



**ANNUAL BUDGET  
OF  
Makhuduthamaga Local Municipality**

**2015/2016**

**To**

**2017/2018**

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## Abbreviations and Acronyms

BPC	Budget Planning Committee	MIG	Municipal Infrastructure Grant
CFO	Chief Financial Officer	MPRA	Municipal Properties Rates Act
MM	Municipal Manager	MSA	Municipal Systems Act
CPI	Consumer Price Index	MTEF	Medium-term Expenditure Framework
CRRF	Capital Replacement Reserve Fund	MTREF	Medium-term Revenue and Expenditure Framework
DoRA	Division of Revenue Act	NGO	Non-Governmental organisations
EE	Employment Equity	NKPIs	National Key Performance Indicators
FBS	Free basic services	OHS	Occupational Health and Safety
GAMAP	Generally Accepted Municipal Accounting Practice	OP	Operational Plan
GRAP	General Recognised Accounting Practice	PMS	Performance Management System
HR	Human Resources	PPE	Property Plant and Equipment
IDP	Integrated Development Strategy	PPP	Public Private Partnership
IT	Information Technology	RG	Restructuring Grant
km	kilometre	SALGA	South African Local Government Association
DFS	Government Financial Statistics	SDBIP	Service Delivery Budget Implementation Plan
KPA	Key Performance Area	SMME	Small Micro and Medium Enterprises
KPI	Key Performance Indicator	DOE	Department of Energy
LED	Local Economic Development		
MEC	Member of the Executive Committee		
MFMA	Municipal Financial Management Act Programme		
IGF	Internally Generated Funds		

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## 1.1. Mayor's report.

# **BUDGET SPEECH FOR FINANCIAL YEAR 2015/2016**

- Madam Speaker, honourable Cllr. Makaleng M.M
- Members of Executive Committee
- Chief Whip of the Council, honourable Cllr. Malaka Sam
- Chairperson of MPAC, honourable Cllr. Rankwe Tabane
- Chairpersons of Oversight Committee and Honourable Cllrs
- Our Traditional leaders
- Municipal Manager, Mr. Moropa Mogobadi Erick and Directors
- Municipal Officials present here.
- Invited guests
- Members of the Public present here
- The media fraternity

Madam Speaker

It is my honour to introduce the Fifth review of the draft IDP/ budget of this Council since it was first adopted in May 2011.

Madam Speaker

Allow me to indicate to the house today that, in this budget for 2015/16 to 2017/18, we have done our level best to effectively allocate the limited resources our municipality have, to address challenges we face and to accelerate service delivery to our communities to sustain public confidence in our democratic government, and also to ensure acceptable living conditions for our people.

The Municipal Finance Management Act No. 56 of 2003 requires the Municipal Council to table a credible budget at least 30 days before the start of the financial year.

This budget will present a financial plan of action to fund Municipal priorities, programs and projects as identified in the Integrated Development Plan for 2015/16 to 2017/18.

Madam Speaker

Our budget will be divided into Operational and Capital Expenditures which we should emphasize that those allocations are not sufficient to cover all identified needs and aspirations of our communities, but we are saying working together we can push back the frontiers of poverty, reduce unemployment and poverty.

This budget presented today will in the main address the following five key objectives:

- ✓ Service delivery
- ✓ Good Governance
- ✓ Financial Management
- ✓ Infrastructure development
- ✓ Fight against unethical practice

This budget, like the past financial years takes into cognisance the 2030 vision as outlined in the National Development Plan.

Madam Speaker

The application of Sound financial management principles for the Municipality's financial plan is critical to ensure that we remain financially viable and that services are sustainable, economical and equitable.

The Municipality needs to develop and implement relevant revenue enhancement strategy to use optimally the provisions by Municipal Property Rate Act to improve the revenue generation and to reduce grant dependency by 2015/2016 as indicated in the previous budgets. This target should be a reality if we want to sustain the five key objectives I alluded to earlier.

Madam Speaker

The Medium Term Revenue and Expenditure Framework guide us that our budget should cover the period of three financial years, 2015/2016, 2016/2017 and 2016/2018. The 2015/2016 budget was prepared based on a zero base principle and the tariffs for property rate will remain two (2) cents in a rand to ensure that property rate is affordable to our communities and also to encourage debtors to pay their accounts on time.

Madam Speaker

We note with concern, the poor level of collection on Property rates and want to ensure our communities that, the council of Makhuduthamaga is working on the solution for this challenge to improve collection rate in 2015/16 and the outer years. The municipality's credit control policy is reviewed and submitted with the draft budget for consultation. After approval in May 2015, council will ensure that management implement the policy effectively to improve on property rates collection.

We remain steadfast in addressing the challenges of creating jobs, reducing poverty through EPWP programmes, building infrastructure and improving our financial sustainability.

An expansion in infrastructure investment is one of the central priorities of 2015/2016 budget considering the funding limitations.

Our total budget revenue to fund capital and operational expenditures that we present to this Municipal Council for 2015/2016 financial year is **(R362.7m)** of which **R228.6 m** is allocated for operational expenditure which is **63% of the total budget** and **R134 m** for Capital expenditure which is **37% of the total budget**.

- The total revenue has grown by **R 55.8 million** from **R306.9 m** in 2014/2015 to **R362.7 million** in 2015/2016. For the two outer years the total revenue will increase to **R378.9 million** in 2016/2017 and **R386.8 million** in 2017/2018. The total revenue includes the grants allocations from the National Treasury.

Madam Speaker

The Capital budget of **R134.1 million** for 2015/2016 financial year has gone down by **20%** when compared to **R166.7 million** for 2014/2015 financial year. This is because the municipality had cash backed reserves in 2014/15 which was used to address capital infrastructure backlogs and that funding is not available for 2015/16 financial year.

Of the total capital budget for 2014/15 an amount of **R58.7 million** is funded by Municipal Infrastructure Grant (MIG) for roads and bridges and sports improvements. The remaining amount will be funded by equitable share.

The total operating expenditure for the 2015/2016 financial year has been appropriated at **R228.6 million** which has gone up by 10% as compared to **R207.7 million** in 2014/2015 financial year.

Madam Speaker

Our revenue for 2015/16 financial year will be derived from the following sources:

- Own revenue sources = **R 70.6 million**
- Government grants : **R 292.1 million**

**TOTAL :                    R 362.7 million**

Madam Speaker

**Our Capital Expenditure allocations per Department are as follows:**

1. Economic Development and Planning = **R 4.7 million**
2. Infrastructure Development = **R 118.7 million**
3. Community Services = **R 1 million**
4. Corporate Services = **R 2.2 million**
5. Budget & Treasury = **R 7.3 million**

**Our Operational Expenditure allocations per Department are as follows:**

1. Council and Mayor's Office = R 39.4 million
2. Office of the municipal manager = R 6.2 million
3. Economic Development and Planning = R 17.7 million
4. Infrastructure Development = R 35.5 million
5. Community Services = R 27.7 million
6. Corporate Services = R 19.7 million
7. Budget & Treasury = R 81.9 million

Madam Speaker

The Infrastructure development should go along with maintenance of old ones for it to remain useful and we put aside **R22.5 million** for repair and maintenance of infrastructure assets and **R6.6 million** for repairs and maintenance of Municipal plant and other assets.

Madam Speaker

We take this opportunity to present the 2015/2016 financial year draft budget with outer years 2016/2017 and 2017/2018 with the following budget related policies as prescribed by the law namely:

- Banking and Investment Policy
- Tariff Policy
- Indigent Policy
- Supply Chain Management Policy
- Budgeting Policy
- Revenue enhancement Policy
- Credit Control and Debts Policy
- Assets Management Policy

This budget was taken to communities for consultation and submitted to Limpopo Provincial Treasury and National Treasury for inputs which were considered where appropriate in finalising our budget for 2015/16 MTREF .

Honourable speaker

The municipality's draft budget was presented to the executive committee of the municipality and the committee was satisfied. I am therefore hereby, in terms of section 24 (1) of the MFMA Act no 56 of 2003 tabling the draft budget for 2015/16 to council for adoption/approval.

Thank you

## 1.2. Council resolutions



### LOCAL MUNICIPALITY

### COUNCIL RESOLUTIONS

AGENDA ITEM: SC/13.1/05/2015 DRAFT IDP/BUDGET 2015/2016-2017/2018

#### RESOLUTION No. 91 OF 2014/2015 FINANCIAL YEAR

#### RESOLUTION ON THE ADOPTION OF IDP/BUDGET FOR 2015/2016-2017/2018

##### NOTING THAT:

1. The Local Government Municipal Systems Act 32 of 2000 section 34 a municipal council must review its integrated development plan annually in accordance with the assessment of its performance measurements in terms of section 41,
2. Local Government Municipal Finance Management Act 56 of 2003 section 24 the municipal council must at least 30 days before the start of the budget year consider approval of the annual budget

The annual budget for the financial year 2015/2016 and the multi year and single year capital appropriations to the total amount of **R 362.7 million** budgeted revenue and **R 362.6 million** budgeted expenditure. Capital appropriation amount to **R 134.0 million** and operational expenditure amounts to **R 228.6 million** as set out in the following tables:

- 2.1.1 Draft Budget summary as contained in table A1
- 2.1.2 Draft Budgeted financial performance (revenue and expenditure by standards classification) as contained in table A2.
- 2.1.3 Draft Budgeted financial performance (revenue and expenditure by municipal vote) as contained in table A3
- 2.1.4 Draft Budgeted financial performance (revenue by source and expenditure by (revenue by source and expenditure by type) as contained in table A4.
- 2.1.5 Draft Multi –year and single year capital appropriations by municipal votes and standards classification and associated funding by source as contained in table A5
- 2.2 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:
  - 2.2.1 Draft Budget financial position as contained in table A6
  - 2.2.2 Draft Budget Cash flows as contained in table A7



- 2.2.3 Draft Cash backed reserves and accumulated surplus reconciliation as contained in table A8
  - 2.2.4 Asset management as contained in table A9
  - 2.2.5 Basic service delivery measurement as contained in table A10
3. The Council of Makhuduthamaga Local Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2014:

Makhuduthamaga Municipal Council at its Special Council Meeting of 28 May 2015, held at Maila Killers Sports Ground (Ga-Maila Segolo);

**RESOLVED THAT:**

- 1. The Integrated Development Plan/Budget for 2015/2016 - 2017/2018 be adopted as tabled.
- 2. The tariffs for property rates be two cents in a rand rate.
- 3. Reviewed Draft Budget related policies, be approved as tabled.

**Mover: Cllr. Chego D.K**

**Seconder: Cllr. Thokwane K.Z**

**Speaker: Cllr. Makaleng M.M**

**Municipal Manager: Mr. Moropa M.E**

**Signature:** 

**Signature:** 

**Date:** 28 May 2015

**Date:** 28 May 2015

### 1.3 Draft Executive Summary.

#### Legislative background

In terms of the Municipal Finance Management Act No. 56 of 2003 section 16 (1), the council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year. It is a requirement in terms of section 16 (2) that at least 90 days before the start of the financial year, the Mayor of the municipality must table in a council meeting the annual budget before the start of the financial year.

Complying with section 21 (b) of the MFMA, the mayor of Makhuduthamaga Local Municipality has tabled in a council meeting held on 31 July 2014 a time schedule outlining key deadlines for:

- (i) the preparation, tabling and approval of the annual budget;
- (ii) the annual review of—
  - the integrated development plan in terms of section 34 of the Municipal Systems Act; and
  - the budget-related policies;
- (iii) the tabling and adoption of any amendments to the Integrated Development Plan and the budget-related policies; and
- (iv) All consultative processes forming part of the processes referred to in Subparagraphs (i), (ii) and

To comply and adhere to the time schedule as adopted by council of the municipality and to comply with the MFMA requirement in terms of chapter 4 (Municipal Budgets), the Draft Annual Budget for 2015/16 and the MTREF is hereby prepared in terms of budget principles, Makhuduthamaga Budget policy, applicable legislations, MFMA circulars, Municipal Budget and Reporting Regulation and supporting documents as detailed below.

#### Budget principles and assumptions

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 financial management strategies and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, considering the cost containment measures as approved by the cabinet, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken on expenditures of noncore and 'nice to have' items as indicated in MFMA circular number 55, 66, 67, 70, 72, 74 and 75.

The municipality has embarked on implementing a range of revenue enhancement strategies to improve the collection of debt owed by consumers for property rates and to generate revenue from new sources available such as waste collection. Furthermore, the municipality has budgeted

to undertake a number of customer care workshops in which customers will among other things be engaged and shown the importance of their responsibility to pay rates and to ensure the municipality truly involves all citizens in the process of ensuring a people lead government. The workshops will also assist the municipality to gather information on challenges faced by the customers to pay their accounts on time and such information will be used by the management of the municipality to encourage and improve debt collection.

National Treasury's MFMA Circular No. 51, 54, 55, 58, 59, 66, 67, 70, 71, 74 and 75 were used to guide the compilation of the 2015/16 Draft Annual Budget.

- The main challenges experienced during the compilation of the 2015/16 MTREF can be summarised as follows:
  - The need to reprioritise infrastructure projects and necessary operational expenditure within the existing limited resources considering the cash flow realities and cash position of the municipality;
  - The municipality's inability to generate enough own revenue to assist in addressing the infrastructure and other service delivery challenges in our communities.
  - The land ownership issues which affect revenue base growth in our municipality and proper town planning in the Jane Furse area, which is the most prominent economic growth point for the municipality.
  
- The following budget principles and guidelines directly informed the compilation of the 2015/16 MTREF:
  - The draft budget for 2015/16 and the MTREF was prepared on a zero base principle.
  - The annual DoRA bill for 2015 issued on 13 February 2015 was considered in preparation of our draft budget for 2015/2016 to 2017/2018.
  - The 2014/15 Adjustment Budget priorities and targets, as well as the base line allocations contained in that Adjustment Budget were considered as the upper limits for the new baselines for the 2015/16 annual budget;
  - Only programmes and capital projects contained in the municipality's Integrated Development Plan will be budgeted for during the 2015/2016, 2016/2017 and 2017/2018 financial year to ensure that the budget remain an implementation tool for the municipality's IDP.
  - For the 2015/2016 financial year and throughout the MTREF, tariffs for property rates will remain 2 cents in a rand to make property rates affordable to our communities and to encourage debtors to pay their accounts.
  - 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;

In view of the aforementioned, the following table is a consolidated overview of the draft 2015/16 Medium-term Revenue and Expenditure Framework as compared to the past budget year:

**Table 1 Consolidated Overview of the 2015/16 MTREF**

Description	Adjusted Budget 2015/16	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Total Revenue	363 737 055.41	362 737 055.38	378 970 482.48	386 805 030.73
VAT Refunds from SARS	14 292 038.45	-	-	-
Cash backed Reserves (IGF)	28 564 516.40	-	-	-
<b>Total Funding</b>	<b>406 593 610.26</b>	<b>362 737 055.38</b>	<b>378 970 482.48</b>	<b>386 805 030.73</b>
Total Operating Expenditure	254 911 413.00	228 614 604.53	223 456 746.01	236 925 305.46
<b>Operating Surplus/(Deficit) for the Year</b>	<b>151 682 197.26</b>	<b>134 122 450.85</b>	<b>155 513 736.47</b>	<b>149 879 725.27</b>
Capital Expenditure	151 140 001.00	134 040 001.00	155 500 000.00	149 856 000.00

The municipality has budgeted a total Revenue of R 362.7 million for 2015/16 financial year, R378.9 million and R386.8 million for 2016/17 and 2017/18 respectively. Total revenue has grown by 18.2 per cent or R55.8 million for the 2015/16 financial year when compared to the 2014/15 Adjustments Budget. For the two outer years, total revenue will increase by 4.5 per cent and 2.0 per cent respectively, equating to a total revenue growth of R 79.9 million over the MTREF when compared to the 2014/15 financial year. The total revenue for 2015/16 includes the grants allocations from the national treasury to the amount of R 292.1 million and own revenue sources to the amount of R 70.6 million. For the two outer years of the MTREF 2016/17 and 2017/18 total grants allocations included in total revenue amounts to R295.5 million and 295 million respectively while own revenue continues to grow to R 83.4 million and R91.7 million respectively

Total operating expenditure for the 2015/16 financial year has been appropriated at R 228.6 million and translates into an operating budgeted surplus of R 134.1 million as indicated in table A4. This surplus is used to fund capital expenditure for 2015/16 as indicated in table 1 above. When compared to the 2014/15 Adjustments Budget, operational expenditure has grown by 10 per cent in the 2015/16 budget and grows by 21.5 per cent by 2017/18. The operating surplus for the two outer years increase to R155.7 million for 2016/17 and decrease to R 149.8 million in 2017/18 financial year. These surpluses will be used to fund capital projects.

The capital budget of for 2015/16 financial year amounts to R 134.1 million and has went down by 19.6 per cent when compared to the 2014/15 Adjustment Budget of R 166.7 million. The decline in capital expenditure budget is due to the fact that in 2014/15 the municipality had infrastructure projects which were funded by cash backed reserves and in the 2015/16 such funding is no longer available and therefore has to allocate expenditure within the limited funding available. Due to financial constraints, some of our projects are allocated budget to be completed in two financial years as indicated in table A5. .

In the total capital budget for 2015/16 an amount of R 58.7 million is funded by MIG for roads and bridges and Sports ground improvements while the remaining capital expenditure will be funded by equitable share to the amount of R 75.4 million.

The capital expenditure increases to R 155.6 million in the 2016/17 financial year and then decreases to R149.8 million in 2017/18. This is due to limited revenue available to fund the capital expenditure.

### ❖ Operating Revenue Framework

The need to generate sustainable revenue is essential to meet funding requirements for Makhuduthamaga local municipality to continue improving the quality of services provided to its communities and to address the service delivery backlogs. 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 high level of unemployment in our municipality which directly affects negatively the municipality's revenue generation and collection. The expenditure required to address these challenges will always exceed available funding; hence difficult choices have to be made in relation to balance expenditures against realistically anticipated revenues. The fact is that, council cannot increase the property rates tariffs in the near future as we still have very low level of revenue collection for the property rates which makes 55 per cent of the total own revenue. The municipality has resolved to retain the property rates tariffs unadjusted at 2 cents in a rand and continue with programmes and steps that will ensure an improvement in community cooperation and improved collection on property rates as it is a major source of the municipality's own revenue.

In an attempt to ensure a strong revenue base, the municipality has also reviewed its revenue enhancement strategy to improve revenue collection in the 2015/2016 financial year and the two outer years.

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

- National Treasury's guidelines and macroeconomic policy;
- Efficient revenue management, which aims to ensure a 95 per cent annual collection rate for property rates and other key service charges;
- 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; (e.g. Waste collection project, business licensing)
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

The following table is a summary of the 2015/16 MTREF (classified by main revenue source)

**Table 2 Summary of revenue classified by main revenue source**

LIM473 Makhuduthamaga - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Revenue By Source</b>											
Property rates	2	41 358	27 660	43 987	35 616	29 844	29 844	29 844	32 828	39 800	43 780
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - other		-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		93	26	75	73	83	83	83	95	104	115
Interest earned - external investments		3 672	4 062	7 827	11 398	11 548	11 548	11 548	12 702	13 973	15 370
Interest earned - outstanding debtors		6 745	8 938	12 455	10 361	16 361	16 361	16 361	17 998	21 597	23 757
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines		-	8	156	2 500	500	500	500	525	578	635
Licences and permits		-	-	-	-	-	-	-	-	-	-
Agency services		2 466	3 791	4 039	5 565	4 565	4 565	4 565	5 159	5 933	6 526
Transfers recognised - operational		128 573	146 348	162 144	185 336	185 336	185 336	185 336	232 170	233 223	229 161
Other revenue	2	704	927	2 227	1 430	1 230	1 230	1 230	1 310	1 441	1 585
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>183 610</b>	<b>191 758</b>	<b>232 910</b>	<b>252 279</b>	<b>249 467</b>	<b>249 467</b>	<b>249 467</b>	<b>302 787</b>	<b>316 648</b>	<b>320 929</b>

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.

The total revenue for the municipality excluding capital transfers amount to R302.7 million for 2015/2016, R316.6 million for 2016/2017 and R320.9 million for 2017/2018. The total operating revenue for 2015/16 has increased by R53.3 million from 2014/2015 budget year which is as a result of increase in allocations for equitable share, FMG and MSIG grants and own revenue. The total amount for operational grants to be received for 2015/16 is R 232.1 million and R 233.2 million and R229.1 million for 2016/17 and 2017/18 financial years respectively.

Revenue from government grants forms a significant percentage of the total operating revenue for the municipality for all of the 2015/2016 MTREF. This clearly indicate that our municipality is dependent on government grants which contribute 76.6 per cent of the total operating revenue in 2015/2016 budget year and 73.66 percent in 2016/2017 and 71.39 in 2017/2018.

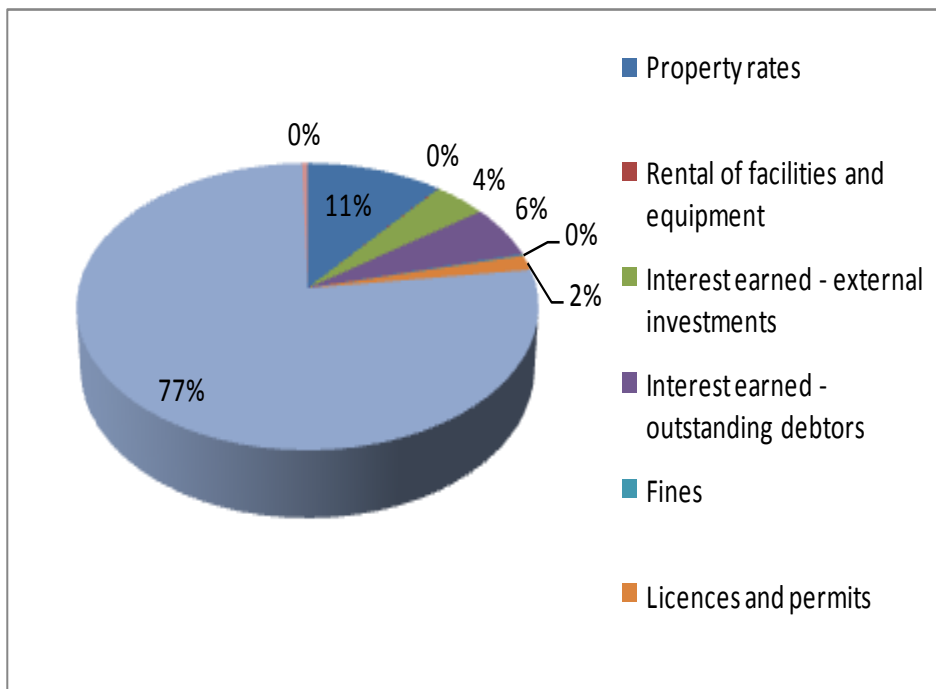
Revenue generated from rates and service charges amount to R32.8 million and forms 17 per cent of the total operating revenue of the municipality for 2015/2016 and increase to 19 per cent, for 2016/2017 and increase to 21 per cent in 2017/2018 financial year. The increase in Property rates budget is as a result of projected increase in properties in the area as per the growth in LED projections. The tariff for property rates remain 2 cents in a rand for the whole MTREF.

Revenue from Licenses and permits amount to R 5.1 million for 2015/2016 budget year, R 5.9 million and R 6.5 million for 2016/2017 and 2017/2018 financial years respectively.

Other revenue consists of various items such as income received for selling tender documents, charges for suppliers database registration and other allocations from LG SITA for skills development. Refer to table SA1 under 2.14 (Other supporting documents) for more details.

The following graph indicates the total operational revenue per source and the percentage of each source to the total operational revenue of R 302.7 million for 2015/2016 financial year:

### Revenue per source graph



Source of revenue	Draft Budget 2015/16	Percentage
Property rates	32 828 168.25	11%
Rental of facilities and equipment	94 990.00	0%
Interest earned - external investments	12 702 407.08	4%
Interest earned - outstanding debtors	17 997 642.80	6%
Fines	525 000.00	0%
Licences and permits (agency services)	5 158 847.25	2%
Transfers recognised - operational	232 170 000.00	77%
Other revenue	1 310 000.00	0%
<b>Total</b>	<b>302 787 055.38</b>	<b>100%</b>

### ❖ Operating Expenditure Framework

The municipality's expenditure framework for the 2015/2016 budget and MTREF is informed by the following:

- The infrastructure projects plan in the IDP to address the backlog 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 backlog eradication plan;
- Operational gains/ surpluses will be directed to funding the capital budget.
- Funding was allocated to only projects which have projects implementation plans to guard against under spending.

The following table is a high level summary of the operating draft budget for 2015/2016 and MTREF (classified per main type of operating expenditure):



**Table 5 Summary of operating expenditure by standard classification item**

LIM473 Makhuduthamaga - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Expenditure By Type</b>											
Employee related costs	2	26 438	35 248	43 739	63 225	54 321	54 321	54 321	66 047	69 382	73 649
Remuneration of councillors		13 951	15 633	16 688	18 373	18 463	18 463	18 463	19 077	20 031	21 032
Debt impairment	3	7 222	45 986	36 155	1 638	18 935	18 935	18 935	18 935	5 670	2 500
Depreciation & asset impairment	2	9 693	10 434	10 956	15 105	12 408	12 408	12 408	16 616	17 447	18 277
Finance charges		-	192	283	-	-	-	-	-	-	-
Bulk purchases	2	-	-	-	-	-	-	-	-	-	-
Other materials	8	-	-	-	-	-	-	-	-	-	-
Contracted services		30 893	25 732	28 484	35 712	45 905	45 905	45 905	43 000	44 104	49 232
Transfers and grants		-	-	-	-	-	-	-	-	-	-
Other expenditure	4, 5	55 341	34 692	41 567	56 806	57 726	57 726	57 726	64 940	66 823	72 234
Loss on disposal of PPE		-	14 469	17 909	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>143 538</b>	<b>182 386</b>	<b>195 781</b>	<b>190 859</b>	<b>207 757</b>	<b>207 757</b>	<b>207 757</b>	<b>228 615</b>	<b>223 457</b>	<b>236 925</b>

### Employee Related Costs

The budget allocation for employee related costs for the 2015/2016 financial year is R66 million, which equals to 28.8 per cent of the total operating expenditure. Since the Salary and Wage Collective Agreement lapses in June 2015, in the absence of a new agreement MFMA Circular number 74 and 75 guidelines with regard to employee costs increases were taken into consideration when calculating the salary increase. The municipality budgeted 4.4% increase for 2015/2016 to be implemented from 1 July 2015 for all section 55 employees. An increase of 5 per cent and 6.15 per cent has been included in the two outer years respectively.

The total employee related costs has increased from R54.3 million in 2014/15 adjusted budget to R66 million in 2015/16 which reflect a 21.5 per cent increase. This is as a result of inclusion of new positions on the municipal structure as the municipality is growing and the positions which were not funded during the adjustment budget for 2014/15. Furthermore an increase was made at 6.5% for section 57 employees for 2015/2016 budget year, 5 per cent for 2016/17 and 6.15 per cent for 2016/17.

