

Lejweleputswa District Municipality MTREF Budget 2015/16 to 2017/18 Medium Term Revenue and Expenditure Framework

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30 March 2015

LEJWELEPUTSWA DISTRICT MUNICIPALITY 2015/2016 MTREF BUDGET

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Glossary

Adjustments Budget – Prescribed in section 28 of the MFMA. It is the formal means by which a municipality may revise its annual budget during the year.
Allocations – Money received from Provincial or National Government or other municipalities.
Budget – The financial plan of the Municipality.
Budget Related Policy – Policy of a municipality affecting or affected by the budget, such as the tariffs policy, rates policy and credit control and debt collection policy.
Capital Expenditure – Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality’s Statement of Financial Performance.
CRR – Capital Replacement Reserve. A cash reserve set aside for future capital expenditure.
Cash flow statement – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it marks as expenditure in the month it is received, even though it may not be paid in the same period.
DORA – Division of Revenue Act. This is the annual piece of legislation that shows the amount of allocations from national to local government.
Equitable Share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.
Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.
GFS – Government Finance Statistics. An internationally recognized classification system that facilitates like for like comparison between municipalities.
GRAP – Generally Recognised Accounting Practice. The new standard for municipal accounting and basis upon which the Annual Financial Statements are prepared.
IDP – Integrated Development Plan. The main strategic planning document of the Municipality.
KPI’s – Key Performance Indicators. Measures of service output and/or outcome.
MFMA – The Municipal Finance Management Act no. 53 of 2003. The principle piece of legislation relating to municipal financial management.
MTREF – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years’.
Operating Expenditure – Spending on the day to day expenses of the Municipality such as salaries and wages.

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SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.
Strategic Objectives – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.
Unauthorised expenditure – Generally, spending without, or in excess of, an approved budget.
Virement – A transfer of budget.
Virement Policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.
Vote – One of the main segments into which a budget is divided. In LDM this means at directorate level.

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Part 1 – Annual Budget

1.1 Mayoral Budget Speech

The budget speech is attached as a separate document.

1.2 Council Resolutions

On 30 March 2015 the Council of Lejweleputswa District Municipality had a meeting to approve the annual draft budget for the year 2015/2016. The following resolutions are contained in item to the agenda of the Ordinary Council meeting held on 30 March 2015 at 14h00:

(a) that the following policies be approved:

- (i) Budget Policy;
- (ii) Credit control and debt collection;
- (iii) Cash Management and Investment Policy;
- (iv) Supply Chain Management Policy;

(b) that the annual budget for the financial year 2015/16 and indicative outer years 2016/17 and 2017/18 be approved as set-out:

- (i) Capital expenditure by project as contained in annexure "A" to the agenda;
- (ii) Capital funding by source as contained in annexure "A" to the agenda;
- (iii) Operating revenue by source as contained in Table A4 of the report;
- (iv) Operating expenditure by type as contained in Table A4 of the report;

(c) that the annual budget documentation for 2015/16 – 2017/18 as outlined in the budget regulations be submitted to National and Provincial Treasuries.

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1.3 Budget 2014/15 Mid-year Review and Adjustments Budget

The following table shows the original and adjustments budget for 2014/15.

	Original Budget 2013/14	Adjustment Budget	Difference
Operating Expenditure	111 022 749	113 957 854	2 935 105
Capital Expenditure	920 000	950 000	30 000
Total Income	111 250 536	111 332 022	81 486

The 2014/15 adjustments budget was taken into account in the preparation of the 2015/16 MTREF.

1.4 Executive Summary

The Municipality was confronted with numerous challenges during the budget process. The following had an impact:

- The continued negative effect of the economic downturn;
- The dependency on the grants available for funding;
- The municipality needs to focus on its core functions. During the adjustments budget, the Portfolio Councillors in conjunction with the Head of Departments, scrutinized the budget to affect all possible savings;
- Sufficient provision for debtor's impairment was budgeted for in the operating budget.
The writing off of irrecoverable debt will also be scrutinized through the business processes, which will be managed by a credit control to ensure that proper credit control measures are in place and also to recommend the writing off of debt to council;
- A provision for a contribution to the capital replacement reserve (CRR) in the operating budget has been made in order to grow our reserve;

MFMA Circulars

National Treasury sent out MFMA Circular No. 74 on 12 December 2014 providing guidance to municipalities on their 2015/16 budgets and Medium Term Revenue and Expenditure Framework (MTREF). Circular 74 was followed up by Circular

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No. 75 dated 04 March 2015. Circular No. 70 & 72 reminds us of the key focus areas for the 2015/2016 budget process, and that it must be read together with MFMA Circulars no. 48, 51, 54, 55, 58 and 59. It is essential reading material in order to understand the background to this budget. National Treasury has also set out the requirements for funding the budget and producing a credible budget.

Funding the Budget

Section 18(1) of the MFMA states that an annual budget may only be funded from:

- Realistically anticipated revenues to be collected;
- Cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and
- Borrowed funds, but only for the capital budget referred to in section 17(2).

Achievement of this requirement in totality effectively means that a Council has 'balanced' its budget by ensuring that budgeted outflows will be offset by a combination of planned inflows.

Under old budget formats a 'balanced' income generated approach was a key objective and this assisted in ensuring that outflows were matched by inflows, provided revenue collections were realistic. However, GRAP compliant budgets necessitate that budget 'balancing' be much more comprehensive.

New budgeting and accounting formats demand that the budgeted Statement of Financial Performance, the Budgeted Statement of Financial Position and the Budgeted Statement of Cash Flows must be considered simultaneously to ensure effective financial management and sustainability.

Credible Budget

Amongst other things, a credible budget is a budget that:

- Funds only activities consistent with the revised IDP and vice versa, ensuring the IDP is realistically achievable given the financial constraints of the municipality;
- Is achievable in terms of agreed service delivery and performance targets;
- Contains revenue and expenditure projections that are consistent with current and past performance and supported by documented evidence of future assumptions;
- Does not jeopardize the financial viability of the municipality (ensures that the financial position is maintained within generally accepted prudential limits and that obligations can be met in the short, medium and long term); and
- Provides managers with appropriate levels of delegation sufficient to meet their financial management responsibilities.

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A budget sets out certain service delivery levels and associated financial implications. Therefore the community should realistically expect to receive these promised service delivery levels and understand the associated financial implications. Major under spending due to under collection of revenue or poor planning is a clear example of a budget that is not credible and unrealistic.

Furthermore, budgets tabled for consultation at least 90 days prior to the start of the budget year should already be credible and fairly close to the final approved budget.

1.5 Budget Overview of the 2015/16 MTREF

This section provides an overview of the Lejweleputswa District Municipality's 2015/16 to 2017/18 MTREF. It includes an assessment of how the budget links with the national and provincial government contexts along with a review of the fiscal position of Lejweleputswa District Municipality.

The Municipality's budget must be seen within the context of the policies and financial priorities of national, provincial and local government. In essence, the spheres of Government are partners in meeting the service delivery challenges faced at Lejweleputswa District Municipality. Lejweleputswa District Municipality alone cannot meet these challenges. It requires support from the other spheres of Government through the direct allocation of resources as well as the achievement of their own policies.

According to Circular No. 75, the following headline inflation forecasts must be taken into consideration when preparing 2015/16 budgets and MTREF:

Fiscal Year	2014 Actual	2015 Estimate	2016 Forecast	2017 Forecast	2018 Forecast
CPI Inflation	5.8	5.6	4.8	5.9	5.6

The budget process in Lejweleputswa District Municipality followed the requirements of the MFMA. A Table of key deadlines was prepared for tabling in Council by the Executive Mayor on the 26th of August 2014.

The Draft budget is tabled on 30th March 2015. The final budget will be approved by Council by on 21st May 2015.

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The MFMA requires municipalities to set out measurable performance objectives when tabling their budgets. These “key deliverables” link the financial inputs of the budget to service delivery on the ground.

As a further enhancement to this, quarterly service targets and monthly financial targets are contained in the Service Delivery and Budget Implementation Plan (SDBIP). This must be approved by the Mayor within 28 days after the approval of the final budget and forms the basis for the Municipality’s in year monitoring.

In view of the aforementioned, the following table is a consolidated overview of the proposed MTREF:

Table 1 Consolidated Overview of the 2015/2016 MTREF

AGGREGATE TOTAL 2015/2016				
DETAILS	ORIGINAL BUDGET 2014/2015	REVISED BUDGET 2014/2015	DRAFT BUDGET 2015/2016	DIFFERENCE
TOTAL OPERATING INCOME	111,250,536	111,332,022	117,760,000	5.77%
TOTAL OPERATING EXPENDITURE	111,022,749	113,957,854	115,926,303	1.73%
SURPLUS/(DEFICIT)	227,787	(2,625,832)	1,833,697	(169.83%)
TOTAL CAPITAL EXPENDITURE	920,000	950,000	1,740,000	83.16%
LOAN REDEMPTION	3,998,015	3,998,015	2,145,864	(46.33%)
TOTAL DEFICIT	(4,690,228)	(7,573,847)	(2,052,167)	(55.81%)
UNAPPROPRIATED SURPLUS	(4,690,228)	(7,573,847)		(100.00%)
CAPITAL REPLACEMENT RESERVE			1,740,000	

The surplus/(deficit) in the above table differs from that in the SA Tables, as the SA tables does not take into account the appropriations.

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1.6 Operating Revenue Framework

For Lejweleputswa District Municipality to continue maintaining/improving the quality of services provided to its citizens it needs to generate the required revenue.

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

- National Treasury's guidelines, Circular No. 74 & 75

Table 2 Summary of Revenue Classes by Main Revenues Sources

SUMMARY OF INCOME BY SOURCE 2015/2016				
DETAILS	ORIGINAL BUDGET 2014/2015	REVISED BUDGET 2014/2015	DRAFT BUDGET 2015/2016	DIFFERENCE
INTEREST EARNED	2,144,522	2,151,022	1,890,000	0.12
INTEREST EARNED O/S DEBTORS	305,014	375,000	95,000	(0.75)
OPERATING GRANTS & SUBSIDIES	108,706,000	108,706,000	115,675,000	0.06
OTHER INCOME	95,000	100,000	10,000	0.00
TOTAL INCOME	111,250,536	111,332,022	117,760,000	0.06

The following table gives a breakdown of the various grants allocated to LDM over the medium term:

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Table 3 Grants Allocation

NATIONAL GRANTS	MEDIUM - TERM ESTIMATES		
	2015/2016	2016/2017	2017/2018
	R'000	R'000	R'000
Equitable Share	29,958	29,291	28,047
Transitional Grant	80,432	82,700	84,870
Local Government Financial Management Grant	1,250	1,250	1,250
Municipal Systems Improvement Grant	930	960	1,033
Rural Roads Asset Management Systems Grant	2,105	2,185	2,294
Expanded Public Works Programme Integrated Grant	1,000	0	0
TOTAL INCOME	115,675	116,386	117,494

1.7 - Operating Expenditure Framework

The expenditure framework for the 2015/16 budget and MTREF is informed by the National Treasury's guidelines.

The operating expenditure increased from R110.6 million (2013/14) to R111 million in 2014/15.

The following table is a summary of the 2014/15 MTREF (classified by main expenditure by category):

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Table 13: Summary of operating expenditure by category

EXPENDITURE ALLOCATION BY CATEGORY 2015/2016				
DETAILS	ORIGINAL BUDGET 2014/2015	REVISED BUDGET 2014/2015	DRAFT BUDGET 201/2016	DIFFERENCE
Employee remuneration	57,651,226	59,808,731	61,455,303	0.03
Councillor remuneration	8,961,550	8,961,550	9,410,323	0.05
Working capital reserve	485,590	485,590	485,590	0.00
Depreciation	6,595,631	6,595,631	7,611,223	0.15
Repairs & maintenance	687,914	597,803	574,460	(0.04)
Interest expenses	2,320,928	2,320,928	2,022,079	(0.28)
Grant & subsidies	5,450,000	5,450,000	5,450,000	0.00
General expenditure	23,905,802	24,902,885	23,951,874	(0.06)
Contribution: accrued leave	4,964,108	4,834,736	4,965,451	(0.04)
Total Amount	111,022,749	113,957,854	115,926,303	0.02

Reasons for minor cost variances:

- Finance charges declined because the redemption portion of the loans is increasing versus the interest payments that are declining.

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Table 14: Repairs and maintenance per 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	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<u>Repairs and Maintenance by Asset Class</u>	1										
-											
Total Repairs and Maintenance Expenditure	1	1,575	438	405	688	598	598	-	574	759	796

1.8 - Capital Budget

The capital budget increased from R950 000 (2014/15) to R1 740 000 in 2015/16.

The Budget Committee went through several stages of prioritizing the capital budget to contain the budget within the available funding.

