

MHLONTLO LOCAL MUNICIPALITY



FINAL ANNUAL BUDGET FOR 2015/16-2017/18 MTREF

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Abbreviations and Acronyms

AMR	Automated Meter Reading	MTREF	Medium-term Revenue and Expenditure Framework
ASGISA	Accelerated and Shared Growth Initiative	MTREF	Medium-term Revenue and Expenditure Framework
BSC	Budget Steering Committee	NERSA	National Electricity Regulator of South Africa
BTO	Budget and Treasury Office	NGO	Non-Governmental organisations
CBD	Central Business District	NKPIs	National Key Performance Indicators
CFO	Chief Financial Officer	NT	National Treasury
CRRF	Capital Replacement Reserve Fund	OHS	Occupational Health and Safety
DBSA	Development Bank of South Africa	OPMS	Organisational Performance Management System
DoRA	Division of Revenue Act	PBO	Public Benefit Organisations
DWA	Department of Water Affairs	PGDS	Provincial Growth and Development Strategy
EE	Employment Equity	PMS	Performance Management System
EM	Executive Mayor	PPE	Property Plant and Equipment
FBS	Free basic services	PPP	Public Private Partnership
FMG	Financial Management Grant	PT	Provincial Treasury
GAMAP	Generally Accepted Municipal Accounting Practice	RSC	Regional Services Council
GDP	Gross domestic product Strategy	SALGA	South African Local Government Association
GFS	Government Financial Statistics	SAPS	South African Police Service
GRAP	General Recognised Accounting Practice	SDBIP	Service Delivery Budget Implementation Plan
HR	Human Resources	SMME	Small Micro and Medium Enterprises
IDP	Integrated Development Plan		
INEP	Integrated National Electrification Program		
IT	Information Technology		
HOD	Head of Department		
kℓ	kilolitre		
km	kilometre		
KPA	Key Performance Area		
KPI	Key Performance Indicator		
kWh	kilowatt		
ℓ	litre		
LED	Local Economic Development		
MBRR	Municipal Budget Reporting Regulations		
MEC	Member of the Executive Committee		
MFMA	Municipal Financial Management Act		
MIG	Municipal Infrastructure Grant		
MMC	Member of Mayoral Committee		
MPRA	Municipal Properties Rates Act		
MPAC	Municipal Public Accounts Committee		
MSA	Municipal Systems Act		
MSIG	Municipal Systems Improvement Grant		

1.1 MHLONTLO LOCAL MUNICIPALITY: MAYOR'S BUDGET SPEECH

Honourable Speaker
Executive members
Councillors
Traditional Leaders
Council of Churches
Community at Large
Officials

I greet you all in the name of service delivery. The functions of the Council centres around promoting the interests of its ratepayers, employees, residents and customers by striving to render the highest quality of services, advancing the interests of its employees by providing safe, secure and satisfying working environments.

A further important challenge facing Council is to improve the financial position of Mhlontlo Local Municipality. In particular, an improvement in the collection of long outstanding debtor's balances is critical, if the Council is to achieve its goals. The unfortunate part is that the unemployment rate in the area has worsened causing many residents not to be able to pay for services. Our ability to render services will be threatened by our financial status and we hope that workable solutions will be found soon.

As we strive towards impacting on rural livelihood for the better in the local Municipality of Mhlontlo, amongst the compliance issues is the submission of the Medium Term Revenue and Expenditure Framework (MTREF) budget as prescribed in section 22 (b) of the Local Government: Municipal Finance Management Act (MFMA) 56 of 2003.

I therefore submit the 2015/16 Budget. The Council remains committed in improving its service delivery even though our budget is limited as the municipality is solely depending on grants and hoping to meeting the challenges it faces and hopefully in future, I will be able to report positively on the progress we have made in this regard.

Following are the major activities that the municipality will be engaged in, in the 2015/16 financial year.

- Electrification of the households without electricity;
- Ensuring the construction of roads;
- Construction of Municipality Town Hall
- Alleviation of poverty through: Free Basic Services to the Indigent communities;
- LED projects and Co-operative Development Centres; and
- EPWP projects.

As much as some of other services are under the OR Tambo District Municipality, Mhlontlo will ensure that working relations are improved so as to improve service delivery for water services and sanitation.

In conclusion I would like to assure our community that though the budget is limited, Mhlontlo municipality remains committed to improving its service delivery. I also would like to express my appreciation to my fellow Council members, the management, and all other staff for their support, co-operation and hard work during the preparation of the budget as well as the IDP.

MAYOR

.....
Cllr. R.M. Giyose

1.2 COUNCIL RESOLUTIONS

On 29th May 2015 the Council of Mhlontlo Local Municipality met in the Council Chambers to consider the tabled Draft Annual Budget of the municipality for the financial year 2015/16. The Council accepted and the following resolutions to be considered along with the tabled draft budget for consultation;

1. The Council of Mhlontlo Local Municipality, acting in terms of section 16 and 24 of the Municipal Finance Management Act, (Act 56 of 2003) intends to approve and adopts after the consultation process the following resolutions;
 - 1.1. The Draft Annual Budget of the municipality for the financial year 2015/16 and the single-year capital appropriations as set out in the following tables:
 - 1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table 6 on page 13;
 - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table 7 on page 14;
 - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table 8 on page 15; and
 - 1.1.4. Single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table 9 on page 16.
 - 1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are tabled to be considered with the draft budget as set out in the following tables:
 - 1.2.1. Budgeted Financial Position as contained in Table 10 on page 17;
 - 1.2.2. Budgeted Cash Flows as contained in Table 11 on page 18;
 - 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table 12 on page 19;
 - 1.2.4. Asset management as contained in Table 13 on page 21; and
 - 1.2.5. Basic service delivery measurement as contained in Table 14 on page 23.
2. The Council of Mhlontlo Local Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) will approve and adopt the budget with effect from 1 July 2015
 - 2.1. the tariffs for property rates
 - 2.2. the tariffs for refuse removal
3. To give proper effect to the municipality's Draft Annual Budget, that the Council of Mhlontlo Local Municipality approves;

1.3 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, as required by section 23, 24 and 25 of Municipal Systems act (act 32 of 2000) undertook a strategic planning session with a sole mandate of developmental oriented planning so as to have an Integrated Developmental plan with implementable strategies and prioritisation of projects in compliance with section 29 of Municipal Systems act (34 of 2000). Alignment of strategic objectives, priorities and budget was undertaken. The draft IDP is tabled before the council and further consultations with community, IGR structures and other stakeholders will be undertaken.

National Treasury's MFMA Circulars 74 and 75 were used to guide the compilation of the 2015/16 MTREF. The main challenges experienced during the compilation of the 2015/16 MTREF can be summarised as follows:

- The continuing poor performance of both the local and national economy
- The ever increasing number of indigents within our communities
- The need to re-prioritise projects and expenditure within the existing resource envelope and the worsening cashflows
- Increasing debtors' book resulting in reduced generation of own revenue

In view of the aforementioned, the following table is a consolidated overview of the proposed 2015/16 Medium-Term Revenue and Expenditure Framework:

1.4 OPERATING REVENUE FRAMEWORK

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

The municipality's revenue strategy is underpinned by the following key components:

- National Treasury's guidelines and macro-economic policy;
- Economic growth within the municipality
- Efficient revenue management, which aims to ensure a 80% collection rate for property rates and other key service charges;
- Determining a correct tariff escalation rate;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the municipality

The rate for refuse removal has been increased by 5.5% in the 2014/15 budget year and 5.8% for the next two financial years respectively. The tariffs for refuse removal are cost reflective and the affordability issue was considered as per the guideline from MFMA circular 75.

The following table is a summary of the 2015/16 MTREF (classified by main revenue source):

TABLE 1

EC156 Mhlontlo - 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
Revenue By Source											
Property rates	2	6 919	7 270	7 608	7 971	7 971	-	7 576	15 663	16 414	17 327
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	552	566	568	572	572	-	382	976	1 022	1 083
Service charges - other		-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		35	64	67	44	44	-	27	43	45	47
Interest earned - external investments		1 940	2 314	1 413	1 817	352	-	642	682	715	757
Interest earned - outstanding debtors		-	-	-	791	751	-	525	111	117	124
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines		81	151	183	164	68	-	126	216	226	238
Licences and permits		1 784	1 124	1 160	1 331	485	-	839	1 341	1 405	1 482
Agency services		-	-	807	792	899	-	551	877	919	970
Transfers recognised - operational		131 436	109 996	126 667	136 020	140 181	-	100 133	181 706	190 815	201 342
Other revenue	2	1 833	2 219	1 863	12 662	475	-	2 408	356	373	395
Gains on disposal of PPE		42	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		144 622	123 703	140 336	162 164	151 799	-	113 211	201 970	212 052	223 766

TABLE 2

EC156 Mhlontlo - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
RECEIPTS:										
Operating Transfers and Grants										
National Government:		91 414	114 131	-	135 850	138 892	-	180 766	191 709	155 912
Local Government Equitable Share		87 213	95 773		127 895	127 895	-	159 404	168 894	132 443
Municipal Systems Improvement		790	800		934	934	-	930	984	1 038
Finance Management		1 450	1 500		1 800	1 800	-	1 875	2 010	2 345
EPWP Incentive		961	1 058		1 221	1 221	-	1 000	-	-
Integrated National Electrification Programme		1 000	15 000		4 000	4 000	-	13 000	15 000	15 000
Municipal Infrastructure Grant (MIG)- operating		-	-	-	-	3 042	-	4 557	4 821	5 086
Provincial Government:		117	211	-	-	1 290	-	170	170	179
Library & Subsidies		-	115		-	170	-	170	170	179
Traditional Leaders		-			-	-	-	-	-	-
Gqunu Lots		-			-	-	-	-	-	-
Housing Grant		-			-	726	-	-	-	-
LED		117	96		-	393	-	-	-	-
District Municipality: <i>[insert description]</i>		-	-	-	-	-	-	-	-	-
Other grant providers: <i>[insert description]</i>		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	91 531	114 342	-	135 850	140 181	-	180 936	191 879	156 091
Capital Transfers and Grants										
National Government:		28 287	34 376	-	40 675	61 634	-	37 636	38 977	41 118
Municipal Infrastructure Grant (MIG)		28 287	34 376		40 675	61 634	-	37 636	38 977	41 118
Other capital transfers/grants <i>[insert desc]</i>										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants <i>[insert description]</i>										
District Municipality: <i>[insert description]</i>		-	-	-	-	-	-	-	-	-
Other grant providers: <i>[insert description]</i>		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	28 287	34 376	-	40 675	61 634	-	37 636	38 977	41 118
TOTAL RECEIPTS OF TRANSFERS & GRANTS		119 818	148 718	-	176 525	201 815	-	218 572	230 856	197 209

1.5 OPERATING EXPENDITURE FRAMEWORK

The Municipality's expenditure framework for the 2015/16 budget and MTREF is informed by the following:

- The asset repairs and maintenance
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services.

