addition the policy prescribes the accounting and administrative policies and procedures relating to property, plant and equipment (fixed assets). This policy will not be amended.

2.4.3 Budget Adjustment Policy

The adjustments budget process is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level of discipline, responsibility and

accountability in the financial management practices of municipalities. To ensure that the City continues to deliver on its core mandate and achieves its developmental goals, the mid-year review and adjustment budget process will be utilised to ensure that underperforming functions are identified and funds redirected to performing functions.

2.4.4 Supply Chain Management Policy

The Supply Chain Management Policy, to allow for legislation changes, was reviewed and adopted by Council in May 2017. The policy will be revised and tabled to Council during May 2018.

2.4.5 Budget and Virement Policy

The Budget and Virement Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the municipality's system of delegations. The revised policy, in terms of MSCOA, will be tabled to Council during May 2018 for approval.

2.4.6 Cash Management and Investment Policy

The municipality's Cash Management and Investment Policy were amended by Council in May 2011. The aim of the policy is to ensure that the municipality's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves. The policy details the minimum cash and cash equivalents required at any point in time and introduce time frames to achieve certain benchmarks. The Cash Management and Virement Policy was reviewed and approved by Council in May 2017. The policy will be tabled to Council during May 2018.

2.4.7 Tariff Policies

The municipality's Tariff Policy provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service

delivery. The Tariff Policy, as approved by Council in May 2017, has been reviewed and changes to the policy will be approved on the 31st of May 2018.

2.4.8 Property Rates Policy

The municipality's Property Rates Policy provides a broad framework within which the Council can determine property rates levies. The Tariff Policy as approved by Council in May 2017 has been reviewed. Changes to the policy will be approved on the 31st of May 2018.

2.4.9 Financial Modelling and Scenario Planning Policy

The Financial Modelling and Scenario Planning Policy (Financial Plan included as Annexure A to the IDP) has directly informed the compilation of the 2018/2019 MTREF with the emphasis on affordability and long-term sustainability. The policy dictates the approach to longer term financial modelling. The outcomes are then filtered into the budget process. The model and scenario planning outcomes are taken to Council every November as part of the IDP and then translate into recommendations for the budget guidelines that inform the compilation of the next MTREF. One of the salient features of the policy is the emphasis on financial sustainability. Amongst others, the following has been modelled as part of the financial modelling and scenario planning process:

- Approved 2017/2018 Adjustments Budget;
- Cash Flow Management Interventions, Initiatives and Strategies (including the cash backing of reserves);
- Economic climate and trends (i.e. Inflation, household debt levels, indigent factors, growth, recessionary implications);
- Loan and investment possibilities;
- Performance trends;
- Tariff Increases;
- The ability of the community to pay for services (affordability);
- Policy priorities;
- Improved and sustainable service delivery; and
- Debtor payment levels.

All the above policies are available on the municipality's website, as well as the following budget related policies:

- Property Rates Policy;
- Funding and Reserves Policy;
- Borrowing Policy;
- Budget Policy; and
- Basic Social Services Package (Indigent Policy).

2.5 Overview of budget assumptions

2.5.1 External factors

The *Budget Review 2018* notes received from Provincial Treasury states that the South African economy has demonstrated resilience despite unsettles international economic conditions. Global developments are likely to hold back higher growth over the short-term, resulting in gross domestic product (GDP) growth being expected to slow from 1.0% in 2018 to 2.1% in 2021.

Owing to the economic slowdown, financial resources are limited due to reduced payment levels by consumers. This has resulted in declining cash inflows, which has necessitated restrained expenditure to ensure that cash outflows remain within the affordability parameters of the municipality's finances.

2.5.2 General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2018/2019 MTREF:

- National Government macro-economic targets;
- The general inflationary outlook and the impact on municipality's residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity and water; and

- The increase in the cost of remuneration. Employee related costs comprise 49.6% of total operating expenditure, excluding depreciation, in the 2018/2019 MTREF and therefore this increase above inflation places a disproportionate upward pressure on the expenditure budget.

2.5.3 Credit rating outlook

Table 34 Credit rating outlook

Security class	Currency	Rating	Annual rating 2018/2019	Previous Rating
Short term	Rand	N/A	N/A	N/A
Long-term	Rand	N/A	N/A	N/A
Outlook	Rand	N/A	N/A	N/A

The municipality has not been rated by a rating agency.

2.5.4 Interest rates for borrowing and investment of funds

The MFMA specifies that borrowing can only be utilised to fund capital or refinancing of borrowing in certain conditions. The municipality engages in a number of financing arrangements to minimise its interest rate costs and risk. However, for simplicity the 2018/2019 MTREF is based on the assumption that all borrowings are undertaken using fixed interest rates for amortisation-style loans requiring both regular principal and interest payments. As part of the compilation of the 2018/2019 MTREF the potential of smoothing out the debt profile over the long term will be investigated.

2.5.5 Collection rate for revenue services

The base assumption is that tariff and rating increases will increase at a rate slightly higher than CPI over the long-term. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term.

The rate of revenue collection is currently expressed as a percentage (99%) of annual billings. Cash flow is assumed to be 95% of billings, plus an increased collection of arrear

debt from the revised collection and credit control policy. The performance of arrear collections will only be considered a source of additional cash in-flow once the performance has been carefully monitored.

2.5.6 Growth or decline in tax base of the municipality

Debtors' 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.

2.5.7 Salary increases

The percentage increase for regarding salaries / wages for the 2018/2019 are 5.4%, as no collective agreement has been met. Over the MTREF the municipality has provided for a cost-of-living increase of 5.4% (2018/2019), 6.0% (2019/2020) and 6.0% (2020/2021). However the 6.0% does not include notch increases and additional appointments.

2.5.8 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 IDP's, 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. Unfortunately, some of these services come at a cost for the municipality since not all activities is 100% funded through funds that follow functions (unfunded mandates).

2.5.9 Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of at least 95% is achieved on operating expenditure and 95% on the capital programme for the 2018/2019 MTREF of which performance has been factored into the cash flow budget. The municipality expects to recover 98% of its budgeted revenue.

2.6 Overview of budget funding

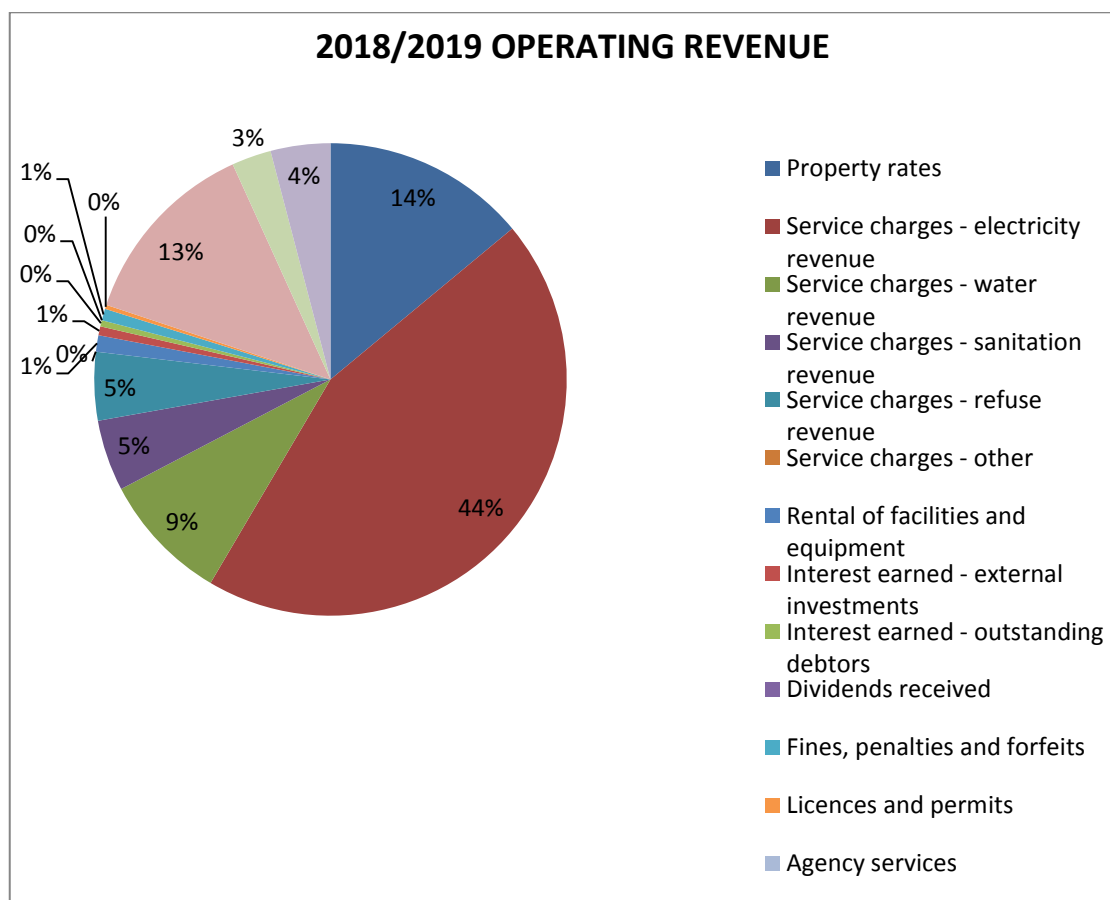
2.6.1 Medium-term outlook: operating revenue

The following table is a breakdown of the operating revenue over the medium-term:

Table 35 Breakdown of the operating revenue over the medium-term

Description	2018/19 Medium Term Revenue & Expenditure Framework					
	Budget Year 2018/19	%	Budget Year +1 2019/20	%	Budget Year +2 2020/21	%
Property rates	99 462	14.0%	105 429	14.3%	112 282	14.3%
Service charges	447 595	62.9%	474 450	64.4%	505 290	64.3%
Interest earned - external investments	4 350	0.6%	4 568	0.6%	4 819	0.6%
Transfers recognised - operational	93 221	13.1%	96 855	13.1%	104 663	13.3%
Other own revenue	66 980	9.4%	55 411	7.5%	58 711	7.5%
Total Operational Revenue (excluding capital transfers and contributions)	711 607	100.0%	736 713	100.0%	785 765	100.0%
Total Operational Expenditure	751 140		796 279		842 000	
Surplus/(Deficit)	(39 534)		(59 566)		(56 235)	

The following graph is a breakdown of the operational revenue per main category for the 2018/2019 financial year.

**Figure 4 Breakdown of operating revenue over the 2018/2019 MTREF**

For the medium-term, the funding strategy has been informed directly by ensuring financial sustainability and continuity. The MTREF therefore provides for a budgeted surplus (excluding non-cash items) of R 122.6 million (2018/2019) and R 96.0 million and R 107.9 million in the two outer years. This surplus is intended to fully fund capital expenditure from own sources as well as ensure adequate cash backing of reserves and funds.

Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The municipality derives most of its operational revenue from the provision of goods and services such as water, electricity, sanitation and solid waste removal. Property rates, operating and capital grants from organs of state and other minor charges (such as building plan fees, licenses and permits etc.) completes the revenue base.

The revenue strategy is a function of key components such as:

- Growth in the municipality and economic development;
- Revenue management and enhancement;
- Achievement of a 98% annual collection rate for consumer revenue;
- National Treasury guidelines;
- Electricity tariff increases within the National Electricity Regulator of South Africa (NERSA) approval;
- Achievement of full cost recovery of specific user charges;
- Determining tariff escalation rate by establishing / calculating revenue requirements;
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA), and
- And the ability to extend new services and obtain cost recovery levels.

The above principles guide the annual increase in the tariffs charged to the consumers and the ratepayers aligned to the economic forecasts.

The proposed tariff increases for the 2018/2019 MTREF on the different revenue categories are:

Revenue to be generated from property rates is R 99.5 million in the 2018/2019 financial year and increases to R 112.3 million by 2020/2021 which represents 14.0% of the operating revenue base of the municipality. It remains relatively constant over the medium-term. With the implementation of the Municipal Property Rates Act the basis of rating significantly changed.

The municipality is in a process of further data verification and validation relating to the valuation roll. The new valuation roll was implemented from 1 July 2014 and is valid for 4 years. The valuation is supplemented every year as supplementary valuations are performed. As the levying of property rates is considered strategic revenue source a further supplementary valuation process will be undertaken as necessary during the financial year. The outcome of this initiative will be closely monitored and reported on a regular basis as part of the quarterly performance reporting.

Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the municipality totalling R 447.6 million for the 2018/2019 financial year and increasing to R 505.3 million by 2020/2021. For the 2018/2019 financial year services charges amount to 62.9% of the total revenue base and increase to 64.3% by 2020/2021. This increase can mainly be attributed to the increase in the bulk prices of electricity and water.

Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. Operating grants and transfers totals R 93.2 million in the 2018/2019 financial year, R 96.9 for 2019/2020 and R 104.7 million by 2020/2021. Note that the year-on-year growth for the 2018/2019 financial year is 12.8% and 3.9% and 8.1% for the outer years. The following table gives a breakdown of the proposed tariff increases over the MTREF:

Table 36 Proposed Tariff increases over the Medium-Term

Revenue Category	2018/19 Proposed Tariff Increase	2019/20 Proposed Tariff Increase	2020/21 Proposed Tariff Increase	2018/19 Total Budgeted Revenue
	%	%	%	R'000
Property Rates	±6.00%	±6.00%	±6.00%	99 462
Electricity	6.84%	±6.00%	±6.00%	316 656
Water	±6.00%	±6.00%	±6.00%	62 987
Sanitation	±6.00%	±6.00%	±6.00%	34 657
Refuse Removal	±10.00%	±6.00%	±6.00%	33 295
Total				547 056

The tables below provide detail investment information and investment particulars by maturity.

Table 37 MBRR SA15 – Detail Investment Information

Investment type / R thousand	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<u>Parent municipality</u>							
Deposits - Bank	-	-	10 550	-	-	-	-
Municipality sub-total	-	-	10 550	-	-	-	-
<u>Entities</u>							
Entities sub-total	-	-	-	-	-	-	-
Consolidated total:	-	-	10 550	-	-	-	-

Table 38 MBRR SA16 – Investment particulars by maturity

Investments by Maturity Name of institution & investment ID	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Monetary value	Interest to be realised
	Yrs/Months				Rand thousand	
<u>Parent municipality</u>						
Not applicable - all investments qualify as cash and cash equivalents (Cash)	Months	Depositor Plus	No	Variable	-	-
Municipality sub-total					-	-
<u>Entities</u>						
Entities sub-total					-	-
TOTAL INVESTMENTS AND INTEREST					-	-

2.6.2 Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2018/2019 to 2020/2021 medium-term capital programme:

Table 39 Sources of capital revenue over the MTREF

Description / R thousand	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Budget Year 2018/19	%	Budget Year +1 2019/20	%	Budget Year +2 2020/21	%
Funded by:								
National Government	64 633	55.7%	43 843	34.4%	28 657	79.2%	30 216	99.3%
Provincial Government	4 904	4.2%	217	0.2%	217	0.6%	217	0.7%
Transfers recognised - capital	69 537	59.9%	44 060	34.6%	28 874	79.8%	30 433	100.0%
Borrowing	10 000	8.6%	–	0.0%	–	0.0%	–	0.0%
Internally generated funds	36 505	31.5%	83 417	65.4%	7 316	20.2%	–	0.0%
Total Capital Funding	116 042	100.0%	127 478	100.0%	36 190	100.0%	30 433	100.0%

Capital grants and receipts equates to 34.6% of the total funding source which represents R 44.1 million for the 2018/2019 financial year and decreases to R 28.9 million (79.8%) for 2019/2020 before increasing to R 30.4 million or 100.0% by 2020/2021.

Own funding still remains a significant funding source for the capital programme over the medium-term with an estimated R 83.4 million, R 7.3 million and R 0 million to be raised for each of the respective financial years..

As explained earlier, the borrowing capacity of the municipality has essentially reached its limits and therefore no borrowing is being budgeted for from 2018/2019 – 2020/2021

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Figure 5 is graphically represented as follows for the 2018/2019 financial year.

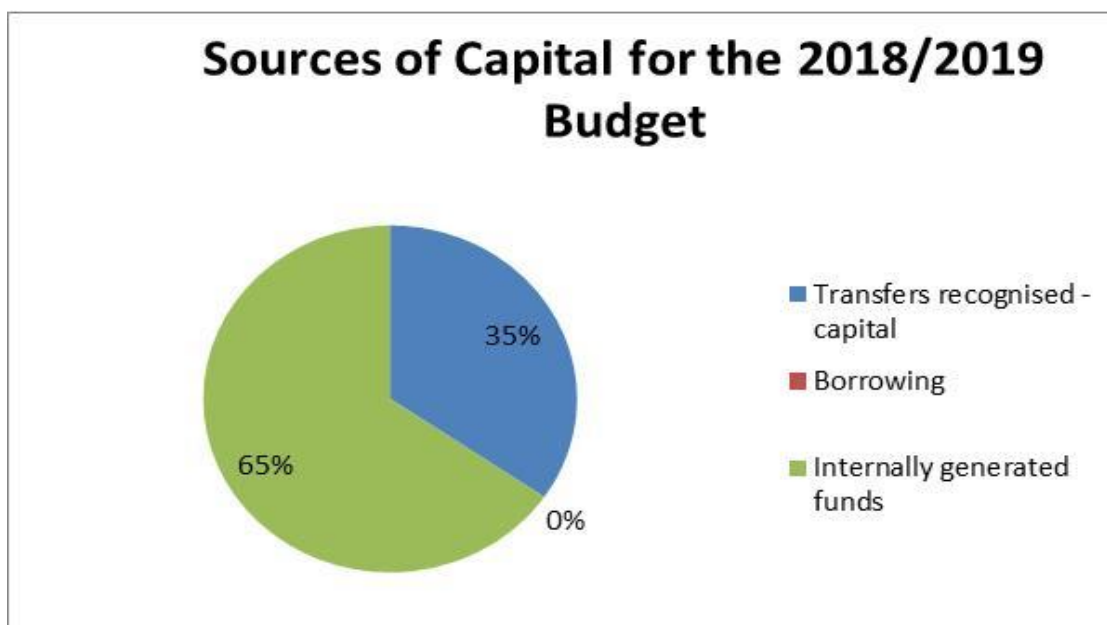


Figure 5 Sources of capital revenue for the 2018/2019 financial year

The following table is a detailed analysis of the municipality's borrowing liability.

Table 40 MBRR Table SA 17 - Detail of borrowings

Borrowing - Categorised by type / R thousand	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Parent municipality							
Long-Term Loans							
(annuity/reducing balance)	104 021	104 995	114 995	114 995	89 077	71 077	52 077
Municipality sub-total	104 021	104 995	114 995	114 995	89 077	71 077	52 077
Entities							
Entities sub-total	-	-	-	-	-	-	-
Total Borrowing	104 021	104 995	114 995	114 995	89 077	71 077	52 077

Internally generated funds consist of a mixture between surpluses generated on the operating statement of financial performance and cash backed reserves. In determining the credibility of this funding source it becomes necessary to review the cash flow budget as well as the cash backed reserves and accumulated funds reconciliation, as discussed below.

Table 41 below provides more detail of the capital transfers and grant receipts.

Table 41 MBRR Table SA 18 - Capital transfers and grants receipts

Description / R thousand	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital Transfers and Grants							
National Government:	35 223	48 280	64 553	64 553	43 843	28 657	30 216
Municipal Infrastructure Grant (MIG)	22 927	21 223	12 924	12 924	20 365	20 727	21 729
Regional Bulk Infrastructure	-	-	-	-	-	-	-
COGHSTA 6667	-	-	1 800	1 800	-	-	-
EPWP Incentive	1 787	1 018	1 187	1 187	-	-	-
Water Service Infrastructure Grant	-	-	8 112	8 112	8 696	-	-
Energy Efficiency and Demand Management	6 114	-	-	-	2 609	3 478	3 478
Municipal Demarcation Transitional Grant	-	-	15 867	15 867	-	-	-
Financial Management Grant	-	-	1 241	1 241	-	-	-
Integrated National Electrification Program	4 396	26 038	23 422	23 422	12 174	4 452	5 009
Provincial Government:	4 000	-	4 904	4 904	217	217	217
Provincial Government:	4 000	-	1 104	1 104	-	-	-
Sport and Recreation	-	-	3 800	3 800	217	217	217
District Municipality:	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-
Total Capital Transfers and Grants	39 223	48 280	69 457	69 457	44 060	28 874	30 433

2.6.3 Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understanding ability for councillors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from 'ratepayers and other' to be provided for as cash inflow based on actual performance. In other words the *actual collection rate* of billed revenue; and
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long term borrowing (debt).

Table 42 MBRR Table A7 - Budget cash flow statement

Description / R thousand	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
CASH FLOW FROM OPERATING ACTIVITIES							
Receipts							
Property rates	86 102	93 773	93 832	81 133	110 424	88 479	104 375
Service charges	335 245	404 227	397 633	397 633	447 595	474 450	505 290
Other revenue	26 924	24 024	28 295	13 238	24 894	26 011	27 694
Government - operating	70 984	89 758	82 646	82 646	93 221	96 855	104 663
Government - capital	35 364	48 280	69 457	69 457	44 060	28 874	30 433
Interest	5 829	6 300	70 550	7 055	7 350	7 718	8 142
Payments							
Suppliers and employees	(466 803)	(563 288)	(564 567)	(570 979)	(589 960)	(656 377)	(713 851)
Finance charges	(11 838)	(12 481)	(12 527)	(12 527)	(12 225)	(12 836)	(13 542)
Transfers and Grants	(464)	(610)	(867)	(867)	(862)	(905)	(955)
NET CASH FROM/(USED) OPERATING ACTIVITIES	81 342	89 981	164 452	66 789	124 497	52 268	52 249
CASH FLOWS FROM INVESTING ACTIVITIES							
Receipts							
Proceeds on disposal of PPE	729	13 064	13 000	13 000	29 086	15 750	16 616
Decrease (increase) other non-current receivables	10	5	-	(13)	-	-	-
Payments							
Capital assets	(38 782)	(91 817)	(116 042)	(116 042)	(127 478)	(36 190)	(30 433)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(38 042)	(78 747)	(103 042)	(103 055)	(98 392)	(20 440)	(13 817)
CASH FLOWS FROM FINANCING ACTIVITIES							
Receipts							
Borrowing long term/refinancing	-	10 000	10 000	10 000	-	-	-
Increase (decrease) in consumer deposits	(882)	-	-	-	-	-	-
Payments							
Repayment of borrowing	(11 118)	(9 660)	(9 660)	(9 660)	(14 000)	(16 000)	(18 000)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(11 999)	340	340	340	(14 000)	(16 000)	(18 000)
NET INCREASE/ (DECREASE) IN CASH HELD	31 301	11 574	61 750	(35 925)	12 105	15 827	20 433
Cash/cash equivalents at the year begin:	12 454	12 821	12 821	43 754	7 829	19 934	35 761
Cash/cash equivalents at the year end:	43 754	24 395	74 572	7 829	19 934	35 761	56 194

2.6.4 Cash Backed Reserves/Accumulated Surplus Reconciliation

This following table meets the requirements of MFMA Circular No 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

- What are the predicted cash and investments that are available at the end of the budget year?
- How are those funds used?
- What is the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that was / is available. A shortfall (cash-backed commitments > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded'. Non-compliance with section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected). It is also important to analyse trends to understand the consequences, e.g. the budget year might indicate a small surplus situation, which in itself is an appropriate outcome, but if in prior years there were much larger surpluses then this negative trend may be a concern that requires closer examination.

Table 43 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation

Description / R thousand	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Cash and investments available							
Cash/cash equivalents at the year end	43 754	24 395	74 572	7 829	19 934	35 761	56 194
Other current investments > 90 days	–	0	(67 676)	(0)	0	(0)	0
Non current assets - Investments	–	–	10 550	–	–	–	–
Cash and investments available:	43 754	24 395	17 445	7 829	19 934	35 761	56 194
Application of cash and investments							
Unspent conditional transfers	19 144	–	–	–	–	–	–
Statutory requirements	–	–	–	5 500	8 000	6 000	6 000
Other working capital requirements	15 724	(12 041)	(38 248)	4 995	23 736	13 961	(14 909)
Reserves to be backed by cash/investments	–	–	–	–	–	–	–
Total Application of cash and investments:	34 868	(12 041)	(38 248)	4 995	31 736	19 961	(8 909)
Surplus(shortfall)	8 887	36 437	55 694	2 834	(11 802)	15 800	65 103

The following is a breakdown of the application of this funding:

- Unspent conditional transfers (grants) are automatically assumed to be an obligation as the municipality has received government transfers in advance of meeting the conditions. Ordinarily, unless there are special circumstances, the municipality is obligated to return unspent conditional grant funds to the national revenue fund at the end of the financial year. In the past these have been allowed to 'roll-over' and be spent in the ordinary course of business, but this practice has been discontinued. For the 2018/2019 financial year the municipality will spend the entire allocation and thus no provision was made for unspent grants.
- There is no unspent borrowing from the previous financial years. In terms of the municipality's Borrowing and Investments Policy, borrowings are only drawn down once the expenditure has been incurred against the particular project. Unspent borrowing is ring-fenced and reconciled on a monthly basis to ensure no unnecessary liabilities are incurred.
- The main purpose of other working capital is to ensure that sufficient funds are available to meet obligations as they fall due. A key challenge is often the mismatch between the timing of receipts of funds from debtors and payments due to employees and creditors. High levels of debtor non-payment and receipt delays will have a

greater requirement for working capital, as was experienced by the municipality in the past resulting in cash flow challenges. For the purpose of the cash backed reserves and accumulated surplus reconciliation a provision equivalent to one month's operational expenditure has been provided for. It needs to be noted that although this can be considered prudent, the desired cash levels should be 60 days to ensure continued liquidity of the municipality. Any underperformance in relation to collections could place upward pressure on the ability of the municipality to meet its creditor obligations.