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Table 15: Capital funding by source

DC18 Lejweleputswa - 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			
R thousand	1	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	
Capital expenditure - Vote												
Single-year expenditure to be appropriated	2											
Vote 1 - Executive Mayor		74	129	36	30	30	30	-	25	26	28	
Vote 2 - Speaker		27	20	35	30	30	30	-	10	20	22	
Vote 3 - Mayoral Committee		69	29	8	30	30	30	-	15	27	29	
Vote 4 - Council General		91	301	1,197	-	190	190	-	150	92	94	
Vote 5 - Municipal Manager		106	30	89	190	190	190	-	85	100	55	
Vote 6 - Budget & Treasury		86	547	291	295	295	295	-	855	280	280	
Vote 7 - Corporate Services		1	500	93	30	30	30	-	40	45	51	
Vote 8 - Human Resources		9	-	-	-	-	-	-	-	-	-	
Vote 9 - Information Technology		544	-	-	-	-	-	-	-	-	-	
Vote 10 - Property		787	956	254	50	80	80	-	330	84	89	
Vote 11 - Municipal Support		18	-	-	-	-	-	-	-	-	-	
Vote 12 - Planning & Development		30	29	47	45	45	45	-	60	63	63	
Vote 13 - Community & Social Services		7,260	8	90	30	30	30	-	40	45	35	
Vote 14 - Environmental Health Services		50	180	213	190	-	-	-	130	200	200	
Vote 15 - Tourism		-	-	-	-	-	-	-	-	-	-	
Capital single-year expenditure sub-total		9,151	2,727	2,354	920	950	950	-	1,740	981	945	
Total Capital Expenditure - Vote		9,151	2,727	2,354	920	950	950	-	1,740	981	945	
Funded by:												
Internally generated funds		9,151	2,727	2,354	920	950	950	-	1,740	981	945	
Total Capital Funding	7	9,151	2,727	2,354	920	950	950	-	1,740	981	945	

Although the budgeted income and expenditure are realistically anticipated, the situation regarding the available internal funds will be monitored closely and expenditure on capital projects linked to the CRR will be managed according to the available cash. To facilitate this process the Lejweleputswa District Municipality has prioritized the Capital Budget.

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

Table 16: Capital expenditure by GFS classification

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	1										
Capital Expenditure - Standard											
<i>Governance and administration</i>		1,812	2,510	2,004	655	875	875	-	1,510	673	647
Executive and council		367	508	1,366	280	470	470		285	265	227
Budget and treasury office		104	547	291	295	295	295		855	280	280
Corporate services		1,340	1,456	347	80	110	110		370	129	140
<i>Community and public safety</i>		7,260	8	90	30	30	30	-	40	45	35
Community and social services		7,260	8	90	30	30	30		40	45	35
<i>Economic and environmental services</i>		80	209	260	235	45	45	-	190	263	263
Planning and development		30	29	47	45	45	45		60	63	63
Environmental protection		50	180	213	190	-	-		130	200	200
Total Capital Expenditure - Standard	3	9,151	2,727	2,354	920	950	950	-	1,740	981	945

1.9 – Budget Schedules

The Municipal Budget and Reporting Regulations are designed to achieve a range of objectives, including improving the local government sphere's ability to deliver basic services by facilitating improved financial sustainability and better medium term planning and policy choices on service delivery.

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Table 17 - A1: Budget Summary

DC18 Lejweleputswa - 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	-	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-	-
Investment revenue	2,877	2,425	2,819	2,145	2,151	2,151	-	1,890	1,760	1,846
Transfers recognised - operational	96,214	99,931	103,760	108,706	108,706	108,706	-	115,675	116,386	117,494
Other own revenue	1,358	1,270	2,265	400	475	475	-	195	105	110
Total Revenue (excluding capital transfers and contributions)	100,449	103,626	108,844	111,251	111,332	111,332	-	117,760	118,251	119,450
Employee costs	43,238	48,208	60,740	57,651	59,808	59,808	-	61,455	64,426	67,422
Remuneration of councillors	6,490	8,121	8,713	8,962	8,962	8,962	-	9,410	9,848	10,306
Depreciation & asset impairment	7,956	7,764	3,318	6,596	6,596	6,596	-	7,611	8,030	8,447
Finance charges	3,107	2,841	2,583	2,321	2,321	2,321	-	2,022	1,666	1,253
Materials and bulk purchases	-	-	-	-	-	-	-	-	-	-
Transfers and grants	7,966	4,450	4,063	5,450	5,450	5,450	-	5,450	5,450	5,450
Other expenditure	47,771	29,115	25,370	30,044	30,821	30,821	-	29,977	27,891	29,911
Total Expenditure	116,527	100,499	104,787	111,023	113,958	113,958	-	115,926	117,311	122,789
Surplus/(Deficit)	(16,078)	3,127	4,057	228	(2,626)	(2,626)	-	1,834	940	(3,339)
Transfers recognised - capital	-	-	-	-	-	-	-	-	-	-
Contributions recognised - capital & contributed a	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(16,078)	3,127	4,057	228	(2,626)	(2,626)	-	1,834	940	(3,339)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(16,078)	3,127	4,057	228	(2,626)	(2,626)	-	1,834	940	(3,339)

LEJWELEPUTSWA DISTRICT MUNICIPALITY 2015/2016 MTREF BUDGET

DC18 Lejweleputswa - 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
Capital expenditure & funds sources										
Capital expenditure	9,151	2,727	2,354	920	950	950	-	1,740	981	945
Internally generated funds	9,151	2,727	2,354	920	950	950	-	1,740	981	945
Total sources of capital funds	9,151	2,727	2,354	920	950	950	-	1,740	981	945
Financial position										
Total current assets	32,871	41,539	52,870	22,452	30,000	30,000	-	32,560	27,280	22,560
Total non current assets	91,206	76,843	72,570	74,557	72,565	72,565	-	71,821	70,003	64,714
Total current liabilities	8,667	10,268	8,723	8,221	8,985	8,985	-	8,611	7,486	6,263
Total non current liabilities	23,907	20,545	25,022	14,777	20,701	20,701	-	18,817	16,612	13,924
Community wealth/Equity	91,503	87,569	91,695	74,012	72,879	72,879	-	76,953	73,185	67,087
Cash flows										
Net cash from (used) operating	(1,870)	11,358	11,920	839	851	851	-	9,351	28,666	5,107
Net cash from (used) investing	(5,044)	(9,373)	(11,940)	(920)	(11,365)	(11,365)	-	(13,740)	(10,981)	(8,945)
Net cash from (used) financing	(1,706)	(2,118)	(1,585)	-	(1,847)	(1,847)	-	(2,146)	(2,502)	(2,890)
Cash/cash equivalents at the year end	(3,610)	(3,744)	(5,348)	(81)	7,621	7,621	19,982	11,843	27,026	20,298
Cash backing/surplus reconciliation										
Cash and investments available	31,115	39,982	48,377	20,000	30,000	30,000	-	32,560	27,280	22,560
Application of cash and investments	5,767	8,683	2,525	5,792	7,138	7,138	-	6,589	5,820	5,010
Balance - surplus (shortfall)	25,348	31,299	45,853	14,208	22,862	22,862	-	25,971	21,460	17,550
Asset management										
Asset register summary (WDV)	13,529	7,764	4,187	920	1,100	1,100	1,740	1,740	981	945
Depreciation & asset impairment	7,956	7,764	3,318	6,596	6,596	6,596	7,611	7,611	8,030	8,447
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	1,575	438	405	688	598	598	574	574	759	796

LEJWELEPUTSWA DISTRICT MUNICIPALITY 2015/2016 MTREF BUDGET

- Table A1 is the budget summary and provides a concise overview of the Council's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
- The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance.
- Financial management reforms emphasize the importance of the municipal budget being funded. This requires the simultaneous assessment of the financial performance, financial position and cash flow budgets, along with the capital budget.

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Table 18 – A2: Budgeted Financial Performance by standard classification

DC18 Lejweleputswa - 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										
<i>Governance and administration</i>		99,659	102,534	108,844	111,251	111,332	111,332	117,760	118,251	119,450
Executive and council		94,343	97,537	102,510	107,456	107,456	107,456	114,425	115,136	116,244
Budget and treasury office		5,315	4,997	6,334	3,795	3,876	3,876	3,335	3,115	3,206
Corporate services		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		790	1,092	-	-	-	-	-	-	-
Planning and development		790	1,092	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	100,449	103,626	108,844	111,251	111,332	111,332	117,760	118,251	119,450
Expenditure - Standard										
<i>Governance and administration</i>		86,606	69,587	75,205	83,596	86,611	86,611	87,251	88,212	92,312
Executive and council		60,743	44,264	46,574	49,908	52,760	52,760	51,819	52,340	54,796
Budget and treasury office		11,750	13,229	14,435	16,677	16,468	16,468	17,158	17,253	18,008
Corporate services		14,113	12,094	14,196	17,011	17,383	17,383	18,273	18,619	19,509
<i>Community and public safety</i>		4,730	8,142	9,751	7,499	8,786	8,786	9,305	9,451	9,906
Community and social services		4,730	8,142	9,751	7,499	8,786	8,786	9,305	9,451	9,906
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		20,923	18,418	17,036	18,907	17,645	17,645	18,221	18,418	19,281
Planning and development		11,694	7,958	6,162	8,052	7,431	7,431	7,578	7,606	7,962
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		9,229	10,459	10,874	10,856	10,214	10,214	10,643	10,812	11,319
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	4,268	4,353	2,796	1,020	915	915	1,150	1,230	1,290
Total Expenditure - Standard	3	116,527	100,499	104,787	111,023	113,958	113,958	115,926	117,311	122,789
Surplus/(Deficit) for the year		(16,078)	3,127	4,057	228	(2,626)	(2,626)	1,834	940	(3,339)

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- Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into four functional areas.
- Functions that show a deficit between revenue and expenditure are being financed from Grant revenues reflected under the Council General.

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Table 19 – A3: Budgeted Financial Performance by municipal vote

DC18 Lejweleputswa - 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 Mayor		-	-	-	-	-	-	-	-	-
Vote 2 - Speaker		-	-	-	-	-	-	-	-	-
Vote 3 - Mayoral Committee		-	-	-	-	-	-	-	-	-
Vote 4 - Council General		94,343	97,537	101,620	106,522	106,522	106,522	113,495	114,176	115,211
Vote 5 - Municipal Manager		-	-	890	934	934	934	930	960	1,033
Vote 6 - Budget & Treasury		5,315	4,997	6,334	3,795	3,876	3,876	3,335	3,115	3,206
Vote 7 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 8 - Human Resources		-	-	-	-	-	-	-	-	-
Vote 9 - Information Technology		-	-	-	-	-	-	-	-	-
Vote 10 - Property		-	-	-	-	-	-	-	-	-
Vote 11 - Municipal Support		-	-	-	-	-	-	-	-	-
Vote 12 - Planning & Development		790	1,092	-	-	-	-	-	-	-
Vote 13 - Community & Social Services		-	-	-	-	-	-	-	-	-
Vote 14 - Environmental Health Services		-	-	-	-	-	-	-	-	-
Vote 15 - Tourism		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	100,449	103,626	108,844	111,251	111,332	111,332	117,760	118,251	119,450
Expenditure by Vote to be appropriated	1									
Vote 1 - Executive Mayor		19,772	11,499	9,702	8,414	10,834	10,834	10,786	11,425	11,975
Vote 2 - Speaker		2,550	2,410	3,075	2,692	2,901	2,901	3,028	2,968	3,107
Vote 3 - Mayoral Committee		4,352	4,930	5,409	5,664	5,872	5,872	6,065	6,239	6,531
Vote 4 - Council General		25,850	13,975	16,931	18,147	17,827	17,827	19,018	18,352	19,172
Vote 5 - Municipal Manager		8,219	11,451	11,457	14,992	15,326	15,326	12,922	13,356	14,011
Vote 6 - Budget & Treasury		10,401	13,229	14,435	16,677	16,468	16,468	17,158	17,253	18,008
Vote 7 - Corporate Services		5,944	8,350	10,432	11,901	12,378	12,378	12,811	12,762	13,359
Vote 8 - Human Resources		2,123	-	-	-	-	-	-	-	-
Vote 9 - Information Technology		1,887	-	-	-	-	-	-	-	-
Vote 10 - Property		4,157	3,744	3,764	5,111	5,005	5,005	5,462	5,857	6,150
Vote 11 - Municipal Support		1,349	-	-	-	-	-	-	-	-
Vote 12 - Planning & Development		11,694	7,958	6,162	8,052	7,431	7,431	7,578	7,606	7,962
Vote 13 - Community & Social Services		4,730	8,142	9,751	7,499	8,786	8,786	9,305	9,451	9,906
Vote 14 - Environmental Health Services		9,229	10,459	10,874	10,856	10,214	10,214	10,643	10,812	11,319
Vote 15 - Tourism		4,268	4,353	2,796	1,020	915	915	1,150	1,230	1,290
Total Expenditure by Vote	2	116,527	100,499	104,787	111,023	113,958	113,958	115,926	117,311	122,789
Surplus/(Deficit) for the year	2	(16,078)	3,127	4,057	228	(2,626)	(2,626)	1,834	940	(3,339)

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- Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organizational structure of Council.

