



baviaans

PARTICIPATION FOR DEVELOPMENT

umasipala
local municipality
plaaslike munisipaliteit

***DRAFT ANNUAL BUDGET 2015/2016
AND MTREF***

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CHAPTER 1

BURGERMEESTER TOESPRAAK

Raadslede, Munisipale Bestuurder, Departementshoofde, Gaste, Dames en Here. Goeie môre almal.

Die visie van die Baviaans Munisipaliteit is om te streef na die vestiging van 'n progressiewe gemeenskap te midde van 'n veilige omgewing waar basiese dienste gewaarborg word en waar besluitneming gebaseer is op maksimum deelname van die publiek.

In die jaar wat voorlê is die lewering van goeie en ononderbroke dienste aan ons gemeenskap nog steeds een van die hoof doelwitte van die Baviaans munisipaliteit. Landwye ekonomiese druk beïnvloed ook Baviaans Munisipaliteit veral waar die ekonomiese groei in ons dorp so beperk is. Die land se ekonomiese prestasie het verswak in die afgelope paar jaar en sonder uitsondering het Baviaans Munisipaliteit hierdie effek gevoel. Die Bruto binnelandse produk (BBP) het verswak van 3.6% in 2011 tot 1.4% in 2014. Volgens Nasionale vooruitskatting word verwag dat die BBP sal verbeter oor die medium termyn om weer 3% te behaal in 2017.

Die gemiddelde verbruikersinflasie vir die afgelope jaar het 5.6% beloop en inflasie vooruitskattings vir die komende boekjare word geskat op 4.8%; 5.9% en 5.6%. Met die voorafgaande syfers in ag genome word daar in die 2015/2016 begroting siklus 'n steeds groter klem gelê op waarde vir geld in al ons spandering, die aanmoediging van besparings en ontginning van alle inkomste bronne ten einde die ekonomiese vooruitgang van die munisipaliteit te verseker.

Dit word verwag dat munisipale inkomstes en kontantvloei onder groot druk sal verkeer gedurende 2015/16 en daar word verwag dat alle munisipaliteite 'n gereserveerde benadering sal toon wanneer inkomstes geprojekteer word vir 2015/16. Baviaans munisipaliteit het gebukkend gestaan onder geweldige kontantvloei probleme gedurende 2014/15 waarvan die volgende die hoof redes daarvan was:

- Die bestuur van die voorheen DMA areas wat by Baviaans ingelyf is sedert 2011 en wat onderbefonds was en nog steed is
- Die terug betaling van R5.2 miljoen aan Nasionale regering vir toekennings ontvang gedurende 2012/13 wat nie ten volle benut was nie.

Die kontantvloei probleme is onder die aandag gebring van Nasionale regering, Provinsiale regering en COGTA.

Die volhoubaarheid en bekostigbaarheid van dienslewering bly hoog op die agenda ten einde die gemeenskappe van bekostigbare en goeie gehalte dienste te voorsien. 'n Verdere uitdaging en moontlike probleem wat baie munisipaliteite in die gesig staar is die feit dat baie munisipaliteite nie koste-reflektiewe tariewe kan bepaal nie as gevolg van die feit dat nie alle koste komponente vir alle dienste bekend is nie. Volgens nasionale sirkulêr no 74 van

12 Desember 2014 word munisipaliteite versoek om die koste komponente te bepaal vir alle dienste en tarief modelle te gebruik in die bepaling van tariewe. Hierdie oefening kan 'n groot uitwerking hê om toekomstige tarief verhogings.

Terselfder tyd word munisipaliteite gemaan om tarief verhogings so laag as moontlik te hou. Munisipaliteite moet alle tarief verhogings bo 6% motiveer. Nasionale Tesourier het aangedui in sirkulêr 74 dat 'n koste berekenings riglyn uitgereik sal word vir riglyne in die berekening van koste bepalende faktore in dienslewering komponente.

Nasionale Tesourier waarsku dat munisipaliteite nie vir onbefondsde/onderbefondsde mandate moet begroot nie. 'n Onbefondsde/onderbefondsde mandaat word gedefinieer as funksies van ander regerings departemente wat 'n munisipaliteit verrig en waar die munisipaliteit noemenswaardige kostes uit hulle eie inkomste befonds. Sulke mandate is 'n institusionele en finansiële risiko vir munisipaliteite waar groot bedrae befondsing gespandeer word aan nie-kern funksies ten koste van basiese diens lewering. Die plig van munisipaliteite is om voorsiening in hulle begrotings te maak vir basiese dienste soos elektrisiteit, water, sanitasie en vullis verwydering. 'n Munisipaliteit mag slegs vir nie-kern dienste begroot (bv. Kleuterskole, sportvelde, biblioteke, museums, gesondheidsdienste, ens) as:

- Die funksie gelys is in Skedule 4B en 5B van die Konstitusie
- Die funksie geallokeer is aan die munisipaliteit in terme van nasionale of provinsiale wetgewing
- Die munisipaliteit basiese dienste geprioritiseer het en
- Dit nie die finansiële volhoubaarheid van die munisipaliteit belemmer nie.

Die begroting wat ek hier ter tafel lê, is opgestel in terme van die bepalings van die Munisipale Finansiële Bestuurswet (Wet 56 van 2003) en voldoen aan die algemeen aanvaarde rekeningkundige praktyk soos van toepassing op plaaslike bestuur. Die begroting is opgestel binne die riglyne van Makro Ekonomiese groei en spreek ook van die Nasionale Beleidsraamwerk en Provinsiale prioriteite aan wat onder andere die volgende insluit:

- Die bou van kapasiteit in plaaslike regering deur die "terug na basiese beginsel" wat fokus op verbetering van dienslewering, aanspreeklikheid en finansiële bestuur.

Die volgende onderliggende faktore is ook in aanmerking geneem met die opstel van die 2015/2016 begroting:

- Die huidige sosio-ekonomiese en maatskaplike omstandighede van ons gemeenskappe en veral die hoë werkloosheidsyfer in die munisipale gebied.
- Eksterne faktore wat 'n direkte invloed op die begroting het soos die voorgestelde Eskom prysverhoging van 14.24%, verbruikersinflasie, die loonooreenkoms wat met georganiseerde arbeid ooreengekom is en wat op 30 June 2015 tot einde kom en die moontlik impak daarvan op salarisse verhogings, asook ander faktore wat die koste van dienslewering kan beïnvloed.

FOKUS VAN DIE 2015/2016 BEGROTING

- In die 2015/2016 begroting word klem gelê op kern dienslewering verpligtinge wat grondwetlik aan die munisipaliteit opgedra is.
- Die instandhouding van bestaande infrastruktuur geniet weereens voorkeur en daar word fokus geplaas op voorkomende en geskeduleerde onderhoud wat deur behoorlike beplanning voorafgegaan is.
- Verskaffing van basiese dienste, die verbetering van die gehalte van behuising en infrastruktuur asook ekonomies volhoubare dienslewering.

KAPITAALBEGROTING

Die Kapitaalbegroting is 'n uitvloeisel van die GOP en bevat inligting verkry vanaf die onderskeie gemeenskappe deur middel van openbare vergaderings en wykskomitee prosesse. Die kapitaalbegroting vir die 2015/2016 boekjaar beloop R29.065 miljoen met die hoof fokus op die volgende projekte:

Waterskaffing Steytlerville – Erasmuskloof	-	R20.884 Miljoen
Paaie Willowmore	-	R1.843 Miljoen
Paaie Steytlerville	-	R1.843 Miljoen
Sportvelde Baviaans	-	R1.167 Miljoen
Rioolwerke Manenza Square	-	R1.929 Miljoen
MIG LED projekte	-	R389 Duisend
IT infrastruktuur opgradering	-	R789 duisend

**(Die bedrae is uitgesluit BTW)*

Dit is belangrik om te let dat, ten opsigte van kapitaal begroting, enkele interne verskuiwings nog kan plaasvind waarvoor die Raad ingelig sal word. Verder is die 'DORA' steeds 'n 'draft' en kan verdere toekennings ten opsigte van elektrisiteit verwag word in die finale 'DORA'.

Kapitaalprojekte word deur middel van toekennings en skenkings ten bedrae van R29.065 Miljoen befonds. Die munisipaliteit het nie genoegsame befondsing om kapitaal projekte uit eie inkomste te finansier nie.

BEDRYFSBEGROTING

Die bedryfsbegroting vir die 2015/2016 boekjaar beloop R77.920 Miljoen wat 'n verhoging van 3.58% op die 2014/2015 gewysigde begroting meebring. Die onderhoudsbegroting vir die komende begrotingsjaar beloop R2.646 Miljoen wat 3.4% van die totale bedryfsuitgawes verteenwoordig.

Daar word vir 'n algemene salarisaanpassing van 6.2% begroot. Die ooreenkoms met georganiseerde arbeid kom tot einde op 30 Junie 2015. Die partye is tans besig met salaris

onderhandelinge.

Die totale salaris begroting, inklusief van die vergoeding van openbare ampsdraers, vir die komende boekjaar beloop R26 443 Miljoen wat 33.93% van die totale bedryfsbegroting verteenwoordig.

Die hoof bronne van inkomste sien soos volg daarna uit:

- Verkoop van Elektrisiteit R12.637 Miljoen
- Eiendomsbelasting R4.893 Miljoen
- Verkoop van Water R4.255 Miljoen
- Rioolgelde R2.770 Miljoen
- Vullisverwyderingsgelde R3.183 Miljoen
- Subsidies en Toekennings R28.054 Miljoen

DEERNISHULP

Daar word in die bedryfsbegroting voorsien vir deernis hulp aan kwalifiserende huishoudings wat 50 eenhede Elektrisiteit, 6 Kiloliter water asook 100 % subsidie vir riolering en vullisverwydering en eiendomsbelasting insluit. Die deernis beleid maak voorsiening dat alle huishoudings waarvan die inkomste minder is as 2 maal die regerings se ouderdoms-pensioen per maand vir subsidie kwalifiseer. Daar word begroot vir deernis hulp ten bedrae van R7.267 miljoen vir die 2015/2016 boekjaar.

Daar word ook 'n bedrag van R60 000 opsy gesit vir die herstel van waterlekkasies in deernis huishoudings.

TARIEWE

Dit is noodsaaklik om die finansiële volhoubaarheid en lewensvatbaarheid van die Raad te verseker en daar is dus met die bepaling van die tariewe ook van hierdie beginsels gebruik gemaak. Dit word as doelwit gestel om te verseker dat die handels- en ekonomiese dienste van die Raad, elk onafhanklik en volhoubaar bedryf kan word.

Ek vind dit noodsaaklik om aan u voor te hou dat die tariewe wat tans gehef word nie voldoende is om die lewensvatbaarheid van die dienste en die munisipaliteit te verseker nie, en daar in die komende begrotingsjare daadwerlik aandag geskenk sal moet word aan die instelling van tariewe wat die werklike koste van dienslewering verteenwoordig. Die bestuurspan het reeds begin om in die begroting vir 2015/16 voorsiening te maak vir meer koste-reflektiewe tariewe. Hierdie beginsel sal egter ingefaseer moet word oor 'n aantal jare.

Ek wil egter oor twee baie belangrike aspekte waarsku

- (a) Dat ons nie onself uit die mark sal prys

- (b) Dat ons nie op 'n eiland van hoë tariewe sal beland met munisipaliteite rondom ons met laer tariewe

Die gemiddelde persentasie tariefverhogings vir die hoof bronne van inkomste uit verbruikers-dienste is soos volg:

Eiendomsbelasting	- 10%
Riool	- 15%
Vullisverwydering	- 15%
Water	- 15%
Elektrisiteit	- 15%

Die munisipaliteit het 'n nuwe waardasie rol geïmplementeer effektief van 1 Julie 2014.

GEÏNTEGREERDE ONTWIKKELINGSPLAN

Die nuwe voorlopige Geïntegreerde Ontwikkelingsplan vir die volgende 5 jaar word ook vandag voorgelê vir voorlopige goedkeuring. Ons is trots op ons nuwe plan wat 'n verskeidenheid van sake aanraak soos bv. die ekonomiese toestand van die gemeenskap in Baviaans, ons finansiële toedrag van sake en dan ook van kardinale belang is ons projekte wat beplan word vir die volgende 5 jaar. Die Geïntegreerde Ontwikkelingsplan het 'n volledige projekte register wat beide projekte wat reeds befondsing het en projekte wat nog befondsing kort aandui. Die Geïntegreerde Ontwikkelingsplan en begroting loop hand aan hand met mekaar en koppeling met mekaar word aangedui in die begrotings dokument. Die Geïntegreerde Ontwikkelingsplan en begroting probeer om die dienslewering agterstande te adresseer wat prioriteit moet geniet oor die volgende vyf jaar. Die munisipaliteit se strategiese doelwitte en nasionale prioriteite word ook uitgelê in hierdie dokument.

Die volgende projekte geïdentifiseer in die GOP is in ag geneem in die begroting vir 2015/16

• Kwartaalikse nuusbrief	-	R36 000
• Handelsmerk en bemarking	-	R5 290
• Personeel opleiding	-	R31 740
• Wykskomitees	-	R46 928
• Voorgeskrewe bevoegdheids Opleiding – bestuur	-	R150 000
• Finansiële leerlingskap	-	R440 000
• Biblioteke	-	R300 000
• Plaaslike ontwikkelings program		
- opleiding	-	R26 450
• Ontwikkeling van opleiding sentrum Steytlerville	-	R190 000
• Toerisme	-	R217 815
• Willowmore grootmaat water Wanhoop (Lewensvatbaarheid studie)	-	R250 000
• Steytlerville grootmaat water		

Erasmuskloof	-	R23 808 000
• Elektrisiteit meters	-	R136 000
• EPWP	-	R1 018 000
• Opgradering van sportvelde	-	R1 330 500
• Riolering stelsel Manenza Square	-	R2 200 000
• Opgradering van IT stelsel	-	R900 000

Soos u kan sien is die EPWP befondsing drasties ingekort. Dit is dus nodig dat

- (a) Die tegniese departement voor einde Mei 'n voorlegging aan die Raad doen oor hoe hierdie fondse bestee gaan word
- (b) Dat die groot hoeveelheid Sakha Isizwe werkers in ons midde baie meer effektief gebruik moet word

Vir hierdie doel word 'n beroep op die Munisipale Bestuurder gedoen om baie meer aandag aan die effektiwiteit van Sakha Isizwe te gee.

Die doel moet wees dat die Baviaans Munisipaliteit EPWP en Sakha Isizwe werkers moet gebruik om die dorpe skoon en netjies te hou.

SDBIP (DIENSLEWERING EN BEGROTING IMPLEMENTERINGSPLAN)

Die konsep hoëvlak SDBIP word hierby aangeheg en is 'n aanduiding van die diensleweringsteikens wat vir die 2015/2016 boekjaar gestel word, klem word gelê op die handhawing en verbetering van diensleweringvlakke en ook uitbreiding van dienslewering aan al ons gemeenskappe.

ORGANOGRAM

Effektiewe uitsette van personeel wat in lyn is met hul salarisse is 'n groot bron van kommer. Dit is baie moeilik om bogenoemde salarisverhogings aan die publiek te verkoop terwyl die publiek bewus is van die lae uitsette van sekere personeellede verbonde aan sekere poste. Vir hierdie rede stel ek voor dat die organogram na 'HR'-komitee verwys word.

Dit is belangrik dat hierdie komitee kyk na:

1. Befondste poste vir 2015/16
2. Waar oneffektiewe personeel / poste geherstruktureer kan word
3. Waar moontlike afleggings gemotiveer kan word.

TEN SLOTTE

Die meegaande voorlopige voorgestelde begroting wat ek hier ter tafel lê moet nou aan openbare deelname prosesse onderworpe word en die insette van die gemeenskap and ander rolspelers moet dan in ag geneem word in die finale begroting. Vir hierdie doel heg ek aan 'n voorlopige datumlys vir April / Mei om seker te maak dat die nodige Gemeenskapsdeelname wel plaasvind.

My dank aan die CFO en haar personeel vir die saamstelling van hierdie voorlopige begroting onder baie moeilike omstandighede. Verder wil ek ook my dank uitspreek vir die Gemeenskapsdienste departement vir die opstel van 'n hoogstaande GOP dokument.

EK DANK U

E. LOOCK
BURGEMEESTER

MAYORAL SPEECH

Councilors, municipal manager, head of departments, guests, ladies and gentlemen, good morning to all.

The vision of the Baviaans Municipality is to strive towards the establishment of a progressive community within a safe environment where basic service delivery is guaranteed and wherein decision-making is based on maximum participation from the community.

In the next financial year the rendering of good quality and uninterrupted services to our community still remains one of the main priorities of the Baviaans Municipality. Economic pressures country wide also has an influence on Baviaans Municipality especially considering the limited economic growth in our towns. The country's economic performance has deteriorated over the past several years and without exception Baviaans Municipality felt the effect thereof. The Gross Domestic Product (GDP) deteriorated from 3.6% in 2011 to 1.4% in 2014. According to National Treasury's predictions it is estimated that the GDP will improve over the medium term to reach 3% again in 2017.

The average inflation rate for the past year was 5.6% and the projections are that, for the MTREF period it will be at 4.8%, 5.9% and 5.6%. Considering the aforementioned we still place strong emphasis on value for money in all our procurement processes, and that we continue to encourage savings and strive to maximize all possible revenue in our strive to secure the economic progression of the municipality.

It is expected that municipal revenue and cash flows will remain under pressure in 2015/16 and municipalities are advised to adopt a conservative approach when projecting their revenue and cash receipts for 2015/16. The Baviaans municipality was struggling severely with cash flow constraints during 2014/15 of which the main reasons could be contributed to:

- The management of the previously DMA areas which was incorporated with Baviaans during 2011 and which was and still is under funded
- The repayment of R5.2 million to the National Fiscus for unutilised grand funding during 2012/13 financial year.

The cash flow problems were report to National Treasury, Provincial Treasury and COGTA.

The provision of affordable and sustainable, quality services to all our communities remain high on the agenda. A further challenge identified, facing most municipalities, are the fact that most municipalities cannot achieve cost-reflective tariffs due to the problem that cost component for all services is not known. According to National Treasury circular no 74 of 12 December 2014 municipalities are requested to determine all cost factors for all services and to use a tariff model to determine tariffs. This exercise could have a huge impact on future tariff increases.

At the same time municipalities are cautioned to keep tariff increases as low as possible and should therefore motivate any price increases above 6%. National Treasury indicated in circular 74 that a costing guideline will be issued for guidance and tools in the costing of services rendered to consumers.

National Treasury cautioned municipalities not to budget for unfunded or underfunded mandates. An unfunded/underfunded mandate is defined as when municipalities perform the functions of other spheres of government and bear significant costs out of their own revenue sources. These unfunded/underfunded mandates pose an institutional and financial risk to the municipality as substantial amounts of own funding is allocated to non-core functions at the expense of basic service delivery. The duty of the municipality is to provide for basic services such as electricity, water, sanitation and refuse removal in their budgets. A municipality may only provide for non-core functions (e.g. crèches, sports fields, libraries, museums, health services, etc in the budget if:

- The function is listed in Schedule 4B and 5B of the Constitution
- The function is assigned to municipality in terms of national and provincial legislation
- The municipality has prioritised the provision of basic services and
- It does not jeopardise the financial viability of the municipality

The budget I am tabling here today was prepared in accordance with the prescripts of the Municipal Finance Management Act, (Act 56 of 2003) and complies with Generally Recognized Accounting Practice as applicable to Local Government.

The budget was compiled, taking into account the Macro-economic growth parameters and also addresses the following National key priorities and Provincial priorities including the following:

- Building the capacity of local government through the “back to basics” approach

The following underlying factors were also taken into consideration with the compilation of the 2015/2016 draft budget:

- The current socio economic circumstances of our communities and especially the high rate of unemployment
- External factors having a direct impact on the budget such as the Eskom tariff increase of 14.24%, consumer inflation, the wage agreement concluded with organized labour which comes to end at 30 June 2015 and the possible impact thereof on wage increases as well as other cost factors influencing service delivery.

FOCUS OF THE 2015/2016 BUDGET

- With the 2015/2016 budget, emphasis is placed on the core service delivery obligations assigned to the municipality in the constitution.
- Maintenance of existing infrastructure enjoys preference once again and we are focusing on preventative and scheduled maintenance preceded by proper planning processes.
- Provision of basic services, improvement of the quality of housing, infrastructure as well as sustainable service delivery.

CAPITAL BUDGET

The capital budget flows from the IDP process and contains information obtained from relevant stakeholders and communities through a public participation process as well as ward committee processes where applicable. The capital budget for the 2015/2016 financial year amounts to R29.065 million with the main focus on the following:

Provision of water: Steytlerville – Erasmuskloof	-	R20.884 million
Streets Willowmore	-	R1.843 million
Streets Steytlerville	-	R1.843 million
Sport Fields Baviaans	-	R1.167 million
Waste Water Treatment works Rietbron	-	R1.929 million
LED projects	-	R389 thousand
Upgrade of IT infrastructure	-	R789 thousand

(*The above figures are excl VAT)

It is important to note that a few internal adjustments can still take place in terms of the capital budget, Council will be informed thereof. Furthermore, the DORA is still a draft and further allocations with regards to electricity can be expected in the final DORA.

Capital projects for the 2015/2016 financial year are funded from grants receivable from the National and Provincial Government amounting to R29 065 million. The municipality does not have sufficient funds to fund projects out of own revenue.

OPERATING BUDGET

The operating budget for the 2015/2016 financial year amounts to R77.920 million which represents an increase of 3.58% over the adjustment budget for the 2014/2015 financial year. The maintenance budget for the coming financial year amounts to R2.646 million which represents 3.4% of the total operating expenditure.

A 6.2% across the board general salary increase is budgeted for. The wage agreement with organized labour is coming to end on 30 June 2015. The parties are currently negotiating salary increases.

The total salary expenditure amounts to R26.443 million and represents 33.93% of the total budgeted expenditure. This amount also includes the remuneration applicable to public office bearers.

The major sources of revenue can be summarized as follows:

Sale of Electricity	R12.637 million
Assessment Rates	R4.893 million
Sale of Water	R4.255 million
Sewer fees	R2.770 million
Refuse fees	R3.183 million
Grants and Subsidies	R28.054 million

INDIGENT SUBSIDIES

Provision is made in the operating budget for the subsidizing of the indigent households. The subsidy includes 6000 liters of water, 50 units of electricity as well as a 100% subsidy on the refuse, 100% on assessment rates as well as the sewer tariff applicable to a household. The indigent policy provides for assistance to be given to households with a monthly income of less than twice the government pension.

