

**FINAL ANNUAL BUDGET OF
JOHN TAOLO GAETSEWE DISTRICT
MUNICIPALITY – DC45**



**2013/14 TO 2015/16 MEDIUM TERM REVENUE
AND EXPENDITURE FORECASTS – (MTREF)**

As tabled by the Executive Mayor
30 MAY 2013

Table of Contents

PART 1 – ANNUAL BUDGET

1.1 MAYOR’S REPORT	1-2
1.2 COUNCIL RESOLUTIONS	3-8
1.3 EXECUTIVE SUMMARY	9-25
1.4 OPERATING REVENUE FRAMEWORK	26
1.5 OPERATING EXPENDITURE FRAMEWORK	27-45
1.6 CAPITAL EXPENDITURE	46-53
1.7 EMPLOYEE RELATED COSTS	54-63
1.8 ANNUAL BUDGET TABLES - PARENT MUNICIPALITY	64-138
1.9 OVERVIEW OF BUDGET RELATED-POLICIES	139-265

PART 2 – SUPPORTING DOCUMENTATION

2.1 OVERVIEW OF THE ANNUAL BUDGET PROCESS	266-267
2.2 OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH IDP	268
2.3 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS	268
2.5 OVERVIEW OF BUDGET ASSUMPTIONS	268
2.6 OVERVIEW OF BUDGET FUNDING	269
2.7 EXPENDITURE ON GRANTS AND RECONCILIATIONS OF UNSPENT FUNDS	270-271
2.8 COUNCILLOR AND EMPLOYEE BENEFITS	272-274
2.9 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW	275-276
2.10 CAPITAL EXPENDITURE DETAILS	277-278
2.11 LEGISLATION COMPLIANCE STATUS	279
2.12 MUNICIPAL MANAGER’S QUALITY CERTIFICATE	280

**PART 1 –
ANNUAL BUDGET**

MAYORAL SPEECH: 2013/14 BUDGET

Honourable Speaker
Members of Mayoral Committee
Fellow Councillors
Municipal Manager
Officials of Council
Ladies and Gentlemen

Honourable Speaker we have spent the past year carefully planning for the forthcoming financial year in crafting the Integrated Development Plan (IDP). Our IDP is our plan for the future. It is our plan to build a better region, one that helps the poor, one that stimulates local economy.

Honourable Councilors, as you are aware the IDP is a legislative requirement. However, like many requirements, it is sometimes viewed in many places as a compliance mechanism, not a strategic vision. The IDP that we table before Council today changes that perception.

The proposed IDP, if adopted by council will become the guiding document of all departments within our district. The document has been carefully crafted with a view of changing the lives of our people.

The proposed IDP has its partner, the proposed budget for 2013/2014.

BUDGET OVERVIEW

The tabling of the 2013/14 Budget takes place under tremendous challenges. The main challenge facing our municipality is diminishing cash position of the municipality.

This is the challenge for our budget and confirms the fact that we are a full grant-dependent municipality. What this mean for us as a municipality is that we must manage our financial resources prudently and effectively.

PROPOSED ALLOCATIONS

We are proposing a total budget of R 79 million.

In the proposed budget, employee related costs increased from R43 million to R49 million which is 62% of the total operating budget on account of the fact that we had created new strategic positions with a view of strengthening our administration wing.

Capital budget for 2013/14 amount to R3.1 million, and will be funded from the surplus funds generated internally.

Honourable Councillors,

We must not turn away from our challenges but we must confront them with hope and determination. We have to do more with less; we have to work harder and smarter. We must develop revenue enhancement strategies and must vigorously lobby for funding in order to address our socio-economic challenges.

CONCLUSION

I would like to thank the Municipal Manager, his management team and all employees for their outstanding support and commitment.

My thanks also go to the Councilors who have the extremely difficult task of balancing the community's expectations with the reality of limited resources.

Honourable Speaker,

I hereby present the proposed budget and proposed IDP to council for consideration.

I thank you.



John Taolo Gaetsewe

DISTRICT MUNICIPALITY

6.1.30/05/2013

BUDGET 2013/14 – 2015/16

PURPOSE

Tabling of the 2013/14 – 2015/16 Budget

EXECUTIVE SUMMARY

1. Council must annually adopt the budget for operating revenue and expenditure, capital expenditure and cash flow. Council must also set rates and service charges in order to ensure that sufficient revenue is generated to match the proposed expenditure.
2. The format for adopting the municipal budget is prescribed in the Municipal Finance Management Act and National Treasury circulars, which require adopting and noting of a range of issues.
3. The municipality's budget for 2013/14 – 2015/16 must reflect the IDP.
4. The MFMA stipulates that the Council of the municipality must for each financial year approve an annual budget for the municipality before the start of the financial year.

STRATEGIC INTENT

Good governance and compliance with applicable legislation.

POLICY IMPLICATIONS

The section 17 of the MFMA and National Treasury Circulars No. 48; 54; 55; 58 and 59 provide directives and guidelines for submitting municipal budget to Council for adoption.

Annexure A: 2013/14 – 2015/16 BUDGET

Annexure B: BUDGET RELATED POLICIES



John Taolo Gaetsewe

DISTRICT MUNICIPALITY

RECOMMENDED BY BTO TO THE MAYORAL COMMITTEE

1. That in terms of section 24 of the Municipal Finance Management Act, 56 of 2003, the annual budget of the John Taolo Gaetsewe District Municipality for the financial year 2013/2014; and indicative allocations for the two projected outer years 2014/2015 and 2015/2016, and the single year capital appropriations are approved as set out in the following tables:
 - 1.1. Budgeted Financial Performance (revenue and expenditure by standard classification, Table A2)
 - 1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote, Table A3).
 - 1.3. Budgeted Financial Performance (revenue by source and expenditure by type, Table A4).
 - 1.4. Single year capital appropriations by municipal vote and standard classification and associated funding by source (Table A5).
 2. That the financial position, cash flow, cash back accumulated reserve/accumulated surplus and asset management are approved as set out in the following tables:
 - 2.1. Budgeted Financial Position (Table A6).
 - 2.2. Budgeted Cash Flows (Table A7).
 - 2.3. Cash back reserves and accumulated surplus reconciliation (Table A8).
 - 2.4. Asset Management (Table A9).
-



John Taolo Gaetsewe

DISTRICT MUNICIPALITY

2.5 Basic Services Delivery Measurement (Table A10).

3. That in terms of section 24(2) (c) (v) of the Municipal Finance Management Act, 56 of 2003, the following budget-related policies for the budget year 2013/2014 be approved:

- Accounting Policy
- Travel and Subsistence Allowance Policy
- Supply Chain Management Policy
- Budget Policy
- Credit Control and debt Collection Policy
- Cash and investment Policy
- Asset Management Policy

4. That a copy of the approved budget schedules and supporting documents attached herewith be forwarded to both National and Provincial Treasury.

6. That the Service Delivery and Budget Implementation Plans (SDBIPs) with measurable targets be approved by the Executive Mayor within 28 days after the approval of the budget.

RECOMMENDED BY THE MAYORAL COMMITTEE TO COUNCIL

1. That in terms of section 24 of the Municipal Finance Management Act, 56 of 2003, the annual budget of the John Taolo Gaetsewe District Municipality for the financial year 2013/2014; and indicative allocations for the two projected outer years 2014/2015 and 2015/2016, and the single year capital appropriations are approved as set out in the following tables:

1.1. Budgeted Financial Performance (revenue and expenditure by standard classification, Table A2)



John Taolo Gaetsewe

DISTRICT MUNICIPALITY

- 1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote, Table A3).
 - 1.3. Budgeted Financial Performance (revenue by source and expenditure by type, Table A4).
 - 1.4. Single year capital appropriations by municipal vote and standard classification and associated funding by source (Table A5).
 2. That the financial position, cash flow, cash back accumulated reserve/accumulated surplus and asset management are approved as set out in the following tables:
 - 2.1. Budgeted Financial Position (Table A6).
 - 2.2. Budgeted Cash Flows (Table A7).
 - 2.3. Cash back reserves and accumulated surplus reconciliation (Table A8).
 - 2.4. Asset Management (Table A9).
 - 2.5. Basic Services Delivery Measurement (Table A10).
 3. That in terms of section 24(2) (c) (v) of the Municipal Finance Management Act, 56 of 2003, the following budget-related policies for the budget year 2013/2014 be approved:
 - Accounting Policy
 - Travel and Subsistence Allowance Policy
 - Supply Chain Management Policy
 - Budget Policy
 - Credit Control and debt Collection Policy
 - Cash and investment Policy
 - Asset Management Policy
-



John Taolo Gaetsewe

DISTRICT MUNICIPALITY

4. That a copy of the approved budget schedules and supporting documents attached herewith be forwarded to both National and Provincial Treasury.

6. That the Service Delivery and Budget Implementation Plans (SDBIPs) with measurable targets be approved by the Executive Mayor within 28 days after the approval of the budget.

RESOLVED BY COUNCIL

1. That in terms of section 24 of the Municipal Finance Management Act, 56 of 2003, the annual budget of the John Taolo Gaetsewe District Municipality for the financial year 2013/2014; and indicative allocations for the two projected outer years 2014/2015 and 2015/2016, and the single year capital appropriations are approved as set out in the following tables:
 - 1.1. Budgeted Financial Performance (revenue and expenditure by standard classification, Table A2)
 - 1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote, Table A3).
 - 1.3. Budgeted Financial Performance (revenue by source and expenditure by type, Table A4).
 - 1.4. Single year capital appropriations by municipal vote and standard classification and associated funding by source (Table A5).

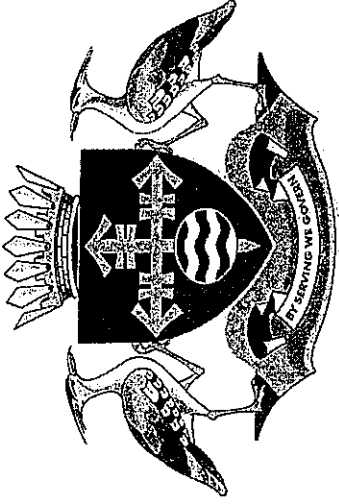
 2. That the financial position, cash flow, cash back accumulated reserve/accumulated surplus and asset management are approved as set out in the following tables:
 - 2.1. Budgeted Financial Position (Table A6).
-



John Taolo Gaetsewe

DISTRICT MUNICIPALITY

- 2.2. Budgeted Cash Flows (Table A7).
 - 2.3. Cash back reserves and accumulated surplus reconciliation (Table A8).
 - 2.4. Asset Management (Table A9).
 - 2.5. Basic Services Delivery Measurement (Table A10).
3. That in terms of section 24(2) (c) (v) of the Municipal Finance Management Act, 56 of 2003, the following budget-related policies for the budget year 2013/2014 be approved:
- Accounting Policy
 - Travel and Subsistence Allowance Policy
 - Supply Chain Management Policy
 - Budget Policy
 - Credit Control and debt Collection Policy
 - Cash and investment Policy
 - Asset Management Policy
 - **3G Data Card**
 - **Telephone Policy**
 - **Catering Policy**
 - **Cellphone Policy**
 - **Budget Policy**
4. That a copy of the approved budget schedules and supporting documents attached herewith be forwarded to both National and Provincial Treasury.
6. That the Service Delivery and Budget Implementation Plans (SDBIPs) with measurable targets be approved by the Executive Mayor within 28 days after the approval of the budget.
-



DC45 - JOHN TAOLO GAETSEWE DISTRICT MUNICIPALITY

DRAFT OPERATING-AND CAPITAL BUDGET SUMMARY FOR MTREF 2013/14 TO 2015/16

As Approved - 31st May 2013

1. MAYORAL OVERVIEW: 2013/2014 DRAFT IDP/BUDGET

The mid-year assessment of the municipality has been conducted in accordance with Section 72 of the Municipal Finance Management Act. The results indicate the mid-year performance of the municipality.

As required by legislation, the Integrated Development Plan (IDP) has been adopted by Council after consultation with stakeholders. The IDP addresses the challenges and achievements of the year under review.

Council continues to operate under strenuous financial conditions. The challenge is to do more with limited resources. We need to remain focused on the effective delivery of the core municipal services through the application of efficient and effective service delivery mechanisms. We would like to report that we present a budget with a deficit. The Budget Steering Committee will have to work hard to ensure that in May we present the budget without the deficit. Given the fact that we operate under limited resources, the municipality will have to do more with less and work harder and smarter. As a municipality we need to utilize our financial resources efficiently and effectively.

As a means of survival, the municipality will have to look at means through which we can provide services and generate income. These included discussions with local municipalities and relevant departments, the possibility of getting the bulk water authority function. The matter was raised on several occasions and it was never attended to.

The issues that were raised from the Audit report also impacted negatively on the institution. However the Audit Action plan was compiled and there is regular report on progress made.

The process of compilation of a new IDP for another five year cycle culminated into an IDP Lekgotla conducted on 31 January 2013 and Extended IDP Regional Forum meeting. The participation process in this Municipality depended on the participation of the Local Municipalities. This is recognized in the Process Plan of each local municipality, which decided on its own process and where necessary the District Municipality provided assistance through its Planning Centre.

In general the participation process in all the Local Municipalities depended a lot on the ward councillors. The councillors had regular meetings in their constituencies reporting on the process and also getting inputs from the community. All the representative forum meetings were open to the general public and people wishing to participate could do so.

The draft Plan was also advertised in the local papers, allowing a commenting period for 21 days. During this period the Municipality embarked on an IDP/Budget road show, allowing continued interaction between the Municipality and the residents of JT Gaetsewe. Minutes of these sessions are available and are audited annually. The Municipality recognizes the importance of participation in its planning processes and will continue to improve its efforts allowing the communities to participate in local governance.

2. EXECUTIVE SUMMARY

The application of sound financial management principles for the compilation of the John Taolo District Municipality budget 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.

In compiling this financial plan, priority was given to the service delivery departments namely Basic Services, Community Development Services and Local Economic Development (LED). The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes.

All views from the Local Municipalities, National and Provincial Treasuries and other relevant provincial and national departments will be considered and the municipality will embark on its annual budget consultation processes during April and May 2013 in order to present the draft budget to all relevant stakeholders.

2.1 DEVELOPMENTAL CHALLENGES

The John Taolo Gaetsewe District Municipality faces huge developmental challenges, which revolve around finding ways to obtain additional funding sources to meet basic, social and economic needs of the people of John Taolo Gaetsewe District.

The main challenges experienced during the compilation of the 2013/14 MTREF can be summarised as follows:

- To allocate limited funding to achieve a balance between the needs and requirements of the various strategic focus areas relevant to the Municipality's powers and functions as identified in the IDP consultative process. The municipality continues to be grant dependent with 93.4% of its budget being funded from grants and subsidies and 5.8% of the remainder sources being expected from the Local Municipalities (Audit and Risk Shared Services).
- Wage increases for municipal staff that continue to exceed the wage bill limit % and inflation, as well as the need to fill critical vacancies;
- Ability to provide support to Local Municipalities within the District, given limited capacity/resources in terms of funding

2.3 UNDERLYING BUDGET PRINCIPLES AND GUIDELINES THAT INFORMED THE COMPILATION OF THE 2013/14 MTREF

Great strides have been made to ensure alignment of the budget with the IDP, national and provincial priorities. The budget for the current MTREF was developed with the IDP as its main basis and aims to address strategic focus areas and primary objectives within the available resources as contained in the IDP. The 2012/13 Adjustments Budget priorities and targets were taken into account

National Treasury's MFMA Circulars No. 66 and 67 were used to guide the compilation of the 2013/14 MTREF.

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

	Approved Budget 2012/13 R'000	Year to date Adjustment (28 February 2013) R'000	Remaining Adjusted Budget 2013/14 R'000	Year to date Remaining Adjusted Budget %	2014/15 R'000	2015/16 R'000
TOTAL OPERATING REVENUE	65 963	70 372	43 577	38%	82 709	75 975
TOTAL OPERATING EXPENDITURE	64 030	64 468	26 963	58%	79 602	74 741
SURPLUS/(DEFICIT)	1 934	5 904	16 613		3 107	1 234
CAPITAL EXPENDITURE	1 000	4 906	124	97%	3 107	1 234
						1 831

Total operating revenue has increased by 15 per cent or R 12,337,000.00 for the 2013/14 financial year when compared to the 2012/13 Adjustments Budget. This is mainly due to the inclusion of the anticipated roll over of Fire and NEAR grants as well as cash backed surplus funds of R 7,086,524. For the two outer years, operational revenue will increase by 9 and then decrease by 6 per cent respectively, equating to a total revenue growth of R2,07million over the MTREF when compared to the 2012/13 financial year.

Total operating expenditure for the 2013/14 financial year has been appropriated at R79.6million. When compared to the 2012/13 Adjustments Budget, operational expenditure has grown by 19 per cent in the 2013/14 budget and by 7 and 5 per cent for each of the respective outer years of the MTREF. This is mainly due to providing for a litigation claim against the municipality and also the 6.85% anticipated employee salaries increment.

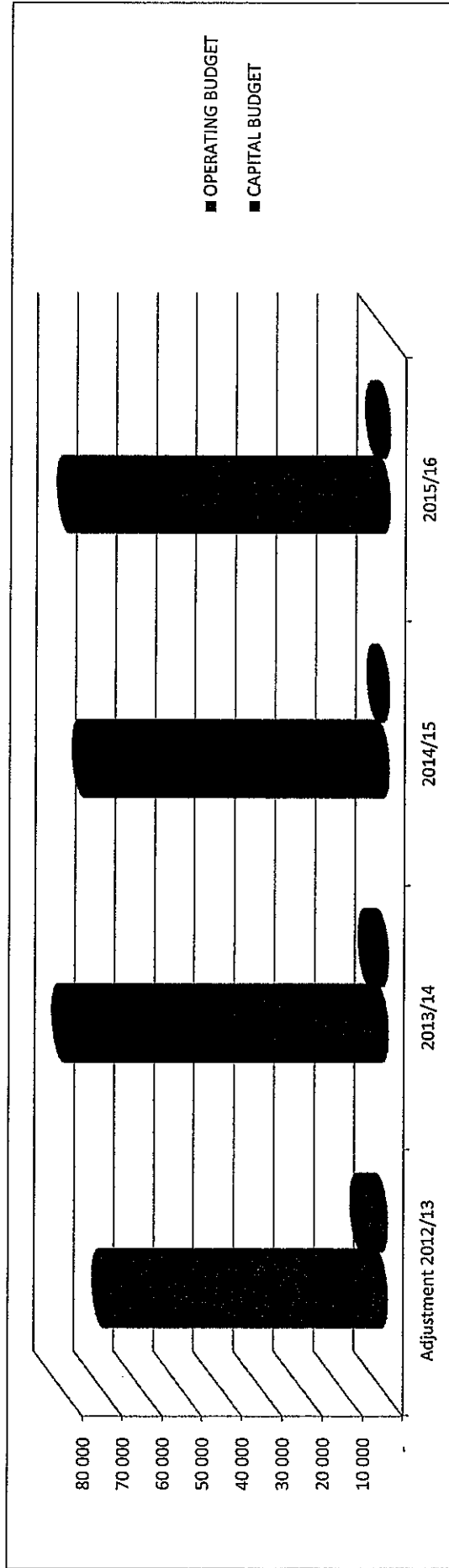
The capital budget of R 3,107,000.00 for 2013/14 is 58 per cent less when compared to the 2012/13 Adjustment Budget. The reduction is due to various projects being finalised in the previous financial year as well as affordability constraints in the light of current economic circumstances. The total capital budget will be funded from internally generated funds over MTREF.

2.4 TOTAL DRAFT BUDGET FOR MTREF

The total budget of the municipality has changed minimally for the 2013/14 financial year and compares as follows to the current year's approved budget:

As a % of Total Draft Budget 2013/14	Approved budget 2012/13 R'000	Adjustment 2012/13 R'000	Year to date Remaining Adjusted Budget 2013	Year to date Remaining Adjusted Budget 2014/15	Year to date Remaining Adjusted Budget 2015/16
96%	65 030	69 374	27 087	79 602	74 741
4%	1 000	4 906	124	3 107	1 234
100%	65 030	74 280	27 211	82 709	75 975

	2012/13	2013/14	2014/15	2015/16
OPERATING BUDGET	65 030	69 374	27 087	74 741
CAPITAL BUDGET	1 000	4 906	124	1 234
TOTAL BUDGET	65 030	74 280	27 211	75 975



3. OPERATING REVENUE FRAMEWORK

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

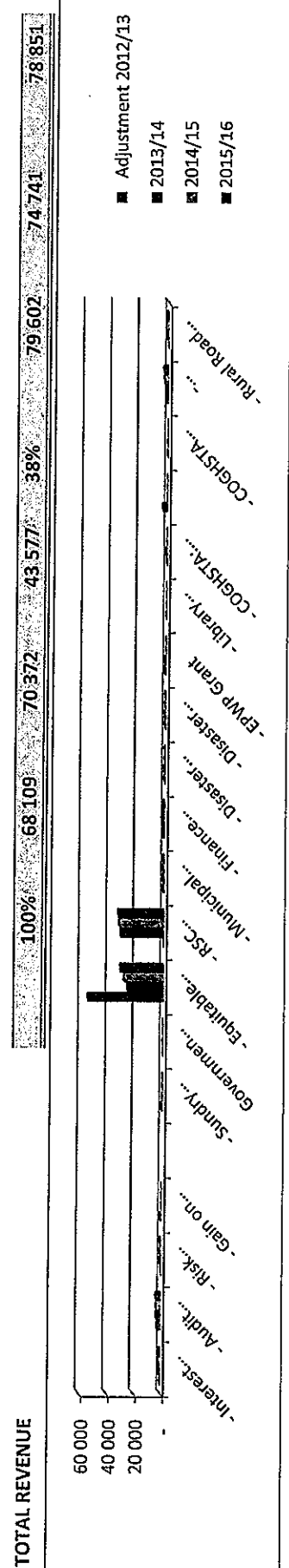
It is evident from the above that the municipality continues to be grant dependent, with the municipality experiencing a deficit budget over MTREF. Aggressive funding strategies needs to be developed in order to turn the situation around.

Provision has been made in the 2013/14 Budget for the municipality to develop and implement the revenue strategy, which will take into consideration the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Municipality growth and continued economic development;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- Increase ability to extend new services and recover costs;
- Tariff policies of the Municipality

3.1 OPERATING REVENUE CLASSIFIED BY MAIN SOURCE

	As a % of total Draft Budget 2015/16	Approved budget 2012/13 R'000	Adjustment 2012/13 R'000	Year to date (28 February 2013) R'000	Budget %	2013/14 R'000	2014/15 R'000	2015/16 R'000
- Interest on external investments	1.3%	1 300	300	59	80%	1 000	1 250	1 280
- Audit Shared Services	4.2%	2 800	2 800	-	100%	3 359	3 527	3 703
- Risk Management Shared Services	1.0%	-	-	-	0%	814	858	904
- Gain on disposal of PPE	0.0%	-	1 100	-	100%	-	-	-
- Sundry Income	0.2%	3 048	868	-	100%	129	75	10
- Accumulated cashbacked surplus funds	8.9%	-	-	-	0%	7 087	-	-
Government grant and subsidies	0.0%	-	-	-	0%	-	-	-
- Equitable share	33.2%	26 748	55 361	41 782	25%	26 430	28 861	31 700
- RSC Replacement Levy	39.8%	30 759	-	-	0%	31 682	32 631	33 440
- Municipal Systems Improvement Grant	1.1%	1 000	1 000	230	77%	890	934	967
- Finance Management Grant	1.6%	1 250	1 250	623	50%	1 250	1 250	1 250
- Disaster Management Grant (NEAR)	0.9%	-	421	-	100%	721	315	331
- Disaster Management Grant - (FIRE)	0.9%	-	390	-	100%	690	315	331
- EPWP Grant	1.3%	1 000	1 000	796	20%	1 000	-	-
- Library Development Grant	0.0%	204	204	88	57%	-	-	-
- COGHSTA: Municipal Accreditation Programme	1.3%	-	100	-	100%	1 000	-	-
- COGHSTA Housing Project	0.1%	-	3 386	-	100%	86	-	-
- COGHSTA Housing Project Fees	0.0%	-	192	-	100%	-	-	-
- Infrastructure Skills Development Grant	2.5%	-	2 000	-	100%	2 000	3 000	3 180
- Rural Road Asset Management Grant	1.8%	-	-	-	0%	1 465	1 725	1 755
TOTAL REVENUE	100%	68 109	70 372	43 577	38%	79 602	74 741	78 851



3.2 PERCENTAGE GROWTH IN REVENUE CLASSIFIED BY MAIN SOURCE

	Approved budget 2012/13 R'000	%	Adjustment 2012/13 R'000	%	2013/14 R'000	%	2014/15 R'000	%	2015/16 R'000	%
- Interest on external investments	1 300	1.9%	300	0.4%	1 000	1.3%	1 250	1.7%	1 280	1.6%
- Audit Shared Services	2 800	4.1%	2 800	4.0%	3 359	4.2%	3 527	4.7%	3 703	4.7%
- Risk Management Shared Services	-	0.0%	-	0.0%	814	1.0%	858	1.1%	904	1.1%
- Gain on disposal of PPE	-	0.0%	1 100	1.6%	-	0.0%	-	0.0%	-	0.0%
- Sundry income	3 048	4.5%	868	1.2%	129	0.2%	75	0.1%	10	0.0%
- Accumulated cashbacked surplus funds	-	0.0%	-	0.0%	7 087	8.9%	-	0.0%	-	0.0%
Government grant and subsidies	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
- Equitable share	26 748	39.3%	55 361	78.7%	26 430	33.2%	28 861	38.6%	31 700	40.2%
- RSC Replacement Levy	30 759	45.2%	-	0.0%	31 682	39.8%	32 631	43.7%	33 440	42.4%
- Municipal Systems Improvement Grant	1 000	1.5%	1 000	1.4%	890	1.1%	934	1.2%	967	1.2%
- Finance Management Grant	1 250	1.8%	1 250	1.8%	1 250	1.6%	1 250	1.7%	1 250	1.6%
- Disaster Management Grant (NEAR)	-	0.0%	421	0.6%	721	0.9%	315	0.4%	331	0.4%
- Disaster Management Grant - (FIRE)	-	0.0%	390	0.6%	690	0.9%	315	0.4%	331	0.4%
- EPWP Grant	1 000	1.5%	1 000	1.4%	1 000	1.3%	-	0.0%	-	0.0%
- Library Development Grant	204	0.3%	204	0.3%	-	0.0%	-	0.0%	-	0.0%
- COGHSTA: Municipal Accreditation Programn	-	0.0%	100	0.1%	1 000	1.3%	-	0.0%	-	0.0%
- COGHSTA Housing Project	-	0.0%	3 386	4.8%	86	0.1%	-	0.0%	-	0.0%
- COGHSTA Housing Project Fees	-	0.0%	192	0.3%	-	0.0%	-	0.0%	-	0.0%
- Infrastructure Skills Development Grant	-	0.0%	2 000	2.8%	2 000	2.5%	3 000	4.0%	3 180	4.0%
- Rural Road Asset Management Grant	-	0.0%	-	0.0%	1 465	1.8%	1 725	2.3%	1 755	2.2%
TOTAL REVENUE	68 109	100%	70 372	100%	79 602	100%	74 741	100%	78 851	100%

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

Operating grants and transfers totals R67.2million in the 2013/14 financial year and steadily increases to R69.03million and R72.9million by 2014/15 and 2015/16 respectively.

4. OPERATING EXPENDITURE FRAMEWORK

The Municipality's expenditure framework for the 2013/14 budget and MTREF is mainly informed by the objectives as outlined in the revised IDP Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA and also Strict adherence to the principle of no project plan no budget. If there is no business plan no funding allocation can be made.

The following table is a high level summary of the 2013/14 budget and MTREF (classified per main type of operating expenditure):

4.1 OPERATING EXPENDITURE BY TYPE

	Approved budget 2012/13 R'000	Adjustment 2012/13 R'000	Year to date (28 February 2013) R'000	Remaining As % of total expenditure	2013/14 R'000	2014/15 R'000	2015/16 R'000
				Adjusted Budget %			
EMPLOYEE RELATED COSTS - Officials	43 013	43 455	18 364	57%	48 973	51 618	54 405
Councillors Remuneration	3 900	4 247	2 136	45%	4 563	4 809	5 069
Depreciation	1 847	1 006	-	100%	827	1 352	919
Repairs and Maintenance	1 153	801	430	63%	982	558	559
Interest Paid	250	250	100	60%	250	264	278
Contracted Services	1 000	1 000	637	36%	4 715	2 688	3 564
Grants and Subsidies paid	586	4 440	92	84%	2 278	624	658
Audit Fees	1 300	1 782	1 681	-29%	2 000	2 108	2 222
Insurance Premiums	618	448	183	70%	1 009	1 063	1 121
General Expenses	10 363	7 039	3 340	68%	14 005	9 658	10 058
TOTAL EXPENDITURE	64 030	21 002	26 963	58%	79 602	74 741	78 851

Employee related costs

It was established during the Provincial Treasury review exercise that there is no such thing as a norm when it comes to Employee related costs are above the national norm over the MTREF at 61.6% for 2013/14. This is informed by the reviewed organizational structure 2013/14 financial year.

Based on the three year collective SALGBC agreement, salary increases have been factored into this budget at a percentage increase of 6.85 per cent for the 2013/14 financial year. An annual increase of 5.4 per cent has been included in the two outer years of the MTREF. As part of the municipality's cost re-prioritization and cash management strategy vacancies have been significantly rationalized downwards. The municipality is in the process of reviewing the organizational structure, the outcome of this exercise will result in the inclusion of critical and strategically important vacancies.

Councillors Remuneration

Councillors remuneration has been provided for at 5.5% increase for the 2013/14 and 5.4% for the two outer years.

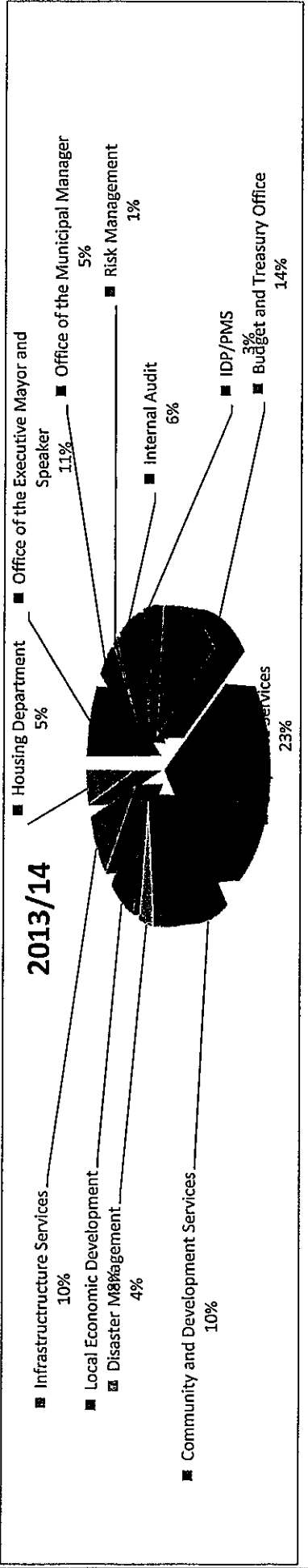
Grants and Subsidies paid

Conditional grants constitutes 11.4% of the operating budget for 2013/14. Also included in this allocation are the anticipated roll over funds for the Infrastructure Skills Development Programme, Disaster Management and NEAR allocations.

4.2 OPERATING EXPENDITURE BY VOTE

As a % of Total Draft Budget	2013/14	Approved Budget		Year to date Remaining Adjustment (28 February 2013)		Budget Adjusted		2015/16 R' 000
		2012/13 R' 000	%	2012/13 R' 000	%	2014/15 R' 000	%	

Office of the Executive Mayor and Speaker	10.9%	9 279	4 882	44%	8 697	9 180	9 676
Office of the Municipal Manager	5.0%	3 213	1 720	43%	3 948	4 161	4 386
Risk Management	1.5%	1 165	565	51%	1 163	1 225	1 291
Internal Audit	6.0%	3 832	1 837	48%	4 799	5 058	5 331
IDP/PMS	3.1%	1 991	1 387	36%	2 496	2 630	3 772
Budget and Treasury Office	13.9%	7 032	5 551	32%	11 038	11 535	11 646
Corporate Services	23.4%	12 208	6 730	46%	18 613	14 251	14 669
Community and Development Services	9.5%	7 389	4 548	35%	7 568	7 533	7 940
Disaster Management	4.2%	3 107	924	69%	3 321	3 500	3 689
Local Economic Development	7.7%	7 027	3 781	44%	6 095	6 340	6 682
Infrastructure Services	9.6%	3 232	1 322	78%	7 647	6 660	6 956
Housing Department	5.3%	2 143	1 263	48%	4 218	2 668	2 812
TOTAL EXPENDITURE	100%	61 619	34 511	46%	79 602	74 741	78 851



5. CAPITAL EXPENDITURE BY VOTE

	As a % of Total Draft Adjustment	Approved budget 2012/13 R'000	Adjustment 2012/13 R'000	Year to date Remaining Adjustment (28 February 2013) R'000	Budget Adjusted %	2013/14 R'000	2014/15 R'000	2015/16 R'000
Office of the Mayor and Speaker	0%	550	710	-	100%	-	-	-
Community Development	0%	85	30	4	86%	-	-	-
Office of the Municipal Manager	0%	50	100	-	100%	-	-	-
Budget and Treasury Office	0%	50	520	-	100%	-	-	-
Corporate Services	87%	235	150	124	18%	2 707	904	1 468
Risk Management	0%	-	-	-	-	-	-	-
Internal Audit	0%	30	10	-	100%	-	-	-
IDP/PMS	0%	-	-	-	0%	-	330	363
Infrastructure	13%	-	-	-	0%	400	-	-
Housing Services	0%	-	3 386	-	0%	-	-	-
TOTAL EXPENDITURE	100%	1 000	4 906	128	97%	3 107	1 234	1 831

5.1 CAPITAL FUNDING BY SOURCE

	As a % of Total Draft Adjustment	Approved budget 2012/13 R'000	Adjustment 2012/13 R'000	Year to date Remaining (28 February 2013) R'000	Budget %	2013/14 R'000	2014/15 R'000	2015/16 R'000
National Government	0%	-	-	-	0%	-	-	-
Provincial Government	0%	-	-	-	0%	-	-	-
Total from Accumulated surplus (own funds)	100%	1 000	1 000	128	87%	3 107	1 234	1 831
External Loans	0%	-	-	-	0%	-	-	-
TOTAL FUNDING	100%	1 000	1 000	128	87%	3 107	1 234	1 831

6. GOVERNMENT GRANTS AND SUBSIDIES - NATIONAL

	Approved budget 2012/13 R'000	Adjustment 2012/13 R'000	Year to date Remaining (28 February 2013) R'000	Budget %	2013/14 R'000	2014/15 R'000	2015/16 R'000
- Equitable share	26 748	55 361	41 782	25%	26 430	28 861	31 700
- RSC Replacement Levy	30 759	-	-	0%	31 682	32 631	33 440
- Municipal Systems Improvement Grant	1 000	1 000	230	77%	890	934	967
- Finance Management Grant	1 250	1 250	623	50%	1 250	1 250	1 250
- EPWP Grant	1 000	1 000	796	20%	1 000	-	-
- Infrastructure Skills Development Grant	-	2 000	-	100%	2 000	3 000	3 180
- Rural Road Asset Management Grant	-	-	-	-	1 465	1 725	1 755
TOTAL	60 757	60 611	43 430	28%	60 611	60 610	64 186

6.1 GOVERNMENT GRANTS AND SUBSIDIES - PROVINCIAL

	Approved budget 2012/13 R 000	Adjustment 2012/13 R 000	Year to date Adjustment (28 February 2013) R 000	Remaining Adjusted Budget %	2013/14 R 000	2014/15 R 000	2015/16 R 000
- Disaster Management Grant (NEAR)	-	421	-	0%	721	315	331
- Disaster Management Grant - (FIRE)	-	390	-	0%	690	315	331
- Library Development Grant	204	204	88	57%	-	-	-
- COGHSTA: Municipal Accreditation Programme	-	100	-	0%	1 000	-	-
- COGHSTA Housing Project	-	3 386	-	0%	86	-	-
- COGHSTA Housing Project Fees	-	192	-	0%	-	-	-
TOTAL	204	4 693	88	98%	2 497	630	662

7. OPERATING BUDGET HIGHLIGHTS OVER THE MTREF

	Approved budget 2012/13 R'000	Adjustment 2012/13 R'000	Year to date (28 February 2013) R'000	Remaining Adjusted Budget %	2013/14 R'000	2014/15 R'000	2015/16 R'000	MTREF Total R'000
Study Assistance	100	57	36	37%	200	169	178	546
Training and Courses	150	150	24	84%	500	527	555	1 582
Health and Occupational Awareness	150	110	19	83%	110	116	122	348
Communicable Disease Control	15	5	-	100%	51	54	56	161
Children	20	20	-	100%	10	11	11	32
Women	10	10	-	100%	45	47	50	142
Youth	45	45	8	82%	45	47	50	142
Disabled	45	45	35	21%	45	47	50	142
Advocacy Programmes	45	45	1	98%	45	47	50	142
Contribution - Provincial Tourism	86	86	46	47%	85	90	94	269
Contribution - Tourism Association	300	58	-	100%	65	69	72	206
Comprehensive Rural Development Program	200	200	-	100%	200	211	222	633
District Growth Development Strategy	-	100	-	100%	-	-	-	-
Media Tours	25	25	-	100%	25	26	28	79
Tourism Events	50	50	2	96%	50	53	56	158
Brochures and Publicity Material	65	65	0	99%	65	69	72	206
Exhibition Material and Website	30	30	-	100%	30	32	33	95
Extended IGR/Stakeholders/ Planning Forum Meetings	-	-	-	0%	132	139	147	418
IDP Lekgotla	-	-	-	0%	30	32	33	95
Community Survey	-	-	-	0%	50	53	56	158
Revenue enhancement and management strategy develop	-	-	-	0%	250	-	-	250
Asset register established and maintained	-	-	-	0%	-	-	-	-
Financial by-laws, policies and tariffs review	-	-	-	0%	100	-	-	100
Infrastructure Development Internship	-	2 000	-	100%	-	-	-	-
EPWP	-	1 000	-	100%	1 000	-	-	1 000
Rural Road Asset Management System	-	-	-	0%	1 465	1 725	1 755	4 945
Bulk Water & Sanitation Section 78 (MSA)	-	-	-	0%	500	-	-	500
Compilation of Housing Register	-	-	-	0%	1 000	-	-	1 000
Mandela Day House/s constructed	-	-	-	0%	172	181	191	544
Special Programmes (targeted groups) (16 days of activism	-	-	-	0%	86	91	96	272

8. MAJOR CAPITAL PROJECTS FUNDED OVER THE MTREF - 2013/14 - 2015/16

The following are the main projects and programs budgeted for by the municipality over the MTREF 2013/14 - 2015/16

Total Project Cost	Approved Budget		Adjustment		date (28 February 2013)		Remainin g		Adjusted		2013/14		2014/15		2015/16		MTREF Total	
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000
General vehicles	550	550	710	-	710	-	710	1 350	-	-	-	1 000	-	-	1 000	-	2 350	-
Computer hardware and equipment								797	-	-	-	468	-	-	468	-	1 265	-
Furniture and other office equipment	1 000	450	310	128	182	904	-	-	-	904	-	-	-	-	-	-	904	-
VanZylsrus Housing Project	3 386	-	3 386	-	3 386	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance Systems Upgrade	500	-	500	-	500	-	-	-	-	-	-	-	-	-	-	-	-	-
Performance Management System	300	-	-	-	-	300	300	300	330	-	-	363	-	-	363	-	993	-
CCTV and equipment	50	-	-	-	-	50	50	50	-	-	-	-	-	-	-	-	50	-
Clocking system/time and attendance	40	-	-	-	-	40	40	40	-	-	-	-	-	-	-	-	40	-
IT Systems	100	-	-	-	-	100	100	100	-	-	-	-	-	-	-	-	100	-
Partitioning - aluminium enclosed doors - Reception	70	0	-	-	-	70	70	70	-	-	-	-	-	-	-	-	70	-
Alterations of Council Chambers	400	-	-	-	-	400	400	400	-	-	-	-	-	-	-	-	400	-
TOTAL	1 000	4 906	128	4 778	3 107	1 234	1 831	6 173										

9. MAJOR LOCAL ECONOMIC DEVELOPMENT PROJECTS FUNDED OVER THE MTREF

The following are the main LED Projects and programs budgeted for by the municipality over the MTREF:

	Approved budget		Year to date (31 December 2012)		2013/14		2014/15		2015/16		MTREF Total	
	2012/13	2012/13	2012	2012	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Total Project Cost	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Contribution - Provincial Tourism	86	86	-	46	85	90	94	269				
Contribution - Tourism Association	300	58	-	-	65	69	72	206				
Comprehensive Rural Development Program	200	200	-	-	200	211	222	633				
District Growth Development Strategy	-	100	-	-	-	-	-	-				
LED Strategy	-	100	-	-	-	-	-	-				
Exhibitions	80	80	8	8	80	84	89	253				
Media Tours	25	25	-	-	25	26	28	79				
Tourism Events	50	50	2	2	50	53	56	158				
Brochures and Publicity Material	65	65	0	0	65	69	72	206				
Exhibition Material and Website	30	30	-	-	30	32	33	95				
Develop District wide SMME database					50	-	-	50				
Develop and maintain electronic market system					120	94	99	314				
Functional LED Forum/Sectoral Committees					70	74	78	222				
TOTAL LOCAL ECONOMIC DEVELOPMENT PROGRAMMES		794		56	840	801	844	2 484				

JOHN TAOLOO GAISEWE DISTRICT - DC45 DETAILED DRAFT BUDGET - OPERATING - MTRP - 2013/14 - 2015/16											
VOIE	Budget 2012/13			Balance remaining (Adjustment Budget Year to date)	%	Budget year 2014/15			Budget year 2015/16		
	Approved budget 2012/13	Adjustment budget 2012/13	Year to date (28 February 2013)			R	R	R	R		
TOTAL OPERATING BUDGET SUMMARY											
Total expenditure											
- Operating Expenditure	64 029 500.00	64 468 000.00	26 963 492.16	37 504 507.84	58%	79 602 353.52	74 741 100.58	78 851 259.04			
- Capital expenditure	1 000 000.00	4 906 172.96	123 709.58	4 782 463.38	97%	3 107 000.00	1 234 121.25	1 831 452.94			
TOTAL EXPENDITURE	65 029 500.00	69 374 172.96	27 087 201.74	42 286 971.22	61%	82 709 353.52	75 975 221.83	80 682 711.98			
Funded as follows:											
Operating revenue	-65 963 000.00	-70 372 172.96	-43 576 801.00	-26 795 371.96	38%	(72 515 829.10)	(74 741 100.58)	(78 851 259.04)			
Other cash flow funding											
- Accumulated surplus brought forward											
- Capital Replacement Reserve											
TOTAL FUNDING	-65 963 000.00	-70 372 172.96	-43 576 801.00	-26 795 371.96	38%	(82 709 353.52)	(75 975 221.83)	(80 682 711.99)			
SUMMARY OF REVENUE PER TYPE											
- Interest on external investments	-1 300 000.00	-300 000.00	-58 787.00	-241 213.00	80%	(1 000 000.00)	(1 250 000.00)	(1 280 000.00)			
- Audit Shared Services	-2 800 000.00	-2 800 000.00	-	-2 800 000.00	100%	(3 359 174.70)	(3 527 133.44)	(3 703 490.11)			
- Risk Management Shared Services											
- Gain on disposal of PPE											
- Sundry Income	-3 048 000.00	-1 100 000.00		-1 100 000.00	100%		(857 697.14)	(904 012.79)			
- Accumulated cashbacked surplus funds		-868 000.00		-868 000.00	100%	(1 28 500.00)	(75 350.00)	(9 911.00)			
Government grant and subsidies											
- Equitable share	-26 748 439.67	-55 361 000.00	-41 782 182.00	-13 578 818.00	28%	(28 450 000.00)	(28 861 000.00)	(31 699 925.15)			
- RSC Replacement Levy	-30 759 000.00					(31 682 000.00)	(32 631 000.00)	(33 440 000.00)			
- Municipal Systems Improvement Grant	-1 000 000.00	-1 000 000.00	-229 560.00	-770 440.00	77%	(890 000.00)	(934 000.00)	(967 000.00)			
- Finance Management Grant	-1 250 000.00	-1 250 000.00	-622 506.00	-627 494.00	50%	(1 250 000.00)	(1 250 000.00)	(1 250 000.00)			
- Disaster Management Grant (NEAR)		-421 000.00		-421 000.00	100%	(721 000.00)	(815 000.00)	(831 000.00)			
- Disaster Management Grant - (FIRE)		-390 000.00		-390 000.00	100%	(690 000.00)	(815 000.00)	(831 000.00)			
- EPWP Grant	-1 000 000.00	-1 000 000.00	-795 992.00	-204 006.00	20%	(1 000 000.00)					
- Library Development Grant	-204 000.00	-204 000.00	-87 774.00	-116 226.00	57%						
- COGHSTA: Municipal Accreditation Programme		-100 000.00		-100 000.00	100%	(1 000 000.00)					
- COGHSTA Housing Project		-3 386 172.96		-3 386 172.96	100%	(86 000.00)					
- COGHSTA Housing Project Fees		-192 000.00		-192 000.00	100%						
- Infrastructure Skills Development Grant		-2 000 000.00		-2 000 000.00	100%	(2 000 000.00)	(3 000 000.00)	(3 180 000.00)			
- Rural Road Asset Management Grant						(1 465 400.00)	(1 724 920.00)	(1 754 920.00)			
TOTAL	-68 109 439.67	-70 372 172.96	-43 576 801.00	-26 795 371.96	38%	(79 602 353.52)	(74 741 100.58)	(78 851 259.05)			
SUMMARY OF OPERATING EXPENDITURE PER TYPE											
EMPLOYEE RELATED COSTS - Officials											
Councillors Remuneration	43 013 000.00	43 455 333.11	18 363 818.00	25 091 515.11	58%	48 973 098.45	51 617 845.76	54 404 998.64			
Depreciation	3 900 000.00	4 247 203.51	2 136 126.65	2 111 076.86	50%	4 562 551.59	4 808 929.38	5 068 611.56			
Repairs and Maintenance	1 847 000.00	1 005 661.95		1 005 661.95	100%	827 161.95	1 351 775.97	918 907.45			
Interest Paid	1 153 000.00	801 200.00	429 814.00	371 386.00	46%	982 432.25	558 042.07	558 811.59			
Contracted Services	250 000.00	250 000.00	100 198.00	149 802.00	60%	250 000.00	263 500.00	277 729.00			
Grants and Subsidies paid	1 000 000.00	636 864.51	636 864.51	363 135.49	36%	4 715 400.00	2 688 188.80	3 563 995.80			
Audit Fees	585 900.00	4 439 500.00	92 020.00	4 347 480.00	98%	2 278 000.00	2 108 000.00	657 662.27			
Insurance Premiums	1 900 000.00	1 781 821.93	1 680 815.00	1 010 066.93	6%	2 000 000.00	2 108 000.00	2 221 832.00			
	617 955.00	447 955.00	183 451.00	264 504.00	59%	1 008 800.00	1 063 275.20	1 120 692.06			

