

CAPE WINELANDS DISTRICT MUNICIPALITY



CAPE WINELANDS DISTRICT
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**MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK FOR THE
FINANCIAL PERIOD 2015/2016 TO 2017/2018**

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PART 1

A: RESOLUTIONS

The resolution with regard to the approval of the budget will be submitted with the submission of the 2015/2016 MTREF.

B: EXECUTIVE SUMMARY

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The Municipality's business and service delivery priorities were again reviewed as part of this year's planning and budget process. The municipality strives to deliver sustainable services to its community without overburdening the consumers with excessive service fees with the key priority of government this year being a "back to basics" approach.

The ten highest risks identified by the strategic planning exercise and approved by Council can be summarised as follows:

Major Risk	Inherent Risk		
	Impact	Likelihood	Rating
Lack of resources	5	5	25
No Firewall security is in place	5	5	25
Not sufficient IP addresses	5	5	25
No ownership for password control	5	5	25
Lack of policies	5	5	25
Weaknesses in the environmental and physical controls	5	5	25
Misstatements in the Annual financial statements	4	5	20
Water quality in the district - river water	4	5	25
Workload on fire fighting vehicles,	4	5	20
Ageing vehicles exhausting maintenance budget.	4	5	20

For each of the above risk areas the municipality has put mitigating measures in place aligned to the specific department in the budget. These measures will be implemented over the MTREF period.

Due to the decreasing Equitable Share Allocation the municipality could not budget for a surplus, which will have a negative effect on its Accumulated Surplus.

In addressing the key considerations contained in National Treasury's MFMA Circular 74, the following are highlighted in the budget:

- The municipality cut back on capital and operating expenditure related to the upgrading of rural roads (which is the property of the Provincial Government) to maintain accumulated reserves and ensure long term sustainability of the municipality
- Capital projects were spread out over the MTREF to avoid large fluctuations in spending and ensure that priority is given to projects with high importance
- Tariff increases were kept as low as possible to ensure affordability thereof, whilst keeping in mind the cost of delivering services of a high quality.
- The municipality recognizes the importance of cash reserves and therefor strives to maintain a current ratio of not lower than 2.1(Current Assets : Current Liabilities)

In view of the aforementioned, the following table is a consolidated overview of the proposed 2015/2016 Medium-term Revenue and Expenditure Framework:

OPERATING BUDGET:

YEAR	EXPENDITURE	INCOME	SURPLUS(-) /DEFICIT
2015/ 2016	366 977 539	-363 950 015	3 027 524
2016/ 2017	382 551 301	-368 816 066	13 735 235
2017/ 2018	401 212 611	-375 283 364	25 929 247

CAPITAL BUDGET:

YEAR	EXPENDITURE	INCOME	SURPLUS(-) /DEFICIT
2015/ 2016	15 733 810	-15 733 810	0
2016/ 2017	12 456 500	-12 456 500	0
2017/ 2018	13 402 600	-13 402 600	0

OPERATING BUDGET – REVENUE

The Cape Winelands District Municipality is reliant on Grant funding as its main source of revenue. This is as a result of the abolishment of the RSC Levies. National Treasury also decreased the Equitable Share allocation over the MTREF period from R7 870 000 to R1 752 000 a decrease of R6 118 000 and increases the RSC replacement grant with only 3% per annum. 7

The following table reflects the revenue sources for the 2014/2015 and 2015/2016 financial years:

