

AMAJUBA DISTRICT MUNICIPALITY



2016/17 TO 2018/19 MEDIUM TERM REVENUE AND EXPENDITURE FORECASTS

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Abbreviations and Acronyms

AMR	Automated Meter Reading	LED	Local Economic Development
ASGISA	Accelerated and Shared Growth Initiative	MEC	Member of the Executive Committee
BPC	Budget Planning Committee	MFMA	Municipal Financial Management Act
CBD	Central Business District		Programme
CFO	Chief Financial Officer	MIG	Municipal Infrastructure Grant
CM	City Manager	MMC	Member of Mayoral Committee
CPI	Consumer Price Index	MPRA	Municipal Properties Rates Act
CRRF	Capital Replacement Reserve Fund	MSA	Municipal Systems Act
DBSA	Development Bank of South Africa	MTEF	Medium-term Expenditure Framework
DoRA	Division of Revenue Act	MTREF	Medium-term Revenue and Expenditure Framework
DWA	Department of Water Affairs	NERSA	National Electricity Regulator South Africa
EE	Employment Equity	NGO	Non-Governmental organisations
EEDSM	Energy Efficiency Demand Side Management	NKPIs	National Key Performance Indicators
EM	Executive Mayor	OHS	Occupational Health and Safety
FBS	Free basic services	OP	Operational Plan
GAMAP	Generally Accepted Municipal Accounting Practice	PBO	Public Benefit Organisations
GDP	Gross domestic product	PHC	Provincial Health Care
GDS	Gauteng Growth and Development Strategy	PMS	Performance Management System
GFS	Government Financial Statistics	PPE	Property Plant and Equipment
GRAP	General Recognised Accounting Practice	PPP	Public Private Partnership
HR	Human Resources	PTIS	Public Transport Infrastructure System
HSRC	Human Science Research Council	RG	Restructuring Grant
IDP	Integrated Development Strategy	RSC	Regional Services Council
IT	Information Technology	SALGA	South African Local Government Association
kℓ	kilolitre	SAPS	South African Police Service
km	kilometre	SDBIP	Service Delivery Budget Implementation Plan
KPA	Key Performance Area	SMME	Small Micro and Medium Enterprises
KPI	Key Performance Indicator		
kWh	kilowatt		
ℓ	litre		

Part 1 – Annual Budget

Mayor's Report

I present to you the Amajuba District Municipality's draft 2016/17 operating and capital budget. I thank the Finance Department and all our Directors for the many hours spent in developing this budget for the upcoming Financial Year. The bigger chunk of our budget goes towards water and sanitation projects.

Given the present economic situation in our country we must balance the cost and services that Amajuba District Municipality provides to the citizens of our district.

We note with pride the improvement in the audit opinion from disclaimer to qualified, with only one qualification – in the area of completeness of revenue and debtors. Plans and processes have already resumed to ensure that the area of qualification is addressed and resolved in time for the 2015/16 audit. Part of that is that we have already started the process of physical verification of all meters in the area and linking each meter to an erf and to a customer on the system.

The operational revenue budget has been estimated at R 161 781 445 with the expenditure budget at R172 169 598.

The current economic conditions demand that all municipalities or government institutions need to start at looking at means of generating the required revenue and to cut down on operational costs. This obviously might not be received well by the residents but if we have the intentions to continue providing the improved services we will need to look at increasing our tariffs.

Increasing tariffs will not only assist in continuing with providing services but will also enable us to maintain the existing infrastructure or develop new infrastructure.

In closing, I look forward to meeting and speaking with the citizens of Amajuba District with regards to the tabled draft budget. These meetings will enable us to gather more information and inputs from the people we serve. This is the budget for our people; the views of the citizens are of great importance in the finalisation of this plan. My office stands ready to assist with your questions on any topic related to how we spend money allocated to provide services to the people we serve.

Integrated Development Plan

The Integrated Development Planning is a process through which a Municipality, its constituencies, various service providers, interested and affected parties come together to identify development needs, outline clear objectives and strategies which serve to guide the allocation and management of resources within the Municipality's jurisdictional area. From this planning process emanates the Municipal Integrated Development Plan (IDP), whose main objective is the improvement of coordination and integration of planning, budgeting and development within a Municipal area.

As a five (5) Year budgeting, decision-making, strategic planning and development tool, the IDP is used by the Municipality to fulfil its role of 'developmental local governance'.

Central to this are the overarching objectives and strategies encapsulated in the plan, which guides the Municipality in the realm of:

- Municipal Budgeting;
- Institutional restructuring in order to realize the strategic intent of the plan;
- Integrating various Sectors in the form of Infrastructure, Land Use, Agriculture with Socioeconomic and Ecological dimensions; and
- Performance Management System

What is an IDP and why do we need an IDP?

The Integrated Development Planning is a process through which a Municipality, its constituencies, various service providers, interested and affected parties come together to identify development needs, outline clear objectives and strategies which serve to guide the allocation and management of resources within the Municipal's jurisdictional area. From this planning process emanates the Municipal Integrated Development Plan (IDP), whose main objective is the improvement of coordination and integration of planning, budgeting and development within a Municipal area. As a five (5) Year budgeting, decision-making, strategic planning and development tool, the IDP is used by the Municipality to fulfil its role of 'developmental local governance'.

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- Performance Management System

Operating and Capital Budget

The draft budget is prepared and presented to Council in line with the MFMA requirements. The MFMA requires that the Mayor must table the draft budget 90 days before the start of the financial year. After the draft budget has been tabled in Council, the Mayor must conduct a public participation process where by the public is afforded the opportunity to comment on the budget and make any recommendations to be considered during the budget process.

The draft budget as tabled, confirms the heavy dependence of Amajuba DM on grant funding to fund service delivery.

What is a budget?

A budget is a spending plan that indicates how available funds will be used to cater for community needs. It is also a financial planning tool used to project future income and expenditure which the municipality is expected to engage in.

Why do we need a Budget?

- To provide a forecast of revenues and expenditure;
- To enable the actual financial operations of the municipality to be measured against the forecast; and
- To promote access to information by informing the residents how the municipality will utilize the resources available;

Budget Highlights

In view of the aforementioned, the following table is a consolidated overview of the proposed 2016/17 Medium-term Revenue and Expenditure Framework

Table 1 and Table 2 provides executive summary on both revenue budget and expenditure budget.

Table 1

Description	CURRENT YEAR		MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK		
	2015/2016	2015/2016	2016/2017	2017/2018	2018/2019
	Original Budget	ADJUSTMENT BUDGET	Budget Year	Budget Year +1	Budget Year +2
OPERATING AND CAPITAL BUDGET					
OPERATING REVENUE BUDGET	163,168,088	162,197,779	161,781,445	173,214,053	185,197,316
CAPITAL BUDGET	70,515,211	69,324,000	91,041,000	89,365,000	125,340,000
TOTAL REVENUE BUDGET	233,683,299	231,521,779	252,822,445	262,579,053	310,537,316

The total revenue budget including operating and capital transfers amount to R252 822 445 for 2016/17, R262 579 053 for 2017/18 and R310 537 316 for 2018/19. The total revenue budget has increased by R19 139 146 from the 2015/16 Approved budget and increased by R21 300 666 from the 2015/16 Adjustment budget.

Table 2

Description	CURRENT YEAR		MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK		
	2015/2016	2015/2016	2016/2017	2017/2018	2018/2019
	Original Budget	ADJUSTMENT BUDGET	Budget Year	Budget Year +1	Budget Year +2
OPERATING AND CAPITAL BUDGET					
OPERATING EXPENDITURE BUDGET	161,651,753	180,985,252	172,169,278	186,809,298	199,045,008
CAPITAL EXPENDITURE BUDGET	70,515,211	69,324,000	91,041,000	89,365,000	125,340,000
TOTAL EXPENDITURE BUDGET	232,166,964	250,309,252	263,210,278	276,174,298	324,385,008

The total Expenditure budget amounts to R263 210 278 for the 2016/17 budget year and R276 174 298 for the 2017/18 and R324 385 008 for the 2018/19 budget years. The total expenditure budget has increased by R31 043 314 from the 2015/16 approved budget and R12 901 026 from adjustment budget of 2015/2016.

Operational Budget

The operational revenue budget has been estimated at R161 781 445 with the expenditure budget at R172 169 278.

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

Table 3: Consolidated Overview of the 2015/16 MTREF-Operating Revenue

Description	CURRENT YEAR		MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK		
	2015/2016	2015/2016	2016/2017	2017/2018	2018/2019
	Original Budget	ADJUSTMENT BUDGET	Budget Year	Budget Year +1	Budget Year +2
REVENUE PER SOURCE					
Water Sales	16,283,844	19,283,844	19,283,844	20,672,281	21,891,946
Sanitation Sales	3,382,207	3,382,207	3,382,207	3,625,726	3,839,644
Interest on Overdue Account	1,210,000	2,422,842	2,422,842	2,597,287	2,750,527
Sundry Income-Debtors;	-	15,281	15,281	16,381	17,348
CONNECTION FEE;	358,900	30,000	30,000	32,160	34,057
Interest Earned-Ext Invest	350,000	400,000	800,000	857,600	908,198
Equitable Share-FBS Portion	13,335,680	13,335,680	14,020,960	15,126,944	16,256,658
Levies Replacement Grant;	60,795,000	60,795,000	65,938,000	71,128,000	77,635,000
Finance Management Grant;	1,500,000	1,500,000	1,500,000	1,500,000	1,755,000
MSIG Grant;	940,000	940,000	1,041,000	1,636,000	-
Equitable Share-Community Services Component	6,117,333	6,117,333	6,431,684	6,939,020	7,457,242
MIG-Admin Recovery	972,001	2,006,000	1,950,000	-	-
Equitable Share-FBS Portion-WSA	40,678,987	40,678,987	42,769,356	46,143,036	49,589,100
DWAF Water Operating Subsidy	3,000,000	3,000,000	-	-	-
ROAD ASSET MANAGEMENT SYSTEM	2,007,000	2,007,000			
EPWP -Publicworks Grant;	-	1,252,000	1,497,000	-	-
Government Experts-COGTA	-	346,855	-	-	-

Implementation of IGR Framework and Best Practices	-	199,001	-	-	-
Tele/Cellphone Cost Recovered	20,000	8,500	8,500	9,112	9,650
Rental Income	313,632	250,000	-	-	-
Tender Deposits	20,000	6,000	12,500	13,400	14,191
Sundry Income	-	3,270	3,270	3,505	3,712
Rental facilities-Hall Hire	50,000	200,000	200,000	200,000	200,000
Skills Development Grant ;	200,000	100,000	75,000	80,400	85,144
Shared Services Grant -DPSS	250,000	250,000	400,000	500,000	500,000
Reclaimed Vat from Conditional grants and Operating Expenditure	11,383,503	-	-	-	-
Drought Relief	-	3,457,978	-	-	-
DONATIONS	-	210,000	-	-	-
TOTAL DIRECT OPERATING INCOME	163,168,088	162,197,779	161,781,445	173,214,053	185,197,316

Sale of Water and Impact of Tariff Increases

South Africa faces similar challenges with regard to water supply as it did with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent households); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

National Treasury has urged all municipalities to ensure that water tariff structures are cost reflective by 2014. Better maintenance of infrastructure and cost-reflective tariffs will ensure that the supply challenges are managed in future to ensure sustainability.

The only change in the tariff structure in 2016/2017 financial year is the implementation of 0-6kl to residents excluding the indigents, however in the event of excess to the 6kl free the liability expenditure is incurred.

A summary of the proposed tariffs for households (residential) and non-residential are as follows:

Table 4: Proposed Tariff Schedule 2016/17 MTREF

Service / Category	2016 Excl vat	Proposed 2017 Excl vat	R increased	% increased
<u>Water supply</u>				
<u>Residential/Charitable/Religious</u>				
0kl-6kl	-	6.73	6.73	
7kl-20kl	7.80	7.80	-	-
21kl-40kl	9.36	9.36	-	-
41kl-60kl	11.55	11.55	-	-
60kl+	13.97	13.97	-	-
<u>Business & Industry per KL</u>				
0kl-6kl	8.32	8.32	-	-
7kl-20kl	9.85	9.85	-	-
21kl-40kl	10.91	10.91	-	-
41kl-60kl	11.98	11.98	-	-
60kl+	13.04	13.04	-	-
<u>Other</u>				
0kl-6kl	11.05	11.05	-	-
7kl-20kl	8.55	8.55	-	-
21kl-40kl	9.55	9.55	-	-
41kl-60kl	11.10	11.10	-	-
60kl+	12.70	12.70	-	-
Raw water per kl	5.46	5.80	0.34	6.2%
<u>Sanitation</u>				

All customers per KL	4.72	4.72	-	0.0%
Emptying septic tanks per load	565.00	600.00	35.00	6.2%
<u>Availability charge</u>				
Serviced vacant land	110.16	150.00	39.84	36.2%
<u>Business water services fixed charge</u>	37.81	37.81	-	0.0%
-				
<u>Industrial water services fixed charge</u>	37.81	37.81	-	0.0%
<u>Business & Industrial sanitation services fixed charge</u>	72.35	72.35	-	0.0%
<u>Testing of meters</u>				
Exceeds 50mm	Cost + 10%	Cost + 10%	-	-
<u>New connections</u>				
<u>Water</u>				
Connections 25mm and less	Cost + 10%	Cost + 10%	-	
Connections greater than 25mm	Cost + 10%	Cost + 10%	-	
<u>Sanitation</u>				
All connections	Cost + 10%	Cost + 10%	-	
<u>Deposits</u>			-	
Domestic	700.00	750.00	50.00	7.1%
Commercial	1,300.00	1,400.00	100.00	7.7%
<u>Reconnection Fee</u>	100.00	100.00	-	0.0%
<u>Minor Tariffs</u>				
<u>Hall Hire</u>				
<u>Sports Complex Conference Hall</u>				
Hire Fees	1,900.00	2,000.00	100.00	5.3%
Refundable Deposit	1,900.00	2,000.00	100.00	5.3%
			-	
<u>Sports Complex Church Hall</u>			-	

Hire Fees	1,200.00	1,500.00	300.00	25.0%
Refundable Deposit	1,200.00	1,500.00	300.00	25.0%
			-	
<u>Sports Complex Ingwe Room</u>			-	
Hire Fees	500.00	600.00	100.00	20.0%
Refundable Deposit	500.00	600.00	100.00	20.0%
			-	
Dannhauser 42 Community Hall			-	
Hire Fees	300.00	300.00	-	0.0%
Refundable Deposit	300.00	300.00	-	0.0%
			-	
Dannhauser Springbok Community Hall			-	
Hire Fees	300.00	300.00	-	0.0%
Refundable Deposit	300.00	300.00	-	0.0%
			-	
Dannhauser Milford Community Hall			-	
Hire Fees	300.00	300.00	-	0.0%
Refundable Deposit	300.00	300.00	-	0.0%
			-	
Dannhauser Emfundweni Community Hall			-	
Hire Fees	300.00	300.00	-	0.0%
Refundable Deposit	300.00	300.00	-	0.0%
			-	
Dannhauser Mgidazi Community Hall			-	
Hire Fees	300.00	300.00	-	0.0%
Refundable Deposit	300.00	300.00	-	0.0%
			-	
Newcastle Dick's Community Hall			-	
Hire Fees	300.00	300.00	-	0.0%

Refundable Deposit	300.00	300.00	-	0.0%
			-	
Emadlangeni Groenvlei Community Hall			-	
Hire Fees	300.00	300.00	-	0.0%
Refundable Deposit	300.00	300.00	-	0.0%

OPERATING EXPENDITURE BY TYPE

The municipality's expenditure framework for the 2016/2017 budget and MTREF is informed by the following:

- 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;
- The capital programme is aligned to the asset renewal strategy and backlog eradication plan;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of *no project plans no budget*. If there is no business plan no funding allocation can be made.

The following table is a high level summary of the 2016/2017 budget and MTREF (classified per main type of operating expenditure):

Table 5:

Description	CURRENT YEAR		MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK		
	2015/2016	2015/2016	2016/2017	2017/2018	2018/2019
	Original Budget	ADJUSTMENT BUDGET	Budget Year	Budget Year +1	Budget Year +2
EXPENDITURE PER CATEGORY					
Salaries , Wages & Allowances	81,241,639	70,790,040	78,897,444	84,578,060	89,568,166
Remuneration of Councillors	5,708,437	5,173,833	5,173,833	5,546,349	5,873,583
Depreciation	2,685,000	25,541,952	26,367,000	28,265,424	28,933,084
Repairs & Maintenance	5,650,000	6,619,857	5,135,000	5,504,7200	5,829,498
Bulk Water Purchases	9,509,470	15,000,000	20,000,000	21,440,000	22,704,960
Contracted Services	-	-	10,350,000	11,807,200	14,818,247

Operating Grants Expenditure	-	-	6,102,000	5,337,000	4,097,000
General Costs-Other	49,366,524	49,625,209	13,695,000	15,259,440	17,659,101
TOTAL DIRECT OPERATING EXPENDITURE	154,161,070	172,750,892	163,806,277	177,898,993	189,653,928
Contributions to capital	1,080,000	-	-	-	-
Contributions to funds	2,725,000	7,472,794	7,601,435	8,148,739	8,629,514
Interest -External Loans	3,685,682	761,566	761,566	761,566	761,566
TOTAL OPERATING EXPENDITURE	161,651,753	180,985,252	172,169,278	186,809,298	199,045,008

CAPITAL BUDGET

The capital budget is estimated at R 70 515 211 for the 2015/16 financial year and R 91,041,000 and R 89,365,000 respectively for the 2016/17 and 2017/18 financial years. The capital budget is funded from grants – mainly the Municipal Infrastructure Grant (MIG), Water Service Infrastructure Grant (WSIG) and Road Asset Management Grant. The municipality does not have any funding of its own to fund capital projects. Consequently, the municipality is not in a position to transfer any funding to the local municipalities to fund projects.