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Table 20 – A4: Budgeted Financial Performance by revenue source and expenditure type

DC18 Lejweleputswa - 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	-	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - other											
Rental of facilities and equipment											
Interest earned - external investments		2,877	2,425	2,819	2,145	2,151	2,151		1,890	1,760	1,846
Interest earned - outstanding debtors		1,034	770	1,142	305	375	375		95		
Dividends received											
Fines											
Licences and permits											
Agency services											
Transfers recognised - operational		96,214	99,931	103,760	108,706	108,706	108,706		115,675	116,386	117,494
Other revenue	2	323	500	1,124	95	100	100	-	100	105	110
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)		100,449	103,626	108,844	111,251	111,332	111,332	-	117,760	118,251	119,450
Expenditure By Type											
Employee related costs	2	43,238	48,208	60,740	57,651	59,808	59,808	-	61,455	64,426	67,422
Remuneration of councillors		6,490	8,121	8,713	8,962	8,962	8,962		9,410	9,848	10,306
Debt impairment	3										
Depreciation & asset impairment	2	7,956	7,764	3,318	6,596	6,596	6,596	-	7,611	8,030	8,447
Finance charges		3,107	2,841	2,583	2,321	2,321	2,321		2,022	1,666	1,253
Bulk purchases	2	-	-	-	-	-	-		-	-	-
Other materials	8										
Contracted services											
Transfers and grants		7,966	4,450	4,063	5,450	5,450	5,450	-	5,450	5,450	5,450
Other expenditure	4, 5	47,771	29,115	25,370	30,044	30,821	30,821	-	29,977	27,891	29,911
Loss on disposal of PPE											
Total Expenditure		116,527	100,499	104,787	111,023	113,958	113,958	-	115,926	117,311	122,789
Surplus/(Deficit)		(16,078)	3,127	4,057	228	(2,626)	(2,626)	-	1,834	940	(3,339)
Transfers recognised - capital											
Contributions recognised - capital	6	-	-	-	-	-	-	-	-	-	-
Contributed assets											
Surplus/(Deficit) after capital transfers & contributions		(16,078)	3,127	4,057	228	(2,626)	(2,626)	-	1,834	940	(3,339)
Taxation											
Surplus/(Deficit) after taxation		(16,078)	3,127	4,057	228	(2,626)	(2,626)	-	1,834	940	(3,339)
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		(16,078)	3,127	4,057	228	(2,626)	(2,626)	-	1,834	940	(3,339)
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		(16,078)	3,127	4,057	228	(2,626)	(2,626)	-	1,834	940	(3,339)

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- Total revenue is R111.3 million 2014/15 and escalates to R 117.8 million by 2015/16. This represents a year-on-year increase of 5.77% for the 2015/16 financial year; 0.42% for the 2015/16 financial year and 1.01% 2016/17 financial year
- Transfers recognized-operating, includes the local government equitable share and other operating grants from national and provincial government.

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Table 21 – A5: Budgeted Capital Expenditure by Vote, Funding and Standard Classification

DC18 Lejweleputswa - 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		
R thousand	1	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
Capital expenditure - Vote											
Single-year expenditure to be appropriated	2										
Vote 1 - Executive Mayor		74	129	36	30	30	30	-	25	26	28
Vote 2 - Speaker		27	20	35	30	30	30	-	10	20	22
Vote 3 - Mayoral Committee		69	29	8	30	30	30	-	15	27	29
Vote 4 - Council General		91	301	1,197	-	190	190	-	150	92	94
Vote 5 - Municipal Manager		106	30	89	190	190	190	-	85	100	55
Vote 6 - Budget & Treasury		86	547	291	295	295	295	-	855	280	280
Vote 7 - Corporate Services		1	500	93	30	30	30	-	40	45	51
Vote 8 - Human Resources		9	-	-	-	-	-	-	-	-	-
Vote 9 - Information Technology		544	-	-	-	-	-	-	-	-	-
Vote 10 - Property		787	956	254	50	80	80	-	330	84	89
Vote 11 - Municipal Support		18	-	-	-	-	-	-	-	-	-
Vote 12 - Planning & Development		30	29	47	45	45	45	-	60	63	63
Vote 13 - Community & Social Services		7,260	8	90	30	30	30	-	40	45	35
Vote 14 - Environmental Health Services		50	180	213	190	-	-	-	130	200	200
Vote 15 - Tourism		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		9,151	2,727	2,354	920	950	950	-	1,740	981	945
Total Capital Expenditure - Vote		9,151	2,727	2,354	920	950	950	-	1,740	981	945
Total Capital Expenditure - Standard	3	9,151	2,727	2,354	920	950	950	-	1,740	981	945
Funded by:											
Internally generated funds		9,151	2,727	2,354	920	950	950	-	1,740	981	945
Total Capital Funding	7	9,151	2,727	2,354	920	950	950	-	1,740	981	945

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DC18 Lejweleputswa - 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
Capital Expenditure - Standard											
<i>Governance and administration</i>		1,812	2,510	2,004	655	875	875	-	1,510	673	647
Executive and council		367	508	1,366	280	470	470		285	265	227
Budget and treasury office		104	547	291	295	295	295		855	280	280
Corporate services		1,340	1,456	347	80	110	110		370	129	140
<i>Community and public safety</i>		7,260	8	90	30	30	30	-	40	45	35
Community and social services		7,260	8	90	30	30	30		40	45	35
<i>Economic and environmental services</i>		80	209	260	235	45	45	-	190	263	263
Planning and development		30	29	47	45	45	45		60	63	63
Environmental protection		50	180	213	190	-	-		130	200	200
Total Capital Expenditure - Standard	3	9,151	2,727	2,354	920	950	950	-	1,740	981	945

- Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
- The capital programme is funded from the Capital Replacement Reserve.

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Table 22 – A6: Budgeted Financial Position

DC18 Lejweleputswa - 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		15,115	14,982	18,377					12,560	9,280	7,560
Call investment deposits	1	16,000	25,000	30,000	20,000	30,000	30,000	-	20,000	18,000	15,000
Consumer debtors	1	626	1,552	-	-	-	-	-	-	-	-
Other debtors		1,129	5	4,493	2,452						
Current portion of long-term receivables											
Inventory	2										
Total current assets		32,871	41,539	52,870	22,452	30,000	30,000	-	32,560	27,280	22,560
Non current assets											
Long-term receivables											
Investments											
Investment property											
Investment in Associate											
Property, plant and equipment	3	78,733	73,723	70,960	74,557	72,415	72,415	-	71,821	70,003	64,714
Agricultural											
Biological											
Intangible		4,812	3,120	1,610		150	150				
Other non-current assets		7,661	0								
Total non current assets		91,206	76,843	72,570	74,557	72,565	72,565	-	71,821	70,003	64,714
TOTAL ASSETS		124,077	118,382	125,440	97,009	102,565	102,565	-	104,381	97,283	87,274
LIABILITIES											
Current liabilities											
Bank overdraft	1										
Borrowing	4	1,793	1,585	1,585	1,847	1,847	1,847	-	2,022	1,666	1,253
Consumer deposits											
Trade and other payables	4	6,185	8,683	7,138	6,374	7,138	7,138	-	6,589	5,820	5,010
Provisions		690									
Total current liabilities		8,667	10,268	8,723	8,221	8,985	8,985	-	8,611	7,486	6,263
Non current liabilities											
Borrowing		16,545	14,960	13,375	9,120	13,113	13,113	-	10,967	8,465	5,575
Provisions		7,362	5,585	11,647	5,657	7,588	7,588	-	7,850	8,147	8,349
Total non current liabilities		23,907	20,545	25,022	14,777	20,701	20,701	-	18,817	16,612	13,924
TOTAL LIABILITIES		32,574	30,813	33,745	22,998	29,686	29,686	-	27,428	24,098	20,187
NET ASSETS	5	91,503	87,569	91,695	74,012	72,879	72,879	-	76,953	73,185	67,087
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		91,503	87,569	91,695	74,012	72,879	72,879		76,953	73,185	67,087
Reserves	4	-	-	-	-	-	-	-	-	-	-
Minorities' interests											
TOTAL COMMUNITY WEALTH/EQUITY	5	91,503	87,569	91,695	74,012	72,879	72,879	-	76,953	73,185	67,087

LEJWELEPUTSWA DISTRICT MUNICIPALITY 2015/2016 MTREF BUDGET

- Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
- This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
- Table 6 is supported by an extensive table of notes (SA3) providing a detailed analysis of the major components of a number of items, including:
 - Call investments deposits;
 - Property, plant and equipment;
 - Trade and other payables;
 - Provisions non-current;
 - Changes in net assets; and
 - Reserves
- The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.

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Table 23 – A7: Budgeted Cash Flow

DC18 Lejweleputswa - 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
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		323		2,326	95	100	100		100	105	110
Government - operating	1	96,211	100,130	103,760	108,706	108,706	108,706		115,675	116,386	117,494
Government - capital	1										
Interest		2,877	2,425	2,819	2,145	2,151	2,151		1,890	1,760	1,846
Dividends											
Payments											
Suppliers and employees		(98,175)	(88,356)	(94,402)	(102,335)	(102,335)	(102,335)		(100,842)	(82,469)	(107,640)
Finance charges		(3,107)	(2,841)	(2,583)	(2,321)	(2,321)	(2,321)		(2,022)	(1,666)	(1,253)
Transfers and Grants	1				(5,450)	(5,450)	(5,450)		(5,450)	(5,450)	(5,450)
NET CASH FROM/(USED) OPERATING ACTIVITIES		(1,870)	11,358	11,920	839	851	851	-	9,351	28,666	5,107
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		108	2,354	(1,940)		(415)	(415)				
Decrease (Increase) in non-current debtors											
Decrease (increase) other non-current receivables											
Decrease (increase) in non-current investments		4,000	(9,000)	(10,000)		(10,000)	(10,000)		(12,000)	(10,000)	(8,000)
Payments											
Capital assets		(9,151)	(2,727)		(920)	(950)	(950)		(1,740)	(981)	(945)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(5,044)	(9,373)	(11,940)	(920)	(11,365)	(11,365)	-	(13,740)	(10,981)	(8,945)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans											
Borrowing long term/refinancing											
Increase (decrease) in consumer deposits											
Payments											
Repayment of borrowing		(1,706)	(2,118)	(1,585)		(1,847)	(1,847)		(2,146)	(2,502)	(2,890)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(1,706)	(2,118)	(1,585)	-	(1,847)	(1,847)	-	(2,146)	(2,502)	(2,890)
NET INCREASE/ (DECREASE) IN CASH HELD		(8,619)	(133)	(1,604)	(81)	(12,361)	(12,361)	-	(6,535)	15,184	(6,729)
Cash/cash equivalents at the year begin:	2	5,009	(3,610)	(3,744)		19,982	19,982	19,982	18,377	11,843	27,026
Cash/cash equivalents at the year end:	2	(3,610)	(3,744)	(5,348)	(81)	7,621	7,621	19,982	11,843	27,026	20,298

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- The budgeted cash flow statement is the first measurement in determining if the budget is funded.
- It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
- The 2015/2016 budget indicates an increase in the Cash and cash equivalents to R25.97 million.

Table 24 – A8: Cash backed reserves/accumulated surplus reconciliation

DC18 Lejweleputswa - 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
Cash and investments available											
Cash/cash equivalents at the year end	1	(3,610)	(3,744)	(5,348)	(81)	7,621	7,621	19,982	11,843	27,026	20,298
Other current investments > 90 days		34,725	43,726	53,725	20,081	22,379	22,379	(19,982)	20,717	254	2,262
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		31,115	39,982	48,377	20,000	30,000	30,000	-	32,560	27,280	22,560
Application of cash and investments											
Unspent conditional transfers		664	-	-	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	5,103	8,683	2,525	5,792	7,138	7,138	-	6,589	5,820	5,010
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		5,767	8,683	2,525	5,792	7,138	7,138	-	6,589	5,820	5,010
Surplus(shortfall)		25,348	31,299	45,853	14,208	22,862	22,862	-	25,971	21,460	17,550

- The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
- The 2015/2016 budget is showing a positive outcome.

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Table 25 – A9: Asset Management

DC18 Lejweleputswa - 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	9,151	2,727	2,354	920	950	950	1,740	981	945
Other assets	6	4,644	2,727	2,199	770	800	800	1,490	831	795
Intangibles		4,508	–	155	150	150	150	250	150	150
<u>Total Capital Expenditure</u>	4									
Other assets		4,644	2,727	2,199	770	800	800	1,490	831	795
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		4,508	–	155	150	150	150	250	150	150
TOTAL CAPITAL EXPENDITURE - Asset class	2	9,151	2,727	2,354	920	950	950	1,740	981	945
ASSET REGISTER SUMMARY - PPE (WDV)										
Other assets	5	8,717	4,644	2,576	920	950	950	1,740	981	945
Intangibles		4,812	3,120	1,610	–	150	150	–	–	–
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	13,529	7,764	4,187	920	1,100	1,100	1,740	981	945
EXPENDITURE OTHER ITEMS										
<u>Depreciation & asset impairment</u>		7,956	7,764	3,318	6,596	6,596	6,596	7,611	8,030	8,447
<u>Repairs and Maintenance by Asset Class</u>	3	1,575	438	405	688	598	598	574	759	796
Other assets	6, 7	1,575	438	405	688	598	598	574	759	796
TOTAL EXPENDITURE OTHER ITEMS		9,531	8,203	3,723	7,284	7,193	7,193	8,186	8,789	9,243

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Table 26 – A10: Basic Service delivery measurement

DC18 Lejweleputswa - 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									
<u>Water:</u>										
Piped water inside dwelling										
Piped water inside yard (but not in dwelling)										
Using public tap (at least min.service level)	2									
Other water supply (at least min.service level)	4									
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Using public tap (< min.service level)	3									
Other water supply (< min.service level)	4									
No water supply										
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
<u>Sanitation/sewerage:</u>										
Flush toilet (connected to sewerage)										
Flush toilet (with septic tank)										
Chemical toilet										
Pit toilet (ventilated)										
Other toilet provisions (> min.service level)										
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Bucket toilet										
Other toilet provisions (< min.service level)										
No toilet provisions										
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
<u>Energy:</u>										
Electricity (at least min.service level)										
Electricity - prepaid (min.service level)										
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Electricity (< min.service level)										
Electricity - prepaid (< min. service level)										
Other energy sources										
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
<u>Refuse:</u>										
Removed at least once a week										
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Removed less frequently than once a week										
Using communal refuse dump										
Using own refuse dump										
Other rubbish disposal										
No rubbish disposal										
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-

Part 2 – Supporting documentation

2.1 - Disclosure on implementation of the MFMA & other applicable legislation Municipal Finance Management Act – No 56 of 2003

The MFMA became effective on 1st July 2004. The Act aims to modernize budget and financial management practices within the overall objective of maximizing the capacity of municipalities to deliver services.