The following new positions were added to the organisational structure and therefore contributed to the high percentage increase in employee related costs for 2015/16 financial year:

1. Manager: MM’s Office
2. Traffic officers x 4
3. Manager: Risk
4. Two protocol officer

The following positions were on the municipality’s organisational structure for 2014/15 and 2/3 of their funds were withdrawn during adjustment budget as they were not yet filled and some of them

were only filled. As a result, there was a saving which was used to fund other service delivery programmes:

1. PA (MM's office)	(Vacant)
2. Senior ICT officer	(Vacant)
3. Director: Community services	(Vacant)
4. Director: Planning and economic development	(Vacant)
5. Chief Financial Officer	(Vacant)
6. Inventory officer	(Vacant)
7. Senior Pay roll officer	(Vacant)
8. OHS officer	(Vacant)
9. Admin clerk (community services)	(Vacant)
10. General workers x 5	(Vacant)
11. Assistant Examiners x 2	(Vacant)
12. Examiner x 1	(Vacant)
13. Land Fill Operator	(Vacant)
14. Waste Truck driver	(Vacant)
15. Manager: Town planning	(Vacant)
16. Senior PMS Officer	(Vacant)
17. Housing and electricity Officer	(Vacant)

The savings or funds withdrawn from the employee related costs budget during the Adjustment budget for 2014/15 for the months that the posts were vacant amounted to **R 8.4 million**. This amount have to be included with 4.4 percent increase in the budget for 2015/16 as the municipality has planned to fill the positions by July 2015 to improve on service delivery and meet other institutional needs.

As part of the municipality's cost reprioritization and cash management strategy to make enough funds available to fund capital projects, non critical vacancies on the municipal structure were not funded. In addition, expenditure for overtime was only budgeted for the municipal drivers, political offices personnel and traffic officers for emergencies and strict measures has been put in place to ensure that it is not abused..

### Remuneration of Councillors

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 total costs for councillor allowances is R 19.9 million for 2015/16, R 21.3 million and R 22.7 million for 2016/2017 and 2017/18 respectively. An increase on councillor allowances has been projected at 10 per cent for 2015/16 and 7 per cent for 2016/17 and 2017/18 respectively.

### Debt Impairment

The provision of debt impairment for 2015/2016 was determined based on the Debt Write-off Policy of the municipality. For the 2015/2016 financial year this amount equates to R18.9 million and decreases to R2.5 million by 2017/18. While this expenditure is considered to be a non-cash

flow item, it informed the total cost associated with rendering the services, as well as the municipality's realistically anticipated revenues and therefore has to be cash funded.

### **Depreciation**

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy and GRAP 17. The projections were made taking into consideration the municipality's assets value as recorded in the 2013/2014 AFS and new acquisitions for the current year 2014/2015 and 2015/2016 budget year. Budget appropriations in this regard are R16.6 million for the 2015/2016 financial year and equates to 7.2 per cent of the total operating expenditure. It increases to R 18.2 million in 2017/18 budget year.

### **Contracted Services**

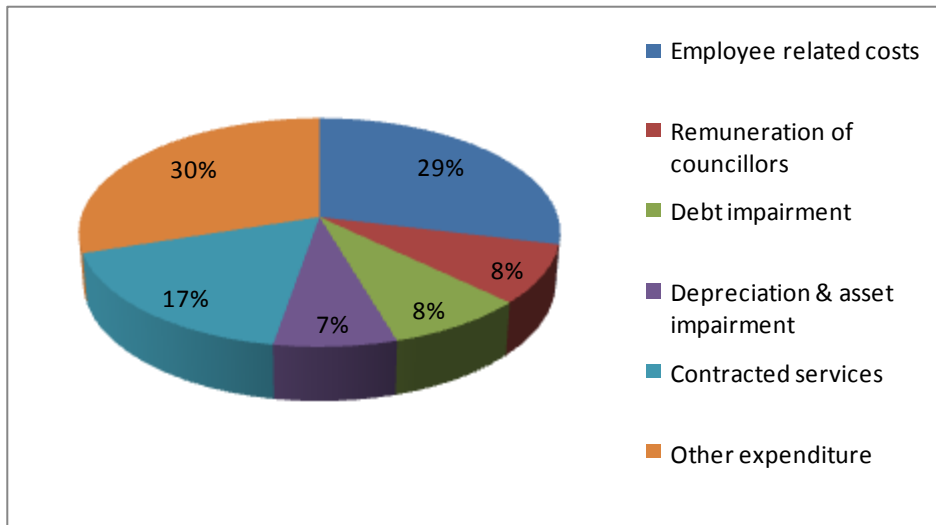
Contracted services comprises of security services, cleaning services, repairs and maintenance for infrastructure assets and operating leases for office equipments and machinery. Security and cleaning services have been allocated R8.6 million and R4.3 million for 2015/16 respectively. The costs of these services increase to R9.5 million and R4.8 million by 2017/2018. Repairs and maintenance has been budgeted at 13% percent of the total operational budget and 14 per cent of the Asset value as per 2013/2014 AFS taking in to consideration guidelines contained in MFMA circular number 66, 67, 70, 72, 74 and 75. It includes repairs and maintenance for other assets at R 5.8 million and repairs and maintenance for infrastructure assets at R22.5 million (R22.5 million for Roads and bridges).

Other expenditure comprises of various line items relating to the daily operations of the municipality. Amongst other expenditures comprised in this group for 2015/2016 financial year, the municipality have budgeted incentives for ward committees at R3.7 million, training and capacity building of councillors and ward committees at R1.3 million, mayor's special and outreach programmes at R 2.4 million, publications and branding of the municipality at R 2.3 million, Audit fees at R2.3 million, bursary fund at R2 million, travel and accommodation at R1.9 million, acquisition of land, spatial planning and land scarping at R4 million, SMME support and LED programmes at R5.5 million, free basic electricity at R4.5 million, disaster management programmes and sports and culture promotions at R3.4 million.

Furthermore, in compliance to the cost containment measures as approved by the cabinet, the municipality has reduced spending on excessive advertising, travelling, caterings, promotional materials and mandates that belong to other spheres of government for 2015/2016 MTREF. For further details on other expenditure refer to table SA1

The following bar chart gives a breakdown of the main expenditure categories for the 2015/2016 financial year.

Table 6 Main Operational Expenditure categories for 2015/2016 financial year



Description	Draft Budget 2015/2016	Percentage
Employee related costs	66 046 572.38	29%
Remuneration of councillors	19 909 468.70	9%
Debt impairment	18 935 152.39	8%
Depreciation & asset impairment	16 615 720.00	7%
Contracted services	43 000 192.68	19%
Other expenditure	64 107 498.39	28%
<b>Total</b>	<b>228 614 604.54</b>	<b>100%</b>

### Priority given to repairs and maintenance

Considering National Treasury MFMA circular number 54, 55, 58, 59, 66,67, 70, 72, 74 and 75 the municipality has put repairs and maintenance as one of the priorities to preserve and maintain the municipality's current infrastructure, to ensure that the existing assets are in good working conditions and to lengthen the assets life span. The 2015/16 budget and MTREF provide for a decrease in the area of asset maintenance as compared to the previous financial year 2014/15. 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 and contracted services. In the municipality's case, all repairs and maintenance services for the infrastructure assets will be done through contracted services as indicated in table SA1 of the A schedule. The repairs and maintenance budget for 2015/16 amount to R29.2 million and R29.7 million and R34.2 million for 2016/17 and 2017/18 respectively.

Repairs and maintenance expenditure budget amounts to 13 per cent of the municipality's budgeted operational expenditure for 2015/2016 which is a requirement in terms of the National Treasury MFMA circular number 66, 67, 70,72, 74 and 75 guidelines. For the two outer years, repairs and maintenance is budgeted at 12 per cent of the budgeted operational expenditure respectively.

## **Free Basic Services: Electricity tokens**

The municipality gives free basic electricity tokens to poor households within the municipal jurisdictions to assist them as they cannot afford the electricity costs. Our municipality does not have a licence to provide electricity and therefore buys the tokens from Eskom for the affected households who registered with the municipality. To receive these free services the households are required to register in terms of the municipality's Indigent Policy. The target is to register 110 000 or more indigent households during the 2015/16 financial year, a target of which we could not achieve in the previous financial year 2014/15 and this is a process which is reviewed annually. Details relating to free services, cost of free basic services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in Table MBRR Table A10 (Basic Service Delivery Measurement)

The cost of the free basic electricity of the registered indigent households is financed through the local government equitable share received in terms of the annual Division of Revenue Act and it has been allocated at R4.5 million for 2015/2016, R5 million and R6 million for 2016/17 and 2017/18 respectively.

## **Capital expenditure**

The following table provides a breakdown of budgeted capital expenditure by vote:

**Table 3 2014/15 Medium-term capital budget per vote**

**LIM473 Makhuduthamaga - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding**

Vote Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Capital expenditure - Vote</b>											
<b>Multi-year expenditure to be appropriated</b>	2										
Vote 1 - Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 3 - Economic Development and Planning		-	-	-	-	-	-	-	-	-	-
Vote 4 - Infrastructure Development		-	48 481	74 599	129 101	141 854	141 854	141 854	116 690	125 850	118 956
Vote 5 - Community Services		-	-	-	-	-	-	-	-	-	-
Vote 6 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 7 - Budget & Treasury		-	-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	7	-	48 481	74 599	129 101	141 854	141 854	141 854	116 690	125 850	118 956
<b>Single-year expenditure to be appropriated</b>	2										
Vote 1 - Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 3 - Economic Development and Planning		-	-	-	2 800	5 000	5 000	5 000	4 700	5 800	7 900
Vote 4 - Infrastructure Development		68 145	-	-	1 950	1 148	1 148	1 148	2 100	1 500	-
Vote 5 - Community Services		-	-	-	16 327	5 166	5 166	5 166	1 000	-	-
Vote 6 - Corporate Services		957	1 358	4 054	1 000	2 362	2 362	2 362	2 250	2 850	3 000
Vote 7 - Budget & Treasury		3 706	859	5 677	5 500	11 200	11 200	11 200	7 300	19 500	20 000
Vote 8 -		-	-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		72 808	2 217	9 731	27 577	24 876	24 876	24 876	17 350	29 650	30 900
<b>Total Capital Expenditure - Vote</b>		72 808	50 698	84 330	156 678	166 730	166 730	166 730	134 040	155 500	149 856

**New Capital Assets**

For 2015/2016 an amount of R134.0 million has been appropriated for the capital expenditure which will be funded by MIG to the amount of R58.7 million and equitable share to the amount of R 74.0 million. For 2016/2017 and 2017/2018 the budget has been appropriated at R 155.5 million and R149.8 million respectively.

Infrastructure and Development vote is appropriated the highest allocation of R 118.7 million in 2015/2016 which equates to 88.5 per cent of the total capital budget for 2016/17 to build roads and bridges, Budget and Treasury is allocated 4.9% per cent of the total capital budget. The remaining 7 per cent is allocated to Economic Development and Planning at 2.7 per cent, Corporate Services at 2.8 per cent and Community services at 1.5 per cent. For further detailed information on the capital budget, refer to table SA 36 which provides projects names and respective ward allocations.

### **Renewal of existing Assets**

Renewal of existing assets is allocated R5 million for 2015/2016 financial year and R7.5 million for 2016/2017. No further budget is allocated to renewal of assets last outer years of the MTREF. This percentage is lower than the 40 per cent guideline by National Treasury, and is because the municipality during its assets verification process developed a report which indicates that the roads are still in good conditions as the most of them were newly constructed and therefore do not need renewal in the next three years. The only Assets which will be renewed is road R597

Some of the projects to be undertaken over the medium-term includes, amongst others:

- Construction of roads, bridges and storm water – R 111.6 million
- Renewal of existing Assets – R 5 million
- Acquisition of Property plant and Equipment – R 14.2 million
- High masts- R 2.1 million
- Development of municipal park – R 1 million.

### **1.4 DRAFT ANNUAL BUDGET TABLES (A1 to A10)**

The following are the ten main A schedule tables for the annual budget of Makhuduthamaga municipality for the 2014/2015 MTREF.

**1.4.1 Table 7 MBRR A1 – Annual Budget Summary**

LIM473 Makhuduthamaga - Table A1 Budget Summary

Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Financial Performance</b>										
Property rates	41 358	27 660	43 987	35 616	29 844	29 844	29 844	32 828	39 800	43 780
Service charges	-	-	-	-	-	-	-	-	-	-
Investment revenue	3 672	4 062	7 827	11 398	11 548	11 548	11 548	12 702	13 973	15 370
Transfers recognised - operational	128 573	146 348	162 144	185 336	185 336	185 336	185 336	232 170	233 223	229 161
Other own revenue	10 007	13 689	18 952	19 929	22 739	22 739	22 739	25 086	29 653	32 618
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>183 610</b>	<b>191 758</b>	<b>232 910</b>	<b>252 279</b>	<b>249 467</b>	<b>249 467</b>	<b>249 467</b>	<b>302 787</b>	<b>316 648</b>	<b>320 929</b>
Employee costs	26 438	35 248	43 739	63 225	54 321	54 321	54 321	66 047	69 382	73 649
Remuneration of councillors	13 951	15 633	16 688	18 373	18 463	18 463	18 463	19 077	20 031	21 032
Depreciation & asset impairment	9 693	10 434	10 956	15 105	12 408	12 408	12 408	16 616	17 447	18 277
Finance charges	-	192	283	-	-	-	-	-	-	-
Materials and bulk purchases	-	-	-	-	-	-	-	-	-	-
Transfers and grants	-	-	-	-	-	-	-	-	-	-
Other expenditure	93 456	120 878	124 115	94 156	122 566	122 566	122 566	126 875	116 598	123 967
<b>Total Expenditure</b>	<b>143 538</b>	<b>182 386</b>	<b>195 781</b>	<b>190 859</b>	<b>207 757</b>	<b>207 757</b>	<b>207 757</b>	<b>228 615</b>	<b>223 457</b>	<b>236 925</b>
<b>Surplus/(Deficit)</b>	<b>40 072</b>	<b>9 372</b>	<b>37 129</b>	<b>61 420</b>	<b>41 710</b>	<b>41 710</b>	<b>41 710</b>	<b>74 172</b>	<b>93 192</b>	<b>84 004</b>
Transfers recognised - capital	40 129	24 383	41 539	57 452	57 452	57 452	57 452	59 950	62 322	65 876
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>80 201</b>	<b>33 755</b>	<b>78 668</b>	<b>118 872</b>	<b>99 162</b>	<b>99 162</b>	<b>99 162</b>	<b>134 122</b>	<b>155 514</b>	<b>149 880</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>80 201</b>	<b>33 755</b>	<b>78 668</b>	<b>118 872</b>	<b>99 162</b>	<b>99 162</b>	<b>99 162</b>	<b>134 122</b>	<b>155 514</b>	<b>149 880</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>72 808</b>	<b>50 698</b>	<b>84 330</b>	<b>156 678</b>	<b>166 730</b>	<b>166 730</b>	<b>166 730</b>	<b>134 040</b>	<b>155 500</b>	<b>149 856</b>
Transfers recognised - capital	72 808	50 698	84 330	118 738	98 790	98 790	98 790	134 040	155 500	149 856
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	37 940	67 940	67 940	67 940	-	-	-
<b>Total sources of capital funds</b>	<b>72 808</b>	<b>50 698</b>	<b>84 330</b>	<b>156 678</b>	<b>166 730</b>	<b>166 730</b>	<b>166 730</b>	<b>134 040</b>	<b>155 500</b>	<b>149 856</b>
<b>Financial position</b>										
Total current assets	241 713	140 812	152 606	209 194	91 868	91 868	91 868	87 169	84 993	82 856
Total non current assets	163 487	150 210	205 614	375 902	359 292	359 292	359 292	478 216	616 019	765 625
Total current liabilities	29 702	42 885	29 727	27 803	27 803	27 803	27 803	14 376	15 829	16 120
Total non current liabilities	1 977	3 252	3 059	3 252	3 252	3 252	3 252	3 744	4 222	4 787
Community wealth/Equity	373 522	244 885	325 434	554 040	420 104	420 104	420 104	547 265	680 962	827 575
<b>Cash flows</b>										
Net cash from (used) operating	63 626	97 544	86 327	99 837	111 592	111 592	111 592	155 273	167 625	162 531
Net cash from (used) investing	(57 921)	(50 681)	(83 940)	(156 678)	(182 793)	(182 793)	(182 793)	(161 843)	(169 876)	(165 685)
Net cash from (used) financing	203	(138)	(81)	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the year end</b>	<b>80 670</b>	<b>127 395</b>	<b>129 702</b>	<b>72 862</b>	<b>58 501</b>	<b>58 501</b>	<b>58 501</b>	<b>51 932</b>	<b>49 680</b>	<b>46 526</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	80 670	127 395	129 702	37 985	58 501	58 501	58 501	51 932	49 680	46 526
Application of cash and investments	(474 315)	39 920	27 573	(32 975)	(3 027)	(3 027)	(3 027)	(11 788)	(13 619)	(16 059)
<b>Balance - surplus (shortfall)</b>	<b>554 985</b>	<b>87 475</b>	<b>102 129</b>	<b>70 960</b>	<b>61 528</b>	<b>61 528</b>	<b>61 528</b>	<b>63 719</b>	<b>63 300</b>	<b>62 586</b>
<b>Asset management</b>										
Asset register summary (WDV)	163 487	150 210	205 614	375 902	359 292	359 292	478 216	478 216	616 019	765 625
Depreciation & asset impairment	9 693	10 434	10 956	15 105	12 408	12 408	16 616	16 616	17 447	18 277
Renewal of Existing Assets	-	-	-	6 700	6 700	6 700	6 700	5 000	7 500	-
Repairs and Maintenance	15 940	13 988	15 447	21 753	34 343	34 343	29 240	29 240	28 060	31 000
<b>Free services</b>										
Cost of Free Basic Services provided	2 500	3 102	4 000	4 000	4 405	4 405	4 500	4 500	5 000	6 000
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-
<b>Households below minimum service level</b>										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-



**1.4.2 Table MBRR A2 – Budgeted Financial Performance (Standard Classification)**

LIM473 Makhuduthamaga - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>	<b>1</b>									
<b>Revenue - Standard</b>										
<i><b>Governance and administration</b></i>		223 739	216 141	274 449	309 731	306 919	306 919	362 737	378 970	386 805
Executive and council		-	-	-	-	-	-	-	-	-
Budget and treasury office		223 739	216 141	274 449	309 731	306 919	306 919	362 737	378 970	386 805
Corporate services		-	-	-	-	-	-	-	-	-
<i><b>Community and public safety</b></i>		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i><b>Economic and environmental services</b></i>		-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i><b>Trading services</b></i>		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i><b>Other</b></i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Standard</b>	2	223 739	216 141	274 449	309 731	306 919	306 919	362 737	378 970	386 805
<b>Expenditure - Standard</b>										
<i><b>Governance and administration</b></i>		103 259	147 744	151 305	133 141	131 995	131 995	147 525	138 994	142 481
Executive and council		26 167	29 699	32 416	45 131	44 962	44 962	45 746	46 096	48 560
Budget and treasury office		51 186	102 406	102 898	71 300	70 589	70 589	81 989	70 890	71 914
Corporate services		25 906	15 640	15 991	16 710	16 443	16 443	19 791	22 009	22 008
<i><b>Community and public safety</b></i>		7 636	9 267	12 062	15 793	17 555	17 555	22 398	21 763	23 224
Community and social services		1 573	2 461	4 205	5 760	5 230	5 230	6 863	6 974	7 499
Sport and recreation		946	1 186	368	600	1 533	1 533	2 100	850	900
Public safety		4 922	5 590	7 471	9 433	10 792	10 792	13 436	13 939	14 825
Housing		194	30	18	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i><b>Economic and environmental services</b></i>		20 601	18 118	25 405	33 934	45 778	45 778	46 345	51 845	58 441
Planning and development		3 595	5 025	7 333	13 444	10 966	10 966	17 756	22 351	25 196
Road transport		17 006	13 093	18 072	20 490	34 812	34 812	28 589	29 494	33 245
Environmental protection		-	-	-	-	-	-	-	-	-
<i><b>Trading services</b></i>		12 042	7 256	7 010	7 991	12 429	12 429	12 347	10 855	12 779
Electricity		8 872	5 279	4 274	4 892	7 131	7 131	6 980	5 399	6 424
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		3 171	1 978	2 736	3 099	5 299	5 299	5 367	5 455	6 355
<i><b>Other</b></i>	4	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Standard</b>	3	143 538	182 386	195 781	190 859	207 757	207 757	228 615	223 457	236 925
<b>Surplus/(Deficit) for the year</b>		80 201	33 755	78 668	118 872	99 162	99 162	134 122	155 514	149 880

### 1.4.3 Table MBRR A3 – Budgeted Financial Performance (Municipal Vote)

LIM473 Makhuduthamaga - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Revenue by Vote</b>	1									
Vote 1 - Council		-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 3 - Economic Development and Planning		-	-	-	-	-	-	-	-	-
Vote 4 - Infrastructure Development		-	-	-	-	-	-	-	-	-
Vote 5 - Community Services		-	-	-	-	-	-	-	-	-
Vote 6 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 7 - Budget & Treasury		223 739	216 141	274 449	309 731	306 919	306 919	362 737	378 970	386 805
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>223 739</b>	<b>216 141</b>	<b>274 449</b>	<b>309 731</b>	<b>306 919</b>	<b>306 919</b>	<b>362 737</b>	<b>378 970</b>	<b>386 805</b>
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 1 - Council		26 167	29 699	32 416	39 757	39 872	39 872	39 487	39 119	41 005
Vote 2 - Office of the Municipal Manager		-	-	-	5 375	5 090	5 090	6 259	6 977	7 555
Vote 3 - Economic Development and Planning		3 595	5 025	7 333	13 444	10 966	10 966	17 756	22 351	25 196
Vote 4 - Infrastructure Development		26 072	18 402	22 364	25 382	41 943	41 943	35 569	34 894	39 669
Vote 5 - Community Services		10 612	11 215	14 780	18 892	22 854	22 854	27 765	27 218	29 579
Vote 6 - Corporate Services		25 906	15 640	15 991	16 710	16 443	16 443	19 791	22 009	22 008
Vote 7 - Budget & Treasury		51 186	102 406	102 898	71 300	70 589	70 589	81 989	70 890	71 914
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>143 538</b>	<b>182 386</b>	<b>195 781</b>	<b>190 859</b>	<b>207 757</b>	<b>207 757</b>	<b>228 615</b>	<b>223 457</b>	<b>236 925</b>
<b>Surplus/(Deficit) for the year</b>	2	<b>80 201</b>	<b>33 755</b>	<b>78 668</b>	<b>118 872</b>	<b>99 162</b>	<b>99 162</b>	<b>134 122</b>	<b>155 514</b>	<b>149 880</b>

### 1.4.4 Table MBRR A4 – Budgeted Financial Performance (Operational Revenue and Expenditure)

LIM473 Makhuduthamaga - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Revenue By Source</b>											
Property rates	2	41 358	27 660	43 987	35 616	29 844	29 844	29 844	32 828	39 800	43 780
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - other		-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		93	26	75	73	83	83	83	95	104	115
Interest earned - external investments		3 672	4 062	7 827	11 398	11 548	11 548	11 548	12 702	13 973	15 370
Interest earned - outstanding debtors		6 745	8 938	12 455	10 361	16 361	16 361	16 361	17 998	21 597	23 757
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines		-	8	156	2 500	500	500	500	525	578	635
Licences and permits		-	-	-	-	-	-	-	-	-	-
Agency services		2 466	3 791	4 039	5 565	4 565	4 565	4 565	5 159	5 933	6 526
Transfers recognised - operational		128 573	146 348	162 144	185 336	185 336	185 336	185 336	232 170	233 223	229 161
Other revenue	2	704	927	2 227	1 430	1 230	1 230	1 230	1 310	1 441	1 585
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>183 610</b>	<b>191 758</b>	<b>232 910</b>	<b>252 279</b>	<b>249 467</b>	<b>249 467</b>	<b>249 467</b>	<b>302 787</b>	<b>316 648</b>	<b>320 929</b>
<b>Expenditure By Type</b>											
Employee related costs	2	26 438	35 248	43 739	63 225	54 321	54 321	54 321	66 047	69 382	73 649
Remuneration of councillors		13 951	15 633	16 688	18 373	18 463	18 463	18 463	19 077	20 031	21 032
Debt impairment	3	7 222	45 986	36 155	1 638	18 935	18 935	18 935	18 935	5 670	2 500
Depreciation & asset impairment	2	9 693	10 434	10 956	15 105	12 408	12 408	12 408	16 616	17 447	18 277
Finance charges		-	192	283	-	-	-	-	-	-	-
Bulk purchases	2	-	-	-	-	-	-	-	-	-	-
Other materials	8	-	-	-	-	-	-	-	-	-	-
Contracted services		30 893	25 732	28 484	35 712	45 905	45 905	45 905	43 000	44 104	49 232
Transfers and grants		-	-	-	-	-	-	-	-	-	-
Other expenditure	4, 5	55 341	34 692	41 567	56 806	57 726	57 726	57 726	64 940	66 823	72 234
Loss on disposal of PPE		-	14 469	17 909	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>143 538</b>	<b>182 386</b>	<b>195 781</b>	<b>190 859</b>	<b>207 757</b>	<b>207 757</b>	<b>207 757</b>	<b>228 615</b>	<b>223 457</b>	<b>236 925</b>
<b>Surplus/(Deficit)</b>											
Transfers recognised - capital		40 072	9 372	37 129	61 420	41 710	41 710	41 710	74 172	93 192	84 004
Contributions recognised - capital		40 129	24 383	41 539	57 452	57 452	57 452	57 452	59 950	62 322	65 876
Contributed assets	6	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>80 201</b>	<b>33 755</b>	<b>78 668</b>	<b>118 872</b>	<b>99 162</b>	<b>99 162</b>	<b>99 162</b>	<b>134 122</b>	<b>155 514</b>	<b>149 880</b>
Taxation		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>80 201</b>	<b>33 755</b>	<b>78 668</b>	<b>118 872</b>	<b>99 162</b>	<b>99 162</b>	<b>99 162</b>	<b>134 122</b>	<b>155 514</b>	<b>149 880</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>80 201</b>	<b>33 755</b>	<b>78 668</b>	<b>118 872</b>	<b>99 162</b>	<b>99 162</b>	<b>99 162</b>	<b>134 122</b>	<b>155 514</b>	<b>149 880</b>
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>		<b>80 201</b>	<b>33 755</b>	<b>78 668</b>	<b>118 872</b>	<b>99 162</b>	<b>99 162</b>	<b>99 162</b>	<b>134 122</b>	<b>155 514</b>	<b>149 880</b>

