



# ANNUAL BUDGET FOR 2016 TO 2019

# Part 1 – Annual Budget

## 1.1 Mayor’s Report

The budget presented is a path mapping whether the decisions we take today and the prioritized programs/projects will leave behind any legacy or not.

The municipality plans to formalize pieces of land for both commercial and residential use. This will be guided by the Spatial Development Framework and Land Use Management Scheme, thus R262 500 has been set aside for land use management activities.

In the last year’s State of the Municipality Address we committed in promoting business efficiency, competitiveness and thus implementation of 2016 investment summit resolutions. We will continue to restore the fundamentals of Local Economic Development through investment within Programs Management Office committing a total budget of R525 000 in 2016/2017 financial year.

Honourable Speaker, building internal capacity and improving skills base of the community members remains our commitment as part of responding to the Key Performance Area “Institutional Development and Organizational Transformation”. A total budget of R840 000 has been set aside for training and capacity building programs and external bursaries.

In 2016/17 financial year, we will continue to respond to the needs of the special groups categorized as youth, children, people living with disabilities, women and other disadvantaged groups. We have therefore set aside a total budget of R578 000.

Honourable Speaker, as previously indicated that development, review and implementation of policies promote stability and continuity. They also prevent the need to re-invent responses to recurring issues. Implementation of policies, plans, by-Laws and strategies will help the municipality to comply with best public management practices. To this end R225 000 has been set aside for policy review and development.

The National Treasury adopted municipal Standard Chart of Accounts (mSCOA) budget practices as an essential part of public financial management. The municipality is therefore expected to implement mSCOA effectively from January 2017.

We commit ourselves to enhance good governance as part of implementing Back to Basics approach, putting people first and engaging with the community. A commitment of R1.4 million in 2016/2017 is tabled before you to strengthen communication and public participation.

The Medium Term Revenue and Expenditure Framework has been prepared in accordance with the National Treasury circular guidelines; Municipal Budget and Reporting Regulations and taking into account priorities as contained in the Integrated Development Plan.

## 1.2 Council Resolutions

On 25<sup>th</sup> May 2016 the Council of Mngquma Local Municipality met to consider the MTREF budget of the municipality for 2016/2019. The Council approved and adopted the following resolutions:

1. The council in terms of section 24 of the MFMA Act 56 of 2003, approved the annual budget of the municipality for 2016-2019 and Capital appropriations as set out in the following tables:
  - 1.1 Budgeted Financial Performance by standard classification of revenue of R 265 142 000 and Expenditure of R 393 904 000 (A2).
  - 1.2 Budgeted Financial Performance by vote of revenue of R 265 142 000 and Expenditure of R 393 904 000 (A3).
  - 1.3 Budgeted Financial Performance of revenue by source of R 265 142 000 and Expenditure of R 393 904 000 (A4).
2. The Financial Position, Cash flow and Service delivery targets were approved in the following tables:
  - 2.1 Capital Expenditure of R 72 225 000 (A5)
  - 2.2 Budgeted Financial Position (A6 )
  - 2.3 Budgeted Cash flows (A7)
  - 2.4 Cash backed and accumulated surplus reconciliation (A8)
  - 2.5 Asset management (A9)
  - 2.6 Basic service delivery measures (A10)
3. The council in terms of S24(2)(c)(i) of the MFMA Act 56 of 2003 and Section 74 and 75 of the systems act of 2000 as amended; the tariffs of rates and services that were used to prepare the estimates of revenue by source were approved with effect from 1 July 2016.
4. The council in terms of section 24(2)(c)(iii) of the MFMA Act 56 of 2003, the measurable performance objectives for operating and capital budget by vote for each year of the MTREF as set out in supporting tables are approved.
5. The council approved the free basic package as set out in the budget is approved.

6. The council in terms of section 24(2)(c)(v) of the of the MFMA Act 56 of 2003 the following policies are part of the budget process and were used in the preparation of the budget and were approved by council:

- 6.1 Budget Policy
- 6.2 Indigent Policy
- 6.3 Property Rates policy
- 6.4 Tariff Policy
- 6.5 Borrowing Policy
- 6.6 Supply Chain Management Policy
- 6.7 Asset Management Policy
- 6.7 Credit Control and Debt management Policy
- 6.8 Funds and Reserves Policy
- 6.9 Cash Management Policy
- 6.10 Investments Policy

### **1.3 Executive Summary**

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

The municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship.

The municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

National Treasury's MFMA Circular No. 79 was used to guide the compilation of the 2016/19 MTREF.

The main challenges experienced during the compilation of the 2016/19 MTREF budget can be summarised as follows:

- Decrease in grant allocation;
- Affordability of capital projects – original allocations had to be reduced;
- Aging and poorly maintained water, roads and electricity infrastructure;
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;

The following budget principles and guidelines directly informed the compilation of the 2016/19 MTREF budget:

- Expenditure on Personnel has been prepared using the recently approved organogram taking into account the proposed posts that need to be filled. The budget for personnel will increase from R147m to R190m.
- The increase is due to the proposed salary adjustment of 7% for employees below section 56 managers and 6% for section 54A and section 56 managers.
- Councilors' Allowances increase is as a result of proposed adjustment of 6% in Gazette 39548.
- R13m has been budgeted for road maintenance, street lights, community hall refurbishment etc.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2015/18 Medium-term Revenue and Expenditure Framework:

**Table 1 Consolidated Overview of the 2015/18 MTREF**

|                                  | <b>ADJUSTMENT BUDGET<br/>2015/16</b> | <b>BUDGET YEAR<br/>2016/17</b> | <b>BUDGET YEAR<br/>2017/18</b> | <b>BUDGET YEAR<br/>2018/19</b> |
|----------------------------------|--------------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Total Operating Revenue          | 273 030 000                          | 265 142 000                    | 280 526 000                    | 296 803 000                    |
| Total Operating Expenditure      | 323 128 000                          | 393 904 000                    | 416 750 000                    | 440 922 000                    |
| Surplus / (Deficit) for the year | (50 098 000)                         | (128 762 000)                  | (136 224 000)                  | (144 120 000)                  |
| Total Capital Expenditure        | 105 068 000                          | 72 225 000                     | 76 414 000                     | 80 846 000                     |

Total operating revenue has decreased by 2.9 per cent for the 2016/17 financial year when compared to the 2015/16 Adjustments Budget.

Total operating expenditure for the 2016/17 financial year has been appropriated at R 394 million and translates into a budgeted deficit of R129 million which is caused by non-cash items such as depreciation and provision for bad debts. When compared to the 2015/15 Adjustments Budget, operational expenditure has grown by 22 per cent in the 2016/17 budget.

The capital budget of R72 million for 2016/17 is 31.3 per cent less when compared to the 2015/16 Adjustment Budget.

The reduction is due decrease in MIG and INEP grants allocation for 2016/17 as per the Division of Revenue Bill.

## Operating Revenue Framework

The following table is a summary of the 2016/19 MTREF (classified by main revenue source):

**Table 2 Summary of revenue classified by main revenue source**

| Description  | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    |                   | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>Revenue By Source</b>   |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Property rates   | 2   | 11 136          | 11 713          | 19 384          | 19 472               | 19 472          | 19 472             | -                 | 19 472  | 20 607                 | 21 808                 |
| 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   | 3 436           | 3 470           | 3 591           | 4 100                | 4 100           | 4 100              | -                 | 4 100   | 4 338                  | 4 589                  |
| Service charges - other  |     |                 |                 |                 |                      | -               | -                  |                   |   |                        |                        |
| Rental of facilities and equipment                                   |     | 2 186           | 2 114           | 2 363           | 2 317                | 2 317           | 2 317              |                   | 2 700   | 2 857                  | 3 023                  |
| Interest earned - external investments                               |     | 3 169           | 4 435           | 5 116           | 4 500                | 4 500           | 4 500              |                   | 4 500   | 4 761                  | 5 037                  |
| Interest earned - outstanding debtors                                |     | 2 462           | 2 912           | 3 694           | 4 525                | 4 525           | 4 525              |                   | 4 525   | 4 787                  | 5 065                  |
| Dividends received   |     |                 |                 |                 |                      | -               | -                  |                   |   |                        |                        |
| Fines  |     | 1 384           | 1 372           | 1 579           | 2 201                | 2 201           | 2 201              |                   | 2 322   | 2 457                  | 2 599                  |
| Licences and permits   |     | 2 901           | 953             | 3 170           | 1 000                | 1 000           | 1 000              |                   | 3 836   | 4 058                  | 4 294                  |
| Agency services  |     | 778             | 2 709           | 705             | 4 283                | 4 283           | 4 283              |                   | 920   | 973                    | 1 030                  |
| Transfers recognised - operational                                   |     | 153 278         | 219 175         | 191 241         | 207 295              | 229 071         | 229 071            |                   | 217 033   | 229 621                | 242 939                |
| Other revenue  | 2   | 388             | 651             | 4 585           | 972                  | 972             | 972                | -                 | 5 144   | 5 442                  | 5 758                  |
| Gains on disposal of PPE   |     | 48              | 59              | 59              | 590                  | 590             |                    |                   | 590   | 624                    | 661                    |
| <b>Total Revenue (excluding capital transfers and contributions)</b> |     | <b>181 167</b>  | <b>249 564</b>  | <b>235 488</b>  | <b>251 254</b>       | <b>273 030</b>  | <b>272 439</b>     | <b>-</b>          | <b>265 142</b>                                      | <b>280 526</b>         | <b>296 803</b>         |

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

The above table excludes revenue foregone arising from discounts and rebates associated with the tariff policies of the Municipality.

The bulk of the municipality's revenue is the amounts received from grant. Property rates is sitting at 7 per cent of the total municipality's revenue.

Operating grants and transfers totals R229 million in the 2015/16 financial year and steadily increases to R243 million by 2018/19.

The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

**Table 3 Operating Transfers and Grant Receipts**

| Description   | Ref  | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |      | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand  |      |                 |                 |                 |                      |                 |                    |   |                        |                        |
| RECEIPTS:<br>–<br><u>Operating Transfers and Grants</u> | 1, 2 |                 |                 |                 |                      |                 |                    |   |                        |                        |
| National Government:                                    |      | 166 231         | 178 356         | 197 195         | 252 935              | 267 935         | 267 935            | 229 531   | 242 844                | 256 929                |
| Local Government Equitable Share                        |      | 154 089         | 168 794         | 190 327         | 234 405              | 249 405         | 249 405            | 221 906   | 234 777                | 248 394                |
| Finance Management                                      |      | 1 413           | 1 612           | 1 624           | 1 600                | 1 600           | 1 600              | 1 625   | 1 719                  | 1 819                  |
| Municipal Systems Improvement                           |      | 969             | 1 084           | 933             | 930                  | 930             | 930                | –   | –                      | –                      |
| Integrated National Electrification Programme           |      | 8 514           | 6 360           | 3 348           | 15 000               | 15 000          | 15 000             | 5 000   | 5 290                  | 5 597                  |
| EPWP Incentive  |      | 1 247           | 506             | 963             | 1 000                | 1 000           | 1 000              | 1 000   | 1 058                  | 1 119                  |
| <b>Total Operating Transfers and Grants</b>             | 5    | 166 231         | 178 356         | 197 195         | 252 935              | 267 935         | 267 935            | 229 531   | 242 844                | 256 929                |



Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the municipality.

Within this framework the municipality has undertaken the tariff setting process relating to service charges as follows.

### **1.3.1 Property Rates**

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process. The tariffs for rates and services remain unchanged.

### **1.3.2 Waste Removal and Impact of Tariff Increases**

Currently solid waste removal is operating at a deficit. It is widely accepted that the rendering of this service should at least break even, which is currently not the case. The municipality will have to implement a solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term.

## **1.4 Operating Expenditure Framework**

The municipality's expenditure framework for the 2015/18 budget and MTREF is informed by the following:

- The asset renewal strategy and the repairs and maintenance plan;
- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- 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; and

The following table is a high level summary of the 2015/18 MTREF budget (classified per main type of operating expenditure):

**Table 4 Summary of operating expenditure by standard classification item**

| Description                     | Ref  | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    |                   | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|---------------------------------|------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|                                 |      | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>R thousand</b>               | 1    |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <u>Expenditure By Type</u>      | -    |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Employee related costs          | 2    | 88 361          | 103 960         | 130 786         | 146 304              | 154 386         | 154 386            | -                 | 165 411   | 175 005                | 185 155                |
| Remuneration of councillors     |      | 20 206          | 22 155          | 22 141          | 24 140               | 27 021          | 27 021             |                   | 24 421  | 25 837                 | 27 336                 |
| Debt impairment                 | 3    | -               | 8 774           | 21 980          | 3 000                | 3 000           | 3 000              |                   | 21 980  | 23 255                 | 24 604                 |
| Depreciation & asset impairment | 2    | 34 313          | 47 099          | 106 784         | 47 099               | 47 099          | 47 099             | -                 | 106 784   | 112 977                | 119 530                |
| Finance charges                 |      | -               | 278             | 2 657           | 1 200                | 2 024           | 2 024              |                   | 1 200   | 1 270                  | 1 343                  |
| Bulk purchases                  | 2    | 3 238           | 1 866           | 9 999           | 7 000                | 7 000           | 7 000              | -                 | 7 000   | 7 406                  | 7 836                  |
| Other materials                 | 8    | 4 561           | 10 739          | 3 359           | 7 455                | 6 698           | 6 698              |                   | 7 757   | 8 207                  | 8 683                  |
| Contracted services             |      | 8 099           | 257             | 8 046           | 7 079                | 7 349           | 7 349              | -                 | 7 285   | 7 707                  | 8 154                  |
| Transfers and grants            |      | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| Other expenditure               | 4, 5 | 33 534          | 55 183          | 62 705          | 58 075               | 68 551          | 68 551             | -                 | 52 067  | 55 086                 | 58 281                 |
| Loss on disposal of PPE         |      |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <b>Total Expenditure</b>        |      | <b>192 312</b>  | <b>250 311</b>  | <b>368 458</b>  | <b>301 353</b>       | <b>323 128</b>  | <b>323 128</b>     | <b>-</b>          | <b>393 904</b>                                      | <b>416 750</b>         | <b>440 922</b>         |

The budgeted allocation for employee related costs for the 2016/17 financial year totals R190 million, which equals 48 per cent of the total operating expenditure. Based on the three year collective SALGBC agreement, salary increases have been factored into this budget at a percentage increase of 7 per cent for the 2016/17 financial year. In addition expenditure against overtime was significantly reduced, with provisions against this budget item only being provided for emergency services and other critical functions.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent Gazette No. 39548 in this regard has been taken into account in compiling the municipality's budget.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R107 million for the 2016/17 financial year and equates to 27 per cent of the total operating expenditure.

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges make up 0.3 per cent (R1.2 million) of operating expenditure excluding annual redemption for 2016/17.

Bulk purchases are directly informed by the purchase of electricity from Eskom and paraffin for the indigent households.

Other materials comprises of amongst others the materials for maintenance. In line with the municipality's repairs and maintenance plan this group of expenditure has been prioritized to ensure sustainability of the municipality's infrastructure. For 2016/17 the appropriation against this group of expenditure is sitting at R13 million

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved.

#### **1.4.1 Priority given to repairs and maintenance**

Aligned to the priority being given to preserving and maintaining the municipality's current infrastructure, the 2015/16 budget and MTREF provide for extensive growth in the area of asset maintenance, as informed by the asset renewal strategy and repairs and maintenance plan of the municipality. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services.

The table below provides a breakdown of the repairs and maintenance in relation to asset class:

**Table 3 Repairs and maintenance per asset class**

| Description                                   | Ref  | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |      | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand                                    |      |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <u>Depreciation &amp; asset impairment</u>    |      | 34 313          | 47 099          | 106 784         | 47 099               | 47 099          | 47 099             | 106 784   | 112 977                | 119 530                |
| <u>Repairs and Maintenance by Asset Class</u> | 3    | 4 561           | 10 739          | 3 359           | 7 455                | 6 698           | 6 698              | 7 757   | 8 207                  | 8 683                  |
| <i>Infrastructure - Road transport</i>        |      | 4 042           | 4 711           | 798             | 4 505                | 4 505           | 4 505              | 2 140   | 2 264                  | 2 395                  |
| <i>Infrastructure - Electricity</i>           |      | -               | 6 028           | 535             | -                    | -               | -                  | 1 800   | 1 904                  | 2 015                  |
| <i>Infrastructure - Water</i>                 |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Infrastructure - Sanitation</i>            |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Infrastructure - Other</i>                 |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Infrastructure                                |      | 4 042           | 10 739          | 1 333           | 4 505                | 4 505           | 4 505              | 3 940   | 4 169                  | 4 410                  |
| Community                                     |      | 470             | -               | 1 231           | 1 450                | 1 450           | 1 450              | 1 116   | 1 181                  | 1 249                  |
| Heritage assets                               |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Investment properties                         |      | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other assets                                  | 6, 7 | 49              | -               | 795             | 1 500                | 743             | 743                | 2 701   | 2 858                  | 3 024                  |
| <b>TOTAL EXPENDITURE OTHER ITEMS</b>          |      | <b>38 874</b>   | <b>57 838</b>   | <b>110 143</b>  | <b>54 554</b>        | <b>53 798</b>   | <b>53 798</b>      | <b>114 541</b>                                      | <b>121 184</b>         | <b>128 213</b>         |

For the 2016/17 financial year, R3.9 million of total repairs and maintenance will be spent on infrastructure assets. Community assets at R1.1 million and other assets have been allocated R2.7 million of total repairs and maintenance.

#### 1.4.2 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. To receive these free services the households are required to register in terms of the municipality's Indigent Policy.

## 1.5 Capital expenditure

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

**Table 4 2015/18 Medium-term capital budget per vote**

| Vote Description<br>R thousand              | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    |                   | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>Capital Expenditure - Standard</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <i>Governance and administration</i>        |     | 49 988          | 3 380           | 2 399           | 1 230                | 2 771           | 2 771              | -                 | 2 118   | 2 240                  | 2 370                  |
| Executive and council                       |     | 48 309          | 552             | 938             | 30                   | 82              | 82                 |                   | 70  | 74                     | 78                     |
| Budget and treasury office                  |     | 148             | 76              | 180             | 30                   | 412             | 412                |                   | 35  | 37                     | 39                     |
| Corporate services                          |     | 1 531           | 2 752           | 1 281           | 1 170                | 2 277           | 2 277              |                   | 2 013   | 2 129                  | 2 253                  |
| <i>Community and public safety</i>          |     | 3 666           | 758             | 2 262           | 5 180                | 6 336           | 6 336              | -                 | 1 797   | 1 901                  | 2 011                  |
| Community and social services               |     | 3 666           | 758             | 2 262           | 5 180                | 6 336           | 6 336              |                   | 1 797   | 1 901                  | 2 011                  |
| Sport and recreation                        |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Public safety                               |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Housing                                     |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Health                                      |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <i>Economic and environmental services</i>  |     | 24 077          | 43 401          | 101 663         | 101 397              | 95 960          | 95 960             | -                 | 68 311  | 72 273                 | 76 464                 |
| Planning and development                    |     | 64              | 98              | 175             | 660                  | 294             | 294                |                   | 140   | 148                    | 157                    |
| Road transport                              |     | 24 013          | 43 303          | 101 487         | 100 737              | 95 666          | 95 666             |                   | 68 171  | 72 125                 | 76 308                 |
| Environmental protection                    |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <i>Trading services</i>                     |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| Electricity                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Water                                       |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Waste water management                      |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Waste management                            |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <i>Other</i>                                |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <b>Total Capital Expenditure - Standard</b> | 3   | 77 731          | 47 539          | 106 324         | 107 807              | 105 067         | 105 067            | -                 | 72 225  | 76 414                 | 80 846                 |

**Table 5 MBRR Table A1 - Budget Summary**

| Description  | 2012/13         | 2013/14         | 2014/15          | Current Year 2015/16 |                 |                    |                   | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----------------|-----------------|------------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|  | Audited Outcome | Audited Outcome | Audited Outcome  | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>R thousands</b>   |                 |                 |                  |                      |                 |                    |                   |   |                        |                        |
| <b>Financial Performance</b>   |                 |                 |                  |                      |                 |                    |                   |   |                        |                        |
| Property rates   | 11 136          | 11 713          | 19 384           | 19 472               | 19 472          | 19 472             | -                 | 19 472  | 20 607                 | 21 808                 |
| Service charges  | 3 436           | 3 470           | 3 591            | 4 100                | 4 100           | 4 100              | -                 | 4 100   | 4 338                  | 4 589                  |
| Investment revenue   | 3 169           | 4 435           | 5 116            | 4 500                | 4 500           | 4 500              | -                 | 4 500   | 4 761                  | 5 037                  |
| Transfers recognised - operational                                   | 153 278         | 219 175         | 191 241          | 207 295              | 229 071         | 229 071            | -                 | 217 033   | 229 621                | 242 939                |
| Other own revenue  | 10 147          | 10 770          | 16 156           | 15 887               | 15 887          | 15 297             | -                 | 20 037  | 21 199                 | 22 429                 |
| <b>Total Revenue (excluding capital transfers and contributions)</b> | <b>181 167</b>  | <b>249 564</b>  | <b>235 488</b>   | <b>251 254</b>       | <b>273 030</b>  | <b>272 439</b>     | <b>-</b>          | <b>265 142</b>                                      | <b>280 526</b>         | <b>296 803</b>         |
| Employee costs   | 88 361          | 103 960         | 130 786          | 146 304              | 154 386         | 154 386            | -                 | 165 411   | 175 005                | 185 155                |
| Remuneration of councillors  | 20 206          | 22 155          | 22 141           | 24 140               | 27 021          | 27 021             | -                 | 24 421  | 25 837                 | 27 336                 |
| Depreciation & asset impairment                                      | 34 313          | 47 099          | 106 784          | 47 099               | 47 099          | 47 099             | -                 | 106 784   | 112 977                | 119 530                |
| Finance charges  | -               | 278             | 2 657            | 1 200                | 2 024           | 2 024              | -                 | 1 200   | 1 270                  | 1 343                  |
| Materials and bulk purchases   | 7 799           | 12 605          | 13 358           | 14 455               | 13 698          | 13 698             | -                 | 14 757  | 15 613                 | 16 519                 |
| Transfers and grants   | -               | -               | -                | -                    | -               | -                  | -                 | -   | -                      | -                      |
| Other expenditure  | 41 633          | 64 214          | 92 732           | 68 154               | 78 900          | 78 900             | -                 | 81 331  | 86 048                 | 91 039                 |
| <b>Total Expenditure</b>   | <b>192 312</b>  | <b>250 311</b>  | <b>368 458</b>   | <b>301 353</b>       | <b>323 128</b>  | <b>323 128</b>     | <b>-</b>          | <b>393 904</b>                                      | <b>416 750</b>         | <b>440 922</b>         |
| <b>Surplus/(Deficit)</b>   | <b>(11 145)</b> | <b>(747)</b>    | <b>(132 970)</b> | <b>(50 098)</b>      | <b>(50 099)</b> | <b>(50 689)</b>    | <b>-</b>          | <b>(128 762)</b>                                    | <b>(136 224)</b>       | <b>(144 120)</b>       |
| Transfers recognised - capital                                       | 60 827          | 60 046          | 106 324          | 107 807              | 105 068         | 105 068            | -                 | 72 225  | 76 414                 | 80 846                 |
| Contributions recognised - capital & contributed assets              | -               | -               | -                | -                    | -               | -                  | -                 | -   | -                      | -                      |
| <b>Surplus/(Deficit) after capital transfers &amp; contributions</b> | <b>49 682</b>   | <b>59 299</b>   | <b>(26 646)</b>  | <b>57 708</b>        | <b>54 969</b>   | <b>54 379</b>      | <b>-</b>          | <b>(56 537)</b>                                     | <b>(59 811)</b>        | <b>(63 274)</b>        |
| Share of surplus/ (deficit) of associate                             | -               | -               | -                | -                    | -               | -                  | -                 | -   | -                      | -                      |
| <b>Surplus/(Deficit) for the year</b>                                | <b>49 682</b>   | <b>59 299</b>   | <b>(26 646)</b>  | <b>57 708</b>        | <b>54 969</b>   | <b>54 379</b>      | <b>-</b>          | <b>(56 537)</b>                                     | <b>(59 811)</b>        | <b>(63 274)</b>        |
| <b>Capital expenditure &amp; funds sources</b>                       |                 |                 |                  |                      |                 |                    |                   |   |                        |                        |
| Capital expenditure  | 77 731          | 47 539          | 106 324          | 107 807              | 105 067         | 105 067            | -                 | 72 225  | 76 414                 | 80 846                 |
| Transfers recognised - capital                                       | 77 731          | 47 539          | 106 324          | 107 807              | 105 067         | -                  | -                 | 72 225  | 76 414                 | 80 846                 |
| Public contributions & donations                                     | -               | -               | -                | -                    | -               | -                  | -                 | -   | -                      | -                      |
| Borrowing  | -               | -               | -                | -                    | -               | -                  | -                 | -   | -                      | -                      |
| Internally generated funds   | -               | -               | -                | -                    | -               | -                  | -                 | -   | -                      | -                      |
| <b>Total sources of capital funds</b>                                | <b>77 731</b>   | <b>47 539</b>   | <b>106 324</b>   | <b>107 807</b>       | <b>105 067</b>  | <b>-</b>           | <b>-</b>          | <b>72 225</b>                                       | <b>76 414</b>          | <b>80 846</b>          |