The total budget for Indigent subsidies amounts to R7.267 million for the 2015/2016 financial year.

Provision is also made for the repair of water leakages at indigent households in the amount of R60 000 for the 2015/2016 financial year.

TARIFFS

It is of essence that the financial viability and sustainability of the municipality is secured and therefore the principle of economic viability and sustainability was applied in the tariff determination for the 2015/2016 financial year. The aim of the tariff determinations are to ensure that all services can be run as a going concern on an independent and sustainable manner.

I find it necessary to point out that the current tariffs are not sufficient to ensure the sustainability of services and we would need to emphasize the implementation of cost reflective tariffs, essential for the economic viability of the municipality in the concurrent financial years. Management has already started with this in the budget of 2015/16. This principle will however have to be phased in over a few years.

The proposed average increase in the main tariff categories for the 2015/2016 financial year is as follows:

Assessment rates	- 10%
Sewerage	- 15%
Refuse removal	- 15%
Water	- 15%
Electricity	- 15%

The municipality implemented a new valuation roll as from 1 July 2014.

I want to raise the following aspects of caution however

- (a) that we stay competitive in terms of market price
- (b) that we do not find ourselves on an island of high tariffs surrounded by municipalities with lower tariffs

INTEGRATED DEVELOPMENT PLAN (IDP)

The new draft IDP for the next 5 years is also presented today for provisional approval. We are proud of our IDP which discusses a variety of topics such as the economic welfare of the community of Baviaans, our financial situation as well as our projects that our planned for the next 5 years. The IDP includes a comprehensive project register which indicates both funded and unfunded projects. The IDP and budget is linked with each other and the linkage is illustrated in the budget document. The IDP and budget tries to address service delivery backlogs which needs priority over the next five years. The municipality's strategic objectives and also the national priorities are clearly indicated in the document.

The following projects identified in the IDP has been considered in the budget for 2015/16

• Quarterly newsletter	-	R36 000
• Branding and marketing	-	R5 290
• Personnel training	-	R31 740
• Ward committees	-	R46 928
• Competency training managers	-	R150 000
• Financial interns	-	R440 000
• Libraries	-	R300 000
• LED – training	-	R26 450
• Development of training centre Steytlerville	-	R190 000
• Tourism	-	R217 815
• Willowmore bulk water Wanhoop Feasibility study	-	R250 000
• Steytlerville bulk water Erasmuskloof	-	R23 808 000

• Electricity prepaid meters	-	R136 000
• EPWP	-	R1 018 000
• Upgrading of sports fields	-	R1 330 500
• Upgrading of sewer network Manenza Square	-	R2 200 000
• Upgrading of IT system	-	R900 000

As you can see the EPWP funding has been reduced drastically. It is necessary that

- (a) the Technical Department makes a presentation to Council before the end of May 2015 on how these funds will be spent
- (b) that the high number of Sakha Isizwe workers in our midst be used more efficiently.

For this purpose the Municipal Manager and management are urged to pay more attention to the effectiveness of Sakha Isizwe.

The aim must be that the Baviaans Municipality use EPWP and Sakha Isizwe workers to keep towns clean.

SDBIP (SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN)

The top level service delivery and budget implementation plan is attached herewith and is an indication of service delivery targets that is set for the 2015/2016 financial year. Emphasis is placed on sustaining and improving service delivery levels and extending services to all our communities.

ORGANOGRAM

An effective output of personnel which is in line with their salaries is a big concern. It is very difficult to sell salary increases to the public while the latter is aware of the low output of some personnel in certain posts. I thus suggest that the organogram be referred to the HR committee. It is important that the committee look at:

1. Budgeted posts for 2015/16
2. Where ineffective personnel / posts can be restructured
3. Where possible retrenchments can be motivated

IN CONCLUSION

The draft budget submitted here today still has to be taken through a process of public participation to obtain input from all role players. Input obtained will be considered and where possible incorporated into the final budget. For this purpose I attach a preliminary list of dates for April and May 2015 to ensure that the necessary public participation takes place.

Thank you to the CFO and her personnel for the compilation of this draft budget under difficult circumstances. Furthermore, I would like to express my gratitude to the Community Services department for the compilation of an IDP of high standards.

I THANK U

**E LOOCK
MAYOR**

CHAPTER 2

COUNCIL RESOLUTION

1. That in terms of section 24 of the Municipal Finance Management Act, 56 of 2003, the draft Annual budget of the Baviaans Municipality for the financial year 2015/16; and indicative allocations for the two projected outer years 2016/17 and 2017/18; and the multi-year and single year capital appropriations are approved as set-out in the following tables:
 - 1.1. Budgeted Financial Performance (revenue and expenditure by standard classification);
 - 1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote);
 - 1.3. Budgeted Financial Performance (revenue by source and expenditure by type); and
 - 1.4. Multi-year and single year capital appropriations by municipal vote and standard classification and associated funding by source.
2. That the financial position, cash flow, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are adopted as set-out in the following tables:
 - 2.1. Budgeted Financial Position;
 - 2.2 Budgeted Cash Flows;
 - 2.3 Cash backed reserves and accumulated surplus reconciliation;
 - 2.4 Asset management; and
 - 2.5 Basic service delivery measurement.
3. That in terms of section 24(2)(c)(i) and (ii) of the Municipal Finance Management Act 56 of 2003 and sections 74 and 75A of the Local Government: Municipal Systems Act 32 of 2000 as amended, the tariffs for the supply of water, electricity, waste services, sanitation services and property rates as set out in annexure A, that were used to prepare the estimates of revenue by source, are approved with effect from 1 July 2015.
4. That in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) the tariffs for other services, as set out in Annexure A, that were used in compiling the final budget, are approved with effect from 1 July 2015
5. That in terms of section 24(2)(c)(iii) of the Municipal Finance Management Act, 56 of 2003, the measurable performance objectives for capital and operating expenditure by vote for each year of the medium term revenue and expenditure framework as set out in Supporting Table SA7 are approved.
6. That free basic services be provided to all registered indigent consumers **only** as follows:
 - The first 50 units of electricity free of charge
 - The first 6 kiloliters of water free of charge
 - Refuse removal - full subsidy of single residential monthly levy and town cleaning levy
 - Sewerage – full subsidy of single residential monthly usage and basic service charges
 - Property rates 100% subsidy

7. That interest be charged on all debtors accounts outstanding for a period of more than 30 days at the prevailing prime interest rate plus 2% charged by the Municipality's Banker.
8. That in terms of the provisions of **Section 75A** of the Municipal Systems Act, 32 of 2000, the notice of the tariff amendments be displayed on notice boards at all municipal offices, libraries, and be advertised in local newspapers.
9. That in terms of the provisions of the Municipal Property Rates Act, (Act 6 of 2004) the remissions be granted to property owners in terms of the provisions of the municipal rates policy subject to the conditions contained in said policy
10. That the amount due in respect of annual assessment rates for the 2015/2016 be due and payable on or before 30 September 2015.
11. That the amount due in respect of monthly Assessment rates and other service, basic and consumption charges, fees and penalties be due and payable on or before the following dates: 15 July 2015, 17 August 2015, 15 September 2015, 15 October 2015, 16 November 2015, 15 December 2015, 15 January 2016, 15 February 2016, 15 March 2016, 15 April 2016, 16 May 2016, 15 June 2016.
12. That in terms of section 5 of the Municipal Property Rates Act, 6 of 2004, the amendments to the rates policy as indicated are approved with effect 1 July 2015
13. That in terms of the municipal budget and reporting regulations, paragraph 7, the amendments to the budget policies, as indicated, are approved with effect 1 July 2015
14. That in terms of section 6 of the Local Government: Municipal Property Rates Act, 2004 the draft Property Rates by-law be approved with effect 1 July 2015
15. That in terms of section 24(2)(c)(iv) of the Municipal Finance Management Act, 56 of 2003, the final IDP for 2015/16 – 2019/20 be approved.
16. That the Service delivery targets be approved
17. That Council approves the application for an overdraft facility to the value of R2 million as discussed in the budget document.
18. That Council approves the application for finance leases for the acquisition of vehicles as discussed in the budget document
19. That the final documents be available for inspection and comments at the following places:
 - Willowmore Municipal office
 - Steytlerville Municipal Office
 - Rietbron Municipal Office
 - Willowmore, Rietbron, Steytlerville & Baviaanskloof Libraries

CHAPTER 3

EXECUTIVE SUMMARY

PREFACE

Baviaans Municipality is a category B Municipality and together with 9 other category B municipalities form the Sarah Baartman District Municipal area.

Baviaans Municipality covers an area of 11 668.52 square kilometers with three urban nodes, namely Willowmore and Steytlerville and Rietbron. Willowmore is the nodal point of the municipality as determined in terms of the Section 12 notice published in terms of the provisions of the municipal structures Act and also serves as administrative hub for the municipality, the district offices of Provincial as well as National Government Departments.

The area is scarcely populated with a population density of 1.68 per km². The Local municipality is situated between 23 and 25 degree longitude and 33 and 34 degree of Southern Latitude and is approximately 1500 meters above sea level.

The well known Baviaanskloof Nature Reserve is situated in the southern portion of the jurisdictional area and also covers approximately 60% of the municipal area. Agriculture, tourism and service industries form the basis of the area's economy.

The budget tabled here today is the MTREF (Medium Term Revenue and Expenditure Framework) for the 2015/2016, 2016/2017 and 2017/2018 financial years as legislatively prescribed.

The following documents were considered in the preparation of the budget:

- National treasury circulars 74 & 75 as well as other prior year circulars giving guidance on budget processes
- The municipal budget and reporting regulations as issued in government gazette 32141 on 17 April 2009

CAPITAL BUDGET

The drafting of the IDP runs concurrent with the 2015/2016 budget process in order to update the Medium Term Expenditure Framework (MTEF). The IDP budget link is summarized in the supporting tables attached hereto.

The Medium Term Expenditure Framework should guide the municipality with regards to its funding requirements in the medium term (3 years). Confirmed capital grant funding for the 2015/2016 financial year amounts to R32.234 Million.

Capital investment for the 2016/2017 financial year amounts to R8.585 Million and the 2017/2018 financial year amounts to R8.822 Million. A total of R49.642 Million is thus needed to finance the Medium Term Expenditure Framework. The aforementioned capital requirements are only indicative of the confirmed funding for the MTEF and do not include issues of priority where funding applications are in process and have not yet been confirmed.

From the MTEF it is clear that the council is once again relying on grants and subsidies for the funding of its capital requirements, the main source being MIG and Regional Bulk infrastructure grants.

Main contributing factors to the capital budget for the 2015/2016 financial year are:

Provision of water	-	R21.104 million
Roads and storm water	-	R3.686 million
Waste Water Treatment	-	R1.930 million
Sports fields	-	R1.167 million
LED Projects	-	R389 thousand
Upgrade of IT network	-	R789 thousand

OPERATING BUDGET

The increase in the operating budget amounts to R2.697 mil for the 2015/2016 financial year and represents an increase of 3.5% over the 2014/2015 adjustment budget. Increase in budget can be ascribed to the following:

- Increase in salary expenditure due to the 6.2% across the board increase. The agreement with organized labour is coming to end at 30 June 2015. The parties are currently in negotiation with regards to salary increases. This represents an increase of R2.4 Million over the amount budgeted for 2014/2015.
- An increase of 3.8% over adjustment budget for 2014/15 in maintenance expenditure is budgeted
- An increase of 14.24% in the purchase price of electricity from Eskom.

A summary of the operating budget is attached herewith and includes all operating expenditure necessary for operating the municipality for the 2015/2016 financial year.

The operating budget for the 2016/2017 and 2017/2018 financial years are based on a growth of 5.5% and 5.3% per annum respectively. Where other factors impacting on the budget are known, it has been calculated as such and is included in the budget figures.

EXPENDITURE

The operating expenditure budget for 2015/2016 is R77.920 Million which represents an increase of 3.5% over the adjustment budget for the 2014/2015 financial year.

Salary and related expenditure, excluding remuneration of public office bearers, amounts to R24.584 million or 31.55% of the total expenditure.

An increase of 3.8% in maintenance expenditure is budgeted as an effort to try and increase the levels of repairs and maintenance. The acceptable norm is 6% of total expenditure.

REVENUE

The budgeted revenue (excluding capital grant revenue) for the 2015/2016 financial year amounts to R58.775 million whilst a deficit of R20.046 mil is budgeted for the 2015/2016 financial year, not considering capital grants to be received.

The revenue budget is compiled taking into account a 100% collection rate on debtors, if for any reason this rate is not attained, expenditure would need to be cut back in order to ensure that the municipality does not operate in a deficit.

The 100% collection rate is based on the following considerations:

- Write off of all debt older than 90 days, except government debt, debt of businesses and debt owed by staff and utilization of the current available provision for bad debt to cover this write off
- The continuation of the service level agreement with the current company appointed for debt collection
- The continuation of legal action against default rate payers
- Improved credit control procedures currently in place
- The utilization of the MFIP programme to implement revenue enhancement mechanisms in the municipality
- The implementation of pre-paid water meters in Eskom serviced areas.
- An improved strategy and campaign for indigent registration especially in the Eskom serviced areas.

The municipality should also consider alternative income sources e.g.

- Selling of land not utilized or earmarked for future development
- Selling of redundant assets
- Consideration should be given to the possibility of generating tourism income from the farm Wanhoop once the municipality has obtained this farm – the process of expropriation is already underway

PROVISION FOR IRRECOVERABLE DEBT

No provision is made of irrecoverable debts in the 2015/2016 budget. Please refer to above explanations under Revenue.

REVENUE PER SOURCE

An analysis of the revenue per source for the 2015/2016 financial year is reflected in the attached budget schedules and the main sources are summarized in brief as follows:

Sale of Electricity	R12.637 million
Assessment Rates	R4.893 million
Sale of Water	R4.255 million
Sewer fees	R2.770 million
Refuse fees	R3.183 million
Grants and Subsidies	R28.054 million

TARRIFS

It is important to ensure the financial sustainability and economic viability of the municipality and these principles were therefore applied in the determination of the tariffs for the 2015/2016 financial year. The aim of the tariff determinations are also to ensure that all services can be run independently as a going concern.

In terms of a National treasury guideline, municipalities are eluded to the fact that tariffs should be cost reflective and it should be noted that this principle would need to be applied in this and future budgets. Current tariffs are not cost reflective and serious consideration would need to be given to substantial tariff increases in the subsequent financial years.

ASSESSMENT RATES

In order to enable the municipality to fulfill its constitutional mandate with regards to the rendering of municipal services and the management of its municipal area, an increase of 10% in respect of assessment rate tariffs for all categories are proposed.

The rebates on assessment rates are contained in municipal rates policy and are applicable once again to the 2015/2016 financial year to qualifying ratepayers subject to the conditions as determined by Council.

SEWERAGE

It is proposed that the sewerage tariffs be increased by 15% for both households and businesses. This is necessary to ensure that current service levels are maintained and to prevent infrastructure falling into disrepair. The increase of 15% will also ensure that the tariffs are more cost reflective and will lead to a more sustainable provision of the service.

ELECTRICITY

The Municipality finds itself in the unfortunate position that it has no option but to filter down the proposed Eskom increase to its consumers. The Eskom increase to the municipality amounts to 14.24%. It should be noted that due to much needed infrastructure cost and maintenance cost the municipality unfortunately has to increase prices with 15%.

50 units of free basic electricity are provided only to indigent consumers in the 2015/2016 financial year.

Maintenance expenditure in respect of the electricity amounts to R470 492 for the 2015/2016 financial year, representing 3.13% of annual electricity sales. The guideline from NERSA is 6% of annual electricity sales. NERSA has requested reasons for not adhering to the requirement. The municipality is unable to comply with this requirement as the electricity function is currently running at a loss to the municipality

The electricity infrastructure needs to be upgraded as the municipality is constantly using in excess of the maximum demand as determined by Eskom and paying penalties to Eskom due to this. Unfortunately the municipality does not have sufficient funds to do this and Eskom is not willing to upgrade their infrastructure on their cost.

The municipality is monitoring electricity losses on a monthly basis and electricity losses is currently only at 9.9% (norm is 10%).

Currently a huge risk factor to the municipality is the announcement of Eskom that they will apply for an additional 10% increase in tariffs. Should this be approved the municipality will have no choice but to filter this through to our consumers and increase electricity tariffs with an additional 10%.

WATER

In terms of National treasury guidelines the water tariffs must be cost reflective and the provision of potable water should carry the highest priority.

The Steytleville bulk water project will come to completion during this financial year. The impact that this new infrastructure will have on future maintenance cost will have to be considered. The purpose of the project was to supply 15 120 KL per month of potable water to a population of **6 704** people in approximately **1 676** households. In implementing this project the municipality is implementing one of the key priorities of national government – providing potable water to all.

The municipality is trying to adhere to National Treasury's guidelines in ensuring that tariffs are cost reflective. Unfortunately this necessarily goes hand in hand with an above norm increase in tariffs until such time that the bench mark has been reached. In order to comply with this instruction, the water tariffs applicable to the 2015/2016 financial year is said to increase by 15%.

The tariff increase is necessary to ensure the economic viability and sustainability of the water service and to secure the quality of water provision to all communities.

Management has already started with identifying cost components relating to the provision for water and in the 2015/16 these cost have been allocated to the water function. In doing so it was a clear indication that the Baviaans municipality's water tariff is still not cost reflective. The municipality will with the assistance of the Municipal Finance Improvement Project (MFIP) revisit tariffs and with the now identifiable cost use a tariff model to determine what the price per kilolitre should be.

REFUSE REMOVAL

It is proposed that the refuse tariff increase by 15% for the 2015/2016 financial year. The municipality must in terms of the requirements of GRAP contribute to a provision for the rehabilitation of refuse sites, this contribution has now been included in the budget for 2015/2016. The municipality's landfill sites are not legal and do not have the required licenses. The municipality is in the process of legalizing the sites, but this can only be done through grant funding over the next 3 years. The future maintenance and compliance cost of the land fill sites needs to be considered in arriving at a sustainable tariff.

INDIGENT SUBSIDY

The municipality will once again in the 2015/2016 financial year strive towards sufficient subsidization of indigent households. Provision is made as follows in the operating budget for the subsidizing of the indigent:

Electricity	50 Units
Water	6 Kiloliter
Sewerage	Full subsidy of the single household tariff
Refuse removal	Full subsidy of the single household tariff
Assessment rates	100% Subsidy

Provision is made on the budget to subsidize households at a total cost of R7.328 million for the 2015/2016 financial year.

Provision is also made for the repair of water leakages at indigent households in the amount of R60 000 for the 2015/2016 financial year.

FINANCIAL VIABILITY AND SUSTAINABILITY

The Municipality must ensure the financial sustainability of its operations and ensure that it operates as a going concern. The budget currently does not support this principle and a serious effort would be necessary to ensure the reaching of these goals.

The budget for 2015/16 as well as the outer 2 years is unfunded. The municipality is currently not able to table a funded budget mainly due to the following:

- The municipality has creditors outstanding relating to the previous financial year (2014/15)
- Currently the municipality is in a financial position where its current liabilities exceed its current assets, which means that it has very poor liquidity. Current liabilities exceed current assets with R22 million as at 30 June 2014. This could have a significant impact on its ability to timeously service its creditors when they become due and payable.
- The municipality is in the situation where income generation is hampered by the large indigent population it supports in terms of service delivery. This is a cause for concern with regards to the future sustainability of the municipality and may impact on service delivery.
- The municipality needs a cash injection of at least R22 million to ensure a possibility of future funded budgets.

SDBIP (SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN)

The municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. A top level service delivery and budget implementation plan is included in the budget documentation. The SDBIP is indicative of service delivery targets for the 2015/2016 financial year. Emphasis is placed on the sustaining of current services and further enhancement of service delivery to all communities.

POLICY CHANGES

Management has conducted the required annual review of all budget related policies. The following policies have been reviewed without any changes:

- Tariff policy
- Indigent policy
- Banking and investment policy
- Asset management policy
- Virement policy
- Loans policy

The following policies have been reviewed with changes:

- Rates policy – to include adjustments required by Municipal Property Rates Amendment Act which will come into effect on 1 July 2015
- Supply chain management policy – to include the provision for “proudly South African campaign”
- Credit control and debt management policy – to implement a minimum amount outstanding before disconnection of services; update budget related charges; update deposits to be paid

J.Z.A VUMAZONKE

MUNICIPAL MANAGER

CHAPTER 4

ANNUAL BUDGET TABLES

Operating budget (Schedules A1, A2, A3 &A4)

The operating revenue budget of Baviaans Municipality amounts to R58.775 Million for 2015/2016 financial year. This represents an increase of R4.313 million (7.9%). The increase is mainly a result of:

- increased tariffs
- Increase in equitable share and other grants

To ensure a credible budget Baviaans Municipality had to increase tariffs in general by 15% except rates. Consideration was given to the fact that Baviaans Municipality has been increasing tariffs marginally for a number of years in the past which resulted in tariffs not being cost reflective. A total review of the tariff structure has started during 2014/15 and will continue in 2015/16 with the assistance of National Treasury through the MFIIP programme. The increase of 15% in all tariffs will lead Baviaans municipality in having a more sustainable budget and ensuring that we will be able to render all services.

NERSA approved a 12.2% tariff increase for municipalities, but the municipality applied for a 15% increase. The municipality is awaiting the outcome thereof.

Please refer to budget assumptions for more detail. (Chapter 9)

Baviaans Municipality's budgeted expenditure for the 2015/2016 MTREF amounts to R77.921 million. This represents an increase of R2.698 million (3.5%)

This increase is mainly a result of increase in:

- Salaries
- Increase in bulk purchases

A provisional 6.2% across the board general salary increase is budgeted for. Salary negotiations with organized labour are still in progress.

Bulk purchases increased by R1.320 million which is a result of the increase in bulk electricity which amounted to 14.24%.

Currently a huge risk factor to the municipality is the announcement of Eskom that they will apply for an additional 10% increase in tariffs. Should this be approved the municipality will have no choice but to filter this through to our consumers and increase electricity tariffs with an additional 10%.

It is worth mentioning that currently there is no allocation for EPWP grant beyond the 2015/16 financial year. The municipality will receive R1 018 000 EPWP grant for 2015/16.