### 1.4.5 Table 11 MBRR A5 – Budgeted Capital Expenditure (By Vote & Standard Classification)

LIM473 Makhuduthamaga - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>	1										
<b>Capital expenditure - Vote</b>											
<b>Multi-year expenditure to be appropriated</b>	2										
Vote 1 - Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 3 - Economic Development and Planning		-	-	-	-	-	-	-	-	-	-
Vote 4 - Infrastructure Development		-	48 481	74 599	129 101	141 854	141 854	141 854	116 690	125 850	118 956
Vote 5 - Community Services		-	-	-	-	-	-	-	-	-	-
Vote 6 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 7 - Budget & Treasury		-	-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	7	-	48 481	74 599	129 101	141 854	141 854	141 854	116 690	125 850	118 956
<b>Single-year expenditure to be appropriated</b>	2										
Vote 1 - Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 3 - Economic Development and Planning		-	-	-	2 800	5 000	5 000	5 000	4 700	5 800	7 900
Vote 4 - Infrastructure Development		68 145	-	-	1 950	1 148	1 148	1 148	2 100	1 500	-
Vote 5 - Community Services		-	-	-	16 327	5 166	5 166	5 166	1 000	-	-
Vote 6 - Corporate Services		957	1 358	4 054	1 000	2 362	2 362	2 362	2 250	2 850	3 000
Vote 7 - Budget & Treasury		3 706	859	5 677	5 500	11 200	11 200	11 200	7 300	19 500	20 000
Vote 8 -		-	-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		72 808	2 217	9 731	27 577	24 876	24 876	24 876	17 350	29 650	30 900
<b>Total Capital Expenditure - Vote</b>		72 808	50 698	84 330	156 678	166 730	166 730	166 730	134 040	155 500	149 856
<b>Capital Expenditure - Standard</b>											
<b>Governance and administration</b>		4 663	2 217	9 731	6 500	13 562	13 562	13 562	9 550	22 350	23 000
Executive and council		-	-	-	-	-	-	-	-	-	-
Budget and treasury office		3 706	859	5 677	5 500	11 200	11 200	11 200	7 300	19 500	20 000
Corporate services		957	1 358	4 054	1 000	2 362	2 362	2 362	2 250	2 850	3 000
<b>Community and public safety</b>		-	-	-	11 727	2 166	2 166	2 166	1 000	-	-
Community and social services		-	-	-	405	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	3 026	2 166	2 166	2 166	1 000	-	-
Housing		-	-	-	8 296	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		67 035	47 453	73 658	131 901	146 854	146 854	146 854	121 390	131 650	126 856
Planning and development		-	-	-	2 800	5 000	5 000	5 000	4 700	5 800	7 900
Road transport		67 035	47 453	73 658	129 101	141 854	141 854	141 854	116 690	125 850	118 956
Environmental protection		-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		1 110	1 028	941	6 550	4 148	4 148	4 148	2 100	1 500	-
Electricity		1 110	1 028	941	1 950	1 148	1 148	1 148	2 100	1 500	-
Water		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	4 600	3 000	3 000	3 000	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Standard</b>	3	72 808	50 698	84 330	156 678	166 730	166 730	166 730	134 040	155 500	149 856
<b>Funded by:</b>											
National Government		40 129	24 383	41 539	57 452	57 452	57 452	57 452	59 950	62 322	65 876
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		32 679	26 315	42 791	61 286	41 338	41 338	41 338	74 090	93 178	83 980
<b>Transfers recognised - capital</b>	4	72 808	50 698	84 330	118 738	98 790	98 790	98 790	134 040	155 500	149 856
<b>Public contributions &amp; donations</b>	5	-	-	-	-	-	-	-	-	-	-
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		-	-	-	37 940	67 940	67 940	67 940	-	-	-
<b>Total Capital Funding</b>	7	72 808	50 698	84 330	156 678	166 730	166 730	166 730	134 040	155 500	149 856

### 1.4.6 Table MBRR A6 – Budgeted Financial Position

LIM473 Makhuduthamaga - Table A6 Budgeted Financial Position

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>ASSETS</b>											
<b>Current assets</b>											
Cash		80 670	127 395	129 702	37 985	58 501	58 501	58 501	51 932	49 680	46 526
Call investment deposits	1	-	-	-	-	-	-	-	-	-	-
Consumer debtors	1	71 160	1 544	3 422	159 586	21 744	21 744	21 744	19 223	25 493	29 560
Other debtors		89 376	11 494	18 719	11 193	11 193	11 193	11 193	15 600	9 500	6 450
Current portion of long-term receivables		-	-	-	-	-	-	-	-	-	-
Inventory	2	507	378	763	430	430	430	430	415	320	320
<b>Total current assets</b>		<b>241 713</b>	<b>140 812</b>	<b>152 606</b>	<b>209 194</b>	<b>91 868</b>	<b>91 868</b>	<b>91 868</b>	<b>87 169</b>	<b>84 993</b>	<b>82 856</b>
<b>Non current assets</b>											
Long-term receivables		-	-	-	-	-	-	-	-	-	-
Investments		-	-	-	-	-	-	-	-	-	-
Investment property		1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 172
Investment in Associate		-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	3	161 489	148 652	203 434	374 366	357 756	357 756	357 756	475 181	613 234	763 090
Agricultural		-	-	-	-	-	-	-	-	-	-
Biological		-	-	-	-	-	-	-	-	-	-
Intangible		827	387	1 009	364	364	364	364	1 864	1 614	1 364
Other non-current assets		-	-	-	-	-	-	-	-	-	-
<b>Total non current assets</b>		<b>163 487</b>	<b>150 210</b>	<b>205 614</b>	<b>375 902</b>	<b>359 292</b>	<b>359 292</b>	<b>359 292</b>	<b>478 216</b>	<b>616 019</b>	<b>765 625</b>
<b>TOTAL ASSETS</b>		<b>405 200</b>	<b>291 022</b>	<b>358 220</b>	<b>585 095</b>	<b>451 159</b>	<b>451 159</b>	<b>451 159</b>	<b>565 385</b>	<b>701 012</b>	<b>848 481</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft	1	-	-	-	-	-	-	-	-	-	-
Borrowing	4	-	-	-	-	-	-	-	-	-	-
Consumer deposits		-	-	-	-	-	-	-	-	-	-
Trade and other payables	4	29 702	42 885	29 727	27 803	27 803	27 803	27 803	14 376	15 829	16 120
Provisions		-	-	-	-	-	-	-	-	-	-
<b>Total current liabilities</b>		<b>29 702</b>	<b>42 885</b>	<b>29 727</b>	<b>27 803</b>	<b>27 803</b>	<b>27 803</b>	<b>27 803</b>	<b>14 376</b>	<b>15 829</b>	<b>16 120</b>
<b>Non current liabilities</b>											
Borrowing		-	-	-	-	-	-	-	-	-	-
Provisions		1 977	3 252	3 059	3 252	3 252	3 252	3 252	3 744	4 222	4 787
<b>Total non current liabilities</b>		<b>1 977</b>	<b>3 252</b>	<b>3 059</b>	<b>3 252</b>	<b>3 252</b>	<b>3 252</b>	<b>3 252</b>	<b>3 744</b>	<b>4 222</b>	<b>4 787</b>
<b>TOTAL LIABILITIES</b>		<b>31 679</b>	<b>46 137</b>	<b>32 786</b>	<b>31 055</b>	<b>31 055</b>	<b>31 055</b>	<b>31 055</b>	<b>18 120</b>	<b>20 051</b>	<b>20 907</b>
<b>NET ASSETS</b>	5	<b>373 522</b>	<b>244 885</b>	<b>325 434</b>	<b>554 040</b>	<b>420 104</b>	<b>420 104</b>	<b>420 104</b>	<b>547 265</b>	<b>680 962</b>	<b>827 575</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated Surplus/(Deficit)		373 522	244 885	325 434	554 040	420 104	420 104	420 104	547 265	680 962	827 575
Reserves	4	-	-	-	-	-	-	-	-	-	-
Minorities' interests		-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	5	<b>373 522</b>	<b>244 885</b>	<b>325 434</b>	<b>554 040</b>	<b>420 104</b>	<b>420 104</b>	<b>420 104</b>	<b>547 265</b>	<b>680 962</b>	<b>827 575</b>

### 1.4.7 Table MBRR A7 – Budgeted Cash Flows

LIM473 Makhuduthamaga - Table A7 Budgeted Cash Flows

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates, penalties & collection charges		-	4 878	1 585	10 200	11 522	11 522	11 522	16 414	27 860	37 213
Service charges		-	-	-	-	-	-	-	-	-	-
Other revenue		161 266	4 526	4 537	9 568	37 698	37 698	37 698	27 101	30 588	31 059
Government - operating	1	-	192 035	185 806	185 336	174 636	174 636	174 636	232 170	233 223	229 161
Government - capital	1	-	-	-	57 452	57 452	57 452	57 452	59 950	62 322	65 876
Interest		3 672	12 647	20 045	11 398	11 548	11 548	11 548	12 702	13 973	15 370
Dividends		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Suppliers and employees		(101 302)	(116 528)	(125 644)	(174 116)	(181 264)	(181 264)	(181 264)	(193 064)	(200 340)	(216 148)
Finance charges		(9)	(13)	(2)	-	-	-	-	-	-	-
Transfers and Grants	1	-	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>63 626</b>	<b>97 544</b>	<b>86 327</b>	<b>99 837</b>	<b>111 592</b>	<b>111 592</b>	<b>111 592</b>	<b>155 273</b>	<b>167 625</b>	<b>162 531</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		660	17	390	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Capital assets		(58 581)	(50 698)	(84 330)	(156 678)	(182 793)	(182 793)	(182 793)	(161 843)	(169 876)	(165 685)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(57 921)</b>	<b>(50 681)</b>	<b>(83 940)</b>	<b>(156 678)</b>	<b>(182 793)</b>	<b>(182 793)</b>	<b>(182 793)</b>	<b>(161 843)</b>	<b>(169 876)</b>	<b>(165 685)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Repayment of borrowing		203	(138)	(81)	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>203</b>	<b>(138)</b>	<b>(81)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>5 909</b>	<b>46 725</b>	<b>2 307</b>	<b>(56 840)</b>	<b>(71 201)</b>	<b>(71 201)</b>	<b>(71 201)</b>	<b>(6 570)</b>	<b>(2 251)</b>	<b>(3 154)</b>
Cash/cash equivalents at the year begin:	2	74 761	80 670	127 395	129 702	129 702	129 702	129 702	58 501	51 932	49 680
Cash/cash equivalents at the year end:	2	80 670	127 395	129 702	72 862	58 501	58 501	58 501	51 932	49 680	46 526

### 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. It can be seen that the cash levels of the municipality fell significantly over the 2014/15 budget year which also contribute to the net decrease in cash held for 2015/2016 budget year.

4. The 2015/16 MTREF provide for a net decrease in cash of R6.5 million for the 2015/16 financial year, net decrease of R2.2 million in 2016/17 and R3.1 million in 2017/18. This result in a decreasing favorable cash position for the municipality over the 2015/16 MTREF.
5. Cash Flow from Operating activities;  
The municipality has projected to receive R 16.4 million from Property rates and R27.1 million from other revenue which consists mainly of VAT recovery for capital expenditure. Transfers from National government are projected to be received 100%. Trade and other payables as indicated in table A6 has been subtracted from the total expenditure included in the cash flow and non cash flow items such as depreciation and debt impairment has been disregarded in the calculations.

The municipality still has collection challenges on Property rates which is a major contributor to the municipality's own revenue budget and this contribute to the declining cash position of the municipality. The municipality's council is currently engaging relevant stake holders to ensure a better collection rate in the future.

Capital Assets expenditure and cash paid to suppliers and employees increases over the 2015/16 MTREF due to increase in employee costs, operational expenditure budget, capital expenditure budget and the projected creditors balance at the end of each budget year.

#### 1.4.8 Table MBRR A8 – Cash backed reserves/Accumulated surplus reconciliation

LIM473 Makhuduthamaga - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	80 670	127 395	129 702	72 862	58 501	58 501	58 501	51 932	49 680	46 526
Other current investments > 90 days		0	-	-	(34 877)	-	-	-	-	-	-
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>80 670</b>	<b>127 395</b>	<b>129 702</b>	<b>37 985</b>	<b>58 501</b>	<b>58 501</b>	<b>58 501</b>	<b>51 932</b>	<b>49 680</b>	<b>46 526</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		4 638	25 823	7 792	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(478 954)	14 097	19 781	(32 975)	(3 027)	(3 027)	(3 027)	(11 788)	(13 619)	(16 059)
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
<b>Total Application of cash and investments:</b>		<b>(474 315)</b>	<b>39 920</b>	<b>27 573</b>	<b>(32 975)</b>	<b>(3 027)</b>	<b>(3 027)</b>	<b>(3 027)</b>	<b>(11 788)</b>	<b>(13 619)</b>	<b>(16 059)</b>
<b>Surplus(shortfall)</b>		<b>554 985</b>	<b>87 475</b>	<b>102 129</b>	<b>70 960</b>	<b>61 528</b>	<b>61 528</b>	<b>61 528</b>	<b>63 719</b>	<b>63 300</b>	<b>62 586</b>

#### 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. From the table it can be seen that for the period 2015/16 to 2017/18 the municipality's budget is properly funded and reflect surplus.
6. Considering the requirements of section 18 of the MFMA, it can be concluded that the 2015/16MTREF was fully funded.
7. The municipality does not have noncurrent investments and no projection has been made for unspent conditional grants as we plan to utilise 100% of the allocation by year end.



### 1.4.9 Table MBRR table A9 – Asset Management

LIM473 Makhuduthamaga - Table A9 Asset Management

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>CAPITAL EXPENDITURE</b>										
<b>Total New Assets</b>	1	72 808	50 698	84 330	149 978	160 030	160 030	129 140	148 150	149 856
Infrastructure - Road transport		67 035	47 453	73 658	122 401	135 154	135 154	111 690	118 350	118 956
Infrastructure - Electricity		1 110	1 028	941	1 950	1 148	1 148	2 100	1 500	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		68 145	48 481	74 599	124 351	136 302	136 302	113 790	119 850	118 956
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	-	-	-	-	-	-
6	4 663	2 210	8 610	25 627	23 728	23 728	15 350	28 300	30 900	
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	7	1 121	-	-	-	-	-	-
<b>Total Renewal of Existing Assets</b>	2	-	-	-	6 700	6 700	6 700	5 000	7 500	-
Infrastructure - Road transport		-	-	-	6 700	6 700	6 700	5 000	7 500	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	6 700	6 700	6 700	5 000	7 500	-
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	-	-	-	-	-	-
6	-	-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure</b>	4	67 035	47 453	73 658	129 101	141 854	141 854	116 690	125 850	118 956
Infrastructure - Road transport		1 110	1 028	941	1 950	1 148	1 148	2 100	1 500	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		68 145	48 481	74 599	131 051	143 002	143 002	118 790	127 350	118 956
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		4 663	2 210	8 610	25 627	23 728	23 728	15 350	28 300	30 900
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	7	1 121	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>	2	72 808	50 698	84 330	156 678	166 730	166 730	134 140	155 650	149 856
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>										
5	135 939	123 763	173 913	322 339	307 589	307 589	413 142	529 355	654 690	
Infrastructure - Road transport		3 782	3 478	3 168	4 690	3 965	3 965	5 703	5 342	4 981
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		139 722	127 241	177 081	327 030	311 554	311 554	418 845	534 697	659 671
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 172
Other assets		21 767	21 412	26 353	47 337	46 202	46 202	56 435	79 618	104 500
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		827	387	1 009	364	364	364	1 864	1 614	1 364
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	163 487	150 210	205 614	375 902	359 292	359 292	478 316	617 100	766 706
<b>EXPENDITURE OTHER ITEMS</b>										
<b>Depreciation &amp; asset impairment</b>	3	9 693	10 434	10 956	15 105	12 408	12 408	16 616	16 616	18 277
<b>Repairs and Maintenance by Asset Class</b>		15 940	13 988	15 447	21 753	34 343	34 343	29 240	28 060	31 000
Infrastructure - Road transport		13 569	11 756	14 582	18 100	28 100	28 100	22 550	21 000	23 000
Infrastructure - Electricity		-	-	-	1 595	2 595	2 595	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		13 569	11 756	14 582	19 695	30 695	30 695	22 550	21 000	23 000
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	-	-	-	-	-	-
6, 7	2 371	2 232	865	2 057	3 647	3 647	6 690	7 060	8 000	
<b>TOTAL EXPENDITURE OTHER ITEMS</b>		25 633	24 422	26 403	36 858	46 750	46 750	45 856	44 676	49 277
<b>Renewal of Existing Assets as % of total capex</b>		0.0%	0.0%	0.0%	4.3%	4.0%	4.0%	3.7%	4.8%	0.0%
<b>Renewal of Existing Assets as % of deprecn"</b>		0.0%	0.0%	0.0%	44.4%	54.0%	54.0%	30.1%	45.1%	0.0%
<b>R&amp;M as a % of PPE</b>		9.9%	9.4%	7.6%	5.8%	9.6%	9.6%	6.2%	4.6%	4.1%
<b>Renewal and R&amp;M as a % of PPE</b>		10.0%	9.0%	8.0%	8.0%	11.0%	11.0%	7.0%	6.0%	4.0%

**1.4.11 Table 16 MBRR table A10 – Basic Service delivery measurement**

LIM473 Makhuduthamaga - Table A10 Basic service delivery measurement

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Household service targets</b>	1									
<b>Water:</b>										
Piped water inside dwelling		-	-	-	-	-	-	-	-	-
Piped water inside yard (but not in dwelling)		-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	2	-	-	-	-	-	-	-	-	-
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Sanitation/sewerage:</b>										
Flush toilet (connected to sewerage)		-	-	-	-	-	-	-	-	-
Flush toilet (with septic tank)		-	-	-	-	-	-	-	-	-
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Energy:</b>										
Electricity (at least min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Refuse:</b>										
Removed at least once a week		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Households receiving Free Basic Service</b>	7									
Water (6 kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free minimum level service)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		9 981	9 981	9 981	9 981	9 981	9 981	9 981	9 981	9 981
Refuse (removed at least once a week)		-	-	-	-	-	-	-	-	-
<b>Cost of Free Basic Services provided (R'000)</b>	8									
Water (6 kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free sanitation service)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		2 500	3 102	4 000	4 000	4 405	4 405	4 500	5 000	6 000
Refuse (removed once a week)		-	-	-	-	-	-	-	-	-
<b>Total cost of FBS provided (minimum social package)</b>		2 500	3 102	4 000	4 000	4 405	4 405	4 500	5 000	6 000
<b>Highest level of free service provided</b>										
Property rates (R value threshold)		-	-	-	-	-	-	-	-	-
Water (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)		-	-	-	-	-	-	-	-	-
Electricity (kwh per household per month)		50	50	50	50	50	50	50	50	50
Refuse (average litres per week)		-	-	-	-	-	-	-	-	-
<b>Revenue cost of free services provided (R'000)</b>	9									
Property rates (R15 000 threshold rebate)		-	-	-	-	-	-	-	-	-
Property rates (other exemptions, reductions and rebates)		605	605	605	605	605	605	605	605	605
Water		-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-
Electricity/other energy		-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates		-	-	-	-	-	-	-	-	-
Housing - top structure subsidies		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Total revenue cost of free services provided (total social package)</b>	6	605	605	605	605	605	605	605	605	605

## 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 on services that are within the functions of the municipality in terms of the South African Constitution and Municipal Systems Act. The municipality performs only the function of providing indigents registered in the municipality's indigent register with electricity tokens (Free Basic Electricity) and the other basic services as listed in table A10 are performed by the Greater Sekhukhune District Municipality. It must be noted also that as the municipality does not sell electricity, but purchase the electricity from Eskom, therefore the revenue costs for providing free basic electricity is Zero.
3. The following are the services that are provided by the district municipality and hence, no information has been completed on the table A10 of the municipality's Annual budget for 2015/2016 MTREF:
  - a. Water services
  - b. Sanitation services
  - c. Electricity services
  - d. Refuse services
4. The budget provides for 110 000 households to be registered as indigent in 2015/16, and therefore entitled to receiving Free Basic Services. It is anticipated that these Free Basic Services will cost the municipality R4.5 million in 2015/16, increasing to R5 million in 2016/17 and R6 million in 2017/2018. This is covered by the municipality's equitable share allocation from national government.
5. The revenue foregone to the amount of R 605 thousands for Property rates is for residential households which are not billed as per council resolution.

## **PART 2 – SUPPORTING DOCUMENTS**

### **2.1 Overview of municipal draft 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 of the municipality consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the Portfolio chairperson for Finance.

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.

The budget steering committee had regular meetings to deal with the IDP/Budget processes as contained in the municipality's approved time schedule that sets out the process to review the IDP and prepare the annual budget.

#### **2.1.1 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 2010) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required IDP and budget time schedule on 31 July 2014. Key dates applicable to the process were adhered to and progress was reported to council quarterly

#### **2.1.2 IDP and Service Delivery and Budget Implementation Plan**

This is the fourth review of the IDP as adopted by Council in May 2011. It started in September 2014 after the tabling of the IDP Process Plan and the Budget Time Schedule for the 2015/16 MTREF in July 2014.

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 first revision cycle included 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

### **2.1.3 Financial Modelling and Key Planning Drivers**

As part of the compilation of the 2015/16 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2015/16 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 2014/15 adjustments budget and performance against the SDBIP
- Cash Flow Management Strategy
- Debtor payment levels
- Investment possibilities
- The need for tariff increases versus the ability of the community to pay for services;
- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 51 and 54, 55, 58, 59, 66, 67, 70, 72, 74 and 75 has been taken into consideration in the planning and prioritisation process.

### **2.1.4 Community Consultation**

The consultation schedule for draft 2015/16 MTREF which was tabled before Council on 31 March 2015 was published on the municipality's website, and hard copies were made available at customer care offices, municipal notice boards and the municipality's community libraries.

All documents in the appropriate format (electronic and printed) were submitted to National Treasury, and other national and provincial departments in accordance with section 23 of the

MFMA, to provide an opportunity for them to ensure that their inputs are incorporated in the final budget and for monitoring purposes. Inputs received from the Provincial Treasury were considered and where necessary and appropriate included in the final budget for 2015/16 and the MTREF.

Ward Committees were utilised to facilitate the community consultation process. The applicable dates and venues which were published on municipality’s websites, notice boards and the local community radio station are as follows and on average attendance was about 350 people per meeting. Individual sessions were scheduled and conducted with organised businesses and other stakeholders to further ensure transparency and interaction. Other stakeholders that were involved in the consultation include churches, non-governmental institutions, local chiefs, traditional healer’s youth, people with disabilities and community-based organisations.

### Consultation notice and timetable.

#### 2015/ 2016 IDP/ BUDGET STAKEHOLDERS CONSULTATION PROGRAMME

TARGET STAKEHOLDERS	VENUES	DATES	Time
Traditional Healers, HIV/AIDS Council, Council Chamber, NGOs, CBOs, Safety Council	Makhuduthamaga Council chamber	08/04/2015	10h00
Ward 1, 2, 3, 4, 5, 6, 7,8 & 9	St Ritas sports ground	09/04/2015	09h00
Ward 12, 13, 14, 15, 16, 17 and 22	Makgane sports ground	10/04/2015	09h00
Ward 10, 11, 18, 19, 20, 21 & 23	Dinotsi sports ground	13/04/2015	09h00
Ward 24, 25, 26, 27, 28, 29, 30 & 31	Marishane tribal office	14/04/2015	09h00
Municipal staff	Makhuduthamaga Council chamber	15/04/2015	09h00
Special focus (Youth, Women, Elderly & People with Disability)	Makhuduthamaga Council chamber	16/04/2015	10h00
Magoshi	Makhuduthamaga Council chamber	17/04/2015	09h00

Executive committee/Management	Municipal boardroom	20/04/2015	09h00
MLM council/ Adoption of second Draft IDP/Budget 2015/16 financial year.	Makhuduthamaga Council chamber	21/04/2015	10h00

Submissions received during the community consultation process and additional information regarding revenue and expenditure and individual capital projects was considered and where relevant will included as part of the final budget for the 2015/16 MTREF.

## 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 realized through a credible integrated developmental planning process.

Our municipal IDP that 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 municipal council, was first adopted on 31 May 2011. This plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. The municipality’s IDP is therefore a key instrument which was used to provide vision, leadership and direction to all those that have a role to play in the development of the municipality. The IDP enables the municipality 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.

The aim of this revision cycle 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 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 five strategic objectives for the 2015/16 MTREF and further planning refinements that have directly informed the compilation of the budget:

**Table 17 IDP Strategic Objectives**

<b>2015/2016 Financial year</b>	<b>2016/2017 Financial year</b>
To ensure sustainable use of land and promote growth and development.	To ensure sustainable use of land and promote growth and development.
To Improve quality of life.	To Improve quality of life.
To create an environment that will develop, stimulate and strengthen local economic growth.	To create an environment that will develop, stimulate and strengthen local economic growth.
To secure sound and sustainable management of fiscus and financial affairs of the institution.	To secure sound and sustainable management of fiscus and financial affairs of the institution.
To coordinate all general administrative, governance, human resources, IT and legal services.	To coordinate all general administrative, governance, human resources, IT and legal services.
To Improve Internal and External operation of the municipality and its stakeholders	To Improve Internal and External operation of the municipality and its stakeholders

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:

1. Provision of quality basic services and infrastructure which includes, amongst others:
  - Provide waste removal;
  - Provide roads and storm water;
  - Provide municipal 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;
  - Facilitating the use of labour intensive approaches through the EPWP programme in the delivery of services and the building of infrastructure.
  
- 3.1 Fight poverty and build clean, healthy, safe and sustainable communities:
  - Effective implementation of the Indigent Policy;
  - Working with the provincial department of health to assist on matters affecting primary health care.