The MFMA covers all aspects of municipal finance including budgeting, supply chain management and financial reporting.

The various sections of the Act are phased in according to the designated financial management capacity of municipalities. Lejweleputswa District Municipality has been designated as a low capacity municipality. The MFMA is the foundation of the municipal financial management reforms which municipalities are implementing.

The MFMA and the budget

The following explains the budgeting process in terms of the requirements in the MFMA. It is based on National Treasury's guide to the MFMA.

2.2 The budget preparation process

2.2.1 Overview

A central element of the reforms is a change to the way that municipalities prepare their budgets.

The MFMA requires a council to adopt three-year capital and operating budgets that take into account, and are linked to, the municipality's current and future development priorities (as contained in the IDP) and other finance-related policies (such as those relating to free basic service provision).

These budgets must clearly set out revenue by source and expenditure by vote over three years and must be accompanied by performance objectives for revenue and expenditure, a cash flow statement and particulars on borrowing, investments, municipal entities and service delivery agreements, grant allocations and details of employment cos

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The budget may be funded only from reasonable estimates of revenue and cash backed surplus funds from the previous year and borrowings (the latter for capital items only).

2.2.2 – Budget preparation timetable

The first step in the budget preparation process is to develop a timetable of all key deadlines relating to the budget and to review the municipality's IDP and budget related policies.

The budget preparation timetable should be prepared by senior management and tabled by the mayor for council adoption ten months before the commencement of the next budget year.

The next diagram depicts the planning, implementation and monitoring process that is followed in LDM.

In terms of Section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year a time schedule of key deadlines that sets out the process to revise the IDP and prepare the budget.

Table 27 – Schedule of Key Deadlines

LEJWELEPUTSWA DISTRICT MUNICIPALITY 2015/2016 MTREF BUDGET

LEJWELEPUTSWA DISTRICT MUNICIPALITY IDP AND BUDGET PROCESS TIMEFRAMES				
	ACTION/ OUTPUT	DELIVERABLE	RESPONSIBLE	ACTION DATE
1.	<i>IDP to be reviewed</i>	Final IDP 2015/16	<i>MM and Executive Mayor</i>	01 August 2014 to 31 May 2015
2.	<i>Submit District IDP framework and process plan for adoption by council</i>	Adopted framework and process plans	<i>Municipal Manager</i>	21 August 2014
3.	<i>Advertise the approved framework & process plan in local newspapers</i>	Advertisement in the local newspapers	<i>IDP Manager</i>	29 August 2014
4.	<i>Update IDP analysis phase & Address IDP assessment report comments & report to Steering Committee & Representative Forum</i>	Reviewed & updated Analysis	<i>MM& IDP steering committee & Representative forum</i>	30 Sept 2014
5.	<i>Review key objectives, strategies and projects</i>	Reviewed key objectives, strategies and projects & programmes	<i>IDP Steering Com & Representative forum</i>	28 Nov 2014
6.	<i>Submit budget instructions to all relevant persons</i>		<i>CFO and Budget Control Officer</i>	01 Nov 2014
7.	<i>Submit 2015/2016 budget framework to all relevant persons (Budget framework to include salary, operational and capital related information).</i>		<i>CFO and Budget Control Officer</i>	01 Nov 2014
8.	<i>Preparation of a summary of available funds from: Internal funds, e.g. CDF and External funding ,e.g. FM grant</i>		<i>CFO and Budget Control Officer</i>	28 Nov 2014

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9.	<i>Prioritization of reviewed project list for 2014/2015 from 2013/2014 IDP</i>	Project list	<i>MM & Steering Committee,</i>	28 Nov 2014
10.	<i>Submission of detailed estimates by MM, HODs and Political Offices to CFO.</i>	Budget estimates	<i>MM, HODs and Political Offices</i>	12 Dec 2014
11.	<i>Assess financial feasibility of proposed new projects based on existing and potential funds</i>	Proposed new project list/Budget adjustments	<i>All HODs and Budget Control Officer/IDP Steering committee</i>	30 Jan 2014
12.	<i>Meeting with relevant officials (First draft Budget meeting)</i>	Draft budget	<i>CFO, Budget Control Officer/IDP Steering committee</i>	30 Jan 2014
13.	<i>Meeting with relevant officials (Second draft Budget meeting)</i>		<i>CFO, Budget Control Officer</i>	20 Jan 2015
14.	<i>Meeting with relevant officials (Third draft Budget meeting)</i>		<i>CFO, Budget Control Officer</i>	27 Jan 2015
15.	<i>Considering of Draft Budget by Finance Portfolio Committee</i>		<i>CFO</i>	27 Feb 2015
16.	<i>Considering of Draft Budget by Mayoral Committee</i>	Mayoral Committee budget item	<i>CFO</i>	03 Feb 2015
17.	<i>Table a draft reviewed IDP to MAYCO for consideration.</i>	Mayoral committee Budget & IDP item	<i>MM and Executive Mayor</i>	21 Feb 2015
18.	<i>Tabling of MTEF Budget in Council meeting</i>	Draft budget item to Council	<i>Executive Mayor</i>	31 Mar 2015

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19.	<i>Table draft IDP to council for approval</i>	Draft IDP item to Council	<i>Executive Mayor</i>	21 Mar 2015
20.	<i>Discussing the draft with the public</i>	Public participation	<i>IDP Rep forum</i>	04 April 2015
21.	<i>Publicize tabled budget within 5 Days after tabling on website & media</i>		<i>MM and CFO</i>	Apr 2015
22.	<i>Submit copies of IDP and budget to National /Provincial Treasury</i>		<i>MM and CFO</i>	Apr 2015
23.	<i>Second leg of IDP and Budget Participation process starts. Comments, additions and proposals by stakeholders</i>	Incorporated Inputs from stakeholders	<i>MM, CFO, HODs and Budget Control Officer and political offices</i>	1 Apr- 30 May 2015
24.	<i>Mayoral Committee finalizes the draft 2015/2016 IDP and budget</i>		<i>MM and CFO</i>	30 May 2015
25.	<i>Submission of IDP and budget for 2015/2016 for approval by council</i>	Approved IDP and Budget by Council	<i>MM and CFO</i>	30 May 2015
26.	<i>Presentation of approved final IDP to the public</i>	Informed Public participation	<i>MM, Executive Mayor & IDP Rep forum</i>	10 June 2015
27.	<i>Prepare Budget in the required format and submission thereof to both Provincial National Treasury</i>		<i>CFO and Budget Control Officer</i>	June 2015

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28.	<i>Submit the approved IDP to provincial departments</i>		<i>MM</i>	June 2015
29.	<i>Submit draft SDBIP to Mayor within 14 days after approval of the budget</i>	Final Municipal SDBIP	<i>MM</i>	June 2015
30.	<i>Prepare Performance agreements and plans for signing and submission to relevant provincial offices.</i>		<i>MM</i>	July 2015
31.	<i>Set up expenditure, revenue and asset management system, incorporating budget.</i>		<i>CFO</i>	June 2015

2.2.3 – Tabling of the draft budget

The initial draft budget must be tabled by the mayor before council for review by 31st March. Once tabled at council, the municipal manager must make public the appropriate budget documentation and submit it to both the national and the relevant provincial treasury and any other government departments as required. At this time, the local community must be invited to submit representations on what is contained in the budget.

The draft budget is tabled before Council on 30 March 2015.

2.2.4 – Consultation with the community and key stakeholders

When the draft budget is tabled, council must consider the views of the local community, the national and the relevant provincial treasury and other municipalities and government departments that may have made submissions on the budget.

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The public participation meeting will be held on April 2015. The overall objective of this is to ensure an authentic and inclusive public participation process for the IDP and budget.

The planning of the public participation will be driven by a steering committee constituted by politicians and officials from all Directorates. This committee will provide guidance and feedback on areas that required improvement as the IDP and Budget shows unfolded.

2.3 – Service Delivery and Budget Implementation Plan (SDBIP)

The municipal manager must within fourteen days after the approval of the annual budget submit to the executive mayor for approval a draft service delivery and budget implementation plan and draft annual performance agreements for all pertinent senior staff.

A service delivery and budget implementation plan is a detailed plan for implementing the delivery of municipal services contemplated in the annual budget and should indicate monthly revenue and expenditure projections and quarterly service delivery targets and performance indicators.

The executive mayor must approve the draft service delivery and budget implementation plan within 28 days of the approval of the annual final budget.

This plan must then be monitored by the mayor and reported on to council on a regular basis. The municipal manager is responsible for implementation of the budget and must take steps to ensure that all spending is in accordance with the budget and that revenue and expenditure are properly monitored.

Generally, councils may incur expenditure only if it is in terms of the budget, within the limits of the amounts appropriated against each budget vote – and in the case of capital expenditure, only if council has approved the project. Expenditure incurred outside of these parameters may be considered to be unauthorized or, in some cases, irregular or fruitless and wasteful. Unauthorized expenditure must be reported and may result in criminal proceedings.

The detail SDBIP document is at a draft stage and will be finalized after approval of the 2015/16 MTREF budget.

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2.4 – Alignment of Annual Budget with IDP

Municipalities are required to develop five year Integrated Development Plans which must be reviewed annually. Local priorities were identified as part of the IDP process which is directly aligned to that of national and provincial priorities. The IDP strategic objectives and goals are set out in the IDP document.

The 2015/16 MTREF has therefore been directly informed by the IDP and the following tables provide reconciliation between the IDP strategic objectives and goals.

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Table 29 – SA4: Reconciliation between IDP strategic objectives and budgeted operating revenue

DC18 Lejweleputswa - 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													
Source funding for operation and support service	Service delivery (interest from Bank & Investment)			2,877	2,425	2,819	2,145	2,151	2,151	1,890	1,760	1,846	
	Other			1,358	1,270	2,265	400	475	475	195	105	110	
	Grants			96,214	99,931	103,760	108,706	108,706	108,706	115,675	116,386	117,494	
Allocations to other priorities			2										
Total Revenue (excluding capital transfers and contributions)				1	100,449	103,626	108,844	111,251	111,332	111,332	117,760	118,251	119,450

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Table 30 – SA5: Reconciliation between IDP strategic objectives and budgeted operating expenditure

DC18 Lejweleputswa - 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												
EXECUTIVE MAYOR												
Bursaries				785	596	1,265	1,910	2,000	2,000	2,000	2,102	2,205
Campaigns				1,855	531	752	33	700	700	700	7,357	772
District AIDS Council				53	21	33	30	30	30	30	32	33
HIV & AIDS				547	142	1	20	25	25	25	26	28
Gender/Disability & Elderly				492	44	292	60	60	60	50	53	55
Pov erty Alleviation				1,735	678	500	313	413	413	350	368	386
Youth Dev elopment				2,866	610	242	110	300	300	300	315	331
OR Tambo Games				648	500	661	520	520	520	500	525	551
Moral Regeneration				1,699	197	247	160	230	230	200	210	221
Communication				41	50	483	50	50	50	30	32	33
Municipal Sports				56								
Childrens'Programmes					285	29	40	40	40	40	42	44
Grant In Aid				1,378	1,303	592	97	125	125	100	105	110
Arts & Culture					570	146		-	-			
Educational Project						761	120	500	500	500	526	551
Agricultural Cooperatives						810		-	-			
National Freedom Day						455						
Mandela Day							100	100	100	100	105	110
SPEAKER												
Campaigns				150		31	100	110	110	100	105	110
Public Participation & Education				124	109	90						
COUNCIL												
Transfers				7,966	4,450	4,063	5,450	5,450	5,450	5,450	5,450	5,450
Mayoral Security					57	151	100	80	80	50	53	55
Legal Services				687	487	362	500	400	400	251	264	277
Study Assistance				127	78	100	220	220	220	220	231	243
EPWP Project				436	999			-	-			
Rural Roads Assets							1,775	1,775	1,775	2,105	2,185	2,294
Employee Sports							100	100	100	50	53	55