The following table is a high level summary of the 2015/16 budget and MTREF (classified per main type of operating expenditure):

EC156 Mhlontlo - 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
Expenditure By Type											
Employee related costs	2	36 616	51 307	58 162	72 379	68 561	-	38 681	79 999	83 842	88 782
Remuneration of councillors		11 220	13 316	12 918	21 982	23 300	-	13 702	19 533	20 471	21 678
Debt impairment	3	17 784	989	1 720	800	19 431	-	-	5 350	5 607	5 938
Depreciation & asset impairment	2	12 876	10 844	15 780	6 370	12 787	-	-	9 787	10 257	10 862
Finance charges		-	-	-	-	-	-	-	-	-	-
Bulk purchases	2	-	-	-	-	-	-	-	-	-	-
Other materials	8	-	-	-	-	-	-	-	-	-	-
Contracted services		1 265	1 896	2 788	9 523	9 090	-	4 459	21 788	24 210	24 753
Transfers and grants		-	-	-	-	-	-	-	-	-	-
Other expenditure	4, 5	42 723	58 561	90 993	37 064	49 737	-	28 325	68 432	69 351	73 118
Loss on disposal of PPE		-	47	161	-	-	-	-	-	-	-
Total Expenditure		122 484	136 961	182 522	148 118	182 906	-	85 167	204 890	213 737	225 132
Surplus/(Deficit)		22 138	(13 257)	(42 186)	14 046	(31 108)	-	28 044	(2 920)	(1 685)	(1 366)
Transfers recognised - capital		-	24 670	33 290	40 675	61 634	-	30 355	36 866	38 636	40 915
Contributions recognised - capital	6	-	-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		22 138	11 413	(8 896)	54 721	30 526	-	58 399	33 946	36 950	39 550
Taxation		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		22 138	11 413	(8 896)	54 721	30 526	-	58 399	33 946	36 950	39 550
Attributable to minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		22 138	11 413	(8 896)	54 721	30 526	-	58 399	33 946	36 950	39 550
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		22 138	11 413	(8 896)	54 721	30 526	-	58 399	33 946	36 950	39 550

TABLE 3 (Above)

EC 156 Mhlontlo : Summary of operating expenditure by standard classification

One of the major expenditure items are employee related costs at R 96 m, which equals 44.6% of the total operating expenditure. In keeping with good budget and accounting practices non-cash items such as the debt and depreciation/asset impairment have been provided for in the 2015/16 budget at a total amount R 26.3 m. This figure gradually increases for the 2016/17 and 2017/18 outer years to R 26.3 m and R 29.4 m respectively.

1.5.2 Free Basic Services: Basic Social Services Package

The social; package assists households that are poor or face other circumstances that limit their ability to pay for services. In terms of the municipality's Indent Policy, ALL these households should be registered and reviewed annually.

The cost of the social package of these registered household is mainly funded by national government through local government equitable share received in terms of the Annual Division of Revenue Act.

The municipality currently provides and has budgeted for the following benefits to registered indigent households:

- Electricity: A subsidy of fifty (50) units of electricity per property per month to registered households will apply.
- Alternative energy (paraffin) which is 20L per house hold will be applied for the duration of 2015/16 financial year.
- Refuse Removal: A subsidy, not more than the applicable tariff for the 2015/16 financial year, will be applied for the duration of the financial year.

1.6 CAPITAL EXPENDITURE

The following table reflects the capital budget of the municipality over the 2015/16 MTREF

TABLE 4

Budget Summary – Capitalexpenditure

EC156 Mhlontlo - Table A1 Budget Summary

Description R thousands	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	36 540	20 554	41 796	54 410	63 648	-	29 012	52 699	51 475	50 088
Transfers recognised - capital	36 540	20 554	41 796	54 410	63 648	-	29 012	52 699	51 475	50 088
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-	-
Total sources of capital funds	36 540	20 554	41 796	54 410	63 648	-	29 012	52 699	51 475	50 088

For the 2015/16 budget period capital expenditure is projected at R 46 m, funded from government grants.

ONGOING ISSUES REQUIRING MONITORING AND EVALUATION

The municipality is closely monitoring certain issues that could have a significant financial impact on future budgets. If one or more of them require substantial resources beyond what is included in the mid-term budget, the municipality will have to adjust its spending plans to maintain its financial position. Many of the items listed below could have major and permanent impacts on the operating budget, and would therefore require permanent increases in revenue, or reductions in other services. Consequently, they should be carefully monitored and evaluated:

- Maintenance backlogs in roads and municipal properties
- Staffing requirements and the impact on the personnel expenditure targets;
- Acceptance and implementation of unfunded mandates; e.g. Disaster management and Library Services;
- Improving on current collection rates especially on household debt

1.7 Annual Budget Tables

The 13 following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2015/16 budget and MTREF as approved by the Council. Each table is accompanied by explanatory notes on the facing page

TABLE 5

EC156 Mhlontlo - 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
Financial Performance										
Property rates	6 919	7 270	7 608	7 971	7 971	-	7 576	15 663	16 414	17 327
Service charges	552	566	568	572	572	-	382	976	1 022	1 083
Investment revenue	1 940	2 314	1 413	1 817	352	-	642	682	715	757
Transfers recognised - operational	131 436	109 996	126 667	136 020	140 181	-	100 133	181 706	190 815	201 342
Other own revenue	3 776	3 558	4 079	15 784	2 724	-	4 477	2 943	3 085	3 257
Total Revenue (excluding capital transfers and contributions)	144 622	123 703	140 336	162 164	151 799	-	113 211	201 970	212 052	223 766
Employee costs	36 616	51 307	58 162	72 379	68 561	-	38 681	79 999	83 842	88 782
Remuneration of councillors	11 220	13 316	12 918	21 982	23 300	-	13 702	19 533	20 471	21 678
Depreciation & asset impairment	12 876	10 844	15 780	6 370	12 787	-	-	9 787	10 257	10 862
Finance charges	-	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	-	-	-	-	-	-	-	-	-	-
Transfers and grants	-	-	-	-	-	-	-	-	-	-
Other expenditure	61 772	61 493	95 662	47 387	78 259	-	32 784	95 570	99 168	103 809
Total Expenditure	122 484	136 961	182 522	148 118	182 906	-	85 167	204 890	213 737	225 132
Surplus/(Deficit)	22 138	(13 257)	(42 186)	14 046	(31 108)	-	28 044	(2 920)	(1 685)	(1 366)
Transfers recognised - capital	-	24 670	33 290	40 675	61 634	-	30 355	36 866	38 636	40 915
Contributions recognised - capital & contributed a	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	22 138	11 413	(8 896)	54 721	30 526	-	58 399	33 946	36 950	39 550
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	22 138	11 413	(8 896)	54 721	30 526	-	58 399	33 946	36 950	39 550
Capital expenditure & funds sources										
Capital expenditure	36 540	20 554	41 796	54 410	63 648	-	29 012	52 699	51 475	50 088
Transfers recognised - capital	36 540	20 554	41 796	54 410	63 648	-	29 012	52 699	51 475	50 088
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-	-
Total sources of capital funds	36 540	20 554	41 796	54 410	63 648	-	29 012	52 699	51 475	50 088
Financial position										
Total current assets	25 577	39 783	12 614	29 337	16 944	-	41 618	32 798	21 651	24 959
Total non current assets	135 968	128 481	154 920	206 706	197 177	-	178 215	222 207	263 425	302 651
Total current liabilities	9 209	19 648	27 564	12 918	9 528	-	(1 137)	28 237	34 100	32 449
Total non current liabilities	4 212	4 095	4 345	-	-	-	13 459	-	-	-
Community wealth/Equity	148 124	144 522	135 626	223 125	204 593	-	207 510	226 768	250 976	295 161
Cash flows										
Net cash from (used) operating	39 837	41 027	10 710	49 598	64 192	-	44 817	38 984	42 230	45 169
Net cash from (used) investing	(32 420)	(19 957)	(43 840)	(53 746)	(63 504)	-	(41 817)	(36 771)	(41 300)	(44 588)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	14 071	35 141	2 009	2 222	337	-	2 648	2 713	3 642	4 223
Cash backing/surplus reconciliation										
Cash and investments available	14 071	35 141	2 009	3 848	3 910	-	34 110	10 320	11 915	11 830
Application of cash and investments	(1 498)	10 735	(374)	3 195	(16 768)	-	(10 529)	5 172	7 613	4 430
Balance - surplus (shortfall)	15 568	24 406	2 384	653	20 679	-	44 638	5 148	4 302	7 400
Asset management										
Asset register summary (WDV)	22 350	28 473	28 750	23 141	28 801	-	222 207	222 207	263 425	302 651
Depreciation & asset impairment	12 876	10 844	15 780	6 370	12 787	-	9 787	9 787	10 257	10 862
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	-	-	-	5 147	4 999	-	4 577	4 577	4 798	5 103
Free services										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	2 479	2 479	-	-	-	-	-
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sew erage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. 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, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasises 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. The Budget Summary provides the key information in this regard:
 - a. The operating surplus/deficit (after Total Expenditure) is positive for all the next three years; Capital expenditure in the 2014/15 year is funded by grant transfers which is MIG and Equitable share.

TABLE 6

EC156 Mhlontlo - 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
Revenue - Standard	1									
<i>Governance and administration</i>		60 976	57 456	59 368	89 926	90 758	-	114 487	120 050	127 339
Executive and council		26 836	27 388	16 678	40 528	38 231	-	52 279	54 811	58 035
Budget and treasury office		24 167	18 145	36 153	27 470	34 392	-	34 273	35 964	38 302
Corporate services		9 974	11 923	6 537	21 928	18 135	-	27 934	29 275	31 002
<i>Community and public safety</i>		9 310	22 200	15 087	19 299	17 359	-	15 147	15 866	16 739
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		9 310	22 200	15 087	19 299	17 359	-	15 147	15 866	16 739
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		66 977	58 895	98 587	79 158	90 685	-	91 171	95 875	100 647
Planning and development		12 067	9 574	6 052	16 160	22 667	-	19 773	20 722	21 944
Road transport		54 911	49 321	92 535	62 998	68 018	-	71 398	75 154	78 703
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		7 359	9 822	584	14 455	14 631	-	18 032	18 897	20 012
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		7 359	9 822	584	14 455	14 631	-	18 032	18 897	20 012
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	144 622	148 373	173 626	202 839	213 432	-	238 836	250 688	264 738
Expenditure - Standard										
<i>Governance and administration</i>		77 648	67 072	106 518	87 541	123 870	-	129 794	133 645	141 538
Executive and council		26 231	28 442	44 812	39 827	39 121	-	51 390	53 870	57 040
Budget and treasury office		37 753	23 966	47 497	27 391	62 914	-	47 910	47 818	50 655
Corporate services		13 664	14 664	14 209	20 323	21 834	-	30 494	31 957	33 843
<i>Community and public safety</i>		7 978	12 471	18 344	18 091	17 359	-	13 943	14 627	15 484
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		7 978	12 471	18 344	18 091	17 359	-	13 943	14 627	15 484
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		30 575	42 374	45 071	28 300	27 047	-	45 521	49 083	51 094
Planning and development		5 921	6 483	15 480	11 351	8 494	-	16 973	17 787	18 837
Road transport		24 654	35 891	29 591	16 949	18 553	-	28 549	31 296	32 257
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		6 283	15 043	12 589	14 186	14 631	-	15 632	16 382	17 015
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		6 283	15 043	12 589	14 186	14 631	-	15 632	16 382	17 015
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	122 484	136 961	182 522	148 118	182 906	-	204 890	213 737	225 132
Surplus/(Deficit) for the year		22 138	11 413	(8 896)	54 721	30 526	-	33 946	36 950	39 606

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

1. 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 12 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4.