- Extending waste removal services and ensuring effective municipal cleansing;
  - 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.
- 3.2 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.
  - Provision of bursaries for well deserving students who are financially needy.
4. 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.
- 5.1 Promote sound governance and transparency through:
- Publishing the outcomes of all tender processes on the municipal website
- 5.2 Ensure financial sustainability through:
- Reviewing the use of contracted services
  - Continuing to implement the infrastructure management strategy and the repairs and maintenance plan
- 5.3 Optimal institutional transformation to ensure capacity to achieve set objectives
- Review of the organizational structure to optimize the use of personnel;

The 2015/16 draft budget and the MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

**Table 18 MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue**

LIM473 Makhuduthamaga - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
To secure sound and sustainable management of fiscus and financial affairs of the institution	Improved revenue collection rate for property rates debtors			41 358	27 660	43 987	35 616	29 844	29 844	32 828	39 800	43 780
To secure sound and sustainable management of fiscus and financial affairs of the institution	Improved revenue collection on rental of municipal assets.			93	26	75	73	83	83	95	104	115
To secure sound and sustainable management of fiscus and financial affairs of the institution	increase revenue generation through interests on investments.			3 672	4 062	7 827	11 398	11 548	11 548	12 702	13 973	15 370
To secure sound and sustainable management of fiscus and financial affairs of the institution	Improved collection rate on interests for overdue accounts.			6 745	8 938	12 455	10 361	16 361	16 361	17 998	21 597	23 757
To secure sound and sustainable management of fiscus and financial affairs of the institution	To maximise adherence to roads laws and regulations.			-	8	156	2 500	500	500	525	578	635
To secure sound and sustainable management of fiscus and financial affairs of the institution				2 466	3 791	4 039	5 565	4 565	4 565	5 159	5 933	6 526
To secure sound and sustainable management of fiscus and financial affairs of the institution	Receipt of the total equitable share grant allocated for our municipality			128 573	146 348	162 144	185 336	185 336	185 336	232 170	233 223	229 161
To secure sound and sustainable management of fiscus and financial affairs of the institution	Improve collection rate on VAT input and other revenue			704	927	2 227	1 430	1 230	1 230	1 310	1 441	1 585
To secure sound and sustainable management of fiscus and financial affairs of the institution	Receipt of total allocation of MIG grant.			40 129	24 383	41 539	57 452	57 452	57 452	59 950	62 322	65 876
<b>Allocations to other priorities</b>			2									
<b>Total Revenue (excluding capital transfers and contributions)</b>			1	<b>223 739</b>	<b>216 141</b>	<b>274 449</b>	<b>309 731</b>	<b>306 919</b>	<b>306 919</b>	<b>362 737</b>	<b>378 970</b>	<b>386 805</b>

**Table 19 MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted Operational Expenditure.**

LIM473 Makhuduthamaga - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	
To coordinate all general administrative, governance, human resources, IT and legal services	improved and efficient institutional governance			2 830	3 030	-	5 375	5 090	5 090	6 259	6 977	7 555	
To Improve quality of life	Improved service delivery and eradication of service delivery backlog.			26 072	18 402	22 364	25 382	41 943	41 943	34 821	34 667	38 606	
To ensure sustainable use of land and promote growth and development	improved economic growth			3 508	5 025	7 333	13 444	10 966	10 966	18 056	22 651	25 196	
To secure sound and sustainable management of fiscus and financial affairs of the institution	financially viable municipality			51 186	102 406	102 898	71 300	70 589	70 589	81 169	70 562	72 447	
Improve Internal and External operation of the municipality and its stakeholders	Practice of good governance			49 243	42 309	48 407	56 466	56 315	56 315	60 177	61 928	64 313	
To Improve quality of life	Improved service delivery and eradication of service delivery backlog.			10 699	11 215	14 780	18 892	22 854	22 854	28 060	26 478	28 793	
Allocations to other priorities													
<b>Total Expenditure</b>				<b>1</b>	<b>143 538</b>	<b>182 386</b>	<b>195 781</b>	<b>190 859</b>	<b>207 757</b>	<b>207 757</b>	<b>228 542</b>	<b>223 261</b>	<b>236 909</b>

**Table 20 MBRR Table SA6 - Reconciliation between the IDP strategic objectives and budgeted Capital Expenditure.**

LIM473 Makhuduthamaga - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
To strengthen institutional efficiency and governance	improved and efficient institutional governance	A		-	-	-	-	-	-	-	-	-
To Improve quality of life	Improved service delivery and eradication of service delivery backlog.	B		68 145	48 481	74 599	131 051	143 002	143 002	118 790	127 350	118 956
To ensure sustainable use of land and promote growth and development	improved economic growth	C		-	-	-	2 800	5 000	5 000	4 700	5 950	7 900
To secure sound and sustainable management of fiscus and financial affairs of the institution	financially viable municipality	D		3 706	859	5 677	5 500	11 200	11 200	6 700	19 500	20 000
Improve Internal and External operation of the municipality and its stakeholders	Practice of good governance	E		957	1 358	4 054	1 000	2 362	2 362	2 950	2 850	3 000
To Improve quality of life	Improved service delivery and eradication of service delivery backlog.	F		-	-	-	16 327	5 166	5 166	1 000	-	-
		P										
Allocations to other priorities			3									
<b>Total Capital Expenditure</b>			1	<b>72 808</b>	<b>50 698</b>	<b>84 330</b>	<b>156 678</b>	<b>166 730</b>	<b>166 730</b>	<b>134 140</b>	<b>155 650</b>	<b>149 856</b>

### 2.3 Measurable performance objectives and indicators

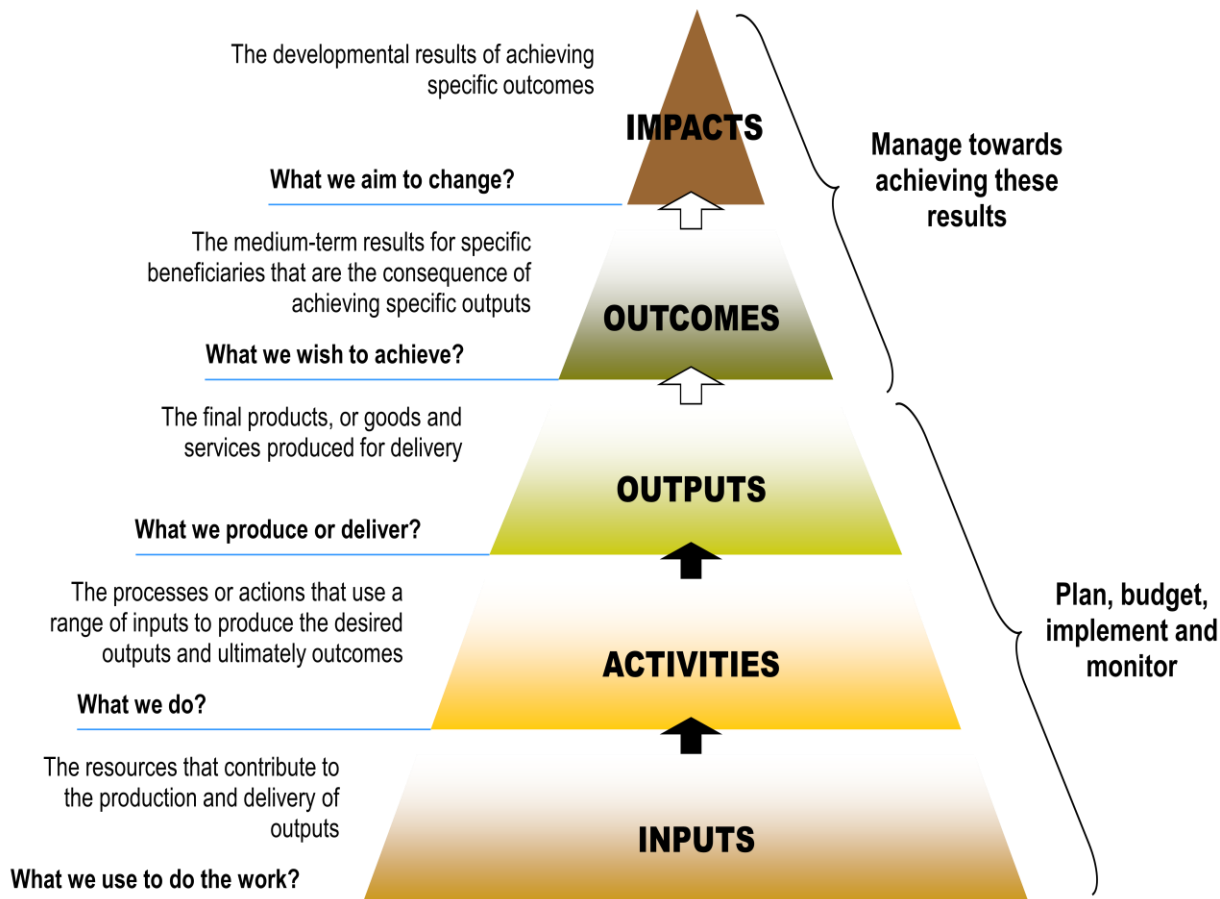
Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, 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 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 1 Definition of performance information concepts

The following table sets out the municipalities main performance objectives and benchmarks for the 2015/16 MTREF.

### Table 21 MBRR Table SA8 - Performance indicators and benchmarks

LIM473 Makhuduthamaga - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Borrowing Management</b>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	-0.1%	0.2%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	-0.4%	0.7%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Safety of Capital</b>											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Liquidity</b>											
Current Ratio	Current assets/current liabilities	5.7	3.3	5.0	8.3	8.3	8.3	8.3	9.8	11.9	16.6
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	5.7	3.3	5.0	8.3	8.3	8.3	8.3	9.8	11.9	16.6
Liquidity Ratio	Monetary Assets/Current Liabilities	2.7	3.0	4.4	1.4	1.4	1.4	1.4	1.4	2.1	3.7
<b>Revenue Management</b>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	17.6%	3.6%	28.6%	-25.4%	-25.4%	-25.4%	50.0%	70.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	17.6%	3.6%	28.6%	-25.4%	-25.4%	-25.4%	50.0%	70.0%	85.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	48.7%	6.3%	8.3%	75.7%	76.6%	76.6%	76.6%	81.3%	93.4%	102.1%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Creditors Management</b>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA' s 65(e))	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Creditors to Cash and Investments		31.1%	13.4%	16.9%	38.2%	92.1%	92.1%	92.1%	72.5%	47.1%	26.7%
<b>Other Indicators</b>											
Electricity Distribution Losses (2)	Total Volume Losses (kW)	0	0	0	0	0	0	0	0	0	0
	Total Cost of Losses (Rand '000)	0	0	0	0	0	0	0	0	0	0
	% Volume (units purchased and generated less units sold)/units purchased and generated	0	0	0	0	0	0	0	0	0	0
Water Distribution Losses (2)	Total Volume Losses (kℓ)	0	0	0	0	0	0	0	0	0	0
	Total Cost of Losses (Rand '000)	0	0	0	0	0	0	0	0	0	0
	% Volume (units purchased and generated less units sold)/units purchased and generated	0	0	0	0	0	0	0	0	0	0
Employee costs	Employee costs/(Total Revenue - capital revenue)	14.4%	18.4%	18.8%	25.1%	21.8%	21.8%	21.8%	21.7%	21.8%	22.9%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	8.7%	7.3%	6.6%	8.2%	13.4%	13.4%	13.4%	9.4%	8.6%	9.4%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	5.3%	5.5%	4.8%	6.0%	5.0%	5.0%	5.0%	5.5%	5.2%	5.7%
<b>IDP regulation financial viability indicators</b>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	4.3	2.3	6.2	5.8	5.8	5.8	3.0	2.4	2.3	2.6
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	215.6%	43.7%	43.8%	535.4%	638.5%	638.5%	638.5%	747.4%	740.8%	746.2%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	9.6	11.2	11.0	6.2	2.3	2.3	2.3	2.8	4.7	6.7

### 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. Our municipality is not planning to make use of borrowed funds to fund its capital expenditure for 2015/2016 MTREF due to poor own revenue collection rate.

#### 2.3.1.2 *Safety of Capital*

- *The debt-to-equity ratio* is a financial ratio indicating the relative proportion of equity and debt used in financing the municipality's assets. The indicator is based on the total of loans, creditors, and overdraft and tax provisions as a percentage of funds and reserves. The debt equity ratio of our municipality remains at 0:1 or zero per cent for 2015/2016 as our municipality does not have borrowings or overdraft and the ratio remain stable for the two outer years.

#### 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. For the 2013/14 financial year the current ratio is 5.0 as per the audited annual financial statements for 30 June 2014. For the 2014/15 financial year, it is estimated to be at 8.3. It is further estimated to be at 9.8, 11.9 and 16.6 for 2015/16 and the two outer years of the 2015/16 MTREF respectively. Going forward it will be necessary to maintain these levels.
- *The liquidity ratio* is a measure of the ability of the municipality to utilize cash and cash equivalents to settle its current liabilities as they fall due. 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 or more. Anything below 1 indicates a shortage in cash to meet creditor obligations. For the 2015/16 MTREF our municipality ratio indicates that we will be able to meet our creditor obligations. This is also supported by the cash flow projections appropriated to ensure that cash out flow is always covered by cash inflow or availability of surplus funds to settle the obligations.

#### 2.3.1.4 *Revenue Management*

- As part of the financial sustainability strategy, an aggressive revenue management framework has been put in place 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.

- The significant percentage of our debtors are government departments which did not pay their accounts because of various reasons provided to the municipality which includes budget issues and lack of certain information from the municipality 's side. We have worked hard to compile all information required to prove the accuracy of the billings and submitted it to all affected departments.

#### 2.3.1.5 *Creditors Management*

- The municipality has managed to ensure that creditors are settled within the legislated 30 days of the receipt of the invoice in the previous financial year. As our liquidity ratio is in good order we will not encounter cash flow problems to ensure a 100 per cent compliance rate to this legislative obligation in 2015/16 and the MTREF. 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 continues to increase for the 2015/16 MTREF as the municipality is filling critical vacancies to assist in efficient acceleration of service delivery to address the municipality's backlog.
- Repairs and maintenance as percentage of operating revenue is dropping from 13.4 per cent in 2014/15 to 9.4 percent in 2015/16 due limitation in funds available and the fact that most of our infrastructure assets are new. The municipality will always ensure that its existing assets are properly maintained and repaired to lengthen their life span and to keep them in good working conditions.

### **2.3.2 Free Basic Services: basic electricity tokens for indigent households**

The free basic electricity token assists residents that have difficulty paying for electricity services and are registered as indigent households in terms of the Indigent Policy of the municipality.

For the 2014/15 financial year registered indigents have been provided with a fifty (50) KWh token per household per month at a total cost R4.4 million to the municipality. The cost of free basic electricity increases to R4.5 million in 2015/2016 financial year and increases to R 5 million and R 6 million in 2016/17 and 2017/18 respectively. The total amount of units provided per household remains at 50 KWh for the 2015/16 MTREF.

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 16 MBRR A10 (Basic Service Delivery Measurement)



## **2.4 Overview of budget related-policies**

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

### **2.4.1 Review of credit control and debt collection procedures/policies**

The Debt Collection Policy as approved by Council in May 2014 is currently under review. While the adopted policy is credible, sustainable, manageable and informed by affordability and value for money there has been a need to review the tariff for property rates and certain components to encourage our customers to pay their accounts as they complained with current rate and to achieve a higher collection rate. In addition emphasis will be placed on speeding up the indigent registration process to ensure that credit control and debt collection efforts are not fruitlessly wasted on these debtors.

The 2015/16 MTREF has been prepared on the basis of achieving an average debtors' collection rate of 50 per cent on current debtors. 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 and since these overdue debtors has not paid in the past two financial years and an impairment was made to their balances as at 30 June 2014, the municipality has not made any projection for them in the cash flow statement for 2015/16 MTREF. In addition, the potential of a payment incentive scheme is being investigated and if found to be viable will be incorporated into the policy.

### **2.4.2 Budget Policy**

The adjustments budget process is governed by various provisions in the MFMA and the Budget policy of the municipality which 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 municipality continues to deliver on its core mandate and achieves its developmental goals, the mid-year review and adjustment budget process is utilised to ensure that underperforming functions are identified and funds redirected to performing functions. The Budget and Virement policy of the municipality is under review and will be submitted to council in May 2015 for approval.

### **2.4.3 Supply Chain Management Policy**

The Supply Chain Management Policy was adopted by Council in May 2014. This policy is under review and the amended policy will be considered by Council in due course of which the amendments will be extensively consulted on.

#### **2.4.4 Cash Management and Investment Policy**

The municipality's Cash Management and Investment Policy was adopted by Council in May 2014. 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 introduces time frames to achieve certain benchmarks. The policy is under review and will be submitted to council for approval in May 2015.

#### **2.4.5 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 policy was adopted by council on May 2014 and is currently under review. The reviewed policy will be submitted to council for approval in May 2015.

### **2.5 Overview of budget assumptions**

#### **2.5.1 External factors**

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 available cash.

#### **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 2014/15 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 electricity and water; and
- The increase in the cost of remuneration.

#### **2.5.3 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 is not planning to use borrowing to fund its capital projects and therefore no interests are to be paid. The municipality is forecasting to have surplus cash for investment and cash management and investment policy will be applied when investing such funds to generate revenue.

## **2.5.4 Collection rate for revenue services**

The municipality's assumption is that, the reduction of the property rates tariff implemented from 1 July 2012 will be affordable to the rate payers and collection will increase significantly as compared to the previous years.

The rate of revenue collection is currently expressed as a percentage (20 per cent) of annual billings. Cash flow for 2015/16 is expected to be 50 per cent of billings, plus an increased collection of arrear debt from the revised collection and credit control policy.

## **2.5.5 Salary increases**

We have budgeted salary increases as per the National Treasury Circular number 74 and 75. We budgeted an increase of 4.4 per cent, 5 per cent and 6.15 per cent for 2015/2016, 2016/2017 and 2017/2018 respectively for all employees with exclusion of Section 56 employees and councillors.

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

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

- 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.

## **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 22 Breakdown of the operating revenue over the medium-term**

LIM473 Makhuduthamaga - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Revenue By Source</b>											
Property rates	2	41 358	27 660	43 987	35 616	29 844	29 844	29 844	32 828	39 800	43 780
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - other		-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		93	26	75	73	83	83	83	95	104	115
Interest earned - external investments		3 672	4 062	7 827	11 398	11 548	11 548	11 548	12 702	13 973	15 370
Interest earned - outstanding debtors		6 745	8 938	12 455	10 361	16 361	16 361	16 361	17 998	21 597	23 757
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines		-	8	156	2 500	500	500	500	525	578	635
Licences and permits		2 466	3 791	4 039	5 565	4 565	4 565	4 565	5 159	5 933	6 526
Agency services		-	-	-	-	-	-	-	-	-	-
Transfers recognised - operational		128 573	146 348	162 144	185 336	185 336	185 336	185 336	232 170	233 223	229 161
Other revenue	2	704	927	2 227	1 430	1 230	1 230	1 230	1 310	1 441	1 585
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>183 610</b>	<b>191 758</b>	<b>232 910</b>	<b>252 279</b>	<b>249 467</b>	<b>249 467</b>	<b>249 467</b>	<b>302 787</b>	<b>316 648</b>	<b>320 929</b>

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 transfers recognised – operational (government grants), Property rates, capital grants from organs of state and other minor charges (such as licenses and permits etc).

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

- Growth in the municipality and economic development;
- Revenue management and enhancement;
- National Treasury guidelines;
- 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 determination of the tariffs charged to the consumers and the ratepayers aligned to the economic forecasts.

The proposed tariff reduction for the 2015/16 MTREF for Property rates can be shown as follows:

**Table 4 Approved tariff reduction over the medium-term**

Revenue category	Approved tariff 2014/2015	Approved tariff 2015/2016	Proposed tariff 2016/2017	Proposed tariff 2017/2018
Property Rates	2 cents	2 cents	2 cents	2 cents

### 2.6.2 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 understand-ability for councillors and management of the municipality. 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 provide for as cash inflow based on actual performance. In other words the *actual collection rate* of billed revenue and other own sources of revenue:

**Table 28 MBRR Table A7 - Budget cash flow statement**

LIM473 Makhuduthamaga - Table A7 Budgeted Cash Flows

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates, penalties & collection charges		-	4 878	1 585	10 200	11 522	11 522	11 522	16 414	27 860	37 213
Service charges		-	-	-	-	-	-	-	-	-	-
Other revenue		161 266	4 526	4 537	9 568	37 698	37 698	37 698	27 101	30 588	31 059
Government - operating	1	-	192 035	185 806	185 336	174 636	174 636	174 636	232 170	233 223	229 161
Government - capital	1	-	-	-	57 452	57 452	57 452	57 452	59 950	62 322	65 876
Interest		3 672	12 647	20 045	11 398	11 548	11 548	11 548	12 702	13 973	15 370
Dividends		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Suppliers and employees		(101 302)	(116 528)	(125 644)	(174 116)	(181 264)	(181 264)	(181 264)	(193 064)	(199 068)	(214 386)
Finance charges		(9)	(13)	(2)	-	-	-	-	-	-	-
Transfers and Grants	1	-	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>63 626</b>	<b>97 544</b>	<b>86 327</b>	<b>99 837</b>	<b>111 592</b>	<b>111 592</b>	<b>111 592</b>	<b>155 273</b>	<b>168 897</b>	<b>164 293</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		660	17	390	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Capital assets		(58 581)	(50 698)	(84 330)	(156 678)	(182 793)	(182 793)	(182 793)	(161 843)	(169 827)	(165 609)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(57 921)</b>	<b>(50 681)</b>	<b>(83 940)</b>	<b>(156 678)</b>	<b>(182 793)</b>	<b>(182 793)</b>	<b>(182 793)</b>	<b>(161 843)</b>	<b>(169 827)</b>	<b>(165 609)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Repayment of borrowing		203	(138)	(81)	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>203</b>	<b>(138)</b>	<b>(81)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>5 909</b>	<b>46 725</b>	<b>2 307</b>	<b>(56 840)</b>	<b>(71 201)</b>	<b>(71 201)</b>	<b>(71 201)</b>	<b>(6 570)</b>	<b>(929)</b>	<b>(1 316)</b>
Cash/cash equivalents at the year begin:	2	74 761	80 670	127 395	129 702	129 702	129 702	129 702	58 501	51 932	51 002
Cash/cash equivalents at the year end:	2	80 670	127 395	129 702	72 862	58 501	58 501	58 501	51 932	51 002	49 686

The above table shows a net decrease in cash held for 2014/2015 and the 2015/16 MTREF which is covered by the favourable cash balances at the beginning of each year. The municipality 's cash and cash equivalents shows a decreasing trend as the municipality use the cash saved from previous financial years to fund infrastructure projects in 2014/15.

**2.6.3 Cash Backed Reserves/Accumulated Surplus Reconciliation**

This following table meets the requirements of MFMA Circular 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 (applications > 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 29 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation**

LIM473 Makhuduthamaga - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	80 670	127 395	129 702	72 862	58 501	58 501	58 501	51 932	51 002	49 686
Other current investments > 90 days		0	-	-	(34 877)	-	-	-	-	-	-
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>80 670</b>	<b>127 395</b>	<b>129 702</b>	<b>37 985</b>	<b>58 501</b>	<b>58 501</b>	<b>58 501</b>	<b>51 932</b>	<b>51 002</b>	<b>49 686</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		4 638	25 823	7 792	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(478 954)	14 097	19 781	(32 975)	(3 027)	(3 027)	(3 027)	(11 837)	(13 695)	(16 164)
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
<b>Total Application of cash and investments:</b>		<b>(474 315)</b>	<b>39 920</b>	<b>27 573</b>	<b>(32 975)</b>	<b>(3 027)</b>	<b>(3 027)</b>	<b>(3 027)</b>	<b>(11 837)</b>	<b>(13 695)</b>	<b>(16 164)</b>
<b>Surplus(shortfall)</b>		<b>554 985</b>	<b>87 475</b>	<b>102 129</b>	<b>70 960</b>	<b>61 528</b>	<b>61 528</b>	<b>61 528</b>	<b>63 769</b>	<b>64 697</b>	<b>65 850</b>

From the above table it can be seen that the cash and investments available total R51.9 million in the 2015/16 financial year and decreases to R49.6 million by 2017/18.

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. Any underperformance in relation to collections could place upward pressure on the ability of the municipality to meet its creditor obligations.

It can be concluded that the municipality has a surplus against the cash backed and accumulated surpluses reconciliation.

### 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.

**Table 30 MBRR SA10 – Funding compliance measurement**

LIM473 Makhuduthamaga Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Funding measures</b>												
Cash/cash equivalents at the year end - R'000	18(1)b	1	80 670	127 395	129 702	72 862	58 501	58 501	58 501	51 905	48 854	45 655
Cash + investments at the yr end less applications - R'000	18(1)b	2	554 985	87 475	102 129	70 960	61 528	61 528	61 528	63 677	62 412	61 700
Cash year end/monthly employee/supplier payments	18(1)b	3	9.6	11.2	11.0	6.2	4.4	4.4	4.4	3.6	3.6	3.2
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	80 201	33 755	78 668	118 872	99 162	99 162	99 162	134 195	155 710	149 896
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(39.1%)	53.0%	(25.0%)	(22.2%)	(6.0%)	(6.0%)	4.0%	15.2%	4.0%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	314.0%	22.7%	9.7%	35.6%	93.6%	93.6%	93.6%	75.1%	84.2%	89.4%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	17.5%	166.3%	82.2%	4.6%	63.4%	63.4%	63.4%	57.7%	14.2%	5.7%
Capital payments % of capital expenditure	18(1)c:19	8	80.5%	100.0%	100.0%	100.0%	109.6%	109.6%	109.6%	120.7%	109.2%	110.6%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	(91.9%)	69.8%	671.3%	(80.7%)	0.0%	0.0%	5.7%	0.5%	2.9%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	9.9%	9.4%	7.6%	5.5%	9.4%	9.4%	7.9%	6.0%	4.4%	3.9%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	4.3%	4.0%	4.0%	0.0%	3.7%	4.8%	0.0%



<b>Supporting indicators</b>											
% incr total service charges (incl prop rates)	18(1)a		(33.1%)	59.0%	(19.0%)	(16.2%)	0.0%	0.0%	10.0%	21.2%	10.0%
% incr Property Tax	18(1)a		(33.1%)	59.0%	(19.0%)	(16.2%)	0.0%	0.0%	10.0%	21.2%	10.0%
% incr Service charges - electricity revenue	18(1)a		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - water revenue	18(1)a		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - sanitation revenue	18(1)a		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - refuse revenue	18(1)a		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr in Service charges - other	18(1)a		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18(1)a	41 358	27 660	43 987	35 616	29 844	29 844	29 844	32 828	39 800	43 780
Service charges		41 358	27 660	43 987	35 616	29 844	29 844	29 844	32 828	39 800	43 780
Property rates		41 358	27 660	43 987	35 616	29 844	29 844	29 844	32 828	39 800	43 780
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-
Service charges - refuse removal		-	-	-	-	-	-	-	-	-	-
Service charges - other		-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		93	26	75	73	83	83	83	95	104	115
Capital expenditure excluding capital grant funding		-	-	-	37 940	67 940	67 940	67 940	-	-	-
Cash receipts from ratepayers	18(1)a	161 266	9 404	6 123	19 768	49 220	49 220	49 220	43 515	58 448	68 272
Ratepayer & Other revenue	18(1)a	51 365	41 349	62 939	55 546	52 583	52 583	52 583	57 915	69 453	76 398
Change in consumer debtors (current and non-current)		(121 680)	(147 498)	9 103	148 638	10 796	10 796	10 796	(135 956)	170	1 017
Operating and Capital Grant Revenue	18(1)a	168 702	170 730	203 683	242 788	242 788	242 788	242 788	292 120	295 545	295 037
Capital expenditure - total	20(1)(vi)	72 808	50 698	84 330	156 678	166 730	166 730	166 730	134 140	155 650	149 856
Capital expenditure - renewal	20(1)(vi)	-	-	-	6 700	6 700	6 700	6 700	5 000	7 500	-
<b>Supporting benchmarks</b>											
Growth guideline maximum		6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline		4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
DoRA operating grants total MFY											
DoRA capital grants total MFY											
Provincial operating grants											
Provincial capital grants											
District Municipality grants											
Total gazetted/advised national, provincial and district grants									-	-	-
Average annual collection rate (arrears inclusive)											

<b>Total Operating Revenue</b>			183 610	191 758	232 910	252 279	249 467	249 467	249 467	302 787	316 648	320 929
<b>Total Operating Expenditure</b>			143 538	182 386	195 781	190 859	207 757	207 757	207 757	228 542	223 261	236 909
<b>Operating Performance Surplus/(Deficit)</b>			40 072	9 372	37 129	61 420	41 710	41 710	41 710	74 245	93 388	84 020
<b>Cash and Cash Equivalents (30 June 2012)</b>										51 905		
<b>Revenue</b>												
% Increase in Total Operating Revenue			4.4%	21.5%	8.3%	(1.1%)	0.0%	0.0%	0.0%	21.4%	4.6%	1.4%
% Increase in Property Rates Revenue			(33.1%)	59.0%	(19.0%)	(16.2%)	0.0%	0.0%	0.0%	10.0%	21.2%	10.0%
% Increase in Electricity Revenue			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Increase in Property Rates & Services Charges			(33.1%)	59.0%	(19.0%)	(16.2%)	0.0%	0.0%	0.0%	10.0%	21.2%	10.0%
<b>Expenditure</b>												
% Increase in Total Operating Expenditure			27.1%	7.3%	(2.5%)	8.9%	0.0%	0.0%	0.0%	10.0%	(2.3%)	6.1%
% Increase in Employee Costs			33.3%	24.1%	44.6%	(14.1%)	0.0%	0.0%	0.0%	21.2%	5.0%	6.2%
% Increase in Electricity Bulk Purchases			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Average Cost Per Budgeted Employee Position (Remuneration)				0	0					0		
Average Cost Per Councillor (Remuneration)				0	0					0		
R&M % of PPE			9.9%	9.4%	7.6%	5.5%	9.4%	9.4%	9.4%	6.0%	4.4%	3.9%
Asset Renewal and R&M as a % of PPE			798.0%	898.0%	709.0%	1784.0%	2619.0%	2619.0%	2619.0%	1102.0%	1246.0%	1187.0%
Debt Impairment % of Total Billable Revenue			17.5%	166.3%	82.2%	4.6%	63.4%	63.4%	63.4%	57.7%	14.2%	5.7%
<b>Capital Revenue</b>												
Internally Funded & Other (R'000)			-	-	-	37 940	67 940	67 940	67 940	-	-	-
Borrowing (R'000)			-	-	-	-	-	-	-	-	-	-
Grant Funding and Other (R'000)			72 808	50 698	84 330	118 738	98 790	98 790	98 790	134 140	155 650	149 856
Internally Generated funds % of Non Grant Funding			0.0%	0.0%	0.0%	100.0%	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%
Borrowing % of Non Grant Funding			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grant Funding % of Total Funding			100.0%	100.0%	100.0%	75.8%	59.3%	59.3%	59.3%	100.0%	100.0%	100.0%
<b>Capital Expenditure</b>												
Total Capital Programme (R'000)			72 808	50 698	84 330	156 678	166 730	166 730	166 730	134 140	155 650	149 856
Asset Renewal			-	-	-	6 700	6 700	6 700	6 700	5 000	7 500	-
Asset Renewal % of Total Capital Expenditure			0.0%	0.0%	0.0%	4.3%	4.0%	4.0%	4.0%	3.7%	4.8%	0.0%
<b>Cash</b>												
Cash Receipts % of Rate Payer & Other			314.0%	22.7%	9.7%	35.6%	93.6%	93.6%	93.6%	75.1%	84.2%	89.4%
Cash Coverage Ratio			0	0	0	0	0	0	0	0	0	0
<b>Borrowing</b>												
Credit Rating (2009/10)										0		
Capital Charges to Operating			(0.1%)	0.2%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowing Receipts % of Capital Expenditure			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Reserves</b>												
Surplus/(Deficit)			554 985	87 475	102 129	70 960	61 528	61 528	61 528	63 677	62 412	61 700
<b>Free Services</b>												
Free Basic Services as a % of Equitable Share			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Free Services as a % of Operating Revenue (excl operational transfers)			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>High Level Outcome of Funding Compliance</b>												
Total Operating Revenue			183 610	191 758	232 910	252 279	249 467	249 467	249 467	302 787	316 648	320 929
Total Operating Expenditure			143 538	182 386	195 781	190 859	207 757	207 757	207 757	228 542	223 261	236 909
Surplus/(Deficit) Budgeted Operating Statement			40 072	9 372	37 129	61 420	41 710	41 710	41 710	74 245	93 388	84 020
Surplus/(Deficit) Considering Reserves and Cash Backing			554 985	87 475	102 129	70 960	61 528	61 528	61 528	63 677	62 412	61 700
<b>MTREF Funded (1) / Unfunded (0)</b>	15	1	1	1	1	1	1	1	1	1	1	1
<b>MTREF Funded ✓ / Unfunded ✖</b>	15	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