EC107 Baviaans - Table A1 Budget Summary

Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousands										
Financial Performance										
Property rates	1,918	3,082	3,429	4,377	4,377	4,377	4,377	4,814	5,296	5,825
Service charges	13,244	15,733	17,481	20,000	19,939	19,939	19,939	22,930	25,223	27,746
Investment revenue	102	112	121	88	110	110	110	121	133	146
Transfers recognised - operational	18,804	26,570	23,181	25,819	27,519	27,519	27,519	28,054	27,647	27,973
Other own revenue	5,118	1,699	2,403	2,161	2,517	2,517	2,517	2,856	2,921	3,201
Total Revenue (excluding capital transfers and contributions)	39,186	47,197	46,615	52,444	54,462	54,462	54,462	58,775	61,220	64,891
Employee costs	18,318	18,550	20,243	22,200	22,090	22,090	22,090	24,584	26,010	27,441
Remuneration of councillors	1,383	1,507	1,669	1,755	1,768	1,768	1,768	1,859	1,961	2,065
Depreciation & asset impairment	14,842	15,516	16,875	15,600	16,000	16,000	16,000	16,000	16,030	16,080
Finance charges	763	1,084	1,091	1,129	1,129	1,129	1,129	1,305	1,377	1,450
Materials and bulk purchases	6,658	7,942	8,475	10,153	9,300	9,300	9,300	10,620	11,204	11,798
Transfers and grants	3,572	5,629	5,386	5,285	6,696	6,696	6,696	7,328	8,116	8,862
Other expenditure	22,915	16,175	18,601	15,573	18,240	18,240	18,240	16,225	15,727	16,536
Total Expenditure	68,452	66,404	72,340	71,695	75,223	75,223	75,223	77,921	80,424	84,233
Surplus/(Deficit)	(29,266)	(19,207)	(25,726)	(19,251)	(20,762)	(20,762)	(20,762)	(19,146)	(19,205)	(19,341)
Transfers recognised - capital	15,886	23,518	38,247	42,540	44,798	44,798	44,798	32,235	8,585	8,823
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(13,380)	4,311	12,521	23,289	24,036	24,036	24,036	13,089	(10,620)	(10,518)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(13,380)	4,311	12,521	23,289	24,036	24,036	24,036	13,089	(10,620)	(10,518)
Capital expenditure & funds sources										
Capital expenditure	14,988	22,972	35,815	40,687	41,850	41,850	41,850	29,065	7,531	7,739
Transfers recognised - capital	14,723	21,889	35,390	38,818	39,463	39,463	39,463	29,065	7,531	7,739
Public contributions & donations	-	63	-	-	-	-	-	-	-	-
Borrowing	-	733	310	1,720	2,108	2,108	2,108	-	-	-
Internally generated funds	265	286	115	148	278	278	278	-	-	-
Total sources of capital funds	14,988	22,972	35,815	40,687	41,850	41,850	41,850	29,065	7,531	7,739
Financial position										
Total current assets	1,216	3,565	4,634	5,782	5,417	5,417	5,417	2,752	2,928	3,032
Total non current assets	216,881	224,455	243,197	265,914	269,098	269,098	269,098	282,163	273,664	265,323
Total current liabilities	16,712	20,905	26,644	11,030	26,479	26,479	26,479	24,229	26,485	28,927
Total non current liabilities	4,077	4,960	6,511	6,878	9,324	9,324	9,324	8,886	8,926	8,766
Community wealth/Equity	197,308	202,154	214,676	253,788	238,712	238,712	238,712	251,800	241,181	230,662
Cash flows										
Net cash from (used) operating	15,951	22,973	30,838	40,799	42,249	42,249	42,249	32,983	8,750	8,922
Net cash from (used) investing	(14,988)	(22,965)	(35,540)	(40,687)	(41,810)	(41,810)	(41,810)	(29,065)	(7,531)	(7,739)
Net cash from (used) financing	(530)	174	4,874	520	242	242	242	(4,396)	(1,196)	(1,196)
Cash/cash equivalents at the year end	117	299	472	932	1,154	1,154	1,154	675	698	685
Cash backing/surplus reconciliation										
Cash and investments available	117	299	472	932	1,154	1,154	1,154	675	698	685
Application of cash and investments	14,422	16,854	17,274	4,052	17,731	17,731	17,731	20,532	22,586	24,671
Balance - surplus (shortfall)	(14,305)	(16,554)	(16,802)	(3,121)	(16,577)	(16,577)	(16,577)	(19,856)	(21,888)	(23,986)
Asset management										
Asset register summary (WDV)	216,881	224,345	243,188	265,914	269,098	269,098	282,163	282,163	273,664	265,323
Depreciation & asset impairment	14,842	15,516	16,875	15,600	16,000	16,000	16,000	16,000	16,030	16,080
Renewal of Existing Assets	-	-	-	7,816	7,828	7,828	7,828	7,003	7,134	7,332
Repairs and Maintenance	5,322	3,083	1,953	1,199	2,548	2,548	2,647	2,647	1,532	1,603
Free services										
Cost of Free Basic Services provided	3,137	4,967	4,792	4,664	5,801	5,801	6,343	6,343	7,033	7,671
Revenue cost of free services provided	10,382	12,652	14,139	764	764	764	841	841	925	1,017
Households below minimum service level										
Water:	0	0	0	0	0	0	0	0	0	0
Sanitation/sewerage:	1	0	0	0	0	0	0	0	0	0
Energy:	1	1	1	1	1	1	1	1	1	1
Refuse:	2	1	1	1	1	1	1	1	1	1

EC107 Baviaans - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand	1									
Revenue - Standard										
Governance and administration		22,159	16,398	13,637	14,415	16,490	16,490	16,403	17,183	18,086
Executive and council		-	732	1,348	1,403	1,403	1,403	1,368	1,430	1,493
Budget and treasury office		21,841	13,415	12,146	12,907	14,843	14,843	14,772	15,470	16,287
Corporate services		318	2,251	143	105	244	244	263	283	306
Community and public safety		857	1,397	824	14,728	6,461	6,461	6,184	5,844	5,906
Community and social services		607	1,147	574	5,073	6,076	6,076	5,934	5,594	5,656
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		250	250	250	250	250	250	250	250	250
Housing		-	-	-	9,405	135	135	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		317	12,374	7,878	7,097	8,291	8,291	8,004	4,775	2,981
Planning and development		-	-	-	517	3	3	648	467	482
Road transport		317	12,374	7,878	6,580	8,288	8,288	7,356	4,307	2,499
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		31,415	40,457	62,456	58,289	67,589	67,589	60,294	41,932	46,663
Electricity		8,106	12,345	14,093	14,459	14,526	14,526	15,011	16,453	17,851
Water		6,819	17,813	38,249	29,985	41,402	41,402	31,888	11,996	12,487
Waste water management		16,490	8,199	5,237	6,039	6,585	6,585	7,823	6,113	6,421
Waste management		-	2,100	4,877	7,805	5,076	5,076	5,571	7,371	9,903
Other	4	323	89	66	455	429	429	125	71	79
Total Revenue - Standard	2	55,071	70,715	84,862	94,984	99,259	99,259	91,009	69,805	73,714
Expenditure - Standard										
Governance and administration		41,273	39,462	38,747	34,235	37,099	37,099	19,865	20,932	22,070
Executive and council		2,846	3,793	3,373	3,506	3,591	3,591	3,793	3,977	4,163
Budget and treasury office		33,181	31,514	30,554	25,419	27,917	27,917	10,080	10,625	11,232
Corporate services		5,245	4,156	4,820	5,309	5,591	5,591	5,991	6,330	6,675
Community and public safety		3,220	2,831	2,924	3,173	3,100	3,100	4,186	4,407	4,631
Community and social services		3,182	2,459	2,425	2,554	2,624	2,624	3,558	3,744	3,931
Sport and recreation		38	-	-	6	5	5	15	16	17
Public safety		0	372	498	612	470	470	613	648	683
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		8,290	7,421	9,303	9,613	9,307	9,307	17,106	16,365	16,815
Planning and development		-	-	-	992	957	957	1,227	1,121	1,183
Road transport		8,290	7,421	9,303	8,621	8,350	8,350	15,879	15,244	15,632
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		15,521	15,936	20,757	23,541	24,681	24,681	35,839	37,797	39,743
Electricity		8,949	9,979	11,544	12,446	12,097	12,097	15,140	16,042	16,994
Water		4,299	3,203	4,441	4,689	5,591	5,591	10,551	10,954	11,372
Waste water management		2,164	1,507	1,508	2,890	3,224	3,224	5,869	6,204	6,440
Waste management		108	1,247	3,264	3,517	3,769	3,769	4,278	4,598	4,937
Other	4	148	755	609	1,134	1,036	1,036	926	924	974
Total Expenditure - Standard	3	68,452	66,404	72,340	71,695	75,223	75,223	77,921	80,424	84,233
Surplus/(Deficit) for the year		(13,380)	4,311	12,521	23,289	24,036	24,036	13,089	(10,620)	(10,518)

EC107 Baviaans - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
Revenue by Vote	1									
Vote 1 - Executive & Council		-	732	1,348	1,403	1,403	1,403	1,368	1,430	1,493
Vote 2 - Corporate Services		318	2,251	143	105	244	244	263	283	306
Vote 3 - Budget & Treasury Office		21,841	13,415	12,146	12,907	14,843	14,843	14,772	15,470	16,287
Vote 4 - Technical Services		31,093	52,136	68,912	72,839	74,518	74,518	66,018	44,451	47,200
Vote 5 - Community Services		1,820	2,181	2,312	7,730	8,251	8,251	8,589	8,171	8,428
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
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]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	55,071	70,715	84,862	94,984	99,259	99,259	91,009	69,805	73,714
Expenditure by Vote to be appropriated	1									
Vote 1 - Executive & Council		2,846	3,793	3,373	3,506	3,591	3,591	3,793	3,977	4,163
Vote 2 - Corporate Services		5,245	4,156	4,820	5,309	5,591	5,591	5,991	6,330	6,675
Vote 3 - Budget & Treasury Office		33,181	31,514	30,554	25,419	27,917	27,917	10,080	10,625	11,232
Vote 4 - Technical Services		23,726	22,916	29,307	31,961	32,543	32,543	50,924	52,202	54,491
Vote 5 - Community Services		3,453	4,026	4,286	5,500	5,581	5,581	7,132	7,291	7,672
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
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]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	68,452	66,404	72,340	71,695	75,223	75,223	77,921	80,424	84,233
Surplus/(Deficit) for the year	2	(13,380)	4,311	12,521	23,289	24,036	24,036	13,089	(10,620)	(10,518)

EC107 Baviaans - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand											
Revenue By Source											
Property rates	2	1,918	3,082	3,429	4,377	4,377	4,377	4,377	4,814	5,296	5,825
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	7,761	8,897	9,819	11,091	10,989	10,989	10,989	12,637	13,901	15,291
Service charges - water revenue	2	2,726	2,947	3,382	3,884	3,773	3,773	3,773	4,339	4,773	5,250
Service charges - sanitation revenue	2	2,757	1,758	2,123	2,257	2,409	2,409	2,409	2,770	3,047	3,352
Service charges - refuse revenue	2	-	2,132	2,156	2,768	2,768	2,768	2,768	3,183	3,502	3,852
Service charges - other		-				-	-	-			
Rental of facilities and equipment		59	116	46	43	179	179	179	253	272	294
Interest earned - external investments		102	112	121	88	110	110	110	121	133	146
Interest earned - outstanding debtors		312	368	460	373	482	482	482	530	583	641
Dividends received		-				-	-	-			
Fines		13	4	9	10	2	2	2	2	2	2
Licences and permits		461	-	625	644	756	756	756	832	915	1,007
Agency services		-	648	764	782	687	687	687	756	831	914
Transfers recognised - operational		18,804	26,570	23,181	25,819	27,519	27,519	27,519	28,054	27,647	27,973
Other revenue	2	4,273	556	347	310	311	311	311	484	317	343
Gains on disposal of PPE			7	152		100	100	100			
Total Revenue (excluding capital transfers and contributions)		39,186	47,197	46,615	52,444	54,462	54,462	54,462	58,775	61,220	64,891
Expenditure By Type											
Employee related costs	2	18,318	18,550	20,243	22,200	22,090	22,090	22,090	24,584	26,010	27,441
Remuneration of councillors		1,383	1,507	1,669	1,755	1,768	1,768	1,768	1,859	1,961	2,065
Debt impairment	3	3,790	1,371	1,744	-	1,200	1,200	1,200			
Depreciation & asset impairment	2	14,842	15,516	16,875	15,600	16,000	16,000	16,000	16,000	16,030	16,080
Finance charges		763	1,084	1,091	1,129	1,129	1,129	1,129	1,305	1,377	1,450
Bulk purchases	2	6,658	7,942	8,475	10,153	9,300	9,300	9,300	10,620	11,204	11,798
Other materials	8										
Contracted services		-	-	-	-	-	-	-	-	-	-
Transfers and grants		3,572	5,629	5,386	5,285	6,696	6,696	6,696	7,328	8,116	8,862
Other expenditure	4, 5	19,125	14,804	16,768	15,573	17,040	17,040	17,040	16,225	15,727	16,536
Loss on disposal of PPE			0	89							
Total Expenditure		68,452	66,404	72,340	71,695	75,223	75,223	75,223	77,921	80,424	84,233
Surplus/(Deficit)											
Surplus/(Deficit)		(29,266)	(19,207)	(25,726)	(19,251)	(20,762)	(20,762)	(20,762)	(19,146)	(19,205)	(19,341)
Transfers recognised - capital		15,886	23,518	38,247	42,540	44,798	44,798	44,798	32,235	8,585	8,823
Contributions recognised - capital	6	-	-	-	-	-	-	-	-	-	-
Contributed assets											
Surplus/(Deficit) after capital transfers & contributions		(13,380)	4,311	12,521	23,289	24,036	24,036	24,036	13,089	(10,620)	(10,518)
Taxation											
Surplus/(Deficit) after taxation		(13,380)	4,311	12,521	23,289	24,036	24,036	24,036	13,089	(10,620)	(10,518)
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		(13,380)	4,311	12,521	23,289	24,036	24,036	24,036	13,089	(10,620)	(10,518)
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		(13,380)	4,311	12,521	23,289	24,036	24,036	24,036	13,089	(10,620)	(10,518)

Capital budget (Schedule A5)

The capital budget of the municipality amounts to R29.065 Million. This indicates a decrease of R12.785 Million (30.5%) which is mainly a result of:

- Decrease in DTI funded projects (R2.327 million)
- Decrease in MIG funded projects (R857 thousand)
- Decrease in RBIG funded projects (R7.213 million)
- Decrease in own funded projects (R278 thousand)
- Decrease in loan funded projects (R2.108 million)
- Increase in MSIG funded projects (R789 thousand)

The main projects that are funded in the capital budget are:

- Streets & Storm water Willowmore – R2 101 250
- Streets & Storm water Steytlerville – R2 101 250
- Waste water treatment works Rietbron – R2 200 000
- Upgrading of Sports fields – R1 330 500
- Steytlerville water Erasmuskloof – R23 808 000
- LED projects – R443 500
- IT infrastructure upgrade – R900 000

Amounts shown are total project values for 2015/16 including VAT. The budget is based on a total amount of R29.065 mil excl VAT.

These projects are funded by the Municipal Infrastructure Grant, Regional bulk infrastructure grant and Municipal Systems Improvement Grant

EC107 Baviaans - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand											
Capital expenditure - Vote											
Multi-year expenditure - to be appropriated	2										
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury Office		-	-	-	-	-	-	-	-	-	-
Vote 4 - Technical Services		-	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services		-	-	-	-	-	-	-	-	-	-
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
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 - Executive & Council		17	51	313	1,720	2,108	2,108	2,108	-	-	-
Vote 2 - Corporate Services		36	21	-	-	23	23	23	-	-	-
Vote 3 - Budget & Treasury Office		61	59	23	11	109	109	109	789	-	-
Vote 4 - Technical Services		14,675	22,643	35,174	37,220	37,419	37,419	37,419	26,720	5,945	6,110
Vote 5 - Community Services		199	197	305	1,736	2,190	2,190	2,190	1,556	1,585	1,629
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
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		14,988	22,972	35,815	40,687	41,850	41,850	41,850	29,065	7,531	7,739
Total Capital Expenditure - Vote		14,988	22,972	35,815	40,687	41,850	41,850	41,850	29,065	7,531	7,739
Capital Expenditure - Standard											
Governance and administration		114	132	336	1,731	2,240	2,240	2,240	789	-	-
Executive and council		17	51	313	1,720	2,108	2,108	2,108	-	-	-
Budget and treasury office		61	59	23	11	109	109	109	789	-	-
Corporate services		36	21	-	-	23	23	23	-	-	-
Community and public safety		199	197	305	11,141	2,190	2,190	2,190	1,556	1,585	1,629
Community and social services		199	197	305	433	10	10	10	389	396	407
Sport and recreation		-	-	-	1,302	2,180	2,180	2,180	1,167	1,189	1,222
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	9,405	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		5,799	8,582	4,566	2,820	4,286	4,286	4,286	3,686	1,754	-
Planning and development		-	789	-	-	-	-	-	-	-	-
Road transport		5,799	7,792	4,566	2,820	4,286	4,286	4,286	3,686	1,754	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		8,876	14,061	30,608	24,995	33,134	33,134	33,134	23,033	4,191	6,110
Electricity		-	425	353	1,190	1,328	1,328	1,328	-	-	-
Water		6,057	10,619	29,660	20,375	30,425	30,425	30,425	21,104	3,047	3,055
Waste water management		1,130	3,018	326	974	1,319	1,319	1,319	1,930	-	-
Waste management		1,689	0	269	2,456	62	62	62	-	1,144	3,055
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	3	14,988	22,972	35,815	40,687	41,850	41,850	41,850	29,065	7,531	7,739
Funded by:											
National Government		12,986	17,777	19,036	26,582	37,137	37,137	37,137	29,065	7,531	7,739
Provincial Government		-	4,113	16,354	12,236	2,327	2,327	2,327	-	-	-
District Municipality		1,737	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	14,723	21,889	35,390	38,818	39,463	39,463	39,463	29,065	7,531	7,739
Public contributions & donations	5	-	63	-	-	-	-	-	-	-	-
Borrowing	6	-	733	310	1,720	2,108	2,108	2,108	-	-	-
Internally generated funds		265	286	115	148	278	278	278	-	-	-
Total Capital Funding	7	14,988	22,972	35,815	40,687	41,850	41,850	41,850	29,065	7,531	7,739

Budgeted Financial position (Schedule A6)

Current assets are assets that can be converted in cash within 12 months and mainly consist of cash in the bank, investments and debtors.

The budget is based on 100% collection rate based on the following reasons: :

- Write off of all debt older than 90 days, except government debt, debt of businesses and debt owed by staff and utilization of the current available provision for bad debt to cover this write off. The write off to be done before June 2014
- The continuation of the service level agreement with the current company appointed for debt collection
- The continuation of legal action against default rate payers
- Improved credit control procedures currently in place
- The utilization of the MFIP programme to implement revenue enhancement mechanisms in the municipality
- The implementation of pre-paid water meters in Eskom serviced areas.
- An improved strategy and campaign for indigent registration especially in the Eskom serviced areas.

The municipality should also consider alternative income sources e.g.

- Selling of land not utilized or earmarked for future development
- Selling of redundant assets
- Consideration should be given to the possibility of generating tourism income from the farm Wanhoop once the municipality has obtained this farm – the process of expropriation is already underway

For the reasons above it is anticipated that no additional contribution to provision for bad debt will be required.

Non-current Assets are assets that has a lifespan of longer than 12 months and mainly consist of fixed assets e.g. infrastructure and moveable assets.

The process of unbundling of assets has been completed and depreciation charges could be calculated on baseline information available from the previous financial year.

Non-current provisions consist of provision for rehabilitation of landfill sites to the value of R1.180 million, post retirement benefits to the value of R2.458 million and long service benefits of R1.923 million

Current provisions consist of provision for bonuses to the value of R646 thousand

It is anticipated that the year will end with a positive bank balance of R675 thousand whilst nett debtors will decrease to R1.360 million

Of concern is Baviaans' liquidity. Trade creditors are more than debtors by R21.171 million. This has also been mentioned in the audit report of 2013/14.

EC107 Baviaans - Table A6 Budgeted Financial Position

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand											
ASSETS											
Current assets											
Cash		110	292	462	932	1,094	1,094	1,094	675	698	685
Call investment deposits	1	7	7	10	-	60	60	60	-	-	-
Consumer debtors	1	352	767	1,405	3,600	2,878	2,878	2,878	1,360	1,469	1,586
Other debtors		728	2,450	2,747	1,200	1,200	1,200	1,200	708	750	750
Current portion of long-term receivables		-	-	-	-	-	-	-	-	-	-
Inventory	2	19	48	9	50	185	185	185	9	11	11
Total current assets		1,216	3,565	4,634	5,782	5,417	5,417	5,417	2,752	2,928	3,032
Non current assets											
Long-term receivables		-	-	-	-	-	-	-	-	-	-
Investments		-	-	-	-	-	-	-	-	-	-
Investment property		39,784	39,701	38,374	39,581	38,434	38,434	38,434	38,434	38,434	38,434
Investment in Associate		-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	3	177,038	184,645	204,814	226,333	230,664	230,664	230,664	243,729	235,230	226,889
Agricultural		-	-	-	-	-	-	-	-	-	-
Biological		-	-	-	-	-	-	-	-	-	-
Intangible		59	0	0	-	-	-	-	0	0	0
Other non-current assets		-	110	9	-	-	-	-	-	-	-
Total non current assets		216,881	224,455	243,197	265,914	269,098	269,098	269,098	282,163	273,664	265,323
TOTAL ASSETS		218,096	228,020	247,831	271,696	274,514	274,514	274,514	284,916	276,592	268,355
LIABILITIES											
Current liabilities											
Bank overdraft	1	-	-	-	-	-	-	-	-	-	-
Borrowing	4	567	543	5,059	950	3,902	3,902	3,902	660	660	860
Consumer deposits		145	146	150	146	388	388	388	392	396	400
Trade and other payables	4	15,477	19,639	20,864	8,767	21,023	21,023	21,023	22,531	24,745	26,945
Provisions		523	578	570	1,167	1,167	1,167	1,167	646	684	722
Total current liabilities		16,712	20,905	26,644	11,030	26,479	26,479	26,479	24,229	26,485	28,927
Non current liabilities											
Borrowing		762	960	1,317	2,800	3,684	3,684	3,684	3,324	3,064	2,604
Provisions		3,314	4,001	5,194	4,078	5,640	5,640	5,640	5,562	5,862	6,162
Total non current liabilities		4,077	4,960	6,511	6,878	9,324	9,324	9,324	8,886	8,926	8,766
TOTAL LIABILITIES		20,789	25,866	33,155	17,907	35,803	35,803	35,803	33,115	35,411	37,693
NET ASSETS	5	197,308	202,154	214,676	253,788	238,712	238,712	238,712	251,800	241,181	230,662
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		197,308	202,154	214,676	253,788	238,712	238,712	238,712	251,800	241,181	230,662
Reserves	4	-	-	-	-	-	-	-	-	-	-
Minorities' interests		-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	5	197,308	202,154	214,676	253,788	238,712	238,712	238,712	251,800	241,181	230,662

Cash Flow (Schedule A7)

It is anticipated that the cash balance will end on a positive R675 thousand at the end of the financial year.

