

SCHEDULE A
DRAFT ANNUAL BUDGET AND
SUPPORTING DOCUMENTATION
OF
GARIEP MUNICIPALITY

DRAFT ANNUAL BUDGET GARIEP MUNICIPALITY



2013/14-2015/16 DRAFT MEDIUM TERM REVENUE AND EXPENDITURE FORECASTS

Abbreviations and Acronyms

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

Part 1 – Annual Budget

1.1 Mayor's Report

Fellow Councillors;

The Municipal Manager and his Management Team;

Ladies and Gentlemen;

It is necessary for Council to consider the approval of the budget for the 2013/2014 financial year. The budget I am presenting here today was prepared in accordance with the prescripts of the Municipal Finance Management Act, (Act 56 of 2003) and complies with Generally Recognized Accounting Practice as applicable to Local Government. The budget was compiled, taking into account the Macro-economic growth parameters and addresses the following National Policy frameworks and Provincial priorities including the following:

- Strengthening of fiscal discipline
- Incremental channelling of funds towards infrastructure development, poverty alleviation and job creation.
- Participation in expanded public works programs and labour intensive projects.
- Building of capacity for long term growth through investment in infrastructure
- Maintaining of debt levels through debtor management as well as maximizing sources of revenue.
- Focus on core service delivery activities of local government
- Securing the health of the municipal asset base by maximizing spending on repairs and maintenance, this was unfortunately substantially reduced in order to ensure a near balanced budget

The following underlying factors were also taken into consideration with the compilation of the 2013/2014 budget:

- The current socio economic circumstances of our communities and especially the high rate of unemployment
- External factors having a direct impact on the budget such as the Eskom tariff increase of 8% consumer inflation, the wage agreement concluded with organized labour as well as other cost factors influencing service delivery.

Expenditure for the 2013/2014 operating budget now totals just less than R120 million. It is interesting to note that Gariep's first operating budget some ten years ago was only to dream

that it would be standing as this high to date. This huge increase would have been appreciated had it was equivalent to the growth in our revenue streams. The past principles of sound budgeting and good financial management that improved our area and attracted so many new residents and investors are a welcome venture for this budget going forward. For the first time, in trying to meet the challenges of our municipality, members of our municipality shall notice that our budget is activity based. This is informed as I have mentioned earlier by the challenges confronting us presently and the desire to be as realistic as possible when budgeting.

Fellow patriots

Gariiep Local Municipality's budget is again task to provide sustainable and economically viable local governance to our communities. We find ourselves in a phase of a balancing act between economic recovery and the provision of affordable and sustainable, quality services to all our communities to remain high on the agenda. We find ourselves in a position where we have to continuously adapt our strategies to suit prevailing economic circumstances, as we cannot isolate ourselves from the global economy.

It is proposed that employee costs shall be R35,6million which is 23% of the total budget. This is to try and be within the accepted norm of 35, 7% but of critical consideration, it is sufficient to allow for an expected 6% increase in salaries as well as the filling of all critical vacancies. We have again included all members of the ward committees in this budget, as enhancing public participation is at the core centre of our activities and we acknowledge the role played by ward committees. A clear programme and process shall have been developed by the commencement of the new financial year. Also of paramount important all employees currently performing the duties of water and sanitation are not included in this budget. It is my pleasure to announce that, that function shall be performed by the authority which is the Joe Gqabi District Municipality from the commencement of the new financial year.

The repairs and maintenance budget increases by 10.6% to R 26 million of bulk services making up the majority of this vote. We are of course fortunate that this Council actively maintained and upgraded infrastructure, such as municipal buildings, electricity and roads, for many years and so our residents have far less potholes to dodge. I am however concerned by the current state of gravel roads following the storms and the proposed R6.6million towards these roads should alleviate some of the problems. The remainder of the operational budget provides for the continuation of the high levels of service delivery that Gariiep's dwellers are accustomed to. I am pleased to announce that our able administration are pulling all stops to ensure that the municipal's cash-flow position is improving with each

day passes. The strategy of stringent debt collection together with the careful management of expenditure shall be the order of the day. Our data integrity is improving; revenue enhancement on collection is shaping in a desired path. We take note and appreciate the selflessness commitment provided by Kagiso Trust on this matter. There is a sound footing from which this Council can begin to operate, but I must warn that overcoming difficult economic times is a process and therefore shall never be overcome just overnight. It is therefore imperative that Gariep should apply a no-nonsense approach when it comes to efficiency and waste reduction.