## 2.7 Expenditure on grants and reconciliations of unspent funds

**Table 31 MBRR SA19 - Expenditure on transfers and grant programmes**

LIM473 Makhuduthamaga - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>EXPENDITURE:</b>	1									
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		128 573	145 556	161 867	185 336	186 686	186 686	232 257	233 359	229 378
Local Government Equitable Share		-	-	-	-	-	-	-	-	-
Local Government Equitable Share		126 283	143 213	157 820	181 770	181 770	181 770	228 571	230 641	226 428
Finance Management		1 500	1 500	1 550	1 600	1 600	1 600	1 650	1 700	1 750
Municipal Systems Improvement		790	800	890	934	934	934	967	1 018	1 200
EPWP Incentive		-	43	1 607	1 032	2 382	2 382	1 069	-	-
		-	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
<b>Total operating expenditure of Transfers and Grants:</b>		128 573	145 556	161 867	185 336	186 686	186 686	232 257	233 359	229 378
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		40 129	25 174	41 816	57 452	57 452	57 452	59 950	62 322	65 876
Municipal Infrastructure Grant (MIG)		30 129	24 383	41 539	57 452	57 452	57 452	59 950	62 322	65 876
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
INEG (DOE)		10 000	792	277	-	-	-	-	-	-
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>		40 129	25 174	41 816	57 452	57 452	57 452	59 950	62 322	65 876
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		168 702	170 730	203 683	242 788	244 138	244 138	292 207	295 681	295 254

**Table 32 MBRR SA 20 – Reconciliation of transfers, grant receipts and unspent funds**

LIM473 Makhuduthamaga - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Operating transfers and grants:</b>	1,3									
<b>National Government:</b>										
Balance unspent at beginning of the year		104	608	3 816	-	-	-	-	-	-
Current year receipts		129 077	150 479	161 260	185 336	185 336	185 336	232 170	233 223	229 161
<b>Conditions met - transferred to revenue</b>		<b>128 573</b>	<b>146 348</b>	<b>162 144</b>	<b>185 336</b>	<b>185 336</b>	<b>185 336</b>	<b>232 170</b>	<b>233 223</b>	<b>229 161</b>
Conditions still to be met - transferred to liabilities		608	4 739	2 932	-	-	-	-	-	-
<b>Provincial Government:</b>										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>Total operating transfers and grants revenue</b>		<b>128 573</b>	<b>146 348</b>	<b>162 144</b>	<b>185 336</b>	<b>185 336</b>	<b>185 336</b>	<b>232 170</b>	<b>233 223</b>	<b>229 161</b>
<b>Total operating transfers and grants - CTBM</b>	2	<b>608</b>	<b>4 739</b>	<b>2 932</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Capital transfers and grants:</b>	1,3									
<b>National Government:</b>										
Balance unspent at beginning of the year		-	4 030	21 084	-	-	-	-	-	-
Current year receipts		30 129	45 436	25 315	57 452	57 452	57 452	59 950	62 322	65 876
<b>Conditions met - transferred to revenue</b>		<b>26 098</b>	<b>28 383</b>	<b>41 539</b>	<b>57 452</b>	<b>57 452</b>	<b>57 452</b>	<b>59 950</b>	<b>62 322</b>	<b>65 876</b>
Conditions still to be met - transferred to liabilities		4 030	21 084	4 860	-	-	-	-	-	-
<b>Provincial Government:</b>										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>Total capital transfers and grants revenue</b>		<b>26 098</b>	<b>28 383</b>	<b>41 539</b>	<b>57 452</b>	<b>57 452</b>	<b>57 452</b>	<b>59 950</b>	<b>62 322</b>	<b>65 876</b>
<b>Total capital transfers and grants - CTBM</b>	2	<b>4 030</b>	<b>21 084</b>	<b>4 860</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL TRANSFERS AND GRANTS REVENUE</b>		<b>154 671</b>	<b>174 730</b>	<b>203 683</b>	<b>242 788</b>	<b>242 788</b>	<b>242 788</b>	<b>292 120</b>	<b>295 545</b>	<b>295 037</b>
<b>TOTAL TRANSFERS AND GRANTS - CTBM</b>		<b>4 638</b>	<b>25 823</b>	<b>7 792</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 2.8 Allocations and grants made by the municipality.

Our municipality does not have any allocations any grants transferred to other municipalities or entities as indicated by the table below.

LIM473 Makhuduthamaga - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Cash Transfers to other municipalities</b>											
<i>Insert description</i>	1	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
<b>Total Cash Transfers To Municipalities:</b>		-	-	-	-	-	-	-	-	-	-
<b>Cash Transfers to Entities/Other External Mechanisms</b>											
<i>Insert description</i>	2	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
<b>Total Cash Transfers To Entities/Ems'</b>		-	-	-	-	-	-	-	-	-	-
<b>Cash Transfers to other Organs of State</b>											
<i>Insert description</i>	3	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
<b>Total Cash Transfers To Other Organs Of State:</b>		-	-	-	-	-	-	-	-	-	-
<b>Cash Transfers to Organisations</b>											
<i>Insert description</i>	4	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
<b>Total Cash Transfers To Organisations</b>		-	-	-	-	-	-	-	-	-	-
<b>Cash Transfers to Groups of Individuals</b>											
<i>Insert description</i>	5	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
<b>Total Cash Transfers To Groups Of Individuals:</b>		-	-	-	-	-	-	-	-	-	-
<b>TOTAL CASH TRANSFERS AND GRANTS</b>	6	-	-	-	-	-	-	-	-	-	-
<b>Non-Cash Transfers to other municipalities</b>											
<i>Insert description</i>	1	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
<b>Total Non-Cash Transfers To Municipalities:</b>		-	-	-	-	-	-	-	-	-	-
<b>Non-Cash Transfers to Entities/Other External Mechanisms</b>											
<i>Insert description</i>	2	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
<b>Total Non-Cash Transfers To Entities/Ems'</b>		-	-	-	-	-	-	-	-	-	-
<b>Non-Cash Transfers to other Organs of State</b>											
<i>Insert description</i>	3	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
<b>Total Non-Cash Transfers To Other Organs Of State:</b>		-	-	-	-	-	-	-	-	-	-
<b>Non-Cash Grants to Organisations</b>											
<i>Insert description</i>	4	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
<b>Total Non-Cash Grants To Organisations</b>		-	-	-	-	-	-	-	-	-	-
<b>Groups of Individuals</b>											
<i>Insert description</i>	5	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
<b>Total Non-Cash Grants To Groups Of Individuals:</b>		-	-	-	-	-	-	-	-	-	-
<b>TOTAL NON-CASH TRANSFERS AND GRANTS</b>		-	-	-	-	-	-	-	-	-	-
<b>TOTAL TRANSFERS AND GRANTS</b>	6	-	-	-	-	-	-	-	-	-	-

## 2.9 Councillor and employee benefits

### Table 33 MBRR SA22 - Summary of councillor and staff benefits

LIM473 Makhuduthamaga - Supporting Table SA22 Summary councillor and staff benefits																
Summary of Employee and Councillor remuneration R thousand	Ref	2011/12			2012/13			2013/14			Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18						
		A	B	C	D	E	F	G	H	I						
<b>Councillors (Political Office Bearers plus Other)</b>																
Basic Salaries and Wages		8 372	9 403	9 301	10 709	10 763	10 763	10 632	11 163	11 722						
Pension and UIF Contributions		1 477	1 415	2 159	2 726	2 726	2 726	2 468	2 591	2 721						
Medical Aid Contributions		–	–	–	–	–	–	–	–	–						
Motor Vehicle Allowance		3 954	4 446	3 777	4 063	4 094	4 094	4 317	4 533	4 760						
Cellphone Allowances		–	–	1 452	875	879	879	1 660	1 743	1 830						
Housing Allowances		–	–	–	–	–	–	–	–	–						
Other benefits and allowances		149	127	–	–	–	–	–	–	–						
<b>Sub Total - Councillors</b>		<b>13 951</b>	<b>15 391</b>	<b>16 688</b>	<b>18 373</b>	<b>18 463</b>	<b>18 463</b>	<b>19 077</b>	<b>20 031</b>	<b>21 032</b>						
% increase	4		10.3%	8.4%	10.1%	0.5%	–	3.3%	5.0%	5.0%						
<b>Senior Managers of the Municipality</b>																
Basic Salaries and Wages		2 294	1 585	2 195	3 138	2 373	2 373	3 148	3 306	3 509						
Pension and UIF Contributions		240	135	197	471	363	363	586	615	653						
Medical Aid Contributions		119	112	105	189	151	151	215	226	240						
Overtime		–	–	–	–	–	–	–	–	–						
Performance Bonus		–	–	–	–	–	–	–	–	–						
Motor Vehicle Allowance	3	706	188	626	1 354	913	913	1 481	1 555	1 651						
Cellphone Allowance	3	92	79	89	136	93	93	133	139	148						
Housing Allowances	3	334	259	347	410	256	256	209	220	233						
Other benefits and allowances	3	–	155	156	73	53	53	77	80	85						
Payments in lieu of leave		–	–	–	–	–	–	–	–	–						
Long service awards		–	–	–	–	–	–	–	–	–						
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–						
<b>Sub Total - Senior Managers of Municipality</b>		<b>3 822</b>	<b>2 513</b>	<b>3 714</b>	<b>5 771</b>	<b>4 202</b>	<b>4 202</b>	<b>5 849</b>	<b>6 141</b>	<b>6 519</b>						
% increase	4		(34.3%)	47.8%	55.4%	(27.2%)	–	39.2%	5.0%	6.2%						
<b>Other Municipal Staff</b>																
Basic Salaries and Wages		12 602	17 546	20 849	30 565	24 593	24 593	31 240	32 819	34 837						
Pension and UIF Contributions		2 778	3 569	4 691	6 661	5 675	5 675	7 029	7 384	7 838						
Medical Aid Contributions		1 065	1 618	2 045	2 887	5 486	5 486	3 064	3 219	3 417						
Overtime		168	190	179	341	341	341	268	282	299						
Performance Bonus		–	–	–	–	–	–	–	–	–						
Motor Vehicle Allowance	3	2 661	4 692	5 277	7 688	6 573	6 573	7 907	8 307	8 818						
Cellphone Allowance	3	525	749	894	1 329	1 043	1 043	1 339	1 407	1 493						
Housing Allowances	3	510	1 053	1 498	1 817	2 460	2 460	2 245	2 358	2 503						
Other benefits and allowances	3	1 267	1 302	1 909	2 552	332	332	2 861	3 005	3 190						
Payments in lieu of leave		274	921	1 847	1 650	1 650	1 650	2 768	2 908	3 087						
Long service awards		766	1 096	834	1 965	1 965	1 965	1 250	1 313	1 394						
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–						
<b>Sub Total - Other Municipal Staff</b>		<b>22 616</b>	<b>32 736</b>	<b>40 024</b>	<b>57 455</b>	<b>50 119</b>	<b>50 119</b>	<b>59 971</b>	<b>63 003</b>	<b>66 877</b>						
% increase	4		44.7%	22.3%	43.5%	(12.8%)	–	19.7%	5.1%	6.2%						
<b>Total Parent Municipality</b>		<b>40 389</b>	<b>50 639</b>	<b>60 427</b>	<b>81 599</b>	<b>72 784</b>	<b>72 784</b>	<b>84 897</b>	<b>89 175</b>	<b>94 429</b>						
			25.4%	19.3%	35.0%	(10.8%)	–	16.6%	5.0%	5.9%						
<b>Board Members of Entities</b>																
Basic Salaries and Wages		–	–	–	–	–	–	–	–	–						
Pension and UIF Contributions		–	–	–	–	–	–	–	–	–						
Medical Aid Contributions		–	–	–	–	–	–	–	–	–						
Overtime		–	–	–	–	–	–	–	–	–						
Performance Bonus		–	–	–	–	–	–	–	–	–						
Motor Vehicle Allowance	3	–	–	–	–	–	–	–	–	–						
Cellphone Allowance	3	–	–	–	–	–	–	–	–	–						
Housing Allowances	3	–	–	–	–	–	–	–	–	–						
Other benefits and allowances	3	–	–	–	–	–	–	–	–	–						
Board Fees		–	–	–	–	–	–	–	–	–						
Payments in lieu of leave		–	–	–	–	–	–	–	–	–						
Long service awards		–	–	–	–	–	–	–	–	–						
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–						
<b>Sub Total - Board Members of Entities</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>						
% increase	4		–	–	–	–	–	–	–	–						
<b>Senior Managers of Entities</b>																
Basic Salaries and Wages		–	–	–	–	–	–	–	–	–						
Pension and UIF Contributions		–	–	–	–	–	–	–	–	–						
Medical Aid Contributions		–	–	–	–	–	–	–	–	–						
Overtime		–	–	–	–	–	–	–	–	–						
Performance Bonus		–	–	–	–	–	–	–	–	–						
Motor Vehicle Allowance	3	–	–	–	–	–	–	–	–	–						
Cellphone Allowance	3	–	–	–	–	–	–	–	–	–						
Housing Allowances	3	–	–	–	–	–	–	–	–	–						
Other benefits and allowances	3	–	–	–	–	–	–	–	–	–						
Payments in lieu of leave		–	–	–	–	–	–	–	–	–						
Long service awards		–	–	–	–	–	–	–	–	–						
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–						
<b>Sub Total - Senior Managers of Entities</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>						
% increase	4		–	–	–	–	–	–	–	–						
<b>Other Staff of Entities</b>																
Basic Salaries and Wages		–	–	–	–	–	–	–	–	–						
Pension and UIF Contributions		–	–	–	–	–	–	–	–	–						
Medical Aid Contributions		–	–	–	–	–	–	–	–	–						
Overtime		–	–	–	–	–	–	–	–	–						
Performance Bonus		–	–	–	–	–	–	–	–	–						
Motor Vehicle Allowance	3	–	–	–	–	–	–	–	–	–						
Cellphone Allowance	3	–	–	–	–	–	–	–	–	–						
Housing Allowances	3	–	–	–	–	–	–	–	–	–						
Other benefits and allowances	3	–	–	–	–	–	–	–	–	–						
Payments in lieu of leave		–	–	–	–	–	–	–	–	–						
Long service awards		–	–	–	–	–	–	–	–	–						
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–						
<b>Sub Total - Other Staff of Entities</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>						
% increase	4		–	–	–	–	–	–	–	–						
<b>Total Municipal Entities</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>						
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>40 389</b>	<b>50 639</b>	<b>60 427</b>	<b>81 599</b>	<b>72 784</b>	<b>72 784</b>	<b>84 897</b>	<b>89 175</b>	<b>94 429</b>						
% increase	4		25.4%	19.3%	35.0%	(10.8%)	–	16.6%	5.0%	5.9%						
<b>TOTAL MANAGERS AND STAFF</b>	5,7	<b>26 438</b>	<b>35 248</b>	<b>43 739</b>	<b>63 225</b>	<b>54 321</b>	<b>54 321</b>	<b>65 820</b>	<b>69 144</b>	<b>73 396</b>						

The following table SA23 indicate the remuneration of the council and senior managers of the municipality.

LIM473 Makhuduthamaga - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref		Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum		No.		1.				2.
<b><u>Councillors</u></b>	3							
Speaker	4		404 878	101 219	189 567			695 664
Chief Whip			383 323	95 831	180 586			659 740
Executive Mayor			431 098	107 774	200 492			739 364
Deputy Executive Mayor			-	-	-			-
Executive Committee			2 011 438	502 860	1 025 911			3 540 209
Total for all other councillors			7 401 127	1 659 939	4 380 848			13 441 914
<b>Total Councillors</b>	<b>8</b>	<b>-</b>	<b>10 631 864</b>	<b>2 467 623</b>	<b>5 977 404</b>			<b>19 076 891</b>
<b><u>Senior Managers of the Municipality</u></b>	5							
Municipal Manager (MM)			875 072	235 014	41 350	-		1 151 436
Chief Finance Officer			454 680	113 102	371 731	-		939 513
Director Corporate Services			454 680	113 102	371 731	-		939 513
Director Community Services			454 680	113 102	371 731	-		939 513
Director Planning and Development			454 680	113 102	371 731	-		939 513
Director Infrastructure and Development			454 680	113 102	371 731	-		939 513
List of each official with packages >= senior manager								
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
<b>Total Senior Managers of the Municipality</b>	<b>8,10</b>	<b>-</b>	<b>3 148 472</b>	<b>800 525</b>	<b>1 900 007</b>	<b>-</b>		<b>5 849 003</b>
<b><u>A Heading for Each Entity</u></b>	6,7							
List each member of board by designation								
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
			-	-	-	-		-
<b>Total for municipal entities</b>	<b>8,10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
<b>TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION</b>	<b>10</b>	<b>-</b>	<b>13 780 336</b>	<b>3 268 147</b>	<b>7 877 411</b>	<b>-</b>		<b>24 925 894</b>



## **2.10 Monthly targets for revenue, expenditure and cash flow**

The following tables shows how the municipality is planning to receive its budgeted revenue and spend funds appropriated per cost centre, standard classification and the cash inflow and out flow per month.



**Table 365 MBRR SA25 - Budgeted monthly revenue and expenditure**

LIM473 Makhuduthamaga - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>																
<b>Revenue By Source</b>																
Property rates		2 736	2 736	2 736	2 736	2 736	2 736	2 736	2 736	2 736	2 736	2 736	2 736	32 828	39 800	43 780
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		35	-	-	28	-	-	-	-	-	-	32	95	104	115	
Interest earned - external investments		450	670	871	4 650	580	790	950	1 890	750	560	420	122	12 702	13 973	15 370
Interest earned - outstanding debtors		895	1 540	1 250	1 340	1 400	1 589	1 650	1 890	1 750	1 570	1 545	1 579	17 998	21 597	23 757
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines		46	56	60	46	59	95	46	35	28	20	15	20	525	578	635
Licences and permits		517	451	442	467	398	314	399	415	415	435	416	490	5 159	5 933	6 526
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - operational		97 511	1 999	-	-	67 329	-	-	-	65 330	-	-	-	232 170	233 223	229 161
Other revenue		450	180	540	-	-	140	-	-	-	-	-	-	1 310	1 441	1 585
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contribution)</b>		<b>102 640</b>	<b>7 631</b>	<b>5 898</b>	<b>9 267</b>	<b>72 503</b>	<b>5 664</b>	<b>5 780</b>	<b>6 966</b>	<b>71 008</b>	<b>5 320</b>	<b>5 132</b>	<b>4 978</b>	<b>302 787</b>	<b>316 648</b>	<b>320 929</b>
<b>Expenditure By Type</b>																
Employee related costs		5 485	5 485	5 485	5 485	5 485	5 485	5 485	5 485	5 485	5 485	5 485	5 712	66 047	69 382	73 649
Remuneration of councillors		1 590	1 590	1 590	1 590	1 590	1 590	1 590	1 590	1 590	1 590	1 590	2 422	19 909	21 303	22 794
Debt impairment		-	-	-	-	-	-	-	-	-	-	-	18 935	18 935	5 670	2 500
Depreciation & asset impairment		1 385	1 385	1 385	1 385	1 385	1 385	1 385	1 385	1 385	1 385	1 385	1 385	16 616	17 447	18 277
Finance charges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services		1 134	1 934	2 484	6 524	7 374	4 634	5 538	4 390	2 634	3 134	1 134	2 082	43 000	44 104	49 232
Transfers and grants		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure		6 432	8 877	9 483	8 888	4 250	7 980	4 404	2 941	3 770	2 507	2 304	2 272	64 107	65 551	70 472
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>16 025</b>	<b>19 271</b>	<b>20 427</b>	<b>23 871</b>	<b>20 083</b>	<b>21 074</b>	<b>18 402</b>	<b>15 791</b>	<b>14 864</b>	<b>14 100</b>	<b>11 898</b>	<b>32 808</b>	<b>228 615</b>	<b>223 457</b>	<b>236 925</b>
<b>Surplus/(Deficit)</b>		<b>86 615</b>	<b>(11 640)</b>	<b>(14 529)</b>	<b>(14 605)</b>	<b>52 419</b>	<b>(15 410)</b>	<b>(12 622)</b>	<b>(8 825)</b>	<b>56 145</b>	<b>(8 780)</b>	<b>(6 766)</b>	<b>(27 830)</b>	<b>74 172</b>	<b>93 192</b>	<b>84 004</b>
Transfers recognised - capital		-	22 182	-	-	-	22 182	-	-	15 587	-	-	-	59 950	62 322	65 876
Contributions recognised - capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>86 615</b>	<b>10 542</b>	<b>(14 529)</b>	<b>(14 605)</b>	<b>52 419</b>	<b>6 771</b>	<b>(12 622)</b>	<b>(8 825)</b>	<b>71 732</b>	<b>(8 780)</b>	<b>(6 766)</b>	<b>(27 830)</b>	<b>134 122</b>	<b>155 514</b>	<b>149 880</b>
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>86 615</b>	<b>10 542</b>	<b>(14 529)</b>	<b>(14 605)</b>	<b>52 419</b>	<b>6 771</b>	<b>(12 622)</b>	<b>(8 825)</b>	<b>71 732</b>	<b>(8 780)</b>	<b>(6 766)</b>	<b>(27 830)</b>	<b>134 122</b>	<b>155 514</b>	<b>149 880</b>

**Table 37 MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)**

LIM473 Makhuduthamaga - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>																
<b>Revenue by Vote</b>																
Vote 1 - Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Economic Development and Planning		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Infrastructure Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Budget & Treasury		102 640	29 813	5 898	9 267	72 503	27 845	5 780	6 966	86 595	5 320	5 132	4 978	362 737	378 970	386 805
Vote 8 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>		<b>102 640</b>	<b>29 813</b>	<b>5 898</b>	<b>9 267</b>	<b>72 503</b>	<b>27 845</b>	<b>5 780</b>	<b>6 966</b>	<b>86 595</b>	<b>5 320</b>	<b>5 132</b>	<b>4 978</b>	<b>362 737</b>	<b>378 970</b>	<b>386 805</b>
<b>Expenditure by Vote to be appropriated</b>																
Vote 1 - Council		3 491	3 087	4 474	2 838	3 093	4 026	2 916	3 225	3 435	2 534	2 536	3 832	39 487	39 119	41 005
Vote 2 - Office of the Municipal Manager		413	413	559	413	359	615	413	413	731	561	597	771	6 259	6 977	7 555
Vote 3 - Economic Development and Planning		1 346	2 946	2 056	2 596	996	2 786	1 096	846	846	846	846	546	17 756	22 351	25 196
Vote 4 - Infrastructure Development		814	1 214	1 314	4 214	7 014	4 314	5 164	4 014	2 314	2 814	814	1 563	35 569	34 894	39 669
Vote 5 - Community Services		2 176	3 226	3 826	3 026	2 026	2 876	1 626	1 826	1 976	2 026	1 876	1 281	27 765	27 218	29 579
Vote 6 - Corporate Services		2 802	3 291	2 186	2 992	1 330	1 067	2 428	906	927	947	950	(33)	19 791	22 009	22 008
Vote 7 - Budget & Treasury		4 984	5 094	6 012	7 792	5 265	5 390	4 759	4 560	4 635	4 372	4 278	24 848	81 989	70 890	71 914
Vote 8 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>		<b>16 025</b>	<b>19 271</b>	<b>20 427</b>	<b>23 871</b>	<b>20 083</b>	<b>21 074</b>	<b>18 402</b>	<b>15 791</b>	<b>14 864</b>	<b>14 100</b>	<b>11 898</b>	<b>32 808</b>	<b>228 615</b>	<b>223 457</b>	<b>236 925</b>
<b>Surplus/(Deficit) before assoc.</b>		<b>86 615</b>	<b>10 542</b>	<b>(14 529)</b>	<b>(14 605)</b>	<b>52 419</b>	<b>6 771</b>	<b>(12 622)</b>	<b>(8 825)</b>	<b>71 732</b>	<b>(8 780)</b>	<b>(6 766)</b>	<b>(27 830)</b>	<b>134 122</b>	<b>155 514</b>	<b>149 880</b>
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>86 615</b>	<b>10 542</b>	<b>(14 529)</b>	<b>(14 605)</b>	<b>52 419</b>	<b>6 771</b>	<b>(12 622)</b>	<b>(8 825)</b>	<b>71 732</b>	<b>(8 780)</b>	<b>(6 766)</b>	<b>(27 830)</b>	<b>134 122</b>	<b>155 514</b>	<b>149 880</b>

**Table 38 MBRR SA27 - Budgeted monthly revenue and expenditure (Standard classification)**

LIM473 Makhuduthamaga - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)