Cash out flows with regards to Capital additions will amount to R29 065 Million, whilst payments to suppliers will amount to R56.238 million.

Payments from debtors for services rendered will amount to R27.745 million. As can be seen from the cash flow, the municipality is heavily reliant on grant funding. Cash from grant funding will amount to R60.288 Million for 2015/16 financial year.

Cash receipts are based on 100% collection rate.

EC107 Baviaans - Table A7 Budgeted Cash Flows

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates, penalties & collection charges		1,592	2,581	2,764	3,501	3,501	3,501	3,501	4,814	5,296	5,825
Service charges		18,223	13,848	15,466	22,568	18,078	18,078	18,078	22,930	25,223	27,746
Other revenue			1,324	1,791					1,842	2,021	2,217
Government - operating	1	18,804	26,570	23,181	25,819	27,149	27,149	27,149	28,054	27,647	27,973
Government - capital	1	15,886	23,518	38,247	42,540	44,798	44,798	44,798	32,235	8,585	8,823
Interest		414	480	580	461	592	592	592	651	716	788
Dividends									-	-	-
Payments											
Suppliers and employees		(38,204)	(44,264)	(50,362)	(52,962)	(50,739)	(50,739)	(50,739)	(56,238)	(59,361)	(62,999)
Finance charges		(763)	(1,084)	(829)	(1,129)	(1,129)	(1,129)	(1,129)	(1,305)	(1,377)	(1,450)
Transfers and Grants	1			-					-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		15,951	22,973	30,838	40,799	42,249	42,249	42,249	32,983	8,750	8,922
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			7	502		100	100	100	-	-	-
Decrease (Increase) in non-current debtors				-					-	-	-
Decrease (increase) other non-current receivables				-					-	-	-
Decrease (increase) in non-current investments				-		(60)	(60)	(60)	-	-	-
Payments											
Capital assets		(14,988)	(22,972)	(36,041)	(40,687)	(41,850)	(41,850)	(41,850)	(29,065)	(7,531)	(7,739)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(14,988)	(22,965)	(35,540)	(40,687)	(41,810)	(41,810)	(41,810)	(29,065)	(7,531)	(7,739)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans				-					-	-	-
Borrowing long term/refinancing				5,132	1,720	2,113	2,113	2,113	-	-	-
Increase (decrease) in consumer deposits				-		242	242	242	4	4	4
Payments											
Repayment of borrowing		(530)	174	(258)	(1,200)	(2,113)	(2,113)	(2,113)	(4,400)	(1,200)	(1,200)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(530)	174	4,874	520	242	242	242	(4,396)	(1,196)	(1,196)
NET INCREASE/ (DECREASE) IN CASH HELD		434	182	172	632	682	682	682	(479)	23	(14)
Cash/cash equivalents at the year begin:	2	(316)	117	299	299	472	472	472	1,154	675	698
Cash/cash equivalents at the year end:	2	117	299	472	932	1,154	1,154	1,154	675	698	685

Cash backed reserves/accumulated surplus recon (Table A8 & SA10)

Table A8 indicates that Baviaans will have a shortfall with regards to working capital of R19.856 million.

This is a contributing factor to the indication that the budget is unfunded. It should however be noted that this is a problem that comes from prior years and cannot be addressed within one year. A cash injection of at least R19.856 million is needed to assist Baviaans in getting out of this situation.

Table SA10 is an indicator of whether the budget is funded. A funded budget is a requirement of the MFMA and budget regulations.

Table SA10 reflects that the current budget is not funded. There could be various reasons as to why a budget might reflect as not being funded. One of which could be that the municipality does not have cash backed investments to assist with the shortfall in a particular year.

The reasons for the budget of Baviaans not being funded could be analyzed as follow;

- The calculation for funding refers to the shortfall on working capital. There is currently a shortfall of R19.856 million on working capital due to the fact that debtors are less than trade creditors. This means that should Baviaans be able to liquidate their debtors immediately it will not be enough to pay all the creditors. This raises doubt on the sustainability of Baviaans municipality and whether we will be able to meet our mandatory services.
- The shortfall in working capital is due to the fact that Baviaans continuously have creditors at year end which could not be paid during the year.

EC107 Baviaans - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand											
<u>Cash and investments available</u>											
Cash/cash equivalents at the year end	1	117	299	472	932	1,154	1,154	1,154	675	698	685
Other current investments > 90 days		0	-	(0)	0	(0)	(0)	(0)	0	0	(0)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		117	299	472	932	1,154	1,154	1,154	675	698	685
<u>Application of cash and investments</u>											
Unspent conditional transfers		251	4,563	600	-	759	759	759	699	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	14,171	12,291	16,674	4,052	16,972	16,972	16,972	19,833	22,586	24,671
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		14,422	16,854	17,274	4,052	17,731	17,731	17,731	20,532	22,586	24,671
Surplus(shortfall)		(14,305)	(16,554)	(16,802)	(3,121)	(16,577)	(16,577)	(16,577)	(19,856)	(21,888)	(23,986)

<u>High Level Outcome of Funding Compliance</u>												
Total Operating Revenue			39,186	47,197	46,615	52,444	54,462	54,462	54,462	58,775	61,220	64,891
Total Operating Expenditure			68,452	66,404	72,340	71,695	75,223	75,223	75,223	77,921	80,424	84,233
Surplus/(Deficit) Budgeted Operating Statement			(29,266)	(19,207)	(25,726)	(19,251)	(20,762)	(20,762)	(20,762)	(19,146)	(19,205)	(19,341)
Surplus/(Deficit) Considering Reserves and Cash Backing			(14,305)	(16,554)	(16,802)	(3,121)	(16,577)	(16,577)	(16,577)	(19,856)	(21,888)	(23,986)
MTREF Funded (1) / Unfunded (0)	15	0	0	0	0	0	0	0	0	0	0	0
MTREF Funded ✓ / Unfunded *	15	x	x	x	x	x	x	x	x	x	x	x

Asset management (table A9)

Capital expenditure is anticipated to decrease with R12.785 Million in 2015/16 financial year. This indicates a decrease of 30.5%. The decrease in capital acquisition is due to a decrease in DTI funds, decrease in MIG, decrease in RBIG and decrease in own funded projects.

An amount of R2 647 million has been allocated to repairs and maintenance. Repairs and maintenance will be spent according to the following categories of assets:

- Infrastructure – Road & transport - R175 thousand
- Infrastructure – Electricity - R311 thousand
- Infrastructure – Water - R205 thousand
- Infrastructure – Sanitation - R95 thousand
- Infrastructure – Other - RNil
- Community & other assets - R37 thousand
- Other assets - R1823 thousand

Depreciation is anticipated to be R16 000 000 for 2015/16 financial year.

The capital expenditure is divided as follows:

Renewal of existing assets as % to total capital – 24.1%

Renewal of existing assets as % of depreciation – 43.8%

EC107 Baviaans - Table A9 Asset Management

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
CAPITAL EXPENDITURE										
<u>Total New Assets</u>	1	14,988	22,972	35,815	32,871	34,021	34,021	22,063	396	407
Infrastructure - Road transport		5,799	7,792	4,480	-	-	-	-	-	-
Infrastructure - Electricity		-	425	353	789	1,328	1,328	-	-	-
Infrastructure - Water		6,057	10,619	29,660	20,375	30,425	30,425	20,884	-	-
Infrastructure - Sanitation		1,130	3,018	326	-	-	-	-	-	-
Infrastructure - Other		4	-	269	9,405	-	-	-	-	-
Infrastructure		12,990	21,854	35,088	30,569	31,753	31,753	20,884	-	-
Community		-	-	245	-	-	-	389	396	407
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	50	-	-	-	-	-	-	-
Other assets	6	1,999	1,068	482	2,302	2,269	2,269	789	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
<u>Total Renewal of Existing Assets</u>	2	-	-	-	7,816	7,828	7,828	7,003	7,134	7,332
Infrastructure - Road transport		-	-	-	2,820	4,268	4,268	3,686	1,754	-
Infrastructure - Electricity		-	-	-	263	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	219	3,047	3,055
Infrastructure - Sanitation		-	-	-	974	1,319	1,319	1,930	-	-
Infrastructure - Other		-	-	-	2,456	62	62	-	1,144	3,055
Infrastructure		-	-	-	6,513	5,649	5,649	5,836	5,945	6,110
Community		-	-	-	1,302	2,180	2,180	1,167	1,189	1,222
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
<u>Total Capital Expenditure</u>	4	5,799	7,792	4,480	2,820	4,268	4,268	3,686	1,754	-
Infrastructure - Road transport		5,799	7,792	4,480	2,820	4,268	4,268	3,686	1,754	-
Infrastructure - Electricity		-	425	353	1,053	1,328	1,328	-	-	-
Infrastructure - Water		6,057	10,619	29,660	20,375	30,425	30,425	21,104	3,047	3,055
Infrastructure - Sanitation		1,130	3,018	326	974	1,319	1,319	1,930	-	-
Infrastructure - Other		4	-	269	11,861	62	62	-	1,144	3,055
Infrastructure		12,990	21,854	35,088	37,082	37,401	37,401	26,720	5,945	6,110
Community		-	-	245	1,302	2,180	2,180	1,556	1,585	1,629
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	50	-	-	-	-	-	-	-
Other assets		1,999	1,068	482	2,302	2,269	2,269	789	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	2	14,988	22,972	35,815	40,687	41,850	41,850	29,065	7,531	7,739

EC107 BAVIAANS TABLE A9 CONTINUES

ASSET REGISTER SUMMARY - PPE (WDV)	5									
Infrastructure - Road transport		70,969	81,837	79,983	79,316	77,484	77,484	73,260	67,105	59,196
Infrastructure - Electricity		20,849	17,328	16,912	17,611	17,470	17,470	16,700	15,900	15,050
Infrastructure - Water		35,147	46,436	71,236	84,748	96,923	96,923	113,554	112,129	110,712
Infrastructure - Sanitation		24,082	31,410	29,817	30,219	29,496	29,496	29,358	27,291	25,223
Infrastructure - Other			2,453	2,406	4,639	676	676	473	1,413	4,265
Infrastructure		151,047	179,466	200,355	216,533	222,048	222,048	233,345	223,837	214,444
Community		1,360	1,080	1,301	3,263	3,236	3,236	4,397	5,588	6,822
Heritage assets						-	-			
Investment properties		39,784	39,701	38,374	39,581	38,434	38,434	38,434	38,434	38,434
Other assets		24,631	4,100	3,159	6,537	5,380	5,380	5,987	5,805	5,623
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		59	0	0	-	-	-	0	0	0
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	216,881	224,345	243,188	265,914	269,098	269,098	282,163	273,664	265,323
EXPENDITURE OTHER ITEMS										
<u>Depreciation & asset impairment</u>		14,842	15,516	16,875	15,600	16,000	16,000	16,000	16,030	16,080
<u>Repairs and Maintenance by Asset Class</u>	3	5,322	3,083	1,953	1,199	2,548	2,548	2,647	1,532	1,603
Infrastructure - Road transport		157	35	74	165	165	165	175	184	194
Infrastructure - Electricity		626	216	123	178	208	208	311	325	340
Infrastructure - Water		1,675	119	66	96	155	155	205	216	228
Infrastructure - Sanitation		21	20	-	90	50	50	95	100	106
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		2,479	391	263	529	578	578	786	826	867
Community		105	83	15	35	35	35	37	39	42
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6, 7	2,738	2,610	1,675	635	1,934	1,934	1,823	666	694
TOTAL EXPENDITURE OTHER ITEMS		20,164	18,599	18,828	16,799	18,548	18,548	18,647	17,562	17,683
Renewal of Existing Assets as % of total capex		0.0%	0.0%	0.0%	19.2%	18.7%	18.7%	24.1%	94.7%	94.7%
Renewal of Existing Assets as % of deprecn ⁿ		0.0%	0.0%	0.0%	50.1%	48.9%	48.9%	43.8%	44.5%	45.6%
R&M as a % of PPE		3.0%	1.7%	1.0%	0.5%	1.1%	1.1%	1.1%	0.7%	0.7%
Renewal and R&M as a % of PPE		2.0%	1.0%	1.0%	3.0%	4.0%	4.0%	3.0%	3.0%	3.0%

Basic Service delivery measurements (Table A10)

This table gives an indication of the number of households in Baviaans Municipality and to what extent services are delivered to these households.

Baviaans currently has 4 610 households to which services are provided

Indigent households will receive the following subsidized services:

- Water - 6 kl
- Electricity - 50 units
- Sanitation - 100% subsidy
- Refuse - 100% subsidy
- Property rates 100% subsidy for owners

EC107 Baviaans - Table A10 Basic service delivery measurement

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Household service targets	1									
Water:										
Piped water inside dwelling		1,488	3,553	3,503	3,553	3,553	3,553	3,603	3,653	3,703
Piped water inside yard (but not in dwelling)		1,852	1,003	1,053	1,003	1,003	1,003	953	903	853
Using public tap (at least min.service level)	2	228	53	53	53	53	53	53	53	53
Other water supply (at least min.service level)	4	76	-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total		3,644	4,609	4,609	4,609	4,609	4,609	4,609	4,609	4,609
Using public tap (< min.service level)	3	111	1	1	1	1	1	1	1	1
Other water supply (< min.service level)	4	127	-	-	-	-	-	-	-	-
No water supply										
Below Minimum Service Level sub-total		238	1	1	1	1	1	1	1	1
Total number of households	5	3,882	4,610	4,610	4,610	4,610	4,610	4,610	4,610	4,610
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		1,215	3,470	3,363	3,470	3,470	3,470	3,470	3,470	3,470
Flush toilet (with septic tank)		795	475	484	475	475	475	478	478	478
Chemical toilet		20	3	3	3	3	3	-	-	-
Pit toilet (ventilated)		218	116	116	116	116	116	116	116	116
Other toilet provisions (> min.service level)		443	166	166	166	166	166	166	166	166
Minimum Service Level and Above sub-total		2,691	4,230	4,132	4,230	4,230	4,230	4,230	4,230	4,230
Bucket toilet		754	167	167	167	167	167	167	167	167
Other toilet provisions (< min.service level)		437	213	213	213	213	213	213	213	213
No toilet provisions										
Below Minimum Service Level sub-total		1,191	380	478	380	380	380	380	380	380
Total number of households	5	3,882	4,610	4,610	4,610	4,610	4,610	4,610	4,610	4,610
Energy:										
Electricity (at least min.service level)		2,703	1,364	1,364	1,364	1,364	1,364	1,364	1,364	1,364
Electricity - prepaid (min.service level)			2,746	2,746	2,746	2,746	2,746	2,746	2,746	2,746
Minimum Service Level and Above sub-total		2,703	4,110	4,110	4,110	4,110	4,110	4,110	4,110	4,110
Electricity (< min.service level)										
Electricity - prepaid (< min. service level)										
Other energy sources		1,179	500	500	500	500	500	500	500	500
Below Minimum Service Level sub-total		1,179	500	500	500	500	500	500	500	500
Total number of households	5	3,882	4,610	4,610	4,610	4,610	4,610	4,610	4,610	4,610
Refuse:										
Removed at least once a week		1,793	3,566	3,566	3,566	3,566	3,566	3,585	3,585	3,585
Minimum Service Level and Above sub-total		1,793	3,566	3,566	3,566	3,566	3,566	3,585	3,585	3,585
Removed less frequently than once a week		570	19	19	19	19	19			
Using communal refuse dump		5	46	46	46	46	46	46	46	46
Using own refuse dump		1,477	879	879	879	879	879	879	879	879
Other rubbish disposal										
No rubbish disposal		37	100	100	100	100	100	100	100	100
Below Minimum Service Level sub-total		2,089	1,044	1,044	1,044	1,044	1,044	1,025	1,025	1,025
Total number of households	5	3,882	4,610	4,610	4,610	4,610	4,610	4,610	4,610	4,610
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		2,800	2,523	2,469	3,000	3,000	2,350	2,500	2,600	2,700
Sanitation (free minimum level service)		2,800	2,523	2,469	3,000	3,000	2,350	2,500	2,600	2,700
Electricity/other energy (50kwh per household per month)		2,800	2,523	2,469	3,000	3,000	2,350	2,500	2,600	2,700
Refuse (removed at least once a week)		2,800	2,523	2,469	3,000	3,000	2,350	2,500	2,600	2,700
Cost of Free Basic Services provided (R'000)	8									
Water (6 kilolitres per household per month)		488	772	999	1,009	1,175	1,175	1,352	1,487	1,636
Sanitation (free sanitation service)		712	1,128	1,074	1,123	1,407	1,407	1,450	1,650	1,750
Electricity/other energy (50kwh per household per month)		1,046	1,657	1,350	1,100	1,505	1,505	1,655	1,821	2,003
Refuse (removed once a week)		890	1,410	1,369	1,432	1,715	1,715	1,886	2,075	2,283
Total cost of FBS provided (minimum social package)		3,137	4,967	4,792	4,664	5,801	5,801	6,343	7,033	7,671
Highest level of free service provided										
Property rates (R value threshold)		15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)		28	40	44	51	51	51	58	64	70
Electricity (kwh per household per month)		50	50	50	50	50	50	50	50	50
Refuse (average litres per week)		36	50	55	63	63	63	73	80	88
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)		147	222	222	72	72	72	79	87	95
Property rates (other exemptions, reductions and rebates)		10,236	12,430	13,917	693	693	693	762	838	922
Water		-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-
Electricity/other energy		-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates		-	-	-	-	-	-	-	-	-
Housing - top structure subsidies		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total revenue cost of free services provided (total social package)	6	10,382	12,652	14,139	764	764	764	841	925	1,017

CHAPTER 5 **OVERVIEW OF THE ANNUAL BUDGET PROCESS**

The entire budget process is prescribed by the Municipal Finance Management Act.

Section 21(1) (b) of the MFMA requires the mayor to table not later than 10 months before the start of the budget year a time schedule outlining the key deadlines and processes for the preparation, tabling and approval of the Annual Budget, the review of the IDP and budget related policies and any consultation process which would be part of the process.

The time schedule was tabled to the Council on 28 August 2014.

The consultation process involves presenting and eliciting comments from the public by Ward and by placing an advert in the local press requesting budget input.

The following stakeholders are identified:

- 1 community
- 2 senior management
- 3 the work force
- 4 trade unions
- 5 rate payers association/agricultural forums
- 6 general public and interested parties
- 7 district municipality
- 8 national and provincial sector departments

Prescribed forms have been developed for both operating and capital inputs.

A Draft Budget is prepared, based on budget assumption where after the eagerly awaited Division of Revenue is received during February and published the grant and subsidy allocation in terms of which budget parameters are set or adjusted. Information from other sources, District Councils and Provincial Authorities are confirmed. Any surplus capacity is consumed.

During this time the IDP process has started with steering committee meetings as well as public consultation to primary confirm and re-affirm priorities as well as to disclose any new development. Critical to this process is capital project funding in terms of MIG. The IDP and Budget, as policy documents are reflected against each for purpose of IDP preparation and budget finalization.

The draft budget is then tabled to Council and then council authorizes that the budget is made public for comment. Once this period closes the comments received are once again considered and adjustments are brought about to produce a final budget for adoption by Council.

Political oversight of the process

The schedule of key deadlines was submitted to management meeting to monitor the progress of the process by officials against the schedule tabled by the Mayor. The Mayor was regularly informed on the progress.

Consultations & advertisements

Advertisements will be placed in the local newspapers circulating in the area of jurisdiction and district informing the community of the approval of the budget.

A formal process of consultation will be conducted after the draft budget & IDP has been approved by Council.

This will be done by the following methods:

- The draft budget will be made public by making it available at Baviaans Municipality's offices and on the website
- Notices will be published in local newspapers in the area inviting members of the public to submit representations on the budget.
- Community meetings in all wards

Community hearings will be conducted at all areas.

Stakeholders

The following stakeholders have been consulted:

- National Treasury
- Provincial Treasury
- Provincial sector departments
- District municipality
- Providers of bulk resources for water & electricity
- Community

CHAPTER 6

ALIGNMENT OF ANNUAL BUDGET WITH INTEGRATED DEVELOPMENT PLAN

AMENDMENT AND ADJUSTMENT TO THE 2014/2015 IDP

The review process focussed on:

- ❖ Improving the **strategic nature** of the document, thereby ensuring effective use of available data, careful consideration of available resources, as well as exploring locally appropriate solutions to complex development issues.
- ❖ Increasing the usefulness of the document during **implementation** and monitoring.

The process was influenced by:

- ❖ Project progress information as provided by Heads of Departments
- ❖ An extensive data search to update the analysis chapter.
- ❖ Inputs from community based planning initiatives

The alignment of the IDP with the budget is illustrated in schedules SA4, SA5, SA6. The schedules are attached.

These allocations are to link up with the Service Delivery and Budget Implementation plan. A Service Delivery and Budget Implementation Plan has been developed and is tabled with the budget to Council. The final SDBIP needs to be approved within 28 days after the adoption of the budget. KPA's and KPI's have been developed and strategic alignment between IDP, Budget and SDBIP is ascertain.