- Other provisions (i.e. employee benefits) have been provided for in the operating budget but have not been provided for in Table 43.
- The municipality has no long term investments that consist primarily of the sinking funds for the repayment of future borrowings.
- Most reserve fund cash-backing is discretionary in nature, but the reserve funds are not available to support a budget unless they are cash-backed. The reserve funds as well as unspent conditional grants are not fully cash-backed. Government's outstanding debt, unfunded housing projects and unfunded mandates for the past three years are increasing on a year-to-year basis. The level of cash-backing is directly informed by the municipality's cash backing policy. Dawid Kruiper Municipality has requested in writing support from National Treasury regarding the unfunded mandates which can no longer be afforded and funded by our consumers. Mr. J Hattingh wrote a letter to Provincial Treasury requesting them to assist us in order to address these issues, but no assistance or correspondence was received. The municipal manager has requested that the clinic should be taken over by Provincial Treasury. This was done during October 2014. Dawid Kruiper Municipality is also performing the Fire Brigade Services and Disaster Management Services, but the grant is being paid to ZFM. The allocation received from Department Sports, Arts and Culture is insufficient to cover the expenditure of the libraries resulting in tariff increases above inflation to recover the costs. The same principle applies for Department of Housing. For the last 4 year the allocation has not increased from R 650 000 per year.

However, from a practical perspective it would not be possible to eradicate this deficit in one financial year hence the phased approach over the MTREF. Nevertheless from a pure cash flow perspective (cash out flow versus cash inflow) the budget is funded and is therefore credible. The challenge for the municipality will be to ensure that the underlying planning and cash flow assumptions are meticulously managed, especially the performance against the collection rate.

2.6.5 Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA. Each of the measures is discussed below.

Table 44 MBRR SA10 – Funding compliance measurement

Description	MFMA section	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<u>Funding measures</u>								
Cash/cash equivalents at the year end - R'000	18(1)b	43 754	24 395	74 572	7 829	19 934	35 761	56 194
Cash + investments at the yr end less applications - R'000	18(1)b	8 887	36 437	55 694	(2 666)	(11 802)	15 800	65 103
Cash year end/monthly employee/supplier payments	18(1)b	1.2	0.6	1.7	0.2	0.4	0.7	1.0
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	(11 813)	25 155	28 120	22 620	4 527	(30 692)	(25 802)
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	-6.0%	15.5%	-8.0%	-6.0%	5.3%	0.0%	0.5%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	95.5%	97.7%	99.4%	95.1%	99.7%	95.1%	96.6%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	4.5%	1.0%	1.1%	1.1%	0.0%	0.0%	0.0%
Capital payments % of capital expenditure	18(1)c;19	20.1%	100.0%	100.0%	120.9%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	0.0%	23.0%	21.5%	37.8%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	0.0%	-14.6%	40.4%	-14.1%	-27.1%	23.4%	10.0%
Long term receivables % change - incr(decr)	18(1)a	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	0.6%	1.1%	1.0%	1.0%	0.9%	0.9%	1.0%
Asset renewal % of capital budget	20(1)(vi)	10.1%	21.5%	9.3%	11.3%	25.3%	29.8%	11.4%

2.6.5.2 Cash/cash equivalent position

The municipality's forecast cash position was discussed as part of the budgeted cash flow statement. A 'positive' cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

If the municipality's forecast cash position is positive, for any year of the medium term budget, The forecasted cash and cash equivalents for the 2018/2019 MTREF shows R 19.9 million, R 35.8 million and R 56.2 million for each respective financial year.

2.6.5.3 Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves / surpluses are contained in Table 25, on page 49. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

2.6.5.4 Monthly average payments covered by cash or cash equivalents

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a collection and cash in-flow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the municipality to meet monthly payments as and when they fall due. It is especially important to consider the position should the municipality be faced with an unexpected disaster that threatens revenue collection such as rate boycotts. As part of the 2018/2019 MTREF the municipalities improving cash position causes the ratio to move upwards to 0.4 and then stabilize on 1.0 by 2020/2021. As indicated above the municipality aims to achieve at least one month's cash coverage in the medium term, and then gradually move towards two months coverage. This measure will have to be carefully monitored going forward.

2.6.5.5 *Surplus/deficit excluding depreciation offsets*

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus / deficit are achieved by offsetting the amount of depreciation related to externally funded assets. Municipalities need to assess the result of this calculation taking into consideration its own circumstances and levels of backlogs. If the outcome is a deficit, it may indicate that rates and service charges are insufficient to ensure that the community is making a sufficient contribution toward the economic benefits they are consuming over the medium term. Dawid Kruiper Municipality did not use the depreciation method, but the revaluation method with the higher Depreciated Replacement Cost values. Therefore the "offsetting" amount cannot be deducted in terms of GRAP 17 and a surplus will not be reflected in this statement. Dawid Kruiper Municipality has reported this issue several times with both the Auditor General and National Treasury. We are still awaiting response.

It needs to be noted that a surplus does not necessarily mean that the budget is funded from a cash flow perspective and the first two measures in the table are therefore critical.

2.6.5.6 *Property Rates/service charge revenue as a percentage increase less macro inflation target*

The purpose of this measure is to understand whether the municipality is contributing appropriately to the achievement of national inflation targets. This measure is based on the increase in 'revenue', which will include both the change in the tariff as well as any assumption about real growth such as new property development, services consumption growth etcetera.

The factor is calculated by deducting the maximum macro-economic inflation target increase (which is currently 5.3% to 5.5%). The result is intended to be an approximation of the real increase in revenue. Considering the lowest percentage tariff increase in relation to revenue generated from rates and services charges is 6%, with the increase in electricity at 6.84% on average it is to be expected that the increase in revenue will exceed the inflation target figures. However, the outcome is lower than it might be due to the

slowdown in the economy and a reduction in consumption patterns. This trend will have to be carefully monitored and managed with the implementation of the budget.

2.6.5.7 Cash receipts as a percentage of ratepayer and other revenue

This factor is a macro measure of the rate at which funds are 'collected'. This measure is intended to analyse the underlying assumed collection rate for the MTREF to determine the relevance and credibility of the budget assumptions contained in the budget. It can be seen that the outcome is at 95% for each of the respective financial years. Given that the assumed collection rate was based on a 98% performance target, the cash flow statement has been conservatively determined. In addition the risks associated with objections to the valuation roll need to be clarified and hence the conservative approach, also taking into consideration the cash flow challenges experienced in the current financial year. This measure and performance objective will have to be meticulously managed. Should performance with the mid-year review and adjustments be positive in relation to actual collections of billed revenue, the adjustments budget will have to be amended accordingly.

2.6.5.8 Debt impairment expense as a percentage of billable revenue

This factor measures whether the provision for debt impairment is being adequately funded and is based on the underlying assumption that the provision for debt impairment (doubtful and bad debts) has to be increased to offset under-collection of billed revenues. The provision has been appropriated at 0% over the MTREF. Considering the debt incentive scheme and the municipality's revenue management strategy's objective to collect outstanding debtors of 90 days, the provision is well within the accepted leading practice. R 5.5 million was budgeted for the write off of bad debt thus the provision of bad debt will not increase and therefore no provision was budgeted for.

2.6.5.9 Capital payments percentage of capital expenditure

The purpose of this measure is to determine whether the timing of payments has been taken into consideration when forecasting the cash position. It can be seen that a 0%

timing discount has been factored into the cash position forecasted over the entire financial year. The municipality aims to keep this as low as possible through strict compliance with the legislative requirement that debtors be paid within 30 days and have not defaulted over the last five years.

2.6.5.10 Borrowing as a percentage of capital expenditure (excluding transfers, grants and contributions)

The purpose of this measurement is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance. Externally funded expenditure (by transfers/grants and contributions) has been excluded. Further details relating to the borrowing strategy of the municipality can be found on page 92.

2.6.5.11 Transfers/grants revenue as a percentage of Government transfers/grants available

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100% could indicate that not all grants as contained in the Division of Revenue Act (DoRA) have been budgeted for. The municipality has budgeted for all transfers.

2.6.5.12 Consumer debtors change (Current and Non-current)

The purpose of these measures is to ascertain whether budgeted reductions in outstanding debtors are realistic. There are two measures shown for this factor; the change in current debtors and the change in long term receivables, both from the Budgeted Financial Position. Both measures show an increase settling debtor's accounts not being settled within 45 days.

2.6.5.13 Repairs and maintenance expenditure level

This measure must be considered important within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and / or sustainable in the medium to long term because the revenue budget is not being protected. Details of the municipality's strategy pertaining to asset management and repairs and maintenance are contained in Table 59 MBRR SA34c on page 120.

2.6.5.14 Asset renewal/rehabilitation expenditure level

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget (since MFMA Circular 28 which was issued in December 2005) is to categorise each capital project as a new asset or a renewal / rehabilitation project. The objective is to summarise and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for 'repairs and maintenance' budgets. Further details in this regard are contained in Table 58 MBRR SA34b on page 118.

2.7 Expenditure on grants and reconciliations of unspent funds

Table 45 MBRR SA19 - Expenditure on transfers and grant programmes

Description / R thousand	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
EXPENDITURE:							
<u>Operating expenditure of Transfers and Grants</u>							
National Government:	68 980	80 679	73 600	73 600	89 858	93 292	101 100
Local Government Equitable Share	57 989	70 769	70 769	70 769	77 934	84 739	92 253
Finance Management	3 623	4 045	2 804	2 804	4 115	3 000	3 000
Energy Efficiency and Demand Management	886	26	26	26	391	522	522
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Municipal Infrastructure Grant (MIG)	4 250	1 273	-	-	4 287	4 363	4 574
Integrated National Electrification Programme	604	-	-	-	1 826	668	751
EPWP	213	-	-	-	-	-	-
Water Service Infrastructure Grant	-	-	-	-	1 304	-	-
Municipal Demarcation Grant	1 414	4 565	-	-	-	-	-
Provincial Government:	1 599	2 404	1 950	1 950	3 363	3 563	3 563
Sport and Recreation	1 460	2 404	1 300	1 300	2 713	2 913	2 913
Housing	-	-	650	650	650	650	650
COGHSTA	139	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-
Other grant providers:	405	6 675	7 096	7 096	-	-	-
VAT on Grants	-	6 675	7 096	7 096	-	-	-
Homestay	122	-	-	-	-	-	-
Lotto	80	-	-	-	-	-	-
LGSETA	203	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:	70 984	89 758	82 646	82 646	93 221	96 855	104 663
<u>Capital expenditure of Transfers and Grants</u>							
National Government:	35 183	48 280	64 553	64 553	43 843	28 657	30 216
Municipal Infrastructure Grant (MIG)	21 487	21 223	12 924	12 924	20 365	20 727	21 729
COGHSTA 6667	-	-	1 801	1 801	-	-	-
EPWP Incentive	1 773	1 018	1 187	1 187	-	-	-
Water Service Infrastructure Grant	-	-	8 112	8 112	8 696	-	-
Energy Efficiency and Demand Management	6 114	-	-	-	2 609	3 478	3 478
Integrated National Electrification Programme	4 396	26 038	23 422	23 422	12 174	4 452	5 009
Financial Management Grant	-	-	1 241	1 241	-	-	-
Municipal Demarcation Transitional Grant	1 414	-	15 867	15 867	-	-	-
Provincial Government:	1 003	-	3 800	3 800	217	217	217
Provincial Government:	-	-	1 104	-	-	-	-
COGHSTA	994	-	-	-	-	-	-
Sport and Recreation	8	-	3 800	3 800	217	217	217
District Municipality:	-	-	-	-	-	-	-
Other grant providers:	592	-	-	-	-	-	-
Lotto	592	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants	36 778	48 280	68 354	68 354	44 060	28 874	30 433
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	107 762	138 038	151 000	151 000	137 281	125 729	135 096

Table 46 MBRR SA20 - Reconciliation between of transfers, grant receipts and unspent funds

Description / R thousand	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Operating transfers and grants:							
National Government:							
Balance unspent at beginning of the year	5 360	-	-		-	-	-
Current year receipts	75 635	80 679	73 600	73 600	89 858	93 292	101 100
Conditions met - transferred to revenue	68 980	80 679	73 600	73 600	89 858	93 292	101 100
Conditions still to be met - transferred to liabilities	12 015	-	-	-	-	-	-
Provincial Government:							
Balance unspent at beginning of the year	(521)	-	-	-	-	-	-
Current year receipts	3 138	2 404	1 950		3 363	3 563	3 563
Conditions met - transferred to revenue	1 599	2 404	1 950	-	3 363	3 563	3 563
Conditions still to be met - transferred to liabilities	1 018	-	-	-	-	-	-
District Municipality:							
Balance unspent at beginning of the year		-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-
Conditions met - transferred to revenue	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-
Other grant providers:							
Balance unspent at beginning of the year	260	-	-	-	-	-	-
Current year receipts	253	-	-	-	-	-	-
Conditions met - transferred to revenue	405	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities	108	-	-	-	-	-	-
Total operating transfers and grants revenue	70 984	83 083	75 550	73 600	93 221	96 855	104 663
Total operating transfers and grants - CTBM	13 142	-	-	-	-	-	-
Capital transfers and grants:							
National Government:							
Balance unspent at beginning of the year	(1 249)	-	-	-	-	-	-
Current year receipts	35 223	48 280	64 553	64 553	43 843	28 657	30 216
Conditions met - transferred to revenue	33 769	48 280	64 553	64 553	43 843	28 657	30 216
Conditions still to be met - transferred to liabilities	205	-	-	-	-	-	-
Provincial Government:							
Balance unspent at beginning of the year	2 799	-	-	-	-	-	-
Current year receipts	4 000	-	4 904	4 904	217	217	217
Conditions met - transferred to revenue	1 003	-	4 904	4 904	217	217	217
Conditions still to be met - transferred to liabilities	5 796	-	-	-	-	-	-
District Municipality:							
Balance unspent at beginning of the year		-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-
Conditions met - transferred to revenue	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-
Other grant providers:							
Balance unspent at beginning of the year	593	-	-	-	-	-	-
Current year receipts	-	-	-	-	-	-	-
Conditions met - transferred to revenue	592	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities	0	-	-	-	-	-	-
Total capital transfers and grants revenue	35 364	48 280	69 457	69 457	44 060	28 874	30 433
Total capital transfers and grants - CTBM	6 002	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE	106 348	131 362	145 007	143 056	137 281	125 729	135 096
TOTAL TRANSFERS AND GRANTS - CTBM	19 144	-	-	-	-	-	-

2.8 Councillors and employee benefits

Table 47 MBRR SA22 - Summary of councillors and staff benefits

Summary of Employee and Councillor remuneration	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Councillors (Political Office Bearers plus Other)							
Salary	7 526	9 434	8 952	8 952	9 489	10 106	10 712
Pension Contributions	453	1 794	588	588	624	664	704
Medical Aid Contributions	-	20	68	68	72	76	81
Travel, Accommodation and Other Allowances	-	-	-	-	46	49	52
Cell phone allowance	534	-	1 265	1 265	1 341	1 428	1 514
Housing benefits and allowances	-	-	-	-	-	-	-
Other benefits or allowances	-	50	44	44	-	-	-
Sub Total - Councillors	8 514	11 298	10 916	10 916	11 571	12 323	13 063
% increase	0.0%	0.0%	-3.4%	0.0%	6.0%	6.5%	6.0%
Senior Managers of the Municipality							
Basic Salaries and Wages	6 291	6 359	7 227	7 227	7 381	7 824	8 293
Pension and UIF Contributions	673	1 246	579	579	215	228	241
Medical Aid Contributions	-	138	152	152	161	171	181
Performance Bonus	1 102	153	1 140	1 140	1 082	1 147	1 216
Motor Vehicle Allowance	859	941	985	985	1 226	1 299	1 377
Other benefits and allowances	-	0	2	2	2	2	2
Sub Total - Senior Managers of Municipality	8 925	8 837	10 085	10 085	10 067	10 671	11 311
% increase	0.0%	0.0%	14.1%	0.0%	-0.2%	6.0%	6.0%
Other Municipal Staff							
Basic Salaries and Wages	147 925	176 477	182 577	182 577	208 100	221 663	234 963
Pension and UIF Contributions	26 173	32 065	32 872	32 872	34 757	37 018	39 239
Medical Aid Contributions	12 088	15 546	13 554	13 554	15 040	16 018	16 980
Overtime	15 812	12 230	19 559	19 559	19 685	20 964	22 222
Performance Bonus	-	833	-	-	-	5	6
Motor Vehicle Allowance	9 414	3 082	3 308	3 308	3 542	3 779	4 006
Cellphone Allowance	-	-	42	42	89	95	101
Housing Allowances	1 566	1 937	824	824	850	905	960
Other benefits and allowances	-	7 036	9 449	9 449	8 822	9 395	9 959
Payments in lieu of leave	-	1 715	1 715	1 715	2 000	2 100	2 216
Long service awards	-	106	40	40	42	44	47
Post-retirement benefit obligations	-	-	-	-	22 500	26 275	27 733
Sub Total - Other Municipal Staff	212 977	251 026	263 940	263 940	315 427	338 262	358 429
% increase	0.0%	0.0%	5.1%	0.0%	19.5%	7.2%	6.0%
Total Parent Municipality	230 416	271 162	284 941	284 941	337 065	361 257	382 803
TOTAL SALARY, ALLOWANCES & BENEFITS	230 416	271 162	284 941	284 941	337 065	361 257	382 803
% increase	0.0%	0.0%	5.1%	0.0%	18.3%	7.2%	6.0%
TOTAL MANAGERS AND STAFF	221 902	259 863	274 025	274 025	325 494	348 933	369 740

**Table 48 MBRR SA23 - Salaries, allowances and benefits
(Political office bearers/councillors/ senior managers)**

Disclosure of Salaries, Allowances & Benefits / R per annum	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
<u>Councillors</u>						
Speaker	700 797	-	43 248	-	-	744 045
Executive Mayor	745 220	130 779	43 248	-	-	919 247
Executive Committee	2 009 367	143 421	305 817	-	-	2 458 605
Total for all other councillors	6 033 450	421 174	994 704	-	-	7 449 328
Total Councillors	9 488 834	695 374	1 387 017	-	-	11 571 225
<u>Senior Managers of the Municipality</u>						
Municipal Manager (MM)	1 274 854	-	246 609	218 000	-	1 739 463
Chief Finance Officer	996 333	199 441	231 592	144 000	-	1 571 366
Director: Corporate Services	980 480	176 486	227 491	144 000	-	1 528 457
Director: Development Services	1 209 862	-	235 025	144 000	-	1 588 887
Director: Electro MechServices	812 770	-	76 598	144 000	-	1 033 368
Director: Civil Engineering Services	1 294 098	-	134 018	144 000	-	1 572 116
Director: Development And Planning Services	812 770	-	76 598	144 000	-	1 033 368
Total Senior Managers of the Municipality	7 381 167	375 927	1 227 931	1 082 000	-	10 067 025
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	16 870 001	1 071 301	2 614 948	1 082 000	-	21 638 250

Table 49 MBRR SA24 – Summary of personnel numbers

Summary of Personnel Numbers	2016/17			Current Year 2017/18			Budget Year 2018/19		
Number	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities									
Councillors (Political Office Bearers plus Other Council Members)	27	-	27	27	-	27	27	-	27
Board Members of municipal entities	-	-	-	-	-	-	-	-	-
Municipal employees									
Municipal Manager and Senior Managers	7	6	-	7	6	1	7	7	7
Other Managers	17	17	-	17	16	-	17	17	-
Professionals	33	33	-	41	41	-	31	31	-
<i>Finance</i>	16	16	-	14	14	-	14	14	-
<i>Spatial/town planning</i>	2	2	-	2	2	-	2	2	-
<i>Information Technology</i>	-	-	-	-	-	-	-	-	-
<i>Roads</i>	-	-	-	-	-	-	-	-	-
<i>Electricity</i>	-	-	-	-	-	-	-	-	-
<i>Water</i>	-	-	-	-	-	-	-	-	-
<i>Sanitation</i>	-	-	-	-	-	-	-	-	-
<i>Refuse</i>	-	-	-	-	-	-	-	-	-
<i>Other</i>	15	15	-	25	25	-	15	15	-
Technicians	80	80	-	92	92	-	84	84	-
<i>Finance</i>	-	-	-	-	-	-	-	-	-
<i>Spatial/town planning</i>	4	4	-	4	4	-	4	4	-
<i>Information Technology</i>	6	6	-	7	7	-	6	6	-
<i>Roads</i>	6	6	-	11	11	-	7	7	-
<i>Electricity</i>	11	11	-	11	11	-	14	14	-
<i>Water</i>	14	14	-	10	10	-	-	-	-
<i>Sanitation</i>	-	-	-	3	3	-	-	-	-
<i>Refuse</i>	1	1	-	3	3	-	1	1	-
<i>Other</i>	38	38	-	43	43	-	52	-	-
Clerks (Clerical and administrative)	190	190	-	170	170	-	192	192	-
Service and sales workers	98	98	-	120	120	-	97	97	-
Skilled agricultural and fishery workers	-	-	-	4	4	-	-	-	-
Craft and related trades	-	-	-	3	3	-	-	-	-
Plant and Machine Operators	90	90	-	52	52	-	88	88	-
Elementary Occupations	404	404	-	459	459	-	413	413	-
TOTAL PERSONNEL NUMBERS	950	918	31	996	963	32	960	877	38

2.9 Monthly targets for revenue, expenditure and cash flow

Table 50 MBRR SA25 - Budgeted monthly revenue and expenditure

Description / R thousand	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue By Source															
Property rates	8 841	6 752	5 593	7 547	8 586	8 877	8 877	8 877	8 878	8 877	8 878	8 878	99 462	105 429	112 282
Service charges - electricity revenue	25 238	24 699	23 749	25 522	28 182	29 766	29 449	28 499	29 322	23 591	24 256	24 383	316 656	335 656	357 473
Service charges - water revenue	3 688	3 918	4 985	6 189	6 475	7 032	7 074	6 385	5 422	4 785	3 771	3 262	62 987	66 766	71 106
Service charges - sanitation revenue	2 888	2 886	2 891	2 886	2 891	2 886	2 889	2 886	2 888	2 888	2 891	2 887	34 657	36 736	39 124
Service charges - refuse revenue	2 775	2 775	2 775	2 775	2 775	2 775	2 775	2 775	2 775	2 775	2 775	2 775	33 295	35 292	37 586
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	493	472	933	553	529	1 046	644	582	925	523	424	862	7 987	8 466	9 015
Interest earned - external investments	363	363	363	363	363	363	363	363	363	363	363	363	4 350	4 568	4 819
Interest earned - outstanding debtors	250	250	250	250	250	250	250	250	250	250	250	250	3 000	3 150	3 323
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	466	463	460	580	474	456	464	475	483	461	468	452	5 702	6 043	6 434
Licences and permits	157	176	144	169	187	120	158	157	187	185	175	171	1 986	2 105	2 242
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies	26 434	579	1 694	1 424	28 272	579	2 116	1 014	1 015	27 257	1 292	1 544	93 221	96 855	104 663
Other revenue	666	420	728	1 248	594	1 195	847	1 078	527	662	501	10 754	19 220	19 897	21 080
Gains on disposal of PPE	3 300	1 610	5 000	700	1 350	8 000	1 730	3 800	895	700	2 000	-	29 086	15 750	16 616
Total Revenue (excluding capital transfers and contributions)	75 558	45 364	49 565	50 205	80 927	63 344	57 635	57 140	53 929	73 317	48 043	56 580	711 607	736 713	785 765
Expenditure By Type															
Employee related costs	23 789	23 785	23 789	23 784	38 398	23 789	23 785	23 787	23 784	24 727	23 789	48 289	325 494	348 933	369 740
Remuneration of councillors	964	964	964	964	964	964	964	964	964	964	964	964	11 571	12 323	13 063
Debt impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	7 966	7 966	7 966	7 966	7 966	7 966	7 966	7 966	7 966	7 966	7 966	7 966	95 594	100 385	105 919
Finance charges	700	694	693	682	681	2 828	664	657	654	644	638	2 689	12 225	12 836	13 542
Bulk purchases	14 756	14 506	13 939	14 981	16 544	17 468	17 470	16 892	17 239	13 934	14 256	14 306	186 291	195 606	206 364
Contracted services	1 771	1 225	1 630	1 636	2 336	1 434	2 279	1 430	2 787	1 411	1 768	2 645	22 352	23 469	24 760
Transfers and subsidies	153	28	34	30	72	21	53	94	261	13	89	13	862	905	955
Other expenditure	5 698	4 967	5 010	5 956	7 452	6 367	5 059	5 234	4 994	7 101	4 420	4 245	66 504	70 061	74 150
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure	59 636	56 861	55 757	57 810	77 636	62 301	60 440	60 722	61 293	58 941	56 879	82 865	751 140	796 279	842 000
Surplus/(Deficit)	15 922	(11 497)	(6 192)	(7 605)	3 292	1 043	(2 804)	(3 582)	(7 364)	14 376	(8 836)	(26 285)	(39 534)	(59 566)	(56 235)
Transfers recognised - capital	18	18	6 018	5 052	4 262	998	8 786	7 717	7 617	1 518	1 018	1 039	44 060	28 874	30 433
Surplus/(Deficit) after capital transfers & contributions	15 940	(11 479)	(174)	(2 553)	7 553	2 041	5 982	4 134	253	15 894	(7 818)	(25 246)	4 527	(30 692)	(25 802)
Surplus/(Deficit)	15 940	(11 479)	(174)	(2 553)	7 553	2 041	5 982	4 134	253	15 894	(7 818)	(25 246)	4 527	(30 692)	(25 802)

Table 51 MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)