VOTE	TOTAL OPERATING BUDGET SUMMARY	Budget 2012/13				Balance remaining (Adjusted Budget - Year to date)	%	Budget year 2015/16		
		Approved budget 2012/13	Adjustment budget 2012/13	Year to date (28 Feb 2013)	Budget year 2015/16			Budget year 2015/16	Budget year 2015/16	
001/3801/000	Bursary: Community Members	01					0%			
001/3801/000	Mayoral Awards	01					0%			
001/3801/000	GENERAL EXPENSES	01								
001/3801/000	Advertising	01	100 000.00	50 000.00	99 509.00	-49 509.00	-99%	50 000.00	52 700.00	55 545.80
001/3701/000	Congresses and Conferences	01	30 000.00	10 000.00	-	10 000.00	100%	10 000.00	10 540.00	11 109.16
001/3701/000	Household Expenditure	01	80 000.00	40 000.00	60 620.00	-620.00	-1%	-	-	-
001/3701/000	Entertainment Allowance - Mayor	01					0%			
001/3701/000	Insurance Premiums	01	130 000.00	130 000.00	130 000.00	-	0%			
001/3701/000	Licenses	01	5 000.00	5 000.00	3 675.00	1 325.00	27%			
001/3701/000	Mayoral Outreach Programmes	01					0%			
001/3701/000	Mayoral Inauguration	01					0%			
001/3701/000	Membership Fees : Societies	01	250 000.00	100 000.00	43 688.00	56 312.00	56%			
001/3701/000	Legal fees	01	150 000.00	470 000.00	-388 310.00	858 310.00	183%			
001/3701/000	Printing and Stationery	01	20 000.00	20 000.00	19 456.00	544.00	3%			
001/3701/000	Refreshments and Meals	01	150 000.00	110 000.00	109 681.00	319.00	0%	110 000.00	115 940.00	122 200.76
001/3701/000	Public Participation	01	50 000.00	20 000.00	4 990.00	15 010.00	75%	200 000.00	210 800.00	222 185.20
001/3701/000	Human Rights Programmes	01					0%			
001/3701/000	Fuel and Oil	01	200 000.00	100 000.00	34 501.00	65 499.00	65%			
001/3701/000	Telephone	01	200 000.00	100 000.00	111 572.00	-11 572.00	-12%	100 000.00	105 400.00	111 091.60
001/3701/000	Travel and subsistence : Councillors	01	800 000.00	700 000.00	697 373.00	2 627.00	0%	653 825.25	702 234.76	740 155.44
001/3701/000	Travel and subsistence : Officials	01					0%			
001/3701/000	LOSS ON DISPOSAL OF PPE	01					0%			
0403 - TRANSVERSAL PROGRAMMES										
	Fuel and Oil		20 000.00	20 000.00	-	20 000.00	100%			
04034525	Travel and subsistence : Officials		10 000.00	10 000.00	-	10 000.00	100%	10 000.00	10 540.00	11 109.16
04034511	Children		45 000.00	45 000.00	8 302.00	36 698.00	82%	45 000.00	47 490.00	49 991.22
04034515	Women		45 000.00	45 000.00	35 482.00	9 518.00	21%	45 000.00	47 430.00	49 991.22
04034517	Youth		45 000.00	45 000.00	921.00	44 079.00	98%	45 000.00	47 490.00	49 991.22
0403513	Disabled		45 000.00	45 000.00	-	45 000.00	100%	45 000.00	47 490.00	49 991.22
	Advocacy Programmes		50 000.00	50 000.00	-	50 000.00	100%	42 000.00	44 268.00	46 658.47
			9 279 253	8 688 764	-4 981 908	3 806 855	44%	8 697 319	9 180 077	9 675 801
	SURPLUS/(DEFICIT)		-6 653 253.00	-8 688 764	-7 221 179.00	-3 034 033.35		-	-0.41	-0.84
02 - OFFICE OF THE MUNICIPAL MANAGER										
GOVERNMENT GRANTS AND SUBSIDIES										
	Equitable share	02		-2 496 207.78		-2 496 207.78	100%		(4 151 512.16)	(4 375 637.74)
	Municipal Systems Improvement Grant	02	-1 000 000.00	-500 000.00	-229 560.00	-270 440.00	54%			
	RSC Levy							(3 947 687.08)		
OTHER INCOME										
00011721	Sundry Income	02	-8 500.00	-8 500.00	-2 724.00	-5 776.00	68%		(9 350.00)	(9 911.00)
GAINS ON DISPOSAL OF PPE										
		02	-1 008 500	-3 004 708	-232 284	-2 772 424	92%	-3 947 687	-4 160 862	-4 385 549
EMPLOYEE RELATED COSTS - OFFICIALS										
001/3301/000	Basic salary	02	1 264 594.00	1 325 643.42	908 261.00	417 382.42	31%	2 451 768.62	2 584 164.13	2 723 708.99
001/3041/000	Travel allowance	02	208 800.00	180 000.00	75 200.00	104 800.00	58%	133 920.00	141 151.68	148 773.87

VOTE	TOTAL OPERATING BUDGET SUMMARY	Budget 2012/13				Year to date (28 February 2013)	Balance remaining (Adjustment Budget Year to date)	%	Budget year 2013/14	Budget year 2014/15	Budget year 2015/16
		Approved budget 2012/13	Adjustment budget 2012/13	Year to date (28 February 2013)	Year to date (28 February 2013)				Budget year 2013/14	Budget year 2014/15	Budget year 2015/16
	PPE - Office Furniture										
	PPE - Computer equipment										
	INTEREST PAID										
	CONTRACTED SERVICES										
	Performance and IT Audit Services										
	GENERAL EXPENSES										
	Accounting services										
	Advertising										
	Audit Fee										
	District Internal Audit Shared Services										
	Bank charges										
	Books and publications	2,000.00	1,000.00			1,000.00	100%	2,000.00	2,108.00	2,221.83	
00104429	Congresses and Conferences	13,000.00	10,000.00	15,684.00		-5,684.00	-57%	30,000.00	31,620.00	33,327.48	
00104203	Audit Committee Allowances	200,000.00	100,000.00	44,099.00		55,901.00	56%	627,349.07	661,225.92	695,932.12	
	Insurance Premiums										
	Internet Charges										
00104495	Membership fees : Societies	10,000.00	10,000.00	5,737.00		4,263.00	43%	10,000.00	10,540.00	11,109.16	
00104503	Printing and Stationery	6,000.00	6,000.00	4,482.00		1,518.00	25%				
	Refreshments and Meals										
	Small Tools & Equipment										
	Software expenses										
	Sundry Expenses										
00104519	Telephone	70,000.00	50,000.00	31,294.00		18,706.00	37%	50,000.00	52,700.00	55,545.80	
00104523	Training and Courses	150,000.00	100,000.00	21,607.00		78,393.00	78%				
00104525	Travel and subsistence : Officials	160,000.00	80,000.00	70,064.00		9,936.00	12%	160,000.00	168,640.00	177,746.56	
	LOSS ON DISPOSAL OF PPE										
		3,831,833	3,501,524	1,836,862		1,664,662	48%	4,798,821	5,057,957	5,331,087	
	SURPLUS/(DEFICIT)	1,026,833.00	100,000.00	1,798,550.00		-1,698,550.00					
05 - DP/PMS UNIT											
	RENTAL OF FACILITIES AND EQUIPMENT										
	Municipal farm lands										
	Sports facilities										
	Community halls										
	GOVERNMENT GRANTS AND SUBSIDIES										
	Equitable share	-2,146,439.67	-2,146,439.67			-2,146,439.67	100%		(2,495,588.32)	(3,772,386.99)	
	RSC Levy										
00031721	Sundry income	-5,000.00	-5,000.00	-5,047.00		47.00	-1%				
	LG SETA income										
	GAINS ON DISPOSAL OF PPE										
		-2,151,440	-2,151,440	-5,047		-2,146,393	100%	-2,495,588	-2,630,350	-3,172,389	
003/3000/000	EMPLOYEE RELATED COSTS - OFFICIALS										
003/3000/000	Basic salary	1,172,487.00	1,203,817.62	790,940.00		412,877.62	34%	1,324,089.47	1,395,590.31	1,470,952.18	
003/3000/000	Travel allowance	148,800.00	170,132.00	113,421.00		56,711.00	38%	170,131.20	179,318.28	189,001.47	
003/3000/000	Housing Allowance	73,056.00	73,056.00	48,704.00		24,352.00	33%	91,320.00	96,251.28	101,448.85	
003/3000/000	Overtime payments										
003/3000/000	Leave pay										
003/3000/000	Telephone										

VOTE	TOTAL OPERATING BUDGET SUMMARY	Budget 2012/13				Budget 2013/14				Budget year 2014/15				Budget year 2015/16			
		Approved budget 2012/13	Adjustment budget 2012/13	Year to date (23 February 2013)	Balance remaining (Adjustment Budget Year to date)	%	Budget year 2013/14	Budget year 2014/15	Budget year 2015/16	Budget year 2016/17	Budget year 2017/18	Budget year 2018/19	Budget year 2019/20	Budget year 2020/21	Budget year 2021/22		
003/3000/000	Housing subsidy																
003/3000/000	Unpaid leave																
003/3000/000	Annual Bonus	97 707.00	96 177.01	96 177.00	0.00	0%	110 340.79	116 299.19	122 579.35								
003/3000/001	Long-service awards																
003/3000/001	Taxable																
003/3000/001	Performance bonuses		28 800.00		28 800.00	100%											
003/3000/001	Adjustments																
003/3000/001	Group Insurance	17 728.00	18 201.72	8 762.00	9 439.72	52%	1 907.24	1 377.83	1 452.24								
003/3000/001	UIF contribution	5 917.00	66 179.31	16 282.00	49 897.31	75%	13 240.89	13 955.90	14 709.52								
003/3000/001	Pension contribution	211 048.00	216 687.17	137 516.00	79 171.17	37%	238 336.11	251 206.26	264 771.39								
003/3000/001	Medical aid contribution	102 086.00	122 065.59	102 925.00	19 140.59	16%	159 537.60	168 152.63	177 292.87								
003/3000/001	Bargaining Council contribution	200.00	340.00	190.00	170.00	47%	357.00	376.28	396.60								
003/3000/001	SDL contribution	18 002.00	15 943.25		15 943.25	100%	17 028.01	17 947.52	18 916.69								
003/3000/002	Reimbursive Sports																
003/3700/000	DEPRECIATION	15 000.00	15 000.00		15 000.00	100%	16 500.00	17 391.00	18 330.11								
003/3800/000	REPAIRS AND MAINTENANCE																
003/3800/000	PPE - Land and Buildings																
003/3800/000	PPE - Infrastructure																
003/3800/000	PPE - Official Vehicles																
003/3800/000	PPE - Machinery and equipment																
003/3800/000	PPE - Office Equipment	5 000.00	5 000.00	561.00	4 439.00	89%											
003/3800/000	PPE - Office Furniture																
003/3800/000	PPE - Computer equipment																
003/3900/000	CONTRACTED SERVICES																
003/3901/000	Development of Sector Plans													1 000 000.00			
003/4400/000	GENERAL EXPENSES																
003/4400/000	Advertising																
003/4400/000	Cleaning materials																
003/4400/000	Community Functions																
003/4400/000	Congresses and Conferences	8 000.00	3 000.00		3 000.00	100%	8 800.00	9 275.20	9 776.06								
003/4400/000	Electricity																
003/4400/000	Insurance Premiums	8 000.00	8 000.00		8 000.00	100%	8 800.00	9 275.20	9 776.06								
003/4400/000	Internet Charges																
003/4400/000	Books and publications																
003/4400/000	Security Services																
003/4400/000	Membership Fees : Societies	2 000.00	3 000.00		3 000.00	100%	2 200.00	2 318.80	2 444.02								
003/4400/000	Postage and Stamps																
003/4400/000	Printing and Stationery	6 000.00	6 000.00	1 279.00	4 721.00	79%	6 600.00	6 956.40	7 392.05								
003/4400/000	Refreshments and Meals																
003/4400/000	Rental equipment																
003/4400/000	Small Tools & Equipment																
003/4400/000	Software expenses																
003/4400/000	Sundry Expenses																
003/4400/000	Telephone	35 000.00	35 000.00	27 184.00	7 816.00	22%	38 500.00	40 579.00	42 770.27								
003/4400/000	Training and Courses																
003/4400/000	Travel and subsistence : Officials	65 000.00	65 000.00	42 834.00	22 166.00	34%	71 500.00	75 361.00	79 430.49								
003/4400/000	Vehicle - fuel and oil																
003/4400/000	Vehicle - licenses																
003/4402/000	Extended IGR/Stakeholders/ Planning						132 000.00	139 128.00	146 640.91								

VOTE	TOTAL OPERATING BUDGET SUMMARY	Approved Budget 2012/13	Adjustment Budget 2012/13	Year to date (28 February 2013)	Balance remaining (Adjustment Budget) (Year to date)	Budget year 2013/14	Budget year 2014/15	Budget year 2015/16
003/3902/000	Revenue enhancement and management strategy development					250 000.00		
	Finance Systems Upgrade and Support					200 000.00		
003/3904/000	Asset register established and maintained							
201/3701/000	GRANTS AND SUBSIDIES PAID	06						
201/3702/000	Financial by-laws, policies and tariffs review					100 000.00		
201/3704/000	Support to Local Municipalities							
003/4400/000	GENERAL EXPENSES	06						
201/4411/000	Audit Fees	06	1 781 821.93	2 078 056.00	-296 234.07	2 000 000.00	2 108 000.00	2 221 832.00
	Books and publications	06	2 000.00		2 000.00			
	Congresses and Conferences	06						
0201/4413	Bank charges	06	65 000.00	35 261.00	9 739.00	45 000.00	47 430.00	49 991.22
201/4205/000	Insurance Premiums	06	400 000.00	166 021.00	83 979.00	1 000 000.00	1 054 000.00	1 110 916.00
	Internet Charges	06						
0201/4501	Postage and Stamps	06	2 500.00	970.00	1 530.00	2 500.00	2 635.00	2 777.29
	Membership Fees : Societies	06						
0201/4503	Printing and Stationery	06	100 000.00	21 861.00	-21 861.00	2 000.00	2 108.00	2 221.83
	Leave Contribution	06	30 000.00		30 000.00			
	Small Tools & Equipment	06						
	Software expenses	06						
	Sundry Expenses	06						
0201/4519	Telephone	06	85 000.00	60 947.00	-947.00	60 000.00	63 240.00	60 951.35
	Training and Courses	06						
0201/4525	Travel and subsistence : Officials	06	90 000.00	47 272.00	42 728.00	100 000.00	105 400.00	111 091.60
	LOSS ON DISPOSAL OF PPE	06						
			7 031 521.00	5 551 424.00	2 608 011.00	11 038 256.00	11 834 569.00	11 845 868.00
	SURPLUS/(DEFICIT)		-62 525 021.00	-43 837 505.00	42 737 505.00			
07	GOVERNMENT SERVICES/GRANTS							
	GOVERNMENT GRANTS AND SUBSIDIES	07						
	Equitable share	07						
	Library Development Grant		-12 356 530.33	-87 774.00	-12 356 530.33	(1 524 811.46)	(1 779 968.04)	
	Municipal Systems Improvement Grant		-204 000.00		-116 226.00			
	RSC Levy		-500 000.00		-500 000.00	(440 000.00)		
	OTHER INCOME	07						
3301/1721/172	Sundry Income	07	-50 000.00	-28 277.00	-21 723.00	(50 000.00)		
0301/0703	Rental of facilities		-60 000.00	-48 861.00	-11 139.00	(60 000.00)	(66 000.00)	
	Training		-150 000.00	-74 700.00	-75 300.00			
	- Accumulated cashbacked surplus funds					(4 150 000.00)		
	GAINS ON DISPOSAL OF PROPERTY PLA	07						
			-464 000.00	-239 612.00	-13 080 918.00	-18 612 744.00	-14 250 902.00	-14 669 303.00
	EMPLOYEE RELATED COSTS - OFFICIALS	07						
0301/3001	Basic salary	07	4 982 307.00	2 968 475.00	2 766 417.84	5 410 097.92	5 702 243.21	6 010 164.34
0301/3041	Travel allowance	07	506 600.00	340 931.00	88 069.00	310 070.00	326 813.78	344 461.72
0301/3051	Housing Allowance	07	401 808.00	258 740.00	161 332.00	365 280.00	385 005.12	405 795.40

VOTE	TOTAL OPERATING BUDGET SUMMARY	Approved budget 2012/13	Adjustment budget 2012/13	Year to date (28 February 2013)	Balance remaining (Adjustment Budget Year to date)	%	Budget year 2013/14	Budget year 2014/15	Budget year 2015/16
	Over time payments	07	-	142 979.00	-	-	24 623.14	28 992.79	27 354.24
03013071	Leave pay	07	-	142 979.00	-	-	-	-	-
	Leave Paid Out	07	-	-	-	-	-	-	-
	Telephone	07	-	-	-	-	-	-	-
	Housing subsidy	07	-	-	-	-	-	-	-
	Unpaid leave	07	-	-	-	-	-	-	-
03013011	Annual Bonus	07	453 635.00	289 340.00	-61 617.00	-27%	349 257.38	368 117.27	387 995.61
	Danger pay	07	-	-	-	-	-	-	-
	Shift	07	-	-	-	-	-	-	-
	Long-service awards	07	-	-	-	-	-	-	-
	Standby	07	-	-	-	-	-	-	-
	Computer	07	-	-	-	-	-	-	-
	Study room	07	-	-	-	-	-	-	-
	Acting allowance	07	-	-	-	-	-	-	-
	Acting allowance	07	-	-	-	-	-	-	-
	Performance bonuses	07	-	-	-	-	-	-	-
	Adjustments	07	77 600.00	77 600.00	77 600.00	100%	88 770.00	93 583.58	98 616.01
03013107	Group Insurance	07	75 332.00	86 711.58	48 773.58	56%	4 039.04	4 257.14	4 487.03
68367	UIF contribution	07	34 025.00	57 348.93	-9 595.07	-17%	54 100.98	57 022.43	60 101.64
03013105	Pension contribution	07	774 703.00	910 148.71	438 649.71	48%	828 557.43	873 299.74	920 457.92
03013105	Medical aid contribution	07	569 465.00	618 465.00	84 802.00	14%	410 956.00	433 147.82	456 537.60
03013101	Bargaining Council contribution	07	1 150.00	1 380.00	327.00	24%	1 570.80	1 655.62	1 745.03
	SDL contribution	07	77 214.00	72 646.27	72 646.27	100%	65 732.41	69 281.96	73 023.19
	DEPRECIATION	07	780 000.00	280 000.00	280 000.00	100%	100 000.00	105 400.00	111 091.60
	REPAIRS AND MAINTENANCE	07	-	-	-	-	-	-	-
03013803	PPE - Land and buildings	07	251 000.00	151 000.00	3 602.00	2%	366 676.25	158 100.00	166 637.40
	PPE - Infrastructure	07	-	-	-	-	-	-	-
	PPE - Community	07	-	-	-	-	-	-	-
	PPE - Heritage	07	-	-	-	-	-	-	-
	PPE - Machinery and equipment	07	-	-	-	-	-	-	-
03013811	PPE - Office Equipment	07	350 000.00	250 000.00	189 644.00	76%	237 756.00	180 644.95	229 980.45
	PPE - Office Furniture	07	-	-	-	-	-	-	-
	PPE - Computer equipment	07	-	-	-	-	-	-	-
	PPE - Vehicles	07	-	-	-	-	368 000.00	208 737.12	151 084.58
	INTEREST PAID		-	-	-	-	-	-	-
03013905	Interest on External Loan	07	250 000.00	21 203.00	228 797.00	92%	250 000.00	263 500.00	277 729.00
	CONTRACTED SERVICES		-	-	-	-	-	-	-
	Provision of Security Services	07	320 000.00	241 799.00	78 201.00	24%	350 000.00	368 900.00	388 820.60
03013851	Services Agreement	07	680 000.00	400 617.00	279 383.00	41%	680 000.00	500 000.00	320 790.48
	GRANTS AND SUBSIDIES PAID	07	-	-	-	-	-	-	-
	Library Development Grant		204 000.00	204 000.00	204 000.00	100%	-	-	-
	Municipal Systems Improvement Grant		-	-	-	-	-	-	-
	GENERAL EXPENSES	07	-	-	-	-	-	-	-
	Advertising	07	-	-	-	-	-	-	-
03014415	Books and publications	07	16 000.00	10 000.00	9 917.00	99%	10 000.00	10 540.00	11 109.16
	Congresses and Conferences	07	-	-	-	-	-	-	-
03014445	Electricity	07	580 000.00	282 749.00	267 251.00	49%	400 000.00	421 600.00	444 366.40
03014533	Workman's Compensation	07	220 000.00	1 000.00	199 000.00	100%	200 000.00	210 800.00	222 183.20
	Insurance Premiums	07	-	-	-	-	-	-	-

VOTE	TOTAL OPERATING BUDGET SUMMARY	Budget 2012/13					Balance remaining (Adjustment Budget) Year to date	%	Budget year 2012/13	Budget year 2014/15	Budget year 2015/16
		Approved budget 2012/13	Adjustment budget 2012/13	Year to date (28 February 2013)	Year to date (28 February 2013)	Year to date (28 February 2013)					
04313103	Medical aid contribution	337 000.00	317 000.00	356 168.00	-39 168.00	-12%	391 444.00	412 581.98	434 861.40		
04313101	Bargaining Council contribution	600.00	660.00	476.00	184.00	28%	928.20	978.32	1 031.15		
03	SDL contribution	554 206.00	50 146.74	-	50 146.74	100%	53 522.28	56 412.48	59 486.76		
431/3700/000	DEPRECIATION	140 000.00	100 000.00	-	100 000.00	100%	100 000.00	105 400.00	111 091.60		
431/3800/000	REPAIRS AND MAINTENANCE	-	-	-	-	-	-	-	-		
04313811	PPE - Office Equipment	20 000.00	20 000.00	160.00	19 840.00	99%	-	-	-		
03	PPE - Office Furniture	-	-	-	-	-	-	-	-		
04313857	PPE - Vehicles	35 000.00	53 000.00	17 417.00	35 583.00	67%	-	-	-		
431/4400/000	GENERAL EXPENSES	-	-	-	-	-	-	-	-		
03	Congresses and Conferences	10 000.00	10 000.00	4 980.00	5 020.00	50%	10 000.00	10 540.00	11 109.16		
431/4415/000	Books and Publications	2 000.00	2 000.00	-	2 000.00	100%	2 000.00	2 108.00	2 221.83		
03	Insurance Premiums	35 000.00	35 000.00	17 430.00	17 570.00	50%	-	-	-		
03	Pest Control	13 000.00	6 000.00	-	6 000.00	100%	6 000.00	6 324.00	6 665.50		
431/4495/000	Membership Fees : Societies	8 200.00	8 200.00	-	8 200.00	100%	8 200.00	8 642.80	9 109.51		
03	Printing and Stationery	12 000.00	12 000.00	4 064.00	7 936.00	66%	-	-	-		
431/4469/000	Refreshments and Meals	-	-	-	-	-	-	-	-		
431/4402/000	Health and Occupational Awareness	150 000.00	110 000.00	18 984.00	91 016.00	83%	110 000.00	115 940.00	122 200.76		
03	Communicable Disease Control	15 000.00	5 000.00	-	5 000.00	100%	50 886.61	53 602.87	56 497.42		
431/4406/000	Municipal Health Services	-	-	-	-	-	-	-	-		
431/4408/000	Monitor the quality of water	-	-	-	-	-	-	-	-		
431/4410/000	Food quality/safety control services	-	-	-	-	-	-	-	-		
431/4412/000	Waste Management Systems	-	-	-	-	-	-	-	-		
431/4422/000	Disposal of the dead management	-	-	-	-	-	-	-	-		
431/4424/000	Chemical Safety	-	-	-	-	-	-	-	-		
431/4426/000	Disaster management services	-	-	-	-	-	-	-	-		
431/4428/000	Promotion of the interests and rights of targeted groups - women, children, youth, disabled, elderly	-	-	-	-	-	-	-	-		
431/4465/000	Fuel and Oil	100 000.00	100 000.00	44 529.00	55 471.00	55%	-	-	-		
03	Licences	8 000.00	3 000.00	5 130.00	-2 130.00	-71%	-	-	-		
431/4519/000	Telephone	75 000.00	80 000.00	62 387.00	17 613.00	22%	80 000.00	84 320.00	88 873.28		
03	Training and Courses	-	-	-	-	-	-	-	-		
431/4525/000	Travel and subsistence : Officials	100 000.00	140 000.00	115 342.00	24 658.00	18%	150 000.00	158 100.00	166 637.40		
03	Uniform and Protective Clothing	1 000.00	2 000.00	498.00	1 502.00	75%	2 000.00	2 108.00	2 221.83		
0447 - NEAR SYSTEM		-	-	-	-	-	-	-	-		
04474503	Printing and Stationery	7 854.00	12 854.00	6 813.00	6 041.00	47%	-	-	-		
04474472	Household Expenditure	9 200.00	14 200.00	8 550.00	5 650.00	40%	-	-	-		
04474523	Training	80 000.00	80 000.00	1 023.00	78 977.00	99%	-	-	-		
04474525	Refreshments and Meals	32 000.00	42 000.00	10 023.00	31 977.00	76%	-	-	-		
04474519	Travel and subsistence : Officials	71 200.00	91 200.00	55 698.00	35 502.00	39%	91 200.00	96 124.80	101 315.54		
04473811	Repairs and Maintenance - Equipment	182 746.00	142 746.00	2 035.00	140 711.00	99%	-	-	-		
03	Other	-	-	-	-	-	-	-	-		
	LOSS ON DISPOSAL OF PPE	-	-	-	-	-	-	-	-		
		7 388 612	7 009 767	4 548 114	2 461 653	35%	7 568 366	7 533 324	7 940 123		
	SURPLUS/(DEFICIT)	-7 401 612.00	-64 000.00	-4 558 461.00	4 494 461.00	-	-	-	-		

VOTE	TOTAL OPERATING BUDGET SUMMARY	Budget 2012/13			Budget 2013/14			Budget year 2014/15			Budget year 2015/16		
		Approved budget 2012/13	Adjustment budget 2012/13	Year to date (29 February 2013)	Balance remaining (Adjustment Budget - Year to date)	%	Budget year 2013/14	Budget year 2014/15	Budget year 2015/16				
09 - DISASTER MANAGEMENT	GOVERNMENT GRANTS AND SUBSIDIES	-	-	-	-	-	-	-	-	-	-	-	
	06 Equitable share	-	-	-	-	-	-	-	-	-	-	-	
	06 Disaster Management Grant - Fire	-2,943,049.93	1,488,794.03	414,455.00	1,074,339.03	72%	1,728,931.30	1,822,293.59	1,920,697.45	(3,358,236.77)	(3,358,236.77)		
	06 OTHER INCOME	-390,000.00	-	-	-390,000.00	100%	(690,000.00)	(315,000.00)	(531,000.00)				
	06 Sundry Income	-	-	-	-	-	-	-	-	-	-	-	
	06 GAINS ON DISPOSAL OF PPE	-	-	-	-	-	-	-	-	-	-	-	
		-3,333,050.00	1,488,794.03	414,455.00	-3,333,050.00	100%	-3,320,898.00	-3,500,225.00	-3,689,237.00				
	EMPLOYEE RELATED COSTS - OFFICIALS	1,547,622.00	-	-	1,547,622.00	72%	1,728,931.30	1,822,293.59	1,920,697.45				
	04413001 Basic salary	1,708,000.00	-	-	1,708,000.00	20%	170,274.00	179,468.80	189,160.11				
	04413041 Travel allowance	146,112.00	-	-	146,112.00	75%	127,848.00	134,751.79	142,028.39				
	04413051 Housing Allowance	-	-	-	-	-	-	-	-				
	06 Overline payments	-	-	-	-	-	-	-	-				
	04413071 Leave pay	-	-	43,989.00	-43,989.00	-	-	-	-				
	06 Telephone	-	-	-	-	-	-	-	-				
	06 Housing subsidy	-	-	-	-	-	-	-	-				
	04413035 Shift allowance	-	-	2,556.00	-2,556.00	-	3,863.67	4,072.31	4,292.21				
	06 Unpaid leave	-	-	-	-	-	-	-	-				
	04413011 Annual Bonus	128,805.00	-	43,411.00	41,963.00	49%	144,077.61	151,857.80	160,058.12				
	06 Long-service awards	-	-	-	-	-	-	-	-				
	06 Taxable	-	-	-	-	-	-	-	-				
	06 Performance bonuses	28,800.00	-	-	28,800.00	100%	-	-	-				
	06 Adjustments	-	-	-	-	-	-	-	-				
	04413107 Group Insurance	23,370.00	24,217.10	5,375.00	18,842.10	78%	5,119.60	5,396.06	5,687.45				
	04413111 UIF contribution	11,139.00	16,173.34	10,421.00	5,752.34	36%	17,289.31	18,222.94	19,206.97				
	04413105 Pension contribution	278,219.00	288,298.80	73,928.00	214,370.80	74%	311,207.63	328,072.85	345,725.54				
	04413103 Medical aid contribution	243,019.00	243,019.00	84,899.00	158,120.00	65%	177,818.40	187,420.59	197,541.31				
	04413101 Bargaining Council contribution	400.00	400.00	143.00	257.00	64%	571.20	602.04	634.56				
	SDL contribution	25,187.00	17,539.16	-	17,539.16	100%	21,895.52	23,077.88	24,324.08				
	DEPRECIATION	280,000.00	180,000.00	-	180,000.00	100%	180,000.00	189,720.00	199,964.88				
	REPAIRS AND MAINTENANCE	-	-	-	-	-	-	-	-				
	PPE - Land and Buildings	-	-	-	-	-	-	-	-				
	PPE - Machinery and equipment	-	-	-	-	-	-	-	-				
	PPE - Office Equipment	-	-	-	-	-	-	-	-				
	PPE - Office Furniture	-	-	-	-	-	-	-	-				
	PPE - Vehicles	38,500.00	68,500.00	47,387.00	21,113.00	31%	-	-	-				
	CONTRACTED SERVICES	-	-	-	-	-	-	-	-				
	GRANTS AND SUBSIDIES PAID	-	-	-	-	-	-	-	-				
	GENERAL EXPENSES	-	-	-	-	-	-	-	-				
	Cleaning materials	-	-	-	-	-	-	-	-				
	Community Functions	-	-	-	-	-	-	-	-				
	Congresses and Conferences	8,500.00	8,500.00	-	8,500.00	100%	8,500.00	8,959.00	9,442.79				
	04414899 Licenses	8,000.00	8,000.00	1,014.00	6,986.00	87%	-	-	-				
	Insurance Premiums	-	-	-	-	-	-	-	-				
	Internal Charges	-	-	-	-	-	-	-	-				
	Sanitary and Refuse Removal	-	-	-	-	-	-	-	-				
	Membership Fees : Societies	525.00	262.50	-	262.50	100%	500.00	527.00	555.46				
	Printing and Stationery	-	-	-	-	-	-	-	-				

VOTE	TOTAL OPERATING BUDGET SUMMARY	Budget 2012/13					Balance (remaining) (Adjustment Budget - Year Budget)	%	Budget 2013/14			Budget year 2015/16		
		Approved budget 2012/13	Adjustment budget 2012/13	Year to date (28 February 2013)	Year to date (28 February 2013)	Budget year 2013/14			Budget year 2013/14	Budget year 2014/15	Budget year 2015/16			
601/4101/000	Review DGDS													
601/4102/000	Review LED Strategy													
601/4103/000	Review Tourism Strategy													
601/4104/000	Develop District wide SMME database									50 000.00				
	Develop and maintain electronic market system									120 000.00			94 368.80	99 464.72
601/4300/000	GRANTS AND SUBSIDIES PAID	06												
601/4301/000	Contribution - Provincial Tourism		85 500.00		45 695.00		39 805.00	47%		85 000.00			89 590.00	94 427.86
601/4302/000	Contribution - Tourism Association		300 000.00		-		58 000.00	100%		65 000.00			68 510.00	72 209.54
601/4303/000	Comprehensive Rural Development Program		200 000.00		-		200 000.00	100%		200 000.00			210 800.00	222 185.20
601/4304/000	District Growth Development Strategy		100 000.00		-		100 000.00	100%		-			-	-
601/4305/000	LED Strategy		100 000.00		-		100 000.00	100%		-			-	-
601/4306/000	LED Forum									70 000.00			73 780.00	77 764.12
601/4400/000	GENERAL EXPENSES	06												
601/4433/000	Contribution - Provincial Tourism													
601/4400/000	Contribution - Tourism Association													
601/4400/000	Comprehensive Rural Development Program													
601/4400/000	District Growth Development Strategy													
601/4400/000	LED Strategy													
601/4400/000	LED Forum													
601/4400/000	Cleaning materials	06												
601/4400/000	Books and Publications		1 500.00		-		1 500.00	100%		1 500.00			1 581.00	1 666.37
601/4400/000	Congresses and Conferences	06	12 000.00		-		62 000.00	100%		12 000.00			12 646.00	13 350.99
601/4400/000	Entertainment Allowance - Director Cc	06												
601/4400/000	Insurance Premiums	06	3 950.00		-		3 950.00	100%		-			-	-
601/4400/000	Internet Charges	06												
601/4400/000	Sanitary and Refuse Removal	06												
601/4400/000	Membership Fees : Societies	06												
601/4400/000	Printing and Stationery	06	18 000.00		1 053.00		18 947.00	95%		-			-	-
601/4400/000	Rental equipment	06												
601/4400/000	Small Tools & Equipment	06												
601/4400/000	Software expenses	06												
601/4400/000	Sundry Expenses	06	20 000.00		45 658.00		18 910.00	29%		64 568.00			68 054.67	71 729.62
601/4400/000	Telephone	06												
601/4400/000	Training and Courses	06												
601/4400/000	Travel and subsistence : Officials	06	220 000.00		161 269.00		83 963.00	34%		200 000.00			210 800.00	222 185.20
601/4400/000	Fuel and Oil		40 000.00		59 658.00		-19 658.00	-49%		-			-	-
601/4400/000	Exhibitions		80 000.00		8 358.00		71 642.00	90%		80 000.00			84 320.00	88 873.28
601/4400/000	Media Tours		25 000.00		-		25 000.00	100%		25 000.00			26 350.00	27 772.90
601/4400/000	Tourism Events		50 000.00		1 826.00		48 174.00	96%		50 000.00			52 700.00	55 545.80
601/4400/000	Brochures and Publicity Material		65 000.00		411.00		64 589.00	99%		65 000.00			68 510.00	72 209.54
601/4400/000	Exhibition Material and Website		30 000.00		-		30 000.00	100%		30 000.00			31 620.00	33 327.48
	LOSS ON DISPOSAL OF PPE	06												
			7 027 353	6 755 783	3 781 484	2 974 299	44%		6 095 233	6 359 555			6 681 901	
	SURPLUS/(DEFICIT)		-6 651 353.00		-3 781 484		3 781 484			-3 781 484			-	-
	INFRASTRUCTURE													
	GOVERNMENT GRANTS AND SUBSIDIES	06												
	Equitable share	06												
			-3 037 619.63				-3 037 619.63	100%		(3 182 034.82)			(1 934 864.70)	(2 021 347.40)

VOTE	TOTAL OPERATING BUDGET SUMMARY	Approved Budget 2012/13	Adjustment Budget 2012/13	Year to date (28 February 2013)	Balance remaining (Adjustment Budget Year to date)	%	Budget Year 2013/14	Budget Year 2014/15	Budget Year 2015/16
05111655	EPWP Grant	-1 000 000.00	-1 000 000.00	-1 000 000.00	-	0%	(1 000 000.00)	-	-
	Infrastructure Skills Development Grant		-2 000 000.00		-2 000 000.00	100%	(2 000 000.00)	(3 000 000.00)	(3 180 000.00)
	Rural Road Asset Management System Grant						(1 465 400.00)	(1 724 920.00)	(1 754 920.00)
	OTHER INCOME								
05011721	Sundry Income	-1 200.00		-5 428.00	5 428.00				
	GAINS ON DISPOSAL OF PPE								
		-1 001 200	-6 037 620	-1 005 428	-5 032 192	83%	-7 647 435	-6 659 785	-6 986 287
501/3000/000	EMPLOYEE RELATED COSTS - OFFICIALS								
501/3001/000	Basic salary	1 898 797.00	1 772 813.25	684 067.00	1 088 726.25	61%	3 590 311.12	3 784 187.92	3 988 534.07
501/3001/000	Travel allowance	291 100.00	260 300.00	123 360.00	126 940.00	51%	147 840.00	155 823.36	164 237.82
501/3001/000	Housing Allowance	127 848.00	146 112.00	60 880.00	85 232.00	58%	109 584.00	115 501.54	121 736.62
501/3001/000	Overtime payments								
501/3001/000	Leave pay						17 808.48	18 770.14	19 783.73
501/3001/000	Telephone						3 924.00	4 135.90	4 359.23
501/3001/000	Housing subsidy								
501/3001/000	Unpaid leave								
501/3001/000	Annual Bonus	196 349.00	131 153.00	65 196.00	65 957.00	50%	108 942.59	114 825.49	121 026.07
501/3001/000	Long-service awards								
501/3001/000	Taxable								
501/3001/000	Performance bonuses						94 050.00	99 128.70	104 481.65
501/3001/000	Adjustments								
501/3001/000	Group Insurance	18 393.00	17 214.18	6 450.00	10 764.18	63%			
501/3001/000	UIF contribution	10 356.00	17 728.13	17 289.00	439.13	2%	21 623.11	22 790.76	24 021.46
501/3001/000	Pension contribution	218 965.00	319 106.59	104 096.00	215 010.39	67%	235 316.00	248 023.07	261 416.31
501/3001/000	Medical aid contribution	195 000.00	195 000.00	193 792.00	1 208.00	1%	197 467.20	208 130.43	219 369.47
501/3001/000	Bargaining Council contribution	200.00	540.00	238.00	302.00	56%	571.20	602.04	634.56
501/3001/000	SDL contribution	29 123.00	23 652.68		23 652.68	100%	26 597.12	28 093.36	29 547.17
501/3700/000	DEPRECIATION	15 000.00	10 000.00		10 000.00	100%	10 000.00	10 540.00	11 109.16
501/3800/000	REPAIRS AND MAINTENANCE								
501/3800/000	PPE - Land and Buildings								
501/3800/000	PPE - Machinery and equipment								
501/3800/000	PPE - Office Equipment	15 000.00	5 000.00	-56.00	5 056.00	101%			
501/3800/000	PPE - Office Furniture								
501/3800/000	PPE - Vehicles	30 000.00	10 000.00	12 331.00	-2 331.00	-23%			
501/4100/000	CONTRACTED SERVICES								
501/4304/000	Rural Road Asset Management System Grant						1 465 400.00	1 724 920.00	1 754 920.00
501/4300/000	GRANTS AND SUBSIDIES PAID								
501/4302/000	Infrastructure Development Internship Grant		2 000 000.00		2 000 000.00	100%			
511/4371/000	EPWP Grant		1 000 000.00		1 000 000.00	100%			
501/4306/000	Bulk Water & Sanitation Section 78 (MSA)						500 000.00		
501/4400/000	GENERAL EXPENSES								
501/4400/000	Cleaning materials								
501/4400/000	Community Functions								
501/4400/000	Congresses and Conferences								
501/4400/000	Insurance Premiums	37 000.00	17 000.00		17 000.00	100%			
501/4400/000	Internet Charges								
501/4400/000	Sanitary and Refuse Removal								
501/4400/000	Membership Fees : Societies								
501/4400/000	Printing and Stationery	6 000.00	3 000.00		3 000.00	100%			

VOIE	TOTAL OPERATING BUDGET SUMMARY	Approved budget - 2012/13	Adjustment budget - 2012/13	Year to date (28 February 2013)	Balance remaining (Adjustment Budget - Year to date)	%	Budget year 2013/14	Budget year 2014/15	Budget year 2015/16
527/9800/000	PPE - Vehicles	8 000.00	-	-	8 000.00	100%	-	-	-
527/4100/000	CONTRACTED SERVICES	-	-	-	-	-	-	-	-
	Housing Sector plans and accreditation business plan reviewed and updated	-	-	-	-	-	-	-	-
527/4308/000	Compilation of Housing Register	-	-	-	600 000.00	-	-	-	-
527/4300/000	GRANTS AND SUBSIDIES PAID	192 000.00	-	-	1 000 000.00	100%	-	-	-
527/4310/000	Mandela Day House/s constructed	-	-	-	86 000.00	-	90 644.00	95 538.78	-
527/4312/000	Special Programmes (targeted groups) [16 days]	-	-	-	86 000.00	-	90 644.00	95 538.78	-
	Military Veteran	-	-	-	86 000.00	-	-	-	-
527/4400/000	GENERAL EXPENSES	-	-	-	-	-	-	-	-
527/4400/000	Cleaning materials	-	-	-	-	-	-	-	-
527/4400/000	Community Functions	-	-	-	-	-	-	-	-
527/4400/000	Congresses and Conferences	-	-	-	-	-	-	-	-
527/4400/000	Entertainment Allowance -Director Cd	-	-	-	-	-	-	-	-
527/4400/000	Insurance Premiums	4 005.00	-	5 000.00	-995.00	-25%	-	-	-
527/4400/000	Internet Charges	-	-	-	-	-	-	-	-
527/4400/000	Sanitary and Refuse Removal	-	-	-	-	-	-	-	-
527/4400/000	Membership Fees : Societies	-	-	-	-	-	-	-	-
527/4400/000	Printing and Stationery	21 000.00	-	5 926.00	4 074.00	41%	-	-	-
527/4400/000	Rental equipment	-	-	-	-	-	-	-	-
527/4400/000	Small Tools & Equipment	-	-	-	-	-	-	-	-
527/4400/000	Software expenses	-	-	-	-	-	-	-	-
527/4400/000	Sundry Expenses	40 000.00	-	21 608.00	8 392.00	28%	30 000.00	31 620.00	33 327.48
527/4400/000	Telephone	10 000.00	-	-	105 000.00	100%	-	-	-
527/4400/000	Training and Courses	80 000.00	-	54 783.00	45 217.00	45%	100 000.00	105 400.00	111 091.60
527/4400/000	Travel and subsistence : Officials	35 000.00	-	15 104.00	19 896.00	57%	-	-	-
527/4400/000	Fuel and Oil	-	-	-	-	-	-	-	-
	LOSS ON DISPOSAL OF PPE	-	-	-	-	-	-	-	-
	SURPLUS/(DEFICIT)	-2 139 229.00	-3 895 169.00	109 975.00	-4 005 144.00	48%	4 217 501	-2 688 203	2 812 285

Municipal Vote/Capital project R thousand	Program/Project description	Project Estimate	Source of Funding	Budget Year 2012/13			Medium Term Revenue and Expenditure Framework			
				Original Budget	Adjusted Budget	Year to date (28 February 2013)	Balance Remaining (Approved Budget - Year to date)	% Remaining	Budget Year 2013/14 Original Budget	Budget Year +1 2014/15 Original Budget
	Computers - hardware/equipment Furniture and other office equipment Abattoirs Markets Civic Land and Buildings Other Buildings Other Land Surplus Assets - (Investment or Inventory) Other		Own - CRR		10 000.00		10 000.00			
	Local Economic Development General vehicles Specialised vehicles 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) Navigation Devices (Tourism Sites) Other		Own - CRR							
	Infrastructure General vehicles Specialised vehicles 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) Navigation Devices (Tourism Sites) Other		Own - CRR						400 000.00	
	Alterations to Chambers Other Buildings Other Land Surplus Assets - (Investment or Inventory) Navigation Devices (Tourism Sites) Other								400 000.00	
	Housing Services Infrastructure Infrastructure - Road transport Roads, Pavements & Bridges Storm water				3 386 172.96		3 386 172.96			

APPENDIX D - COUNCILORS REMUNERATION

Level	Vacant/Filled/Period	Basic Allowance	Motor Vehicle Allowance	Housing Allowance	Telephone Allowance	Sitting Allowance	Pension Fund Contrib	Medical Aid Contrib	Total	Skill Development Levy		Total Remuneration
										R	R	
OFFICE OF THE MAYOR												
Executive Mayor	Filled	491 521.46	141 430.18	-	42 018.54	5 304.00	88 473.96	-	768 748.04	7 267.30	7 267.30	776 015.34
		491 521.46	141 430.18	-	42 018.54	5 304.00	88 473.96	-	768 748.04	7 267.30	7 267.30	776 015.34
SPEAKER												
Councillor	Filled	393 546.61	113 143.43	-	20 964.96	5 304.00	70 838.39	-	603 797.39	5 828.32	5 828.32	609 625.71
		393 546.61	113 143.43	-	20 964.96	5 304.00	70 838.39	-	603 797.39	5 828.32	5 828.32	609 625.71
MAYORAL COMMITTEE												
Member	Filled	353 096.90	106 072.06	-	20 964.96	5 304.00	63 557.44	17 280.00	566 275.36	5 453.10	5 453.10	571 728.46
Member	Filled	368 949.37	106 072.82	-	20 964.96	5 304.00	66 410.89	-	567 702.04	5 467.37	5 467.37	573 169.41
Member	Filled	260 838.16	65 209.63	-	7 887.18	5 304.00	46 950.87	-	386 189.84	3 783.03	3 783.03	389 972.87
Member	Filled	271 242.15	67 810.50	-	7 887.18	5 304.00	48 823.59	-	466 342.78	4 574.56	4 574.56	469 917.33
		1 254 126.57	345 165.03	-	57 704.28	21 216.00	225 742.78	17 280.00	1 985 510.01	19 278.06	19 278.06	2 004 788.07
PART-TIME MEMBERS												
Directly Elected Member	Filled	147 577.62	42 428.98	-	13 077.78	5 304.00	26 563.97	-	275 169.39	2 620.92	2 620.92	277 790.30
Directly Elected Member	Filled	169 716.80	42 428.98	-	13 077.78	5 304.00	30 549.02	-	301 293.62	2 882.16	2 882.16	304 175.77
Directly Elected Member	Filled	169 716.80	42 428.98	-	13 077.78	5 304.00	30 549.02	-	261 076.58	2 479.99	2 479.99	263 556.56
Directly Elected Member	Filled	189 394.61	54 450.66	-	13 077.78	5 304.00	34 091.03	-	296 318.08	2 832.40	2 832.40	299 150.49
		15 495.84	-	-	-	-	-	-	15 495.84	154.96	154.96	15 650.80
		15 495.84	-	-	-	-	-	-	15 495.84	154.96	154.96	15 650.80
		15 495.84	-	-	-	-	-	-	15 495.84	154.96	154.96	15 650.80
		15 495.84	-	-	-	-	-	-	15 495.84	154.96	154.96	15 650.80
		15 495.84	-	-	-	-	-	-	15 495.84	154.96	154.96	15 650.80
		15 495.84	-	-	-	-	-	-	15 495.84	154.96	154.96	15 650.80
		15 495.84	-	-	-	-	-	-	15 495.84	154.96	154.96	15 650.80
		15 495.84	-	-	-	-	-	-	15 495.84	154.96	154.96	15 650.80
		15 495.84	-	-	-	-	-	-	15 495.84	154.96	154.96	15 650.80
		15 495.84	-	-	-	-	-	-	15 495.84	154.96	154.96	15 650.80
		846 860.06	161 737.59	-	52 311.12	21 216.00	121 753.05	-	1 304 311.90	12 520.01	12 520.01	1 316 831.91
		2 986 054.70	761 476.23	-	172 988.90	53 040.00	506 808.08	17 280.00	4 517 657.91	44 893.68	44 893.68	4 562 551.59

NOTE	ID/REF	PROGRAMME/PROJECT	APPENDIX E - COMMUNITY DEVELOPMENT SERVICES PROGRAMMES			
			Total Projected Costs	Budget Year 2018/19	Budget Year 2017/15	Budget Year 2015/16
	1.	CDS PROJECT Municipal Health Services				
	1.1.	HIV/Aids Workplace Policy implemented and maintained	-	-	-	-
	1.2.	District HIV/Aids and TB Policy that involves the community developed Research conducted into reasons why people abscond from treatment (lost cases)	2 307 800.00	-	-	-
	1.3.		-	-	-	-
	1.4.	Continued implementation of the Section 78 assessment of MHS 2008	10 231 137.00	-	-	-
	1.5.	Comprehensive Municipal Health Services Strategy Developed	-	-	-	-
	1.6.	One set of Municipal Health By-laws promulgated	3 520.00	-	-	-
	1.7.	One set of municipal health policies developed	-	-	-	-
	1.8.	One set of municipal health tariffs and penalties developed	-	-	-	-
			12 542 457.00			
	2.	CDS PROJECT Monitor the quality of water				
	2.1.	Water audit samples taken and analysed	261 000.00	15 000.00	15 810.00	16 663.74
	2.2.	Water sampling programs for both JMLM and CSLM implemented	837 180.00	-	-	-
	2.3.	Groundwater protocol of 2005 reviewed	500 000.00	-	-	-
	2.4.	Awareness programmes provided	200 000.00	-	-	-
	2.5.	All drinking water in the entire district chlorinated	1 487 996.99	-	-	-
			3 286 176.99	15 000.00	15 810.00	16 663.74
	3.	CDS PROJECT To provide food quality/safety control services				
	3.1.	Food premises frequently inspected	119 400.00	24 000.00	25 296.00	26 661.98
	3.2.	Milk sampling programs continuously implemented	105 120.00	-	-	-
	3.3.	Food quality awareness programmes continuously provided	12 520.00	-	-	-
			237 040.00	24 000.00	25 296.00	26 661.98
	4.	CDS PROJECT Waste Management Systems				
	4.1.	Frequent inspections performed	28 880.00	-	-	-
	4.2.	Water pollution monitoring programme implemented and maintained	28 880.00	-	-	-
	4.3.	Environmental pollution monitoring programme implemented and maintained	28 880.00	-	-	-