Description	Ref	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	
<b>R thousand</b>																	
<b>Revenue - Standard</b>																	
<i>Governance and administration</i>		107 636	12 627	10 894	14 262	77 498	10 660	10 776	11 962	76 004	10 316	10 128	9 974	362 737	378 970	386 805	
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Budget and treasury office		107 636	12 627	10 894	14 262	77 498	10 660	10 776	11 962	76 004	10 316	10 128	9 974	362 737	378 970	386 805	
Corporate services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<i>Economic and environmental services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Road transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Revenue - Standard</b>		<b>107 636</b>	<b>12 627</b>	<b>10 894</b>	<b>14 262</b>	<b>77 498</b>	<b>10 660</b>	<b>10 776</b>	<b>11 962</b>	<b>76 004</b>	<b>10 316</b>	<b>10 128</b>	<b>9 974</b>	<b>362 737</b>	<b>378 970</b>	<b>386 805</b>	
<b>Expenditure - Standard</b>																	
<i>Governance and administration</i>		11 689	11 885	13 231	14 035	10 047	11 098	10 516	9 104	9 727	8 414	8 361	29 418	147 525	138 994	142 481	
Executive and council		3 904	3 500	5 033	3 251	3 453	4 641	3 329	3 638	4 166	3 095	3 133	4 603	45 746	46 096	48 560	
Budget and treasury office		4 984	5 094	6 012	7 792	5 265	5 390	4 759	4 560	4 635	4 372	4 278	24 848	81 989	70 890	71 914	
Corporate services		2 802	3 291	2 186	2 992	1 330	1 067	2 428	906	927	947	950	(33)	19 791	22 009	22 008	
<i>Community and public safety</i>		1 462	2 362	3 012	1 962	1 962	2 462	1 562	1 462	1 762	1 762	1 462	1 167	22 398	21 763	23 224	
Community and social services		424	874	924	624	424	824	424	424	424	424	424	651	6 863	6 974	7 499	
Sport and recreation		-	450	750	300	500	200	100	-	300	-	-	(500)	2 100	850	900	
Public safety		1 038	1 038	1 338	1 038	1 038	1 438	1 038	1 038	1 038	1 338	1 038	1 016	13 436	13 939	14 825	
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<i>Economic and environmental services</i>		1 754	3 354	2 464	5 404	7 004	6 694	5 854	4 454	2 754	3 254	1 254	2 102	46 345	51 845	58 441	
Planning and development		1 346	2 946	2 056	2 596	996	2 786	1 096	846	846	846	846	546	17 756	22 351	25 196	
Road transport		408	408	408	2 808	6 008	3 908	4 758	3 608	1 908	2 408	408	1 556	28 589	29 494	33 245	
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<i>Trading services</i>		1 121	1 671	1 721	2 471	1 071	821	471	771	621	671	821	121	12 347	10 855	12 779	
Electricity		407	807	907	1 407	1 007	407	407	407	407	407	407	7	6 980	5 399	6 424	
Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Waste management		714	864	814	1 064	64	414	64	364	214	264	414	114	5 367	5 455	6 355	
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Expenditure - Standard</b>		<b>16 025</b>	<b>19 271</b>	<b>20 427</b>	<b>23 871</b>	<b>20 083</b>	<b>21 074</b>	<b>18 402</b>	<b>15 791</b>	<b>14 864</b>	<b>14 100</b>	<b>11 898</b>	<b>32 808</b>	<b>228 615</b>	<b>223 457</b>	<b>236 925</b>	
<b>Surplus/(Deficit) before assoc.</b>		<b>91 610</b>	<b>(6 644)</b>	<b>(9 533)</b>	<b>(9 609)</b>	<b>57 415</b>	<b>(10 414)</b>	<b>(7 626)</b>	<b>(3 829)</b>	<b>61 141</b>	<b>(3 784)</b>	<b>(1 770)</b>	<b>(22 834)</b>	<b>134 122</b>	<b>155 514</b>	<b>149 880</b>	
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>91 610</b>	<b>(6 644)</b>	<b>(9 533)</b>	<b>(9 609)</b>	<b>57 415</b>	<b>(10 414)</b>	<b>(7 626)</b>	<b>(3 829)</b>	<b>61 141</b>	<b>(3 784)</b>	<b>(1 770)</b>	<b>(22 834)</b>	<b>134 122</b>	<b>155 514</b>	<b>149 880</b>	

**Table 39 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)**

LIM473 Makhuduthamaga - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	
<b>R thousand</b>																	
<b>Multi-year expenditure to be appropriated</b>	1																
Vote 1 - Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Economic Development and Planning		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Infrastructure Development		17 600	16 530	25 095	24 635	17 450	6 710	5 070	1 500	1 750	350	-	-	116 690	125 850	118 956	
Vote 5 - Community Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Budget & Treasury		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	2	17 600	16 530	25 095	24 635	17 450	6 710	5 070	1 500	1 750	350	-	-	116 690	125 850	118 956	
<b>Single-year expenditure to be appropriated</b>																	
Vote 1 - Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Economic Development and Planning		-	1 200	1 500	1 000	-	1 000	-	-	-	-	-	-	4 700	5 950	7 900	
Vote 4 - Infrastructure Development		-	650	1 450	-	-	-	-	-	-	-	-	-	2 100	1 500	-	
Vote 5 - Community Services		-	-	1 000	-	-	-	-	-	-	-	-	-	1 000	-	-	
Vote 6 - Corporate Services		-	1 300	500	-	750	-	400	-	-	-	-	-	2 950	2 850	3 000	
Vote 7 - Budget & Treasury		-	-	6 700	-	-	-	-	-	-	-	-	-	6 700	19 500	20 000	
Vote 8 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>	2	-	3 150	11 150	1 000	750	1 000	400	-	-	-	-	-	17 450	29 800	30 900	
<b>Total Capital Expenditure</b>	2	17 600	19 680	36 245	25 635	18 200	7 710	5 470	1 500	1 750	350	-	-	134 140	155 650	149 856	

**Table 40 MBRR SA29 - Budgeted monthly capital expenditure (Standard classification)**

LIM473 Makhuduthamaga - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)

Description	Ref	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Capital Expenditure - Standard</b>	1															
<b>Governance and administration</b>		-	1 300	7 200	-	750	-	400	-	-	-	-	-	9 650	22 350	23 000
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Budget and treasury office		-	-	6 700	-	-	-	-	-	-	-	-	-	6 700	19 500	20 000
Corporate services		-	1 300	500	-	750	-	400	-	-	-	-	-	2 950	2 850	3 000
<b>Community and public safety</b>		-	-	1 000	-	-	-	-	-	-	-	-	-	1 000	-	-
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		-	-	1 000	-	-	-	-	-	-	-	-	-	1 000	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		17 600	17 730	26 595	25 635	17 450	7 710	5 070	1 500	1 750	350	-	-	121 390	131 800	126 856
Planning and development		-	1 200	1 500	1 000	-	1 000	-	-	-	-	-	-	4 700	5 950	7 900
Road transport		17 600	16 530	25 095	24 635	17 450	6 710	5 070	1 500	1 750	350	-	-	116 690	125 850	118 956
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		-	650	1 450	-	-	-	-	-	-	-	-	-	2 100	1 500	-
Electricity		-	650	1 450	-	-	-	-	-	-	-	-	-	2 100	1 500	-
Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Standard</b>	2	17 600	19 680	36 245	25 635	18 200	7 710	5 470	1 500	1 750	350	-	-	134 140	155 650	149 856
<b>Funded by:</b>																
National Government		19 983	-	-	-	19 983	-	-	19 983	-	-	-	-	59 950	62 322	65 876
Provincial Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other transfers and grants		50 000	-	-	-	24 190	-	-	-	-	-	-	-	74 190	93 328	83 980
<b>Transfers recognised - capital</b>		69 983	-	-	-	44 173	-	-	19 983	-	-	-	-	134 140	155 650	149 856
Public contributions & donations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Funding</b>		69 983	-	-	-	44 173	-	-	19 983	-	-	-	-	134 140	155 650	149 856

**Table 41 MBRR SA30 - Budgeted monthly cash flow (Standard classification)**

LIM473 Makhuduthamaga - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>															
<b>Cash Receipts By Source</b>															
Property rates	1 900	950	1 001	1 320	1 025	1 032	1 345	1 500	1 850	1 950	1 320	1 221	16 414	27 860	37 213
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	23	30	-	-	2	-	4	-	27	-	-	10	95	104	115
Interest earned - external investments	450	670	871	4 650	580	790	950	1 890	750	560	420	122	12 702	13 973	15 370
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	46	56	60	46	59	95	46	35	28	20	15	(33)	473	549	623
Licences and permits	517	451	442	467	398	314	399	415	415	435	416	490	5 159	5 933	6 526
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer receipts - operational	97 511	1 999	-	-	67 329	-	-	-	65 330	-	-	-	232 170	233 223	229 161
Other revenue	450	180	540	-	-	140	-	-	-	-	-	20 064	21 374	24 002	23 795
<b>Cash Receipts by Source</b>	<b>100 897</b>	<b>4 335</b>	<b>2 914</b>	<b>6 483</b>	<b>69 394</b>	<b>2 371</b>	<b>2 743</b>	<b>3 840</b>	<b>68 400</b>	<b>2 965</b>	<b>2 171</b>	<b>21 874</b>	<b>288 387</b>	<b>305 643</b>	<b>312 803</b>
<b>Other Cash Flows by Source</b>															
Transfer receipts - capital	-	22 182	-	-	-	22 182	-	-	15 587	-	-	-	59 950	62 322	65 876
Contributions recognised - capital & Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>	<b>100 897</b>	<b>26 517</b>	<b>2 914</b>	<b>6 483</b>	<b>69 394</b>	<b>24 553</b>	<b>2 743</b>	<b>3 840</b>	<b>83 987</b>	<b>2 965</b>	<b>2 171</b>	<b>21 874</b>	<b>348 337</b>	<b>367 965</b>	<b>378 679</b>
<b>Cash Payments by Type</b>															
Employee related costs	5 485	5 485	5 485	5 485	5 485	5 485	5 485	5 485	5 485	5 485	5 485	5 485	65 820	69 144	73 396
Remuneration of councillors	1 590	1 590	1 590	1 590	1 590	1 590	1 590	1 590	1 590	1 590	1 590	1 590	19 077	20 031	21 032
Finance charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services	1 134	1 934	2 484	6 524	7 374	4 634	5 538	4 390	2 634	3 134	1 134	1 134	42 052	41 514	45 132
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	6 432	8 877	9 483	8 888	4 250	7 980	4 404	2 941	3 770	2 507	2 304	4 206	66 042	70 286	76 571
<b>Cash Payments by Type</b>	<b>14 641</b>	<b>17 886</b>	<b>19 042</b>	<b>22 487</b>	<b>18 699</b>	<b>19 689</b>	<b>17 017</b>	<b>14 406</b>	<b>13 479</b>	<b>12 716</b>	<b>10 513</b>	<b>12 415</b>	<b>192 991</b>	<b>200 975</b>	<b>216 132</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	45 403	19 680	36 245	25 635	18 200	7 710	5 470	1 500	1 750	350	-	-	161 943	170 041	165 746
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Payments by Type</b>	<b>60 044</b>	<b>37 566</b>	<b>55 287</b>	<b>48 122</b>	<b>36 899</b>	<b>27 399</b>	<b>22 487</b>	<b>15 906</b>	<b>15 229</b>	<b>13 066</b>	<b>10 513</b>	<b>12 415</b>	<b>354 934</b>	<b>371 016</b>	<b>381 877</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>40 854</b>	<b>(11 050)</b>	<b>(52 374)</b>	<b>(41 639)</b>	<b>32 495</b>	<b>(2 847)</b>	<b>(19 744)</b>	<b>(12 066)</b>	<b>68 758</b>	<b>(10 102)</b>	<b>(8 342)</b>	<b>9 459</b>	<b>(6 597)</b>	<b>(3 051)</b>	<b>(3 199)</b>
Cash/cash equivalents at the month/year begin:	58 501	99 355	88 305	35 931	(5 707)	26 788	23 942	4 197	(7 868)	60 889	50 788	42 446	58 501	51 905	48 854
Cash/cash equivalents at the month/year end:	99 355	88 305	35 931	(5 707)	26 788	23 942	4 197	(7 868)	60 889	50 788	42 446	51 905	51 905	48 854	45 655

## **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 three tables present details of the municipality's capital expenditure programme, firstly on new assets, then the renewal of assets and finally on the repair and maintenance of assets.

**Table 42 MBRR SA 34a - Capital expenditure on new assets by asset class**

LIM473 Makhuduthamaga - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		68 145	48 481	74 599	124 351	136 302	136 302	113 790	119 850	118 956
Infrastructure - Road transport		67 035	47 453	73 658	122 401	135 154	135 154	111 690	118 350	118 956
Roads, Pavements & Bridges		67 035	47 453	73 658	122 401	135 154	135 154	111 690	118 350	118 956
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		1 110	1 028	941	1 950	1 148	1 148	2 100	1 500	-
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		1 110	1 028	941	1 950	1 148	1 148	2 100	1 500	-
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Sewerage purification		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Waste Management		-	-	-	-	-	-	-	-	-
Transportation	2	-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other	3	-	-	-	-	-	-	-	-	-
<b>Community</b>		-	-	-	-	-	-	-	-	-
Parks & gardens		-	-	-	-	-	-	-	-	-
Sportsfields & stadia		-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		-	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		-	-	-	-	-	-	-	-	-
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other	9	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		4 663	2 217	9 731	25 627	23 728	23 728	15 350	28 300	30 900
General vehicles		2 861	608	4 208	9 326	10 066	10 066	6 000	4 500	5 000
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	-	-	-	-	-	-	-	-
Computers - hardware/equipment		957	1 355	4 054	1 000	2 362	2 362	2 950	2 850	3 000
Furniture and other office equipment		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	-	-	-	-	-	-	-	-
Other Buildings		-	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		845	254	1 469	15 301	11 300	11 300	6 400	20 950	22 900
<b>Agricultural assets</b>		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
<b>Biological assets</b>		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
<b>Intangibles</b>		-	-	-	-	-	-	-	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-
Other (list sub-class)		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on new assets</b>	1	72 808	50 698	84 330	149 978	160 030	160 030	129 140	148 150	149 856
<b>Specialised vehicles</b>		-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-
Fire		-	-	-	-	-	-	-	-	-
Conservancy		-	-	-	-	-	-	-	-	-
Ambulances		-	-	-	-	-	-	-	-	-



**Table 43 MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class**

LIM473 Makhuduthamaga - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>					6 700	6 700	6 700	5 000	7 500	-
Infrastructure - Road transport		-	-	-	6 700	6 700	6 700	5 000	7 500	-
Roads, Pavements & Bridges		-	-	-	6 700	6 700	6 700	5 000	7 500	-
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		-	-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Sewerage purification		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Waste Management		-	-	-	-	-	-	-	-	-
Transportation	2	-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other	3	-	-	-	-	-	-	-	-	-
<b>Community</b>										
Parks & gardens		-	-	-	-	-	-	-	-	-
Sportsfields & stadia		-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		-	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses	7	-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		-	-	-	-	-	-	-	-	-
Social rental housing	8	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>										
Buildings		-	-	-	-	-	-	-	-	-
Other	9	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>										
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Other assets</b>										
General vehicles		-	-	-	-	-	-	-	-	-
Specialised vehicles	10	-	-	-	-	-	-	-	-	-
Plant & equipment		-	-	-	-	-	-	-	-	-
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-
Furniture and other office equipment		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	-	-	-	-	-	-	-	-
Other Buildings		-	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Agricultural assets</b>										
List sub-class		-	-	-	-	-	-	-	-	-
<b>Biological assets</b>										
List sub-class		-	-	-	-	-	-	-	-	-
<b>Intangibles</b>										
Computers - software & programming		-	-	-	-	-	-	-	-	-
Other (list sub-class)		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on renewal of existing assets</b>	1	-	-	-	6 700	6 700	6 700	5 000	7 500	-
<b>Specialised vehicles</b>										
Refuse		-	-	-	-	-	-	-	-	-
Fire		-	-	-	-	-	-	-	-	-
Conservancy		-	-	-	-	-	-	-	-	-
Ambulances		-	-	-	-	-	-	-	-	-

**Table 44 MBRR SA34c - Repairs and maintenance expenditure by asset class**

LIM473 Makhuduthamaga - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		13 569	11 756	14 582	19 695	30 695	30 695	22 550	21 000	23 000
Infrastructure - Road transport		13 569	11 756	14 582	18 100	28 100	28 100	22 550	21 000	23 000
Roads, Pavements & Bridges		13 569	11 756	14 582	18 100	28 100	28 100	22 550	21 000	23 000
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	1 595	2 595	2 595	-	-	-
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		-	-	-	1 595	2 595	2 595	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Sewerage purification		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Waste Management		-	-	-	-	-	-	-	-	-
Transportation	2	-	-	-	-	-	-	-	-	-
Gas	3	-	-	-	-	-	-	-	-	-
Other	3	-	-	-	-	-	-	-	-	-
<b>Community</b>		-	-	-	-	-	-	-	-	-
Parks & gardens		-	-	-	-	-	-	-	-	-
Sportsfields & stadia		-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		-	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses	7	-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		-	-	-	-	-	-	-	-	-
Social rental housing	8	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other	9	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		2 371	2 232	865	2 057	3 647	3 647	6 690	7 060	8 000
General vehicles		713	1 544	807	1 357	2 157	2 157	4 390	4 710	5 600
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	-	-	-	-	-	-	-	-
Computers - hardware/equipment		1 112	366	-	500	657	657	1 500	1 500	1 500
Furniture and other office equipment		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	-	-	-	-	-	-	-	-
Other Buildings		-	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		547	321	58	200	833	833	800	850	900
<b>Agricultural assets</b>		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
<b>Biological assets</b>		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
<b>Intangibles</b>		-	-	-	-	-	-	-	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-
Other (list sub-class)		-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>	1	15 940	13 988	15 447	21 753	34 343	34 343	29 240	28 060	31 000

**Table 45 MBRR SA34d – Depreciation by Asset class**

LIM473 Makhuduthamaga - Supporting Table SA34d Depreciation by asset class

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>	1									
<b>Depreciation by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		6 812	7 417	6 849	9 773	8 029	8 029	10 999	11 630	11 760
Infrastructure - Road transport		6 514	7 122	6 539	9 346	7 678	7 678	10 638	11 269	11 399
Roads, Pavements & Bridges		6 514	7 122	6 539	9 346	7 678	7 678	10 638	11 269	11 399
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		299	295	310	428	351	351	361	361	361
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		299	295	310	428	351	351	361	361	361
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Sewerage purification		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Waste Management		-	-	-	-	-	-	-	-	-
Transportation	2	-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other	3	-	-	-	-	-	-	-	-	-
<b>Community</b>		-	-	-	-	-	-	-	-	-
Parks & gardens		-	-	-	-	-	-	-	-	-
Sportsfields & stadia		-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		-	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses	7	-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		-	-	-	-	-	-	-	-	-
Social rental housing	8	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other	9	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		2 567	2 571	3 607	4 644	3 879	3 879	5 117	5 317	6 018
General vehicles	10	910	796	1 300	1 793	1 472	1 472	1 972	1 972	2 169
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	-	-	-	-	-	-	-	-
Computers - hardware/equipment		341	512	871	871	871	871	1 321	1 321	1 454
Furniture and other office equipment		565	426	498	686	564	564	755	755	831
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	-	-	-	-	-	-	-	-
Other Buildings		606	684	684	944	684	684	684	884	1 142
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		145	152	253	349	287	287	384	384	423
<b>Agricultural assets</b>		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
<b>Biological assets</b>		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
<b>Intangibles</b>		313	447	499	688	499	499	499	499	499
Computers - software & programming		313	447	499	688	499	499	499	499	499
Other (list sub-class)		-	-	-	-	-	-	-	-	-
<b>Total Depreciation</b>	1	9 693	10 434	10 956	15 105	12 408	12 408	16 616	17 447	18 277

**Table 46 MBRR SA35 - Future financial implications of the capital budget**

**LIM473 Makhuduthamaga - Supporting Table SA35 Future financial implications of the capital budget**

Vote Description	Ref	2015/16 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Forecast 2018/19	Forecast 2019/20	Forecast 2020/21	Present value
<b>R thousand</b>								
<b>Capital expenditure</b>	1							
Vote 1 - Council		-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		-	-	-	-	-	-	-
Vote 3 - Economic Development and Planning		4 700	5 950	7 900	-	-	-	-
Vote 4 - Infrastructure Development		118 790	127 350	118 956	-	-	-	-
Vote 5 - Community Services		1 000	-	-	-	-	-	-
Vote 6 - Corporate Services		2 950	2 850	3 000	-	-	-	-
Vote 7 - Budget & Treasury		6 700	19 500	20 000	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-
<i>List entity summary if applicable</i>		-	-	-	-	-	-	-
<b>Total Capital Expenditure</b>		<b>134 140</b>	<b>155 650</b>	<b>149 856</b>	-	-	-	-
<b>Future operational costs by vote</b>	2							
Vote 1 - Council		39 487	39 119	41 005	-	-	-	-
Vote 2 - Office of the Municipal Manager		6 259	6 977	7 555	-	-	-	-
Vote 3 - Economic Development and Planning		18 056	22 651	25 196	-	-	-	-
Vote 4 - Infrastructure Development		34 821	34 667	38 606	-	-	-	-
Vote 5 - Community Services		28 060	26 478	28 793	-	-	-	-
Vote 6 - Corporate Services		20 691	22 809	23 308	-	-	-	-
Vote 7 - Budget & Treasury		81 169	70 562	72 447	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-
<i>List entity summary if applicable</i>		-	-	-	-	-	-	-
<b>Total future operational costs</b>		<b>228 542</b>	<b>223 261</b>	<b>236 909</b>	-	-	-	-
<b>Future revenue by source</b>	3							
Property rates		32 828	39 800	43 780	-	-	-	-
Property rates - penalties & collection charges		-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-
Service charges - refuse revenue		-	-	-	-	-	-	-
Service charges - other		-	-	-	-	-	-	-
Rental of facilities and equipment		95	104	115	-	-	-	-
<i>Interest earned - external investments</i>		12 702	13 973	15 370	-	-	-	-
<i>Interest earned - outstanding debtors</i>		17 998	21 597	23 757	-	-	-	-
<i>Fines</i>		525	578	635	-	-	-	-
<i>Licences and permits</i>		5 159	5 933	6 526	-	-	-	-
<i>Transfers recognised - operational</i>		232 170	233 223	229 161	-	-	-	-
<i>Other revenue</i>		1 310	1 441	1 585	-	-	-	-
<i>Transfers recognised - capital</i>		59 950	62 322	65 876	-	-	-	-
<b>Total future revenue</b>		<b>362 737</b>	<b>378 970</b>	<b>386 805</b>	-	-	-	-
<b>Net Financial Implications</b>		<b>(55)</b>	<b>(60)</b>	<b>(40)</b>	-	-	-	-

**Table 46 MBRR SA36 - Detailed capital budget per municipal vote**

Supporting Table SA36 Detailed

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2015/16 Medium Term Revenue & Expenditure Framework			Project information	
										Audited Outcome 2013/14	Current Year 2014/15 Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Ward location	New or renewal
Parent municipality: <i>List all capital projects grouped by Municipal Vote</i>																
Vote 4 - Infrastructure Development		Vierfontein to Rietfontein Link road Phase3 (MIG)	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	4 000	-	-	4 000	-	-	4	New
Vote 4 - Infrastructure Development		Construction of Moretsele /Dichoeng road link	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	4 500	-	-	4 500	-	-	12	New
Vote 4 - Infrastructure Development		Construction of Kome Internal Strs(2.5km)	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	11 250	-	-	-	-	11 250	26	New
Vote 4 - Infrastructure Development		Construction of Pitijaneng Internal Str(2.3km)	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	10 350	-	-	-	-	10 350	29	New
Vote 4 - Infrastructure Development		Phase 1(10.5km)-Multiyear	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	19 250	-	-	-	9 250	10 000	9	New
Vote 4 - Infrastructure Development		Str(4.2km)	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	18 900	-	-	-	18 900	-	26	New
Vote 4 - Infrastructure Development		Construction of Mohlala/Nganamatleng Access Bridge	N/A		Yes	Other Assets	Buildings	N/A	3 500	-	-	-	3 500	-	25	New
Vote 4 - Infrastructure Development		Mphanama(10km)-Multiyear	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	19 250	-	-	-	9 250	10 000	25	New
Vote 4 - Infrastructure Development		Expansion of Jane Furse Artificial Turf	N/A		Yes	Infrastructure - Electricity	Street Lighting	N/A	3 000	-	-	-	-	3 000	18	New
Vote 4 - Infrastructure Development		Construction of Moraba Access Bridge	N/A		Yes	Infrastructure - Electricity	Street Lighting	N/A	3 500	-	-	3 500	-	-	18	New
Vote 4 - Infrastructure Development		Construction of Nebo/Maserumule Park Access Road(1.5km)	N/A		Yes	Infrastructure - Electricity	Street Lighting	N/A	5 500	-	-	5 500	-	-	5	New
Vote 4 - Infrastructure Development		Construction of access road to Mohlala/Madibaneng (6km)-Multiyear	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	25 820	-	-	25 820	-	-	22	New
Vote 4 - Infrastructure Development		(3.7km)-Multiyear	N/A		No	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	15 400	-	-	15 400	-	-	23	New
Vote 4 - Infrastructure Development		Tswaing(13.5km)-Multiyear	N/A		Yes	Other Assets	Sportsfields & stadia	N/A	9 920	-	-	-	5 000	4 920	28	New
Vote 4 - Infrastructure Development		Multiyear	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	9 920	-	-	-	5 000	4 920	10	New
Vote 4 - Infrastructure Development		Mphane(10km)-Multiyear	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	9 920	-	-	-	5 000	4 920	29	New
Vote 4 - Infrastructure Development		Construction of Kolokotela Internal road(5.5km)-Multiyear	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	9 916	-	-	-	5 000	4 916	30	New

**Table 46 MBRR SA36 - Detailed capital budget per municipal vote (Continues)**

Supporting Table SA36 Detailed

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2015/16 Medium Term Revenue & Expenditure Framework			Project information	
										Audited Outcome 2013/14	Current Year 2014/15 Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Ward location	New or renewal
R thousand	4				6	3	3	5								
Vote 4 - Infrastructure Development		Construction of Kutupu road	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	9 500	-	-	9 500	-	-		1 New
Vote 4 - Infrastructure Development		Rehabilitation of R579 Road	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	5 000	-	-	5 000	-	-		21 Renewal
Vote 4 - Infrastructure Development		Upgrading of Peter Nchabeleng Sports Facility	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	7 500	-	-		7 500	-		16 New
Vote 4 - Infrastructure Development		Construction of Thusong Centre	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	13 000	-	-	5 000	8 000	-		28 New
Vote 4 - Infrastructure Development		3 (1.3KM)	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	5 120	-	-	5 120	-	-		20 New
Vote 4 - Infrastructure Development		phase 3	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	8 950	-	-	8 950	-	-		31 New
Vote 4 - Infrastructure Development		and Dithakaneng Phase 3	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	6 000	-	-	6 000	-	-		13 New
Vote 4 - Infrastructure Development		Office Phase 3	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	18 100	-	-	6 100	12 000	-		15 New
Vote 4 - Infrastructure Development		Phase II	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	12 300	-	-	12 300	-	-		23 New
Vote 4 - Infrastructure Development		Construction of access road to Mashupe village (2.6KM)	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	7 500	-	-	-	7 500	-		New
Vote 4 - Infrastructure Development		Office(1.2km)	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	5 600	-	-	-	5 600	-		23 New
Vote 4 - Infrastructure Development		to Tsopaneng graveyard(1.3km)	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	5 850	-	-	-	5 850	-		14 New
Vote 4 - Infrastructure Development		Construction of Manganeng Access Bridge	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	6 500	-	-	-	6 500	-		17 New
Vote 4 - Infrastructure Development		Station to Police Station	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	7 500	-	-	-	7 500	-		14 New
Vote 4 - Infrastructure Development		Construction of access road to Brooklyn to Makoshala	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	4 500	-	-	-	4 500	-		8 New
Vote 4 - Infrastructure Development		Construction of Marulaneng Access Bridge	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	5 300	-	-	-	-	5 300		23 New
Vote 4 - Infrastructure Development		Construction of Moduting Access Bridge	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	6 160	-	-	-	-	6 160		15 New
Vote 4 - Infrastructure Development		Construction of Setlaboswane Internal Road(1.6km)	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	7 200	-	-	-	-	7 200		30 New
Vote 4 - Infrastructure Development		Construction of Kqanuthuthu/Mathapisa road-Multiyear	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	3 500	-	-	-	-	3 500		26 New
Vote 4 - Infrastructure Development		Construction of Apel Cross Internal Road(3km)-Multiyear	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	4 000	-	-	-	-	4 000		28 New
Vote 4 - Infrastructure Development		Construction of Cabrievle Internal Road(2.6km)-Multiyear	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	4 000	-	-	-	-	4 000		8 New
Vote 4 - Infrastructure Development		Construction of Gamadiba Internal Road(1.5km)	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	6 700	-	-	-	-	6 700		6 New
Vote 4 - Infrastructure Development		Construction of road from Lobethal to Tisane-Multiyear	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	2 000	-	-	-	-	2 000		24 New