The following table provides a breakdown of budgeted single- and multi-year capital expenditure by vote and the following projects have been provided for:

Table 6 :

Description	CURRENT YEAR		MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK		
	2015/2016	2015/2016	2016/2017	2017/2018	2018/2019
	Original Budget	ADJUSTMENT BUDGET	Budget Year	Budget Year +1	Budget Year +2
CAPITAL EXPENDITURE IDP-GRANT FUNDED PROJECTS					
MIG GRANT FUNDING PROJECTS					
EMADLANGENI SANITATION-MIG;	5,823,589	3,008,304	-		
DISASTER MANAGEMENT -MIG FUNDING	10,000,000	647,623	12,000,000	-	-
DISASTER MANAGEMENT - PHASE 2	-	12,500,000	-	-	-
BUFFALO FLATS WATER - PHASE 3	15,000,000	433,401	-	-	-
BUFFALO FLATS WATER -	-	6,745,892	13,000,000	27,580,800	28,000,000

PHASE 3B						
BUFFALO FLATS SANITATION;TRA	7,897,411	14,802,780	-	-	-	
ADM REGIONAL BULK WATER SCHEMES	2,000,000	1,181,000	-	-	-	
GOEDEHOOP HOUSING PROJECT	-	-	12,627,000	12,950,000	-	
RAMAPHOSA WATER RETICULATION				-	7,374,050	
ZAAIHOEK WATER RETICULATION				-	7,374,050	
MIG TOP SLICE	-	800,000	1,950,000	2,133,200	2,249,900	
SUB TOTAL	40,721,000	40,119,000	39,577,000	42,664,000	44,998,000	
MWIG GRANT FUNDED PROJECTS						
MWIG - Emadlangeni Rural Water Supply Phase 1	3,000,000	3,000,000	-			
MWIG - Emadlangeni Rural Water Supply Phase 2	7,000,000	7,000,000	6,100,500	12,000,000	-	
BUFFALO FLATS WATER SUPPLY PHASE 4 (Phase 1 - 3 infills)	-	-	5,032,500	22,000,000	20,000,000	
Buffalo Flats Water Supply Scheme Phase 4	2,000,000	-	-	-	-	
Emadlangeni Sanitation	-	-	-	-	-	
WCWDM Master Plan	7,825,000	7,825,000	4,000,000	-	-	
NORMANDIEN BOREHOLES-MWIG PR	-	2,000,000	-	-	-	
BULK WATER METER INSTALLATIONS	-	-	14,500,000	3,000,000	-	
SANITATION PROJECT (RHIP)	-	-	4,500,000	4,500,000	4,500,000	
REFURBISHMENT AND DRILLING OF NEW BOREHOLES	-	-	7,000,000	-	-	
ERMEGENCY WATER UPGRADES IN DURNACOL	-	-	8,267,000	3,000,000	-	
REPLACEMENT OF ASBESTOS PIPES IN DURNACOL/DANNHAUSER					32,000,000	
REPLACEMENT OF ASBESTOS PIPES IN UTRECHT TOWN					21,500,000	
SUB TOTAL	19,825,000	19,825,000	49,400,000	44,500,000	78,000,000	
EPWP & PUBLICWORKS PROGRAMME PROJECTS						
PUBLIC WORKS GRANT EXPENDITU	1,252,000	-	-	-	-	
BULK WATER SUPPLY-GOEDEHOOP;	-	4,000,000	-	-	-	
EPWP - Development of Amajuba Municipal Depot	-	-			-	
EPWP - Social Sector (Community Care Givers)	-	-		-	-	
Road Asset Management Grant			2,064,000	2201000	2,342,000	
SUB TOTAL	1,252,000	4,000,000	2,064,000	2,202,000	2,342,000	

TOTAL GRANT FUNDED IDP PROJECTS ENGINEERING	61,798,000	63,944,000	91,041,000	89,365,000	125,340,000
OPERATING CAPITAL -CONTRIBUTIONS FROM OWN REVENUE					
Office Furniture & Equipment-Municipal Manager	-	-	-	-	-
Office Furniture & Equipment-Corporate Services	-	3,650,000	-	-	-
Corporate Services -BUILDING & Alternative Energy	850,000	1,500,000	-	-	-
Office Furniture & Equipment-Technical Services	-	-	-	-	-
Office Furniture & Equipment-Community	-	-	-	-	-
Office Furniture & Equipment-Financial services	50,000	50,000	-	-	-
Office Furniture & Equipment-Planning & development	180,000	180,000	-	-	-
Call Centre	-	-	-	-	-
Fleet Purchase -Loan Funding-Capital	7,637,211	-	-	-	-
TOTAL	8,717,211	5,380,000	-	-	-
TOTAL CAPITAL EXPENDITURE	70,515,211	69,324,000	91,041,000	89,365,000	125,340,000

Employee related costs

The Salary and Wage Collective Agreement for the period 01 July 2016 to 30 June 2017 as negotiated in the Bargaining Council provides for inflation linked salary increases. For the 2016/17 financial year the increase is CPI plus 1%. The CPI as issued by Stats SA is estimated at 6.6%, therefore we have made a provision of 7.6% for salaries of all staff within the bargaining unit. For all other staff members including senior management we have made a provision for increases in line with their employment contracts which is in most cases the CPI.

Remuneration of councillors

Municipalities are advised to budget for the actual costs approved in line with the gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published by the Department of Cooperative

Table 7: Summary of Councillors Remuneration and Municipal Officials Remuneration

Description	CURRENT YEAR		MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK		
	2015/2016	2015/2016	2016/2017	2017/2018	2018/2019
	Original Budget	ADJUSTMENT BUDGET	Budget Year	Budget Year +1	Budget Year +2
SALARIES WAGES AND ALLOWANCES					
Salaries , Wages & Allowances	81,241,639	70,790,040	78,897,444	84,578,060	89,568,166
Remuneration of Councillors	5,708,437	5,173,833	5,173,833	5,546,349	5,873,583
TOTAL RENUMERATION	86,950,076	75,963,873	84,071,277	90,124,409	95,441,749

Table 8 : Detail Salary Budget

	CURRENT YEAR		MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK		
	2015/2016	2015/2016	2016/2017	2017/2018	2018/2019
	Original Budget	ADJUSTMENT BUDGET	Budget Year	Budget Year +1	Budget Year +2
<u>REMUNERATION OF COUNCILLORS</u>					
Executive Mayor;	655,585	807,929	807,929	866,100	917,200
Deputy Mayor;	617,958	401,166	401,166	430,050	455,423
Speaker-EXCO;	617,958	650,515	650,515	697,352	738,496
Councillors;	2,137,135	2,232,615	2,232,615	2,393,363	2,534,572
Executive Committee;	1,679,801	1,081,608	1,081,608	1,159,484	1,227,893
Sub-Total	5,708,437	5,173,833	5,173,833	5,546,349	5,873,583
<u>EMPLOYEE RELATED COSTS - WAGES & SALARIES</u>					
Salaries & Allowances;	56,279,690	44,522,122	49,618,064	53,190,564	56,328,807
Standby Allowance	669,547	669,547	720,433	772,304	817,870
Shift Allowance	172,296	172,296	185,390	198,738	210,464
Overtime;	3,664,448	4,093,773	4,120,000	4,416,640	4,677,222
Sub-Total	60,785,981	49,457,737	54,643,887	58,578,247	62,034,363

EMPLOYEE RELATED COSTS - SOCIAL CONTRIBUTIONS					
Bonuses;	4,106,855	4,799,331	5,164,080	5,535,894	5,862,512
Travel Allowance;	5,270,372	5,564,772	5,987,694	6,418,808	6,797,518
Housing Allowance;	354,201	414,945	446,480	478,627	506,866
Telephone;	758,184	742,584	799,020	856,550	907,086
Medical Aid Contributions;	3,080,045	3,014,717	3,243,836	3,477,392	3,682,558
Pension Fund Contributions;	6,103,909	6,050,867	6,510,733	6,979,506	7,391,297
Group Life Contribution;	404,715	394,271	424,236	454,781	481,613
UIF Contributions;	351,140	323,534	348,123	373,188	395,206
Bargaining Council Contribut	19,038	17,681	19,025	20,395	21,598
Clothing Allowance	-	-	10,000	-	-
Post Retirement Benefit					
Long Service Awards					
Sub-Total	20,448,459	21,322,703	22,943,228	24,595,140	26,046,254
-	-				
TOTAL RENUMERATION	86,942,876	75,954,273	77,928,687	83,539,552	88,468,386

THREE-YEAR OPERATIONAL PLAN

Table 9 : Summary Of Operating Budget Per Department

Description	CURRENT YEAR		MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK		
	2015/2016	2015/2016	2016/2017	2017/2018	2018/2019
	Original Budget	ADJUSTMENT BUDGET	Budget Year	Budget Year +1	Budget Year +2
OPERATING BUDGET BY DEPARTMENT(VOTE)					
COUNCIL AND EXECUTIVE COMMITTEE	6,143,437	5,173,833	5,283,833	5,664,269	5,998,461
DIRECTORATE :MUNICIPAL MANAGER	11,005,076	8,794,033	9,024,348	9,674,101	10,244,873
DIRECTORATE-BUDGET AND TREASURY	14,668,664	16,275,611	15,007,062	16,499,619	15,907,072
DIRECTORATE CORPORATE AND PROPERTY MANAGEMENT	25,806,783	25,053,345	20,590,702	22,073,233	23,375,554
DIRECTORATE COMMUNITY AND SOCIAL SERVICES	8,485,532	6,919,746	5,735,241	6,148,178	6,510,921
DIRECTORATE COMMUNITY- ENVIRONMENTAL HEALTH	3,309,177	2,931,622	3,451,054	3,699,530	3,917,802
DIRECTORATE COMMUNITY-					

TOUSONG SERVICES	1,037,492	685,974	725,196	777,410	823,277
DIRECTORATE COMMUNITY-DISASTER MANAGEMENT	5,547,635	4,759,479	4,359,760	4,673,662	4,949,409
DIRECTORATE PLANNING AND LOCAL ECONOMIC DEVELOPMENT	18,955,610	12,943,696	11,273,539	12,663,633	14,557,688
DIRECTORATE ENGINEERING SERVICES –PMU	11,400,737	11,838,480	12,580,400	11,869,797	12,581,256
DIRECTORATE ENGINEERING SERVICES -WATER AND SANITATION SERVICES	55,111,610	85,609,433	73,807,300	79,429,672	85,737,968
TOTAL OPERATING BUDGET	161,471,753	180,985,252	161,838,434	173,173,105	184,604,280

Table 10 : Capital Projects

Description	CURRENT YEAR		MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK		
	2015/2016	2015/2016	2016/2017	2017/2018	2018/2019
	Original Budget	ADJUSTMENT BUDGET	Budget Year	Budget Year +1	Budget Year +2
CAPITAL EXPENDITURE IDP-GRANT FUNDED PROJECTS					
MIG GRANT FUNDING PROJECTS					
EMADLANGENI SANITATION-MIG;	5,823,589	3,008,304	-		
DISASTER MANAGEMENT -MIG FUNDING	10,000,000	647,623	12,000,000	-	-
DISASTER MANAGEMENT -PHASE 2	-	12,500,000	-	-	-
BUFFALO FLATS WATER -PHASE 3	15,000,000	433,401	-	-	-
BUFFALO FLATS WATER - PHASE 3B	-	6,745,892	13,000,000	27,580,800	28,000,000
BUFFALO FLATS SANITATION;TRA	7,897,411	14,802,780	-	-	-
ADM REGIONAL BULK WATER SCHEMES	2,000,000	1,181,000	-	-	-
GOEDEHOOP HOUSING PROJECT	-	-	12,627,000	12,950,000	-
RAMAPHOSA WATER RETICULATION				-	7,374,050
ZAAIHOEK WATER RETICULATION				-	7,374,050
MIG TOP SLICE	-	800,000	1,950,000	2,133,200	2,249,900
SUB TOTAL	40,721,000	40,119,000	39,577,000	42,664,000	44,998,000
MWIG GRANT FUNDED PROJECTS					
MWIG - Emadlangeni Rural Water	3,000,000	3,000,000	-		

Supply Phase 1						
MWIG - Emadlangeni Rural Water Supply Phase 2	7,000,000	7,000,000	6,100,500	12,000,000	-	
BUFFALO FLATS WATER SUPPLY PHASE 4 (Phase 1 - 3 infills)	-	-	5,032,500	22,000,000	20,000,000	
Buffalo Flats Water Supply Scheme Phase 4	2,000,000	-	-	-	-	
Emadlangeni Sanitation	-	-	-	-	-	
WCWDM Master Plan	7,825,000	7,825,000	4,000,000	-	-	
NORMANDIEN BOREHOLES-MWIG PR	-	2,000,000	-	-	-	
BULK WATER METER INSTALLATIONS	-	-	14,500,000	3,000,000	-	
SANITATION PROJECT (RHIP)	-	-	4,500,000	4,500,000	4,500,000	
REFURBISHMENT AND DRILLING OF NEW BOREHOLES	-	-	7,000,000	-	-	
ERMEGENCY WATER UPGRADES IN DURNACOL	-	-	8,267,000	3,000,000	-	
REPLACEMENT OF ASBESTOS PIPES IN DURNACOL/DANNHAUSER					32,000,000	
REPLACEMENT OF ASBESTOS PIPES IN UTRECHT TOWN					21,500,000	
SUB TOTAL	19,825,000	19,825,000	49,400,000	44,500,000	78,000,000	
EPWP & PUBLICWORKS PROGRAMME PROJECTS						
PUBLIC WORKS GRANT EXPENDITU	1,252,000	-	-	-	-	
BULK WATER SUPPLY-GOEDEHOOP;	-	4,000,000	-	-	-	
Road Asset Management Grant			2,064,000	2201000	2,342,000	
SUB TOTAL	1,252,000	4,000,000	2,064,000	2,202,000	2,342,000	
Office Furniture & Equipment	8,717,211	5,380,000	-	-	-	
TOTAL	8,717,211	5,380,000	-	-	-	
TOTAL CAPITAL EXPENDITURE	70,515,211	69,324,000	91,041,000	89,365,000	125,340,000	

The following programmes have been provided for during the MTREF period:

Table 11 :

	MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK		
	2016/2017	2017/2018	2018/2019
	Budget Year +1	Budget Year +2	Budget Year +3
Health and Hygiene Campaign	100,000	107,200	113,525
Vector Control Programme	100,000	107,200	113,525
IDP Public Participation;	350,000	375,200	397,337
PROJECT INITIATION FUND;	300,000	900,000	2,100,000
	850,000	1,489,600	2,724,386

Let us continue to serve our people with dignity and respect!

Cllr JCN MaMkhwanazi
Mayor
Amajuba District Municipality

AMAJUBA DISTRICT MUNICIPALITY'S BRIEFING ON PROVINCIAL TREASURY'S BUDGET RECOMMENDATIONS.

- In accordance with Chapter 2 of the MFMA Provincial Treasury must monitor and provide oversight on the budget tabled by the Municipality.
- Provincial Treasury has compiled a Draft Assessment Budget Report which outlines the financial implications of the Budget 2016/2017
- This is in compliance with Section 23(1)(b) of the MFMA

KEY OBSERVATIONS AND FINDINGS BY PROVINCIAL TREASURY

1. Impact of 2015/16 Adjustments Budget on the 2016/17 MTREF Budget process
2. The 2016/17 Budget preparation process including public participation.
3. Alignment of the municipalities priorities to the National, Provincial and Sector Priorities (IDP and Budget);
 - National Development Plan (outcomes 9 and 12).
 - Provincial Growth and Development Plan; and
 - CoGTA's Back to basics programme
4. Underlying Budget and Financial Planning Assumptions (medium to long term planning):
 - Tariffs, rates and surcharges;
 - Financing the capital budget (borrowing, own revenue, surpluses not committed);
 - Service Delivery Backlogs;
 - Main revenue streams (e.g. property rates, water and electricity etc);
 - Operating expenditure appropriations and major expenditure items;
 - Asset management / repairs and maintenance appropriations aligned to infrastructure plans;
 - Capital programme over the medium-term and how the programme addresses infrastructure refurbishment to support economic development; and
 - Conditional grants and planned applications and outcomes.
5. Free basic Services
 - The unpacking of the Equitable Share (number of beneficiaries' per service, cost thereof, use of the ES in supporting the poor, etc.); and
 - Completion of Table A10 and the justification of the numbers contained in the table.
 - Indigent Register Status
6. Funding Position of the 2016/17 Budget
 - Cash flow management (Table A7 of the A1 Schedule);
 - Cash backed reserves / accumulated surplus reconciliation (Table A8 of the A1 Schedule);
 - Compliance and funding measurement, demonstrate that the budget is funded as required by the MFMA; and
 - Challenges and risks facing the municipality with the implementation of the 2016/17 MTREF Budget.

- Utilisation of Reserves and the Funding of the Outer years of the MTREF

7. Assessment and findings on the 2016/17 MTREF budget by Provincial Treasury

- Compliance with Municipal Budget Reporting Regulations (MBRR)
 - Credibility of figures
 - Sustainability of the municipality
 - Funding of budget
 - Capital budget
 - Cash flow management
 -
8. Service delivery measures
9. mSCOA Budgeting
10. Cost containment measures

RECOMMENDATIONS FROM PROVINCIAL TREASURY

1. The municipality to revise the 2016/17 Budget accordingly prior to the approval of the 2016/17 Budget by Council and Provincial Treasury does not support the municipality's 2016/17 unfunded Budget
2. The Budget still remains unfunded with the final revision.