NOTE	IDP Ref.	PROGRAMME/PROJECT	Total Projected Costs	Budget year 2013/14	Budget year 2014/15	Budget year 2015/16
	4.4.	Leakage/seepage control monitoring programme implemented and maintained	28 880,00	-	-	-
	4.5.	Awareness programmes provided	25 880,00	-	-	-
	4.6.	Information system on waste flows developed and maintained	-	-	-	-
	4.7.	Integrated Waste Management Programme/Plan of 2004 reviewed	565 869,00	-	-	-
	4.8.	JMLM supported to establish waste landfill sites	3 500 000,00	-	-	-
	4.9.	LM's assisted to institute recycling measures and to protect scarce resources	-	-	-	-
			4 207 269,00			
	5.	CDS PROJECT To provide Health Surveillance Services				
	5.1.	Frequent inspections of premises performed				
	5.2.	Awareness programmes provided				
	6.	CDS PROJECT To surveil and prevent communicable disease outbreaks				
	6.1.	Communicable diseases monitored				
	6.2.	Communicable disease outbreaks investigated				
	6.3.	Communicable disease awareness programmes provided				
	7.	CDS PROJECT To do vector control				
	7.1.	Frequent vector control inspections performed				
	7.2.	Vector control awareness programmes provided				
	7.3.	All vector control personnel trained				
	8.	CDS PROJECT To control environmental pollution				
	8.1.	Frequent environmental inspections performed				
	8.2.	Environmental awareness programmes performed				
	8.3.	Personnel continually trained	4 370 000,00	-	-	-
	8.4.	Air quality management function taken charge of	-	-	-	-
	8.5.	Air quality in the District monitored	2 660 000,00	-	-	-

NOTE ID/Ref	PROGRAMME/PROJECT	Total Projected Costs	Budget year 2013/14	Budget year 2014/15	Budget year 2015/16
8.6.	Tariff and penalty structure developed	-	-	-	-
8.7.	Asbestos related cases monitored	-	-	-	-
8.8.	Asbestos victims supported	-	-	-	-
8.9.	Asbestos polluted areas identified	-	-	-	-
		7,030,000.00			
9. CDS PROJECT To manage disposal of the dead					
9.1.	All funeral parlours and places providing similar services are meeting environmental health standards	-	-	-	-
9.2.	Cemeteries are properly maintained and proper graveyard registers are maintained	3,000,000.00	-	-	-
9.3.	Pauper burials are performed	-	3,000.00	3,162.00	3,332.75
9.4.	Pauper burial policy reviewed	-	-	-	-
9.5.	Funeral parlour and headstone service provider levy system established	-	-	-	-
		3,000,000.00	3,000.00	3,162.00	3,332.75
10. CDS PROJECT Chemical Safety					
10.1.	Chemical storage places and outlets regularly inspected	-	-	-	-
10.2.	Awareness of the risks associated with chemicals and handling as well as storage standards raised	-	-	-	-
10.3.	Poisoning and pollution incidents investigated and remedial, as well as preventative actions instituted	-	10,000.00	10,540.00	11,109.16
		-	10,000.00	10,540.00	11,109.16
11. CDS PROJECT To provide disaster management services					
11.1.	Mechanisms for stakeholder participation, technical advice and planning through the District Disaster Management Advisory Forum established and maintained and NDMC guidelines disseminated.	-	-	-	-
11.2.	Disaster Risk Assessment reviewed for each municipality	-	-	-	-
11.3.	Risk Reduction Plans (Contingency Plans) reviewed	-	-	-	-

VOTE 12 (IDP) PROGRAMME/PROJECT		Budget year 2013/14	Budget year 2014/15	Budget year 2015/16
		Total projected Costs		
11.4.	Risk reduction projects identified and included in future IDP's	-	-	-
11.5.	DMC response and recovery readiness of all municipalities monitored	-	-	-
11.6.	Disasters responded to and managed	-	-	-
12. CDS PROJECT To promote the interests and rights of targeted groups – women, children, youth, disabled, elderly				
12.1.	Establishment of fully fledged and capacitated units to deal targeted groups coordinated	71 000.00	-	-
12.2.	Needs and challenges of targeted groups identified and addressed	227 000.00	-	-
12.3.	Strategies to address needs and challenges of targeted groups developed maintained and implemented	110 000.00	-	-
12.4.	Thusong Services expanded to include more areas in the District	327 000.00	-	-
12.5.	Skills development programmes established and maintained	-	-	-
12.6.	13 Disabled children trained on NQF level 5 annually	-	-	-
12.7.	Employment of people with disabilities in the private sector coordinated	-	-	-
12.8.	Youth jobs in Waste programmes implemented	-	-	-
12.9.	Youth Environmental Service Programme implemented (9 youths employed)	-	-	-
TOTAL		735 000.00	52 000.00	54 808.00
		31 037 942.99	52 000.00	57 767.63

LOCAL ECONOMIC DEVELOPMENT												
VOTE	IDP Ref	PROGRAMME/PROJECT	Total/Projected Costs	Approved budget 2012/13	Adjustment budget 2012/13	Year to date (28 February 2013)	Balance remaining (Approved Budget Year to date)	%	Full Year forecast	Budget year 2013/14	Budget year 2014/15	Budget year 2015/16
		1.										
		1.1.	1 500 000.00	-	-	-	-	-	-	-	-	-
		1.2.	750 000.00	-	-	-	-	-	-	-	-	-
		1.3.	500 000.00	-	-	-	-	-	-	-	-	-
		1.4.	500 000.00	-	-	-	-	-	-	-	-	-
		1.5.	3 250 000.00	-	-	-	-	-	-	-	-	-
		2. LED PROJECT										
		2.1.	70 000.00	-	-	-	-	-	-	70 000.00	-	-
			70 000.00	-	-	-	-	-	-	70 000.00	-	-
		3. LED PROJECT										
		3.1.	500 000.00	-	-	-	-	-	-	-	-	-
		3.2.	500 000.00	-	-	-	-	-	-	-	-	-
			200 000.00	-	-	-	-	-	-	200 000.00	-	-
		4. LED PROJECT										
		4.1.	200 000.00	-	-	-	-	-	-	-	-	-
		4.2.	200 000.00	-	-	-	-	-	-	-	-	-
			200 000.00	-	-	-	-	-	-	200 000.00	-	-
		5. LED PROJECT: SMME DEVELOPMENT										
		5.1.	1 500 000.00	-	-	-	-	-	-	50 000.00	-	-
		5.2.	50 000.00	-	-	-	-	-	-	-	-	-
		5.3.	3 000 000.00	-	-	-	-	-	-	200 000.00	-	-
		5.4.	200 000.00	-	-	-	-	-	-	-	-	-
		5.5.	4 750 000.00	-	-	-	-	-	-	250 000.00	-	-
			1 500 000.00	-	-	-	-	-	-	50 000.00	-	-
			50 000.00	-	-	-	-	-	-	-	-	-
			3 000 000.00	-	-	-	-	-	-	200 000.00	-	-
			200 000.00	-	-	-	-	-	-	-	-	-
			4 750 000.00	-	-	-	-	-	-	250 000.00	-	-
		6. LED PROJECT										
		6.1.	150 000.00	-	-	-	-	-	-	65 000.00	-	-
		6.2.	120 000.00	-	-	-	-	-	-	120 000.00	-	-
			270 000.00	-	-	-	-	-	-	185 000.00	-	-
			270 000.00	-	-	-	-	-	-	185 000.00	-	-

0601/4104/0000
0601/4105/0000
6.3

NOTE	IDF (Ref)	PROGRAMME/PROJECT	Total Projected Costs	Approved budget 2012/13	Adjustment budget 2012/13	Year to date (28 February) 2013	Balance remaining (Approved Budget Year to date)	%	Full Year forecast	Budget Year	Budget Year	Budget Year
										2013/14	2014/15	2015/16
	7.	LED PROJECT		-	-	-	-	-	-	-	-	-
	7.1.	Land for Economic Development	500 000.00	-	-	-	-	-	-	-	-	-
			500 000.00	-	-	-	-	-	-	-	-	-
			9 540 000.00							705 000.00	120 000.00	120 000.00

Municipal annual budgets and MTRRF & supporting tables

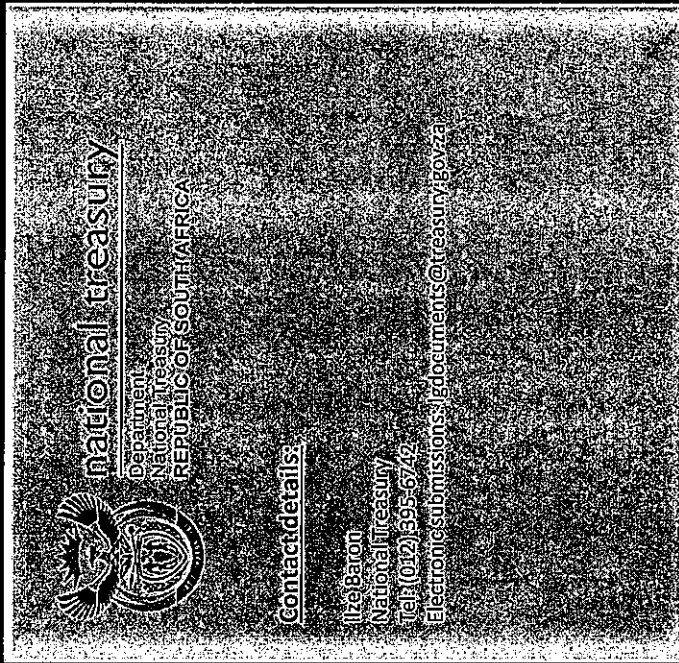
Version 2.5

[Click for Instructions!](#)

[Accountability](#)

[Transparency](#)

[Information &
service delivery](#)



Preparation Instructions

Municipality Name:

DC45 John Taolo Gaetsewe

CFO Name:

Galaletsang Moroane

Tel:

053 712 8760

Fax:

053 712 2502

E-Mail:

moroaneg@taologaeitsewe.gov.za

Budget for MTREF starting:

2013

Budget Year: 2013/14

Does this municipality have Entities?

Yes

If YES: Identify type of report:

Consolidated Information

Name, Votes & Sub-Votes

Printing Instructions

Showing / Hiding Columns

Hide: Pre-audit columns on all sheets

Hide: Reference columns on all sheets

Showing / Clearing Highlights

Clear Highlights on all sheets

Important information which provide essential assistance

[MFMA Budget Circulars](#)

[Click to view](#)

[MBRR Budget Formats Guide](#)

[Click to view](#)

[Dummy Budget Guide](#)

[Click to view](#)

[Funding Compliance Guide](#)

[Click to view](#)

[MFMA Return Forms](#)

[Click to view](#)

Organisational Structure Votes	Complete Votes & Sub-Votes	Select Org. Structure
Vote 1 - Office of the Municipal Manager Vote 2 - Office of the Executive Mayor Vote 3 - Budget and Treasury Office Vote 4 - HR and Corporate Services Vote 5 - Community Development Services Vote 6 - Basic Services and Infrastructure Vote 7 - Development and Planning Vote 8 - [NAME OF VOTE 8] Vote 9 - [NAME OF VOTE 9] Vote 10 - [NAME OF VOTE 10] Vote 11 - [NAME OF VOTE 11] Vote 12 - [NAME OF VOTE 12] Vote 13 - [NAME OF VOTE 13] Vote 14 - [NAME OF VOTE 14] Vote 15 - [NAME OF VOTE 15]	Vote 1 Office of the Municipal Manager 1.1 Office of the MM 1.2 IDPP/MS Unit 1.3 Internal Audit Unit 1.4 MSIG 1.5 Risk Management Unit 1.6 Equitable Share 1.7 1.8 1.9 1.10 Vote 2 Office of the Executive Mayor 2.1 Office of the Mayor and Speaker 2.2 2.3 2.4 2.5 2.6 2.7 2.8 2.9 2.10 Vote 3 Budget and Treasury Office 3.1 Budget and Treasury Office 3.2 Finance Management Grant 3.3 Levy Replacement Grant 3.4 3.5 3.6 3.7 3.8 3.9 3.10 Vote 4 HR and Corporate Services 4.1 Corporate Services 4.2 Library Development Programme 4.3 4.4 4.5 4.6 4.7 4.8 4.9 4.10 Vote 5 Community Development Services	1.1 - Office of the MM 1.2 - IDPP/MS Unit 1.3 - Internal Audit Unit 1.4 - MSIG 1.5 - Risk Management Unit 1.6 - Equitable Share 2.1 - Office of the Mayor and Speaker 3.1 - Budget and Treasury Office 3.2 - Finance Management Grant 3.3 - Levy Replacement Grant 4.1 - Corporate Services 4.2 - Library Development Programme

5.1 Environmental Health
 5.2 Disaster Management
 5.3 Near System
 5.4 Fire Grant
 5.5 Fire Grant
 5.6 Equitable Share
 5.7
 5.8
 5.9
 5.10

5.1 - Environmental Health
 5.2 - Community Health
 5.3 - Disaster Management
 5.4 - Near System
 5.5 - Fire Grant
 5.6 - Equitable Share

Vote 6 Basic Services and Infrastructure

6.1 PMU
 6.2 Housing Unit
 6.3
 6.4
 6.5
 6.6
 6.7
 6.8
 6.9
 6.10

6.1 - Basic Services and Infrastructure
 6.2 - Workshop
 6.3 - Roads
 6.4 - Mainroad Maintenance

Vote 7 Development and Planning

7.1 LED
 7.2 EPWP Integrated Grant
 7.3
 7.4
 7.5
 7.6
 7.7
 7.8
 7.9
 7.10

7.1 - LED
 7.2 - EPWP Integrated Grant

Vote 8 [NAME OF VOTE 8]

8.1 [Name of sub-vote]
 8.2 [Name of sub-vote]
 8.3 [Name of sub-vote]
 8.4 [Name of sub-vote]
 8.5 [Name of sub-vote]
 8.6 [Name of sub-vote]
 8.7 [Name of sub-vote]
 8.8 [Name of sub-vote]
 8.9 [Name of sub-vote]
 8.10 [Name of sub-vote]

8.1 - [Name of sub-vote]

Vote 9 [NAME OF VOTE 9]

9.1 [Name of sub-vote]
 9.2 [Name of sub-vote]
 9.3 [Name of sub-vote]
 9.4 [Name of sub-vote]

9.1 - [Name of sub-vote]

9.5 [Name of sub-vote]
 9.6 [Name of sub-vote]
 9.7 [Name of sub-vote]
 9.8 [Name of sub-vote]
 9.9 [Name of sub-vote]
 9.10 [Name of sub-vote]

Vote 10 [NAME OF VOTE 10]

10.1 [Name of sub-vote]
 10.2 [Name of sub-vote]
 10.3 [Name of sub-vote]
 10.4 [Name of sub-vote]
 10.5 [Name of sub-vote]
 10.6 [Name of sub-vote]
 10.7 [Name of sub-vote]
 10.8 [Name of sub-vote]
 10.9 [Name of sub-vote]
 10.10 [Name of sub-vote]

Vote 11 [NAME OF VOTE 11]

11.1 [Name of sub-vote]
 11.2 [Name of sub-vote]
 11.3 [Name of sub-vote]
 11.4 [Name of sub-vote]
 11.5 [Name of sub-vote]
 11.6 [Name of sub-vote]
 11.7 [Name of sub-vote]
 11.8 [Name of sub-vote]
 11.9 [Name of sub-vote]
 11.10 [Name of sub-vote]

Vote 12 [NAME OF VOTE 12]

12.1 [Name of sub-vote]
 12.2 [Name of sub-vote]
 12.3 [Name of sub-vote]
 12.4 [Name of sub-vote]
 12.5 [Name of sub-vote]
 12.6 [Name of sub-vote]
 12.7 [Name of sub-vote]
 12.8 [Name of sub-vote]
 12.9 [Name of sub-vote]
 12.10 [Name of sub-vote]

Vote 13 [NAME OF VOTE 13]

13.1 [Name of sub-vote]
 13.2 [Name of sub-vote]
 13.3 [Name of sub-vote]
 13.4 [Name of sub-vote]
 13.5 [Name of sub-vote]
 13.6 [Name of sub-vote]
 13.7 [Name of sub-vote]
 13.8 [Name of sub-vote]

10.1 - [Name of sub-vote]

11.1 - [Name of sub-vote]

12.1 - [Name of sub-vote]

13.1 - [Name of sub-vote]

13.9 [Name of sub-vote]
13.10 [Name of sub-vote]

Vote 14 [NAME OF VOTE 14]

14.1 [Name of sub-vote]
14.2 [Name of sub-vote]
14.3 [Name of sub-vote]
14.4 [Name of sub-vote]
14.5 [Name of sub-vote]
14.6 [Name of sub-vote]
14.7 [Name of sub-vote]
14.8 [Name of sub-vote]
14.9 [Name of sub-vote]
14.10 [Name of sub-vote]

Vote 15 [NAME OF VOTE 15]

15.1 [Name of sub-vote]
15.2 [Name of sub-vote]
15.3 [Name of sub-vote]
15.4 [Name of sub-vote]
15.5 [Name of sub-vote]
15.6 [Name of sub-vote]
15.7 [Name of sub-vote]
15.8 [Name of sub-vote]
15.9 [Name of sub-vote]
15.10 [Name of sub-vote]

14.1 - [Name of sub-vote]

15.1 - [Name of sub-vote]

DC45 John Taolo Gaetsewe - Contact Information

A. GENERAL INFORMATION	
Municipality	DC45 John Taolo Gaetsewe
Grade	1 Grade in terms of the Remuneration of Public Office Bearers Act.
Province	NC NORTHERN CAPE
Web Address	www.taoloqaetsewe.gov.za
e-mail Address	
B. CONTACT INFORMATION	
Postal address:	
P.O. Box	1480
City / Town	Kuruman
Postal Code	8460
Street address	
Building	
Street No. & Name	4 Federale Mynbou Str
City / Town	Kuruman
Postal Code	8460
General Contacts	
Telephone number	053 712 8700
Fax number	053 712 2502
C. POLITICAL LEADERSHIP	
Speaker:	
Name	SB Gaobusiwe
Telephone number	053 712 8700
Cell number	082 777 1148
Fax number	053 712 2502
E-mail address	gaobusiwe@taoloqaetsewe.gov.za
Secretary/PA to the Speaker:	
Name	P Boorman
Telephone number	053 712 8700
Cell number	0795046768
Fax number	053 712 2502
E-mail address	boormanp@taoloqaetsewe.gov.za
Mayor/Executive Mayor:	
Name	S Mosikatshe
Telephone number	053 712 8700
Cell number	082 777 1145
Fax number	053 712 2502
E-mail address	mosikatses@taoloqaetsewe.gov.za
Secretary/PA to the Mayor/Executive Mayor:	
Name	Nkele Morakeng
Telephone number	053 712 8700
Cell number	072 185 2667
Fax number	053 712 2502
E-mail address	morakengn@taoloqaetsewe.gov.za
Deputy Mayor/Executive Mayor:	
Name	
Telephone number	
Cell number	
Fax number	
E-mail address	
D. MANAGEMENT LEADERSHIP	
Municipal Manager:	
Name	Patience Bokgwathile
Telephone number	053 712 8733
Cell number	
Fax number	053 712 2502
E-mail address	bokgwathilem@taoloqaetsewe.gov.za
Secretary/PA to the Municipal Manager:	
Name	Dorina Van Niekerk
Telephone number	053 712 8731
Cell number	
Fax number	053 712 2502
E-mail address	vanniekerkd@taoloqaetsewe.gov.za
Chief Financial Officer	
Name	Galaletsang Moroane
Telephone number	053 712 8760
Cell number	
Fax number	053 712 2502
E-mail address	moroaneg@taoloqaetsewe.gov.za
Official responsible for submitting financial information	
Name	Galaletsang Moroane
Telephone number	053 712 8760
Cell number	
Fax number	053 712 2502
E-mail address	moroaneg@taoloqaetsewe.gov.za

DC45 John Taolo Gaetsewe - Table A2 Consolidated Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue - Standard										
<i>Governance and administration</i>		89 471	44 777	81 199	64 553	40 979	57 891	40 579	74 421	78 486
Executive and council		55 176	4 391	35 671	8 596	18 399	15 784	16 772	19 830	21 901
Budget and treasury office		-	-	42 829	55 494	9 259	29 027	9 665	43 312	44 698
Corporate services		34 295	40 386	2 698	464	13 321	13 081	14 142	11 278	11 887
<i>Community and public safety</i>		773	827	862	17	16 600	16 588	15 424	16 370	17 254
Community and social services		47	26	9	13	7 334	7 323	9 329	9 152	9 646
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		726	801	853	-	3 333	3 333	6 095	2 911	3 068
Housing		-	-	-	4	5 933	5 932	-	4 306	4 539
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		40 216	52 309	110 484	376	6 756	6 749	6 095	7 541	7 948
Planning and development		466	21	299	376	6 756	6 749	6 095	7 541	7 948
Road transport		39 750	52 288	110 184	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	6 726	-	-	-	-	-	-
Electricity		-	-	4 291	-	-	-	-	-	-
Water		-	-	2 435	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	130 460	97 913	199 271	64 946	64 335	81 228	62 099	98 331	103 688
Expenditure - Standard										
<i>Governance and administration</i>		28 995	31 342	34 927	38 329	34 714	23 225	39 649	41 790	45 046
Executive and council		11 827	9 475	12 990	19 089	14 198	14 991	18 814	19 830	21 901
Budget and treasury office		-	-	10 070	7 032	8 159	2 608	10 134	10 681	11 258
Corporate services		17 168	21 867	11 867	12 208	12 357	5 626	10 700	11 278	11 887
<i>Community and public safety</i>		5 146	8 103	7 414	12 899	12 660	5 880	15 531	16 370	17 254
Community and social services		2 815	5 730	4 590	7 649	7 270	2 677	8 683	9 152	9 646
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		2 331	2 373	2 824	3 107	2 943	2 019	2 762	2 911	3 068
Housing		-	-	-	2 143	2 447	1 184	4 086	4 306	4 539
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		50 739	63 300	117 414	7 027	6 756	2 974	7 154	7 541	7 948
Planning and development		4 666	5 730	7 189	7 027	6 756	2 974	7 154	7 541	7 948
Road transport		46 073	57 570	110 225	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	9 835	-	-	-	-	-	-
Electricity		-	-	3 656	-	-	-	-	-	-
Water		-	-	4 666	-	-	-	-	-	-
Waste water management		-	-	958	-	-	-	-	-	-
Waste management		-	-	554	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	84 880	102 745	169 589	58 255	54 129	32 079	62 334	65 700	70 248
Surplus/(Deficit) for the year		45 580	(4 832)	29 682	6 691	10 205	49 149	(235)	32 631	33 440

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes
2. Total Revenue by standard classification must reconcile to Total Operating Revenue shown in Budgeted Financial Performance (revenue and expenditure)
3. Total Expenditure by Standard Classification must reconcile to Total Operating Expenditure shown in Budgeted Financial Performance (revenue and expenditure)
4. All amounts must be classified under a standard classification (modified GFS). The GFS function 'Other' is only for Abattoirs, Air Transport, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

Other Admin	17 168	21 867	11 867	12 208	12 357	5 626	18 613	14 251	14 669	
Community and public safety	5 146	8 103	7 414	12 899	12 660	5 880	10 889	13 702	14 442	
Community and social services	2 815	5 730	4 590	7 649	7 270	2 677	10 889	7 533	7 940	
Libraries and Archives										
Museums & Art Galleries etc										
Community halls and Facilities										
Cemeteries & Crematoriums										
Child Care										
Aged Care										
Other Community	2 815	5 730	4 590	7 649	7 270	2 677	10 889	7 533	7 940	
Other Social										
Sport and recreation										
Public safety	2 331	2 373	2 824	3 107	2 943	2 019	-	6 168	6 502	
Police										
Fire										
Civil Defence										
Street Lighting										
Other	2 331	2 373	2 824	3 107	2 943	2 019	-	3 500	3 689	
Housing				2 143	2 447	1 184	-	2 668	2 812	
Health										
Clinics										
Ambulance										
Other										
Economic and environmental services	50 739	63 300	117 414	7 027	6 756	2 974	6 095	6 340	6 682	
Planning and development	4 666	5 730	7 189	7 027	6 756	2 974	6 095	6 340	6 682	
Economic Development/Planning	4 666	5 730	7 189	7 027	6 756	2 974	6 095	6 340	6 682	
Town Planning/Building enforcement										
Licensing & Regulation										
Road transport	46 073	57 570	110 225	-	-	-	-	-	-	
Roads	46 073	57 570	110 225							
Public Buses										
Parking Garages										
Vehicle Licensing and Testing										
Other										
Environmental protection										
Pollution Control										
Biodiversity & Landscape										
Other										
Trading services			9 835							
Electricity			3 656							
Electricity Distribution			3 656							
Electricity Generation										
Water			4 666							
Water Distribution			4 666							
Water Storage										
Waste water management			958							
Sewerage			958							
Storm Water Management										
Public Toilets										
Waste management			554							
Solid Waste			554							
Other										
Air Transport										
Abattoirs										
Tourism										
Forestry										
Markets										
PMU				3 232	6 038	4 715	11 865	6 660	6 956	
Total Expenditure - Standard	3	84 880	102 745	169 589	58 255	54 129	32 079	79 602	74 741	78 851
Surplus/(Deficit) for the year		45 580	(4 832)	29 682	6 691	10 205	49 149	0	(0)	0

References

- Government Finance Statistics Functions and Sub-functions are standardised to assist national and international accounts and comparison
- Total Revenue by Standard Classification must reconcile to total operating revenue shown in Financial Performance (revenue and expenditure)
- Total Expenditure by Standard Classification must reconcile to total operating expenditure shown in Financial Performance (revenue and expenditure)
- All amounts must be classified under a Standard (modified GFS) classification. The GFS function 'Other' is only for Abattoirs, Air Transport, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

check oprev balance	32 546 790	-41 302 188	76 779 558	-3 163 300	-6 037 620	28 962 898	-3 107 175	-1 234 305	-1 831 647
check opexp balance	-17 865 691	-62 143 284	24 861 863	-5 974 620	-6 442 674	-2 191	-681	-279	-294

DC45 John Taolo Gaetsewe - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue by Vote	1									
Vote 1 - Office of the Municipal Manager		4 391	578	4 917	5 970	9 710	9 434	11 184	11 788	59 555
Vote 2 - Office of the Executive Mayor		-	35 094	2 317	2 626	8 689	6 349	7 630	8 042	8 477
Vote 3 - Budget and Treasury Office		40 386	42 829	49 924	55 494	9 259	29 027	10 134	43 312	44 698
Vote 4 - HR and Corporate Services		-	3 238	3 131	464	13 321	13 081	10 700	11 278	10 535
Vote 5 - Community Development Services		827	862	916	13	7 334	7 323	8 683	9 152	9 646
Vote 6 - Basic Services and Infrastructure		52 288	109 644	70 267	1 005	11 971	10 964	14 764	15 742	16 529
Rural Transport & Infrastructure Grant		-	-	2 000	-	-	-	-	-	-
Vote 7 - Development and Planning		21	299	164	376	6 756	6 749	8 154	7 541	7 948
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	97 913	192 545	133 636	65 947	67 039	82 927	71 251	106 856	157 388
Expenditure by Vote to be appropriated	1									
Vote 1 - Office of the Municipal Manager		3 309	10 294	10 201	9 810	4 301	11 184	11 788	59 555	-
Vote 2 - Office of the Executive Mayor		9 475	9 681	10 142	9 279	8 689	3 807	7 630	8 042	8 477
Vote 3 - Budget and Treasury Office		21 867	10 070	7 767	7 333	7 780	-	8 457	8 860	9 241
Vote 4 - HR and Corporate Services		-	22 251	13 989	12 400	12 549	5 626	10 904	11 507	10 788
Vote 5 - Community Development Services		7 215	7 413	10 862	9 688	9 928	2 019	9 650	10 123	10 640
Vote 6 - Basic Services and Infrastructure		62 243	27 590	71 864	5 375	8 485	1 660	13 299	14 017	14 774
Rural Transport & Infrastructure Grant		-	92 316	44 574	-	-	-	-	-	-
Vote 7 - Development and Planning		5 730	7 189	6 949	7 027	7 007	2 974	8 154	7 541	7 948
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	109 838	186 804	176 348	60 913	58 738	27 270	69 883	119 645	61 868
Surplus/(Deficit) for the year	2	(11 926)	5 740	(42 712)	5 034	8 301	55 657	1 368	(12 789)	95 520

References

1. Insert 'Vote'; e.g. department, if different to standard classification structure
2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)
3. Assign share in 'associate' to relevant Vote

DC45 John Taolo Gaetsewe - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue by Vote										
Vote 1 - Office of the Municipal Manager		4 391	578	4 917	5 970	9 710	9 434	12 405	13 074	14 780
1.1 - Office of the MM		4 391	20	20	1 009	3 005	2 772	3 948	4 161	4 386
1.2 - IDP/PMS Unit				5	2 151	2 151	2 146	2 496	2 630	3 772
1.3 - Internal Audit Unit				2 832	2 805	3 402	3 363	4 799	5 058	5 331
1.4 - MSIG			558	1 217						
1.5 - Risk Management Unit				843	5	1 152	1 152	1 163	1 225	1 291
1.6 - Equitable Share										
Vote 2 - Office of the Executive Mayor		-	35 094	2 317	2 626	8 689	6 349	8 697	9 180	9 676
2.1 - Office of the Mayor and Speaker			35 094	2 317	2 626	8 689	6 349	8 697	9 180	9 676
Vote 3 - Budget and Treasury Office		40 386	42 829	49 924	55 494	9 259	29 027	11 038	11 535	11 646
3.1 - Budget and Treasury Office		40 386	13 745	19 931	23 485	8 009	(1 105)	11 038	11 535	11 646
3.2 - Finance Mangement Grant			938	28 993	1 250	1 250	(627)			
3.3 - Levy Replacement Grant			28 146	1 000	30 759		30 759			
Vote 4 - HR and Corporate Services		-	3 238	3 131	464	13 321	13 081	18 613	14 251	14 669
4.1 - Corporate Services			384	284	464	13 321	13 081	18 613	14 251	14 669
4.2 - Library Development Programme				170						
Finance and Admin Hotazel			1 602	962						
Vanzylrus			1 252	1 715						
Vote 5 - Community Development Services		827	862	916	13	7 334	7 323	10 889	11 034	11 629
5.1 - Enviromental Health			9	5		6 898	6 898			
5.2 - Community Health					13	15	5	7 568	7 533	7 940
5.3 - Disaster Mngement						421	421	3 321	3 500	3 689
5.4 - Near System			533	350						
5.5 - Fire Grant			320	581						
5.6 - Equitable Share										
Water Monitoring		827								
Vote 6 - Basic Services and Infrastructure		52 288	109 644	70 267	1 005	11 971	10 964	11 865	9 328	9 789
PMU		52 288	3 055	1 871	1 001	6 038	5 032			
Housing Unit			1 399	2 280	4	5 933	5 932	4 218	2 668	2 812
EPWP Incentive				10 818						
Basic Services & Infrastructure			(1)	1				7 647	6 660	6 956
Workshop			2 433	2 806						
Roads			86 349	3 974						
Upgrading of Sportsfield				22 939						
Asbestos Roads				4 869						
Municipal Infrastructure Grant			16 409	16 499						
Integrated National Electrification Grant				4 210						
Rural Transport & Infrastructure Grant				2 000						
John Taolo Projects				6 987						
Housing Project				6 996						
Public Works Project			4 281	5 415						

DC45 John Taolo Gaetsewe - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
Vote 14 - [NAME OF VOTE 14] 14.1 - [Name of sub-vote]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15] 15.1 - [Name of sub-vote]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	97 913	192 545	133 636	65 947	67 039	82 927	79 602	74 741	78 851

DC45 John Taolo Gaetsewe - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Expenditure by Vote										
Vote 1 - Office of the Municipal Manager	1	3 309	10 294	10 201	9 810	4 301	11 184	12 405	13 074	14 780
1.1 - Office of the MM		3 309	2 761	3 213	3 005	1 285	3 080	3 948	4 161	4 386
1.2 - IDP/PMS Unit			1 476	1 991	2 151	765	2 372	2 496	2 630	3 772
1.3 - Internal Audit Unit			3 742	3 832	3 502	1 665	4 614	4 799	5 058	5 331
1.4 - MSIG			1 217							
1.5 - Risk Management Unit			1 098	1 165	1 152	587	1 118	1 163	1 225	1 291
1.6 - Equitable Share										
Vote 2 - Office of the Executive Mayor		9 475	9 681	10 142	9 279	8 689	3 807	8 697	9 180	9 676
2.1 - Office of the Mayor and Speaker		9 475	9 681	10 142	9 279	8 689	3 807	8 697	9 180	9 676
Vote 3 - Budget and Treasury Office		21 867	10 070	7 767	7 333	7 780	-	11 038	11 535	11 646
3.1 - Budget and Treasury Office		21 867	9 132	6 767	6 083	6 620		11 038	11 535	11 646
3.2 - Finance Management Grant			938	1 000	1 250	1 160				
3.3 - Levy Replacement Grant										
Vote 4 - HR and Corporate Services		-	22 251	13 989	12 400	12 549	5 626	18 613	14 251	14 669
4.1 - Corporate Services			22 251	10 383	12 208	12 357	5 626	18 613	14 251	14 669
4.2 - Library Development Programme				170	192	192				
Finance and Admin Hotazel				750						
Vanzylsrus				2 666						
Vote 5 - Community Development Services		7 215	7 413	10 862	9 688	9 928	2 019	10 889	11 034	11 629
5.1 - Environmental Health				60		260				
5.2 - Community Health		7 215		970				7 568	7 533	7 940
5.3 - Disaster Management			1 151	1 750	3 107	2 943	2 019	3 321	3 500	3 689
5.4 - Near System			1 366	1 419	414	414				
5.5 - Fire Grant			306	350	371	515				
5.6 - Equitable Share			4 590	5 246	5 796	5 796				
Water Monitoring				1 067						
Vote 6 - Basic Services and Infrastructure		62 243	27 590	71 864	5 375	8 485	1 660	11 885	9 328	9 769
PMU			2 049	3 615	3 232	6 038	475			
Housing Unit		62 243	1 399	1 980	2 143	2 447	1 184	4 218	2 668	2 812
EPWP Incentive				10 818						
Basic Services & Infrastructure			1 166	207				7 647	6 660	6 956
Workshop			3 084	2 315						
Roads			3 483	4 412						
Upgrading of Sportsfield				22 939						
Asbestos Roads				4 869						
Municipal Infrastructure Grant			16 409	16 499						
Integrated National Electrification Grant				4 210						
Rural Transport & Infrastructure Grant			92 316	44 574						
Rural Transport & Infrastructure Grant				2 000						
John Taolo Projects			72 251	6 872						
Housing Project				6 996						

DC45 John Taolo Gaetsewe - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
Vote 14 - [NAME OF VOTE 14] 14.1 - [Name of sub-vote]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15] 15.1 - [Name of sub-vote]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	109 838	186 804	176 348	60 913	58 738	27 270	79 602	74 741	78 851
Surplus/(Deficit) for the year	2	(11 926)	5 740	(42 712)	5 034	8 301	55 657	-	-	-

References

1. Insert 'Vote'; e.g. Department, if different to standard structure
2. Must reconcile to Financial Performance ('Revenue and Expenditure by Standard Classification' and 'Revenue and Expenditure')
3. Assign share in 'associate' to relevant Vote

DC45 John Taolo Gaotsewe - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue By Source											
Property rates	2	22	866	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	2 594	3 849	-	-	-	-	-	-	-	-
Service charges - water revenue	2	1 876	2 627	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	646	686	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	428	492	-	-	-	-	-	-	-	-
Service charges - other											
Rental of facilities and equipment		57	56	42							
Interest earned - external investments		1 814	1 814	1 840	1 300	300	241		1 000	1 250	1 280
Interest earned - outstanding debtors											
Dividends received											
Fines											
Licences and permits											
Agency services											
Transfers recognised - operational		49 915		108 076	60 961	64 204	50 924		67 214	69 031	72 954
Other revenue	2	40 560	128 825	9 514	5 848	4 768	-		11 388	4 460	4 618
Gains on disposal of PPE						1 100	1 100				
Total Revenue (excluding capital transfers and contributions)		97 913	139 215	119 472	68 109	70 372	52 265	-	79 603	74 741	78 851
Expenditure By Type											
Employee related costs	2	34 029	35 836	45 380	43 013	43 455	28 487	-	48 973	51 618	54 405
Remuneration of councillors		2 878	2 878	3 286	3 900	4 247	2 111	-	4 563	4 809	5 069
Debt impairment	3	-	-	1 846	-	-	-	-	-	-	-
Depreciation & asset impairment	2	4 040	3 766	2 500	1 847	1 006	1 006	-	827	1 352	919
Finance charges		1 634	1 632	378	250	250	150	-	250	264	278
Bulk purchases	2	4 776	5 230	6 500	-	-	-	-	-	-	-
Other materials	8	-	-	-	-	-	-	-	-	-	-
Contracted services		-	-	-	1 000	1 000	185	-	982	558	559
Transfers and grants		80	-	67	786	544	144	46	4 715	2 688	3 584
Other expenditure	4, 5	55 310	115 526	84 770	13 434	10 070	-	-	2 278	624	658
Loss on disposal of PPE									17 014	12 829	13 401
Total Expenditure		102 746	164 888	144 727	64 230	60 572	32 082	46	79 603	74 741	78 852
Surplus/(Deficit)		(4 832)	(25 673)	(25 255)	3 880	9 800	20 184	(46)	(0)	(0)	(0)
Transfers recognised - capital											
Contributions recognised - capital	6	-	-	-	-	-	-	-	3 107	1 234	1 831
Contributed assets				3 019							
Surplus/(Deficit) after capital transfers & contributions		(4 832)	(25 673)	(22 236)	3 880	9 800	20 184	(46)	3 107	1 234	1 831
Taxation											
Surplus/(Deficit) after taxation		(4 832)	(25 673)	(22 236)	3 880	9 800	20 184	(46)	3 107	1 234	1 831
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		(4 832)	(25 673)	(22 236)	3 880	9 800	20 184	(46)	3 107	1 234	1 831
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		(4 832)	(25 673)	(22 236)	3 880	9 800	20 184	(46)	3 107	1 234	1 831

References

1. Classifications are revenue sources and expenditure type
2. Detail to be provided in Table SA1
3. Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment
4. Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item; e.g. employee costs
5. Repairs & maintenance detailed in Table A9 and Table SA34c
6. Contributions are funds provided by external organisations to assist with infrastructure development; e.g. developer contributions (detail to be provided in Table SA1)
7. Equity method

DC45 John Taolo Gaetsewe - Table A5 Consolidated Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Executive Mayor		-	-	-	-	-	-	-	-	-	-
Vote 3 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-	-
Vote 4 - HR and Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 5 - Community Development Services		-	-	-	-	-	-	-	-	-	-
Vote 6 - Basic Services and Infrastructure		-	-	-	-	-	-	-	-	-	-
Vote 7 - Development and Planning		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - Office of the Municipal Manager		-	-	17	80	110	60	-	-	330	363
Vote 2 - Office of the Executive Mayor		10	-	633	550	710	710	-	-	-	-
Vote 3 - Budget and Treasury Office		860	-	250	50	20	20	-	-	-	-
Vote 4 - HR and Corporate Services		-	-	236	235	650	111	-	2 707	904	1 468
Vote 5 - Community Development Services		1 064	-	632	85	30	28	-	-	-	-
Vote 6 - Basic Services and Infrastructure		202	-	2 813	-	3 386	-	-	400	-	-
Vote 7 - Development and Planning		-	-	24	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		2 135	-	4 605	1 000	4 906	927	-	3 107	1 234	1 831
Total Capital Expenditure - Vote		2 135	-	4 605	1 000	4 906	927	-	3 107	1 234	1 831
Capital Expenditure - Standard											
Governance and administration				1 136	915	1 490	901	-	2 707	1 234	1 831
Executive and council		-	-	650	630	820	770	-	-	330	363
Budget and treasury office		-	-	250	50	520	20	-	-	-	-
Corporate services		-	-	236	235	150	111	-	2 707	904	1 468
Community and public safety				632	85	3 416	28	-	-	-	-
Community and social services		-	-	32	85	30	26	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		-	-	600	-	-	-	-	-	-	-
Housing		-	-	-	-	3 386	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services				24	-	-	-	-	400	-	-
Planning and development		-	-	24	-	-	-	-	400	-	-
Road transport		-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services				2 805	-	-	-	-	-	-	-
Electricity		-	-	250	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	2 555	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-
Other		-	-	8	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	3	-	-	4 605	1 000	4 906	927	-	3 107	1 234	1 831
Funded by:											
National Government		-	-	2 555	-	-	-	-	-	-	-
Provincial Government		-	-	600	-	3 886	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	-	-	3 155	-	3 886	-	-	-	-	-
Public contributions & donations	5	-	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	1 450	1 000	1 020	927	-	3 107	1 234	1 831
Total Capital Funding	7	-	-	4 605	1 000	4 906	927	-	3 107	1 234	1 831

References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).
2. Include capital component of PPP unitary payment. Note that capital transfers are only appropriated to municipalities for the budget year
3. Capital expenditure by standard classification must reconcile to the appropriations by vote
4. Must reconcile to supporting table SA20 and to Budgeted Financial Performance (revenue and expenditure)
5. Must reconcile to Budgeted Financial Performance (revenue and expenditure)
6. Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17
7. Total Capital Funding must balance with Total Capital Expenditure
8. Include any capitalised interest (MFMA section 46) as part of relevant capital budget

Vote 9 - [NAME OF VOTE 9] 9.1 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10] 10.1 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11] 11.1 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12] 12.1 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13] 13.1 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14] 14.1 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15] 15.1 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2 135	-	4 605	1 000	4 906	927	-	3 107	1 234	1 831
Total Capital Expenditure	2 135	-	4 605	1 000	4 906	927	-	3 107	1 234	1 831

DC45 John Taolo Gaetsewe - Table A6 Consolidated Budgeted Financial Position

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
ASSETS											
Current assets											
Cash		4 140	26 279	-	1 000	1 000	-	-	-	-	-
Call investment deposits	1	-	-	7 244	11 505	11 505	-	-	36 000	36 180	36 361
Consumer debtors	1	3 375	2 871	2 600	-	-	-	-	-	-	-
Other debtors		14 002	7 842	-	-	-	-	-	1 500	1 000	800
Current portion of long-term receivables		-	-	-	-	-	-	-	-	-	-
Inventory	2	33	31	-	-	-	-	-	-	-	-
Total current assets		21 551	37 023	9 844	12 505	12 505	-	-	37 500	37 180	37 161
Non current assets											
Long-term receivables		-	-	-	-	-	-	-	-	-	-
Investments		4	-	-	-	-	-	-	-	-	-
Investment property		1 365	-	-	-	-	-	-	1 600	1 700	18 000
Investment in Associate		-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	3	87 168	110 461	81 876	75 000	75 000	75 000	-	120 000	122 000	124 000
Agricultural		-	-	-	-	-	-	-	-	-	-
Biological		-	-	-	-	-	-	-	-	-	-
Intangible		343	-	-	-	-	-	-	-	-	-
Other non-current assets		-	-	-	-	-	-	-	-	-	-
Total non current assets		88 879	110 461	81 876	75 000	75 000	75 000	-	121 600	123 700	142 000
TOTAL ASSETS		110 430	147 484	91 720	87 505	87 505	75 000	-	159 100	160 880	179 161
LIABILITIES											
Current liabilities											
Bank overdraft	1	-	-	-	-	-	-	-	-	-	-
Borrowing	4	169	161	163	161	161	161	-	147	142	140
Consumer deposits		-	-	-	-	-	-	-	-	-	-
Trade and other payables	4	16 515	25 244	3 350	2 000	2 000	2 000	-	11 850	3 680	2 400
Provisions		3 296	4 046	-	-	-	-	-	-	-	-
Total current liabilities		19 980	29 451	3 513	2 161	2 161	2 161	-	12 007	3 822	2 540
Non current liabilities											
Borrowing		4 464	4 308	4 272	4 100	4 100	4 100	-	2 500	2 400	22 000
Provisions		12 670	13 689	13 671	10 000	10 000	10 000	-	17 000	18 000	20 000
Total non current liabilities		17 134	17 997	17 943	14 100	14 100	14 100	-	19 500	20 400	42 000
TOTAL LIABILITIES		37 114	47 448	21 456	16 261	16 261	16 261	-	31 507	24 222	44 540
NET ASSETS	5	73 316	100 036	70 264	71 244	71 244	58 739	-	127 593	136 658	134 621
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		17 546	-	-	-	-	-	-	-	-	-
Reserves	4	55 771	-	-	-	-	-	-	12 207	11 100	11 000
Minorities' interests		-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	5	73 316	-	-	-	-	-	-	12 207	11 100	11 000

References

1. Detail to be provided in Table SA3
2. Include completed low cost housing to be transferred to beneficiaries within 12 months
3. Include 'Construction-work-in-progress' (disclosed separately in annual financial statements)
4. Detail to be provided in Table SA3. Includes reserves to be funded by statute.
5. Net assets must balance with Total Community Wealth/Equity

DC45 John Taolo Gaetsewe - Table A7 Consolidated Budgeted Cash Flows

R thousand	Description	Ref	2009/10		2010/11		2011/12		Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	2009/10	Audited Outcome	2010/11	Audited Outcome	2011/12	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15
	CASH FLOW FROM OPERATING ACTIVITIES													
	Receipts													
	Ratepayers and other		153 389			30 204	5 500	5 500	5 500			5 000	6 000	6 000
1	Government - operating					1 186 50	64 114	64 114	72 240			58 815	60 729	64 268
1	Government - capital					3 463	488	488	488					
	Interest					1 000	1 000	1 000	1 000			1 250	1 300	1 350
	Dividends													
	Payments													
	Suppliers and employees		(161 151)			(141 186)	(58 000)	(58 000)	(63 000)			(61 500)	(65 000)	(66 000)
	Finance charges		(1 634)			(385)	(250)	(250)	(250)			(250)	(250)	(250)
1	Transfers and Grants					(10 759)	(12 500)	(12 500)	(12 500)			(380)	(380)	(380)
	NET CASH FROM/(USED) OPERATING ACTIVITIES		(7 582)			987	352	352	3 478			2 935	2 399	4 988
	CASH FLOWS FROM INVESTING ACTIVITIES													
	Receipts													
	Proceeds on disposal of PPE					120	200	200	200					
	Decrease (Increase) in non-current debtors					200								
	Decrease (Increase) other non-current receivables					1 200								
	Decrease (Increase) in non-current investments													
	Payments													
	Capital assets		(2 135)			(1 000)	(900)	(900)	(900)			1 000		
	NET CASH FROM/(USED) INVESTING ACTIVITIES		(2 135)			520	(700)	(700)	(700)			1 000		
	CASH FLOWS FROM FINANCING ACTIVITIES													
	Receipts													
	Short term loans													
	Borrowing long term/refinancing													
	Increase (decrease) in consumer deposits		712											
	Payments													
	Repayment of borrowing													
	NET CASH FROM/(USED) FINANCING ACTIVITIES		712			(380)	(220)	(220)	(220)			250	150	158
	NET INCREASE/ (DECREASE) IN CASH HELD		(9 005)			1 127	(568)	(568)	2 558			4 185	2 549	5 146
2	Cash/cash equivalents at the year begin:		(12 053)		(21 058)	(21 058)	22 185	22 185	22 185			26 120	32 305	34 854
2	Cash/cash equivalents at the year end:		(21 058)		(21 058)	(19 931)	21 617	21 617	24 743			32 305	34 854	40 000

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

DC45 John Taolo Gaetsewe - Table A8 Consolidated Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Cash and Investments available											
Cash/cash equivalents at the year end	1	(21 058)	(21 058)	(19 931)	21 617	24 743	-	22 185	32 305	34 854	40 000
Other current investments > 90 days		25 198	47 337	27 175	(9 112)	(12 238)	-	(22 185)	3 695	1 326	(3 639)
Non current assets - Investments	1	4	-	-	-	-	-	-	-	-	-
Cash and investments available:		4 144	26 279	7 244	12 505	12 505	-	-	36 000	36 180	36 361
Application of cash and investments											
Unspent conditional transfers		12 196	17 675	-	2 500	-	-	-	10 000	2 000	1 000
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	2 600	-	-	-	6 000	7 000	8 000
Other working capital requirements	3	(53 398)	7 569	(4 868)	1 500	2 000	2 000	-	1 041	155	161
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	3 500	-	-	-	3 000	3 500	3 500
Total Application of cash and investments:		(41 202)	25 244	(4 868)	10 100	2 000	2 000	-	20 041	12 655	12 661
Surplus(shortfall)		45 346	1 035	12 112	2 405	10 505	(2 000)	-	15 959	23 525	23 700

References

- 1. Must reconcile with Budgeted Cash Flows
- 2. For example: VAT, taxation
- 3. Council approval for policy required - include sufficient working capital (e.g. allowing for a % of current debtors > 90 days as uncollectable)
- 4. For example: sinking fund requirements for borrowing
- 5. Council approval required for each reserve created and basis of cash backing of reserves