Fellow Patriots

You will note that the Council is proposing a Capital Budget of more than R11 434 million. This is a reduction of R12 044, million from the previous budget. Large infrastructure and community projects contained in both the capital and operational budgets for the coming year include:

- 1) Completion of phase 2 of the Burgersdorp Town Hall at R 4,8 million
- 2) The Thembisa Access Road – R 4,1million
- 3) Completion of Lyciumville Access Road – R2,5 million

Infrastructure allocations towards the housing projects for all the areas of our municipality i.e. Mzamomhle, Khayamnandi and the housing rectification programme are not reflected in this budget, as costs will be carried by the Provincial Government, however; I have instructed the administration to prepare an urgent item on these housing projects so that Council can receive full information at its next meeting. The valuation roll which came into effect on 1 July 2011 is an indicator as to why properties will experience different rates increases; however the average increases for households are:

Assessment rates: 5.6 %

Basic Water: 5.6 %

Basic Sewerage: 5.6 %

Additional Sewerage: 5.6 %

Refuse Removal: 5.6 %

It is clear from the above tariffs that our municipality is working hard to keep increases as low as possible while still promising a high level of service. In pursuance of a better Gariep, the management are in the process of completing the process they coined as identification of cost drivers. Engagement and follow-ups meetings are on-going at relevant levels with

relevant stakeholders i.e. Department of Energy, Nersa, National Treasury These increases reflect the actual change in tariffs that the municipality has to pay to Eskom.

SDBIP (SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN)

The top level service delivery and budget implementation plan is attached herewith and is an indication of service delivery targets that is set for the 2013/2014 financial year. Emphasis is placed on sustaining and improving service delivery levels and extending services to all our communities

IN CONCLUSION

The budget submitted here today is another step closer in attaining the strategic goals of the municipality which includes amongst others, institutional development and transformation, service delivery to all our communities, the financial viability and sustainability of the municipality as well as good administration and public participation.

Please allow me to express my appreciation to the following persons:

- To all members of the council who contributed to the budget process.
- To the Municipal Manager, Chief Financial Officer and his team for the hard work and long hours put in for the compilation of the budget.
- To all the members of the public and stakeholders for their participation and valuable contributions in the budgeting process.

Ladies and Gentlemen, it is my privilege to present the 2013/2014 budget, inclusive of my speech to the Council for deliberation and consideration

I thank you!

1.2 Council Resolutions

On 28 March 2013 the Council Gariiep Local Municipality met in Mzamomhle Library Hall to consider draft annual budget of the municipality for the financial year 2013/14 The Council approved and adopted the following resolutions:

1. The Council of Gariiep Local Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:
 - 1.1. The draft annual budget of the municipality for the financial year 2013/14 and the multi-year and single-year capital appropriations as set out in the following tables:
 - 1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification)
 - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote)
 - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type)
 - 1.1.4. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source

The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:

- 1.2.1. Budgeted Financial Position
 - 1.2.2. Budgeted Cash Flows
 - 1.2.3. Cash backed reserves and accumulated surplus reconciliation
 - 1.2.4. Asset management
 - 1.2.5. Basic service delivery measurement
2. The Council Gariiep 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 2012:
 - 2.1 The tariffs for property rates – as set out in Annexure A,
 - 2.2 The tariffs for electricity – as set out in Annexure B
 - 2.3 The tariffs for the supply of water – as set out in Annexure C
 - 2.4 The tariffs for sanitation services – as set out in Annexure D
 - 2.5 The tariffs for solid waste services – as set out in Annexure E
 - 2.6 Sundry tariffs - as set out in Annexure F

1.3 Executive Summary

During 2012/2013, the Municipality experienced very severe cash flow challenges. These were evidenced by, among other things, failure to pay creditors on time, problems with the ESKOM bulk account leading to the public spat that occurred and was widely reported in the print media. The council and the management of the municipality have spent considerable amount of time trying to analyse the situation and came to a conclusion that it is a function of a number of interrelated factors. Key among these is the inadequate revenue base as well as non-payment by those who are employed and therefore fall outside of the indigent subsidy range.