Description / R thousand	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue by Vote															
Vote 1 - Municipal Manager	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services	3 630	1 900	5 963	1 072	1 634	8 841	2 115	4 136	1 564	1 010	2 263	10 650	44 780	31 910	33 715
Vote 3 - Budget & Treasury Office	35 774	7 710	6 548	8 504	35 520	9 833	9 833	9 837	9 834	35 812	9 836	9 833	188 875	200 901	215 693
Vote 4 - Community Services	3 603	3 713	3 657	3 813	3 906	4 030	4 022	3 803	3 804	3 727	3 725	3 706	45 509	48 264	51 198
Vote 5 - Technical Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Electro Mech Services	25 239	24 701	30 651	31 124	31 684	29 767	30 453	28 502	29 324	23 593	24 258	24 385	333 680	344 801	367 260
Vote 7 - Civil Engineering Services	6 585	6 815	7 883	9 082	9 376	9 925	13 309	12 612	11 651	7 683	6 670	6 157	107 748	103 613	110 348
Vote 8 - Planning and Development Services	746	543	880	1 661	3 068	1 945	6 689	5 967	5 368	3 011	2 309	2 887	35 075	36 099	37 984
Total Revenue by Vote	75 576	45 382	55 583	55 257	85 189	64 342	66 422	64 857	61 545	74 835	49 061	57 618	755 667	765 587	816 198
Expenditure by Vote to be appropriated															
Vote 1 - Municipal Manager	3 613	3 647	3 642	3 667	4 396	3 884	3 647	3 601	3 877	3 846	3 601	28 106	69 528	76 291	80 726
Vote 2 - Corporate Services	3 597	3 530	3 636	3 346	5 453	3 294	3 879	3 686	3 208	3 829	3 564	3 300	44 324	46 962	49 695
Vote 3 - Budget & Treasury Office	4 942	4 591	4 935	5 514	8 897	6 023	4 442	4 355	5 277	7 217	4 356	5 198	65 746	69 576	73 596
Vote 4 - Community Services	10 720	11 027	10 004	10 133	15 961	9 848	9 960	11 026	9 931	9 950	10 800	9 736	129 096	136 994	145 042
Vote 5 - Technical Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Electro Mech Services	21 889	20 987	19 913	21 016	24 532	24 971	24 074	23 758	23 955	20 669	20 714	21 854	268 333	282 281	298 149
Vote 7 - Civil Engineering Services	12 571	11 015	11 319	11 784	15 078	12 164	11 929	12 113	12 165	11 327	11 311	12 024	144 799	153 044	161 827
Vote 8 - Planning and Development Services	2 303	2 065	2 308	2 350	3 318	2 117	2 509	2 182	2 879	2 103	2 534	2 646	29 314	31 130	32 967
Total Expenditure by Vote	59 636	56 861	55 757	57 810	77 636	62 301	60 440	60 722	61 293	58 941	56 879	82 865	751 140	796 279	842 000
Surplus/(Deficit) before assoc.	15 940	(11 479)	(174)	(2 553)	7 553	2 041	5 982	4 134	253	15 894	(7 818)	(25 246)	4 527	(30 692)	(25 802)
Surplus/(Deficit)	15 940	(11 479)	(174)	(2 553)	7 553	2 041	5 982	4 134	253	15 894	(7 818)	(25 246)	4 527	(30 692)	(25 802)

Table 52 MBRR SA27 - Budgeted monthly revenue and expenditure (standard classification)

Description / R thousand	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue - Standard															
<i>Governance and administration</i>	39 404	9 610	12 511	9 577	37 155	18 674	11 948	13 973	11 398	36 822	12 099	20 484	233 655	232 810	249 408
<i>Finance and administration</i>	39 404	9 610	12 511	9 577	37 155	18 674	11 948	13 973	11 398	36 822	12 099	20 484	233 655	232 810	249 408
<i>Community and public safety</i>	454	513	530	712	754	1 111	1 682	743	645	604	516	519	8 783	9 295	9 653
<i>Community and social services</i>	152	275	275	275	275	274	275	276	276	276	275	275	3 179	3 393	3 411
<i>Sport and recreation</i>	244	218	243	427	468	816	742	457	349	307	206	207	4 684	4 965	5 288
<i>Public safety</i>	54	15	7	6	7	16	10	6	16	17	31	33	218	231	246
<i>Housing</i>	4	4	4	4	4	4	654	4	4	4	4	4	703	706	709
<i>Economic and environmental services</i>	1 128	979	1 240	1 995	3 455	2 097	6 268	6 259	5 760	3 368	2 751	3 307	38 608	39 884	42 058
<i>Planning and development</i>	507	335	638	1 350	2 790	1 522	5 645	5 631	5 090	2 721	2 104	2 682	31 015	31 834	33 486
<i>Road transport</i>	621	644	602	644	665	575	624	628	647	647	624	624	7 594	8 049	8 573
<i>Trading services</i>	34 591	34 281	41 301	42 974	43 824	42 460	46 524	43 881	43 742	34 041	33 694	33 309	474 621	483 598	515 079
<i>Energy sources</i>	25 239	24 701	30 651	31 124	31 684	29 767	30 453	28 502	29 324	23 593	24 258	24 385	333 680	344 801	367 260
<i>Water management</i>	3 689	3 918	4 985	6 189	6 475	7 032	10 407	9 719	8 755	4 785	3 771	3 262	72 989	66 768	71 108
<i>Waste water management</i>	2 888	2 886	2 891	2 886	2 891	2 886	2 889	2 886	2 888	2 888	2 891	2 887	34 657	36 736	39 124
<i>Waste management</i>	2 775	2 775	2 775	2 775	2 775	2 775	2 775	2 775	2 775	2 775	2 775	2 775	33 295	35 292	37 586
<i>Other</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	75 576	45 382	55 583	55 257	85 189	64 342	66 422	64 857	61 545	74 835	49 061	57 618	755 667	765 587	816 198
Expenditure - Standard															
<i>Governance and administration</i>	17 810	16 993	16 942	17 290	25 593	18 126	17 047	16 957	17 476	20 816	16 729	41 870	243 650	260 660	275 783
<i>Executive and council</i>	3 956	3 938	3 971	4 004	4 475	4 207	3 979	3 924	4 179	4 870	3 935	28 436	73 874	80 923	85 637
<i>Finance and administration</i>	13 654	12 824	12 765	13 073	20 731	13 722	12 870	12 811	13 067	15 714	12 593	13 218	167 043	176 830	187 066
<i>Internal audit</i>	200	231	206	213	386	197	198	222	231	233	201	216	2 733	2 907	3 080
<i>Community and public safety</i>	5 895	5 224	5 018	5 052	8 059	4 957	5 270	5 238	5 179	4 840	5 149	4 806	64 686	68 735	72 805
<i>Community and social services</i>	1 131	967	957	942	1 545	941	1 028	1 017	971	915	994	910	12 319	13 089	13 863
<i>Sport and recreation</i>	3 193	2 601	2 542	2 580	4 074	2 518	2 490	2 575	2 503	2 421	2 510	2 394	32 401	34 403	36 431
<i>Public safety</i>	1 223	1 307	1 176	1 181	1 851	1 157	1 207	1 299	1 162	1 157	1 159	1 159	15 039	16 007	16 964
<i>Housing</i>	347	349	343	348	589	340	545	346	543	346	487	343	4 926	5 236	5 547
<i>Health</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	5 316	5 182	5 566	5 748	7 373	5 809	5 689	5 997	6 020	5 270	5 448	6 243	69 662	73 698	77 956
<i>Planning and development</i>	869	898	1 180	1 170	1 452	987	1 179	959	1 499	973	1 160	1 518	13 843	14 691	15 555
<i>Road transport</i>	4 448	4 283	4 386	4 579	5 921	4 821	4 510	5 038	4 522	4 297	4 289	4 725	55 819	59 007	62 401
<i>Trading services</i>	30 399	29 250	28 029	29 520	36 246	33 211	32 232	32 331	32 398	27 816	29 352	29 741	370 524	390 398	412 502
<i>Energy sources</i>	18 949	18 169	17 614	18 774	21 289	22 475	21 368	20 866	21 244	17 457	17 926	19 020	235 150	247 278	261 164
<i>Water management</i>	5 680	4 657	4 908	4 836	6 500	5 268	5 411	5 036	4 825	4 931	5 251	5 251	62 943	66 460	70 247
<i>Waste water management</i>	2 534	2 369	2 363	2 749	3 396	2 405	2 369	2 354	2 366	2 368	2 439	2 327	30 039	31 863	33 730
<i>Waste management</i>	3 236	4 056	3 144	3 161	5 061	3 063	3 084	4 075	3 149	3 165	4 056	3 143	42 392	44 796	47 361
<i>Other</i>	216	213	202	199	364	199	202	199	219	199	201	204	2 619	2 788	2 954
Total Expenditure - Standard	59 636	56 861	55 757	57 810	77 636	62 301	60 440	60 722	61 293	58 941	56 879	82 865	751 140	796 279	842 000
Surplus/(Deficit) before assoc.	15 940	(11 479)	(174)	(2 553)	7 553	2 041	5 982	4 134	253	15 894	(7 818)	(25 246)	4 527	(30 692)	(25 802)
Surplus/(Deficit)	15 940	(11 479)	(174)	(2 553)	7 553	2 041	5 982	4 134	253	15 894	(7 818)	(25 246)	4 527	(30 692)	(25 802)

Table 53 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

Description / R thousand	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Multi-year expenditure to be appropriated															
Vote 1 - Municipal Manager	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury Office	-	-	-	-	-	-	500	500	-	-	-	-	1 000	-	-
Vote 4 - Community Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Technical Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Electro Mech Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Civil Engineering Services	-	-	1 377	1 377	1 377	1 377	2 754	2 754	2 754	-	-	-	13 769	-	-
Services	1 716	3 244	3 495	491	270	445	61	252	2 280	3 091	4 078	878	20 301	20 727	21 729
Capital multi-year expenditure sub-total	1 716	3 244	4 872	1 868	1 647	1 822	3 315	3 506	5 033	3 091	4 078	878	35 070	20 727	21 729
Single-year expenditure to be appropriated															
Vote 1 - Municipal Manager	-	10	27	-	-	-	-	-	-	-	-	-	36	-	-
Vote 2 - Corporate Services	73	16	103	752	192	120	512	445	15	29	27	8	2 292	-	-
Vote 3 - Budget & Treasury Office	46	155	553	642	1 678	2 700	1 160	-	66	350	50	-	7 400	-	-
Vote 4 - Community Services	169	72	160	339	454	33	23	385	6	39	13	(0)	1 691	217	217
Vote 5 - Technical Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Electro Mech Services	218	171	6 128	6 106	18 898	963	8 730	7 566	4 619	618	5 404	21	59 440	15 246	8 487
Vote 7 - Civil Engineering Services	277	-	60	884	895	825	208	2 505	4 126	4 183	4 165	3 351	21 479	-	-
Vote 8 - Planning and Development Services	7	15	49	-	-	-	-	-	-	-	-	-	70	-	-
Capital single-year expenditure sub-total	789	438	7 080	8 722	22 117	4 640	10 633	10 901	8 832	5 219	9 658	3 380	92 408	15 464	8 704
Total Capital Expenditure	2 505	3 682	11 951	10 590	23 764	6 462	13 947	14 406	13 865	8 310	13 736	4 258	127 478	36 190	30 433

Table 54 MBRR SA29 - Budgeted monthly capital expenditure (standard classification)

Description / R thousand	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital Expenditure - Standard															
<i>Governance and administration</i>	178	292	765	1 574	16 218	2 729	2 180	599	90	390	4 953	8	29 976	7 316	-
Executive and council	-	3	-	-	-	-	-	-	-	-	-	-	3	-	-
Finance and administration	178	289	765	1 574	16 218	2 729	2 180	599	90	390	4 953	8	29 973	7 316	-
Community and public safety	131	44	110	350	454	146	5	737	-	30	-	(0)	2 008	5 777	9 784
Community and social services	100	14	-	100	154	146	-	487	-	30	-	(0)	1 032	217	217
Sport and recreation	16	30	110	250	300	-	-	-	-	-	-	-	706	5 559	9 566
Public safety	15	-	-	-	-	-	5	250	-	-	-	-	270	-	-
Economic and environmental serv	41	173	179	79	270	451	78	260	2 285	3 100	4 091	878	11 885	15 167	12 162
Planning and development	7	15	49	-	-	-	-	-	-	-	-	-	70	-	-
Road transport	34	158	130	79	270	451	78	260	2 285	3 100	4 091	878	11 815	15 167	12 162
Trading services	2 156	3 172	10 898	8 588	6 822	3 136	11 684	12 810	11 490	4 790	4 692	3 372	83 609	7 930	8 487
Energy sources	159	60	6 096	5 906	4 549	934	8 722	7 551	4 610	607	528	21	39 742	7 930	8 487
Water management	636	465	2 261	2 356	2 272	2 202	2 862	5 259	6 880	4 183	4 165	3 351	36 891	-	-
Waste water management	1 358	2 647	2 540	326	-	-	100	-	-	-	-	-	6 971	-	-
Total Capital Expenditure - Standard	2 505	3 682	11 951	10 590	23 764	6 462	13 947	14 406	13 865	8 310	13 736	4 258	127 478	36 190	30 433

Table 55 MBRR SA30 - Budgeted monthly cash flow

Description / R thousand	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Cash Receipts By Source															
Property rates	8 841	6 752	5 593	7 547	8 586	8 877	8 877	8 877	8 878	8 877	8 878	19 840	110 424	88 479	104 375
Service charges - electricity revenue	25 238	24 699	23 749	25 522	28 182	29 766	29 449	28 499	29 322	23 591	24 256	24 383	316 656	335 656	357 473
Service charges - water revenue	3 688	3 918	4 985	6 189	6 475	7 032	7 074	6 385	5 422	4 785	3 771	3 262	62 987	66 766	71 106
Service charges - sanitation revenue	2 888	2 886	2 891	2 886	2 891	2 886	2 889	2 886	2 888	2 888	2 891	2 887	34 657	36 736	39 124
Service charges - refuse revenue	2 775	2 775	2 775	2 775	2 775	2 775	2 775	2 775	2 775	2 775	2 775	2 775	33 295	35 292	37 586
Rental of facilities and equipment	493	472	933	553	529	1 046	644	582	925	523	424	862	7 987	8 466	9 015
Interest earned - external investments	363	363	363	363	363	363	363	363	363	363	363	363	4 350	4 568	4 819
Interest earned - outstanding debtors	250	250	250	250	250	250	250	250	250	250	250	250	3 000	3 150	3 323
Fines, penalties and forfeits	466	463	460	580	474	456	464	475	483	461	468	452	5 702	6 043	6 434
Licences and permits	157	176	144	169	187	120	158	157	187	185	175	171	1 986	2 105	2 242
Transfer receipts - operational	26 434	579	1 694	1 424	28 272	579	2 116	1 014	1 015	27 257	1 292	1 544	93 221	96 855	104 663
Other revenue	666	420	728	1 248	594	1 195	847	1 078	527	662	501	754	9 220	9 397	10 003
Cash Receipts by Source	72 258	43 754	44 565	49 505	79 577	55 344	55 905	53 340	53 033	72 617	46 043	57 542	683 483	693 512	750 164
Other Cash Flows by Source															
Transfer receipts - capital	18	18	6 018	5 052	4 262	998	8 786	7 717	7 617	1 518	1 018	1 039	44 060	28 874	30 433
Proceeds on disposal of PPE	3 300	1 610	5 000	700	1 350	8 000	1 730	3 800	895	700	2 000	-	29 086	15 750	16 616
Total Cash Receipts by Source	75 576	45 382	55 583	55 257	85 189	64 342	66 422	64 857	61 545	74 835	49 061	58 580	756 629	738 136	797 213
Cash Payments by Type															
Employee related costs	23 789	23 785	23 789	23 784	38 398	23 789	23 785	23 787	23 784	24 727	23 789	25 789	302 994	322 658	342 007
Remuneration of councillors	964	964	964	964	964	964	964	964	964	964	964	964	11 571	12 323	13 063
Finance charges	700	694	693	682	681	2 828	664	657	654	644	638	2 689	12 225	12 836	13 542
Bulk purchases - Electricity	14 226	13 923	13 388	14 387	15 887	16 779	16 601	16 065	16 529	13 298	13 673	13 745	178 500	187 425	197 733
Bulk purchases - Water & Sewer	530	583	551	594	657	689	869	827	710	636	583	562	7 791	8 181	8 630
Other materials	3 838	2 724	1 732	1 810	3 223	1 464	2 200	3 698	2 642	2 180	2 989	1 747	30 247	31 760	33 506
Contracted services	1 771	1 225	1 630	1 636	2 336	1 434	2 279	1 430	2 787	1 411	1 768	2 645	22 352	23 469	24 760
Transfers and grants - other	153	28	34	30	72	21	53	94	261	13	89	13	862	905	955
Other expenditure	5 698	4 967	5 010	5 956	7 452	6 367	5 059	5 234	4 994	7 101	4 420	(25 755)	36 504	70 561	94 150
Cash Payments by Type	54 676	53 077	60 242	60 934	93 934	65 297	66 921	67 663	67 691	59 785	63 149	31 156	744 524	722 309	776 780
Other Cash Flows/Payments by Type															
Capital assets	2 505	3 682	11 951	10 590	23 764	6 462	13 947	14 406	13 865	8 310	13 736	4 258	127 478	36 190	30 433
Repayment of borrowing	500	500	500	500	500	4 500	500	500	500	500	500	4 500	14 000	16 000	18 000
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	54 676	53 077	60 242	60 934	93 934	65 297	66 921	67 663	67 691	59 785	63 149	31 156	744 524	722 309	776 780
NET INCREASE/(DECREASE) IN CASH HELD	20 901	(7 695)	(4 659)	(5 677)	(8 745)	(955)	(499)	(2 806)	(6 146)	15 050	(14 088)	27 424	12 105	15 827	20 433
Cash/cash equivalents at the month/year begin:	7 829	28 730	21 035	16 376	10 700	1 954	999	500	(2 306)	(8 452)	6 598	(7 490)	7 829	19 934	35 761
Cash/cash equivalents at the month/year end:	28 730	21 035	16 376	10 700	1 954	999	500	(2 306)	(8 452)	6 598	(7 490)	19 934	19 934	35 761	56 194

2.10 Annual budgets and SDBIPs – internal departments

2.10.1 Water Services Department – Vote 5

The department is primarily responsible for the distribution of potable water within the municipal boundary, which includes the purification of raw water, maintenance of the reticulation network and implementation of the departmental capital programme.

Table 56 Water Services Department – Operating revenue by source, expenditure by type and total capital expenditure

Description / R thousand	2018/19 Medium Term Revenue & Expenditure Framework		
	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue By Source			
Service charges - water revenue	62 987	66 766	71 106
Operational Grants - Transferred to Revenue	1 304	–	–
Other Revenue	2	2	2
Total Revenue (excluding capital transfers and contributions)	64 293	66 768	71 108
Expenditure By Type			
Employee related costs	24 700	26 305	27 884
Depreciation & asset impairment	16 015	16 816	17 741
Finance charges	3 650	3 833	4 044
Bulk purchases	7 791	8 181	8 630
Other Materials	3 535	3 712	3 916
Contracted services	1 650	1 733	1 828
Other expenditure	5 601	5 881	6 205
Total Expenditure	62 943	66 460	70 247
Surplus/(Deficit)	1 350	308	861
Capital Grants - Transferred to Revenue	8 696	–	–
Surplus/(Deficit) for the year	10 046	308	861

Table 57 Water Services Department – Performance objectives and indicators

Key Performance Element	Key Performance Indicator (KPI)	Annual Target	Quarter 1 - Target	Quarter 2 - Target	Quarter 3 - Target	Quarter 4 - Target
Strategic Objective: Basic Service Delivery						
Water Distribution	New meter connections - % of requests executed	100%	100%	100%	100%	100%
	Attend to leaks, bursts and queries - % of requests attended to	95%	95%	95%	95%	95%
	Prepaid Meters installed - % of requests executed	100%	100%	100%	100%	100%
	Meter replacements - % of faulty meters replaced	100%	100%	100%	100%	100%
Water Purification	Purify raw water compliant with blue drop status	95%	N/A	N/A	N/A	95%

Water services consist of 2 divisions within the sub-directorate; civil engineering services. As part of the performance objectives for the 2018/2019 financial year, the expansion of the functional water distribution unit will, in terms of the management of the pre-paid meters, require the subsequent filling of vacancies.

Significant capital projects to be undertaken over the medium term includes, amongst others:

- Kameelmond RBIG Counter Funding – R 13.8 million

The total needs are far greater than the available financial resources.

The departmental strategy is ensuring the economic value and useful life of the water reticulation network and infrastructure is maintained. To this end, the medium-term expenditure framework provides for operational repairs and maintenance of R 1.0 million, R 1.1 million and R 1.2 million in each of the respective financial years of the MTREF.

The departmental revenue base is primarily informed by the sale of water of which budget appropriation for the 2018/2019 financial year is R 63.0 million and increases to R 71.1 million by 2020/2021 and has been informed by a collection rate of 95.0% and distribution losses of over 46%. The reduction of distribution losses is considered a priority and hence the departmental objectives and targets provide for an efficiency gain per annum.

2.11 Contracts having future budgetary implications

In terms of the municipality's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments from the Financial Management Division of the Treasury Department.

2.12 Capital expenditure details

The following four tables present details of the municipality's capital expenditure programme, firstly on new assets, then the renewal of assets, upgrading of assets and finally on the repair and maintenance of assets.

Table 58 MBRR SA34a - Capital expenditure on new assets by asset class

Description / R thousand	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital expenditure on new assets by Asset Class/Sub-class							
Infrastructure	169 613	57 752	70 617	70 617	41 740	19 619	17 171
Roads Infrastructure	348	5 685	7 222	7 222	11 623	12 734	12 162
Roads	348	5 035	7 132	7 132	-	-	-
Road Structures	-	650	40	40	11 523	12 734	12 162
Road Furniture	-	-	50	50	100	-	-
Electrical Infrastructure	15 966	31 561	38 319	38 319	12 494	4 452	5 009
MV Substations	-	300	304	304	-	-	-
MV Networks	-	2 340	3 917	3 917	-	-	-
LV Networks	15 966	28 921	34 098	34 098	12 494	4 452	5 009
Water Supply Infrastructure	3 381	15 066	23 472	23 472	1 843	-	-
Reservoirs	-	2 300	2 091	2 091	-	-	-
Water Treatment Works	3 381	4 233	5 780	5 780	-	-	-
Bulk Mains	-	-	5 231	5 231	1 843	-	-
Distribution	-	5 607	6 634	6 634	-	-	-
Distribution Points	-	2 926	3 736	3 736	-	-	-
Sanitation Infrastructure	2 341	5 440	1 605	1 605	15 780	2 433	-
Pump Station	-	-	244	244	8 696	-	-
Reticulation	-	4 466	186	186	-	-	-
Waste Water Treatment Works	2 341	973	1 175	1 175	7 084	2 433	-
Capital Spares	-	-	-	-	-	-	-
Solid Waste Infrastructure	147 576	-	-	-	-	-	-
Landfill Sites	147 576	-	-	-	-	-	-
Community Assets	3 187	5 279	1 114	1 114	1 207	5 559	9 566
Community Facilities	-	138	700	700	517	-	-
Halls	-	-	42	42	-	-	-
Libraries	-	138	658	658	217	-	-
Cemeteries/Crematoria	-	-	-	-	300	-	-
Sport and Recreation Facilities	3 187	5 141	414	414	690	5 559	9 566
Outdoor Facilities	3 187	5 141	414	414	690	5 559	9 566
Investment properties	-	-	-	-	650	-	-
Non-revenue Generating	-	-	-	-	650	-	-
Unimproved Property	-	-	-	-	650	-	-
Other assets	70	4	875	875	2 715	-	-
Operational Buildings	70	4	875	875	2 715	-	-
Municipal Offices	70	4	320	320	405	-	-
Workshops	-	-	32	32	-	-	-
Yards	-	-	523	523	960	-	-
Intangible Assets	-	-	14 993	14 993	25	-	-
Licences and Rights	-	-	14 993	14 993	25	-	-
Computer Software and Applications	-	-	14 993	14 993	25	-	-
Computer Equipment	238	58	3 089	3 089	130	-	-
Computer Equipment	238	58	3 089	3 089	130	-	-
Furniture and Office Equipment	133	1 933	672	672	701	-	-
Furniture and Office Equipment	133	1 933	672	672	701	-	-
Machinery and Equipment	118	707	662	662	3 126	-	-
Machinery and Equipment	118	707	662	662	3 126	-	-
Transport Assets	-	6 310	13 213	13 213	120	-	-
Transport Assets	-	6 310	13 213	13 213	120	-	-
Total Capital Expenditure on new assets	173 360	72 042	105 236	105 236	50 415	25 179	26 737

Table 58 MBRR SA34b - Capital expenditure on renewal assets by asset class

Description R thousand	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital expenditure on renewal of existing assets by Asset Class/Sub-class							
Infrastructure	16 973	19 740	10 438	10 438	8 469	3 478	3 478
Roads Infrastructure	11 910	11 000	10 000	10 000	–	–	–
Roads	11 910	10 000	10 000	10 000	–	–	–
Road Structures	–	1 000	–	–	–	–	–
Storm water Infrastructure	–	–	–	–	–	–	–
Electrical Infrastructure	3 964	–	–	–	7 869	3 478	3 478
MV Networks	–	–	–	–	5 000	–	–
LV Networks	3 964	–	–	–	2 869	3 478	3 478
Water Supply Infrastructure	547	8 740	438	438	400	–	–
Reservoirs	–	5 500	–	–	–	–	–
Pump Stations	–	2 240	206	206	200	–	–
Distribution	547	–	–	–	200	–	–
Distribution Points	–	1 000	233	233	–	–	–
Sanitation Infrastructure	551	–	–	–	200	–	–
Pump Station	–	–	–	–	200	–	–
Waste Water Treatment Works	551	–	–	–	–	–	–
Solid Waste Infrastructure	–	–	–	–	–	–	–
Rail Infrastructure	–	–	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	–	–	–	–
Community Assets	592	–	26	26	–	–	–
Community Facilities	–	–	–	–	–	–	–
Sport and Recreation Facilities	592	–	26	26	–	–	–
Outdoor Facilities	592	–	26	26	–	–	–
Heritage assets	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–
Other assets	–	–	192	192	–	–	–
Operational Buildings	–	–	192	192	–	–	–
Municipal Offices	–	–	192	192	–	–	–
Housing	–	–	–	–	–	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–
Intangible Assets	–	–	–	–	15	–	–
Licences and Rights	–	–	–	–	15	–	–
Computer Software and Applications	–	–	–	–	15	–	–
Computer Equipment	162	34	34	34	566	–	–
Computer Equipment	162	34	34	34	566	–	–
Furniture and Office Equipment	164	–	93	93	32	–	–
Furniture and Office Equipment	164	–	93	93	32	–	–
Machinery and Equipment	118	–	23	23	3 924	–	–
Machinery and Equipment	118	–	23	23	3 924	–	–
Transport Assets	1 515	–	–	–	19 196	7 316	–
Transport Assets	1 515	–	–	–	19 196	7 316	–
Libraries	–	–	–	–	–	–	–
Libraries	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	–	–	–	–	–	–	–
Total Capital Expenditure on renewal of existing assets	19 525	19 774	10 806	10 806	32 202	10 794	3 478