TABLE 7

EC156 Mhlonlto - 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
Revenue by Vote										
Vote 1 - MAYOR'S OFFICE	1	2 790	2 032	1 050	1 841	1 237	-	2 285	2 417	2 550
Vote 2 - COUNCIL		17 512	15 641	10 264	25 717	24 125	-	33 941	35 570	37 669
Vote 3 - MUNICIPAL MANAGER'S OFFICE		6 534	9 716	5 363	6 855	12 288	-	8 576	8 988	9 518
Vote 4 - STRATEGIC SERVICES		-	-	-	6 115	581	-	7 477	7 836	8 299
Vote 5 - BUDGET & TREASURY OFFICE		24 167	18 145	36 153	27 470	34 392	-	34 273	35 964	38 302
Vote 6 - CORPORATE SERVICES		9 974	11 923	6 537	21 928	18 135	-	27 934	29 275	31 002
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		12 067	9 574	5 985	12 582	6 152	-	19 773	20 722	21 944
Vote 8 - COMMUNITY SERVICES		16 669	32 022	15 671	33 755	31 989	-	33 178	34 763	36 751
Vote 9 - INFRASTRUCTURAL, DEVELOPMENT & P		54 911	49 321	92 602	66 576	84 533	-	71 398	75 154	78 703
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	144 622	148 373	173 626	202 839	213 432	-	238 836	250 688	264 738
Expenditure by Vote to be appropriated										
Vote 1 - MAYOR'S OFFICE	1	1 897	2 653	2 636	1 841	1 237	-	2 285	2 407	2 541
Vote 2 - COUNCIL		16 454	16 959	18 890	25 017	25 015	-	33 141	34 732	36 781
Vote 3 - MUNICIPAL MANAGER'S OFFICE		7 880	8 830	23 286	6 854	12 288	-	8 487	8 894	9 419
Vote 4 - STRATEGIC SERVICES		-	-	-	6 115	581	-	7 477	7 836	8 299
Vote 5 - BUDGET & TREASURY OFFICE		37 753	23 986	47 497	27 391	62 914	-	47 910	47 818	50 655
Vote 6 - CORPORATE SERVICES		13 664	14 664	14 209	20 323	21 834	-	30 494	31 957	33 843
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		5 921	6 483	10 022	7 773	5 152	-	16 973	17 787	18 837
Vote 8 - COMMUNITY SERVICES		14 261	27 515	30 933	32 277	31 989	-	29 574	31 009	32 499
Vote 9 - INFRASTRUCTURAL, DEVELOPMENT & P		24 654	35 891	35 049	20 527	21 896	-	28 549	31 296	32 257
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	122 484	136 961	182 522	148 118	182 906	-	204 890	213 737	225 132
Surplus/(Deficit) for the year	2	22 138	11 413	(8 896)	54 721	30 526	-	33 946	36 950	39 606

Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

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 organisational structure of the municipality. This means it is possible to present the operating surplus or deficit of a vote.

TABLE 8

EC156 Mhlonlo - 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
Revenue By Source											
Property rates	2	6 919	7 270	7 608	7 971	7 971	-	7 576	15 663	16 414	17 327
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	552	566	568	572	572	-	382	976	1 022	1 083
Service charges - other		-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		35	64	67	44	44	-	27	43	45	47
Interest earned - external investments		1 940	2 314	1 413	1 817	352	-	642	682	715	757
Interest earned - outstanding debtors		-	-	-	791	751	-	525	111	117	124
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines		81	151	183	164	68	-	126	216	226	238
Licences and permits		1 784	1 124	1 160	1 331	485	-	839	1 341	1 405	1 482
Agency services		-	-	807	792	899	-	551	877	919	970
Transfers recognised - operational		131 436	109 996	126 667	136 020	140 181	-	100 133	181 706	190 815	201 342
Other revenue	2	1 833	2 219	1 863	12 662	475	-	2 408	356	373	395
Gains on disposal of PPE		42	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		144 622	123 703	140 336	162 164	151 799	-	113 211	201 970	212 052	223 766
Expenditure By Type											
Employee related costs	2	36 616	51 307	58 162	72 379	68 561	-	38 681	79 999	83 842	88 782
Remuneration of councillors		11 220	13 316	12 918	21 982	23 300	-	13 702	19 533	20 471	21 678
Debt impairment	3	17 784	989	1 720	800	19 431	-	-	5 350	5 607	5 938
Depreciation & asset impairment	2	12 876	10 844	15 780	6 370	12 787	-	-	9 787	10 257	10 862
Finance charges		-	-	-	-	-	-	-	-	-	-
Bulk purchases	2	-	-	-	-	-	-	-	-	-	-
Other materials	8	-	-	-	-	-	-	-	-	-	-
Contracted services		1 265	1 896	2 788	9 523	9 090	-	4 459	21 788	24 210	24 753
Transfers and grants		-	-	-	-	-	-	-	-	-	-
Other expenditure	4, 5	42 723	58 561	90 993	37 064	49 737	-	28 325	68 432	69 351	73 118
Loss on disposal of PPE		-	47	161	-	-	-	-	-	-	-
Total Expenditure		122 484	136 961	182 522	148 118	182 906	-	85 167	204 890	213 737	225 132
Surplus/(Deficit)		22 138	(13 257)	(42 186)	14 046	(31 108)	-	28 044	(2 920)	(1 685)	(1 366)
Transfers recognised - capital		-	24 670	33 290	40 675	61 634	-	30 355	36 866	38 636	40 915
Contributions recognised - capital		-	-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		22 138	11 413	(8 896)	54 721	30 526	-	58 399	33 946	36 950	39 550
Taxation		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		22 138	11 413	(8 896)	54 721	30 526	-	58 399	33 946	36 950	39 550
Attributable to minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		22 138	11 413	(8 896)	54 721	30 526	-	58 399	33 946	36 950	39 550
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		22 138	11 413	(8 896)	54 721	30 526	-	58 399	33 946	36 950	39 550

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

Total operating revenue is 201 Million in 2014/15 and increase to R 213 million by 2015/16. This represents an increase of 84.4 per cent for the 2015/16 financial year and another increase of 83 per cent for the 2016/17 financial year.

TABLE 9

EC156 Mhlontlo - 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 - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - MAYOR'S OFFICE		-	-	-	-	-	-	-	-	-	-
Vote 2 - COUNCIL		-	-	-	-	-	-	-	-	-	-
Vote 3 - MUNICIPAL MANAGER'S OFFICE		-	-	-	-	-	-	-	-	-	-
Vote 4 - STRATEGIC SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 5 - BUDGET & TREASURY OFFICE		-	-	-	-	-	-	-	-	-	-
Vote 6 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		-	-	-	-	-	-	-	-	-	-
Vote 8 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 9 - INFRASTRUCTURAL, DEVELOPMENT & P		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - MAYOR'S OFFICE		-	-	-	700	-	-	-	-	-	-
Vote 2 - COUNCIL		-	-	7 628	-	-	-	-	800	846	893
Vote 3 - MUNICIPAL MANAGER'S OFFICE		-	267	-	-	-	-	-	89	-	-
Vote 4 - STRATEGIC SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 5 - BUDGET & TREASURY OFFICE		-	174	1 275	-	-	-	-	1 500	-	-
Vote 6 - CORPORATE SERVICES		10 813	232	549	1 590	11	-	61	1 150	1 205	1 276
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		-	-	645	4 770	1 000	-	716	2 800	2 934	3 108
Vote 8 - COMMUNITY SERVICES		2 857	551	28	1 400	-	-	-	3 510	3 678	3 896
Vote 9 - INFRASTRUCTURAL, DEVELOPMENT & P		22 869	19 330	31 670	45 950	62 638	-	28 234	42 850	42 811	40 915
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		36 540	20 554	41 796	54 410	63 648	-	29 012	52 699	51 475	50 088
Total Capital Expenditure - Vote		36 540	20 554	41 796	54 410	63 648	-	29 012	52 699	51 475	50 088
Capital Expenditure - Standard											
<i>Governance and administration</i>		10 813	673	9 452	2 290	11	-	61	3 539	2 052	2 169
Executive and council		-	267	7 628	700	-	-	-	889	846	893
Budget and treasury office		-	174	1 275	-	-	-	-	1 500	-	-
Corporate services		10 813	232	549	1 590	11	-	61	1 150	1 205	1 276
<i>Community and public safety</i>		-	460	5	1 200	-	-	-	1 110	1 163	1 232
Community and social services		-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		-	460	5	1 200	-	-	-	1 110	1 163	1 232
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		22 869	19 330	32 316	50 720	63 638	-	28 950	45 650	45 745	44 023
Planning and development		-	-	645	4 770	1 000	-	716	2 800	2 934	3 108
Road transport		22 869	19 330	31 670	45 950	62 638	-	28 234	42 850	42 811	40 915
Environmental protection		-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		2 857	91	23	200	-	-	-	2 400	2 515	2 664
Electricity		-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		2 857	91	23	200	-	-	-	2 400	2 515	2 664
<i>Other</i>		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	3	36 540	20 554	41 796	54 410	63 648	-	29 012	52 699	51 475	50 088
Funded by:											
National Government		36 540	20 554	41 796	54 410	63 648	-	29 012	52 699	51 475	50 088
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	36 540	20 554	41 796	54 410	63 648	-	29 012	52 699	51 475	50 088
Public contributions & donations	5	-	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	-	-	-	-	-	-	-
Total Capital Funding	7	36 540	20 554	41 796	54 410	63 648	-	29 012	52 699	51 475	50 088

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital program 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.
2. Single-year capital expenditure has been appropriated at 46 million for the 2015/16 financial year and then increases over the MTREF to levels of R 48 million in the 2016/17 and then decreases to R 9,3million in the 2017/18 budget year.