DC45 John Taolo Gaetsewe - Table A9 Consolidated Asset Management

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	6 830	3 926	4 675	1 000	4 906	-	3 107	1 234	1 831
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	250	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	2 555	-	-	-	-	-	-
Infrastructure - Other		6 444	3 019	-	-	-	-	-	-	-
Infrastructure		6 444	3 019	2 805	-	-	-	-	-	-
Community		-	-	600	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	3 386	-	-	-	-
Other assets	6	386	908	1 270	1 000	1 020	-	3 107	1 234	1 831
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	500	-	-	-	-
Total Renewal of Existing Assets	2	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	250	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	2 555	-	-	-	-	-	-
Infrastructure - Other		6 444	3 019	-	-	-	-	-	-	-
Infrastructure		6 444	3 019	2 805	-	-	-	-	-	-
Community		-	-	600	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	3 386	-	-	-	-
Other assets	6	386	908	1 270	1 000	1 020	-	3 107	1 234	1 831
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	500	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	2	6 830	3 926	4 675	1 000	4 906	-	3 107	1 234	1 831
ASSET REGISTER SUMMARY - PPE (WDV)	5									
Infrastructure - Road transport										
Infrastructure - Electricity										
Infrastructure - Water										
Infrastructure - Sanitation										
Infrastructure - Other				72 665	74 000					
Infrastructure				72 665	74 000					
Community				21 055	22 000					
Heritage assets				20	20					
Investment properties		1 365						1 600	1 700	18 000
Other assets				14 156	17 500					
Agricultural Assets										
Biological assets										
Intangibles		343								
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	1 708	-	107 896	113 520	-	-	1 600	1 700	18 000
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		4 040	3 786	2 500	1 847	1 006	1 006	827	1 352	919
Repairs and Maintenance by Asset Class	3	7 000	5 616	-	1 798	1 723	1 521	982	559	559
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	60	60	60	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	60	60	60	-	-	-
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6,7	7 000	5 616	-	1 738	1 663	1 461	982	559	559
TOTAL EXPENDITURE OTHER ITEMS		11 040	9 402	2 500	3 645	2 729	2 527	1 810	1 910	1 478
Renewal of Existing Assets as % of total capex		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Renewal of Existing Assets as % of deprecn"		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M as a % of PPE		8.0%	5.1%	0.0%	2.4%	2.3%	2.0%	0.8%	0.5%	0.5%
Renewal and R&M as a % of PPE		410.0%	0.0%	0.0%	2.0%	0.0%	0.0%	61.0%	33.0%	3.0%

References

- Detail of new assets provided in Table SA34a
- Detail of renewal of existing assets provided in Table SA34b
- Detail of Repairs and Maintenance by Asset Class provided in Table SA34c
- Must reconcile to total capital expenditure on Budgeted Capital Expenditure
- Must reconcile to 'Budgeted Financial Position' (written down value)
- Donated/contributed and assets funded by finance leases to be allocated to the respective category

DC45 John Taolo Gaetsewe - Table A10 Consolidated basic service delivery measurement

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Household service targets	1									
Water:										
Piped water inside dwelling										
Piped water inside yard (but not in dwelling)										
Using public tap (at least min.service level)	2									
Other water supply (at least min.service level)	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>		-	-	-	-	-	-	-	-	-
Total number of households	5									
Sanitation/sewerage:										
Flush toilet (connected to sewerage)										
Flush toilet (with septic tank)										
Chemical toilet										
Pit toilet (ventilated)										
Other toilet provisions (> min.service level)										
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Bucket toilet										
Other toilet provisions (< min.service level)										
No toilet provisions										
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5									
Energy:										
Electricity (at least min.service level)										
Electricity - prepaid (min.service level)										
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Electricity (< min.service level)										
Electricity - prepaid (< min. service level)										
Other energy sources										
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5									
Refuse:										
Removed at least once a week										
<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>		-	-	-	-	-	-	-	-	-
Total number of households	5									
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)										
Sanitation (free minimum level service)										
Electricity/other energy (50kwh per household per month)										
Refuse (removed at least once a week)										
Cost of Free Basic Services provided (R'000)	8									
Water (6 kilolitres per household per month)										
Sanitation (free sanitation service)										
Electricity/other energy (50kwh per household per month)										
Refuse (removed once a week)										
Total cost of FBS provided (minimum social package)		-	-	-	-	-	-	-	-	-
Highest level of free service provided										
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)										
Refuse (average litres per week)										
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)										
Property rates (other exemptions, reductions and rebates)										
Water										
Sanitation										
Electricity/other energy										
Refuse										
Municipal Housing - rental rebates										
Housing - top structure subsidies	6									
Other										
Total revenue cost of free services provided (total social package)		-	-	-	-	-	-	-	-	-

References

1. Include services provided by another entity, e.g. Eskom
2. Stand distance <= 200m from dwelling
3. Stand distance > 200m from dwelling
4. Borehole, spring, rain-water tank etc.
5. Must agree to total number of households in municipal area
6. Include value of subsidy provided by municipality above provincial subsidy level
7. Show number of households receiving at least these levels of services completely free
8. Must reflect the cost to the municipality of providing the Free Basic Service

DC45 John Taolo Gaetsewe - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand											
REVENUE ITEMS:											
Property rates											
Total Property Rates	6	22	866	-	-	-	-	-	-	-	-
less Revenue Foregone											
Net Property Rates		22	866	-	-	-	-	-	-	-	-
Service charges - electricity revenue											
Total Service charges - electricity revenue	6	2 594	3 849	-	-	-	-	-	-	-	-
less Revenue Foregone											
Net Service charges - electricity revenue		2 594	3 849	-	-	-	-	-	-	-	-
Service charges - water revenue											
Total Service charges - water revenue	6	1 876	2 627	-	-	-	-	-	-	-	-
less Revenue Foregone											
Net Service charges - water revenue		1 876	2 627	-	-	-	-	-	-	-	-
Service charges - sanitation revenue											
Total Service charges - sanitation revenue	6	646	686	-	-	-	-	-	-	-	-
less Revenue Foregone											
Net Service charges - sanitation revenue		646	686	-	-	-	-	-	-	-	-
Service charges - refuse revenue											
Total refuse removal revenue	6	426	492	-	-	-	-	-	-	-	-
Total landfill revenue											
less Revenue Foregone											
Net Service charges - refuse revenue		428	492	-	-	-	-	-	-	-	-
Other Revenue by source											
Training		-	128 825	112	150	-	-	-	-	-	-
Telephone Private				323	206	-	-	-	-	-	-
Contribution for shared service				1 158	2 800	2 800	-	4 173	4 385	4 608	
Building Plans				20	360	-	-	-	-	-	
Photostats				33	-	-	-	-	-	-	
Sundries				12	1 402	-	-	-	-	-	
Levies		510									
Other Income Projects		33 871									
Admin Fees				7 830							
Admin Private jobs				3							
Clearanc Certificates				25							
Other Income	3	6 179			930	1 968		7 215	75	10	
Total 'Other' Revenue	1	40 560	128 825	9 514	5 848	4 768	-	11 388	4 460	4 618	
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	34 029	22 075	27 500	30 291	27 844	12 962	33 317	35 116	37 012	
Pension and UIF Contributions			6 930		3 810	6 699	6 699	5 951	6 272	6 611	
Medical Aid Contributions				7 500				2 437	2 569	2 707	
Overtime											
Performance Bonus			1 772	2 484	2 223	2 223	2 221	684	721	760	
Motor Vehicle Allowance			3 997		4 177	4 177	4 100	2 318	2 443	2 575	
Cellphone Allowance								12	12	13	
Housing Allowances			1 052	1 380	1 227	1 227	1 220	1 534	1 617	1 704	
Other benefits and allowances				5 516				2 721	2 868	3 023	
Payments in lieu of leave											
Long service awards					285	285	285				
Post-retirement benefit obligations	4			1 000	1 000	1 000	1 000				
<i>sub-total</i>	5	34 029	35 836	45 380	43 013	43 455	28 487	48 973	51 618	54 405	
Less: Employees costs capitalised to PPE											
Total Employee related costs	1	34 029	35 836	45 380	43 013	43 455	28 487	48 973	51 618	54 405	
Contributions recognised - capital											
CRR								3 107	1 234	1 831	
Total Contributions recognised - capital								3 107	1 234	1 831	
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		4 040	3 786	2 500	1 847	1 006	1 006	827	1 352	919	
Lease amortisation											
Capital asset impairment											
Depreciation resulting from revaluation of PPE	10										
Total Depreciation & asset impairment	1	4 040	3 786	2 500	1 847	1 006	1 006	827	1 352	919	
Bulk purchases											
Electricity Bulk Purchases		4 776	2 206	4 000							
Water Bulk Purchases			3 024	2 500							
Total bulk purchases	1	4 776	5 230	6 500							
Transfers and grants											
Cash transfers and grants		80	-	67	386	144	144	46	150	158	167
Non-cash transfers and grants		-	-	-	400	400	-	-	2 128	466	491
Total transfers and grants	1	80	-	67	786	544	144	46	2 278	624	658

Contracted services													
Insurance				629	815								
Security services				290									
Service agreements													
Provision of Security Services								350	369	389			
Services Agreement								680	500	321			
Develop District wide SMME database								50					
Develop and maintain electronic market system								120	94	99			
Revenue enhancement and management strategy development								250					
Finance System Upgrade and Support								200					
Housing Sector plans and accreditation business plan reviewed and updated								600					
Compilation of Housing Register								1 000		1 000			
Development of Sector Plans													
Rural Road Asset Management								1 465	1 725	1 755			
sub-total	1	-	-	-	919	815	-	-	4 715	2 688	3 564		
Allocations to organs of state:													
Electricity													
Water													
Sanitation													
Other				81	185	185							
Total contracted services				-	-	-	1 000	1 000	185	-	4 715	2 688	3 564
Other Expenditure By Type													
Collection costs													
Contributions to 'other' provisions					70								
Consultant fees					1 200								
Audit fees					1 500								
General expenses	3	55 310	14 725	82 000	1 300	1 782		2 000	2 108	2 222			
Project Cost			100 801		12 134	8 286		15 014	10 721	11 179			
Total 'Other' Expenditure	1	55 310	115 526	84 770	13 434	10 070	-	-	17 014	12 829	13 401		
by Expenditure Item													
Employee related costs	8												
Other materials													
Contracted Services													
Other Expenditure					1 798	1 798	1 790	982	558	559			
Total Repairs and Maintenance Expenditure	9	-	-	-	1 798	1 798	1 790	-	982	558	559		
check		(7 000)	(5 616)	-	(0)	75	269	-	(0)	0			

References

1. Must reconcile with 'Budgeted Financial Performance (Revenue and Expenditure)
2. Must reconcile to supporting documentation on staff salaries
3. Insert other categories where revenue or expenditure is of a material nature (list separate items until 'General expenses' is not > 10% of Total Expenditure)
4. Expenditure to meet any 'unfunded obligations'
5. This sub-total must agree with the total on SA22, but excluding councillor and board member items
6. Include a note for each revenue item that is affected by 'revenue foregone'
7. Special consideration may have to be given to including 'goodwill arising' or 'joint venture' budgets where circumstances require this (include separately under relevant notes)

IC45 John Taolo Gaetsewe - Supporting Table SA2 Consolidated Matrix Financial Performance Budget (revenue source/expenditure type & dept.)

Description	Ref	Vote 1 - Office of the Municipal Manager	Vote 2 - Office of the Executive Mayor	Vote 3 - Budget and Treasury Office	Vote 4 - HR and Corporate Services	Vote 5 - Community Development Services	Vote 6 - Basic Services and Infrastructure	Rural Transport & Infrastructure Grant	Vote 7 - Development and Planning	Vote 9 - [NAME OF VOTE 9]	Vote 10 - [NAME OF VOTE 10]	Vote 11 - [NAME OF VOTE 11]	Vote 12 - [NAME OF VOTE 12]	Vote 13 - [NAME OF VOTE 13]	Vote 14 - [NAME OF VOTE 14]	Vote 15 - [NAME OF VOTE 15]	Total
Thousand	1																
Revenue By Source																	
Property rates																	-
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																	-
Interest earned - external investments				1 000													1 000
Interest earned - outstanding debtors																	-
Dividends received																	-
Fines																	-
Licences and permits																	-
Agency services																	-
Other revenue				1 391	4 200	1 545	4										7 200
Transfers recognised - operational		12 405	8 697	9 647	14 353	9 344	11 861		6 095								71 402
Gains on disposal of PPE																	-
Total Revenue (excluding capital transfers and contribution)		12 405	8 697	11 038	18 613	10 889	11 865	-	6 095	-	-	-	-	-	-	-	79 602
Expenditure By Type																	
Employee related costs		10 485	2 729	7 661	7 913	9 152	6 710		4 991								48 991
Remuneration of councillors			4 563														4 563
Debt Impairment																	-
Depreciation & asset impairment		72	50	226	100	280	84		16								827
Finance charges					250												250
Bulk purchases																	-
Other materials																	-
Contracted services					1 030		1 500		170								2 800
Transfers and grants				100		423	1 500		420								2 443
Other expenditure		1 668	1 358	3 651	9 320	1 034	1 871		528								19 728
Loss on disposal of PPE																	-
Total Expenditure		12 405	8 697	11 038	18 613	10 889	11 865	-	6 095	-	-	-	-	-	-	-	79 602
Surplus/(Deficit)																	
Transfers recognised - capital																	-
Contributions recognised - capital					2 707		400										3 107
Contributed assets																	-
Surplus/(Deficit) after capital transfers & contributions					2 707		400										3 107

References
Departmental columns to be based on municipal organisation structure

DC45 John Taolo Gaetsewe - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand												
1. To provide road and transport services	Rural Roads Asset management system established									1 465	1 725	1 465
	ITP Reviewed									1 300		
	Gamagara LM internal road paving EPWP business plan approved and implemented									5 500	5 500	5 500
	Ga-Segonyana LM internal road paving EPWP business plan approved and implemented									5 500	5 500	5 500
	Joe Morolong LM internal road paving EPWP business plan approved and implemented									5 500	5 500	5 500
2. To provide and manage bulk services	DM appointed as water authority i.e providing bulk water and sanitation services. Bulk services By-laws promulgated, policies and tariffs developed									1 500		
	Dancoon water supply scheme project									7 512		
3. To provide adequate housing to the residents of the district	Housing register compiled and maintained. Housing sector plans and accreditation business plans reviewed and updated.									2 200		
	Mandela day houses constructed									82		
	Special programmes (targeted groups) (16 days of activism against abuse of women and children) houses constructed									82		
	Repairs and renovation of 37 staff houses concluded									160		
4. To establish and maintain community facilities	Ga-Segonyana LM cemetery fencing and cleaning EPWP business plan approved and implemented. Joe Morolong LM cemetery fencing and cleaning EPWP business plan approved and implemented.									5 051		
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	-	-	-	-	-	-	35 652	18 225	17 965

References

Total revenue must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

DC45 John Taolo Gaetsewe - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Provide basic services and manage associated infrastructure of local municipalities	Human Settlement- Compile 3 business plans for housing and a housing needs register by the closing of the 2012/13 financial year. Produce 4 monitoring and quality assurance reports on behalf of local municipalities by the closing of the 2012/13 financial year. Achieve housing accreditation at levels 2 and 3 by the closing of the 2012/13 financial year. Water and Sanitation Produce 4 reports regarding the number of households with access to basic level of water and sanitation by the closing of the 2012/13 financial year. Integrated transport planning Review the Integrated Transport plan by the closing of the 2012/13 financial year. EPWP Implement the EPWP protocol by the closing of the 2012/13 financial year.									2 162	2 269	2 383
										3 206	3 366	3 534
Provide municipal health services as determined by the National Health Act to the total district.	Municipal Health Services Implementation of the 9 MHS functions throughout the district during the 2012/13 financial year. Absorb all environmental health programmes from all local municipalities into the district's programmes by the closing of the 2012/13 financial year. Conduct 4 health awareness campaigns in the district by the closing of the 2012/13 financial year.									6 445	6 767	7 106
										200	150	165
Effectively manage disaster management services in the district	Disaster Management Establish a fully functional Disaster management Centre by the closing of the 2012/13 financial year.									3 107	3 263	3 426
Promote and facilitate Local Economic Development in the district.	LED Annual review of the LED strategy to be finalised by the closing of the 2012/13 financial year (to be Quarterly progress reports (4 per annum) regarding job opportunities created in the district 4 reports per annum regarding the facilitation of the establishment of women and youth cooperatives in all local municipalities in the district. Four reports per annum regarding the promotion of HDIs and SMMEs through procurement opportunities by social partners									423	444	466
										5 429	5 700	5 985
Ensure good governance of the Gaetsewe DM Ensure effective and efficient												
Locations to other priorities												
Total Expenditure			1	-	-	-	-	-	-	20 971	21 960	23 066

References
Total expenditure must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

DC45 John Taolo Gaetsewe - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand		A										
		B										
		C										
		D										
		E										
		F										
		G										
		H										
		I										
		J										
		K										
		L										
		M										
		N										
		O										
		P										
Allocations to other priorities			3									
Total Capital Expenditure			1	-	-	-	-	-	-	-	-	-

References
 Total capital expenditure must reconcile to Budgeted Capital Expenditure
 Goal code must be used on Table SA36

Entity 2: (name of entity)										
Insert measure/s description										
Entity 3: (name of entity)										
Insert measure/s description										
And so on for the rest of the Entities										

- 1. Include a measurable performance objective as agreed with the parent municipality (MFMA s87(5)(d))
- 2. Only include prior year comparative information for individual measures where relevant activity occurred in that year/s

DC45 John Taolo Gaetsewe - Supporting Table SA8 Performance Indicators and benchmarks

Description of financial indicator	Basis of calculation	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	1.6%	1.0%	0.5%	0.7%	0.8%	0.5%	0.0%	0.0%	0.2%	0.2%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	3.4%	1.2%	6.7%	6.6%	7.6%	11.2%	0.0%	0.0%	2.0%	2.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	33.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.6%	0.0%	0.0%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	8.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	20.5%	21.8%	200.0%
Liquidity											
Current Ratio	Current assets/current liabilities	1.1	1.3	2.8	5.8	5.8	-	-	3.1	9.7	14.6
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.1	1.3	2.8	5.8	5.8	-	-	3.1	9.7	14.6
Liquidity Ratio	Monetary Assets/Current Liabilities	0.2	0.9	2.1	5.8	5.8	-	-	3.0	9.5	14.3
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		332.1%	0.0%	330.7%	94.1%	115.4%	0.0%	0.0%	43.9%	134.5%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)			332.1%	0.0%	316.1%	94.1%	115.4%	0.0%	0.0%	43.9%	134.5%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	17.7%	7.7%	2.2%	0.0%	0.0%	0.0%	0.0%	1.9%	1.3%	1.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA' s 65(e))										
Creditors to Cash and Investments		-20.5%	-35.9%	-18.8%	6.9%	8.1%	0.0%	0.0%	5.3%	4.3%	3.0%
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW)										
	Total Cost of Losses (Rand '000)										
Water Distribution Losses (2)	Total Volume Losses (kℓ)										
	Total Cost of Losses (Rand '000)										
Employee costs	Employee costs/(Total Revenue - capital revenue)	34.8%	25.7%	38.0%	63.2%	61.8%	54.5%	0.0%	61.5%	69.1%	69.0%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	44.4%	33.5%	35.4%	59.5%	56.6%	0.0%		68.6%	76.6%	76.2%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	7.1%	4.0%	0.0%	2.6%	2.4%	2.9%		1.2%	0.7%	0.7%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	5.8%	3.8%	2.4%	3.1%	1.8%	2.2%	0.0%	1.4%	2.2%	1.5%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	-	100.9	9.3	5.9	5.9	5.9	-	10.8	4.8	4.9
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	309.0%	124.9%	6132.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	(3.9)	(2.8)	(2.6)	4.8	5.6	-	5 826.0	5.9	6.4	6.9

References

1. Consumer debtors > 12 months old are excluded from current assets
2. Only include if services provided by the municipality

JC45 John Taolo Gaetsewe Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	(21 058)	(21 058)	(19 931)	21 617	24 743	-	22 185	32 305	34 854	40 000
Cash + investments at the yr end less applications - R'000	18(1)b	2	45 346	1 035	12 112	2 405	10 505	(2 000)	-	15 959	23 525	23 700
Cash year end/monthly employee/supplier payments	18(1)b	3	(3.9)	(2.8)	(2.6)	4.8	5.6	-	5 826.0	5.9	6.4	6.9
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	(4 832)	(25 673)	(22 236)	3 880	9 800	20 184	(46)	3 107	1 234	1 831
Service charge rev % change - macro CPIIX target exclusive	18(1)a,(2)	5	N.A.	47.1%	(106.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	332.1%	0.0%	316.1%	94.1%	115.4%	0.0%	0.0%	43.9%	134.5%	129.9%
Debt Impairment expense as a % of total billable revenue	18(1)a,(2)	7	0.0%	0.0%	4354.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital payments % of capital expenditure	18(1)c;19	8	100.0%	0.0%	21.7%	90.0%	18.3%	0.0%	0.0%	(32.2%)	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	33.3%	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.	(38.4%)	(75.7%)	(100.0%)	0.0%	0.0%	0.0%	0.0%	(33.3%)	(20.0%)
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	8.0%	5.1%	0.0%	2.4%	2.3%	2.0%	0.0%	0.8%	0.5%	0.5%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

References

Positive cash balances indicative of minimum compliance - subject to 2

Deduct cash and investment applications (defined) from cash balances

Indicative of sufficient liquidity to meet average monthly operating payments

Indicative of funded operational requirements

Indicative of adherence to macro-economic targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)

Realistic average cash collection forecasts as % of annual billed revenue

Realistic average increase in debt impairment (doubtful debt) provision

Indicative of planned capital expenditure level & cash payment timing

Indicative of compliance with borrowing 'only' for the capital budget - should not exceed 100% unless refinancing

1. Substantiation of National/Province allocations included in budget

1. Indicative of realistic current arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)

2. Indicative of realistic long term arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)

3. Indicative of a credible allowance for repairs & maintenance of assets - functioning assets revenue protection

4. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan) - functioning assets revenue protection

DC45 John Taolo Gaetsewe - Supporting Table SA11 Property rates summary

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Valuation:	1									
Date of valuation:										
Financial year valuation used										
Municipal by-laws s6 in place? (Y/N)	2									
Municipal/assistant valuer appointed? (Y/N)										
Municipal partnership s38 used? (Y/N)										
No. of assistant valuers (FTE)	3									
No. of data collectors (FTE)	3									
No. of internal valuers (FTE)	3									
No. of external valuers (FTE)	3									
No. of additional valuers (FTE)	4									
Valuation appeal board established? (Y/N)										
Implementation time of new valuation roll (mths)										
No. of properties	5									
No. of sectional title values	5									
No. of unreasonably difficult properties s7(2)										
No. of supplementary valuations										
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									
Municipally owned property value (Rm)										
Valuation reductions:										
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)										
Total valuation reductions:		-	-	-	-	-	-	-	-	-
Total value used for rating (Rm)	5									
Total land value (Rm)	5									
Total value of improvements (Rm)	5									
Total market value (Rm)	5									
Rating:										
Residential rate used to determine rate for other categories? (Y/N)										
Differential rates used? (Y/N)	5									
Limit on annual rate increase (s20)? (Y/N)										
Special rating area used? (Y/N)										
Phasing-in properties s21 (number)										
Rates policy accompanying budget? (Y/N)										
Fixed amount minimum value (R'000)										
Non-residential prescribed ratio s19? (%)										
Rate revenue:										
Rate revenue budget (R'000)	6									
Rate revenue expected to collect (R'000)	6									
Expected cash collection rate (%)										
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)										
Total rebates, exemptns, reductns, discs (R'000)		-	-	-	-	-	-	-	-	-

References

- All numbers to be expressed as whole numbers except FTEs and Rates in the Rand
- To give effect to rates policy
- Full Time Equivalent (FTE) should be expressed to one decimal place and takes into account full time and part time staff
- Required to implement new system (FTE)
- Provide relevant information for historical comparisons. Must reconcile to the total of Table SA12
- Current and budget year must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)
- Included in rate revenue budget
- In favour of the rate-payer

DC45 John Taolo Gaetsewe - 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)(a) (note 1)	Protect. Areas	National Monuments	Public benefit organs.	Mining Props.	
Valuation:																		
Current Year 2012/13																		
No. of properties																		
No. of sectional title property values																		
No. of unreasonably difficult properties s7(2)																		
No. of supplementary valuations																		
Supplementary valuation (Rm)																		
No. of valuation roll amendments																		
No. of objections by rate-payers																		
No. of appeals by rate-payers																		
No. of successful objections	5																	
No. of successful objections > 10%	5																	
Estimated no. of properties not valued																		
Years since last valuation (select)																		
Frequency of valuation (select)																		
Method of valuation used (select)																		
Base of valuation (select)																		
Phasing-in properties s21 (number)																		
Combination of rating types used? (Y/N)																		
Flat rate used? (Y/N)																		
Is balance rated by uniform rate/variable rate?																		
Valuation reductions:																		
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)																		
Total valuation reductions:	2																	
Total value used for rating (Rm)		6																
Total land value (Rm)		6																
Total value of improvements (Rm)		6																
Total market value (Rm)		6																
Ratios:																		
Average rate																		
Rate revenue budget (R '000)																		
Rate revenue expected to collect (R'000)																		
Expected cash collection rate (%)																		
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)																		
Total rebates, exemptions, reductions, discs (R'000)																		

References

1. Land & Assistance Act, Restitution of Land Rights, Communal Property Associations
2. Include value of additional reductions is 'free' value greater than MPRA minimum.
3. Average rate - cents in the Rand. Eg 10.26 cents in the Rand is 0.1026, expressed to 6 decimal places maximum
4. Include areas collections
5. In favour of the rate-payer
6. Provide relevant information for historical comparisons.

DC45 John Taolo Gaetsewe - 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 Monuments	Public benefit organs.	Mining Props.
Budget Year 2013/14																	
Valuation:																	
No. of properties																	
No. of sectional title property values																	
No. of unreasonably difficult properties s7(2)																	
No. of supplementary valuations																	
Supplementary valuation (Rm)																	
No. of valuation roll amendments																	
No. of objections 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)																	
Frequency of valuation (select)																	
Method of valuation used (select)																	
Base of valuation (select)																	
Phasing-in properties s21 (number)																	
Combination of rating types used? (Y/N)																	
Flat rate used? (Y/N)																	
Is balance rated by uniform rate/variable rate?																	
Valuation reductions:																	
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)																	
Total valuation reductions:	2																
Total value used for rating (Rm)																	
Total land value (Rm)	6																
Total value of improvements (Rm)	6																
Total market value (Rm)	6																
Rating:																	
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)																	
Total rebates, exemptions, reductions, discs (R'000)																	

References:

1. Land & Assistance Act, Restitution of Land Rights, Communal Property Associations
2. Include value of additional reductions is 'yes' value greater than MPRA minimum.
3. Average rate - cents in the Rand. Eg 10.26 cents in the Rand is 0.1026, expressed to 6 decimal places maximum
4. Include areas collections
5. In favour of the rate-payer
6. Provide relevant information for historical comparisons.

DC45 John Taolo Gaetsewe - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2009/10	2010/11	2011/12	Current Year 2012/13	2013/14 Medium Term Revenue & Expenditure Framework		
							Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Property rates (rate in the Rand)	1								
Residential properties									
Residential properties - vacant land									
Formal/informal settlements									
Small holdings									
Farm properties - used									
Farm properties - not used									
Industrial properties									
Business and commercial properties									
Communal land - residential									
Communal land - small holdings									
Communal land - farm property									
Communal land - business and commercial									
Communal land - other									
State-owned properties									
Municipal properties									
Public service infrastructure									
Privately owned towns serviced by the owner									
State trust land									
Restitution and redistribution properties									
Protected areas									
National monuments properties									
Exemptions, reductions and rebates (Rands)									
Residential properties									
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									
Other rebates or exemptions	2								
Water tariffs									
Domestic									
Basic charge/fixd fee (Rands/month)									
Service point - vacant land (Rands/month)									
Water usage - flat rate tariff (c/kl)									
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)							
Other	2								
Waste water tariffs									
Domestic									
Basic charge/fixd 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)									
Other	2	(fill in structure)							
Electricity tariffs									
Domestic									
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)							
Other	2								
Waste management tariffs									
Domestic									
Street cleaning charge									
Basic charge/ fixed fee									
80l bin - once a week									
250l bin - once a week									

References
 1. If properties are not rated or zero rated this must be indicated as such
 2. Please provide detailed descriptions on Sheet SA13b

DC45 John Taolo Gaetsewe - Supporting Table SA13b Service Tariffs by category - explanatory

Description	Ref	Provide description of tariff structure where appropriate	2009/10	2010/11	2011/12	Current Year 2012/13	2013/14 Medium Term Revenue & Expenditure Framework		
							Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<u>Exemptions, reductions and rebates (Rands)</u> <i>(insert lines as applicable)</i>									
<u>Water tariffs</u> <i>(insert blocks as applicable)</i>		(fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds)							
<u>Waste water tariffs</u> <i>(insert blocks as applicable)</i>		(fill in structure) (fill in structure) (fill in structure) (fill in structure) (fill in structure) (fill in structure) (fill in structure)							
<u>Electricity tariffs</u> <i>(insert blocks as applicable)</i>		(fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds) (fill in thresholds)							

10C45 John Taolo Gaetsewe - Supporting Table SA14 Household bills

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14 % incr.	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Land/cent											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates											
Electricity: Basic levy											
Electricity: Consumption											
Water: Basic levy											
Water: Consumption											
Sanitation											
Refuse removal											
Other											
sub-total		-	-	-	-	-	-	-	-	-	-
VAT on Services											
Total large household bill:		-	-	-	-	-	-	-	-	-	-
% increase/-decrease											
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates											
Electricity: Basic levy											
Electricity: Consumption											
Water: Basic levy											
Water: Consumption											
Sanitation											
Refuse removal											
Other											
sub-total		-	-	-	-	-	-	-	-	-	-
VAT on Services											
Total small household bill:		-	-	-	-	-	-	-	-	-	-
% increase/-decrease											
Monthly Account for Household - 'Indigent' household receiving free basic services	3										
Rates and services charges:											
Property rates											
Electricity: Basic levy											
Electricity: Consumption											
Water: Basic levy											
Water: Consumption											
Sanitation											
Refuse removal											
Other											
sub-total		-	-	-	-	-	-	-	-	-	-
VAT on Services											
Total small household bill:		-	-	-	-	-	-	-	-	-	-
% increase/-decrease											

References
 Use as basis property value of R700 000, 1 000 kWh electricity and 30kl water
 Use as basis property value of R500 000 and R700 000, 500 kWh electricity and 25kl water
 Use as basis property value of R 300 000, 350kWh electricity and 20kl water (50 kWh electricity and 6 kl water free)

DC45 John Taolo Gaetsewe - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		4 876	5 073	5 246	15 000	3 519		36 000	36 180	36 361
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										
Municipality sub-total	1	4 876	5 073	5 246	15 000	3 519	-	36 000	36 180	36 361
Entities										
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										
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		4 876	5 073	5 246	15 000	3 519	-	36 000	36 180	36 361

References
 . Total investments must reconcile to Budgeted Financial Position ('current' call investment deposits plus 'non-current' investments)

DC45 John Taolo Gaetsewe - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity Name of Institution & Investment ID	Ref 1	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	Monetary value	Interest to be realised
		Yrs/Months								Rand thousand	
Parent municipality											
Municipality sub-total										-	-
Entities											
Entities sub-total										-	-
TOTAL INVESTMENTS AND INTEREST	1									-	-

References
 1. Total Investments must reconcile to all items in Table SA15 for the Current Year (30 June)
 2. List Investments in expiry date order

DC45 John Taolo Gaetsewe - Supporting Table SA17 Borrowing

Borrowing - Categorized by type	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
Parent municipality										
Long-Term Loans (annuity/reducing balance)		4 469	4 293	2 499	2 017	2 017		1 628	1 314	1 187
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										
Municipality sub-total	1	4 469	4 293	2 499	2 017	2 017	-	1 628	1 314	1 187
Entities										
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										
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Borrowing	1	4 469	4 293	2 499	2 017	2 017	-	1 628	1 314	1 187

Unspent Borrowing - Categorized by type										
Parent municipality										
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										
Municipality sub-total	1	-	-	-	-	-	-	-	-	-
Entities										
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										
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Unspent Borrowing	1	-	-	-	-	-	-	-	-	-

References

1. Total borrowing must reconcile to Budgeted Financial Position (Borrowing - non-current)

DC45 John Taolo Gaetsewe - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		43 580	52 471	47 896	58 611	2 000	-	63 252	65 784	69 535
Local Government Equitable Share		10 913	48 852	45 856	24 602			26 430	28 861	31 656
RSC Levy Replacement		28 146			30 759			31 682	32 631	33 440
Finance Management		750	1 000	1 250	1 250			1 250	1 250	1 250
EPWP Incentive		3 016	1 869		1 000			1 000		
Municipal Systems Improvement		755	760	790	1 000			890	934	967
Other transfers/grants (insert description)						2 000		2 000	2 108	2 222
Provincial Government:		16 840	2 226	9 075	-	292	-	1 465	1 725	1 755
Sport and Recreation		169	170	192						
Housing		1 048	2 047	1 883		292				
Sport and Recreation		11 579	9	7 000						
Rural Road Asset Management Grant		4 043						1 465	1 725	1 755
District Municipality:		369	329	399	-	-	-	-	-	-
Umsombovu Youth Advisory Centre		369								
Other grant providers:			329	399						
Other grant providers:		1 509	908	762	-	-	-	-	-	-
Near & Fire Grant		852	908	762						
Titan Intern Programme & SETA Training		657								
Total Operating Transfers and Grants	5	62 299	55 934	58 132	58 611	2 292	-	64 717	67 509	71 290
Capital Transfers and Grants										
National Government:		39 858	32 006	-	-	-	-	-	-	-
Regional Bulk Infrastructure		228								
Public Transport and Systems		346								
Main Road Maintenance & MIG		39 284	32 006							
Provincial Government:		30 955	-	-	-	3 386	-	2 497	630	662
Schools Projects		30 955				3 386		2 497	630	662
District Municipality:		-	-	-	-	-	-	-	-	-
Umsombovu Youth Advisory Centre										
Other grant providers:		18 346	10 422	1 927	-	-	-	-	-	-
Roads Projects		12 606	9 130							
Housing		5 740	1 292	1 927						
Total Capital Transfers and Grants	5	89 159	42 427	1 927	-	3 386	-	2 497	630	662
TOTAL RECEIPTS OF TRANSFERS & GRANTS		151 457	98 361	60 059	58 611	5 678	-	67 214	68 139	71 952

References

Each transfer/grant is listed by name as gazetted together with the name of the transferring department or municipality, donor or other organisation
Amounts actually RECEIVED; not revenue recognised (objective is to confirm grants transferred)

Replacement of RSC levies

Housing subsidies for housing where ownership transferred to organisations or persons outside the control of the municipality

Total transfers and grants must reconcile to Budgeted Cash Flows

Motor vehicle licensing refunds to be included under 'agency' services (Not Grant Receipts)

DC45 John Taolo Gaetsewe - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		43 608	51 897	47 818	63 648	59 832	-	64 717	83 926	72 292
Local Government Equitable Share		10 913	48 852	45 856	21 075	20 905	-	26 430	28 861	31 700
RSC Levy Replacement		28 146			29 864	29 864	-	31 682	32 631	33 440
Finance Management		938	2 449	590	1 250	1 160	-	1 250	1 250	1 250
EPWP Incentive		3 053	280	291	10 669	7 113	-	1 000		
Municipal Systems Improvement		558	317	1 080	790	790	-	890	934	967
Other transfers/grants (insert description)		0					-	3 465	20 250	4 935
Provincial Government:		9 875	6 421	8 960	192	7 000	-	2 497	630	662
Sport and Recreation		184	170	192	192	7 000	-			
Housing		1 393	1 360	1 614			-	1 066		
Sport and Recreation		7 446	4 126	6 248			-			
Near & Fire Grant		852	764	906			-	1 411	630	662
District Municipality:		740	604	569	-	-	-	-	-	-
Umsomboti Youth Advisory Centre		282					-			
Other grant providers:		457	604	569			-			
Other grant providers:		546	-	-	-	-	-	-	-	-
Moshaweng Water Monitoring		214					-			
Tilan Intern Programme & SETA Training		331					-			
Total operating expenditure of Transfers and Grants:		54 769	58 922	57 347	63 840	66 832	-	67 214	84 556	72 954
Capital expenditure of Transfers and Grants										
National Government:		34 278	37 179	707	-	-	-	-	-	-
Regional Bulk Infrastructure							-			
Public Transport and Systems		88	516				-			
Main Road Maintenance & MIG		34 190	36 663	707			-			
Provincial Government:		34 915	180	-	-	-	-	-	-	-
Schools Projects		34 915	180				-			
District Municipality:		-	400	-	-	-	-	-	-	-
Blue dorp green drop			400				-			
Other grant providers:		18 420	14 432	2 732	-	-	-	-	-	-
Roads Projects		14 150	11 723	745			-			
		4 271	2 709	1 987			-			
Total capital expenditure of Transfers and Grants		87 614	52 191	3 439	-	-	-	-	-	-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		142 383	111 113	60 786	63 840	66 832	-	67 214	84 556	72 954

References

Expenditure must be separately listed for each transfer or grant received or recognised

DC45 John Taolo Gaetsewe - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		1 949	6 084	1 249	1 249					
Current year receipts		40 564	62 969	47 896	63 648	59 832		64 717	68 401	72 292
Conditions met - transferred to revenue		42 513	69 053	49 145	64 897	59 832	-	64 717	68 401	72 292
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year		5 865	9 868	2 637	2 254					
Current year receipts		110 893	35 063	11 764	192	7 000		2 497	630	662
Conditions met - transferred to revenue		116 758	44 931	14 401	2 446	7 000	-	2 497	630	662
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year				348	73					
Current year receipts				329						
Conditions met - transferred to revenue				677	73					
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year			348	73						
Current year receipts			329	399						
Conditions met - transferred to revenue			677	473						
Conditions still to be met - transferred to liabilities										
total operating transfers and grants revenue		159 271	114 661	64 696	67 417	66 832	-	67 214	69 031	72 954
total operating transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts					488					
Conditions met - transferred to revenue					488					
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue										
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue										
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue										
Conditions still to be met - transferred to liabilities										
total capital transfers and grants revenue		-	-	-	488	-	-	-	-	-
total capital transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		159 271	114 661	64 696	67 905	66 832	-	67 214	69 031	72 954
TOTAL TRANSFERS AND GRANTS - CTBM		-	-	-	-	-	-	-	-	-

References

Total capital transfers and grants revenue must reconcile to Budgeted Financial Performance and Financial Position; total recurrent grants revenue must reconcile to Budgeted Financial Performance

CTBM = conditions to be met

National Treasury database will require this reconciliation for each transfer/grant

IC45 John Taolo Gaetsewe - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Cash Transfers to other municipalities											
<i>Insert description</i>	1										
Total Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Entities/Other External Mechanisms											
<i>Financial by-laws, policies and tariffs review</i>	2										
Total Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Cash Transfers to other Organs of State											
<i>Contribution to Provincial Tourism</i>	3				86	86	86	46	85	90	94
Total Cash Transfers To Other Organs Of State:		-	-	-	86	86	86	46	85	90	94
Cash Transfers to Organisations											
<i>Contribution to Tourism Associations</i>	4			67	300	58	58		65	69	72
Total Cash Transfers To Organisations		-	-	67	300	58	58	-	65	69	72
Cash Transfers to Groups of Individuals											
<i>Insert description</i>	5	80									
Total Cash Transfers To Groups Of Individuals:		80	-	-	-	-	-	-	-	-	-
TOTAL CASH TRANSFERS AND GRANTS	6	80	-	67	386	144	144	46	150	158	167
Non-Cash Transfers to other municipalities											
<i>RRAMS</i>	1								1 000		
<i>EPWP</i>									500		
<i>Bulk Water & Sanitation - Section 78</i>											
Total Non-Cash Transfers To Municipalities:		-	-	-	-	-	-	-	1 500	-	-
Non-Cash Transfers to Entities/Other External Mechanisms											
<i>Financial Policies and By-laws</i>	2								100		
Total Non-Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	100	-	-
Non-Cash Transfers to other Organs of State											
<i>Comprehensive Rural Development Program</i>	3				200	200			200	211	222
<i>District Growth Development Strategy</i>					200	200					
Total Non-Cash Transfers To Other Organs Of State:		-	-	-	400	400	-	-	200	211	222
Non-Cash Grants to Organisations											
<i>LED Forum</i>	4								70	74	78
Total Non-Cash Grants To Organisations		-	-	-	-	-	-	-	70	74	78
Non-Cash Grants to Groups of Individuals											
<i>Mandela Day House/s constructed</i>	5								172	181	191
<i>Special Programmes (targeted groups) (16 days of activism against abuse of women and children) house/s constructed</i>									86		
Total Non-Cash Grants To Groups Of Individuals:		-	-	-	-	-	-	-	258	181	191
TOTAL NON-CASH TRANSFERS AND GRANTS		-	-	-	400	400	-	-	2 128	466	491
TOTAL TRANSFERS AND GRANTS	6	80	-	67	786	544	144	46	2 278	624	658

References

Insert description listed by municipal name and demarcation code of recipient

Insert description of each entity or external mechanism (an external mechanism may be provided with resources to ensure a minimum level of service)

Insert description of each Organ of State (e.g. transfer to electricity provider to compensate for FBS provided)

Insert description of each other organisation (e.g. charity)

Insert description of each other organisation (e.g. the aged, child-headed households)

All descriptions should separate transfers for 'capital purposes' and 'operating purposes'

DC45 John Taolo Gaotsewe - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		3 286	3 400	3 567	2 134	2 134		2 966	3 147	3 317
Pension and UIF Contributions					315	315		507	534	563
Medical Aid Contributions					283	283		17	18	18
Motor Vehicle Allowance					868	868		761	824	869
Cellphone Allowance					150	150		173	182	182
Housing Allowances										
Other benefits and allowances								89	103	109
Sub Total - Councillors		3 286	3 400	3 567	3 750	3 750	-	4 563	4 608	5 068
% Increase	4		3.6%	4.9%	5.1%	-	(100.0%)	-	5.4%	5.4%
Senior Managers of the Municipality										
Basic Salaries and Wages		3 195	3 450	1 593	8 017	8 017		6 769	7 044	7 397
Pension and UIF Contributions					375	375		886	721	757
Medical Aid Contributions					359	359		188	197	207
Overtime					3 049	3 049				
Performance Bonus								694	728	765
Motor Vehicle Allowance	3	115	137	60	201	201		638	670	704
Cellphone Allowance	3		71	79	855	855				
Housing Allowances	3							73	77	81
Other benefits and allowances	3	136	10	62				82	86	90
Payments in lieu of leave		228	183	25						
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Municipality		3 674	3 850	1 819	12 856	12 856	-	9 070	9 523	9 999
% Increase	4		4.8%	(52.8%)	606.7%	-	(100.0%)	-	5.0%	5.0%
Other Municipal Staff										
Basic Salaries and Wages		21 645	22 543	21 985	14 378	13 743		27 504	28 860	30 324
Pension and UIF Contributions		7 027	5 528	5 006	3 889	3 889		4 553	4 781	5 020
Medical Aid Contributions					1 981	1 881		2 122	2 228	2 340
Overtime					1 128	1 128				
Performance Bonus		1 392	1 598	1 341				1 497	1 562	1 640
Motor Vehicle Allowance	3	3 900	5 813	5 509	970	870		2 215	2 325	2 442
Cellphone Allowance	3							32	12	13
Housing Allowances	3	1 062	1 115	897	1 322	1 322		1 451	1 534	1 611
Other benefits and allowances	3		37	26	139	139		481	505	530
Payments in lieu of leave					285	285				
Long service awards		135	488	590				100	100	100
Post-retirement benefit obligations	6	1 075	1 793	1 582				1 000	1 000	1 000
Sub Total - Other Municipal Staff		35 536	39 414	36 916	23 893	23 257	-	40 936	42 928	45 019
% Increase	4		7.9%	(6.3%)	(35.3%)	(2.7%)	(100.0%)	-	4.9%	4.9%
Total Parent Municipality		43 497	46 664	42 302	40 499	39 863	-	54 568	57 259	60 087
			7.3%	(8.3%)	(4.3%)	(1.6%)	(100.0%)	-	4.9%	4.9%
Board Members of Entities										
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									
Sub Total - Board Members of Entities		-	-	-	-	-	-	-	-	-
% Increase	4		-	-	-	-	-	-	-	-
Senior Managers of Entities										
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									
Sub Total - Senior Managers of Entities		-	-	-	-	-	-	-	-	-
% Increase	4		-	-	-	-	-	-	-	-
Other Staff of Entities										
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									
Sub Total - Other Staff of Entities		-	-	-	-	-	-	-	-	-
% Increase	4		-	-	-	-	-	-	-	-
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS		43 497	46 664	42 302	40 499	39 863	-	54 568	57 259	60 087
% Increase	4		7.3%	(8.3%)	(4.3%)	(1.6%)	(100.0%)	-	4.9%	4.9%
TOTAL MANAGERS AND STAFF	5,7	40 211	43 264	38 735	36 749	36 113	-	50 006	52 451	55 018

References

1. Include 'Loans and advances' where applicable if any reportable amounts until phased compliance with s164 of MFMA achieved
2. s57 of the Systems Act
3. In kind benefits (e.g. provision of living quarters) must be shown as the cost (full market value) to the municipality, as part of the relevant allowance
4. B/A, C/B, D/C, E/C, F/C, G/D, H/D, I/D
5. Must agree to the sub-total appearing on Table A1 (Employee costs)
6. Includes pension payments and employer contributions to medical aid
7. Correct as at 30 June

Column Definitions:

- A, B and C. Audited actual as per the audited financial statements. If audited amounts are unavailable, unaudited amounts must be provided with a note stating these are unaudited
- D. The original budget approved by council for the budget year.
- E. The budget for the budget year as adjusted by council resolution in terms of section 28 of the MFMA.
- F. An estimate of final actual amounts (pre audit) for the current year at the point in time of preparing the budget for the budget year. This may differ from E.
- G. The amount to be appropriated for the budget year.
- H and I. The indicative projection

DC45 John Taolo Gaetsewe - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		3 286	3 400	3 567	2 134	2 134		2 888	3 147	3 317
Pension and UIF Contributions					315	315		507	534	563
Medical Aid Contributions					283	283		17	18	19
Motor Vehicle Allowance					868	868		781	824	866
Cellphone Allowance					150	150		173	182	192
Housing Allowances										
Other benefits and allowances								93	103	108
Sub Total - Councillors		3 286	3 400	3 567	3 750	3 750	-	4 563	4 808	5 068
% Increase	4		3.5%	4.9%	5.1%	-	(100.0%)	-	5.4%	5.4%
Senior Managers of the Municipality										
Basic Salaries and Wages		3 195	3 450	3 593	8 017	8 017		6 708	7 044	7 397
Pension and UIF Contributions					375	375		888	721	757
Medical Aid Contributions					359	359		188	197	207
Overtime					3 049	3 049				
Performance Bonus								694	728	765
Motor Vehicle Allowance	3	115	137	60	201	201		638	670	704
Cellphone Allowance	3		71	79	855	855				
Housing Allowances	3									
Other benefits and allowances	3	136	10	62				73	77	81
Payments in lieu of leave	3	228	183	25				82	88	90
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Municipality		3 674	3 850	3 819	12 856	12 856	-	9 070	9 523	9 999
% Increase	4		4.8%	(52.8%)	606.7%	-	(100.0%)	-	5.0%	5.0%
Other Municipal Staff										
Basic Salaries and Wages		21 845	22 543	21 885	44 376	43 745		27 554	28 680	30 324
Pension and UIF Contributions		7 027	5 528	5 006	3 689	3 689		4 553	4 781	5 020
Medical Aid Contributions					1 981	1 981		2 122	2 228	2 340
Overtime					1 126	1 128				
Performance Bonus		1 392	1 890	1 341				1 487	1 562	1 640
Motor Vehicle Allowance	3	3 900	5 813	5 509	970	970		2 215	2 326	2 442
Cellphone Allowance	3							12	12	13
Housing Allowances	3	1 862	1 115	897	1 322	1 322		1 451	1 534	1 611
Other benefits and allowances	3		37	26	139	139		481	505	530
Payments in lieu of leave	3				285	285				
Long service awards		155	488	590				100	100	100
Post-retirement benefit obligations	6	1 075	1 783	1 562				1 000	1 000	1 000
Sub Total - Other Municipal Staff		36 536	39 414	36 915	23 893	23 257	-	40 836	42 928	45 019
% Increase	4		7.9%	(6.3%)	(35.3%)	(2.7%)	(100.0%)	-	4.9%	4.9%
Total Parent Municipality		43 497	46 664	42 302	40 499	39 863	-	54 568	57 259	60 087
			7.3%	(9.3%)	(4.3%)	(1.6%)	(100.0%)	-	4.9%	4.9%
Board Members of Entities										
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	3									
Payments in lieu of leave	3									
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Board Members of Entities		-	-	-	-	-	-	-	-	-
% Increase	4		-	-	-	-	-	-	-	-
Senior Managers of Entities										
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	3									
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Entities		-	-	-	-	-	-	-	-	-
% Increase	4		-	-	-	-	-	-	-	-
Other Staff of Entities										
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	3									
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Other Staff of Entities		-	-	-	-	-	-	-	-	-
% Increase	4		-	-	-	-	-	-	-	-
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS		43 497	46 664	42 302	40 499	39 863	-	54 568	57 259	60 087
% Increase	4		7.3%	(9.3%)	(4.3%)	(1.6%)	(100.0%)	-	4.9%	4.9%
TOTAL MANAGERS AND STAFF	5,7	40 211	43 264	38 735	36 749	36 113	-	50 008	52 451	55 018