RECOMMENDATIONS

It is recommended **THAT**:

1. The Operating Expenditure Budget for the 2016/17 financial year amounting to R172 169 278 as well as the appropriations for the outer years of the MTREF period of R186 809 298 for the 2017/18 and R199 045 008 for the 2018/19 financial years be approved;
2. The Operating Revenue Budget for the 2016/17 financial year amounting to R161 781 445 as well as the appropriations for the outer years of the MTREF period of R173 214 053 for the 2017/18 and R185 197 316 for the 2018/19 financial years be approved;
3. The Capital Budget allocation of R91 041 000 to be funded from Municipal Infrastructure Grant (MIG) allocation, the Municipal Water Infrastructure Grant allocation as well as the Extended Public Works Programme (EPWP);

4. The Council, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts the following amendments to the water tariff structure:

Service / Category	2016 Excl vat	Proposed 2017 Excl vat	R increased	% increased
<u>Water supply</u>				
<u>Residential/Charitable/Religious</u>				
0kl-6kl	-	6.73	6.73	
7kl-20kl	7.80	7.80	-	-
21kl-40kl	9.36	9.36	-	-
41kl-60kl	11.55	11.55	-	-
60kl+	13.97	13.97	-	-
<u>Business & Industry per KL</u>				
0kl-6kl	8.32	8.32	-	-
7kl-20kl	9.85	9.85	-	-
21kl-40kl	10.91	10.91	-	-
41kl-60kl	11.98	11.98	-	-
60kl+	13.04	13.04	-	-
<u>Other</u>				
0kl-6kl	11.05	11.05	-	-
7kl-20kl	8.55	8.55	-	-
21kl-40kl	9.55	9.55	-	-
41kl-60kl				

	11.10	11.10	-	-
60kl+	12.70	12.70	-	-
Raw water per kl	5.46	5.80	0.34	6.2%
<u>Business water services fixed charge</u>	37.81	37.81	-	0.0%
<u>Industrial water services fixed charge</u>	37.81	37.81	-	0.0%

5. The Council, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts the following amendments to the sanitation tariff structure:

Service / Category	2016 Excl vat	Proposed 2017 Excl vat	R increase d	% increas ed
<u>Sanitation</u>				
All customers per KL	4.72	4.72	-	0.0%
Emptying septic tanks per load	565.00	600.00	35.00	6.2%
<u>Availability charge</u>				
Serviced vacant land	110.16	150.00	39.84	36.2%
<u>Business & Industrial saitation services fixed charge</u>	72.35	72.35	-	0.0%

6. The Council, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts the following amendments to the general tariff structure:

Service Category	/	2016 Excl vat	Proposed 2017 Excl vat	R increased	% increased
<u>General Tariff Charges</u>					
<u>Testing of meters</u>					
Exceeds 50mm		Cost + 10%	Cost + 10%	-	-
<u>New connections</u>					
<u>Water</u>					
Connections 25mm and less		Cost + 10%	Cost + 10%	-	
Connections greater than 25mm		Cost + 10%	Cost + 10%	-	
<u>Sanitation</u>					
All connections		Cost + 10%	Cost + 10%	-	
<u>Deposits</u>					
Domestic		700.00	750.00	50.00	7.1%
Commercial		1,300.00	1,400.00	100.00	7.7%
<u>Reconnection Fee</u>		100.00	100.00	-	0.0%
<u>Minor Tariffs</u>					
<u>Hall Hire</u>					
<u>Sports Complex Conference Hall</u>					
Hire Fees		1,900.00	2,000.00	100.00	5.3%
Refundable Deposit		1,900.00	2,000.00	100.00	5.3%
<u>Sports Complex Church Hall</u>					
Hire Fees				-	25.0%

	1,200.00	1,500.00	300.00	
Refundable Deposit	1,200.00	1,500.00	300.00	25.0%
<u>Sports Complex</u>				
<u>Ingwe Room</u>			-	
Hire Fees	500.00	600.00	100.00	20.0%
Refundable Deposit	500.00	600.00	100.00	20.0%
Dannhauser 42 Community Hall			-	
Hire Fees	300.00	300.00	-	0.0%
Refundable Deposit	300.00	300.00	-	0.0%
Dannhauser Springbok Community Hall			-	
Hire Fees	300.00	300.00	-	0.0%
Refundable Deposit	300.00	300.00	-	0.0%
Dannhauser Milford Community Hall			-	
Hire Fees	300.00	300.00	-	0.0%
Refundable Deposit	300.00	300.00	-	0.0%
Dannhauser Emfundweni Community Hall			-	
Hire Fees	300.00	300.00	-	0.0%
Refundable Deposit	300.00	300.00	-	0.0%
Dannhauser Mgidazi Community Hall			-	
Hire Fees				0.0%

	300.00	300.00	-	
Refundable Deposit	300.00	300.00	-	0.0%
Newcastle Dick's Community Hall			-	
Hire Fees	300.00	300.00	-	0.0%
Refundable Deposit	300.00	300.00	-	0.0%
Emadlangeni Groenvlei Community Hall			-	
Hire Fees	300.00	300.00	-	0.0%
Refundable Deposit	300.00	300.00	-	0.0%

7. All amendments to the tariff structure be effective from 01 July 2016 or the first billing cycle after the 01 July 2016;
8. The Council takes note of the Draft Budget Assessment Report on key findings and observation submitted by Provincial Treasury of the Draft MTREF 2016/2017 Budget
9. The approved budget be submitted to National Treasury, the Provincial Treasury and the provincial Department of Cooperative Governance and Traditional Affairs in the prescribed format as well as be publicized to the general public.

1. Part 1 - Executive Summary

The draft budget is prepared and presented to Council in line with the MFMA requirements. The MFMA requires that the Mayor must table the draft budget 90 days before the start of the financial year. After the draft budget has been tabled in Council, the Mayor must conduct a public participation process where by the public is afforded the opportunity to comment on the budget and make any recommendations to be considered during the budget process.

The draft budget as tabled, confirms the heavy dependence of Amajuba DM on grant funding to fund service delivery.

Budget Parameters

Headline Inflation Forecasts

Municipalities must take the following macro-economic forecasts into consideration when preparing their 2016/17 budgets and MTREF –

Headline inflation forecasts

Fiscal year	2015	2016	2017	2018	2019
	Actual	Estimate		Forecast	
CPI Inflation	5.6	5.5	6.0	5.8	5.8

Source: MFMA Circular No.78

Budget Funding

While the proposed budget shows that it is balanced and funded in terms of funding sources, there is however a challenge in that the budget in its current state does not make provision for most of the programmes that we usually provide for in the operating budget. This has been done in order to bring to fruition our commitment made to ensure that the budget is realistic, balanced and funded.

This matter needs to be given serious consideration as the budget might be viewed as anti-service delivery. Our core mandate of water and sanitation has been prioritised with the rest of the budgeted provided for funded programmes. These are normally funded from grants

Description	CURRENT YEAR		MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK		
	2015/2016	2015/2016	2016/2017	2017/2018	2018/2019
	Original Budget	ADJUSTMENT BUDGET	Budget Year	Budget Year +1	Budget Year +2
OPERATING AND CAPITAL BUDGET					
OPERATING REVENUE BUDGET	163,168,088	162,197,779	161,781,445	173,214,053	185,197,316
CAPITAL BUDGET	70,515,211	69,324,000	91,041,000	89,365,000	125,340,000
TOTAL REVENUE BUDGET	233,683,299	231,521,779	252,822,445	262,579,053	310,537,316

The following table indicates the grants allocations as indicated in the Division of Revenue Bill as well as Provincial allocations as indicated:

DESCRIPTION	CURRENT YEAR		MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK		
	2015/2016	2015/2016	2016/2017	2017/2018	2018/2019
GOVERNMENT GRANTS & SUBSIDIES - ALLOCATIONS	Original Budget	ADJUSTMENT BUDGET	Budget Year	Budget Year +1	Budget Year +2
	R'000	R'000	R'000	R'000	R'000
<u>National Grant Allocations¹</u>					
Municipal Infrastructure Grant	40,119,000	40,119,000	39,577,000	42,664,000	44,998,000
Municipal Systems Improvement Grant	940,000	940,000	1,041,000	1,636,000	-
Financial Management Grant	1,500,000	1,500,000	1,500,000	1,500,000	1,755,000
Equitable Share	60,132,000	60,132,000	63,222,000	68,209,000	73,303,000
RSC Levies Replacement	60,795,000	60,795,000	65,938,000	71,128,000	77,635,000
DWAF Water Operating Subsidy	3,000,000	3,000,000	-	-	-
Municipal Water Infrastructure Grant	19,825,000	19,825,000	49,400,000	44,500,000	78,000,000
Expanded Public Works Programme incentive Grant	1,252,000	1,252,000	1,497,000	-	-
Rural Transport and Infrastructure	2,007,000	2,007,000	2,064,000	2,201,000	2,342,000
Rural Households Infrastructure Grant	4,000,000	4,000,000	-	-	-
Sub Total - National Grant Allocations	193,570,000	193,570,000	224,239,000	231,838,000	278,033,000
<u>Provincial Grant Allocations²</u>					
.Development Planning Shared Services	250,000	250,000	400,000	500,000	500,000
'Small Town Rehabilitation Programme-PSC	-	-	-	-	-
Corridor Development-PSC					
Sub Total - Provincial Grant Allocations	250,000	250,000	400,000	500,000	500,000
TOTAL GRANT ALLOCATIONS	193,820,000	193,820,000	224,639,000	232,338,000	278,533,000

Annual Budget Tables

The following eighteen pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2016/2017 budget and MTREF as proposed for adoption to the Council. Each table is accompanied by *explanatory notes*

DC25 Amajuba - 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
R thousands										
Financial Performance										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges	-	17,424	17,863	19,666	22,666	22,666	22,666	22,666	24,298	25,732
Investment revenue	2,255	717	1,017	350	400	400	400	800	858	908
Transfers recognised - operational	177,361	172,390	178,506	128,624	129,876	129,876	129,876	133,598	142,973	153,193
Other own revenue	913	10,133	12,188	14,528	9,256	9,256	9,256	4,717	5,085	5,365
Total Revenue (excluding capital transfers and contributions)	180,528	200,664	209,574	163,168	162,198	162,198	162,198	161,781	173,214	185,197
Employee costs	40,802	68,994	72,507	81,242	70,790	70,790	70,790	78,897	84,578	89,568
Remuneration of councillors	4,220	4,205	4,320	5,708	5,174	5,174	5,174	5,174	5,546	5,874
Depreciation & asset impairment	5,162	27,598	27,006	2,685	25,542	25,542	25,542	26,367	28,265	28,933
Finance charges	-	966	1,758	3,686	762	762	762	762	816	865
Materials and bulk purchases	-	7,000	7,511	9,509	15,000	15,000	15,000	20,000	21,440	22,705
Transfers and grants	-	-	-	-	-	-	-	-	-	-
Other expenditure	140,066	457,794	88,921	58,822	63,718	63,718	63,718	40,969	46,163	51,101
Total Expenditure	190,250	566,557	202,024	161,652	180,985	180,985	180,985	172,169	186,809	199,045
Surplus/(Deficit)	(9,722)	(365,894)	7,550	1,516	(18,787)	(18,787)	(18,787)	(10,388)	(13,595)	(13,848)
Transfers recognised - capital	8,315	6,525	40,445	61,798	63,944	63,944	63,944	91,041	89,365	125,340
Contributions recognised - capital & contributed assets	(8,315)	(6,525)	(40,445)	(61,798)	(63,944)	(63,944)	(63,944)	(91,041)	(89,365)	(125,340)
Surplus/(Deficit) after capital transfers & contributions	(9,722)	(365,894)	7,550	1,516	(18,787)	(18,787)	(18,787)	(10,388)	(13,595)	(13,848)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(9,722)	(365,894)	7,550	1,516	(18,787)	(18,787)	(18,787)	(10,388)	(13,595)	(13,848)
Capital expenditure & funds sources										
Capital expenditure	8,315	328,815	40,445	70,515	69,324	69,324	69,324	91,041	89,365	125,340
Transfers recognised - capital	3,780	-	40,445	61,798	63,944	63,944	63,944	91,041	89,365	125,340
Public contributions & donations	-	327,567	-	-	-	-	-	-	-	-
Borrowing	-	-	-	7,637	-	-	-	-	-	-
Internally generated funds	4,535	1,248	-	1,080	5,380	5,380	5,380	-	-	-
Total sources of capital funds	8,315	328,815	40,445	70,515	69,324	69,324	69,324	91,041	89,365	125,340
Financial position										
Total current assets	13,056	12,156	34,503	43,209	26,317	26,317	26,317	37,298	31,879	30,011
Total non current assets	765,399	319,703	674,706	373,416	717,120	717,120	717,120	783,831	842,730	936,795
Total current liabilities	89,033	55,893	85,407	33,925	60,712	60,712	60,712	46,655	20,342	15,455
Total non current liabilities	-	9,687	8,871	40	11,102	11,102	11,102	10,530	9,813	9,072
Community wealth/Equity	689,422	266,279	614,931	382,659	671,623	671,623	671,623	763,944	844,454	942,280
Cash flows										
Net cash from (used) operating	419	(43,081)	39,752	43,894	52,242	52,242	52,242	80,072	75,770	111,492
Net cash from (used) investing	(5,656)	31,430	(40,445)	(69,435)	(69,324)	(69,324)	(69,324)	(91,041)	(89,365)	(125,340)
Net cash from (used) financing	-	9,687	509	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	2,294	330	148	(25,393)	(16,934)	(16,934)	(16,934)	(27,903)	(41,498)	(55,346)

Cash backing/surplus reconciliation										
Cash and investments available	2,294	330	145	13,000	(18,787)	(18,787)	(18,787)	(9,934)	2,500	2,500
Application of cash and investments	81,557	43,727	56,379	(13,061)	18,458	18,458	18,458	4,692	(4,501)	(7,797)
Balance - surplus (shortfall)	(79,262)	(43,396)	(56,234)	26,061	(37,245)	(37,245)	(37,245)	(14,625)	7,001	10,297
Asset management										
Asset register summary (WDV)	62,256	319,703	319,070	373,416	361,484	361,484	428,195	428,195	487,094	581,159
Depreciation & asset impairment	5,162	27,598	27,006	2,685	25,542	25,542	26,367	26,367	28,265	28,933
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	1,031	4,230	7,303	5,650	6,620	6,620	5,135	5,135	5,505	5,829
Free services										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-
Households below minimum service level										
Water:	14	13	12	14	13	12	14	14	13	12
Sanitation/sewerage:	41	41	23	41	41	23	41	41	41	23
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

Explanatory notes to MBRR Table A1 – Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).

2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.

3. Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:

- a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF.
- b. Capital expenditure is balanced by capital funding sources, of which transfers recognised is reflected on the Financial Performance Budget;

4. The Cash backing / surplus reconciliation shows that in previous financial years the municipality was not paying much attention to managing this aspect of its finances, and consequently many of its obligations are not cash-backed. This places the municipality in a very vulnerable financial position, as the recent slow-down in revenue collections highlighted. Consequently Council has taken a deliberate decision to ensure adequate cash-backing for all material obligations in accordance with the adopted Funding and Reserves Policy. This cannot be achieved in one financial year. But over the MTREF there is progressive improvement in the level of cash-backing of obligations.

**Table 18 MBRR Table A2 – Budgeted Financial Performance
(Revenue and expenditure by standard classification)**

DC25 Amajuba - 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
Revenue - Standard	1									
<i>Governance and administration</i>		93,672	66,317	75,463	77,474	78,094	78,094	83,399	90,355	96,668
Executive and council		39,689	11,790	13,901	13,336	13,546	13,546	14,021	15,127	16,257
Budget and treasury office		52,407	54,103	60,505	63,605	63,644	63,644	69,295	75,139	80,316
Corporate services		1,577	424	1,057	534	904	904	84	90	95
<i>Community and public safety</i>		2,091	6,504	5,804	6,167	6,317	6,317	6,632	7,139	7,657
Community and social services		2,091	5,625	128	50	200	200	200	200	200
Public safety		-	880	-	-	-	-	-	-	-
Health		-	-	5,676	6,117	6,117	6,117	6,432	6,939	7,457
<i>Economic and environmental services</i>		74,925	62,552	1,052	2,257	3,509	3,509	1,897	500	500
Planning and development		1,516	-	948	250	250	250	400	500	500
Road transport		73,409	62,552	104	2,007	3,259	3,259	1,497	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		9,839	65,290	127,255	77,269	74,277	74,277	69,854	75,220	80,373
Electricity		-	-	-	-	-	-	-	-	-
Water		9,839	65,290	127,255	77,269	74,277	74,277	69,854	75,220	80,373
Total Revenue - Standard	2	180,528	200,664	209,574	163,168	162,198	162,198	161,781	173,214	185,197
Expenditure - Standard	-									
<i>Governance and administration</i>		39,971	382,105	58,309	57,624	55,297	55,297	51,991	56,146	57,893
Executive and council		14,018	348,544	17,157	17,149	13,968	13,968	14,458	15,499	16,414
Budget and treasury office		9,854	12,131	16,390	14,669	16,276	16,276	15,157	16,660	16,077
Corporate services		16,099	21,430	24,763	25,807	25,053	25,053	22,376	23,987	25,402
<i>Community and public safety</i>		22,143	20,341	16,452	18,380	15,297	15,297	14,771	15,835	16,769
Community and social services		17,259	15,257	8,375	9,523	7,606	7,606	6,460	6,926	7,334
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		4,884	5,084	5,054	5,548	4,759	4,759	4,860	5,210	5,517
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	3,023	3,309	2,932	2,932	3,451	3,700	3,918
<i>Economic and environmental services</i>		101,424	88,357	23,354	30,536	24,782	24,782	22,482	25,276	27,925
Planning and development		23,102	18,671	15,756	19,136	12,944	12,944	11,274	12,664	14,558
Road transport		78,322	69,686	7,597	11,401	11,838	11,838	11,209	12,612	13,367
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		26,712	75,754	103,909	55,112	85,609	85,609	82,925	89,553	96,458
Electricity		-	-	-	-	-	-	-	-	-
Water		26,712	75,754	103,909	55,112	85,609	85,609	82,925	89,553	96,458
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	190,250	566,557	202,024	161,652	180,985	180,985	172,169	186,809	199,045
Surplus/(Deficit) for the year		(9,722)	(365,894)	7,550	1,516	(18,787)	(18,787)	(10,388)	(13,595)	(13,848)