TABLE 10

EC156 Mhlonlo - 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
ASSETS											
Current assets											
Cash		14 071	35 141	2 361	3 848	3 910	-	34 110	2 713	4 308	4 223
Call investment deposits	1	-	-	-	-	-	-	-	7 607	7 607	7 607
Consumer debtors	1	-	2 319	2 533	7 368	9 807	-	5 002	6 021	9 132	12 400
Other debtors		11 507	2 323	7 720	17 652	3 119	-	2 583	395	495	620
Current portion of long-term receivables											
Inventory	2				469	108	-	(76)	16 062	109	109
Total current assets		25 577	39 783	12 614	29 337	16 944	-	41 618	32 798	21 651	24 959
Non current assets											
Long-term receivables											
Investments											
Investment property		21 401	27 442	27 442	21 401	27 442	-	27 442	27 442	27 442	27 442
Investment in Associate											
Property, plant and equipment	3	113 617	99 889	126 050	183 565	168 377	-	149 585	193 900	235 188	274 514
Agricultural											
Biological											
Intangible		949	1 031	1 308	1 740	1 359	-	1 187	865	795	695
Other non-current assets		-	119	119							
Total non current assets		135 968	128 481	154 920	206 706	197 177	-	178 215	222 207	263 425	302 651
TOTAL ASSETS		161 545	168 264	167 534	236 043	214 121	-	219 833	255 005	285 077	327 610
LIABILITIES											
Current liabilities											
Bank overdraft	1	-	-	352	-	-	-	-	-	-	-
Borrowing	4	-	-	-	-	-	-	-	-	-	-
Consumer deposits		-	-	-	-	-	-	-	-	-	-
Trade and other payables	4	9 209	15 268	18 701	12 918	(3 931)	-	(1 137)	8 826	13 096	11 844
Provisions			4 380	8 511		13 459	-		19 411	21 005	20 605
Total current liabilities		9 209	19 648	27 564	12 918	9 528	-	(1 137)	28 237	34 100	32 449
Non current liabilities											
Borrowing		-	-	-	-	-	-	-	-	-	-
Provisions		4 212	4 095	4 345	-	-	-	13 459	-	-	-
Total non current liabilities		4 212	4 095	4 345	-	-	-	13 459	-	-	-
TOTAL LIABILITIES		13 421	23 743	31 908	12 918	9 528	-	12 323	28 237	34 100	32 449
NET ASSETS	5	148 124	144 522	135 626	223 125	204 593	-	207 510	226 768	250 976	295 161
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		148 124	144 522	135 626	223 125	204 593	-	207 510	226 768	250 976	295 161
Reserves	4	-	-	-	-	-	-	-	-	-	-
Minorities' interests		-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	5	148 124	144 522	135 626	223 125	204 593	-	207 510	226 768	250 976	295 161

Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councillors and management of the impact of the budget on the statement of financial position (balance sheet).
2. 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.
3. 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.
4. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

TABLE 11

EC156 Mhlontlo - 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											
Property rates, penalties & collection charges		6 228	5 345	6 158	9 453	11 189		15 397	7 831	8 207	8 664
Service charges		-	-	198	-	-		-	488	511	541
Other revenue		4 198	5 781	16 446	-	-		-	2 832	2 968	3 133
Government - operating	1	92 354	82 138	123 375	136 020	136 020		102 684	181 706	190 815	201 342
Government - capital	1	28 287	34 376	25 836	40 675	64 675		28 675	36 866	38 636	40 915
Interest		-	1 576	1 316	1 817	352		454	682	715	757
Dividends		-	-	-	-	-		-	-	-	-
Payments											
Suppliers and employees		(91 230)	(88 188)	(162 619)	(138 368)	(148 043)		(102 392)	(191 422)	(199 623)	(210 184)
Finance charges		-	-	-	-	-		-	-	-	-
Transfers and Grants	1	-	-	-	-	-		-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		39 837	41 027	10 710	49 598	64 192	-	44 817	38 984	42 230	45 169
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		1 225	157	-	-	-		-	-	-	-
Decrease (increase) in non-current debtors		-	-	-	-	-		-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	664	(11 658)		(13 143)	6 944	6 000	5 500
Decrease (increase) in non-current investments		-	-	-	-	-		-	3 000	-	-
Payments											
Capital assets		(33 645)	(20 113)	(43 840)	(54 410)	(51 846)		(28 674)	(46 715)	(47 300)	(50 088)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(32 420)	(19 957)	(43 840)	(53 746)	(63 504)	-	(41 817)	(36 771)	(41 300)	(44 588)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-		-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-		-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-		-	-	-	-
Payments											
Repayment of borrowing		-	-	-	-	-		-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		7 417	21 070	(33 130)	(4 148)	689	-	3 000	2 213	930	581
Cash/cash equivalents at the year begin:	2	6 654	14 071	35 139	6 370	(352)		(352)	500	2 713	3 642
Cash/cash equivalents at the year end:	2	14 071	35 141	2 009	2 222	337		2 648	2 713	3 642	4 223

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. 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 tabled 2015/16 MTREF indicates a cash surplus at the end of the 2015/16 budget year, and increases to a cash surplus of R8.6 m in the 2016/17, and further grows to around R 4.2 m in the 2017/18 outer year.

TABLE 12

EC156 Mhlontlo - 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	14 071	35 141	2 009	2 222	337	-	2 648	2 713	3 642	4 223
Other current investments > 90 days		(0)	0	0	1 626	3 574	-	31 461	7 607	8 273	7 607
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		14 071	35 141	2 009	3 848	3 910	-	34 110	10 320	11 915	11 830
Application of cash and investments											
Unspent conditional transfers		2 280	12 697	2 011	-	1 116	-	-	1 663	1 663	1 663
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(3 778)	(1 962)	(2 385)	3 195	(17 885)	-	(10 529)	3 509	5 950	2 767
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		(1 498)	10 735	(374)	3 195	(16 768)	-	(10 529)	5 172	7 613	4 430
Surplus(shortfall)		15 568	24 406	2 384	653	20 679	-	44 638	5 148	4 302	7 400

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.

TABLE 13

EC156 Mhlontlo –MBRR Table A9 Asset Management (BELOW)

EC156 Mhlontlo - 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										
Total New Assets	1	36 540	20 554	41 796	54 410	63 648	-	52 699	51 475	50 088
Infrastructure - Road transport		22 869	17 423	31 670	21 291	37 631	-	42 850	42 811	40 915
Infrastructure - Electricity		-	-	-	-	348	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		2 857	-	23	-	-	-	-	-	-
Infrastructure		25 727	17 423	31 693	21 291	37 979	-	42 850	42 811	40 915
Community		-	2 105	645	17 924	15 924	-	2 700	2 830	2 997
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	10 813	586	9 457	14 895	9 746	-	7 149	5 835	6 176
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	441	-	300	-	-	-	-	-
Total Renewal of Existing Assets	2	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	22 869	17 423	31 670	21 291	37 631	-	42 850	42 811	40 915
Infrastructure - Road transport		-	-	-	-	348	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		2 857	-	23	-	-	-	-	-	-
Infrastructure		25 727	17 423	31 693	21 291	37 979	-	42 850	42 811	40 915
Community		-	2 105	645	17 924	15 924	-	2 700	2 830	2 997
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	10 813	586	9 457	14 895	9 746	-	7 149	5 835	6 176
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	441	-	300	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	2	36 540	20 554	41 796	54 410	63 648	-	52 699	51 475	50 088
ASSET REGISTER SUMMARY - PPE (WDV)										
Infrastructure - Road transport	5							132 336	167 501	200 320
Infrastructure - Electricity								503	503	503
Infrastructure - Water										
Infrastructure - Sanitation										
Infrastructure - Other										
Infrastructure								132 840	168 005	200 824
Community								30 783	33 334	36 035
Heritage assets								225	225	225
Investment properties		21 401	27 442	27 442	21 401	27 442	-	27 442	27 442	27 442
Other assets								30 052	33 624	37 430
Agricultural Assets										
Biological assets										
Intangibles		949	1 031	1 308	1 740	1 359	-	865	795	695
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	22 350	28 473	28 750	23 141	28 801	-	222 207	263 425	302 651
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		12 876	10 844	15 780	6 370	12 787	-	9 787	10 257	10 862
Repairs and Maintenance by Asset Class	3	-	-	-	5 147	4 999	-	4 577	4 798	5 103
Infrastructure - Road transport		-	-	-	1 200	1 341	-	2 150	2 253	2 386
Infrastructure - Electricity		-	-	-	1 226	721	-	721	755	800
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	250	1 500	-	150	157	166
Infrastructure		-	-	-	2 676	3 561	-	3 021	3 165	3 352
Community		-	-	-	131	70	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6, 7	-	-	-	2 340	1 368	-	1 557	1 632	1 751
TOTAL EXPENDITURE OTHER ITEMS		12 876	10 844	15 780	11 517	17 786	-	14 364	15 055	15 965
<i>Renewal of Existing Assets as % of total capex</i>		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Renewal of Existing Assets as % of deprecn"</i>		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>R&M as a % of PPE</i>		0.0%	0.0%	0.0%	2.8%	3.0%	0.0%	2.4%	2.0%	1.9%
<i>Renewal and R&M as a % of PPE</i>		0.0%	0.0%	0.0%	22.0%	17.0%	0.0%	2.0%	2.0%	2.0%

Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. The municipality does not meet these recommendations as the municipality is still having a huge backlog in construction of infrastructure in the rural communities. Bulk of the budget is for construction of new infrastructure (Roads).

TABLE 14

EC156 Mhlontlo – MBRR Table A10 Basic service delivery measurement

EC156 Mhlontlo - 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									
<i>Water:</i>										
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	-	-	-	-	-	-	-	-	-
<i>Sanitation/sewerage:</i>										
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	-	-	-	-	-	-	-	-	-
<i>Energy:</i>										
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	-	-	-	-	-	-	-	-	-
<i>Refuse:</i>										
Removed at least once a week		-	-	-	1 135	1 135	1 135	1 135	1 135	1 135
<i>Minimum Service Level and Above sub-total</i>		-	-	-	1 135	1 135	1 135	1 135	1 135	1 135
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	-	-	-	1 135	1 135	1 135	1 135	1 135	1 135
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)										
Sanitation (free minimum level service)										
Electricity/other energy (50kwh per household per month)										
Refuse (removed at least once a week)					265	265	265	265	265	265
Cost of Free Basic Services provided (R'000)	8									
Water (6 kilolitres per household per month)										
Sanitation (free sanitation service)										
Electricity/other energy (50kwh per household per month)										
Refuse (removed once a week)										
Total cost of FBS provided (minimum social packa		-	-	-	-	-	-	-	-	-
Highest level of free service provided										
Property rates (R value threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)										
Refuse (average litres per week)										
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)					2 383	2 383				
Property rates (other exemptions, reductions and rebates)										
Water										
Sanitation										
Electricity/other energy										
Refuse					96	96				
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
Total revenue cost of free services provided (total social package)	6	-	-	-	2 479	2 479	-	-	-	-

Explanatory notes to Table 14

1. Table 14 provides an overview of the service levels, including backlogs (below minimum service level), for each of the main services
2. The municipality continues to make progress in the eradication of backlogs:

Part 2 – Supporting Documentation

2.1 OVERVIEW OF THE ANNUAL BUDGET PROCESS

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

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

The primary aim of the Budget Steering Committee is 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 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.