| Description  | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    |                   | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|  | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>R thousands</b>                                   |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <b><u>Financial position</u></b>                     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Total current assets                                 | 86 084          | 126 234         | 80 149          | 134 250              | 134 250         | 134 250            | -                 | 60 338  | 63 838                 | 67 540                 |
| Total non current assets                             | 310 377         | 489 241         | 829 464         | 592 748              | 602 571         | 602 571            | -                 | 901 689   | 953 987                | 1 009 318              |
| Total current liabilities                            | 51 633          | 72 060          | 62 773          | 86 176               | 86 176          | 86 176             | -                 | 62 548  | 49 575                 | 52 451                 |
| Total non current liabilities                        | 26 255          | 32 315          | 7 659           | 445                  | 445             | 445                | -                 | 7 644   | 8 087                  | 8 556                  |
| Community wealth/Equity                              | 318 575         | 511 099         | 839 180         | -                    | -               | -                  | -                 | 889 238   | 940 814                | 995 381                |
| <b><u>Cash flows</u></b>                             |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Net cash from (used) operating                       | 14 354          | 75 743          | 65 786          | 57 118               | 54 378          | 54 378             | -                 | (57 127)  | (60 435)               | (63 934)               |
| Net cash from (used) investing                       | 21              | (35 559)        | -               | (107 216)            | (104 477)       | (104 477)          | -                 | (71 634)  | (75 789)               | (80 185)               |
| Net cash from (used) financing                       | -               | 892             | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| Cash/cash equivalents at the year end                | 14 375          | 41 076          | 65 786          | 40 503               | 40 503          | 40 503             | -                 | (87 393)  | (223 618)              | (367 737)              |
| <b><u>Cash backing/surplus reconciliation</u></b>    |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Cash and investments available                       | 61 826          | 90 602          | 61 179          | 108 065              | 108 065         | 108 065            | -                 | 41 369  | 43 768                 | 46 307                 |
| Application of cash and investments                  | 25 085          | 60 108          | 58 182          | 75 888               | 75 888          | 75 888             | -                 | 37 202  | 39 359                 | 41 642                 |
| Balance - surplus (shortfall)                        | 36 741          | 30 494          | 2 997           | 32 177               | 32 177          | 32 177             | -                 | 4 167   | 4 409                  | 4 665                  |
| <b><u>Asset management</u></b>                       |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Asset register summary (WDV)                         | 337 307         | 567 604         | 852             | 596 729              | 588 906         | 588 906            | 900 838           | 900 838   | 953 086                | 1 008 365              |
| Depreciation & asset impairment                      | 34 313          | 47 099          | 106 784         | 47 099               | 47 099          | 47 099             | 106 784           | 106 784   | 112 977                | 119 530                |
| Renewal of Existing Assets                           | -               | 40 303          | 50 475          | 68 710               | 68 710          | 68 710             | 68 710            | 15 666  | 16 574                 | 17 536                 |
| Repairs and Maintenance                              | 4 561           | 10 739          | 3 359           | 7 455                | 6 698           | 6 698              | 7 757             | 7 757   | 8 207                  | 8 683                  |
| <b><u>Free services</u></b>                          |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Cost of Free Basic Services provided                 | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| Revenue cost of free services provided               | -               | -               | -               | 1 417                | 1 417           | 1 417              | -                 | -   | 1 417                  | 1 494                  |
| <b><u>Households below minimum service level</u></b> |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Water:   | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| Sanitation/sewerage:                                 | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| Energy:  | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| Refuse:  | 943             | 943             | 943             | 943                  | 943             | 943                | 943               | 943   | 943                    | 943                    |





## **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 over the MTREF
  - b. Capital expenditure is balanced by capital funding sources, of which
    - i. Transfers recognised is reflected on the Financial Performance Budget;
    - ii. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget
    - iii. Internally generated funds is financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
4. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs.



**5. Table 6 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)**

| Standard Classification Description        | Ref      | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|----------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |          | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>R thousand</b>                          | <b>1</b> |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Revenue – Standard</b>                  |          |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Governance and administration</i>       |          | 174 705         | 245 420         | 224 855         | 236 443              | 259 201         | 259 201            | 251 788   | 266 392                | 281 842                |
| Executive and council                      |          | –               | 552             | 938             | 30                   | 82              | 82                 | 70  | 74                     | 78                     |
| Budget and treasury office                 |          | 173 672         | 241 425         | 218 491         | 234 250              | 255 849         | 255 849            | 245 269   | 259 495                | 274 546                |
| Corporate services                         |          | 1 033           | 3 443           | 5 427           | 2 163                | 3 270           | 3 270              | 6 449   | 6 823                  | 7 219                  |
| <i>Community and public safety</i>         |          | 5 044           | 5 792           | 7 550           | 12 853               | 14 009          | 14 009             | 9 022   | 9 545                  | 10 099                 |
| Community and social services              |          | 5 044           | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| Sport and recreation                       |          | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| Public safety                              |          | –               | 5 792           | 7 550           | 12 853               | 14 009          | 14 009             | 9 022   | 9 545                  | 10 099                 |
| Housing                                    |          | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| Health                                     |          | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| <i>Economic and environmental services</i> |          | 58 808          | 54 869          | 106 347         | 105 665              | 100 787         | 100 787            | 72 457  | 76 660                 | 81 106                 |
| Planning and development                   |          | –               | 98              | 175             | 660                  | 294             | 294                | 140   | 148                    | 157                    |
| Road transport                             |          | 58 808          | 54 771          | 106 172         | 105 005              | 100 493         | 100 493            | 72 317  | 76 511                 | 80 949                 |
| Environmental protection                   |          | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| <i>Trading services</i>                    |          | 3 436           | 3 470           | 3 591           | 4 100                | 4 100           | 4 100              | 4 100   | 4 338                  | 4 589                  |
| Electricity                                |          | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| Water                                      |          | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| Waste water management                     |          | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| Waste management                           |          | 3 436           | 3 470           | 3 591           | 4 100                | 4 100           | 4 100              | 4 100   | 4 338                  | 4 589                  |
| <i>Other</i>                               | 4        | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| <b>Total Revenue - Standard</b>            | <b>2</b> | <b>241 993</b>  | <b>309 552</b>  | <b>342 343</b>  | <b>359 061</b>       | <b>378 097</b>  | <b>378 097</b>     | <b>337 367</b>                                      | <b>356 934</b>         | <b>377 636</b>         |
| <b>Expenditure - Standard</b>              | <b>-</b> |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Governance and administration</i>       |          | 123 076         | 166 969         | 153 118         | 139 517              | 149 772         | 149 772            | 158 566   | 167 763                | 177 493                |
| Executive and council                      |          | 32 146          | 35 391          | 43 435          | 47 217               | 53 713          | 53 713             | 50 042  | 52 944                 | 56 015                 |
| Budget and treasury office                 |          | 61 737          | 105 411         | 68 435          | 45 979               | 49 119          | 49 119             | 65 927  | 69 750                 | 73 796                 |
| Corporate services                         |          | 29 193          | 26 166          | 41 248          | 46 321               | 46 940          | 46 940             | 42 598  | 45 069                 | 47 683                 |
| <i>Community and public safety</i>         |          | 42 550          | 39 853          | 33 187          | 55 277               | 58 076          | 58 076             | 43 513  | 46 037                 | 48 707                 |
| Community and social services              |          | 42 550          | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| Sport and recreation                       |          | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| Public safety                              |          | –               | 39 853          | 33 187          | 55 277               | 58 076          | 58 076             | 43 513  | 46 037                 | 48 707                 |
| Housing                                    |          | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| Health                                     |          | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |

| Standard Classification Description        | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <i>Economic and environmental services</i> |     | 26 687          | 26 840          | 164 936         | 106 559              | 115 281         | 115 281            | 172 704   | 182 720                | 193 318                |
| Planning and development                   |     | 5 388           | 8 632           | 24 199          | 24 566               | 29 454          | 29 454             | 25 530  | 27 011                 | 28 577                 |
| Road transport                             |     | 21 299          | 18 209          | 140 737         | 81 993               | 85 827          | 85 827             | 147 174   | 155 710                | 164 741                |
| Environmental protection                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Trading services</i>                    |     | -               | 16 649          | 17 218          | -                    | -               | -                  | 19 121  | 20 230                 | 21 403                 |
| Electricity                                |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Water                                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Waste water management                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Waste management                           |     | -               | 16 649          | 17 218          | -                    | -               | -                  | 19 121  | 20 230                 | 21 403                 |
| <i>Other</i>                               | 4   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Total Expenditure - Standard               | 3   | 192 313         | 250 311         | 368 458         | 301 353              | 323 129         | 323 129            | 393 904   | 416 750                | 440 922                |
| Surplus/(Deficit) for the year             |     | 49 680          | 59 241          | (26 115)        | 57 708               | 54 968          | 54 968             | (56 537)  | (59 816)               | (63 286)               |

### 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 15 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.
3. Other functions that show a deficit between revenue and expenditure are being financed from rates revenues and other revenue sources reflected under the Corporate Services.

**Table 7 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)**

| Vote Description                                  | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>R thousand</b>                                 |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Revenue by Vote</b>                            | 1   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Vote 1 - OFFICE OF THE MAYOR                      |     | -               | -               | 838             | -                    | -               | -                  | -   | -                      | -                      |
| Vote 2 - OFFICE OF THE SPAEKER                    |     | -               | -               | 15              | -                    | -               | -                  | -   | -                      | -                      |
| Vote 3 - OFFICE OF THE MUNICIPAL MANAGER          |     | -               | -               | 84              | 30                   | 82              | 82                 | 70  | 74                     | 78                     |
| Vote 4 - STRATEGIC MANAGEMENT                     |     | -               | -               | 79              | 30                   | 94              | 94                 | -   | -                      | -                      |
| Vote 5 - LOCAL ECONOMIC DEVELOPMENT               |     | -               | -               | 96              | 630                  | 200             | 200                | 140   | 148                    | 157                    |
| Vote 6 - BUDGET & TREASURY OFFICE                 |     | 173 672         | 188 044         | 218 491         | 234 250              | 255 849         | 255 849            | 245 269   | 259 495                | 274 546                |
| Vote 7 - CORPORATE SERVICES                       |     | 1 033           | 652             | 5 427           | 2 163                | 3 270           | 3 270              | 6 449   | 6 823                  | 7 219                  |
| Vote 8 - COMMUNITY SERVICES                       |     | 8 480           | 8 505           | 11 141          | 16 953               | 18 109          | 18 109             | 13 122  | 13 883                 | 14 688                 |
| Vote 9 - INFRASTRUCTURAL PLANNING AND DEVELOPMENT |     | 58 808          | 52 305          | 106 172         | 105 005              | 100 493         | 100 493            | 72 317  | 76 511                 | 80 949                 |
| <b>Total Revenue by Vote</b>                      | 2   | <b>241 993</b>  | <b>249 506</b>  | <b>342 343</b>  | <b>359 061</b>       | <b>378 097</b>  | <b>378 097</b>     | <b>337 367</b>                                      | <b>356 934</b>         | <b>377 636</b>         |
| <b>Expenditure by Vote to be appropriated</b>     | 1   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Vote 1 - OFFICE OF THE MAYOR                      |     | 5 612           | 8 295           | 9 088           | 11 278               | 13 017          | 13 017             | 11 261  | 11 915                 | 12 606                 |
| Vote 2 - OFFICE OF THE SPAEKER                    |     | 17 844          | 19 497          | 23 408          | 22 275               | 26 610          | 26 610             | 23 554  | 24 921                 | 26 366                 |
| Vote 3 - OFFICE OF THE MUNICIPAL MANAGER          |     | 8 691           | 7 599           | 23 408          | 13 664               | 14 086          | 14 086             | 15 226  | 16 109                 | 17 043                 |
| Vote 4 - STRATEGIC MANAGEMENT                     |     | 5 388           | 6 727           | 14 861          | 14 694               | 15 546          | 15 546             | 15 327  | 16 216                 | 17 156                 |
| Vote 5 - LOCAL ECONOMIC DEVELOPMENT               |     | -               | 1 333           | 9 338           | 9 873                | 13 907          | 13 907             | 10 203  | 10 795                 | 11 421                 |
| Vote 6 - BUDGET & TREASURY OFFICE                 |     | 60 791          | 111 926         | 68 435          | 45 979               | 49 119          | 49 119             | 65 927  | 69 750                 | 73 796                 |
| Vote 7 - CORPORATE SERVICES                       |     | 28 160          | 26 166          | 41 248          | 46 321               | 46 940          | 46 940             | 42 598  | 45 069                 | 47 683                 |
| Vote 8 - COMMUNITY SERVICES                       |     | 42 550          | 48 228          | 50 405          | 55 277               | 58 077          | 58 077             | 62 634  | 66 267                 | 70 111                 |
| Vote 9 - INFRASTRUCTURAL PLANNING AND DEVELOPMENT |     | 64 025          | 20 539          | 140 737         | 81 993               | 85 827          | 85 827             | 147 174   | 155 710                | 164 741                |
| <b>Total Expenditure by Vote</b>                  | 2   | <b>233 060</b>  | <b>250 311</b>  | <b>380 927</b>  | <b>301 353</b>       | <b>323 128</b>  | <b>323 128</b>     | <b>393 904</b>                                      | <b>416 750</b>         | <b>440 922</b>         |
| <b>Surplus/(Deficit) for the year</b>             | 2   | <b>8 932</b>    | <b>(805)</b>    | <b>(38 584)</b> | <b>57 708</b>        | <b>54 969</b>   | <b>54 969</b>      | <b>(56 537)</b>                                     | <b>(59 816)</b>        | <b>(63 286)</b>        |

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

1. 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 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)**

| Description  | Ref  | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    |                   | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|  |      | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>Revenue By Source</b>   |      |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Property rates   | 2    | 11 136          | 11 713          | 19 384          | 19 472               | 19 472          | 19 472             | -                 | 19 472  | 20 607                 | 21 808                 |
| 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    | 3 436           | 3 470           | 3 591           | 4 100                | 4 100           | 4 100              | -                 | 4 100   | 4 338                  | 4 589                  |
| Service charges - other  |      |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Rental of facilities and equipment                                   |      | 2 186           | 2 114           | 2 363           | 2 317                | 2 317           | 2 317              |                   | 2 700   | 2 857                  | 3 023                  |
| Interest earned - external investments                               |      | 3 169           | 4 435           | 5 116           | 4 500                | 4 500           | 4 500              |                   | 4 500   | 4 761                  | 5 037                  |
| Interest earned - outstanding debtors                                |      | 2 462           | 2 912           | 3 694           | 4 525                | 4 525           | 4 525              |                   | 4 525   | 4 787                  | 5 065                  |
| Dividends received   |      |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Fines  |      | 1 384           | 1 372           | 1 579           | 2 201                | 2 201           | 2 201              |                   | 2 322   | 2 457                  | 2 599                  |
| Licences and permits   |      | 2 901           | 953             | 3 170           | 1 000                | 1 000           | 1 000              |                   | 3 836   | 4 058                  | 4 294                  |
| Agency services  |      | 778             | 2 709           | 705             | 4 283                | 4 283           | 4 283              |                   | 920   | 973                    | 1 030                  |
| Transfers recognised - operational                                   |      | 153 278         | 219 175         | 191 241         | 207 295              | 229 071         | 229 071            |                   | 217 033   | 229 621                | 242 939                |
| Other revenue  | 2    | 388             | 651             | 4 585           | 972                  | 972             | 972                | -                 | 5 144   | 5 442                  | 5 758                  |
| Gains on disposal of PPE   |      | 48              | 59              | 59              | 590                  | 590             |                    |                   | 590   | 624                    | 661                    |
| <b>Total Revenue (excluding capital transfers and contributions)</b> |      | <b>181 167</b>  | <b>249 564</b>  | <b>235 488</b>  | <b>251 254</b>       | <b>273 030</b>  | <b>272 439</b>     | <b>-</b>          | <b>265 142</b>                                      | <b>280 526</b>         | <b>296 803</b>         |
| <b>Expenditure By Type</b>   |      |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Employee related costs   | 2    | 88 361          | 103 960         | 130 786         | 146 304              | 154 386         | 154 386            | -                 | 165 411   | 175 005                | 185 155                |
| Remuneration of councillors  |      | 20 206          | 22 155          | 22 141          | 24 140               | 27 021          | 27 021             |                   | 24 421  | 25 837                 | 27 336                 |
| Debt impairment  | 3    | -               | 8 774           | 21 980          | 3 000                | 3 000           | 3 000              |                   | 21 980  | 23 255                 | 24 604                 |
| Depreciation & asset impairment                                      | 2    | 34 313          | 47 099          | 106 784         | 47 099               | 47 099          | 47 099             | -                 | 106 784   | 112 977                | 119 530                |
| Finance charges  |      | -               | 278             | 2 657           | 1 200                | 2 024           | 2 024              |                   | 1 200   | 1 270                  | 1 343                  |
| Bulk purchases   | 2    | 3 238           | 1 866           | 9 999           | 7 000                | 7 000           | 7 000              | -                 | 7 000   | 7 406                  | 7 836                  |
| Other materials  | 8    | 4 561           | 10 739          | 3 359           | 7 455                | 6 698           | 6 698              |                   | 7 757   | 8 207                  | 8 683                  |
| Contracted services  |      | 8 099           | 257             | 8 046           | 7 079                | 7 349           | 7 349              | -                 | 7 285   | 7 707                  | 8 154                  |
| Transfers and grants   |      | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| Other expenditure  | 4, 5 | 33 534          | 55 183          | 62 705          | 58 075               | 68 551          | 68 551             | -                 | 52 067  | 55 086                 | 58 281                 |

| Description   | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    |                   | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| Loss on disposal of PPE                                   |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Total Expenditure   |     | 192 312         | 250 311         | 368 458         | 301 353              | 323 128         | 323 128            | -                 | 393 904   | 416 750                | 440 922                |
| Surplus/(Deficit)   |     | (11 145)        | (747)           | (132 970)       | (50 098)             | (50 099)        | (50 689)           | -                 | (128 762)   | (136 224)              | (144 120)              |
| Transfers recognised - capital                            |     | 60 827          | 60 046          | 106 324         | 107 807              | 105 068         | 105 068            | -                 | 72 225  | 76 414                 | 80 846                 |
| Contributions recognised - capital                        |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| Contributed assets  |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Surplus/(Deficit) after capital transfers & contributions |     | 49 682          | 59 299          | (26 646)        | 57 708               | 54 969          | 54 379             | -                 | (56 537)  | (59 811)               | (63 274)               |
| Taxation  |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Surplus/(Deficit) after taxation                          |     | 49 682          | 59 299          | (26 646)        | 57 708               | 54 969          | 54 379             | -                 | (56 537)  | (59 811)               | (63 274)               |
| Attributable to minorities                                |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Surplus/(Deficit) attributable to municipality            |     | 49 682          | 59 299          | (26 646)        | 57 708               | 54 969          | 54 379             | -                 | (56 537)  | (59 811)               | (63 274)               |
| Share of surplus/ (deficit) of associate                  |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Surplus/(Deficit) for the year                            |     | 49 682          | 59 299          | (26 646)        | 57 708               | 54 969          | 54 379             | -                 | (56 537)  | (59 811)               | (63 274)               |

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

1. Total revenue is R265 million in 2016/17 and escalates to R297 million by 2018/19.
2. Revenue to be generated from property rates is R19 million in the 2016/17 financial year and increases to R22 million by 2018/19
3. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government.

**Table 9 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source**

| Vote Description                                 | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    |                   | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>R thousand</b>                                | 1   |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <u>Capital expenditure - Vote</u>                | 2   |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <u>Multi-year expenditure to be appropriated</u> |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| OFFICE OF THE MAYOR                              |     | 450             | -               | 838             | -                    | -               | -                  | -                 | -   | -                      | -                      |
| OFFICE OF THE SPAEKER                            |     | -               | 461             | 15              | -                    | -               | -                  | -                 | -   | -                      | -                      |
| OFFICE OF THE MUNICIPAL MANAGER                  |     | 47 859          | 91              | 84              | 30                   | 82              | 82                 | -                 | 70  | 74                     | 78                     |
| STRATEGIC MANAGEMENT                             |     | 64              | 90              | 79              | 30                   | 94              | 94                 | -                 | -   | -                      | -                      |
| LOCAL ECONOMIC DEVELOPMENT                       |     | -               | 9               | 96              | 630                  | 200             | 200                | -                 | 140   | 148                    | 157                    |
| BUDGET & TREASURY OFFICE                         |     | 148             | 76              | 180             | 30                   | 412             | 412                | -                 | 35  | 37                     | 39                     |
| CORPORATE SERVICES                               |     | 1 531           | 2 752           | 1 281           | 1 170                | 2 277           | 2 277              | -                 | 2 013   | 2 129                  | 2 253                  |
| COMMUNITY SERVICES                               |     | 3 666           | 758             | 2 262           | 5 180                | 6 336           | 6 336              | -                 | 1 797   | 1 901                  | 2 011                  |
| INFRASTRUCTURAL PLANNING AND DEVELOPMENT         |     | 24 013          | 43 303          | 106 324         | 100 737              | 95 666          | 95 666             | -                 | 68 171  | 72 125                 | 76 308                 |
| Capital multi-year expenditure sub-total         | 7   | 77 731          | 47 539          | 111 160         | 107 807              | 105 067         | 105 067            | -                 | 72 225  | 76 414                 | 80 846                 |
| <b>Total Capital Expenditure - Vote</b>          |     | <b>77 731</b>   | <b>47 539</b>   | <b>111 160</b>  | <b>107 807</b>       | <b>105 067</b>  | <b>105 067</b>     | <b>-</b>          | <b>72 225</b>                                       | <b>76 414</b>          | <b>80 846</b>          |
| <u>Capital Expenditure - Standard</u>            |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <i>Governance and administration</i>             |     | 49 988          | 3 380           | 2 399           | 1 230                | 2 771           | 2 771              | -                 | 2 118   | 2 240                  | 2 370                  |
| Executive and council                            |     | 48 309          | 552             | 938             | 30                   | 82              | 82                 | -                 | 70  | 74                     | 78                     |
| Budget and treasury office                       |     | 148             | 76              | 180             | 30                   | 412             | 412                | -                 | 35  | 37                     | 39                     |
| Corporate services                               |     | 1 531           | 2 752           | 1 281           | 1 170                | 2 277           | 2 277              | -                 | 2 013   | 2 129                  | 2 253                  |
| <i>Community and public safety</i>               |     | 3 666           | 758             | 2 262           | 5 180                | 6 336           | 6 336              | -                 | 1 797   | 1 901                  | 2 011                  |
| Community and social services                    |     | 3 666           | 758             | 2 262           | 5 180                | 6 336           | 6 336              | -                 | 1 797   | 1 901                  | 2 011                  |
| Sport and recreation                             |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Public safety                                    |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Housing  |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Health   |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <i>Economic and environmental services</i>       |     | 24 077          | 43 401          | 101 663         | 101 397              | 95 960          | 95 960             | -                 | 68 311  | 72 273                 | 76 464                 |
| Planning and development                         |     | 64              | 98              | 175             | 660                  | 294             | 294                | -                 | 140   | 148                    | 157                    |
| Road transport                                   |     | 24 013          | 43 303          | 101 487         | 100 737              | 95 666          | 95 666             | -                 | 68 171  | 72 125                 | 76 308                 |
| Environmental protection                         |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <i>Trading services</i>                          |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| Electricity                                      |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Water  |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Waste water management                           |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |



| Vote Description                     | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    |                   | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--------------------------------------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|                                      |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| Waste management<br><i>Other</i>     |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Total Capital Expenditure - Standard | 3   | 77 731          | 47 539          | 106 324         | 107 807              | 105 067         | 105 067            | -                 | 72 225  | 76 414                 | 80 846                 |
| <b>Funded by:</b>                    |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| National Government                  |     | 77 731          | 47 539          | 106 324         | 107 807              | 105 067         | 105 067            |                   | 72 225  | 76 414                 | 80 846                 |
| Provincial Government                |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| District Municipality                |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Other transfers and grants           |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Transfers recognised - capital       | 4   | 77 731          | 47 539          | 106 324         | 107 807              | 105 067         | 105 067            | -                 | 72 225  | 76 414                 | 80 846                 |
| Public contributions & donations     | 5   |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Borrowing                            | 6   |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Internally generated funds           |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Total Capital Funding                | 7   | 77 731          | 47 539          | 106 324         | 107 807              | 105 067         | 105 067            | -                 | 72 225  | 76 414                 | 80 846                 |