Some of these challenges have since been overcome and the billing has been progressively improved. This has been evidenced by the reduced number of billing related complaints and queries. Mindful of the critical nature of the application of sound financial management principles for the compilation of the municipality's financial plan to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities, the municipality has partnered with Kagiso Trust Consulting (KTC) to help design and implement a Revenue Enhancement Strategy. This programme is proceeding well and will continue for the first six months of the financial year under review. The municipality's service delivery priorities were reviewed as part of this year's planning and budget process. As can be expected in similar exercises, not least in circumstances where resource constraints are as prevalent as they are in the case of the municipality, funds were transferred from low- to high-priority programmes so as to maximise impact. A critical review was also undertaken of expenditures on noncore items. The municipality has been very consistent in eliminating unnecessary expenditure.

To this extent, very minimal expenses on catering for council meetings or any such meetings, consulting fees, international travel, have been incurred resulting in a substantial savings to the municipality. Other areas where savings were realized were on telephone and internet usage, printing, workshops, fuel and accommodation.

The municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. To this extent, meter reading has been identified as one of the major obstacles to the credibility of our billing system. Furthermore, the municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

National Treasury's MFMA Circular No. 48,51,54,55,66 and 67 were used to guide the compilation of the 2013/14 draft budget..

The main challenges experienced during the tabling of the 2013/14 draft budget can be summarised as follows:

- The continuous growth in the number of indigent consumers coupled with inadequate provision for them based on the cost of rendering the service has put a huge strain on the cash flow of the municipality
- Unavailability of Electricity as both a trade service and a debt collection mechanism to the municipality due to the direct provision of these services to the over 60% of the population by ESKOM
- Aging and poorly maintained water, roads and electricity infrastructure;
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;

- The increased cost of bulk water and electricity which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable - as there will be point where services will no-longer be affordable;
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies;
- The under allocation for the water and sanitation services from the WSA, which has been reduced by over fifty percent in the current budget;

The following budget principles and guidelines directly informed the compilation of the 2013/14 MTREF:

- The 2012/13 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2013/14 draft annual budget;
- Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk water and electricity. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;

In view of the aforementioned, the following table is a consolidated overview of the tabling of 2013/14 Medium-term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the 2013/14 MTREF

| R thousand | Adjustment Budget 2012/13 | Budget Year 2013/14 | Budget Year + 1 2014/15 | Budget Year + 2 2015/16 |
|----------------------------------|------------------------------------------|------------------------------------|----------------------------------------|----------------------------------------|
| Total Operating Revenue | R 99 995 | R 102 657 | R 106 574 | R 115 939 |
| Total Operating Expenditure | R 150 857 | R 152 831 | R 159 508 | R 169 396 |
| (Surplus)/ Deficit for the year | (R 38 818) | (R 38 740) | (R 41 953) | (R 42 046) |
| Total Capital Expenditure | R 12 044 | R 11 434 | R 10 981 | R 11 411 |

1.4 Annual Budget Tables – Gariep Municipality

The annual budget tables are attached to this document as Tables A1 to A 10.

The Budget tables are:

Table A1 - Budget Summary

Table A2A - Budgeted Financial Performance (revenue and expenditure by standard classification)

Table A3A - Budgeted Financial Performance (revenue and expenditure by municipal vote)

Table A4 - Budgeted Financial Performance (revenue and expenditure)

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

Table A5A - Budgeted Capital Expenditure by vote, standard classification and funding