Sources of Income	2014/2015	2015/2016	% - Inc./Dec.
Miscellaneous Income	-1 156 860	-1 784 415	-54%
Interest on Investment (Not Certain)	-32 000 000	-34 960 000	-9%
Public Contributions	-1 213 280	-1 371 750	-13%
EPWP Programme	-1 000 000	-1 000 000	0%
Hiring of Toilets	-193 440	-580 000	-200%
Grants:	-220 377 660	-222 762 180	-1%
- RSC Replacement Grant	-205 736 000	-210 834 000	-2%
- Equitable Share	-7 870 000	-6 172 000	22%
- LG Finance Management Grant	-2 328 570	-1 250 000	46%
- WC Finance Management Grant	-1 325 000	-	100%
- Municipal Systems Improvement Grant	-934 000	-938 000	0%
- CWDM Integrated Transport Plan	-900 000	-900 000	0%
- Transport Safety and Compliance	-328 950	-	100%
- Non Motorised Transport	-515 000	-	100%
- Dev. Of Sport and Recreational Facilities	-	-212 180	-100%
- Community Development Workers	-140 140	-72 000	49%
- Greenest Municipality Competition	-50 000	-	100%
- Performance Management Grant	-50 000	-	100%
- IDP Support Grant	-200 000	-	100%
- Rural Roads Asset Man, System (Dora)	-	-2 384 000	-100%
Working for Water	-4 490 490	-4 113 090	8%
Roads Agency Function	-93 010 460	-97 378 580	-5%
Total	-353 442 190	-363 950 015	-3%

OPERATING BUDGET – EXPENDITURE

The table below illustrates the operating Expenditure for 2014/2015 and 2015/2016 financial years:

Expenditure Categories	2014/2015	2015/2016	%Inc.
Employee Related Costs	167 060 610.00	187 217 968.00	12.07
Remuneration of Councillors	12 385 270.00	13 004 579.00	5.00
Depreciation	6 822 550.00	7 983 130.00	17.01
Finance Charges	28 590.00	29 510.00	3.22
Repairs and Maintenance	35 796 065.00	33 100 120.00	-7.53
Projects	26 633 480.00	31 738 330.00	19.17
Other Expenditure	97 353 205.00	93 903 905.00	-3.54
Total Expenditure	346 079 770.00	366 977 542.00	6.04

EMPLOYEE RELATED COST

Employee related costs increased with 12.07% opposed to the budgeted increase of 7% due to the following:

- Filling of vacancies
- Increase in Medical Aid contributions more than 7%

Although organizational restructuring was done in order to lessen the impact of these unbudgeted vacancies, employment costs still increase significantly for the financial period.

Remuneration of Councilors is budgeted for in terms of the Public Office Bearers Act and the approval of the MEC.

DEPRECIATION

The increase of more than 7% is due to the inclusion depreciation of new assets to be procured in the 2015/2016 financial year.

PROJECTS

The increase of 19.17% in project expenditure is mainly due to the inclusion of the execution of work planned in the 2014/2015 financial year, with regard to the upgrading of sidewalks in the rural areas, that could not be done in the same year. Lengthy procurement processes for these kind of projects does not allow for planning and execution of a project in the same financial year any more.

CAPITAL BUDGET

The capital budget increase from R6 470 386 in 2014/2015 to R 15 733 810 in 2015/2016.

The detail is reflected in Table A5 and Annexure "G".

This overall increase is due to the increased capital budgets requested by the following directorates:

- Disaster Management
- Fire Service
- Technical and Roads Services

C: HIGH LEVEL BUDGET SUMMARY PER VOTE

Vote	Income	Expenditure	-Surplus /Deficit
Economic Development	-	5 953 330	5 953 330
Tourism	-23 340	5 663 010	5 639 670
Land-use and Spatial Planning	-354 680	2 629 000	2 274 320
Working for Water	-4 113 090	4 722 650	609 560
Environmental Planning		773 190	773 190
Corporate Services	-367 990	23 376 100	23 008 110
Office of the Municipal Manager	-	13 481 448	13 481 448
Governance and Councillor Support	-41 167 440	40 975 172	-192 268
Financial Services	-213 280 225	24 204 736	-189 075 489
Community & Developmental Services	-414 060	99 925 825	99 511 765
Rural & Social Development	-72 000	16 176 898	16 104 898
Technical Services	-6 556 820	32 600 113	26 043 293
Roads	-97 600 370	96 496 070	-1 104 300
Total	-363 950 015	366 977 542	3 027 527

D: ANNUAL BUDGET TABLES

In accordance with the Budget and Reporting Regulations the following compulsory schedules are attached reflecting the composition and detail of the above mentioned amounts.