**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.

**Table 19 MBRR Table A3 – Budgeted Financial Performance
(Revenue and expenditure by municipal vote)**

DC25 Amajuba - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description 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
Revenue by Vote	1									
Vote 1 - COUNCIL SUPPORT AND EXECUTIVE COMMITTEE		39,689	11,790	13,801	13,336	13,336	13,336	14,021	15,127	16,257
Vote 2 - DIRECTORATE :MUNICIPAL MANAGER		-	-	100	-	210	210	-	-	-
Vote 3 - DIRECTORATE:BUDGET AND TREASURY		52,407	54,103	60,505	63,605	63,644	63,644	69,295	75,139	80,316
Vote 4 - DIRECTORATE:CORPORATE SERVICES		1,577	424	1,057	534	904	904	84	90	95
Vote 5 - DIRECTORATE:COMMUNITY SERVICES		2,091	5,625	128	50	200	200	200	200	200
Vote 6 - DIRECTORATE:COMMUNITY SERVICES		-	-	5,676	6,117	6,117	6,117	6,432	6,939	7,457
Vote 8 - DIRECTORATE:COMMUNITY SERVICES		-	880	-	-	-	-	-	-	-
Vote 9 - DIRECTORATE:ECONOMIC DEVELOPMENT AND PLANNING		1,516	-	948	250	250	250	400	500	500
Vote 10 - DIRECTORATE:ENGINEERING SERVICES		73,409	62,552	104	2,007	3,259	3,259	1,497	-	-
Vote 11 - DIRECTORATE:ENGINEERING SERVICES		9,839	65,290	127,255	77,269	74,277	74,277	69,854	75,220	80,373
Total Revenue by Vote	2	180,528	200,664	209,574	163,168	162,198	162,198	161,781	173,214	185,197
Expenditure by Vote to be appropriated	1									
Vote 1 - COUNCIL SUPPORT AND EXECUTIVE COMMITTEE		6,378	337,123	7,806	6,143	5,174	5,174	5,284	5,664	5,998
Vote 2 - DIRECTORATE :MUNICIPAL MANAGER		7,639	11,420	9,351	11,005	8,794	8,794	9,174	9,835	10,415
Vote 3 - DIRECTORATE:BUDGET AND TREASURY		9,854	12,131	16,390	14,669	16,276	16,276	15,157	16,660	16,077
Vote 4 - DIRECTORATE:CORPORATE SERVICES		16,099	21,430	24,763	25,807	25,053	25,053	22,376	23,987	25,402
Vote 5 - DIRECTORATE:COMMUNITY SERVICES		16,489	14,733	7,823	8,486	6,920	6,920	5,735	6,148	6,511
Vote 6 - DIRECTORATE:COMMUNITY SERVICES		-	-	3,023	3,309	2,932	2,932	3,451	3,700	3,918
Vote 7 - DIRECTORATE:COMMUNITY SERVICES		770	524	552	1,037	686	686	725	777	823
Vote 8 - DIRECTORATE:COMMUNITY SERVICES		4,884	5,084	5,054	5,548	4,759	4,759	4,860	5,210	5,517
Vote 9 - DIRECTORATE:ECONOMIC DEVELOPMENT AND PLANNING		23,102	18,671	15,756	19,136	12,944	12,944	11,274	12,664	14,558
Vote 10 - DIRECTORATE:ENGINEERING SERVICES		78,322	69,686	7,597	11,401	11,838	11,838	11,209	12,612	13,367
Vote 11 - DIRECTORATE:ENGINEERING SERVICES		26,712	75,754	103,909	55,112	85,609	85,609	82,925	89,553	96,458
Total Expenditure by Vote	2	190,250	566,557	202,024	161,652	180,985	180,985	172,169	186,809	199,045
Surplus/(Deficit) for the year	2	(9,722)	(365,894)	7,550	1,516	(18,787)	(18,787)	(10,388)	(13,595)	(13,848)

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

- Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the municipality. This means it is possible to present the operating surplus or deficit of a vote.

MBRR Table A4 – Budgeted Financial Performance (revenue and expenditure)

DC25 Amajuba - 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
Revenue By Source											
Service charges - water revenue	2	-	15,004	15,111	16,284	19,284	19,284	19,284	19,284	20,672	21,892
Service charges - sanitation revenue	2	-	2,420	2,752	3,382	3,382	3,382	3,382	3,382	3,626	3,840
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		265	288	287	314	250	250	250	200	200	200
Interest earned - external investments		2,255	717	1,017	350	400	400	400	800	858	908
Interest earned - outstanding debtors			2,622	1,359	1,210	2,423	2,423	2,423	2,423	2,597	2,751
Transfers recognised - operational		177,361	172,390	178,506	128,624	129,876	129,876	129,876	133,598	142,973	153,193
Other revenue	2	648	7,222	9,115	13,004	6,583	6,583	6,583	2,095	2,288	2,414
Gains on disposal of PPE				1,426							
Total Revenue (excluding capital transfers and contributions)		180,528	200,664	209,574	163,168	162,198	162,198	162,198	161,781	173,214	185,197
Expenditure By Type											
Employee related costs	2	40,802	68,994	72,507	81,242	70,790	70,790	70,790	78,897	84,578	89,568
Remuneration of councillors		4,220	4,205	4,320	5,708	5,174	5,174	5,174	5,174	5,546	5,874
Debt impairment	3		7,366	-	1,800	5,691	5,691	5,691	5,820	6,239	6,607
Depreciation & asset impairment	2	5,162	27,598	27,006	2,685	25,542	25,542	25,542	26,367	28,265	28,933
Finance charges			966	1,758	3,686	762	762	762	762	816	865
Bulk purchases	2	-	7,000	7,511	9,509	15,000	15,000	15,000	20,000	21,440	22,705
Other materials	8										
Contracted services		11,110	11,610	15,208	12,750	15,688	15,688	15,688	10,350	11,807	14,818
Other expenditure	4,5	128,956	102,175	73,714	44,272	42,339	42,339	42,339	24,799	28,117	29,675
Loss on disposal of PPE			336,643								
Total Expenditure		190,250	566,557	202,024	161,652	180,985	180,985	180,985	172,169	186,809	199,045
Surplus/(Deficit)		(9,722)	(365,894)	7,550	1,516	(18,787)	(18,787)	(18,787)	(10,388)	(13,595)	(13,848)
Transfers recognised - capital		8,315	6,525	40,445	61,798	63,944	63,944	63,944	91,041	89,365	125,340
Contributions recognised - capital	6	3,964	1,100	-	8,717	5,380	5,380	5,380	-	-	-
Contributed assets		(12,279)	(7,626)	(40,445)	(70,515)	(69,324)	(69,324)	(69,324)	(91,041)	(89,365)	(125,340)
Surplus/(Deficit) after capital transfers & contributions		(9,722)	(365,894)	7,550	1,516	(18,787)	(18,787)	(18,787)	(10,388)	(13,595)	(13,848)
Taxation											
Surplus/(Deficit) after taxation		(9,722)	(365,894)	7,550	1,516	(18,787)	(18,787)	(18,787)	(10,388)	(13,595)	(13,848)
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		(9,722)	(365,894)	7,550	1,516	(18,787)	(18,787)	(18,787)	(10,388)	(13,595)	(13,848)
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		(9,722)	(365,894)	7,550	1,516	(18,787)	(18,787)	(18,787)	(10,388)	(13,595)	(13,848)

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

- The total revenue budget including operating and capital transfers amount to R252 822 445 for 2016/17, R262 579 053 for 2017/18 and R310 537 316 for 2018/19. The total revenue budget has increased by R19 139 145 from the 2015/16 Approved budget and increased by R21 300 666 from the 2015/16 Adjustment budget.

- Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. It needs to be noted that in real terms the grants receipts from national government are decreasing.
- Employee related costs, bulk purchases and depreciation are the main cost drivers within the municipality and alternative operational gains and efficiencies will have to be identified to lessen the impact of wage and bulk tariff increases in future years.
- Off-setting depreciation, due to the implementation of the GRAP Accounting Standards on the municipality's assets that has to be recorded directly into the Statement of Financial Performance instead of the Statement of Changes in Net Assets is skewing the picture with regard to depreciation and finance charges

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

Vote Description	R e f	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
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - COUNCIL SUPPORT AND EXECUTIVE COMMITTEE		483	264	-	-	-	-	-	-	-	-
Vote 3 - DIRECTORATE:BUDGET AND TREASURY		88	66	-	50	50	50	50	-	-	-
Vote 4 - DIRECTORATE:CORPORATE SERVICES		1,933	446	-	8,487	5,150	5,150	5,150	-	-	-
Vote 5 - DIRECTORATE:COMMUNITY SERVICES		3,479	48	-	-	-	-	-	-	-	-
Vote 8 - DIRECTORATE:COMMUNITY SERVICES		-	15	-	-	-	-	-	-	-	-
Vote 9 - DIRECTORATE:ECONOMIC DEVELOPMENT AND PLANNING		2,305	409	-	180	180	180	180	-	-	-
Vote 10 - DIRECTORATE:ENGINEERING SERVICES		27	-	-	-	-	-	-	-	-	-
Vote 11 - DIRECTORATE:ENGINEERING SERVICES		-	327,567	40,445	61,798	63,944	63,944	63,944	91,041	89,365	125,340
Capital multi-year expenditure sub-total	7	8,315	328,815	40,445	70,515	69,324	69,324	69,324	91,041	89,365	125,340
Total Capital Expenditure - Vote		8,315	328,815	40,445	70,515	69,324	69,324	69,324	91,041	89,365	125,340
Capital Expenditure - Standard											
Governance and administration		2,503	776	-	8,537	5,200	5,200	5,200	-	-	-
Executive and council		483	264	-	-	-	-	-	-	-	-
Budget and treasury office		88	66	-	50	50	50	50	-	-	-
Corporate services		1,933	446	-	8,487	5,150	5,150	5,150	-	-	-
Community and public safety		3,479	63	-	-	-	-	-	-	-	-
Community and social services		3,479	48	-	-	-	-	-	-	-	-
Public safety		-	15	-	-	-	-	-	-	-	-
Economic and environmental services		2,332	409	-	180	180	180	180	-	-	-
Planning and development		2,305	409	-	180	180	180	180	-	-	-
Road transport		27	-	-	-	-	-	-	-	-	-
Trading services		-	327,567	40,445	61,798	63,944	63,944	63,944	91,041	89,365	125,340
Electricity		-	327,567	40,445	61,798	63,944	63,944	63,944	91,041	89,365	125,340
Water		-	327,567	40,445	61,798	63,944	63,944	63,944	91,041	89,365	125,340

Waste water management											
Total Capital Expenditure - Standard	3	8,315	328,815	40,445	70,515	69,324	69,324	69,324	91,041	89,365	125,340
Funded by:											
National Government		1,809	-	40,445	61,798	63,944	63,944	63,944	91,041	89,365	125,340
Provincial Government		1,971									
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	3,780	-	40,445	61,798	63,944	63,944	63,944	91,041	89,365	125,340
Public contributions & donations	5		327,567								
Borrowing	6		-		7,637						
Internally generated funds		4,535	1,248		1,080	5,380	5,380	5,380			
Total Capital Funding	7	8,315	328,815	40,445	70,515	69,324	69,324	69,324	91,041	89,365	125,340

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

- Table A5 below 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
- Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialised tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years
- The capital programme is funded from national and provincial grants and transfers and public contributions and donations. For 2016/2017, capital transfers totals R91 041 million and increases to R125 340 million by 2018/2019. These funding sources are further discussed in detail in 2.6 (Overview of Budget Funding).

MBRR Table A6 – Budgeted Financial Position**DC25 Amajuba - 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
ASSETS											
Current assets											
Cash			199	6	5,000	-	-	-	1,000	500	500
Call investment deposits	1	2,663	132	139	8,000	-	-	-	6,000	2,000	2,000
Consumer debtors	1	64	6,228	14,749	24,611	20,720	20,720	20,720	22,005	20,586	19,218
Other debtors		10,329	5,598	13,816	5,598	5,598	5,598	5,598	2,500	3,000	2,500
Current portion of long-term receivables											
Inventory	2			5,794					5,794	5,794	5,794
Total current assets		13,056	12,156	34,503	43,209	26,317	26,317	26,317	37,298	31,879	30,011
Non current assets											
Long-term receivables											
Investments											
Investment property			569	508							
Investment in Associate		703,143		355,636	-	355,636	355,636	355,636	355,636	355,636	355,636
Property, plant and equipment	3	60,136	315,994	311,320	370,275	358,344	358,344	358,344	420,954	479,852	573,917
Agricultural											
Biological											
Intangible		2,119	3,140	7,241	3,140	3,140	3,140	3,140	7,241	7,241	7,241
Other non-current assets											
Total non current assets		765,399	319,703	674,706	373,416	717,120	717,120	717,120	783,831	842,730	936,795
TOTAL ASSETS		778,455	331,859	709,209	416,624	743,438	743,438	743,438	821,130	874,609	966,806
LIABILITIES											
Current liabilities											
Bank overdraft	1	368	-			18,787	18,787	18,787	16,934		
Borrowing	4	-	-	1,432	20,000	1,432	1,432	1,432	1,432	1,432	1,432
Consumer deposits											
Trade and other payables	4	87,162	49,013	73,139	13,000	38,711	38,711	38,711	26,508	17,000	12,000
Provisions		1,503	6,880	10,835	925	1,781	1,781	1,781	1,781	1,910	2,022
Total current liabilities		89,033	55,893	85,407	33,925	60,712	60,712	60,712	46,655	20,342	15,455
Non current liabilities											
Borrowing		-	9,687	8,871	-	9,975	9,975	9,975	9,226	8,409	7,545
Provisions		-	-	-	40	1,127	1,127	1,127	1,305	1,404	1,527
Total non current liabilities		-	9,687	8,871	40	11,102	11,102	11,102	10,530	9,813	9,072
TOTAL LIABILITIES		89,033	65,580	94,278	33,965	71,815	71,815	71,815	57,186	30,155	24,526
NET ASSETS	5	689,422	266,279	614,931	382,659	671,623	671,623	671,623	763,944	844,454	942,280
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		689,422	266,279	614,931	382,659	671,623	671,623	671,623	763,944	844,454	942,280
Reserves	4	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	5	689,422	266,279	614,931	382,659	671,623	671,623	671,623	763,944	844,454	942,280

Explanatory notes to Table A6 – Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councillors, management and other users of budget documentation 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. Table A6 is supported by an extensive table of notes (SA3 which can be found on page XX) providing a detailed analysis of the major components of a number of items, including:

- Call investments deposits;
- Consumer debtors;
- Property, plant and equipment;
- Trade and other payables;
- Provisions non-current;
- Changes in net assets; and
- Reserves

4. 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.

5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the Statement of Financial Position.

Table A7 – Budgeted Cash Flow Statement

DC25 Amajuba - Table A7 Budgeted Cash Flows

Description	R e f	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
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates, penalties & collection charges		-	-						-	-	-
Service charges		-	-	9,929	22,666	17,733	17,733	17,733	15,413	24,298	25,732
Other revenue		492	12,319	6,865	6,833	6,833	6,833	6,833	8,966	2,488	2,614
Government - operating	1	135,783	159,797	-	129,876	129,876	129,876	129,876	133,598	142,973	153,193
Government - capital	1	49,992		183,869	63,944	63,944	63,944	63,944	91,041	89,365	125,340
Interest		2,255	717		1,560	1,014	1,014	1,014	3,223	3,455	3,659
Dividends									-	-	-
Payments											
Suppliers and employees		(188,104)	(214,948)	(159,154)	(180,224)	(166,396)	(166,396)	(166,396)	(171,408)	(185,993)	(198,180)
Finance charges			(966)	(1,758)	(762)	(762)	(762)	(762)	(762)	(816)	(865)
Transfers and Grants	1								-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		419	(43,081)	39,752	43,894	52,242	52,242	52,242	80,072	75,770	111,492
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		448			1,080				-	-	-
Decrease (Increase) in non-current debtors		-							-	-	-
Decrease (increase) other non-current receivables		421							-	-	-
Decrease (increase) in non-current investments			313,226						-	-	-
Payments											
Capital assets		(6,525)	(281,796)	(40,445)	(70,515)	(69,324)	(69,324)	(69,324)	(91,041)	(89,365)	(125,340)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(5,656)	31,430	(40,445)	(69,435)	(69,324)	(69,324)	(69,324)	(91,041)	(89,365)	(125,340)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									-	-	-
Borrowing long term/refinancing									-	-	-
Increase (decrease) in consumer deposits									-	-	-
Payments											
Repayment of borrowing		-	9,687	509					-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	9,687	509	-	-	-	-	-	-	-
NET INCREASE/(DECREASE) IN CASH HELD		(5,237)	(1,964)	(184)	(25,541)	(17,082)	(17,082)	(17,082)	(10,969)	(13,595)	(13,848)
Cash/cash equivalents at the year begin:	2	7,532	2,294	332	148	148	148	148	(16,934)	(27,903)	(41,498)
Cash/cash equivalents at the year end:	2	2,294	330	148	(25,393)	(16,934)	(16,934)	(16,934)	(27,903)	(41,498)	(55,346)

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. It can be seen that the cash levels of the municipality fell significantly over the 2013/14 to 2014/15 period owing directly to a net decrease / increase in cash for the 2013/14 and 2014/15 financial years.
4. The 2016/2017 MTREF provide for a net increase in cash of R1.195 million for the 2016/17 financial year resulting in an overall projected positive cash position of R1.252 million at year end.
5. As part of the 2015/16 mid-year review and Adjustments Budget this unsustainable cash position had to be addressed as a matter of urgency and various interventions were implemented such as the reduction of expenditure allocations, rationalisation of spending priorities and review of the budget before the traditional February timeline.
6. In addition the municipality preparing to undertake an extensive consumer awareness and debt collection initiative which should result in increased cash receipts and a reduction in arrear debtors.
7. The 2016/2017 MTREF has been informed by the planning principle of ensuring adequate cash reserves over the medium-term.
8. Cash and cash equivalents totals project R1.252 million as at the end of the 2016/17 financial year and escalate to a projected R9.562 million by 2018/2019.