Table A6 - Budgeted Financial Position

Table A7 - Budgeted Cash Flows

Table A8 - Cash backed reserves/accumulated surplus reconciliation

Table A9 - Asset Management

Table A10 - Basic service delivery measurement

Part 2 – Supporting Documentation

2.1 Overview of the annual budget process

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

| Action Plan | Purpose | Responsible Person | Timeliness |
|-------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|---------------------|
| Strategic Planning Session | Progress review, backlogs and craft strategies for the next financial year | Municipal Manager | July 2013 |
| Setting up of IDP, Budget and PMS Steering Committees | To oversee and co-ordinate the IDP and Budget Process Plan and Performance | MM | July 2013 |
| Develop and table process plan to Council | To secure Council approval | Mayor | August 2013 |
| Advertise start of the IDP and Budget Process | For Public participation in accordance with section 19 of the MSA | Municipal Manager | August 2013 |
| Submission of Annual report to the Auditor General | For auditing purposes | Municipal Manager | August 2013 |
| Attend District Planning Session | IDP Alignment | Municipal Manager | August – March 2013 |
| Review Sector plans in accordance with the Provincial Assessment Report | Respond to gaps identified in the Provincial IDP Assessment Report | Heads of Departments | September 2013 |
| Engagements with Sector Departments | Agree on specific projects and programmes to be included in the next financial year | Heads of Departments | September 2013 |
| Gariiep 1 st IDP Rep Forum | Review strategic objectives for service delivery and development for the next three year budgets, collate ideas of priority issues and project teams to discuss projects in more detail | Mayor | September 2013 |
| District Rep Forum | Review strategic objectives for service delivery and development for the next three year budgets, collate ideas of priority issues and project teams to discuss projects in more detail | Mayor and MM | September 2013 |
| SDBIP Reporting | Quarterly report | Heads of Departments Middle Managers | September 2013 |
| PMS Steering Committee Meeting | Performance Monitoring | Mayor | October 2013 |
| Public Participation Outreaches | Community Engagement and IDP Review | Mayor | October 2013 |

| | | | |
|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------|
| Engagements with designated groups | Consultation with youth, women, ex-combatants, Disable Association and Children | Special Programmes Coordinator | October 2013 |
| Review Community Based Planning | Development of the Ward Based Plans | Municipal Manager | November 2013 |
| IDP and Budget Steering Committee | Review of IDP | Municipal Manager | November 2013 |
| Gariep 2 nd IDP Rep Forum | Discuss projects and Budget projections. Consolidate and prepare proposed budget and plans for three years taking into account previous year's performance | Mayor | November 2013 |
| Review of the SDF and other old plans | To incorporate new information, trends and infrastructure plans | Director Technical Services | November 2013 |
| District IDP Rep Forum | Discuss projects and Budget projections. Consolidate and prepare proposed budget and plans for three years taking into account previous year's performance | Mayor and MM | December 2013 |
| Review Financial Policies | IDP and Budget alignment | Chief Financial Officer | December 2013 |
| SDBIP Reporting | Quarterly report | Heads of Departments Middle Managers | December 2013 |
| Mid-year Report | Second quarter performance | Mayor | 25 January 2014 |
| Budget review | Budget performance | BTO | January 2014 |
| Annual Report Submission | Annual performance | Mayor | 31 January 2014 |
| PMS Steering Committee | Performance Discussion | Mayor | January 2014 |
| Draft IDP 2012/13 | For inputs and comments | Municipal Manager | January 2014 |
| Draft Budget | Budget/IDP discussions | Chief Financial Officer | January 2014 |
| Public Participation Outreaches | Draft IDP & Budget | Mayor | January 2014 |
| IDP and Budget Steering Committee | Draft IDP & Budget discussion | Mayor | February 2014 |
| Gariep 3 rd IDP Rep Forum | Engage provincial and national sector departments on finalization of their inputs into the municipality budget and IDP | Mayor | March 2014 |
| District IDP Rep Forum | Engage provincial and national sector departments on finalization of their inputs into the municipality budget and IDP | Mayor and MM | March 2014 |
| Council meeting for the Mayor to table Draft IDP and Budget for debate | Approval of draft IDP and Budget plus draft SDBIP | Council | March 2014 |
| Development of Tariffs policy | Tariff control & changes | Chief Financial Officer | March 2014 |
| IDP and Budget Steering Committee | Approved draft IDP | Mayor | March 2014 |
| Preparation of Draft SDBIP | Performance check and | Municipal Manager | March 2014 |