EC107 Baviaans - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	
R thousand													
Building the institution and employee capacity				22,159	15,666	12,289	13,012	15,087	15,087	15,035	15,753	16,593	
Enhance community services				1,820	2,913	3,660	9,133	9,654	9,654	9,323	9,149	9,457	
Economic development									634	452	464		
Provision of basic infrastructure				31,093	52,136	68,912	72,839	74,518	74,518	66,018	44,451	47,200	
please refer to IDP document for detailed objectives of each development priority													
Allocations to other priorities			2										
Total Revenue (excluding capital transfers and contributions)				1	55,071	70,715	84,862	94,984	99,259	99,259	91,009	69,805	73,714

EC107 Baviaans - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	
R thousand													
Building the institution and employee capacity			1	39,736	37,002	36,426	31,918	34,658	34,658	17,323	18,278	19,301	
Enhance community services			2	4,990	6,486	6,607	6,416	7,734	7,734	9,173	9,593	10,070	
Economic development			3			-	1,400	289	289	500	352	372	
Provision of basic infrastructure			4	23,726	22,916	29,307	31,961	32,543	32,543	50,924	52,202	54,491	
Allocations to other priorities													
Total Expenditure				1	68,452	66,404	72,340	71,695	75,223	75,223	77,921	80,424	84,233

EC107 Baviaans - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	
R thousand													
Building the institution and employee capacity		A		97	82	25	11	132	132	789	-	-	
Enhance community services		B		216	247	617	3,456	4,298	4,298	1,167	1,189	1,222	
Economic development		C				-		-	-	389	396	407	
Provision of basic infrastructure		D		14,675	22,643	35,174	37,220	37,419	37,419	26,720	5,945	6,110	
Allocations to other priorities			3										
Total Capital Expenditure				1	14,988	22,972	35,815	40,687	41,850	41,850	29,065	7,531	7,739

CHAPTER 7

MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

The SDBIP is tabled as separate document together with the budget.

CHAPTER 8

BUDGET RELATED POLICIES

The prioritization of service delivery and the management of council functions is the key to the budget. Baviaans municipality's budget process is guided and governed by legislation regulations and budget related policies.

Baviaans Municipality embarked on a process of reviewing all financial and budget related policies during the budget process for 2015/16 financial year.

These policies need to be enacted into by-laws thereby enabling council to undertake its revenue collection effort to court and further securing income generation.

Tariff Policy

The Municipal Systems Act requires a municipality to have a tariff policy. One of the challenges in setting tariffs is ensuring affordable tariffs whilst maintaining financial stability.

The tariff policy tries to address this issue and creates a foundation for the principles that address social, economic and financial imperatives that the process of tariff setting should take into account.

Changes proposed: No changes proposed

Rates policy

Baviaans Municipality has adopted a rates policy which is line with legislative requirements. The policy became effective 01 July 2009 and was reviewed during 2014/15

The policy provides that properties be rated based on their market value. New valuation rolls have been compiled and the rolls became effective from 1 July 2014.

Changes proposed: Changes proposed to take into consideration new Municipal Property Rates Amendment Act which will be effective from 1 July 2015.

Indigent Policy

Baviaans municipality is committed to ensure that all households have access to its services. Due to the fact that Baviaan Municipality has a high level of unemployment the municipality decided to adopt an indigent policy. This policy will ensure that poor households have at least access to basic services.

Changes proposed: No changes proposed

Supply Chain Management Policy

Municipalities are required in terms of section 111 of MFMA to have a supply chain management policy. Baviaans Municipality has a policy within the framework of the legislation. The policy adheres to the following principles:

- Procurement system which is fair, equitable, transparent, competitive and cost effective in terms of section 217 of the Constitution
- Best practice within supply chain management
- Uniformity in supply chain management systems between organs of state in all spheres

The policy has been reviewed during the 2014/15 financial year.

Changes proposed: Changes proposed to include “Proudly South African Campaign”

Credit control and debt management policy

The credit control policy of Baviaans Municipality was reviewed during 2014/2015. This policy provides the procedures and mechanisms for credit control and collection of debts. The primary objective is to ensure that all monies due to the municipality are collected efficiently and promptly.

Changes proposed: implement a minimum amount outstanding before disconnection of services; update budget related charges; update deposits to be paid

Banking and Investment policy

As custodians of public funds, the Council has an obligation to see to it that cash resources are managed as effectively as possible. Council has a responsibility to invest public funds with great care and is liable to the community in that regard.

The investment policy should be aimed at gaining the highest possible return without undue risk during those periods when funds are not needed. To bring this about, it is essential to have an effective cash flow management program.

Changes proposed: No changes proposed

Asset management policy

The Asset Management Policy provides direction for the management, accounting and control of Property, Plant & Equipment (Fixed Assets) owned or controlled by municipality.

Changes proposed: No changes proposed

Virement policy

No changes proposed

Loans policy

The policy guides the conditions applying to the raising of both short and long term loans by the municipality

No changes proposed

CHAPTER 9

BUDGET ASSUMPTIONS

The budget for the 2015/2016 financial year was drawn up with the following assumptions and principles taken into account:

- The budget is prepared in terms of the provisions of the Generally Recognised Accounting Practice framework to comply with the provisions of the MFMA GAMAP/GRAP implementation dates.
- Revenue figures are based on realistic estimates of revenue to be collected.
- Actual revenue collected for the current year and realistic revenue projections were taken into account in determining the revenue for the coming year.
- The principals of economic viability and sustainability is applied in all services and where possible no cross subsidization is done between services.
- National growth parameters were used as far as possible for the determination of outer year budget amounts.
- Increase in Electricity purchases are budgeted at 15% subject to NERSA approval of the application.
- A general salary increase of 6.2 % is used for the determination of the salaries of staff whilst CPI was used for increase in salaries for the Public office bearers
- The Municipality still relies heavily on grants and subsidies for funding of the capital requirements for the 2015/2016 financial year and does not possess the financial capacity to raise capital from own revenue sources.
- Only funded capital projects are included in the capital estimates for the 2015/2016 financial year.
- Both the capital and operating budgets are informed by the IDP process done through a public participation process.

CHAPTER 10

BUDGET FUNDING

FUNDING OF OPERATING EXPENDITURE

Operating expenditure to the amount of R77.921 Million is funded through the following sources:

• Property rates	- R4.814 million
• Revenue raised through tariffs and fees and penalties	- R22.930 million
• Government Grants and Subsidies	- R28.054 million
• Licences and permits	- R832 thousand
• Rental of facilities and equipment	- R253 thousand
• Interest earned	- R651 thousand
• Fines	- R2 thousand
• Agency services	- R756 thousand
• Other revenue	- R484 thousand
Total revenue	- R58.775 million
Revenue	- R58.775 million
Total Expenditure	- R77.921 million
Net Budgeted deficit	- R19.146 million

Operating revenue raised is budgeted bearing in mind a 100% debtors payment percentage, should actual payment rates be lower, a downward adjustment of the expenditure needs to be done through a budget control process.

Outstanding debtors have been handed over to attorneys and debt collection agencies to assist the municipality in collecting outstanding monies. It is because of this process as well as the decision to write off all outstanding debt older than 90 days together with improved revenue collection procedures and measures that management feels confident that a 100% collection rate can be obtained.

FUNDING OF CAPITAL EXPENDITURE

Capital expenditure for the 2015/2016 financial year amounts to R29 065 million and is funded as follows:

- Grants and subsidies received - R29 065 million

FISCAL SUSTAINABILITY OF THE MUNICIPALITY

The budget is compiled with the assumption of a 100% debtors payment rate, the current debtors payment rate is approximately 90%.

Budget control is exercised in order to ensure that operating expenditure does not exceed actual operating revenue received. The current revenue levels are not sufficient to ensure the sustainable rendering of services and the execution of the constitutional mandate in the short and medium term. The municipality is currently struggling to service all of its current commitments and continue as a going concern.

The credit control policy will be strictly enforced in the 2015/2016 financial year to ensure that all monies due to the municipality is collected in further contribution to the sustainable rendering of services. Incentives are available to consumers/ratepayers in arrears should accounts be settled or arrangements for the settlement of long outstanding debt be concluded.

FINANCIAL CHALLENGES AND CONSTRAINTS

Baviaans Municipality faces the following financial challenges:

- 1) Achieving financial stability in the medium term and long term
- 2) Dependence on grant funding
- 3) Acceptable level of tariff increases – trying to balance financial sustainability and affordability
- 4) Managing cost
- 5) Exploring alternative revenue sources
- 6) Poor/slow indigent registration
- 7) Debt collection in Eskom serviced areas
- 8) Unfunded budget due to shortage in working capital. The municipality is unable to pay all its creditors and creditors are carried over to the next financial year without sufficient funding therefore.

In order to address the first challenge, the municipality had approach Provincial Treasury for assistance. Provincial Treasury assisted with drafting a recovery plan which is implemented and constantly monitored.

All tariffs needs a review and a process of investigating tariffs and ensuring all cost associated with providing the service has been taken into account, started during 2014/15 financial year. The municipality has received assistance through the Municipal Finance Improvement Programme administered by National Treasury. Through this programme the municipality will receive assistance to do a tariff analysis and by using a tariff model and ensuring all direct costs as well as indirect costs are linked to services will then be in a position to recommend proper cost reflective tariffs.

Indigent registration will already commence on 1 April 2014. An improved project plan has been adopted by the Indigent steering committee to ensure maximum exposure of the field workers and maximum advertising of the campaign. Special focus will be given to the Eskom serviced areas where indigent registration is extremely poor.

A pilot project will also be launched to implement prepaid water meters in Eskom serviced areas to assist the municipality in recovering debt in these areas.

A debt collector has been appointed to assist the municipality in recovering debt.

FINANCIAL RISKS

Financial risks include:

- Changes in inflation rate and other variables
- Unemployment trends
- Global financial instability

FUNDING COMPLIANCE IN TERMS OF SECTION 18 OF THE MFMA

In compliance with the requirements of Section 18 of the MFMA, the revenue budget was based on the following principles:

- Realistically anticipated revenue to be collected.
- Borrowed funds only for capital expenditure.
- Projected revenue for the current year is based on collection levels to date.
- Actual revenue of previous years was taken into account.
- Capital projects were only included if funding confirmation was received, either by means of the DORA allocations as promulgated or by means of commitment from funding institutions.

PARTICULARS OF PLANNED SAVINGS OVER THE MEDIUM TERM

The principle of value adding in all aspects of the administration and service rendering is applied and no expenditure is incurred unless value is added to the municipal administration or services. Care is taken in administrative and supply chain processes to ensure that real economic benefit flows to the municipality as a result of funds being spent.

The following expenditure items are closely monitored:

- Travelling and subsistence
- Telephone expenses.
- Overtime and standby allowances
- Workshops and conferences.
- Fuel and maintenance expenditure in respect of service delivery vehicles

CONTRIBUTIONS OR DONATIONS IN CASH OR IN-KIND

No donations are budgeted for the 2015/2016 financial year.

PARTICULARS OF THE MUNICIPALITY'S INVESTMENTS

None

PARTICULARS OF BANK OVERDRAFTS AND CREDIT FACILITIES

The municipality currently operates a bank overdraft to finance operational requirements in the short term, and it is envisaged that the municipality may once again be required to make use of an overdraft facility in the 2015/2016 financial year in the amount of R2 Million.

PARTICULARS OF NEW AND EXISTING BORROWINGS

Finance leases are required for the acquisition of new vehicles

PARTICULARS OF GRANTS AND SUBSIDIES RECEIVED (See Schedule SA18)

The budgeted grants to be received for the 2015/2016 financial year are as follows:

Operating Grants

Finance Management Grant	R 1 600 000
Municipal System Improvement Grant	R 930 000
EPWP	R 1 018 000
Equitable Share	R23 452 000
PMU	R 443 500
CDM Subsidies	R 310 000
DSRAC – Libraries	R 300 000
TOTAL	R28 053 500

Capital Grants

Municipal Infrastructure Grant	R 8 426 500
RBIG	R23 808 000
TOTAL	R32 234 500

PARTICULARS OF PROPERTY VALUATIONS RATES TARIFFS AND CHARGES

Property rates are levied in terms of the provisions of the Municipal Property Rates Act, 6 of 2004. The current valuation roll was implemented with effect from 1 July 2014. The current valuation roll is valid until 30 June 2019.

The total valuation upon which assessment rates will be levied in terms of the draft new roll amounts to R2.365 Billion. Total revenue raised from assessment rates amount to R4.814 Million, representing an increase of 10% over the rate applicable to the 2014/2015 financial year.

Categories Ratio in relation to residential property

Residential property 1:1
Agricultural property 1:0.071
Public service infrastructure property 1:0.25
Public benefit organization property 1:0.25

Proposed increase in tariffs as follows:

Water	–	15%
Electricity	–	15%
Refuse	–	15%
Assessment rates	–	10%
Sewerage fees	–	15%

Baviaans municipality is experiencing severe cash flow problems. In an attempt to improve this situation, the municipality had to ensure that tariffs were correctly structured. The municipality is currently busy with a full review of all tariffs and related cost. Investigations indicated that tariffs are not correctly structured and need to increase above CPI. An application has been made to NERSA for a tariff increase of 15% for electricity. It is anticipated that all tariff structures will be reviewed before the end of 2015/16 financial year.

CHAPTER 11

ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY

No allocations will be made to any other municipality, any organ of state or any organization or bodies outside any sphere of government as referred to in section 67(1) of the Act.

The only non-cash grants that will be given are the subsidies for free basic services to the value of R7.328 million during 2015/16. Please refer to schedule SA21.

EC107 Baviaans - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<u>Groups of Individuals</u>											
Indigents	5	3,572	5,629	5,386	5,285	6,696	6,696	6,696	7,328	8,116	8,862
Total Non-Cash Grants To Groups Of Individuals:		3,572	5,629	5,386	5,285	6,696	6,696	6,696	7,328	8,116	8,862
TOTAL NON-CASH TRANSFERS AND GRANTS		3,572	5,629	5,386	5,285	6,696	6,696	6,696	7,328	8,116	8,862
TOTAL TRANSFERS AND GRANTS	6	3,572	5,629	5,386	5,285	6,696	6,696	6,696	7,328	8,116	8,862

CHAPTER 12

ALLOCATIONS AND GRANTS TO BE RECEIVED BY THE MUNICIPALITY

It is anticipated that the municipality will receive R28 054 million in operating grants and R32.235 million in capital grants.

The municipality is heavily reliant on grant funding especially for capital expenditure. 100% of capital acquisitions will be funded from grants. Operational grant funding constitutes 48% of the total operating income of the municipality.

Schedule SA18 gives details of the different grants that will be received whilst Schedule SA19 indicates how much of each grant will be spent.

EC107 Baviaans - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
RECEIPTS:										
<u>Operating Transfers and Grants</u>										
National Government:		17,123	20,923	22,029	24,899	24,899	24,899	27,444	27,081	27,389
Local Government Equitable Share		14,833	15,985	18,694	20,481	20,481	20,481	23,452	24,047	24,192
EPWP Incentive			2,318	1,045	1,390	1,390	1,390	1,018	-	-
Finance Management		1,500	1,250	1,400	1,600	1,600	1,600	1,600	1,625	1,700
Municipal Systems Improvement		790	800	890	934	934	934	930	957	1,033
MIG PMU			570		494	494	494	444	452	464
Provincial Government:		2,504	2,540	220	300	300	300	300	316	333
dwa - Water losses										
dwa - Water services asset grant										
dwa - Water and sanitation policy										
dwa - Water conservation and demand		2,504								
Water by-laws (DWA)			200							
Premier additional income			2,000							
Library subsidy			340	220	300	300	300	300	316	333
District Municipality:		622	847	-	620	680	680	250	250	250
Fire subsidy		250	250		250	250	250	250	250	250
IDP Grant		-	597	-						
Tourism		163								
Tourism marketing						60	60			
Library subsidy		210		-	370	370	370			
Other grant providers:		-	1,531	441	-	1,700	1,700	-	-	-
1% Audit expenditure subsidy			1,531	441		1,700	1,700	-	-	-
Total Operating Transfers and Grants	5	20,249	25,841	22,690	25,819	27,579	27,579	27,994	27,647	27,973
<u>Capital Transfers and Grants</u>										
National Government:		10,447	23,340	22,862	39,709	42,336	42,336	32,235	8,585	8,823
Municipal Infrastructure Grant (MIG)		10,447	12,672	14,030	9,404	9,404	9,404	8,427	8,585	8,823
Regional Bulk Infrastructure			10,668	8,832	20,000	32,032	32,032	23,808	-	-
National Electrification grant					900	900	900	-	-	-
Dept of Housing					9,405	-	-			
Provincial Government:		4,174	2,735	-	-	-	-	-	-	-
DWA - Waste water treatment		4,174	2,735							
Dept of Housing			1,569							
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	16,094	2,831	2,327	2,327	-	-	-
Dept of Water Affairs				16,094	2,831	2,327	2,327			
DTI										
Total Capital Transfers and Grants	5	14,621	26,074	38,956	42,540	44,663	44,663	32,235	8,585	8,823
TOTAL RECEIPTS OF TRANSFERS & GRANTS		34,870	51,915	61,647	68,359	72,242	72,242	60,228	36,232	36,795

EC107 Baviaans - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
EXPENDITURE:										
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		17,123	20,659	22,029	24,900	24,899	24,899	27,444	27,081	27,389
Local Government Equitable Share		14,833	15,985	18,694	20,481	20,481	20,481	23,452	24,047	24,192
EPWP Incentive			2,053	1,045	1,390	1,390	1,390	1,018	-	-
Finance Management		1,500	1,250	1,400	1,600	1,600	1,600	1,600	1,625	1,700
Municipal Systems Improvement		790	800	890	934	934	934	930	957	1,033
MIG PMU			570		495	494	494	444	452	464
Provincial Government:		2,048	2,355	390	300	300	300	300	316	333
dwa - Water losses										
dwa - Water services asset grant										
dwa- Water conservation and demand		2,048	16							
Water by-laws (DWA)			2,000							
Premier additional income				170						
dwa - Rapid response				220	300	300	300	300	316	333
Library subsidy			340							
District Municipality:		872	436	250	250	620	620	310	250	250
Fire subsidy		250	250	250	250	250	250	250	250	250
Tourism		163				370	370			
Tourism marketing								60		
Library subsidy		210								
LED grant			186							
Wireless backbone		250								
Other grant providers:		-	1,531	441	-	1,700	1,700	-	-	-
1% Audit expenditure subsidy			1,531	441		1,700	1,700			
Total operating expenditure of Transfers and Grants:		20,043	24,981	23,111	25,450	27,519	27,519	28,054	27,647	27,973
<u>Capital expenditure of Transfers and Grants</u>										
National Government:		7,991	21,642	21,893	35,049	42,336	42,336	32,235	8,585	8,823
Municipal Infrastructure Grant (MIG)		7,991	8,537	14,030	9,403	9,404	9,404	8,427	8,585	8,823
Regional Bulk Infrastructure			12,106	7,863	20,000	32,032	32,032	23,808	-	-
National Electrification grant					900	900	900			
Dept of Housing			999		4,746	-	-			
Provincial Government:		6,905	1,876	-	-	-	-	-	-	-
DWA - Waste water treatment		6,905	1,876							
District Municipality:		-	-	-	-	-	-	-	-	-
0										
Other grant providers:		-	-	16,094	2,376	2,327	2,327	-	-	-
Dept of Water Affairs				16,094	2,376	2,327	2,327			
DTI										
Total capital expenditure of Transfers and Grants		14,896	23,518	37,987	37,425	44,663	44,663	32,235	8,585	8,823
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		34,940	48,499	61,098	62,875	72,182	72,182	60,288	36,232	36,795

CHAPTER 13

ANNUAL BUDGET AND SDBIP – DEPARTMENTS

A top level service delivery and budget implementation plan is included in the budget documentation. The SDBIP is indicative of service delivery targets for the 2015/16 financial year. Emphasis is placed on the sustaining of current services and further enhancement if service delivery to all communities.