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

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. In relation to multi-year appropriations, for 2016/17 R72 million has been allocated. This allocation escalates to R76 million in 2017/18 and then to R81 million in 2018/19.
3. The capital programme is funded from capital grants and Equitable Share

**Table 10 MBRR Table A6 - Budgeted Financial Position**

| Description                              | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    |                   | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>ASSETS</b>                            |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <b>Current assets</b>                    |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Cash                                     |     | 61 826          | 90 602          | 61 179          | 108 065              | 108 065         | 108 065            |                   | 41 369  | 43 768                 | 46 307                 |
| Call investment deposits                 | 1   | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| Consumer debtors                         | 1   | 5 521           | 8 320           | -               | -                    | -               | -                  | -                 | 5 441   | 5 757                  | 6 091                  |
| Other debtors                            |     | 18 737          | 5 034           | 4 592           | 11 177               | 11 177          | 11 177             |                   | 5 195   | 5 496                  | 5 815                  |
| Current portion of long-term receivables |     |                 | 13 331          | 6 044           | 9 435                | 9 435           | 9 435              |                   |   | -                      | -                      |
| Inventory                                | 2   |                 | 8 948           | 8 333           | 5 573                | 5 573           | 5 573              |                   | 8 333   | 8 816                  | 9 328                  |
| <b>Total current assets</b>              |     | <b>86 084</b>   | <b>126 234</b>  | <b>80 149</b>   | <b>134 250</b>       | <b>134 250</b>  | <b>134 250</b>     | <b>-</b>          | <b>60 338</b>                                       | <b>63 838</b>          | <b>67 540</b>          |
| <b>Non current assets</b>                |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Long-term receivables                    |     |                 |                 |                 |                      |                 |                    |                   |   | -                      | -                      |
| Investments                              |     |                 |                 |                 |                      |                 |                    |                   |   | -                      | -                      |
| Investment property                      |     | 63 015          | 717             | 717             |                      |                 |                    |                   | 717   | 759                    | 803                    |
| Investment in Associate                  |     |                 |                 |                 |                      |                 |                    |                   |   | -                      | -                      |
| Property, plant and equipment            | 3   | 247 318         | 488 321         | 828 612         | 592 148              | 601 971         | 601 971            | -                 | 900 837   | 953 085                | 1 008 364              |
| Agricultural                             |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Biological                               |     |                 | -               |                 |                      |                 |                    |                   |   |                        |                        |
| Intangible                               |     | 44              | 202             | 135             | 600                  | 600             | 600                |                   | 135   | 143                    | 151                    |
| Other non-current assets                 |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <b>Total non current assets</b>          |     | <b>310 377</b>  | <b>489 241</b>  | <b>829 464</b>  | <b>592 748</b>       | <b>602 571</b>  | <b>602 571</b>     | <b>-</b>          | <b>901 689</b>                                      | <b>953 987</b>         | <b>1 009 318</b>       |
| <b>TOTAL ASSETS</b>                      |     | <b>396 461</b>  | <b>615 475</b>  | <b>909 613</b>  | <b>726 998</b>       | <b>736 821</b>  | <b>736 821</b>     | <b>-</b>          | <b>962 027</b>                                      | <b>1 017 824</b>       | <b>1 076 858</b>       |
| <b>LIABILITIES</b>                       |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <b>Current liabilities</b>               |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Bank overdraft                           | -   |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Borrowing                                | 4   | 864             | 437             | 364             | 412                  | 412             | 412                | -                 | 139   | 147                    | 155                    |
| Consumer deposits                        |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Trade and other payables                 | 4   | 50 769          | 71 624          | 62 409          | 85 764               | 85 764          | 85 764             | -                 | 46 719  | 49 429                 | 52 296                 |
| Provisions                               |     |                 |                 |                 |                      |                 |                    |                   | 15 690  |                        |                        |
| <b>Total current liabilities</b>         |     | <b>51 633</b>   | <b>72 060</b>   | <b>62 773</b>   | <b>86 176</b>        | <b>86 176</b>   | <b>86 176</b>      | <b>-</b>          | <b>62 548</b>                                       | <b>49 575</b>          | <b>52 451</b>          |
| <b>Non current liabilities</b>           |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Borrowing                                |     | 1 019           | 554             | 378             | 445                  | 445             | 445                | -                 | 363   | 384                    | 406                    |
| Provisions                               |     | 25 236          | 31 762          | 7 281           | -                    | -               | -                  | -                 | 7 281   | 7 703                  | 8 150                  |

| Description                          | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    |                   | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--------------------------------------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|                                      |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| Total non current liabilities        |     | 26 255          | 32 315          | 7 659           | 445                  | 445             | 445                | -                 | 7 644   | 8 087                  | 8 556                  |
| <b>TOTAL LIABILITIES</b>             |     | <b>77 888</b>   | <b>104 376</b>  | <b>70 433</b>   | <b>86 621</b>        | <b>86 621</b>   | <b>86 621</b>      | <b>-</b>          | <b>70 192</b>                                       | <b>57 663</b>          | <b>61 007</b>          |
| <b>NET ASSETS</b>                    | 5   | <b>318 573</b>  | <b>511 099</b>  | <b>839 180</b>  | <b>640 378</b>       | <b>650 201</b>  | <b>650 201</b>     | <b>-</b>          | <b>891 835</b>                                      | <b>960 162</b>         | <b>1 015 851</b>       |
| <b>COMMUNITY WEALTH/EQUITY</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Accumulated Surplus/(Deficit)        |     | 318 575         | 511 099         | 395 732         |                      |                 |                    |                   | 445 791   | 471 647                | 499 002                |
| Reserves                             | 4   | -               | -               | 443 448         | -                    | -               | -                  | -                 | 443 448   | 469 168                | 496 379                |
| <b>TOTAL COMMUNITY WEALTH/EQUITY</b> | 5   | <b>318 575</b>  | <b>511 099</b>  | <b>839 180</b>  | <b>-</b>             | <b>-</b>        | <b>-</b>           | <b>-</b>          | <b>889 238</b>                                      | <b>940 814</b>         | <b>995 381</b>         |

### 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 councilors 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.

**Table 11 MBRR Table A7 - Budgeted Cash Flow Statement**

| Description                                      | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                  |                    |                   | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|------------------|--------------------|-------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget  | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                  |                    |                   |   |                        |                        |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                  |                    |                   |   |                        |                        |
| Property rates, penalties & collection charges   |     | 11 136          | 11 713          | 19 384          | 19 472               | 19 472           | 19 472             |                   | 19 472  | 20 607                 | 21 808                 |
| Service charges                                  |     | 3 436           | 3 470           | 3 591           | 4 100                | 4 100            | 4 100              |                   | 4 100   | 4 338                  | 4 589                  |
| Other revenue                                    |     | 11 549          | 7 148           | 12 993          | 10 772               | 10 772           | 10 772             |                   | 14 922  | 15 787                 | 16 703                 |
| Government - operating                           | 1   | 165 420         | 169 233         | 283 142         | 207 295              | 229 071          | 229 071            |                   | 217 033   | 229 621                | 242 939                |
| Government - capital                             | 1   | 49 932          | 60 046          | 106 324         | 107 807              | 105 068          | 105 068            |                   | 72 225  | 76 414                 | 80 846                 |
| Interest   |     | 5 940           | 7 347           | 8 810           | 9 025                | 9 025            | 9 025              |                   | 9 025   | 9 548                  | 10 102                 |
| Dividends  |     |                 |                 |                 | -                    |                  |                    |                   | -   | -                      | -                      |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                  |                    |                   |   |                        |                        |
| Suppliers and employees                          |     | (232 618)       | (182 937)       | (365 801)       | (300 153)            | (321 105)        | (321 105)          |                   | (392 704)   | (415 481)              | (439 579)              |
| Finance charges                                  |     | (442)           | (278)           | (2 657)         | (1 200)              | (2 024)          | (2 024)            |                   | (1 200)   | (1 270)                | (1 343)                |
| Transfers and Grants                             | 1   |                 |                 |                 | -                    | -                | -                  |                   | -   | -                      | -                      |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | <b>14 354</b>   | <b>75 743</b>   | <b>65 786</b>   | <b>57 118</b>        | <b>54 378</b>    | <b>54 378</b>      | <b>-</b>          | <b>(57 127)</b>                                     | <b>(60 435)</b>        | <b>(63 934)</b>        |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>      |     |                 |                 |                 |                      |                  |                    |                   |   |                        |                        |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                  |                    |                   |   |                        |                        |
| Proceeds on disposal of PPE                      |     | 21              | (35 331)        |                 | 590                  | 590              | 590                |                   | 590   | 624                    | 661                    |
| Decrease (Increase) in non-current debtors       |     |                 | (229)           |                 | -                    | -                | -                  |                   | -   | -                      | -                      |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                  |                    |                   |   |                        |                        |
| Capital assets                                   |     |                 |                 |                 | (107 807)            | (105 068)        | (105 068)          |                   | (72 225)  | (76 414)               | (80 846)               |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | <b>21</b>       | <b>(35 559)</b> | <b>-</b>        | <b>(107 216)</b>     | <b>(104 477)</b> | <b>(104 477)</b>   | <b>-</b>          | <b>(71 634)</b>                                     | <b>(75 789)</b>        | <b>(80 185)</b>        |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>      |     |                 |                 |                 |                      |                  |                    |                   |   |                        |                        |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                  |                    |                   |   |                        |                        |
| Short term loans                                 |     |                 |                 |                 |                      |                  |                    |                   | -   | -                      | -                      |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                  |                    |                   | -   | -                      | -                      |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                  |                    |                   |   |                        |                        |
| Repayment of borrowing                           |     |                 | 892             |                 |                      |                  |                    |                   | -   | -                      | -                      |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | <b>-</b>        | <b>892</b>      | <b>-</b>        | <b>-</b>             | <b>-</b>         | <b>-</b>           | <b>-</b>          | <b>-</b>  | <b>-</b>               | <b>-</b>               |
| <b>NET INCREASE/ (DECREASE) IN CASH HELD</b>     |     | <b>14 375</b>   | <b>41 076</b>   | <b>65 786</b>   | <b>(50 099)</b>      | <b>(50 099)</b>  | <b>(50 099)</b>    | <b>-</b>          | <b>(128 762)</b>                                    | <b>(136 224)</b>       | <b>(144 120)</b>       |
| Cash/cash equivalents at the year begin:         | 2   |                 |                 |                 | 90 602               | 90 602           | 90 602             |                   | 41 369  | (87 393)               | (223 618)              |
| Cash/cash equivalents at the year end:           | 2   | 14 375          | 41 076          | 65 786          | 40 503               | 40 503           | 40 503             | -                 | (87 393)  | (223 618)              | (367 737)              |

**Table 12 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation**

| Description                                       | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    |                   | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>Cash and investments available</b>             |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Cash/cash equivalents at the year end             | 1   | 14 375          | 41 076          | 65 786          | 40 503               | 40 503          | 40 503             | -                 | (87 393)  | (223 618)              | (367 737)              |
| Other current investments > 90 days               |     | 47 451          | 49 526          | (4 607)         | 67 562               | 67 562          | 67 562             | -                 | 128 762   | 267 386                | 414 044                |
| Non current assets - Investments                  | 1   | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| <b>Cash and investments available:</b>            |     | <b>61 826</b>   | <b>90 602</b>   | <b>61 179</b>   | <b>108 065</b>       | <b>108 065</b>  | <b>108 065</b>     | <b>-</b>          | <b>41 369</b>                                       | <b>43 768</b>          | <b>46 307</b>          |
| <b>Application of cash and investments</b>        |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Unspent conditional transfers                     |     | -               | -               | -               | 14 654               | 14 654          | 14 654             | -                 | -   | -                      | -                      |
| Unspent borrowing                                 |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| Statutory requirements                            | 2   |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Other working capital requirements                | 3   | 25 085          | 60 108          | 58 182          | 61 233               | 61 233          | 61 233             | -                 | 37 202  | 39 359                 | 41 642                 |
| Other provisions                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Long term investments committed                   | 4   | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| Reserves to be backed by cash/investments         | 5   |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <b>Total Application of cash and investments:</b> |     | <b>25 085</b>   | <b>60 108</b>   | <b>58 182</b>   | <b>75 888</b>        | <b>75 888</b>   | <b>75 888</b>      | <b>-</b>          | <b>37 202</b>                                       | <b>39 359</b>          | <b>41 642</b>          |
| <b>Surplus(shortfall)</b>                         |     | <b>36 741</b>   | <b>30 494</b>   | <b>2 997</b>    | <b>32 177</b>        | <b>32 177</b>   | <b>32 177</b>      | <b>-</b>          | <b>4 167</b>  | <b>4 409</b>           | <b>4 665</b>           |

**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.
3. Cash and cash equivalents totals R41 million as at the end of the 2016/17 financial year and escalates to R46 million by 2018/19.

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

1. 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.
2. 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".

**Table 13 MBRR Table A9 - Asset Management**

| Description                             | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand                              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>CAPITAL EXPENDITURE</b>              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <u>Total New Assets</u>                 | 1   | 77 731          | 7 233           | 55 849          | 39 097               | 36 358          | 36 358             | 56 559  | 59 839                 | 63 310                 |
| <i>Infrastructure - Road transport</i>  |     | 67 269          | 3 000           | 33 333          | 5 600                | 7 600           | 7 600              | 46 885  | 49 604                 | 52 481                 |
| <i>Infrastructure - Electricity</i>     |     | -               | -               | 3 940           | 15 610               | 15 610          | 15 610             | 5 620   | 5 946                  | 6 291                  |
| <i>Infrastructure - Water</i>           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Infrastructure - Sanitation</i>      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Infrastructure - Other</i>           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Infrastructure                          |     | 67 269          | 3 000           | 37 273          | 21 210               | 23 210          | 23 210             | 52 505  | 55 550                 | 58 772                 |
| Community                               |     | 81              | 2 776           | 2 262           | 5 300                | -               | -                  | 1 027   | 1 086                  | 1 149                  |
| Heritage assets                         |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Investment properties                   |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other assets                            | 6   | 10 382          | 1 457           | 16 314          | 12 587               | 13 148          | 13 148             | 3 027   | 3 203                  | 3 388                  |
| Agricultural Assets                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Biological assets                       |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Intangibles                             |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <u>Total Renewal of Existing Assets</u> | 2   | -               | 40 303          | 50 475          | 68 710               | 68 710          | 68 710             | 15 666  | 16 574                 | 17 536                 |
| <i>Infrastructure - Road transport</i>  |     | -               | 40 303          | 50 475          | 68 710               | 68 710          | 68 710             | 15 666  | 16 574                 | 17 536                 |
| <i>Infrastructure - Electricity</i>     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Infrastructure - Water</i>           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Infrastructure - Sanitation</i>      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Infrastructure - Other</i>           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Infrastructure                          | -   | -               | 40 303          | 50 475          | 68 710               | 68 710          | 68 710             | 15 666  | 16 574                 | 17 536                 |
| Community                               | -   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Heritage assets                         | -   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Investment properties                   | -   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other assets                            | 6   | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Agricultural Assets                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Biological assets                       |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Intangibles                             |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <u>Total Capital Expenditure</u>        | 4   | 67 269          | 43 303          | 83 808          | 74 310               | 76 310          | 76 310             | 62 551  | 66 179                 | 70 017                 |
| <i>Infrastructure - Road transport</i>  |     | 67 269          | 43 303          | 83 808          | 74 310               | 76 310          | 76 310             | 62 551  | 66 179                 | 70 017                 |
| <i>Infrastructure - Electricity</i>     |     | -               | -               | 3 940           | 15 610               | 15 610          | 15 610             | 5 620   | 5 946                  | 6 291                  |
| <i>Infrastructure - Water</i>           |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |

| Description                                     | Ref      | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|----------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |          | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <i>Infrastructure - Sanitation</i>              |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Infrastructure - Other</i>                   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Infrastructure                                  |          | 67 269          | 43 303          | 87 748          | 89 920               | 91 920          | 91 920             | 68 171  | 72 125                 | 76 308                 |
| Community                                       |          | 81              | 2 776           | 2 262           | 5 300                | -               | -                  | 1 027   | 1 086                  | 1 149                  |
| Heritage assets                                 |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Investment properties                           |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other assets                                    |          | 10 382          | 1 457           | 16 314          | 12 587               | 13 148          | 13 148             | 3 027   | 3 203                  | 3 388                  |
| Agricultural Assets                             |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Biological assets                               |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Intangibles                                     |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <b>TOTAL CAPITAL EXPENDITURE - Asset class</b>  | <b>2</b> | <b>77 731</b>   | <b>47 536</b>   | <b>106 324</b>  | <b>107 807</b>       | <b>105 068</b>  | <b>105 068</b>     | <b>72 224</b>                                       | <b>76 413</b>          | <b>80 845</b>          |
| <b>ASSET REGISTER SUMMARY - PPE (WDV)</b>       | <b>5</b> |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Infrastructure - Road transport</i>          |          | 249 459         | 481 620         | -               | 493 288              | 495 288         | 495 288            | 803 339   | 849 933                | 899 229                |
| <i>Infrastructure - Electricity</i>             |          | -               | -               | -               | 15 610               | 15 610          | 15 610             | 5 620   | 5 946                  | 6 291                  |
| <i>Infrastructure - Water</i>                   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Infrastructure - Sanitation</i>              |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Infrastructure - Other</i>                   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Infrastructure                                  |          | 249 459         | 481 620         | -               | 508 898              | 510 898         | 510 898            | 808 959   | 855 879                | 905 520                |
| Community                                       |          | 10 871          | 14 243          | -               | 16 767               | 11 467          | 11 467             | 74 843  | 79 184                 | 83 777                 |
| Heritage assets                                 |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Investment properties                           |          | 63 015          | 717             | 717             | -                    | -               | -                  | 717   | 759                    | 803                    |
| Other assets                                    |          | 13 918          | 70 822          | -               | 70 464               | 65 941          | 65 941             | 16 183  | 17 121                 | 18 114                 |
| Agricultural Assets                             |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Biological assets                               |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Intangibles                                     |          | 44              | 202             | 135             | 600                  | 600             | 600                | 135   | 143                    | 151                    |
| <b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b> | <b>5</b> | <b>337 307</b>  | <b>567 604</b>  | <b>852</b>      | <b>596 729</b>       | <b>588 906</b>  | <b>588 906</b>     | <b>900 838</b>                                      | <b>953 086</b>         | <b>1 008 365</b>       |
| <b>EXPENDITURE OTHER ITEMS</b>                  |          |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <u>Depreciation &amp; asset impairment</u>      |          | 34 313          | 47 099          | 106 784         | 47 099               | 47 099          | 47 099             | 106 784   | 112 977                | 119 530                |
| <u>Repairs and Maintenance by Asset Class</u>   | <b>3</b> | 4 561           | 10 739          | 3 359           | 7 455                | 6 698           | 6 698              | 7 757   | 8 207                  | 8 683                  |
| <i>Infrastructure - Road transport</i>          |          | 4 042           | 4 711           | 798             | 4 505                | 4 505           | 4 505              | 2 140   | 2 264                  | 2 395                  |
| <i>Infrastructure - Electricity</i>             |          | -               | 6 028           | 535             | -                    | -               | -                  | 1 800   | 1 904                  | 2 015                  |
| <i>Infrastructure - Water</i>                   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Infrastructure - Sanitation</i>              |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>Infrastructure - Other</i>                   |          | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Infrastructure                                  |          | 4 042           | 10 739          | 1 333           | 4 505                | 4 505           | 4 505              | 3 940   | 4 169                  | 4 410                  |

| Description                          | Ref  | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--------------------------------------|------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|                                      |      | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand                           |      |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Community                            |      | 470             | –               | 1 231           | 1 450                | 1 450           | 1 450              | 1 116   | 1 181                  | 1 249                  |
| Heritage assets                      |      | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| Investment properties                |      | –               | –               | –               | –                    | –               | –                  | –   | –                      | –                      |
| Other assets                         | 6, 7 | 49              | –               | 795             | 1 500                | 743             | 743                | 2 701   | 2 858                  | 3 024                  |
| <b>TOTAL EXPENDITURE OTHER ITEMS</b> |      | <b>38 874</b>   | <b>57 838</b>   | <b>110 143</b>  | <b>54 554</b>        | <b>53 798</b>   | <b>53 798</b>      | <b>114 541</b>                                      | <b>121 184</b>         | <b>128 213</b>         |

### Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as 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.



**Table 14 MBRR Table A10 - Basic Service Delivery Measurement**

| Description   | Ref | 2012/13   | 2013/14   | 2014/15   | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------|-----------|-----------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Outcome   | Outcome   | Outcome   | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>Household service targets</b>  | 1   |           |           |           |                      |                 |                    |   |                        |                        |
| <u>Refuse:</u>  |     |           |           |           |                      |                 |                    |   |                        |                        |
| Removed at least once a week  |     | 2 200 195 | 2 200 195 | 2 200 195 | 2 200 195            | 2 200 195       | 2 200 195          | 2 200 195   | 2 200 195              | 2 200 195              |
| <i>Minimum Service Level and Above sub-total</i>  |     | 2 200 195 | 2 200 195 | 2 200 195 | 2 200 195            | 2 200 195       | 2 200 195          | 2 200 195   | 2 200 195              | 2 200 195              |
| Removed less frequently than once a week  |     | 942 940   | 942 940   | 942 940   | 942 940              | 942 940         | 942 940            | 942 940   | 942 940                | 942 940                |
| Using communal refuse dump  |     | -         | -         | -         | -                    | -               | -                  | -   | -                      | -                      |
| Using own refuse dump   |     | -         | -         | -         | -                    | -               | -                  | -   | -                      | -                      |
| Other rubbish disposal  |     | -         | -         | -         | -                    | -               | -                  | -   | -                      | -                      |
| No rubbish disposal   |     | -         | -         | -         | -                    | -               | -                  | -   | -                      | -                      |
| <i>Below Minimum Service Level sub-total</i>  |     | 942 940   | 942 940   | 942 940   | 942 940              | 942 940         | 942 940            | 942 940   | 942 940                | 942 940                |
| Total number of households  | 5   | 3 143 135 | 3 143 135 | 3 143 135 | 3 143 135            | 3 143 135       | 3 143 135          | 3 143 135   | 3 143 135              |                        |
| <b>Highest level of free service provided per household</b>   | 9   |           |           |           |                      |                 |                    |   |                        |                        |
| Property rates (R value threshold)  |     | 2 207 222 | 2 207 222 | 2 207 222 | 2 207 222            | 2 207 222       | 2 207 222          | 2 207 222   | 2 207 222              | 2 207 222              |
| <b>Revenue cost of subsidised services provided (R'000)</b>   |     |           |           |           |                      |                 |                    |   |                        |                        |
| Property rates (tariff adjustment) ( impermissable values per section 17 of MPRA)                           |     |           |           |           |                      |                 |                    |   |                        |                        |
| Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA) |     | -         | -         | -         | 1 417                | 1 417           | 1 417              | -   | 1 417                  | 1 494                  |
| Total revenue cost of subsidised services provided  | -   | -         | -         | 1 417     | 1 417                | 1 417           | -                  | 1 417   | 1 494                  |                        |

**Explanatory notes to Table A10 - Basic Service Delivery Measurement**

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.

## 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.

#### 2.1.1 Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year a time schedule that sets out the process to revise the IDP and prepare the budget. The Mayor tabled in Council the required the IDP and budget time schedule on 29 August 2014 and there were no deviations from the key dates set out in the Budget Time Schedule tabled in Council.

#### 2.1.2 Community Consultation

The draft 2016/19 MTREF budget as tabled before Council on 29<sup>th</sup> March 2015 for community consultation and was published on the municipality's website, and hard copies were made available at customer care offices, municipal notice boards and various libraries. In addition a further development of this year's consultation process included the roadshows that were held on the 04 - 08<sup>th</sup> April 2016.

All documents in the appropriate format (electronic and printed) were provided to National Treasury, and other national and provincial departments in accordance with section 23 of the MFMA, to provide an opportunity for them to make inputs.

Submissions received during the community consultation process and additional information regarding revenue and expenditure and individual capital projects were addressed, and where relevant considered as part of the finalisation of the 2016/19 MTREF.