**Table 46 MBRR SA36 - Detailed capital budget per municipal vote (Continues)**

Supporting Table SA36 Detailed

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2015/16 Medium Term Revenue & Expenditure Framework			Project information		
										Audited Outcome 2013/14	Current Year 2014/15 Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Ward location	New or renewal	
R thousand	4				6	3	3	5									
Vote 4 - Infrastructure Development		Construction of road from Mokwete to Molapane-Multiyear	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	2 000	-	-	-	-	2 000	11	New	
Vote 4 - Infrastructure Development		Construction of Access road to Mochadi-Multiyear	N/A			Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	3 180	-	-	-	-	3 180	8	New	
Vote 4 - Infrastructure Development		Construction of Access bridge at Nchabeleng (Thabamshe)	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	3 500	-	-	-	-	3 500	28	New	
Vote 4 - Infrastructure Development		Construction of Stoking Access road-Multiyear	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	3 500	-	-	-	-	3 500	14	New	
Vote 4 - Infrastructure Development		Construction of Magolego road-Multiyear	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	3 640	-	-	-	-	3 640	15	New	
Vote 4 - Infrastructure Development		Infrastructure Assets	N/A		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	N/A	-	-	142 472						
Vote 4 - Infrastructure Development		Infrastructure Assets	N/A		Yes	Infrastructure - Electricity	Street Lighting	N/A	-		1 148						
Vote 7 - Budget & Treasury		Municipal office building	N/A		Yes	Other Assets	Buildings	N/A	30 000	-	-	-	15 000	15 000	21	New	
Vote 7 - Budget & Treasury		Municipal Vehicles	N/A		Yes	Other Assets	General vehicles	N/A	600	-	1 300	600	-	-	N/A	New	
Vote 7 - Budget & Treasury		Acquisition of new assets: 1 motor grader, Mobile office x 2, Office furniture, 1 low-bed truck.	N/A		Yes	Other Assets	Plant & equipment	N/A	16 200	-	9 900	6 700	4 500	5 000	N/A	New	
Vote 6 - Corporate Services		IT Infrastructure	N/A		Yes	Other Assets	Computers - hardware/equipment	N/A	8 100	-	2 362	2 250	2 850	3 000	N/A	New	
Vote 3 - Economic Development and Planning		PMS system	N/A		Yes	Other Assets	Computers - hardware/equipment	N/A	600	-	-	200	100	300	N/A	New	
Vote 3 - Economic Development and Planning		Market Stalls	N/A		Yes	Other Assets	Buildings	N/A	-	-	1 000	-	-	-	N/A	New	
Vote 3 - Economic Development and Planning		Land Scarping	N/A		Yes	Other Assets	Other	N/A	10 500	-	2 300	3 000	3 500	4 000	N/A	New	
Vote 3 - Economic Development and Planning		GIS (Geographic Information System)	N/A		Yes	Other Assets	Computers - hardware/equipment	N/A	2 800	-	700	500	700	1 600	N/A	New	
Vote 3 - Economic Development and Planning		Development Of Municipal Parks & Cemetery	N/A		Yes	Community	Parks & gardens	N/A	4 500	-	1 000	1 000	1 500	2 000	N/A	New	
Vote 4 - Infrastructure Development		Installation of High mast at Phokwane Taxi Rank. Installation of High mast at Mamone. Installation of High mast at Phaahla. Installation of Highmast Lights.	N/A		Yes	Infrastructure - Electricity	Street Lighting	N/A	3 600	-	1 148	2 100	1 500	-	2, 21 & 24	New	
Vote 5 - Community Services		Waste management assets	N/A		Yes	Other Assets	Other	N/A	-		3 000	-	-	-	N/A		
Vote 5 - Community Services		K73 trailer for traffic	N/A		Yes	Other Assets	General vehicles	N/A	-		400	-	-	-	N/A		
Vote 5 - Community Services		Procurement of law enforcement equipment	N/A		Yes	Other Assets	Security and policing	N/A	1 000	-	-	1 000	-	-	N/A		
Parent Capital expenditure	1													134 040	155 500	149 856	1

**Table 47 MBRR SA37 – Projects delayed from previous years**

LIM473 Makhuduthamaga - Supporting Table SA37 Projects delayed from previous financial year/s

Municipal Vote/Capital project	Ref. 1,2	Project name	Project number	Asset Class 3	Asset Sub-Class 3	GPS co-ordinates 4	Previous target year to complete Year	Current Year 2014/15		2015/16 Medium Term Revenue & Expenditure Framework		
								Original Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
								R thousand				
<b>Parent municipality:</b> <i>List all capital projects grouped by Municipal Vote</i>				<i>Examples</i>	<i>Examples</i>							
N/A		N/A						-	-	-	-	-
N/A		N/A						-	-	-	-	-
N/A		N/A						-	-	-	-	-
N/A		N/A						-	-	-	-	-
N/A		N/A						-	-	-	-	-
N/A		N/A						-	-	-	-	-
N/A		N/A						-	-	-	-	-
<b>Entities:</b> <i>List all capital projects grouped by Municipal Entity</i>												
<b>Entity Name</b> <i>Project name</i>								-	-	-	-	-
								-	-	-	-	-
								-	-	-	-	-
								-	-	-	-	-
								-	-	-	-	-

The table above indicate that the municipality does not have any of its projects to be implemented delayed from the previous financial years.



## 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 and includes monthly published financial performance on the municipality's website.
2. Internship programme  
The municipality is participating in the Municipal Financial Management Internship programme and has employed four interns undergoing training in various divisions of the Budget and Treasury Department, Risk management and Audit section. The two year training contract for these interns ends in July 2016. Since the introduction of the Internship programme the municipality has successfully trained 14 interns and employed 9 of the total trained on permanent positions. Three of this total was permanently employed by the district municipality and one was employed by one of the local municipalities.
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 finalised after approval of the 2015/16 MTREF in June 2015 directly aligned and informed by the 2015/16 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 and training is ongoing.
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 49 MBRR Table SA1 - Supporting detail to budgeted financial performance

#### LIM473 Makhuduthamaga - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>											
<b>REVENUE ITEMS:</b>											
<b>Property rates</b>											
6											
Total Property Rates		41 358	27 660	43 987	35 616	29 844	29 844	29 844	32 828	39 800	43 780
less Revenue Foregone											
<b>Net Property Rates</b>		<b>41 358</b>	<b>27 660</b>	<b>43 987</b>	<b>35 616</b>	<b>29 844</b>	<b>29 844</b>	<b>29 844</b>	<b>32 828</b>	<b>39 800</b>	<b>43 780</b>
<b>Service charges - electricity revenue</b>											
6											
Total Service charges - electricity revenue											
less Revenue Foregone											
<b>Net Service charges - electricity revenue</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Service charges - water revenue</b>											
6											
Total Service charges - water revenue											
less Revenue Foregone											
<b>Net Service charges - water revenue</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Service charges - sanitation revenue</b>											
6											
Total Service charges - sanitation revenue											
less Revenue Foregone											
<b>Net Service charges - sanitation revenue</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Service charges - refuse revenue</b>											
6											
Total refuse removal revenue		-	-	-	-	-	-	-	-	-	-
Total landfill revenue		-	-	-	-	-	-	-	-	-	-
less Revenue Foregone		-	-	-	-	-	-	-	-	-	-
<b>Net Service charges - refuse revenue</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Revenue by source</b>											
3											
Tender Documents		410	927	2 227	935	935	935	935	980	1 078	1 186
Other Revenue		294	-	-	495	295	295	295	330	363	399
<b>Total 'Other' Revenue</b>	1	<b>704</b>	<b>927</b>	<b>2 227</b>	<b>1 430</b>	<b>1 230</b>	<b>1 230</b>	<b>1 230</b>	<b>1 310</b>	<b>1 441</b>	<b>1 585</b>

**Table 49 MBRR Table SA1 - Supporting detail to budgeted financial performance (Continued)**

<b>EXPENDITURE ITEMS:</b>											
<b>Employee related costs</b>											
Basic Salaries and Wages	2	14 896	20 300	24 755	31 787	26 966	26 966	26 966	37 478	39 371	41 792
Pension and UIF Contributions		3 018	3 544	4 690	6 721	6 037	6 037	6 037	7 058	7 414	7 870
Medical Aid Contributions		1 184	1 730	2 150	5 840	5 637	5 637	5 637	3 236	3 399	3 608
Overtime		-	190	179	-	-	-	-	270	283	301
Performance Bonus		-	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		3 367	4 881	5 903	8 982	7 487	7 487	7 487	8 883	9 332	9 906
Cellphone Allowance		617	828	983	1 349	1 136	1 136	1 136	1 479	1 554	1 649
Housing Allowances		843	1 312	1 845	3 279	2 716	2 716	2 716	2 776	2 916	3 096
Other benefits and allowances		2 512	2 464	3 234	5 266	4 341	4 341	4 341	4 866	5 112	5 426
Payments in lieu of leave		-	-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	4	-	-	-	-	-	-	-	-	-	-
<b>sub-total</b>	5	<b>26 438</b>	<b>35 248</b>	<b>43 739</b>	<b>63 225</b>	<b>54 321</b>	<b>54 321</b>	<b>54 321</b>	<b>66 047</b>	<b>69 382</b>	<b>73 649</b>
Less: Employees costs capitalised to PPE		-	-	-	-	-	-	-	-	-	-
<b>Total Employee related costs</b>	1	<b>26 438</b>	<b>35 248</b>	<b>43 739</b>	<b>63 225</b>	<b>54 321</b>	<b>54 321</b>	<b>54 321</b>	<b>66 047</b>	<b>69 382</b>	<b>73 649</b>
<b>Contributions recognised - capital</b>											
<i>List contributions by contract</i>											
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
<b>Total Contributions recognised - capital</b>		-	-	-	-	-	-	-	-	-	-
<b>Depreciation &amp; asset impairment</b>											
Depreciation of Property, Plant & Equipment		9 693	10 434	10 956	15 105	12 408	12 408	12 408	16 616	17 447	18 277
Lease amortisation		-	-	-	-	-	-	-	-	-	-
Capital asset impairment		-	-	-	-	-	-	-	-	-	-
Depreciation resulting from revaluation of PPE	10	-	-	-	-	-	-	-	-	-	-
<b>Total Depreciation &amp; asset impairment</b>	1	<b>9 693</b>	<b>10 434</b>	<b>10 956</b>	<b>15 105</b>	<b>12 408</b>	<b>12 408</b>	<b>12 408</b>	<b>16 616</b>	<b>17 447</b>	<b>18 277</b>
<b>Bulk purchases</b>											
Electricity Bulk Purchases		-	-	-	-	-	-	-	-	-	-
Water Bulk Purchases		-	-	-	-	-	-	-	-	-	-
<b>Total bulk purchases</b>	1	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transfers and grants</b>											
Cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Non-cash transfers and grants		-	-	-	-	-	-	-	-	-	-
<b>Total transfers and grants</b>	1	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Contracted services</b>											
Repairs and Maintenance		15 940	13 988	15 447	21 242	33 510	33 510	33 510	29 388	29 800	34 200
Security Services and Cleaning Services		10 673	11 744	13 037	14 470	11 838	11 838	11 838	13 022	13 673	14 357
Other Contracted Services		4 280	-	-	-	557	557	557	590	631	675
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
<b>sub-total</b>	1	<b>30 893</b>	<b>25 732</b>	<b>28 484</b>	<b>35 712</b>	<b>45 905</b>	<b>45 905</b>	<b>45 905</b>	<b>43 000</b>	<b>44 104</b>	<b>49 232</b>
<b>Allocations to organs of state:</b>											
Electricity		-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
<b>Total contracted services</b>		<b>30 893</b>	<b>25 732</b>	<b>28 484</b>	<b>35 712</b>	<b>45 905</b>	<b>45 905</b>	<b>45 905</b>	<b>43 000</b>	<b>44 104</b>	<b>49 232</b>

**Table 49 MBRR Table SA1 - Supporting detail to budgeted financial performance (Continued)**

Other Expenditure By Type											
Collection costs		-	-	-	4 504	850	850	850	-	-	-
Contributions to 'other' provisions		-	-	-	-	-	-	-	-	-	-
Consultant fees		-	-	-	-	-	-	-	-	-	-
Audit fees		1 886	1 855	2 367	2 000	2 100	2 100	2 100	2 300	2 397	2 400
General expenses	3	53 455	32 836	39 200	50 302	54 776	54 776	54 776	61 807	63 154	68 072
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
<b>Total 'Other' Expenditure</b>	1	55 341	34 692	41 567	56 806	57 726	57 726	57 726	64 107	65 551	70 472
by Expenditure Item											
Employee related costs	8	-	-	-	-	-	-	-	-	-	-
Other materials		-	-	-	-	-	-	-	-	-	-
Contracted Services		15 940	13 988	15 447	21 753	34 343	34 343	34 343	29 240	28 060	31 000
Other Expenditure		-	-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>	9	15 940	13 988	15 447	21 753	34 343	34 343	34 343	29 240	28 060	31 000

The total amount of R 61.8 million for general expenses in 2015/16 and the outer years R 63.1 and R68 million respectively are detailed in the following tables:

## Final budget 2015/16 (General Expenditure)

Project	2014/15 Adjustment Budget	Draft Budget 2015/16	Draft Budget 2016/17	Draft Budget 2017/18
Risk Management Programmes	400 000.00	850 000.00	1 000 000.00	1 150 000.00
Internal Audit programmes	500 000.00	500 000.00	800 000.00	900 000.00
Audit Committee Support	576 000.00	600 000.00	650 000.00	700 000.00
Sitting Allowance	256 000.00	300 000.00	300 000.00	300 000.00
Ward Committee Incentives	3 720 000.00	3 720 000.00	2 447 603.95	1 957 921.53
Whippery support	-	100 000.00	100 000.00	100 000.00
Public Participations	1 598 000.00	1 167 422.22	1 000 000.00	1 200 000.00
Council Logistics	562 000.00	142 000.00	142 000.00	142 000.00
Capacity Building Of Councilor	1 000 000.00	800 000.00	900 000.00	900 000.00
Ward Committee Capacity Buildi	630 000.00	500 000.00	1 000 000.00	900 000.00
Publications	2 500 000.00	2 000 000.00	1 500 000.00	1 500 000.00
Development of municipal children's charter	-	50 000.00	50 000.00	50 000.00
Special Programmes	1 200 000.00	1 400 000.00	400 000.00	700 000.00
Media Bulk Buying	-	500 000.00	500 000.00	500 000.00
Outreach Programmes Mayor	2 000 000.00	1 000 000.00	1 000 000.00	1 000 000.00
Multi media channels	850 000.00	100 000.00	100 000.00	100 000.00
Corp Branding & Marketing	800 000.00	300 000.00	500 000.00	500 000.00
Library awareness campaign	382 500.00	300 000.00	350 000.00	400 000.00
Protective clothing	500 000.00	450 000.00	500 000.00	570 000.00
Stipent	28 800.00	40 000.00	45 000.00	50 000.00
Grants-Msig Expenses	934 000.00	967 000.00	1 018 000.00	1 200 000.00
Bank Charges	220 000.00	250 000.00	275 000.00	280 000.00
Electricity	1 200 000.00	1 269 600.00	1 340 697.60	1 405 051.08
Grants Fmg	1 600 000.00	1 650 000.00	1 700 000.00	1 750 000.00
Insurance	703 157.89	800 000.00	890 000.00	920 000.00
Printing And Stationery	906 840.69	955 810.09	1 007 423.83	1 200 000.00
Development Of Supplementary Valuation Roll	170 000.00	200 000.00	220 000.00	250 000.00
Grap/Gamap:Financial Statement review	86 842.11	140 000.00	145 000.00	-
Financial Services Capacity	450 000.00	300 000.00	420 000.00	450 000.00
Fleet Management And System	30 000.00	100 000.00	120 000.00	150 000.00
Mpra Expense	850 000.00	750 000.00	-	-
Plant : Fuel And Oil	1 620 000.00	1 700 000.00	1 950 000.00	2 130 000.00

## Final budget 2015/16 (General Expenditure)

Project	2014/15 Adjustment Budget	Draft Budget 2015/16	Draft Budget 2016/17	Draft Budget 2017/18
Systems-Vip/Accpac/caseware License	300 000.00	-	-	-
Implementation of Revenue enhancement strategy	-	300 000.00	350 000.00	400 000.00
Vehicle Tracking	68 952.58	75 847.84	76 000.00	78 000.00
Administration Expenses	2 510 737.87	1 362 320.00	1 501 682.40	1 593 800.17
Advertising	400 000.00	400 000.00	400 000.00	400 000.00
Bursary Fund.	1 400 000.00	2 000 000.00	2 500 000.00	3 000 000.00
Training committee	50 000.00	-	-	-
Records management awareness campaign	-	50 000.00	-	-
Telecommunication Costs	650 000.00	350 000.00	400 000.00	500 000.00
Legal Costs and Development of By-Laws	220 600.00	900 000.00	1 020 000.00	542 000.00
Refreshments	200 000.00	150 000.00	200 000.00	210 000.00
OHS & Wellness services.	200 000.00	100 000.00	110 000.00	121 000.00
Human Resources Strategy and HR Policies	-	400 000.00	1 600 000.00	621 000.00
Training-Staff	800 000.00	1 000 000.00	850 000.00	1 005 000.00
Local Labour Forum	-	100 000.00	50 000.00	20 000.00
Travel & Accomodation	1 900 000.00	1 900 000.00	1 900 000.00	1 850 000.00
Renewal of municipal software licenses	-	1 520 000.00	1 520 000.00	1 520 000.00
Customer Care	300 000.00	450 000.00	350 000.00	400 000.00
Implementation of LUMS	70 500.00	200 000.00	250 000.00	300 000.00
Spatial Planning (Demarcation of sites)	1 500 000.00	3 500 000.00	3 200 000.00	3 500 000.00
PMS system	52 263.16	-	-	-
Process of Acquiring Land	100 000.00	200 000.00	250 000.00	450 000.00
Formalisation of Jane Furse	-	500 000.00	800 000.00	1 000 000.00
Building Regulations Awareness	50 000.00	200 000.00	200 000.00	200 000.00
Smme Support	3 379 000.00	2 000 000.00	3 500 000.00	4 000 000.00
LED Summit & Forums	171 750.00	250 000.00	300 000.00	350 000.00
EPWP Programmes Expense	-	3 069 000.00	3 606 000.00	4 143 000.00
Expanded Public Works Programme Protective Clothing	-	500 000.00	2 500 000.00	3 000 000.00
Tourism Forum and Shows	-	250 000.00	300 000.00	350 000.00
Free Basic Electricity	4 404 570.05	4 500 000.00	5 000 000.00	6 000 000.00
Rewiring of municipal buildings	-	2 100 000.00	-	-
EPWP Expense	2 382 000.00	-	-	-
Mig Overheads	1 000 000.00	2 378 498.24	2 509 315.64	2 663 638.56
Fencing of Cemeteries	3 051 654.20	1 500 000.00	850 000.00	800 000.00
Municipal IWMP	-	200 000.00	-	-
Protection of Areas of Natural resources	300 000.00	500 000.00	550 000.00	600 000.00
Environmental awareness campaigns	-	200 000.00	250 000.00	300 000.00
Solid Waste Collection	1 400 000.00	2 200 000.00	3 000 000.00	3 800 000.00
Disaster awareness campaign	-	300 000.00	-	-
Disaster relief fund	639 500.00	500 000.00	540 000.00	600 000.00
Road safety programmes	300 000.00	500 000.00	350 000.00	400 000.00
Sports, arts & Culture Promotions	700 000.00	1 300 000.00	-	-
<b>Total</b>	<b>54 775 668.55</b>	<b>61 807 498.39</b>	<b>63 153 723.42</b>	<b>68 072 411.34</b>

**Table 50 MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)**

**LIM473 Makhuduthamaga - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)**

Description	Ref	Vote 1 - Council	Vote 2 - Office of the Municipal Manager	Vote 3 - Economic Development and Planning	Vote 4 - Infrastructure Development	Vote 5 - Community Services	Vote 6 - Corporate Services	Vote 7 - Budget & Treasury	Vote 8 -	Vote 9 -	Vote 10 -	Vote 11 -	Vote 12 -	Vote 13 -	Vote 14 -	Vote 15 -	Total
<b>R thousand</b>	1																
<b>Revenue By Source</b>																	
Property rates		-	-	-	-	-	-	32 828	-	-	-	-	-	-	-	-	32 828
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		-	-	-	-	-	-	95	-	-	-	-	-	-	-	-	95
Interest earned - external investments		-	-	-	-	-	-	12 702	-	-	-	-	-	-	-	-	12 702
Interest earned - outstanding debtors		-	-	-	-	-	-	17 998	-	-	-	-	-	-	-	-	17 998
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines		-	-	-	-	-	-	525	-	-	-	-	-	-	-	-	525
Licences and permits		-	-	-	-	-	-	5 159	-	-	-	-	-	-	-	-	5 159
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other revenue		-	-	-	-	-	-	1 310	-	-	-	-	-	-	-	-	1 310
Transfers recognised - operational		-	-	-	-	-	-	232 170	-	-	-	-	-	-	-	-	232 170
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		-	-	-	-	-	-	<b>302 787</b>	-	-	-	-	-	-	-	-	<b>302 787</b>
<b>Expenditure By Type</b>																	
Employee related costs		7 498	4 309	7 087	4 041	18 270	8 671	15 945	-	-	-	-	-	-	-	-	65 820
Remuneration of councillors		19 077	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19 077
Debt impairment		-	-	-	-	-	-	18 935	-	-	-	-	-	-	-	-	18 935
Depreciation & asset impairment		-	-	-	-	-	-	16 616	-	-	-	-	-	-	-	-	16 616
Finance charges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services		-	-	-	22 550	-	1 500	18 002	-	-	-	-	-	-	-	-	42 052
Transfers and grants		-	-	-	-	-	-	2 617	-	-	-	-	-	-	-	-	2 617
Other expenditure		12 912	1 950	11 969	8 230	8 790	10 593	9 054	-	-	-	-	-	-	-	-	63 498
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>39 487</b>	<b>6 259</b>	<b>19 056</b>	<b>34 821</b>	<b>27 060</b>	<b>20 764</b>	<b>81 169</b>	-	-	-	-	-	-	-	-	<b>228 615</b>
<b>Surplus/(Deficit)</b>		<b>(39 487)</b>	<b>(6 259)</b>	<b>(19 056)</b>	<b>(34 821)</b>	<b>(27 060)</b>	<b>(20 764)</b>	<b>221 618</b>	-	-	-	-	-	-	-	-	<b>74 172</b>
Transfers recognised - capital		-	-	-	-	-	-	59 950	-	-	-	-	-	-	-	-	59 950
Contributions recognised - capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(39 487)</b>	<b>(6 259)</b>	<b>(19 056)</b>	<b>(34 821)</b>	<b>(27 060)</b>	<b>(20 764)</b>	<b>281 568</b>	-	-	-	-	-	-	-	-	<b>134 122</b>

**Table 51 MBRR Table SA3 – Supporting detail to Statement of Financial Position**

LIM473 Makhuduthamaga - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>											
<b>ASSETS</b>											
<b>Call investment deposits</b>											
Call deposits < 90 days		-	-	-	-	-	-	-	-	-	-
Other current investments > 90 days		-	-	-	-	-	-	-	-	-	-
<b>Total Call investment deposits</b>	2	-	-	-	-	-	-	-	-	-	-
<b>Consumer debtors</b>											
Consumer debtors		82 811	113 615	151 648	179 898	169 970	169 970	169 970	186 384	198 324	204 891
Less: Provision for debt impairment		(11 651)	(112 071)	(148 226)	(20 312)	(148 226)	(148 226)	(148 226)	(167 161)	(172 831)	(175 331)
<b>Total Consumer debtors</b>	2	<b>71 160</b>	<b>1 544</b>	<b>3 422</b>	<b>159 586</b>	<b>21 744</b>	<b>21 744</b>	<b>21 744</b>	<b>19 223</b>	<b>25 493</b>	<b>29 560</b>
<b>Debt impairment provision</b>											
Balance at the beginning of the year		-	-	-	-	-	-	-	-	-	-
Contributions to the provision		-	-	-	-	-	-	-	-	-	-
Bad debts written off		-	-	-	-	-	-	-	-	-	-
<b>Balance at end of year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Property, plant and equipment (PPE)</b>											
PPE at cost/valuation (excl. finance leases)		189 132	180 608	245 021	443 934	411 751	411 751	411 751	545 791	701 291	851 147
Leases recognised as PPE		-	-	-	-	-	-	-	-	-	-
Less: Accumulated depreciation		27 643	31 956	41 587	69 568	53 994	53 994	53 994	70 610	88 057	88 057
<b>Total Property, plant and equipment (PPE)</b>	2	<b>161 489</b>	<b>148 652</b>	<b>203 434</b>	<b>374 366</b>	<b>357 756</b>	<b>357 756</b>	<b>357 756</b>	<b>475 181</b>	<b>613 234</b>	<b>763 090</b>
<b>LIABILITIES</b>											
<b>Current liabilities - Borrowing</b>											
Short term loans (other than bank overdraft)		-	-	-	-	-	-	-	-	-	-
Current portion of long-term liabilities		-	-	-	-	-	-	-	-	-	-
<b>Total Current liabilities - Borrowing</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Trade and other payables</b>											
Trade and other creditors		25 063	17 062	21 935	27 803	27 803	27 803	27 803	14 327	15 753	16 015
Unspent conditional transfers		4 638	25 823	7 792	-	-	-	-	-	-	-
VAT		-	-	-	-	-	-	-	-	-	-
<b>Total Trade and other payables</b>	2	<b>29 702</b>	<b>42 885</b>	<b>29 727</b>	<b>27 803</b>	<b>27 803</b>	<b>27 803</b>	<b>27 803</b>	<b>14 327</b>	<b>15 753</b>	<b>16 015</b>
<b>Non current liabilities - Borrowing</b>											
Borrowing		-	-	-	-	-	-	-	-	-	-
Finance leases (including PPP asset element)		-	-	-	-	-	-	-	-	-	-
<b>Total Non current liabilities - Borrowing</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Provisions - non-current</b>											
Retirement benefits		-	-	-	-	-	-	-	-	-	-
List other major provision items		-	-	-	-	-	-	-	-	-	-
Post employment medical aid liability		1 061	1 820	1 929	1 820	1 820	1 820	1 820	2 076	2 319	2 586
Long service awards liability		916	1 432	1 130	1 432	1 432	1 432	1 432	1 668	1 903	2 201
<b>Total Provisions - non-current</b>		<b>1 977</b>	<b>3 252</b>	<b>3 059</b>	<b>3 252</b>	<b>3 252</b>	<b>3 252</b>	<b>3 252</b>	<b>3 744</b>	<b>4 222</b>	<b>4 787</b>
<b>CHANGES IN NET ASSETS</b>											
<b>Accumulated Surplus/(Deficit)</b>											
Accumulated Surplus/(Deficit) - opening balance		222 161	210 192	243 947	455 480	479 497	479 497	479 497	614 052	783 242	790 268
GRAP adjustments		-	-	-	-	-	-	-	-	-	-
Restated balance		222 161	210 192	243 947	455 480	479 497	479 497	479 497	614 052	783 242	790 268
Surplus/(Deficit)		80 201	33 755	78 668	118 872	99 162	99 162	99 162	134 122	155 514	149 880
Appropriations to Reserves		-	-	-	-	-	-	-	-	-	-
Transfers from Reserves		-	-	-	-	-	-	-	-	-	-
Depreciation offsets		-	-	-	-	-	-	-	-	-	-
Other adjustments		-	-	-	-	-	-	-	-	-	-
<b>Accumulated Surplus/(Deficit)</b>	1	<b>302 362</b>	<b>243 947</b>	<b>322 614</b>	<b>574 352</b>	<b>578 659</b>	<b>578 659</b>	<b>578 659</b>	<b>748 174</b>	<b>938 756</b>	<b>940 148</b>
<b>Reserves</b>											
Housing Development Fund		-	-	-	-	-	-	-	-	-	-
Capital replacement		-	-	-	-	-	-	-	-	-	-
Self-insurance		-	-	-	-	-	-	-	-	-	-
Other reserves		-	-	-	-	-	-	-	-	-	-
Revaluation		-	-	-	-	-	-	-	-	-	-
<b>Total Reserves</b>	2	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>302 362</b>	<b>243 947</b>	<b>322 614</b>	<b>574 352</b>	<b>578 659</b>	<b>578 659</b>	<b>578 659</b>	<b>748 174</b>	<b>938 756</b>	<b>940 148</b>