CHAPTER 14

CAPITAL EXPENDITURE DETAILS

Total capital expenditure for 2015/2016 will amount to R29.065 million. These acquisitions will be funded as follows:

- R29.065 million – funded by government grant

Please refer to Schedules:

- SA34a – Capital expenditure on new assets per class
- SA34b – Capital expenditure on the renewal of existing assets
- SA34c – Repairs and maintenance schedule by class of asset
- SA34d - Consolidated depreciation per asset class
- SA36 – Detailed capital budget

EC107 Baviaans - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		12,990	21,854	35,088	30,569	31,753	31,753	20,884	-	-
Infrastructure - Road transport		5,799	7,792	4,480	-	-	-	-	-	-
Roads, Pavements & Bridges		5,799	7,792	4,480						
Storm water		-	-	-						
Infrastructure - Electricity		-	425	353	789	1,328	1,328	-	-	-
Generation		-	-	-						
Transmission & Reticulation		-	-	-	789	789	789			
Street Lighting		-	425	353		539	539			
Infrastructure - Water		6,057	10,619	29,660	20,375	30,425	30,425	20,884	-	-
Dams & Reservoirs		-	-	-						
Water purification		6,057	10,619	29,660	20,375	30,425	30,425	20,884		
Reticulation		-	-	-						
Infrastructure - Sanitation		1,130	3,018	326	-	-	-	-	-	-
Reticulation		-	-	326						
Sewerage purification		1,130	3,018							
Infrastructure - Other		4	-	269	9,405	-	-	-	-	-
Waste Management		4	-	269						
Transportation	2									
Gas										
Other	3				9,405					
Community		-	-	245	-	-	-	389	396	407
Parks & gardens										
Sportsfields & stadia										
Swimming pools										
Community halls										
Libraries										
Recreational facilities										
Fire, safety & emergency										
Security and policing										
Buses										
Clinics										
Museums & Art Galleries										
Cemeteries				245						
Social rental housing	8									
Other								389	396	407
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other	9									
Investment properties		-	50	-	-	-	-	-	-	-
Housing development			50							
Other										
Other assets		1,999	1,068	482	2,302	2,269	2,269	789	-	-
General vehicles		1,634	733		1,720	2,074	2,074			
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	1		138	-	-			
Computers - hardware/equipment		-				82	82	789		
Furniture and other office equipment		364	334	482	11	112	112			
Abattoirs						-	-			
Markets						-	-			
Civic Land and Buildings										
Other Buildings										
Other Land										
Surplus Assets - (Investment or Inventory)										
Other					433					
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other (list sub-class)										
Total Capital Expenditure on new assets	1	14,988	22,972	35,815	32,871	34,021	34,021	22,063	396	407
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										

EC107 Baviaans - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		-	-	-	6,513	5,649	5,649	5,836	5,945	6,110
Infrastructure - Road transport		-	-	-	2,820	4,268	4,268	3,686	1,754	-
Roads, Pavements & Bridges					2,820	4,268	4,268	3,686	1,754	
Storm water										
Infrastructure - Electricity		-	-	-	263	-	-	-	-	-
Generation										
Transmission & Reticulation										
Street Lighting					263					
Infrastructure - Water		-	-	-	-	-	-	219	3,047	3,055
Dams & Reservoirs										
Water purification								219	3,047	3,055
Reticulation										
Infrastructure - Sanitation		-	-	-	974	1,319	1,319	1,930	-	-
Reticulation										
Sewerage purification					974	1,319	1,319	1,930		
Infrastructure - Other		-	-	-	2,456	62	62	-	1,144	3,055
Waste Management					2,456	62	62		1,144	3,055
Transportation	2									
Gas										
Other	3									
Community		-	-	-	1,302	2,180	2,180	1,167	1,189	1,222
Parks & gardens										
Sportsfields & stadia					1,302	2,180	2,180	1,167	1,189	1,222
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		-	-	-	-	-	-	-	-	-
General vehicles										
Specialised vehicles	10									
Plant & equipment										
Computers - hardware/equipment										
Furniture and other office equipment										
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings										
Other Land										
Surplus Assets - (Investment or Inventory)										
Other										
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other (list sub-class)										
Total Capital Expenditure on renewal of existing asset	1	-	-	-	7,816	7,828	7,828	7,003	7,134	7,332
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										
Renewal of Existing Assets as % of total capex		0.0%	0.0%	0.0%	19.2%	18.7%	18.7%	24.1%	94.7%	94.7%
Renewal of Existing Assets as % of deprecn"		0.0%	0.0%	0.0%	50.1%	48.9%	48.9%	43.8%	44.5%	45.6%

EC107 Baviaans - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		2,479	391	263	529	578	578	786	826	867
Infrastructure - Road transport		157	35	74	165	165	165	175	184	194
Roads, Pavements & Bridges		157	35	74	165	165	165	175	184	194
Storm water										
Infrastructure - Electricity		626	216	123	178	208	208	311	325	340
Generation										
Transmission & Reticulation		626	216	87	125	155	155	255	269	283
Street Lighting				36	53	53	53	56	56	56
Infrastructure - Water		1,675	119	66	96	155	155	205	216	228
Dams & Reservoirs										
Water purification		1,675	119	66						
Reticulation					96	155	155	205	216	228
Infrastructure - Sanitation		21	20	-	90	50	50	95	100	106
Reticulation		21	20		90	50	50	95	100	106
Sewerage purification										
Infrastructure - Other										
Waste Management										
Transportation	2									
Gas										
Other	3									
Community		105	83	15	35	35	35	37	39	42
Parks & gardens		105	83		5	5	5	6	6	6
Sportsfields & stadia				13	30	30	30	32	33	35
Swimming pools										
Community halls										
Libraries										
Recreational facilities										
Fire, safety & emergency				3						
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		2,738	2,610	1,675	635	1,934	1,934	1,823	666	694
General vehicles		234	325	220	350	298	298	290	306	322
Specialised vehicles										
Plant & equipment		49	118	50	50	53	53	136	136	136
Computers - hardware/equipment										
Furniture and other office equipment		5	1		32	26	26	35	37	39
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings				30	70	70	70	241	78	82
Other Land				3	58	25	25	27	28	30
Surplus Assets - (Investment or Inventory)										
Other		2,450	2,166	1,372	75	1,462	1,462	1,094	80	85
Agricultural assets										
List sub-class										
Biological assets										
List sub-class										
Intangibles										
Computers - software & programming										
Other (list sub-class)										
Total Repairs and Maintenance Expenditure	1	5,322	3,083	1,953	1,199	2,548	2,548	2,647	1,532	1,603
Specialised vehicles										
Refuse										
Fire										
Conservancy										
Ambulances										
R&M as a % of PPE		3.0%	1.7%	1.0%	0.5%	1.1%	1.1%	1.1%	0.7%	0.7%
R&M as % Operating Expenditure		7.8%	4.6%	2.7%	1.7%	3.4%	3.4%	3.4%	1.9%	1.9%

EC107 Baviaans - Supporting Table SA34d Depreciation by asset class

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		12,690	13,422	13,915	13,639	14,039	14,039	14,345	14,375	14,425
Infrastructure - Road transport		6,038	6,561	6,719	6,767	6,767	6,767	6,919	6,919	6,919
Roads, Pavements & Bridges		5,469	5,944	6,102	6,150	6,150	6,150	6,302	6,302	6,302
Storm water		568	618	618	618	618	618	618	618	618
Infrastructure - Electricity		770	770	770	770	770	770	770	800	850
Generation										
Transmission & Reticulation		770	770	770	770	770	770	770	800	850
Street Lighting										
Infrastructure - Water		4,338	4,338	4,281	4,338	4,738	4,738	4,472	4,472	4,472
Dams & Reservoirs										
Water purification										
Reticulation		4,338	4,338	4,281	4,338	4,738	4,738	4,472	4,472	4,472
Infrastructure - Sanitation		1,432	1,640	2,103	1,640	1,640	1,640	2,068	2,068	2,068
Reticulation										
Sewerage purification		1,432	1,640	2,103	1,640	1,640	1,640	2,068	2,068	2,068
Infrastructure - Other		113	113	41	124	124	124	116	116	116
Waste Management		113	113	41	124	124	124	116	116	116
Transportation	2									
Gas										
Other	3									
Community		140	140	140	135	135	135	140	140	140
Parks & gardens										
Sportsfields & stadia										
Swimming pools										
Community halls										
Libraries										
Recreational facilities										
Fire, safety & emergency					6	6	6			
Security and policing										
Buses	7									
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing	8	140	140	140	129	129	129	140	140	140
Other										
Heritage assets		-	93	-	-	-	-	-	-	-
Buildings										
Other	9	-	93	-	-	-	-	-	-	-
Investment properties		-	-	1,230	-	-	-	-	-	-
Housing development										
Other				1,230						
Other assets		1,867	1,803	1,590	1,827	1,827	1,827	1,515	1,515	1,515
General vehicles		1,065	1,023	971	1,023	1,023	1,023	900	900	900
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		93	73	64	67	67	67	64	64	64
Computers - hardware/equipment										
Furniture and other office equipment		565	564	463	643	643	643	463	463	463
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings		131	93	92	93	93	93	88	88	88
Other Land			50							
Surplus Assets - (Investment or Inventory)										
Other		14	1	0	1	1	1			
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		145	59	-	-	-	-	-	-	-
Computers - software & programming		145	59	-	-	-	-	-	-	-
Other (list sub-class)										
Total Depreciation	1	14,842	15,516	16,875	15,600	16,000	16,000	16,000	16,030	16,080
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										

EC107 Baviaans - Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	Total Project Estimate	Prior year outcomes		2015/16 Medium Term Revenue & Expenditure Framework			Project Information			
								Audited Outcome 2013/14	Current Year 2014/15 Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Ward location	New or renewal		
Parent municipality: List all capital projects grouped by Municipal Vote																
Technical - Roads & public works	Streets and stormwater Willowmore	57C	D	Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	1,768	1,702	2,134	1,843	877		WARD 3	renewal		
Technical - Roads & public works	Streets and stormwater Steyterville	57	D	Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	1,053	2,779	2,134	1,843	877		WARD 2	renewal		
Technical - Solid waste	Feasibility study landfill sites	48(a)	D	Yes	Infrastructure - Other	Waste Management	235	40					ALL WARDS	renewal		
Technical - Solid waste	Steyterville solid waste disposal site	48C	D	Yes	Infrastructure - Other	Waste Management	2,456	229	62	-	1,144	3,055	WARD 2	renewal		
Technical - Sewerage & sanitation	Rietbron waste water treatment works	68	D	Yes	Infrastructure - Sanitation	Sewerage purification	974		1,319	1,930			WARD 4	renewal		
	Eradication Bucket system steyterville	67(a)	D	Yes	Infrastructure - Sanitation	Reticulation	1,288	66					WARD 2	new		
	Waste water treatment works willowmore	67(B)	D	Yes	Infrastructure - Sanitation	Sewerage purification	1,726						WARD 1 & 3	new		
Technical - Water	Feasibility study Vondeling water	46	D	Yes	Infrastructure - Water	Reticulation							WARD 3	renewal		
	Willowmore water supply Wilgerkloof	47(a)	D	Yes	Infrastructure - Water	Reticulation	4,385	6,611		-	3,047	3,055	WARD 1 & 3	new		
	Wanhoop bulk water supply feasibility	47(b)	D	Yes	Infrastructure - Water	Reticulation	91	57		219			WARD 1 & 3	new		
	Steyterville water Erasmuskloof	D	D	Yes	Infrastructure - Water	Reticulation	20,375	22,991	30,425	20,884			WARD 2	new		
	Measure for water losses	47	D	Yes	Other	Reticulation							ALL WARDS	new		
Technical - Housing	Down housing	51(i)	D	Yes	Infrastructure - Other	Housing development	4						WARD 3	new		
	Steyterville housing	52	D	Yes	Infrastructure - Other	Housing development							WARD 2	new		
Technical - Electricity	Steyterville highmast lightning	54	D	Yes	Infrastructure - Electricity	Street Lighting	425	353	118				WARD 2	new		
	Rietbron highmast lightning	54	D	Yes	Infrastructure - Electricity	Street Lighting	263		421				WARD 4	renewal		
	Electricity	53	D	Yes	Infrastructure - Electricity	Reticulation	789		789				ALL WARDS	new		
	Tools & equipment	n/a	D				138						ALL WARDS	new		
Community - Parks & sportfields	Upgrading of sportfields	62	B	Yes	Community	Sportsfields & stadia	1,302		2,180	1,167	1,189	1,222	ALL WARDS	renewal		
Budget & Treasury	Vehicles	n/a	A	Yes	Other	General vehicles	733						ALL WARDS	new		
Executive & Council	Investment Properties	n/a	A	Yes	Investment Properties	Housing development	50						ALL WARDS	new		
Community - cemeteries	Feasibility study cemeteries	60	D	Yes	Community	Cemeteries	279	245					ALL WARDS	new		
community services	LED PROJECTS	n/a	C	Yes	Community	Other	433		-	389	396	407	ALL WARDS	new		
Technical - Sewerage & sanitation	Eradication Bucket system Steyterville	67(a)	D	Yes	Infrastructure - Sanitation	Sewerage purification	437						WARD 2	new		
Technical - Sewerage & sanitation	Eradication Bucket system Steyterville - Dept of Human Settlement	67(a)	D	Yes	Infrastructure - Sanitation	Sewerage purification	260	260					WARD 2	new		
Technical Services - Housing	Down housing	51(i)	D	Yes	Infrastructure - Other	Housing development	9,405						WARD 3	new		
Budget & Treasury	Office furniture	n/a	A	Yes	Other Assets	Furniture and other office equipment	11	482	194				ALL WARDS	new		
Budget & Treasury	Upgrade of IT Infrastructure	n/a	A	Yes	Other Assets	Computers - hardware/equipment	789	-	-	789	-	-	ALL WARDS	renewal		
Council	Vehicles	n/a	A	Yes	Other Assets	General vehicles	1,720		2,074				ALL WARDS	new		
Parent Capital expenditure										29,065	7,531	7,739				
Entities: List all capital projects grouped by Entity																
Entity A	Water project A															
Entity B	Electricity project B															
Entity Capital expenditure										-	-	-				
Total Capital expenditure										35,815	41,850	29,065	7,531	7,739		

CHAPTER 15

CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS

There are no contracts with future budgetary implications

Please refer to Schedule SA33

CHAPTER 16

LEGISLATIVE COMPLIANCE

The Municipal Finance Management Act brought about uniformity, accountability and control measures to local government in terms of financial reporting and budgeting. The Act required a high level of transformation financial disciplines and planning.

New budget regulations were published in Gazette nr. 32141 on 17 April 2009. The object of these regulations is to secure sound and sustainable management of the budgeting and reporting practices of municipalities by establishing uniform norms and standards and other requirements for ensuring transparency, accountability and appropriate lines of responsibility in the budgeting and reporting process. The 2015/2016 budgets for all municipalities needs to comply with these regulations.

Challenges experienced:

Although the financial system has the capabilities of generating the budget schedules, problems were experienced with regards to the accuracy of the information generated. Not all staff in the BTO has been trained on the reporting module of the financial system.

The MFMA regulates monthly and quarterly reports to be submitted to National Treasury. A significant improvement was noted during the 2014/15 financial year with regards to the submission of S71 reports.

Achievements:

The municipality received assistance from National Treasury within the MFIP II programme. A National Treasury Advisor has been allocated to the municipality to assist the municipality and address key issues identified and stipulated in an activity plan. The advisor is assisting greatly in ensuring compliance with regards to reporting and other compliance issues.

The municipality also received assistance from the Cacadu District Municipality who implemented a project to ensure improved audit outcomes within the local municipalities. A service provider has been appointed and is working on site to assist with issues relating to audit readiness.

CHAPTER 17

BUDGET – DETAILS PER DEPARTMENT

Please refer to schedule SA2 for details

EC107 Baviaans - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and

Description	Ref	Vote 1 - Executive & Council	Vote 2 - Corporate Services	Vote 3 - Budget & Treasury Office	Vote 4 - Technical Services	Vote 5 - Community Services	Total
R thousand	1						
Revenue By Source							
Property rates				4,814			4,814
Property rates - penalties & collection charges							-
Service charges - electricity revenue					12,637		12,637
Service charges - water revenue					4,339		4,339
Service charges - sanitation revenue					2,770		2,770
Service charges - refuse revenue					3,183		3,183
Service charges - other							-
Rental of facilities and equipment			197				197
Interest earned - external investments				121		56	177
Interest earned - outstanding debtors				530			530
Dividends received							-
Fines						2	2
Licences and permits						832	832
Agency services						756	756
Other revenue			66	32	115	270	484
Transfers recognised - operational		1,368		9,275	12,512	4,899	28,053
Gains on disposal of PPE							-
Total Revenue (excluding capital transfers and contributions)		1,368	263	14,772	35,558	6,815	58,775
Expenditure By Type							
Employee related costs		1,316	2,073	4,144	11,831	5,220	24,584
Remuneration of councillors		1,859	-				1,859
Debt impairment							-
Depreciation & asset impairment		29	148	93	15,335	395	16,000
Finance charges			1,305				1,305
Bulk purchases					10,620		10,620
Other materials							-
Contracted services							-
Transfers and grants				985	6,343		7,328
Other expenditure		589	2,466	4,858	6,794	1,517	16,225
Loss on disposal of PPE							-
Total Expenditure		3,793	5,991	10,080	50,924	7,132	77,921
Surplus/(Deficit)		(2,425)	(5,729)	4,692	(15,366)	(318)	(19,146)
Transfers recognised - capital					30,461	1,774	32,235
Contributions recognised - capital							-
Contributed assets							-
Surplus/(Deficit) after capital transfers & contributions		(2,425)	(5,729)	4,692	15,094	1,456	13,089

ANNEXURES

- Annexure A – Tariff listing
- Annexure B – Personnel Budget
- Annexure C - Summary Line items

ANNEXURE A - TARIFF LISTING

BAVIAANS MUNICIPALITY					
PROPOSED TARIFFS WITH EFFECT FROM 1 JULY 2015					
Description	2014/2015		2015/2016		Increase y/y
New Property Rates					
All residential Properties below R 50 000	535.73	R / year	589.30	R / year	10%
All residential Properties from R 50 001 to R 100 000	584.43	R / year	642.87	R / year	10%
Households above R 100 000 - Steytlerville	0.00590	c/R	0.00650	c/R	10%
Households above R 100 000 - Willowmore	0.00590	c/R	0.00650	c/R	10%
Households Rietbron	0.00450	c/R	0.00495	c/R	10%
Business - Steytlerville	0.00759	c/R	0.00835	c/R	10%
Business - Willowmore	0.00759	c/R	0.00835	c/R	10%
Agricultural land used for business and commercial purposes	0.00276	c/R	0.00304	c/R	10%
Public service infrastructure	0.00148	c/R	0.00162	c/R	10%
Agricultural Property	0.00042	c/R	0.00046	c/R	10%
State property	0.00961	c/R	0.01057	c/R	10%
Business in rural area	0.00765	c/R	0.00841	c/R	10%
Vacant Land	0.01614	c/R	0.01776	c/R	10%
<i>Please note that indigents with a house value of R100 000 or more will only receive rates subsidy on specific application for such subsidy</i>					
Refuse Fees - Excl VAT					
Refuse Domestic Removal	63.25		72.74		15%
Refuse NON-Domestic Removal	101.20		116.38		15%
Refuse Rietbron	12.12		13.94		15%
Garden refuse removal	-		on quotation		
Sewerage Fees - Excl VAT					
Septic Tank Removal per removal	173.94		200.03		15%
Sewerage Levy Domestic	50.60		58.19		15%
Sewerage Levy NON-Domestic	240.35		276.40		15%
Sewerage Levy Rietbron	34.59		39.77		15%
Septic Tank Removal Rietbron			61.40		
Availability charge - empty erven only	23.72		27.28		
Sewerage Clogging	94.62		108.82		15%
Sewerage Schools	240.35		276.40		15%
Sewerage Truck	25.05	Per km	28.80	Per km	15%
Electricity - Excl VAT					
Domestic Credit (BHHM)					
Basic House Hold SHH2, WHH1, WHH2	130.10		149.61		15%
Units	1.06		1.22		15%
Domestic Pre-Paid (BHPP)					
Units	1.40		1.62		15%
Units Zaaimanshoek	1.53		1.76		15%
Small Business Credit Single					
Phase (BBESL) incl. SBES1, SBES2, WKER					
Non Domestic not exceeding > 60 amp					
Basic Small Business	168.54		193.82		15%
Units	1.13		1.30		15%
Small Business Credit up to 30 amp (BBESM)					
Non Domestic not exceeding 30 amp incl. (BPP1, SHH1, SPP1)					
Basic Small Business	334.12		384.24		15%
Units	1.02		1.18		15%
Small Business Credit 60 amp (BBESH)					
Including G>200, G> 800, WBES2					
Basic Small Business	520.40		598.46		15%
Units	1.02		1.18		15%
Small Business Pre-Paid (BBPP)					
Including BPP2, BPP3					
Units	1.43		1.64		15%
Large Power Users (WKVA)					
Basic monthly maximum demand					
Energy consumption	133.06		153.01		15%
	0.89		1.02		15%
Street Lights (WSTR)					
Units	0.65		0.75		15%
Call out Fee	171.49		197.22		15%
Connection and Disconnection - new account & terminations	209.93		241.42		15%
Deposit Households	1,049.66		1,207.11		15%
Deposit Business	2,690.69		3,094.29		15%
Testing of meters	189.24		217.62		15%
Availability charge - empty erven only	23.72		27.28		15%
New connections Actual cost plus 5%					

Water				
Basic Charge - Business, Gov. Dept and Households except Indigents	18.03		20.73	15%
Consumption: 0-6kl per kl (only indigent households)	-		-	
Basic Charge Rietbron	18.16		20.89	15%
Consumption Rietbron	3.07		3.53	15%
Consumption: 0-20kl per kl (households)	5.41		6.22	15%
Consumption: 21 - 50kl per kl (households)	5.94		6.83	15%
Consumption: 51 - 80kl per kl (households)	7.33		8.43	15%
Consumption 81 - 999999 per kl (households)	8.80		10.12	15%
Consumption: 0 - 20kl per kl (business, guest houses, garages and hotels)	5.22		6.00	15%
Consumption: 21kl - 50kl per kl (Business, guest houses, garages and hotels)	5.75		6.61	15%
Consumption: 50kl - 99999kl per kl (Business, guest houses, garages and hotels)	6.30		7.25	15%
Consumption: 0kl - 99999kl per kl (government dept and schools)	5.75		6.61	15%
Consumption: Sport Grounds & farmers	5.94		6.83	15%
Availability Charge - Empty Stands	23.72		27.27	15%
Connect or disconnections new accounts & termination	47.43		54.56	15%
Deposit (ordinary)	242.00		280.70	15%
Administration (VAT Excluded)				
Standard Building Plan	159.72		175.44	10%
Building Fees	7.99	m ²	8.78	10%
Building Fees Deposit New Buildings	878.46		969.30	10%
Building Fees Deposit Alterations	878.46		969.30	10%
Building Fees Deposit RDP	292.82		322.11	10%
Building Fees Alteration	239.58		263.15	10%
Penalty for building without approved building plan	750.00		825.00	10%
Valuation Certificate	159.72	Each	175.44	10%
Clearance Certificate (Waiting period 3 Days)	159.72		175.44	10%
Tender documents	337.72		372.81	10%
Photo Copies	9.32	Per page	9.32	
Fax	15.97	Per page	15.97	
Cemetary (VAT Excluded)				
Willowmore Town	239.58		263.16	10%
Steytlerville Town	239.58		263.16	10%
Rietbron Town	151.79		166.67	10%
Both Towns one grave two persons	319.44		350.88	10%
Point out of grave	159.72		175.44	10%
Rietbron Town	62.28		70.18	10%
Willowmore Township	46.59		52.63	10%
Steytlerville Township	46.59		52.63	10%
Both Townships one grave two persons	66.55		74.56	10%
Point out of grave	19.97		21.93	10%
Commonage - Grazing Fee - Excl VAT				
Pound Fee Donkey/Cattle per day	79.86		87.72	10%
Pound Fee Small Stock per day	33.28		39.47	18%
Town Halls - Excl VAT				
Functions arrange and related to Municipality	-		-	
Deposit: Functions arrange and related to Municipality	-		-	
Any other functions	1,597.20		1,754.39	10%
Deposit: Any other functions	1,597.20		1,754.39	10%
Political Meetings	2,395.80		2,635.96	10%
Deposit: Political Meetings	1,597.20		1,754.39	10%
Kitchen	798.60		877.19	10%
Deposit: Kitchen	798.60		877.19	10%
No National, Provincial and Schools will be allowed to rent the Town Halls				
Community Halls Excl VAT				
Community Halls: Willowmore	320.00		350.88	10%
Deposit Community Halls Willowmore	400.00		442.98	10%
Community Halls: Steytlerville	320.00		350.88	10%
Deposit Community Halls Steytlerville	400.00		442.98	10%
Municipality and National and Provincial Departments				0.00
Community Halls: Rietbron	80.00		87.72	10%
Deposit Community Halls: Rietbron	195.00		214.91	10%
Town Hall Furniture Excl VAT				
Chairs (per 20 chairs)	70.00		78.95	13%
Tables (per table)	20.00		21.93	10%
Deposit (per 20 chairs)	130.00		144.74	11%
Sportsfields - Excl VAT				
Usage of sportsfields - one day	30.00		35.09	17%
Usage of sportsfields incl bathrooms - one day				
Usage of sportsfields - annual charge - sportsclubs	300.00		333.34	11%