## 2.2 Overview of budget related-policies

The municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies. The following policies have been reviewed:

- Indigent Policy
- Tariff Structure
- Supply Chain Management Policy
- Budget Policy

The supporting tables below were extracted from the A1 Schedule ( SA1- SA 37)

| Description  | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    |                   | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand   |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <b>REVENUE ITEMS:</b>  |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <u>Property rates</u>  | 6   |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Total Property Rates   |     | 11 136          | 11 713          | 19 384          | 20 889               | 20 889          | 20 889             |                   | 20 889  | 22 101                 | 23 383                 |
| <i>less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i> |     |                 |                 |                 | 1 417                | 1 417           | 1 417              |                   | 1 417   | 1 494                  | 1 574                  |
| Net Property Rates   |     | 11 136          | 11 713          | 19 384          | 19 472               | 19 472          | 19 472             | -                 | 19 472  | 20 607                 | 21 808                 |
| Net Service charges - sanitation revenue   |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| <u>Service charges - refuse revenue</u>  | 6   |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Total refuse removal revenue   |     | 3 436           | 3 470           | 3 591           | 4 100                | 4 100           | 4 100              |                   | 4 100   | 4 338                  | 4 589                  |
| Total landfill revenue   |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <i>less Revenue Foregone (in excess of one removal a week to indigent households)</i>                                      |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <i>less Cost of Free Basis Services (removed once a week to indigent households)</i>                                       |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| Net Service charges - refuse revenue   |     | 3 436           | 3 470           | 3 591           | 4 100                | 4 100           | 4 100              | -                 | 4 100   | 4 338                  | 4 589                  |
| <u>Other Revenue by source</u>   |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <i>Fuel Levy</i>   |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <i>Other Revenue</i>   |     | 388             | 651             | 4 585           | 972                  | 972             | 972                |                   | 5 144   | 5 442                  | 5 758                  |
| Total 'Other' Revenue  | 1   | 388             | 651             | 4 585           | 972                  | 972             | 972                | -                 | 5 144   | 5 442                  | 5 758                  |
| <b>EXPENDITURE ITEMS:</b>  |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <u>Employee related costs</u>  | 2   |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Basic Salaries and Wages   |     | 68 798          | 103 960         | 130 786         | 110 958              | 119 040         | 119 040            |                   | 124 713   | 131 946                | 139 599                |
| Pension and UIF Contributions  |     | 10 327          |                 |                 | 16 487               | 16 487          | 16 487             |                   | 21 688  | 22 946                 | 24 277                 |
| Medical Aid Contributions  |     | 4 362           |                 |                 | 6 021                | 6 021           | 6 021              |                   | 6 977   | 7 382                  | 7 810                  |
| Overtime   |     | 1 638           |                 |                 | 540                  | 540             | 540                |                   | 531   | 562                    | 594                    |
| Performance Bonus  |     |                 |                 |                 | 824                  | 824             | 824                |                   | 834   | 882                    | 933                    |
| Motor Vehicle Allowance  |     | 812             |                 |                 | 6 153                | 6 153           | 6 153              |                   | 6 617   | 7 001                  | 7 407                  |
| Cellphone Allowance  |     | 872             |                 |                 | 553                  | 553             | 553                |                   | 455   | 481                    | 509                    |

| Description                                     | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    |                   | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>R thousand</b>                               |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Housing Allowances                              |     | 82              |                 |                 | 98                   | 98              | 98                 |                   | 195   | 206                    | 218                    |
| Other benefits and allowances                   |     | 1 469           |                 |                 | 4 672                | 4 672           | 4 672              |                   | 3 402   | 3 600                  | 3 809                  |
| Payments in lieu of leave                       |     |                 |                 |                 |                      | -               | -                  |                   |   | -                      | -                      |
| Long service awards                             |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Post-retirement benefit obligations             |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <i>sub-total</i>                                | 4   |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
|   | 5   | 88 361          | 103 960         | 130 786         | 146 304              | 154 386         | 154 386            | -                 | 165 411   | 175 005                | 185 155                |
| <u>Less: Employees costs capitalised to PPE</u> |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Total Employee related costs                    | 1   | 88 361          | 103 960         | 130 786         | 146 304              | 154 386         | 154 386            | -                 | 165 411   | 175 005                | 185 155                |
| <u>Contributions recognised - capital</u>       |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <i>List contributions by contract</i>           |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Total Contributions recognised - capital        |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| <u>Depreciation &amp; asset impairment</u>      |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Depreciation of Property, Plant & Equipment     |     | 34 313          | 47 099          | 106 784         | 47 099               | 47 099          | 47 099             |                   | 106 784   | 112 977                | 119 530                |
| Lease amortisation                              |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Capital asset impairment                        |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Depreciation resulting from revaluation of PPE  |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Total Depreciation & asset impairment           | 10  | 34 313          | 47 099          | 106 784         | 47 099               | 47 099          | 47 099             | -                 | 106 784   | 112 977                | 119 530                |
| <u>Bulk purchases</u>                           |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Electricity Bulk Purchases                      |     | 3 238           | 1 866           | 9 999           | 7 000                | 7 000           | 7 000              |                   | 7 000   | 7 406                  | 7 836                  |
| Water Bulk Purchases                            |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Total bulk purchases                            | 1   | 3 238           | 1 866           | 9 999           | 7 000                | 7 000           | 7 000              | -                 | 7 000   | 7 406                  | 7 836                  |
| <u>Transfers and grants</u>                     |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Cash transfers and grants                       |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| Non-cash transfers and grants                   |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| Total transfers and grants                      | 1   | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| <u>Contracted services</u>                      |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <i>AUDIT COMMITTEE:</i>                         |     |                 |                 |                 | 600                  | 600             | 600                |                   | 600   | 635                    | 672                    |
| <i>AUDIT FEES</i>                               |     |                 | 257             |                 |                      | -               | -                  |                   |   |                        |                        |
| <i>CONSULTING AND PROFESSIONAL FEES</i>         |     | 3 537           |                 | 8 046           |                      | -               | -                  |                   | -   | -                      | -                      |
| <i>INSURANCE : EXTERNAL:</i>                    |     | 347             |                 |                 | 400                  | 600             | 600                |                   | 600   | 635                    | 672                    |
| <i>LEGAL FEES:</i>                              |     | 2 900           |                 |                 | 2 000                | 2 000           | 2 000              |                   | 2 000   | 2 116                  | 2 239                  |

| Description                           | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    |                   | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|---------------------------------------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|                                       |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>R thousand</b>                     |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <i>OFFICE RENTALS;</i>                |     | 339             |                 |                 | 839                  | 839             | 839                |                   | 865   | 915                    | 968                    |
| <i>LICENSE &amp; REG FEES</i>         |     | 976             |                 |                 | 1 580                | 1 710           | 1 710              |                   | 1 670   | 1 767                  | 1 869                  |
| <i>SECURITY SERVICES;</i>             |     |                 |                 |                 | 1 060                | 500             | 500                |                   | 950   | 1 005                  | 1 063                  |
| <i>CAR WASH</i>                       |     |                 |                 |                 | –                    | –               | –                  |                   | –   | –                      | –                      |
| <i>RENTAL OF REGIONAL WASTE SITE</i>  |     |                 |                 |                 | 600                  | 1 100           | 1 100              |                   | 600   | 635                    | 672                    |
| <i>sub-total</i>                      | 1   | 8 099           | 257             | 8 046           | 7 079                | 7 349           | 7 349              | –                 | 7 285   | 7 707                  | 8 154                  |
| Allocations to organs of state:       |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Electricity                           |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Water                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Sanitation                            |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Other                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Total contracted services             |     | 8 099           | 257             | 8 046           | 7 079                | 7 349           | 7 349              | –                 | 7 285   | 7 707                  | 8 154                  |
| <u>Other Expenditure By Type</u>      | -   |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Collection costs                      |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Contributions to 'other' provisions   |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Consultant fees                       |     | 5               |                 |                 | 190                  | 50              | 50                 |                   |   |                        |                        |
| Audit fees                            |     | 2 110           |                 |                 | 3 000                | 3 000           | 3 000              |                   | 3 000   | 3 174                  | 3 358                  |
| General expenses                      | 3   | 31 419          | 55 183          | 62 705          | 54 885               | 65 501          | 65 501             |                   | 49 067  | 51 912                 | 54 923                 |
| <i>List Other Expenditure by Type</i> |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Total 'Other' Expenditure             | 1   | 33 534          | 55 183          | 62 705          | 58 075               | 68 551          | 68 551             | –                 | 52 067  | 55 086                 | 58 281                 |

EC122 Mngquma - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

| Description  | Ref | Vote 1 - OFFICE OF THE MAYOR | Vote 2 - OFFICE OF THE SPEAKER | Vote 3 - OFFICE OF THE MUNICIPAL MANAGER | Vote 4 - STRATEGIC MANAGEMENT | Vote 5 - LOCAL ECONOMIC DEVELOPMENT | Vote 6 - BUDGET & TREASURY OFFICE | Vote 7 - CORPORATE SERVICES | Vote 8 - COMMUNITY SERVICES | Vote 9 - INFRASTRUCTURAL PLANNING AND DEVELOPMENT | Total     |
|--|-----|------------------------------|--------------------------------|--|-------------------------------|-------------------------------------|-----------------------------------|-----------------------------|-----------------------------|---|-----------|
| R thousand   | 1   |                              |                                |  |                               |                                     |                                   |                             |                             |   |           |
| <b>Revenue By Source</b>   |     |                              |                                |  |                               |                                     |                                   |                             |                             |   |           |
| Property rates   |     |                              |                                |  |                               |                                     | 19 472                            |                             | -                           |   | 19 472    |
| Property rates - penalties & collection charges                      |     |                              |                                |  |                               |                                     |                                   |                             |                             |   | -         |
| Service charges - electricity revenue                                |     |                              |                                |  |                               |                                     |                                   |                             |                             |   | -         |
| Service charges - water revenue                                      |     |                              |                                |  |                               |                                     |                                   |                             |                             |   | -         |
| Service charges - sanitation revenue                                 |     |                              |                                |  |                               |                                     |                                   |                             |                             |   | -         |
| Service charges - refuse revenue                                     |     |                              |                                |  |                               |                                     |                                   |                             | 4 100                       |   | 4 100     |
| Service charges - other  |     |                              |                                |  |                               |                                     |                                   |                             |                             |   | -         |
| Rental of facilities and equipment                                   |     |                              |                                |  |                               |                                     | 2 550                             |                             | 150                         |   | 2 700     |
| Interest earned - external investments                               |     |                              |                                |  |                               |                                     | 4 500                             |                             |                             |   | 4 500     |
| Interest earned - outstanding debtors                                |     |                              |                                |  |                               |                                     | 4 500                             |                             | 25                          |   | 4 525     |
| Dividends received   |     |                              |                                |  |                               |                                     |                                   |                             |                             |   | -         |
| Fines  |     |                              |                                |  |                               |                                     |                                   |                             | 2 322                       |   | 2 322     |
| Licences and permits   |     |                              |                                |  |                               |                                     |                                   |                             | 920                         |   | 920       |
| Agency services  |     |                              |                                |  |                               |                                     |                                   | 72                          | 3 764                       |   | 3 836     |
| Other revenue  |     |                              |                                |  |                               |                                     | 575                               | 4 364                       | 45                          | 160   | 5 144     |
| Transfers recognised - operational                                   |     |                              |                                |  |                               |                                     | 213 047                           |                             |                             | 3 986   | 217 033   |
| Gains on disposal of PPE   |     |                              |                                |  |                               |                                     | 590                               |                             |                             |   | 590       |
| <b>Total Revenue (excluding capital transfers and contributions)</b> |     | -                            | -                              | -  | -                             | -                                   | 245 234                           | 4 436                       | 11 325                      | 4 146   | 265 142   |
| <b>Expenditure By Type</b>   | -   |                              |                                |  |                               |                                     |                                   |                             |                             |   |           |
| Employee related costs   |     | 1 302                        | 4 328                          | 9 815                                    | 9 320                         | 6 712                               | 25 173                            | 26 887                      | 53 087                      | 28 788  | 165 411   |
| Remuneration of councillors  |     | 7 486                        | 16 935                         |  |                               |                                     |                                   |                             |                             |   | 24 421    |
| Debt impairment  |     |                              |                                |  |                               |                                     | 21 980                            |                             |                             |   | 21 980    |
| Depreciation & asset impairment                                      |     |                              |                                |  |                               |                                     |                                   |                             |                             | 106 784   | 106 784   |
| Finance charges  |     |                              |                                |  |                               |                                     |                                   | 1 200                       |                             |   | 1 200     |
| Bulk purchases   |     |                              |                                |  |                               |                                     | 7 000                             |                             |                             |   | 7 000     |
| Other materials  |     |                              |                                |  |                               |                                     | 100                               | 100                         | 1 742                       | 5 815   | 7 757     |
| Contracted services  |     |                              |                                | 2 650                                    |                               |                                     | 4 850                             | 1 200                       | 1 420                       | 165   | 10 285    |
| Transfers and grants   |     |                              |                                |  |                               |                                     |                                   |                             |                             |   | -         |
| Other expenditure  |     | 2 474                        | 2 291                          | 2 761                                    | 6 007                         | 3 491                               | 6 824                             | 13 211                      | 6 385                       | 5 623   | 49 067    |
| Loss on disposal of PPE  |     |                              |                                |  |                               |                                     |                                   |                             |                             |   | -         |
| <b>Total Expenditure</b>   |     | 11 261                       | 23 554                         | 15 226                                   | 15 327                        | 10 203                              | 65 927                            | 42 598                      | 62 634                      | 147 174   | 393 904   |
| <b>Surplus/(Deficit)</b>   |     | (11 261)                     | (23 554)                       | (15 226)                                 | (15 327)                      | (10 203)                            | 179 308                           | (38 162)                    | (51 309)                    | (143 027)   | (128 762) |

EC122 Mngquma - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

| Description   | Ref | Vote 1 - OFFICE OF THE MAYOR | Vote 2 - OFFICE OF THE SPEAKER | Vote 3 - OFFICE OF THE MUNICIPAL MANAGER | Vote 4 - STRATEGIC MANAGEMENT | Vote 5 - LOCAL ECONOMIC DEVELOPMENT | Vote 6 - BUDGET & TREASURY OFFICE | Vote 7 - CORPORATE SERVICES | Vote 8 - COMMUNITY SERVICES | Vote 9 - INFRASTRUCTURAL PLANNING AND DEVELOPMENT | Total    |
|---|-----|------------------------------|--------------------------------|--|-------------------------------|-------------------------------------|-----------------------------------|-----------------------------|-----------------------------|---|----------|
| Transfers recognised - capital                            |     |                              |                                | 70                                       |                               | 140                                 | 35                                | 2 013                       | 1 797                       | 68 171  | 72 225   |
| Contributions recognised - capital                        |     |                              |                                |  |                               |                                     |                                   |                             |                             |   | -        |
| Contributed assets  |     |                              |                                |  |                               |                                     |                                   |                             |                             |   | -        |
| Surplus/(Deficit) after capital transfers & contributions |     | (11 261)                     | (23 554)                       | (15 156)                                 | (15 327)                      | (10 063)                            | 179 343                           | (36 149)                    | (49 513)                    | (74 857)  | (56 537) |

EC122 Mngquma - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

| Description                                  | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    |                   | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand                                   |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <b>ASSETS</b>                                |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <u>Call investment deposits</u>              |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Call deposits < 90 days                      |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Other current investments > 90 days          |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Total Call investment deposits               | 2   | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| <u>Consumer debtors</u>                      |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Consumer debtors                             |     | 5 521           | 8 320           |                 |                      |                 |                    |                   | 5 441   | 5 757                  | 6 091                  |
| <u>Less: Provision for debt impairment</u>   |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Total Consumer debtors                       | 2   | 5 521           | 8 320           | -               | -                    | -               | -                  | -                 | 5 441   | 5 757                  | 6 091                  |
| <u>Debt impairment provision</u>             |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Balance at the beginning of the year         |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Contributions to the provision               |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Bad debts written off                        |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Balance at end of year                       |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                      | -                      |
| <u>Property, plant and equipment (PPE)</u>   |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| PPE at cost/valuation (excl. finance leases) |     | 247 318         | 488 321         | 828 612         | 592 148              | 601 971         | 601 971            |                   | 900 837   | 953 085                | 1 008 364              |
| Leases recognised as PPE                     |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <u>Less: Accumulated depreciation</u>        |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Total Property, plant and equipment (PPE)    | 2   | 247 318         | 488 321         | 828 612         | 592 148              | 601 971         | 601 971            | -                 | 900 837   | 953 085                | 1 008 364              |



EC122 Mngquma - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

| Description                                      | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    |                   | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand                                       |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <b>LIABILITIES</b>                               |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <u>Current liabilities - Borrowing</u>           |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Short term loans (other than bank overdraft)     |     |                 |                 |                 | 412                  | 412             | 412                |                   |   |                        |                        |
| Current portion of long-term liabilities         |     | 864             | 437             | 364             |                      |                 |                    | 139               | 147   | 155                    |                        |
| <b>Total Current liabilities - Borrowing</b>     |     | 864             | 437             | 364             | 412                  | 412             | 412                | -                 | 139   | 147                    | 155                    |
| <u>Trade and other payables</u>                  |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Trade and other creditors                        |     | 50 769          | 71 624          | 62 409          | 71 109               | 71 109          | 71 109             |                   | 46 719  | 49 429                 | 52 296                 |
| Unspent conditional transfers                    |     |                 |                 |                 | 14 654               | 14 654          | 14 654             |                   |   |                        |                        |
| VAT  |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <b>Total Trade and other payables</b>            | 2   | 50 769          | 71 624          | 62 409          | 85 764               | 85 764          | 85 764             | -                 | 46 719  | 49 429                 | 52 296                 |
| <u>Non current liabilities - Borrowing</u>       |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Borrowing  | 4   | 1 019           | 554             | 378             | 445                  | 445             | 445                |                   | 363   | 384                    | 406                    |
| Finance leases (including PPP asset element)     |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <b>Total Non current liabilities - Borrowing</b> |     | 1 019           | 554             | 378             | 445                  | 445             | 445                | -                 | 363   | 384                    | 406                    |
| <u>Provisions - non-current</u>                  |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Retirement benefits                              |     | 25 236          | 7 043           | 7 281           |                      |                 |                    |                   | 7 281   | 7 703                  | 8 150                  |
| <i>List other major provision items</i>          |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Refuse landfill site rehabilitation              |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Other  |     |                 | 24 719          |                 |                      |                 |                    |                   |   |                        |                        |
| <b>Total Provisions - non-current</b>            |     | 25 236          | 31 762          | 7 281           | -                    | -               | -                  | -                 | 7 281   | 7 703                  | 8 150                  |
| <b>CHANGES IN NET ASSETS</b>                     |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| <u>Accumulated Surplus/(Deficit)</u>             |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Accumulated Surplus/(Deficit) - opening balance  |     | -               |                 |                 | 615 659              | 625 482         | 625 482            |                   |   |                        |                        |
| GRAP adjustments                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Restated balance                                 |     | -               | -               | -               | 615 659              | 625 482         | 625 482            | -                 | -   | -                      | -                      |
| Surplus/(Deficit)                                |     | 49 682          | 59 299          | (26 646)        | 57 708               | 54 969          | 54 379             | -                 | (56 537)  | (59 811)               | (63 274)               |
| Appropriations to Reserves                       |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Transfers from Reserves                          |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Depreciation offsets                             |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |

EC122 Mnguma - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

| Description                          | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    |                   | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--------------------------------------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|                                      |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand                           |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Other adjustments                    |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Accumulated Surplus/(Deficit)        | 1   | 49 682          | 59 299          | (26 646)        | 673 367              | 680 451         | 679 861            | -                 | (56 537)  | (59 811)               | (63 274)               |
| <u>Reserves</u>                      | -   |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Housing Development Fund             |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Capital replacement                  |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Self-insurance                       |     |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Other reserves                       |     |                 |                 | -               |                      |                 |                    |                   |   |                        |                        |
| Revaluation                          |     |                 |                 | 443 448         |                      |                 |                    |                   | 443 448   | 469 168                | 496 379                |
| Total Reserves                       | 2   | -               | -               | 443 448         | -                    | -               | -                  | -                 | 443 448   | 469 168                | 496 379                |
| <b>TOTAL COMMUNITY WEALTH/EQUITY</b> | 2   | 49 682          | 59 299          | 416 802         | 673 367              | 680 451         | 679 861            | -                 | 386 910   | 409 357                | 433 106                |

EC122 Mngquma - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

| Strategic Objective  | Goal  | Goal Code | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|---|-----------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |   |           |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand   |   |           |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| To increase institutions revenue base by R4m through implementation of revenue enhancement strategy by June 2019 | Review and implement Tariff structure and budget policy |           |     | 11 136          | 11 713          | 19 384          | 19 472               | 19 472          | 19 472             | 19 472  | 20 607                 | 21 808                 |
| To increase institutions revenue base by R4m through implementation of revenue enhancement strategy by June 2019 | Review and implement Tariff structure and budget policy |           |     | 3 436           | 3 470           | 3 591           | 4 100                | 4 100           | 4 100              | 4 100   | 4 338                  | 4 589                  |
| To increase institutions revenue base by R4m through implementation of revenue enhancement strategy by June 2019 | Review and implement Tariff structure and budget policy |           |     | 2 186           | 2 114           | 2 363           | 2 317                | 2 317           | 2 317              | 2 700   | 2 857                  | 3 023                  |
| To increase institutions revenue base by R4m through implementation of revenue enhancement strategy by June 2019 | Review and implement Tariff structure and budget policy |           |     | 3 169           | 4 435           | 5 116           | 4 500                | 4 500           | 4 500              |   |                        |                        |
| To increase institutions revenue base by R4m through implementation of revenue enhancement strategy by June 2019 | Review and implement Tariff structure and budget policy |           |     | 2 462           | 2 912           | 3 694           | 4 525                | 4 525           | 4 525              | 4 500   | 4 761                  | 5 037                  |
| To increase institutions revenue base by R4m through implementation of revenue enhancement strategy by June 2019 | Review and implement Tariff structure and budget policy |           |     |                 |                 |                 | 2 201                |                 |                    | 4 525   | 4 787                  | 5 065                  |

EC122 Mngquma - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

| Strategic Objective  | Goal  | Goal Code | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|---|-----------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |   |           |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand   |   |           |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| To increase institutions revenue base by R4m through implementation of revenue enhancement strategy by June 2019 | Review and implement Tariff structure and budget policy |           |     | 1 384           | 1 372           | 1 579           | 1 000                | 2 201           | 2 201              | 2 322   | 2 457                  | 2 599                  |
| To increase institutions revenue base by R4m through implementation of revenue enhancement strategy by June 2019 | Review and implement Tariff structure and budget policy |           |     | 2 901           | 953             | 3 170           | 4 283                | 1 000           | 1 000              | 3 836   | 4 058                  | 4 294                  |
| To increase institutions revenue base by R4m through implementation of revenue enhancement strategy by June 2019 | Review and implement Tariff structure and budget policy |           |     | 778             | 2 709           | 705             | 207 295              | 4 283           | 4 283              | 920   | 973                    | 1 030                  |
| To increase institutions revenue base by R4m through implementation of revenue enhancement strategy by June 2019 | Review and implement Tariff structure and budget policy |           |     | 153 278         | 219 175         | 191 241         | 972                  | 214 959         | 214 959            | 217 033   | 229 621                | 242 939                |
| To increase institutions revenue base by R4m through implementation of revenue enhancement strategy by June 2019 | Review and implement Tariff structure and budget policy |           |     | 388             | 651             | 4 585           | 590                  | 972             | 972                | 5 144   | 5 442                  | 5 758                  |
|  |   |           |     | 48              | 59              | 59              |                      | 590             | 590                | 590   | 624                    | 661                    |
| Allocations to other priorities  |   |           | 2   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Total Revenue (excluding capital transfers and contributions)  |   |           | 1   | 181 167         | 249 564         | 235 488         | 251 254              | 258 918         | 258 918            | 265 142   | 280 526                | 296 803                |

EC122 Mngquma - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

| Strategic Objective   | Goal   | Goal Code | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|--|-----------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |  |           |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand  |  |           |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| To implement internal controls for approval, authorization and withdrawal payment of funds by June 2019 | 4 Approved section 52d reports by Council by June 2017 |           |     | 88 361          | 103 960         | 130 786         | 146 304              | 154 386         | 154 386            | 165 411   | 165 411                | 175 005                |
| To implement internal controls for approval, authorization and withdrawal payment of funds by June 2019 | 4 Approved section 52d reports by Council by June 2017 |           |     | 20 206          | 22 155          | 22 141          | 24 140               | 27 021          | 27 021             | 24 421  | 25 837                 | 27 336                 |
| 80% of creditors paid within 30 days by June 2017   | 80% of creditors paid within 30 days by June 2017      |           |     | -               | 8 774           | 21 980          | 3 000                | 3 000           | 3 000              | 21 980  | 23 255                 | 24 604                 |
| 80% of creditors paid within 30 days by June 2017   | 80% of creditors paid within 30 days by June 2017      |           |     | 34 313          | 47 099          | 106 784         | 47 099               | 47 099          | 47 099             | 106 784   | 112 977                | 119 530                |
| 80% of creditors paid within 30 days by June 2017   | 80% of creditors paid within 30 days by June 2017      |           |     | -               | 278             | 2 657           | 1 200                | 2 024           | 2 024              | 1 200   | 1 270                  | 1 343                  |
| 80% of creditors paid within 30 days by June 2017   | 80% of creditors paid within 30 days by June 2017      |           |     | 3 238           | 1 866           | 9 999           | 7 000                | 7 000           | 7 000              | 7 000   | 7 406                  | 7 836                  |
| 80% of creditors paid within 30 days by June 2017   | 80% of creditors paid within 30 days by June 2017      |           |     | 4 561           | 10 739          | 3 359           | 7 455                | 6 698           | 6 698              | 7 757   | 8 207                  | 8 683                  |
| 80% of creditors paid within 30 days by June 2017   | 80% of creditors paid within 30 days by June 2017      |           |     | 8 099           | 257             | 8 046           | 7 079                | 7 349           | 7 349              | 10 285  | 10 881                 | 11 512                 |
| 80% of creditors paid within 30 days by June 2017   | 80% of creditors paid within 30 days by June 2017      |           |     | -               | -               | -               | -                    | -               | -                  | 16 185  | 17 124                 | 18 117                 |