MBRR Table A8 – Cash Backed Reserves/Accumulated Surplus Reconciliation

DC25 Amajuba - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description 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
Cash and investments available											
Cash/cash equivalents at the year end	1	2,294	330	148	(25,393)	(16,934)	(16,934)	(16,934)	(27,903)	(41,498)	(55,346)
Other current investments > 90 days		-	0	(3)	38,393	(1,854)	(1,854)	(1,854)	17,969	43,998	57,846
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		2,294	330	145	13,000	(18,787)	(18,787)	(18,787)	(9,934)	2,500	2,500
Application of cash and investments											
Unspent conditional transfers		-	22,618	6,810	5,000	-	-	-	5,000	2,000	2,000
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	81,557	21,109	49,570	(18,061)	18,458	18,458	18,458	(308)	(6,501)	(9,797)
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		81,557	43,727	56,379	(13,061)	18,458	18,458	18,458	4,692	(4,501)	(7,797)
Surplus(shortfall)		(79,262)	(43,396)	(56,234)	26,061	(37,245)	(37,245)	(37,245)	(14,625)	7,001	10,297

Other working capital requirements

Debtors	5,605	5,286	16,760	26,061	20,253	20,253	20,253	21,816	21,501	19,797
Creditors due	87,162	26,395	66,330	8,000	38,711	38,711	38,711	21,508	15,000	10,000
Total	(81,557)	(21,109)	(49,570)	18,061	(18,458)	(18,458)	(18,458)	308	6,501	9,797

Debtors collection assumptions

Balance outstanding - debtors	10,394	11,826	28,565	30,209	26,317	26,317	26,317	24,505	23,586	21,718
Estimate of debtors collection rate	53.9%	44.7%	58.7%	86.3%	77.0%	77.0%	77.0%	89.0%	91.2%	91.2%

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

1. The cash backed reserves / accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.

2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.

3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".

4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.

5. For the MTREF 2016/17 to 2018/19 the Municipality is striving to maintain a positive cash flow and funded budget.

7. As part of the budgeting and planning guidelines that informed the compilation of the 2016/17 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA.

MBRR Table A9

DC25 Amajuba - Table A9 Asset Management

Description	R e f	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
CAPITAL EXPENDITURE										
Total New Assets	1	8,315	328,815	40,445	70,515	69,324	69,324	91,041	89,365	125,340
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		8,315	328,815	40,445	36,825	40,223	40,223	59,166	44,500	78,000
Infrastructure - Sanitation		-	-	-	13,721	13,721	13,721	17,811	42,664	44,998
Infrastructure - Other		-	-	-	1,252	-	-	2,064	2,201	2,342
Infrastructure		8,315	328,815	40,445	51,798	53,944	53,944	79,041	89,365	125,340
Community		-	-	-	10,000	10,000	10,000	12,000	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	8,717	5,380	5,380	-	-	-
Infrastructure - Water	6	8,315	328,815	40,445	36,825	40,223	40,223	59,166	44,500	78,000
Infrastructure - Sanitation		-	-	-	13,721	13,721	13,721	17,811	42,664	44,998
Infrastructure - Other		-	-	-	1,252	-	-	2,064	2,201	2,342
Infrastructure		8,315	328,815	40,445	51,798	53,944	53,944	79,041	89,365	125,340
Community		-	-	-	10,000	10,000	10,000	12,000	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	8,717	5,380	5,380	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	2	8,315	328,815	40,445	70,515	69,324	69,324	91,041	89,365	125,340
ASSET REGISTER SUMMARY - PPE (WDV)	5									
Infrastructure - Water		60,136	315,994	311,320	370,275	358,344	358,344	420,954	479,852	573,917
Infrastructure - Sanitation										
Infrastructure - Other										
Infrastructure		60,136	315,994	311,320	370,275	358,344	358,344	420,954	479,852	573,917
Community										
Heritage assets										
Investment properties		-	569	508	-	-	-	-	-	-
Other assets										
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		2,119	3,140	7,241	3,140	3,140	3,140	7,241	7,241	7,241
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	62,256	319,703	319,070	373,416	361,484	361,484	428,195	487,094	581,159
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		5,162	27,598	27,006	2,685	25,542	25,542	26,367	28,265	28,933

Repairs and Maintenance by Asset Class	3	1,031	4,230	7,303	5,650	6,620	6,620	5,135	5,505	5,829
<i>Infrastructure - Electricity</i>		-	-	-	-	-	-	-	-	-
<i>Infrastructure - Water</i>		-	-	-	-	-	-	4,620	4,953	5,245
<i>Infrastructure - Sanitation</i>		-	-	-	-	-	-	-	-	-
<i>Infrastructure - Other</i>		1,031	4,230	7,303	5,650	6,620	6,620	515	552	585
<i>Infrastructure</i>		1,031	4,230	7,303	5,650	6,620	6,620	5,135	5,505	5,829
TOTAL EXPENDITURE OTHER ITEMS		6,192	31,828	34,309	8,335	32,162	32,162	31,502	33,770	34,763
<i>Renewal of Existing Assets as % of total capex</i>		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Renewal of Existing Assets as % of deprechn"</i>		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>R&M as a % of PPE</i>		1.7%	1.3%	2.3%	1.5%	1.8%	1.8%	1.2%	1.1%	1.0%
<i>Renewal and R&M as a % of PPE</i>		2.0%	1.0%	2.0%	2.0%	2.0%	2.0%	1.0%	1.0%	1.0%

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. The municipality cannot meet these recommendations due to a lack of financial resources and the implementation GRAP 17
3. Depreciation and asset impairment costs (off-setting depreciation included) due to the implementation of the GRAP Accounting Standards on the carrying values of componentised assets makes it virtually unaffordable to maintain the municipality's assets at depreciated replacement cost.

MBRR Table A10**DC25 Amajuba - 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
Household service targets	1									
Water:										
Piped water inside dwelling		129,808	129,808	129,808	134,904	134,904	134,904	47,804	48,782	49,521
Piped water inside yard (but not in dwelling)		129,808	129,808	129,808	134,904	134,904	134,904	36,415	37,546	38,451
Using public tap (at least min.service level)	2	-	-	-	-	-	-	13,066	12,451	11,457
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		259,616	259,616	259,616	269,808	269,808	269,808	97,285	98,779	99,429
Using public tap (< min.service level)	3	5,135	4,517	4,215	5,135	4,517	4,215	5,135	4,517	4,215
Other water supply (< min.service level)	4	8,541	8,214	8,145	8,541	8,214	8,145	8,541	8,214	8,145
No water supply		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		13,676	12,731	12,360	13,676	12,731	12,360	13,676	12,731	12,360
Total number of households	5	273,292	272,347	271,976	283,484	282,539	282,168	110,961	111,510	111,789
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		51,160	52,145	53,154	51,160	52,145	53,154	51,160	52,145	53,154
Flush toilet (with septic tank)		2,272	2,141	20,145	2,272	2,141	20,145	2,272	2,141	20,145
Chemical toilet		6,874	6,547	6,457	6,874	6,547	6,457	6,874	6,547	6,457
Pit toilet (ventilated)		9,905	9,410	9,214	9,905	9,410	9,214	9,905	9,410	9,214
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		70,211	70,243	88,970	70,211	70,243	88,970	70,211	70,243	88,970
Bucket toilet		753	645	614	753	645	614	753	645	614
Other toilet provisions (< min.service level)		36,125	36,877	18,551	36,125	36,877	18,551	36,125	36,877	18,551
No toilet provisions		3,874	3,745	3,654	3,874	3,745	3,654	3,874	3,745	3,654
<i>Below Minimum Service Level sub-total</i>		40,752	41,267	22,819	40,752	41,267	22,819	40,752	41,267	22,819
Total number of households	5	110,963	111,510	111,789	110,963	111,510	111,789	110,963	111,510	111,789
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed once a week for indigent households)		-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)										
Total cost of FBS provided		-	-	-	-	-	-	-	-	-
Highest level of free service provided per household										
Property rates (R value threshold)										
Water (kilolitres per household per month)		40	40	40	40	40	40	43	45	48
Sanitation (kilolitres per household per month)		40	40	40	40	40	40	43	45	48
Sanitation (Rand per household per month)		64	97	103	103	103	103	115	122	122
Electricity (kwh per household per month)										
Refuse (average litres per week)										
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)										
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		-	-	-	-	-	-	-	-	-

Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates	6									
Housing - top structure subsidies										
Other										
Total revenue cost of subsidised services provided		-	-	-	-	-	-	-	-	-

Explanatory notes to Table A10 – Basic Service Delivery Measurement

- Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.
- The municipality continues to make good progress with the eradication of backlogs:
 - The minimum level of water services is available to all households – formal as well as informal areas
 - Sanitation services backlogs steadily increases for the 2016/17 MTREF period. These numbers will only reduce when the municipality receives funds from the housing programme for basic service infrastructure. Provincial government is slow in approving funds through the housing programme to build houses with toilets and sewerage networks.
- The changes in the Indigent Subsidy Policy will result in less households to be registered as indigent in 2016/2017 and therefore result in less households entitled to receive Free Basic 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.

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

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

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

2.1.1 Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2015) a time schedule that sets out the process to revise the IDP and prepare the budget.

With the compilation of the 2016/2017 MTREF, each department / function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2015/16 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

MONTH	ACTIVITIES				
	IDP	PMS	Mayor and Council / Entity Board	Administration - Municipality and Entity	Budget Review Activities
JULY	<ul style="list-style-type: none"> ▪ Finalisation of IDP Review document and submission to the COGTA for approval by the MEC. ▪ IDP Review Process Plan Drafted. 	<ul style="list-style-type: none"> ▪ Adoption of the PMS ▪ Implementation of approved SDBIP for current financial year ▪ Final assessment of previous financial year 	<ul style="list-style-type: none"> ▪ Mayor begins planning for next three-year budget in accordance with co-ordination role of budget 	<ul style="list-style-type: none"> ▪ Accounting officers and senior officials of municipality and entities begin planning for 	<ul style="list-style-type: none"> ▪ Approve and announce new budget schedule and set up committees and forums. ▪ Consultation

MONTH	ACTIVITIES				
	IDP	PMS		BUDGET	
		<ul style="list-style-type: none"> SDBIP Signing of new performance contracts for Section 57 Managers and submission to EXCO (Section 69 of the MFMA and Section 57 of the MSA). 	<ul style="list-style-type: none"> process MFMA s 53 Planning includes review of the previous year's budget process and completion of the Budget Evaluation Checklist 	<ul style="list-style-type: none"> next three-year budget MFMA s 68, 77 Accounting officers and senior officials of municipality and entities review options and contracts for service delivery MSA s 76-81 	<ul style="list-style-type: none"> on performance and changing needs.
AUGUST	<ul style="list-style-type: none"> IDP Review Process Plan tabled at EXCO and Council for approval. IDP preparation process initiated. Review of comments received on the previous financial year IDP Review document. Self-assessment to identify gaps in the IDP process. Integration of information from adopted Sector Plans into the IDP Review document. Initiation of new sector plans into the IDP. Review and updating of the IDP Vision, Mission and Objectives. Updating and review of the strategic elements of the IDP in light of the new focus of Council. Compilation of the SDF Collection of the SDF data from sector plans and population data 	<ul style="list-style-type: none"> Final S57 Managers' Performance Assessments Quarterly Audit Committee meeting (for the last quarter of 05/06) MFMA Sect 166 & MPPR Reg. 14(3)(a) 	<ul style="list-style-type: none"> Mayor tables in Council a time schedule outlining key deadlines for: preparing, tabling and approving the budget; reviewing the IDP (as per s 34 of MSA) and budget related policies and consultation processes at least 10 months before the start of the budget year. MFMA s 21,22, 23; MSA s 34, Ch 4 as amended Mayor establishes committees and consultation forums for the budget process 	<ul style="list-style-type: none"> Accounting Officer to submit AFS to Auditor-General [Due by 31 August, MFMA Sec 126(1)(a)] 	<ul style="list-style-type: none"> Consultation on performance and changing needs. Review performance and financial position. Review external mechanisms. Start Planning for next three years.
SEPT	<ul style="list-style-type: none"> Integration of information from adopted Sector Plans into the IDP Review document. Review of Spatial Development Framework. Updating and review of the strategic elements of the IDP in light of the new focus of Council. Collection of the SDF data from sector plans and population data 	<ul style="list-style-type: none"> Auditor General audit of performance measures 	<ul style="list-style-type: none"> Council through the IDP review process determines strategic objectives for service delivery and development for next three-year budgets including review of provincial and national government sector and strategic plans 	<ul style="list-style-type: none"> Budget offices of municipality and entities determine revenue projections and proposed rate and service charges and drafts initial allocations to functions and departments for the next financial year after taking into account strategic objectives 	<ul style="list-style-type: none"> Update policies, priorities and objectives. Determine revenue projections and policies.

MONTH	ACTIVITIES				
	IDP	PMS		BUDGET	
				<ul style="list-style-type: none"> Engages with Provincial and National sector departments on sector specific programmes for alignment with municipalities plans (schools, libraries, clinics, water, electricity, roads, etc) 	
OCTOBER	<ul style="list-style-type: none"> Integration of information from adopted Sector Plans into the IDP Review document. Review of Spatial Development Framework. Updating and review of the strategic elements of the IDP in light of the new focus of Council. 	<ul style="list-style-type: none"> Appointment of Internal Auditors (MFMA Sect 55(2)) Appointment of the Audit Committee (MPPR Reg. 14) Sect 57 Managers' quarterly assessments (for first quarter) Assessment of the SDBIP (for first quarter) First draft annual report to Auditor General 		<ul style="list-style-type: none"> Accounting officer does initial review of national policies and budget plans and potential price increases of bulk resources with function and department officials <p>MFMA s 35, 36, 42; MTBPS</p>	<ul style="list-style-type: none"> Determine revenue projections and policies. Engagement with sector departments, share and evaluate plans, national policies, MTBPS. Draft initial allocations to functions. Draft initial changes to IDP.
NOVEMBER	<ul style="list-style-type: none"> Review of Municipal Strategies, Objectives, KPA's, KPI's and targets. Identification of priority IDP projects. Project alignment between the DM and LM's. Municipal alignment sessions under auspices of COGTA 	<ul style="list-style-type: none"> Quarterly Audit Committee meeting (for the first quarter) <p>MFMA Sect 166 & MPPR Reg. 14(3)(a)</p>		<ul style="list-style-type: none"> Accounting officer reviews and drafts initial changes to IDP <p>MSA s 34</p> <ul style="list-style-type: none"> Auditor-General to return audit report [Due by 30 November, MFMA 126(4)] 	<ul style="list-style-type: none"> Draft initial changes to IDP. Consolidation of budgets and plans. Executive determines strategic choices for next three years.
DECEMBER	<ul style="list-style-type: none"> Review of Municipal Strategies, Objectives, KPA's, KPI's and targets. Project alignment between the DM and LM's. Identification of priority IDP projects. Development of Spatial strategies and mapping. 	<ul style="list-style-type: none"> Compile annual report (MFMA Sect 121) Quarterly Audit Committee (MFMA Sect 166 & MPPR Reg. 14(3)(a)) 	<ul style="list-style-type: none"> Council finalises tariff (rates and service charges) policies for next financial year <p>MSA s 74, 75</p>	<ul style="list-style-type: none"> Accounting officer and senior officials consolidate and prepare proposed budget and plans for next financial year taking into account previous years performance as per audited financial statements 	<ul style="list-style-type: none"> Executive determines strategic choices for next three years. Finalise tariff policies.

MONTH	ACTIVITIES				
	IDP	PMS		BUDGET	
JANUARY	<ul style="list-style-type: none"> ▪ Review of Municipal Strategies, Objectives, KPA's, KPI's and targets. ▪ Identification of priority IDP projects. ▪ Development of Spatial strategies and mapping. 	<ul style="list-style-type: none"> ▪ Mayor tables annual report (MFMA Sect 127(2)) ▪ Mid-year Sect 57 Managers' performance assessments ▪ Mid-year assessment of the SDBIP MPPR Reg. 14 	<ul style="list-style-type: none"> ▪ Entity board of directors must approve and submit proposed budget and plans for next three-year budgets to parent municipality at least 150 days before the start of the budget year MFMA s 87(1) 	<ul style="list-style-type: none"> ▪ Accounting officer reviews proposed national and provincial allocations to municipality for incorporation into the draft budget for tabling. (Proposed national and provincial allocations for three years must be available by 20 January) MFMA s 36 	<ul style="list-style-type: none"> ▪ Prepare detailed budgets and plans for the next three years.
FEBRUARY	<ul style="list-style-type: none"> ▪ Review of Municipal Strategies, Objectives, KPA's, KPI's and targets. ▪ Identification of priority IDP projects. ▪ Alignment of the draft budget and capital investment framework with the SDF 	<ul style="list-style-type: none"> ▪ Make public annual report and invite community inputs into report (MFMA Sect 127 & MSA Sect 21a) 	<ul style="list-style-type: none"> ▪ Council considers municipal entity proposed budget and service delivery plan and accepts or makes recommendations to the entity MFMA s 87(2) 	<ul style="list-style-type: none"> ▪ Accounting officer finalises and submits to Mayor proposed budgets and plans for next three-year budgets taking into account the recent mid-year review and any corrective measures proposed as part of the oversight report for the previous years audited financial statements and annual report ▪ Accounting officer to notify relevant municipalities of projected allocations for next three budget years 120 days prior to start of budget year MFMA s 37(2) 	<ul style="list-style-type: none"> ▪ Prepare detailed budgets and plans for the next three years. ▪ Executive adopts budget and plans and changes to IDP.
MARCH	<ul style="list-style-type: none"> ▪ Review of Municipal Strategies, Objectives, KPA's, KPI's and targets. ▪ Initiate preparation of Capital Investment Plan. ▪ Initiate preparation of Financial Plan. ▪ Conclusion of Sector Plans initiated for the previous financial year and integration into the IDP Review 	<ul style="list-style-type: none"> ▪ Council to consider and adopt an oversight report [Due by 31 March MFMA Sec 129(1)] ▪ Submit annual to AG, Provincial & DTLGA (MFMA Sect 127) 	<ul style="list-style-type: none"> ▪ Entity board of directors considers recommendations of parent municipality and submit revised budget by 22nd of month MFMA s 87(2) ▪ Mayor tables municipality 	<ul style="list-style-type: none"> ▪ Accounting officer publishes tabled budget, plans, and proposed revisions to IDP, invites local community comment and submits to NT, PT and others as 	<ul style="list-style-type: none"> ▪ Mayor tables budget, resolutions, plans and changes to IDP at least 90 days before the start of the financial year.