| | | | |
|--------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|------------|
| (consolidation workshop) | alignment | | |
| SDBIP Reporting | Quarterly report | Heads of Departments Middle Managers | March 2014 |
| PMS and Steering Committee | Performance Discussion | Mayor | April 2014 |
| Advertise Draft IDP and Budget | For public comments | Municipal Manager | April 2014 |
| Send draft IDP and Budget to MEC | For comments | Municipal Manager | April 2014 |
| Public Participation Outreaches | Draft IDP for comments | Mayor | May 2014 |
| Gariep 4 th IDP Rep Forum | Presentation of final IDP to Sector departments (National and Provincial) and inclusion of departments final inputs | Mayor | May 2014 |
| District IDP Rep Forum | Presentation of final IDP to Sector departments (National and Provincial) and inclusion of departments final inputs | Mayor and MM | May 2014 |
| Attend Provincial IDP Assessment | For MEC Comments | Municipal Manager CFO IDP/PMS Manager Acting HR Manager Director Technical Services | May 2014 |
| IDP and Budget Steering Committee Meeting | To consider final draft | Municipal Manager | May 2014 |
| Final IDP and Budget Adopted | Council Resolution | Mayor | May 2014 |
| Adopted IDP Published | Public notice | Municipal Manager | June 2014 |
| Adopted IDP submitted to MEC | Compliance | Municipal Manager | June 2014 |
| SDBIP and Draft Performance Agreements submitted | Tabled before Council for adoption | Municipal Manager | June 2014 |
| SDBIP Reporting | Quarterly report | Heads of Departments Middle Managers | June 2014 |
| PMS Steering Committee | Performance reporting | Mayor and MM | June 2014 |
| Adopted SDBIP published | Tabled before Council | Municipal Manager | June 2014 |
| Adopted SDBIP submitted to Council and MEC | Compliance | Municipal Manager | June 2014 |

2.2 OVERVIEW OF BUDGET RELATED POLICIES

Listed below are the municipality’s budget related policies. The **detailed policies** are not included in this budget documentation. However, they are available at the Council’s office in 1 Jan Greyling Street, Burgersdorp, 9744.

This section is trying to give the user of this budget document a broad overview of the budget policy framework and highlights the amended policies by council resolution.

List of Budget related policies to be reviewed:

- a) Rates Policy
- b) Supply Chain Management Policy
- c) Tarrif Policy
- d) Indigent Policy
- e) Credit control Policy

2.3 PROPOSED TARIFFS

Refuse Removal tariffs would increase by 5.6% as from 1st July 2013.

Electricity tariffs would increase by 8 % once approved by National Energy Regulator of South Africa (NERSA).

Water and Sanitation tariffs would increase by 5.6 % respectively as from 1st July 2013.

Council would with effect 1st July 2013 apply the following differentiated Assessment (Property) Rate Tariffs.

| PROPERTY RATES | | | |
|---------------------------------|-----------|-------------|----------|
| | 2012/2013 | 2013/2014 | INCREASE |
| CATEGORIES | | | |
| RESIDENTIAL PROPERTY | 0.0086263 | 0.009109321 | 5.6.00% |
| RESIDENTIAL PROPERTY MIXED USED | 0.0129388 | 0.013663329 | 5.6.00% |
| VACANT LAND | 0.0172525 | 0.018218642 | 5.6.00% |
| BUSINESS | 0.0172525 | 0.018218642 | 5.6.00% |
| FARMS | 0.0021563 | 0.002277004 | 5.6.00% |
| GOVERNMENT | 0.0258788 | 0.027327964 | 5.6.00% |

3. SUPPORTING SCHEDULES

- SA 1 Supporting detail to “Budgeted Financial Performance”
- SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept)
- SA3 Supporting detail to “Budgeted Financial Position”
- SA4 Reconciliation to IDP strategic objectives and budget (revenue)
- SA 5 Reconciliation to IDP Strategic objectives and budget (operating expenditure)
- SA6 Reconciliation to IDP strategic objectives and budget (capital expenditure)
- SA7 Measurable performance objectives
- SA8 Performance Indicators and benchmarks
- SA9 Social, economic and demographic statistics and assumptions
- AS10 Funding measurements
- SA11 Property rates summary
- SA 12 Property rates by category (current year and budget year)
- SA13 Service Tariffs by category
- SA14 Housing bills
- SA15 Investment particulars by type
- SA16 Investment particulars by maturity
- SA17 Borrowing
- SA18 Transfers and receipts
- SA19 Expenditure on transfers and grant programme
- SA20 Reconciliation of transfers, grant receipts and unspent funds
- SA21 Transfers and grants made by the municipality
- SA22 Summary councillor and staff benefits
- SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)
- SA24 Summary of personnel numbers
- SA25 Budgeted monthly revenue and expenditure
- SA26 Budgeted monthly revenue and expenditure (municipal vote)
- SA27 Budgeted monthly revenue and expenditure (standard classification)
- SA28 Budgeted monthly Capital Expenditure (municipal vote)
- SA29 Budgeted monthly Capital expenditure (standard classification)
- SA30 Budgeted Monthly cash flow
- SA31 Entities not required
- SA32 Lost of external mechanisms
- SA33 Contracts having future budgetary implications
- SA34a Capital expenditure on new assets by asset class
- SA34b Capital expenditure on the renewal of existing assets by asset class
- AS34c Repairs and maintenance expenditure by asset class
- AS35 Future financial implications on the capital budget
- SA36 Detailed capital budget
- SA37 Projects delayed from previous financial years