EC122 Mngquma - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

| Strategic Objective                               | Goal  | Goal Code | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |         |
|---|---|-----------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|---------|
|   |   |           |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |         |
| R thousand  |   |           |     |                 |                 |                 |                      |                 |                    |   |                        |                        |         |
| 80% of creditors paid within 30 days by June 2017 | 80% of creditors paid within 30 days by June 2017 |           |     | 33 534          | 55 183          | 62 705          | 58 075               | 68 551          | 68 551             | 32 881  | 34 788                 | 36 806                 |         |
| Allocations to other priorities                   |   |           |     |                 |                 |                 |                      |                 |                    |   |                        |                        |         |
| Total Expenditure                                 |   |           |     | 1               | 192 312         | 250 311         | 368 458              | 301 353         | 323 128            | 323 128   | 393 904                | 407 157                | 430 772 |

EC122 Mngquma - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

| Strategic Objective | Goal | Goal Code | Ref | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | 2016/17 Medium Term Revenue & Expenditure Framework |
|---------------------|------|-----------|-----|---------|---------|---------|----------------------|---|
|                     |      |           |     |         |         |         |                      |   |

| R thousand   |  |   | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2016/17 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
|--|--|---|-----------------|-----------------|-----------------|-----------------|-----------------|--------------------|---------------------|------------------------|------------------------|
| To archive and maintain municipal information for easy access in adherence with National Archive act by June 2017                              | Store, archive and maintain municipal records by June 2017                   | A | 48 309          | 552             |                 | 15 000          | 15 000          | 154 386            | 140                 | 148                    | 157                    |
| To connect 1800 households through Integrated National Electrification Programme (INEP) by June 2019   | Connection of 1800 households  | B | 148             | 76              |                 | 5 000           | 5 000           | 27 021             | 5 000               | 5 290                  | 5 597                  |
| To construct 200 km of Municipal access roads in line with the three year capital plan by June 2019  | Review and implement a three year capital plan                               | C | 1 531           | 2 752           |                 | 12 088          | 12 088          | 3 000              | 62 341              | 65 956                 | 69 782                 |
| To maintain a fully functional, responsive and accountable administration by adhering to the prescripts of Municipal legislations by June 2017 | To provide administrative support to council and its committees by June 2017 | D | 3 666           | 758             |                 | 5 000           | 5 000           | 47 099             | 1 555               | 1 645                  | 1 741                  |
| To regulate rental of municipal flats and staff houses by June 2019  | Develop lease agreements for all rented municipal flats and staff houses     | E | 64              | 98              |                 | 330             | 330             | 2 024              | 3 148               | 3 330                  | 3 523                  |
| To maintain the existing Streets and High Mast Lights in three towns annually by June 2019   | Replacement of the equipment   | F | 24 013          | 43 303          |                 | 54 435          | 54 435          | 7 000              | 42                  | 44                     | 47                     |
|  |  | G |                 |                 |                 | 600             | 600             | 6 698              |                     |                        |                        |
|  |  | H |                 |                 |                 | 200             | 200             | 7 349              |                     |                        |                        |
|  |  | I |                 |                 |                 | 5 180           | 5 180           | -                  |                     |                        |                        |
|  |  | J |                 |                 |                 | 250             | 250             | 68 551             |                     |                        |                        |

EC122 Mnguma - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

| Strategic Objective             | Goal | Goal Code | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|---------------------------------|------|-----------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|                                 |      |           |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand                      |      | K         |     |                 |                 |                 | 360                  | 360             | -                  |   |                        |                        |
|                                 |      | L         |     |                 |                 |                 | 300                  | 300             |                    |   |                        |                        |
|                                 |      | M         |     |                 |                 |                 | 8 604                | 5 864           |                    |   |                        |                        |
|                                 |      | N         |     |                 |                 |                 | 460                  | 460             |                    |   |                        |                        |
|                                 |      | O         |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
|                                 |      | P         |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Allocations to other priorities |      |           | 3   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Total Capital Expenditure       |      |           | 1   | 77 731          | 47 539          | -               | 107 807              | 105 067         | 323 128            | 72 225  | 76 414                 | 80 846                 |

EC122 Mnguma - Supporting Table SA7 Measureable performance objectives

| Description | Unit of measurement | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | 2016/17 Medium Term Revenue & Expenditure Framework |
|-------------|---------------------|---------|---------|---------|----------------------|---|
|             |                     |         |         |         |                      |   |



|   |   | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2016/17 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
|---|---|-----------------|-----------------|-----------------|-----------------|-----------------|--------------------|---------------------|------------------------|------------------------|
| <b>Vote 1 - vote name</b>   |   |                 |                 |                 |                 |                 |                    |                     |                        |                        |
| <b>Function 1 - (name)</b>  |   |                 |                 |                 |                 |                 |                    |                     |                        |                        |
| <b>Sub-function 1 - (name)</b>  |   |                 |                 |                 |                 |                 |                    |                     |                        |                        |
| <i>Office of the Municipal Manager</i>  |   |                 |                 |                 |                 |                 |                    |                     |                        |                        |
| <b>Planning and Development</b>   |   |                 |                 |                 |                 |                 |                    |                     |                        |                        |
| <b>Sub-function 1 - (name)</b>  |   |                 |                 |                 |                 |                 |                    |                     |                        |                        |
| <i>Facilitate the review of the Intergrated Development Plan for 2009/2010</i>  | Review IDP for 2009/2010  | 100.0%          | 100.0%          | 100.0%          | 100.0%          | 100.0%          | 100.0%             | 100.0%              | 100.0%                 | 100.0%                 |
| Ensure that the performance reviews are done quarterly  | Performance reviews done  | 400.0%          | 400.0%          | 400.0%          | 400.0%          | 400.0%          | 400.0%             | 400.0%              | 400.0%                 | 400.0%                 |
| <b>Develop and implement the communication, marketing and branding strategy</b>   | Communication, marketing and branding strategy adopted by council | 100.0%          | 100.0%          | 100.0%          | 100.0%          | 100.0%          | 100.0%             | 100.0%              | 100.0%                 | 100.0%                 |
| <i>Develop and implement the LED strategy</i>   | LED Strategy adopted by Council                                   | 100.0%          | 100.0%          | 100.0%          | 100.0%          | 100.0%          | 100.0%             | 100.0%              | 100.0%                 | 100.0%                 |
| <b>Develop and implement the SMME Development Strategy</b>  | SMME Development strategy adopted by council                      | 100.0%          | 100.0%          | 100.0%          | 100.0%          | 100.0%          | 100.0%             | 100.0%              | 100.0%                 | 100.0%                 |
| <b>Develop and implement the Tourism strategy</b>   | Tourism strategy adopted by council                               | 100.0%          | 100.0%          | 100.0%          | 100.0%          | 100.0%          | 100.0%             | 100.0%              | 100.0%                 | 100.0%                 |
| <b>Develop and implement the Research strategy</b>  | Research strategy adopted by council                              | 100.0%          | 100.0%          | 100.0%          | 100.0%          | 100.0%          | 100.0%             | 100.0%              | 100.0%                 | 100.0%                 |
|   |   |                 |                 |                 |                 |                 |                    |                     |                        |                        |
| <b>Budget and Treasury Office</b>   |   |                 |                 |                 |                 |                 |                    |                     |                        |                        |
| <b>Revenue</b>  |   |                 |                 |                 |                 |                 |                    |                     |                        |                        |
| <i>Revenue and Debt Management</i>  |   |                 |                 |                 |                 |                 |                    |                     |                        |                        |
| <b>Collectof current debt</b>   | %ge collected of current debt                                     | 65.0%           | 65.0%           | 65.0%           | 65.0%           | 65.0%           | 65.0%              | 65.0%               | 65.0%                  | 65.0%                  |
| <b>Collect of debt</b>  | %ge collected of old debt   | 16.0%           | 16.0%           | 16.0%           | 16.0%           | 16.0%           | 16.0%              | 16.0%               | 16.0%                  | 16.0%                  |
| <i>Budget planning and Financial</i>  |   |                 |                 |                 |                 |                 |                    |                     |                        |                        |
| <b>Compliance reports</b>   | No of reports submitted   |                 |                 |                 |                 |                 |                    |                     |                        |                        |
| <b>Budget 2012-2015</b>   | Budgeted adopted  | 100.0%          | 100.0%          | 100.0%          | 100.0%          | 100.0%          | 100.0%             | 100.0%              | 100.0%                 | 100.0%                 |
| <b>Implement BTO Policies</b>   | Compliance with policies  | 10500.0%        | 10500.0%        | 10500.0%        | 10500.0%        | 10500.0%        | 10500.0%           | 10500.0%            | 10500.0%               | 10500.0%               |
|   |   |                 |                 |                 |                 |                 |                    |                     |                        |                        |
| <i>Corporate Services</i>   |   |                 |                 |                 |                 |                 |                    |                     |                        |                        |
| <b>Vote: Finance &amp; Administration</b>   |   | 0.0%            | 0.0%            | 0.0%            | 0.0%            | 0.0%            | 0.0%               | 0.0%                | 0.0%                   | 0.0%                   |
| <b>Admin Support</b>  |   |                 |                 |                 |                 |                 |                    |                     |                        |                        |
| <i>Develop and implement the annual training plan in line with the Workplace Skills plan</i>                              | Annual training plan  | 100.0%          | 100.0%          | 100.0%          | 100.0%          | 100.0%          | 100.0%             | 100.0%              | 100.0%                 | 100.0%                 |
| <b>Facilitate the sittings of Council and Committee Meetings in line with the institutional calendar and the Standing</b> | No of council Meeting   | 600.0%          | 600.0%          | 600.0%          | 600.0%          | 600.0%          | 600.0%             | 600.0%              | 600.0%                 | 600.0%                 |

EC122 Mngquma - Supporting Table SA7 Measureable performance objectives

| Description  | Unit of measurement                                       | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|---|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |   | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>Rules of Order of Council</b>   |   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Develop and implement the Community Participation Strategy</b>  | Community participation Strategy adopted by council       | 100.0%          | 100.0%          | 100.0%          | 100.0%               | 100.0%          | 100.0%             | 100.0%  | 100.0%                 | 100.0%                 |
| <i>Develop and implement the Information and Communication technology strategy</i>                           | ICT Strategy adopted by Council                           | 100.0%          | 100.0%          | 100.0%          | 100.0%               | 100.0%          | 100.0%             | 100.0%  | 100.0%                 | 100.0%                 |
| <b>Community Services</b>  |   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Vote : Solid Waste Management</i>   |   | 16.6%           | 16.6%           | 16.6%           | 16.6%                | 16.6%           | 16.6%              | 16.6%   | 16.6%                  | 16.6%                  |
| <b>Improve solid waste management and solid waste disposal by 16.6% per annum</b>                            | % reduction of areas with heaps and illegal dumping sites |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Vote : Primary Health Services</i>  |   | 600.0%          | 600.0%          | 600.0%          | 600.0%               | 600.0%          | 600.0%             | 600.0%  | 600.0%                 | 600.0%                 |
| <b>Ensure provision of Primary Health Care service within a reasonable distance by at least 20km by 2017</b> | Educational programmes conducted                          |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Infrastructural Development</i>   |   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Planning, Survey, Valuation and Housing</i>   |   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Vote: Building &amp; Planning</b>   |   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Building inspections conducted</b>  | No. of building inspections                               | 10000.0%        | 10000.0%        | 10000.0%        | 10000.0%             | 10000.0%        | 10000.0%           | 10000.0%  | 10000.0%               | 10000.0%               |
| <b>Identify and demolish illegal structures</b>  | No. of illegal structures                                 | 5000.0%         | 5000.0%         | 5000.0%         | 5000.0%              | 5000.0%         | 5000.0%            | 5000.0%   | 5000.0%                | 5000.0%                |
| <i>Maintenance of council buildings</i>  | No. Of buildings repaired                                 | 2000.0%         | 2000.0%         | 2000.0%         | 2000.0%              | 2000.0%         | 2000.0%            | 2000.0%   | 2000.0%                | 2000.0%                |
| <b>Vote: Electricity</b>   |   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Installation of Highmast lights</i>   | No. of Highmast lights                                    | 300.0%          | 300.0%          | 300.0%          | 300.0%               | 300.0%          | 300.0%             | 300.0%  | 300.0%                 | 300.0%                 |
| <i>Installation of Christmas lights</i>  | No. of towns  | 100.0%          | 100.0%          | 100.0%          | 100.0%               | 100.0%          | 100.0%             | 100.0%  | 100.0%                 | 100.0%                 |
| <b>Repair of Highmast lights</b>   | No. of Highmast lights                                    | 1000.0%         | 1000.0%         | 1000.0%         | 1000.0%              | 1000.0%         | 1000.0%            | 1000.0%   | 1000.0%                | 1000.0%                |
| <b>Vote: Road Transport</b>  |   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Construction of new road for previous unserved areas</b>  | No. of roads completed                                    | 1400.0%         | 1400.0%         | 1400.0%         | 1400.0%              | 1400.0%         | 1400.0%            | 1400.0%   | 1400.0%                | 1400.0%                |
| <i>Surfacing of urban streets</i>  | No of streets completed                                   | 300.0%          | 300.0%          | 300.0%          | 300.0%               | 300.0%          | 300.0%             | 300.0%  | 300.0%                 | 300.0%                 |

EC122 Mnguma - Supporting Table SA7 Measureable performance objectives

| Description                         | Unit of measurement                 | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|-------------------------------------|-------------------------------------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|                                     |                                     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| Total KM of roads to be bladed      | No. of KM bladed                    | 20000.0%        | 20000.0%        | 20000.0%        | 20000.0%             | 20000.0%        | 20000.0%           | 20000.0%  | 20000.0%               | 20000.0%               |
| Stormwater maintenance              | No. of catchpits cleared & repaired | 4000.0%         | 4000.0%         | 4000.0%         | 4000.0%              | 4000.0%         | 4000.0%            | 4000.0%   | 4000.0%                | 4000.0%                |
| Township roads repair               | No. of KM repaired                  | 500.0%          | 500.0%          | 500.0%          | 500.0%               | 500.0%          | 500.0%             | 500.0%  | 500.0%                 | 500.0%                 |
| Sub-function 3 - (name)             |                                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Insert measure/s description        |                                     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| And so on for the rest of the Votes |                                     |                 |                 |                 |                      |                 |                    |   |                        |                        |

EC122 Mnguma - Supporting Table SA8 Performance indicators and benchmarks

| Description of financial indicator | Basis of calculation | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | 2016/17 Medium Term Revenue & Expenditure Framework |
|------------------------------------|----------------------|---------|---------|---------|----------------------|---|
|                                    |                      |         |         |         |                      |   |

|  |  | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
|--|--|-----------------|-----------------|-----------------|-----------------|-----------------|--------------------|-------------------|---------------------|------------------------|------------------------|
| <b><u>Borrowing Management</u></b>   |  |                 |                 |                 |                 |                 |                    |                   |                     |                        |                        |
| Credit Rating  |  |                 |                 |                 |                 |                 |                    |                   |                     |                        |                        |
| Capital Charges to Operating Expenditure                                       | Interest & Principal Paid /Operating Expenditure                           | 0.0%            | -0.2%           | 0.7%            | 0.4%            | 0.6%            | 0.6%               | 0.0%              | 0.3%                | 0.3%                   | 0.3%                   |
| Capital Charges to Own Revenue   | Finance charges & Repayment of borrowing /Own Revenue                      | 0.0%            | -2.0%           | 6.0%            | 2.7%            | 4.6%            | 4.7%               | 0.0%              | 2.5%                | 2.5%                   | 2.5%                   |
| Borrowed funding of 'own' capital expenditure                                  | Borrowing/Capital expenditure excl. transfers and grants and contributions | 0.0%            | 0.0%            | 0.0%            | 0.0%            | 0.0%            | 0.0%               | 0.0%              | 0.0%                | 0.0%                   | 0.0%                   |
| <b><u>Safety of Capital</u></b>  |  |                 |                 |                 |                 |                 |                    |                   |                     |                        |                        |
| Gearing  | Long Term Borrowing/ Funds & Reserves                                      | 0.0%            | 0.0%            | 0.1%            | 0.0%            | 0.0%            | 0.0%               | 0.0%              | 0.1%                | 0.1%                   | 0.1%                   |
| <b><u>Liquidity</u></b>  |  |                 |                 |                 |                 |                 |                    |                   |                     |                        |                        |
| Current Ratio  | Current assets/current liabilities   | 1.7             | 1.8             | 1.3             | 1.6             | 1.6             | 1.6                | -                 | 1.0                 | 1.3                    | 1.3                    |
| Current Ratio adjusted for aged debtors  | Current assets less debtors > 90 days/current liabilities                  | 1.7             | 1.8             | 1.3             | 1.6             | 1.6             | 1.6                | -                 | 1.0                 | 1.3                    | 1.3                    |
| Liquidity Ratio  | Monetary Assets/Current Liabilities  | 1.2             | 1.3             | 1.0             | 1.3             | 1.3             | 1.3                | -                 | 0.7                 | 0.9                    | 0.9                    |
| <b><u>Revenue Management</u></b>   |  |                 |                 |                 |                 |                 |                    |                   |                     |                        |                        |
| Annual Debtors Collection Rate (Payment Level %)                               | Last 12 Mths Receipts/Last 12 Mths Billing                                 |                 | 100.0%          | 98.5%           | 100.0%          | 100.0%          | 100.0%             | 100.0%            | 0.0%                | 100.0%                 | 100.0%                 |
| Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue) |  | 100.0%          | 100.0%          | 100.0%          | 100.0%          | 100.0%          | 100.0%             | 0.0%              | 100.0%              | 100.0%                 | 100.0%                 |
| Outstanding Debtors to Revenue   | Total Outstanding Debtors to Annual Revenue                                | 13.4%           | 10.7%           | 4.5%            | 8.2%            | 7.5%            | 7.6%               | 0.0%              | 4.0%                | 4.0%                   | 4.0%                   |
| Longstanding Debtors Recovered   | Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old                  |                 |                 |                 |                 |                 |                    |                   |                     |                        |                        |
| <b><u>Creditors Management</u></b>   |  |                 |                 |                 |                 |                 |                    |                   |                     |                        |                        |
| Creditors System Efficiency  | % of Creditors Paid Within Terms (within MFMA' s 65(e))                    |                 |                 |                 |                 |                 |                    |                   |                     |                        |                        |
| Creditors to Cash and Investments  |  | 353.2%          | 174.4%          | 94.9%           | 175.6%          | 175.6%          | 175.6%             | 0.0%              | -53.5%              | -22.1%                 | -14.2%                 |
| <b><u>Other Indicators</u></b>   |  |                 |                 |                 |                 |                 |                    |                   |                     |                        |                        |
| Electricity Distribution Losses (2)  | Total Volume Losses (kW)   |                 |                 |                 |                 |                 |                    |                   |                     |                        |                        |

EC122 Mngquma - Supporting Table SA8 Performance indicators and benchmarks

| Description of financial indicator                   | Basis of calculation   | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    |                   | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|--|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|  |  | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
|  | Total Cost of Losses (Rand '000)   |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
|  | % Volume (units purchased and generated less units sold)/units purchased and generated       |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Water Distribution Losses (2)                        | Total Volume Losses (kℓ)   |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
|  | Total Cost of Losses (Rand '000)   |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
|  | % Volume (units purchased and generated less units sold)/units purchased and generated       |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Employee costs                                       | Employee costs/(Total Revenue - capital revenue)   | 48.8%           | 41.7%           | 55.5%           | 58.2%                | 56.5%           | 56.7%              | 0.0%              | 62.4%   | 62.4%                  | 62.4%                  |
| Remuneration   | Total remuneration/(Total Revenue - capital revenue)   | 0.0%            | 0.0%            | 0.0%            | 68.1%                | 66.4%           | 66.6%              |                   | 71.6%   | 71.6%                  | 71.6%                  |
| Repairs & Maintenance                                | R&M/(Total Revenue excluding capital revenue)  | 2.5%            | 4.3%            | 1.4%            | 3.0%                 | 2.5%            | 2.5%               |                   | 2.9%  | 2.9%                   | 2.9%                   |
| Finance charges & Depreciation                       | FC&D/(Total Revenue - capital revenue)   | 18.9%           | 19.0%           | 46.5%           | 19.2%                | 18.0%           | 18.0%              | 0.0%              | 40.7%   | 40.7%                  | 40.7%                  |
| <b>IDP regulation financial viability indicators</b> |  |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| i. Debt coverage                                     | (Total Operating Revenue - Operating Grants)/Debt service payments due within financial year | 4.3             | 3.4             | 4.9             | 4.9                  | 4.9             | 4.9                | -                 | 5.0   | 5.0                    | 5.3                    |
| ii. O/S Service Debtors to Revenue                   | Total outstanding service debtors/annual revenue received for services                       | 144.8%          | 154.3%          | 42.0%           | 79.6%                | 79.6%           | 79.6%              | 0.0%              | 40.5%   | 40.5%                  | 40.5%                  |
| iii. Cost coverage                                   | (Available cash + Investments)/monthly fixed operational expenditure                         | 1.3             | 3.0             | 3.6             | 2.3                  | 2.1             | 2.1                | -                 | (4.2)   | (10.1)                 | (15.7)                 |

Detail on the provision of municipal services for A10

| Total municipal services    | Ref. |  | 2012/13   | 2013/14   | 2014/15   | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|-----------------------------|------|--|-----------|-----------|-----------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|                             |      |  | Outcome   | Outcome   | Outcome   | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
|                             |      | <u>Refuse:</u><br>Removed at least once a week<br><i>Minimum Service Level and Above sub-total</i> | 2 200 195 | 2 200 195 | 2 200 195 | 2 200 195            | 2 200 195       | 2 200 195          | 2 200 195   | 2 200 195              | 2 200 195              |
|                             |      | Removed less frequently than once a week   | 2 200 195 | 2 200 195 | 2 200 195 | 2 200 195            | 2 200 195       | 2 200 195          | 2 200 195   | 2 200 195              | 2 200 195              |
|                             |      | <i>Below Minimum Service Level sub-total</i>   | 942 940   | 942 940   | 942 940   | 942 940              | 942 940         | 942 940            | 942 940   | 942 940                | 942 940                |
|                             |      | Total number of households   | 942 940   | 942 940   | 942 940   | 942 940              | 942 940         | 942 940            | 942 940   | 942 940                | 942 940                |
|                             |      |  | 3 143 135 | 3 143 135 | 3 143 135 | 3 143 135            | 3 143 135       | 3 143 135          | 3 143 135   | 3 143 135              | 3 143 135              |
| Municipal in-house services | Ref. |  | 2012/13   | 2013/14   | 2014/15   | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|                             |      |  | Outcome   | Outcome   | Outcome   | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
|                             |      | Total number of households   | -         | -         | -         | -                    | -               | -                  | -   | -                      | -                      |
|                             |      | <u>Refuse:</u><br>Removed at least once a week<br><i>Minimum Service Level and Above sub-total</i> | 2 200 195 | 2 200 195 | 2 200 195 | 2 200 195            | 2 200 195       | 2 200 195          | 2 200 195   | 2 200 195              | 2 200 195              |
|                             |      | Removed less frequently than once a week   | 2 200 195 | 2 200 195 | 2 200 195 | 2 200 195            | 2 200 195       | 2 200 195          | 2 200 195   | 2 200 195              | 2 200 195              |
|                             |      | <i>Below Minimum Service Level sub-total</i>   | 942 940   | 942 940   | 942 940   | 942 940              | 942 940         | 942 940            | 942 940   | 942 940                | 942 940                |
|                             |      | Total number of households   | 942 940   | 942 940   | 942 940   | 942 940              | 942 940         | 942 940            | 942 940   | 942 940                | 942 940                |
|                             |      |  | 3 143 135 | 3 143 135 | 3 143 135 | 3 143 135            | 3 143 135       | 3 143 135          | 3 143 135   | 3 143 135              | 3 143 135              |