Table 58 MBRR SA34e - Capital expenditure on upgraded assets by asset class

Description R thousand	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital expenditure on upgrading of existing assets							
by Asset Class/Sub-class							
Infrastructure	-	-	-	-	43 311	-	-
Roads Infrastructure	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	17 609	-	-
<i>LV Networks</i>	-	-	-	-	17 609	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-
Water Supply Infrastructure	-	-	-	-	25 702	-	-
<i>Water Treatment Works</i>	-	-	-	-	13 769	-	-
<i>Distribution</i>	-	-	-	-	11 933	-	-
Community Assets	-	-	-	-	-	217	217
Community Facilities	-	-	-	-	-	217	217
<i>Libraries</i>	-	-	-	-	-	217	217
Sport and Recreation Facilities	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	1 550	-	-
Licences and Rights	-	-	-	-	1 550	-	-
<i>Computer Software and Applications</i>	-	-	-	-	1 550	-	-
Total Capital Expenditure on upgrading of existing assets	-	-	-	-	44 861	217	217

Table 59 MBRR SA34c – Repairs and Maintenance on assets by asset class

Description R thousand	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Repairs and maintenance expenditure by Asset Class/Sub-class							
Infrastructure	2 383	7 303	3 526	3 526	5 313	5 578	5 885
Roads Infrastructure	71	1 245	1 100	1 100	2 170	2 279	2 404
Roads	71	838	950	950	2 010	2 111	2 227
Road Furniture	–	407	150	150	160	168	177
Capital Spares	–	–	–	–	–	–	–
Storm water Infrastructure	–	–	–	–	–	–	–
Electrical Infrastructure	1 246	1 372	571	571	1 578	1 657	1 748
MV Substations	–	7	–	–	23	24	25
MV Networks	1 246	138	–	–	–	–	–
LV Networks	–	1 228	571	571	1 555	1 633	1 723
Water Supply Infrastructure	557	2 375	1 095	1 095	1 000	1 050	1 108
Reservoirs	–	96	–	–	–	–	–
Pump Stations	–	10	–	–	–	–	–
Water Treatment Works	553	748	60	60	–	–	–
Distribution	4	894	825	825	1 000	1 050	1 108
Distribution Points	–	626	210	210	–	–	–
Sanitation Infrastructure	498	1 288	722	722	510	536	565
Reticulation	–	1 040	510	510	380	399	421
Waste Water Treatment Works	498	36	–	–	–	–	–
Toilet Facilities	–	212	212	212	130	137	144
Solid Waste Infrastructure	11	3	–	–	–	–	–
Waste Processing Facilities	11	–	–	–	–	–	–
Waste Drop-off Points	–	3	–	–	–	–	–
Rail Infrastructure	–	650	–	–	–	–	–
Rail Lines	–	650	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–	–
Information and Communication Infrastructure	–	371	38	38	55	58	61
Data Centres	–	221	–	–	–	–	–
Distribution Layers	–	150	38	38	55	58	61
Capital Spares	–	–	–	–	–	–	–
Community Assets	56	607	620	620	1 588	1 667	1 759
Community Facilities	–	8	278	278	922	968	1 021
Halls	–	–	8	8	705	740	781
Fire/Ambulance Stations	–	–	–	–	32	33	35
Libraries	–	–	250	250	10	11	11
Cemeteries/Crematoria	–	8	20	20	–	–	–
Parks	–	–	–	–	175	184	194
Sport and Recreation Facilities	56	599	343	343	666	699	738
Indoor Facilities	–	224	–	–	–	–	–
Outdoor Facilities	56	376	343	343	666	699	738
Other assets	679	2 021	1 109	1 109	1 467	1 540	1 625
Operational Buildings	679	2 021	1 109	1 109	1 467	1 540	1 625
Municipal Offices	679	1 800	1 109	1 109	1 467	1 540	1 625
Workshops	–	1	–	–	–	–	–
Yards	–	220	–	–	–	–	–
Intangible Assets	–	–	–	–	490	515	543
Licences and Rights	–	–	–	–	490	515	543
Computer Software and Applications	–	–	–	–	490	515	543
Computer Equipment	–	–	–	–	153	161	169
Computer Equipment	–	–	–	–	153	161	169
Furniture and Office Equipment	–	–	–	–	537	563	594
Furniture and Office Equipment	–	–	–	–	537	563	594
Machinery and Equipment	2 666	1 529	7 401	7 401	140	147	155
Machinery and Equipment	2 666	1 529	7 401	7 401	140	147	155
Transport Assets	5 432	6 975	5 329	5 329	6 229	6 540	6 900
Transport Assets	5 432	6 975	5 329	5 329	6 229	6 540	6 900
Total Repairs and Maintenance Expenditure	11 216	18 435	17 985	17 985	15 916	16 712	17 631

Table 60 MBRR SA34d - Supporting Table SA34d Depreciation by asset class

Description R thousand	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Depreciation by Asset Class/Sub-class						
Infrastructure	61 472	61 472	61 472	76 995	80 856	85 315
Roads Infrastructure	21 180	21 180	21 180	20 374	21 393	22 569
<i>Roads</i>	20 859	20 859	20 859	20 374	21 393	22 569
<i>Road Furniture</i>	320	320	320	–	–	–
Storm water Infrastructure	–	–	–	1 914	2 009	2 120
<i>Drainage Collection</i>	–	–	–	1 914	2 009	2 120
Electrical Infrastructure	12 721	12 721	12 721	14 110	14 815	15 630
<i>HV Transmission Conductors</i>	7	7	7	–	–	–
<i>MV Networks</i>	30	30	30	5 308	5 574	5 880
<i>LV Networks</i>	12 684	12 684	12 684	8 802	9 242	9 750
Water Supply Infrastructure	18 406	18 406	18 406	15 818	16 609	17 523
<i>Water Treatment Works</i>	15 518	15 518	15 518	15 818	16 609	17 523
<i>Distribution</i>	2 888	2 888	2 888	–	–	–
Sanitation Infrastructure	7 782	7 782	7 782	5 090	5 345	5 639
<i>Reticulation</i>	7 782	7 782	7 782	5 090	5 345	5 639
Solid Waste Infrastructure	1 383	1 383	1 383	18 573	19 501	20 574
<i>Waste Processing Facilities</i>	1 383	1 383	1 383	18 573	19 501	20 574
Rail Infrastructure	–	–	–	1 114	1 181	1 258
<i>Rail Structures</i>	–	–	–	1 114	1 181	1 258
Coastal Infrastructure	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	2	2	2
<i>Distribution Layers</i>	–	–	–	2	2	2
Community Assets	4 038	4 038	4 038	4 834	5 077	5 357
Community Facilities	424	424	424	1 635	1 717	1 811
<i>Halls</i>	–	–	–	630	662	698
<i>Libraries</i>	–	–	–	26	27	28
<i>Cemeteries/Crematoria</i>	424	424	424	400	420	444
<i>Parks</i>	–	–	–	579	608	641
Sport and Recreation Facilities	3 614	3 614	3 614	3 199	3 360	3 546
<i>Outdoor Facilities</i>	3 614	3 614	3 614	3 199	3 360	3 546
Heritage assets	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–
Other assets	4 911	4 911	4 911	4 180	4 389	4 630
Operational Buildings	4 911	4 911	4 911	4 180	4 389	4 630
<i>Municipal Offices</i>	4 891	4 891	4 891	4 180	4 389	4 630
<i>Workshops</i>	19	19	19	–	–	–
Computer Equipment	363	363	363	1 218	1 279	1 349
Computer Equipment	363	363	363	1 218	1 279	1 349
Furniture and Office Equipment	6 336	6 340	6 340	3 396	3 565	3 762
Furniture and Office Equipment	6 336	6 340	6 340	3 396	3 565	3 762
Machinery and Equipment	–	–	–	168	177	186
Machinery and Equipment	–	–	–	168	177	186
Transport Assets	3 413	3 413	3 413	4 802	5 042	5 320
Transport Assets	3 413	3 413	3 413	4 802	5 042	5 320
Total Depreciation	80 534	80 538	80 538	95 594	100 385	105 919

Table 61 MBRR SA35 - Future financial implications of the capital budget

Description / R thousand	2018/19 Medium Term Revenue & Expenditure Framework			Forecasts			
	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	Forecast 2021/22	Forecast 2022/23	Forecast 2023/24	Present value
Capital expenditure							
Vote 1 - Municipal Manager	36	-	-				
Vote 2 - Corporate Services	2 292	-	-				
Vote 3 - Budget & Treasury Office	8 400	-	-				
Vote 4 - Community Services	1 691	217	217				
Vote 5 - Technical Director	-	-	-				
Vote 6 - Electro Mech Services	59 440	15 246	8 487				
Vote 7 - Civil Engineering Services	35 248	-	-				
Vote 8 - Planning and Development Services	20 371	20 727	21 729				
Total Capital Expenditure	127 478	36 190	30 433	-	-	-	-
Future operational costs by vote							
Total future operational costs	-	-	-	-	-	-	-
Future revenue by source							
Total future revenue	-	-	-	-	-	-	-
Net Financial Implications	127 478	36 190	30 433	-	-	-	-

Table 62 MBRR SA36 - Detailed capital budget per municipal vote

Municipal Vote/Capital project	Program/Project description	Asset Class	Asset Sub-Class	Total Project Estimate	Prior year outcomes	2018/19 Medium Term Revenue & Expenditure Framework		
					Current Year 2017/18 Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand		3	3					
Parent municipality:								
0001: ADMINISTRATION	DESK (ARCHIVE)	Furniture and Equipment	Furniture and Equipment	4	—	4	—	—
0001: ADMINISTRATION	FILLING CABINETS	Furniture and Equipment	Furniture and Equipment	500	—	500	—	—
0001: ADMINISTRATION	HEAVY DUTY SHREDDER	Furniture and Equipment	Furniture and Equipment	50	—	50	—	—
0002: MUNICIPAL COUNCIL	5725: DESKTOP COMPUTER & SCREEN - ADMIN OFFICER WAR	Computer Equipment	Computer Equipment	—	—	—	—	—
0002: MUNICIPAL COUNCIL	5726: DESKTOP COMPUTER & SCREEN - CHIEF CLERK COUNCIL	Computer Equipment	Computer Equipment	—	—	—	—	—
0002: MUNICIPAL COUNCIL	6005: WYK 04: VOLTTOOING VAN WYKSRAADSLID KANTOOR	Operational Buildings	Municipal Offices	60	60	—	—	—
0002: MUNICIPAL COUNCIL	6006: WYK 13: VOLTTOOING VAN WYKSRAADSLID KANTOOR	Operational Buildings	Municipal Offices	87	87	—	—	—
0002: MUNICIPAL COUNCIL	6007: WYK 01: ADDISIONELE GEBOU BY ND SWARTZ GEBOU	Operational Buildings	Municipal Offices	50	50	—	—	—
0002: MUNICIPAL COUNCIL	6008: WYK 11: BOU KANTOOR WYKSRAADSLID-BETAALKANTOO	Operational Buildings	Municipal Offices	30	30	—	—	—
0002: MUNICIPAL COUNCIL	CHAIR - KEDIBONE	Furniture and Equipment	Furniture and Equipment	2	—	2	—	—
0002: MUNICIPAL COUNCIL	CHAIR - MAGDALENE	Furniture and Equipment	Furniture and Equipment	2	—	2	—	—
0004: ADMINISTRATION - PROPERTIES	5988: BUILDING IMPROVEMENTS	Operational Buildings	Municipal Offices	80	80	—	—	—
0004: ADMINISTRATION - PROPERTIES	6009: STOELE VIR SALE (ROLL-OVER)	Furniture and Equipment	Furniture and Equipment	125	125	—	—	—
0004: ADMINISTRATION - PROPERTIES	LUGVERSORGER (SPEAKER)	Operational Buildings	Municipal Offices	16	16	—	—	—
0004: ADMINISTRATION - PROPERTIES	LUGVERSORGER	Operational Buildings	Municipal Offices	105	105	—	—	—
0004: ADMINISTRATION - PROPERTIES	6181: LUGVERSORGER (BEHUISING)	Operational Buildings	Municipal Offices	9	9	—	—	—
0004: ADMINISTRATION - PROPERTIES	AIRCONDITIONERS - OFFICES	Operational Buildings	Municipal Offices	120	—	120	—	—
0004: ADMINISTRATION - PROPERTIES	BUILDING IMPROVEMENTS	Operational Buildings	Municipal Offices	250	—	250	—	—
0004: ADMINISTRATION - PROPERTIES	150 TABLES	Machinery & Equipment	Machinery & Equipment	70	—	70	—	—
0004: ADMINISTRATION - PROPERTIES	500 CHAIRS	Machinery & Equipment	Machinery & Equipment	70	—	70	—	—
0004: ADMINISTRATION - PROPERTIES	LADDER	Machinery & Equipment	Machinery & Equipment	7	—	7	—	—
0004: ADMINISTRATION - PROPERTIES	MOBILE SCAFFOLDING	Machinery & Equipment	Machinery & Equipment	18	—	18	—	—
0007: FINANCIAL SERVICES	5909: CLEAR VIEW FENCE	Operational Buildings	Yards	394	394	—	—	—
0007: FINANCIAL SERVICES	6012: FUEL TANKS & EQUIPMENT FOR STORES (UNALLOCATED)	Operational Buildings	Workshop	32	32	—	—	—
0007: FINANCIAL SERVICES	6183: INVERTER FOR CAR (PREPAID WATER)	Machinery & Equipment	Machinery & Equipment	1	1	—	—	—
0007: FINANCIAL SERVICES	CHAIR - ASSISTANT ACCOUNTANT CONTRACT MANAGEMENT	Furniture and Equipment	Furniture and Equipment	2	—	2	—	—
0007: FINANCIAL SERVICES	FILING SYSTEM - SAFE	Furniture and Equipment	Furniture and Equipment	10	—	10	—	—
0007: FINANCIAL SERVICES	MICRON METER	Machinery & Equipment	Machinery & Equipment	6	—	6	—	—
0007: FINANCIAL SERVICES	MONEY COUNTERS - CASHIERS	Machinery & Equipment	Machinery & Equipment	12	—	12	—	—
0007: FINANCIAL SERVICES	TV	Machinery & Equipment	Machinery & Equipment	6	—	6	—	—
0007: FINANCIAL SERVICES	ASSETS: CHAIR (ASSISTANT ACCOUNTANT MOVABLE ASSETS)	Furniture and Equipment	Furniture and Equipment	2	—	2	—	—
0007: FINANCIAL SERVICES	ASSETS: CHAIR (MANAGER: ASSET MANAGEMENT)	Furniture and Equipment	Furniture and Equipment	2	—	2	—	—
0007: FINANCIAL SERVICES	TV	Furniture and Equipment	Furniture and Equipment	6	—	6	—	—
0007: FINANCIAL SERVICES	PAVING	Operational Buildings	Stores	350	—	350	—	—
0007: FINANCIAL SERVICES	STORE - ELECTRICAL EQUIPMENT	Operational Buildings	Stores	1 000	—	1 000	—	—
0007: FINANCIAL SERVICES	CHAIR - BUYERS	Furniture and Equipment	Furniture and Equipment	3	—	3	—	—
0007: FINANCIAL SERVICES	CHAIR: ASS ACCOUNTANT	Furniture and Equipment	Furniture and Equipment	2	—	2	—	—
0007: FINANCIAL SERVICES	CHAIR: CLERK: INFORMAL SETTLEMENTS	Furniture and Equipment	Furniture and Equipment	2	—	2	—	—
0007: FINANCIAL SERVICES	CHAIR: DEBT COLLECTION	Furniture and Equipment	Furniture and Equipment	3	—	3	—	—
0007: FINANCIAL SERVICES	HEAVY DUTY CHAIR: ACCOUNTANT INDIGENT	Furniture and Equipment	Furniture and Equipment	4	—	4	—	—
0007: FINANCIAL SERVICES	VISITOR CHAIR: DEBT COLLECTION	Furniture and Equipment	Furniture and Equipment	1	—	1	—	—
0007: FINANCIAL SERVICES	SALARY OFFICE: CHAIR	Furniture and Equipment	Furniture and Equipment	2	—	2	—	—
0008: COMMUNICATIONS SERVICES	6242: DSTV DECODER	Furniture and Equipment	Furniture and Equipment	0	0	—	—	—
0008: COMMUNICATIONS SERVICES	DIGITAL CAMERA (COMMUNICATION)	Machinery & Equipment	Machinery & Equipment	12	—	12	—	—
0008: COMMUNICATIONS SERVICES	VIDEO CAMERA (COMMUNICATION)	Machinery & Equipment	Machinery & Equipment	12	—	12	—	—
0008: COMMUNICATIONS SERVICES	CHAIR - HIGHBACK (COMMUNICATION)	Furniture and Equipment	Furniture and Equipment	2	—	2	—	—
0009: HUMAN RESOURCES	6180: SCHREDDER	Machinery & Equipment	Machinery & Equipment	3	3	—	—	—
0009: HUMAN RESOURCES	: KANTOOR STOEL	Furniture and Equipment	Furniture and Equipment	2	2	—	—	—
0009: HUMAN RESOURCES	CHAIR: HIGH BACK	Furniture and Equipment	Furniture and Equipment	5	—	5	—	—

Table 62 MBRR 36: Detailed capital budget per municipal vote (continued)

Municipal Vote/Capital project R thousand	Program/Project description	Asset Class 3	Asset Sub-Class 3	Total Project Estimate	Prior year outcomes	2018/19 Medium Term Revenue & Expenditure Framework		
					Current Year 2017/18 Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
0009: HUMAN RESOURCES	CHAIR: HIGH BACK (HEAVY DUTY)	Furniture and Equipment	Furniture and Equipment	4	–	4	–	–
0009: HUMAN RESOURCES	DESK	Furniture and Equipment	Furniture and Equipment	11	–	11	–	–
0011: OFFICE OF THE MUNICIPAL MANAGER	5728: UNALLOCATED ASSETS	Furniture and Equipment	Furniture and Equipment	250	250	–	–	–
0011: OFFICE OF THE MUNICIPAL MANAGER	5991: KABINET (MB KANTOOR)	Furniture and Equipment	Furniture and Equipment	89	89	–	–	–
0011: OFFICE OF THE MUNICIPAL MANAGER	6148: YSKAS (MB)	Furniture and Equipment	Furniture and Equipment	2	2	–	–	–
0011: OFFICE OF THE MUNICIPAL MANAGER	6163: LUGVERSORGER (G.BESSELSSEN)	Operational Buildings	Municipal Offices	9	9	–	–	–
0019: IDP	CHAIR: SENIOR IDP CLERK (MATHYS)	Furniture and Equipment	Furniture and Equipment	2	–	2	–	–
0019: IDP	CHAIR: SENIOR IDP OFFICER (MAKIBI)	Furniture and Equipment	Furniture and Equipment	2	–	2	–	–
0019: IDP	DESK: SENIOR IDP CLERK (MATHYS)	Furniture and Equipment	Furniture and Equipment	4	–	4	–	–
0020: TRAFFIC SERVICES	6013: PADTEKENS (VERSKIE GEBIEDE)(ROLL-OVER)	Road Infrastructure	Road Furniture	50	50	–	–	–
0020: TRAFFIC SERVICES	ALARM SYSTEM & CAMERA	Operational Buildings	Municipal Offices	20	–	20	–	–
0020: TRAFFIC SERVICES	ROAD FURNITURE - SIGNAGE	Road Infrastructure	Road Furniture	100	–	100	–	–
0020: TRAFFIC SERVICES	CHAIR (CASHIER) X 6	Furniture and Equipment	Furniture and Equipment	9	–	9	–	–
0021: FIRE SERVICES	5729: FLOOTABLE PUMP	Machinery & Equipment	Machinery & Equipment	25	25	–	–	–
0021: FIRE SERVICES	5730: TOHATSU PUMP	Machinery & Equipment	Machinery & Equipment	180	180	–	–	–
0021: FIRE SERVICES	5731: 1X BA SETS	Machinery & Equipment	Machinery & Equipment	20	20	–	–	–
0021: FIRE SERVICES	5732: 1X BA SETS	Machinery & Equipment	Machinery & Equipment	20	20	–	–	–
0021: FIRE SERVICES	5733: RADIO	Machinery & Equipment	Machinery & Equipment	3	3	–	–	–
0021: FIRE SERVICES	5734: RADIO	Machinery & Equipment	Machinery & Equipment	3	3	–	–	–
0021: FIRE SERVICES	5735: RADIO	Machinery & Equipment	Machinery & Equipment	3	3	–	–	–
0021: FIRE SERVICES	5736: RADIO	Machinery & Equipment	Machinery & Equipment	3	3	–	–	–
0021: FIRE SERVICES	5737: RADIO	Machinery & Equipment	Machinery & Equipment	3	3	–	–	–
0021: FIRE SERVICES	5738: AIRCONDITIONER	Operational Buildings	Municipal Offices	–	–	–	–	–
0021: FIRE SERVICES	5739: AIRCONDITIONER	Operational Buildings	Municipal Offices	10	10	–	–	–
0021: FIRE SERVICES	5742: OFFICE FURNITURE	Furniture and Equipment	Furniture and Equipment	10	10	–	–	–
0021: FIRE SERVICES	5930: CANON KAMERA	Furniture and Equipment	Furniture and Equipment	2	2	–	–	–
0021: FIRE SERVICES	PORTABLE BA REFULE COMPRESSOR	Machinery and Equipment	Machinery and Equipment	250	–	250	–	–
0021: FIRE SERVICES	TRAINING OFFICE	Furniture and Equipment	Furniture and Equipment	5	–	5	–	–
0021: FIRE SERVICES	FIRE ALARM SYSTEM	Operational Buildings	Municipal Offices	15	–	15	–	–
0023: DISASTER MANAGEMENT	BANDNEMER	Machinery and Equipment	Machinery and Equipment	2	–	2	–	–
0023: DISASTER MANAGEMENT	GAZEBO	Machinery and Equipment	Machinery and Equipment	4	–	4	–	–
0023: DISASTER MANAGEMENT	CHAIR	Furniture and Equipment	Furniture and Equipment	1	–	1	–	–
0023: DISASTER MANAGEMENT	OFFICE FURNITURE	Furniture and Equipment	Furniture and Equipment	5	–	5	–	–
0023: DISASTER MANAGEMENT	VISITOR CHAIRS X 4	Furniture and Equipment	Furniture and Equipment	2	–	2	–	–
0024: SECURITY SERVICES	6211: 6-STEP LADDER	Machinery & Equipment	Machinery & Equipment	2	2	–	–	–
0024: SECURITY SERVICES	6212: DRILL HAMMER	Machinery & Equipment	Machinery & Equipment	1	1	–	–	–
0024: SECURITY SERVICES	6213: GREINER	Machinery & Equipment	Machinery & Equipment	1	1	–	–	–
0024: SECURITY SERVICES	6214: HANDRADIO	Machinery & Equipment	Machinery & Equipment	2	2	–	–	–
0024: SECURITY SERVICES	6215: HANDRADIO	Machinery & Equipment	Machinery & Equipment	2	2	–	–	–
0024: SECURITY SERVICES	6216: HANDRADIO	Machinery & Equipment	Machinery & Equipment	2	2	–	–	–
0024: SECURITY SERVICES	6217: HANDRADIO	Machinery & Equipment	Machinery & Equipment	2	2	–	–	–
0024: SECURITY SERVICES	6218: HANDRADIO	Machinery & Equipment	Machinery & Equipment	2	2	–	–	–
0024: SECURITY SERVICES	6219: HANDRADIO	Machinery & Equipment	Machinery & Equipment	2	2	–	–	–
0024: SECURITY SERVICES	6220: HANDRADIO	Machinery & Equipment	Machinery & Equipment	2	2	–	–	–
0024: SECURITY SERVICES	6221: HANDRADIO	Machinery & Equipment	Machinery & Equipment	2	2	–	–	–
0024: SECURITY SERVICES	6222: HANDRADIO	Machinery & Equipment	Machinery & Equipment	2	2	–	–	–
0024: SECURITY SERVICES	6223: HANDRADIO	Machinery & Equipment	Machinery & Equipment	2	2	–	–	–
0024: SECURITY SERVICES	MONEY TRUNK	Machinery and Equipment	Machinery and Equipment	50	–	50	–	–
0027: REFUSE REMOVAL SERVICES	CHAIR (HIGHBACK) (SENIOR REINIGING - JOHAN)	Furniture and Equipment	Furniture and Equipment	2	–	2	–	–
0027: REFUSE REMOVAL SERVICES	CHAIR (SECRETARY) (CLERK)	Furniture and Equipment	Furniture and Equipment	1	–	1	–	–