1. Include 'Loans and advances' where applicable if any reportable amounts until phased compliance with s164 of MFMA achieved
 2. s17 of the Systems Act
 3. In kind benefits (e.g. provision of living quarters) must be shown as the cost (full market value) to the municipality, as part of the relevant allowance
 4. B/A, C/B, D/C, E/C, F/C, G/D, H/D, I/D
 5. Must agree to the sub-total appearing on Table A1 (Employee costs)
 6. Includes pension payments and employer contributions to medical aid
 7. Correct as at 30 June

Column Definitions:

A, B and C. Audited actual as per the audited financial statements. If audited amounts are unavailable, unaudited amounts must be provided with a note stating these are unaudited
 D. The original budget approved by council for the budget year.
 E. The budget for the budget year as adjusted by council resolution in terms of section 28 of the MFMA.
 F. An estimate of final actual amounts (pre audit) for the current year at the point in time of preparing the budget for the budget year. This may differ from E.
 G. The amount to be appropriated for the budget year.
 H and I. The indicative projection

DC45 John Taolo Gaetsewe - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2011/12			Current Year 2012/13			Budget Year 2013/14		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)	4	17	6	11	20	6	14	20	6	14
Board Members of municipal entities	5									
Municipal employees										
Municipal Manager and Senior Managers	3	7		7	7	4	3	7	4	3
Other Managers	7	12	11	1	11	10	1	11	10	1
Professionals		8	5	-	3	7	-	8	5	-
Finance		3	2					3	2	
Spatial/town planning										
Information Technology		3	1		3	1		3	1	
Roads		2	2					2	2	
Electricity										
Water										
Sanitation										
Refuse										
Other										
Technicians		1	1	-	2	2	-	2	2	-
Finance										
Spatial/town planning										
Information Technology		1	1	-	1	1	-	1	1	-
Roads										
Electricity										
Water										
Sanitation										
Refuse										
Other					1	1		1	1	
Clerks (Clerical and administrative)		35	30		72	3		72	3	
Service and sales workers										
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators		12	12							
Elementary Occupations		14	13		15	15		15	15	
TOTAL PERSONNEL NUMBERS	9	106	78	19	130	41	18	135	45	18
% Increase					22.6%	(47.4%)	(5.3%)	3.8%	9.8%	-
Total municipal employees headcount	6, 10									
Finance personnel headcount	8, 10									
Human Resources personnel headcount	8, 10									

References

1. Positions must be funded and aligned to the municipality's current organisational structure
2. Full Time Equivalent (FTE). E.g. One full time person = 1FTE. A person working half time (say 4 hours out of 8) = 0.5FTE.
3. s57 of the Systems Act
4. Include only in Consolidated Statements
5. Include municipal entity employees in Consolidated Statements
6. Include headcount (number of persons, Not FTE) of managers and staff only (exclude councillors)
7. Managers who provide the direction of a critical technical function
8. Total number of employees working on these functions

DC45 John Taolo Gaetsewe - Supporting Table SA25 Consolidated budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
Revenue By Source																	
Property rates		5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
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																	
Interest earned - external investments																	
Interest earned - outstanding debtors																	
Dividends received																	
Fines																	
Licences and permits																	
Agency services																	
Transfers recognised - operational		23 252	2 250	204	1 000	18 269	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 250	1 250
Other revenue		50	45	60	80	1 300	95	60	80	1 300	95	60	80	1 300	95	60	80
Gains on disposal of PPE				870													
Total Revenue (excluding capital transfers and contribution)		23 307	2 300	1 139	1 085	19 574	100	65	105	16 645	45	55	15 183	79 603	74 741	78 851	
Expenditure By Type																	
Employee related costs		3 200	3 750	3 400	3 400	4 350	3 500	3 500	3 500	3 500	3 500	3 500	3 500	3 500	3 500	3 500	3 500
Remuneration of councillors		325	325	325	325	325	325	325	325	325	325	325	325	325	325	325	325
Debt impairment																	
Depreciation & asset impairment																	
Finance charges																	
Bulk purchases																	
Other materials																	
Contracted services		137	137	137	137	137	137	137	137	137	137	137	137	137	137	137	137
Transfers and grants																	
Other expenditure		870	1 000	1 000	1 200	1 200	1 200	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000
Loss on disposal of PPE																	
Total Expenditure		4 532	5 212	4 862	5 052	6 012	5 412	4 962	5 330	4 962	4 962	5 112	23 183	79 603	74 741	78 852	
Surplus/(Deficit)		18 775	(2 912)	(3 723)	(3 977)	13 562	(5 312)	(4 897)	(5 225)	11 683	(4 917)	(5 057)	(8 000)	(0)	(0)	(0)	
Transfers recognised - capital																	
Contributions recognised - capital																	
Contributed assets																	
Surplus/(Deficit) after capital transfers & contributions		18 775	(2 912)	(3 723)	(3 977)	13 562	(5 312)	(4 897)	(5 225)	11 683	(4 917)	(5 057)	(8 893)	3 107	1 234	1 831	
Taxation																	
Attributable to minorities																	
Share of surplus/(deficit) of associate																	
Surplus/(Deficit)		18 775	(2 912)	(3 723)	(3 977)	13 562	(5 312)	(4 897)	(5 225)	11 683	(4 917)	(5 057)	(8 893)	3 107	1 234	1 831	

References

1. Surplus (Deficit) must reconcile with Budgeted Financial Performance

DC45 John Taolo Gaetsewe - Supporting Table SA26 Consolidated budgeted monthly revenue and expenditure (municipal vote)

R thousand	Ref	Description	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework						
			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16				
Revenue by Vote																					
		Vote 1 - Office of the Municipal Manager	2	1 000	2	2	2	2	2	2	2	2	2	2	2	2	2	12 405	13 074	14 780	
		Vote 2 - Office of the Executive Mayor	1 023	25	870	1 300	804	20	20	20	20	20	20	20	20	20	20	8 697	9 180	9 676	
		Vote 3 - Budget and Treasury Office	22 229	1 250	1	2	17 465	2	2	2	2	2	2	2	2	2	2	11 038	11 535	11 646	
		Vote 4 - HR and Corporate Services	20	20	204	20	20	20	20	20	20	20	20	20	20	20	20	18 613	14 251	14 669	
		Vote 5 - Community Development Services	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	10 869	11 034	11 629	
		Vote 6 - Basic Services and Infrastructure	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	11 865	9 328	9 769	
		Rural Transport & Infrastructure Grant																			
		Vote 7 - Development and Planning	2	1	2	1 000	1	2	1	1	1	1	1	1	1	1	1	6 095	6 340	6 682	
		Vote 9 - [NAME OF VOTE 9]																			
		Vote 10 - [NAME OF VOTE 10]																			
		Vote 11 - [NAME OF VOTE 11]																			
		Vote 12 - [NAME OF VOTE 12]																			
		Vote 13 - [NAME OF VOTE 13]																			
		Vote 14 - [NAME OF VOTE 14]																			
		Vote 15 - [NAME OF VOTE 15]																			
		Total Revenue by Vote	23 277	2 298	1 080	2 326	18 294	47	55	414	16 663	52	1 355	13 745	79 602	74 741	78 851				
Expenditure by Vote to be appropriated																					
		Vote 1 - Office of the Municipal Manager	750	760	820	830	850	820	860	860	890	890	900	3 155	12 405	13 074	14 780				
		Vote 2 - Office of the Executive Mayor	870	870	870	870	870	870	870	870	870	870	870	(873)	8 697	9 180	9 676				
		Vote 3 - Budget and Treasury Office	700	700	700	700	700	700	700	700	700	700	700	3 338	11 038	11 535	11 646				
		Vote 4 - HR and Corporate Services	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	7 613	18 613	14 251	14 669				
		Vote 5 - Community Development Services	850	850	850	850	850	852	855	850	850	856	880	1 496	10 869	11 034	11 629				
		Vote 6 - Basic Services and Infrastructure	440	440	450	450	450	450	450	450	460	460	460	6 905	11 865	9 328	9 769				
		Rural Transport & Infrastructure Grant																			
		Vote 7 - Development and Planning	640	640	650	650	660	660	660	660	660	660	660	(1 105)	6 095	6 340	6 682				
		Vote 9 - [NAME OF VOTE 9]																			
		Vote 10 - [NAME OF VOTE 10]																			
		Vote 11 - [NAME OF VOTE 11]																			
		Vote 12 - [NAME OF VOTE 12]																			
		Vote 13 - [NAME OF VOTE 13]																			
		Vote 14 - [NAME OF VOTE 14]																			
		Vote 15 - [NAME OF VOTE 15]																			
		Total Expenditure by Vote	5 250	5 280	5 340	5 350	5 380	5 352	5 395	5 390	5 430	5 436	5 470	20 529	79 602	74 741	78 851				
		Surplus/(Deficit) before assoc.	18 027	(2 983)	(4 260)	(3 025)	12 914	(5 305)	(5 341)	(4 977)	11 233	(5 385)	(4 116)	(6 785)							
		Taxation																			
		Attributable to minorities																			
		Share of surplus/ (deficit) of associate																			
		Surplus/(Deficit)	18 027	(2 983)	(4 260)	(3 025)	12 914	(5 305)	(5 341)	(4 977)	11 233	(5 385)	(4 116)	(6 785)							
References																					
1. Surplus (Deficit) must reconcile with Budgeted Financial Performance																					

LC45 John 1 a10 Gaetsewe - Supporting Table SA30 Consolidated budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Cash Receipts by Source															
Property rates															
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															
Interest earned - external investments															
Interest earned - outstanding debtors															
Dividends received															
Fines															
Licences and permits															
Agency services															
Transfer receipts - operational															
Other revenue															
Cash Receipts by Source	23 252	2 250	204	1 000	18 269	8 050	944	944	13 840	944	944	(0)	66 865	69 163	73 049
	944	944	944	944	944	944	944	944	944	944	944	944	11 328	4 331	4 538
Cash Receipts by Source	24 201	3 199	1 153	1 949	19 218	8 999	949	949	14 789	949	949	1 949	79 253	74 874	78 947
Other Cash Flows by Source															
Transfer receipts - capital															
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															
Total Cash Receipts by Source	24 201	3 199	1 153	1 949	19 218	8 999	949	949	14 789	949	949	1 949	79 253	74 874	78 947
Cash Payments by Type															
Employee related costs															
Remuneration of councillors															
Finance charges															
Bulk purchases - Electricity															
Bulk purchases - Water & Sewer															
Other materials															
Contracted services															
Transfers and grants - other municipalities															
Transfers and grants - other															
Other expenditure															
Cash Payments by Type	5 613	5 743	5 743	5 943	9 723	6 193	5 743	5 743	5 743	5 743	5 743	11 345	79 021	74 629	78 689
Other Cash Flows/Payments by Type															
Capital assets															
Repayment of borrowing															
Other Cash Flows/Payments															
Total Cash Payments by Type	5 613	5 743	5 743	5 943	9 723	6 193	5 743	5 743	5 743	5 743	5 743	14 452	82 128	75 863	80 520
NET INCREASE/(DECREASE) IN CASH HELD	18 587	(2 544)	(4 590)	(3 994)	9 495	2 805	(4 794)	(4 794)	9 046	(4 794)	(4 794)	(12 503)	(2 876)	(989)	(1 573)
Cash/cash equivalents at the month/year begin:		18 587	16 043	11 453	7 458	16 953	19 759	14 965	10 170	19 216	14 422	9 627	-	(2 876)	(3 864)
Cash/cash equivalents at the month/year end:	18 587	16 043	11 453	7 458	16 953	19 759	14 965	10 170	19 216	14 422	9 627	(2 876)	(2 876)	(3 864)	(5 437)

DC45 John Taolo Gaetsewe - Supporting Table SA32 List of external mechanisms

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1. Number	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2. R thousand

References

1. Total agreement period from commencement until end
2. Annual value

DC45 John Taolo Gaetsewe - Supporting Table SA33 Contracts having future budgetary implications

Ref	Description	Preceding Years	Current Year 2012/13	2013/14 Medium Term Revenue & Expenditure Framework			Forecast 2016/17	Forecast 2017/18	Forecast 2018/19	Forecast 2019/20	Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Total Contract Value
				Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16								
1,3	R thousand	Total												
2	Parent Municipality:													
	Revenue Obligation By Contract													
	Contract 1													
	Contract 2													
	Contract 3 etc													
	Total Operating Revenue Implication													
2	Expenditure Obligation By Contract													
	Contract 1													
	Contract 2													
	Contract 3 etc													
	Total Operating Expenditure Implication													
2	Capital Expenditure Obligation By Contract													
	Contract 1													
	Contract 2													
	Contract 3 etc													
	Total Capital Expenditure Implication													
	Total Parent Expenditure Implication													
	Entities:													
2	Revenue Obligation By Contract													
	Contract 1													
	Contract 2													
	Contract 3 etc													
	Total Operating Revenue Implication													
2	Expenditure Obligation By Contract													
	Contract 1													
	Contract 2													
	Contract 3 etc													
	Total Operating Expenditure Implication													
2	Capital Expenditure Obligation By Contract													
	Contract 1													
	Contract 2													
	Contract 3 etc													
	Total Capital Expenditure Implication													
	Total Entity Expenditure Implication													

References
 1. Total Implication for all preceding years to be summed and total stated in 'Preceding Years' column
 2. List all contracts with future financial obligations beyond the three years covered by the MTRF (MFMA s33)

DC45 John Taolo Gaetsewe - Supporting Table SA34a Consolidated capital expenditure on new assets by asset class

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		6 444	3 019	2 805	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges		-	-	-	-	-	-	-	-	-
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	250	-	-	-	-	-	-
Generation		-	-	250	-	-	-	-	-	-
Transmission & Reticulation		-	-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	2 555	-	-	-	-	-	-
Reticulation		-	-	2 555	-	-	-	-	-	-
Sewerage purification		-	-	-	-	-	-	-	-	-
Infrastructure - Other		6 444	3 019	-	-	-	-	-	-	-
Waste Management		-	-	-	-	-	-	-	-	-
Transportation		-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other		6 444	3 019	-	-	-	-	-	-	-
Community		-	-	600	-	-	-	-	-	-
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		-	-	600	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	3 386	-	-	-	-
Housing development		-	-	-	-	3 386	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		386	908	1 270	1 000	1 020	-	3 107	1 234	1 831
General vehicles		-	-	-	550	710	-	-	-	-
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	-	-	-	-	-	-	-	-
Computers - hardware/equipment		-	-	-	-	-	490	330	363	
Furniture and other office equipment		-	908	-	450	310	2 617	904	1 458	
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	-	-	-	-	-	-	-	-
Other Buildings		117	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		269	-	1 270	-	-	-	-	-	-
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	500	-	-	-	-
Computers - software & programming		-	-	-	-	500	-	-	-	-
Other (list sub-class)		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	6 830	3 928	4 675	1 000	4 906	-	3 107	1 234	1 831
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-
Fire		-	-	-	-	-	-	-	-	-
Conservancy		-	-	-	-	-	-	-	-	-
Ambulances		-	-	-	-	-	-	-	-	-

References

1. Total Capital Expenditure on new assets (SA34a) plus Total Capital Expenditure on renewal of existing assets (SA34b) must reconcile to total capital expenditure in Budgeted Capital Expenditure
2. Airports, Car Parks, Bus Terminals and Taxi Ranks
3. For example - technology backbones (e.g. fibre optic, WiFi infrastructure) for economic development purposes
4. Work-in-progress/under construction to be budgeted under the respective item
5. Infrastructure includes 'land and buildings required' by that infrastructure and vehicles/plant & equipment used by the service generated by that infrastructure
6. Donated/contributed & leased assets to be included within the respective sub-class

DC45 John Taolo Gaetsewe - Supporting Table SA34d Consolidated Depreciation by asset class

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		1 781	2 525	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges		-	-	-	-	-	-	-	-	-
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		-	-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Sewerage purification		-	-	-	-	-	-	-	-	-
Infrastructure - Other		1 781	2 525	-	-	-	-	-	-	-
Waste Management		-	-	-	-	-	-	-	-	-
Transportation	2	-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other	3	1 781	2 525	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other	9	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		1 765	1 546	4 221	1 408	1 502	-	920	-	-
General vehicles		-	-	-	360	-	-	550	-	-
Specialised vehicles		-	-	-	371	515	-	-	-	-
Plant & equipment		-	-	-	-	-	-	-	-	-
Computers - hardware/equipment		-	-	-	450	760	-	220	-	-
Furniture and other office equipment		10	1 115	4 030	227	227	-	150	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	-	-	-	-	-	-	-	-
Other Buildings		404	431	191	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		1 351	-	-	-	-	-	-	-	-
Agricultural assets		14	14	-	-	-	-	-	-	-
FARMS		14	14	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	80	220	-	80	-	-
Computers - software & programming		-	-	-	80	220	-	80	-	-
Other (list sub-class)		-	-	-	-	-	-	-	-	-
Total Depreciation	1	3 550	4 085	4 221	1 488	1 722	-	1 000	-	-
Specialised vehicles		-	-	-	371	515	-	-	-	-

DC45 John Taolo Gaetsewe - Supporting Table SA35 Consolidated future financial implications of the capital budget

Vote Description	Ref	2013/14 Medium Term Revenue & Expenditure Framework			Forecasts			Present value
		Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	Forecast 2016/17	Forecast 2017/18	Forecast 2018/19	
R thousand								
Capital expenditure	1							
Vote 1 - Office of the Municipal Manager		-	330	363				
Vote 2 - Office of the Executive Mayor		-	-	-				
Vote 3 - Budget and Treasury Office		-	-	-				
Vote 4 - HR and Corporate Services		2 707	904	1 468				
Vote 5 - Community Development Services		-	-	-				
Vote 6 - Basic Services and Infrastructure		400	-	-				
Vote 7 - Development and Planning		-	-	-				
Vote 8 - [NAME OF VOTE 8]		-	-	-				
Vote 9 - [NAME OF VOTE 9]		-	-	-				
Vote 10 - [NAME OF VOTE 10]		-	-	-				
Vote 11 - [NAME OF VOTE 11]		-	-	-				
Vote 12 - [NAME OF VOTE 12]		-	-	-				
Vote 13 - [NAME OF VOTE 13]		-	-	-				
Vote 14 - [NAME OF VOTE 14]		-	-	-				
Vote 15 - [NAME OF VOTE 15]		-	-	-				
<i>List entity summary if applicable</i>								
Total Capital Expenditure		3 107	1 234	1 831	-	-	-	-
Future operational costs by vote	2							
Vote 1 - Office of the Municipal Manager								
Vote 2 - Office of the Executive Mayor								
Vote 3 - Budget and Treasury Office								
Vote 4 - HR and Corporate Services								
Vote 5 - Community Development Services								
Vote 6 - Basic Services and Infrastructure								
Vote 7 - Development and Planning								
Vote 8 - [NAME OF VOTE 8]								
Vote 9 - [NAME OF VOTE 9]								
Vote 10 - [NAME OF VOTE 10]								
Vote 11 - [NAME OF VOTE 11]								
Vote 12 - [NAME OF VOTE 12]								
Vote 13 - [NAME OF VOTE 13]								
Vote 14 - [NAME OF VOTE 14]								
Vote 15 - [NAME OF VOTE 15]								
<i>List entity summary if applicable</i>								
Total future operational costs		-	-	-	-	-	-	-
Future revenue by source	3							
Property rates								
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								
<i>List other revenues sources if applicable</i>								
<i>List entity summary if applicable</i>								
Total future revenue		-	-	-	-	-	-	-
Net Financial Implications		3 107	1 234	1 831	-	-	-	-

References

1. Summarise the total capital cost until capital project is operational (MFMA s19(2)(a))
2. Summary of future operational costs from when projects operational (present value until the end of each asset's useful life) (MFMA s19(2)(b))
3. Summarise the future revenue from when projects are operational, including municipal tax and tariff implications, (present value until the end of asset's useful life)

DC45 John Taolo Gaetsewe - Supporting Table SA36 Consolidated detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2013/14 Medium Term Revenue & Expenditure Framework			Project Information	
										Audited Outcome 2011/12	Current Year 2012/13 Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	Wind location	New or renewal
4 thousand	4			2	6	3	3	5								
Parent municipality:																
List all capital projects grouped by Municipal Vote																
Infrastructure		Retreatment - Sanitation Electricity Retreatment Other				Infrastructure - Sanitation Infrastructure - Electricity	Sewerage purification Generation			2 555 350	3 385	400				New New
Community		Other					General vehicles Specialised vehicles Computers - Hardware/Equipment Furniture and other office equipment Other			500	710	1 350		1 000		New New New New New New New
Other Assets		General Vehicles Specialised Vehicles Computers - Hardware/Equipment Furniture and other office Equipment Other				Other Assets Other Assets Other Assets	General vehicles Specialised vehicles - Fire Computers - Hardware/Equipment Furniture and other office equipment			360 515 760	810	787	904	468		New New New New New New New
Intangibles		Computers - Software & Programming				Intangibles	Computers - Hardware/Equipment			1 270	220	490	330	363		New New
Parent Capital expenditure	1											3 107	1 234	1 831		
Entities:																
List all capital projects grouped by Entity																
Entity A		Water project A														
Entity B		Electricity project B														
Entity Capital expenditure																
Total Capital expenditure										8 737	4 906	3 107	1 234	1 831		
References:																
1. Most reconcile with Budgeted Capital Expenditure																
2. As per Table SA6																
3. As per Table SA34																
4. Projects that fall above the threshold values applicable to the municipality as identified in regulation 13 of the Municipal Budget and Reporting Regulations must be listed individually. Other projects by programme by Vote																

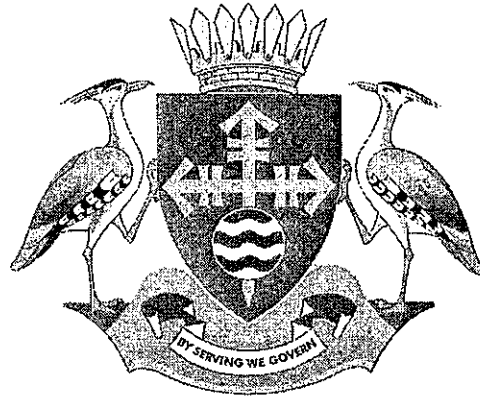
DC-45 John Taolo Gaetsewe - Supporting Table SA37 Consolidated projects delayed from previous financial years

Municipal Vote/Capital project R thousand	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 2012/13		2013/14 Medium Term Revenue & Expenditure Framework			
								Original Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
Parent municipality: List all capital projects grouped by Municipal Vote				Examples	Examples								
Entities: List all capital projects grouped by Municipal Entity													
Entity Name Project name													

References

1. List all projects with planned completion dates in current year that have been re-budgeted in the MTREF
2. Refer MFMA s30
3. As per Table SA34

**JOHN TAOLO GAETSEWE DISTRICT
MUNICIPALITY**



DRAFT BUDGET POLICY

INDEX

	Page
PART 1. OBJECTIVE	3
PART 2. BUDGETING PRINCIPLES TO BE FOLLOWED	3
PART 3. RESPONSIBILITIES OF THE CHIEF FINANCIAL OFFICER	6
PART 4. ANNEXURE: LEGAL REQUIREMENTS	8

PART 1. OBJECTIVE

To set out the budgeting principles which the municipality will follow in preparing each annual budget, as well as the responsibilities of the Chief Financial Officer in compiling such budget.

PART 2. BUDGETING PRINCIPLES TO BE FOLLOWED

Except in so far as capital projects represent a contractual commitment to the municipality extending over more than one financial year, the annual capital budget shall be prepared from a zero base.

The capital budget component of the annual or adjustments budget shall only be approved by the council if it has been properly balanced, that is, if the sources of finance which are realistically envisaged to fund the budget equal the proposed capital expenses.

Before approving the capital budget component of the annual or adjustments budget, the council shall consider the impact on the present and future operating budgets of the municipality in relation to finance charges to be incurred on external loans, depreciation of fixed assets, maintenance of fixed assets, and any other ordinary operational expenses associated with any item on such capital budget.

The council shall establish an asset financing reserve for the purpose of financing capital projects and the acquisition of capital assets. Such reserve shall be established from the following sources of revenue:

- unappropriated cash-backed surpluses to the extent that such surpluses are not required for operational purposes;
- interest on the investments of the asset financing reserve, appropriated in terms of the banking and investments policy;
- further amounts appropriated as contributions in each annual or adjustments budget; and
- net gains on the sale of fixed assets in terms of the fixed asset management and accounting policy.

Each annual and adjustments budget shall reflect realistic excess, however nominal, of current revenues over expenses.

Any unappropriated surplus from previous financial years, even if fully cash-backed, shall not be used to balance any annual or adjustments budget, but shall be appropriated, as far as it is not required to finance the payment of operating creditors or for other operational purposes, to the municipality's asset financing reserve.

An impending operating deficit shall be made good in an adjustments budget, but if an operating deficit arises at the end of a financial year, notwithstanding the precautionary measures adopted by the council, such deficit shall immediately be made good in the annual or adjustments budget for the ensuing financial year, and shall not be offset against any unappropriated surplus carried forward from preceding financial years.

The municipality shall establish and maintain a provision for accrued leave entitlements equal to 100% of the accrued leave entitlement of officials as at 30 June of each financial year, and shall budget appropriately for contributions to such provision in each annual and adjustments budget.

The municipality shall establish and maintain a provision for bad debts in accordance with its rates and tariffs policies, and shall budget appropriately for contributions to such provision in each annual and adjustments budget.

The municipality shall establish and maintain a provision for the obsolescence and deterioration of stock in accordance with its stores management policy, and shall budget appropriately for contributions to such provision in each annual and adjustments budget.

All expenses, including depreciation expenses, shall be cash-funded. The cash received in respect of depreciation expenses on fixed assets financed from external borrowings shall be transferred to the investments created to redeem such borrowings.

Finance charges payable by the municipality shall be apportioned between departments or votes on the basis of the proportion at the last balance sheet date of the carrying value of the fixed assets belonging to such department or vote to the aggregate carrying value of all fixed assets in the municipality. However, where it is the council's policy to raise external loans only for the financing of fixed assets in specified council services, finance charges shall be charged to or apportioned only between the departments or votes relating to such services.

Depreciation and finance charges together shall not exceed 20% of the aggregate expenses budgeted for in the operating budget component of each annual or adjustments budget.

The allocation of interest earned on the municipality's investments shall be budgeted for in terms of the banking and investment policy.

The municipality shall adequately provide in each annual and adjustments budget for the maintenance of its fixed assets in accordance with its fixed asset management and accounting policy. At least 5% of the operating budget component of each annual and adjustments budget shall be set aside for such maintenance.

In the preparation of the draft operating budget component of the annual budget, the allowable budgetary increment shall relate to the total amount provided for each budget vote, and the head of the department, service or function concerned shall have the right to allocate the total budgeted amount to the line-items within such vote, except in so far as the line-item provisions relate to matters determined by the Chief Financial Officer in terms of the municipality's approved policies and contractual and statutory commitments (for example, depreciation charges, finance charges, insurance costs, contribution to the COID, RSC levies payable, skills development levies payable).

Notwithstanding the preceding principle, the budget for salaries, allowances and salaries-related benefits shall be separately prepared, and shall not exceed 30% of the aggregate operating budget component of the annual or adjustments budget. For purposes of applying this principle, the remuneration of political office bearers and other councillors shall be excluded from this limit.

The head of the department, service or function to which each budget vote relates shall justify the allocation of the aggregate budget for such vote to the various line-items within the vote to the portfolio committee responsible for the department, service or function concerned. In motivating the allocations made to and within the vote, the head of department, service or function concerned shall provide the relevant portfolio committee with appropriate quarterly performance indicators and service delivery targets pertaining to the budget. Such indicators and targets shall be prepared with the approval of the Municipal Manager and the Executive Mayor.

In preparing its revenue budget, the municipality shall strive to maintain the aggregate revenues from own sources at not less than 25% of the aggregate revenues budgeted for.

When considering the draft annual budget, the council shall consider the impact, which the proposed increases in rates and service tariffs will have on the monthly municipal accounts of businesses in the municipal area. The impact of such increases shall be assessed on the basis of a fair sample of randomly selected accounts. The council shall ensure that the average

additional impact of such increases is not more than the relevant increase in the consumer price index.

PART 3. RESPONSIBILITIES OF THE CHIEF FINANCIAL OFFICER

Without derogating in any way from the legal responsibilities of the Municipal Manager as accounting officer, the Chief Financial Officer shall be responsible for preparing the draft annual capital and operating budgets (including the budget components required for the ensuing financial years), any required adjustments budgets, the projections of revenues and expenses for the service delivery and budget implementation plan (including the alignment of such projections with the cash management programme prepared in terms of the banking and investments policy), and shall be accountable to the Municipal Manager in regard to the performance of these functions.

The Municipal Manager shall ensure that all heads of departments provide the inputs required by the Chief Financial Officer into these budget processes.

The Chief Financial Officer shall draft the budget timetable for the ensuing financial year for the Executive Mayor's approval, and shall indicate in such timetable the target dates for the draft revision of the annual budget and the preparation of the annual budget for the ensuing financial year, which target dates shall follow the prescriptions of the Municipal Finance Management Act, and target dates for the submission of all the budget-related documentation to the Executive Mayor, Finance Committee, Mayoral Committee and council.

Except where the Chief Financial Officer, with the consent of the Executive Mayor and Municipal Manager, decides otherwise, the sequence in which each annual budget and adjustments budget shall be prepared, shall be: first, the capital component, and second, the operating component. The operating component shall duly reflect the impact of the capital component on:

- depreciation charges
- repairs and maintenance expenses
- interest payable on external borrowings
- other operating expenses.

In preparing the operating budget, the Chief Financial Officer shall determine the number and type of votes to be used and the line-items to be shown under each vote, provided that in so doing the Chief Financial Officer shall properly and adequately reflect the organizational structure of the municipality, and further in so doing shall comply – in so far as the organizational structure permits – also with the prescribed budget format of National Treasury.

The Chief Financial Officer shall determine the depreciation expenses to be charged to each vote, the apportionment of interest payable to the appropriate votes, the estimates of withdrawals from (claims) and contributions to (premiums) the self-insurance reserve, and the contributions to the provisions for bad debts, accrued leave entitlements and obsolescence of stocks.

The Chief Financial Officer shall further, with the approval of the Executive Mayor and the Municipal Manager, determine the recommended contribution to the asset financing reserve and any special contributions to the self-insurance reserve.

The Chief Financial Officer shall also, again with the approval of the Executive Mayor and the Municipal Manager, and having regard to the municipality's current financial performance, determines the recommended aggregate growth factor(s) according to which the budgets for the various votes shall be drafted.

The Chief Financial Officer shall compile monthly budget reports, with recommendations, comparing actual results with budgeted projections, and the heads of departments shall timeously and adequately furnish the Chief Financial Officer with all explanations required for deviations from the budget. The Chief Financial Officer shall submit these monthly reports to the Executive Mayor, Finance Committee and Mayoral Committee, and all other prescribed parties, in accordance with the prescriptions of the Municipal Finance Management Act.

The Chief Financial Officer shall provide technical and administrative support to the Executive Mayor in the preparation and approval of the annual and adjustment budgets, as well as in the consultative processes, which must precede the approval of such budgets.

The Chief Financial Officer shall ensure that the annual and adjustments budgets comply with the requirements of the National Treasury reflect the budget priorities determined by the Executive Mayor, are aligned with the IDP, and comply with all budget-related policies, and shall make recommendations to the Executive Mayor on the revision of the IDP and the budget-related policies where these are indicated.

The Chief Financial Officer shall make recommendations on the financing of the draft capital budget for the ensuing and future financial years, indicating the impact of viable alternative financing scenarios on future expenses, and specifically commenting on the relative financial merits of internal and external financing options.

The Chief Financial Officer shall determine the basis for allocating overhead expenses not directly chargeable to votes. The expenses associated with the democratic process shall be allocated to a separate vote, and shall not be charged out as an overhead.

The Chief Financial Officer shall ensure that the cost of indigence relief is separately reflected in the appropriate votes.

The Chief Financial Officer shall ensure that the allocations from other organs of state are properly reflected in the annual and adjustments budget, and that the estimated expenses against such allocations (other than the equitable share) are appropriately recorded.

PART 4. ANNEXURE: LEGAL REQUIREMENTS

Section 15 Appropriation of funds for expenditure

Expenses may only be incurred in terms of the approved annual budget (or adjustments budget) and within the limits of the amounts appropriated for each budget vote.

Section 16 Annual budgets

The Council of the municipality must approve the annual budget before the start of the financial year to which it relates.

The Executive Mayor must table the annual budget at least ninety days before the start of such financial year.

The capital budget may extend over three years, provided that it is separated into annual appropriations for that period.

Section 17 Contents of annual budgets and supporting documents

The budget must be in the prescribed format, and must be divided into a capital and an operating budget.

The budget must reflect the realistically expected revenues by major source for the budget year concerned.

The expenses reflected in the budget must be divided into votes.

The budget must also contain the foregoing information for the two financial years following the financial year to which the budget relates, as well as the actual revenues and expenses for the year before the current year, and the estimated revenues and expenses for the current year.

The budget must be accompanied by all the following documents:

- draft resolutions approving the budget and levying property rates, other taxes and tariffs for the financial year concerned;
- draft resolutions (where applicable) amending the IDP and the budget-related policies;
- measurable performance objectives for each budget vote, taking into account the municipality's IDP;
- the projected cash flows for the financial year by revenue sources and expenditure votes;
- any proposed amendments to the IDP;
- any proposed amendments to the budget-related policies;
- the cost to the municipality of the salaries, allowances and other benefits of its political office bearers and other councillors, the Municipal Manager, the Chief Financial Officer, and other senior managers;
- particulars of any proposed allocations or grants to other municipalities, municipal entities, external mechanisms assisting the municipality in service delivery, other organs of state, and organizations such as NGOs, welfare institutions and so on;
- particulars of the municipality's investments; and
- various information in regard to municipal entities under the shared or sole control of the municipality.

Section 18 Funding of expenditures

The budget may be financed only from:

- realistically expected revenues, based on current and previous collection levels;
- cash-backed funds available from previous surpluses where such funds are not required for other purposes; and
- borrowed funds in respect of the capital budget only.

Section 19 Capital projects

A municipality may spend money on a capital project only if the money for the project (including the cost of any required feasibility studies) has been appropriated in the capital budget.

The total cost of the project must also be approved by the Council.

The envisaged sources of funding for the capital budget must be properly considered, and the Council must be satisfied that this funding is available and has not been committed for other purposes.

Before approving a capital project, the Council must consider the projected cost of the project over all the ensuing financial years until the project becomes operational, as well as the future operational costs and any revenues which may arise in respect of such project, including the likely future impact on property rates and service tariffs.

Section 20 Matters to be prescribed

The Minister of Finance must prescribe the form of the annual budget, and may further prescribe a variety of other matters, including the inflation projections which the municipality must use in compiling its budget.

The Minister may also prescribe uniform norms and standards in regard to the setting of tariffs where a municipality entity or other external mechanisms is used to perform a municipal service; and may also take appropriate steps to ensure that a municipality does not, in exceeding its fiscal powers, materially and unreasonably prejudice national economic policies (particularly on inflation, administered pricing and equity), economic activities across municipal boundaries, and the national mobility of goods, services, capital or labour.

Section 21 Budget preparation process

The Executive Mayor of the municipality must:

- Co-ordinate the processes for preparing the annual budget, and for reviewing the municipality's IDP and budget-related policies to ensure that the budget, the IDP, and the policies are mutually consistent and credible.
- At least ten months before the start of the ensuing financial year, table in the Council the time schedule with key deadlines for the preparation, tabling and approval of the following year's annual budget, the review of the IDP and budget-related policies, and the consultative processes required in the approval of the budget.
- When preparing the annual budget, take into account the municipality's IDP, the national budget, provincial budget, the National Government's fiscal and macro-economic policies, and the annual Division of Revenue Act.
- Take all reasonable steps to ensure that the municipality revises its IDP in line with realistic revenue and expenditure projections for future years.
- Consult the district municipality (if it is a local municipality) and all other local municipalities in the district, and all other local municipalities in the district if it is a district municipality.
- Consult the National Treasury when requested, the Provincial Treasury, and such other provincial and national organs of state as may be prescribed.
- Provide, on request, any budget-related information to the National Treasury, other national and provincial organs of state, and any other municipality affected by the budget.

Section 22 Publication of annual budgets

Immediately after the annual budget has been tabled, the Municipal Manager must make this budget and other budget-related documentation public, and must invite the local community to submit representations in regard to such budget.

The Municipal Manager must also immediately submit the tabled budget in both printed and electronic formats to the National Treasury, the Provincial Treasury, and in either format to prescribed national and provincial organs of state and other municipalities affected by the budget.

Section 23 Consultations on tabled budgets

After the budget has been tabled, the Council of the municipality must consider the views of the local community, the National Treasury, the Provincial Treasury, and any provincial or national organs of state or municipalities which have made submissions on the budget.

After considering these views, the Council must give the Executive Mayor the opportunity to respond to the submissions received, and – if necessary – revise the budget and table the relevant amendments for consideration by the Council.

The National Treasury may issue guidelines on the manner in which the Council must process the annual budget, including guidelines on the formation of a committee of the Council to consider the budget and hold public hearings. Such guidelines shall be binding only if they are adopted by the Council.

Section 24 Approval of annual budgets

The Council must consider approval of the budget at least thirty days before the start of the financial year to which such budget relates.

The budget must be approved before the start of such financial year, and the resolutions and performance objectives referred to in Section 17 must simultaneously be adopted.

Section 25 Failure to approve budget before start of budget year

This Section sets out the process which must be followed if the budget is not approved in the normal course of events. Briefly the Council must reconsider and vote on the budget, or an amended version of the budget, every seven days until a budget is approved. The Executive

Mayor must immediately inform the MEC for Local Government if the budget is not adopted by the start of the budget year, and may request a provincial intervention.

Section 26 Consequences of failure to approve budget before start of budget year

The provincial executive must intervene in any municipality which has not approved its annual budget by the start of the relevant financial year. Such intervention must entail the taking of any appropriate steps to ensure a budget is approved, including dissolving the Council and appointing an administrator until a new Council can be elected, and approving a temporary budget until such new Council can adopt a permanent budget for the municipality. The Section also imposes restrictions on what may be spent in terms of such temporary budget.

Section 27 Non-compliance with provisions of this chapter

This Section sets out the duties of the Executive Mayor to report any impending non-compliance and the general consequences of non-compliance with the requirements of the various foregoing prescriptions.

Section 28 Municipal adjustments budgets

A municipality may revise its annual budget by means of an adjustments budget.

However, a municipality must promptly adjust its budgeted revenues and expenses if a material under-collection of revenues arises or is apparent.

A municipality may appropriate additional revenues which have become available but only to revise or accelerate spending programmes already budgeted for.

A municipality may in such adjustments budget, and within the prescribed framework, authorize unforeseen and unavoidable expenses on the recommendation of the Executive Mayor.

A municipality may authorize the utilization of projected savings on any vote towards spending under another vote.

Municipalities may also authorize the spending of funds unspent at the end of the previous financial year, where such under-spending could not reasonably have been foreseen at the time the annual budget was approved by the Council.

Only the Executive Mayor of the municipality may table an adjustments budget. Such budget may be tabled whenever necessary, but limitations on the timing and frequency of such tabling may be prescribed.

An adjustments budget must contain all of the following:

- an explanation of how the adjustments affect the approved annual budget;
- appropriate motivations for material adjustments; and
- an explanation of the impact of any increased spending on the current and future annual budgets.

Municipal taxes and tariffs may not be increased during a financial year except if required in terms of a financial recovery plan.

Section 29 Unforeseen and unavoidable expenditure

In regard to unforeseen and unavoidable expenses, the following apply:

- the Executive Mayor may authorize such expenses in an emergency or other exceptional circumstances;
- the municipality may not exceed a prescribed percentage of the approved annual budget in respect of such unforeseen and unavoidable expenses;
- these expenses must be reported by the Executive Mayor to the next Council meeting;
- the expenses must be appropriated in an adjustments budget; and
- the adjustments budget must be passed within sixty days after the expenses were incurred.

Section 30 Unspent funds

The appropriation of funds in an annual or adjustments budget will lapse to the extent that they are unspent by the end of the relevant budget year, but except for the expenses referred to above in Section 16.

Section 31 Shifting of funds between multi-year appropriations

If the funds for a capital project have been appropriated for more than one financial year (see Section 16) these expenses may exceed the appropriation for any one financial year, provided:

- the increase is not more than 20% of that financial year's allocation;
- the increase is funded in the next financial year's appropriations;
- the Municipal Manager certifies that actual revenues are expected to exceed budgeted revenues, and that enough funds will be available to finance such increased appropriation without incurring further borrowing beyond the annual budget limit;
- the Executive Mayor gives prior written approval for such increased appropriation; and
- all the above documentation is provided to the Auditor-General.

Section 32 Unauthorised, irregular or fruitless and wasteful expenditure

Unauthorized expenses may be authorized in an adjustments budget.

Section 33 Contracts having future budgetary implications

Contracts extending beyond one financial year may be entered into by a municipality, but if such contract extends beyond the three years covered in the annual budget, the municipality may enter into such contract only if:

- The Municipal Manager, at least sixty days before the Council meeting at which the contract is to be approved, has made the contract public, with an information statement summarizing the municipality's obligations, and inviting the local community and other interested parties to submit comments or make representations.
- The Municipal Manager solicits the views and recommendations of the National Treasury and Provincial Treasury in respect to such contract, as well as those of the National Department of Provincial and Local Government, and any national department concerned with water, sanitation or electricity, if the contract relates to any of these services.
- The Council has taken into account the projected financial obligations in regard to such contract, the impact on tariffs, and the views and comments received from all the foregoing parties.

- The Council adopts a resolution determining that the municipality will secure a significant capital investment or derives a significant financial or economic benefit from the contract, and approves the entire contract exactly as it is to be executed.

A contract for purposes of this Section shall exclude any contract relating to the incurring of long-term debt by the municipality, employment contracts, contracts for categories of goods as may be prescribed, or contracts where the value of the contract is less than a prescribed value or a prescribed percentage of the annual budget.

Section 53 Budget processes and related matters

The Executive Mayor of the municipality must:

- Provide general political guidance over the annual budget process and the priorities that guide the preparation of each budget.
- Co-ordinate the annual revision of the IDP, as well as the preparation of the annual budget, and determine how the IDP is to be taken into account or is to be revised for purposes of such budget.
- Take all reasonable steps to ensure that the Council approves the annual budget before the start of the financial year to which it relates, and that the municipality's service delivery and budget implementation plan is approved within twenty-eight days after the approval of the budget.
- Ensure that the annual performance agreements for the Municipal Manager and the senior managers of the municipality are linked to measurable performance objectives which are approved with the budget and the service delivery and budget implementation plan.

The Executive Mayor must promptly report to the Council and the MEC for Local Government any delay in tabling the annual budget, approving the service delivery and budget implementation plan or signing the annual performance agreements.

The Executive Mayor must further ensure that the service delivery targets and quarterly performance indicators, and the monthly projections of revenues and expenses in the service

delivery and budget implementation plan, are made public not later than fourteen days after these matters have been approved; and that the performance agreements of the Municipal Manager and other senior officials are similarly made public not later than fourteen days after their approval.

Section 68 Budget preparation

The Municipal Manager must assist the Executive Mayor in performing the assigned budgetary functions and must provide the Executive Mayor with administrative support, operational resources and the information necessary to perform these functions.

Section 69 Budget implementation

The Municipal Manager is responsible for implementing the budget, and must take reasonable steps to ensure that:

- funds are spent in accordance with the budget;
- expenses are reduced if expected revenues are less than projected; and
- revenues and expenses are properly monitored.

The Municipal Manager must prepare any adjustments budget when such budget is necessary and submit it to the Executive Mayor for consideration and tabling in Council.

The Municipal Manager must submit a draft service delivery and budget implementation plan to the Executive Mayor fourteen days after the annual budget has been approved, and must also within the same period submit drafts of the annual performance agreements to the Executive Mayor.

Section 70 Impending shortfalls, overspending and overdrafts

The Municipal Manager must report in writing to the Council any impending shortfalls in the annual revenue budget, as well as any impending overspending, together with the steps taken to prevent or rectify these problems.

Section 71 Monthly budget statements

The Municipal Manager must, not later than ten working days after the end of each calendar month, submit to the Executive Mayor and Provincial Treasury a report in the prescribed format

on the state of the municipality's budget for such calendar month, as well as on the state of the budget cumulatively for the financial year to date.

This report must reflect the following:

- actual revenues per source, compared with budgeted revenues;
- actual expenses per vote, compared with budgeted expenses;
- actual capital expenditure per vote, compared with budgeted expenses;
- actual borrowings, compared with the borrowings envisaged to fund the capital budget;
- the amount of allocations received, compared with the budgeted amount;
- actual expenses against allocations, but excluding expenses in respect of the equitable share;
- explanations of any material variances between the actual revenues and expenses as indicated above and the projected revenues by source and expenses by vote as set out in the service delivery and budget implementation plan;
- the remedial or corrective steps to be taken to ensure that the relevant projections remain within the approved or revised budget; and
- projections of the revenues and expenses for the remainder of the financial year, together with an indication of how and where the original projections have been revised.

The report to the National Treasury must be both in electronic format and in a signed written document.

Section 54 Budgetary control and early identification of financial problems

On receipt of the report from the Municipal Manager, the Executive Mayor must:

- consider the report;
- check whether the budget has been implemented in accordance with the service delivery and budget implementation plan;
- issue appropriate instructions to the Municipal Manager to ensure that the budget is implemented in accordance with this plan, and that the spending of funds and the collection of revenues proceed in accordance with the approved budget;
- identify any financial problems facing the municipality, as well as any emerging or impending financial problems; and
- submit to the Council within thirty days of the end of each quarter a report on the implementation of the budget and the financial state of affairs of the municipality.

If the municipality faces any serious financial problems, the Executive Mayor must:

- promptly respond to and initiate the remedial or corrective steps proposed by the Municipal Manager, and
- alert the MEC for Local Government and the Council of the municipality to the problems concerned.

The Executive Mayor may revise the details of the service delivery and budget implementation plan, but any revisions to the service delivery targets and quarterly performance indicators must be approved by the Council, and be supported by an adjustments budget. Any changes made to the projections of revenues and expenses as set out in the plan must promptly be made public.

Section 55 Report to provincial executive if conditions for provincial intervention exist

If the Council has not approved its annual budget by the first day of the financial year to which it relates, or if the municipality encounters serious financial problems, the Executive Mayor must immediately report this matter to the MEC for Local Government and may recommend a provincial intervention.

Section 72 Mid-year budget and performance assessment

The Municipal Manager must assess the budgetary performance of the municipality for the first half of the financial year, taking into account all the monthly budget reports for the first six months, the service delivery performance of the municipality as against the service delivery targets and performance indicators which were set in the service delivery and budget implementation plan, and the past financial year's annual report and the progress made in resolving problems identified in such report.

The Municipal Manager must then submit a report on such assessment to the Executive Mayor, the National Treasury and the Provincial Treasury.

The Municipal Manager may in such report make recommendations for adjusting the annual budget and for revising the projections of revenues and expenses set out in the service delivery and budget implementation plan.

In terms of Section 54(1)(f) the Executive Mayor must promptly submit this assessment report to the Council of the municipality.

Section 73 Reports on failure to adopt or implement budget-related and other policies

The Municipal Manager must inform the Provincial Treasury, in writing, of any failure by the Council to adopt or implement any budget-related policy or a supply chain management policy, and of any non-compliance by an office bearer or political structure with such policy.

Section 75 Information to be placed on websites of municipalities

The Municipal Manager must place on the municipality's official website (inter alia) the following:

- the annual and adjustments budgets and all budget-related documents;
- all budget-related policies;
- the annual report;
- all performance agreements;
- all service delivery agreements;
- all long-term borrowing contracts;
- all quarterly reports submitted to the Council on the implementation of the budget and the financial state of affairs of the municipality.

Section 80 Establishment (of municipal budget and treasury office)

Every municipality must have a budget and treasury office comprising a Chief Financial Officer supported by appointed officials and contracted staff.