GARIEP LOCAL MUNICIPALITY

TARIFF SCHEDULE 2013-2014

| ELECTRICITY | | | | |
|-----------------------------------------------|------------------------|------------------|------------------|-----------------|
| | | 2012/2013 | 2013/2014 | INCREASE |
| BURGERSDORP, STEYNSBURG AND VENTERSTAD | | | | |
| ALL INDIGENT CONSUMERS | BASIC CHARGE | R 72.34 | R 77.77 | 1.08% |
| | CONSUMPTION | R 0.78 | R 0.84 | 1.08% |
| | 50kwh FREE ELECTRICITY | | R 0.00 | |
| TARIFF1:RESIDENTIAL | BASIC CHARGE | R 82.53 | R 88.72 | 1.08% |
| | 1-1200KWH | R 0.90 | R 0.96 | 1.08% |
| | >1200KWH | R 0.89 | R 0.96 | 1.08% |
| TARIFF2:DOMESTIC 3PHASE | BASIC CHARGE | R 90.84 | R 97.65 | 1.08% |
| | CONSUMPTION | R 0.95 | R 1.02 | 1.08% |
| | >1000KWH | R 0.95 | R 1.02 | 1.08% |
| TARIFF2:SMALL COMMERCIAL1PHASE | BASIC CHARGE | R 298.42 | R 320.81 | 1.08% |
| | 1-1200KWH | R 0.89 | R 0.96 | 1.08% |
| | >1200KWH | R 0.89 | R 0.96 | 1.08% |
| TARIFF3:SMALL COMMERCIAL2PHASE | BASIC CHARGE | R 417.28 | R 448.57 | 1.08% |
| | 1-1200KWH | R 0.89 | R 0.96 | 1.08% |
| | >1200KWH | R 0.89 | R 0.96 | 1.08% |
| TARIFF4:SMALL COMMERCIAL3PHASE | BASIC CHARGE | R 531.85 | R 571.74 | 1.08% |
| | 1-1200KWH | R 0.89 | R 0.96 | 1.08% |
| | >1200KWH | R 0.89 | R 0.96 | 1.08% |
| TARIFF5:SMALL COMMERCIAL3PHASE | BASIC CHARGE | R 668.98 | R 719.15 | 1.08% |
| | 1-1200KWH | R 0.89 | R 0.96 | 1.08% |
| | >1200KWH | R 0.89 | R 0.96 | 1.08% |
| TARIFF6: COMMERCIAL3PHASE | BASIC CHARGE | R 787.09 | R 846.12 | 1.08% |
| | 1-1200KWH | R 0.89 | R 0.96 | 1.08% |
| | >1200KWH | R 0.89 | R 0.96 | 1.08% |
| TARIFF7:OLD AGE HOME | BASIC CHARGE | R 822.24 | R 883.91 | 1.08% |
| | CONSUMPTION | R 0.71 | R 0.77 | 1.08% |
| TARIFF8:LARGE POWER USER | KVA | R 114.09 | R 122.65 | 1.08% |
| | KWH | R 0.69 | R 0.74 | 1.08% |
| TARIFF9:LARGE POWER USER(MUN) | KVA | R 114.09 | R 122.65 | 1.08% |
| | KWH | R 0.63 | R 0.68 | 1.08% |
| TARIFF10:MUNICIPAL CONSUMPTION | BASIC CHARGE | R 114.09 | R 122.65 | 1.08% |
| | 1-1200KWH | R 0.63 | R 0.68 | 1.08% |
| TARIFF11:PREPAID USERS | CONSUMPTION | R 1.20 | R 1.29 | 1.08% |
| | | | R 0.00 | 1.08% |
| TARIFF3:COMMERCIAL FARM LINES | BASIC CHARGE | R 90.84 | R 97.65 | 1.08% |
| | 1-1000KWH | R 0.95 | R 1.02 | 1.08% |