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

Municipal Vote/Capital project R thousand	Program/Project description	Asset Class 3	Asset Sub-Class 3	Total Project Estimate	Prior year outcomes	2018/19 Medium Term Revenue & Expenditure Framework		
					Current Year 2017/18 Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
0027: REFUSE REMOVAL SERVICES	CHAIR (HIGHBACK) (SENIOR ADMIN - CECILIA)	Furniture and Equipment	Furniture and Equipment	2	–	2	–	–
0030: TOWN PLANNING A& BUILDING CONTROL	5743: OFFICE FURNITURE	Furniture and Equipment	Furniture and Equipment	–	–	–	–	–
0030: TOWN PLANNING A& BUILDING CONTROL	6186: CHAIR S4000 H/B TYPIST & ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0030: TOWN PLANNING A& BUILDING CONTROL	6187: CHAIR S3000 GA SYNCRO GAS ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0030: TOWN PLANNING A& BUILDING CONTROL	6188: CHAIR S3000 GA SYNCRO GAS ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0030: TOWN PLANNING A& BUILDING CONTROL	6189: CHAIR S3000 GA SYNCRO GAS ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0030: TOWN PLANNING A& BUILDING CONTROL	6250: CHAIR HEAVY DUTY	Furniture and Equipment	Furniture and Equipment	3	3	–	–	–
0030: TOWN PLANNING A& BUILDING CONTROL	6190: CHAIR C3 WITH ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0031: LOCAL ECONOMIC DEVELOPMENT	6243: LUGVERSORGER 18000BTU	Operational Buildings	Municipal Offices	11	11	–	–	–
0031: LOCAL ECONOMIC DEVELOPMENT	6244: LUGVERSORGER 9000BTU	Operational Buildings	Municipal Offices	5	5	–	–	–
0031: LOCAL ECONOMIC DEVELOPMENT	6245: LUGVERSORGER 9000BTU	Operational Buildings	Municipal Offices	5	5	–	–	–
0031: LOCAL ECONOMIC DEVELOPMENT	6246: LUGVERSORGER 9000BTU	Operational Buildings	Municipal Offices	5	5	–	–	–
0033: INFORMATION TECHNOLOGY	5727: LAPTOP - ADMIN ASSISTANT OFFICE OF THE MM	Computer Equipment	Computer Equipment	–	–	–	–	–
0033: INFORMATION TECHNOLOGY	5740: LAPTOP - FENNIE	Computer Equipment	Computer Equipment	13	13	–	–	–
0033: INFORMATION TECHNOLOGY	5741: COMPUTER - DESKTOP	Computer Equipment	Computer Equipment	10	10	–	–	–
0033: INFORMATION TECHNOLOGY	5744: LAPTOP - SENIOR MANAGER: TOWN PLANNING	Computer Equipment	Computer Equipment	10	10	–	–	–
0033: INFORMATION TECHNOLOGY	5745: LAPTOP - MANAGER: LANDUSE MANAGEMENT	Computer Equipment	Computer Equipment	10	10	–	–	–
0033: INFORMATION TECHNOLOGY	5746: DESKTOP - BUILDING CONTROL OFFICER	Computer Equipment	Computer Equipment	7	7	–	–	–
0033: INFORMATION TECHNOLOGY	5747: DESKTOP - SENIOR BUILDING INSPECTOR	Computer Equipment	Computer Equipment	7	7	–	–	–
0033: INFORMATION TECHNOLOGY	5908: LAPTOP - MUNICIPAL MANAGER	Computer Equipment	Computer Equipment	15	15	–	–	–
0033: INFORMATION TECHNOLOGY	5927: LAPTOP - SMIEL	Computer Equipment	Computer Equipment	14	14	–	–	–
0033: INFORMATION TECHNOLOGY	5928: PRINTER - TEKENAAR	Computer Equipment	Computer Equipment	18	18	–	–	–
0033: INFORMATION TECHNOLOGY	5929: PRINTER - SIVIEL	Computer Equipment	Computer Equipment	2	2	–	–	–
0033: INFORMATION TECHNOLOGY	5981: PRINTER - DIREKTEUR NEWMAN	Computer Equipment	Computer Equipment	6	6	–	–	–
0033: INFORMATION TECHNOLOGY	5986: PRINTER - REINIGING	Computer Equipment	Computer Equipment	1	1	–	–	–
0033: INFORMATION TECHNOLOGY	5992: PROJEKTOR (MB)	Computer Equipment	Computer Equipment	6	6	–	–	–
0033: INFORMATION TECHNOLOGY	6014: 4-IN-ONE PRINTER - TOURISM (ROLL-OVER)	Computer Equipment	Computer Equipment	3	3	–	–	–
0033: INFORMATION TECHNOLOGY	6015: 4-IN-ONE PRINTER - EILAND (ROLL-OVER)	Computer Equipment	Computer Equipment	3	3	–	–	–
0033: INFORMATION TECHNOLOGY	6016: PRINTER - LED (ROLL-OVER)	Computer Equipment	Computer Equipment	3	3	–	–	–
0033: INFORMATION TECHNOLOGY	6017: REKENAAR - TOURISM (ROLL-OVER)	Computer Equipment	Computer Equipment	10	10	–	–	–
0033: INFORMATION TECHNOLOGY	6018: REKENAAR - LED (INFORMAL TRADERS)(ROLL-OVER)	Computer Equipment	Computer Equipment	10	10	–	–	–
0033: INFORMATION TECHNOLOGY	6019: DATA PROJECTOR - LED (ROLL-OVER)	Computer Equipment	Computer Equipment	15	15	–	–	–
0033: INFORMATION TECHNOLOGY	6020: LAPTOP (BEHUISING)(ROLL-OVER)	Computer Equipment	Computer Equipment	8	8	–	–	–
0033: INFORMATION TECHNOLOGY	6021: LAPTOP (BEHUISING)(ROLL-OVER)	Computer Equipment	Computer Equipment	8	8	–	–	–
0033: INFORMATION TECHNOLOGY	6022: LAPTOP (INTERNE OUDIT)(ROLL-OVER)	Computer Equipment	Computer Equipment	8	8	–	–	–
0033: INFORMATION TECHNOLOGY	6023: LAPTOP (INTERNE OUDIT)(ROLL-OVER)	Computer Equipment	Computer Equipment	8	8	–	–	–
0033: INFORMATION TECHNOLOGY	6024: LAPTOP (INTERNE OUDIT)(ROLL-OVER)	Computer Equipment	Computer Equipment	8	8	–	–	–
0033: INFORMATION TECHNOLOGY	6025: LAPTOP (INTERNE OUDIT)(ROLL-OVER)	Computer Equipment	Computer Equipment	8	8	–	–	–
0033: INFORMATION TECHNOLOGY	6026: LAPTOP (INTERNE OUDIT)(ROLL-OVER)	Computer Equipment	Computer Equipment	8	8	–	–	–
0033: INFORMATION TECHNOLOGY	6027: LAPTOP (FMG GRANT)(ROLL-OVER)	Computer Equipment	Computer Equipment	7	7	–	–	–
0033: INFORMATION TECHNOLOGY	6028: LAPTOP (FMG GRANT)(ROLL-OVER)	Computer Equipment	Computer Equipment	7	7	–	–	–
0033: INFORMATION TECHNOLOGY	6029: LAPTOP (FMG GRANT)(ROLL-OVER)	Computer Equipment	Computer Equipment	7	7	–	–	–
0033: INFORMATION TECHNOLOGY	6030: LAPTOP (FMG GRANT)(ROLL-OVER)	Computer Equipment	Computer Equipment	8	8	–	–	–
0033: INFORMATION TECHNOLOGY	6031: LAPTOP (FMG GRANT)(ROLL-OVER)	Computer Equipment	Computer Equipment	8	8	–	–	–
0033: INFORMATION TECHNOLOGY	UPGRADE - BIQ SYSTEM TO MSCOA	Licences and Rights	Computer Software	1 000	1 000	–	–	–
0033: INFORMATION TECHNOLOGY	UPGRADE - ONTEC SYSTEM	Licences and Rights	Computer Software	144	144	–	–	–
0033: INFORMATION TECHNOLOGY	UPGRADE - CASHFLOW SYSTEM	Licences and Rights	Computer Software	59	59	–	–	–
0033: INFORMATION TECHNOLOGY	6032: LAPTOP - SNR SOCIO ECONOMICAL OFFICIAL(ROLL-O)	Computer Equipment	Computer Equipment	10	10	–	–	–
0033: INFORMATION TECHNOLOGY	6033: LAPTOP - SNR LED OFFICIAL (ROLL-OVER)	Computer Equipment	Computer Equipment	10	10	–	–	–
0033: INFORMATION TECHNOLOGY	6034: INSTALLATION OF CLEARVUE OMHEINING (VAN RIEB	Operational Buildings	Yards	94	94	–	–	–

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

Municipal Vote/Capital project R thousand	Program/Project description	Asset Class 3	Asset Sub-Class 3	Total Project Estimate	Prior year outcomes	2018/19 Medium Term Revenue & Expenditure Framework		
					Current Year 2017/18 Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
0033: INFORMATION TECHNOLOGY	6035: PRINTER (SALARISKANTOOR)(ROLL-OVER)	Computer Equipment	Computer Equipment	4	4	-	-	-
0033: INFORMATION TECHNOLOGY	6037: REKENAAR MIG (ROLL-OVER)	Computer Equipment	Computer Equipment	12	12	-	-	-
0033: INFORMATION TECHNOLOGY	6136: DRAAGBARE WATERVERKOOP TOESTEL	Computer Equipment	Computer Equipment	31	31	-	-	-
0033: INFORMATION TECHNOLOGY	6137: DRAAGBARE WATERVERKOOP TOESTEL	Computer Equipment	Computer Equipment	31	31	-	-	-
0033: INFORMATION TECHNOLOGY	6138: DRAAGBARE WATERVERKOOP TOESTEL	Computer Equipment	Computer Equipment	31	31	-	-	-
0033: INFORMATION TECHNOLOGY	6139: DRAAGBARE WATERVERKOOP TOESTEL	Computer Equipment	Computer Equipment	31	31	-	-	-
0033: INFORMATION TECHNOLOGY	6140: DRAAGBARE WATERVERKOOP TOESTEL	Computer Equipment	Computer Equipment	31	31	-	-	-
0033: INFORMATION TECHNOLOGY	6141: DRAAGBARE WATERVERKOOP TOESTEL	Computer Equipment	Computer Equipment	31	31	-	-	-
0033: INFORMATION TECHNOLOGY	6142: DRAAGBARE WATERVERKOOP TOESTEL	Computer Equipment	Computer Equipment	31	31	-	-	-
0033: INFORMATION TECHNOLOGY	6143: DRAAGBARE WATERVERKOOP TOESTEL	Computer Equipment	Computer Equipment	31	31	-	-	-
0033: INFORMATION TECHNOLOGY	6144: DRAAGBARE WATERVERKOOP TOESTEL	Computer Equipment	Computer Equipment	31	31	-	-	-
0033: INFORMATION TECHNOLOGY	6145: DRAAGBARE WATERVERKOOP TOESTEL	Computer Equipment	Computer Equipment	31	31	-	-	-
0033: INFORMATION TECHNOLOGY	6146: PRINTER (ELEKTRIES)	Computer Equipment	Computer Equipment	3	3	-	-	-
0033: INFORMATION TECHNOLOGY	6147: PRINTER (EILAND)	Computer Equipment	Computer Equipment	3	3	-	-	-
0033: INFORMATION TECHNOLOGY	6149: LAPTOP - ADMIN ASSISTANT OFFICE OF THE MM	Computer Equipment	Computer Equipment	7	7	-	-	-
0033: INFORMATION TECHNOLOGY	6150: PRINTER - SEC MM	Computer Equipment	Computer Equipment	3	3	-	-	-
0033: INFORMATION TECHNOLOGY	6151: PRINTER - MM	Computer Equipment	Computer Equipment	6	6	-	-	-
0033: INFORMATION TECHNOLOGY	6165: TOUCHPORT VIR VOORAFBETAALDE WATERVERKOPE	Computer Equipment	Computer Equipment	2	2	-	-	-
0033: INFORMATION TECHNOLOGY	6166: TOUCHPORT VIR VOORAFBETAALDE WATERVERKOPE	Computer Equipment	Computer Equipment	2	2	-	-	-
0033: INFORMATION TECHNOLOGY	6167: TOUCHPORT VIR VOORAFBETAALDE WATERVERKOPE	Computer Equipment	Computer Equipment	2	2	-	-	-
0033: INFORMATION TECHNOLOGY	6168: TOUCHPORT VIR VOORAFBETAALDE WATERVERKOPE	Computer Equipment	Computer Equipment	2	2	-	-	-
0033: INFORMATION TECHNOLOGY	6169: TOUCHPORT VIR VOORAFBETAALDE WATERVERKOPE	Computer Equipment	Computer Equipment	2	2	-	-	-
0033: INFORMATION TECHNOLOGY	6170: TOUCHPORT VIR VOORAFBETAALDE WATERVERKOPE	Computer Equipment	Computer Equipment	2	2	-	-	-
0033: INFORMATION TECHNOLOGY	6171: TOUCHPORT VIR VOORAFBETAALDE WATERVERKOPE	Computer Equipment	Computer Equipment	2	2	-	-	-
0033: INFORMATION TECHNOLOGY	6172: TOUCHPORT VIR VOORAFBETAALDE WATERVERKOPE	Computer Equipment	Computer Equipment	2	2	-	-	-
0033: INFORMATION TECHNOLOGY	6173: TOUCHPORT VIR VOORAFBETAALDE WATERVERKOPE	Computer Equipment	Computer Equipment	2	2	-	-	-
0033: INFORMATION TECHNOLOGY	6174: TOUCHPORT VIR VOORAFBETAALDE WATERVERKOPE	Computer Equipment	Computer Equipment	2	2	-	-	-
0033: INFORMATION TECHNOLOGY	6175: TOUCHPORT VIR VOORAFBETAALDE WATERVERKOPE	Computer Equipment	Computer Equipment	2	2	-	-	-
0033: INFORMATION TECHNOLOGY	6176: TOUCHPORT VIR VOORAFBETAALDE WATERVERKOPE	Computer Equipment	Computer Equipment	2	2	-	-	-
0033: INFORMATION TECHNOLOGY	6177: TOUCHPORT VIR VOORAFBETAALDE WATERVERKOPE	Computer Equipment	Computer Equipment	2	2	-	-	-
0033: INFORMATION TECHNOLOGY	6178: TOUCHPORT VIR VOORAFBETAALDE WATERVERKOPE	Computer Equipment	Computer Equipment	2	2	-	-	-
0033: INFORMATION TECHNOLOGY	6179: TOUCHPORT VIR VOORAFBETAALDE WATERVERKOPE	Computer Equipment	Computer Equipment	2	2	-	-	-
0033: INFORMATION TECHNOLOGY	6185: SECURITY FIREWALL	Computer Equipment	Computer Equipment	70	70	-	-	-
0033: INFORMATION TECHNOLOGY	6192: ALUMINIUM LEER	Machinery & Equipment	Machinery & Equipment	1	1	-	-	-
0033: INFORMATION TECHNOLOGY	6193: BOOR GBH	Machinery & Equipment	Machinery & Equipment	3	3	-	-	-
0033: INFORMATION TECHNOLOGY	6194: TOOLKIT	Machinery & Equipment	Machinery & Equipment	2	2	-	-	-
0033: INFORMATION TECHNOLOGY	6226: CASHFLOW LICENCE	Licences and Rights	Computer Software	13	13	-	-	-
0033: INFORMATION TECHNOLOGY	6227: CASHFLOW LICENCE	Licences and Rights	Computer Software	13	13	-	-	-
0033: INFORMATION TECHNOLOGY	6228: CASHFLOW LICENCE	Licences and Rights	Computer Software	13	13	-	-	-
0033: INFORMATION TECHNOLOGY	6229: CASHFLOW LICENCE	Licences and Rights	Computer Software	13	13	-	-	-
0033: INFORMATION TECHNOLOGY	6230: CASHFLOW LICENCE	Licences and Rights	Computer Software	13	13	-	-	-
0033: INFORMATION TECHNOLOGY	6231: CASHFLOW LICENCE	Licences and Rights	Computer Software	13	13	-	-	-
0033: INFORMATION TECHNOLOGY	6232: CASHFLOW LICENCE	Licences and Rights	Computer Software	13	13	-	-	-
0033: INFORMATION TECHNOLOGY	6233: CASHFLOW LICENCE	Licences and Rights	Computer Software	13	13	-	-	-
0033: INFORMATION TECHNOLOGY	6234: CASHFLOW LICENCE	Licences and Rights	Computer Software	13	13	-	-	-
0033: INFORMATION TECHNOLOGY	6235: CASHFLOW LICENCE	Licences and Rights	Computer Software	13	13	-	-	-
0033: INFORMATION TECHNOLOGY	6247: PRINTER (SCM - BUYERS)	Computer Equipment	Computer Equipment	2	2	-	-	-
0033: INFORMATION TECHNOLOGY	5752: LASERJET PRINTER	Computer Equipment	Computer Equipment	3	3	-	-	-
0033: INFORMATION TECHNOLOGY	6248: LAPTOP VIR TEKENAAR	Computer Equipment	Computer Equipment	15	15	-	-	-
0033: INFORMATION TECHNOLOGY	6249: LAPTOP VIR TEKENAAR	Computer Equipment	Computer Equipment	15	15	-	-	-

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

Municipal Vote/Capital project R thousand	Program/Project description	Asset Class 3	Asset Sub-Class 3	Total Project Estimate	Prior year outcomes	2018/19 Medium Term Revenue & Expenditure Framework		
					Current Year 2017/18 Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
0033: INFORMATION TECHNOLOGY	6260: LAPTOP VIR G.O.D	Computer Equipment	Computer Equipment	9	9	–	–	–
0033: INFORMATION TECHNOLOGY	6254: A3 PRINTER VIR TEKENAARS	Computer Equipment	Computer Equipment	3	3	–	–	–
0033: INFORMATION TECHNOLOGY	6255: A3 PRINTER VIR TEKENAARS	Computer Equipment	Computer Equipment	3	3	–	–	–
0033: INFORMATION TECHNOLOGY	6256: A3 PRINTER VIR TEKENAARS	Computer Equipment	Computer Equipment	3	3	–	–	–
0033: INFORMATION TECHNOLOGY	DESKTOP - NEW	Computer Equipment	Computer Equipment	40	–	40	–	–
0033: INFORMATION TECHNOLOGY	LAPTOP - NEW	Computer Equipment	Computer Equipment	50	–	50	–	–
0033: INFORMATION TECHNOLOGY	PRINTERS - NEW	Computer Equipment	Computer Equipment	25	–	25	–	–
0033: INFORMATION TECHNOLOGY	DISASTER RECOVERY CENTRE	Machinery and Equipment	Machinery and Equipment	1 500	–	1 500	–	–
0033: INFORMATION TECHNOLOGY	VENDOR EQUIPMENT	Machinery and Equipment	Machinery and Equipment	130	–	130	–	–
0033: INFORMATION TECHNOLOGY	IT TRAINING CENTRE	Furniture and Equipment	Furniture and Equipment	10	–	10	–	–
0033: INFORMATION TECHNOLOGY	DESKTOP - RENEWALS	Computer Equipment	Computer Equipment	350	–	350	–	–
0033: INFORMATION TECHNOLOGY	LAPTOP - RENEWALS	Computer Equipment	Computer Equipment	150	–	150	–	–
0033: INFORMATION TECHNOLOGY	PRINTER - RENEWALS	Computer Equipment	Computer Equipment	66	–	66	–	–
0033: INFORMATION TECHNOLOGY	NETWORK SWITCHES	Machinery and Equipment	Machinery and Equipment	270	–	270	–	–
0033: INFORMATION TECHNOLOGY	TELEPHONE SYSTEM	Machinery and Equipment	Machinery and Equipment	2 300	–	2 300	–	–
0033: INFORMATION TECHNOLOGY	UPS BATTERIES - COMPUTERS	Machinery and Equipment	Machinery and Equipment	250	–	250	–	–
0033: INFORMATION TECHNOLOGY	UPS BATTERIES - SERVER	Machinery and Equipment	Machinery and Equipment	300	–	300	–	–
0033: INFORMATION TECHNOLOGY	MS OFFICE 2018 UPGRADE	Licences and Rights	Computer Software and Applications	1 550	–	1 550	–	–
0033: INFORMATION TECHNOLOGY	OFFICE DESK	Furniture and Equipment	Furniture and Equipment	4	–	4	–	–
0033: INFORMATION TECHNOLOGY	OFFICE PEDESTAL	Furniture and Equipment	Furniture and Equipment	2	–	2	–	–
0033: INFORMATION TECHNOLOGY	VISITOR CHAIR X 1	Furniture and Equipment	Furniture and Equipment	2	–	2	–	–
0033: INFORMATION TECHNOLOGY	OFFICE CHAIRS X 1 (HIGH BACK SWIVEL)	Furniture and Equipment	Furniture and Equipment	2	–	2	–	–
0033: INFORMATION TECHNOLOGY	OFFICE CHAIRS X 1 (HIGH BACK)	Furniture and Equipment	Furniture and Equipment	2	–	2	–	–
0038: Corporate Services	: KANTOOR STOEL	Furniture and Equipment	Furniture and Equipment	2	2	–	–	–
0040: CIVIL ENGINEERING SERVICES	5910: KANTOOR STOEL	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0040: CIVIL ENGINEERING SERVICES	5911: CADDIE PROFESSIONAL LICENSE	Licences and Rights	Computer Software	27	27	–	–	–
0040: CIVIL ENGINEERING SERVICES	5912: CADDIE PROFESSIONAL LICENSE	Licences and Rights	Computer Software	27	27	–	–	–
0040: CIVIL ENGINEERING SERVICES	5913: CADDIE PROFESSIONAL LICENSE	Licences and Rights	Computer Software	27	27	–	–	–
0040: CIVIL ENGINEERING SERVICES	5914: CLUSTER UNIT	Furniture and Equipment	Furniture and Equipment	2	2	–	–	–
0040: CIVIL ENGINEERING SERVICES	5915: CLUSTER UNIT	Furniture and Equipment	Furniture and Equipment	2	2	–	–	–
0040: CIVIL ENGINEERING SERVICES	5916: CLUSTER UNIT	Furniture and Equipment	Furniture and Equipment	2	2	–	–	–
0040: CIVIL ENGINEERING SERVICES	5917: CLUSTER UNIT	Furniture and Equipment	Furniture and Equipment	2	2	–	–	–
0040: CIVIL ENGINEERING SERVICES	5918: 3 DRAW PEDESTAL	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0040: CIVIL ENGINEERING SERVICES	5919: 3 DRAW PEDESTAL	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0040: CIVIL ENGINEERING SERVICES	5920: 3 DRAW PEDESTAL	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0040: CIVIL ENGINEERING SERVICES	5921: 3 DRAW PEDESTAL	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0040: CIVIL ENGINEERING SERVICES	5922: PAULA HIGHBACK CHAIR	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0040: CIVIL ENGINEERING SERVICES	5923: PAULA HIGHBACK CHAIR	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0040: CIVIL ENGINEERING SERVICES	5924: PAULA HIGHBACK CHAIR	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0040: CIVIL ENGINEERING SERVICES	5925: CHAIR GAS ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0040: CIVIL ENGINEERING SERVICES	5926: CHAIR GAS ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0040: CIVIL ENGINEERING SERVICES	6262: OFFICE EQUIPMENT - DIRECTOR	Furniture and Equipment	Furniture and Equipment	15	15	–	–	–
0041: STREETS & STORMWATER DRAINAGE	5748: REHABILITATION OF ROADS	Road Infrastructure	Road	10 000	10 000	–	–	–
0041: STREETS & STORMWATER DRAINAGE	6251: SUPPLY AND DELIVERY OF TOOLS & EQUIPMENT	Machinery & Equipment	Machinery & Equipment	30	30	–	–	–
0041: STREETS & STORMWATER DRAINAGE	6258: SPEEDBUMPS	Road Infrastructure	Road Structure	40	40	–	–	–
0041: STREETS & STORMWATER DRAINAGE	5751: REED-CUTTERS	Machinery & Equipment	Machinery & Equipment	30	30	–	–	–
0042: WORKSHOP	5755: PORTA PACK GASWELDING SET	Machinery & Equipment	Machinery & Equipment	18	18	–	–	–
0042: WORKSHOP	115MM ANGLE GRINDER	Machinery and Equipment	Machinery and Equipment	2	–	2	–	–
0042: WORKSHOP	2 XGREASE GUN, 15L, PNEUMATIC, 3M HOSE	Machinery and Equipment	Machinery and Equipment	13	–	13	–	–
0042: WORKSHOP	230MM ANGLE GRINDER	Machinery and Equipment	Machinery and Equipment	3	–	3	–	–