Section 81 Role of Chief Financial Officer

The Chief Financial Officer is administratively in charge of the budget and treasury office and must, inter alia,

- assist the Municipal Manager in preparing and implementing the budget;
- perform such budgeting, financial reporting and financial management and review duties as are delegated by the Municipal Manager;
- account to the Municipal Manager for the performance of all the foregoing responsibilities.

Section 83 Competency levels of professional financial officials

The Municipal Manager, senior managers, the Chief Financial Officer and the other financial officials in a municipality must all meet prescribed financial management competency levels.

SUMMARISED TIMETABLE

NOTE: DATES IN BRACKETS ARE PUTATIVE

FINAL DATE	ACTION BY MUNICIPALITY	ACTION BY MUNICIPAL ENTITY
31 August	Table in council timetable for preparation of coming year's annual budget	-
20 January	-	Assess current year's budget performance and submit report to board of directors and municipality
25 January	Assess current year's budget performance	-
31 January	Table assessment report in council	-
31 January or earlier	-	Submit proposed budget for coming year to municipality
(31 January)	Consider municipal entity's proposed budget for coming year and make recommendations	-
(31 January or earlier)	Table municipal entity's adjustments budget for coming year	Submit adjustments budget for current year to municipality and make budget public
(Between 31 January and 31 March)	Table municipality's adjustments budget for current year and changes to service delivery targets and KPIs	-
(Between 31 January and 31 March)	Make public (adjustments budget and) revisions to service delivery and budget implementation plan for current year	-
Mid-March	-	Submit revised budget for coming year to municipality
31 March	Table municipality's draft budget for coming year	-
31 March	Table municipal entity's revised budget for coming year	-
Immediately after 31 March	Make public draft budget for coming year and invite submissions from community, provincial treasury and others	-
FINAL DATE	ACTION BY MUNICIPALITY	ACTION BY MUNICIPAL ENTITY
Before 31 May	Respond to submissions and revise draft budget for coming year	-
31 May	Consider approval of budget for coming year and attendant resolutions	Approve revised budget for coming year and make budget public

30 June	Budget for coming year and attendant resolutions must be approved by 30 June. Approved budget of entity must be tabled.	-
Early June to early July: immediately after budget approved	Submit budget to national treasury and provincial treasury	-
Early June to early July: immediately after approval dates	Place on website annual budgets and all budget-related documents	-
Mid June to mid July: 14 days after budget approved	Finalise draft service delivery and budget implementation plan and draft performance agreements	-
Late June to late July: 28 days after budget approved	Approve service delivery and budget implementation plan	-
Late June to late July: 28 days after budget approved	Conclude performance agreements	-
Mid July to mid August: 14 days after service delivery and implementation plan approved	Make public projections of revenues and expenses for each month of coming year, service delivery targets for each quarter, and performance agreements	-

DETAILED BUDGET TIMETABLE

Section of Municipal Finance Management Act No. 56 of 2003	Date by which action must be completed	Action required	Responsible party	Practical considerations
21(1)(b)	31 August	<p>Executive Mayor must at least 10 months before start of budget year table in council time schedule outlining key deadlines for</p> <ul style="list-style-type: none"> - preparation, tabling and approval of annual budget - annual review of IDP - tabling and adoption of budget-related policies and amendments to IDP - and budget-related policies - any consultative processes forming part of foregoing 	Executive Mayor	Time schedule must either fit in with already scheduled council meetings or must indicate when special council meetings must be scheduled.
Section 88	20 January	Accounting officer of municipal entity must assess entity's budgetary and financial performance for first six months of financial year, and submit assessment report to board of directors and parent municipality.		
72(1), (2) and (3)	25 January	Accounting officer of municipality must assess budgetary and financial performance of municipality for first six months of financial year, make recommendations on whether adjustments budget necessary, and recommend revised projections for revenues and expenses. This assessment must be submitted to the Executive Mayor, national treasury and the provincial treasury (presumably immediately).	Accounting officer	
54(1)(f)	31 January	Executive Mayor must submit accounting officer's report to council.	Executive Mayor	Special council meeting may have to be scheduled.
87	31 January or earlier if so requested by parent	Board of directors of municipal entity must submit to parent municipality proposed budget for entity for ensuing financial year.	Board of directors of entity	It is not clear to what person or structure in the parent municipality this budget must be submitted.

	municipality			<p>However, it makes good sense for the council of the municipality to consider this budget at the same meeting that it considers the municipality's own proposed adjustments budget.</p>
87	(31 January to mid-March)	<p>Parent municipality must consider proposed budget, and make any necessary recommendations.</p>		<p>It is not clear what person or structure in the parent municipality must perform this action, but the council seems the logical party. It would also make sense for the council to consider this budget by 31 January.</p>
87	(Tabled in council by 31 January)	<p>Board of directors of entity may, with approval of Executive Mayor of parent municipality, revise budget of entity for certain prescribed reasons. Adjustments budget once approved by board of directors of entity must be tabled by Executive Mayor at next meeting of council of parent municipality. Adjustments budget must be made public.</p>	<p>Board of directors and Executive Mayor of parent municipality</p>	<p>Evidently such an adjustments budget may be prepared at any stage. It would make good sense, however, for the parent municipality to insist that the entity's revised budget be prepared and submitted to the Executive Mayor at the same time that or before the entity's proposed budget for the new financial year is considered.</p> <p>Again the potential problem of different parent municipalities having</p>

					different views will have to be resolved by (presumably) the Executive Mayors considered.
--	--	--	--	--	---

JOHN TAOLO GAETSEWE DISTRICT MUNICIPALITY



ASSET MANAGEMENT POLICY

TABLE OF CONTENTS

1. INTRODUCTION
2. OBJECTIVE
3. STATUTORY FRAMEWORK
4. ACCOUNTING STANDARDS
5. DEFINITIONS
6. BACKGROUND
7. DELEGATION OF POWERS
8. RESPONSIBILITY
9. ASSET REGISTER
10. CLASSIFICATION OF ASSETS
11. CAPITALISATION CRITERIA
12. DEPRECIATION
13. AMENDMENT OF ASSET LIVES AND DIMNUTION IN THE VALUE OF PPE
14. IMPAIRMENT OF ASSETS
15. REVALUATION OF ITEMS OF PPE
16. ACQUISITION OF ASSETS
17. PURCHASE OR HIRE OF IMMOVABLE PROPERTY
18. GUIDELINE PROCEDURES FOR ADDITIONS TO ASSETS
19. FUNDING OF PPE AND RESERVES
20. ALIENATION OF ASSETS
21. GUIDELINE PROCEDURES FOR THE DISPOSAL OF ASSETS
22. OTHER WRITE-OFFS OF PPE
23. MANAGEMENT AND OPERATIONS OF ASSETS
24. MAINTENANCE
25. REPLACEMENT STRATEGY
26. TRANSFER OF ASSETS
27. PHYSICAL SECURITY OF ASSETS
28. INSURANCE OF ASSETS
29. SHORT TITLE

1. INTRODUCTION

This policy for the management of assets has been designed to assist management and officials of the John Taolo Gaetsewe District Municipality with the description of management procedures for Property, Plant and Equipment, Investment Property, Agricultural Assets and Intangible Assets. It also should assist with the capacity to differentiate between activities, which are acceptable in terms of general authorization, supervisory responsibilities and limits of authority to the management of assets and functions of the organisation.

This policy will provide certainty with respect to the handling of asset management procedures undertaken within the organization and will ensure that management and employees understand their respective responsibilities and duties.

For the purpose of this policy, assets exclude inventory and monetary assets such as debtors.

This policy replaces all asset management procedures/instructions and memoranda that have been previously issued.

Failure to comply with this policy will result in the institution of disciplinary procedures in terms of the stipulated human resource policies and procedures of John Taolo Gaetsewe District Municipality.

2. OBJECTIVE

The objective of this policy is to ensure that assets of the Municipality are properly managed and accounted for by:

- The accurate recording of essential asset information;
- The accurate recording of asset movements;
- Exercising strict physical controls over all assets;
- Treating the assets correctly in the Municipality's financial statements;
- Providing accurate and meaningful management information;
- Compliance with the Council's accounting policies and Generally Recognised Accounting Practices;
- Adequate insuring of assets;
- Maintenance of Council's assets;
- Ensuring that managers are aware of their responsibilities with regard to the assets; and
- Setting out the standards of management, recording and internal controls so as to safeguard the assets against inappropriate utilisation or loss.

3. STATUTORY FRAMEWORK

The statutory framework for this policy is:

- The Constitution of the Republic of South Africa, Act 108 of 1996;
- Local Government: Municipal Structures Act, No 117 of 1998;
- Local Government: Municipal Systems Act, No 32 of 2000;
- Local Government: Municipal Finance Management Act, No. 56 of 2003;
- Regulation No. 31346 of 2008;
- Municipal Supply Chain Management Regulations No. 27636;
- Generally Recognised Accounting Practice.

4. ACCOUNTING STANDARDS

This document constitutes a policy statement and shall not take precedence over the standards specified by the Accounting Standards Board. The relevant accounting standards include:

- GRAP 1 – Presentation of Financial Statements;
- GRAP 13 – Leases;
- GRAP 16 – Investment Property;
- GRAP 17 - Property, Plant and Equipment;
- GRAP 100 - Non – current Assets Held for Sale and Discontinued Operations;
- GRAP 101 - Agricultural;
- GRAP 102 – Intangible Assets; and
- IAS 36 - Impairment of Assets

Other relevant accounting standards are:

- GRAP 12 on Inventories
- GRAP 11 on Construction Contracts

5. DEFINITIONS

Every effort has been made to use definitions established through legislation, standards of accounting and other guidance on asset management.

“Accounting Officer” means the municipal manager appointed in terms of Section 82 of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) and being the head of administration and accounting officer in terms of Section 60 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000).

“Agricultural Activity” is the management by an entity of the biological transformation of biological assets for sale, into agricultural produce, or into additional biological assets.

“Active market” is a market in which all the following conditions exist:

- The item traded within the market are homogeneous;
- Willing buyer and seller can normally be found at any time; and
- Prices are available to the public.

“Agricultural Produce” is the harvested product of the entity’s biological assets.

“Amortisation” is the systematic allocation of the depreciable amount of an intangible asset over its useful life.

“Assets” are resources controlled by the municipality as a result of past events and from which future economic benefit or service potential are expected to flow. However for the purpose of this policy exclude inventory and other monetary assets.

“Asset categories” are the six main asset categories defined as follows:

“Asset Life-Cycle” is the cycle of activities that an asset goes through – including planning, design, initial acquisition and/or construction, cycle of operation and maintenance and capital renewal and finally disposal.

“Asset Manager” is any official who has been delegated responsibility and accountability for the control, usage, physical and financial management of the municipality’s assets in accordance with the entity’s standards, policies, procedures and relevant guidelines.

“Asset Register” is a record of information on each asset that supports the effective financial and technical management of the assets, and meets statutory requirements.

“Biological Asset” is a living animal or plant.

“Biological Transformation” comprises the processes of growth, degeneration, production and procreation that cause qualitative or quantitative changes to a biological asset.

“Carrying amount” is the amount at which an asset is recognized after deducting any accumulated depreciation and accumulated impairment losses.

“Chief Financial Officer” means an officer of a municipality designated by the municipal manager to be administratively in charge of the budgetary and treasury functions.

“Class of property, plant and equipment” means a grouping of assets of a similar nature or function in a municipality’s operations, which is shown as a single item for the purpose of disclosure in the financial statements.

“Commercial service” means a service other than a municipal service

- (a) rendered by a private sector party or organ of state to or for a municipality or municipal entity on a commercial basis; and
- (b) which is procured by the municipality or municipal entity through its supply chain management policy.

“Community Assets” – are defined as any asset that contributes to the community’s well-being. Examples are parks, libraries and fire stations.

“Cost” – is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or where applicable, the amount attributed to that asset when initially recognized in accordance with the specific requirements of Standards of GRAP.

“Depreciation” – is the systematic allocation of the depreciable amount of an asset over its useful life.

“Depreciable Amount” – is the cost of an asset, or other amount substituted for cost in the financial statements, less its residual value.

“Depreciated replacement cost”, in relation to a capital asset, means an amount equivalent to the cost to replace the capital asset on the date of transfer adjusted by a deemed depreciated cost at the date of the transfer taking into account the age and condition of the asset.

“Disposal”, in relation to a capital asset, includes –

- (a) the demolition, dismantling or destruction of the capital asset; or
- (b) any other process applied to a capital asset which results in loss of ownership of the capital asset otherwise than by way of transfer of ownership.

“Disposal management system” means the system contemplated in regulation 40 of the Municipal Supply Chain Management Regulations, published by General Notice No. 868 of 2005.

“Enhancements / Rehabilitation” is an improvement or augmentation of an existing asset beyond its original recognized service potential for example useful life, capacity, quality and functionality.

“Fair Value” – is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm’s length transaction.

“GRAP” is Standards of Generally Recognised Accounting Practice

“Head of department / senior manager” – means a manager referred to in section 56 of the Municipal Systems Act.

“Heritage Assets” – are defined as culturally significant resources. Examples are works of art, historical buildings and statues.

“Historical cost” means the original purchase price or cost of acquisition of the capital asset at the time the asset was acquired

An **“impairment loss”** of a cash generating asset is the amount by which the carrying amount of an asset exceeds its recoverable amount.

An **“impairment loss”** of non-cash generating asset is the amount by which the carrying amount of an asset exceeds its recoverable service amount.

“Infrastructure assets” are defined as any asset that is part of a network of similar assets. Examples are roads, water reticulation schemes, sewerage purification and trunk mains, transport terminals and car parks.

“Intangible assets” are identifiable non-monetary assets without physical substance.

“Investment Properties” – are defined as property (land or a building-or part of a building-or both) held (by the owner or by lessee under a finance lease) to earn rentals or for capital appreciation or both, rather than for:

- (a) use in the production and supply of goods or services or for administrative purposes; or
- (b) sale in the ordinary course of business.

“Municipality” means the John Taolo Gaetsewe District Municipality.

“Other Assets” – are defined as assets utilized in normal operations. Examples are plant and equipment, motor vehicles and furniture and fittings.

“Property, Plant and Equipment” (PPE) – are tangible assets that:

- are held by a municipality for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and
- are expected to be used during more than one period.

“Realisable value” means the amount of cash or cash equivalents that could currently be obtained by transferring the capital asset, less the estimated cost of completion and the estimated costs necessary to make the transfer.

“Recoverable Amount” – is the amount that the municipality expects to recover from the future use of an asset, including its residual value on disposal.

“Recoverable service amount” is the higher of a non-cash-generating asset’s fair value less costs to sell and its future value in use.

“Residual Value” – of an asset is the estimated amount that an entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and condition expected at the end of its useful life.

“Right to use, control or manage” means a right to use, control or manage the capital asset for a period exceeding one calendar month without ceding legal ownership in the asset. In other words, where the granting of such rights do not amount to the transfer or permanent disposal of the asset, for example when a right is acquired through a leasing, letting or hiring out arrangement.

“Senior Manager” is a manager referred to Section 57 of the Municipal Systems Act (MSA) being someone reporting directly to the municipal manager.

“Service provider” –

- (a) in relation to a municipal service, means a private sector party or organ of state appointed by a municipality in terms of Chapter 8 of the Municipal Systems Act to perform a municipal service in accordance with that Act; or
- (b) in relation to a commercial service, means a private sector party or organ of state appointed in terms of the supply chain management policy of a municipality or municipal entity to render a commercial service to or for the municipality or entity as an independent contractor.

“Supply chain management policy” means the supply chain management policy which a municipality or municipal entity is required to have in terms of Chapter 11 of the Act.

“The Act” means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003).

“Transfer”, in relation to a capital or subsidiary asset, means transfer of ownership in the asset as a result of a sale or other transaction.

“Useful Life” – is either:

- the period of the time over which an asset is expected to be used by the municipality, or
- the number of production or similar units expected to be obtained from the asset by the municipality.

6. BACKGROUND

The utilization and management of property, plant and equipment, investment property, intangible assets and agricultural assets is the prime mechanism by which the Municipality can fulfil its constitutional mandates for:-

- Delivery of sustainable services;
- Social and economic development;
- Promoting safe and healthy environments; and
- Fulfilling the basic needs to the community.

As trustees on behalf of the local community, the Municipality has a legislative and moral obligation to ensure it implements policies to safeguard the monetary value and future service provision invested in assets.

The policy for the management of assets deals with the Municipal rules required to ensure the enforcement of appropriate stewardship of assets. Stewardship has two components being the:-

- Financial administration by the Chief Financial Officer; and
- Physical administration by the relevant managers.

Statutory provisions are being implemented to protect public property against arbitrary and inappropriate management or disposals by local government.

Accounting standards have been approved by the Accounting Standards Board to ensure the appropriate financial treatment for property, plant and equipment, investment property, intangible assets and agricultural assets. The requirements of these new accounting standards include:-

- The compilation of asset registers covering all assets controlled by the Municipality.
- Accounting treatment for the acquisition, disposal, recording and depreciation / amortisation of assets.
- The standards to which financial records must be maintained to comply with the new accounting standards.

7. DELEGATION OF POWERS

This policy should be applied with due observance of the Municipality's policy with regard to delegated powers. Such delegations refer to delegations between the Municipal Manager and other responsible officials as well as between the Council and the Executive Mayor and the Council and the Municipal Manager. All delegations in terms of this policy must be recorded in writing.

In accordance with the Local Government: Municipal Finance Management Act (Act 56 of 2003) (MFMA), the Municipal Manager is the accounting officer of the Municipality and therefore all designated officials are accountable to him/her. The

Municipal Manager is therefore accountable for all transactions entered into by his/her designates.

The overall responsibility of asset management lies with the Municipal Manager. However, the day to day handling of assets should be the responsibility of all officials in terms of delegated authority reduced in writing.

8. RESPONSIBILITY

Municipal Manager

The Municipal Manager is responsible for the management of the assets of the Municipality, including the safeguarding and the maintenance of those assets. He/she must ensure that:-

- The Municipality has and maintains a management, accounting and information system that accounts for the assets of the Municipality.
- The Municipality's assets are valued in accordance with standards of Generally Recognized Accounting Practice (GRAP).
- The Municipality has and maintains a system of internal control of assets, including an asset register.
- Senior managers and their teams comply with this policy.

Chief Financial Officer

The Chief Financial Officer is responsible to the Municipal Manager to ensure that the financial investment in the Municipality's assets is safeguarded and maintained. He/she may delegate or otherwise assign responsibility for performing these functions but he/she will remain accountable for ensuring that these activities are performed. He/she must ensure that:-

- Appropriate systems of financial management and internal control are established and carried out diligently.
- The financial and other resources of the Municipality assigned to him/her are utilized effectively, efficiently, economically and transparently.
- Any unauthorized, irregular or fruitless or wasteful expenditure, and losses resulting from criminal or negligent conduct, are prevented.
- The systems, processes and registers required to substantiate the financial values of the Municipality's assets are maintained to standards sufficient to satisfy the requirements of effective management.
- Financial processes are established and maintained to ensure the Municipality's financial resources are optimally utilized through appropriate asset plan, budgeting, purchasing, maintenance and disposal decisions.
- The Municipal Manager is appropriately advised on the exercise of powers and duties pertaining to the financial administration of assets.

- The senior managers and senior management teams are appropriately advised on the exercise of their powers and duties pertaining to the financial administration of assets.

Senior Managers

The Senior Managers must ensure that:-

- Appropriate systems of physical management and control are established and carried out for assets in their area of responsibility.
- The Municipal resources assigned to them are utilized effectively, efficiently, economically and transparently.
- Any unauthorized, irregular or fruitless or wasteful utilization and losses resulting from criminal or negligent conduct are prevented.
- Their management systems and controls can provide an accurate, reliable and up to date account of assets under their control.
- They are able to justify that their plans, budgets, purchasing, maintenance and disposal decisions for assets optimally achieve the Municipality's strategic objectives.

The senior managers may delegate or otherwise assign responsibility for performing these functions but they will remain accountable for ensuring that these activities are performed.

Each senior manager should report to the Municipal Manager on issues that will significantly impede the item of asset capabilities to provide the required level of service or economic benefit.

The responsibility for the physical control of assets rests with the relevant senior manager to whom the responsibility was delegated to in terms of section 79 of the Municipal Finance Management Act, No 56 of 2003.

Each senior manager shall ensure that assets entrusted to him / her are adequately maintained, properly used and insured and ensure that section 78 of the Municipal Finance Management Act, No 56 of 2003, is adhered to.

No amendments, deletions or additions to the asset register shall be made other than by the Asset Manager or by an official acting as the Asset Manager and must be authorized by the Chief Financial Officer.

Upon the resignation / retirement of an employee, the applicable senior manager must inform the Chief Financial Officer and Corporate Service Department in writing that the asset items entrusted to that employee to execute his / her duties are in good order and returned. When necessary the applicable senior manager must inform the Corporate Services Department of any losses and the value of such losses. The ultimate responsibility of any losses lies with the relevant senior manager.

9. ASSET REGISTER

The asset register shall be maintained in the format determined by the Chief Financial Officer, which format shall comply with the requirements of generally recognised accounting practice (GRAP) and any other accounting requirements which may be prescribed.

The asset register shall reflect the following information:

- a brief but meaningful description of each asset
- the date on which the asset was acquired or brought into use
- the location of the asset
- the responsible senior manager and department(s) or vote(s) within which the assets will be used
- the title deed number, in the case of property
- the stand number, in the case of property
- where applicable, the identification number
- the measurement based used (Cost or Fair Value)
- the original useful live
- the revised useful live
- the residual value
- the original cost, or the revalued amount or the fair value if no costs are available
- the (last) revaluation date of the assets subject to revaluation
- the revalued value of such assets
- who did the (last) revaluation
- accumulated depreciation to date
- the depreciation charge for the current financial year
- the carrying value of the asset
- the method and rate of depreciation
- impairment losses incurred during the financial year (and the reversal of such losses, where applicable)
- method of calculating recoverable amount (when impairment test are required in terms of GRAP)
- increases or the decreases resulting from revaluations (if applicable)
- the source of financing
- condition of the asset
- the current insurance arrangements
- whether the asset is required to perform basic municipal services
- whether the asset has been used to secure any debt, and – if so – the nature and duration of such
- security arrangements
- the date on which the asset is disposed of
- the disposal price
- the date on which the asset is retired from use, if not disposed of.

All heads of department under whose control any asset falls shall promptly provide the Chief Financial Officer in writing with any information required to compile the asset register, and shall promptly advise the Chief Financial Officer in writing of any material change which may occur in respect of such information.

An asset shall be capitalised, that is, recorded in the asset register, as soon as it is acquired. If the asset is constructed over a period of time, it shall be recorded as work-in-progress until it is available for use, where after it shall be appropriately capitalised as a fixed asset. A asset shall remain in the asset register for as long as it is in physical existence.

The Asset Manager must ensure that reconciliations are performed on a monthly basis between the general ledger values and the asset values and to be submitted to the Chief Financial Officer.

The Chief Financial Officer must check and authorize the reconciliations as correct.

Depreciation methods and rates used must be approved by the Chief Financial Officer.

The asset manager should allocate depreciation rates and methods to each asset class, and ensure that depreciation calculations are correctly applied and posted in the general ledger.

10. CLASSIFICATION OF ASSETS

In compliance with the requirements of the National Treasury, the Chief Financial Officer shall ensure that all assets are classified under the following headings in the Fixed Assets Register, and Heads of Departments shall in writing provide the Chief Financial Officer with such information or assistance as is required to compile a proper classification:

10.1 Property, Plant and Equipment

- Land (not held as investment assets).
- Infrastructure assets (assets which are part of a network of similar assets).
- Community assets (assets contributing to the general well-being of the community).
- Heritage assets (culturally significant assets).
- Other assets (ordinary operational assets).
- Housing (rental stock or housing stock not held for capital gain).

Save for land and buildings other assets shall be classified under the following headings:

- Computer equipment;

- Office equipment;
- Furniture and fittings;
- Radio Equipment;
- Plant and machinery;
- Motor Vehicles; and
- Emergency Equipment.

10.2 Investment Property

Investment assets (resources held for capital or operational gain and which are not used by the Municipality). Properties occupied by the Municipality, Councilors or officials are classified as owner-occupied property and are therefore not classed as investment property

Investment properties will be treated in accordance with GRAP 16 and will separately be classified in the Statement of Financial Position. Investment properties will not be depreciated but will annually be revalued.

10.3 Intangible Assets

Intangible assets are identifiable non-monetary assets without physical substance.

Intangible assets will be treated in accordance with GRAP 102 and will separately be classified in the Statement of Financial Position. Intangible assets shall be valued at cost less any accumulated amortization and any impairment losses.

10.4 Agricultural Assets

Agricultural Assets will be treated in accordance with GRAP 101 and will separately be classified in the Statement of Financial Position,

10.5 Assets Treated as Inventory

Any land or buildings owned or acquired by the municipality with the intention of selling such property in the ordinary course of business, or any land or buildings owned or acquired by the municipality with the intention of developing such property for the purpose of selling it in the ordinary course of business, shall be accounted for as inventory, and not included in either property, plant and equipment or investment property in the municipality's statement of position.

Such inventories shall, however, be recorded in the asset register in the same manner as other fixed assets, but a separate section of the asset register shall be maintained for this purpose.

The Chief Financial Officer shall use the classifications indicated in the Annexure on estimated lives of assets, as a guideline and in the case of an item of assets not appearing in the Annexure shall use the classification applicable to the asset most closely comparable in the Annexure.

11. CAPITALISATION CRITERIA

PPE and Intangible Assets

All assets may only be acquired in terms of council's Supply Chain Management Policy and in terms of the budgetary provisions. The responsibility for the purchase of assets would be delegated in terms of council's Delegation Framework and Supply Chain Management Policy. Depending on the cost of the asset to be purchased the following procedure for purchasing an asset must be followed:

- Senior managers shall at all times ensure that there are enough funds in their departmental budgets before requesting approval to any requisition to purchase an asset;
- Senior managers shall ensure that the correct vote and expenditure line item are used and recorded on the requisition requesting approval to purchase an asset;
- Tenders or quotations as required in terms of council's Supply Chain Management policy should be obtained and where required submitted to council's tender committee for approval;
- The tender committee resolution of the approved tender or recommended quotation should be attached to the requisition signed by the relevant head of department;
- The order would then be generated by the Budget and Treasury department;
- Once delivered the asset must be labeled / bar-coded by the Budget and Treasury department before such asset is put into use;
- The senior manager should endorse receipt of the asset on the invoice and forward it for payment to the Budget and Treasury department; and
- The Budget and Treasury department would then generate payment.

The completion of any immovable asset by or under control of every head of department should promptly be declared to the Chief Financial Officer in writing stating the full details required for recording in the assets register.

All PPE and intangible assets shall be carried in the asset register, and appropriately recorded in the annual financial statements, at their original cost or fair value less any accumulated depreciation or amortisation in the case of intangible assets.

The original cost of an item of PPE or intangible assets may include:

- Cost price;
- Financing costs (MFMA section 46(4));
- Import tax;
- Non-claimable purchase tax; and
- Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

When payment for an item of PPE or intangible assets is deferred beyond normal credit terms, its cost is the cash price equivalent. The difference between this amount and the total payments is recognized as an interest expense over the period of credit.

When an item of PPE is acquired to be exchanged or partly exchanged for a dissimilar item of PPE or other asset, the cost of such item is measured at the fair value of the asset received, which is equivalent to the fair value of the asset given up adjusted by the amount of any cash or cash equivalents paid additional. For the purpose hereof, "fair value" shall be determined by the council with due regard to the definition ascribed to fair value in paragraph 2 hereof.

The only exceptions to this rule shall be revalued items of PPE (see part 7.9 below) and heritage assets in respect of which no depreciation is recorded in the fixed asset register.

Subsequent expenditure relating to an asset that has already been capitalized, should only be added to the carrying amount of the asset when it is probable that future economic benefits or potential service delivery, in excess of the originally assessed standard of performance of the existing asset, will flow to the municipality.

Investment Property

An investment property shall be measured initially at its cost. Transaction costs shall be included in the initial measurement. The cost of purchased investment property includes all directly attributable expenditure (professional fees for legal services, property transfer taxes and other transaction costs).

When payment for an investment property is deferred beyond normal credit terms, its cost is the cash price equivalent. The difference between this amount and the total payments is recognized as an interest expense over the period of credit.

When investment property is acquired to be exchanged or partly exchanged for a dissimilar investment property or other asset, the cost of such item is measured at the fair value of the asset received, which is equivalent to the fair value of the

asset given up adjusted by the amount of any cash or cash equivalents paid additional. For the purpose hereof, "fair value" shall be determined by the council with due regard to the definition ascribed to fair value in paragraph 2 hereof.

After initial recognition investment property will be measured at fair value. A gain or loss arising from a change in fair value shall be recognized as a profit or loss in the Statement of Financial Performance in the period in which it arises. The fair value of investment property shall reflect market conditions at reporting date.

In terms of GRAP 16 transfers to and from investment property shall be made when there is a change in use:

- (a) Commencement of owner-occupation, for a transfer from investment property to owner-occupied property;
- (b) Commencement of development with a view to sale, for a transfer from investment property to inventories;
- (c) End of owner-occupation, for a transfer from owner-occupied property to investment property; or
- (d) Commencement of an operating lease to another party, for a transfer from inventories to investment property.

When an investment property is transferred to inventory or owner-occupied property, the property's deemed cost is the fair value of the property at the date of the change in use.

For a transfer from inventories to investment property, that will be carried at fair value, any difference between the fair value of the property at that date and its previous carrying amount shall be recognized in the Statement of Financial Performance.

Reinstatement, Maintenance and Other Expenses

Only expenses incurred in the enhancement of an asset (in the form of improved or increased services or benefits flowing from the use of such asset) or in the material extension of the useful operating life of an asset shall be capitalised.

Expenses incurred in the maintenance or reinstatement of an asset shall be considered as operating expenses incurred in ensuring that the useful operating life of the asset concerned is attained, and shall not be capitalised, irrespective of the quantum of the expenses concerned.

Expenses, which are reasonably ancillary to the bringing into operation of an asset, may be capitalised as part of such asset. Such expenses may include but need not be limited to import duties, forward cover costs, transportation costs, installation, assembly and communication costs.

Intangible Assets

Assets that meet the criteria of GRAP 102 (Intangible Assets) shall be recognized as Intangible Assets at cost.

Heritage Assets

If no original costs or fair values are available in the case of one or more or all heritage assets, the Chief Financial Officer may, if it is believed that the determination of a fair value for the assets in question will be a laborious or expensive undertaking, record such asset or assets in the fixed asset register without an indication of the costs or fair value concerned.

For Statement of Financial Position purposes, the existence of such heritage assets shall be disclosed by means of an appropriate note.

Donated Assets

Where an asset is donated to the municipality, or an asset is acquired by means of an exchange of assets between the municipality and one or more other parties, the asset concerned shall be recorded in the asset register at its fair value, as determined by the Chief Financial Officer.

12. DEPRECIATION

Depreciation of PPE

All PPE, except land and heritage assets, shall be depreciated – or amortised in the case of intangible assets.

Depreciation may be defined as the monetary quantification of the extent to which PPE is used or consumed in the provision of economic benefits or the delivery of services.

Depreciation shall generally take the form of an expense both calculated and debited on a annual basis against the appropriate line item in the department or vote in which the item of PPE is used or consumed.

However, depreciation shall initially be calculated from the day following the day in which an item of PPE is acquired or – in the case of construction works and plant and machinery – the day following the day in which the item is brought into use, until the end of the year concerned. Thereafter, depreciation charges shall be calculated annually.

Each Head of Department, acting in consultation with the Chief Financial Officer, shall ensure that reasonable budgetary provision is made annually for the depreciation of all applicable PPE controlled or used by the department in

question or expected to be so controlled or used during the ensuing financial year.

The procedures to be followed in accounting and budgeting for the amortisation of intangible assets shall be identical to those applying to the depreciation of other PPE.

Rate of Depreciation and Amortisation

The Chief Financial Officer shall assign a useful operating life to each depreciable item of PPE recorded on the Municipality's asset register. In determining such a useful life the Chief Financial Officer shall use to the useful lives set out in the annexure to this document as a guideline.

In the case of an item of PPE which is not listed in this annexure, the Chief Financial Officer shall determine a useful operating life, if necessary in consultation with the Head of Department who shall control or use the item in question, and shall be guided in determining such useful life by the likely pattern in which the item's economic benefits or service potential will be consumed.

The procedures to be followed in accounting and budgeting for the amortisation of intangible assets shall be identical to those applying to the depreciation of other PPE.

Method of Depreciation

The Chief Financial Officer shall allocate the depreciable amount of all depreciable PPE and intangible on a systematic basis over its useful life.

The residual value and useful life of an asset shall be reviewed at least at each reporting date and, if expectations differ from previous estimates, the changes shall be accounted for as a change in accounting estimate in accordance with GRAP 3.

13. AMENDMENT OF ASSET LIVES AND DIMINUTION IN THE VALUE OF PPE

Only the Chief Financial Officer may amend the useful operating life assigned to any PPE, and when any material amendment occurs the Chief Financial Officer shall inform the Council of such amendment.

The Chief Financial Officer shall amend the useful operating life assigned to any item of PPE if it becomes known that such item has been materially impaired or improperly maintained to such an extent that its useful operating life will not be attained, or any other event has occurred which materially affects the pattern in which the item's economic benefits or service potential will be consumed.

If the value of an item of PPE or intangible assets has been diminished to such an extent that it has no or a negligible further useful operating life or value such

item shall be fully depreciated or eradicated in the financial year in which such diminution in value occurs.

Similarly, if an item of PPE has been lost, stolen or damaged beyond repair, it shall be fully depreciated in the financial year in which such event occurs, and if the item has physically ceased to exist, it shall be written off in the asset register.

In all of the foregoing instances, the additional depreciation expenses shall be debited to the department or vote controlling or using the item of PPE or intangible asset in question.

If any of the foregoing events arises in the case of a normally non-depreciable item of PPE, and such item has been capitalised at a value other than a purely nominal value, such item shall be partially or fully depreciated, as the case may be, as though it were an ordinary depreciable item of PPE, and the department or vote controlling or using the item in question shall bear the full depreciation expenses concerned.

Additional depreciation not budgeted for as a result of unforeseeable or unavoidable circumstances must be provided for in an adjustments budget and, if such circumstances arises close to the end of the financial year and there will not be time for Council to consider the adjustments before the end of the financial year, may in advance be approved by the Mayor in terms of Section 29 of the MFMA, provided that any other provisions of the MFMA be complied with.

14. IMPAIRMENT OF ASSETS

The accounting treatment relating to impairment losses is outlined in IAS37.

The carrying amount of an item or a group of identical items of property, plant and equipment should be reviewed periodically in order to assess whether or not the recoverable amount has declined below the carrying amount.

When such a decline has occurred, the carrying amount should be reduced to the recoverable amount. The amount of the reduction should be recognised as an expense immediately, unless it reverses a previous revaluation in which case it should be charged to the Revaluation Reserve.

The recoverable amount of individual assets, or groups of identical assets, is determined separately and the carrying amount reduced to the recoverable amount on an individual asset, or group of identical assets, basis. However, there may be circumstances when it may not be possible to assess the recoverable amount of an asset on this basis, for example when all of the plant and equipment in a sewerage purification works is used for the same purpose. In such circumstances, the carrying amount of each of the related assets is reduced in proportion to the overall decline in recoverable amount of the smallest grouping of assets for which it is possible to make an assessment of the recoverable amount.

The following may be indicators that an asset is impaired:

- The asset has been damaged.
- The asset has become technologically obsolete.
- The asset remains idle for a considerable period either prior to it being put into use or during its useful life.
- Land is purchased at market value and is to be utilized for subsidized housing developments, where the subsidy is less than the purchase price.

The following steps will have to be performed regularly during the year to account for impairment losses:

- Departments will identify and inform the Chief Financial Officer of assets that:
 - Are in a state of damage at year end.
 - Are technologically obsolete at year end.
 - Have remained idle for a considerable period either prior to them being put into use at year end or during their useful life.
 - Are subject to impairment losses because the subsidies to be received in exchange for assets are less than the carrying amounts.
- The recoverable amounts of these assets need to be determined by calculating the net selling price per asset as defined above.
- The impairment loss per asset is the difference between the net selling price and the carrying value of the asset.
- The impairment loss needs to be accounted for by identifying the relevant funding source

15. REVALUATION OF ITEMS OF PPE

All land and buildings recorded in the Municipality's asset register shall be revalued when the Council is of the opinion that economic conditions have had a substantial impact on the on the value of land and buildings within the municipal area. Under such circumstances a sworn valuer will be appointed to perform a valuation of all land and buildings.

The Chief Financial Officer shall adjust the carrying value of the land and buildings concerned to reflect in each instance the value of the items as recorded in the valuation roll, provided the Chief Financial Officer is satisfied that such value reflects the fair value of the land and buildings concerned.

The Chief Financial Officer shall also, where applicable, create a revaluation reserve for each such item equal to the difference between the value as recorded

in the valuation roll and the carrying value of the item before the adjustment in question.

The buildings concerned shall thereafter be depreciated on the basis of its revalued amount, over its remaining useful operating life, and such increased depreciation expenses shall be budgeted for and debited against the appropriate line item in the department or vote controlling or using the buildings in question.

The Chief Financial Officer shall ensure that an amount equal to the difference between the new (enhanced) annual depreciation expense and the depreciation expenses determined in respect of such buildings before the revaluation in question is transferred each year from the revaluation reserve to the Municipality's appropriation account. An adjustment of the aggregate transfer shall be made at the end of each financial year, if necessary.

If the amount recorded by the valuer is less than the carrying value of the item of land or buildings recorded in the asset register, the Chief Financial Officer shall adjust the carrying value of such item by increasing the accumulated depreciation of the item in question by an amount sufficient to adjust the carrying value to the value as recorded by the valuer. Such additional depreciation expenses shall form a charge, in the first instance, against the balance in any revaluation reserve previously created for such item, and to the extent that such balance is insufficient to bear the charge concerned, an immediate additional charge against the department or vote controlling or using the item of land or building in question.

Revalued land and buildings shall be carried in the asset register, and recorded in the annual financial statements, at their revalued amount, less accumulated depreciation (in the case of buildings).

16. ACQUISITION OF ASSETS

Pre-acquisition Planning

Before a capital project is included in the budget for approval, the Chief Financial Officer must demonstrate that he/she has considered the following:

- The projected cost over all the financial years until the project is operational;
- The future operational costs and revenue on the project, including the tax and tariff implications;
- The financial sustainability of the project over its life including revenue generation and subsidisation requirements;
- The physical and financial stewardship of that asset through all stages of its life including acquisition, installation, maintenance, operations, disposal and rehabilitation;
- The inclusion of the capital project in the Integrated Development Plan and future budgets; and
- Alternatives to the capital purchase.

The heads of department are accountable to ensure that the Chief Financial Officer receives all reasonable assistance, guidance and explanation to enable him to achieve his planning requirements.

Approval to Acquire Property, Plant and Equipment

Money can only be spent on a project if:

- The money has been appropriated in an approved Capital Budget;
- The project, including the total cost has been approved by the Council;
- The Chief Financial Officer confirms that funding is available for that specific project; and
- Any contract that will impose financial obligations beyond two years after the budget year is appropriately disclosed.
- The Supply Chain Management Policy is adhered to.

Authorization for the acquisition of assets should be as per this municipality's delegation of authority and payment for assets shall be in accordance with financial policies and regulations of this Municipality.

Funding of Capital Projects

Within the Municipality's ongoing financial, legislative or administrative capacity, the Chief Financial Officer must establish and maintain the funding strategies that optimise the municipality's ability to achieve its strategic objectives as stated in the Integrated Development Plan. The acquisition of assets may not be funded over a period longer than the useful life of that asset.

17. PURCHASE OR HIRE OF IMMOVABLE PROPERTY

The municipality may acquire by purchase, or by hire, immovable property within or outside the municipal boundary provided it complies with the requirements of the MFMA and the Supply Chain Management policy and subject to the following:

- The cost of the purchase or hire had been budgeted for; and
- The intention to buy or hire the immovable property had been advertised for public comment.
- After consideration of any public comments/objections the Council will:
 - In the case of the following paragraph complies with the requirements of that paragraph; and
 - In the case of all other immovable property, finally resolve to continue with the purchase or hire and apply the supply chain management processes

- The Council will not continue with the purchase or hire of any immovable property where:
 - The price is in excess of the market value thereof as assessed by an appraiser; or
 - The rental which, when calculated per annum in the case of:
 - Immovable property hired for agricultural purposes, exceeds six percent; and
 - Immovable property hired for any other purpose, exceed twelve percent of the market value of the property, as assessed by an appraiser.

The Council may accept a gift or conveyance of immovable property either for the municipality or in trust for charitable or other public purposes not connected with public worship, and hold the same in such trust or for such purpose as may be declared by such donors and may administer, utilize and improve such property.

The trustees of any immovable property held in trust for any township village of settlement which has become a municipality or part of a municipality may transfer such property to the Council, subject to any special trusts in their deeds of title and upon conditions not at variance therewith.

18. GUIDELINE PROCEDURES FOR ADDITIONS TO ASSETS

The Asset Manager must ensure all additions to assets are in accordance with an approved Capital Budget. Additions must be updated on a monthly basis in the Municipality's Asset Register. All additions must be approved by the Chief Financial Officer.

19. FUNDING OF PPE AND RESERVES

The purchase of assets may be funded from the raising of external loans, leases, government- and public contributions, the Capital Replacement Reserve and surplus cash.

The Chief Financial Officer shall ensure that in respect of all assets financed from grants or subsidies or contributions received from other spheres of government or from the public at large, as well as in respect of assets donated to the Municipality, a government grants reserve or public contribution reserve for future depreciation is created equal in value to the capitalised value of each item of asset in question.

The Chief Financial Officer shall thereafter ensure that in the case of depreciable PPE an amount equal to the annual depreciation expenses of the items concerned are transferred each year from such reserve to the Municipality's accumulated surplus.

20. ALIENATION OF ASSETS

In compliance with the principles and prescriptions of the Municipal Finance Management Act, the transfer of ownership of any item of PPE shall be fair, equitable, transparent, competitive and consistent with the municipality's supply chain management policy and the Municipal Asset Transfer Regulations

Every head of department shall report in writing to the Chief Financial Officer on 30 April of each financial year on all assets controlled or used by the department concerned which such head of department wishes to alienate by public auction or public tender.

The Chief Financial Officer shall thereafter consolidate the requests received from the various departments, and shall promptly report such consolidated information to the council or the municipal manager of the municipality, as the case may be, recommending the process of alienation to be adopted.

The council shall ensure that the alienation of any asset takes place in compliance with Section 14 of the Municipal Finance Management Act, 2004..

In terms of Section 14 of the Municipal Finance Management Act, 2004 the Municipality may not transfer ownership as a result of a sale or other transaction or otherwise permanently dispose of assets needed to provide the minimum level of basic municipal services.

The Municipality may transfer ownership or otherwise dispose of assets other than one contemplated above, but only after the Council, in a meeting open to the public:-

- has decided on reasonable grounds that the asset is not needed to provide the minimum level of basic municipal services; and
- has considered the fair market value of the item and the economic and community value to be received in exchange for the asset.

The decision that a specific asset is not needed to provide the minimum level of basic municipal services, may not be subsequently reversed by the Municipality after that asset has been sold, transferred or otherwise disposed of.

Once the assets are alienated, the Chief Financial Officer shall treat the disposal of the items in terms of GRAP and amend the relevant records of the asset register. If the proceeds of the alienation are less than the carrying value recorded in the asset register, such difference shall be recognised as a loss in the Statement of Financial Performance of the department or vote concerned.

If the proceeds of the alienation, on the other hand, are more than the carrying value of the asset concerned, the difference shall be recognised as a gain in the Statement of Financial Performance of the department or vote concerned.

All gains realised on the alienation of assets shall be appropriated annually to the municipality's Capital Replacement Reserve (except in the cases outlined below), and all losses on the alienation of fixed assets shall remain as expenses on the Statement of Financial Performance of the department or vote concerned.

If, however, both gains and losses arise in any one financial year in respect of the alienation of the assets of any department or vote, only the net gain (if any) on the alienation of such assets shall be appropriated to the Capital Replacement Reserve.

Transfer of assets to other municipalities, municipal entities (whether or not under the municipality's sole or partial control) or other organs of state shall take place in accordance with the Municipal Asset Transfer Regulations.

21. GUIDELINE PROCEDURES FOR THE DISPOSAL OF ASSETS

The Senior Manager must submit a motivation for the disposal of an asset under his/her control to the Chief Financial Officer.

The Chief Financial Officer must authorize, by signature the motivation and submit the motivation to the Accounting Officer for his/her approval.

Before computer equipment is disposed the Chief Financial Officer must consult the IT section.

All combined motivations must be submitted to the Asset Manager to update the asset register of the municipality and the book of accounts regarding the sale.

The following information should be update in the asset register:

- Reason for disposal;
- Information relating to the buyer;
- Individual requesting disposal;
- Cost, book value and proposed selling price of the asset;
- Date of sale;
- Method of payment;
- Receipt number; and
- The relevant asset information

22. OTHER WRITE-OFFS OF PPE

An item of PPE, even though fully depreciated, shall be written off when it can no longer be used, in consultation with the Head of Department controlling or using the item concerned.

Every Head of Department shall report to the Chief Financial Officer on 31 October and 30 April of each financial year on any item of PPE which such Head of Department wishes to have written off, stating in full the reason for such recommendation.

The Chief Financial Officer shall consolidate all such reports, and shall promptly notify the Council on the PPE to be written off.

The only reasons for writing off PPE, other than the alienation of such item of PPE, shall be the loss, theft, and destruction or material impairment of the PPE in question.

If an item of PPE must be written off as a result of an occurrence out of the control of the municipality, such as malicious damage, theft or destruction, the municipal manager must determine whether a third party or an employee was involved in the loss and take all reasonable steps to recover such loss, including reporting the incident to the South African Police Services and the Auditor General, the insurance as well as institute disciplinary steps against any employee who might have been involved in such incident.

In every instance where a not fully depreciated item of PPE is written off, the Chief Financial Officer shall immediately debit to such department or vote, as additional depreciation expenses, the full carrying value of the item concerned.

23. MANAGEMENT AND OPERATION OF ASSETS

Accountability to manage assets

Each Senior Manager is accountable to ensure that Municipal resources assigned to them are utilized effectively, efficiently, economically and transparently. This will include:

- Developing appropriate management systems, procedures, processes and controls for managing assets;
- Providing accurate, reliable and up to date account of assets under their control; and
- The development and motivation of relevant strategic asset management plans and operational budgets that optimally achieve the Municipality's strategic objectives.

Contents of a strategic management plan

Senior Managers need to manage assets under their control to provide the required level of service or economic benefit at the lowest possible long-term cost. To achieve this, the Senior Manager will need to develop strategic asset management plans that cover:-

- Alignment with the Integrated Development Plan;
- Operational guidelines;
- Performance monitoring;
- Maintenance programs;
- Renewal, refurbishment and replacement plans;
- Disposal and Rehabilitation plans;
- Operational, financial and capital support requirements, and
- Risk mitigation plans including insurance strategies

The operational budgets are the short to medium term plan for implementing this strategic asset management plan.

Reporting of Emerging Issues

Each Functional Manager should report to the Municipal Manager on issues that will significantly impede the item of asset capabilities to provide the required level of service or economic benefit.

Verification of Assets

The Municipality shall at least once during every financial year undertake on a date as determined by the Chief Financial Officer a comprehensive verification of all moveable assets controlled or used by all the departments of the Municipality.

Every Head of Department shall promptly and fully report in writing to the Chief Financial Officer, in the format determined by the Chief Financial Officer, all relevant results of such verification, provided that each such item of asset verification shall be undertaken and completed during 30 June of each financial year, and that the resultant report shall be submitted to the Chief Financial Officer not later than 30 June of the year in question.

Movement of Assets

Every Head of Department shall promptly and fully report in writing to the Chief Financial Officer, in the format determined by the Chief Financial Officer, all transfers from its original location of assets (including minor assets items) within 5 working days after transfer of such item.

24. MAINTENANCE

Maintenance Plans

Every Head of Department shall ensure that a maintenance plan in respect of every new infrastructure asset with a value of R100 000 (one hundred thousand rand) or more is promptly prepared and submitted to the Council for approval.

If so directed by the Municipal Manager, the maintenance plan shall be submitted to the Council prior to any approval being granted for the acquisition or construction of the infrastructure asset concerned.

The Head of Department controlling or using the infrastructure asset in question, shall annually report to the Council, not later than in July or the earliest Council meeting thereafter, of the extent to which the relevant maintenance plan has been complied with, and of the likely effect which any non-compliance may have on the useful operating life of the item concerned.

Deffered Maintenance

If there is material variation between the actual maintenance expenses incurred and the expenses reasonably envisaged in the approved maintenance plan for any infrastructure asset, the Chief Financial Officer shall disclose the extent of and possible implications of such deferred maintenance in an appropriate note to the annual financial statements. Such note shall also indicate any plans which the Council has approved in order to redress such deferral of the maintenance requirements concerned.