| | | | | |
|---------------------------------------------|----------|------------|------------|-------|
| | >1000KWH | R 0.95 | R 1.02 | 1.08% |
| | | | R 0.00 | 1.08% |
| DEPOSIT:NEW CONSUMERS | | R 1 213.45 | R 1 304.46 | 1.08% |
| PENALTY DEPOSIT:R100 EACH TIME DISCONNECTED | | R 0.00 | R 0.00 | 1.08% |
| TRANSFER OF DEPOSIT:PAY UP TO | | R 1 213.45 | R 1 304.46 | 1.08% |
| NEW CONNECTIONS:ACTUAL COST PLUS 15% | | R 0.00 | R 0.00 | 1.08% |
| CONNECTION FEE | | R 202.24 | R 217.41 | 1.08% |
| RECONNECTION FEE | | R 202.24 | R 217.41 | 1.08% |
| CALL_OUT FEE | | R 303.36 | R 326.11 | 1.08% |
| METER TEST (PAID IN ADVANCE) | | R 404.48 | R 434.82 | 1.08% |
| TAMPERING:1st Offence PENALTY PLUS COST OF | | R 2 500.00 | R 2 687.50 | 1.08% |
| 2nd AND MORE | | R 3 000.00 | R 3 225.00 | 1.08% |
| TAMPERING : BUSINESSES | | R 5 000.00 | R 5 375.00 | 1.08% |
| PREPAID METER CONFIG DUE TO CONSUMERS FAULT | | R 303.36 | R 326.11 | 1.08% |
| PREPAID METER BLOCKED DUE TO NON PAYMENT | | R 303.36 | R 326.11 | 1.08% |

| REFUSE REMOVAL | | | | |
|-----------------------------------------------|-------------------------|----------|----------|-------|
| <u>Residential Consumers</u> | | | | |
| Basic/ Availability charge per month | | | | |
| BURGERSDORP | | R 76.27 | R 80.55 | 1.06% |
| STEYNSBURG | | R 76.27 | R 80.55 | 1.06% |
| VENTERSTAD | | R 76.27 | R 80.55 | 1.06% |
| | | | | 1.06% |
| <u>Residential Property- Mixed Use</u> | | | | |
| Basic/ Availability charge per month | | | | |
| BURGERSDORP | | R 91.53 | R 96.66 | 1.06% |
| STEYNSBURG | | R 91.53 | R 96.66 | 1.06% |
| VENTERSTAD | | R 91.53 | R 96.66 | 1.06% |
| | | | | 1.06% |
| <u>Commercial Consumers</u> | | | | |
| Basic/ Availability charge per month | | | | |
| BURGERSDORP | | R 144.92 | R 153.04 | 1.06% |
| STEYNSBURG | | R 144.92 | R 153.04 | 1.06% |
| VENTERSTAD | | R 144.92 | R 153.04 | 1.06% |
| | | | | 1.06% |
| <u>Other</u> | | | | |
| Collection services for special events | | R 181.00 | R 191.14 | 1.06% |
| Fines for littering | R 1000.00 on conviction | | | 1.06% |

| | | | | |
|-------------------------------------------------------|----------------|----------|----------|-------|
| Ad hoc collection for garden refuse | R 171 per load | | | 1.06% |
| Rubble per m ³ or part thereof etc thereof | | R 181.00 | R 191.14 | 1.06% |
| Condemned foodstuffs per m ³ or part | | R 108.60 | R 114.68 | 1.06% |
| | | | | 1.06% |
| SPECIAL REMOVAL | | R 13km | | 1.06% |

| PROPERTY RATES | | | | |
|---------------------------------|--|----------------|-----------------|----------|
| | | 2012/2013 | 2013/2014 | INCREASE |
| CATEGORIES | | | | |
| RESIDENTIAL PROPERTY | | 0.0086262 5 | 0.00910932 1 | 1.06% |
| RESIDENTIAL PROPERTY MIXED USED | | 0.0129387 6 | 0.01366332 9 | 1.06% |
| VACANT LAND | | 0.0172525 | 0.01821864 2 | 1.06% |
| BUSINESS | | 0.0172525 | 0.01821864 2 | 1.06% |
| FARMS | | 0.0021562 5 | 0.00227700 4 | 1.06% |
| GOVERNMENT | | 0.0258787 5 | 0.02732796 4 | 1.06% |