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

Municipal Vote/Capital project	Program/Project description	Asset Class	Asset Sub-Class	Total Project Estimate	Prior year outcomes	2018/19 Medium Term Revenue & Expenditure Framework		
					Current Year 2017/18 Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand		3	3					
0042: WORKSHOP	3 X 6 AMP BATTERY CHARGER	Machinery and Equipment	Machinery and Equipment	6	–	6	–	–
0042: WORKSHOP	3 X ENGINE SUPPORT 500KG	Machinery and Equipment	Machinery and Equipment	5	–	5	–	–
0042: WORKSHOP	3 X HOSE REEL OIL 15M HOSE	Machinery and Equipment	Machinery and Equipment	22	–	22	–	–
0042: WORKSHOP	3 X OIL CONTROL GUN, FLEXIBLE NOZZLE	Machinery and Equipment	Machinery and Equipment	12	–	12	–	–
0042: WORKSHOP	3 X TROLLEY 200L DRUM	Machinery and Equipment	Machinery and Equipment	11	–	11	–	–
0042: WORKSHOP	4 X CAR DOLLY 450KG	Machinery and Equipment	Machinery and Equipment	9	–	9	–	–
0042: WORKSHOP	4 X LEADLIGHTS 30 M	Machinery and Equipment	Machinery and Equipment	6	–	6	–	–
0042: WORKSHOP	4 X RETRACTABLE HOSE REEL	Machinery and Equipment	Machinery and Equipment	7	–	7	–	–
0042: WORKSHOP	8 X HEAVY DUTY CREEPERS	Machinery and Equipment	Machinery and Equipment	6	–	6	–	–
0042: WORKSHOP	8 X LEAD LIGHTS LED	Machinery and Equipment	Machinery and Equipment	8	–	8	–	–
0042: WORKSHOP	AUXILIARY JACK, 2 TON , FOR PIT	Machinery and Equipment	Machinery and Equipment	7	–	7	–	–
0042: WORKSHOP	BAR FRIDGE	Machinery and Equipment	Machinery and Equipment	2	–	2	–	–
0042: WORKSHOP	BATTERY CHARGER TROLLEY	Machinery and Equipment	Machinery and Equipment	7	–	7	–	–
0042: WORKSHOP	BATTERY TESTER 500AMP	Machinery and Equipment	Machinery and Equipment	3	–	3	–	–
0042: WORKSHOP	BOOSTER PACK 12V/24V 4000A	Machinery and Equipment	Machinery and Equipment	7	–	7	–	–
0042: WORKSHOP	BUILDING IMPROVEMENT - WATER COOLER SYSTEM	Machinery and Equipment	Machinery and Equipment	50	–	50	–	–
0042: WORKSHOP	CARRIER TRAILER	Machinery and Equipment	Machinery and Equipment	44	–	44	–	–
0042: WORKSHOP	CATERPILLAR OIL PRESSURE GAUGE SET	Machinery and Equipment	Machinery and Equipment	23	–	23	–	–
0042: WORKSHOP	DRILL	Machinery and Equipment	Machinery and Equipment	5	–	5	–	–
0042: WORKSHOP	FILTER WRENCH CUP SET	Machinery and Equipment	Machinery and Equipment	4	–	4	–	–
0042: WORKSHOP	GEAR OIL LUBRICATOR, HAND OPERATE, 15L	Machinery and Equipment	Machinery and Equipment	8	–	8	–	–
0042: WORKSHOP	HIPRESSURE CLEANER	Machinery and Equipment	Machinery and Equipment	25	–	25	–	–
0042: WORKSHOP	INVERTER WELDER 200AMP	Machinery and Equipment	Machinery and Equipment	3	–	3	–	–
0042: WORKSHOP	OIL DRAIN AND EXCAVATOR IN ONE	Machinery and Equipment	Machinery and Equipment	10	–	10	–	–
0042: WORKSHOP	OIL DRAIN FLOOR TROLLEY TYPE, 60L	Machinery and Equipment	Machinery and Equipment	3	–	3	–	–
0042: WORKSHOP	OIL FILTER WRENCH CP SET	Machinery and Equipment	Machinery and Equipment	4	–	4	–	–
0042: WORKSHOP	OIL PUMP, PNEUMATIC, 14L/MIN.	Machinery and Equipment	Machinery and Equipment	6	–	6	–	–
0042: WORKSHOP	PETROL COMPRESSION TESTER	Machinery and Equipment	Machinery and Equipment	3	–	3	–	–
0042: WORKSHOP	PORTA PACK GASWELDING SET	Machinery and Equipment	Machinery and Equipment	18	–	18	–	–
0042: WORKSHOP	ROTARY DRUM PUMP, OIL HEAVY DUTY	Machinery and Equipment	Machinery and Equipment	6	–	6	–	–
0042: WORKSHOP	STEP LADDER	Machinery and Equipment	Machinery and Equipment	2	–	2	–	–
0042: WORKSHOP	TRUCK WHEELNUT MULTIPLIER, 1:56	Machinery and Equipment	Machinery and Equipment	6	–	6	–	–
0042: WORKSHOP	WAP - HIGH PRESSURE	Machinery and Equipment	Machinery and Equipment	150	–	150	–	–
0043: COMMONAGE	MOBIELE KRAAL	Machinery and Equipment	Machinery and Equipment	20	–	20	–	–
0043: COMMONAGE	SKUT	Machinery and Equipment	Machinery and Equipment	360	–	360	–	–
0043: COMMONAGE	TRAILER MET LAABANK (MEENT)	Transport Assets	Transport Assets	120	–	120	–	–
0045: SEWERAGE PURIFICATION PLANT	5984: REPLACEMENT OF WORN-OUT PUMPS, VALVES,(SEWERA	Sanitation Infrastructure	Pump Stations	244	244	–	–	–
0045: SEWERAGE PURIFICATION PLANT	6038: UPGRADING OF KAMEELMOND WWTW(ROLL-OVER)	Sanitation Infrastructure	Waste Water Treatment Works	1 000	1 000	–	–	–
0045: SEWERAGE PURIFICATION PLANT	6155: OMHEINING (SANITASIE)	Operational Buildings	Yards	24	24	–	–	–
0045: SEWERAGE PURIFICATION PLANT	6157: WASMASHIEN(SANITASIE)	Machinery & Equipment	Machinery & Equipment	11	11	–	–	–
0045: SEWERAGE PURIFICATION PLANT	6158: WASMASHIEN(SANITASIE)	Machinery & Equipment	Machinery & Equipment	11	11	–	–	–
0045: SEWERAGE PURIFICATION PLANT	6159: WASMASHIEN	Machinery & Equipment	Machinery & Equipment	11	11	–	–	–
0045: SEWERAGE PURIFICATION PLANT	6160: WASMASHIEN	Machinery & Equipment	Machinery & Equipment	11	11	–	–	–
0045: SEWERAGE PURIFICATION PLANT	6161: YSKAS	Furniture and Equipment	Furniture and Equipment	7	7	–	–	–
0045: SEWERAGE PURIFICATION PLANT	6162: YSKAS	Furniture and Equipment	Furniture and Equipment	7	7	–	–	–
0045: SEWERAGE PURIFICATION PLANT	6184: BLINDS	Furniture and Equipment	Furniture and Equipment	10	10	–	–	–
0045: SEWERAGE PURIFICATION PLANT	6261: KANTOORTOERUSTING	Furniture and Equipment	Furniture and Equipment	10	10	–	–	–
0045: SEWERAGE PURIFICATION PLANT	6224: AFDK	Operational Buildings	Yards	11	11	–	–	–
0045: SEWERAGE PURIFICATION PLANT	6261: OFFICE EQUIPMENT - SEWERAGE	Furniture and Equipment	Furniture and Equipment	5	5	–	–	–
0045: SEWERAGE PURIFICATION PLANT	REPLACEMENT OF WORN-OUT PUMPS, VALVES - HQ	Sanitation Infrastructure	Pump Station	100	–	100	–	–

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

Municipal Vote/Capital project R thousand	Program/Project description	Asset Class 3	Asset Sub-Class 3	Total Project Estimate	Prior year outcomes	2018/19 Medium Term Revenue & Expenditure Framework			
					Current Year 2017/18 Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
0045: SEWERAGE PURIFICATION PLANT	REPLACEMENT OF WORN-OUT PUMPS, VALVES - SATELLITE	Sanitation Infrastructure	Pump Station	100	–	100	–	–	
0046: TRANSPORT	5796: FRONT END LOADER (GOD)	Transport Assets	Transport Assets	1 450	1 450	–	–	–	
0046: TRANSPORT	5797: TIPPER 6 CUB (STREETS AND STORMWATER)	Transport Assets	Transport Assets	–	–	–	–	–	
0046: TRANSPORT	5798: 1000 KG LDV WITH TOOLBOX CANOPY (WORKSHOP)	Transport Assets	Transport Assets	–	–	–	–	–	
0046: TRANSPORT	5799: 1000 KG 4X4 LDV (MEENT)	Transport Assets	Transport Assets	300	300	–	–	–	
0046: TRANSPORT	5800: 12000 LITER VACUUM TANKER	Transport Assets	Transport Assets	–	–	–	–	–	
0046: TRANSPORT	5801: COMPACTOR TRUCK 17 CUB	Transport Assets	Transport Assets	–	–	–	–	–	
0046: TRANSPORT	5802: 76S ROLLER (STREETS & STORMWATER)	Transport Assets	Transport Assets	180	180	–	–	–	
0046: TRANSPORT	5803: SUV	Transport Assets	Transport Assets	898	898	–	–	–	
0046: TRANSPORT	6003: 1 TON ARMoured RESPONSE VEHICLE (ROLL-OVER)	Transport Assets	Transport Assets	615	615	–	–	–	
0046: TRANSPORT	6040: 1.6 500KG LAW (ROLL-OVER)	Transport Assets	Transport Assets	165	165	–	–	–	
0046: TRANSPORT	6047: 2. 1000KG LAW (ROLL-OVER) (ELECTRICITY)	Transport Assets	Transport Assets	270	270	–	–	–	
0046: TRANSPORT	6048: 9000 LITER VACUUM TANKER (ROLL-OVER)	Transport Assets	Transport Assets	1 030	1 030	–	–	–	
0046: TRANSPORT	6049: BELL COMPACTOR (FUNKSIE 27)(ROLL-OVER)	Transport Assets	Transport Assets	3 346	3 346	–	–	–	
0046: TRANSPORT	6052: JACKHAMMER BREAKER (ROLL-OVER)	Machinery & Equipment	Machinery & Equipment	21	21	–	–	–	
0046: TRANSPORT	6053: JACKHAMMER BREAKER (ROLL-OVER)	Machinery & Equipment	Machinery & Equipment	21	21	–	–	–	
0046: TRANSPORT	6054: JACKHAMMER BREAKER (ROLL-OVER)	Machinery & Equipment	Machinery & Equipment	21	21	–	–	–	
0046: TRANSPORT	6055: JACKHAMMER BREAKER (ROLL-OVER)	Machinery & Equipment	Machinery & Equipment	21	21	–	–	–	
0046: TRANSPORT	6063: SANITASIE TROK(ROLL-OVER)	Transport Assets	Transport Assets	1 030	1 030	–	–	–	
0046: TRANSPORT	6080: JACKHAMMER BREAKER (ROADS &STORMWATER)(ROLL-O	Machinery & Equipment	Machinery & Equipment	21	21	–	–	–	
0046: TRANSPORT	6081: FIRE TRUCK (ROLL-OVER)	Transport Assets	Transport Assets	3 800	3 800	–	–	–	
0046: TRANSPORT	140 G PADSKRAPPER X 1	Transport Assets	Transport Assets	3 500	–	3 500	–	–	
0046: TRANSPORT	BAKKIE 4X4 DC BAKKIE X 1	Transport Assets	Transport Assets	450	–	450	–	–	
0046: TRANSPORT	BAKKIE 1.6/1.4 500KG X 4	Transport Assets	Transport Assets	1 440	–	720	720	–	
0046: TRANSPORT	BAKKIE 1000 KG BAKKIE X 4	Transport Assets	Transport Assets	1 000	–	1 000	–	–	
0046: TRANSPORT	BAKKIE 1000 KG LDV WITH TOOLBOX CANOPY X 2	Transport Assets	Transport Assets	600	–	600	–	–	
0046: TRANSPORT	BAKKIE 1000KG LAW MET VOLLE DEUR KAPPIE (SANITASIE) X 2	Transport Assets	Transport Assets	560	–	560	–	–	
0046: TRANSPORT	CAR- 1.6 LUIKRUG X 2	Transport Assets	Transport Assets	400	–	400	–	–	
0046: TRANSPORT	CAR- 1.6 SEDAN X 2	Transport Assets	Transport Assets	500	–	500	–	–	
0046: TRANSPORT	CHERRY PICKER 4TON X 1	Transport Assets	Transport Assets	1 000	–	–	1 000	–	
0046: TRANSPORT	COMPACTOR TRUCK 17 CUB X 2	Transport Assets	Transport Assets	3 000	–	1 500	1 500	–	
0046: TRANSPORT	CREW CAB TROK MET DRARAK (2 TON) X 2	Transport Assets	Transport Assets	650	–	650	–	–	
0046: TRANSPORT	DIESEL TRAILER X 1	Transport Assets	Transport Assets	120	–	120	–	–	
0046: TRANSPORT	ELEKTRIES BOOR-ELEKTRIESE DIENSTE X 1	Transport Assets	Transport Assets	1 450	–	–	1 450	–	
0046: TRANSPORT	FRONT END LOADER X 1	Transport Assets	Transport Assets	1 600	–	1 600	–	–	
0046: TRANSPORT	GRASSNYSERS ZERO TURN X 2	Transport Assets	Transport Assets	600	–	400	200	–	
0046: TRANSPORT	KANTSLANERS X 20	Transport Assets	Transport Assets	200	–	200	–	–	
0046: TRANSPORT	KETTINGSAAG X 10	Transport Assets	Transport Assets	90	–	90	–	–	
0046: TRANSPORT	KOMBI: 14-SITPLEK X 1	Transport Assets	Transport Assets	400	–	400	–	–	
0046: TRANSPORT	MOBIELE WATERPUMP X 1	Transport Assets	Transport Assets	26	–	26	–	–	
0046: TRANSPORT	MPV- 7-SITPLEK X 1	Transport Assets	Transport Assets	246	–	–	246	–	
0046: TRANSPORT	RIETSLANERS X 10	Transport Assets	Transport Assets	90	–	90	–	–	
0046: TRANSPORT	ROLLER (BOMAG TIPE) X 1	Transport Assets	Transport Assets	200	–	200	–	–	
0046: TRANSPORT	SANITASIE TROK X 2	Transport Assets	Transport Assets	3 000	–	3 000	–	–	
0046: TRANSPORT	SNOEISAAG (PRUNER) X 10	Transport Assets	Transport Assets	90	–	90	–	–	
0046: TRANSPORT	STRAAT VEËR X 1	Transport Assets	Transport Assets	300	–	300	–	–	
0046: TRANSPORT	TIPPER 6 CUB X 2	Transport Assets	Transport Assets	2 200	–	1 100	1 100	–	
0046: TRANSPORT	TLB X 1	Transport Assets	Transport Assets	1 100	–	–	1 100	–	
0046: TRANSPORT	VACUUM TANKER 6000 LITER X 1	Transport Assets	Transport Assets	1 700	–	1 700	–	–	
0050: PARKS	GRINDER	Machinery and Equipment	Machinery and Equipment	6	–	6	–	–	

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

Municipal Vote/Capital project R thousand	Program/Project description	Asset Class 3	Asset Sub-Class 3	Total Project Estimate	Prior year outcomes	2018/19 Medium Term Revenue & Expenditure Framework		
					Current Year 2017/18 Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
0051: ISLAND HOLIDAY RESORT	6164: CHLORINATOR	Sport & Recreation Facilities	Outdoor Facilities	26	26	–	–	–
0051: ISLAND HOLIDAY RESORT	6236: GEYSER	Operational Buildings	Municipal Offices	2	2	–	–	–
0051: ISLAND HOLIDAY RESORT	6237: GEYSER	Operational Buildings	Municipal Offices	2	2	–	–	–
0051: ISLAND HOLIDAY RESORT	6239: LUGVERSORGER (CHALET 19)	Operational Buildings	Municipal Offices	8	8	–	–	–
0051: ISLAND HOLIDAY RESORT	6240: LUGVERSORGER (CHALET 34)	Operational Buildings	Municipal Offices	8	8	–	–	–
0051: ISLAND HOLIDAY RESORT	6241: LUGVERSORGER (CHALET 50)	Operational Buildings	Municipal Offices	8	8	–	–	–
0052: SWIMMING POOLS	CHAIRS	Machinery and Equipment	Machinery and Equipment	5	–	5	–	–
0052: SWIMMING POOLS	TABLES	Machinery and Equipment	Machinery and Equipment	5	–	5	–	–
0052: SWIMMING POOLS	CHLORINATOR	Sport and Recreation Facilities	Outdoor Facilities	30	–	30	–	–
0052: SWIMMING POOLS	SWIMMING POOL PUMP	Sport and Recreation Facilities	Outdoor Facilities	60	–	60	–	–
0055: SPORT STADIUMS	FENCING - MD JACOBS STADIUM	Sport and Recreation Facilities	Outdoor Facilities	550	–	550	–	–
0055: SPORT STADIUMS	LIGHTS	Sport and Recreation Facilities	Outdoor Facilities	50	–	50	–	–
0057: CEMETRIES	UPGRADE - CEMETERIES	Community Facilities	Cemeteries/Crematoria	300	–	300	–	–
0059: ELECTRICITY - ADMINISTRATION	5805: ELECTRIFICATION OF 1000 HOUSES PAB&DAKOTA(IN	Electrical Infrastructure	LV Networks	14 912	14 912	–	–	–
0059: ELECTRICITY - ADMINISTRATION	5806: ELECTRIFICATION OF 1000 HOUSES PAB&DAKOTA(CR	Electrical Infrastructure	LV Networks	10 357	10 357	–	–	–
0059: ELECTRICITY - ADMINISTRATION	5807: EQUIPMENT FOR MONITORING OF SUPPLY QUALITY	Electrical Infrastructure	MV Networks	500	500	–	–	–
0059: ELECTRICITY - ADMINISTRATION	6082: ELECTRIFICATION OF NEW DEVELOPMENTS:DAKOTA R	Electrical Infrastructure	LV Networks	4 150	4 150	–	–	–
0059: ELECTRICITY - ADMINISTRATION	6083: INSTALLATION OF HIGH MAST LIGHTING (ROLL-OVER	Electrical Infrastructure	MV Networks	242	242	–	–	–
0059: ELECTRICITY - ADMINISTRATION	INEP - ELECTRIFICATION OF HOUSES	Electrical Infrastructure	LV Networks	9 461	–	–	4 452	5 009
0059: ELECTRICITY - ADMINISTRATION	INEP - ELECTRIFICATION OF HOUSES IN LOUISVALE	Electrical Infrastructure	LV Networks	12 174	–	12 174	–	–
0059: ELECTRICITY - ADMINISTRATION	LOGGER	Machinery and Equipment	Machinery and Equipment	80	–	80	–	–
0059: ELECTRICITY - ADMINISTRATION	AUTO-CAD	Licences and Rights	Computer Software and Applications	15	–	15	–	–
0059: ELECTRICITY - ADMINISTRATION	INEP - COUNTERFUNDING	Electrical Infrastructure	LV Networks	14 609	–	14 609	–	–
0061: ELECTRICITY - MAINTENANCE	LED STREETLIGHTS	Electrical Infrastructure	LV Networks	150	–	150	–	–
0061: ELECTRICITY - MAINTENANCE	NEW STREETLIGHTS (VARIOUS AREAS)	Electrical Infrastructure	LV Networks	120	–	120	–	–
0061: ELECTRICITY - MAINTENANCE	REPLACE STREETLIGHTS	Electrical Infrastructure	LV Networks	100	–	100	–	–
0062: ELECTRICITY - DISTRIBUTION	5931: VERVANG VAN STRAATLIGTE	Electrical Infrastructure	LV Networks	70	70	–	–	–
0062: ELECTRICITY - DISTRIBUTION	5813: WORKING EARTH KITS FOR ELECTRICIANS	Machinery & Equipment	Machinery & Equipment	9	9	–	–	–
0062: ELECTRICITY - DISTRIBUTION	5814: WORKING EARTH KITS FOR ELECTRICIANS	Machinery & Equipment	Machinery & Equipment	9	9	–	–	–
0062: ELECTRICITY - DISTRIBUTION	5815: WORKING EARTH KITS FOR ELECTRICIANS	Machinery & Equipment	Machinery & Equipment	9	9	–	–	–
0062: ELECTRICITY - DISTRIBUTION	5816: WORKING EARTH KITS FOR ELECTRICIANS	Machinery & Equipment	Machinery & Equipment	9	9	–	–	–
0062: ELECTRICITY - DISTRIBUTION	5822: EXTENTION LADDERS FOR ELECTRICIANS	Machinery & Equipment	Machinery & Equipment	8	8	–	–	–
0062: ELECTRICITY - DISTRIBUTION	5823: EXTENTION LADDERS FOR ELECTRICIANS	Machinery & Equipment	Machinery & Equipment	8	8	–	–	–
0062: ELECTRICITY - DISTRIBUTION	5824: EXTENTION LADDERS FOR ELECTRICIANS	Machinery & Equipment	Machinery & Equipment	9	9	–	–	–
0062: ELECTRICITY - DISTRIBUTION	5825: EXTENTION LADDERS FOR ELECTRICIANS	Machinery & Equipment	Machinery & Equipment	9	9	–	–	–
0062: ELECTRICITY - DISTRIBUTION	5826: TELESCOPIC LINKSTICKS FOR ELECTRICIANS	Machinery & Equipment	Machinery & Equipment	11	11	–	–	–
0062: ELECTRICITY - DISTRIBUTION	5827: TELESCOPIC LINKSTICKS FOR ELECTRICIANS	Machinery & Equipment	Machinery & Equipment	11	11	–	–	–
0062: ELECTRICITY - DISTRIBUTION	5828: TELESCOPIC LINKSTICKS FOR ELECTRICIANS	Machinery & Equipment	Machinery & Equipment	12	12	–	–	–
0062: ELECTRICITY - DISTRIBUTION	5829: TELESCOPIC LINKSTICKS FOR ELECTRICIANS	Machinery & Equipment	Machinery & Equipment	12	12	–	–	–
0062: ELECTRICITY - DISTRIBUTION	5830: SUBSTATION "CLEARVIEW" FENCING: BS SUBSTATION	Electrical Infrastructure	MV Substations	93	93	–	–	–
0062: ELECTRICITY - DISTRIBUTION	5831: SUBSTATION "CLEARVIEW" FENCING.: BS3 SUBSTATI	Electrical Infrastructure	MV Substations	92	92	–	–	–
0062: ELECTRICITY - DISTRIBUTION	5832: SUBSTATION "CLEARVIEW" FENCING: BS6 SUBSTATIO	Electrical Infrastructure	MV Substations	119	119	–	–	–
0062: ELECTRICITY - DISTRIBUTION	5833: CABLE FAULT LOCATING EQUIPMENT	Electrical Infrastructure	MV Networks	70	70	–	–	–
0062: ELECTRICITY - DISTRIBUTION	6084: HERSTELWERKE - ELEKTRISITEIT INFRASTRUKTUUR	Electrical Infrastructure	MV Networks	1 215	1 215	–	–	–
0062: ELECTRICITY - DISTRIBUTION	6085: ELECTRICAL SERVICES - INDUSTRIAL ERVENS	Electrical Infrastructure	MV Networks	1 740	1 740	–	–	–
0062: ELECTRICITY - DISTRIBUTION	6156: VERVANGING VAN UITGEDIENDE KIOSKS EN TRANSFOR	Electrical Infrastructure	MV Networks	150	150	–	–	–
0062: ELECTRICITY - DISTRIBUTION	NEW PRE-PAID METERS	Electrical Infrastructure	LV Networks	25	–	25	–	–
0062: ELECTRICITY - DISTRIBUTION	PRE-PAID METERS (INDIGENT)	Electrical Infrastructure	LV Networks	25	–	25	–	–
0062: ELECTRICITY - DISTRIBUTION	CHAIR	Furniture and Equipment	Furniture and Equipment	5	–	5	–	–
0062: ELECTRICITY - DISTRIBUTION	DESK	Furniture and Equipment	Furniture and Equipment	3	–	3	–	–

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

Municipal Vote/Capital project R thousand	Program/Project description	Asset Class 3	Asset Sub-Class 3	Total Project Estimate	Prior year outcomes	2018/19 Medium Term Revenue & Expenditure Framework		
					Current Year 2017/18 Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
0062: ELECTRICITY - DISTRIBUTION	CLEARVU FENCING - ALPHA	Operational Buildings	Municipal Offices	960	–	960	–	–
0062: ELECTRICITY - DISTRIBUTION	VERVANGING VAN KIOSK, TRANSFORMERS	Electrical Infrastructure	LV Networks	160	–	160	–	–
0062: ELECTRICITY - DISTRIBUTION	CABLE FAULT LOCATING EQUIPMENT	Machinery and Equipment	Machinery and Equipment	500	–	500	–	–
0062: ELECTRICITY - DISTRIBUTION	PETROL SAW	Machinery and Equipment	Machinery and Equipment	24	–	24	–	–
0062: ELECTRICITY - DISTRIBUTION	BATTERIES - DELTA	Machinery and Equipment	Machinery and Equipment	180	–	180	–	–
0062: ELECTRICITY - DISTRIBUTION	FRIDGE	Furniture and Equipment	Furniture and Equipment	4	–	4	–	–
0062: ELECTRICITY - DISTRIBUTION	SUBSTATIONS - MARKET PLAIN	Electrical Infrastructure	MV Substations	5 000	–	5 000	–	–
0062: ELECTRICITY - DISTRIBUTION	UPGRADE ON ELECTRICAL NETWORK	Electrical Infrastructure	MV Substations	1 500	–	1 500	–	–
0062: ELECTRICITY - DISTRIBUTION	UPGRADE ON MINI-SUBSTATIONS X 5	Electrical Infrastructure	MV Substations	1 500	–	1 500	–	–
0063: ELECTRICITY - PLANNING & METERING	5839: PRE-PAID ELECTRICITY METERS FOR INDIGENTS	Electrical Infrastructure	LV Networks	25	25	–	–	–
0063: ELECTRICITY - PLANNING & METERING	nuut: NEW METERS (Through recovery)	Electrical Infrastructure	LV Networks	100	100	–	–	–
0063: ELECTRICITY - PLANNING & METERING	5840: NEW PRE-PAID ELECTRICITY METERS	Electrical Infrastructure	LV Networks	25	25	–	–	–
0066: WATER PRODUCTION	5841: WSIG: AUGMENTATION OF NOENIEPUT WATER SUPPLY	Water Supply Infrastructure	Water Treatment Works	3 452	3 452	–	–	–
0066: WATER PRODUCTION	5842: WSIG: AUGMENTATION OF WELKOM WATER SUPPLY	Water Supply Infrastructure	Water Treatment Works	781	781	–	–	–
0066: WATER PRODUCTION	5843: CONDITIONAL ASSESSMENT&REMEDIAL WORKS AT RESE	Water Supply Infrastructure	Reservoirs	600	600	–	–	–
0066: WATER PRODUCTION	5844: AHS WTW RAW WATER PUMP	Water Supply Infrastructure	Reservoirs	1 600	1 600	–	–	–
0066: WATER PRODUCTION	5846: REPLACEMENT OF WORN-OUT PUMPS, VALVES,(WATER_	Water Supply Infrastructure	Pump Stations	206	206	–	–	–
0066: WATER PRODUCTION	5935: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5936: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5937: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5938: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5939: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5940: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5941: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5942: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5943: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5944: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5945: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5946: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5947: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5948: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5949: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5950: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5951: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5952: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5953: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5954: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5955: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5956: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5957: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5958: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5959: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5960: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5961: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5962: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5963: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5964: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5965: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5966: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–
0066: WATER PRODUCTION	5967: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