Hawkers - excl VAT						
Hawker licences (Inside)		100.00	Per year	109.65	Per year	10%
Hawker licences (Outside)		800.00	Per year	877.19	Per year	10%
Rezoning Fees: Deposit - Excl VAT		3,221.02		3,543.86		10%
Application fee for consent use - house shop - Excl VAT		50.00		55.00		10%
Application fee for consent use - spaza shop - Excl VAT		350.00		385.00		10%
Application fee for consent use any other business managed from residential property - Excl VAT		100.00		110.00		10%
Application fee for consent use for business requiring special licence e.g. liquor or Game shop - Excl VAT		500.00		550.00		10%
Yearly tariff for consent use of erven used as spaza shop - Excl VAT		1,500.00	per year	1,650.00	per year	10%
Application fee for advertising displayed on any other business managed from residential property - Excl VAT		200.00		220.00		10%
Encroachment fee - excl VAT		1,000.00	per year	1,100.00	per year	10%
Consent use valid for 2 year						
Fire Services						
Call out fee - excl VAT		330		363.03		
Kilometres distance travelled		R7.15/km		7.85/km		
Water usage		applicable water tariff x 7 000 litres		applicable water tariff x 7 000 litres		
Traffic Services						
Vehicle licensing & testing		as per gazette		as per gazette		
Drivers license		as per gazette		as per gazette		
Learners license		as per gazette		as per gazette		
Hire of KS3 yard		R100/ hour/vehicle		R100/ hour/vehicle		
All Tariffs stated above are Exclusive of VAT						
For any other service not included above tariff list, the Municipality will provide a quotation						
The following arrangements are available for defaulting account holders as listed below:						
Category	Income Treshold Gross Income	Description & Repayment period				
Indigent	0- Threshold described in the Indigent Policy	(i) Free Basic Services and write off of arrears with first application and after that a maximum repayment of R50 (ii) A Further write off arrears can be allowed where the arrears linked to leakage of water and prove can be obtained that the leakage is repaired				
Deferment A	Less than R6000	Makes an arrangement (in writing) where the consumers pays the current account and Council write off the deferred amount over repayment period of 12 months or minimum of R100				
Deferment B	6000-12000	Makes in arrangement (in writing) where the consumer agrees to pay the current account and half of the deferment and Council write off the other half of the deferred amount over the repayment period of 18 months or a minimum of R100				
Deferment C	Above 12000	Makes an arrangement (in writing) to pay current account + all arrears over 12 Months or a minimum of R 100				
Business Deferment	Business	pays current account +pays 50% of arrears immediately and make arrangement in writing for the remainder over 6 months				
<p>The Municipal Manager can agree on a settlement offer from an account holder where it seems to be in the best interest of the Municipality. This settlement has to be reported to Council.</p> <p>Churches, creche, sport clubs, welfare and any other welfare or NGO's will be treated as follows:</p> <ul style="list-style-type: none"> This category of account holder will be allowed to enter into arrangement for the repayment of arrears after (1) the installation of a prepaid meter and payment cost of conversion and the reassed security deposit are paid upfront. (2)The property is registered in the name of the the institution, that is the account holder, (3) the property is zoned as above. A minimum down payment of 20% plus current account A maximum repayment period of 36 months with a minimum instalment of R60 per month plus the current account 						
Disconnection						
				2013/2014	2014/2015	
Charges for disconnection or restriction of services (Conventional / credit meters) - incl VAT				R 325.00	R 375.00	
Charges for reconnection or reinstatement of services incl VAT				R 325.00	R 375.00	
Charges for Blocking/Unblocking of Pre-paid meter (Reconnection fee payable in cash prior to reconnection) incl VAT				R 40.00	R 50.00	
Charges for Notices of Default incl VAT				R 40.00	R 50.00	
Penalty Charges for Illegal Connections & Tampering incl VAT				R 2,220.00	R 2,553.00	
Penalty charges for dishonoured Cheques incl VAT				R 120.00	R 132.00	
Interest on Accounts				Prime + 2%	Prime + 2%	

The amount to be deposited shall be determined in the following manner:					
Service		Consumer Type		Deposit Review after disconnection/ restriction of supply	Deposit Review after disconnection/ restriction of supply
All Municipal Service prepaid included		Town and Domestic Consumer		3,5 average monthly account	3,5 average monthly account
		Town Commercial Consumers		3,5 average monthly account	3,5 average monthly account
		Town Industrial Consumer		3,5 average monthly account	3,5 average monthly account
Water		All Consumers		3,5 average monthly account	3,5 average monthly account
Only electricity prepaid plus water meter		Domestic Consumer		3,5 average monthly account	3,5 average monthly account
All services		Sub economy households of the property value R100000 and less and indigent account holders		R 230.00	R 230.00
Targeting of Indigent Households - The Municipality's target approach is as follows:					
Targeting Approach	Application				
Household Income	Threshold determined in terms of the 2 government pension.				

ANNEXURE B - PERSONNEL BUDGET

BAVIAANS MUNICIPALTY

DRAFT PERSONNEL BUDGET 2015/2016 IN LINE WITH REVISED ORGANOGRAM

Designation	Task grade	New Salary in notch increases where applicable R	Council Contribution									Other Cost					Total Package R	Cell & 3G R	Total Cost R		
			Annual Bonus R	Pension R	provident	Medical R	Group life	UIF R	Transport R	Overtime R	Housing R	Long Services R	Industrial R	Other Allow	Standby R	Skills R					
		001	020	010		008		011	006	017	004	005	012		019	009		015			
COUNCIL																					
Mayor	Mayor	364,002				28,589															
Councillor	CLLR	214,141																			
Councillor	CLLR	214,141																			
Councillor	CLLR	214,141																			
Councillor	CLLR	214,141																			
Councillor	CLLR	214,141																			
Councillor	CLLR	214,141																			
		1,648,845	-	-		28,589															
PENSIONERS																					
Pensioner						30,600															
Pensioner						60,327															
Pensioner						39,234															
Pensioner						36,666															
						166,826															
TOTAL COUNCILLORS & PENSIONERS		1,648,845	-	-		195,415															
Municipal Manager's Office																					
Municipal Manager (AO)	MAN	638,159	-	-				1,785	152,928	-				86		7,758			800,716	14,400	815,116
Senior Clerk/Telephone	T6	98,817	8,235	-	17,787	19,085		1,071			300			86		1,251			146,632		146,632
Personal assistant to MM	T8	134,514	11,210	24,213		10,996		1,457			300			86		1,345			184,121		184,121
TOTAL MUNICIPAL MANAGER'S OFFICE		871,491	19,444	24,213	17,787	30,081		4,312	152,928	-	600	-	259	-	-	10,354	-	-	1,131,470	14,400	1,145,870
BUDGET & TREASURY																					
Chief Finance Officer	MAN	741,433						1,785						86		7,529			750,833	10,800	761,633
Manager BTO	T16	402,634	33,553	72,474		35,957		1,785						86		7,131			553,620		553,620
Expenditure Controller	T10	206,147	17,179	37,106		11,066		1,785			1,032			86		3,472			277,873		277,873
Revenue Controller WM	T10	206,147	17,179	37,106		21,467		1,785			300			86		2,427			286,498		286,498
Cashier Rietbron	T5	77,955	6,496	14,032				1,785						86		2,032			102,386		102,386
Finance Administrator	T11	196,589	16,382	35,386		14,646		1,785				3,840		86		2,130			270,844		270,844
FBS controller	T10	206,147	17,179	37,106				1,785			300			86		3,329			265,933		265,933
Principal Clerk Assets	T7	119,475	9,956	21,506		13,293		1,294						86		1,294			166,905		166,905
Revenue Controller SV	T10	174,615	14,551	36,669		20,244		1,785			300			86		1,892			250,142		250,142
Data Capturer	T6	92,037	7,670	16,567				997						86		997			118,354		118,354
Expenditure clerk	T8	119,475	9,956	21,506		33,915		1,294			300			86		2,440			188,973		188,973
Cashier: Willowmore	T5	87,779	7,315	15,800		10,997		951						86		1,598			124,526		124,526
Cashier: Steytleville	T5	87,779	7,315	18,433				951			250			86		1,309			116,124		116,124
SCM: Practitioner	T10	206,154	17,179			17,725		1,785						86		2,405			245,335		245,335
Asset Management Practioner	T10	158,800	13,233	33,348				1,785						86		2,405			209,658		209,658
Intern (contract)			funded through FMG																		
Intern (Contract)			funded through FMG																		
Intern (Contract)			funded through FMG																		
Intern (Contract)			funded through FMG																		
Intern (Contract)			funded through FMG																		
SCM: Demand &Acquisition	T8	151,453	12,621	27,262		32,741		1,641						86		2,960			228,764		228,764
TOTAL BUDGET AND TREASURY		3,234,618	207,765	424,301	-	212,052	-	24,978	-	-	2,482	3,840	1,382	-	-	45,351	-	-	4,156,769	10,800	4,167,569

Designation	Task grade	New Salary in notch increases where applicable	Annual Bonus	Council Contribution						Other Cost						Total Package	Cell & 3G	Total Cost	
				Pension	provident	Medical	Group life	UIF	Transport	Overtime	Housing	Long Services	Industrial	Other Allow	Standby				Skills
ELECTRICITY																			
Elec. Artisan Steytlerville	T10	221,342	18,445	46,482		27,824		1,785		29,736	-	4,427	86		13,275	4,486	367,888	3,000	370,888
Elec. Artisan Willowmore	T10	217,937	18,161					1,785		3,717	-		86		2,352		244,039	3,000	247,039
Electrical Assistant Willowmore	T3	81,751	6,813	-	14,715			909		2,039	300		86		909		107,522		107,522
		521,030	43,419	46,482	14,715	27,824		4,479	-	35,492	300	4,427	259	-	13,275	7,747	719,450	6,000	725,450
WATER																			
Artisan Water/Electrical WM	T10	211,079	17,590	37,994				1,785		40,356			86		16,992	5,058	330,940	2,400	333,340
Artisan Water/Electrical WM	T10	221,339	18,445	39,841		28,215		1,785		28,674		4,427	86		12,744	4,436	359,991	2,400	362,391
General Assitant - Water WM	T3	81,753	6,813	14,715				958		6,896	300		86		958		112,478		112,478
General Assitant - Water WM	T3	81,751	6,813	-	14,715			897		797	300		86		897		106,255		106,255
General Assitant - Water WM	T3	74,356	6,196	13,384				824		-			86	1,844	-	227	96,917	-	96,917
Meter reader	T5	85,714	7,143	18,000		32,406		988		2,011	3,944		86		988		151,281		151,281
Water Assitant Steytlerville	T3	81,751	6,813	17,168		19,085		1,117		12,744	300	2,453	86		5,217	1,788	148,521	2,400	150,921
Water Assitant Steytlerville	T3	81,753	6,813	17,168				908		637		1,597	86			1,333	110,294		110,294
Meter reader	T5	85,714	7,143	18,000				932			300		86		-	1,395	113,570	-	113,570
Artisan Water/Electrical SV	T10	221,342	18,445	46,482		43,005		1,785		35,046	3,405		86		13,806	2,950	386,352	3,000	389,352
Plant Operator (Shift Worker)	T6	119,476	9,956	-	21,506			1,685		27,612	300		86	6,372	4,779	1,685	193,457		193,457
Plant Operator (Shift Worker)	T6	119,476	9,956	-	21,506			1,785		30,678	300		86	6,372	20,548	1,873	212,581		212,581
		1,465,504	122,125	222,752	57,727	122,711	-	15,448	-	185,450	9,149	8,476	1,031	14,588	74,086	23,589	2,322,636	10,200	2,332,836
PUBLIC WORKS																			
Head of Technical Services	MAN	650,000.00						1,785					86			6,500	658,371	10,800	669,171
Administrative Assistant	T9	174,615	14,551	31,431		25,015		1,785		2,152	300		86		3,333	253,268		253,268	
Manager TS - Ass to the HOD (S)	T16	391,064	32,589			25,783		1,785			6,138		86	12,000	4,712	474,157	2,400	476,557	
Manager TS - Ass to the HOD (W)	T16	391,064	32,589	70,391				1,785					86		6,633	502,548	2,400	504,948	
General assistant streets SV	T3	81,753	6,813	17,168				902		-	300		86	1,338	886	109,246		109,246	
General assistant streets SV	T3	81,753	6,813	17,168				889			300		86		886	107,894		107,894	
General assistant streets SV	T3	74,361	6,197	-				806		-			86		806	82,256		82,256	
General assistant streets SV	T3	81,753	6,813	17,168				889			300		86		886	107,894		107,894	
Handymann Plumbing Baviaanskloof	T7	122,348	10,196					1,325					86		1,325	135,281		135,281	
Foreman Rietbron	T10	206,147	17,179	37,106				1,785					86		3,501	277,880		277,880	
General worker	T4	121,348	10,112	21,843				1,315					86	12,075	2,035	156,739		156,739	
General worker	T4	121,348	10,112	21,843				1,315					86		1,977	156,682		156,682	
General worker	T4	121,348	10,112	21,843				1,315					86		1,315	134,176		134,176	
General worker	T5	121,348	10,112	21,843				1,315					86		1,315	156,019		156,019	
Driver Refuse (Rietbron)	T7	111,270	9,272	20,029		13,450		1,280					81	7,495	2,174	165,052		165,052	
Driver Specialist	T7	125,286	10,441	-	22,552			1,382		2,124	300		86		1,356	163,526		163,526	
Street Sweepers SV	T3	79,837	6,653	16,766		13,355		868			300		86		865	118,730		118,730	
Street Sweepers SV	T3	81,753	6,813	17,168		8,689		889			300		86		1,504	117,202		117,202	
Street Sweepers WM	T2	79,837	6,653	-	14,371	9,198		1,025		15,718	300	2,395	86		1,115	130,698		130,698	
Street Sweepers WM	T2	79,837	6,653	-	14,371	21,703		1,008		14,045	300	2,395	86		1,165	141,564		141,564	
		3,298,070	220,672	309,923	51,293	117,194		25,446	0	34,038	8,838	4,790	1,723	13,338	19,570	44,287	4,149,183	15,600	4,164,783
TOWN PLANNING																			
Town Planner	T16	400,458	33,371			17,081		1,785					86			4,433	457,215	2,400	459,615
Housing Administrator	T9	183,086	15,257	32,956		14,933		1,785					86		3,334	251,437		251,437	
		583,544	48,629	32,956	-	32,014	-	3,570	-	-	-	-	173	-	-	7,766	708,651	2,400	711,051
EIENDOMME & GEBOUE																			
Handyman Steytlerville	T7	122,348	10,196	25,693				1,340		1,126	300		86		1,325	162,414		162,414	
Handyman Willowmore	T7	122,348	10,196	22,023		21,877		1,374		4,877			86		2,374	185,154		185,154	
		244,695	20,391	47,716	-	21,877	-	2,714	-	6,002	300	-	173	-	-	3,699	347,568	-	347,568
SANITATION																			

Designation	Task grade	New Salary in notch increases where applicable	Annual Bonus	Council Contribution						Other Cost						Total Package	Cell & 3G	Total Cost		
				Pension	provident	Medical	Group life	UIF	Transport	Overtime	Housing	Long Services	Industrial	Other Allow	Standby				Skills	
SANITATION																				
Foreman Sanitation, Streets & Stormwater WM	T10	178,809	14,901	-	32,186			1,785			30,621	300		86	4,040	8,653	2,397	273,778	2,400	276,178
Supervisor Public Works & sanitation SV	T10	178,809	14,901	37,550				1,785		19,960	300	-	86		10,774	3,281		267,446	2,400	269,846
Driver Operator SV	T6	103,627	8,636	21,762				1,128		244	300	-	86			1,760		137,542		137,542
Driver Operator Willowmore	T6	103,627	8,636	-	18,653	9,596		1,157		3,186	300		86			1,157		146,399		146,399
General Assistant	T4	74,356	6,196	-				844		3,851	-		86			844		86,178		86,178
General Worker conservancy tanks SV	T3	81,753	6,813	17,168				902			300		86	1,338		1,359		109,719		109,719
General Worker conservancy tanks WM	T3	74,356	6,196	13,384				806					86			806		95,634		95,634
General Assistant WM	T4	76,139	6,345	-	13,705			825					86			825		97,925		97,925
General Assistant	T3	83,716	6,976	-	15,069			953		4,305	300		86			953		112,359		112,359
General Assistant	T4	85,714	7,143	-	15,429	6,434		951		1,381	300		86	552		973		118,962		118,962
General Assistant	T4	85,714	7,143	-	15,429	-		990		5,310	300		86	552		990		116,514		116,514
General Assistant	T4	83,716	6,976	-	15,069			917		196	300		86	552		917		108,732		108,732
General Assistant	T4	83,716	6,976	-	15,069	6,434		954		3,882	300		86	552		1,027		118,997		118,997
General Assistant	T3	74,356	6,196	15,615				806					86			870		97,928		97,928
		1,368,408	114,034	105,478	140,607	22,463	-	14,803	-	72,936	3,000	-	1,210	7,587	19,427	18,159	-	1,888,113	4,800	1,892,913
REFUSE																				
Supervisor Refuse SV	T10	178,809	14,901	37,550				1,785			300	-	86			2,804		236,235		236,235
Foreman Refuse, Streets & Public works WM	T10	170,521	14,210	-	30,694	22,587		1,784		23,045	300		86		6,372	2,168		271,768	2,400	274,168
Driver Operator SV	T6	103,627	8,636	21,762				1,130		404	300	-	86			1,792		137,735		137,735
Driver Operator SV	T6	103,627	8,636	21,762				1,160		292	300		86	3,186		1,735		140,784		140,784
Driver Operator Willowmore	T6	103,627	8,636	-	18,653			1,192		5,784	300	-	86		887	1,192		140,357		140,357
General Worker Refuse (Tip) SV	T3	74,356	6,196	13,384				806		-	-	-	86			869		95,697		95,697
General Worker	T3	81,753	6,813	-	14,715			928		3,919	300	-	86			928		109,442		109,442
General Worker	T3	81,753	6,813	-	14,715			936		4,779	300	-	86			936		110,319		110,319
General assistant	T3	81,753	6,813	17,168				896		743	300	-	86			896		108,656		108,656
General Worker Refuse	T3	81,753	6,813	17,168				886					86			886		107,591		107,591
General Assistant	T3	81,753	6,813	17,168				913		-	-	1,597	86	1,171		1,579		134,440		134,440
General Assistant	T3	81,753	6,813	17,168			23,360	915		-	-	1,597	86	1,338		1,338		111,008		111,008
Supervisor Refuse	T7	125,286	10,441	-	22,552			1,371		1,062	300		86			1,371		162,468		162,468
Driver Operator Willowmore	T6	103,627	8,636	-	18,653			1,142		1,593	300		86			1,142		135,178		135,178
		1,453,996	121,166	163,130	119,982	45,946	-	15,844	-	41,621	3,000	3,194	1,210	5,696	7,259	19,636	-	2,001,679	2,400	2,004,079
TOTAL TECHNICAL SERVICES		8,935,248	690,437	928,437	384,324	390,030	-	82,303	-	375,541	24,587	20,887	5,778	41,208	133,617	124,884	-	12,137,281	41,400	12,178,681
CORPORATE SERVICES ADMINISTRATION																				
Manager Corporate	MAN	487,054						1,785		79,650			86			5,622		574,198	10,800	584,998
Personal Assistant	T8	137,751	11,479	28,928				1,492			300	-	86			1,492		207,126		207,126
Administrative Officer	T11	187,492	15,624	33,749				1,785					86			2,031		240,767		240,767
HR Officer Steytlerville	T11	211,083	17,590	44,327				1,785			300	-	86			2,287		313,312		313,312
Principal Clerk Records	T7	128,291	10,691	-	23,092	22,159		1,390			300		86			1,444		187,453		187,453
Messenger/Cleaner Steytlerville	T3	74,356	6,196	13,384				806			300		86			806		95,933		95,933
Messenger/Cleaner Willowmore	T3	74,356	6,196	13,384				806					86			806		95,633		95,633
TOTAL CORPORATE SERVICES		1,300,383	67,777	133,772	23,092	79,889	3,720	9,848	79,650	-	1,200	-	604	-	-	14,488	-	1,714,424	10,800	1,725,224
COMMUNITY SERVICES																				
HOD Community Services	MAN	426,520						1,785		140,184			86			4,265		572,840	10,800	583,640
Performance Management	T11	206,147	17,179					1,785					86			2,233		227,431		227,431
Customer Care Clerk Willowmore	T5	85,714	7,143	15,429				929					86			929		121,225		121,225
Personal Assistant - Mayor	T8	125,286	10,441	22,552				1,357					86			1,357		161,079		161,079
Administration Officer	T11	206,147	17,179	37,106				1,785				6,138	86			2,233		296,607		296,607
		1,049,814	51,941	75,087	36,928	-	7,641	140,184	-	6,138	-	432	-	-	-	11,018	-	1,379,182	10,800	1,389,982
LED OFFICE																				
LED Officer	T11	211,083	17,590	37,995				1,785					86			3,698		272,238		272,238
		211,083	17,590	37,995	-	-	-	1,785	-	-	-	-	86	-	-	3,698	-	272,238	-	272,238