2.1.1 Budget Process Overview (Plan)

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 (i.e. in August 2014) a time schedule that sets out the budget process to revise the IDP and prepare the budget. The Mayor tabled in Council the required IDP and the budget time schedule see attached as an annexure.

2.1.2 IDP and SDBIP

This the third review of the IDP as adopted by Council in 2010/11. It started in September 2014 after the tabling of the IDP Process Plan and the Budget Time Schedule for the 2015/16 MTREF. The IDP review process is in progress and a draft 2015/16 IDP has been developed. The IDP includes specific deliverables that forms the basis for the Budget and SDBIP.

The process followed during the review included these key IDP processes:-

- Registration of community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting;
- Public participation process; and
- Compilation of the SDBIP

2.2 OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH IDP

The Integrated Development Plan (IDP) determines and prioritises the needs of the community. All the plans for Mhlontlo Local Municipality form the basis of the 5 year IDP and are particularly strong on integration, consultation and public participation. The plan provides a comprehensive Spatial Development Framework, which sets a basis for integrated implementation in a system approach

The 2015/16 to 2017/18 Operating and Capital Budgets were prepared in accordance with the IDP. The key strategic focus areas of the IDP are as follows:

- Service delivery under conditions of good governance
- Financial planning and Viability
- Institutional Development and Transformation
- Local Economic Development
- Good governance and public participation

The above-mentioned strategic focus areas have informed the preparation of the Budget. After the tabling of the budget, a series of meetings will be held throughout the municipal area to consult with the elected public representatives. The feedback flowing from these meetings will be referred to the relevant departments for their attention.

The 2015/16 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

TABLE 15

EC156 Mhlontlo -MBRR Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

EC156 Mhlontlo - 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
Improve service delivery and infrastructure development	Eradicate backlogs in order to improve access to services and ensure proper operations and maintenance			71 580	81 343	108 273	100 331	116 523	-	67 710	71 280	74 539
Improvement of public participation and good governance	Promote a culture of participatory and good governance.			26 836	27 388	16 678	40 528	38 231	-	52 279	54 811	58 035
Improve institutional development and transformation	Improve organisational cohesion and effectiveness			9 974	11 923	6 537	21 928	18 135	-	27 934	29 275	31 002
Financial Viability	To improve overall financial management in municipalities by developing and implementing appropriate financial management policies, procedures and systems.			24 167	18 145	36 153	27 470	34 392	-	34 273	35 964	38 302
Local economic development	Create an environment that promotes development of the local economy and facilitate job creation.			12 067	9 574	5 985	12 582	6 152	-	19 773	20 722	21 944
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	144 623	148 373	173 626	202 839	213 432	-	201 970	212 052	223 823

TABLE 16

EC156 Mhlontlo - MBRR Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

EC156 Mhlontlo - 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													
Improve service delivery and infrastructure development	Eradicate backlogs in order to improve access to services and ensure proper operations			38 916	63 405	65 982	52 804	53 885	-	58 123	62 305	64 757	
Improvement of public participation and good governance	Promote a culture of participatory and good governance.			26 231	28 442	44 812	39 827	39 121	-	51 390	53 870	57 040	
Improve institutional development and transformation	Improve organisational cohesion and effectiveness			13 664	14 664	14 209	20 323	21 834	-	30 494	31 957	33 843	
Financial Viability	To improve overall financial management in municipalities by developing and			37 753	23 966	47 497	27 391	62 914	-	47 910	47 818	50 655	
Local economic development	Create an environment that promotes development of the local economy and facilitate			5 921	6 483	10 022	7 773	5 152	-	16 973	17 787	18 837	
Allocations to other priorities													
Total Expenditure				1	122 485	136 960	182 521	148 118	182 906	-	204 890	213 737	225 132

TABLE 17

EC156 Mhlontlo - MBRR Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

EC156 Mhlontlo - 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
Improve service delivery and infrastructure development	Eradicate backlogs in order to improve access to services and ensure proper operations	A		22 727	19 882	31 698	47 350	62 638	-	46 360	46 489	44 811
Improvement of public participation and good governance	Promote a culture of participatory and good governance.	B		-	267	7 628	700	-	-	889	846	893
Improve institutional development and transformation	Improve organisational cohesion and effectiveness	C		10 813	232	549	1 590	11	-	1 150	1 205	1 276
Financial Viability	To improve overall financial management in municipalities by developing and	D		-	174	1 275	-	-	-	1 500	-	-
Local economic development	Create an environment that promotes development of the local economy and facilitate	E		-	-	645	4 770	1 000	-	2 800	2 934	3 108
		F										
		G										
		H										
		I										
		J										
		K										
		L										
		M										
		N										
		O										
		P										
Allocations to other priorities			3									
Total Capital Expenditure			1	33 540	20 554	41 796	54 410	63 649	-	52 699	51 475	50 088

2.3 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information and in terms of the Municipal Systems Act, municipalities are required to prepare organisational performance management system (OPMS) that is linked to the IDP. Mhlontlo Municipality is currently in the process of finalising the OPMS and this has been incorporated into this IDP Process Plan. The PMS process will address the following issues:

Alignment of the PMS, Budget and IDP processes;
Implementation of individual performance management system at managerial level.

The IDP, OPMS and budget are all components of one overall development planning and management system. The IDP sets out what the municipality aims to accomplish, and how it will do this. The PMS enables the municipality to check the extent to which it is achieving its aims. The budget provides the resources that the municipality will use to achieve its aims.

The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.

TABLE 18

EC156 Mhlonlto - MBRR Table SA8 Performance indicators and benchmarks

EC156 Mhlonlto - 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										

Borrowing Management: Capital expenditure in local government can be funded by capital grants, own-source revenue and long term borrowing. Mhlontlo has limited the funding of its capital program to capital grants receivable and use of own revenue in the 2015/16 MTREF, hence no external borrowings.

2.3.1 Performance indicators and benchmarks

The following table sets out the municipalities main performance objectives and benchmarks for the 2015/16 MTREF.

2.4 OVERVIEW OF BUDGET RELATED POLICIES

The Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

The following budget related policies exist:-

- (a) Budget Policy
- (b) Credit Control and Debt collection Policy
- (c) Indigent Support Policy
- (d) Tariff Policy
- (e) Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy
- (f) Supply Chain Management Policy
- (g) Property Rates Policy
- (h) Fleet Management Policy
- (i) Banking and Investment Policy
- (j) Asset Management Policy

These were reviewed and proposed changes for the 2015/16 budget year were tabled and adopted by council.

2.5 OVERVIEW OF BUDGET ASSUMPTIONS

Budget assumptions/parameters are determined in advance of the budget process to allow budgets to be constructed to support the achievement of the longer-term financial and strategic targets.

The following principles and guidelines directly informed the compilation of the Budget:

- The priorities and targets in relation to the key strategic focus areas as determined in the IDP.
- The level of property rates and tariff increases to take into account the need to address maintenance and infrastructural backlogs, including the expansion of services.
- An assessment of the relative capacity to implement the Budget.
- No budget allocation has been made to programmes and projects, unless the respective programme and project plans have been submitted by the relevant Directors.

- The need to enhance the municipality's revenue base.

The assumptions and principles applied in the development of this Budget are based upon guidelines received from National and Provincial Treasury, regulatory institutions such as the National Electricity Regulator of South Africa (NERSA), the South African Local Government Bargaining Council SALGA and National Treasury's MFMA Circular No 70 and 72. The IDP's strategic focus areas informed the development of the Budget, in addition to assessing the relative capacity to implement the Budget, taking affordability considerations into account. The aforementioned guidelines were considered appropriate to inform the development of the Budget.

2.6 OVERVIEW OF BUDGET FUNDING

The budget is funded from two major sources:

- Realistic expected revenue from operations (Property rates and service charges)
- Grants and subsidies (cash backed allocations from government)

The following table is a breakdown of the operating revenue over the medium term:

TABLE 19

EC156 Mhlontlo - 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
Financial Performance										
Property rates	6 919	7 270	7 608	7 971	7 971	-	7 576	15 663	16 414	17 327
Service charges	552	566	568	572	572	-	382	976	1 022	1 083
Investment revenue	1 940	2 314	1 413	1 817	352	-	642	682	715	757
Transfers recognised - operational	131 436	109 996	126 667	136 020	140 181	-	100 133	181 706	190 815	201 342
Other own revenue	3 776	3 558	4 079	15 784	2 724	-	4 477	2 943	3 085	3 257
Total Revenue (excluding capital transfers and contributions)	144 622	123 703	140 336	162 164	151 799	-	113 211	201 970	212 052	223 766

The municipality's own revenue base is very limited. The growth in the property market is stunted as a large proportion of the municipal area is rural, with very limited infrastructure that is ageing and dilapidating. Our current operating budget cannot handle the need to address infrastructure maintenance and backlogs. This requires substantial cash resources. The presidential intervention is the current solution at this point. In relation to staffing requirements, budget provisions are set aside on an annual basis, in order to fill vacant positions critical to service delivery. The 2014/15 Budget has provisions for repairing plant and machinery; this fleet will be operational and will assist in improving infrastructure maintenance levels

2.7 EXPENDITURE ON GRANTS AND RECONCILIATIONS

TABLE 20

EC156 Mhlontlo - 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:										
Operating expenditure of Transfers and Grants										
National Government:		6 855	20 600	-	135 850	138 892	-	180 766	191 709	155 912
Local Government Equitable Share		1 772	5 916		127 895	127 895	-	159 404	168 894	132 443
Municipal Systems Improvement		790	-		934	934	-	930	984	1 038
Finance Management		45	1 131		1 800	1 800	-	1 875	2 010	2 345
EPWP Incentive		977	1 157		1 221	1 221	-	1 000	-	-
Integrated National Electrification Programme		3 271	12 396		4 000	4 000	-	13 000	15 000	15 000
Municipal Infrastructure Grant (MIG)- operating					-	3 042	-	4 557	4 821	5 086
Provincial Government:		597	-	-	-	1 290	-	170	170	179
Library & Subsidies					-	170	-	170	170	179
Traditional Leaders					-	-	-	-	-	-
Gqunu Lots					-	-	-	-	-	-
Housing Grant		597	-	-	-	726	-	-	-	-
LED					-	393	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Other grant providers:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Total operating expenditure of Transfers and Grants		7 453	20 600	-	135 850	140 181	-	180 936	191 879	156 091
Capital expenditure of Transfers and Grants										
National Government:		28 287	34 376	-	40 675	61 634	-	37 636	38 977	41 118
Municipal Infrastructure Grant (MIG)		28 287	34 376		40 675	61 634	-	37 636	38 977	41 118
Other capital transfers/grants <i>[insert desc]</i>										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants <i>[insert description]</i>										
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Other grant providers:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Total capital expenditure of Transfers and Grants		28 287	34 376	-	40 675	61 634	-	37 636	38 977	41 118
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		35 740	54 976	-	176 525	201 815	-	218 572	230 856	197 209