**Table 52 MBRR Table SA9 – Social, economic and demographic statistics and assumptions**

LIM473 Makhuduthamaga - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2011/12	2012/13	2013/14	Current Year 2014/15	2015/16 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
<b>Demographics</b>												
Population		Census 2001 - Census 2007 -Census 2011	264	262	300	300	300	300	300	274	274	274
Females aged 5 - 14		Census 2001 - Census 2007 -Census 2011	-	-	300	177	177	177	177	60	60	60
Males aged 5 - 14		Census 2001 - Census 2007 -Census 2011	-	-	123	123	123	123	123	60	60	60
Females aged 15 - 34		Census 2001 - Census 2007 -Census 2011	-	-	-	-	-	-	-	47	47	47
Males aged 15 - 34		Census 2001 - Census 2007 -Census 2011	-	-	-	-	-	-	-	36	36	36
Unemployment		Census 2001 - Census 2007 -Census 2011	-	-	24	24	21	21	21	33	33	33
<b>Monthly household income (no. of households)</b>												
No income	1, 12	Statistics South Africa 2007 & 2011 (Community	-	-	144 105	144 105	144 105	144 105	144 105	121 946	121 946	121 946
R1 - R1 600		Statistics South Africa 2007 & 2011 (Community	-	-	-	-	-	-	-	1 311 130	1 311 130	1 311 130
R1 601 - R3 200		Statistics South Africa 2007 & 2011 (Community	-	-	-	-	-	-	-	3 945	3 945	3 945
R3 201 - R6 400		Statistics South Africa 2007 & 2011 (Community	-	-	60 966	60 966	60 966	60 966	60 966	2 894	2 894	2 894
R6 401 - R12 800		Statistics South Africa 2007 & 2011 (Community	-	-	32 154	32 154	32 154	32 154	32 154	3 281	3 281	3 281
R12 801 - R25 600		Statistics South Africa 2007 & 2011 (Community	-	-	2 128	2 128	2 128	2 128	2 128	2 028	2 028	2 028
R25 601 - R51 200		Statistics South Africa 2007 & 2011 (Community	-	-	2 637	2 637	2 637	2 637	2 637	346	346	346
R52 201 - R102 400		Statistics South Africa 2007 & 2011 (Community	-	-	3 829	3 829	3 829	3 829	3 829	57	57	57
R102 401 - R204 800		Statistics South Africa 2007 & 2011 (Community	-	-	718	718	718	718	718	73	73	73
R204 801 - R409 600		Statistics South Africa 2007 & 2011 (Community	-	-	57	57	57	57	57	55	55	55
R409 601 - R819 200		Statistics South Africa 2007 & 2011 (Community	-	-	9	9	9	9	9	9	9	9
> R819 200		Statistics South Africa 2007 & 2011 (Community	-	-	235	235	235	235	235	235	235	235
<b>Poverty profiles (no. of households)</b>												
< R2 060 per household per month	13	Statistics South Africa 2007 & 2011 (Community	-	-	247 632	247 632.00	247 632.00	247 632.00	247 632.00	247 632.00	247 632.00	247 632.00
Insert description	2	Statistics South Africa 2007 & 2011 (Community	-	-	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Household/demographics (000)</b>												
Number of people in municipal area		Statistics South Africa 2007 & 2011 (Community	-	-	262 728	263	263	263	263	274	274	274
Number of poor people in municipal area		Statistics South Africa 2007 & 2011 (Community	-	-	-	-	-	-	-	-	-	-
Number of households in municipal area		Statistics South Africa 2007 & 2011 (Community	-	-	262 731	263	263	263	263	65	65	65
Number of poor households in municipal area		Statistics South Africa 2007 & 2011 (Community	-	-	247 632	248	248	248	248	248	248	248
Definition of poor household (R per month)		Statistics South Africa 2007 & 2011 (Community	-	-	2 060	2 060	2 060	2 060	2 060	2 060	2 060	2 060
<b>Housing statistics</b>												
Formal	3	Statistics South Africa 2007 & 2011 (Community	-	-	53 645	53 645	53 645	53 645	53 645	53 645	53 645	53 645
Informal		Statistics South Africa 2007 & 2011 (Community	-	-	-	-	-	-	-	-	-	-
<b>Total number of households</b>			-	-	53 645	53 645	53 645	53 645	53 645	53 645	53 645	53 645
Dwellings provided by municipality	4	Statistics South Africa 2007 & 2011 (Community	-	-	-	-	-	-	-	-	-	-
Dwellings provided by province/s		Statistics South Africa 2007 & 2011 (Community	-	-	-	-	-	-	-	-	-	-
Dwellings provided by private sector	5	Statistics South Africa 2007 & 2011 (Community	-	-	-	-	-	-	-	-	-	-
<b>Total new housing dwellings</b>			-	-	-	-	-	-	-	-	-	-

### Table 53 MBRR Table SA11 – Property rates summary

LIM473 Makhuduthamaga - Supporting Table SA11 Property rates summary

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Valuation:</b>	1									
Date of valuation:		2009/07/01	2011/07/01	2011/07/01	2011/07/01					
Financial year valuation used		2010/2011	2011/2012	2012/2013	2012/2013					
Municipal by-laws s6 in place? (Y/N)	2	Yes	Yes	Yes	Yes			Yes		
Municipal/assistant valuer appointed? (Y/N)		Yes	Yes	Yes	Yes			Yes		
Municipal partnership s38 used? (Y/N)		NO	NO	NO	NO	NO	NO	NO	NO	NO
No. of assistant valuers (FTE)	3	-	-	-	-	-	-	-	-	-
No. of data collectors (FTE)	3	-	-	-	-	-	-	-	-	-
No. of internal valuers (FTE)	3	-	-	-	-	-	-	-	-	-
No. of external valuers (FTE)	3	1	1	1	1	1	1	1	1	1
No. of additional valuers (FTE)	4	-	-	-	-	-	-	-	-	-
Valuation appeal board established? (Y/N)		Yes	Yes	Yes	Yes			Yes		
Implementation time of new valuation roll (mths)		36	48	48	48					
No. of properties	5	1 731	1 797	1 797	1 797	1 797	1 797	1 797	1 797	1 797
No. of sectional title values	5	-	-	-	-	-	-	-	-	-
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-	-
No. of supplementary valuations		1	1	1	1	1	1	1	1	1
No. of valuation roll amendments		-	-	-	-	-	-	-	-	-
No. of objections by rate payers		-	-	-	-	-	-	-	-	-
No. of appeals by rate payers		-	-	-	-	-	-	-	-	-
No. of successful objections	8	-	-	-	-	-	-	-	-	-
No. of successful objections > 10%	8	-	-	-	-	-	-	-	-	-
Supplementary valuation		-	-	-	-	-	-	-	-	-
Public service infrastructure value (Rm)	5	-	-	-	-	-	-	-	-	-
Municipality owned property value (Rm)		-	-	-	-	-	-	-	-	-
<b>Valuation reductions:</b>										
Valuation reductions-public infrastructure (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-public worship (Rm)		-	-	-	-	-	-	-	-	-
Valuation reductions-other (Rm)		-	-	-	-	-	-	-	-	-
<b>Total valuation reductions:</b>		-	-	-	-	-	-	-	-	-
Total value used for rating (Rm)	5	-	-	-	-	-	-	-	-	-
Total land value (Rm)	5	-	-	-	-	-	-	-	-	-
Total value of improvements (Rm)	5	-	-	-	-	-	-	-	-	-
Total market value (Rm)	5	-	-	-	-	-	-	-	-	-
<b>Rating:</b>										
Residential rate used to determine rate for other categories? (Y/N)		No	No	No	No			No		
Differential rates used? (Y/N)	5	No	No	No	No			No		
Limit on annual rate increase (s20)? (Y/N)		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Special rating area used? (Y/N)		No	No	No	No			No		
Phasing-in properties s21 (number)		0	0	0	0	0	0	0	0	0
Rates policy accompanying budget? (Y/N)		Yes	Yes	Yes	Yes			Yes		
Fixed amount minimum value (R'000)		-	-	-	-			-		
Non-residential prescribed ratio s19? (%)		0.0%	0.0%	0.0%	0.0%			-		
<b>Rate revenue:</b>										
Rate revenue budget (R'000)	6	17 956	24 906	41 358	27 270	27 270	27 270	28 813	31 695	34 864
Rate revenue expected to collect (R'000)	6				18 232	18 232	18 232	16 250	19 543	22 057
Expected cash collection rate (%)		0.0%	0.0%	0.0%	66.9%	66.9%	66.9%	56.4%	61.7%	63.3%
Special rating areas (R'000)	7	-	-	-	-	-	-	-	-	-
Rebates, exemptions - indigent (R'000)		-	-	-	-	-	-	-	-	-
Rebates, exemptions - pensioners (R'000)		-	-	-	-	-	-	-	-	-
Rebates, exemptions - bona fide farm. (R'000)		-	-	-	-	-	-	-	-	-
Rebates, exemptions - other (R'000)		-	-	-	-	-	-	-	-	-
Phase-in reductions/discounts (R'000)		-	-	-	-	-	-	-	-	-
<b>Total rebates,exemptns,reductns,discs (R'000)</b>		-	-	-	-	-	-	-	-	-

**Table 54 MBRR Table SA12a – Property rates by category (current year)**

LIM473 Makhuduthamaga - Supporting Table SA12a Property rates by category (current year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.
<b>Current Year 2014/15</b>																	
<b>Valuation:</b>																	
No. of properties		64	15	1 254	114	460	11	2	-	-	-	-	-	-	-	-	-
No. of sectional title property values		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of supplementary valuations		1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Supplementary valuation (Rm)		-	-	29	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of valuation roll amendments		-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of objections by rate-payers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers finalised		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections > 10%	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimated no. of properties not valued		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Years since last valuation (select)		4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Frequency of valuation (select)		4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Method of valuation used (select)		Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market
Base of valuation (select)		Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr
Phasing-in properties s21 (number)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Combination of rating types used? (Y/N)		No	No	Yes	No	No	No	No	No	No	No	No	No	No	No	No	No
Flat rate used? (Y/N)		Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Is balance rated by uniform rate/variable rate?		Uniform	Uniform	Variable	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform
<b>Valuation reductions:</b>																	
Valuation reductions-public infrastructure (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)		-	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-public worship (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-other (Rm)	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total valuation reductions:</b>																	
Total value used for rating (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total land value (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total value of improvements (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total market value (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Rating:</b>																	
Average rate	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rate revenue budget (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rate revenue expected to collect (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expected cash collection rate (%)	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Special rating areas (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - indigent (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - pensioners (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - bona fide farm. (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - other (R'000)		-	-	#####	-	-	-	-	-	-	-	-	-	-	-	-	-
Phase-in reductions/discounts (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total rebates, exemptns, reductns, discs (R'000)</b>																	

**Table 55 MBRR Table SA12b – Property rates by category (Budget year)**

LIM473 Makhuduthamaga - Supporting Table SA12b Property rates by category (budget year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.
<b>Budget Year 2015/16</b>																	
<b>Valuation:</b>																	
No. of properties		74	15	1 274	114	460	11	2	-	-	-	-	-	-	-	-	-
No. of sectional title property values		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of supplementary valuations		2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Supplementary valuation (Rm)		-	-	60	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of valuation roll amendments		1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
No. of objections by rate-payers		2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
No. of appeals by rate-payers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers finalised		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections > 10%	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimated no. of properties not valued		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Years since last valuation (select)		5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Frequency of valuation (select)		5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Method of valuation used (select)		Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market
Base of valuation (select)		Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr	Land & impr
Phasing-in properties s21 (number)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Combination of rating types used? (Y/N)		No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Flat rate used? (Y/N)		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Is balance rated by uniform rate/variable rate?		Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform
<b>Valuation reductions:</b>																	
Valuation reductions-public infrastructure (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-mineral rights (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-public worship (Rm)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-other (Rm)	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total valuation reductions:</b>																	
Total value used for rating (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total land value (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total value of improvements (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total market value (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Rating:</b>																	
Average rate	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rate revenue budget (R '000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rate revenue expected to collect (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expected cash collection rate (%)	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Special rating areas (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - indigent (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - pensioners (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - bona fide farm. (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - other (R'000)		-	-	#####	-	-	-	-	-	-	-	-	-	-	-	-	-
Phase-in reductions/discounts (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total rebates,exemptns,eductns,discs (R'000)</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**Table 56 MBRR Table SA13a – Service tariffs by category.**

**LIM473 Makhuduthamaga - Supporting Table SA13a Service Tariffs by category**

Description	Ref	Provide description of tariff structure where appropriate	2011/12	2012/13	2013/14	Current Year 2014/15	2015/16 Medium Term Revenue & Expenditure Framework		
							Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Property rates (rate in the Rand)</b>	1								
Residential properties			-	-	-	-	-	-	-
Residential properties - vacant land			-	-	-	-	-	-	-
Formal/informal settlements			-	-	-	-	-	-	-
Small holdings			-	-	-	-	-	-	-
Farm properties - used			-	-	-	-	-	-	-
Farm properties - not used			3 cents	2 cents	2 cents	2 cents	2 cents	2 cents	2 cents
Industrial properties			-	-	-	-	-	-	-
Business and commercial properties			3 cents	2 cents	2 cents	2 cents	2 cents	2 cents	2 cents
Communal land - residential			-	-	-	-	-	-	-
Communal land - small holdings			-	-	-	-	-	-	-
Communal land - farm property			-	-	-	-	-	-	-
Communal land - business and commercial			-	-	-	-	-	-	-
Communal land - other			-	-	-	-	-	-	-
State-owned properties			3 cents	2 cents	2 cents	2 cents	2 cents	2 cents	2 cents
Municipal properties			-	-	-	-	-	-	-
Public service infrastructure			-	-	-	-	-	-	-
Privately owned towns serviced by the owner			-	-	-	-	-	-	-
State trust land			-	-	-	-	-	-	-
Restitution and redistribution properties			-	-	-	-	-	-	-
Protected areas			-	-	-	-	-	-	-
National monuments properties			-	-	-	-	-	-	-
<b>Exemptions, reductions and rebates (Rands)</b>									
<b>Residential properties</b>									
R15 000 threshold rebate			15 000	15 000	15 000	15 000	15 000	15 000	15 000
General residential rebate			-	-	-	-	-	-	-
Indigent rebate or exemption			-	-	-	-	-	-	-
Pensioners/social grants rebate or exemption			-	-	-	-	-	-	-
Temporary relief rebate or exemption			-	-	-	-	-	-	-
Bona fide farmers rebate or exemption			-	-	-	-	-	-	-
<b>Other rebates or exemptions</b>	2		-	-	-	-	-	-	-
<b>Water tariffs</b>									
<b>Domestic</b>									
Basic charge/ fixed fee (Rands/month)			-	-	-	-	-	-	-
Service point - vacant land (Rands/month)			-	-	-	-	-	-	-
Water usage - flat rate tariff (c/k)			-	-	-	-	-	-	-
Water usage - life line tariff		(describe structure)	-	-	-	-	-	-	-
Water usage - Block 1 (c/kl)		(fill in thresholds)	-	-	-	-	-	-	-
Water usage - Block 2 (c/kl)		(fill in thresholds)	-	-	-	-	-	-	-
Water usage - Block 3 (c/kl)		(fill in thresholds)	-	-	-	-	-	-	-
Water usage - Block 4 (c/kl)		(fill in thresholds)	-	-	-	-	-	-	-
<b>Other</b>	2		-	-	-	-	-	-	-
<b>Waste water tariffs</b>									
<b>Domestic</b>									
Basic charge/ fixed fee (Rands/month)			-	-	-	-	-	-	-
Service point - vacant land (Rands/month)			-	-	-	-	-	-	-
Waste water - flat rate tariff (c/kl)			-	-	-	-	-	-	-
Volumetric charge - Block 1 (c/kl)		(fill in structure)	-	-	-	-	-	-	-
Volumetric charge - Block 2 (c/kl)		(fill in structure)	-	-	-	-	-	-	-
Volumetric charge - Block 3 (c/kl)		(fill in structure)	-	-	-	-	-	-	-
Volumetric charge - Block 4 (c/kl)		(fill in structure)	-	-	-	-	-	-	-
<b>Other</b>	2		-	-	-	-	-	-	-
<b>Electricity tariffs</b>									
<b>Domestic</b>									
Basic charge/ fixed fee (Rands/month)			-	-	-	-	-	-	-
Service point - vacant land (Rands/month)			-	-	-	-	-	-	-
FBE		(how is this targeted?)	-	-	-	-	-	-	-
Life-line tariff - meter		(describe structure)	-	-	-	-	-	-	-
Life-line tariff - prepaid		(describe structure)	-	-	-	-	-	-	-
Flat rate tariff - meter (c/kwh)			-	-	-	-	-	-	-
Flat rate tariff - prepaid(c/kwh)			-	-	-	-	-	-	-
Meter - IBT Block 1 (c/kwh)		(fill in thresholds)	-	-	-	-	-	-	-
Meter - IBT Block 2 (c/kwh)		(fill in thresholds)	-	-	-	-	-	-	-
Meter - IBT Block 3 (c/kwh)		(fill in thresholds)	-	-	-	-	-	-	-
Meter - IBT Block 4 (c/kwh)		(fill in thresholds)	-	-	-	-	-	-	-
Meter - IBT Block 5 (c/kwh)		(fill in thresholds)	-	-	-	-	-	-	-
Prepaid - IBT Block 1 (c/kwh)		(fill in thresholds)	-	-	-	-	-	-	-
Prepaid - IBT Block 2 (c/kwh)		(fill in thresholds)	-	-	-	-	-	-	-
Prepaid - IBT Block 3 (c/kwh)		(fill in thresholds)	-	-	-	-	-	-	-
Prepaid - IBT Block 4 (c/kwh)		(fill in thresholds)	-	-	-	-	-	-	-
Prepaid - IBT Block 5 (c/kwh)		(fill in thresholds)	-	-	-	-	-	-	-
<b>Other</b>	2		-	-	-	-	-	-	-
<b>Waste management tariffs</b>									
<b>Domestic</b>									
Street cleaning charge			-	-	-	-	-	-	-
Basic charge/ fixed fee			-	-	-	-	-	-	-
80l bin - once a week			-	-	-	-	-	-	-
250l bin - once a week			-	-	-	-	-	-	-

**Table 57 MBRR Table SA13b – Service tariffs by category (explanatory).**

LIM473 Makhuduthamaga - Supporting Table SA13b Service Tariffs by category - explanatory

Description	Ref	Provide description of tariff structure where appropriate	2011/12	2012/13	2013/14	Current Year 2014/15	2015/16 Medium Term Revenue & Expenditure Framework		
							Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Exemptions, reductions and rebates (Rands)</b>									
[Insert lines as applicable]			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
<b>Water tariffs</b>									
[Insert blocks as applicable]		(fill in thresholds)	-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
<b>Waste water tariffs</b>									
[Insert blocks as applicable]			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
<b>Electricity tariffs</b>									
[Insert blocks as applicable]			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-

**Table 58 MBRR Table SA14 – Household bills.**

LIM473 Makhuduthamaga - Supporting Table SA14 Household bills

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16 % incr.	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Rand/cent</b>											
<b>Monthly Account for Household - 'Middle Income Range'</b>	1										
<b>Rates and services charges:</b>											
Property rates		-	-	-	-	-	-	-	-	-	-
Electricity: Basic levy		-	-	-	-	-	-	-	-	-	-
Electricity: Consumption		-	-	-	-	-	-	-	-	-	-
Water: Basic levy		-	-	-	-	-	-	-	-	-	-
Water: Consumption		-	-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-	-
Refuse removal		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
<b>sub-total</b>		-	-	-	-	-	-	-	-	-	-
VAT on Services		-	-	-	-	-	-	-	-	-	-
<b>Total large household bill:</b>		-	-	-	-	-	-	-	-	-	-
<b>% increase/-decrease</b>			-	-	-	-	-	-	-	-	-
<b>Monthly Account for Household - 'Affordable Range'</b>	2										
<b>Rates and services charges:</b>											
Property rates		-	-	-	-	-	-	-	-	-	-
Electricity: Basic levy		-	-	-	-	-	-	-	-	-	-
Electricity: Consumption		-	-	-	-	-	-	-	-	-	-
Water: Basic levy		-	-	-	-	-	-	-	-	-	-
Water: Consumption		-	-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-	-
Refuse removal		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
<b>sub-total</b>		-	-	-	-	-	-	-	-	-	-
VAT on Services		-	-	-	-	-	-	-	-	-	-
<b>Total small household bill:</b>		-	-	-	-	-	-	-	-	-	-
<b>% increase/-decrease</b>			-	-	-	-	-	-	-	-	-
<b>Monthly Account for Household - 'Indigent' Household receiving free basic services</b>	3										
<b>Rates and services charges:</b>											
Property rates		-	-	-	-	-	-	-	-	-	-
Electricity: Basic levy		-	-	-	-	-	-	-	-	-	-
Electricity: Consumption		-	-	-	-	-	-	-	-	-	-
Water: Basic levy		-	-	-	-	-	-	-	-	-	-
Water: Consumption		-	-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-	-
Refuse removal		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
<b>sub-total</b>		-	-	-	-	-	-	-	-	-	-
VAT on Services		-	-	-	-	-	-	-	-	-	-
<b>Total small household bill:</b>		-	-	-	-	-	-	-	-	-	-
<b>% increase/-decrease</b>			-	-	-	-	-	-	-	-	-

**Table 59 MBRR Table SA15 – Investment particulars by type.**

**LIM473 Makhuduthamaga - Supporting Table SA15 Investment particulars by type**

Investment type	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>										
<b>Parent municipality</b>										
Securities - National Government		-	-	-	-	-	-	-	-	-
Listed Corporate Bonds		-	-	-	-	-	-	-	-	-
Deposits - Bank		61 882	63 489	66 137	66 137	100 000	100 000	140 000	160 000	154 000
Deposits - Public Investment Commissioners		-	-	-	-	-	-	-	-	-
Deposits - Corporation for Public Deposits		-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificates		-	-	-	-	-	-	-	-	-
Negotiable Certificates of Deposit - Banks		-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (sinking)		-	-	-	-	-	-	-	-	-
Repurchase Agreements - Banks		-	-	-	-	-	-	-	-	-
Municipal Bonds		-	-	-	-	-	-	-	-	-
<b>Municipality sub-total</b>	1	<b>61 882</b>	<b>63 489</b>	<b>66 137</b>	<b>66 137</b>	<b>100 000</b>	<b>100 000</b>	<b>140 000</b>	<b>160 000</b>	<b>154 000</b>
<b>Entities</b>										
Securities - National Government		-	-	-	-	-	-	-	-	-
Listed Corporate Bonds		-	-	-	-	-	-	-	-	-
Deposits - Bank		-	-	-	-	-	-	-	-	-
Deposits - Public Investment Commissioners		-	-	-	-	-	-	-	-	-
Deposits - Corporation for Public Deposits		-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificates		-	-	-	-	-	-	-	-	-
Negotiable Certificates of Deposit - Banks		-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (sinking)		-	-	-	-	-	-	-	-	-
Repurchase Agreements - Banks		-	-	-	-	-	-	-	-	-
<b>Entities sub-total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Consolidated total:</b>		<b>61 882</b>	<b>63 489</b>	<b>66 137</b>	<b>66 137</b>	<b>100 000</b>	<b>100 000</b>	<b>140 000</b>	<b>160 000</b>	<b>154 000</b>





**Table 60 MBRR Table SA16 – Investment particulars by maturity.**

LIM473 Makhuduthamaga - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate 3.	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs/Months												
<b>Parent municipality</b>														
ABSA Call account	1	3 Months	Call account	YES	NO	6%	0	N/A	End of every quarter	-	12 702	(152 702)	140 000	-
				0	NO	0	0	N/A	N/A	-	-	-	-	-
				0	NO	0	0	N/A	N/A	-	-	-	-	-
				0	NO	0	0	N/A	N/A	-	-	-	-	-
				0	NO	0	0	N/A	N/A	-	-	-	-	-
				0	NO	0	0	N/A	N/A	-	-	-	-	-
				0	NO	0	0	N/A	N/A	-	-	-	-	-
<b>Municipality sub-total</b>										-		(152 702)	140 000	-
<b>Entities</b>														
				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-
				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-
				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-
				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-
				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-
				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-
				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-
<b>Entities sub-total</b>										-		-	-	-
<b>TOTAL INVESTMENTS AND INTEREST</b>	1									-		(152 702)	140 000	-

**LIM473 Makhuduthamaga - Supporting Table SA17 Borrowing**

Borrowing - Categorized by type R thousand	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Parent municipality</b>										
Long-Term Loans (annuity/reducing balance)		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
<b>Municipality sub-total</b>	1	-	-	-	-	-	-	-	-	-
<b>Entities</b>										
Long-Term Loans (annuity/reducing balance)		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
<b>Entities sub-total</b>	1	-	-	-	-	-	-	-	-	-
<b>Total Borrowing</b>	1	-	-	-	-	-	-	-	-	-

Unspent Borrowing - Categorized by type	Ref	2011/12	2012/13	2013/14	Current Year 2014/15	2015/16 Medium Term Revenue & Expenditure Framework	2016/17	2017/18
<b>Parent municipality</b>								
Long-Term Loans (annuity/reducing balance)		-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-
<b>Municipality sub-total</b>	1	-	-	-	-	-	-	-
<b>Entities</b>								
Long-Term Loans (annuity/reducing balance)		-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-
<b>Entities sub-total</b>	1	-	-	-	-	-	-	-
<b>Total Unspent Borrowing</b>	1	-	-	-	-	-	-	-

## **2.15 Annual Budget of Municipal entities**

- The municipality does not have entities.

## 2.16 Municipal Manager's quality certificate



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### LOCAL MUNICIPALITY Quality Certificate

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I **Moropa Mogobadi Erick**, the municipal manager of **Makhuduthamaga Municipality** hereby certify that the:

✓ Final Annual Budget

For 2015/16 and supporting documents has been prepared in accordance with Municipal Finance Management Act and regulations made under the Act, and that the Annual Budget for 2015/2016 and supporting documents are consistent with the Integrated Development Plan of the municipality

Print Name: Moropa Mogobadi Erick

Municipal Manager of **Makhuduthamaga Local Municipality (LIM473)**

Signature *[Handwritten Signature]* .....

Date *22/05/2015* .....