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MUNICIPAL MANAGER												
Branding			588	72	238	54	75	75	62	65	68	
Performance Management			194			100	100	100	100	105	110	
Professional Fees			1,811	691	425	225	225	225	250	263	276	
Facilitation Indoor Arena						1,000	300	175	100	105	110	
Internal EPWP Programme						1,000	1,470	1,470	1,000			
Capacity Development						934	934	934	930	960	1,033	
CORPORATE SERVICES												
Learnership						66	66	66	20	21	22	
Employee Wellness			182		34	90	140	140	140	147	154	
Fun Walk			56									
FINANCE SERVICES												
Budget & Other Reforms			1,253	1,232	1,234	1,250	1,250	1,250	1,250	1,250	1,250	
Professional Fees			337	482	512	475	475	475	475	499	524	
LED & PLANNING												
Development Agency												
LED Development			200	500	88	330	330	330	350	368	386	
Capacity Development			790	974	736							
PPP			772	960								
Coffin Making Project			1,000									
Cooperative Development						500	50	50	50	53	55	
SMME					398	500	50	50	50	53	55	

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TOURISM											
Tourism Awareness			160	600	600						
Tourism Plan											
Sport Tourism			59								
80's Festival			658	877	600		-	-			
Phakisa Festival			1,030	877							
Tourism Programme			2,362	128	1,596			-			
Heritage Festival				1,500							
Easter Festival						355	551	551	500	526	551
Golf Tournament						20	20	20	-	21	22
Year End Festival						500	200	130	500	526	551
Arts & Culture Programmes						145	145	145	150	158	165
ENVIRONMENTAL HEALTH											
Campaigns			59	14	45	44	44	44	40	42	44
Food Control Programme			67	0	72	100	100	100	100	105	110
Pest Control Programme			65								
Water Quality Programme			221	72	97	150	150	150	150	158	165
Environmental Development			363	316	81						
Air Quality Programme			21		52	150	-	-	100	105	110
DISASTER MANAGEMENT											
Campaigns			38	24	44	35	35	35	20	21	22
Crime Prevention Awareness			20								
Disaster Relief Fund			0	4	20	120	120	120	60	63	66
Disaster Relief Awareness			44	2	29	25	25	25	25	26	28
TOTAL LINKED IDP			82,534	79,468	85,821	91,047	93,877	94,071	96,353	91,535	102,996
Allocations to other priorities											
Total Expenditure	1		116,527	100,500	104,788	111,023	113,958	113,957	115,926	117,311	122,789

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Table 31 – SA6: Reconciliation between IDP strategic objectives and budgeted capital expenditure

DC18 Lejweleputswa - 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												
Basic Service Delivery and infrastructural Investment	Youth Centre (Infrastructure Development)	A		263								
Municipal Transformation and institutional Development	Furniture & fittings, Office equipment, Motor vehicles, Property & plant	B		4,381	2,727	2,354	920	950	950	1,740	981	945
Local Economic Development	Fire fighting equipment, Emergency equipment, Disaster Management Solution	D		4,508								
Municipal Financial Viability and Financial Management		E										
Allocations to other priorities			3									
Total Capital Expenditure			1	9,151	2,727	2,354	920	950	950	1,740	981	945

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2.5 – Measurable Performance Objectives and Indicators

Tables 32 – SA7: Measurable Performance Objectives

DC18 Lejweleputswa - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	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
Vote 1 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>										
Sub-function 2 - (name)										
<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
Function 2 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>										
Sub-function 2 - (name)										
<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
Vote 2 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>										
Sub-function 2 - (name)										
<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
Function 2 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>										
Sub-function 2 - (name)										
<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
Vote 3 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>										
Sub-function 2 - (name)										
<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
Function 2 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>										
Sub-function 2 - (name)										
<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
And so on for the rest of the Votes										

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The key financial indicators and ratios are expressed in the table below:

Tables 33 – SA8: Performance Indicators and benchmarks

DC18 Lejweleputswa - Supporting Table SA8 Performance indicators and benchmarks											
Description of financial indicator	Basis of calculation	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<u>Borrowing Management</u>											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	4.1%	4.9%	4.0%	2.1%	3.7%	3.7%	0.0%	3.6%	3.6%	3.4%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	113.6%	134.2%	82.0%	91.2%	158.7%	158.7%	0.0%	199.9%	223.5%	211.8%
<u>Safety of Capital</u>											
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	3.8	4.0	6.1	2.7	3.3	3.3	–	3.8	3.6	3.6
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	3.8	4.0	6.1	2.7	3.3	3.3	–	3.8	3.6	3.6
Liquidity Ratio	Monetary Assets/Current Liabilities	3.6	3.9	5.5	2.4	3.3	3.3	–	3.8	3.6	3.6
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		23.8%	0.0%	102.7%	23.7%	21.1%	21.1%	0.0%	51.3%	100.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		23.8%	0.0%	102.7%	23.7%	21.1%	21.1%	0.0%	51.3%	100.0%	99.8%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	1.7%	1.5%	4.1%	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>											
Creditors to Cash and Investments		-152.9%	-231.9%	-133.5%	-7879.0%	93.7%	93.7%	0.0%	55.6%	21.5%	24.7%
Employee costs	Employee costs/(Total Revenue - capital revenue)	43.0%	46.5%	55.8%	51.8%	53.7%	53.7%	0.0%	52.2%	54.5%	56.4%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	49.5%	54.4%	63.8%	59.9%	61.8%	0.0%	60.2%	62.8%	65.1%	
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	1.6%	0.4%	0.4%	0.6%	0.5%	0.5%		0.5%	0.6%	0.7%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	11.0%	10.2%	5.4%	8.0%	8.0%	8.0%	0.0%	8.2%	8.2%	8.1%
<u>IDP regulation financial viability indicators</u>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	0.9	0.8	2.4	0.6	0.6	0.6	–	0.5	0.4	0.4
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	(0.6)	(0.6)	(0.8)	(0.0)	1.1	1.1	–	1.6	3.6	2.6

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2.5 Measurable Performance Indicators and Benchmarks

(a) Borrowing Management

Capital expenditure in local government can be funded by capital grants, own-source revenue and long term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. As with all other municipalities, Lejweleputswa District Municipality's borrowing strategy is primarily informed by the affordability of debt repayments. Council's debt portfolio is dominated by annuity loans.

The following financial performance indicators have formed part of the compilation of the 2015/16 MTREF:

- *Capital charges to operating expenditure* are a measure of the cost of borrowing in relation to the operating expenditure. It can be seen that the cost of borrowing is (3.6%) for 2015/16.
- Safety of Capital
- *The debt-to-equity ratio* is a financial ratio indicating the relative proportion of equity and debt used in financing the municipality's assets. The indicator is based on the total of loans, creditors, and overdraft and tax provisions as a percentage of funds and reserves.
- *The gearing ratio* is a measure of the total long term borrowings over funds and reserves.

(b) Liquidity

- *Current ratio* is a measure of the current assets divided by the current liabilities which is standing at 3.8 for 2015/16.
- *The liquidity ratio* is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately which reflects a 3.8 ratio for 2015/16.

(c) Creditors Management

- The Finance department ensures that creditor payments are done within the allowed 30 days.

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2.6 – Budget Assumptions

Budgets are prepared in an environment of uncertainty. To prepare meaningful budgets, assumptions need to be made about internal and external factors that could influence the budget. Documentation of the assumptions used in preparing the budget assists understanding of the information. This section provides a comprehensive summary of all the assumptions used in preparing the budget.

2.6.1 – National Treasury MFMA Circular No. 74 & 75

The Circulars were issued on 12 December 2014 and 04 March 2015 respectively, and it provides further guidance to municipalities for the preparation of the 2015/16 budget and MTREF and was used in preparing this budget. Copies of the Circulars are attached as an Annexure to this document.

2.6.2 – Inflation Outlook

In MFMA Circular No. 75, inflation forecasts are estimated at 4.8%, 5.9% and 5.6% respectively for the years 201 to 2018.

2.6.3 – Average salary increases

The MTREF includes the following average percentage increases for employee remuneration and for councillors remuneration:

	2015/16	2016/17	2017/18
Councillors & employee remuneration	4.4%	4.65%	4.65%

2.6.4 – Ability of the municipality to spend and deliver on the programmes

Spending is monitored closely throughout the year and head of departments must ensure that capital programmes are supported by robust planning.

The SDBIP includes monthly cash flows of expenditure and is used as the basis for budget monitoring. Monthly Section 71 meetings with portfolio councillors, municipal manager, head of departments and the budget office also forms part of the

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monitoring tool and directorates must give reasons for poor performance and over spending and put corrective measures in place.

2.6.5 – Implications of restructuring and other major events in the future

Council approved a new organizational structure that reduced the number of directorates from eight to seven. Community Safety was combined with Environmental Affairs to establish the new directorate namely Community Services. Minor changes to the micro structure were also made. These changes were made to streamline service delivery and to affect savings. The wage curve negotiations are in process but the implementation date is not clear at this stage. Certain legal issues need to be finalized before any implementation can take place.

2.7 – Other Supporting documents

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2.7.1 Investment Particulars by Type

Table 34 – SA15: Investment Particulars by Type

DC18 Lejweleputswa - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		16,000	25,000	30,000	20,000	30,000	30,000	20,000	18,000	15,000
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	16,000	25,000	30,000	20,000	30,000	30,000	20,000	18,000	15,000
Entities										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		16,000	25,000	30,000	20,000	30,000	30,000	20,000	18,000	15,000

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Table 34.1 – SA16: Investment Particulars by Maturity

DC18 Lejweleputswa - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate %	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (R)	Investment Top Up	Closing Balance
Name of institution & investment ID	1	Yrs/Months												
Parent municipality														
ABSA		90days	Fixed	Yes	Fixed	6.37%				10,000	157			10,157
Nedbank		3 months	Fixed	Yes	Fixed	6.17%				10,000	154			10,154
First National Bank		3 months	Fixed	Yes	Fixed	6.25%				10,000	154			10,154
ABSA		3 months	Call	Yes	Variable	5.40%				5,000				5,000
Standard Bank		3 months	Fixed	Yes	Fixed	6.18%				5,000	77			5,077
Nedbank		3 months	Fixed	Yes	Fixed	6.20%				10,000	155			10,155
First National Bank		3 months	Fixed	Yes	Fixed	6.20%				10,000	155			10,155
Municipality sub total										60,000				60,852

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2.7.2 Borrowings

Table 35 – SA17: Borrowing

DC18 Lejweleputswa - Supporting Table SA17 Borrowing

Borrowing - Categorized by type	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
Parent municipality										
Long-Term Loans (annuity/reducing balance)		16,545	14,960	13,375	9,120	13,113	13,113	10,967	8,465	5,575
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	16,545	14,960	13,375	9,120	13,113	13,113	10,967	8,465	5,575
Entities										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Borrowing	1	16,545	14,960	13,375	9,120	13,113	13,113	10,967	8,465	5,575

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2.7.3 Grants and subsidies

Table 36 – SA18: Transfers and grants receipt

DC18 Lejweleputswa - 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
R thousand										
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		96,211	100,362	103,760	108,706	108,706	108,706	115,675	116,386	117,494
Local Government Equitable Share		21,907	23,150	24,658	26,260	26,260	26,260	29,958	29,291	28,047
RSC Levy Replacement		71,828	73,962	75,962	78,487	78,487	78,487	80,432	82,700	84,870
Finance Management		1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250
Municipal Systems Improvement		790	1,000	890	934	934	934	930	960	1,033
EPWP Incentive		436	1,000	1,000				1,000		
Rural Roads Asset Management Systems Grant					1,775	1,775	1,775	2,105	2,185	2,294
Provincial Government:		-	-	-	-	-	-	-	-	-
Rural Roads Asset Management Systems Grant										
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Other grant providers:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Total Operating Transfers and Grants	5	96,211	100,362	103,760	108,706	108,706	108,706	115,675	116,386	117,494

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Table 37 – SA19: Expenditure on transfers and grants

DC18 Lejweleputswa - 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:	1									
Operating expenditure of Transfers and Grants										
National Government:		96,214	100,317	103,760	108,706	108,706	108,706	115,675	116,386	117,494
Local Government Equitable Share		21,907	23,150	24,658	26,260	26,260	26,260	29,958	29,291	28,047
RSC Levy Replacement		71,828	73,962	75,962	78,487	78,487	78,487	80,432	82,700	84,870
Finance Management		1,253	1,232	1,250	1,250	1,250	1,250	1,250	1,250	1,250
Municipal Systems Improvement		790	974	890	934	934	934	930	960	1,033
EPWP Incentive		436	999	1,000				1,000		
Rural Roads Asset Management Systems Grant					1,775	1,775	1,775	2,105	2,185	2,294
Provincial Government:		-	-	-	-	-	-	-	-	-
Rural Roads Asset Management Systems Grant										
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Other grant providers:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
LGSETA										
Total operating expenditure of Transfers and Grants		96,214	100,317	103,760	108,706	108,706	108,706	115,675	116,386	117,494

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Table 38 – SA20: Reconciliation of transfers, grants receipts and unspent funds

DC18 Lejweleputswa - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		667								
Current year receipts		96,211	99,931	103,760	108,706	108,706	108,706	115,675	116,386	117,494
Conditions met - transferred to revenue		96,214	99,931	103,760	108,706	108,706	108,706	115,675	116,386	117,494
Conditions still to be met - transferred to liabilities		664								
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		96,214	99,931	103,760	108,706	108,706	108,706	115,675	116,386	117,494