TABLE 21

EC156 Mhlontlo - 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
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		3 734	490					-	-	-
Current year receipts		91 414	114 131		135 850	138 892	-	180 766	191 709	155 912
Conditions met - transferred to revenue		94 659	109 572	-	135 850	138 892	-	180 766	191 709	155 912
Conditions still to be met - transferred to liabilities		490	5 049							
Provincial Government:										
Balance unspent at beginning of the year		4 278	1 350		-	1 120	-	-	-	-
Current year receipts		176	115		170	-	-	170	170	179
Conditions met - transferred to revenue		3 103	176	-	170	1 120	-	170	170	179
Conditions still to be met - transferred to liabilities		1 350	1 289							
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		97 762	109 748	-	136 020	140 011	-	180 936	191 879	156 091
Total operating transfers and grants - CTBM	2	1 840	6 338	-	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		28 287	34 376		40 675	61 634	-	37 636	40 045	-
Conditions met - transferred to revenue		28 287	24 670	-	40 675	61 634	-	37 636	40 045	-
Conditions still to be met - transferred to liabilities		-	9 706							
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		28 287	24 670	-	40 675	61 634	-	37 636	40 045	-
Total capital transfers and grants - CTBM	2	-	9 706	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		126 049	134 417	-	176 695	201 645	-	218 572	231 924	156 091
TOTAL TRANSFERS AND GRANTS - CTBM		1 840	16 045	-	-	-	-	-	-	-

2.8 COUNCILLOR AND EMPLOYEE RELATED COST

TABLE 22

EC156 Mhlontlo - MBRR Table SA22 Summary councillor and staff benefits

EC156 Mhlontlo - 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
		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		8 080	9 589	8 693	17 430	-	-	14 682	15 387	16 294
Pension and UIF Contributions		-	-	16	139	-	-	-	-	-
Medical Aid Contributions		58	69	89	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	2 983	4 414	-	-	3 670	3 847	4 074
Cellphone Allowance		555	659	1 082	-	-	-	1 181	1 237	1 310
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		2 527	2 999	55	-	-	-	-	-	-
Sub Total - Councillors		11 220	13 316	12 918	21 982	-	-	19 533	20 471	21 678
% increase	4		18.7%	(3.0%)	70.2%	(100.0%)	-	-	4.8%	5.9%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		3 131	2 778	-	5 059	-	-	3 889	4 118	4 349
Pension and UIF Contributions		-	-	-	299	-	-	49	52	55
Medical Aid Contributions		560	482	-	543	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	708	556	-	624	-	-	1 507	1 596	1 685
Cellphone Allowance	3	-	-	-	79	-	-	-	-	-
Housing Allowances	3	161	107	-	25	-	-	773	819	865
Other benefits and allowances	3	119	94	-	72	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		4 678	4 018	-	6 701	-	-	6 218	6 585	6 953
% increase	4		(14.1%)	(100.0%)	-	(100.0%)	-	-	5.9%	5.6%
Other Municipal Staff										
Basic Salaries and Wages		18 869	24 249	32 541	38 327	-	-	39 155	41 000	43 428
Pension and UIF Contributions		2 691	4 140	4 721	6 086	-	-	7 000	7 338	7 770
Medical Aid Contributions		2 338	2 784	4 211	8 803	-	-	8 988	9 424	9 979
Overtime		820	1 544	2 063	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	2 557	5 118	5 274	4 807	-	-	6 535	6 833	7 241
Cellphone Allowance	3	-	-	680	588	-	-	869	911	965
Housing Allowances	3	1 334	1 736	2 103	2 248	-	-	2 328	2 433	2 579
Other benefits and allowances	3	3 308	6 875	4 653	4 820	-	-	5 197	5 431	5 751
Payments in lieu of leave	3	5	423	1 692	-	-	-	3 710	3 888	4 117
Long service awards		17	420	224	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		31 939	47 289	58 162	65 678	-	-	73 782	77 257	81 829
% increase	4		48.1%	23.0%	12.9%	(100.0%)	-	-	4.7%	5.9%
Total Parent Municipality		47 836	64 623	71 080	94 361	-	-	99 533	104 313	110 461
			35.1%	10.0%	32.8%	(100.0%)	-	-	4.8%	5.9%
Board Members of Entities										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	-	-	-	-	-	-	-	-
Cellphone Allowance	3	-	-	-	-	-	-	-	-	-
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	-	-	-	-	-	-	-
Board Fees		-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Board Members of Entities		-	-	-	-	-	-	-	-	-
% increase	4		-	-	-	-	-	-	-	-
Senior Managers of Entities										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	-	-	-	-	-	-	-	-
Cellphone Allowance	3	-	-	-	-	-	-	-	-	-
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Entities		-	-	-	-	-	-	-	-	-
% increase	4		-	-	-	-	-	-	-	-
Other Staff of Entities										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	-	-	-	-	-	-	-	-
Cellphone Allowance	3	-	-	-	-	-	-	-	-	-
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Other Staff of Entities		-	-	-	-	-	-	-	-	-
% increase	4		-	-	-	-	-	-	-	-
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS		47 836	64 623	71 080	94 361	-	-	99 533	104 313	110 461
% increase	4		35.1%	10.0%	32.8%	(100.0%)	-	-	4.8%	5.9%
TOTAL MANAGERS AND STAFF	5.7	36 616	51 307	58 162	72 379	-	-	79 999	83 842	88 782

TABLE 24

EC156 Mhlontlo - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	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)	4	52		52	52		52	52		52
Board Members of municipal entities	5									
Municipal employees	3									
Municipal Manager and Senior Managers	7	7		7	7		7	7		7
Other Managers	7	10	4	6	10	4	6	10	4	6
Professionals		42	37	5	42	37	5	42	37	5
Finance		5		5	5		5	5		5
Spatial/town planning		2	2		2	2		2	2	
Information Technology		1	1		1	1		1	1	
Roads										
Electricity										
Water										
Sanitation										
Refuse		1	1		1	1		1	1	
Other		33	33		33	33		33	33	
Technicians		79	79	-	79	79	-	79	79	-
Finance		5	5		5	5		5	5	
Spatial/town planning		1	1		1	1		1	1	
Information Technology										
Roads		4	4		4	4		4	4	
Electricity		1	1		1	1		1	1	
Water										
Sanitation										
Refuse		28	28		28	28		28	28	
Other		40	40		40	40		40	40	
Clerks (Clerical and administrative)		35	30	5	35	30	5	35	30	5
Service and sales workers										
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators		20	20		20	20		20	20	
Elementary Occupations		8	8		8	8		8	8	
TOTAL PERSONNEL NUMBERS	9	253	178	75	253	178	75	253	178	75
% increase					-	-	-	-	-	-
Total municipal employees headcount	6, 10									
Finance personnel headcount	8, 10									
Human Resources personnel headcount	8, 10									

2.9 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASHFLOW

TABLE 25

EC156 Mhlontlo - 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 - MAYOR'S OFFICE		228	206	137	137	206	160	206	160	183	206	206	251	2 285	2 417	2 550
Vote 2 - COUNCIL		3 394	3 055	2 036	2 036	3 055	2 376	3 055	2 376	2 715	3 055	3 055	3 734	33 941	35 570	37 669
Vote 3 - MUNICIPAL MANAGER'S OFFICE		858	772	515	515	772	600	772	600	686	772	772	943	8 576	8 988	9 518
Vote 4 - STRATEGIC SERVICES		748	673	449	449	673	523	673	523	598	673	673	823	7 477	7 836	8 299
Vote 5 - BUDGET & TREASURY OFFICE		3 427	3 085	2 056	2 056	3 085	2 399	3 085	2 399	2 742	3 085	3 085	3 770	34 273	35 964	38 302
Vote 6 - CORPORATE SERVICES		2 793	2 514	1 676	1 676	2 514	1 955	2 514	1 955	2 235	2 514	2 514	3 073	27 934	29 275	31 002
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		1 977	1 780	1 186	1 186	1 780	1 384	1 780	1 384	1 582	1 780	1 780	2 175	19 773	20 722	21 944
Vote 8 - COMMUNITY SERVICES		3 318	2 986	1 991	1 991	2 986	2 322	2 986	2 322	2 654	2 986	2 986	3 650	33 178	34 763	36 751
Vote 9 - INFRASTRUCTURAL DEVELOPMENT & P		7 140	6 426	4 284	4 284	6 426	4 998	6 426	4 998	5 712	6 426	6 426	7 854	71 398	75 154	78 703
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote		23 884	21 495	14 330	14 330	21 495	16 719	21 495	16 719	19 107	21 495	21 495	26 272	238 836	250 688	264 738
Expenditure by Vote to be appropriated																
Vote 1 - MAYOR'S OFFICE		228	206	137	137	206	160	206	160	183	206	206	251	2 285	2 407	2 541
Vote 2 - COUNCIL		3 314	2 983	1 988	1 988	2 983	2 320	2 983	2 320	2 651	2 983	2 983	3 646	33 141	34 732	36 781
Vote 3 - MUNICIPAL MANAGER'S OFFICE		849	764	509	509	764	594	764	594	679	764	764	934	8 487	8 894	9 419
Vote 4 - STRATEGIC SERVICES		748	673	449	449	673	523	673	523	598	673	673	823	7 477	7 836	8 299
Vote 5 - BUDGET & TREASURY OFFICE		4 791	4 312	2 875	2 875	4 312	3 354	4 312	3 354	3 833	4 312	4 312	5 270	47 910	47 818	50 655
Vote 6 - CORPORATE SERVICES		3 049	2 744	1 830	1 830	2 744	2 135	2 744	2 135	2 439	2 744	2 744	3 354	30 494	31 957	33 843
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		1 697	1 528	1 018	1 018	1 528	1 188	1 528	1 188	1 358	1 528	1 528	1 867	16 973	17 787	18 837
Vote 8 - COMMUNITY SERVICES		2 957	2 662	1 774	1 774	2 662	2 070	2 662	2 070	2 366	2 662	2 662	3 253	29 574	31 009	32 499
Vote 9 - INFRASTRUCTURAL DEVELOPMENT & P		2 855	2 569	1 713	1 713	2 569	1 998	2 569	1 998	2 284	2 569	2 569	3 140	28 549	31 296	32 257
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote		20 489	18 440	12 293	12 293	18 440	14 342	18 440	14 342	16 391	18 440	18 440	22 538	204 890	213 737	225 132
Surplus/(Deficit) before assoc.		3 395	3 055	2 037	2 037	3 055	2 376	3 055	2 376	2 716	3 055	3 055	3 734	33 946	36 950	39 606
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	3 395	3 055	2 037	2 037	3 055	2 376	3 055	2 376	2 716	3 055	3 055	3 734	33 946	36 950	39 606