Budget Summary Table A1

Budgeted Financial Performance Table A2
(Revenue and Expenditure by standard classification)

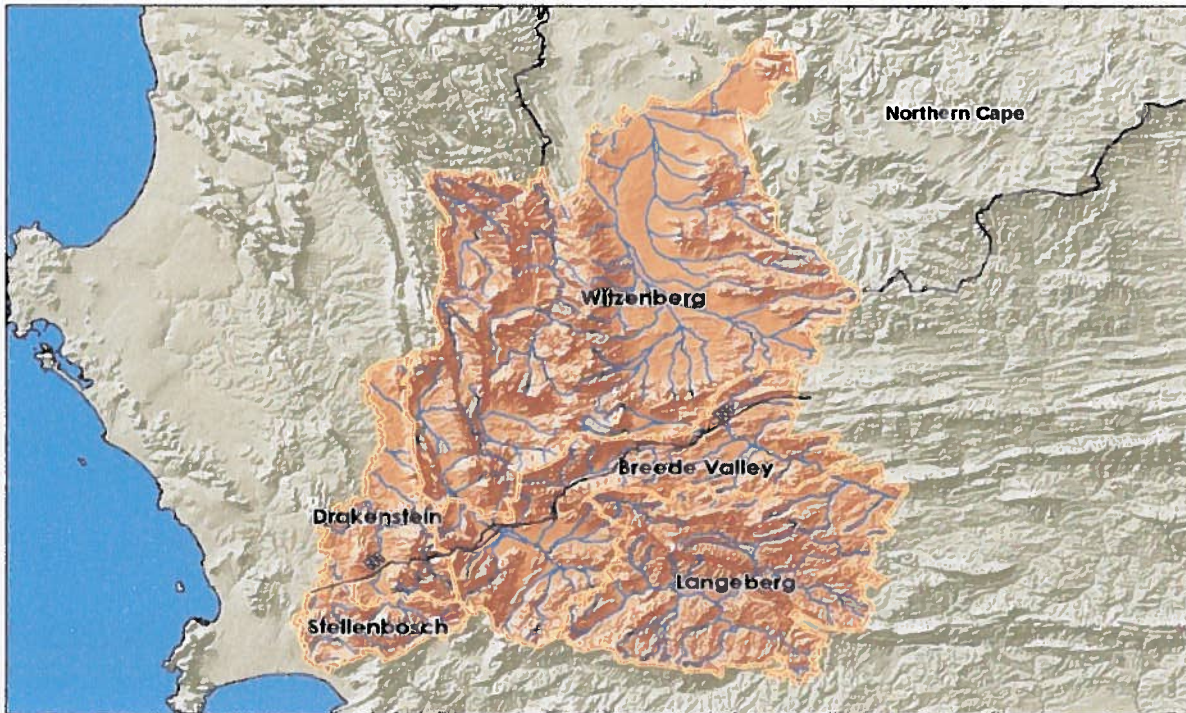
Budgeted Financial Performance (Revenue and Expenditure by standard classification)	Table A3
Budgeted Financial Performance (Revenue and Expenditure)	Table A4
Budgeted Capital Expenditure by vote, standard classification and funding	Table A5
Budgeted Financial Position	Table A6
Budgeted Cash flows	Table A7
Cash backed reserves/accumulated surplus reconciliation	Table A8
Asset Management	Table A9
Basic Service Delivery Measurement This table were not completed because council does not deliver these kind of services hence no information is also available to complete this table.	Table A10

PART 2

A: OVERVIEW OF CAPE WINELANDS DISTRICT MUNICIPALITY

Background

The Cape Winelands District Municipality is situated in the Western Cape Province and is one of 51 district municipalities in South Africa. The Western Cape Province is located in the south-western tip of the African continent, bordering the Northern Cape in the north, the Eastern Cape in the east, the Atlantic Ocean on the west, and the Indian Ocean in the south. The province covers a geographical area of 129 370 km², constituting 10.6% of the total land area of the country.