MONTH	ACTIVITIES				
	IDP	PMS	BUDGET		
	<ul style="list-style-type: none"> report. ▪ Finalisation of the SDF ▪ Submissions of Draft 2014/15 Reviewed IDPs to COGTA 	<ul style="list-style-type: none"> ▪ Set performance objectives for revenue for each budget vote (MFMA Sect 17) 	<ul style="list-style-type: none"> budget, budgets of entities, resolutions, plans, and proposed revisions to IDP at least 90 days before start of budget year <p>MFMA s 16, 22, 23, 87; MSA s 34</p>	<ul style="list-style-type: none"> prescribed <p>MFMA s 22 & 37; MSA Ch 4 as amended</p> <ul style="list-style-type: none"> ▪ Accounting officer reviews any changes in prices for bulk resources as communicated by 15 March <p>MFMA s 42</p>	
APRIL	<ul style="list-style-type: none"> ▪ Incorporation of DORA information into the IDP document. ▪ Prepare departmental business plans linked to the IDP strategies, objectives, KPI's and targets. ▪ Identify departmental allocations from Municipality's Own Funds. ▪ Workshops with Portfolio Councillors to identify projects to which Own Funds will be allocated to. ▪ Preparation of Capital Investment Plan. ▪ Preparation of Financial Plan. ▪ Conclusion of Sector Plans initiated for the previous financial year and integration into the IDP Review report. ▪ Convening of decentralised IDP Assessment Forums 	<ul style="list-style-type: none"> ▪ Refinement of Municipal Strategies, Objectives, KPA's, KPI's and targets and inclusion into IDP Review report. ▪ Submit Annual Report to Provincial Legislature/ME C Local Government [Due mid-April MFMA Sec 132(2)] ▪ S57 Managers' Quarterly Performance Assessments ▪ Publicise Annual Report [Due mid-April MFMA Sec 129(3)] ▪ Quarterly Annual Report [Due mid-April MFMA Sec 129(3)] ▪ Budget for expenses of audit committee 	<ul style="list-style-type: none"> ▪ Consultation with national and provincial treasuries and finalise sector plans for water, sanitation, electricity etc <p>MFMA s 21</p>	<ul style="list-style-type: none"> ▪ Accounting officer assists the Mayor in revising budget documentation in accordance with consultative processes and taking into account the results from the third quarterly review of the current year 	<ul style="list-style-type: none"> ▪ Consultation with National and Provincial Treasuries and finalise sector plans, water and sanitation, electricity, etc. ▪ Public hearings on the Budget, Council Debate on Budget and Plans.
MAY	<ul style="list-style-type: none"> ▪ Public participation process launched through series of public hearings on the IDP and Budget. ▪ Prepare departmental business plans linked to the IDP strategies, objectives, KPI's and targets. ▪ IDP Assessment feedback 	<ul style="list-style-type: none"> ▪ Annual review of organisational KPIs (MPPR Reg. 11) ▪ Review annual organisational performance targets (MPPR Reg. 11) 	<ul style="list-style-type: none"> ▪ Public hearings on the budget, and council debate. Council consider views of the local community, NT, PT, other provincial and national organs of state and municipalities. Mayor to be provided with an opportunity to respond to submissions during consultation 	<ul style="list-style-type: none"> ▪ Accounting officer assists the Mayor in preparing the final budget documentation for consideration for approval at least 30 days before the start of the budget year taking into account consultative processes and any other new information of a material nature 	<ul style="list-style-type: none"> ▪ Public hearings on the Budget, Council Debate on Budget and Plans. ▪ Council adopts budget, resolutions, capital implementation plans, objectives and changes in IDP.

MONTH	ACTIVITIES				
	IDP	PMS	BUDGET		
			and table amendments for council consideration. Council to consider approval of budget and plans at least 30 days before start of budget year. MFMA s 23, 24; MSA Ch 4 as amended <ul style="list-style-type: none"> Entity board of directors to approve the budget of the entity not later than 30 days before the start of the financial year, taking into account any hearings or recommendations of the council of the parent municipality 		
JUNE	<ul style="list-style-type: none"> IDP RF meeting to consider the amendments to the IDP. EXCO recommends adoption of the IDP to Council. Council workshop on the IDP. Adoption of the IDP by Council. 	<ul style="list-style-type: none"> Community input into organisation KPIs and targets Quarterly Audit Committee meeting MFMA Sect 166 & MPPR Reg. 14(3)(a) 	<ul style="list-style-type: none"> Council must approve annual budget by resolution, setting taxes and tariffs, approving changes to IDP and budget related policies, approving measurable performance objectives for revenue by source and expenditure by vote before start of budget year MFMA s 16, 24, 26, 53 <ul style="list-style-type: none"> Mayor must approve SDBIP within 28 days after approval of the budget and ensure that annual performance contracts are concluded in accordance with s 57(2) of the MSA. Mayor to ensure that the annual 	<ul style="list-style-type: none"> Accounting officer submits to the mayor no later than 14 days after approval of the budget a draft of the SDBIP and annual performance agreements required by s 57(1)(b) of the MSA. MFMA s 69; MSA s 57 <ul style="list-style-type: none"> Accounting officers of municipality and entities publishes adopted budget and plans MFMA s 75, 87	<ul style="list-style-type: none"> Publish budget and plans. Finalise performance contracts and delegation.

MONTH	ACTIVITIES				
	IDP	PMS	BUDGET		
			performance agreements are linked to the measurable performance objectives approved with the budget and SDBIP. The mayor submits the approved SDBIP and performance agreements to council, MEC for local government and makes public within 14 days after approval. <ul style="list-style-type: none"> ▪ MFMA s 53; MSA s 38-45, 57(2) ▪ Council must finalise a system of delegations. ▪ MFMA s 59, 79, 82; MSA s 59-65 		

2.1.2 Financial Modelling and Key Planning Drivers

As part of the compilation of the 2016/17 MTREF; extensive financial modelling were undertaken to ensure affordable tariffs and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2016/17 MTREF:

- Municipality"s growth;
- Policy priorities and strategic objectives;
- Asset maintenance;
- Economic climate and trends (i.e. inflation, Eskom increases, household debt, migration patterns);
- Performance trends;
- The approved 2015/16 adjustments budget and performance against the SDBIP;
- Cash Flow Management Strategy;
- Debtor payment levels;
- Loan and investment possibilities;
- The need for tariff increases versus the ability of the community to pay for services; and
- Improved and sustainable service delivery.

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 70 - 75 has been taken into consideration in the planning and prioritisation process.

2.1.4 Community Consultation

The draft 2016/17 MTREF to be tabled before Council on the 23rd March 2016; and, for community consultation will be published on the municipality's website and hard copies to be made available at customer care offices, municipal notice boards and various libraries.

All documents in the appropriate format (electronic and printed) will be provided to National Treasury, Provincial 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 will be addressed, and where relevant be considered as part of the finalisation of the 2016/17 MTREF.

2.2 Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realised through a credible integrated developmental planning process. Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

The 2016/17 MTREF has therefore been directly informed by the IDP revision process and tables SA4 – SA6 provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

DC25 Amajuba - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	R e f	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												
BASIC SERVICE DELIVERY	To ensure access to basic water and sanitation to community members within Amajuba district.				145,440	78,741	66,089	74,277	74,277	67,904	73,087	78,123
Municipal Institutional Development and Transformation	To Achieve sound governance, management, administration and equity within Amajuba district in line with organized local government guidelines				24,422	55,348	25,807	30,716	30,716	45,945	49,314	53,692
Municipal Financial Viability and Management	Manage the municipality within the budgetary and policy frameworks of the municipality				12,131	15,007	37,022	16,276	16,276	15,007	16,500	15,907
Good Governance and Public Participation	To promote public participation through stakeholder mobilization					5,735	11,005	25,053	25,053	5,735	6,148	6,511
Local Economic Development	To facilitate, encourage and support the development of an enabling environment for LED and job creation				-	18,671	11,274	19,936	12,944	12,944	11,274	12,664
Spatial Planning and Environmental Management	To promote the development of a safe and healthy environment in line with applicable legislation					3,023	3,309	2,932	2,932	3,451	3,700	3,918
Infrastructure Development and Service Delivery	To ensure provision of basic community infrastructure and services as per acceptable norms and standards				180,528	40,445				12,466	11,802	12,489
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	180,528	200,664	209,574	163,168	162,198	162,198	161,781	173,214	185,197

DC25 Amajuba - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	G o a l C o d e	R e f	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													
BASIC SERVICE DELIVERY	To ensure access to basic water and sanitation to community members within Amajuba district.				145,440	71,191	64,573	93,065	93,065	78,177	86,614	91,878	
Municipal Institutional Development and Transformation	To Achieve sound governance, management, administration and equity within Amajuba district in line with organized local government guidelines				24,422	55,348	25,807	30,716	30,716	45,945	49,314	53,692	
Municipal Financial Viability and Management	Manage the municipality within the budgetary and policy frameworks of the municipality				12,131	15,007	37,022	16,276	16,276	15,007	16,500	15,907	
Good Governance and Public Participation	To promote public participation through stakeholder mobilization					5,735	11,005	25,053	25,053	5,735	6,148	6,511	
Local Economic Development	To facilitate, encourage and support the development of an enabling environment for LED and job creation				-	18,671	19,936	12,944	12,944	11,274	12,664	14,558	
Spatial Planning and Environmental Management	To promote the development of a safe and healthy environment in line with applicable legislation					3,023	3,309	2,932	2,932	3,451	3,700	3,918	
Infrastructure Development and Service Delivery	To ensure provision of basic community infrastructure and services as per acceptable norms and standards				190,250	365,894	40,445			12,580	11,870	12,581	
Allocations to other priorities													
Total Expenditure				1	190,250	566,557	202,024	161,652	180,985	180,985	172,169	186,809	199,045

DC25 Amajuba - 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
Infrastructure Development and Service Delivery	EMADLANGENI SANITATION-MIG;	A		8,315	328,815	40,445	5,824	3,008	3,008	-	-	-
	DISASTER MANAGEMENT - MIG FUNDING	B					10,000	13,148	13,148	12,000	42,664	44,998
	BUFFALO FLATS WATER -PHASE 3	C					15,000	6,746	6,746	13,000		
	BUFFALO FLATS SANITATION:TRA	D					7,897	9,392	9,392	-	-	
	ADM WSDP	E					2,000	7,825	7,825	1,950	-	
	MWIG - Emadlangeni Rural Water Supply Phase 1	F					3,000	3,000	3,000	6,150	44,500	78,000
	MWIG - Emadlangeni Rural Water Supply Phase 2	G					7,000	7,000	7,000	4,000		
	REFURBISHMENT AND DRILLING OF NEW BOREHOLES	H					2,000	2,000	2,000	-		
	WCWDM Master Plan	I					7,825	7,825	7,825	5,033		
	PUBLIC WORKS	J					1,252	-	-	1,497		
	BULK WATER SUPPLY-GOEDEHOOP;	K					-	4,000	4,000	12,050		
	BULK WATER METER INSTALLATIONS	L					-	-	-	14,500		
	SANITATION PROJECT (RHIP)	M					-	-	-	4,500		
REFURBISHMENT AND DRILLING OF NEW BOREHOLES	N								7,000			

To provide physical infrastructure	ERMEGENCY WATER UPGRADES IN DURNACOL	O				-	-	-	9,362	2,201	2,342	
	To avail and maintain municipal buildings, plant and equipments and municipal infrastructure	P				8,717	5,380	5,380				
Allocations to other priorities			3									
Total Capital Expenditure			1	8,315	328,815	40,445	70,515	69,324	69,324	91,041	89,365	125,340

2.3 Measurable performance objectives and indicators

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

DC25 Amajuba - 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
<u>Borrowing Management</u>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.0%	-1.5%	0.6%	2.3%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	0.0%	-30.8%	4.0%	10.7%	2.4%	2.4%	2.4%	2.7%	2.7%	2.7%
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%
<u>Safety of Capital Gearing</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	0.1	0.2	0.4	1.3	0.4	0.4	0.4	0.8	1.6	1.9
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0.1	0.2	0.4	1.3	0.4	0.4	0.4	0.8	1.6	1.9
Liquidity Ratio	Monetary Assets/Current Liabilities	0.0	0.0	0.0	0.4	-	-	-	0.2	0.1	0.2
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	0.0%	55.6%	115.3%	78.2%	78.2%	78.2%	68.0%	100.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	0.0%	55.6%	115.3%	78.2%	78.2%	78.2%	68.0%	100.0%	100.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	5.8%	5.9%	13.6%	18.5%	16.2%	16.2%	16.2%	15.1%	13.6%	11.7%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<u>Creditors Management</u>											
Creditors System Efficiency	% of Creditors Paid Within Terms										

	(within MFMA's 65(e))										
Creditors to Cash and Investments		3798.8%	7997.8%	44856.6%	-31.5%	-228.6%	-228.6%	-228.6%	-77.1%	-36.1%	-18.1%
Other Indicators											
Employee costs	Employee costs/(Total Revenue - capital revenue)	22.6%	34.4%	34.6%	49.8%	43.6%	43.6%	43.6%	48.8%	48.8%	48.4%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	24.9%	36.5%	36.7%	51.8%	46.8%	46.8%		52.0%	52.0%	51.5%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0.6%	2.1%	3.5%	3.5%	4.1%	4.1%		3.2%	3.2%	3.1%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	2.9%	14.2%	13.7%	3.9%	16.2%	16.2%	16.2%	16.8%	16.8%	16.1%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	(0.4)	(55.5)	19.9	34.1	34.1	34.1	10.0	8.2	8.3	8.7
ii.O/S Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	3920.3%	66.8%	157.4%	151.2%	114.8%	114.8%	114.8%	107.2%	96.3%	83.7%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	0.3	0.0	0.0	(2.3)	(1.6)	(1.6)	(1.6)	(2.6)	(3.5)	(4.4)

2.4 Overview of budget related-policies

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

- 2.4.1 Review of credit control and debt collection procedures/policies
- 2.4.2 Asset Management, Infrastructure Investment and Funding Policy
- 2.4.3 Budget Adjustment Policy
- 2.4.4 Supply Chain Management Policy
- 2.4.5 Budget and Virement Policy
- 2.4.6 Cash Management and Investment Policy
- 2.4.7 Tariff Policies

All the above policies are available on the municipality's website

2.5 Overview of budget assumptions

The 2015 Medium Term Budget Policy Statement notes that the global economic outlook has been weaker than anticipated. Growth in developing economies has moderated in response to lower commodity prices, subdued domestic demand and reduced capital inflows. Growth in some developed economies has offset this slowdown. The South African economy is expected to grow by 1.5 per cent in 2015, 1.7 per cent in 2016 and 2.6 per cent in 2017.

Domestic inflation is lower, largely as a result of declining oil prices. However, the depreciation of the Rand and the current drought gripping many parts of the country, however, pose some risk to the inflation outlook. Furthermore the electricity supply shortages pose the largest domestic risk to growth.

Persistent high unemployment remains one of South Africa's most pressing challenges. Difficult trading conditions and low business confidence levels have limited hiring during 2015.

The formal sector lost 76 000 jobs, with sharp declines in manufacturing and construction, as well as community, social and personal services. These economic challenges will continue to pressurise municipal revenue generation and collection hence a conservative approach is advised for projecting revenue. These circumstances make it essential for municipalities to reprioritise expenditure and implement stringent cost-containment measures.

2.5.1 Headline inflation forecasts

Municipalities must take the following macro-economic forecasts into consideration when preparing their 2016/17 budgets and MTREF.

Fiscal year	2015	2016	2017	2018	2019
	Actual	Estimate		Forecast	
CPI Inflation	5.6	5.5	6.0	5.8	5.8

2.5.2 Key focus areas for the 2016/17 budget process

Local government conditional grants and additional allocations

The purpose of the conditional grants is to deliver on national government priorities relating to service delivery. Additional funding is allocated in the form of unconditional allocations such as the equitable share and the sharing of the general fuel levy. The main purpose of the equitable share is to fund the provision of free basic services to the poor.

It is imperative that municipalities reflect the conditional grant allocations as per the 2016 Division of Revenue Bill once available, and plan effectively to utilise these allocations appropriately so as to avoid requesting roll-overs.

Reforms to local government fiscal framework

The second phase of the collaborative review of the local government infrastructure grant system led by the National Treasury has been concluded. Several changes will be introduced over the 2016 MTEF period to streamline these grants and improve the value and sustainability of associated investments. Proposed reforms to be introduced from 2016 include:

- Enabling the use of funds for the renewal, refurbishment and rehabilitation of existing infrastructure, alongside asset management systems to plan and prioritise maintenance;
- Reforming the public transport network grant to support financially sustainable transit networks in large cities by using a formula to allocate the grant, thereby giving cities a clear financial envelope within which to plan;
- Consolidating urban grants over the MTEF to tackle challenges in the built environment;
- Rationalising grants to reduce complexity and administrative burdens. Several water and sanitation grants are being merged:
 - The *municipal water infrastructure grant*, the *water services operating subsidy grant* and the *rural households infrastructure grant* will be merged into a single grant that will be targeted at reticulation and on-site-solutions in low capacity municipalities.
- Introducing greater differentiation between urban and rural areas. Secondary cities in particular will see changes to their planning requirements.

2.6 Employee related costs

The *Salary and Wage Collective Agreement* for the period 01 July 2016 to 30 June 2017 has been taken into consideration.

2.7 Remuneration of councillors

The municipality has budgeted for the actual costs approved in line with the gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published by the Department of Cooperative Governance and Traditional Affairs. The gazette for 2015 has been released, however, the MEC for the Department of Cooperative Governance and Traditional Affairs in the Province did not concur with Council resolution to increase the upper limits of our councillors.