Municipal Vote/Capital project	Program/Project description	Asset Class	Asset Sub-Class	Total Project Estimate	Prior year outcomes	2018/19 Medium Term Revenue & Expenditure Framework			
					Current Year 2017/18 Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
R thousand		3	3						
0066: WATER PRODUCTION	5968: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–	
0066: WATER PRODUCTION	5969: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–	
0066: WATER PRODUCTION	5970: CHAIR NO ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–	
0066: WATER PRODUCTION	5972: CHAIR WITH ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–	
0066: WATER PRODUCTION	5973: CHAIR WITH ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–	
0066: WATER PRODUCTION	5974: CHAIR WITH ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–	
0066: WATER PRODUCTION	5975: CHAIR WITH ARMS	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–	
0066: WATER PRODUCTION	5976: PAULA HIGHBACK CHAIR	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–	
0066: WATER PRODUCTION	5977: PAULA HIGHBACK CHAIR	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–	
0066: WATER PRODUCTION	6087: TURBICHECK INFRA RED METER (ROLL-OVER)	Water Supply Infrastructure	Water Treatment Works	10	10	–	–	–	
0066: WATER PRODUCTION	: TURBICHECK INFRA RED METER (ROLL-OVER)	Water Supply Infrastructure	Water Treatment Works	10	10	–	–	–	
0066: WATER PRODUCTION	6088: CHLORINE PHOTOMETER (ROLL-OVER)	Water Supply Infrastructure	Water Treatment Works	7	7	–	–	–	
0066: WATER PRODUCTION	: CHLORINE PHOTOMETER (ROLL-OVER)	Water Supply Infrastructure	Water Treatment Works	7	7	–	–	–	
0066: WATER PRODUCTION	6089: RAW WATER PUMP FOR ABRAHAM HOLBORS WTW	Water Supply Infrastructure	Water Treatment Works	1 478	1 478	–	–	–	
0066: WATER PRODUCTION	6195: HACH TUBIDITY METER 2100Q	Water Supply Infrastructure	Water Treatment Works	26	26	–	–	–	
0066: WATER PRODUCTION	6196: LOCKERS: FTL LOCKER FEET - GREY	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–	
0066: WATER PRODUCTION	6197: LOCKERS: FTL LOCKER FEET - GREY	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–	
0066: WATER PRODUCTION	6198: LOCKERS: FTL LOCKER FEET - GREY	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–	
0066: WATER PRODUCTION	6199: LOCKERS: FTL LOCKER FEET - GREY	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–	
0066: WATER PRODUCTION	6200: LOCKERS: FTL LOCKER FEET - GREY	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–	
0066: WATER PRODUCTION	6201: LOCKERS: FTL LOCKER FEET - GREY	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–	
0066: WATER PRODUCTION	6202: LOCKERS: FTL LOCKER FEET - GREY	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–	
0066: WATER PRODUCTION	6203: LOCKERS: FTL LOCKER FEET - GREY	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–	
0066: WATER PRODUCTION	6204: LOCKERS: FTL LOCKER FEET - GREY	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–	
0066: WATER PRODUCTION	6205: LOCKERS: FTL LOCKER FEET - GREY	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–	
0066: WATER PRODUCTION	6206: LOCKERS: FTL LOCKER FEET - GREY	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–	
0066: WATER PRODUCTION	6207: LOCKERS: FTL LOCKER FEET - GREY	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–	
0066: WATER PRODUCTION	6208: LOCKERS: FTL LOCKER FEET - GREY	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–	
0066: WATER PRODUCTION	6209: LOCKERS: FTL LOCKER FEET - GREY	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–	
0066: WATER PRODUCTION	6210: LOCKERS: FTL LOCKER FEET - GREY	Furniture and Equipment	Furniture and Equipment	1	1	–	–	–	
0066: WATER PRODUCTION	6238: OPRIG VAN VEILIGHEIDSHK	Operational Buildings	Municipal Offices	3	3	–	–	–	
0066: WATER PRODUCTION	WSIG: CONSTRUCTION OF NEW LOUISVALE RAOD SEWAGE PUMP STATION WITH	Sanitation Infrastructure	Waste Water Treatment Works	8 696	–	8 696	–	–	
0066: WATER PRODUCTION	CONSTRUCTION OF SPEEDBUMPS AND ROUND-ABOUTS	Roads Infrastructure	Roads	150	–	150	–	–	
0066: WATER PRODUCTION	REPLACEMENT OF WORN-OUT PUMPS, VALVES, SWITCHGEAR AND METERS - HQ	Water Supply Infrastructure	Water Treatment Works	100	–	100	–	–	
0066: WATER PRODUCTION	REPLACEMENT OF WORN-OUT PUMPS, VALVES, SWITCHGEAR AND METERS - SAT	Water Supply Infrastructure	Water Treatment Works	100	–	100	–	–	
0066: WATER PRODUCTION	CONSTRUCT NEW/UPGRADED BULK OUTFALL SEWER - BLK_KM_001 (ITEM KM_025	Sanitation Infrastructure	Waste Water Treatment Works	926	–	926	–	–	
0066: WATER PRODUCTION	CONSTRUCT NEW/UPGRADED BULK OUTFALL SEWER - BLK_KM_001 (ITEM KM_025	Sanitation Infrastructure	Waste Water Treatment Works	10 016	–	10 016	–	–	
0066: WATER PRODUCTION	CONSTRUCT NEW/UPGRADED BULK OUTFALL SEWER - BLK_KM_001 (ITEM KM_025	Sanitation Infrastructure	Waste Water Treatment Works	992	–	992	–	–	
0066: WATER PRODUCTION	KAMEELMOND WWTW - RBIG (COUNTER)	Sanitation Infrastructure	Waste Water Treatment Works	13 769	–	13 769	–	–	
0067: WATER DISTRIBUTION NETWORKS	5848: WSIG: INSTALLATION OF COMMUNAL STANDPIPES	Water Supply Infrastructure	Distribution Points	1 907	1 907	–	–	–	
0067: WATER DISTRIBUTION NETWORKS	5849: EPWP: INSTALLATION OF PRE-PAID WATERMETERS MI	Water Supply Infrastructure	Distribution Points	22	22	–	–	–	
0067: WATER DISTRIBUTION NETWORKS	5850: EPWP: INSTALLATION OF COMMUNAL STANDPIPESWEST	Water Supply Infrastructure	Distribution Points	1 063	1 063	–	–	–	
0067: WATER DISTRIBUTION NETWORKS	: INSTALLATION OF COMMUNAL STANDPIPES (OWN FUNDS - WSIG Project)	Water Supply Infrastructure	Distribution Points	372	372	–	–	–	
0067: WATER DISTRIBUTION NETWORKS	: INSTALLATION OF COMMUNAL STANDPIPESWEST (OWN FUNDS - EPWP Project)	Water Supply Infrastructure	Distribution Points	103	103	–	–	–	
0067: WATER DISTRIBUTION NETWORKS	5851: REPLACEMENT OF WORN-OUT PRE-PAID WATERMETERS	Water Supply Infrastructure	Distribution Points	64	64	–	–	–	
0067: WATER DISTRIBUTION NETWORKS	5852: REPLACEMENT OF GATEVALVES	Water Supply Infrastructure	Pump Stations	–	–	–	–	–	
0067: WATER DISTRIBUTION NETWORKS	5853: REPLACEMENT OF WORN-OUT CONVENTIONAL WATERMET	Water Supply Infrastructure	Distribution Points	166	166	–	–	–	
0067: WATER DISTRIBUTION NETWORKS	6090: SUPPLY AND DELIVERY OF 5000L WATER TANKS	Water Supply Infrastructure	Distribution Points	42	42	–	–	–	
0067: WATER DISTRIBUTION NETWORKS	6091: CIVIL SERVICES - INDUSTRIAL ERVENS (ROLL-OVER	Water Supply Infrastructure	Bulk Mains	3 450	3 450	–	–	–	
0067: WATER DISTRIBUTION NETWORKS	6092: VERVANG UITGEDIENDE KLEPPE EN METERS (ROLL-OV	Water Supply Infrastructure	Distribution Points	2	2	–	–	–	

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

Municipal Vote/Capital project	Program/Project description	Asset Class	Asset Sub-Class	Total Project Estimate	Prior year outcomes	2018/19 Medium Term Revenue & Expenditure Framework		
					Current Year 2017/18 Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand		3	3					
0067: WATER DISTRIBUTION NETWORKS	6093: INSTALLERING VAN VOORAFBETAALDE WATERMETERS	Water Supply Infrastructure	Distribution Points	18	18	-	-	-
0067: WATER DISTRIBUTION NETWORKS	6094: STANDPIPES AND VALVES AT VERGENOEG(ROSEDALE)	Water Supply Infrastructure	Distribution Points	130	130	-	-	-
0067: WATER DISTRIBUTION NETWORKS	6096: SIVIELE DIENSTE - 6667 ERWE (VERSKIE AREAS)	Water Supply Infrastructure	Bulk Mains	1 681	1 681	-	-	-
0067: WATER DISTRIBUTION NETWORKS	6253: SUPPLY AND DELIVERY OF 5000L WATER TANKS	Water Supply Infrastructure	Distribution Points	40	40	-	-	-
0067: WATER DISTRIBUTION NETWORKS	6252: SUPPLY AND DELIVERY OF TOOLS AND EQUIPMENT	Machinery & Equipment	Machinery & Equipment	50	50	-	-	-
0067: WATER DISTRIBUTION NETWORKS	6257: INSTALLATION OF WATERMETERS	Water Supply Infrastructure	Distribution Points	40	40	-	-	-
0067: WATER DISTRIBUTION NETWORKS	6259: OFFICE EQUIPMENT - WATER DIST	Furniture and Equipment	Furniture and Equipment	5	5	-	-	-
0067: WATER DISTRIBUTION NETWORKS	6182: DESIGN OF INTERNAL CIVIL SERVICES FOR MELKSTR	Water Supply Infrastructure	Bulk Mains	200	200	-	-	-
0067: WATER DISTRIBUTION NETWORKS	REPLACEMENT OF WORN-OUT CONVENTIONAL WATERMETERS	Water Supply Infrastructure	Water Treatment Works	100	-	100	-	-
0067: WATER DISTRIBUTION NETWORKS	REPLACEMENT OF WORN-OUT PRE-PAID WATERMETERS	Water Supply Infrastructure	Water Treatment Works	100	-	100	-	-
0071: RISK MANAGEMENT	OFFICE CHAIR: MPAC OFFICER (HIGH BACK SWIVEL)	Furniture and Equipment	Furniture and Equipment	2	-	2	-	-
0071: RISK MANAGEMENT	OFFICE DESK: MPAC OFFICER	Furniture and Equipment	Furniture and Equipment	4	-	4	-	-
0071: RISK MANAGEMENT	OFFICE PEDESTAL: MPAC OFFICER	Furniture and Equipment	Furniture and Equipment	2	-	2	-	-
0071: RISK MANAGEMENT	VISITOR CHAIR X 1: MPAC OFFICER	Furniture and Equipment	Furniture and Equipment	2	-	2	-	-
0071: RISK MANAGEMENT	TEAMRISK - RISK MANAGEMENT	Licences and Rights	Computer Software and Applications	25	-	25	-	-
0077: COMMUNITY AND OVERTIME	SUPPLY AND DELIVERY OF 5000L MOBILE WATER TANKS	Machinery and Equipment	Machinery and Equipment	100	-	100	-	-
0078: PMU	COMPUTER EQUIPMENT	Computer Equipment	Computer Equipment	15	-	15	-	-
0078: PMU	OFFICE FURNITURE AND EQUIPMENT	Furniture and Equipment	Furniture and Equipment	49	-	49	-	-
0078: PMU	1165: KLEIN MIER: UPGRADING OF GRAVEL ROADS TO PAVED ROADS PHASE 3	Roads Infrastructure	Roads	5 424	-	1 961	3 463	-
0078: PMU	1362:MIER: ASKHAM/KAMEELDUIN INTERNAL STREETS PHASE 3	Roads Infrastructure	Roads	261	-	261	-	-
0078: PMU	PAVING OF STREET - LOUISVALE ROAD	Roads Infrastructure	Roads	9 396	-	8 890	505	-
0078: PMU	PAVING OF STREET - ROSEDALE	Roads Infrastructure	Roads	16 592	-	-	8 766	7 826
0078: PMU	UPGRADING STREETS IN LOUBOS AND MIER	Roads Infrastructure	Roads	4 597	-	261	-	4 336
0078: PMU	1116:LOUBOS: CONSTRUCTION OF NEW OXIDATION PONDS	Sanitation Infrastructure	Waste Water Treatment Works	2 746	-	313	2 433	-
0078: PMU	1369:MELKSTROOM: BULK SEWER PROVISION	Sanitation Infrastructure	Waste Water Treatment Works	6 771	-	6 771	-	-
0078: PMU	VARIOUS SPORT GROUNDS	Sport and Recreation Facilities	Outdoor Facilities	15 126	-	-	5 559	9 566
0078: PMU	1372:MELKSTROOM: BULK WATER PROVISION	Water Supply Infrastructure	Bulk Mains	1 843	-	1 843	-	-
0078: PROJECT MANAGEMENT UNIT	MELKSTROOM - BULK WATER (250MM)	Water Supply Infrastructure	Distribution	1 903	1 903	-	-	-
0078: PROJECT MANAGEMENT UNIT	5854: MUNICIPAL AREAS DEVELOPMENT OF NEW SPORT	Sport & Recreation Facilities	Outdoor Facilities	198	198	-	-	-
0078: PROJECT MANAGEMENT UNIT	5855: MELKSTROOM: BULK SEWER PROVISION	Sanitation Infrastructure	Reticulation	186	186	-	-	-
0078: PROJECT MANAGEMENT UNIT	5856: MELKSTROOM: BULK WATER PROVISION	Water Supply Infrastructure	Distribution	4 730	4 730	-	-	-
0078: PROJECT MANAGEMENT UNIT	5857: LOUBOS: CONSTRUCTION OF NEW OXIDATION PONDS	Sanitation Infrastructure	Waste Water Treatment Works	175	175	-	-	-
0078: PROJECT MANAGEMENT UNIT	5858: MIER/LOUBOS:INTERNAL STREETS	Road Infrastructure	Road	2 702	2 702	-	-	-
0078: PROJECT MANAGEMENT UNIT	5859: KLEIN MIER:UPGRADING OF GRAVEL ROADS TO PAVE	Road Infrastructure	Road	225	225	-	-	-
0078: PROJECT MANAGEMENT UNIT	5860: MIER: ASKHAM/KAMEELDUIN INTERNAL STREETS PHAS	Road Infrastructure	Road	3 376	3 376	-	-	-
0078: PROJECT MANAGEMENT UNIT	6132: ESTABLISHMENT OF PARKS (2017-2018)	Sport & Recreation Facilities	Outdoor Facilities	216	216	-	-	-
0078: PROJECT MANAGEMENT UNIT	6133: PAVINGS STREET - PABELLELO	Road Infrastructure	Road	387	387	-	-	-
0078: PROJECT MANAGEMENT UNIT	6153: KANTOORSTOEL	Furniture and Equipment	Furniture and Equipment	1	1	-	-	-
0078: PROJECT MANAGEMENT UNIT	6154: KANTOORSTOEL	Furniture and Equipment	Furniture and Equipment	1	1	-	-	-
0078: PROJECT MANAGEMENT UNIT	New : LOUISVALE ROAD	Road Infrastructure	Road	442	442	-	-	-
0078: PROJECT MANAGEMENT UNIT	6225: WELKOM GEMEENSKAPSAAL	community Facilities	Halls	42	42	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5861: HOOF - AIR CONDITIONER IN OFFICE	Community Facilities	Libraries	7	7	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5864: HOOF - NAME-PLATE	Furniture and Equipment	Furniture and Equipment	7	7	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5865: FORUM - AIR CONDITIONERS	Community Facilities	Libraries	20	20	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5866: FORUM - AIR CONDITIONERS	Community Facilities	Libraries	20	20	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5867: FORUM - BLINDS	Furniture and Equipment	Furniture and Equipment	10	10	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5868: FORUM - NAME-PLATE	Furniture and Equipment	Furniture and Equipment	7	7	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5869: FORUM - UPGRADE POWER SUPPLY TO LIBRARY	Electrical Infrastructure	LV Networks	99	99	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5870: PABALLELO - NAME-PLATE	Furniture and Equipment	Furniture and Equipment	7	7	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5871: ROSEDALE - NEW ENTRANCE DOOR	Community Facilities	Libraries	5	5	-	-	-

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

Municipal Vote/Capital project	Program/Project description	Asset Class	Asset Sub-Class	Total Project Estimate	Prior year outcomes	2018/19 Medium Term Revenue & Expenditure Framework		
					Current Year 2017/18 Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand		3	3					
1004: MASINCEDANE LIBRARY PROJECT	5872: ROSEDALE - BURGLAR DOOR	Community Facilities	Libraries	6	6	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5873: ROSEDALE - NAME-PLATE	Furniture and Equipment	Furniture and Equipment	7	7	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5874: ROSEDALE - FRIDGE	Furniture and Equipment	Furniture and Equipment	3	3	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5875: RIETFOONTEIN - AIRCON	Community Facilities	Libraries	20	20	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5876: RIETFOONTEIN - DESK	Furniture and Equipment	Furniture and Equipment	3	3	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5877: RIETFOONTEIN - SECRETARY CHAIR	Furniture and Equipment	Furniture and Equipment	2	2	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5878: RIETFOONTEIN - CABINET WITH DRAWERS	Furniture and Equipment	Furniture and Equipment	2	2	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5879: RIETFOONTEIN - CURTAINS	Furniture and Equipment	Furniture and Equipment	15	15	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5880: RIETFOONTEIN - CARPET (3X3)	Furniture and Equipment	Furniture and Equipment	2	2	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5881: RIETFOONTEIN - NAME-PLATE	Furniture and Equipment	Furniture and Equipment	11	11	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5882: LOUBOS - CABINET WITH DRAWERS	Furniture and Equipment	Furniture and Equipment	2	2	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5883: LOUBOS - DESK	Furniture and Equipment	Furniture and Equipment	3	3	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5884: LOUBOS - SECRETARY CHAIR	Furniture and Equipment	Furniture and Equipment	2	2	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5885: LOUBOS - CARPET (3X3)	Furniture and Equipment	Furniture and Equipment	2	2	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5886: LOUBOS - NAME-PLATE	Furniture and Equipment	Furniture and Equipment	11	11	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5887: KLEIN MIER - AIRCON	Community Facilities	Libraries	20	20	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5888: KLEIN MIER - DESK	Furniture and Equipment	Furniture and Equipment	3	3	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5889: KLEIN MIER - SECRETARY CHAIR	Furniture and Equipment	Furniture and Equipment	2	2	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5890: KLEIN MIER - CABINET WITH DRAWERS	Furniture and Equipment	Furniture and Equipment	2	2	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5891: KLEIN MIER - CARPET (3X3)	Furniture and Equipment	Furniture and Equipment	2	2	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5892: KLEIN MIER - NAME-PLATE	Furniture and Equipment	Furniture and Equipment	11	11	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5893: PHILANDERSBRON - AIRCON	Community Facilities	Libraries	20	20	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5894: PHILANDERSBRON - DESK	Furniture and Equipment	Furniture and Equipment	3	3	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5895: PHILANDERSBRON - SECRETARY CHAIR	Furniture and Equipment	Furniture and Equipment	2	2	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5896: PHILANDERSBRON - CABINET WITH DRAWERS	Furniture and Equipment	Furniture and Equipment	2	2	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5897: PHILANDERSBRON - NAME-PLATE	Furniture and Equipment	Furniture and Equipment	11	11	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5898: PHILANDERSBRON - CARPET (3X3)	Furniture and Equipment	Furniture and Equipment	2	2	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5899: WELKOM - AIRCON	Community Facilities	Libraries	20	20	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5900: WELKOM - DESK	Furniture and Equipment	Furniture and Equipment	3	3	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5901: WELKOM - SECRETARY CHAIR	Furniture and Equipment	Furniture and Equipment	2	2	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5902: WELKOM - CABINET WITH DRAWERS	Furniture and Equipment	Furniture and Equipment	2	2	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5903: WELKOM - CARPET (3X3)	Furniture and Equipment	Furniture and Equipment	2	2	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5904: WELKOM - NAME-PLATE	Furniture and Equipment	Furniture and Equipment	11	11	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5905: WELKOM - CABINET WITH DRAWERS	Furniture and Equipment	Furniture and Equipment	2	2	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	5906: WELKOM - SECRETARY CHAIR	Furniture and Equipment	Furniture and Equipment	2	2	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6098: LAPTOP (SENIOR BIBLIOTEKARIS) (ROLL-OVER)	Computer Equipment	Computer Equipment	15	15	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6099: LAPTOP (BIBLIOTEKARIS - PABALLELO) (ROLL-OVER)	Computer Equipment	Computer Equipment	15	15	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6100: LAPTOP (BIBLIOTEKARIS - FORUM) (ROLL-OVER)	Computer Equipment	Computer Equipment	15	15	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6101: LAPTOP (BIBLIOTEK ASSISTENT) (ROLL-OVER)	Computer Equipment	Computer Equipment	15	15	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6102: VOERTUIG (LIGTE BAKKIE) VIR RIETFOONTEIN	Transport Assets	Transport Assets	130	130	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6103: VERSKUIF INGANG VAN BIBLIOTEK PHILANDERSBRON	Community Facilities	Libraries	9	9	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6104: ALARMSTELSEL VIR 7 BIBLIOTEKE (ROLL-OVER)	Community Facilities	Libraries	70	70	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6105: VEILIGHEIDSDEURE EN VENSTERS BY BIBLIOTEKE	Community Facilities	Libraries	45	45	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6106: 7 TAFELS EN35 STOELE VIR BIBLIOTEKE (ROLL-OV	Community Facilities	Libraries	21	21	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6107: INSTALLEER VAN 16 RAKKE SWARTKOPSDAM EN NOEN	Community Facilities	Libraries	48	48	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6108: LUGVERSORGING VIR GROOT MIER EN LOUBOS	Community Facilities	Libraries	15	15	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6109: KRAGAANSLUITING (KRAGBOKS) VIR NUWE BIB GEB	Community Facilities	Libraries	4	4	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6110: OMHEINING VAN NUWE BIBLIOTEKGEBOUE (ROLL-OVE	Community Facilities	Libraries	71	71	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6111: INSTALLLEER VAN SONKRAG NOENIEPUT EN SWARTKO	Community Facilities	Libraries	35	35	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6112: TEELS VIR KINDERAFDELING HOOFBIBLIOTEK UPIN	Community Facilities	Libraries	26	26	-	-	-

Table 62 MBRR SA36: Detailed capital budget per municipal vote (continued)

Municipal Vote/Capital project R thousand	Program/Project description	Asset Class 3	Asset Sub-Class 3	Total Project Estimate	Prior year outcomes	2018/19 Medium Term Revenue & Expenditure Framework		
					Current Year 2017/18 Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
1004: MASINCEDANE LIBRARY PROJECT	6113: 4 AIRCONS BY HOOFBIB IN UPINGTON (ROLL-OVER)	Community Facilities	Libraries	80	80	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6114: 2 AIRCONS BY FORUMBIBLOTEEK (ROLL-OVER)	Community Facilities	Libraries	40	40	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6115: TEELS VIR STUDIE AREAS PABALLELO BIBLIOTEEK	Community Facilities	Libraries	25	25	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6116: BESPROEINGSTELSEL TUIN PABALLELO BIBLIOTEEK	Community Facilities	Libraries	11	11	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6117: STOELE VIR VERSKEIE BIBLIOTHEKE (ROLL-OVER)	Community Facilities	Libraries	8	8	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6118: LIFE TIME TABLE RIETFONTEIN (ROLL-OVER)	Community Facilities	Libraries	1	1	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6119: LIFE TIME TABLE RIETFONTEIN (ROLL-OVER)	Community Facilities	Libraries	1	1	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6120: LIFE TIME TABLE RIETFONTEIN (ROLL-OVER)	Community Facilities	Libraries	1	1	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6121: MAINSTAY TABLE RIETFONTEIN (ROLL-OVER)	Community Facilities	Libraries	1	1	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6122: LIFE TIME TABLE KLEIN MIER (ROLL-OVER)	Community Facilities	Libraries	1	1	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6123: LIFE TIME TABLE KLEIN MIER (ROLL-OVER)	Community Facilities	Libraries	1	1	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6124: LIFE TIME TABLE KLEIN MIER (ROLL-OVER)	Community Facilities	Libraries	1	1	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6125: LIFE TIME TABLE LOUBOS (ROLL-OVER)	Community Facilities	Libraries	1	1	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6126: LIFE TIME TABLE LOUBOS (ROLL-OVER)	Community Facilities	Libraries	1	1	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6127: LIFE TIME TABLE PHILANDERSBRON (ROLL-OVER)	Community Facilities	Libraries	1	1	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6128: LIFE TIME TABLE PHILANDERSBRON (ROLL-OVER)	Community Facilities	Libraries	1	1	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6129: LIFE TIME TABLE WELKOM (ROLL-OVER)	Community Facilities	Libraries	1	1	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6130: LIFE TIME TABLE WELKOM (ROLL-OVER)	Community Facilities	Libraries	1	1	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	6131: LIFE TIME TABLE WELKOM (ROLL-OVER)	Community Facilities	Libraries	1	1	-	-	-
1004: MASINCEDANE LIBRARY PROJECT	BLINDS MAIN LIBRARY	Community Facilities	Libraries	26	-	26	-	-
1004: MASINCEDANE LIBRARY PROJECT	BURGLAR BARS MIER LIBRARIES	Community Facilities	Libraries	104	-	104	-	-
1004: MASINCEDANE LIBRARY PROJECT	PALLISADE (LOUBOS)	Community Facilities	Libraries	87	-	87	-	-
1004: MASINCEDANE LIBRARY PROJECT	LIBRARY UPGRADES	Community Facilities	Libraries	435	-	-	217	217
1005: MUNICIPAL DEMARCATION TRANSITION GRA	UPGRADE - IMIS SYSTEM	Licences and Rights	Computer Software	2 300	2 300	-	-	-
1005: MUNICIPAL DEMARCATION TRANSITION GRA	UPGRADE - IMIS SCANNER	Licences and Rights	Computer Software	59	59	-	-	-
1005: MUNICIPAL DEMARCATION TRANSITION GRA	UPGRADE - IMIS SERVER	Licences and Rights	Computer Software	188	188	-	-	-
1005: MUNICIPAL DEMARCATION TRANSITION GRA	UPGRADE - NETWORK UPGRADE	Licences and Rights	Computer Software	11 031	11 031	-	-	-
1005: MUNICIPAL DEMARCATION TRANSITION GRA	UPGRADE - COMPUTER EQUIPMENT	Computer Equipment	Computer Equipment	2 288	2 288	-	-	-
1022: EEDSM	EEDSM 2018/2019	Electrical Infrastructure	LV Networks	9 565	-	2 609	3 478	3 478
1022: EEDSM	PURCHASE OF ERF 702	Non-revenue Generating	Unimproved Property	650	-	650	-	-
1022: ENERGY EFFICIENCY & DEMAND SIDE	5907: EEDSM GRANT 2017-2018	Electrical Infrastructure	LV Networks	4 360	4 360	-	-	-
				-				
Parent Capital expenditure						127 478	36 190	30 433
Entities:								
Entity Capital expenditure					-	-	-	-
Total Capital expenditure					116 242	127 478	36 190	30 433

2.13 Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting
Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Mayor (within 10 working days) has progressively improved.
2. Internship programme
The municipality is participating in the Municipal Financial Management Internship programme and has employed five interns undergoing training in various divisions of the Financial Services Department. Since the introduction of the Internship programme the municipality has successfully employed and trained four other interns through this programme and all of them were appointed in the municipality.
3. Budget and Treasury Office
The Budget and Treasury Office has been established in accordance with the MFMA.
4. Audit Committee
An Audit Committee has been established and is fully functional.
5. Service Delivery and Implementation Plan
The detail SDBIP document is at a draft stage and will be tabled to Council on the 27th of March 2018. The SDBIP is directly aligned and informed by the 2018/2019 MTREF.
6. Annual Report
Annual report is compiled in terms of the MFMA and National Treasury requirements.