The Cape Winelands district is situated next to the Cape Metropolitan area and encloses 22 309 km². It is a landlocked area in-between the West Coast and Overberg coastal regions. The district includes five local municipalities, namely Drakenstein, Stellenbosch, Witzenberg, Breede Valley and Langeberg (formally known as Breede River/Winelands) and a District Management Area. The area is one of the “pearls” of South Africa’s rural and small-town sub-regions, but disparate with a relatively high and diverse level of development.

Economic Profile

2.3.1 Economic growth

The Western Cape and the Cape Winelands District Municipality have experienced good economic growth for the period 1995 to 2008, with a sharp decline in economic growth for the period 2008 to 2009; however there have been fluctuations in the GGP growth. These areas followed an almost identical growth pattern, suggesting strong interconnections between the economies. The average annual growth rate for the period 1995 – 2008 (before the impact of the global recession) for South Africa is 3.3%, the Western Cape is 3.7% and for Cape Winelands District Municipality is 3.5%. However the average annual growth rate for the period 1995 – 2009 (taking into account the impact of the global recession) for South Africa is 3.7%, the Western Cape is 4.1% and the CWDM is 3.8%. The Cape Winelands District Municipality contributed 11.4% to the Western Cape Gross Geographic Product (GGP), making the CWDM

the second largest economic contributor in the Western Cape. The City of Cape Town contributed 73.6% to the Western Cape GGP.

2.3.2 Sector growth and contributions

The most productive sectors in the Cape Winelands District Municipality, in terms of GGP output per employee, are the electricity and water sector, transport sector, finance and business services sector and the manufacturing sector. The local municipalities also follow the same trend; however the Drakenstein LM also has a high labour productivity within the Mining sector. The community and personal services sector (this also includes the general Government services) contributes to 27.3% of the employment opportunities within the CWDM. The second largest contributing sector is the agricultural sector (19.2%), followed by the trade sector (19%), manufacturing (14.6%) and the finance and business services sector (11.6%). The local municipalities, similarly to the Cape Winelands District Municipality, also have high sectorial employment contributions within the following sectors (not necessarily the same order for all the local municipalities):

- Community and personal services sector
- Agriculture Sector
- Manufacturing Sector
- Trade Sector
- Finance and business services sector

Political Structure

Cape Winelands District Municipality is represented by 40 councillors. The Mayoral Committee consists of the Executive Mayor, the Deputy Executive Mayor and 7 councillors. The members of the Mayoral Committee and the Speaker are deemed to be full-time councillors. The situation is as follows:

Political Party	DA	SCA	ACDP	ANC	COPE	NPP
No. of Councillors	23	1	1	12	1	2

The table below presents the Mayor, Speaker and portfolios:

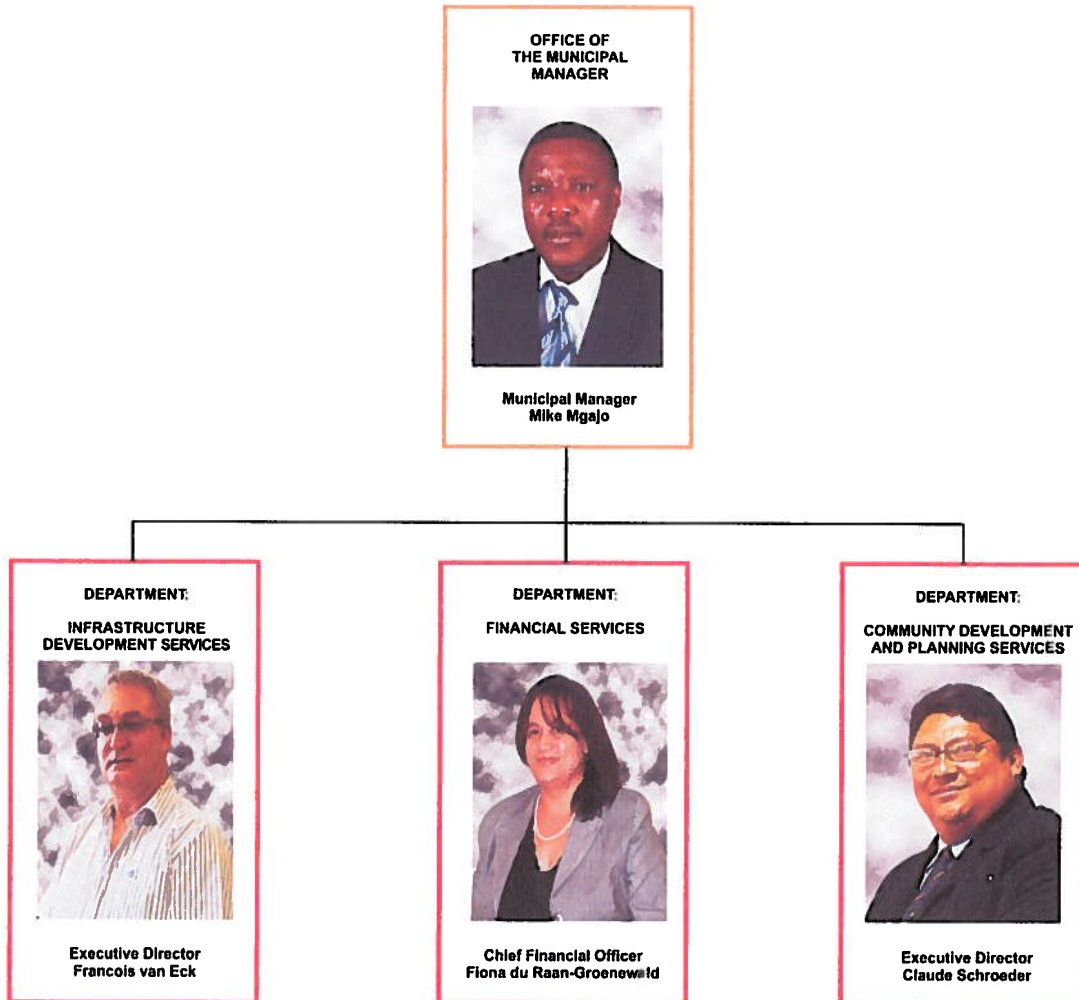
Portfolio	Name	Political Party
Executive Mayor	Cllr Ald. CA de Bruyn	DA
Deputy mayor	Cllr HM Jansen	DA
Speaker	Cllr C Meyer	DA
Engineering and Infrastructure Services	Cllr GJ Carinus	DA
Financial Management Services	Cllr Ald. (DR) NE Kahlberg	DA
Corporate and Human Resource Management Services	Cllr (Dr) H von Schlicht	DA
Social Development/Youth/Disabled	Cllr LX Mdemka	DA
Special Programmes	Cllr RB Arnolds	DA
Tourism and Planning Services	Cllr JJ du Plessis	DA
Technical and Agricultural Services	Cllr JRF Torr	DA

Administration

The Development Priorities of the municipality as contained in the IDP cannot be achieved without people (human resources) and therefore the effective management of human resources makes a vital contribution to achieving these goals. The Cape Winelands District Municipality, through its salary budget, human resource management policies, practices, systems, etc. recognises that its employees are central in realising the vision and mission of the organisation.

There is, therefore, close alignment between the way in which the administration is structured and resourced through its operational and salaries budget, the IDP objectives and the performance targets of the municipality.

The figures below illustrate the macro-structure currently being implemented at the Cape Winelands District Municipality:



B: LEGISLATIVE ENVIRONMENT

Legal Requirements

The medium term revenue and expenditure framework for 2015/2016, 2016/2017 and 2017/2018 was compiled in accordance with the requirements the relevant legislation, of which the following are the most important:

- i) the Constitution, Act 108 of 1996

- ii) the Local Government Transition Act, Act 209 of 1993
- iii) the Municipal Structures Act, Act 117 of 1998
- iv) the Municipal Systems Act, Act 32 of 2000
- v) the Municipal Finance Management Act, Act 56 of 2003

In addition to the above, the Municipal Budget and Reporting Framework as approved on 17 April 2009 gave a clear directive on the prescribed reporting framework and structure to be used.