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Table 39 – SA21: Transfers and grants made by the municipality

DC18 Lejweleputswa - 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
Cash Transfers to other municipalities											
<i>Insert description</i>	1										
Masilonyana Municipality (FS 181)					500	1,000	1,000				
Tswelopele Municipality (FS 183)		50	50	50	50	50	50		50	50	50
Matjhabeng Municipality (FS 184)		1,740	1,900	1,513	1,900	1,900	1,900		1,900	1,900	1,900
Nala Municipality (FS 185)										1,000	
Tswelopele Fancing (FS 183)					500				1,000		
Tokologo Municipality (FS 182)											1,000
Total Cash Transfers To Municipalities:		1,790	1,950	1,563	2,950	2,950	2,950	-	2,950	2,950	2,950
Cash Transfers to Entities/Other External Mechanisms											
<i>Insert description</i>	2										
Lejweleputswa Development Agency		2,000	2,500	2,500	2,500	2,500	2,500		2,500	2,500	2,500
Cemetries: Roads & Stormwater: Roads to Cemetry		4,176									
Total Cash Transfers To Entities/Ems'		6,176	2,500	2,500	2,500	2,500	2,500	-	2,500	2,500	2,500
Cash Transfers to other Organs of State											
<i>Insert description</i>	3										
Total Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Organisations											
<i>Insert description</i>	4										
Total Cash Transfers To Organisations		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Groups of Individuals											
<i>Insert description</i>	5										
Total Cash Transfers To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
TOTAL CASH TRANSFERS AND GRANTS	6	7,966	4,450	4,063	5,450	5,450	5,450	-	5,450	5,450	5,450

The total remuneration has increased from R68.8 million to R70.9 million. The increase of R2.1 million can be contributed to:

LEJWELEPUTSWA DISTRICT MUNICIPALITY 2015/2016 MTREF BUDGET

- Salary increase of 4.4% for councillors and employees

Table 40 – SA22: Summary of councillor and staff benefits

DC18 Lejweleputswa - Supporting Table SA22 Summary councillor and staff benefits										
Summary of Employee and Councillor remuneration	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
		1	A	B	C	D	E	F	G	H
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		3,487	4,708	4,855	5,577	5,577		5,841	6,113	6,397
Pension and UIF Contributions		928	895		774	774		810	848	887
Medical Aid Contributions				1,150	566	566		568	595	622
Motor Vehicle Allowance		1,805	1,863	1,976	1,550	1,550		1,647	1,723	1,803
Cellphone Allowance		270	347	398	289	289		292	305	320
Housing Allowances										
Other benefits and allowances			307	332	206	206		252	264	276
Sub Total - Councillors		6,490	8,121	8,713	8,962	8,962	-	9,410	9,848	10,306
% increase	4		25.1%	7.3%	2.9%	-	(100.0%)	-	4.7%	4.6%
Senior Managers of the Municipality										
Basic Salaries and Wages		2,221	1,657	2,682	5,045	5,045		5,267	5,512	5,768
Pension and UIF Contributions		606	347	646						
Performance Bonus		381		169	757	757		790	827	865
Motor Vehicle Allowance	3	901	534	653						
Cellphone Allowance	3	6	34	89	120	120		120	126	131
Housing Allowances	3	77	94	261						
Other benefits and allowances	3	319	103							
Sub Total - Senior Managers of Municipality		4,511	2,770	4,501	5,921	5,921	-	6,177	6,464	6,764
% increase	4		(38.6%)	62.5%	31.6%	-	(100.0%)	-	4.7%	4.7%
Other Municipal Staff										
Basic Salaries and Wages		23,657	27,132	31,054	35,362	35,886		37,945	39,709	41,556
Pension and UIF Contributions		3,526	5,005	5,765	6,028	6,098		6,508	6,811	7,128
Medical Aid Contributions		2,143	2,401	2,907	2,810	3,302		3,589	3,756	3,931
Overtime		483	407	188		73		-	113	118
Performance Bonus		869	2,410							
Motor Vehicle Allowance	3	4,185	4,696	5,282	5,450	5,316		5,445	5,698	5,963
Cellphone Allowance	3		274	235	232	221		216	226	237
Housing Allowances	3	161	340	327	268	286		287	301	315
Other benefits and allowances	3	699	649	1,427	1,167	2,291		1,128	1,180	1,235
Payments in lieu of leave		1,633	2,236	2,250						
Long service awards				3,192	412	414		161	168	176
Post-retirement benefit obligations	6	1,371	(113)	3,612						
Sub Total - Other Municipal Staff		38,728	45,439	56,239	51,729	53,887	-	55,279	57,962	60,657
% increase	4		17.3%	23.8%	(8.0%)	4.2%	(100.0%)	-	4.9%	4.6%
Total Parent Municipality		49,729	56,329	69,453	66,612	68,770	-	70,866	74,274	77,728
			13.3%	23.3%	(4.1%)	3.2%	(100.0%)	-	4.8%	4.6%
TOTAL SALARY, ALLOWANCES & BENEFITS		49,729	56,329	69,453	66,612	68,770	-	70,866	74,274	77,728
% increase	4		13.3%	23.3%	(4.1%)	3.2%	(100.0%)	-	4.8%	4.6%
TOTAL MANAGERS AND STAFF	5,7	43,239	48,208	60,740	57,651	59,809	-	61,455	64,426	67,422

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Table 41 – SA23: Salaries, allowances and benefits (political office bearers/councillors and senior managers)

DC18 Lejweleputswa - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4		558,907	95,378	197,446			851,731
Chief Whip								-
Executive Mayor			489,043	83,994	185,391			758,428
Deputy Executive Mayor								-
Executive Committee			2,569,296	1,170,195	634,407			4,373,898
Total for all other councillors			2,302,449	425,913	777,109			3,505,471
Total Councillors	8	-	5,919,695	1,775,480	1,794,353			9,489,528
Senior Managers of the Municipality	5							
Municipal Manager (MM)			1,370,955		36,000	205,643		1,612,598
Chief Finance Officer			1,120,166		30,000	168,025		1,318,191
Executive Manager Corporate Services			891,994		18,000	133,799		1,043,793
Executive Manager LED & Planning			941,767		18,000	141,265		1,101,032
Executive Manager Social Services			941,767		18,000	141,265		1,101,032
<i>List of each official with packages >= senior manager</i>								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
Total Senior Managers of the Municipality	8,10	-	5,266,649	-	120,000	789,997		6,176,646

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Table 42 – SA24: Summary of personnel numbers

DC18 Lejweleputswa - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers Number	Ref	2013/14			Current Year 2014/15			Budget Year 2015/16		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		37			37			37		
Board Members of municipal entities	4									
Municipal employees	5									
Municipal Manager and Senior Managers	3	5		5	5		5	5		5
Other Managers	7									
Professionals		46	46	–	46	46	–	46	46	–
Finance		3	3		3	3		3	3	
Spatial/town planning		1	1		1	1		1	1	
Information Technology										
Roads										
Electricity										
Water										
Sanitation										
Refuse										
Other		42	42		42	42		42	42	
Technicians		87	87	–	91	91	–	91	91	–
Finance		14	14		14	14		14	14	
Spatial/town planning		1	1		1	1		1	1	
Information Technology		3	3		3	3		3	3	
Roads										
Electricity										
Water										
Sanitation										
Refuse										
Other		69	69		73	73		73	73	
Clerks (Clerical and administrative)										
Service and sales workers										
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators										
Elementary Occupations										
TOTAL PERSONNEL NUMBERS	9	175	133	5	179	137	5	179	137	5

LEJWELEPUTSWA DISTRICT MUNICIPALITY 2015/2016 MTREF BUDGET

2.7.5 Monthly targets for revenue, expenditure and cash flow

Table 43 – SA25: Budgeted monthly revenue and expenditure by revenue source and expenditure type

DC18 Lejweleputswa - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue By Source																
Property rates														-	-	-
Property rates - penalties & collection charges														-	-	-
Service charges - electricity revenue														-	-	-
Service charges - water revenue														-	-	-
Service charges - sanitation revenue														-	-	-
Service charges - refuse revenue														-	-	-
Service charges - other														-	-	-
Rental of facilities and equipment														-	-	-
Interest earned - external investments		14	83	250	374	183	246	157	86	145	117	123	112	1,890	1,760	1,846
Interest earned - outstanding debtors													95	95	-	-
Dividends received														-	-	-
Fines														-	-	-
Licences and permits														-	-	-
Agency services														-	-	-
Transfers recognised - operational		46,025		934		38,524				23,223			6,969	115,675	116,386	117,494
Other revenue		5	8	6	9	14	6	7	8	9	10	6	14	100	105	110
Gains on disposal of PPE														-	-	-
Total Revenue (excluding capital transfers and contributions)		46,044	91	1,190	383	38,721	252	164	94	23,377	127	129	7,190	117,760	118,251	119,450
Expenditure By Type																
Employee related costs		3,985	4,371	4,482	4,626	4,714	5,070	5,530	5,707	5,860	5,613	5,820	5,677	61,455	64,426	67,422
Remuneration of councillors		705	710	723	731	738	741	771	760	770	773	780	1,208	9,410	9,848	10,306
Debt impairment														-	-	-
Depreciation & asset impairment		607	618	606	560	657	651	674	656	678	631	650	624	7,611	8,030	8,447
Finance charges							1,011						1,011	2,022	1,666	1,253
Bulk purchases														-	-	-
Other materials														-	-	-
Contracted services														-	-	-
Transfers and grants		2,500	168	290	372	405	460	300	275	190	200	150	140	5,450	5,450	5,450
Other expenditure		2,165	2,290	2,346	2,387	2,409	2,610	2,707	2,819	2,958	2,806	2,403	2,078	29,977	27,891	29,911
Loss on disposal of PPE														-	-	-
Total Expenditure		9,962	8,157	8,447	8,676	8,923	10,543	9,982	10,217	10,456	10,023	9,803	10,737	115,926	117,311	122,789
Surplus/(Deficit)		36,082	(8,066)	(7,258)	(8,294)	29,798	(10,291)	(9,818)	(10,123)	12,921	(9,896)	(9,675)	(3,547)	1,834	940	(3,339)
Transfers recognised - capital														-	-	-
Contributions recognised - capital														-	-	-
Contributed assets														-	-	-
Surplus/(Deficit) after capital transfers & contributions		36,082	(8,066)	(7,258)	(8,294)	29,798	(10,291)	(9,818)	(10,123)	12,921	(9,896)	(9,675)	(3,547)	1,834	940	(3,339)
Taxation														-	-	-
Attributable to minorities														-	-	-
Share of surplus/ (deficit) of associate														-	-	-
Surplus/(Deficit)	1	36,082	(8,066)	(7,258)	(8,294)	29,798	(10,291)	(9,818)	(10,123)	12,921	(9,896)	(9,675)	(3,547)	1,834	940	(3,339)

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Table 44 – SA26: Budgeted monthly revenue and expenditure by municipal vote

DC18 Lejweleputswa - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue by Vote																
Vote 1 - Executive Mayor													-	-	-	-
Vote 2 - Speaker													-	-	-	-
Vote 3 - Mayoral Committee													-	-	-	-
Vote 4 - Council General		42,609				38,524			25,389			6,973	113,495	114,176	115,211	
Vote 5 - Municipal Manager			934									(4)	930	960	1,033	
Vote 6 - Budget & Treasury		1,500	129	272	138	116	302	225	173	266	371	180	(336)	3,335	3,115	3,206
Vote 7 - Corporate Services													-	-	-	-
Vote 8 - Human Resources													-	-	-	-
Vote 9 - Information Technology													-	-	-	-
Vote 10 - Property													-	-	-	-
Vote 11 - Municipal Support													-	-	-	-
Vote 12 - Planning & Development													-	-	-	-
Vote 13 - Community & Social Services													-	-	-	-
Vote 14 - Environmental Health Services													-	-	-	-
Vote 15 - Tourism													-	-	-	-
Total Revenue by Vote		44,109	1,063	272	138	38,640	302	225	173	25,655	371	180	6,633	117,760	118,251	119,450
Expenditure by Vote to be appropriated																
Vote 1 - Executive Mayor		817	892	908	971	1,080	1,192	866	903	842	809	720	787	10,786	11,425	11,975
Vote 2 - Speaker		195	204	217	219	231	250	238	217	227	230	243	557	3,028	2,968	3,107
Vote 3 - Mayoral Committee		450	475	486	508	515	527	482	490	465	429	410	827	6,065	6,239	6,531
Vote 4 - Council General		940	1,053	1,199	1,500	1,640	1,684	1,704	1,853	2,050	1,982	1,739	1,674	19,018	18,352	19,172
Vote 5 - Municipal Manager		760	832	940	972	1,048	1,290	1,144	1,275	1,209	1,140	1,260	1,052	12,922	13,356	14,011
Vote 6 - Budget & Treasury		1,056	1,248	1,356	1,479	1,570	1,680	1,480	1,521	1,670	1,396	1,304	1,398	17,158	17,253	18,008
Vote 7 - Corporate Services		901	935	959	1,082	980	1,150	1,163	1,294	1,182	1,063	987	1,115	12,811	12,762	13,359
Vote 8 - Human Resources													-	-	-	-
Vote 9 - Information Technology													-	-	-	-
Vote 10 - Property		416	433	480	470	556	461	467	439	484	450	400	406	5,462	5,857	6,150
Vote 11 - Municipal Support													-	-	-	-
Vote 12 - Planning & Development		539	590	564	558	561	818	632	603	741	679	692	602	7,578	7,606	7,962
Vote 13 - Community & Social Services		708	761	820	763	742	830	762	801	733	806	835	743	9,305	9,451	9,906
Vote 14 - Environmental Health Services		713	863	885	901	823	855	942	915	889	926	1,012	920	10,643	10,812	11,319
Vote 15 - Tourism				400			370			250			130	1,150	1,230	1,290
Total Expenditure by Vote		7,495	8,286	9,213	9,423	9,746	11,107	9,881	10,311	10,742	9,910	9,602	10,210	115,926	117,311	122,789
Surplus/(Deficit) before assoc.		36,614	(7,223)	(8,941)	(9,285)	28,894	(10,805)	(9,656)	(10,138)	14,913	(9,539)	(9,422)	(3,578)	1,834	940	(3,339)
Taxation													-	-	-	-
Attributable to minorities													-	-	-	-
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	36,614	(7,223)	(8,941)	(9,285)	28,894	(10,805)	(9,656)	(10,138)	14,913	(9,539)	(9,422)	(3,578)	1,834	940	(3,339)