TABLE 26

EC156 Mhlontlo - 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	
<i>Multi-year expenditure to be appropriated</i>	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 1 - MAYOR'S OFFICE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - COUNCL		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - MUNICIPAL MANAGER'S OFFICE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - STRATEGIC SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - BUDGET & TREASURY OFFICE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - INFRASTRUCTURAL, DEVELOPMENT & P		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Single-year expenditure to be appropriated</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 1 - MAYOR'S OFFICE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - COUNCL		80	72	48	48	72	56	72	56	64	72	72	88	800	846	893	
Vote 3 - MUNICIPAL MANAGER'S OFFICE		9	8	5	5	8	6	8	6	7	8	8	10	89	-	-	
Vote 4 - STRATEGIC SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 5 - BUDGET & TREASURY OFFICE		150	135	90	90	135	105	135	105	120	135	135	165	1 500	-	-	
Vote 6 - CORPORATE SERVICES		115	104	69	69	104	81	104	81	92	104	104	127	1 150	1 205	1 276	
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		280	252	168	168	252	196	252	196	224	252	252	308	2 800	2 934	3 108	
Vote 8 - COMMUNITY SERVICES		351	316	211	211	316	246	316	246	281	316	316	386	3 510	3 678	3 896	
Vote 9 - INFRASTRUCTURAL, DEVELOPMENT & P		4 285	3 856	2 571	2 571	3 856	2 999	3 856	2 999	3 428	3 856	3 856	4 713	42 850	42 811	40 915	
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Capital single-year expenditure sub-total	2	5 270	4 743	3 162	3 162	4 743	3 689	4 743	3 689	4 216	4 743	4 743	5 797	52 699	51 475	50 088	
Total Capital Expenditure	2	5 270	4 743	3 162	3 162	4 743	3 689	4 743	3 689	4 216	4 743	4 743	5 797	52 699	51 475	50 088	

TABLE 27

EC156 Mhlontlo - 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>		11 449	10 304	6 869	6 869	10 304	8 014	10 304	8 014	9 159	10 304	10 304	12 594	114 487	120 050	127 339
Executive and council		5 228	4 705	3 137	3 137	4 705	3 660	4 705	3 660	4 182	4 705	4 705	5 751	52 279	54 811	58 035
Budget and treasury office		3 427	3 085	2 056	2 056	3 085	2 399	3 085	2 399	2 742	3 085	3 085	3 770	34 273	35 964	38 302
Corporate services		2 793	2 514	1 676	1 676	2 514	1 955	2 514	1 955	2 235	2 514	2 514	3 073	27 934	29 275	31 002
<i>Community and public safety</i>		1 515	1 363	909	909	1 363	1 060	1 363	1 060	1 212	1 363	1 363	1 666	15 147	15 866	16 739
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		1 515	1 363	909	909	1 363	1 060	1 363	1 060	1 212	1 363	1 363	1 666	15 147	15 866	16 739
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		9 117	8 205	5 470	5 470	8 205	6 382	8 205	6 382	7 294	8 205	8 205	10 029	91 171	95 875	100 647
Planning and development		1 977	1 780	1 186	1 186	1 780	1 384	1 780	1 384	1 582	1 780	1 780	2 175	19 773	20 722	21 944
Road transport		7 140	6 426	4 284	4 284	6 426	4 998	6 426	4 998	5 712	6 426	6 426	7 854	71 398	75 154	78 703
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		1 803	1 623	1 082	1 082	1 623	1 262	1 623	1 262	1 443	1 623	1 623	1 983	18 032	18 897	20 012
Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		1 803	1 623	1 082	1 082	1 623	1 262	1 623	1 262	1 443	1 623	1 623	1 983	18 032	18 897	20 012
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Standard		23 884	21 495	14 330	14 330	21 495	16 719	21 495	16 719	19 107	21 495	21 495	26 272	238 836	250 688	264 738
Expenditure - Standard																
<i>Governance and administration</i>		12 979	11 681	7 788	7 788	11 681	9 086	11 681	9 086	10 384	11 681	11 681	14 277	129 794	133 645	141 538
Executive and council		5 139	4 625	3 083	3 083	4 625	3 597	4 625	3 597	4 111	4 625	4 625	5 653	51 390	53 870	57 040
Budget and treasury office		4 791	4 312	2 875	2 875	4 312	3 354	4 312	3 354	3 833	4 312	4 312	5 270	47 910	47 818	50 655
Corporate services		3 049	2 744	1 830	1 830	2 744	2 135	2 744	2 135	2 439	2 744	2 744	3 354	30 494	31 957	33 843
<i>Community and public safety</i>		1 394	1 255	837	837	1 255	976	1 255	976	1 115	1 255	1 255	1 534	13 943	14 627	15 484
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		1 394	1 255	837	837	1 255	976	1 255	976	1 115	1 255	1 255	1 534	13 943	14 627	15 484
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		4 552	4 097	2 731	2 731	4 097	3 186	4 097	3 186	3 642	4 097	4 097	5 007	45 521	49 083	51 094
Planning and development		1 697	1 528	1 018	1 018	1 528	1 188	1 528	1 188	1 358	1 528	1 528	1 867	16 973	17 787	18 837
Road transport		2 855	2 569	1 713	1 713	2 569	1 998	2 569	1 998	2 284	2 569	2 569	3 140	28 549	31 296	32 257
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		1 563	1 407	938	938	1 407	1 094	1 407	1 094	1 251	1 407	1 407	1 719	15 632	16 382	17 015
Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		1 563	1 407	938	938	1 407	1 094	1 407	1 094	1 251	1 407	1 407	1 719	15 632	16 382	17 015
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard		20 489	18 440	12 293	12 293	18 440	14 342	18 440	14 342	16 391	18 440	18 440	22 538	204 890	213 737	225 132
Surplus/(Deficit) before assoc.		3 395	3 055	2 037	2 037	3 055	2 376	3 055	2 376	2 716	3 055	3 055	3 734	33 946	36 950	39 606
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	3 395	3 055	2 037	2 037	3 055	2 376	3 055	2 376	2 716	3 055	3 055	3 734	33 946	36 950	39 606

TABLE 28

EC156 Mhlonlo - 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	
<i>Multi-year expenditure to be appropriated</i>	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 1 - MAYOR'S OFFICE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - COUNCIL		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - MUNICIPAL MANAGER'S OFFICE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - STRATEGIC SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - BUDGET & TREASURY OFFICE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - INFRASTRUCTURAL, DEVELOPMENT & P		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Single-year expenditure to be appropriated</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 1 - MAYOR'S OFFICE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - COUNCIL		80	72	48	48	72	56	72	56	64	72	72	88	800	846	893	
Vote 3 - MUNICIPAL MANAGER'S OFFICE		9	8	5	5	8	6	8	6	7	8	8	10	89	-	-	
Vote 4 - STRATEGIC SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 5 - BUDGET & TREASURY OFFICE		150	135	90	90	135	105	135	105	120	135	135	165	1 500	-	-	
Vote 6 - CORPORATE SERVICES		115	104	69	69	104	81	104	81	92	104	104	127	1 150	1 205	1 276	
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		280	252	168	168	252	196	252	196	224	252	252	308	2 800	2 934	3 108	
Vote 8 - COMMUNITY SERVICES		351	316	211	211	316	246	316	246	281	316	316	386	3 510	3 678	3 896	
Vote 9 - INFRASTRUCTURAL, DEVELOPMENT & P		4 285	3 856	2 571	2 571	3 856	2 999	3 856	2 999	3 428	3 856	3 856	4 713	42 850	42 811	40 915	
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Capital single-year expenditure sub-total	2	5 270	4 743	3 162	3 162	4 743	3 689	4 743	3 689	4 216	4 743	4 743	5 797	52 699	51 475	50 088	
Total Capital Expenditure	2	5 270	4 743	3 162	3 162	4 743	3 689	4 743	3 689	4 216	4 743	4 743	5 797	52 699	51 475	50 088	

TABLE 29

EC156 Mhlontlo - 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>		354	319	212	212	319	248	319	248	283	319	319	389	3 539	2 052	2 169
Executive and council		89	80	53	53	80	62	80	62	71	80	80	98	889	846	893
Budget and treasury office		150	135	90	90	135	105	135	105	120	135	135	165	1 500	-	-
Corporate services		115	104	69	69	104	81	104	81	92	104	104	127	1 150	1 205	1 276
<i>Community and public safety</i>		111	100	67	67	100	78	100	78	89	100	100	122	1 110	1 163	1 232
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		111	100	67	67	100	78	100	78	89	100	100	122	1 110	1 163	1 232
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		3 967	3 570	2 380	2 380	3 570	2 777	3 570	2 777	3 173	3 570	3 570	10 347	45 650	45 745	44 023
Planning and development		280	252	168	168	252	196	252	196	224	252	252	308	2 800	2 934	3 108
Road transport		3 687	3 318	2 212	2 212	3 318	2 581	3 318	2 581	2 949	3 318	3 318	10 039	42 850	42 811	40 915
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		240	216	144	144	216	168	216	168	192	216	216	264	2 400	2 515	2 664
Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		240	216	144	144	216	168	216	168	192	216	216	264	2 400	2 515	2 664
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	2	4 672	4 204	2 803	2 803	4 204	3 270	4 204	3 270	3 737	4 204	4 204	11 122	52 699	51 475	50 088
Funded by:																
National Government		16 184	-	-	-	7 594	-	-	-	13 051	-	-	15 870	52 699	51 475	50 088
Provincial Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital		16 184	-	-	-	7 594	-	-	-	13 051	-	-	15 870	52 699	51 475	50 088
Public contributions & donations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Funding		16 184	-	-	-	7 594	-	-	-	13 051	-	-	15 870	52 699	51 475	50 088