Guidelines issued by National Treasury

National Treasury issued the following circulars regarding the budget for 2015/2016:

- MFMA Circular No. 74 Municipal Budget Circular for the 2015/2016 MTREF – 12 December 2014

Other circulars used during the compilation of the budget:

- MFMA Circular No. 48 Municipal Budget Circular for the 2009/10 MTREF – 2 March 2009
- MFMA Circular No. 51 Municipal Budget Circular for the 2010/11 MTREF – 19 February 2010
- MFMA Circular No. 54 Municipal Budget Circular for the 2011/12 MTREF – 10 December 2010
- MFMA Circular No. 55 Municipal Budget Circular for the 2011/12 MTREF – 8 March 2011
- MFMA Circular No. 70 Municipal Budget Circular for the 2014/2015 MTREF – 4 December 2013
- MFMA Circular No. 72 Municipal Budget Circular for the 2014/2015 MTREF – 17 March 2014

Other Guidelines:

- National outcomes/priorities
- Headline inflation forecasts
- Revising rates, tariffs and other charges
- Funding choices and management issues
- Conditional transfers to municipalities
- Budget process and submissions for the 2016/17 MTREF

The guidelines provided in the above mentioned circulars, annexures and other economic factors were taken into consideration and informed budget preparation and compilation.

C: OVERVIEW OF ANNUAL BUDGET PROCESS

Overview of the annual budget process

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

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the Mayor.

The primary aims of the Budget Steering Committee are to ensure:

- That the process followed to compile the budget complies with legislation and good budget practices;
- That there is proper alignment between the policy and service delivery priorities set out in the Municipality's IDP and the budget, taking into account the need to protect the financial sustainability of the municipality;
- That the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- That the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

1. Budget process overview

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

The Mayor tabled in Council the required IDP and budget time schedule on 28 August 2014.

2. IDP and Service Delivery and Budget Implementation Plan

The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan.

With the compilation of the 2015/2016 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the midyear performance against the 2014/2015 Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially inform the detail operating budget appropriations and three-year capital programme.

3. `Community Consultation

A full consultation process will be carried out during April 2015. During this process members of the community will be afforded the opportunity to provide inputs and comments on the draft budget presented to them. The comments and inputs will be reviewed and where viable the proposed changes will be incorporated into the final budget to be approved by Council on 21 May 2015.

D: OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH THE INTEGRATED DEVELOPMENT PLAN (IDP)

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Integrated developmental planning in the South African context is amongst other, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated developmental planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the Municipality's response to these requirements.

For more detail with regard to the alignment of the Annual Budget and IDP refer to the attached IDP review document in Annexure E of the Budget.

The strategic goals and resultant focus areas of the IDP are as follows:

Community and Developmental Services 1:

To create an environment and forge partnerships that ensures the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape Winelands District through economic, environmental and social infrastructure investment

- Provide a comprehensive and equitable Municipal health Service including Air Quality Management throughout the CWDM.
- Ensure coordination of multi-disciplinary and sectoral disaster risk reduction through integrated institutional capacity for Disaster Risk management, Disaster Risk Assessment and Response and Recovery.
- Effective planning and coordination of specialized fire-fighting services throughout the CWDM
- To facilitate environmentally sustainable economic development planning through the development and maintenance of strategic partnerships, investment attraction, retention and

opportunities, SMME support and development, skills development and information knowledge.

- To facilitate, ensure and monitor the development and empowerment of the poor by graduating people out of poverty, social inclusion and improving the livelihood of the poor, vulnerable groups, rural farm dwellers and rural communities.

Technical Services 2:

Promoting sustainable infrastructure services and a transport system which fosters social and economic opportunities Missions, Exhibitions and Trade Shows

- To comply with the administrative and financial conditions of the Western Cape Government roads agency function agreement.
- To implement sustainable infrastructure services.
- To increase levels of mobility in the whole of the CWDM area.
- To improve infrastructure services for rural dwellers.
- To implement an effective ICT support system.