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Table 45 – SA27: Budgeted monthly revenue and expenditure by standard classification

DC18 Lejweleputswa - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)

Description	Ref	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue - Standard																
<i>Governance and administration</i>		42,609	-	-	-	-	-	-	-	-	-	-	75,151	117,760	118,251	119,450
Executive and council		42,609											71,816	114,425	115,136	116,244
Budget and treasury office													3,335	3,335	3,115	3,206
Corporate services													-	-	-	-
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and social services													-	-	-	-
Sport and recreation													-	-	-	-
Public safety													-	-	-	-
Housing													-	-	-	-
Health													-	-	-	-
<i>Economic and environmental services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Planning and development													-	-	-	-
Road transport													-	-	-	-
Environmental protection													-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electricity													-	-	-	-
Water													-	-	-	-
Waste water management													-	-	-	-
Waste management													-	-	-	-
<i>Other</i>													-	-	-	-
Total Revenue - Standard		42,609	-	-	-	-	-	-	-	-	-	-	75,151	117,760	118,251	119,450
Expenditure - Standard																
<i>Governance and administration</i>		5,535	6,072	6,545	7,201	7,620	8,234	7,544	7,992	8,129	7,499	7,063	7,816	87,251	88,212	92,312
Executive and council		3,162	3,456	3,750	4,170	4,514	4,943	4,434	4,738	4,793	4,590	4,372	4,896	51,819	52,340	54,796
Budget and treasury office		1,056	1,248	1,356	1,479	1,570	1,680	1,480	1,521	1,670	1,396	1,304	1,398	17,158	17,253	18,008
Corporate services		1,317	1,368	1,439	1,552	1,536	1,611	1,630	1,733	1,666	1,513	1,387	1,521	18,273	18,619	19,509
<i>Community and public safety</i>		708	761	820	763	742	830	762	801	733	806	835	743	9,305	9,451	9,906
Community and social services		708	761	820	763	742	830	762	801	733	806	835	743	9,305	9,451	9,906
Sport and recreation													-	-	-	-
Public safety													-	-	-	-
Housing													-	-	-	-
Health													-	-	-	-
<i>Economic and environmental services</i>		1,252	1,453	1,448	1,459	1,384	1,673	1,574	1,518	1,630	1,605	1,704	1,522	18,221	18,418	19,281
Planning and development		539	590	564	558	561	818	632	603	741	679	692	602	7,578	7,606	7,962
Road transport													-	-	-	-
Environmental protection		713	863	885	901	823	855	942	915	889	926	1,012	920	10,643	10,812	11,319
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electricity													-	-	-	-
Water													-	-	-	-
Waste water management													-	-	-	-
Waste management													-	-	-	-
<i>Other</i>				500			370			150			130	1,150	1,230	1,290
Total Expenditure - Standard		7,495	8,286	9,313	9,423	9,746	11,107	9,881	10,311	10,642	9,910	9,602	10,210	115,926	117,311	122,789
Surplus/(Deficit) before assoc.		35,114	(8,286)	(9,313)	(9,423)	(9,746)	(11,107)	(9,881)	(10,311)	(10,642)	(9,910)	(9,602)	64,941	1,834	940	(3,339)
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	35,114	(8,286)	(9,313)	(9,423)	(9,746)	(11,107)	(9,881)	(10,311)	(10,642)	(9,910)	(9,602)	64,941	1,834	940	(3,339)

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Table 46 – SA28: Budgeted monthly capital expenditure by municipal vote

DC18 Lejweleputswa - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	
Multi-year expenditure to be appropriated	1																
Vote 1 - Executive Mayor														-	-	-	-
Vote 2 - Speaker														-	-	-	-
Vote 3 - Mayoral Committee														-	-	-	-
Vote 4 - Council General														-	-	-	-
Vote 5 - Municipal Manager														-	-	-	-
Vote 6 - Budget & Treasury														-	-	-	-
Vote 7 - Corporate Services														-	-	-	-
Vote 8 - Human Resources														-	-	-	-
Vote 9 - Information Technology														-	-	-	-
Vote 10 - Property														-	-	-	-
Vote 11 - Municipal Support														-	-	-	-
Vote 12 - Planning & Development														-	-	-	-
Vote 13 - Community & Social Services														-	-	-	-
Vote 14 - Environmental Health Services														-	-	-	-
Vote 15 - Tourism														-	-	-	-
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated																	
Vote 1 - Executive Mayor					25									-	25	26	28
Vote 2 - Speaker														10	10	20	22
Vote 3 - Mayoral Committee				15										-	15	27	29
Vote 4 - Council General					50		100							-	150	92	94
Vote 5 - Municipal Manager			19		55									11	85	100	55
Vote 6 - Budget & Treasury				50		200	80	250		250				25	855	280	280
Vote 7 - Corporate Services			40											-	40	45	51
Vote 8 - Human Resources														-	-	-	-
Vote 9 - Information Technology														-	-	-	-
Vote 10 - Property			56			60	84			130				-	330	84	89
Vote 11 - Municipal Support														-	-	-	-
Vote 12 - Planning & Development				60										-	60	63	63
Vote 13 - Community & Social Services			20											20	40	45	35
Vote 14 - Environmental Health Services			60		37							25		8	130	200	200
Vote 15 - Tourism														-	-	-	-
Capital single-year expenditure sub-total	2	-	195	75	217	60	384	80	250	130	250	25	74	1,740	981	945	
Total Capital Expenditure	2	-	195	75	217	60	384	80	250	130	250	25	74	1,740	981	945	

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Table 47 – SA29: Budgeted monthly capital expenditure by standard classification

DC18 Lejweleputswa - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)

Description	Ref	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Capital Expenditure - Standard	1															
<i>Governance and administration</i>		-	150	-	192	60	369	50	250	130	250	-	59	1,510	673	647
Executive and council			50		40	60		50		80			5	285	265	227
Budget and treasury office					152		199		250		250		4	855	280	280
Corporate services			100				170			50			50	370	129	140
<i>Community and public safety</i>		-	-	30	-	-	-	10	-	-	-	-	-	40	45	35
Community and social services				30				10					-	40	45	35
Sport and recreation													-	-	-	-
Public safety													-	-	-	-
Housing													-	-	-	-
Health													-	-	-	-
<i>Economic and environmental services</i>		-	45	45	25	-	15	20	-	-	-	25	15	190	263	263
Planning and development			45				15						-	60	63	63
Road transport													-	-	-	-
Environmental protection				45	25			20				25	15	130	200	200
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electricity													-	-	-	-
Water													-	-	-	-
Waste water management													-	-	-	-
Waste management													-	-	-	-
Other													-	-	-	-
Total Capital Expenditure - Standard	2	-	195	75	217	60	384	80	250	130	250	25	74	1,740	981	945
Funded by:																
National Government																
Provincial Government																
District Municipality																
Other transfers and grants																
Transfers recognised - capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public contributions & donations																
Borrowing																
Internally generated funds			195	75	217	60	384	80	250	130	250	25	74	1,740	981	945
Total Capital Funding		-	195	75	217	60	384	80	250	130	250	25	74	1,740	981	945

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Table 48 – SA30: Budgeted monthly cash flow

DC18 Lejweleputswa - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Cash Receipts By Source													1			
Property rates													-			
Property rates - penalties & collection charges													-			
Service charges - electricity revenue													-			
Service charges - water revenue													-			
Service charges - sanitation revenue													-			
Service charges - refuse revenue													-			
Service charges - other													-			
Rental of facilities and equipment													-			
Interest earned - external investments	35	110	151	202	83	247	293	225	101	141	112	190	1,890	1,760	1,846	
Interest earned - outstanding debtors													-			
Dividends received													-			
Fines													-			
Licences and permits													-			
Agency services													-			
Transfer receipts - operational	44,571	930			40,216				29,958				-	115,675	116,386	117,494
Other revenue	4	16	21		15		25		10	4	5	0	100	105	110	
Cash Receipts by Source	44,610	1,056	172	202	40,314	247	318	225	30,069	145	117	191	117,665	118,251	119,450	
Other Cash Flows by Source																
Transfer receipts - capital													-			
Contributions recognised - capital & Contributed assets													-			
Proceeds on disposal of PPE													-			
Short term loans													-			
Borrowing long term/refinancing													-			
Increase (decrease) in consumer deposits													-			
Decrease (Increase) in non-current debtors													-			
Decrease (increase) other non-current receivables													-			
Decrease (increase) in non-current investments						(4,000)			(4,000)			(4,000)	(12,000)	(10,000)	(8,000)	
Total Cash Receipts by Source	44,610	1,056	172	202	40,314	(3,753)	318	225	26,069	145	117	(3,809)	105,665	108,251	111,450	
Cash Payments by Type																
Employee related costs	4,603	4,717	4,820	4,906	5,104	5,196	5,310	5,399	5,360	5,413	5,320	5,307	61,455	64,426	67,422	
Remuneration of councillors	668	665	670	678	683	692	705	717	719	723	728	1,762	9,410	9,848	10,306	
Finance charges						1,011							2,022	1,666	1,253	
Bulk purchases - Electricity													-			
Bulk purchases - Water & Sewer													-			
Other materials													-			
Contracted services													-			
Transfers and grants - other municipalities		168	190	372	305	375	400	327	390	248	175	-	2,950	2,950	2,950	
Transfers and grants - other	2,500												2,500	2,500	2,500	
Other expenditure	1,065	1,590	1,760	1,987	2,019	2,610	3,707	3,619	3,758	3,680	2,303	1,879	29,977	27,891	29,912	
Cash Payments by Type	8,836	7,140	7,440	7,943	8,111	9,884	10,122	10,062	10,227	10,064	8,526	9,959	108,315	109,281	114,342	
Other Cash Flows/Payments by Type																
Capital assets		125	110	130	160	190	201	130	165	270	140	119	1,740	981	945	
Repayment of borrowing						1,073						1,073	2,146	2,502	2,890	
Other Cash Flow s/Payments													-			
Total Cash Payments by Type	8,836	7,265	7,550	8,073	8,271	11,147	10,323	10,192	10,392	10,334	8,666	11,151	112,201	112,763	118,178	
NET INCREASE/(DECREASE) IN CASH HELD	35,773	(6,210)	(7,378)	(7,871)	32,043	(14,900)	(10,005)	(9,967)	15,677	(10,189)	(8,549)	(14,961)	(6,536)	(4,513)	(6,728)	
Cash/cash equivalents at the month/year begin:	18,377	54,151	47,941	40,563	32,692	64,736	49,836	39,831	29,864	45,541	35,352	26,803	18,377	11,842	7,329	
Cash/cash equivalents at the month/year end:	54,151	47,941	40,563	32,692	64,736	49,836	39,831	29,864	45,541	35,352	26,803	11,842	11,842	7,329	601	

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2.7.6 External mechanisms

Table 49 – SA32: List of external mechanisms

DC18 Lejweleputswa - Supporting Table SA32 List of external mechanisms

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

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Table 50 – SA33: Contracts having future budgetary implications

DC18 Lejweleputswa - Supporting Table SA33 Contracts having future budgetary implications

Description	Ref	Preceding Years	Current Year 2014/15	2015/16 Medium Term Revenue & Expenditure Framework			Forecast 2018/19	Forecast 2019/20	Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Total Contract Value
		Total	Original Budget	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
R thousand	1,3													
Parent Municipality:														
Revenue Obligation By Contract	2													
<i>Contract 1</i>														-
<i>Contract 2</i>														-
<i>Contract 3 etc</i>														-
Total Operating Revenue Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditure Obligation By Contract	2													
<i>Contract 1</i>														-
<i>Contract 2</i>														-
<i>Contract 3 etc</i>														-
Total Operating Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure Obligation By Contract	2													
<i>Contract 1</i>														-
<i>Contract 2</i>														-
<i>Contract 3 etc</i>														-
Total Capital Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Parent Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-

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2.7.7 Capital expenditure details

The following three tables present details of the Municipality's capital expenditure programme.