EC122 Mquma Supporting Table SA10 Funding measurement

| Description  | MFMA section | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    |                   | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|--------------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|  |              |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <u>Funding measures</u>                                    | -            | -   |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Cash/cash equivalents at the year end - R'000              | 18(1)b       | 1   | 14 375          | 41 076          | 65 786          | 40 503               | 40 503          | 40 503             | -                 | (87 393)  | (223 618)              | (367 737)              |
| Cash + investments at the yr end less applications - R'000 | 18(1)b       | 2   | 36 741          | 30 494          | 2 997           | 32 177               | 32 177          | 32 177             | -                 | 4 167   | 4 409                  | 4 665                  |

|   |            |    |        |        |          |        |        |        |          |          |          |          |
|---|------------|----|--------|--------|----------|--------|--------|--------|----------|----------|----------|----------|
| Cash year end/monthly employee/supplier payments              | 18(1)b     | 3  | 1.3    | 3.0    | 3.6      | 2.3    | 2.1    | 2.1    | -        | (4.2)    | (10.1)   | (15.7)   |
| Surplus/(Deficit) excluding depreciation offsets: R'000       | 18(1)      | 4  | 49 682 | 59 299 | (26 646) | 57 708 | 54 969 | 54 379 | -        | (56 537) | (59 811) | (63 274) |
| Service charge rev % change - macro CPIX target exclusive     | 18(1)a,(2) | 5  | N.A.   | (1.8%) | 45.3%    | (3.4%) | (6.0%) | (6.0%) | (106.0%) | (6.0%)   | (0.2%)   | (0.2%)   |
| Cash receipts % of Ratepayer & Other revenue                  | 18(1)a,(2) | 6  | 105.9% | 86.2%  | 92.1%    | 88.4%  | 88.4%  | 88.4%  | 0.0%     | 89.5%    | 89.5%    | 89.5%    |
| Debt impairment expense as a % of total billable revenue      | 18(1)a,(2) | 7  | 0.0%   | 57.8%  | 95.7%    | 12.7%  | 12.7%  | 12.7%  | 0.0%     | 93.2%    | 93.2%    | 93.2%    |
| Capital payments % of capital expenditure                     | 18(1)c;19  | 8  | 0.0%   | 0.0%   | 0.0%     | 100.0% | 100.0% | 100.0% | 0.0%     | 100.0%   | 100.0%   | 100.0%   |
| Borrowing receipts % of capital expenditure (excl. transfers) | 18(1)c     | 9  | 0.0%   | 0.0%   | 0.0%     | 0.0%   | 0.0%   | 0.0%   | 0.0%     | 0.0%     | 0.0%     | 0.0%     |
| Grants % of Govt. legislated/gazetted allocations             | 18(1)a     | 10 |        |        |          |        |        |        |          | 0.0%     | 0.0%     | 0.0%     |
| Current consumer debtors % change - incr(decr)                | 18(1)a     | 11 | N.A.   | 10.0%  | (60.1%)  | 93.8%  | 0.0%   | 0.0%   | (100.0%) | (48.4%)  | 5.8%     | 5.8%     |
| Long term receivables % change - incr(decr)                   | 18(1)a     | 12 | N.A.   | 0.0%   | 0.0%     | 0.0%   | 0.0%   | 0.0%   | 0.0%     | 0.0%     | 0.0%     | 0.0%     |
| R&M % of Property Plant & Equipment                           | 20(1)(vi)  | 13 | 1.8%   | 2.2%   | 0.4%     | 1.3%   | 1.1%   | 1.1%   | 0.0%     | 0.9%     | 0.9%     | 0.9%     |
| Asset renewal % of capital budget                             | 20(1)(vi)  | 14 | 0.0%   | 84.8%  | 45.4%    | 63.7%  | 65.4%  | 65.4%  | 0.0%     | 21.7%    | 21.7%    | 21.7%    |

EC122 Mnquma - Supporting Table SA11 Property rates summary

| Description                          | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--------------------------------------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|                                      |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>Valuation:</b>                    | 1   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Date of valuation:                   |     | 30/06/2009      | 30/06/2009      | 30/06/2009      | 30/06/2015           |                 |                    |   |                        |                        |
| Financial year valuation used        |     | Yes             | Yes             | Yes             | Yes                  |                 |                    |   |                        |                        |
| Municipal by-laws s6 in place? (Y/N) | 2   |                 |                 |                 |                      |                 |                    |   |                        |                        |

|  |   |            |            |            |            |            |            |            |            |
|--|---|------------|------------|------------|------------|------------|------------|------------|------------|
| Municipal/assistant valuer appointed? (Y/N)      |   |            |            |            |            |            |            |            |            |
| Municipal partnership s38 used? (Y/N)            |   |            |            |            |            |            |            |            |            |
| No. of assistant valuers (FTE)                   | 3 |            |            |            |            |            |            |            |            |
| No. of data collectors (FTE)                     | 3 |            |            |            |            |            |            |            |            |
| No. of internal valuers (FTE)                    | 3 |            |            |            |            |            |            |            |            |
| No. of external valuers (FTE)                    | 3 |            |            |            |            |            |            |            |            |
| No. of additional valuers (FTE)                  | 4 | No         | No         | No         | No         |            |            |            |            |
| Valuation appeal board established? (Y/N)        |   | 12months   | 12months   | 12months   | 12months   |            |            |            |            |
| Implementation time of new valuation roll (mths) |   | 23 926     | 23 926     | 23 926     | 23 926     |            |            |            |            |
| No. of properties                                | 5 |            |            |            |            |            |            |            |            |
| No. of sectional title values                    | 5 |            |            |            |            |            |            |            |            |
| No. of unreasonably difficult properties s7(2)   |   | 246        | 246        | 246        | 246        | 246        | 246        | 246        | 246        |
| No. of supplementary valuations                  |   |            |            |            |            |            |            |            |            |
| No. of valuation roll amendments                 |   | 5          | 5          | 5          | 5          | 5          | 5          | 5          | 5          |
| No. of objections by rate payers                 |   | 1          | 1          | 1          | 1          | 1          | 1          | 1          | 1          |
| No. of appeals by rate payers                    |   |            |            |            |            |            |            |            |            |
| No. of successful objections                     | 8 |            |            |            |            |            |            |            |            |
| No. of successful objections > 10%               | 8 | 1          | 1          | 1          | 1          | 1          | 1          | 1          | 1          |
| Supplementary valuation                          |   | 40 810 000 | 40 810 000 | 40 810 000 | 40 810 000 | 40 810 000 | 40 810 000 | 40 810 000 | 40 810 000 |
| Public service infrastructure value (Rm)         | 5 | 106        | 106        | 106        | 106        | 106        | 106        | 106        | 106        |
| Municipality owned property value (Rm)           |   |            |            |            |            |            |            |            |            |

**EC122 Mngquma - Supporting Table SA12b Property rates by category (budget year)**

| Description                                    | Ref | Muni props. | Public service infra. | Private owned towns | Formal & Informal Settle. | Comm. Land | State trust land | Section 8(2)(n) (note 1) |
|--|-----|-------------|-----------------------|---------------------|---------------------------|------------|------------------|--------------------------|
| <b>Budget Year 2016/17</b>                     |     |             |                       |                     |                           |            |                  |                          |
| <b>Valuation:</b>                              |     |             |                       |                     |                           |            |                  |                          |
| No. of properties                              |     | 44          | 144                   | 41                  |                           | 2 142      | 25               |                          |
| No. of sectional title property values         |     | -           | -                     | -                   | -                         | -          | -                | -                        |
| No. of unreasonably difficult properties s7(2) |     |             |                       |                     |                           |            |                  |                          |



|   |   |                     |                     |                     |                     |                     |                     |                     |
|---|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| No. of supplementary valuations                 |   | 1                   | 1                   | 1                   | 1                   | 1                   | 1                   | 1                   |
| Supplementary valuation (Rm)                    |   | 89 500 000          | #####               | 6 950 000           | 95 262 100          | 34 890 000          | 29 800 000          | #####               |
| No. of valuation roll amendments                |   | -                   |                     |                     |                     |                     |                     |                     |
| No. of objections by rate-payers                |   | -                   |                     |                     |                     |                     |                     |                     |
| No. of appeals by rate-payers                   |   | -                   |                     |                     |                     |                     |                     |                     |
| No. of appeals by rate-payers finalised         |   | -                   |                     |                     |                     |                     |                     |                     |
| No. of successful objections                    | 5 | -                   |                     |                     |                     |                     |                     |                     |
| No. of successful objections > 10%              | 5 | -                   |                     |                     |                     |                     |                     |                     |
| Estimated no. of properties not valued          |   |                     |                     |                     |                     | 52                  | 25                  | 128                 |
| Years since last valuation (select)             |   | >5                  | >5                  | >5                  | >5                  | >5                  | >5                  | >5                  |
| Frequency of valuation (select)                 |   | 5                   | 5                   | 5                   | 5                   | 5                   | 5                   | 5                   |
| Method of valuation used (select)               |   | Market Land & impr. | Market Land & impr. | Market Land & impr. | Market Land & impr. | Market Land & impr. | Market Land & impr. | Market Land & impr. |
| Base of valuation (select)                      |   |                     |                     |                     |                     |                     |                     |                     |
| Phasing-in properties s21 (number)              |   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   |
| Combination of rating types used? (Y/N)         |   | Yes                 | Yes                 | Yes                 | Yes                 | Yes                 | Yes                 | Yes                 |
| Flat rate used? (Y/N)                           |   | Yes                 | Yes                 | Yes                 | Yes                 | Yes                 | Yes                 | Yes                 |
| Is balance rated by uniform rate/variable rate? |   | Uniform             | Uniform             | Uniform             | Uniform             | Uniform             | Uniform             | Uniform             |

EC122 Mquma - Supporting Table SA13a Service Tariffs by category

| Description  | Ref | Provide description of tariff structure where appropriate | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|---|---------|---------|---------|----------------------|---|------------------------|------------------------|
|  |     |   |         |         |         |                      | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <u>Property rates</u> (rate in the Rand)<br>Residential properties | 1   |   | 0.0153  | 0.0153  | 0.0153  | 0.0153               | 0.0118  | 0.0118                 | 0.0118                 |

|   |  |        |        |        |        |        |        |        |
|---|--|--------|--------|--------|--------|--------|--------|--------|
| Residential properties - vacant land              |  | 0.0187 | 0.0187 | 0.0187 | 0.0187 | 0.0141 | 0.0141 | 0.0141 |
| Formal/informal settlements                       |  |        |        |        |        |        |        |        |
| Small holdings                                    |  |        |        |        |        |        |        |        |
| Farm properties - used                            |  | 0.0058 | 0.0058 | 0.0058 | 0.0058 | 0.0029 | 0.0029 | 0.0029 |
| Farm properties - not used                        |  |        |        |        |        |        |        |        |
| Industrial properties                             |  | 0.0187 | 0.0187 | 0.0187 | 0.0187 | 0.0141 | 0.0141 | 0.0141 |
| Business and commercial properties                |  | 0.0187 | 0.0187 | 0.0187 | 0.0187 | 0.0141 | 0.0141 | 0.0141 |
| State-owned properties                            |  |        |        |        |        | 0.0030 | 0.0030 | 0.0030 |
| Municipal properties                              |  |        |        |        |        |        |        |        |
| Public service infrastructure                     |  | 0.0187 | 0.0187 | 0.0187 | 0.0187 |        |        |        |
| <u>Exemptions, reductions and rebates (Rands)</u> |  |        |        |        |        |        |        |        |
| <i>Residential properties</i>                     |  |        |        |        |        |        |        |        |
| R15 000 threshold rebate                          |  | 15 000 | 15 000 | 15 000 | 15 000 | 15 000 | 15 000 | 15 000 |
|   |  |        |        |        |        |        |        |        |

EC122 Mngquma - Supporting Table SA18 Transfers and grant receipts

| Description | Ref  | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|-------------|------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|             |      | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand  |      |                 |                 |                 |                      |                 |                    |   |                        |                        |
| RECEIPTS:   | 1, 2 |                 |                 |                 |                      |                 |                    |   |                        |                        |
| -           |      |                 |                 |                 |                      |                 |                    |   |                        |                        |

EC122 Mngquma - Supporting Table SA18 Transfers and grant receipts

| Description                                   | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>Operating Transfers and Grants</b>         |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| National Government:                          |     | 166 231         | 178 356         | 197 195         | 252 935              | 267 935         | 267 935            | 229 531   | 242 844                | 256 929                |
| Local Government Equitable Share              |     | 154 089         | 168 794         | 190 327         | 234 405              | 249 405         | 249 405            | 221 906   | 234 777                | 248 394                |
| Finance Management                            |     | 1 413           | 1 612           | 1 624           | 1 600                | 1 600           | 1 600              | 1 625   | 1 719                  | 1 819                  |
| Municipal Systems Improvement                 |     | 969             | 1 084           | 933             | 930                  | 930             | 930                |   | -                      | -                      |
| Integrated National Electrification Programme |     | 8 514           | 6 360           | 3 348           | 15 000               | 15 000          | 15 000             | 5 000   | 5 290                  | 5 597                  |
| EPWP Incentive                                |     | 1 247           | 506             | 963             | 1 000                | 1 000           | 1 000              | 1 000   | 1 058                  | 1 119                  |
| Other transfers/grants [insert description]   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Provincial Government:                        |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other transfers/grants [insert description]   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| District Municipality:                        |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| [insert description]                          |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Other grant providers:                        |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| [insert description]                          |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Total Operating Transfers and Grants</b>   | 5   | 166 231         | 178 356         | 197 195         | 252 935              | 267 935         | 267 935            | 229 531   | 242 844                | 256 929                |
| <b>Capital Transfers and Grants</b>           |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| National Government:                          |     | 49 932          | 40 819          | 85 394          | 62 167               | 65 897          | 65 897             | 59 727  | 63 191                 | 66 856                 |
| Municipal Infrastructure Grant (MIG)          |     | 49 932          | 40 819          | 85 394          | 62 167               | 65 897          | 65 897             | 59 727  | 63 191                 | 66 856                 |
| Other capital transfers/grants [insert desc]  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |

EC122 Mnguma - Supporting Table SA18 Transfers and grant receipts

| Description   | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| Provincial Government:                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other capital transfers/grants [insert description] |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| District Municipality:                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| [insert description]                                |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Other grant providers:                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| [insert description]                                |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Total Capital Transfers and Grants</b>           | 5   | 49 932          | 40 819          | 85 394          | 62 167               | 65 897          | 65 897             | 59 727  | 63 191                 | 66 856                 |
| <b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>     |     | 216 162         | 219 175         | 282 589         | 315 102              | 333 832         | 333 832            | 289 258   | 306 035                | 323 785                |

EC122 Mnguma - Supporting Table SA19 Expenditure on transfers and grant programme

| Description   | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>EXPENDITURE:</b>   | 1   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <u>Operating expenditure of Transfers and Grants</u>        |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| National Government:  |     | 166 231         | 178 356         | 197 195         | 252 935              | 267 935         | 267 935            | 229 531   | 242 844                | 256 929                |
| Local Government Equitable Share                            |     | 154 089         | 168 794         | 190 327         | 234 405              | 249 405         | 249 405            | 221 906   | 234 777                | 248 394                |
| Finance Management  |     | 1 413           | 1 612           | 1 624           | 1 600                | 1 600           | 1 600              | 1 625   | 1 719                  | 1 819                  |
| Municipal Systems Improvement                               |     | 969             | 1 084           | 933             | 930                  | 930             | 930                |   | -                      | -                      |
| Integrated National Electrification Programme               |     | 8 514           | 6 360           | 3 348           | 15 000               | 15 000          | 15 000             | 5 000   | 5 290                  | 5 597                  |
| EPWP Incentive  |     | 1 247           | 506             | 963             | 1 000                | 1 000           | 1 000              | 1 000   | 1 058                  | 1 119                  |
| Other transfers/grants [insert description]                 |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Provincial Government:                                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other transfers/grants [insert description]                 |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| District Municipality:                                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| [insert description]  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Other grant providers:                                      |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| [insert description]  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Total operating expenditure of Transfers and Grants:</b> |     | <b>166 231</b>  | <b>178 356</b>  | <b>197 195</b>  | <b>252 935</b>       | <b>267 935</b>  | <b>267 935</b>     | <b>229 531</b>                                      | <b>242 844</b>         | <b>256 929</b>         |
| <u>Capital expenditure of Transfers and Grants</u>          |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| National Government:  |     | 49 932          | 40 819          | 85 394          | 62 167               | 65 897          | 65 897             | 59 727  | 63 191                 | 66 856                 |
| Municipal Infrastructure Grant (MIG)                        |     | 49 932          | 40 819          | 85 394          | 62 167               | 65 897          | 65 897             | 59 727  | 63 191                 | 66 856                 |
| Other capital transfers/grants [insert desc]                |     |                 |                 |                 |                      |                 |                    |   |                        |                        |

EC122 Mnguma - Supporting Table SA19 Expenditure on transfers and grant programme

| Description   | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| Provincial Government:                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Other capital transfers/grants [insert description] |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| District Municipality:                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| [insert description]                                |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Other grant providers:                              |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| [insert description]                                |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Total capital expenditure of Transfers and Grants   |     | 49 932          | 40 819          | 85 394          | 62 167               | 65 897          | 65 897             | 59 727  | 63 191                 | 66 856                 |
| <b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>    |     | <b>216 162</b>  | <b>219 175</b>  | <b>282 589</b>  | <b>315 102</b>       | <b>333 832</b>  | <b>333 832</b>     | <b>289 258</b>                                      | <b>306 035</b>         | <b>323 785</b>         |

EC122 Mngquma - Supporting Table SA22 Summary councillor and staff benefits

| Summary of Employee and Councillor remuneration<br>R thousand | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
|   |     | A               | B               | C               | D                    | E               | F                  | G   | H                      | I                      |
| <b>Councillors (Political Office Bearers plus Other)</b>      | 1   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Basic Salaries and Wages                                      |     |                 |                 |                 | 14 286               | 14 286          | 14 286             | 18 180  | 19 234                 | 20 350                 |
| Pension and UIF Contributions                                 |     |                 |                 |                 |                      | 1 476           | 1 476              |   |                        |                        |
| Medical Aid Contributions                                     |     |                 |                 |                 |                      | 1 405           | 1 405              |   |                        |                        |
| Motor Vehicle Allowance                                       |     |                 |                 |                 | 4 680                | 4 680           | 4 680              | 4 346   | 4 598                  | 4 865                  |
| Cellphone Allowance   |     |                 |                 |                 | 1 513                | 1 513           | 1 513              | 1 589   | 1 682                  | 1 779                  |
| Housing Allowances  |     |                 |                 |                 |                      | -               | -                  |   |                        |                        |
| Other benefits and allowances                                 |     |                 |                 |                 | 3 660                | 3 660           | 3 660              | 306   | 324                    | 343                    |
| <b>Sub Total - Councillors</b>                                |     | -               | -               | -               | 24 140               | 27 021          | 27 021             | 24 421  | 25 837                 | 27 336                 |
| % increase  | 4   |                 | -               | -               | -                    | 11.9%           | -                  | (9.6%)  | 5.8%                   | 5.8%                   |
| <b>Senior Managers of the Municipality</b>                    | 2   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Basic Salaries and Wages                                      |     |                 |                 |                 | 3 552                | 5 258           | 5 258              | 4 677   | 4 948                  | 5 235                  |
| Pension and UIF Contributions                                 |     |                 |                 |                 | 679                  | 679             | 679                | 825   | 873                    | 923                    |
| Medical Aid Contributions                                     |     |                 |                 |                 | 274                  | 274             | 274                | 654   | 692                    | 732                    |
| Overtime  |     |                 |                 |                 |                      | -               | -                  |   |                        |                        |
| Performance Bonus   |     |                 |                 |                 | 824                  | 824             | 824                | 834   | 882                    | 933                    |
| Motor Vehicle Allowance                                       | 3   |                 |                 |                 | 1 147                | 1 147           | 1 147              | 1 438   | 1 521                  | 1 610                  |
| Cellphone Allowance   | 3   |                 |                 |                 | 546                  | 546             | 546                | 455   | 481                    | 509                    |
| Housing Allowances  | 3   |                 |                 |                 |                      | -               | -                  |   |                        |                        |
| Other benefits and allowances                                 | 3   |                 |                 |                 |                      | -               | -                  |   |                        |                        |
| Payments in lieu of leave                                     |     |                 |                 |                 |                      | -               | -                  |   |                        |                        |
| Long service awards   |     |                 |                 |                 |                      | -               | -                  |   |                        |                        |
| Post-retirement benefit obligations                           | 6   |                 |                 |                 |                      | -               | -                  |   |                        |                        |
| <b>Sub Total - Senior Managers of Municipality</b>            |     | -               | -               | -               | 7 023                | 8 729           | 8 729              | 8 882   | 9 398                  | 9 943                  |
| % increase  | 4   |                 | -               | -               | -                    | 24.3%           | -                  | 1.8%  | 5.8%                   | 5.8%                   |
| <b>Other Municipal Staff</b>                                  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Basic Salaries and Wages                                      |     |                 |                 |                 | 108 048              | 113 783         | 113 783            | 119 011   | 125 913                | 133 216                |
| Pension and UIF Contributions                                 |     |                 |                 |                 | 15 807               | 15 807          | 15 807             | 19 389  | 20 513                 | 21 703                 |
| Medical Aid Contributions                                     |     |                 |                 |                 | 5 746                | 5 746           | 5 746              | 6 323   | 6 690                  | 7 078                  |
| Overtime  |     |                 |                 |                 | 540                  | 540             | 540                | 531   | 562                    | 594                    |
| Performance Bonus   |     |                 |                 |                 |                      | -               | -                  |   |                        |                        |
| Motor Vehicle Allowance                                       | 3   |                 |                 |                 | 5 006                | 5 006           | 5 006              | 5 179   | 5 479                  | 5 797                  |
| Cellphone Allowance   | 3   |                 |                 |                 | 7                    | 7               | 7                  |   |                        |                        |

EC122 Mngquma - Supporting Table SA22 Summary councillor and staff benefits

| Summary of Employee and Councillor remuneration<br>R thousand | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| Housing Allowances  | 3   |                 |                 |                 | 98                   | 98              | 98                 | 195   | 206                    | 218                    |
| Other benefits and allowances                                 | 3   |                 |                 |                 | 4 672                | 4 672           | 4 672              | 5 902   | 6 245                  | 6 607                  |
| Payments in lieu of leave                                     |     |                 |                 |                 |                      | -               | -                  |   |                        |                        |
| Long service awards   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Post-retirement benefit obligations                           | 6   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Sub Total - Other Municipal Staff                             |     | -               | -               | -               | 139 924              | 145 659         | 145 659            | 156 529   | 165 608                | 175 213                |
| % increase  | 4   |                 |                 |                 | -                    | 4.1%            | -                  | 7.5%  | 5.8%                   | 5.8%                   |
| <b>Total Parent Municipality</b>                              |     | -               | -               | -               | 171 086              | 181 409         | 181 409            | 189 833   | 200 843                | 212 492                |
|   |     |                 | -               | -               | -                    | 6.0%            | -                  | 4.6%  | 5.8%                   | 5.8%                   |
| <b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>                |     | -               | -               | -               | 171 086              | 181 409         | 181 409            | 189 833   | 200 843                | 212 492                |
| % increase  | 4   |                 |                 |                 | -                    | 6.0%            | -                  | 4.6%  | 5.8%                   | 5.8%                   |
| <b>TOTAL MANAGERS AND STAFF</b>                               | 5,7 | -               | -               | -               | 146 946              | 154 387         | 154 387            | 165 411   | 175 005                | 185 156                |