If no such plans have been formulated or are likely to be implemented, the Chief Financial Officer shall redetermine the useful operating life of the fixed asset in question, if necessary in consultation with the Head of Department controlling or using such item, and shall recalculate the increased annual depreciation expenses accordingly.

General Maintenance of Assets

Every Head of Department shall be directly responsible for ensuring that all assets are properly maintained and in a manner which will ensure that such item attain their useful operating lives.

25. REPLACEMENT STRATEGY

The Municipal Manager, in consultation with the Chief Financial Officer and other Heads of Departments, shall formulate norms and standards for the replacement of all normal operational assets. Such norms and standards shall be incorporated in a formal strategy, which shall be submitted to the Council for approval. This strategy shall cover the replacement of motor vehicles, furniture and fittings, computer equipment, and any other appropriate operational items.

Such strategy shall also provide for the replacement of assets which are required for service delivery but which have become uneconomical to maintain.

26. TRANSFER OF ASSETS

When assets are transferred to other Government Departments or municipalities, a document with specific authorization should be attached to the asset to ensure the validity of the transfer.

The document should also include:

- Asset description;
- Cost of the asset;
- Date of acquisition;
- Unique asset number;
- Effective date of transfer;
- Quantity; and
- Authorization by both transferor and transferee.

The asset manager must then effect the transactions in the book of accounts of the municipality on the day the asset is transferred to the transferee.

27. PHYSICAL SECURITY OF ASSETS

Every Senior Manager shall be directly responsible for the physical safekeeping of any asset controlled or used by their department.

In exercising this responsibility, every Senior Manager shall adhere to directives issued by the Chief Financial Officer with regard to the control and safekeeping of the municipality's assets.

All assets should be kept in a secure location, maintained regularly, insured against theft or destruction, utilized economically and efficiently.

When it is suspect that an employee abuses assets, this fact should be reported to the Chief Financial Officer within 48 hours. Such an employee should be subject to the disciplinary procedures as described in terms of the Standard Conditions of Service.

All items of Property, Plant and Equipment lost, stolen or damaged must be reported to the Chief Financial Officer within 48 hours after discovery for further investigation and reporting required by the Municipal Finance Management Act No. 56 of 2003.

28. INSURANCE OF ASSETS

The Accounting Officer must ensure that all movable assets are insured at least against fire and theft, and municipal buildings and infrastructure are insured at least against fire and allied perils.

The Accounting Officer shall recommend, after consultation with the Chief Financial Officer, the basis of insurance cover to be applied: either the carrying value or the replacement value of the assets. Such a recommendation shall take due cognizance of the budgetary resources of the municipality.

Any theft, loss or damage to an asset should immediately be reported to council's insurance brokers by the relevant head of department under whose responsibility the asset falls. A copy of the insurance claim submitted should be forwarded to the Chief Financial Officer. All insurance claims must be recorded in an insurance register and all outstanding insurance claims reported on a monthly basis to the Chief Financial Officer. It is the responsibility of the relevant head of department to ensure that all documents / information for the completion of the claim is forwarded to council's insurance brokers and that copies thereof is forwarded to the Chief Financial Officer. The head of department should in writing request the replacement of the asset which can only be authorized, if sufficient provision for the replacement of the asset is on the capital budget, by the Municipal Manager after consultation with the Chief Financial Officer. If sufficient provision is not on the capital budget the asset can only be replaced if provision for the replacement is made on an Adjustments budget. In the case where an asset must be replaced as an emergency measure, the Mayor may authorise such expenditure, subject to compliance with Section 29 of the MFMA.

Third-party (insurance) pay-outs must be treated as revenue when the amount is certain and may not be offset against the cost of replacing the item. The carrying value of items lost, stolen or damaged beyond repair must be treated as impairment against the relevant department or vote. The full cost of the replacement item must then be capitalised.

If the municipality operates a self-insurance reserve, the Chief Financial Officer shall annually determine the premiums payable by the departments or votes after having received a list of the assets and insurable values of all relevant assets from the heads of departments concerned.

The municipal manager shall recommend to the council of the municipality, after consulting with the Chief Financial Officer, the basis of the insurance to be applied to each type of asset: either the carrying value or the replacement value of the assets concerned. Such recommendation shall take due cognizance of the budgetary resources of the municipality.

The Chief Financial Officer shall annually submit a report to the council of the municipality on any reinsurance cover which it is deemed necessary to procure for the municipality's self-insurance reserve.

29. SHORT TITLE

This policy shall be called the Asset Management Policy of the **John Taolo Gaetsewe District Municipality**.

SCHEDULE OF EXPECTED USEFUL LIVES OF ASSETS

	<u>ASSET LIFE</u>		<u>ASSET LIFE</u>
INFRASTRUCTRE ASSETS			
ELECTRICITY:			
Power stations	30	GAS:	
Cooling towers	30	Meters	20
Transformer kiosks	30	Main supply	20
Meters	20	Storage tanks	20
		Supply and reticulation networks	20
Load control equipment	20		
Switchgear	20	SEWERAGE:	
Supply and reticulation networks	20	Sewer mains	20
Main supply	20	Outflow sewers	20
		Sewerage purification works	20
ROADS:		Sewerage pumps	15
Motorways	15	Sludge machines	15
Other roads	10		
Traffic islands	10	PEDESTRAIN MALLS:	
Traffic lights	20	Footways	20
Street lights	25	Kerbing	20
Overhead bridges	30	Paving	20
Stormwater drains	20		
Bridges, subways and culverts	30	AIRPORTS:	20
Car parks	20	Taxiways	20
Bus terminals	20	Runways	20
		Aprons	20
		Airport and radio beacons	20
WATER		SECURITY	
Meters	15	Fencing	3
Mains	20	Security systems	5
Rights	20	Access control systems	5
Supply and reticulation networks	20		
Reservoirs and storage tanks	20		
COMMUNITY ASSETS		COMMUNITY ASSETS	
RECREATIONAL FACILITIES		BUILDINGS	
Bowling greens	20	Ambulance stations	30
Tennis courts	20	Aquariums	30
Swimming pools	20	Beach developments	30
Golf courses	20	Care centres	30
Jukskei pitches	20	Cemeteries	30
Outdoor sport facilities	20	Civic theatres and community centres	30
Organ	20	Clinics and hospitals	30
Lakes and dams	20	Game reserves and rest camps	30
Fountains	20	Stadiums and indoor sports	30
Flood lights	20	Museums and galleries	30
		Parks and public conveniences	30
		Recreational centres and zoo	30

SCHEDULE OF EXPECTED USEFUL LIVES OF ASSETS

*John Taolo Gaetsewe District Municipality
Asset Management Policy
Page 33*

OTHER ASSETS**BUILDINGS**

Abattoirs	30
Asphalt plant	30
Cable stations	30
Caravan Parks	30
Bioscope	30
Compacting stations	30
Hostels for public / tourists	30
Hostels for employees	30
Housing schemes	30
Kilns	30
Laboratories	30
Markets	30
Nurseries	30
Office buildings	30
Old age homes	30
Quarries	30
Tip sites	30
Training centres	30
Transport facilities	30
Workshops and depots	30

OFFICE EQUIPMENT

Computer hardware	5
Computer software	3-5
Office machines	3-5
Air conditioners	5-7

FURNITURE AND FITTINGS

Chairs	7-10
Tables and desks	7-10
Cabinets and cupboards	7-10
Sundry	7-10

BINS AND CONTAINERS

Household refuse bins	5
Bulk refuse containers	10

OTHER ASSETS**EMERGENCY EQUIPMENT**

Other fire fighting equipment	15
Ambulances	5-10
Fire hoses	5
Emergency lights	5

MOTOR VEHICLES

Fire engines	20
Buses	15
Motor vehicles	5-7
Motorcycles	3
Trucks and light delivery vehicles	5-7

AIRCRAFT

15

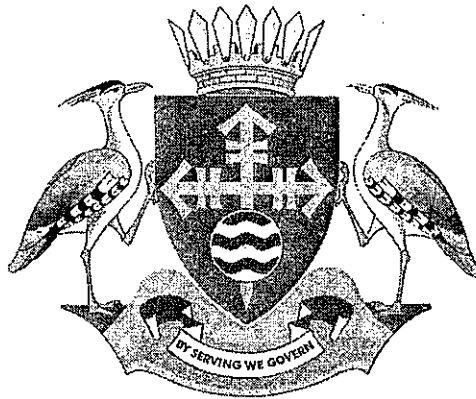
WATERCRAFT

15

PLANT AND EQUIPMENT

Graders	10-15
Tractors	10-15
Mechanical horses	10-15
Farm equipment	5
Lawn mowers	2
Compressors	5
Laboratory equipment	5
Radio equipment	5
Firearms	5
Telecommunication equipment	5
General	5
Cable cars	15
Irrigation systems	15
Cremators	15
Lathes	15
Machining equipment	15
Conveyors	15
Feeders	15
Tippers	15
Pulverising mills	15

JOHN TAOLO GAETSEWE DISTRICT MUNICIPALITY



SUPPLY CHAIN MANAGEMENT POLICY

**Policy for adoption by Council in terms of section 111 of the Municipal
Finance Management Act, No 56 of 2003.**

MUNICIPAL SUPPLY CHAIN MANAGEMENT POLICY
LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003

TABLE OF CONTENTS

1. Definitions

CHAPTER 1

**ESTABLISHMENT AND IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT
POLICY**

2. Supply chain management policy
3. Adoption and amendment of supply chain management policy
4. Delegation of supply chain management powers and duties
5. Subdelegations
6. Oversight role of council
7. Supply chain management units
8. Training of supply chain management officials

CHAPTER 2

FRAMEWORK FOR SUPPLY CHAIN MANAGEMENT

9. Format of supply chain management
 - Part 1: Demand management*
10. System of demand management

Part 2: Acquisition management

11. System of acquisition management
12. Range of procurement processes
13. General preconditions for consideration of written quotations or bids

14. Lists of accredited prospective providers
15. Petty cash purchases
16. Written or verbal quotations
17. Formal written price quotations
18. Procedures for procuring goods or services through written or verbal quotations and formal written price quotations
19. Competitive bidding process
20. Process for competitive bidding
21. Bid documentation for competitive bids
22. Public invitation for competitive bids
23. Procedure for handling, opening and recording of bids
24. Negotiations with preferred bidders
25. Two-stage bidding process
26. Committee system for competitive bids
27. Bid specification committees
28. Bid evaluation committees
29. Bid adjudication committees
30. Procurement of banking services
31. Procurement of IT related goods or services
32. Procurement of goods and services under contracts secured by other organs of state
33. Procurement of goods necessitating special safety arrangements
34. Proudly SA Campaign
35. Appointment of consultants
36. Deviation from, and ratification of minor breaches of, procurement processes
37. Unsolicited bids
38. Combating of abuse of supply chain management system

Part 3: Logistics, Disposal, Risk and Performance Management

39. Logistics management

- 40. Disposal management
- 41. Risk management
- 42. Performance management

Part 4: Other matters

- 43. Prohibition on awards to persons whose tax matters are not in order
- 44. Prohibition on awards to persons in the service of the state
- 45. Awards to close family members of persons in the service of the state
- 46. Ethical standards
- 47. Inducements, rewards, gifts and favours
- 48. Sponsorships
- 49. Objections and complaints
- 50. Resolution of disputes, objections, complaints and queries
- 51. Contracts providing for compensation based on turnover

Definitions

1. In this policy, unless the context otherwise indicates, a word or expression to which a meaning has been assigned in the Act has the same meaning as in the Act, and –

“competitive bidding process” means a competitive bidding process referred to in paragraph 12 (1) (d) of this policy;

“competitive bid” means a bid in terms of a competitive bidding process;

“final award”, in relation to bids or quotations submitted for a contract, means the final decision on which bid or quote to accept;

“formal written price quotation” means quotations referred to in paragraph 12 (1) (c) of this policy;

“in the service of the state” means to be –

- (a) a member of –
 - (i) any municipal council;
 - (ii) any provincial legislature; or
 - (iii) the National Assembly or the National Council of Provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of any municipality or municipal entity;
- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);
- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature;

“long term contract” means a contract with a duration period exceeding one year;

“list of accredited prospective providers” means the list of accredited prospective providers which a municipality or municipal entity must keep in terms of paragraph 14 of this policy;

“other applicable legislation” means any other legislation applicable to municipal supply chain management, including –

- (a) the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);
- (b) the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003); and
- (c) the Construction Industry Development Board Act, 2000 (Act No.38 of 2000);

“Regulation” means the Local Government: Municipal Finance Management Act, 2003, Municipal Supply Chain Management Regulations;

“Treasury guidelines” means any guidelines on supply chain management issued by the Minister in terms of section 168 of the Act;

“the Act” means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

“written or verbal quotations” means quotations referred to in paragraph 12(1)(b) of this policy.

CHAPTER 1
ESTABLISHMENT AND IMPLEMENTATION OF SUPPLY CHAIN
MANAGEMENT POLICY

Supply chain management policy

2.

- (1) The principals of this policy are that it -
- (a) gives effect to –
 - (i) section 217 of the Constitution; and
 - (ii) Part 1 of Chapter 11 and other applicable provisions of the Act;
 - (b) is fair, equitable, transparent, competitive and cost effective;
 - (c) complies with –
 - (i) the regulatory framework prescribed in Chapter 2 of the Regulations; and
 - (ii) any minimum norms and standards that may be prescribed in terms of section 168 of the Act;
 - (d) is consistent with other applicable legislation;
 - (e) does not undermine the objective for uniformity in supply chain management systems between organs of state in all spheres; and
 - (f) is consistent with national economic policy concerning the promotion of investments and doing business with the public sector.

(2) The municipality may not act otherwise than in accordance with this supply chain management policy when –

- (a) procuring goods or services;
- (b) disposing of goods no longer needed;
- (c) selecting contractors to provide assistance in the provision of municipal services otherwise than in circumstances where Chapter 8 of the Municipal Systems Act applies; or
- (d) in the case of a municipality, selecting external mechanisms referred to in section 80 (1) (b) of the Municipal Systems Act for the provision of

municipal services in circumstances contemplated in section 83 of that Act.

(3) Subparagraphs (1) and (2) of this policy do not apply in the circumstances described in section 110 (2) of the Act except where specifically provided otherwise in this policy.

Adoption and amendment of the supply chain management policy

3. (1) The accounting officer must –

- (a) at least annually review the implementation of this policy; and
- (b) when the accounting officer considers it necessary, submit proposals for the amendment of this policy to the council.

(2) If the accounting officer submits a draft policy to the council that differs from the model policy, the accounting officer must ensure that such draft policy complies with the Regulations. The accounting officer must report any deviation from the model policy to the National Treasury and the relevant provincial treasury.

(3) When amending this supply chain management policy the need for uniformity in supply chain practices, procedures and forms between organs of state in all spheres, particularly to promote accessibility of supply chain management systems for small businesses must be taken into account.

(4) The accounting officer of a municipality must in terms of section 62(1)(f)(iv) of the Act, take all reasonable steps to ensure that the municipality has and implements this supply chain management policy.

Delegation of supply chain management powers and duties

4. (1) The council hereby delegates such additional powers and duties to the accounting officer so as to enable the accounting officer –

- (a) to discharge the supply chain management responsibilities conferred on accounting officers in terms of –
 - (i) Chapter 8 or 10 of the Act; and
 - (ii) the supply chain management policy;
- (b) to maximise administrative and operational efficiency in the implementation of the supply chain management policy;
- (c) to enforce reasonable cost-effective measures for the prevention of fraud, corruption, favouritism and unfair and irregular practices in the implementation of the supply chain management policy; and
- (d) to comply with his or her responsibilities in terms of section 115 and other applicable provisions of the Act.

(2) Sections 79 and 106 of the Act apply to the subdelegation of powers and duties delegated to an accounting officer in terms of subparagraph (1) of this policy.

(3) The council or accounting officer may not delegate or subdelegate any supply chain management powers or duties to a person who is not an official of the municipality to a committee which is not exclusively composed of officials of the municipality ;

(4) This paragraph may not be read as permitting an official to whom the power to make final awards has been delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this policy.

Subdelegations

5. (1) The accounting officer may in terms of section 79 or 106 of the Act subdelegate any supply chain management powers and duties, including those delegated to the accounting officer in terms of this policy, but any such

subdelegation must be consistent with subparagraph (2) and paragraph 4 of this policy.

- (2) The power to make a final award –
- (a) above R10 million (VAT included) may not be subdelegated by the accounting officer;
 - (b) above R2 million (VAT included), but not exceeding R10 million (VAT included), may be subdelegated but only to –
 - (i) the chief financial officer;
 - (ii) a senior manager; or
 - (iii) a bid adjudication committee of which the chief financial officer or a senior manager is a member; or
 - (c) not exceeding R2 million (VAT included) may be subdelegated but only to –
 - (i) the chief financial officer;
 - (ii) a senior manager;
 - (iii) a manager directly accountable to the chief financial officer or a senior manager; or
 - (iv) a bid adjudication committee.
- (3) An official or bid adjudication committee to which the power to make final awards has been subdelegated in accordance with subparagraph (2) of this policy must within five days of the end of each month submit to the official referred to in subparagraph (4) of this policy a written report containing particulars of each final award made by such official or committee during that month, including–
- (a) the amount of the award;
 - (b) the name of the person to whom the award was made; and
 - (c) the reason why the award was made to that person.

(4) A written report referred to in subparagraph (3) of this policy must be submitted –

- (a) to the accounting officer, in the case of an award by –
 - (i) the chief financial officer;
 - (ii) a senior manager; or
 - (iii) a bid adjudication committee of which the chief financial officer or a senior manager is a member; or
- (b) to the chief financial officer or the senior manager responsible for the relevant bid, in the case of an award by –
 - (i) a manager referred to in subparagraph (2)(c)(iii) of this policy; or
 - (ii) a bid adjudication committee of which the chief financial officer or a senior manager is not a member.

(5) Subparagraphs (3) and (4) of this policy do not apply to procurements out of petty cash.

(6) This paragraph may not be interpreted as permitting an official to whom the power to make final awards has been subdelegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this policy.

(7) No supply chain management decision-making powers may be delegated to an advisor or consultant.

Oversight role of council

6. (1) The council must maintain oversight over the implementation of this supply chain management policy.

(2) For the purposes of such oversight the accounting officer must –

(a) (i) within 30 days of the end of each financial year, submit a report on the implementation of the supply chain management policy of the municipality to the council ,

(ii) whenever there are serious and material problems in the implementation of the supply chain management policy, immediately submit a report to the council ,

(3) The accounting officer must, within 10 days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the mayor .

(4) The reports must be made public in accordance with section 21A of the Municipal Systems Act.

Supply chain management unit

7. (1) A supply chain management unit is hereby established to implement this supply chain management policy.

(2) The supply chain management unit must, where possible, operate under the direct supervision of the chief financial officer or an official to whom this duty has been delegated in terms of section 82 of the Act.

Training of supply chain management officials

8. The training of officials involved in implementing the supply chain management policy should be in accordance with any Treasury guidelines on supply chain management training.

CHAPTER 2

FRAMEWORK FOR SUPPLY CHAIN MANAGEMENT

Format of supply chain management

9. This supply chain management policy provides systems for –
- (i) demand management;
 - (ii) acquisition management;
 - (iii) logistics management;
 - (iv) disposal management;
 - (v) risk management; and
 - (vi) performance management.

Part 1: Demand management

System of demand management

10. In order to ensure that the resources required to support the strategic and operational commitments are delivered at the correct time, at the right price and at the right location, and that the quantity and quality satisfy needs, an effective system of demand management must include the following:

- (a) Planning for future requirements. Acquisition and disposals of all goods required to meet the strategic goals outlined in the Integrated Development Plan must be quantified, budgeted and planned to ensure timely and effective delivery, appropriate quality at a fair cost to meet the needs of the municipality and community. Critical delivery dates must be determined and adhered to.
- (b) If the requirement is of a repetitive nature and there are benefits of economies of scale a contract for a specific commodity should be arranged.
- (c) In order to compile the correct specifications an industry analysis / research should be undertaken to ensure future needs and technology benefits are maximized

Part 2: Acquisition management

System of acquisition management

11. (1) Through operational procedures, an effective system of acquisition management is established in Part 2 of this policy in order to ensure –

- (a) that goods and services are procured by the municipality in accordance with authorised processes only;
- (b) that expenditure on goods and services is incurred in terms of an approved budget in terms of section 15 of the Act;
- (c) that the threshold values for the different procurement processes are complied with;
- (d) that bid documentation, evaluation and adjudication criteria, and general conditions of a contract, are in accordance with any applicable legislation; and
- (e) that any Treasury guidelines on acquisition management are properly taken into account.

(2) This supply chain management policy, except where provided otherwise in the policy, does not apply in respect of the procurement of goods and services contemplated in section 110(2) of the Act, including –

- (a) water from the Department of Water Affairs or a public entity, another municipality or a municipal entity; and
- (b) electricity from Eskom or another public entity, another municipality or a municipal entity.

(3) The following information must be made public wherever goods or services contemplated in section 110(2) of the Act are procured other than through the supply chain management system -

- (a) the kind of goods or services; and
- (b) the name of the supplier.

Range of procurement processes

12. (1) The procurement of goods and services through this policy is provided by way of –

- (a) petty cash purchases, up to a transaction value of **R300 (VAT included)**;
- (b) written quotations for procurements of a transaction value over **R300** up to R10 000 (VAT included);
- (c) formal written price quotations for procurements of a transaction value over R10 000 up to R200 000 (VAT included); and
- (d) a competitive bidding process for–
 - (i) procurements above a transaction value of R200 000 (VAT included); and
 - (ii) the procurement of long term contracts.

(2) The accounting officer may, in writing:-

lower, but not increase, the different threshold values specified in subparagraph (1); or

- (e) direct that –
 - (i) **written quotations be obtained for any specific** procurement of a transaction value lower than R2000;
 - (ii) formal written price quotations be obtained for any specific procurement of a transaction value lower than R10 000; or
 - (iii) a competitive bidding process be followed for any specific procurement of a transaction value lower than R200 000.

(3) Goods or services may not deliberately be split into parts or items of a lesser value merely to avoid complying with the requirements of the policy. When determining transaction values, a requirement for goods or services consisting of different parts or items must as far as possible be treated and dealt with as a single transaction.

General preconditions for consideration of written quotations or bids

13. A written quotation or bid may not be considered unless the provider who submitted the quotation or bid –

- (a) has furnished that provider's –

- (i) full name;
 - (ii) identification number or company or other registration number; and
 - (iii) tax reference number and VAT registration number, if any;
- (b) has authorised the municipality to obtain a tax clearance from the South African Revenue Services that the provider's tax matters are in order; and
- (c) has indicated –
- (i) whether he or she is in the service of the state, or has been in the service of the state in the previous twelve months;
 - (ii) if the provider is not a natural person, whether any of its directors, managers, principal shareholders or stakeholder is in the service of the state, or has been in the service of the state in the previous twelve months; or
 - (iii) whether a spouse, child or parent of the provider or of a director, manager, shareholder or stakeholder referred to in subparagraph (ii) is in the service of the state, or has been in the service of the state in the previous twelve months.

Lists of accredited prospective providers

- 14.** (1) The accounting officer must –
- (a) keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements through written quotations and formal written price quotations; and
 - (b) at least once a year through newspapers commonly circulating locally, the website and any other appropriate ways, invite prospective providers of goods or services to apply for evaluation and listing as accredited prospective providers;
 - (c) specify the listing criteria for accredited prospective providers; and
 - (d) disallow the listing of any prospective provider whose name appears on the National Treasury's database as a person prohibited from doing business with the public sector.

(2) The list must be updated at least quarterly to include any additional prospective providers and any new commodities or types of services. Prospective providers must be allowed to submit applications for listing at any time.

(3) The list must be compiled per commodity and per type of service.

(4) To be enlisted as an accredited prospective provider, the following documents must be submitted to the municipality:

- (a) documentary proof of registration;
- (b) proof of shareholding documents;
- (c) Cidb, Sanas, BBBEE Approved
- (d) proof of banking documents;
- (e) tax clearance certificate;
- (f) proof of physical address;
- (g) postal address and contact numbers;
- (h) contact person for correspondence.

Petty cash purchases

15. The conditions for the procurement of goods by means of petty cash purchases referred to in paragraph 12 (1) (a) of this policy, are as follows –

- (a) determining the terms on which a manager may delegate responsibility for petty cash to an official reporting to the manager;
- (b) limiting the maximum number of petty cash purchases or the maximum amounts per month for each manager;
- (c) excluding any types of expenditure from petty cash purchases that are excluded, where this is considered necessary; and
- (d) A monthly reconciliation report from each manager must be provided to the chief financial officer, including –
 - (i) the total amount of petty cash purchases for that month; and
 - (ii) receipts and appropriate documents for each purchase.

Written or verbal quotations

16. The conditions for the procurement of goods or services through written or verbal quotations, are as follows –

- (a) quotations must be obtained from at least three different providers preferably from, but not limited to, providers whose names appear on the list of accredited prospective providers of the municipality, provided that if quotations are obtained from providers who are not listed, such providers must meet the listing criteria in the supply chain management policy required by 14(1)(b) and (c) of this policy;
- (b) to the extent feasible, providers must be requested to submit such quotations in writing;
- (c) if it is not possible to obtain at least three quotations, the reasons must be recorded and reported quarterly to the accounting officer or another official designated by the accounting officer;
- (d) the accounting officer must record the names of the potential providers requested to provide such quotations with their quoted prices; and
- (e) if a quotation was submitted verbally, the order may be placed only against written confirmation by the selected provider.

Formal written price quotations

17. (1) The conditions for the procurement of goods or services through formal written price quotations, are as follows;

- (a) quotations must be obtained in writing from at least three different providers whose names appear on the list of accredited prospective providers of the municipality ;
- (b) quotations may be obtained from providers who are not listed, provided that such providers meet the listing criteria in the supply chain management policy required by paragraph 14(1)(b) and (c);

- (c) if it is not possible to obtain at least three quotations, the reasons must be recorded and approved by the chief financial officer or an official designated by the chief financial officer, and
- (d) the accounting officer must record the names of the potential providers and their written quotations.

(2) A designated official referred to in subparagraph (1) (c) must within three days of the end of each month report to the chief financial officer on any approvals given during that month by that official in terms of that subparagraph.

Procedures for procuring goods or services through written or verbal quotations and formal written price quotations

18. The operational procedure for the procurement of goods or services through written or verbal quotations or formal written price quotations, are as follows –

- (a) all requirements in excess of R30 000 (VAT included) that are to be procured by means of formal written price quotations must, in addition to the requirements of paragraph 17, be advertised for at least seven days on the website and an official notice board of the municipality ;
- (b) when using the list of accredited prospective providers the accounting officer must promote ongoing competition amongst providers, including by inviting providers to submit quotations on a rotation basis;
- (c) offers received must be evaluated on a comparative basis taking into account unconditional discounts;
- (d) the accounting officer or chief financial officer must on a monthly basis be notified in writing of all written or verbal quotations and formal written price quotations accepted by an official acting in terms of a subdelegation;
- (e) stipulate requirements for proper record keeping ;
- (f) offers below R30 000 (VAT included) must be awarded based on compliance to specifications and conditions of contract, ability and capability to deliver goods and services and lowest price;

(g) acceptable offers, which are subject to the preference points system (PPPFA) and associated regulations, must be awarded to the bidder who scored the highest points.

Competitive bids

19. (1) Goods or services above a transaction value of **R200 000** (VAT included) and long term contracts may only be procured through a competitive bidding process, subject to paragraph 11(2) of this policy; and

(2) No requirement for goods or services above an estimated transaction value of R200 000 (VAT included), may deliberately be split into parts or items of lesser value merely for the sake of procuring the goods or services otherwise than through a competitive bidding process.

Process for competitive bidding

20. The procedures for a competitive bidding process are established in Part 2 of this policy for each of the following stages:

- (a) the compilation of bidding documentation as detailed in paragraph 21;
- (b) the public invitation of bids as detailed in paragraph 21;
- (c) site meetings or briefing sessions, if applicable as detailed in paragraph 21;
- (d) the handling of bids submitted in response to public invitation;
- (e) the evaluation of bids;
- (f) the award of contracts;
- (g) the administration of contracts:
 - (i) After the approval of a bid, the accounting officer and the bidder must enter into a written contract.
- (h) proper record keeping :
- (i) Original / legal copies of written contracts and agreements should be kept in a secure place for reference purposes.

Bid documentation for competitive bids

21. The criteria to which bid documentation for a competitive bidding process must comply, must –

- (a) take into account –
 - (i) the general conditions of contract;
 - (ii) any Treasury guidelines on bid documentation; and
 - (iii) the requirements of the Construction Industry Development Board, in the case of a bid relating to construction, upgrading or refurbishment of buildings or infrastructure;
- (b) include evaluation and adjudication criteria, including any criteria required by other applicable legislation;
- (c) compel bidders to declare any conflict of interest they may have in the transaction for which the bid is submitted;
- (d) if the value of the transaction is expected to exceed R10 million (VAT included), require bidders to furnish–
 - (i) if the bidder is required by law to prepare annual financial statements for auditing, their audited annual financial statements –
 - (aa) for the past three years; or
 - (bb) since their establishment if established during the past three years;
 - (ii) a certificate signed by the bidder certifying that the bidder has no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days;
 - (iii) particulars of any contracts awarded to the bidder by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract;
 - (iv) a statement indicating whether any portion of the goods or services are expected to be sourced from outside the Republic, and, if so,

what portion and whether any portion of payment from the municipality or municipal entity is expected to be transferred out of the Republic; and

- (e) stipulate that disputes must be settled by means of mutual consultation, mediation (with or without legal representation), or, when unsuccessful, in a South African court of law.

Public invitation for competitive bids

22. The procedure for the invitation of competitive bids, are as follows:

(1) (a) Any invitation to prospective providers to submit bids must be by means of a public advertisement in newspapers commonly circulating locally, the website of the municipality or any other appropriate ways (which may include an advertisement in the Government Tender Bulletin); and

- (b) the information contained in a public advertisement, must include –
 - (i) the closure date for the submission of bids, which may not be less than 30 days in the case of transactions over R10 million (VAT included), or which are of a long term nature, or **14 days** in any other case, from the date on which the advertisement is placed in a newspaper, subject to subparagraph (2) of this policy;
 - (ii) a statement that bids may only be submitted on the bid documentation provided by the municipality and
 - (iii) date, time and venue of any proposed site meetings or briefing sessions.

(2) The accounting officer may determine a closure date for the submission of bids which is less than the **30 or 14 days** requirement, but only if such shorter period can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical or impossible to follow the official procurement process.

- (3) Bids submitted must be sealed.
- (4) Where bids are requested in electronic format, such bids must be supplemented by sealed hard copies.

Procedure for handling, opening and recording of bids

23. The procedures for the handling, opening and recording of bids, are as follows:

- (a) Bids–
 - (i) must be opened only in public; and
 - (ii) must be opened at the same time and as soon as possible after the period for the submission of bids has expired;
 - (iii) received after the closing time should not be considered and returned unopened immediately.
- (b) Any bidder or member of the public has the right to request that the names of the bidders who submitted bids in time must be read out and, if practical, also each bidder's total bidding price; and
- (c) The person who opened the bids shall forthwith place his / her initials against the total amount mentioned in the bid documents.
- (d) The accounting officer must –
 - (i) record in a register all bids received in time;
 - (ii) make the register available for public inspection; and
 - (iv) publish the entries in the register and the bid results on the website.
- (e) No information, except the provisions in subparagraph (b) , relating to the bid should be disclosed to bidders or other persons until the successful bidder is notified of the awards.

- (e) Any deposit or security received with the bid shall forthwith be handed to the Chief Financial Officer or his proxy for official acknowledgement of receipt.
- (f) After being recorded in the register referred to in subparagraph (d)(i) above the bids shall be handed over to the chairperson of the Bid Evaluation Committee or his proxy for the evaluation thereof and he shall acknowledge receipt by signing the register.

Negotiations with preferred bidders

24. (1) The accounting officer may negotiate the final terms of a contract with bidders identified through a competitive bidding process as preferred bidders, provided that such negotiation –

- (a) does not allow any preferred bidder a second or unfair opportunity;
- (b) is not to the detriment of any other bidder; and
- (c) does not lead to a higher price than the bid as submitted.

(2) Minutes of such negotiations must be kept for record purposes.

Two-stage bidding process

25. (1) A two-stage bidding process is allowed for –

- (a) large complex projects;
- (b) projects where it may be undesirable to prepare complete detailed technical specifications; or
- (c) long term projects with a duration period exceeding three years.

(2) In the first stage technical proposals on conceptual design or performance specifications should be invited, subject to technical as well as commercial clarifications and adjustments.

(3) In the second stage final technical proposals and priced bids should be invited.

Committee system for competitive bids

26. (1) The following committees are hereby established -

- (a) a bid specification committee;
- (b) a bid evaluation committee; and
- (c) a bid adjudication committee;

(2) The accounting officer is required to appoint the members of each committee, taking into account section 117 of the Act; and

(3) The accounting officer is required to provide for an attendance or oversight process by a neutral or independent observer, appointed by the accounting officer, when this is appropriate for ensuring fairness and promoting transparency.

(4) The committee system must be consistent with –

- (a) paragraph 27, 28 and 29 of this policy; and
- (b) any other applicable legislation.

(5) The accounting officer may apply the committee system to formal written price quotations.

Bid specification committees

27. (1) The bid specification committee must compile the specifications for each procurement of goods or services by the municipality .

(2) Specifications –

- (a) must be drafted in an unbiased manner to allow all potential suppliers to offer their goods or services;
- (b) must take account of any accepted standards such as those issued by Standards South Africa, the International Standards Organisation, or an

- authority accredited or recognized by the South African National Accreditation System with which the equipment or material or workmanship should comply;
- (c) where possible, be described in terms of performance required rather than in terms of descriptive characteristics for design;
 - (d) may not create trade barriers in contract requirements in the forms of specifications, plans, drawings, designs, testing and test methods, packaging, marking or labeling of conformity certification;
 - (e) may not make reference to any particular trade mark, name, patent, design, type, specific origin or producer unless there is no other sufficiently precise or intelligible way of describing the characteristics of the work, in which case such reference must be accompanied by the word "equivalent";
 - (f) must indicate each specific goal for which points may be awarded in terms of the points system set out in the Preferential Procurement Regulations 2011; and
 - (g) must be approved by the accounting officer prior to publication of the invitation for bids in terms of paragraph 22 of this policy.

(3) The bid specification committee must be composed of one or more officials of the municipality, preferably the manager responsible for the function involved, and may, when appropriate, include external specialist advisors.

(4) No person, advisor or corporate entity involved with the bid specification committee, or director of such a corporate entity, may bid for any resulting contracts.

Bid evaluation committees

28. (1) The bid evaluation committee must –
- (a) evaluate bids in accordance with –
 - (i) the specifications for a specific procurement;

- (ii) the points system set out in terms of paragraph 27(2)(f); and
 - (iii) the evaluation methods outlined in Annexure A of this policy.
- (b) evaluate each bidder's ability to execute the contract;
 - (c) check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears, and;
 - (d) submit to the adjudication committee a report and recommendations regarding the award of the bid or any other related matter.
- (2) The bid evaluation committee must as far as possible be composed of –
- (a) officials from departments requiring the goods or services; and
 - (b) at least one supply chain management practitioner of the municipality .

Bid adjudication committees

29. (1) The bid adjudication committee must –
- (a) consider the report and recommendations of the bid evaluation committee; and
 - (b) either –
 - (i) depending on its delegations, make a final award or a recommendation to the accounting officer to make the final award; or
 - (ii) make another recommendation to the accounting officer how to proceed with the relevant procurement.
- (2) The bid adjudication committee must consist of at least four senior managers of the municipality which must include –
- (i) the chief financial officer and Senior Managers, if the chief financial officer is not available, another manager in the budget and treasury office reporting directly to the chief financial officer and designated by the chief financial officer; and

- (ii) at least one senior supply chain management practitioner who is an official of the municipality ; and
- (iii) a technical expert in the relevant field who is an official, if such an expert exists.

(3) Neither a member of a bid evaluation committee, nor an advisor or person assisting the evaluation committee, may be a member of a bid adjudication committee.

(4) (a) If the bid adjudication committee decides to award a bid other than the one recommended by the bid evaluation committee, the bid adjudication committee must prior to awarding the bid –

- (i) check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal service charges are not in arrears, and;
- (ii) notify the accounting officer.
 - (b) The accounting officer may –
 - (i) after due consideration of the reasons for the deviation, ratify or reject the decision of the bid adjudication committee referred to in paragraph (a); and
 - (ii) if the decision of the bid adjudication committee is rejected, refer the decision of the adjudication committee back to that committee for reconsideration.

(6) The accounting officer may at any stage of a bidding process, refer any recommendation made by the evaluation committee or the adjudication committee back to that committee for reconsideration of the recommendation.

(7) The accounting officer must comply with section 114 of the Act within 10 working days

Procurement of banking services

30. (1) Banking services –

- (a) must be procured through competitive bids;
- (b) must be consistent with section 7 or 85 of the Act; and
- (c) may not be for a period of more than five years at a time.

(2) The process for procuring a contract for banking services must commence at least nine months before the end of an existing contract.

(3) The closure date for the submission of bids may not be less than 60 days from the date on which the advertisement is placed in a newspaper in terms of paragraph 22(1). Bids must be restricted to banks registered in terms of the Banks Act, 1990 (Act No. 94 of 1990).

Procurement of IT related goods or services

31. (1) The accounting officer may request the State Information Technology Agency (SITA) to assist with the acquisition of IT related goods or services through a competitive bidding process.

(2) Both parties must enter into a written agreement to regulate the services rendered by, and the payments to be made to, SITA.

(3) The accounting officer must notify SITA together with a motivation of the IT needs if –

- (a) the transaction value of IT related goods or services required in any financial year will exceed R50 million (VAT included); or
- (b) the transaction value of a contract to be procured whether for one or more years exceeds R50 million (VAT included).

(4) If SITA comments on the submission and the municipality disagrees with such comments, the comments and the reasons for rejecting or not following such comments must be submitted to the council, the National Treasury, the relevant provincial treasury and the Auditor General.

Procurement of goods and services under contracts secured by other organs of state

32. (1) The accounting officer may procure goods or services under a contract secured by another organ of state, but only if –

- (a) the contract has been secured by that other organ of state by means of a competitive bidding process applicable to that organ of state;
- (b) there is no reason to believe that such contract was not validly procured;
- (c) there are demonstrable discounts or benefits to do so; and
- (d) that other organ of state and the provider have consented to such procurement in writing.

(2) Subparagraphs (1)(c) and (d) do not apply if –

- (a) a municipal entity procures goods or services through a contract secured by its parent municipality; or
- (b) a municipality procures goods or services through a contract secured by a municipal entity of which it is the parent municipality.

Procurement of goods necessitating special safety arrangements

33. (1) The acquisition and storage of goods in bulk (other than water), which necessitate special safety arrangements, including gasses and fuel, should be avoided where ever possible.

(2) Where the storage of goods in bulk is justified, such justification must be based on sound reasons, including the total cost of ownership, cost

advantages and environmental impact and must be approved by the accounting officer.

Proudly SA Campaign

34. The municipality supports the Proudly SA Campaign to the extent that, all things being equal, preference is given to procuring local goods and services from:

- Firstly –suppliers and businesses within the municipality or district;
- Secondly – suppliers and businesses within the relevant province;
- Thirdly – suppliers and businesses within the Republic of South Africa

Appointment of consultants

35. (1) The accounting officer may procure consulting services provided that any Treasury guidelines in respect of consulting services are taken into account when such procurements are made.

- (2) Consultancy services must be procured through competitive bids if
- (a) the value of the contract exceeds R200 000 (VAT included); or
 - (b) the duration period of the contract exceeds one year.

- (3) In addition to any requirements prescribed by this policy for competitive bids, bidders must furnish particulars of –
- (a) all consultancy services provided to an organ of state in the last five years; and
 - (b) any similar consultancy services provided to an organ of state in the last five years.

(4) The accounting officer must ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultant in the course of the consultancy service is vested in the municipality .

Deviation from, and ratification of minor breaches of, procurement processes

36. (1) The accounting officer may –
- (a) dispense with the official procurement processes established by this policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only –
 - (i) in an emergency;
 - (ii) if such goods or services are produced or available from a single provider only;
 - (iii) for the acquisition of special works of art or historical objects where specifications are difficult to compile;
 - (iv) acquisition of animals for zoos and/or nature and game reserves; or
 - (v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes; and
 - (b) ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.

(2) The accounting officer must record the reasons for any deviations in terms of subparagraphs (1)(a) and (b) of this policy and report them to the next meeting of the council and include as a note to the annual financial statements.

(3) Subparagraph (2) does not apply to the procurement of goods and services contemplated in paragraph 11(2) of this policy.

Unsolicited bids

37. (1) In accordance with section 113 of the Act there is no obligation to consider unsolicited bids received outside a normal bidding process.

(2) The accounting officer may decide in terms of section 113(2) of the Act to consider an unsolicited bid, only if –

- (a) the product or service offered in terms of the bid is a demonstrably or proven unique innovative concept;
- (b) the product or service will be exceptionally beneficial to, or have exceptional cost advantages;
- (c) the person who made the bid is the sole provider of the product or service; and
- (d) the reasons for not going through the normal bidding processes are found to be sound by the accounting officer.

(3) If the accounting officer decides to consider an unsolicited bid that complies with subparagraph (2) of this policy, the decision must be made public in accordance with section 21A of the Municipal Systems Act, together with –

- (a) reasons as to why the bid should not be open to other competitors;
- (b) an explanation of the potential benefits if the unsolicited bid were accepted; and
- (c) an invitation to the public or other potential suppliers to submit their comments within 30 days of the notice.

(4) All written comments received pursuant to subparagraph (3), including any responses from the unsolicited bidder, must be submitted to the National Treasury and the relevant provincial treasury for comment.

(5) The adjudication committee must consider the unsolicited bid and may award the bid or make a recommendation to the accounting officer, depending on its delegations.

(6) A meeting of the adjudication committee to consider an unsolicited bid must be open to the public.

(7) When considering the matter, the adjudication committee must take into account –

- (a) any comments submitted by the public; and
- (b) any written comments and recommendations of the National Treasury or the relevant provincial treasury.

(8) If any recommendations of the National Treasury or provincial treasury are rejected or not followed, the accounting officer must submit to the Auditor General, the relevant provincial treasury and the National Treasury the reasons for rejecting or not following those recommendations.

(9) Such submission must be made within seven days after the decision on the award of the unsolicited bid is taken, but no contract committing the municipality to the bid may be entered into or signed within 30 days of the submission.

Combating of abuse of supply chain management system

38. The following measures are established to combat the abuse of the supply chain management system:

- (1) The accounting officer must–
 - (a) take all reasonable steps to prevent abuse of the supply chain management system;
 - (b) investigate any allegations against an official or other role player of fraud, corruption, favouritism, unfair or irregular practices or failure to comply with this supply chain management policy, and when justified –
 - (i) take appropriate steps against such official or other role player; or
 - (ii) report any alleged criminal conduct to the South African Police Service;

- (c) check the National Treasury's database prior to awarding any contract to ensure that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector;
- (d) reject any bid from a bidder—
 - (i) if any municipal rates and taxes or municipal service charges owed by that bidder or any of its directors to the municipality , or to any other municipality or municipal entity, are in arrears for more than three months; or
 - (ii) who during the last five years has failed to perform satisfactorily on a previous contract with the municipality or any other organ of state after written notice was given to that bidder that performance was unsatisfactory;
- (e) reject a recommendation for the award of a contract if the recommended bidder, or any of its directors, has committed a corrupt or fraudulent act in competing for the particular contract;
- (f) cancel a contract awarded to a person if —
 - (i) the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or
 - (ii) an official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person; and
- (g) reject the bid of any bidder if that bidder or any of its directors —
 - (i) has abused the supply chain management system of the municipality or has committed any improper conduct in relation to such system;
 - (ii) has been convicted for fraud or corruption during the past five years;
 - (iii) has willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or

- (iv) has been listed in the Register for Tender Defaulters In terms section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).

(2) The accounting officer must inform the National Treasury and relevant provincial treasury in writing of any actions taken in terms of subparagraphs (1)(b)(ii), (e) or (f) of this policy.

Part 3: Logistics, Disposal, Risk and Performance Management

Logistics management

39. An effective system of logistics management must include the following:
- (a) monitoring of spending patterns on types or classes of goods and services which should where practical incorporate the coding of items to ensure that each item has a unique number for the purposes of monitoring
 - (b) setting of inventory levels that includes minimum and maximum levels and lead times wherever goods are placed in stock;
 - (c) placing of manual or electronic orders for all acquisitions other than petty cash;
 - (d) before payment is approved , a certification from the responsible officer that the goods and services are received or rendered on time and is in accordance with the order, the general conditions of contract and specifications where applicable and that the price charged is as quoted / in terms of a contract;
 - (e) appropriate standards of internal control and warehouse management to ensure goods placed in stores are secure and only used for the purpose they were purchased;

- (f) regular checking to ensure that all assets including official vehicles are properly managed, appropriately maintained and only used for official purposes; and
- (g) monitoring and review of the supply vendor performance to ensure compliance with specifications and contract conditions for a particular good or service.

Disposal management

40. (1) The criteria for the disposal or letting of assets, including unserviceable, redundant or obsolete assets, subject to sections 14 and 90 of the Act, are as follows: [council to insert criteria]

- (2) The disposal of assets must—
 - (a) be by one of the following methods —
 - (i) transferring the asset to another organ of state in terms of a provision of the Act enabling the transfer of assets;
 - (ii) transferring the asset to another organ of state at market related value or, when appropriate, free of charge;
 - (iii) selling the asset; or
 - (iv) destroying the asset;
 - (b) provided that —
 - (i) immovable property may be sold only at market related prices except when the public interest or the plight of the poor demands otherwise;
 - (ii) movable assets may be sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous;
 - (iii) in the case of the free disposal of computer equipment, the provincial department of education must first be approached to indicate within 30 days whether any of the local schools are interested in the equipment; and

- (iv) in the case of the disposal of firearms, the National Conventional Arms Control Committee has approved any sale or donation of firearms to any person or institution within or outside the Republic;
- (c) furthermore ensure that –
 - (i) immovable property is let at market related rates except when the public interest or the plight of the poor demands otherwise; and
 - (ii) all fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed; and
- (d) ensure that where assets are traded in for other assets, the highest possible trade-in price is negotiated.

Risk management

41. (1) The criteria for the identification, consideration and avoidance of potential risks in the supply chain management system, are as follows [council to insert criteria]

- (2) Risk management must include –
 - (a) the identification of risks on a case-by-case basis;
 - (b) the allocation of risks to the party best suited to manage such risks;
 - (c) acceptance of the cost of the risk where the cost of transferring the risk is greater than that of retaining it;
 - (d) the management of risks in a pro-active manner and the provision of adequate cover for residual risks; and
 - (e) the assignment of relative risks to the contracting parties through clear and unambiguous contract documentation.

Performance management

42. The accounting officer must establish an effective internal monitoring system in order to determine, on the basis of a retrospective analysis, whether the authorised supply chain management processes were followed and whether the desired *objectives* were achieved.

Part 4: Other matters

Prohibition on awards to persons whose tax matters are not in order

43. (1) The accounting officer must ensure that, irrespective of the procurement process followed, no award above **R15 000** is given to a person whose tax matters have not been declared by the South African Revenue Service to be in order.

(2) Before making an award to a person the accounting officer must first check with SARS whether that person's tax matters are in order.

(3) If SARS does not respond within 7 days such person's tax matters may for purposes of subparagraph (1) be presumed to be in order.

Prohibition on awards to persons in the service of the state

44. The accounting officer must ensure that irrespective of the procurement process followed, no award may be given to a person –

- (a) who is in the service of the state; or
- (b) if that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state; or
- (c) a person who is an advisor or consultant contracted with the municipality

Awards to close family members of persons in the service of the state

45. The notes to the annual financial statements must disclose particulars of any award of more than **R2000** to a person who is a spouse, child or parent of a

person in the service of the state, or has been in the service of the state in the previous twelve months, including –

- (a) the name of that person;
- (b) the capacity in which that person is in the service of the state; and
- (c) the amount of the award.

Ethical standards

46. (1) A code of ethical standards is hereby established, in accordance with subparagraph (2), for officials and other role players in the supply chain management system in order to promote –

- (a) mutual trust and respect; and
- (b) an environment where business can be conducted with integrity and in a fair and reasonable manner.