7. MFMA Training

The MFMA training module in electronic format is presented at the municipality's internal centres and training is on-going.

8. Policies

An amendment of the Municipal Property Rates Regulations as published in Government Notice 363 of 27 March 2009 was announced in Government Gazette 33016 on 12 March 2010. The ratios as prescribed in the Regulations have been complied with.

2.14 Other supporting documents

Table 63 MBRR Table SA1 - Supporting detail to budgeted financial performance

Description	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand								
REVENUE ITEMS:								
Property rates								
Total Property Rates	83 630	108 133	103 940	103 940	103 940	110 177	116 788	124 379
less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)	8 224	10 884	10 109	10 109	10 109	10 715	11 358	12 096
Net Property Rates	75 406	97 249	93 832	93 832	93 832	99 462	105 429	112 282
Service charges - electricity revenue								
Total Service charges - electricity revenue	246 332	278 289	282 858	282 858	282 858	322 006	341 327	363 513
less Revenue Foregone (in excess of 50 kwh per indigent household per month)								
less Cost of Free Basis Services (50 kwh per indigent household per month)	4 085	4 176	4 707	4 707	4 707	5 350	5 671	6 040
Net Service charges - electricity revenue	242 247	274 113	278 151	278 151	278 151	316 656	335 656	357 473
Service charges - water revenue								
Total Service charges - water revenue	50 258	68 702	61 871	61 871	61 871	67 095	71 121	75 744
less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)								
less Cost of Free Basis Services (6 kilolitres per indigent household per month)	2 673	2 476	2 413	2 413	2 413	4 109	4 355	4 638
Net Service charges - water revenue	47 585	66 226	59 458	59 458	59 458	62 987	66 766	71 106
Service charges - sanitation revenue								
Total Service charges - sanitation revenue	33 826	41 520	41 319	41 319	41 319	43 763	46 389	49 405
less Revenue Foregone (in excess of free sanitation service to indigent households)								
less Cost of Free Basis Services (free sanitation service to indigent households)	6 562	7 285	7 920	7 920	7 920	9 106	9 653	10 280
Net Service charges - sanitation revenue	27 264	34 235	33 399	33 399	33 399	34 657	36 736	39 124
Service charges - refuse revenue								
Total refuse removal revenue	26 504	37 958	34 213	34 213	34 213	42 065	44 588	47 487
Total landfill revenue								
less Revenue Foregone (in excess of one removal a week to indigent households)								
less Cost of Free Basis Services (removed once a week to indigent households)	6 241	8 305	7 587	7 587	7 587	8 770	9 296	9 900
Net Service charges - refuse revenue	20 263	29 653	26 626	26 626	26 626	33 295	35 292	37 586
Other Revenue by source								
Other Revenue	3 830	4 019	4 206	4 206	4 206	1 201	896	950
Commission	484	—	—	—	—	—	—	—
Skills Development Levy Refund	—	212	212	212	212	300	320	339
Building Plan Approval	698	765	870	870	870	900	954	1 016
Advertising	—	500	—	—	—	—	—	—
Capital Contribution	—	562	2 000	2 000	2 000	—	—	—
Insurance Claims	140	212	500	500	500	—	—	—
Administrative Handling Fees	258	325	325	325	325	26	28	29
Recovery Commission	—	959	844	844	844	—	—	—
Vehicle Testing	—	393	300	300	300	—	—	—
Entrance Fees	—	265	300	300	300	1 288	1 365	1 454
Cemetery and Burial	—	201	200	200	200	212	225	239
Fair Value Gains on Investments	22 523	5 300	5 300	5 300	5 300	10 000	10 500	11 078
Actuarial Gain	4 011	—	—	—	—	—	—	—
Employee Housing	—	0	—	—	—	—	—	—
Town Planning and Servitudes	2 599	—	—	—	—	3 000	3 180	3 387
Sub-Division and Consolidation Fees	259	—	—	—	—	2 000	2 120	2 258
Encroachment Fees	—	—	—	—	—	10	11	11
Camping Fees	—	—	—	—	—	265	281	299
Application Fees for Land Usage	—	—	—	—	—	18	19	20
Side Line Recoupment	77	—	—	—	—	—	—	—
Total 'Other' Revenue	34 879	13 714	15 056	9 556	9 556	19 220	19 897	21 080

Table 63 MBRR Table SA1 - Supporting detail to budgeted financial performance (continue)

Description	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand								
EXPENDITURE ITEMS:								
Employee related costs								
Basic Salaries and Wages	155 593	183 629	190 329	190 329	190 329	215 481	229 487	243 256
Pension and UIF Contributions	38 934	33 312	33 451	33 451	33 451	34 972	37 245	39 480
Medical Aid Contributions	—	15 683	13 706	13 706	13 706	15 201	16 189	17 161
Overtime	15 812	12 230	19 559	19 559	19 559	19 685	20 964	22 222
Performance Bonus	984	986	1 140	1 140	1 140	1 082	1 152	1 221
Motor Vehicle Allowance	10 272	4 023	4 293	4 293	4 293	4 768	5 078	5 383
Cellphone Allowance	—	—	42	42	42	89	95	101
Housing Allowances	1 566	1 937	824	824	824	850	905	960
Other benefits and allowances	—	7 036	9 451	9 451	9 451	8 824	9 397	9 961
Payments in lieu of leave	—	1 715	1 715	1 715	1 715	2 000	2 100	2 216
Long service awards	—	106	40	40	40	42	44	47
Post-retirement benefit obligations	—	—	—	—	—	22 500	26 275	27 733
sub-total	223 162	260 658	274 550	274 550	274 550	325 494	348 933	369 740
Less: Employees costs capitalised to PPE	1 260	1 008	525	525	525	—	—	—
Total Employee related costs	221 902	259 650	274 025	274 025	274 025	325 494	348 933	369 740
Contributions recognised - capital								
Depreciation & asset impairment								
Depreciation of Property, Plant & Equipment	93 761	80 534	80 538	80 538	80 538	95 594	100 385	105 919
Lease amortisation	—	—	—	—	—	—	—	—
Capital asset impairment	—	—	—	—	—	—	—	—
Depreciation resulting from revaluation of PPE	—	—	—	—	—	—	—	—
Total Depreciation & asset impairment	93 761	80 534	80 538	80 538	80 538	95 594	100 385	105 919
Bulk purchases								
Electricity Bulk Purchases	153 934	165 476	170 000	170 000	170 000	178 500	187 425	197 733
Water Bulk Purchases	5 326	12 500	13 085	13 085	13 085	7 791	8 181	8 630
Total bulk purchases	159 260	177 976	183 085	183 085	183 085	186 291	195 606	206 364
Transfers and grants								
Cash transfers and grants	464	610	867	867	867	862	905	955
Non-cash transfers and grants	—	—	—	—	—	—	—	—
Total transfers and grants	464	610	867	867	867	862	905	955
Contracted services								
Contractual Costs	—	1 880	10	10	10	—	—	—
Audit Committee	—	5 534	164	164	164	171	179	189
Legal Advice and Litigation	646	1 300	1 700	1 700	1 700	1 263	1 326	1 399
Commission	2 339	—	—	—	—	—	—	—
Security Services	—	100	400	400	400	474	498	525
Professional Fees	4 159	9 862	5 397	5 397	5 397	—	—	—
Maintenance - Equipment	—	—	30	30	30	140	147	155
Maintenance - Other Assets	—	—	358	358	358	1 224	1 286	1 356
Maintenance - Infrastructure	—	—	3 206	3 206	3 206	2 600	2 730	2 880
Maintenance - Buildings	—	—	775	775	775	846	888	937
Tracking Agents and Debt Collectors	—	64	127	127	127	133	140	148
Masterplans	—	750	—	—	—	—	—	—
Contractors - Functions	—	—	84	84	84	—	—	—
Contractors - Catering	—	—	164	164	164	244	256	270
Contractors - Sound	—	—	168	168	168	—	—	—
Contractors - Valuers	—	—	250	250	250	—	—	—
Contractors - Medical	—	—	200	200	200	—	—	—
Contractors - Assets	—	—	748	748	748	—	—	—
Contractors - Surveys	—	—	836	836	836	—	—	—
Contractors - Removal Services	—	—	801	801	801	—	—	—
Contractors - water	—	—	928	928	928	—	—	—
Contractors - Vehicles	—	—	900	900	900	—	—	—
Financial Systems	116	—	—	—	—	—	—	—
Gijima	51	—	—	—	—	—	—	—
IMIS	184	—	—	—	—	—	—	—
Repairs and Maintenance	5 784	—	—	—	—	—	—	—
Maintenance of Community Assets	—	—	—	—	—	593	622	657
Upgrading of Guest House for Homestay Project	122	—	—	—	—	—	—	—
Vehicle Tracking System	111	—	—	—	—	—	—	—
Other	1 740	—	—	—	—	—	—	—
Valuer and Assessors	—	—	—	—	—	2 227	2 339	2 467
Maintenance of Intangible Assets	—	—	—	—	—	490	515	543
Litter Picking and Street Cleaning	—	—	—	—	—	300	315	332
Refuse Removal Contractors	—	—	—	—	—	500	525	554
Water Laboratory Services	—	—	—	—	—	1 228	1 289	1 360
Plants, Flowers and Other Decorations	—	—	—	—	—	7	8	8
Alien Vegetation Control	—	—	—	—	—	55	58	61
Pest Control and Fumigation	—	—	—	—	—	11	12	12
Research and Advisory	—	—	—	—	—	480	504	532
Auctioneers	—	—	—	—	—	7	7	8
Fire Protection Services	—	—	—	—	—	64	67	70
Cleaning and Grass Cutting	—	—	—	—	—	50	53	55
Sewerage Services	—	—	—	—	—	450	473	498
Roads Laboratory Services	—	—	—	—	—	6	6	6
Business and Financial Management	—	—	—	—	—	3 399	3 569	3 765
Stage and Sound	—	—	—	—	—	160	168	177
Audio-Visual Services	—	—	—	—	—	25	26	28
Artists and Performers	—	—	—	—	—	52	55	58
Hygiene Services	—	—	—	—	—	6	6	7
Medical Examinations	—	—	—	—	—	250	263	277
First Aid Contractors	—	—	—	—	—	11	11	12
Employee Wellness Contractors	—	—	—	—	—	200	210	222
Qualification Verification	—	—	—	—	—	30	32	33
Civil Engineering	—	—	—	—	—	95	100	105
Organisational	—	—	—	—	—	1 830	1 922	2 027
Cleaning Services	—	—	—	—	—	1	1	1
Land and Quantity Surveyors	—	—	—	—	—	1 792	1 792	1 891
Town Planners	—	—	—	—	—	546	573	605
Geo-detic Control and Surveys	—	—	—	—	—	137	143	151
Geo-Informatic Services (EIA)	—	—	—	—	—	341	358	378
sub-total	15 252	19 490	17 247	17 247	17 247	22 352	23 469	24 760
Allocations to organs of state:								
Total contracted services	15 252	19 490	17 247	17 247	17 247	22 352	23 469	24 760

Table 63 MBRR Table SA1 - Supporting detail to budgeted financial performance (continue)

Description	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand								
Other Expenditure By Type								
Collection costs								
Contributions to 'other' provisions	15 150	12 500	12 500	12 500	12 500	-	-	-
Consultant fees	-	-	-	-	-	-	-	-
Audit fees	6 970	-	5 626	5 626	5 626	5 626	5 907	6 232
General expenses	2 666	15 280	5 208	5 208	5 208	3 149	3 307	3 489
Telephone and Postage	4 113	4 445	3 275	3 275	3 275	3 570	3 749	3 955
Black Plastic Bags	1 645	-	-	-	-	-	-	-
Chemicals and Fertilizers	2 205	-	-	-	-	-	-	-
Cleaning Material	446	-	-	-	-	-	-	-
Entertainment Costs	148	-	-	-	-	-	-	-
Insurance Cost	1 139	-	-	-	-	-	-	-
Laboratory Analysis	731	-	-	-	-	-	-	-
Operating Costs PMU	2 523	-	-	-	-	-	-	-
Printing and Stationary	1 332	-	-	-	-	-	-	-
Seminars	377	92	653	653	653	154	162	171
Hire Charges	85	-	527	527	527	745	783	826
Insurance	-	1 453	-	-	-	1 940	2 037	2 149
Professional Bodies	-	-	2 183	2 183	2 183	2 766	2 905	3 065
Ward Councillors	-	-	960	960	960	960	1 022	1 084
Travel and Subsistence	2 181	2 065	2 476	2 476	2 476	2 988	3 137	3 310
System Charges	-	-	734	734	734	767	806	850
Fuel & Oil	7 649	9 000	9 000	9 000	9 000	-	-	-
Bank Charges	1 604	1 635	1 470	1 470	1 470	1 485	1 559	1 645
Commission	1 136	4 042	3 995	3 995	3 995	4 307	4 522	4 771
Bad Debt Written Off	-	-	-	-	-	5 500	5 775	6 093
Licences Expenditure	-	2 033	1 489	1 489	1 489	-	-	-
Printing, Publications and Books	-	-	862	862	862	217	228	240
Amalgamation Expenditure	-	4 565	-	-	-	-	-	-
Vehicle Tracking	-	-	350	350	350	350	368	388
Indigent Relief	-	-	-	-	-	-	-	-
Ward Committee	-	960	-	-	-	-	-	-
Consumable Items	5 432	6 372	-	-	-	-	-	-
Membership Fees	1 175	2 248	2	2	2	-	-	-
Actuarial	-	10 000	10 000	10 000	10 000	-	-	-
Training	-	551	-	-	-	-	-	-
Assets less than Capitalisation Threshold	-	-	-	-	-	230	242	255
Advertising	257	-	-	-	-	417	438	462
Uniform and Protective Clothing	704	-	-	-	-	1 470	1 543	1 628
Software Licences	1 608	-	-	-	-	1 369	1 438	1 517
Radio and TV licences	-	-	-	-	-	105	110	116
Supplier and Development Programme	-	-	-	-	-	58	61	64
Postage, Stamps and Franking Machines	-	-	-	-	-	1 055	1 108	1 169
Municipal Consumption	264	261	-	-	-	27 275	28 856	30 674
Total 'Other' Expenditure	61 541	77 501	61 309	61 309	61 309	66 504	70 061	74 150
Repairs and Maintenance								
Other materials	11 216	18 435	17 985	17 985	17 985	10 023	10 524	11 103
Contracted Services	-	-	-	-	-	5 893	6 188	6 528
Total Repairs and Maintenance Expenditure	11 216	18 435	17 985	17 985	17 985	15 916	16 712	17 631

**Table 64 MBRR Table SA2 – Matrix financial performance budget
(Revenue source / expenditure type and department)**

Description	Vote 1 - Municipal Manager	Vote 2 - Corporate Services	Vote 3 - Budget & Treasury Office	Vote 4 - Community Services	Vote 5 - Technical Director	Vote 6 - Electro Mech Services	Vote 7 - Civil Engineering Services	Vote 8 - Planning and Development Services	Total
R thousand									
Revenue By Source									
Property rates	-	-	99 462	-	-	-	-	-	99 462
Service charges - electricity revenue	-	-	-	-	-	316 656	-	-	316 656
Service charges - water revenue	-	-	-	-	-	-	62 987	-	62 987
Service charges - sanitation revenue	-	-	-	-	-	-	34 657	-	34 657
Service charges - refuse revenue	-	-	-	33 295	-	-	-	-	33 295
Rental of facilities and equipment	-	4 545	-	118	-	-	-	3 324	7 987
Interest earned - external investments	-	-	4 350	-	-	-	-	-	4 350
Interest earned - outstanding debtors	-	-	3 000	-	-	-	-	-	3 000
Fines, penalties and forfeits	-	110	-	5 442	-	-	-	150	5 702
Licences and permits	-	-	-	1 971	-	-	-	15	1 986
Other revenue	-	11 039	14	1 754	-	24	104	6 284	19 220
Transfers and subsidies	-	-	82 049	2 713	-	2 217	1 304	4 937	93 221
Gains on disposal of PPE	-	29 086	-	-	-	-	-	-	29 086
Total Revenue (excluding capital transfers and contributions)	-	44 780	188 875	45 292	-	318 898	99 052	14 710	711 607
Expenditure By Type									
Employee related costs	54 402	28 157	36 191	96 254	-	20 947	66 170	23 373	325 494
Remuneration of councillors	11 571	-	-	-	-	-	-	-	11 571
Depreciation & asset impairment	121	5 497	1 292	23 622	-	19 569	44 709	785	95 594
Finance charges	-	-	5	-	-	5 216	7 003	-	12 225
Bulk purchases	-	-	-	-	-	178 500	7 791	-	186 291
Other materials	96	1 223	330	5 744	-	15 658	6 466	730	30 247
Contracted services	611	3 559	5 598	1 464	-	1 917	5 765	3 438	22 352
Transfers and subsidies	446	-	-	166	-	250	-	-	862
Other expenditure	2 281	5 889	22 330	1 846	-	26 275	6 896	988	66 504
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-
Total Expenditure	69 528	44 324	65 746	129 096	-	268 333	144 799	29 314	751 140
Surplus/(Deficit)	(69 528)	456	123 129	(83 804)	-	50 564	(45 747)	(14 604)	(39 534)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	-	-	217	-	14 783	8 696	20 365	44 060
Surplus/(Deficit) after capital transfers & contributions	(69 528)	456	123 129	(83 587)	-	65 347	(37 051)	5 761	4 527

Table 65 MBRR Table SA3 – Supporting detail to Statement of Financial Position

Description	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand								
ASSETS								
<u>Call investment deposits</u>								
Total Call investment deposits	–	–	–	–	–	–	–	–
<u>Consumer debtors</u>								
Consumer debtors	109 699	67 690	93 940	81 574	81 574	80 112	100 838	114 838
Less: Provision for debt impairment	(38 079)	(10 625)	(10 625)	(10 625)	(10 625)	(16 125)	(21 900)	(27 992)
Total Consumer debtors	71 620	57 066	83 316	70 949	70 949	63 987	78 938	86 845
<u>Debt impairment provision</u>								
Balance at the beginning of the year	(28 343)	(10 625)	(10 625)	(10 625)	(10 625)	(10 625)	(16 125)	(21 900)
Contributions to the provision	(18 409)	5 000	5 300	5 300	5 300	–	–	–
Bad debts written off	8 673	(5 000)	(5 300)	(5 300)	(5 300)	(5 500)	(5 775)	(6 093)
Balance at end of year	(38 079)	(10 625)	(10 625)	(10 625)	(10 625)	(16 125)	(21 900)	(27 992)
<u>Property, plant and equipment (PPE)</u>								
PPE at cost/valuation (excl. finance leases)	2 561 303	2 559 350	2 666 862	2 663 256	2 663 256	2 788 494	2 824 684	2 855 117
Leases recognised as PPE								
Less: Accumulated depreciation	756 987	833 808	837 524	838 117	838 117	933 710	1 034 096	1 140 015
Total Property, plant and equipment (PPE)	1 804 316	1 725 542	1 829 338	1 825 139	1 825 139	1 854 784	1 790 589	1 715 102
LIABILITIES								
<u>Current liabilities - Borrowing</u>								
Current portion of long-term liabilities	8 716	8 912	10 162	10 162	10 162	10 000	12 000	13 000
Total Current liabilities - Borrowing	8 716	8 912	10 162	10 162	10 162	10 000	12 000	13 000
<u>Trade and other payables</u>								
Trade and other creditors	85 691	49 052	49 052	80 000	80 000	87 500	89 000	69 000
Unspent conditional transfers	19 144	–	–	–	–	–	–	–
VAT	3 580	5 500	5 500	5 500	5 500	8 000	6 000	6 000
Total Trade and other payables	108 415	54 552	54 552	85 500	85 500	95 500	95 000	75 000
<u>Non current liabilities - Borrowing</u>								
Borrowing	104 021	104 995	114 995	102 914	102 914	89 077	71 077	52 077
Total Non current liabilities - Borrowing	104 021	104 995	114 995	102 914	102 914	89 077	71 077	52 077
<u>Provisions - non-current</u>								
Retirement benefits	104 253	115 328	115 328	116 753	116 753	139 253	165 528	193 261
List other major provision items								
Refuse landfill site rehabilitation	157 925	16 426	16 426	157 925	157 925	157 925	157 925	157 925
Other	–	31 866	31 866	–	–	–	–	–
Total Provisions - non-current	262 178	163 620	163 620	274 678	274 678	297 178	323 453	351 186
CHANGES IN NET ASSETS								
<u>Accumulated Surplus/(Deficit)</u>								
Accumulated Surplus/(Deficit) - opening balance	1 996 037	2 012 366	2 012 366	1 984 223	1 984 223	2 012 343	2 016 870	1 986 178
Restated balance	1 996 037	2 012 366	2 012 366	1 984 223	1 984 223	2 012 343	2 016 870	1 986 178
Surplus/(Deficit)	(11 813)	25 155	28 120	28 120	28 120	4 527	(30 692)	(25 802)
Other adjustments	–	–	103 162	–	–	–	–	–
Accumulated Surplus/(Deficit)	1 984 223	2 037 521	2 143 648	2 012 343	2 012 343	2 016 870	1 986 178	1 960 375
<u>Reserves</u>								
Total Reserves	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	1 984 223	2 037 521	2 143 648	2 012 343	2 012 343	2 016 870	1 986 178	1 960 375

Table 66 MBRR Table SA9 – Social, economic and demographic statistics and assumptions

Description of economic indicator	Basis of calculation	2001 Census	2007 Survey	2011 Census	2014/15	2015/16	2016/17	Current Year 2017/18	2018/19 Medium Term Revenue & Expenditure Framework		
					Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics											
Population	The 80-20 Report on Local Government				100	93	93	93	93	93	93
Females aged 5 - 14	The 80-20 Report on Local Government										
Males aged 5 - 14	The 80-20 Report on Local Government				Information not available	Information not available	Information not available	Information not available	Information not available	Information not available	Information not available
Females aged 15 - 34	The 80-20 Report on Local Government										
Males aged 15 - 34	The 80-20 Report on Local Government										
Unemployment	The 80-20 Report on Local Government										
Monthly Household income (no. of households)											
None	The 80-20 Report on Local Government				Information not available			2 278	2 278	2 278	2 278
R1 - R1 600	The 80-20 Report on Local Government				Information not available			5 439	5 439	5 439	5 439
R1 601 - R3 200	The 80-20 Report on Local Government				Information not available			4 579	4 579	4 579	4 579
R3 201 - R6 400	The 80-20 Report on Local Government				Information not available			3 766	3 766	3 766	3 766
R6 401 - R12 800	The 80-20 Report on Local Government				Information not available			3 347	3 347	3 347	3 347
R12 801 - R25 600	The 80-20 Report on Local Government				Information not available			2 278	2 278	2 278	2 278
R25 601 - R51 200	The 80-20 Report on Local Government				Information not available			1 093	1 093	1 093	1 093
R52 201 - R102 400	The 80-20 Report on Local Government				Information not available			302	302	302	302
R102 401 - R204 800	The 80-20 Report on Local Government				Information not available			116	116	116	116
R204 801 - R409 600	The 80-20 Report on Local Government				Information not available						
R409 601 - R819 200	The 80-20 Report on Local Government				Information not available			70	70	70	70
> R819 200	The 80-20 Report on Local Government				Information not available						
Poverty profiles (no. of households)											
< R2 060 per household per month	The 80-20 Report on Local Government				Information not available			8 554	8 554	8 554	8 554
Insert description											
Household/demographics (000)											
Number of people in municipal area	The 80-20 Report on Local Government				Information not available			93	93	93	93
Number of poor people in municipal area					Information not available			-	-	-	-
Number of households in municipal area					Information not available			23	23	23	23
Number of poor households in municipal area					Information not available			9	9	9	9
Definition of poor household (R per month)	The 80-20 Report on Local Government				Information not available			< than R	< than R	< than R	< than R
Housing statistics											
Formal	The 80-20 Report on Local Government				Information not available						
Informal											
Total number of households		-	-	-	-	-	-	-	-	-	-
Dwellings provided by municipality											
Dwellings provided by province/s											
Dwellings provided by private sector											
Total new housing dwellings		-	-	-	-	-	-	-	-	-	-
Economic											
Inflation/inflation outlook (CPIX)					0.0%	0.0%	0.0%	5.6%	4.8%	5.9%	5.6%
Interest rate - borrowing					0.0%	0.0%	0.0%	Fixed Rates	Fixed Rates	Fixed Rates	Fixed Rates
Interest rate - investment					0.0%	0.0%	0.0%	5.5%	5.5%	5.5%	5.5%
Remuneration increases					0.0%	0.0%	6.8%	6.8%	7.0%	7.0%	7.0%
Consumption growth (electricity)					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Consumption growth (water)					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Collection rates											
Property tax/service charges				%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%
Rental of facilities & equipment				%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%	98.0%
Interest - external investments				%	Quotation	Quotation	Quotation	Quotation	Quotation	Quotation	Quotation
Interest - debtors				%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Revenue from agency services				%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%

Table 68 MBRR SA32 – List of external mechanisms

External mechanism	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
Name of organisation		Number			R thousand
BIQ	Yrs	Ongoing	Information System - Financial System	Ongoing	250
IMIS	Yrs	Ongoing	Information System - Financial System	Ongoing	400
				Ongoing - 30 Days	
Alltech Netstar Fleet Solutions	Mths	Ongoing	Satellite Tracking System for Vehicles	Notice Period	348
Team Mate	Yrs	Ongoing	Information System - Financial System	Ongoing	18
			Rental of Offices for Councillors and Ward		
Help U Agencies	Yrs	4	Committee Members	Ongoing	5
RWT Trading	Yrs	2	Rental of Offices for Councillors and Ward Committee	Ongoing	5

2.15 Municipal manager's quality certificate

I _____, Municipal Manager of Dawid Kruiper Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

ELIAS NTOBA

Municipal Manager of Dawid Kruiper Municipality (NC087)

27 March 2018