EC122 Mngquma - Supporting Table SA24 Summary of personnel numbers

| Summary of Personnel Numbers                                  |  | Ref   | 2014/15   |                     |                    | Current Year 2015/16 |                     |                    | Budget Year 2016/17 |                     |                    |
|---|--|-------|-----------|---------------------|--------------------|----------------------|---------------------|--------------------|---------------------|---------------------|--------------------|
| Number  |  | 1,2   | 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) |  |       |           |                     | 105                |                      |                     | 103                |                     |                     | 61                 |
| Municipal employees   |  | 5     |           |                     |                    |                      |                     |                    |                     |                     |                    |
| Municipal Manager and Senior Managers                         |  | 3     |           |                     | 7                  |                      |                     | 7                  |                     |                     | 7                  |
| Other Managers  |  | 7     |           | 33                  | 4                  |                      | 42                  |                    |                     | 76                  |                    |
| Professionals   |  |       | -         | 364                 | 55                 | -                    | 364                 | 55                 | -                   | 364                 | 121                |
| Finance   |  |       |           | 57                  | 9                  |                      | 57                  | 9                  |                     | 57                  | 9                  |
| Spatial/town planning   |  |       |           |                     |                    |                      |                     |                    |                     |                     |                    |
| Information Technology  |  |       |           | 2                   | 2                  |                      | 2                   | 2                  |                     | 2                   | 2                  |
| Roads   |  |       |           | 59                  |                    |                      | 59                  |                    |                     | 59                  | 66                 |
| Electricity   |  |       |           | 4                   | 1                  |                      | 4                   | 1                  |                     | 4                   | 1                  |
| Water   |  |       |           |                     |                    |                      |                     |                    |                     |                     |                    |
| Sanitation  |  |       |           |                     |                    |                      |                     |                    |                     |                     |                    |
| Refuse  |  |       |           | 102                 | 5                  |                      | 102                 | 5                  |                     | 102                 | 5                  |
| Other   |  |       |           | 140                 | 38                 |                      | 140                 | 38                 |                     | 140                 | 38                 |
| Technicians   |  |       | -         | 7                   | -                  | -                    | 7                   | 52                 | -                   | 11                  | 119                |
| Information Technology  |  |       |           | 4                   |                    |                      | 4                   |                    |                     | 8                   |                    |
| Roads   |  |       |           |                     |                    |                      |                     | 52                 |                     |                     | 52                 |
| Electricity   |  |       |           | 3                   |                    |                      | 3                   |                    |                     | 3                   |                    |
| Refuse  |  |       |           |                     |                    |                      |                     |                    |                     |                     | 67                 |
| Other   |  |       |           |                     |                    |                      |                     |                    |                     |                     |                    |
| Clerks (Clerical and administrative)                          |  |       |           |                     |                    |                      |                     |                    |                     |                     |                    |
| Service and sales workers                                     |  |       |           |                     |                    |                      |                     | 43                 |                     |                     | 43                 |
| Skilled agricultural and fishery workers                      |  |       |           |                     |                    |                      |                     |                    |                     |                     |                    |
| Craft and related trades                                      |  |       |           |                     |                    |                      |                     |                    |                     |                     |                    |
| Plant and Machine Operators                                   |  |       |           |                     |                    |                      | 9                   |                    |                     | 9                   |                    |
| Elementary Occupations  |  |       |           |                     |                    |                      |                     |                    |                     |                     |                    |
| <b>TOTAL PERSONNEL NUMBERS</b>                                |  | 9     | -         | 404                 | 171                | -                    | 422                 | 260                | -                   | 460                 | 351                |
| % increase  |  |       |           |                     |                    | -                    | 4.5%                | 52.0%              | -                   | 9.0%                | 35.0%              |
| Total municipal employees headcount                           |  | 6, 10 |           |                     |                    |                      |                     |                    |                     |                     |                    |
| Finance personnel headcount                                   |  | 8, 10 |           |                     |                    |                      |                     |                    |                     |                     |                    |
| Human Resources personnel headcount                           |  | 8, 10 |           |                     |                    |                      |                     |                    |                     |                     |                    |

EC122 Mnquma - Supporting Table SA25 Budgeted monthly revenue and expenditure

| Description   | R<br>ef | Budget Year 2016/17 |        |       |         |          |          |         |          |       |       |     |      | Medium Term Revenue and Expenditure Framework |                        |                        |
|---|---------|---------------------|--------|-------|---------|----------|----------|---------|----------|-------|-------|-----|------|---|------------------------|------------------------|
|   |         | July                | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2016/17                           | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>Revenue By Source</b>                                      | -       | 1                   | 1      | 1     | 1       | 1        | 1        | 1       | 1        | 1     | 1     | 1   | 1    | 19  | 20                     | 21                     |
| Property rates  |         | 623                 | 623    | 623   | 623     | 623      | 623      | 623     | 623      | 623   | 623   | 623 | 623  | 472   | 607                    | 808                    |
| Property rates - penalties & collection charges               |         | -                   | -      | -     | -       | -        | -        | -       | -        | -     | -     | -   | -    | -   | -                      | -                      |
| Service charges - electricity revenue                         |         | -                   | -      | -     | -       | -        | -        | -       | -        | -     | -     | -   | -    | -   | -                      | -                      |
| Service charges - water revenue                               |         | -                   | -      | -     | -       | -        | -        | -       | -        | -     | -     | -   | -    | -   | -                      | -                      |
| Service charges - sanitation revenue                          |         | -                   | -      | -     | -       | -        | -        | -       | -        | -     | -     | -   | -    | -   | -                      | -                      |
| Service charges - refuse revenue                              |         | 342                 | 342    | 342   | 342     | 342      | 342      | 342     | 342      | 342   | 342   | 342 | 100  | 338   | 589                    |                        |
| Service charges - other                                       |         | -                   | -      | -     | -       | -        | -        | -       | -        | -     | -     | -   | -    | -   | -                      | -                      |
| Rental of facilities and equipment                            |         | 225                 | 225    | 225   | 225     | 225      | 225      | 225     | 225      | 225   | 225   | 225 | 700  | 857   | 023                    |                        |
| Interest earned - external investments                        |         | 375                 | 375    | 375   | 375     | 375      | 375      | 375     | 375      | 375   | 375   | 375 | 500  | 761   | 037                    |                        |
| Interest earned - outstanding debtors                         |         | 377                 | 377    | 377   | 377     | 377      | 377      | 377     | 377      | 377   | 377   | 377 | 525  | 787   | 065                    |                        |
| Dividends received  |         | -                   | -      | -     | -       | -        | -        | -       | -        | -     | -     | -   | -    | -   | -                      | -                      |
| Fines   |         | 194                 | 194    | 194   | 194     | 194      | 194      | 194     | 194      | 194   | 194   | 194 | 322  | 457   | 599                    |                        |
| Licences and permits  |         | 320                 | 320    | 320   | 320     | 320      | 320      | 320     | 320      | 320   | 320   | 320 | 836  | 058   | 294                    |                        |
| Agency services   |         | 77                  | 77     | 77    | 77      | 77       | 77       | 77      | 77       | 77    | 77    | 77  | 920  | 973   | 030                    |                        |
| Transfers recognised - operational                            |         | 18                  | 18     | 18    | 18      | 18       | 18       | 18      | 18       | 18    | 18    | 18  | 217  | 229   | 242                    |                        |
| Other revenue   |         | 086                 | 086    | 086   | 086     | 086      | 086      | 086     | 086      | 086   | 086   | 086 | 033  | 621   | 939                    |                        |
| Gains on disposal of PPE                                      |         | 429                 | 429    | 429   | 429     | 429      | 429      | 429     | 429      | 429   | 429   | 429 | 144  | 442   | 758                    |                        |
| Total Revenue (excluding capital transfers and contributions) |         | 49                  | 49     | 49    | 49      | 49       | 49       | 49      | 49       | 49    | 49    | 49  | 590  | 624   | 661                    |                        |
|   |         | 22                  | 22     | 22    | 22      | 22       | 22       | 22      | 22       | 22    | 22    | 22  | 265  | 280   | 296                    |                        |
|   |         | 095                 | 095    | 095   | 095     | 095      | 095      | 095     | 095      | 095   | 095   | 095 | 142  | 526   | 803                    |                        |
| <b>Expenditure By Type</b>                                    | -       | 13                  | 13     | 13    | 13      | 13       | 13       | 13      | 13       | 13    | 13    | 13  | 13   | 165   | 175                    | 185                    |
| Employee related costs  |         | 784                 | 784    | 784   | 784     | 784      | 784      | 784     | 784      | 784   | 784   | 784 | 411  | 005   | 155                    |                        |
| Remuneration of councillors                                   |         | 2                   | 2      | 2     | 2       | 2        | 2        | 2       | 2        | 2     | 2     | 2   | 24   | 25  | 27                     |                        |

EC122 Mquma - Supporting Table SA25 Budgeted monthly revenue and expenditure

| Description   | R<br>ef | Budget Year 2016/17 |             |             |             |             |             |             |             |             |             |             |             | Medium Term Revenue and Expenditure Framework |                        |                        |
|---|---------|---------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|---|------------------------|------------------------|
|   |         | July                | August      | Sept.       | October     | November    | December    | January     | February    | March       | April       | May         | June        | Budget Year 2016/17                           | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
|   |         | 035                 | 035         | 035         | 035         | 035         | 035         | 035         | 035         | 035         | 035         | 035         | 035         | 421   | 837                    | 336                    |
| Debt impairment   |         | 1<br>832            | 1<br>832    | 1<br>832    | 1<br>832    | 1<br>832    | 1<br>832    | 1<br>832    | 1<br>832    | 1<br>832    | 1<br>832    | 1<br>832    | 1<br>832    | 21<br>980                                     | 23<br>255              | 24<br>604              |
| Depreciation & asset impairment                           |         | 8<br>899            | 8<br>899    | 8<br>899    | 8<br>899    | 8<br>899    | 8<br>899    | 8<br>899    | 8<br>899    | 8<br>899    | 8<br>899    | 8<br>899    | 8<br>899    | 106<br>784                                    | 112<br>977             | 119<br>530             |
| Finance charges   |         | 100                 | 100         | 100         | 100         | 100         | 100         | 100         | 100         | 100         | 100         | 100         | 200         | 270   | 343                    |                        |
| Bulk purchases  |         | 583                 | 583         | 583         | 583         | 583         | 583         | 583         | 583         | 583         | 583         | 583         | 7           | 7   | 7                      |                        |
| Other materials   |         | 646                 | 646         | 646         | 646         | 646         | 646         | 646         | 646         | 646         | 646         | 646         | 000         | 406   | 836                    |                        |
| Contracted services                                       |         | 607                 | 607         | 607         | 607         | 607         | 607         | 607         | 607         | 607         | 607         | 607         | 7           | 8   | 8                      |                        |
| Transfers and grants                                      |         | -                   | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | 757         | 207   | 683                    |                        |
| Other expenditure   |         | 4<br>339            | 4<br>339    | 4<br>339    | 4<br>339    | 4<br>339    | 4<br>339    | 4<br>339    | 4<br>339    | 4<br>339    | 4<br>339    | 4<br>339    | 7<br>067    | 7<br>086                                      | 8<br>281               |                        |
| Loss on disposal of PPE                                   |         | -                   | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           | 7           | 7   | 8                      |                        |
| Total Expenditure   |         | 32<br>825           | 32<br>825   | 32<br>825   | 32<br>825   | 32<br>825   | 32<br>825   | 32<br>825   | 32<br>825   | 32<br>825   | 32<br>825   | 32<br>825   | 32<br>825   | 393<br>904                                    | 416<br>750             | 440<br>922             |
| Surplus/(Deficit)   |         | (10<br>730)         | (10<br>730) | (10<br>730) | (10<br>730) | (10<br>730) | (10<br>730) | (10<br>730) | (10<br>730) | (10<br>730) | (10<br>730) | (10<br>730) | (10<br>730) | (128<br>762)                                  | (136<br>224)           | (144<br>120)           |
| Transfers recognised - capital                            |         | 6<br>019            | 6<br>019    | 6<br>019    | 6<br>019    | 6<br>019    | 6<br>019    | 6<br>019    | 6<br>019    | 6<br>019    | 6<br>019    | 6<br>019    | 6<br>019    | 72<br>225                                     | 76<br>414              | 80<br>846              |
| Contributions recognised - capital                        |         |                     |             |             |             |             |             |             |             |             |             |             | -           | -   | -                      |                        |
| Contributed assets  |         |                     |             |             |             |             |             |             |             |             |             |             | -           | -   | -                      |                        |
| Surplus/(Deficit) after capital transfers & contributions |         | (4<br>711)          | (4<br>711)  | (4<br>711)  | (4<br>711)  | (4<br>711)  | (4<br>711)  | (4<br>711)  | (4<br>711)  | (4<br>711)  | (4<br>711)  | (4<br>711)  | (4<br>711)  | (56<br>537)                                   | (59<br>811)            | (63<br>274)            |
| Taxation  |         |                     |             |             |             |             |             |             |             |             |             |             | -           | -   | -                      |                        |
| Attributable to minorities                                |         |                     |             |             |             |             |             |             |             |             |             |             | -           | -   | -                      |                        |
| Share of surplus/ (deficit) of associate                  |         |                     |             |             |             |             |             |             |             |             |             |             | -           | -   | -                      |                        |
| Surplus/(Deficit)   | 1       | (4<br>711)          | (4<br>711)  | (4<br>711)  | (4<br>711)  | (4<br>711)  | (4<br>711)  | (4<br>711)  | (4<br>711)  | (4<br>711)  | (4<br>711)  | (4<br>711)  | (4<br>711)  | (56<br>537)                                   | (59<br>811)            | (63<br>274)            |

EC122 Mhquma - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)

| Description                                | Ref      | Budget Year 2016/17 |                |                |               |               |               |               |               |               |               |               |                  | Medium Term Revenue and Expenditure Framework |                        |                        |
|--|----------|---------------------|----------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|------------------|---|------------------------|------------------------|
|  |          | July                | August         | Sept.          | October       | November      | December      | January       | February      | March         | April         | May           | June             | Budget Year 2016/17                           | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>Revenue - Standard</b>                  |          |                     |                |                |               |               |               |               |               |               |               |               |                  |   |                        |                        |
| <i>Governance and administration</i>       |          | 20 982              | 20 982         | 20 982         | 20 982        | 20 982        | 20 982        | 20 982        | 20 982        | 20 982        | 20 982        | 20 982        | 20 982           | 251 788                                       | 266 392                | 281 842                |
| Executive and council                      |          | 6                   | 6              | 6              | 6             | 6             | 6             | 6             | 6             | 6             | 6             | 6             | 6                | 70  | 74                     | 78                     |
| Budget and treasury office                 |          | 20 439              | 20 439         | 20 439         | 20 439        | 20 439        | 20 439        | 20 439        | 20 439        | 20 439        | 20 439        | 20 439        | 20 439           | 245 269                                       | 259 495                | 274 546                |
| Corporate services                         |          | 537                 | 537            | 537            | 537           | 537           | 537           | 537           | 537           | 537           | 537           | 537           | 537              | 6 449   | 6 823                  | 7 219                  |
| <i>Community and public safety</i>         |          | 752                 | 752            | 752            | 752           | 752           | 752           | 752           | 752           | 752           | 752           | 752           | 752              | 9 022   | 9 545                  | 10 099                 |
| Community and social services              |          | -                   | -              | -              | -             | -             | -             | -             | -             | -             | -             | -             | -                | -   | -                      | -                      |
| Sport and recreation                       |          | -                   | -              | -              | -             | -             | -             | -             | -             | -             | -             | -             | -                | -   | -                      | -                      |
| Public safety                              |          | 752                 | 752            | 752            | 752           | 752           | 752           | 752           | 752           | 752           | 752           | 752           | 752              | 9 022   | 9 545                  | 10 099                 |
| Housing                                    |          | -                   | -              | -              | -             | -             | -             | -             | -             | -             | -             | -             | -                | -   | -                      | -                      |
| Health                                     |          | -                   | -              | -              | -             | -             | -             | -             | -             | -             | -             | -             | -                | -   | -                      | -                      |
| <i>Economic and environmental services</i> |          | 6 038               | 6 038          | 6 038          | 6 038         | 6 038         | 6 038         | 6 038         | 6 038         | 6 038         | 6 038         | 6 038         | 6 038            | 72 457  | 76 660                 | 81 106                 |
| Planning and development                   |          | 12                  | 12             | 12             | 12            | 12            | 12            | 12            | 12            | 12            | 12            | 12            | 12               | 140   | 148                    | 157                    |
| Road transport                             |          | 6 026               | 6 026          | 6 026          | 6 026         | 6 026         | 6 026         | 6 026         | 6 026         | 6 026         | 6 026         | 6 026         | 6 026            | 72 317  | 76 511                 | 80 949                 |
| Environmental protection                   |          | -                   | -              | -              | -             | -             | -             | -             | -             | -             | -             | -             | -                | -   | -                      | -                      |
| <i>Trading services</i>                    |          | 342                 | 342            | 342            | 342           | 342           | 342           | 342           | 342           | 342           | 342           | 342           | 342              | 4 100   | 4 338                  | 4 589                  |
| Electricity                                |          | -                   | -              | -              | -             | -             | -             | -             | -             | -             | -             | -             | -                | -   | -                      | -                      |
| Water                                      |          | -                   | -              | -              | -             | -             | -             | -             | -             | -             | -             | -             | -                | -   | -                      | -                      |
| Waste water management                     |          | -                   | -              | -              | -             | -             | -             | -             | -             | -             | -             | -             | -                | -   | -                      | -                      |
| Waste management                           |          | 342                 | 342            | 342            | 342           | 342           | 342           | 342           | 342           | 342           | 342           | 342           | 342              | 4 100   | 4 338                  | 4 589                  |
| <i>Other</i>                               |          | -                   | -              | -              | -             | -             | -             | -             | -             | -             | -             | -             | -                | -   | -                      | -                      |
| <b>Total Revenue - Standard</b>            |          | <b>28 114</b>       | <b>28 114</b>  | <b>28 114</b>  | <b>28 114</b> | <b>28 114</b> | <b>28 114</b> | <b>28 114</b> | <b>28 114</b> | <b>28 114</b> | <b>28 114</b> | <b>28 114</b> | <b>28 114</b>    | <b>337 367</b>                                | <b>356 934</b>         | <b>377 636</b>         |
| <b>Expenditure - Standard</b>              |          |                     |                |                |               |               |               |               |               |               |               |               |                  |   |                        |                        |
| <i>Governance and administration</i>       |          | 13 214              | 13 980         | 14 791         | -             | -             | -             | -             | -             | -             | -             | -             | 116 581          | 158 566                                       | 167 763                | 177 493                |
| Executive and council                      |          | 4 170               | 4 412          | 4 668          | -             | -             | -             | -             | -             | -             | -             | -             | 36 792           | 50 042  | 52 944                 | 56 015                 |
| Budget and treasury office                 |          | 5 494               | 5 813          | 6 150          | -             | -             | -             | -             | -             | -             | -             | -             | 48 471           | 65 927  | 69 750                 | 73 796                 |
| Corporate services                         |          | 3 550               | 3 756          | 3 974          | -             | -             | -             | -             | -             | -             | -             | -             | 31 319           | 42 588  | 45 069                 | 47 683                 |
| <i>Community and public safety</i>         |          | 3 626               | 3 626          | 3 626          | 3 626         | 3 626         | 3 626         | 3 626         | 3 626         | 3 626         | 3 626         | 3 626         | 3 626            | 43 513  | 46 037                 | 48 707                 |
| Community and social services              |          | -                   | -              | -              | -             | -             | -             | -             | -             | -             | -             | -             | -                | -   | -                      | -                      |
| Sport and recreation                       |          | -                   | -              | -              | -             | -             | -             | -             | -             | -             | -             | -             | -                | -   | -                      | -                      |
| Public safety                              |          | 3 626               | 3 626          | 3 626          | 3 626         | 3 626         | 3 626         | 3 626         | 3 626         | 3 626         | 3 626         | 3 626         | 3 626            | 43 513  | 46 037                 | 48 707                 |
| Housing                                    |          | -                   | -              | -              | -             | -             | -             | -             | -             | -             | -             | -             | -                | -   | -                      | -                      |
| Health                                     |          | -                   | -              | -              | -             | -             | -             | -             | -             | -             | -             | -             | -                | -   | -                      | -                      |
| <i>Economic and environmental services</i> |          | 14 392              | 14 392         | 14 392         | 14 392        | 14 392        | 14 392        | 14 392        | 14 392        | 14 392        | 14 392        | 14 392        | 14 392           | 172 704                                       | 182 720                | 193 318                |
| Planning and development                   |          | 2 127               | 2 127          | 2 127          | 2 127         | 2 127         | 2 127         | 2 127         | 2 127         | 2 127         | 2 127         | 2 127         | 2 127            | 25 530  | 27 011                 | 28 577                 |
| Road transport                             |          | 12 264              | 12 264         | 12 264         | 12 264        | 12 264        | 12 264        | 12 264        | 12 264        | 12 264        | 12 264        | 12 264        | 12 264           | 147 174                                       | 155 710                | 164 741                |
| Environmental protection                   |          | -                   | -              | -              | -             | -             | -             | -             | -             | -             | -             | -             | -                | -   | -                      | -                      |
| <i>Trading services</i>                    |          | 1 593               | 1 593          | 1 593          | 1 593         | 1 593         | 1 593         | 1 593         | 1 593         | 1 593         | 1 593         | 1 593         | 1 593            | 19 121  | 20 230                 | 21 403                 |
| Electricity                                |          | -                   | -              | -              | -             | -             | -             | -             | -             | -             | -             | -             | -                | -   | -                      | -                      |
| Water                                      |          | -                   | -              | -              | -             | -             | -             | -             | -             | -             | -             | -             | -                | -   | -                      | -                      |
| Waste water management                     |          | -                   | -              | -              | -             | -             | -             | -             | -             | -             | -             | -             | -                | -   | -                      | -                      |
| Waste management                           |          | 1 593               | 1 593          | 1 593          | 1 593         | 1 593         | 1 593         | 1 593         | 1 593         | 1 593         | 1 593         | 1 593         | 1 593            | 19 121  | 20 230                 | 21 403                 |
| <i>Other</i>                               |          | -                   | -              | -              | -             | -             | -             | -             | -             | -             | -             | -             | -                | -   | -                      | -                      |
| <b>Total Expenditure - Standard</b>        |          | <b>32 825</b>       | <b>33 592</b>  | <b>34 403</b>  | <b>19 611</b> | <b>19 611</b> | <b>19 611</b> | <b>19 611</b> | <b>19 611</b> | <b>19 611</b> | <b>19 611</b> | <b>19 611</b> | <b>136 192</b>   | <b>393 904</b>                                | <b>416 750</b>         | <b>440 922</b>         |
| Surplus/(Deficit) before assoc.            |          | (4 711)             | (5 478)        | (6 289)        | 8 502         | 8 502         | 8 502         | 8 502         | 8 502         | 8 502         | 8 502         | 8 502         | (108 079)        | (56 537)                                      | (59 816)               | (63 286)               |
| Share of surplus/ (deficit) of associate   |          | -                   | -              | -              | -             | -             | -             | -             | -             | -             | -             | -             | -                | -   | -                      | -                      |
| <b>Surplus/(Deficit)</b>                   | <b>1</b> | <b>(4 711)</b>      | <b>(5 478)</b> | <b>(6 289)</b> | <b>8 502</b>  | <b>8 502</b>  | <b>8 502</b>  | <b>8 502</b>  | <b>8 502</b>  | <b>8 502</b>  | <b>8 502</b>  | <b>8 502</b>  | <b>(108 079)</b> | <b>(56 537)</b>                               | <b>(59 816)</b>        | <b>(63 286)</b>        |

EC122 Mhquma - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

| Description                                       | Ref      | Budget Year 2016/17 |              |              |              |              |              |              |              |              |              |              |              | Medium Term Revenue and Expenditure Framework |                        |                        |  |
|---|----------|---------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---|------------------------|------------------------|--|
|   |          | July                | August       | Sept.        | October      | Nov.         | Dec.         | January      | Feb.         | March        | April        | May          | June         | Budget Year 2016/17                           | Budget Year +1 2017/18 | Budget Year +2 2018/19 |  |
| <i>Multi-year expenditure to be appropriated</i>  | 1        |                     |              |              |              |              |              |              |              |              |              |              |              |   |                        |                        |  |
| Vote 1 - OFFICE OF THE MAYOR                      |          |                     |              |              |              |              |              |              |              |              |              |              |              |   |                        |                        |  |
| Vote 2 - OFFICE OF THE SPEAKER                    |          |                     |              |              |              |              |              |              |              |              |              |              |              |   |                        |                        |  |
| Vote 3 - OFFICE OF THE MUNICIPAL MANAGER          |          | 6                   | 6            | 6            | 6            | 6            | 6            | 6            | 6            | 6            | 6            | 6            | 6            | 70  | 74                     | 78                     |  |
| Vote 4 - STRATEGIC MANAGEMENT                     |          | -                   | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -   | -                      | -                      |  |
| Vote 5 - LOCAL ECONOMIC DEVELOPMENT               |          | 12                  | 12           | 12           | 12           | 12           | 12           | 12           | 12           | 12           | 12           | 12           | 12           | 140   | 148                    | 157                    |  |
| Vote 6 - BUDGET & TREASURY OFFICE                 |          | 3                   | 3            | 3            | 3            | 3            | 3            | 3            | 3            | 3            | 3            | 3            | 3            | 35  | 37                     | 39                     |  |
| Vote 7 - CORPORATE SERVICES                       |          | 168                 | 168          | 168          | 168          | 168          | 168          | 168          | 168          | 168          | 168          | 168          | 168          | 2 013   | 2 129                  | 2 253                  |  |
| Vote 8 - COMMUNITY SERVICES                       |          | 150                 | 150          | 150          | 150          | 150          | 150          | 150          | 150          | 150          | 150          | 150          | 150          | 1 797   | 1 901                  | 2 011                  |  |
| Vote 9 - INFRASTRUCTURAL PLANNING AND DEV         |          | 5 681               | 5 681        | 5 681        | 5 681        | 5 681        | 5 681        | 5 681        | 5 681        | 5 681        | 5 681        | 5 681        | 5 681        | 68 171  | 72 125                 | 76 308                 |  |
| 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        | 6 019               | 6 019        | 6 019        | 6 019        | 6 019        | 6 019        | 6 019        | 6 019        | 6 019        | 6 019        | 6 019        | 6 019        | 72 225  | 76 414                 | 80 846                 |  |
| <i>Single-year expenditure to be appropriated</i> |          |                     |              |              |              |              |              |              |              |              |              |              |              |   |                        |                        |  |
| Vote 1 - OFFICE OF THE MAYOR                      |          |                     |              |              |              |              |              |              |              |              |              |              |              |   |                        |                        |  |
| Vote 2 - OFFICE OF THE SPEAKER                    |          |                     |              |              |              |              |              |              |              |              |              |              |              |   |                        |                        |  |
| Vote 3 - OFFICE OF THE MUNICIPAL MANAGER          |          |                     |              |              |              |              |              |              |              |              |              |              |              |   |                        |                        |  |
| Vote 4 - STRATEGIC MANAGEMENT                     |          |                     |              |              |              |              |              |              |              |              |              |              |              |   |                        |                        |  |
| Vote 5 - LOCAL ECONOMIC DEVELOPMENT               |          |                     |              |              |              |              |              |              |              |              |              |              |              |   |                        |                        |  |
| Vote 6 - BUDGET & TREASURY OFFICE                 |          |                     |              |              |              |              |              |              |              |              |              |              |              |   |                        |                        |  |
| Vote 7 - CORPORATE SERVICES                       |          |                     |              |              |              |              |              |              |              |              |              |              |              |   |                        |                        |  |
| Vote 8 - COMMUNITY SERVICES                       |          |                     |              |              |              |              |              |              |              |              |              |              |              |   |                        |                        |  |
| Vote 9 - INFRASTRUCTURAL PLANNING AND DEV         |          |                     |              |              |              |              |              |              |              |              |              |              |              |   |                        |                        |  |
| 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        | -                   | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            | -   | -                      | -                      |  |
| <b>Total Capital Expenditure</b>                  | <b>2</b> | <b>6 019</b>        | <b>6 019</b> | <b>6 019</b> | <b>6 019</b> | <b>6 019</b> | <b>6 019</b> | <b>6 019</b> | <b>6 019</b> | <b>6 019</b> | <b>6 019</b> | <b>6 019</b> | <b>6 019</b> | <b>72 225</b>                                 | <b>76 414</b>          | <b>80 846</b>          |  |