Table 51 – SA34a: Capital Expenditure on new assets by asset class

DC18 Lejweleputswa - 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		
R thousand	1	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										
Other assets		4,644	2,727	2,199	770	800	800	1,490	831	795
General vehicles		200	200	1,197		190	190			
Specialised vehicles	10	–	–	–	–	–	–	–	–	–
Plant & equipment		2		7						
Computers - hardware/equipment				682	560	370	370	960	571	532
Furniture and other office equipment		4,175	2,328	313	160	160	160	140	210	210
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings		263	200							
Other Land						30	30	390	50	53
Surplus Assets - (Investment or Inventory)										
Other		4			50	50	50			
Intangibles		4,508	–	155	150	150	150	250	150	150
Computers - software & programming		4,508	–	155	150	150	150	250	150	150
Other (list sub-class)										
Total Capital Expenditure on new assets	1	9,151	2,727	2,354	920	950	950	1,740	981	945

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Table 52 – SA34b: Capital Expenditure on the renewal of assets by asset class

DC18 Lejweleputswa - 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	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Other assets		-	-	-	-	-	-	-	-	-
General v ehicles										
Specialised v ehicles	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										
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other (list sub-class)										
Total Capital Expenditure on renewal of e	1	-	-	-	-	-	-	-	-	-

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Table 53 – SA34c: Repairs and maintenance expenditure by asset class

DC18 Lejweleputswa - 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		
R thousand	1	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										
Other assets		1,575	438	405	688	598	598	574	759	796
General v ehicles			146		123	123	123	156	165	173
Specialised v ehicles	10	-	-	-	-	-	-	-	-	-
Plant & equipment										
Computers - hardware/equipment			8		87	87	87	47	57	59
Furniture and other office equipment		1,575	37	405	28	28	28	16	17	18
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings			129		330	300	300	300	462	485
Other Land										
Surplus Assets - (Investment or Inventory)										
Other			118		120	60	60	55	58	61
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other (list sub-class)										
Total Repairs and Maintenance Expenditure	1	1,575	438	405	688	598	598	574	759	796

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Table 54 – SA34d: Depreciation by asset class

DC18 Lejweleputswa - 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		
R thousand	1	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
<u>Depreciation by Asset Class/Sub-class</u>										
Other assets		7,341	7,149	1,753	6,596	6,596	6,596	7,611	8,030	8,447
General v ehicles		209	200	93	719	719	719	969	1,065	1,283
Specialised v ehicles	10	-	-	-	-	-	-	-	-	-
Plant & equipment		2,582		128	371	371	371	458	478	501
Computers - hardware/equipment										
Furniture and other office equipment		1,997	2,479	1,183	2,649	2,649	2,649	2,997	3,185	3,260
Abattoirs				1,309						
Markets										
Civic Land and Buildings										
Other Buildings		2,480	49	(993)	2,827	2,827	2,827	3,024	3,130	3,218
Other Land										
Surplus Assets - (Investment or Inventory)										
Other		73	4,422	33	30	30	30	165	172	185
Intangibles		615	615	1,565	-	-	-	-	-	-
Computers - software & programming		615	615	1,565						
Other (list sub-class)										
Total Depreciation	1	7,956	7,765	3,318	6,596	6,596	6,596	7,611	8,030	8,447

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Table 55 – SA35: Future financial implications of the capital budget

DC18 Lejweleputswa - Supporting Table SA35 Future financial implications of the capital budget								
Vote Description	Ref	2015/16 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Forecast 2018/19	Forecast 2019/20	Forecast 2020/21	Present value
R thousand								
Capital expenditure	1							
Vote 1 - Executive Mayor		25	26	28				
Vote 2 - Speaker		10	20	22				
Vote 3 - Mayoral Committee		15	27	29				
Vote 4 - Council General		150	92	94				
Vote 5 - Municipal Manager		85	100	55				
Vote 6 - Budget & Treasury		855	280	280				
Vote 7 - Corporate Services		40	45	51				
Vote 8 - Human Resources		-	-	-				
Vote 9 - Information Technology		-	-	-				
Vote 10 - Property		330	84	89				
Vote 11 - Municipal Support		-	-	-				
Vote 12 - Planning & Development		60	63	63				
Vote 13 - Community & Social Services		40	45	35				
Vote 14 - Environmental Health Services		130	200	200				
Vote 15 - Tourism		-	-	-				
<i>List entity summary if applicable</i>								
Total Capital Expenditure		1,740	981	945	-	-	-	-
Total future revenue		-	-	-	-	-	-	-
Net Financial Implications		1,740	981	945	-	-	-	-

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2.7.8 Detailed capital budget per municipal vote

Table 56 – SA36: Detailed capital budget per municipal vote

DC18 Lejweleputswa - Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2015/16 Medium Term Revenue & Expenditure Framework			Project information	
										Audited Outcome 2013/14	Current Year 2014/15 Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Ward location	New or renewal
Parent municipality: <i>List all capital projects grouped by Municipal Vote</i>																
		Office buildings			Yes	Other Assets	Other Buildings									
		Other Assets			Yes	Other Assets	General vehicles		1,197	200						
		Other Assets			Yes	Intangibles	Computers - software & programming		155	150	250	150	150			
		Other Assets			Yes	Other Assets	Furniture and other office equipment		896	520	1,190	831	795			
		Other Assets			Yes	Other Assets	Other		106	80	300					
Parent Capital expenditure	1										1,740	981	945			
Entities: <i>List all capital projects grouped by Entity</i>																
Entity A		Water project A														
Entity B		Electricity project B														
Entity Capital expenditure																
Total Capital expenditure											2,354	950	1,740	981	945	

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Table 57 – SA37: Projects delayed from previous financial years

DC18 Lejweleputswa - Supporting Table SA37 Projects delayed from previous financial year/s

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

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2.7.9 Supporting detail to A4 (Budgeted Financial Performance) and A6 (Budgeted Financial Position)

Table 58 – SA1: Supporting detail to Statement of Financial Performance

DC18 Lejweleputswa - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'											
Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand											
REVENUE ITEMS:											
<u>Other Revenue by source</u>											
<i>Sundry</i>		323	500	1,124	95	100	100		100	105	110
Total 'Other' Revenue	1	323	500	1,124	95	100	100	-	100	105	110
EXPENDITURE ITEMS:											
<u>Employee related costs</u>											
Basic Salaries and Wages	2	25,878	28,790	35,720	40,407	42,889	42,889		44,302	46,362	48,517
Pension and UIF Contributions		4,133	5,352	5,765	6,028	6,098	6,098		6,508	6,811	7,128
Medical Aid Contributions		2,143	2,401	2,907	2,810	3,302	3,302		3,589	3,756	3,931
Overtime		483	407	188		73	73			113	118
Performance Bonus		1,250	2,410		757						
Motor Vehicle Allowance		5,086	5,230	5,282	5,450	5,316	5,316		5,445	5,698	5,963
Cellphone Allowance		6	308	235	352	221	221		216	226	237
Housing Allowances		237	435	327	268	286	286		287	301	315
Other benefits and allowances		1,018	752	1,262	1,167	1,210	1,210		948	992	1,038
Payments in lieu of leave		1,633	2,236	2,250	-						
Long service awards				3,192	412	414	414		161	168	176
Post-retirement benefit obligations	4	1,371	(113)	3,612							
<i>sub-total</i>	5	43,238	48,208	60,740	57,651	59,808	59,808	-	61,455	64,426	67,422

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<u>Less: Employees costs capitalised to PPE</u>											
Total Employee related costs	1	43,238	48,208	60,740	57,651	59,808	59,808	-	61,455	64,426	67,422
Depreciation & asset impairment											
Depreciation of Property , Plant & Equipment		7,341	7,149	6,229	6,596	6,596	6,596		7,611	8,030	8,447
Lease amortisation		615	615								
Capital asset impairment				(2,911)							
Total Depreciation & asset impairment	1	7,956	7,764	3,318	6,596	6,596	6,596	-	7,611	8,030	8,447
Transfers and grants											
Cash transfers and grants		7,966	4,450	4,063	5,450	5,450	5,450	-	5,450	5,450	5,450
Non-cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Total transfers and grants	1	7,966	4,450	4,063	5,450	5,450	5,450	-	5,450	5,450	5,450
Other Expenditure By Type											
Collection costs											
Contributions to 'other' provisions		1,633	2,123	3,915	4,964	4,835	4,835		4,965	1,847	2,623
Consultant fees		3,542	1,850	924	700	700	700		725	762	799
Audit fees		2,056	1,721	2,102	2,092	2,092	2,092		1,800	1,892	1,984
General expenses	3	26,299	15,689	11,335	14,463	15,349	15,349		14,953	16,209	17,733
<i>List Other Expenditure by Type</i>											
Grants & subsidies		7,967	4,450	4,450	5,450	5,450	5,450		5,450	5,450	5,450
Interest paid on DBSA loans		3,107	2,841	2,583	2,321	2,321	2,321		2,022	1,666	1,253
Branding internal		588	72	61	54	75	75		62	65	68
Tourism awareness		2,580	370								
Total 'Other' Expenditure	1	47,771	29,115	25,370	30,044	30,821	30,821	-	29,977	27,891	29,911
Repairs and Maintenance											
by Expenditure Item	8										
Other Expenditure		1,575	438		688	598	598		574	759	796
Total Repairs and Maintenance Expenditur	9	1,575	438	-	688	598	598	-	574	759	796

LEJWELEPUTSWA DISTRICT MUNICIPALITY 2015/2016 MTREF BUDGET

Table 59 – SA3: Supporting detail to Statement of Financial Position

DC18 Lejweleputswa - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand											
ASSETS											
Call investment deposits											
Call deposits < 90 days											
Other current investments > 90 days		16,000	25,000	30,000	20,000	30,000	30,000		20,000	18,000	15,000
Total Call investment deposits	2	16,000	25,000	30,000	20,000	30,000	30,000	-	20,000	18,000	15,000
Consumer debtors											
Consumer debtors		12,996	13,923								
Less: Provision for debt impairment		(12,370)	(12,370)								
Total Consumer debtors	2	626	1,552	-	-	-	-	-	-	-	-
Debt impairment provision											
Balance at the beginning of the year		2,322			12,370						
Contributions to the provision		9,246									
Bad debts written off		(6,924)									
Balance at end of year		4,644	-	-	12,370	-	-	-	-	-	-
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		89,724	91,438	92,211	80,273	97,316	97,316		104,880	112,653	120,348
Leases recognised as PPE											
Less: Accumulated depreciation		10,991	17,715	21,251	5,716	24,901	24,901		33,059	42,650	55,634
Total Property, plant and equipment (PPE)	2	78,733	73,723	70,960	74,557	72,415	72,415	-	71,821	70,003	64,714
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)											
Current portion of long-term liabilities		1,793	1,585	1,585	1,847	1,847	1,847		2,022	1,666	1,253
Total Current liabilities - Borrowing		1,793	1,585	1,585	1,847	1,847	1,847	-	2,022	1,666	1,253
Trade and other payables											
Trade and other creditors		5,521	8,683	7,138	6,374	7,138	7,138		6,589	5,820	5,010
Unspent conditional transfers		664									
VAT											
Total Trade and other payables	2	6,185	8,683	7,138	6,374	7,138	7,138	-	6,589	5,820	5,010
Non current liabilities - Borrowing											
Borrowing		16,545	14,960	13,375	9,120	13,113	13,113		10,967	8,465	5,575
Finance leases (including PPP asset element)											
Total Non current liabilities - Borrowing	4	16,545	14,960	13,375	9,120	13,113	13,113	-	10,967	8,465	5,575
Provisions - non-current											
Retirement benefits		5,504	5,585	7,588	5,657	7,588	7,588		7,850	8,147	8,349
<i>List other major provision items</i>											
Refuse landfill site rehabilitation											
Other		1,857		4,059							
Total Provisions - non-current		7,362	5,585	11,647	5,657	7,588	7,588	-	7,850	8,147	8,349
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		107,581	84,443	87,638	73,784	75,505	75,505		75,119	72,244	70,426
GRAP adjustments											
Restated balance		107,581	84,443	87,638	73,784	75,505	75,505		75,119	72,244	70,426
Surplus/(Deficit)		(16,078)	3,127	4,057	228	(2,626)	(2,626)		1,834	940	(3,339)
Appropriations to Reserves											
Transfers from Reserves											
Depreciation offsets											
Other adjustments											
Accumulated Surplus/(Deficit)	1	91,503	87,569	91,695	74,012	72,879	72,879	-	76,953	73,185	67,087
Reserves											
Housing Development Fund											
Capital replacement											
Self-insurance											
Other reserves											
Revaluation											
Total Reserves	2	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	91,503	87,569	91,695	74,012	72,879	72,879	-	76,953	73,185	67,087

LEJWELEPUTSWA DISTRICT MUNICIPALITY 2015/2016 MTREF BUDGET

2.8 Municipal Manager's Quality Certificate

I, **P.M.E. Kaota**, The Municipal Manager of Lejweleputswa District Municipality hereby certify that the annual budget and supporting documentation for the 2015/2016 Financial Year, have been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act, and that the annual budget and supporting documentation are consistent with the Integrated Development Plan.

Print Name: **Palesa Matshidiso Elizabeth Kaota**

Municipal Manager of: **Lejweleputswa District Municipality (DC18)**

Signature

Date