2.6 OTHER SUPPORTING SCHEDULES OTHER SUPPORTING TABLES

DC25 Amajuba - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

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											
REVENUE ITEMS:											
<u>Service charges - water revenue</u>											
Total Service charges - water revenue	6		15,004	15,111	16,284	19,284	19,284	19,284	19,284	20,672	21,892
Net Service charges - water revenue		-	15,004	15,111	16,284	19,284	19,284	19,284	19,284	20,672	21,892
<u>Service charges - sanitation revenue</u>											
Total Service charges - sanitation revenue			2,420	2,752	3,382	3,382	3,382	3,382	3,382	3,626	3,840
Net Service charges - sanitation revenue		-	2,420	2,752	3,382	3,382	3,382	3,382	3,382	3,626	3,840
<u>Other Revenue by source</u>											
Income Other Debtors		128	52	0	359	30	30	30	45	49	51
Tele/Cellphone Cost Recovered		19	7	11	20	9	9	9	9	9	10
Tender Deposits		11	61	23	20	6	6	6	13	13	14
Facilities -Rental		88	33	128	50	200	200	200	-	-	-
Skills Development Grant ;		401	-	203	200	100	100	100	75	80	85
Contribution - Accumulated Surplus			7,069			(0)	(0)	(0)			
Vat Reclaimed -Conditional Grants				8,563	11,384	(0)	(0)	(0)			
Admin Recovery-MIG Grant					972	2,006	2,006	2,006	1,950	2,133	2,250
Sundry income						19	19	19	3	4	4
Drought Relief						3,458	3,458	3,458			
Roll-Over Grants Transferred from Reserves				186		546	546	546			
Donations	3					210	210	210			
Total 'Other' Revenue	1	648	7,222	9,115	13,004	6,583	6,583	6,583	2,095	2,288	2,414
EXPENDITURE ITEMS:											
<u>Employee related costs</u>											
Basic Salaries and Wages	2	27,708	44,146	45,995	56,280	44,522	44,522	44,522	49,618	53,191	56,329
Pension and UIF Contributions		2,810	4,911	5,880	6,455	6,374	6,374	6,374	6,859	7,353	7,787
Medical Aid Contributions		1,324	2,255	2,705	3,080	3,015	3,015	3,015	3,244	3,477	3,683

Overtime		811	3,673	4,668	3,664	4,094	4,094	4,094	4,120	4,417	4,677
Performance Bonus		2,392	3,893	4,031	4,107	4,799	4,799	4,799	5,164	5,536	5,863
Motor Vehicle Allowance		4,562	4,890	5,526	5,270	5,565	5,565	5,565	5,988	6,419	6,798
Cellphone Allowance			-		758	743	743	743	799	857	907
Housing Allowances		154	190	205	354	415	415	415	446	479	507
Other benefits and allowances			527	1,716	1,273	1,263	1,263	1,263	2,659	2,851	3,019
Payments in lieu of leave		1,042	4,510	1,781							
Long service awards											
Post-retirement benefit obligations	4										
<i>sub-total</i>	5	40,802	68,994	72,507	81,242	70,790	70,790	70,790	78,897	84,578	89,568
<u>Less: Employees costs capitalised to PPE</u>											
Total Employee related costs	1	40,802	68,994	72,507	81,242	70,790	70,790	70,790	78,897	84,578	89,568
Contributions recognised - capital											
<i>Other Infrastructure</i>		3,964	1,100		8,717	5,380	5,380	5,380	-	-	-
Total Contributions recognised - capital		3,964	1,100	-	8,717	5,380	5,380	5,380	-	-	-
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		5,162	27,598	27,006	2,685	25,542	25,542	25,542	26,367	28,265	28,933
Total Depreciation & asset impairment	1	5,162	27,598	27,006	2,685	25,542	25,542	25,542	26,367	28,265	28,933
Bulk purchases											
Electricity Bulk Purchases											
Water Bulk Purchases		-	7,000	7,511	9,509	15,000	15,000	15,000	20,000	21,440	22,705
Total bulk purchases	1	-	7,000	7,511	9,509	15,000	15,000	15,000	20,000	21,440	22,705
Transfers and grants											
Cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Non-cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Total transfers and grants	1	-	-	-	-	-	-	-	-	-	-
Contracted services											
<i>Security;</i>		1,510	3,323		3,000	3,688	3,688	3,688	3,600	3,859	4,087
<i>Call Centre Management</i>					1,600				1,700	1,822	1,930
<i>Water Tanker Delivery</i>		9,194	7,865	15,208	5,000	8,000	8,000	8,000	4,000	5,000	6,000
<i>VIP Desludging Costs</i>					2,500	4,000	4,000	4,000	550	590	2,234
<i>Professional & Legal Costs;</i>					650				-	-	-
<i>ICT Management</i>		386	422					500	536	568	
<i>Hygiene Services</i>		19									

Allocations to organs of state:	<i>sub-total</i>	1	11,110	11,610	15,208	12,750	15,688	15,688	15,688	10,350	11,807	14,818
Water												
Sanitation												
Other												
Total contracted services			11,110	11,610	15,208	12,750	15,688	15,688	15,688	10,350	11,807	14,818
Other Expenditure By Type		-										
Collection costs			1,734	40	47							
Contributions to 'other' provisions			-	-	1,494	2,005	1,781	1,781	1,781	1,781	1,910	2,022
Consultant fees			906			-	-	-	-			
Audit fees			3,375	3,413	2,706	1,450	3,200	3,200	3,200	2,000	2,144	2,270
General expenses		3	122,942	98,723	69,467	40,817	37,357	37,357	37,357	21,018	24,063	25,382
Total 'Other' Expenditure		1	128,956	102,175	73,714	44,272	42,339	42,339	42,339	24,799	28,117	29,675
Repairs and Maintenance by Expenditure Item		8										
Other Expenditure			1,031	4,230	7,303	5,650	6,620	6,620	6,620	5,135	5,505	5,829
Total Repairs and Maintenance Expenditure		9	1,031	4,230	7,303	5,650	6,620	6,620	6,620	5,135	5,505	5,829

DC25 Amajuba - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - COUNCIL SUPPORT AND EXECUTIV E COMMITTE E	Vote 2 - DIRECT ORATE :MUNICI PAL MANAG ER	Vote 3 - DIRECTOR ATE:BDG ET AND TREASUR Y	Vote 4 - DIRECTORAT E:CORPORAT E SERVICES	Vote 5 - DIRECTORAT E:COMMUNIT Y SERVICES	Vote 6 - DIRECTORAT E:COMMUNIT Y SERVICES	Vote 7 - DIRECTORAT E:COMMUNIT Y SERVICES	Vote 8 - DIRECTORAT E:COMMUNIT Y SERVICES	Vote 9 - DIRECTORA TE:ECONOMI C DEVELOPME NT AND PLANNING	Vote 10 - DIRECTORATE :ENGINEERIN G SERVICES	Vote 11 - DIRECTORA TE:ENGINEE RING SERVICES	Total
R thousand	1												
Revenue By Source													
Service charges - water revenue												19,284	19,284
Service charges - sanitation revenue												3,382	3,382
Rental of facilities and equipment						200							200
Interest earned - external investments				800									800
Interest earned - outstanding debtors												2,423	2,423
Other revenue				16	84								99
Transfers recognised - operational		14,021	-	68,479			6,432			400	1,497	42,769	133,598
Gains on disposal of PPE												1,995	1,995
Total Revenue (excluding capital transfers and contributions)		14,021	-	69,295	84	200	6,432	-	-	400	1,497	69,854	161,781
Expenditure By Type													
Employee related costs			8,589	8,766	10,084	5,735	3,066	725	4,710	9,844	8,012	19,367	78,897
Remuneration of councillors		5,174										5,820	5,174
Debt impairment												5,820	5,820
Depreciation & asset impairment			265	281	1,150					280		24,392	26,367
Finance charges												762	762
Bulk purchases												20,000	20,000
Contracted services					3,600					500	1,700	4,550	10,350
Other expenditure		110	320	6,111	7,541		385		150	650	1,497	8,035	24,799
Loss on disposal of PPE													-
Total Expenditure		5,284	9,174	15,157	22,376	5,735	3,451	725	4,860	11,274	11,209	82,925	172,169
Surplus/(Deficit)		8,737	(9,174)	54,138	(22,292)	(5,535)	2,981	(725)	(4,860)	(10,874)	(9,712)	(13,071)	(10,388)
Surplus/(Deficit) after capital transfers & contributions		8,737	(9,174)	54,138	(22,292)	(5,535)	2,981	(725)	(4,860)	(10,874)	(9,712)	(13,071)	(10,388)

DC25 Amajuba - 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											
ASSETS											
<u>Call investment deposits</u>											
Call deposits < 90 days		2,663	132	139	8,000	-	-	-	6,000	2,000	2,000
Other current investments > 90 days											
Total Call investment deposits	2	2,663	132	139	8,000	-	-	-	6,000	2,000	2,000
<u>Consumer debtors</u>											
Consumer debtors		64	13,594	20,440	26,411	26,411	26,411	26,411	27,825	26,825	25,825
<u>Less: Provision for debt impairment</u>			(7,366)	(5,691)	(1,800)	(5,691)	(5,691)	(5,691)	(5,820)	(6,239)	(6,607)
Total Consumer debtors	2	64	6,228	14,749	24,611	20,720	20,720	20,720	22,005	20,586	19,218
<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)		60,136	368,799	338,015	425,299	464,697	464,697	464,697	553,674	640,838	763,836
Leases recognised as PPE											
<u>Less: Accumulated depreciation</u>			52,805	26,695	55,024	106,353	106,353	106,353	132,720	160,985	189,918
Total Property, plant and equipment (PPE)	2	60,136	315,994	311,320	370,275	358,344	358,344	358,344	420,954	479,852	573,917
LIABILITIES											
<u>Current liabilities - Borrowing</u>											
Short term loans (other than bank overdraft)					20,000						
Current portion of long-term liabilities			-	1,432		1,432	1,432	1,432	1,432	1,432	1,432
Total Current liabilities - Borrowing		-	-	1,432	20,000	1,432	1,432	1,432	1,432	1,432	1,432
<u>Trade and other payables</u>											
Trade and other creditors		87,162	26,395	66,330	8,000	38,711	38,711	38,711	21,508	15,000	10,000

Unspent conditional transfers		22,618	6,810	5,000	-	-	-	5,000	2,000	2,000	
VAT											
Total Trade and other payables	2	87,162	49,013	73,139	13,000	38,711	38,711	38,711	26,508	17,000	12,000
<u>Non current liabilities - Borrowing</u>											
Borrowing	4	9,687	8,859			9,975	9,975	9,975	9,214	8,397	7,533
Finance leases (including PPP asset element)			12						12	12	12
Total Non current liabilities - Borrowing		-	9,687	8,871	-	9,975	9,975	9,975	9,226	8,409	7,545
<u>Provisions - non-current</u>											
Retirement benefits				40	1,127	1,127	1,127	1,305	1,404	1,527	
<i>List other major provision items</i>											
Refuse landfill site rehabilitation											
Other											
Total Provisions - non-current		-	-	-	40	1,127	1,127	1,127	1,305	1,404	1,527
CHANGES IN NET ASSETS											
<u>Accumulated Surplus/(Deficit)</u>											
Accumulated Surplus/(Deficit) - opening balance		699,144	632,172	607,381	381,143	690,411	690,411	690,411	774,332	858,049	956,127
GRAP adjustments											
Restated balance		699,144	632,172	607,381	381,143	690,411	690,411	690,411	774,332	858,049	956,127
Surplus/(Deficit)		(9,722)	(365,894)	7,550	1,516	(18,787)	(18,787)	(18,787)	(10,388)	(13,595)	(13,848)
Appropriations to Reserves											
Transfers from Reserves											
Depreciation offsets											
Other adjustments											
Accumulated Surplus/(Deficit)	1	689,422	266,279	614,931	382,659	671,623	671,623	671,623	763,944	844,454	942,280
<u>Reserves</u>											
Housing Development Fund											
Capital replacement											
Self-insurance											
Other reserves											
Revaluation											
Total Reserves	2	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	689,422	266,279	614,931	382,659	671,623	671,623	671,623	763,944	844,454	942,280

DC25 Amajuba - Supporting Table SA9 Social, economic and demographic statistics and assumptions												
Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2012/13	2013/14	2014/15	Current Year 2015/16	2016/17 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics												
Population		Statistics SA (Census figures 2001& 2011)	431	468	442	502	507	513	518	500	529	529
Females aged 5 - 14		Statistics SA (Census figures 2001& 2011)	54	57	54	54	53	53	53	52	52	52
Males aged 5 - 14		Statistics SA (Census figures 2001& 2011)	56	57	53	57	57	57	56	56	56	56
Females aged 15 - 34		Statistics SA (Census figures 2001& 2011)	76	83	81	87	88	89	90	91	91	91
Males aged 15 - 34		Statistics SA (Census figures 2001& 2011)	73	78	78	97	98	100	101	102	104	104
Unemployment		Statistics SA (Census figures 2001& 2011)	31	56	60	56	49	44	42	38	35	35
Monthly household income (no. of households)												
No income	1, 12	Statistics SA (Census figures 2001& 2011)	1,973	3,447	1,840	1,114	739	338	154	102	76	76
R1 - R1 600		Statistics SA (Census figures 2001& 2011)	5,090	12,608	7,595	3,696	1,982	72	3	1	1	1
R1 601 - R3 200		Statistics SA (Census figures 2001& 2011)	17,045	20,518	23,402	17,765	16,535	15,134	13,852	12,893	11,100	11,100
R3 201 - R6 400		Statistics SA (Census figures 2001& 2011)	12,600	14,198	20,226	18,530	18,007	17,479	16,967	16,488	15,461	15,461
R6 401 - R12 800		Statistics SA (Census figures 2001& 2011)	12,998	16,117	19,220	20,865	21,124	21,156	21,168	21,451	22,176	22,176
R12 801 - R25 600		Statistics SA (Census figures 2001& 2011)	6,609	8,931	13,291	15,957	17,368	18,665	20,059	21,831	23,869	23,869
R25 601 - R51 200		Statistics SA (Census figures 2001& 2011)	4,369	4,864	8,138	10,481	11,156	11,828	12,541	13,349	14,910	14,910
R52 201 - R102 400		Statistics SA (Census figures 2001& 2011)	4,524	5,018	6,856	8,721	9,220	9,733	10,273	10,862	12,185	12,185
R102 401 - R204 800		Statistics SA (Census figures 2001& 2011)	3,842	3,773	5,555	7,043	7,520	7,992	8,494	9,069	10,165	10,165
R204 801 - R409 600		Statistics SA (Census figures 2001& 2011)	3,274	3,587	4,742	5,871	6,151	6,481	6,828	7,153	7,930	7,930
R409 601 - R819 200		Statistics SA (Census figures 2001& 2011)	2,528	3,586	4,843	5,718	6,016	6,265	6,524	6,864	7,398	7,398
> R819 200		Statistics SA (Census figures 2001& 2011)	2,171	5,516	10,210	13,295	13,989	14,795	15,665	16,507	18,989	18,989
Poverty profiles (no. of households)												
< R2 060 per household per month	13											
Insert description	2											

Amajuba District Municipality

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Household/demographics (000)												
Number of people in municipal area		Statistics SA (Census figures 2001& 2011)	431,341	468,040	442,264	502	507	513	518	500	529	529
Number of poor people in municipal area		Statistics SA (Census figures 2001& 2011)	222,265	299,555	301,056	295	303	295	295	298	305	305
Number of households in municipal area		Statistics SA (Census figures 2001& 2011)	77,023	102,161	125,920	128	129	130	130	111	112	112
Number of poor households in municipal area												
Definition of poor household (R per month)												
- Housing statistics												
Formal	3	Statistics SA (Census figures 2001& 2011)	56,321	78,868	102,764	105,317	108,028	109,603	110,993	91,174	91,281	91,560
Informal		Statistics SA (Census figures 2001& 2011)	20,702	23,293	23,156	23,099	21,031	20,205	18,944	19,789	20,229	20,229
Total number of households			77,023	102,161	125,920	128,416	129,059	129,808	129,937	110,963	111,510	111,789
Dwellings provided by municipality	4											
Dwellings provided by province/s												
Dwellings provided by private sector	5											
Total new housing dwellings			-	-	-	-	-	-	-	-	-	-
Economic												
Inflation/inflation outlook (CPIX)	6					3.3%	4.4%	5.9%	5.5%	6.6%	6.2%	5.9%
Interest rate - borrowing												
Interest rate - investment						6.0%	6.0%	6.0%	6.0%	7.0%	7.0%	7.0%
Remuneration increases						7.0%	7.0%	7.0%	7.0%	7.6%	7.2%	5.9%
Consumption growth (electricity)												
Consumption growth (water)						6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Collection rates												
Property tax/service charges	7					75.0%	80.0%	95.0%	75.0%	90.0%	95.0%	95.0%
Rental of facilities & equipment						95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
Interest - external investments						6.0%	6.0%	6.0%	6.0%	7.0%	7.0%	7.0%
Interest - debtors						0.0%	0.0%	0.0%	0.0%	5.0%	5.0%	5.0%
Revenue from agency services												
Detail on the provision of municipal services for A10												
Total municipal services						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	
	Ref.										
		Household service targets (000)									
		<u>Water:</u>									
		Piped water inside dwelling	129,808	129,808	129,808	134,904	134,904	134,904	47,804	48,782	49,521
		Piped water inside yard (but not in dwelling)	129,808	129,808	129,808	134,904	134,904	134,904	36,415	37,546	38,451
8		Using public tap (at least min.service level)	-	-	-	-	-	-	13,066	12,451	11,457
10		Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	259,616	259,616	259,616	269,808	269,808	269,808	97,285	98,779	99,429
9		Using public tap (< min.service level)	5,135	4,517	4,215	5,135	4,517	4,215	5,135	4,517	4,215
10		Other water supply (< min.service level)	8,541	8,214	8,145	8,541	8,214	8,145	8,541	8,214	8,145
		No water supply	-	-	-	-	-	-	-	-	-
		<i>Below Minimum Service Level sub-total</i>	13,676	12,731	12,360	13,676	12,731	12,360	13,676	12,731	12,360
		Total number of households	273,292	272,347	271,976	283,484	282,539	282,168	110,961	111,510	111,789
		<u>Sanitation/sewerage:</u>									
		Flush toilet (connected to sewerage)	51,160	52,145	53,154	51,160	52,145	53,154	51,160	52,145	53,154
		Flush toilet (with septic tank)	2,272	2,141	20,145	2,272	2,141	20,145	2,272	2,141	20,145
		Chemical toilet	6,874	6,547	6,457	6,874	6,547	6,457	6,874	6,547	6,457
		Pit toilet (ventilated)	9,905	9,410	9,214	9,905	9,410	9,214	9,905	9,410	9,214
		Other toilet provisions (> min.service level)	-	-	-	-	-	-	-	-	-
		<i>Minimum Service Level and Above sub-total</i>	70,211	70,243	88,970	70,211	70,243	88,970	70,211	70,243	88,970
		Bucket toilet	753	645	614	753	645	614	753	645	614
		Other toilet provisions (< min.service level)	36,125	36,877	18,551	36,125	36,877	18,551	36,125	36,877	18,551
		No toilet provisions	3,874	3,745	3,654	3,874	3,745	3,654	3,874	3,745	3,654
		<i>Below Minimum Service Level sub-total</i>	40,752	41,267	22,819	40,752	41,267	22,819	40,752	41,267	22,819
		Total number of households	110,963	111,510	111,789	110,963	111,510	111,789	110,963	111,510	111,789
Municipal in-house services			2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Ref.		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
		Household service targets (000)									
		<u>Water:</u>									
		Piped water inside dwelling	129,808	129,808	129,808	134,904	134,904	134,904	47,804	48,782	49,521
		Piped water inside yard (but not in dwelling)	129,808	129,808	129,808	134,904	134,904	134,904	36,415	37,546	38,451
8		Using public tap (at least min.service level)							13,066	12,451	11,457