EC122 Mhquma - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)

| Description                                 | Ref | Budget Year 2016/17 |        |       |         |       |       |         |       |       |       |       |       | Medium Term Revenue and Expenditure Framework |                        |                        |  |
|---|-----|---------------------|--------|-------|---------|-------|-------|---------|-------|-------|-------|-------|-------|---|------------------------|------------------------|--|
|   |     | July                | August | Sept. | October | Nov.  | Dec.  | January | Feb.  | March | April | May   | June  | Budget Year 2016/17                           | Budget Year +1 2017/18 | Budget Year +2 2018/19 |  |
| <b>Capital Expenditure - Standard</b>       | 1   |                     |        |       |         |       |       |         |       |       |       |       |       |   |                        |                        |  |
| <i>Governance and administration</i>        |     | 176                 | 176    | 176   | 176     | 176   | 176   | 176     | 176   | 176   | 176   | 176   | 176   | 2 118   | 2 240                  | 2 370                  |  |
| Executive and council                       |     | 6                   | 6      | 6     | 6       | 6     | 6     | 6       | 6     | 6     | 6     | 6     | 6     | 70  | 74                     | 78                     |  |
| Budget and treasury office                  |     | 3                   | 3      | 3     | 3       | 3     | 3     | 3       | 3     | 3     | 3     | 3     | 3     | 35  | 37                     | 39                     |  |
| Corporate services                          |     | 168                 | 168    | 168   | 168     | 168   | 168   | 168     | 168   | 168   | 168   | 168   | 168   | 2 013   | 2 129                  | 2 253                  |  |
| <i>Community and public safety</i>          |     | 150                 | 150    | 150   | 150     | 150   | 150   | 150     | 150   | 150   | 150   | 150   | 150   | 1 797   | 1 901                  | 2 011                  |  |
| Community and social services               |     | 150                 | 150    | 150   | 150     | 150   | 150   | 150     | 150   | 150   | 150   | 150   | 150   | 1 797   | 1 901                  | 2 011                  |  |
| Sport and recreation                        |     | -                   | -      | -     | -       | -     | -     | -       | -     | -     | -     | -     | -     | -   | -                      | -                      |  |
| Public safety                               |     | -                   | -      | -     | -       | -     | -     | -       | -     | -     | -     | -     | -     | -   | -                      | -                      |  |
| Housing                                     |     | -                   | -      | -     | -       | -     | -     | -       | -     | -     | -     | -     | -     | -   | -                      | -                      |  |
| Health                                      |     | -                   | -      | -     | -       | -     | -     | -       | -     | -     | -     | -     | -     | -   | -                      | -                      |  |
| <i>Economic and environmental services</i>  |     | 5 693               | 5 693  | 5 693 | 5 693   | 5 693 | 5 693 | 5 693   | 5 693 | 5 693 | 5 693 | 5 693 | 5 693 | 68 311  | 72 273                 | 76 464                 |  |
| Planning and development                    |     | 12                  | 12     | 12    | 12      | 12    | 12    | 12      | 12    | 12    | 12    | 12    | 12    | 140   | 148                    | 157                    |  |
| Road transport                              |     | 5 681               | 5 681  | 5 681 | 5 681   | 5 681 | 5 681 | 5 681   | 5 681 | 5 681 | 5 681 | 5 681 | 5 681 | 68 171  | 72 125                 | 76 308                 |  |
| Environmental protection                    |     | -                   | -      | -     | -       | -     | -     | -       | -     | -     | -     | -     | -     | -   | -                      | -                      |  |
| <i>Trading services</i>                     |     | -                   | -      | -     | -       | -     | -     | -       | -     | -     | -     | -     | -     | -   | -                      | -                      |  |
| Electricity                                 |     | -                   | -      | -     | -       | -     | -     | -       | -     | -     | -     | -     | -     | -   | -                      | -                      |  |
| Water                                       |     | -                   | -      | -     | -       | -     | -     | -       | -     | -     | -     | -     | -     | -   | -                      | -                      |  |
| Waste water management                      |     | -                   | -      | -     | -       | -     | -     | -       | -     | -     | -     | -     | -     | -   | -                      | -                      |  |
| Waste management                            |     | -                   | -      | -     | -       | -     | -     | -       | -     | -     | -     | -     | -     | -   | -                      | -                      |  |
| <i>Other</i>                                |     | -                   | -      | -     | -       | -     | -     | -       | -     | -     | -     | -     | -     | -   | -                      | -                      |  |
| <b>Total Capital Expenditure - Standard</b> | 2   | 6 019               | 6 019  | 6 019 | 6 019   | 6 019 | 6 019 | 6 019   | 6 019 | 6 019 | 6 019 | 6 019 | 6 019 | 72 225  | 76 414                 | 80 846                 |  |
| <b>Funded by:</b>                           |     |                     |        |       |         |       |       |         |       |       |       |       |       |   |                        |                        |  |
| National Government                         |     | 6 019               | 6 019  | 6 019 | 6 019   | 6 019 | 6 019 | 6 019   | 6 019 | 6 019 | 6 019 | 6 019 | 6 019 | 72 225  | 76 414                 | 80 846                 |  |
| Provincial Government                       |     | -                   | -      | -     | -       | -     | -     | -       | -     | -     | -     | -     | -     | -   | -                      | -                      |  |
| District Municipality                       |     | -                   | -      | -     | -       | -     | -     | -       | -     | -     | -     | -     | -     | -   | -                      | -                      |  |
| Other transfers and grants                  |     | -                   | -      | -     | -       | -     | -     | -       | -     | -     | -     | -     | -     | -   | -                      | -                      |  |
| Transfers recognised - capital              |     | 6 019               | 6 019  | 6 019 | 6 019   | 6 019 | 6 019 | 6 019   | 6 019 | 6 019 | 6 019 | 6 019 | 6 019 | 72 225  | 76 414                 | 80 846                 |  |
| Public contributions & donations            |     | -                   | -      | -     | -       | -     | -     | -       | -     | -     | -     | -     | -     | -   | -                      | -                      |  |
| Borrowing                                   |     | -                   | -      | -     | -       | -     | -     | -       | -     | -     | -     | -     | -     | -   | -                      | -                      |  |
| Internally generated funds                  |     | -                   | -      | -     | -       | -     | -     | -       | -     | -     | -     | -     | -     | -   | -                      | -                      |  |
| <b>Total Capital Funding</b>                |     | 6 019               | 6 019  | 6 019 | 6 019   | 6 019 | 6 019 | 6 019   | 6 019 | 6 019 | 6 019 | 6 019 | 6 019 | 72 225  | 76 414                 | 80 846                 |  |

EC122/Mhquma - Supporting Table SA30 Budgeted monthly cash flow

| MONTHLY CASH FLOWS                               | Budget Year 2016/17 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 | Medium Term Revenue and Expenditure Framework |                     |                        |
|--|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---|---------------------|------------------------|
|  | R thousand          | July            | August          | Sept.           | October         | November        | December        | January         | February        | March           | April           | May             | June  | Budget Year 2016/17 | Budget Year +1 2017/18 |
| <b>Cash Receipts By Source</b>                   |                     |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 | 1   |                     |                        |
| Property rates                                   | 1 623               | 1 623           | 1 623           | 1 623           | 1 623           | 1 623           | 1 623           | 1 623           | 1 623           | 1 623           | 1 623           | 1 623           | 19 472  | 20 607              | 21 808                 |
| Property rates - penalties & collection charges  | -                   | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -   | -                   | -                      |
| Service charges - electricity revenue            | -                   | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -   | -                   | -                      |
| Service charges - water revenue                  | -                   | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -   | -                   | -                      |
| Service charges - sanitation revenue             | -                   | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -   | -                   | -                      |
| Service charges - refuse revenue                 | 342                 | 342             | 342             | 342             | 342             | 342             | 342             | 342             | 342             | 342             | 342             | 342             | 4 100   | 4 338               | 4 589                  |
| Service charges - other                          | -                   | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -   | -                   | -                      |
| Rental of facilities and equipment               | 225                 | 225             | 225             | 225             | 225             | 225             | 225             | 225             | 225             | 225             | 225             | 225             | 2 700   | 2 857               | 3 023                  |
| Interest earned - external investments           | 375                 | 375             | 375             | 375             | 375             | 375             | 375             | 375             | 375             | 375             | 375             | 375             | 4 500   | 4 761               | 5 037                  |
| Interest earned - outstanding debtors            | 377                 | 377             | 377             | 377             | 377             | 377             | 377             | 377             | 377             | 377             | 377             | 377             | 4 525   | 4 787               | 5 065                  |
| Dividends received                               | -                   | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -   | -                   | -                      |
| Fines  | 194                 | 194             | 194             | 194             | 194             | 194             | 194             | 194             | 194             | 194             | 194             | 194             | 2 322   | 2 457               | 2 589                  |
| Licences and permits                             | 320                 | 320             | 320             | 320             | 320             | 320             | 320             | 320             | 320             | 320             | 320             | 320             | 3 836   | 4 058               | 4 294                  |
| Agency services                                  | 77                  | 77              | 77              | 77              | 77              | 77              | 77              | 77              | 77              | 77              | 77              | 77              | 920   | 973                 | 1 030                  |
| Transfer receipts - operational                  | 18 086              | 18 086          | 18 086          | 18 086          | 18 086          | 18 086          | 18 086          | 18 086          | 18 086          | 18 086          | 18 086          | 18 086          | 217 033                                       | 229 621             | 242 939                |
| Other revenue                                    | 429                 | 429             | 429             | 429             | 429             | 429             | 429             | 429             | 429             | 429             | 429             | 429             | 5 144   | 5 442               | 5 758                  |
| <b>Cash Receipts by Source</b>                   | <b>22 046</b>       | <b>22 046</b>   | <b>22 046</b>   | <b>22 046</b>   | <b>22 046</b>   | <b>22 046</b>   | <b>22 046</b>   | <b>22 046</b>   | <b>22 046</b>   | <b>22 046</b>   | <b>22 046</b>   | <b>22 046</b>   | <b>264 552</b>                                | <b>279 902</b>      | <b>296 142</b>         |
| <b>Other Cash Flows by Source</b>                |                     |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |   |                     |                        |
| Transfer receipts - capital                      | 6 019               | 6 019           | 6 019           | 6 019           | 6 019           | 6 019           | 6 019           | 6 019           | 6 019           | 6 019           | 6 019           | 6 019           | 72 225  | 76 414              | 80 846                 |
| Contributions recognised - capital & Contributed | -                   | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -   | -                   | -                      |
| Proceeds on disposal of FPE                      | 49                  | 49              | 49              | 49              | 49              | 49              | 49              | 49              | 49              | 49              | 49              | 49              | 590   | 624                 | 661                    |
| Short term loans                                 | -                   | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -   | -                   | -                      |
| Borrowing long term/refinancing                  | -                   | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -   | -                   | -                      |
| Increase (decrease) in consumer deposits         | -                   | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -   | -                   | -                      |
| Decrease (Increase) in non-current debtors       | -                   | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -   | -                   | -                      |
| Decrease (increase) other non-current receivable | -                   | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -   | -                   | -                      |
| Decrease (increase) in non-current investments   | -                   | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -   | -                   | -                      |
| <b>Total Cash Receipts by Source</b>             | <b>28 114</b>       | <b>28 114</b>   | <b>28 114</b>   | <b>28 114</b>   | <b>28 114</b>   | <b>28 114</b>   | <b>28 114</b>   | <b>28 114</b>   | <b>28 114</b>   | <b>28 114</b>   | <b>28 114</b>   | <b>28 114</b>   | <b>337 367</b>                                | <b>356 940</b>      | <b>377 648</b>         |
| <b>Cash Payments by Type</b>                     |                     |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |   |                     |                        |
| Employee related costs                           | 13 784              | 13 784          | 13 784          | 13 784          | 13 784          | 13 784          | 13 784          | 13 784          | 13 784          | 13 784          | 13 784          | 13 784          | 165 411                                       | 175 005             | 185 155                |
| Remuneration of councillors                      | 2 035               | 2 035           | 2 035           | 2 035           | 2 035           | 2 035           | 2 035           | 2 035           | 2 035           | 2 035           | 2 035           | 2 035           | 24 421  | 25 837              | 27 336                 |
| Finance charges                                  | 100                 | 100             | 100             | 100             | 100             | 100             | 100             | 100             | 100             | 100             | 100             | 100             | 1 200   | 1 270               | 1 343                  |
| Bulk purchases - Electricity                     | 250                 | 250             | 250             | 250             | 250             | 250             | 250             | 250             | 250             | 250             | 250             | 250             | 3 000   | 3 174               | 3 358                  |
| Bulk purchases - Water & Sewer                   | 333                 | 333             | 333             | 333             | 333             | 333             | 333             | 333             | 333             | 333             | 333             | 333             | 4 000   | 4 232               | 4 477                  |
| Other materials                                  | 646                 | 646             | 646             | 646             | 646             | 646             | 646             | 646             | 646             | 646             | 646             | 646             | 7 757   | 8 207               | 8 683                  |
| Contracted services                              | 857                 | 857             | 857             | 857             | 857             | 857             | 857             | 857             | 857             | 857             | 857             | 857             | 10 285  | 10 881              | 11 512                 |
| Transfers and grants - other municipalities      | -                   | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -   | -                   | -                      |
| Transfers and grants - other                     | -                   | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -   | -                   | -                      |
| Other expenditure                                | 14 819              | 14 632          | 14 632          | 14 632          | 14 632          | 14 632          | 14 632          | 14 632          | 14 632          | 14 632          | 14 632          | 16 694          | 177 830                                       | 188 144             | 199 057                |
| <b>Cash Payments by Type</b>                     | <b>32 825</b>       | <b>32 638</b>   | <b>32 638</b>   | <b>32 638</b>   | <b>32 638</b>   | <b>32 638</b>   | <b>32 638</b>   | <b>32 638</b>   | <b>32 638</b>   | <b>32 638</b>   | <b>32 638</b>   | <b>34 700</b>   | <b>393 904</b>                                | <b>416 750</b>      | <b>440 922</b>         |
| <b>Other Cash Flows/Payments by Type</b>         |                     |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |   |                     |                        |
| Capital assets                                   | 6 019               | 6 019           | 6 019           | 6 019           | 6 019           | 6 019           | 6 019           | 6 019           | 6 019           | 6 019           | 6 019           | 6 019           | 72 225  | 76 414              | 80 846                 |
| Repayment of borrowings                          | -                   | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -   | -                   | -                      |
| Other Cash Flows/Payments                        | -                   | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -               | -   | -                   | -                      |
| <b>Total Cash Payments by Type</b>               | <b>38 844</b>       | <b>38 657</b>   | <b>38 657</b>   | <b>38 657</b>   | <b>38 657</b>   | <b>38 657</b>   | <b>38 657</b>   | <b>38 657</b>   | <b>38 657</b>   | <b>38 657</b>   | <b>38 657</b>   | <b>40 719</b>   | <b>466 129</b>                                | <b>493 164</b>      | <b>521 768</b>         |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      | <b>(10 730)</b>     | <b>(10 543)</b> | <b>(10 543)</b> | <b>(10 543)</b> | <b>(10 543)</b> | <b>(10 543)</b> | <b>(10 543)</b> | <b>(10 543)</b> | <b>(10 543)</b> | <b>(10 543)</b> | <b>(10 543)</b> | <b>(12 605)</b> | <b>(128 762)</b>                              | <b>(136 224)</b>    | <b>(144 120)</b>       |

MNQUMA LOCAL MUNICIPAL



EC122 Mngquma - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

| Description   | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand  | 1   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <u>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</u> |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <u>Infrastructure</u>   |     | -               | 40 303          | 50 475          | 68 710               | 68 710          | 68 710             | 15 666  | 16 574                 | 17 536                 |
| Infrastructure - Road transport   |     | -               | 40 303          | 50 475          | 68 710               | 68 710          | 68 710             | 15 666  | 16 574                 | 17 536                 |
| <i>Roads, Pavements &amp; Bridges</i>   |     |                 | 40 303          | 50 475          | 68 710               | 68 710          | 68 710             | 15 666  | 16 574                 | 17 536                 |

EC122 Mngquma - Supporting Table SA34c Repairs and maintenance expenditure by asset class

| Description   | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|   |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand  | 1   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <u>Repairs and maintenance expenditure by Asset Class/Sub-class</u> |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <u>Infrastructure</u>   |     | 4 042           | 10 739          | 1 333           | 4 505                | 4 505           | 4 505              | 3 940   | 4 169                  | 4 410                  |
| Infrastructure - Road transport                                     |     | 4 042           | 4 711           | 798             | 4 505                | 4 505           | 4 505              | 2 140   | 2 264                  | 2 395                  |
| <i>Roads, Pavements &amp; Bridges</i>                               |     | 4 042           | 4 711           | 798             | 4 505                | 4 505           | 4 505              | 2 140   | 2 264                  | 2 395                  |
| <i>Storm water</i>  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Infrastructure - Electricity  |     | -               | 6 028           | 535             | -                    | -               | -                  | 1 800   | 1 904                  | 2 015                  |
| <i>Generation</i>   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Transmission &amp; Reticulation</i>                              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <i>Street Lighting</i>  |     |                 | 6 028           | 535             |                      |                 |                    | 1 800   | 1 904                  | 2 015                  |
| <u>Community</u>  |     | 470             | -               | 1 231           | 1 450                | 1 450           | 1 450              | 1 116   | 1 181                  | 1 249                  |
| Parks & gardens   |     |                 |                 |                 | 0                    | 0               |                    |   |                        |                        |
| Sportsfields & stadia   |     | 470             |                 |                 |                      |                 |                    |   |                        |                        |
| Clinics   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Other   |     |                 |                 | 1 231           | 1 450                | 1 450           | 1 450              | 1 116   | 1 181                  | 1 249                  |
| <u>Heritage assets</u>  |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Buildings   |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Other   | 9   |                 |                 |                 |                      |                 |                    |   |                        |                        |

EC122 Mngquma - Supporting Table SA34c Repairs and maintenance expenditure by asset class

| Description                                      | Ref | 2012/13         | 2013/14         | 2014/15         | Current Year 2015/16 |                 |                    | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <b>R thousand</b>                                | 1   |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <u>Investment properties</u>                     |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Housing development                              |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Other  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <u>Other assets</u>                              |     | 49              | -               | 795             | 1 500                | 743             | 743                | 2 701   | 2 858                  | 3 024                  |
| General vehicles                                 |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Specialised vehicles                             | 10  | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Plant & equipment                                |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Computers - hardware/equipment                   |     |                 |                 |                 | 100                  | 100             | 100                | 100   | 106                    | 112                    |
| Furniture and other office equipment             |     |                 |                 |                 | 100                  | 100             | 100                | 100   | 106                    | 112                    |
| Abattoirs  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Markets  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Civic Land and Buildings                         |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Other Buildings                                  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Other Land                                       |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Surplus Assets - (Investment or Inventory)       |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Other  |     | 49              | -               | 795             | 1 300                | 543             | 543                | 2 501   | 2 646                  | 2 800                  |
| <u>Agricultural assets</u>                       |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>List sub-class</i>                            |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <u>Biological assets</u>                         |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| <i>List sub-class</i>                            |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <u>Intangibles</u>                               |     | -               | -               | -               | -                    | -               | -                  | -   | -                      | -                      |
| Computers - software & programming               |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| Other ( <i>list sub-class</i> )                  |     |                 |                 |                 |                      |                 |                    |   |                        |                        |
| <b>Total Repairs and Maintenance Expenditure</b> | 1   | 4 561           | 10 739          | 3 359           | 7 455                | 6 698           | 6 698              | 7 757   | 8 207                  | 8 683                  |

EC122 Mngquma - Supporting Table SA35 Future financial implications of the capital budget

| Vote Description                                  | Ref | 2016/17 Medium Term Revenue & Expenditure Framework |                        |                        | Forecasts        |                  |                  |               |
|---|-----|---|------------------------|------------------------|------------------|------------------|------------------|---------------|
|   |     | Budget Year 2016/17                                 | Budget Year +1 2017/18 | Budget Year +2 2018/19 | Forecast 2019/20 | Forecast 2020/21 | Forecast 2021/22 | Present value |
| <b>R thousand</b>                                 |     |   |                        |                        |                  |                  |                  |               |
| <b>Capital expenditure</b>                        | 1   |   |                        |                        |                  |                  |                  |               |
| Vote 1 - OFFICE OF THE MAYOR                      |     | -   | -                      | -                      |                  |                  |                  |               |
| Vote 2 - OFFICE OF THE SPAEKER                    |     | -   | -                      | -                      |                  |                  |                  |               |
| Vote 3 - OFFICE OF THE MUNICIPAL MANAGER          |     | 70  | 74                     | 78                     |                  |                  |                  |               |
| Vote 4 - STRATEGIC MANAGEMENT                     |     | -   | -                      | -                      |                  |                  |                  |               |
| Vote 5 - LOCAL ECONOMIC DEVELOPMENT               |     | 140   | 148                    | 157                    |                  |                  |                  |               |
| Vote 6 - BUDGET & TREASURY OFFICE                 |     | 35  | 37                     | 39                     |                  |                  |                  |               |
| Vote 7 - CORPORATE SERVICES                       |     | 2 013   | 2 129                  | 2 253                  |                  |                  |                  |               |
| Vote 8 - COMMUNITY SERVICES                       |     | 1 797   | 1 901                  | 2 011                  |                  |                  |                  |               |
| Vote 9 - INFRASTRUCTURAL PLANNING AND DEVELOPMENT |     | 68 171  | 72 125                 | 76 308                 |                  |                  |                  |               |
| Vote 10 - [NAME OF VOTE 10]                       |     | -   | -                      | -                      |                  |                  |                  |               |
| Vote 11 - [NAME OF VOTE 11]                       |     | -   | -                      | -                      |                  |                  |                  |               |
| Vote 12 - [NAME OF VOTE 12]                       |     | -   | -                      | -                      |                  |                  |                  |               |
| Vote 13 - [NAME OF VOTE 13]                       |     | -   | -                      | -                      |                  |                  |                  |               |
| Vote 14 - [NAME OF VOTE 14]                       |     | -   | -                      | -                      |                  |                  |                  |               |
| Vote 15 - [NAME OF VOTE 15]                       |     | -   | -                      | -                      |                  |                  |                  |               |
| <i>List entity summary if applicable</i>          |     |   |                        |                        |                  |                  |                  |               |
| <b>Total Capital Expenditure</b>                  |     | 72 225  | 76 414                 | 80 846                 | -                | -                | -                | -             |

### 2.3 Municipal manager's quality certificate

I ....., municipal manager of Mquma Local Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name \_\_\_\_\_

Municipal manager of Mquma Local Municipality (EC122)

Signature \_\_\_\_\_

Date \_\_\_\_\_