Designation	Task grade	New Salary in notch increases where applicable	Annual Bonus	Council Contribution					Other Cost							Total Package	Cell & 3G	Total Cost	
				Pension	provident	Medical	Group life	UIF	Transport	Overtime	Housing	Long Services	Industrial	Other Allow	Standby				Skills
TOURISM																			
Tourism Officer WM	T11	243,375	20,281	43,808		-		1,785					86			4,343	313,678	313,678	
Tourism Officer SV	T11	206,147	17,179	43,291				1,785					86			3,728	293,208	293,208	
Tourism clerk	T5	77,955	6,496	14,032				845					86			845	100,258	100,258	
		527,477	43,956	101,130	-	20,993	-	4,415	-	-	-	-	259	-	-	8,915	707,145	707,145	
YOUTH DEVELOPMENT																			
Youth Development Officer	T10	174,615	14,551	31,431				10,996					86			2,857	236,321	236,321	
Youth Development Officer	T10	158,800	13,233	28,584				1,720					86			1,720	204,144	204,144	
		333,415	27,785	60,015	-	10,996	-	3,505	-	-	-	-	173	-	-	4,577	440,465	440,465	
LIBRARY																			
Assistant Librarian Rietbron	T9	155,085	12,924	27,915				1,680					86			2,947	232,524	232,524	
Assistant Librarian Willowmore	T9	158,800	13,233	-	28,584	35,853		1,720			300		86			2,031	240,607	240,607	
Assistant Librarian Steytlerville	T9	158,800	13,233			46,108		1,720			300		86			2,144	222,392	222,392	
		472,685	39,390	27,915	28,584	113,847	-	5,121	-	-	600	-	259	-	-	7,122	695,523	695,523	
TRAFFIC																			
Manager Protection services/Disaster Management	CON	210,774	17,565	-				1,785					86			2,283	232,494	232,494	
Superintendent: Licensing	T11	187,492	15,624					1,785					86			2,031	207,019	207,019	
Vehicle examiner	T10	201,311	16,776					1,785		850		3,932	86			2,189	226,929	226,929	
Examiner driver & learner licenses	T10	174,615	14,551	31,431			2,808	1,785		25,946	1,068		86			2,151	254,441	254,441	
Driver Simulator Facilitator	T10	158,800	13,233					1,720		8,561			86			1,806	184,207	184,207	
Cashier Traffic	T5	77,955	6,496	14,032				845					86			845	100,259	100,259	
		1,010,947	84,246	45,463	-	-	2,808	9,704	-	35,356	1,068	3,932	518	-	-	11,305	1,205,347	1,205,347	
FIRE																			
Fire Officer Willowmore	T10	187,492	15,624	-	33,749			1,785		28,730	300		86	4,829	9,851	2,470	284,916	2,400	287,316
Fire Officer SV	T10	128,291	10,691	26,941				1,390		531	300		86	4,074	-	1,979	174,282		174,282
		315,783	26,315	26,941	33,749	-	-	3,175	-	29,261	600	-	172	8,902	9,851	4,449	459,198	2,400	461,598
TOTAL COMMUNITY SERVICES		3,921,203	291,224	374,545	62,332	182,764	2,808	35,346	140,184	64,617	8,406	3,932	1,900	8,902	9,851	51,083	5,159,098	13,200	5,172,298
TOTAL SALARIES		19,911,788	1,276,648	1,885,268	487,536	1,090,231	6,528	156,787	372,762	440,158	37,275	28,658	9,923	50,110	143,468	246,160	26,143,302	271,810	26,415,112

ANNEXURE C – SUMMARY LINE ITEMS

BAVIAANS MUNICIPALITY						
OPERATIONAL BUDGET		Budget	Adj Budget	Budget	Budget	Budget
PER MAIN REVENUE/EXPENDITURE SOURCE		2014/2015	2014/2015	2015/2016	2016/2017	2017/2018
Item	OPERATING REVENUE					
Property Rates						
564	Property Rates	4,448,220	4,448,220	4,893,042	5,382,346	5,920,581
	Total Property Rates	4,448,220	4,448,220	4,893,042	5,382,346	5,920,581
Penalties Imposed And Collection Charges on Rates						
	Total Penalties Imposed And Collection Charges on Rates					
Service Charges						
566	Buckets	8,703	2,400	2,760	3,036	3,340
656	Septic tank	256,450	415,000	477,250	524,975	577,473
705	Availability charges	55,000	73,200	84,180	92,598	101,858
707	Water Sales	3,828,636	3,700,000	4,255,000	4,680,500	5,148,550
708	Electricity sales - Conventional	1,833,216	1,833,216	2,108,198	2,319,018	2,550,920
709	Electricity sales - Pre-paid meters	8,157,811	8,157,811	9,381,483	10,319,631	11,351,594
710	Electricity - Bulk	1,100,000	998,000	1,147,700	1,262,470	1,388,717
716	Refuse removal	2,768,225	2,768,225	3,183,459	3,501,804	3,851,985
719	Sewerage fee	1,991,616	1,991,616	2,290,358	2,519,394	2,771,334
	Total Service Charges	19,999,657	19,939,468	22,930,388	25,223,427	27,745,770
Rent Of Facilities And Equipment						
588	Rental of assets	22,000	400	440	484	532
636	Rental of facilities	1,760	150,000	165,000	181,500	199,650
668	Hall hire	18,700	26,000	28,600	31,460	34,606
670	Sportsgrounds	110	2,250	2,475	2,723	2,995
638	Rental of Drivers license testing facility	-	-	56,100	56,100	56,100
	Total Rent Of Facilities And Equipment	42,570	178,650	252,615	272,267	293,883
Interest Earned - External Investments						
652	Interest on fixed deposits	88,000	110,000	121,000	133,100	146,410
	Total Interest Earned - External Investments	88,000	110,000	121,000	133,100	146,410
Interest Earned - Outstanding Debtors						
644	Interest - overdue accounts	246,400	301,875	332,063	365,269	401,796
648	Interest on Assessment Rates	126,500	179,830	197,813	217,594	239,354
	Total Interest Earned - Outstanding Debtors	372,900	481,705	529,876	582,863	641,149
Dividends Received						
	Total Dividends Received					
Fines						
700	Fines	10,000	2,000	2,000	2,000	2,000
	Total Fines	10,000	2,000	2,000	2,000	2,000
Licenses & Permits						
607	Learners licenses	61,974	130,460	143,506	157,857	173,642
608	Drivers licenses	581,537	625,810	688,391	757,230	832,953
	Total Licenses & Permits	643,511	756,270	831,897	915,087	1,006,595
Income For Agency Services						
613	Commission Agency fee - Dept of Transport	782,280	687,000	755,700	831,270	914,397
	Total Income For Agency Services	782,280	687,000	755,700	831,270	914,397
Grants & Subsidies Received - Operating						
594	Equitable Share	20,481,000	20,481,000	23,452,000	24,047,000	24,192,000
567	Finance Management Grant	1,600,000	1,600,000	1,600,000	1,625,000	1,700,000
570	Municipal Systems Improvement Grant	934,000	934,000	930,000	957,000	1,033,000
676	Income Cond Grant MIG: PMU	494,000	494,000	443,500	451,850	464,350
681	Library subsidy	300,000	300,000	300,000	316,000	333,380
682	Subsidy: Cacadu	620,000	620,000	250,000	250,000	250,000
734	EPWP	1,390,000	1,390,000	1,018,000	0	0
825	Conditional Grant: Tourism	-	-	60,000	-	-
820	Income Cond Grant - AG	-	1,700,000	-	-	-
	Total Grants & Subsidies Received - Operating	25,819,000	27,519,000	28,053,500	27,646,850	27,972,730
Grants & Subsidies Received - Capital						
073	Income Cond Grant INEG	900,000	900,000	-	-	-
829	Income Cond Grant MIG	9,404,000	9,404,000	8,426,500	8,585,150	8,822,650
826	Income Cond Grant RBIG	20,000,000	32,031,756	23,808,000	-	-
834	Income Cond Grant Housing	9,404,956	134,979	-	-	-
833	Income Cond Grant DTI	2,830,780	2,326,790	-	-	-
	Total Grants & Subsidies Received - Capital	42,539,736	44,797,525	32,234,500	8,585,150	8,822,650
Other Revenue						
508	Connection fees	36,100	37,820	43,493	47,842	52,627
516	Cemetery fees	11,000	11,000	12,100	13,310	14,641
536	Building plans	12,000	3,100	3,410	3,751	4,126
560	Sundry Income	62,762	103,277	57,702	63,473	69,820
561	Commission - Collection	27,500	27,500	27,500	27,500	27,500
562	Membership Fees	80,000	54,000	59,400	65,340	71,874
565	Slingby Maps	5,000	5,000	5,500	6,050	6,655
568	Faxes and photocopies	990	6,000	6,600	7,260	7,986
601	Disconnection fee	550	550	633	696	765

OPERATIONAL BUDGET		Budget	Adj Budget	Budget	Budget	Budget
PER MAIN REVENUE/EXPENDITURE SOURCE		2014/2015	2014/2015	2015/2016	2016/2017	2017/2018
612	New Service Connection	11,000	5,500	6,325	6,958	7,653
616	Rezoning fees	5,800	-	5,800	6,380	7,018
637	Pound fees	638	1,500	1,650	1,815	1,997
679	Donations	-	-	190,000	-	-
715	SETA claims	30,000	30,000	30,000	30,000	30,000
720	Valuation Fees	21,200	26,000	28,600	31,460	34,606
721	Application fee consent use	250	-	250	275	303
722	Consent use	1,750	-	1,750	1,925	2,118
723	Encroachment	3,000	-	3,000	3,300	3,630
736	Letter of demand	110	-	-	-	-
738	Summons	110	-	-	-	-
	Total Other Revenue	309,760	311,247	483,713	317,334	343,317
	Gain On Disposal Of Property, Plant & Equipment					
800	Profit on sale of assets	-	100,000	-	-	-
	Total Gain On Disposal Of Property, Plant & Equipment	-	100,000	-	-	-
	Total Operating Revenue Generated	95,055,634	99,331,084	91,088,231	69,891,694	73,809,483
	Less Revenue Foregone					
223	Rates Rebate	(71,705)	(71,705)	(78,875)	(86,763)	(95,439)
	Total Less Revenue Foregone	(71,705)	(71,705)	(78,875)	(86,763)	(95,439)
	Total Direct Operating Revenue	94,983,929	99,259,380	91,009,355	69,804,931	73,714,044
	INTERNAL TRANSFERS					
	Interest Received - Internal Loans					
	Total Interest Received - Internal Loans					
	Internal Recoveries (Activity Based Costing Etc)					
	Total Internal Recoveries (Activity Based Costing Etc)					
	Dividends Received - Internal (From Municipal Entities)					
	Total Dividends Received - Internal (From Municipal Entities)					
	Total Indirect Operating Revenue	-	-	-	-	-
	Total Operating Revenue	94,983,929	99,259,380	91,009,355	69,804,931	73,714,044
	OPERATING EXPENDITURE					
	Employee Related Costs - Wages & Salaries					
001	Salaries	16,449,736	16,348,686	18,262,943	19,322,193	20,384,914
002	Wages	0	0	50,870	53,820	56,781
004	Allowance	31,914	37,775	37,275	39,437	41,606
006	Allowance	575,363	386,000	372,762	394,382	416,073
015	Allowance	90,600	90,600	90,600	95,855	101,127
017	Overtime	461,414	421,997	440,158	465,687	491,300
019	Allowance	178,601	218,180	193,579	204,807	216,071
020	Bonus	1,113,721	1,079,574	1,276,648	1,350,693	1,424,981
021	Long service award	56,424	94,886	28,658	30,320	31,988
390	Contribution to Long service award provision	0	33,723	35,814	37,891	39,975
391	Contribution to Post retirement medical aid prov	0	(130,860)	(138,973)	(147,034)	(155,121)
397	Contribution to Leave pay provision	0	75,400	80,075	84,719	89,379
	TOTAL EMPLOYEE RELATED COST - WAGES & SALARIES	18,957,773	18,655,961	20,730,408	21,932,772	23,139,074
	Employee Related Costs - Social Contributions					
007	Contribution:	3,503	9,344	6,528	6,907	7,287
008	Contribution:	810,164	840,045	894,815	946,715	998,784
009	Contribution:	178,415	224,453	246,160	260,437	274,761
010	Contribution:	1,952,575	1,611,657	1,885,268	1,994,613	2,104,317
011	Contribution:	143,583	143,026	156,783	165,877	175,000
012	Contribution:	8,376	8,957	9,923	10,499	11,076
014	Contribution:	0	438,988	487,537	515,814	544,183
045	Contribution:	145,982	157,532	166,826	176,502	186,739
	Total Employee Related Costs - Social Contributions	3,242,598	3,434,003	3,853,841	4,077,363	4,302,148
	Less Employee Costs Capitalized					
	Less Total Employee Costs Capitalized					
	Less Employee Costs Allocated To Other Operating Items					
	Less Total Employee Costs Allocated To Other Operating Items					
	Remuneration Of Councillors					
786	Allowance:	1,571,811	1,571,811	1,648,845	1,739,532	1,831,727
791	Allowance:	171,276	171,276	181,210	191,177	201,309
789	Contribution	12,168	25,250	28,589	30,161	31,760
	Total Remuneration Of Councillors	1,755,255	1,768,337	1,858,644	1,960,869	2,064,796
	Bad Debts					
398	Debt Impairment - Bad debt	-	1,200,000	-	-	-
	Total Bad Debts	-	1,200,000	-	-	-
	Collection Costs					
	Total Collection Costs	-	-	-	-	-

OPERATIONAL BUDGET		Budget	Adj Budget	Budget	Budget	Budget
PER MAIN REVENUE/EXPENDITURE SOURCE		2014/2015	2014/2015	2015/2016	2016/2017	2017/2018
Depreciation						
298	Depreciation - moveables	1,421,750	1,421,750	1,427,470	1,427,470	1,427,470
305	depreciation - infrastructure	14,178,250	14,578,250	14,572,530	14,602,530	14,652,530
	Total Depreciation	15,600,000	16,000,000	16,000,000	16,030,000	16,080,000
Repairs And Maintenance - Municipal Assets						
301	EPWP	1,390,000	1,390,000	1,018,000	-	-
306	Sanitation network	90,000	50,000	95,220	100,457	105,781
307	Grounds and fencing	57,500	25,000	26,805	28,279	29,778
309	Tools and Equipment	50,000	50,000	52,912	55,822	58,781
310	Electricity Network	125,000	155,000	255,000	269,025	283,283
311	Water Network	95,580	155,000	205,000	216,275	227,738
312	Buildings	70,000	70,000	241,060	78,133	82,274
314	Sports grounds	30,000	30,000	31,740	33,486	35,260
318	Furniture & Equipment	32,347	26,347	35,223	37,163	39,135
320	Parks	5,310	5,310	5,618	5,927	6,241
324	Streets	110,000	110,000	116,380	122,781	129,288
325	TV maintenance	22,000	22,000	23,276	24,556	25,858
327	Street lights	53,100	53,100	56,392	56,392	56,392
333	Equipment and Prepaid meters	53,100	53,100	136,392	136,392	136,392
336	Traffic signs	55,000	55,000	58,190	61,390	64,644
339	Vehicle Maintenance	350,460	297,960	289,663	305,595	321,791
	Total Repairs And Maintenance - Municipal Assets	2,589,397	2,547,817	2,646,872	1,531,674	1,602,638
Interest Expense - External Borrowings						
	Interest paid- bank overdraft	-	-	35,000	36,925	38,882
201	Interest paid - outstanding accounts	1,128,906	1,128,906	800,000	844,000	888,732
308	Interest paid - finance leases	-	-	260,000	274,300	288,838
	Interest paid - Post retirement benefits	-	-	100,000	105,500	111,092
	Interest paid - Non-current provisions	-	-	110,000	116,050	122,201
	Total Interest Expense - External Borrowings	1,128,906	1,128,906	1,305,000	1,376,775	1,449,744
Redemption Payments - External Borrowings						
	Total Redemption Payments - External Borrowings	-	-	-	-	-
Bulk Purchases						
099	Electricity purchases	10,153,318	9,300,000	10,620,000	11,204,100	11,797,917
	Total Bulk Purchases	10,153,318	9,300,000	10,620,000	11,204,100	11,797,917
Contracted Services						
	Total Contracted Services	-	-	-	-	-
Grants & Subsidies Paid						
221	Free basic services	5,284,823	6,696,487	7,267,966	8,049,763	8,789,739
222	Free Basic Services Repairs	-	-	60,000	66,000	72,600
	Total Grants & Subsidies Paid	5,284,823	6,696,487	7,327,966	8,115,763	8,862,339
General Expenses - Other						
005	Uniforms	90,000	90,000	95,220	100,457	105,781
023	Ward Committees	0	16,000	16,928	17,859	18,806
026	Branding and Advertising	5,000	5,000	5,290	5,581	5,877
028	Communication	0	140,000	0	0	0
029	Agency commission	185,850	210,100	222,286	234,512	246,941
031	Roads forum	15,930	0	16,850	17,777	18,719
034	Sports	10,000	1,000	10,580	11,162	11,753
035	Small farmers	10,000	10,000	10,580	11,162	11,753
037	Sundry Expenses: Tourism	20,000	20,000	21,160	22,324	23,507
038	Workshop	10,000	10,000	10,580	11,162	11,753
039	Road Signs	10,000	0	10,580	11,162	11,753
040	Website	20,000	20,000	21,160	22,324	23,507
041	Marketing	40,000	40,000	42,320	44,648	47,014
044	Product Development	40,000	40,000	42,320	44,648	47,014
046	Cacadu Grant Tourism	324,561	324,561	52,632	0	0
047	Newsletters	0	0	36,000	37,980	39,993
048	Advertising	37,170	47,200	55,000	58,025	61,153
049	Town Planning	10,620	0	11,236	11,854	12,482
050	Work Skills Plan	30,000	30,000	31,740	33,486	35,260
051	S&T Allowances	94,550	94,550	123,034	129,801	136,680
052	EPWP (own)	45,000	47,900	0	0	0
053	Consultancy fees	50,000	30,000	130,000	137,150	144,419
054	Bank Cost	191,160	210,000	222,180	234,400	246,823
055	Animal Protection	16,000	16,000	16,928	17,859	18,806
056	Libraries	100,000	100,000	100,000	105,500	111,092
057	Assistant Fund	30,000	15,000	15,870	16,743	17,630
059	LED Training	25,000	5,000	26,450	27,905	29,384
060	Vehicle - Fuel and oil	1,293,516	1,149,480	1,211,992	1,278,651	1,346,420
069	Chemicals	226,648	160,000	169,280	178,590	188,056
072	General expenditure	5,000	0	0	0	0
078	Stationery	513,242	466,193	335,462	353,912	372,670
080	Rental of equipment	244,260	320,000	338,560	357,181	376,111
081	Service charges - Electricity	1,210,680	1,386,285	1,599,967	1,687,965	1,777,428
082	Finance management grant	1,589,965	1,589,965	1,467,122	1,486,842	1,555,087
084	Municipal Services	420,345	493,779	641,438	705,582	776,140
087	Printing	0	0	302,450	320,525	339,167
114	Consumable items	38,000	38,000	41,000	43,255	45,548
116	Youth development	25,000	0	26,450	27,905	29,384
121	Fire Fighting	104,654	25,000	26,550	28,010	29,495

OPERATIONAL BUDGET PER MAIN REVENUE/EXPENDITURE SOURCE		Budget	Adj Budget	Budget	Budget	Budget
		2014/2015	2014/2015	2015/2016	2016/2017	2017/2018
123	Licences	43,571	28,185	40,440	42,664	44,926
141	Registration at deeds office	53,631	35,000	37,030	39,067	41,137
144	Audit Cost	1,133,405	1,700,000	1,600,000	1,688,000	1,777,464
145	Internal Audit Cost	700,000	300,000	500,000	527,500	555,458
150	Postage	233,640	233,640	241,101	254,362	267,843
154	Courier Cost	0	0	4,125	4,352	4,583
159	Radio licenses	2,124	2,124	0	0	0
162	Legal Cost	100,000	100,000	105,800	111,619	117,535
180	Street lights	0	0	65,650	69,261	72,932
181	Datalines	0	0	148,550	156,720	165,026
182	Cellular phone charges	0	0	45,000	47,475	49,991
183	Telephone charges	582,808	596,593	443,227	467,604	492,387
195	Insurance	261,593	326,780	345,733	364,749	384,080
200	Valuation of properties	0	160,000	30,000	31,650	33,327
202	Refuse bags	150,000	150,000	158,700	167,429	176,302
204	Water Research	47,790	52,000	55,016	58,042	61,118
206	Professional fees	0	70,000	74,060	78,133	82,274
217	Workmens Compensation	0	220,000	233,640	246,490	259,554
218	Membership fees SALGA	400,000	500,000	500,000	500,000	500,000
220	MSIG	826,670	826,670	30,000	31,650	33,327
222	Free basic service repairs	31,860	41,860	0	0	0
292	PMU	494,000	494,000	443,500	451,850	464,350
295	Vehicle Tracking	310,104	136,100	142,560	150,401	158,372
296	IT expenses	530,000	1,200,000	534,589	563,991	593,883
	Bluedrop sampling	0	126,000	216,000	227,880	239,958
	Greendrop sampling	-	42,000	76,176	80,366	84,625
	Total General Expenses - Other	12,983,349	14,491,967	13,578,091	14,195,151	14,933,857
	Loss On Disposal Of Property, Plant & Equipment					
	Total Loss On Disposal Of Property, Plant & Equipment	-	-	-	-	-
	Contributions To/(From) Provisions					
	Total Contributions To/(From) Provisions	-	-	-	-	-
	Total Direct Operating Expenditure	71,695,418	75,223,478	77,920,821	80,424,467	84,232,513
	INTERNAL TRANSFERS					
	Interest - Internal Borrowings					
	Total Interest - Internal Borrowings	-	-	-	-	-
	Internal Charges (Activity Based Costing Etc)					
	Total Internal Charges (Activity Based Costing Etc)	-	-	-	-	-
	Total Indirect Operating Expenditure	-	-	-	-	-
	Total Operating Expenditure	71,695,418	75,223,478	77,920,821	80,424,467	84,232,513
	SURPLUS					
	Operating Surplus / (Deficit) - Total Revenue Less Total Expenditure	23,288,511	24,035,902	13,088,534	(10,619,536)	(10,518,469)
	Less Tax	-	-	-	-	-
	Operating Surplus / (Deficit) - After Tax	23,288,511	24,035,902	13,088,534	(10,619,536)	(10,518,469)
	Cross Subsidization					
	Total Cross Subsidization	-	-	-	-	-
	Plus Interests In Entities Not Wholly Owned					
	Plus Total Interests In Entities Not Wholly Owned	-	-	-	-	-
	Surplus / (Deficit) After Tax, Cross Subsidies & Share Of Associates	23,288,511	24,035,902	13,088,534	(10,619,536)	(10,518,469)