(2) An official or other role player involved in the implementation of the supply chain management policy –

- (a) must treat all providers and potential providers equitably;
- (b) may not use his or her position for private gain or to improperly benefit another person;
- (c) may not accept any reward, gift, favour, hospitality or other benefit directly or indirectly, including to any close family member, partner or associate of that person, of a value more than **R350**;
- (d) notwithstanding subparagraph (2)(c), must declare to the accounting officer details of any reward, gift, favour, hospitality or other benefit promised, offered or granted to that person or to any close family member, partner or associate of that person;
- (e) must declare to the accounting officer details of any private or business interest which that person, or any close family member, partner or associate, may have in any proposed procurement or disposal process of, or in any award of a contract by, the municipality ;

- (f) must immediately withdraw from participating in any manner whatsoever in a procurement or disposal process or in the award of a contract in which that person, or any close family member, partner or associate, has any private or business interest;
- (g) must be scrupulous in his or her use of property belonging to municipality
- (h) must assist the accounting officer in combating fraud, corruption, favouritism and unfair and irregular practices in the supply chain management system; and
- (i) must report to the accounting officer any alleged irregular conduct in the supply chain management system which that person may become aware of, including –
 - (i) any alleged fraud, corruption, favouritism or unfair conduct;
 - (ii) any alleged contravention of paragraph 47(1) of this policy; or
 - (iii) any alleged breach of this code of ethical standards.

(3) Declarations in terms of subparagraphs (2)(d) and (e) -

- (a) must be recorded in a register which the accounting officer must keep for this purpose;
- (b) by the accounting officer must be made to the mayor of the municipality who must ensure that such declarations are recorded in the register.

(4) The National Treasury's code of conduct must also be taken into account by supply chain management practitioners and other role players involved in supply chain management.

(5) A breach of the code of conduct adopted by the municipality must be dealt with in accordance with schedule 2 of the Local Government: Municipal Systems Act, 2000.

Inducements, rewards, gifts and favours to municipalities , officials and other role players

47. (1) No person who is a provider or prospective provider of goods or services, or a recipient or prospective recipient of goods disposed or to be disposed of may either directly or through a representative or intermediary promise, offer or grant –

- (a) any inducement or reward to the municipality for or in connection with the award of a contract; or
- (b) any reward, gift, favour or hospitality to –
 - (i) any official; or
 - (ii) any other role player involved in the implementation of the supply chain management policy.

(2) The accounting officer must promptly report any alleged contravention of subparagraph (1) to the National Treasury for considering whether the offending person, and any representative or intermediary through which such person is alleged to have acted, should be listed in the National Treasury's database of persons prohibited from doing business with the public sector.

(3) Subparagraph (1) does not apply to gifts less than **R350** in value.

Sponsorships

48. The accounting officer must promptly disclose to the National Treasury and the relevant provincial treasury any sponsorship promised, offered or granted, whether directly or through a representative or intermediary, by any person who is –

- (a) a provider or prospective provider of goods or services; or
- (b) a recipient or prospective recipient of goods disposed or to be disposed.

Objections and complaints

49. Persons aggrieved by decisions or actions taken in the implementation of this supply chain management system, may lodge within **14 days** of the decision or action, a written objection or complaint against the decision or action.

Resolution of disputes, objections, complaints and queries

50. (1) The accounting officer must appoint an independent and impartial person, not directly involved in the supply chain management processes –

(a) to assist in the resolution of disputes between the municipality and other persons regarding -

(i) any decisions or actions taken in the implementation of the supply chain management system; or

(ii) any matter arising from a contract awarded in the course of the supply chain management system; or

(b)(c) to deal with objections, complaints or queries regarding any such decisions or actions or any matters arising from such contract.

(2) The accounting officer, or another official designated by the accounting officer, is responsible for assisting the appointed person to perform his or her functions effectively.

(3) The person appointed must –

(a) strive to resolve promptly all disputes, objections, complaints or queries received; and

(b) submit monthly reports to the accounting officer on all disputes, objections, complaints or queries received, attended to or resolved.

(4) A dispute, objection, complaint or query may be referred to the relevant provincial treasury if –

(a) the dispute, objection, complaint or query is not resolved within 60 days; or

(b) no response is forthcoming within 60 days.

(5) If the provincial treasury does not or cannot resolve the matter, the dispute, objection, complaint_or query_may be referred to the National Treasury for resolution.

(6) This paragraph must not be read as affecting a person's rights to approach a court at any time.

Contracts providing for compensation based on turnover

51. If a service provider acts on behalf of a municipality to provide any service or act as a collector of fees, service charges or taxes and the compensation payable to the service provider is fixed as an agreed percentage of turnover for the service or the amount collected, the contract between the service provider and the municipality must stipulate –

- (a) a cap on the compensation payable to the service provider; and
- (d) that such compensation must be performance based.

Commencement

52. This policy takes effect on the date on which it is adopted by the council.

ANNEXURE A

EVALUATION METHODS

The following preferential points system shall be applied for all procurement equal to or above R30,000. However, these prescripts may be applied for procurement with a value of less than R30,000, if and when appropriate.

(A)	80/20	(≤ R500,000)
------------	--------------	---------------------

PRINCIPLES IN TERMS OF WHICH POINTS WILL BE AWARDED	NUMBER OF POINTS
(i) Lowest acceptable bid (price) The following formula will be applied in terms of price and functionality. The total number of points may not exceed 80 and must be inclusive of both price and functionality, if functionality is applied: $P_s = 80 (1 - P_t - P_{\min} / P_{\min})$ Where P_s = Points scored for price of bid under consideration P_t = Rand value of offer bid consideration P_{\min} = Rand value of lowest acceptable bid	80
(ii) Persons who had no franchise in national Elections before the 1983 and 1993 Constitutions(HDI)	10
(iii) Kgalagadi based Enterprises	4
(iv) Who is a Female	3
(v) Persons with Disability	1
(vi) Youth Ownership	2
<i>Historically Disadvantaged Individual Status</i> The following formula must be applied to calculate the number of points for equity ownership by and HDI: $NEP = NOP \times EP / 100$ Where NEP = Points awarded for equity ownership by an HDI	

NOP owner-	= The maximum number of points (10) awarded for equity Ship by an HDI	
EP	= The percentage of equity ownership by an HDI within the Enterprise or business	
TOTAL		100

(B)	90/10	(> R500,000)
------------	--------------	------------------------

PRINCIPLES IN TERMS OF WHICH POINTS WILL BE AWARDED	POINTS
<p>(i) Lowest acceptable bid (price)</p> <p>The following formula will be applied in terms of price and functionality. The total number of points may not exceed 90 and must be inclusive of both price and functionality, if functionality is applied:</p> $P_s = 90 (1 - P_t - \frac{P_{min}}{P_{min}})$ <p>Where</p> <p>P_s = Points scored for price of bid under consideration P_t = Rand value of offer bid consideration P_{min} = Rand value of lowest acceptable bid</p>	90
(ii) Persons who had no franchise in national elections before the 1983 and 1993 constitutions:	5
(iii) Who is a Female	1
(iv) persons with disability	1
(v) Youth Ownership	1
(vi) Kgalagadi Based Enterprises	2
<p><i>Historically Disadvantaged Individual Status</i></p> <p>The following formula must be applied to calculate the number of points for equity ownership by and HDI:</p> $NEP = NOP \times \frac{EP}{100}$ <p>Where</p> <p>NEP = Points awarded for equity ownership by an HDI NOP = The maximum number of points (10) awarded for equity ownership by an HDI EP = The percentage of equity ownership by an HDI within the Enterprise or business</p>	
TOTAL	100

Notwithstanding the preference points system to be followed in terms of this policy, the municipality may, on the recommendation of the Municipal Manager, acting in terms of Section 2(1)(f) of the Preferential Procurement Policy Framework Act 5 of 2000 read with Regulation 9 of the Regulations made in terms thereof, on grounds which are reasonable and justifiable in

order to achieve and/or maximize the procurement priorities/objectives outlined in this policy document, award the BID to the bidder other than the bidder that scored highest points.



**TRAVEL AND SUBSITENCE POLICY FOR THE JOHN TAOLO
GAETSEWE DISTRICT MUNICIPALITY**

Council Resolution number:	Approved Date:
Effective Date:	Review Date:

Cllr. S. Gaobusiwe (Speaker) -----

Mr. T.H Matlhare Acting (Municipal Manager) -----

1. Introduction

- 1.1 The current travel and subsistence procedures have been applied and followed for the past years and have become outdated as circumstances have changed and costs have increased with inflation.
- 1.2 Officials and councilors are required from time to time to travel away from the office in order to meet other role players, attend workshops and official functions. And often these councilors and officials are required to use their own transport and need to be reimbursed for the cost incurred.
- 1.3 An updated Travel and Subsistence Policy that take the above scenario into account has become necessary.

2. Policy goals

The purpose of this policy is to:

Ensure that all travel and subsistence costs incurred by the Municipality are done as efficiently and effectively as possible.

Ensure that councilors and officials are reimbursed fairly and consistently for the cost incurred while traveling to perform municipal duties

3. Scope

The policy will be applicable to all members of staff councilors and relevant stakeholders of the **John Taolo Gaetsewe District Municipality**.

4. Legal Framework

- Department of Finance Tariff guidelines
- SALGA's Councillors Hand Book
- Department of Cooperative Governance and Traditional Affairs No R. 12225 – Remuneration of Public Office bearers (Act No. 20. of 1998)

5. Definitions and Abbreviations

- **HOD** – Head of Department
- **MM** – Municipal Manager
- **SARS** – South African Revenue Services
- **SALGA** – South African Local Government Association
- **BTO** – Budget and Treasury Office
- **Spouse**– A partner of a person in a valid marriage (Definiton as per the Mirriage of 1961)

6. Claims and Tariffs

6.1 Privately Owned Vehicle

6.1 Where no appropriate council vehicle is available councilors and officials not participating in the motor scheme shall be entitled to utilize their own transport and shall be reimbursed as follows:

6.1.2 For privately owned vehicle claimant shall be paid at the current Department of Transport tariffs per kilometre.

6.1.3 Staff members and councilors residing outside Kuruman Town, will make prior arrangements with the relevant HOD or the Municipal Manager in order to utilize the municipal car on arrival from an official trip.

6.1.4 In a case where a private transport was used to transport an official to and from home, the kilos can be claimed, and in a case where a vehicle scheme transport was used, the kilos can be included in the log book. (Prior arrangements will be done with the relevant Head of Department or the Municipal Manager).

6.1.5 The total traveling distance shall be calculated from and to the John Taolo Gaetsewe District Municipal offices in Kuruman, clause 6.1.3 and 6.1.4 will be considered in consultation with the Head of Department and the Municipal Manager.

6.1.6 Extra kilometers traveled as a result of traveling to and from the venue of the meeting, will be claimed on the return of employees.

6.1.7 Proof of ownership specifying the value and engine capacity of the vehicle must be submitted to the Budget and Treasury Office. A councilor or official will not be allowed to claim using another persons vehicle. Proof of ownership of a vehicle, and a copy of a drivers licence should be submitted to HR unit. Councillors and Staff members who are married (**A partner of a person in a valid marriage (Definiton as per the Marriage of 1961)**) may use their partner's vehicle.

6.1.8 Councillors will only claim for kilometers travelled, part time councilors will be allowed to claim from where they reside, whereas fulltime councilors will claim from the JTGDM premises, except during weekends and or public holidays.

6.1.9 In the event there is a need for officials and councilors to travel to the same meeting they should at least travel in a pair of two per vehicle. (Council resolution number FO2 28/02/2012)

6.1.10 Whenever two or **more officials** travel in one car whether **official or private**, an indemnity form designed for this purpose should be signed by all parties. The form should specify the names of the people, the fact that the employer will take the risks and the details of the meetings they will attend.

6.1.11 Should an accident happen while two or more officials were travelling in one car, the case will be handled as an injury on duty, and all claims and procedures on the Compensation and injuries and diseases act no 130 of 1993 will be followed.

6.2 Essential Users

- 6.2.1 All persons in the Essential user scheme members are excluded from claiming the travel expense.
- 6.2.2 Essential user scheme members who are also involved in projects cannot claim any Travel expense and should include the kilos for both projects funded by the municipality and by other departments in the log book.

6.3 Public Transport

- 6.3.1 For public transport proof of payment must be furnished.

6.4 Accommodation and Subsistence Allowance

- 6.4.1 Overnight accommodation shall only be allowed in cases where the traveling time from John Taolo Gaetsewe Municipal Offices to the venue is more than two hours after the official starting time (07:30) of the Municipality.
- 6.4.2 Overnight accommodation shall also be allowed in cases where traveling from the venue to John Taolo Gaetsewe Municipal Office is after 18:00, and 16:00 in cities where traffic congestion is a challenge.
- 6.4.3 The following two options are available in cases where an overnight accommodation is required:
 - 6.4.4 **Bookings for accommodation for both officials and Councillors will be done at a three star hotel or guesthouse.**
 - 6.4.5 Subsistence allowance will be paid in terms of the prescribed SARS tariffs, as determined from time to time.
 - 6.4.5.1 **When travelling back to head office the following shall apply:**
 - a) **If the kilomentres are less that 300, the normal R98 will be paid as per the SARS prescribed tarrifs)**
 - b) **If the kilometers are more than 300, an out of pocket allowance of 319 will be paid as per the SARS prescribed office.**
 - 6.4.6 If a Municipality representative stays with a relative or friend, no accommodation allowance may be claimed, but the representative may claim a subsistence allowance of **R500** per day.
 - 6.4.7 Where it is not necessary to overnight, no accommodation cost will be paid, and a subsistence allowance will be paid if a councilor or official was away for four hours and more on an official visit. The daily subsistence tariffs will be determined by SARS, from time to time.
 - 6.4.8 Should a need arise for an official/Councillor in the municipality to visit a particular Department, a stakeholder, a municipality outside the JTGD municipality, or to perform duties outside as according to his weekly/monthly plan, a letter of motivation and or a weekly plan will be submitted to a supervisor. If a motivation letter or a weekly plan approved, the same documents will be used as proof for the purpose of claims and accommodation by the BTO.

6.5 Travel allowances for persons invited for interviews

6.5.1 No subsistence cost will be paid to a candidate invited for an interview, the tariffs of Department of Transport will be used if the candidate has to travel more than 50 km to attend the interview.

6.6 Incidental Expenses

The following expenses incurred must be paid for by the claimant and reclaimed back from the Municipality:

6.6.1 Toll fees

6.6.2 Parking fees

6.7 Traveling to Foreign Countries

6.7.1 The cost of accommodation for international travel may not exceed US \$ 400 per day.

6.7.2 If a councilor or official is travelling overseas, the claim will be done according to the SARS rates.

Capacity Building and Workshops arranged by Municipality

7.1 All officials and Councilors traveling for capacity building or workshop purposes are entitled to accommodation and daily expenses in paragraph 6.4 and 6.7 respectively.

8. Traveling by flight

8.1 Prior request will be made to the MM in a case where there is a need for a flight by an official or a councilor.

8.2 Only the economy class can be used for both the local and international flights.

8.3 All international flights will be approved by council.

9. Council Seating Allowance

10.1 The upper limit of the allowance of a Councillor who has been appointed to a District Council in terms of Section 23(1) (b) of the Municipal Structures Act, is as follows:

10.1.1 If such Councillor is elected or appointed as Speaker, Executive Mayor, Mayor, Member of a Mayoral Committee, Member of an Executive Committee or Part-Time Member of a District Council, the upper limit of the allowance to which such Councillor is entitled, is equal to the Difference between the salary, allowance and benefits allocated to that office in the District in terms of items 5,6,7,8,10,11,12 and 13, as the case may be.

10.1.2 If the upper limit of the salary, allowance and benefits which a Councillor is receiving as a member of a Local Council is equal to or higher than the upper limit of the salary, allowance and benefits to which he or she is entitled to as an appointed Councillor to the District Council, such Councillor is entitled to receive a sitting allowance as determined by the Minister from time to time, regardless of the number of meetings of the District Council or Committees of the Council that are attended by such Councillor on a specific day.

10.2 The allowance referred in paragraph (10.1) is only applicable on Council meetings, portfolio Committees, and Adhoc Committees (AG, LLF, Budget Steering and Oversight) meetings and shall exclude all other meetings.

The Council will be responsible for:

- 10.4.1 The payment of an allowance referred to in paragraphs (11.2) and (11.3).
- 10.4.2 Councilors will be reimbursed for all travel expenditure incurred during the performance of official function(s) on behalf of the District Municipality (the claim form will only be co-signed by the Speaker or the Chairperson of the relevant Portfolio committee)

11. Councilors Traveling Allowance

The traveling allowance to Councilors shall be as follows:

- 11.1 A fixed allowance based on a percentage of the salary of the full-time Councilors concerned as determined in terms of the regulations, which percentage may not exceed 25%; or
- 11.2 An allowance in respect of kilometers traveled during the performance of official functions on behalf of the Municipality not exceeding the applicable tariffs prescribed by the Department of Transport of the use of privately owned vehicle.
- 11.3 In addition the other allowances referred to in subparagraph (11.1 and 11.2) a further allowance regarding kilometers traveled in respect of the performance of official functions on behalf of the Municipality outside the jurisdiction of the District not exceeding the applicable tariffs prescribed by the Department of Transport for use private vehicles.
- 11.4 A Councilor must elect one of the options in subparagraph 11.1 or 11.2 at the beginning of each financial year of the Municipality: Provided that a Councilor, other than a full time Executive Mayor of full-time Mayor where applicable, may not receive any allowance provided for in subparagraph 11.1 and 11.2 where the Municipal Council makes a vehicle available to that Councilor.
- 11.5 In addition to the allowance provided for in this paragraph, a Councilor may utilize a Council owned vehicle when performing a ceremonial function as determined by the Municipal Council.

12 Repayment of claims

The claimant shall be required to pay back the money under the following circumstances:

- 12.1 Should the meeting or trip be cancelled the Budget and Treasury Office must be informed immediately.
- 12.2 If the meeting is cancelled before the trip is undertaken and claims were already done the, claimed money must be paid back in full to the Budget and Treasury Office.
- 12.3 Should an official or a councilor insist on travelling even though s/he was aware of the cancellation, the money will be recovered from her/him by the BTO.
- 12.4 All suspicions of fraudulent claims and wasteful expenses related to this policy must be investigated and appropriate sanctions be carried out.

13. Claims for Traditional leaders.

13.1 Traditional leaders who are sitting in the JTGDM Council will only claim for **sitting allowance** for council meetings attended, **travelling costs will be paid by the Department Cogsta.**

14. Claims Procedures

The following procedures are to be followed in all the travel and subsistence claims:

- 14.1 The official travel and subsistence claim form of the municipality to be completed by the claimant.
- 14.2 The necessary supporting documentation must be attached to the claim form.
- 14.3 The claim form must be co signed by the Executive Mayor or Speaker in the case of Councilors, and the Municipal Manager/the relevant HOD. The Municipal Manager/his/her delegate will sign official's claims.
- 14.4 **All travel and subsistence form to be finally approved by the Municipal Manager/Acting Municipal Manager, and or Directors.**
- 14.5 The Municipal Managers claim forms will be signed by the **Chief Financial Officer**, and be co signed by the Mayor.
- 14.6 The completed and approved claim forms must then be submitted to the Budget and Treasury Office for processing.
- 14.7 The travel and subsistence claim forms shall be processed as follows by the Budget and Treasury Office.
- 14.8 **All claims for payment must reach the Budget and Treasury Office three days before departure for the meeting. Claim forms should not be delayed unreasonably, if it is possible to process them before three days it should be done.**
- 14.9 All payment (as much as possible) shall be done electronically into individual account.
- 14.10 It is the sole duty of individual claimant to ensure that the completed claim form reaches the Budget and Treasury office timeously.

15. Delegated Powers

The following powers are delegated in terms of this policy:

- 15.1 All the travel and subsistence claims forms to be finally approved by the Municipal Manager, Acting Municipal Manager, **Directors**, and Assistant HOD in a case where the **Director is unavailable.**
- 15.2 All the travel and subsistence claim forms of Councilors to be approved by the Executive Mayor or Speaker,
- 15.3 All the travel and subsistence claim forms of officials to be approved by their respective HOD or Assistant HOD.
- 15.4 In the absence of an HOD the Assistant manager will have signing powers. A manager from other Department may not sign for another Department.

16 Status of the Policy.

16.1 This policy shall be effective after approval by council.

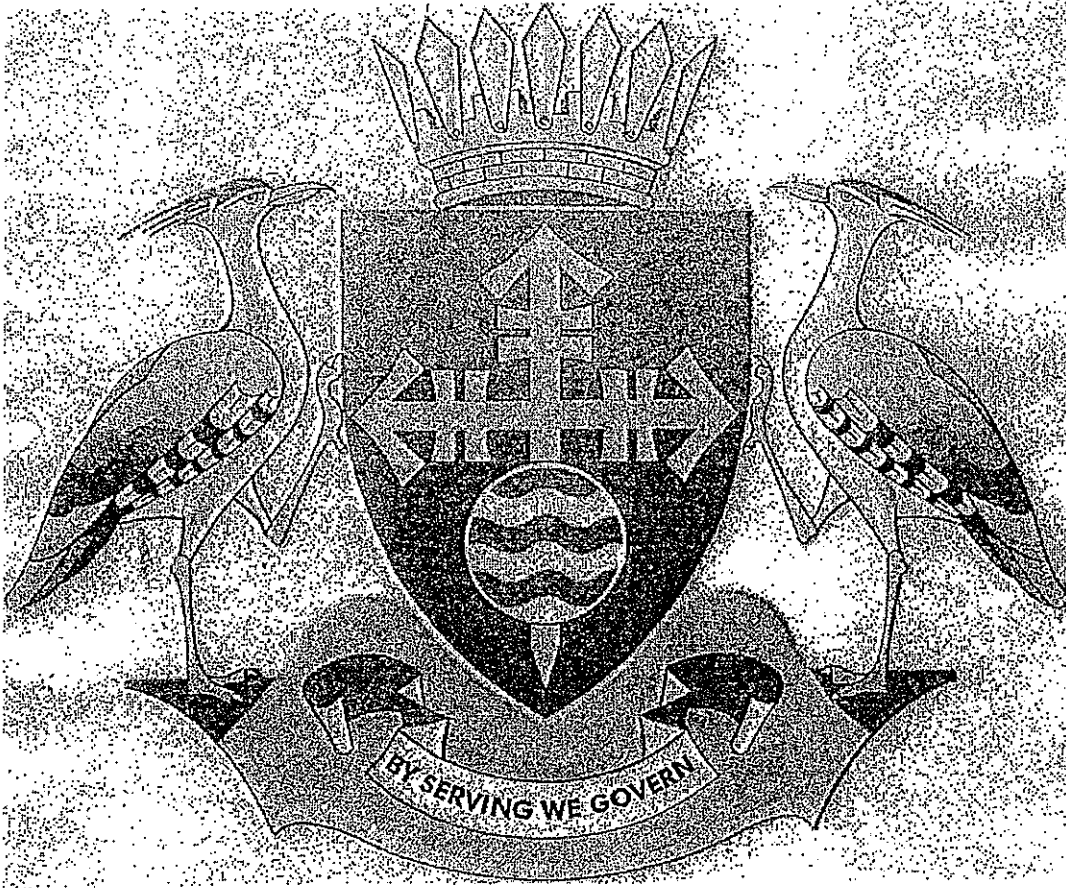
16.2 All applicable legislation, bargaining council agreement and Salga guidelines override this policy.

16.3 It is the responsibility of the Municipal Manager to bring the conflict between this policy and applicable legislation to the attention of the council and propose changes to eliminate such conflict.

16. Review of the Policy

This policy will be reviewed annually.

JOHN TAOLO GAETSEWE DISTRICT MUNICIPALITY



ACCOUNTING POLICY

ACCOUNTING POLICY FOR JOHN TAOLO GAETSEWE DISTRICT MUNICIPALITY

5. STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

The following GRAP standards have been issued but are not yet effective and have not been early adopted by the municipality:

GRAP 18	Segment Reporting
GRAP 21	Impairment of non-cash-generating assets
GRAP 23	Revenue from Non-Exchange Transactions (Taxes and Transfers)
GRAP 24	Presentation of Budget Information in Financial Statements
GRAP 26	Impairment of cash-generating assets
GRAP 103	Heritage Assets

6. FOREIGN CURRENCY TRANSACTIONS

The Municipality will not incur a foreign currency liability other than that allowed by the MFMA.

7. RESERVES

7.1 Capital Replacement Reserve (CRR)

In order to finance the provision of infrastructure and other items of property, plant and equipment from internal sources, funds are transferred from the accumulated surplus / (deficit) to the CRR in terms of a Council Resolution for approval thereof. The funds in the CRR can only be utilized to finance items of property, plant and equipment. The CRR is reduced and the accumulated surplus / (Deficit) are credited by a corresponding amount when the amounts in the CRR are utilized.

The amount transferred to the CRR is based on the municipality's need to finance capital projects included in the Integrated Development Plan.

The CRR may only be utilized for the purpose of purchasing/ construction of items of property, plant and equipment and may not be used for the maintenance of these items.

7.2 Revaluation Reserve

The surplus arising from the revaluation of land and buildings is credited to a non-distributable reserve. The revaluation reserve is realized as revaluated buildings are depreciated, through a transfer from the Revaluation Reserve to the accumulated surplus / (deficit). On disposal, the net revaluation surplus is transferred to the accumulated surplus / (deficit) while gains or losses on disposal, based on revaluated amounts, are charged to the Statement of Financial Performance.

8. LEASES

8.1 Municipality as Lessee

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the municipality. Transfer of ownership is not required to be recognised as a finance lease. Property, plant and equipment or intangible assets

ACCOUNTING POLICY FOR JOHN TAOLO GAETSEWE DISTRICT MUNICIPALITY

Subsequent to initial recognition, items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated as it is deemed to have an indefinite useful life.

Where the municipality replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component. Subsequent expenditure incurred on an asset is capitalised when it increases the capacity or future economic benefits associated with the asset.

13.4 Depreciation and Impairment

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The annual depreciation rates are based on the following estimated useful lives:

	Years		Years
<u>Infrastructure</u>		<u>Other</u>	
Roads and Paving	10-30	Buildings	30
Pedestrian Malls	20	Specialist vehicles	10
Electricity	20-30	Other vehicles	5
Water	15-20	Office equipment	3-7
Sewerage	15-20	Furniture and fittings	5-10
Housing	30	Watercraft	15
		Bins and containers	5
<u>Community</u>		Specialised plant and	
Buildings	30	Equipment	10-15
Recreational Facilities	20-30	Other plant and	
Security	5	Equipment	2-5
Halls	20-30	Landfill sites	20
Libraries	20-30	Quarries	25
Parks and gardens	20-30	Emergency equipment	10
Other assets	15-20	Computer equipment	3
<u>Heritage assets</u>			
No depreciation			
<u>Finance lease assets</u>			
Office equipment	3		
Other assets	5		

The residual value, the useful life of an asset and the depreciation method is reviewed annually and any changes are recognised as a change in accounting estimate in the Statement of Financial Performance.

The municipality tests for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable amount (or recoverable service amount), and an impairment loss is charged to the Statement of Financial Performance.

13.5 Derecognition

ACCOUNTING POLICY FOR JOHN TAOLO GAETSEWE DISTRICT MUNICIPALITY

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

18. IMPAIRMENT OF ASSETS

The municipality assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the municipality estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. Impairment losses are recognised in the Statement of Financial Performance in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the municipality estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the income statement.

19. INVENTORIES

19.1 Initial Recognition

Inventories comprise current assets held for sale, consumption or distribution during the ordinary course of business. Inventories are initially recognised at cost. Cost generally refers to the purchase price, plus taxes, transport costs and any other costs in bringing the inventories to their current location and condition. Where inventory is manufactured, constructed or produced, the cost includes the cost of labour, materials and overheads used during the manufacturing process.

Where inventory is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of the item on the date acquired.

19.2 Subsequent Measurement

Inventories, consisting of consumable stores, raw materials, work-in-progress and finished goods, are valued at the lower of cost and net realisable value unless they are to be distributed at no or nominal charge, in which case they are measured at the lower of cost and current replacement cost. Redundant and slow-moving inventories are identified and written down in this way. Differences arising on the valuation of inventory are recognised in the Statement of Financial Performance in the year in which they arose. The amount of any reversal of any write-down of

ACCOUNTING POLICY FOR JOHN TAOLO GAETSEWE DISTRICT MUNICIPALITY

21. REVENUE

21.1 *Revenue from Non-Exchange Transactions*

Revenue from non-exchange transactions refers to transactions where the municipality received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportionate basis as an exchange transaction

Fines constitute both spot fines and summonses. Revenue from spot fines and summonses is recognised when payment is received, together with an estimate of spot fines and summonses that will be received based on past experience of amounts collected.

Revenue from public contributions and donations is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment qualifies for recognition and first becomes available for use by the municipality. Where public contributions have been received but the municipality has not met the related conditions, it is recognised as an unspent public contribution (liability).

Contributed property, plant and equipment is recognised when such items of property, plant and equipment qualifies for recognition and become available for use by the municipality.

Revenue from recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No. 56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

21.2 *Revenue from Exchange Transactions*

Revenue from exchange transactions refers to revenue that accrued to the municipality directly in return for services rendered/ goods sold, the value of which approximates the consideration received or receivable.

Service charges relating to electricity and water are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period.

Revenue from the sale of electricity prepaid meter cards is recognised at the point of sale.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per

ACCOUNTING POLICY FOR JOHN TAOLO GAETSEWE DISTRICT MUNICIPALITY

prescriptions made by the Minister of Finance in terms of the Municipal Finance Management Act No. 56 of 2003.

2. SCOPE

In order to ensure sound and sustainable management of the cash resources of the municipality this policy addresses all principles and processes involved in cash management and investments and includes:

- The objectives of the policy;
- Standard of care;
- Delegation of authority;
- Management and internal control procedures;
- Cash flow budgeting;
- Receipting and banking of cash;
- Payments;
- Short and long term debt and debt restructuring;
- Investment ethics, principles and practices;
- Reporting and monitoring requirements;
- Performance standards and measurement;
- Review of the policy.

3. OBJECTIVES

The objectives of the policy are to ensure optimal performance with the least possible risk, in managing and investing the cash resources of the municipality and to ensure transparency, accountability and appropriate lines of responsibility in the process.

4. STANDARD OF CARE

Each functionary in the cash management and investment process must do so with such judgment and care, under the prevailing circumstances, as a person of prudence, discretion and intelligence would exercise in the management of his or her own affairs and with his or her primary regard being to the probable safety of his or her own capital, in the second instance to his or her liquidity needs and lastly to the probable income derived.

Speculation may not be undertaken in any of the processes.

5. DELEGATION OF AUTHORITY

The management of all the cash resources of the municipality is the responsibility of the Municipal Manager who must, for the proper application of this policy, develop an appropriate system of delegation that will both maximise administrative and operational efficiency and provide adequate checks and balances in the management of the cash resources.

ACCOUNTING POLICY FOR JOHN TAOLO GAETSEWE DISTRICT MUNICIPALITY

The Municipal Manager must take all reasonable steps to ensure that the municipality obtains maximum performance on its assets and for this purpose the working capital of the municipality must as far as possible be managed to the maximum benefit of the municipality.

An acceptable level for the Working Capital Reserve is 2:1 or better and the Municipal Manager must take all reasonable steps to ensure that the level is being maintained. In calculating the level, outstanding debtors for a period longer than 90 days as well as any unutilised conditional grants and allocations must be deducted from the current assets and liabilities and inventories must be brought into account at the lower of cost and nett realisable value. The exercise to provide for a sufficient level of working capital must be done as part of the budget process in order to budget accordingly.

In order to achieve the objectives of Working Capital Management inventory levels for own use must be kept as low as possible, creditors must be paid within 30 days of date of receipt of invoice or statement, whichever is the latest or applicable but as late as possible but with due regards to possible discounts on offer and all steps, consistent with the Council's Credit Control and Debt Collection Policy, must be taken to recover moneys due to the municipality.

The Municipal Manager must, as part of the monthly reporting to the Mayor within 10 working days of the end of each month, report on:

- The combined nett balance of the bank and investment accounts of the municipality excluding any balances of unutilised conditional grants, trust moneys kept in accordance with trust deeds, Sinking Fund Investments made in accordance with any loan- or other agreements with investors/lenders, other conditional funds for which moneys were received in accordance with Section 12 of the Act, Debt Guarantee Reserve Funds and other cash- backed funds for which spending authority must be obtained from other persons or spheres of government.
- Whether the above nett balance is sufficient to make a payment of at least 2% of the operating budget of the municipality.
- Whether all commitments and accounts had and can be paid on time from the nett balance above and nett realisable accounts receivable.
- Whether there is a nett outflow of cash not in accordance with the cash-flow budget.
- Whether all of the above might cause a financial problem on which the Mayor must act in accordance with the provisions of the Act.

ACCOUNTING POLICY FOR JOHN TAOLO GAETSEWE DISTRICT MUNICIPALITY

- Listed corporate bonds with an investment grade rating from a nationally or an internationally recognised credit rating agency
- Deposits with banks registered in terms of the Banks Act, 1990 (Act 94 of 1990)
- Deposits with the Public Investment Commissioners as contemplated by the Public Investment Commissioners Act, 1984 (Act 45 of 1984)
- Deposits with the Corporation for Public Deposits as contemplated by the Corporation for Public Deposits Act, 1984 (Act 46 of 1984)
- Banker's acceptance certificates or negotiable certificates of deposit of banks registered in terms of the Banks Act, 1990 (Act 94 of 1990)
- Guaranteed endowment policies with the intention of establishing a sinking fund
- Repurchase agreements with banks registered in terms of the Banks Act, 1990 (Act 94 of 1990)
- Municipal Bonds issued by the municipality
- Any other as might be approved by the Minister of Finance

8.7. INVESTMENT DIVERSIFICATION

Without limiting the Municipal Manager to any specific amount or percentage of investments, it is hereby established that investments made by the municipality should be diversified as much as possible between different institutions, maturity dates and types, but nothing prevents the Municipal Manager from investing more cash with an institution than by another institution with due regards to the standard of care and objectives set in this policy.

The Municipal Manager may delegate the duties of investment diversification as per paragraph 5 of this policy.

8.8. COMPETITIVE SELECTION OF BIDS OR OFFERS

In establishing where investments must be made, at least 2 (two) written quotations must be obtained by the Municipal Manager from any of the institutions listed in paragraph 8.6 above. The Municipal Manager may not divulge interest rates to other institutions during the quotation process. If Investments Managers use treasury desks for the purpose of obtaining quotations, the quotations, with a written reason why a specific institution was chosen if the yield is lower than that of another institution, must be forwarded to the Municipal Manager, who must evaluate the reasons and issue such instructions as deemed necessary.

The Municipal Manager may delegate the duties of competitive selection of bids or offers as per paragraph 5 of this policy.

8.9. COMMISSIONS OR COSTS

ACCOUNTING POLICY FOR JOHN TAOLO GAETSEWE DISTRICT MUNICIPALITY

The accounting officer of the municipality must administer all the municipality's bank accounts, is accountable to the municipal council for the municipality's bank accounts, and must enforce compliance with Sections 7, 8 and 11 of the present Act.

The accounting officer may delegate the duties referred to above only to the municipality's chief financial officer.

SECTION 11: WITHDRAWALS FROM MUNICIPAL BANK ACCOUNTS

Only the accounting officer or the chief financial officer of the municipality (presumably where this power has been appropriately delegated), or any other senior financial official of the municipality acting on the written authority of the accounting officer, may withdraw money or authorise the withdrawal of money from any of the municipality's bank accounts. Such withdrawals may be made only to:

- defray expenditure appropriated in terms of an approved budget;
- defray expenditure authorised in terms of Section 26(4) (this Section deals with situations in which the budget was not timeously approved, and the province has been compelled to intervene);
- defray unforeseeable and unavoidable expenditure authorised in terms of Section 29(1);
- in the case of a bank account opened in terms of Section 12, make payments from the account in accordance with Section 12(4);
- pay over to a person or organ of state money received by the municipality on behalf of such person or organ of state, including money collected by the municipality on behalf of such person or organ of state by agreement, or any insurance or other payments received by the municipality for such person or organ of state;
- refund money incorrectly paid into a bank account;
- refund guarantees, sureties and security deposits;
- make investments for cash management purposes in accordance with Section 13;
- defray increased expenditure in terms of Section 31; or
- for such other purposes as may be prescribed.

(Note that Section 11(1) does not expressly provide for the withdrawal of monies to pay creditors, where the relevant obligations arose in terms of the previous budget; to repay loans; or to repay consumer deposits).

Any authorisation to a senior financial official to withdraw money or to authorise the withdrawal of money from a bank account must be in accordance with the framework as may be prescribed. The accounting officer may not authorise any official other than the chief financial officer to withdraw money or to authorise the withdrawal of money from the municipality's primary bank account if the municipality has a primary bank account, which is separate from its other bank accounts.

The accounting officer must, within 30 days after the end of each quarter, table in the council a consolidated report of all withdrawals made other than withdrawals to defray expenditure

**PART 2 –
SUPPORTING
DOCUMENTATION**

PART 2 – SUPPORTING DOCUMENTATION

2.1 OVERVIEW OF THE ANNUAL BUDGET PROCESS

a) Budget Process Overview

In terms of Section 24 of the MFMA, Council must at least 30 days before the start of the financial year consider approval of the annual budget. Section 53, requires the Mayor of a municipality to provide general political guidance over the budget process and the priorities that must guide the preparation of the budget. Furthermore, Chapter 2 of the Municipal Budget and Reporting Regulations, gazetted on 17 April 2009, states that the Mayor of a 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 process for 2013/14 MTREF period commenced with a strategic planning session between the Mayoral Committee and Management Team in August 2012. This session dealt with past performance trends of operating and capital budgets in recent years identified budget realities going forward and set the criteria and basis of the municipality's budget prioritization process. The departments submitted their budget proposals for consideration to the Budget and Treasury Office during September 2012.

The draft operating and capital budgets, based on the parameters and assumptions set out in the MTREF were tabled at the Council meeting in March 2013. The Budget, IDP and tariff proposals will be published for comment and consultation as part of the public participation process during April 2013.

Comments from the above process will be submitted to the Budget Steering Committee and Mayoral Committee before Council considers the Budget for adoption in May 2013.

b) Process used to integrate the review of the IDP and preparation of the Budget

The municipality's IDP is its principal strategic planning instrument, which guides and informs its ongoing planning, management and development actions. The IDP represents the municipality's commitment to the exercise of its executive authority (except in cases where it is in conflict with national or provincial legislation, in which case such legislation prevails) and is effectively the local government's blueprint by which it strives to realize its vision for the John Taolo Gaetsewe Region over the short – medium and long term.

The municipality's visionary framework is rolled out into objectives, key performance indicators (KPIs) and targets for implementation. These are then broken down into Service Delivery and Budget Implementation Plans (SDBIPs) that reflect the detailed projects. Each of these projects is allocated budgetary and other resources.

The IDP also informs the municipality's performance management system, as the KPIs are monitored and must be reported on every quarter.

c) Schedule of Key Deadlines relating to budget process [MFMA s 21(1)(b)]

The IDP and Budget time schedule of the 2013/2014 budget cycle was approved by Council on August 2012. The table below reflects the IDP and budget time schedule

The Mayor tabled in Council the required the IDP and budget time schedule on 25 August 2010. Key dates applicable to the process were:

• August 2012 –

- Joint strategic planning session of the Mayoral Committee and Executive Management. Aim: to review past performance trends of the capital and operating budgets, the economic realities and to set the prioritisation criteria for the compilation of the 2011/12 MTREF;

• February 2013 –

- Detail departmental budget proposals (capital and operating) submitted to the Budget and Treasury Office for consolidation
- Review of the financial strategy and key economic and financial planning assumptions by the Budget Steering Committee. This included financial forecasting and scenario considerations;
- Multi-year budget proposals are submitted to the Mayoral Committee for endorsement; Council considers the 2012/13 Mid-year Review and Adjustments Budget;
- Recommendations of the Mayoral Committee are communicated to the Budget Steering Committee, and to the respective departments. The draft 2012/13 MTREF is revised accordingly;

• March 2013

- Tabling in Council of the draft 2013/14 IDP and 2013/14 MTREF for public consultation;

• April 2013

- Public consultation;

• May 2013

- Closing date for written comments;
- finalisation of the 2013/14 IDP and 2013/14 MTREF, taking into consideration comments received from the public, comments from National Treasury, and updated information from the most recent Division of Revenue Bill and financial framework; and
- Tabling of the 2013/14 MTREF before Council for consideration and approval.

2.2 OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH IDP

The IDP formed the basis of the priorities identified in the strategic plan and all resources are focused on the achievement of these priorities. The budgetary allocations for both the capital and operational expenditure are undertaken in a manner that will ensure that our IDP outcomes are achieved but also to ensure that our *vision* is realised.

In carrying out the mandate of service delivery, the municipality is faced with the challenge of managing competing priorities within budgetary constraints (e.g. poverty alleviation, housing, water and sanitation, etc.)

The 2013/14 draft budget addresses the following:

- *Accelerating Housing Delivery*

The housing unit is allocated a budget of about R 4.086 million for accreditation purposes.

2.3 OVERVIEW OF BUDGET RELATED POLICIES

During its meeting held on Thursday 30th May 2013, Council adopted the following budget related policies, as reviewed / amended in line with National Guidelines and Legislation:

a) **Supply Chain Management Policy**

Section 111 of the MFMA requires each Municipality and municipal entity to adopt and implement a supply chain management policy, which gives effect to the requirements of the Act. The Supply Chain Management policy of the municipality is attached in Annexure A to this report.

This policy has been reviewed to consider also the Preferential Procurement Regulations 2011 amongst other updates.

b) **Cash Management and Investment Policy**

The municipality's Investment Policy, which deals with the management of the surplus cash resources and the investment thereof. This has also been reviewed and adopted policy is in the process of being reviewed.

c) **Asset Management Policy**

The objective of the Asset Management Policy is to prescribe the accounting and administrative policies and procedures relating to Property, Plant & Equipment (Fixed assets). The Asset Control policy is attached as Annexure This policy is in the process of being reviewed.

d) **Subsistence and Travel Allowance Policy**

The objective of this policy is to ensure that all travel and subsistence costs incurred by the municipality are done as efficiently and effectively as possible.

To ensure that councilors and officials are reimbursed fairly and consistently for the cost incurred while travelling to perform municipal duties.

e) Catering Policy

This catering policy has been developed in order to give guidance to departments on procedures and guideline to be used when there is need for catering in the TGDM.

f) Draft 3G Policy

g) Budget Policy – Draft

h) Credit Control and Debt Collection Policy

i) Accounting Policy

j) Cellphone Policy

The objective of the policy is to ensure the optimal use of cellular phones by councilors and officials to enhance effective and efficient service delivery.

k) Telephone Policy

The objective of the policy is to ensure the optimal use of telephones within the John Taolo Gaetsewe DM by councilors and officials to ensure effective and efficient service delivery.

NB : CHECK ANNEXURE A FOR THE ABOVE MENTIONED POLICIES

2.4 OVERVIEW OF BUDGET ASSUMPTIONS

The biggest challenge this year more so than previous years, is that the municipality needs to do more within its existing resource envelope. The municipality faced the following *challenges* in preparing the 2013/2014 MTREF:

- 1) Lower interest earnings due to lower investment balances and lower interest rates on interest earned. Lower interest rates resulted in reduced interest earnings on investments.
- 2) Persistent increase in staff related costs

a) General inflation Outlook and its impact on the Municipal Activities

The following factors have been taken into consideration in the development of the 2013/14 MTREF:

- National Government macro-economic targets
- The general inflationary outlook as it will impact on the activities of the municipality
- The increase in the cost of remuneration

2.5 EXPENDITURE ON GRANTS AND RECONCILIATION OF UNSPENT FUNDS

DC45 John Taolo Gaetsewe - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2009/10		2010/11		2011/12		Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16			
Operating transfers and grants:	1,3													
National Government:														
Balance unspent at beginning of the year		1 949	6 084	1 249	1 249	1 249								
Current year receipts		40 564	62 969	47 896	47 896	63 648	59 832		64 717	68 401		68 401		72 292
Conditions met - transferred to revenue		42 513	69 053	49 145	49 145	64 897	59 832		64 717	68 401		68 401		72 292
Conditions still to be met - transferred to liabilities														
Provincial Government:														
Balance unspent at beginning of the year		5 865	9 868	2 637	2 637	2 254								
Current year receipts		110 893	35 063	11 764	11 764	192	7 000		2 497	630		630		662
Conditions met - transferred to revenue		116 758	44 931	14 401	14 401	2 446	7 000		2 497	630		630		662
Conditions still to be met - transferred to liabilities														
District Municipality:														
Balance unspent at beginning of the year				348	348	73								
Current year receipts				329	329									
Conditions met - transferred to revenue				677	677	73								
Conditions still to be met - transferred to liabilities														
Other grant providers:														
Balance unspent at beginning of the year			348	73	73									
Current year receipts			329	399	399									
Conditions met - transferred to revenue			677	473	473									
Conditions still to be met - transferred to liabilities														
Total operating transfers and grants revenue		159 271	114 661	64 696	64 696	67 417	66 832		67 214	69 031		69 031		72 954
Total operating transfers and grants - CTBM	2													
Capital transfers and grants:	1,3													
National Government:														
Balance unspent at beginning of the year						488								
Current year receipts														
Conditions met - transferred to revenue						488								

2.6 COUNCILLOR AND EMPLOYEE BENEFITS

DC45 John Taolo Gaetsewe - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	2013/14 Medium Term Revenue & Expenditure Framework								
	Ref	2009/10	2010/11	2011/12	Current Year 2012/13	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bears plus Other)	1	3 286	3 400	3 567	2 134	2 134	2 986	3 147	3 317
Basic Salaries and Wages					315	315	507	534	563
Pension and UIF Contributions					283	283	17	18	19
Medical Aid Contributions					868	868	781	824	868
Motor Vehicle Allowance					150	150	173	182	192
Cellphone Allowance									
Housing Allowances									
Other benefits and allowances							98	103	109
Sub Total - Councillors		3 286	3 400	3 567	3 750	3 750	4 563	4 808	5 068
% increase	4		3.5%	4.9%	5.1%	(100.0%)	-	5.4%	5.4%
Senior Managers of the Municipality	2	3 195	3 450	1 593	8 017	8 017	6 709	7 044	7 397
Basic Salaries and Wages					375	375	686	721	757
Pension and UIF Contributions					359	359	188	197	207
Medical Aid Contributions					3 049	3 049	-	-	-
Overtime									
Performance Bonus									
Motor Vehicle Allowance	3	115	137	60	201	201	694	728	765
Cellphone Allowance	3		71	79	855	855	638	670	704
Housing Allowances	3		10	62			73	77	81
Other benefits and allowances	3	228	183	25			82	86	90
Payments in lieu of leave									
Long service awards									
Post-retirement benefit obligations									
Sub Total - Senior Managers of Municipality	6	3 674	3 850	1 819	12 856	12 856	9 070	9 523	9 999
% increase	4		4.8%	(52.8%)	606.7%	(100.0%)	-	5.0%	5.0%
Other Municipal Staff									
Basic Salaries and Wages		21 945	22 543	21 985	13 743	13 743	27 504	28 880	30 324
Pension and UIF Contributions		7 027	5 526	5 006	3 689	3 689	4 553	4 781	5 020
Medical Aid Contributions					1 981	1 981	2 122	2 228	2 340

2.7 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASHFLOW

DC45 John Taolo Gaetsewe - Supporting Table SA25 Consolidated budgeted monthly revenue and expenditure

Description	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework			
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
R thousand																
<u>Revenue By Source</u>																
Property rates																
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	5	5	5	5	5	5	5	5	5	5	5	(55)				
Interest earned - external investments																
Interest earned - outstanding debtors																
Dividends received																
Fines																
Licences and permits																
Agency services	23 252	2 250	204	1 000	18 269	13 640	8 399	13 640	13 640	13 640	13 640	8 399	67 214	69 031	72 954	
Transfers recognised - operational	50	45	50	50	1 300	95	60	100	2 800	40	50	6 708	11 388	4 460	4 618	
Other revenue																

2.9 LEGISLATION COMPLIANCE STATUS

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

- **Budget and Treasury Office** - a Budget and Treasury Office has been established in accordance with the MFMA.
- **Budgeting** - The annual budget is prepared in accordance with the requirements prescribed by National Treasury and the MFMA
- **Annual Report** - The annual report is prepared in accordance with the MFMA and National Treasury requirements
- **Internship Programme** - The municipality, in participating in the Municipal Finance Management Internship Programme has employed interns to undergo training in various finance departments. Three interns are currently employed in the Treasury department.
- **In-Year Reporting** – Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor was done within the prescribed period
- **Audit Committee** – An Audit Committee has been established in accordance with section 166 of the MFMA.



JOHN TAOLO GAETSEWE
DISTRICT MUNICIPALITY

DC 45

QUALITY CERTIFICATE

I Moses Eilerd, Municipal Manager of John Taolo Gaetsewe District Municipality hereby certify that the 2013/14 Annual Budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations under the Act, and that the adjustment budget and supporting documents are in consistence with the Integrated Development Plan of the municipality.

Name: Moses Eilerd
Municipality: JOHN TAOLO GAETSEWE DM
Signature: [Handwritten Signature]
Date: 20/2/06/06