Financial, Strategic and Administrative Support Services 3:

To provide an effective and efficient financial and strategic support services to the Cape Winelands District.

- To facilitate and enhance sound financial support services
- To strengthen and promote participative and accountable IGR and governance.
- To facilitate and enhance sound strategic support services

E: OVERVIEW OF BUDGET RELATED POLICIES

The following policies are new and will be work shopped with councilors before the final approval thereof in May with the approval of the 2015/2016 MTREF. It will also be available for public scrutiny at the Ceres, Paarl, Robertson, Stellenbosch and Worcester offices of Council on 26 March 2015:

Appointment of Consultants Policy

Branding Policy

Combatting Abuse of Supply Chain Management System Policy

Corporate Gifts Policy

Expenditure Management Policy

Grant in Aid Policy

Implementation of the Expanded Public Works Program (EPWP) Policy

Internship Policy

Inventory and Stock Management Policy

Leave and Unpaid Leave Policy

Long Term Financial Planning and Implementation Policy

Maintenance Management Policy

Overtime Policy

Preferential Procurement Policy
Revenue Management Policy
Sponsorships Policy
Unauthorized, Irregular, Fruitless and Wasteful Expenditure Policy
Unforeseen and Unavoidable Expenditure Policy

The following existing policies were reviewed and amended to achieve Council's strategic goals. It will be available for public scrutiny at the Ceres, Paarl, Robertson, Stellenbosch and Worcester offices of Council on 26 March 2015.

Existing Policies

Budget Policy
Cash Management and Investment Policy
Implementation of the Expanded Public Works Program (EPWP) Policy
Funding and Reserves Policy
Appointment of Consultants Policy
Mobile Device Policy
Official Vehicles and Fleet Management Policy
Preferential Procurement Policy
Virement Policy
Combatting Abuse of Supply Chain Management System Policy
Branding Policy
Leave and Unpaid Leave Policy
Asset Management Policy
Contract Management Policy
Private Work: Declaration of Interest; Code of Conduct for Supply Chain Management Practitioners and Role Players
Petty Cash Policy
Community Support Policy

F: OVERVIEW OF KEY BUDGET ASSUMPTIONS

Municipalities' long-term financial viability depends largely on the extent to which improved and sustainable revenue capacity on the one hand and sound financial management of its resources on the other hand can be achieved. These imperatives necessitate proper multi-year financial planning. Future impacts of revenue streams, expenditure requirements and the financial implications for the community at large (i.e. the potential influence on rates, tariffs

and service charges) must be identified and assessed to determine the sustainability of planned interventions, programs, projects and sundry service delivery actions.

The following factors have been taken into consideration in the compilation of the 2015/2016 MTREF:

- National Government macro-economic targets;
- The general inflationary outlook and the impact on Municipality's residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for electricity, water and fuel; and
- The increase in the cost of remuneration

Collection rate for revenue services

The municipality used National Treasury's guidelines provided to municipalities in Circulars 74.

Salary Increases

Municipalities must take into account that the multi-year Salary and Wage Collective Agreement for the period 1 July 2012 to 30 June 2015 has come to an end. In the absence of other information from the South African Local Government Bargaining Council, Municipalities were advised to budget for a 5.8% cost of living increase adjustment to be implemented from 1 July 2015 (In line with the increase proposed in the 2014 MTBPS). Based on historical trends within the Cape Winelands and the pending outcome of current Salary and Wage negotiations, it was assumed that a salary increase of 7% will realize.

Impact of national, provincial and local policies

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

- Creating jobs;
- Enhancing education and skill development;
- Improving Health services;
- Rural development and agriculture; and
- Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link

between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

G: EXPENDITURE ON ALLOCATION AND GRANT PROGRAMMES

Refer to MBRR SA 19 (to be submitted at the Council Meeting on 26 May 2015).