TABLE 30

EC156 Mhlontlo - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	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
R thousand													1		
Cash Receipts By Source															
Property rates	783	705	470	470	548	705	548	548	627	705	705	1 018	7 831	8 207	8 664
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	49	44	29	29	34	44	34	34	39	44	44	63	488	511	541
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	4	4	3	3	3	4	3	3	3	4	4	6	43	45	47
Interest earned - external investments	68	61	41	41	48	61	48	48	55	61	61	89	682	715	757
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	22	19	13	13	15	19	15	15	17	19	19	28	216	226	238
Licences and permits	134	121	80	80	94	121	94	94	107	121	121	174	1 341	1 405	1 482
Agency services	88	79	53	53	61	79	61	61	70	79	79	114	877	919	970
Transfer receipts - operational	81 768	-	-	85 402	-	-	-	-	14 536	-	-	-	(0)	181 706	190 815
Other revenue	36	32	21	-	25	32	25	25	28	32	32	68	356	373	395
Cash Receipts by Source	82 951	1 065	710	86 090	828	1 065	828	828	15 483	1 065	1 065	1 560	193 539	203 217	214 437
Other Cash Flows by Source															
Transfer receipts - capital	16 590	-	-	11 060	-	-	-	-	9 217	-	-	-	36 866	38 636	40 915
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 receivable	600	625	517	700	486	625	486	486	556	625	625	614	6 944	6 000	5 500
Decrease (increase) in non-current investments	3 000	-	-	-	-	-	-	-	-	-	-	-	3 000	-	-
Total Cash Receipts by Source	103 141	1 690	1 227	97 850	1 314	1 690	1 314	1 314	25 255	1 690	1 690	2 173	240 350	247 852	260 853
Cash Payments by Type															
Employee related costs	7 049	7 049	7 049	7 049	7 049	7 049	7 049	7 049	7 049	7 049	7 049	7 049	84 592	88 655	93 879
Remuneration of councillors	1 628	1 628	1 628	1 628	1 628	1 628	1 628	1 628	1 628	1 628	1 628	1 628	19 533	20 471	21 678
Finance charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services	2 179	1 961	1 307	1 307	1 525	1 961	1 525	1 525	1 743	1 961	1 961	2 832	21 788	24 210	24 753
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	6 551	5 896	3 931	3 931	4 586	5 896	4 586	4 586	5 241	5 896	5 896	8 516	65 509	66 287	69 873
Cash Payments by Type	17 407	16 534	13 915	13 915	14 788	16 534	14 788	14 788	15 661	16 534	16 534	20 026	191 422	199 623	210 184
Other Cash Flows/Payments by Type															
Capital assets	4 672	4 204	2 803	2 803	3 270	4 204	3 270	3 270	3 737	4 204	4 204	6 073	46 715	47 300	50 088
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	22 078	20 738	16 718	16 718	18 058	20 738	18 058	18 058	19 398	20 738	20 738	26 099	238 137	246 923	260 272
NET INCREASE/(DECREASE) IN CASH HELD	81 062	(19 048)	(15 491)	81 132	(16 743)	(19 048)	(16 743)	(16 743)	5 857	(19 048)	(19 048)	(23 925)	2 213	930	581
Cash/cash equivalents at the monthly year begin:	500	81 562	62 514	47 023	128 156	111 412	92 364	75 621	58 877	64 734	45 686	26 638	500	2 713	3 642
Cash/cash equivalents at the monthly year end:	81 562	62 514	47 023	128 156	111 412	92 364	75 621	58 877	64 734	45 686	26 638	2 713	2 713	3 642	4 223

2.10 CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS

In terms of the Municipality's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments from the Budget & Treasury Office.

TABLE 31

EC156 Mhlontlo - MBRR Table SA32 List of external mechanisms

EC156 Mhlontlo - Supporting Table SA32 List of external mechanisms

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

2.11 CAPITAL EXPENDITURE DETAILS

The following tables present details of the municipality's capital expenditure programme on all asset classification, i.e. new asset, renewal of existing asset or repairs and maintenance.

TABLE 32

EC 156 Mhlontlo – Supporting Table SA 34a Capital expenditure on new assets by asset class

EC156 Mhlontlo - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		25 727	17 423	31 693	21 291	37 979	-	42 850	42 811	40 915
Infrastructure - Road transport		22 869	17 423	31 670	21 291	37 631	-	42 850	42 811	40 915
<i>Roads, Pavements & Bridges</i>		22 869	17 423	31 670	21 291	37 631	-	42 850	42 811	40 915
<i>Storm water</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	348	-	-	-	-
<i>Generation</i>		-	-	-	-	-	-	-	-	-
<i>Transmission & Reticulation</i>		-	-	-	-	-	-	-	-	-
<i>Street Lighting</i>		-	-	-	-	348	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
<i>Dams & Reservoirs</i>		-	-	-	-	-	-	-	-	-
<i>Water purification</i>		-	-	-	-	-	-	-	-	-
<i>Reticulation</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
<i>Reticulation</i>		-	-	-	-	-	-	-	-	-
<i>Sewerage purification</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Other		2 857	-	23	-	-	-	-	-	-
<i>Waste Management</i>		2 857	-	23	-	-	-	-	-	-
<i>Transportation</i>	2	-	-	-	-	-	-	-	-	-
<i>Gas</i>	3	-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Community		-	2 105	645	17 924	15 924	-	2 700	2 830	2 997
Parks & gardens		-	-	-	-	-	-	-	-	-
Sportsfields & sbadia		-	-	-	14 924	14 924	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	1 898	645	3 000	1 000	-	2 700	2 830	2 997
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		-	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses	7	-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		-	-	-	-	-	-	-	-	-
Social rental housing	8	-	-	-	-	-	-	-	-	-
Other		-	207	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other	9	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		10 813	586	9 457	14 895	9 746	-	7 149	5 835	6 176
General vehicles		-	463	7 628	700	-	-	5 100	3 781	4 000
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	10	52	1 200	-	-	-	-	-
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-
Furniture and other office equipment		-	8	1 473	860	11	-	1 199	1 163	1 232
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	-	-	-	-	-	-	-	-
Other Buildings		354	60	331	11 135	9 735	-	650	681	721
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		10 459	45	(26)	1 000	-	-	200	210	222
Agricultural assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>		-	-	-	-	-	-	-	-	-
Intangibles		-	441	-	300	-	-	-	-	-
Computers - software & programming		-	441	-	300	-	-	-	-	-
Other (<i>list sub-class</i>)		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	36 540	20 554	41 796	54 410	63 648	-	52 699	51 475	50 088

TABLE 33

EC 156 Mhlontlo Table 34b Capital expenditure on the renewal of existing assets

EC156 Mhlontlo - 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
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
<i>Roads, Pavements & Bridges</i>										
<i>Storm water</i>										
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
<i>Generation</i>										
<i>Transmission & Reticulation</i>										
<i>Street Lighting</i>										
Infrastructure - Water		-	-	-	-	-	-	-	-	-
<i>Dams & Reservoirs</i>										
<i>Water purification</i>										
<i>Reticulation</i>										
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
<i>Reticulation</i>										
<i>Sewerage purification</i>										
Infrastructure - Other		-	-	-	-	-	-	-	-	-
<i>Waste Management</i>										
<i>Transportation</i>	2									
<i>Gas</i>										
<i>Other</i>	3									
Community		-	-	-	-	-	-	-	-	-
Parks & gardens										
Sportsfields & stadia										
Swimming pools										
Community halls										
Libraries										
Recreational facilities										
Fire, safety & emergency										
Security and policing										
Buses	7									
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing	8									
Other										
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other	9									
Investment properties		-	-	-	-	-	-	-	-	-
Housing development										
Other										
Other assets		-	-	-	-	-	-	-	-	-
General vehicles										
Specialised vehicles										
Plant & equipment	10									
Computers - hardware/equipment										
Furniture and other office equipment										
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings										
Other Land										
Surplus Assets - (Investment or Inventory)										
Other										
Agricultural assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>										
Biological assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>										
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other (<i>list sub-class</i>)										
Total Capital Expenditure on renewal of existing	1	-	-	-	-	-	-	-	-	-

TABLE 34

EC 156 Mhlontlo Repairs and maintenance expenditure by asset class

EC156 Mhlontlo - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		-	-	-	2 676	3 561	-	3 021	3 165	3 352
Infrastructure - Road transport		-	-	-	1 200	1 341	-	2 150	2 253	2 386
<i>Roads, Pavements & Bridges</i>					1 200	1 341		2 150	2 253	2 386
<i>Storm water</i>										
Infrastructure - Electricity		-	-	-	1 226	721	-	721	755	800
<i>Generation</i>										
<i>Transmission & Reticulation</i>										
<i>Street Lighting</i>					1 226	721		721	755	800
Infrastructure - Water		-	-	-	-	-	-	-	-	-
<i>Dams & Reservoirs</i>										
<i>Water purification</i>										
<i>Reticulation</i>										
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
<i>Reticulation</i>										
<i>Sewerage purification</i>										
Infrastructure - Other		-	-	-	250	1 500	-	150	157	166
<i>Waste Management</i>					250	1 500		150	157	166
<i>Transportation</i>	2									
<i>Gas</i>	3									
<i>Other</i>										
Community		-	-	-	131	70	-	-	-	-
Parks & gardens										
Sportsfields & stadia										
Swimming pools										
Community halls										
Libraries										
Recreational facilities										
Fire, safety & emergency										
Security and policing						70				
Buses	7									
Clinics										
Museums & Art Galleries										
Cemeteries					131					
Social rental housing	8									
Other										
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other	9									
Investment properties		-	-	-	-	-	-	-	-	-
Housing development										
Other										
Other assets		-	-	-	2 340	1 303	-	1 557	1 632	1 751
General vehicles					400	643		527	553	608
Specialised vehicles					-	-		-	-	-
Plant & equipment					610	579		414	434	460
Computers - hardware/equipment					60	-		-	-	-
Furniture and other office equipment										
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings					1 200	81		515	540	572
Other Land										
Surplus Assets - (Investment or Inventory)										
Other					70	-		100	105	111
Agricultural assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>										
Biological assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>										
Intangibles		-	-	-	-	65	-	-	-	-
Computers - software & programming						65				
Other (<i>list sub-class</i>)										
Total Repairs and Maintenance Expenditure	1	-	-	-	5 147	4 999	-	4 577	4 798	5 103

2.12 LEGISLATION COMPLIANCE STATUS

1. Implementation of the MFMA

The municipality has been implementing the provisions of the MFMA in accordance with a documented Implementation Plan. The municipality monitors its implementation status on an on-going basis through reporting via its Committees, including the following:

- The Municipal Manager's Management Team includes all section 57 managers, which meets monthly and attends to MFMA issues requiring attention.
- The Finance and asset management committee a standing committee of the Council, which meets monthly. The committee considers specific MFMA implementation issues and reports via the Mayoral Committee to Council.
- Meetings between the Municipal Manager, CFO and section 57 managers to discuss MFMA implementation issues, as and when necessary, Issues requiring attention are monitored so that actions are taken to ensure compliance.

2. Internship programme

The municipality is participating in the Municipal Financial Management Internship Programme and has employed five(5) interns undergoing training in various sections within the Budget and Treasury Office.

3. In-Year Reporting

The municipality submits the various reports required in accordance with the MFMA to the Executive Mayor, Council, and National Treasury on an on-going basis

4. Budget and Treasury

A Budget and Treasury Office has been established in accordance with the MFMA and NT requirements, consisting of a CFO and municipal officials reporting to the CFO.

5. Annual Report

Annual report is compiled in terms of the MFMA and National Treasury requirements.

6. Oversight Report

The MPAC lead the oversight process for the 2013/14 financial year, which complies with the MFMA and NT guidance.