H: ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY

Refer to MBRR SA 21 (to be submitted at the Council Meeting on 26 May 2015) and Annexure "I"

I: COUNCILLOR AND BOARD MEMBER ALLOWANCES AND EMPLOYEE BENEFITS

Refer to MBRR SA 23 (to be submitted at the Council Meeting on 26 May 2015) and Annexure "F"

J: MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW

Refer to MBRR SA 25; SA 26; SA27; SA28; SA 29 and SA 30 (to be submitted at the Council Meeting on 26 May 2015) and Annexure "A"

K: CONTRACTS HAVING FUTURE AND BUDGETARY IMPLICATIONS

The municipality did not enter into agreements having future budgetary implications. Refer to MBRR 33.

L: DETAIL CAPITAL BUDGET 2015-2016

Refer to MBRR SA 35, MBRR SA 36 to be submitted as Annexure "G" at the Council Meeting on 26 May 2015.

M: LEGISLATION COMPLIANCE

Compliance with the MFMA implementation requirements has been substantially adhered to through the following activities:

- **Budget and Treasury Office**
A Budget Office and Treasury Office have been established in accordance with the MFMA.
- **Budgeting**
The annual budget is prepared in accordance with the requirements prescribed by National Treasury and the MFMA.
- **Financial reporting**
The municipality is 100% compliant with regards to monthly, quarterly and annual reporting to the Executive Mayor, Mayoral Committee, Council, Provincial and National Treasury.
- **Annual Report**
The annual report is prepared in accordance with the MFMA and National Treasury requirements.
- **Audit Committee**
An Audit Committee has been established and is fully functional.
- **Service Delivery and Budget Implementation Plan**
The detail SDBIP document is at a draft stage and will be finalized after approval of the 2015/2016 MTREF in May 2015.
- **MMC Training**
Most of the senior, middle management and interns have attended the MMC Training (Municipal Minimum Competency Training) conducted by the School of Public Management and Planning (University of Stellenbosch).

N: OTHER SUPPORTING DOCUMENTS

Additional information/schedules in accordance with the budget and reporting regulations as listed below will be submitted to Council and National Treasury on 21 May 2015

SA1 - Supporting detail to Budgeted Financial Performance

SA2 - Matrix Financial Performance Budget (revenue source/expenditure type)

SA3 - Supporting detail to Budgeted Financial Position

SA4 - Reconciliation of IDP strategic objectives and budget (revenue)

SA5 - Reconciliation of IDP strategic objectives and budget (operational expenditure)

SA6 - Reconciliation of IDP strategic objectives and budget (capital expenditure)

SA7 - Measurable Performance Objectives Refer to the attached SDBIP document section 8

This SDBIP will only be signed after the approval of the 2015/2016 Budget

- SA8 - Performance indicators and benchmarks
- SA9 - Social, economic and demographic statistics and assumptions
- SA10 - Funding measurement
- SA11 - Property Rates Summary - Not applicable
- SA12a- Property rates by category - Not applicable
- SA12b- Property rates by category - Not applicable
- SA13 Service Tariffs by category
- SA14 - Household bills - Not applicable
- SA15 - Investment particulars by type
- SA16 - Investment particulars by maturity
- SA17 - Not applicable
- SA18 - Transfers and grant receipts
- SA20 - Reconciliation of transfers grant receipts and unspent funds
- SA24 - Summary of personnel numbers
- SA26 - Budgeted monthly revenue and expenditure (municipal vote)
- SA27 - Budgeted monthly revenue and expenditure (standard)
- SA28 - Budgeted monthly capital expenditure (municipal vote)
- SA29 - Budgeted monthly capital expenditure (standard)
- SA30 - Budgeted monthly cash flow
- SA31 - Not applicable
- SA32 - List of external mechanism
- SA34a- Capital expenditure on new asset class
- SA34b- Capital expenditure on the renewal of existing assets by asset class
- SA34c- Repairs and maintenance expenditure by asset class
- SA34d Depreciation by asset class
- SA35 - Future financial implications of the capital budget
- SA36 - Detailed Capital Budget
- SA37 - Not applicable

O: QUALITY CERTIFICATE

I, M. MGAJO Municipal Manager of Cape Winelands District Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Name: M. MGAJO

Municipal Manager of Cape Winelands District Municipality

Signature 

Date 16/03/2015