	10	Other water supply (at least min.service level)							
		<i>Minimum Service Level and Above sub-total</i>	259,616	259,616	259,616	269,808	269,808	269,808	97,285
	9	Using public tap (< min.service level)	5,135	4,517	4,215	5,135	4,517	4,215	5,135
	10	Other water supply (< min.service level)	8,541	8,214	8,145	8,541	8,214	8,145	8,541
		No water supply							
		<i>Below Minimum Service Level sub-total</i>	13,676	12,731	12,360	13,676	12,731	12,360	13,676
		Total number of households	273,292	272,347	271,976	283,484	282,539	282,168	110,961
		<u>Sanitation/sewerage:</u>							
		Flush toilet (connected to sewerage)	51,160	52,145	53,154	51,160	52,145	53,154	51,160
		Flush toilet (with septic tank)	2,272	2,141	20,145	2,272	2,141	20,145	2,272
		Chemical toilet	6,874	6,547	6,457	6,874	6,547	6,457	6,874
		Pit toilet (ventilated)	9,905	9,410	9,214	9,905	9,410	9,214	9,905
		Other toilet provisions (> min.service level)							
		<i>Minimum Service Level and Above sub-total</i>	70,211	70,243	88,970	70,211	70,243	88,970	70,211
		Bucket toilet	753	645	614	753	645	614	753
		Other toilet provisions (< min.service level)	36,125	36,877	18,551	36,125	36,877	18,551	36,125
		No toilet provisions	3,874	3,745	3,654	3,874	3,745	3,654	3,874
		<i>Below Minimum Service Level sub-total</i>	40,752	41,267	22,819	40,752	41,267	22,819	40,752
		Total number of households	110,963	111,510	111,789	110,963	111,510	111,789	111,510

DC25 Amajuba 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
Funding measures	-	-										
Cash/cash equivalents at the year end - R'000	18(1)b	1	2,294	330	148	(25,393)	(16,934)	(16,934)	(16,934)	(27,903)	(41,498)	(55,346)
Cash + investments at the yr end less applications - R'000	18(1)b	2	(79,262)	(43,396)	(56,234)	26,061	(37,245)	(37,245)	(37,245)	(14,625)	7,001	10,297
Cash year end/monthly employee/supplier payments	18(1)b	3	0.3	0.0	0.0	(2.3)	(1.6)	(1.6)	(1.6)	(2.6)	(3.5)	(4.4)
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	(9,722)	(365,894)	7,550	1,516	(18,787)	(18,787)	(18,787)	(10,388)	(13,595)	(13,848)
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(6.0%)	(3.5%)	4.1%	9.3%	(6.0%)	(6.0%)	(6.0%)	1.2%	(0.1%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	53.9%	44.7%	58.7%	86.3%	77.0%	77.0%	77.0%	89.0%	91.2%	91.2%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	0.0%	42.3%	0.0%	9.2%	25.1%	25.1%	25.1%	25.7%	25.7%	25.7%
Capital payments % of capital expenditure	18(1)c;19	8	78.5%	85.7%	100.0%	100.0%	100.0%	100.0%	100.0%	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.	13.8%	141.5%	5.8%	(12.9%)	0.0%	0.0%	(6.9%)	(3.8%)	(7.9%)
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	1.7%	1.3%	2.3%	1.5%	1.8%	1.8%	1.4%	1.2%	1.1%	1.0%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Supporting indicators												
% incr <i>total service charges (incl prop rates)</i>	18(1)a	-	-	0.0%	2.5%	10.1%	15.3%	0.0%	0.0%	0.0%	7.2%	5.9%
% incr Property Tax	18(1)a	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - electricity revenue	18(1)a	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - water revenue	18(1)a	-	-	0.0%	0.7%	7.8%	18.4%	0.0%	0.0%	0.0%	7.2%	5.9%
% incr Service charges - sanitation revenue	18(1)a	-	-	0.0%	13.7%	22.9%	0.0%	0.0%	0.0%	0.0%	7.2%	5.9%
% incr Service charges - refuse revenue	18(1)a	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr in Service charges - other	18(1)a	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18(1)a	-	17,424	17,863	19,666	22,666	22,666	22,666	22,666	22,666	24,298	25,732
Service charges		-	17,424	17,863	19,666	22,666	22,666	22,666	22,666	22,666	24,298	25,732
Property rates		-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue		-	15,004	15,111	16,284	19,284	19,284	19,284	19,284	19,284	20,672	21,892
Service charges - sanitation revenue		-	2,420	2,752	3,382	3,382	3,382	3,382	3,382	3,382	3,626	3,840
Service charges - refuse removal		-	-	-	-	-	-	-	-	-	-	-
Service charges - other		-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		265	288	287	314	250	250	250	250	200	200	200
Capital expenditure excluding capital grant funding		4,535	328,815	-	8,717	5,380	5,380	5,380	5,380	-	-	-
Cash receipts from ratepayers	18(1)a	492	12,319	16,795	29,499	24,566	24,566	24,566	24,566	24,379	26,786	28,346
Ratepayer & Other revenue	18(1)a	913	27,557	28,625	34,194	31,922	31,922	31,922	31,922	27,383	29,383	31,096
Change in consumer debtors (current and non-current)		7,148	1,432	16,739	1,644	(2,247)	(2,247)	(2,247)	(2,247)	(5,704)	(919)	(1,868)
Operating and Capital Grant Revenue	18(1)a	185,675	178,915	218,951	190,422	193,820	193,820	193,820	193,820	224,639	232,338	278,533
Capital expenditure - total	20(1)(vi)	8,315	328,815	40,445	70,515	69,324	69,324	69,324	69,324	91,041	89,365	125,340
Capital expenditure - renewal	20(1)(vi)	-	-	-	-	-	-	-	-	-	-	-
Supporting benchmarks												
Growth guideline maximum		6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline		4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
DoRA operating grants total MFY												

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DoRA capital grants total MFY												
Provincial operating grants												
Provincial capital grants												
District Municipality grants												
Total gazetted/advised national, provincial and district grants										-	-	-
Average annual collection rate (arrears inclusive)												

Trend

Change in consumer debtors (current and non-current) 7,148 1,432 16,739 (2,247) (5,704) (919) (1,868) - - -

Total Operating Revenue			180,528	200,664	209,574	163,168	162,198	162,198	162,198	161,781	173,214	185,197
Total Operating Expenditure			190,250	566,557	202,024	161,652	180,985	180,985	180,985	172,169	186,809	199,045
Operating Performance Surplus/(Deficit)			(9,722)	(365,894)	7,550	1,516	(18,787)	(18,787)	(18,787)	(10,388)	(13,595)	(13,848)
Cash and Cash Equivalents (30 June 2012)										(27,903)		
Revenue												
% Increase in Total Operating Revenue				11.2%	4.4%	(22.1%)	(0.6%)	0.0%	0.0%	(0.3%)	7.1%	6.9%
% Increase in Property Rates Revenue				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Increase in Electricity Revenue				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Increase in Property Rates & Services Charges				0.0%	2.5%	10.1%	15.3%	0.0%	0.0%	0.0%	7.2%	5.9%
Expenditure												
% Increase in Total Operating Expenditure				197.8%	(64.3%)	(20.0%)	12.0%	0.0%	0.0%	(4.9%)	8.5%	6.5%
% Increase in Employee Costs				69.1%	5.1%	12.0%	(12.9%)	0.0%	0.0%	11.5%	7.2%	5.9%
% Increase in Electricity Bulk Purchases				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Average Cost Per Budgeted Employee Position (Remuneration)					402817.2389	383215.2793				400494.6411		
Average Cost Per Councillor (Remuneration)					172813.4	228337.4754				206953.3152		
R&M % of PPE			1.7%	1.3%	2.3%	1.5%	1.8%	1.8%		1.2%	1.1%	1.0%
Asset Renewal and R&M as a % of PPE			2.0%	1.0%	2.0%	2.0%	2.0%	2.0%		1.0%	1.0%	1.0%
Debt Impairment % of Total Billable Revenue			0.0%	42.3%	0.0%	9.2%	25.1%	25.1%	25.1%	25.7%	25.7%	25.7%
Capital Revenue												
Internally Funded & Other (R'000)			4,535	328,815	-	1,080	5,380	5,380	5,380	-	-	-
Borrowing (R'000)			-	-	-	7,637	-	-	-	-	-	-
Grant Funding and Other (R'000)			3,780	-	40,445	61,798	63,944	63,944	63,944	91,041	89,365	125,340

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Internally Generated funds % of Non Grant Funding			100.0%	100.0%	0.0%	12.4%	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%
Borrowing % of Non Grant Funding			0.0%	0.0%	0.0%	87.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grant Funding % of Total Funding			45.5%	0.0%	100.0%	87.6%	92.2%	92.2%	92.2%	100.0%	100.0%	100.0%
Capital Expenditure												
Total Capital Programme (R'000)			8,315	328,815	40,445	70,515	69,324	69,324	69,324	91,041	89,365	125,340
Asset Renewal			-	-	-	-	-	-	-	-	-	-
Asset Renewal % of Total Capital Expenditure			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cash												
Cash Receipts % of Rate Payer & Other			53.9%	44.7%	58.7%	86.3%	77.0%	77.0%	77.0%	89.0%	91.2%	91.2%
Cash Coverage Ratio			0	0	0	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Borrowing												
Credit Rating (2009/10)										0		
Capital Charges to Operating			0.0%	(1.5%)	0.6%	2.3%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%
Borrowing Receipts % of Capital Expenditure			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Reserves												
Surplus/(Deficit)			(79,262)	(43,396)	(56,234)	26,061	(37,245)	(37,245)	(37,245)	(14,625)	7,001	10,297
Free Services												
Free Basic Services as a % of Equitable Share			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Free Services as a % of Operating Revenue (excl operational transfers)			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
High Level Outcome of Funding Compliance												
Total Operating Revenue			180,528	200,664	209,574	163,168	162,198	162,198	162,198	161,781	173,214	185,197
Total Operating Expenditure			190,250	566,557	202,024	161,652	180,985	180,985	180,985	172,169	186,809	199,045
Surplus/(Deficit) Budgeted Operating Statement			(9,722)	(365,894)	7,550	1,516	(18,787)	(18,787)	(18,787)	(10,388)	(13,595)	(13,848)
Surplus/(Deficit) Considering Reserves and Cash Backing			(79,262)	(43,396)	(56,234)	26,061	(37,245)	(37,245)	(37,245)	(14,625)	7,001	10,297
MTREF Funded (1) / Unfunded (0)	15		0	0	0	1	0	0	0	0	1	1
MTREF Funded ✓ / Unfunded ✗	15		✗	✗	✗	✓	✗	✗	✗	✗	✓	✓

DC25 Amajuba - 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
Water tariffs									
<i>Domestic</i>									
Basic charge/ fixed fee (Rands/month)						38	40	42	42
Service point - vacant land (Rands/month)		Residential				110	117	124	124
Water usage - flat rate tariff (c/kl)		0 - 6 kl	FREE	FREE	FREE	FREE	925	981	1,040
Water usage - life line tariff		7 - 20 kl	673	673	673	961	1,017	1,080	1,146
Water usage - Block 1 (c/kl)		21 - 40 kl	767	767	767	1,057	1,120	1,188	1,259
Water usage - Block 2 (c/kl)		41 - 60 kl	793	793	793	1,215	1,288	1,365	1,448
Water usage - Block 3 (c/kl)		Above 61 kl	819	819	819	1,398	1,482	1,571	1,665
Water usage - Block 4 (c/kl)		(fill in thresholds)							
<i>Other</i>									
Waste water tariffs									
<i>Domestic</i>									
Basic charge/ fixed fee (Rands/month)			5	5	5	72	77	81	81
Service point - vacant land (Rands/month)			110	110	110	110	117	124	124
Waste water - flat rate tariff (c/kl)			397	397	397	565	599	635	635
<i>Other</i>									

DC25 Amajuba - Supporting Table SA13b Service Tariffs by category - explanatory

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
Water tariffs									
0 - 6 kl		0 - 6 kl	FREE	FREE	FREE	FREE	925	981	1,040
7 - 20 kl		7 - 20 kl	673	673	673	961	1,017	1,080	1,146
21 - 40 kl		21 - 40 kl	767	767	767	1,057	1,120	1,188	1,259
41 - 60 kl		41 - 60 kl	793	793	793	1,215	1,288	1,365	1,448
Above 61 kl		Above 61 kl	819	819	819	1,398	1,482	1,571	1,665
Waste water tariffs									
Basic charge/ fixed fee (Rands/month)		(fill in structure)	5	5	5	72	77	81	81
Service point - vacant land (Rands/month)		(fill in structure)	110	110	110	110	117	124	124
Waste water - flat rate tariff (c/kl)		(fill in structure)	397	397	397	565	599	635	635

DC25 Amajuba - Supporting Table SA14 Household bills

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 % incr.	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Rand/cent											
<u>Monthly Account for Household - 'Middle Income Range'</u>	1										
Rates and services charges:											
Water: Basic levy		34.37	34.37	34.37	37.81	37.81	37.81	6.0%	40.07	42.48	45.03
Water: Consumption		100.44	161.78	170.92	170.92	170.92	170.92	6.0%	192.05	203.57	203.57
Sanitation		64.20	97.20	102.60	102.60	102.60	102.60	6.0%	115.28	122.20	122.20
sub-total		199.01	293.35	307.89	311.33	311.33	311.33	11.6%	347.40	368.24	370.79
VAT on Services		23.05	36.26	38.29	38.29	38.29	38.29	14.0%	43.03	45.61	45.61
Total large household bill:		222.06	329.61	346.18	349.62	349.62	349.62	11.7%	390.43	413.85	416.40
% increase/-decrease			48.4%	5.0%	1.0%	-	-	11.7%	6.0%	0.6%	
<u>Monthly Account for Household - 'Affordable Range'</u>	2										
Rates and services charges:											
Water: Basic levy		34.37	34.37	34.37	37.81	37.81	37.81	6.0%	40.07	42.48	45.03
Water: Consumption		54.26	81.00	85.50	85.50	85.50	85.50	6.0%	96.07	101.83	107.94
Sanitation		64.20	97.20	102.60	102.60	102.60	102.60	6.0%	115.28	122.20	129.53
sub-total		152.83	212.57	222.47	225.91	225.91	225.91	11.3%	251.42	266.51	282.50
VAT on Services											
Total small household bill:		152.83	212.57	222.47	225.91	225.91	225.91	11.3%	251.42	266.51	282.50
% increase/-decrease			39.1%	4.7%	1.5%	-	-	11.3%	6.0%	6.0%	
				-0.88	-0.67	-1.00	-				
<u>Monthly Account for Household - 'Indigent' Household receiving free basic services</u>	3										
Rates and services charges:											
Water: Basic levy		34.37	34.37	34.37	37.81	37.81	37.81	6.0%	40.07	42.48	45.03
Water: Consumption		40.38	40.38	40.38	40.38	40.38	40.38	5,075.3%	42.80	45.37	48.09
Sanitation		40.38	40.38	40.38	40.38	40.38	40.38	5,075.3%	42.80	45.37	48.09

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	sub-total	115.13	115.13	115.13	118.57	118.57	118.57	6.0%	125.68	133.22	141.21
VAT on Services		5.65	5.65	5.65	5.65	5.65	5.65			6.35	6.73
Total small household bill:		120.78	120.78	120.78	124.22	124.22	124.22	1.2%	125.68	139.57	147.95
% increase/-decrease			-	-	2.8%	-	-		1.2%	11.1%	6.0%

DC25 Amajuba - Supporting Table SA15 Investment particulars by type

Investment type	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										
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		2,663	132	139	8,000	-	-	6,000	2,000	2,000
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	2,663	132	139	8,000	-	-	6,000	2,000	2,000
Entities										
Consolidated total:		2,663	132	139	8,000	-	-	6,000	2,000	2,000

DC25 Amajuba - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Parent municipality								
ABSA - 32 Days Notice			32 Day Notice					-
Absa			Daily Call	-			6,000	6,000
Standard			32 Day Notice	139	-	(139)	-	-
First National Bank			3 Month Notice					-
								-
								-
Municipality sub-total				139		(139)	6,000	6,000
Entities								
								-
								-
								-
								-
								-
								-
Entities sub-total				-		-	-	-
TOTAL INVESTMENTS AND INTEREST	1			139		(139)	6,000	6,000

DC25 Amajuba - Supporting Table SA17 Borrowing

Borrowing - Categorised by type 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
<u>Parent municipality</u>										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)		-	9,687	8,871	-	9,975	9,975	9,226	8,409	7,545
Other Securities										
Municipality sub-total	1	-	9,687	8,871	-	9,975	9,975	9,226	8,409	7,545
<u>Entities</u>										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)										
Other Securities										
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Borrowing	1	-	9,687	8,871	-	9,975	9,975	9,226	8,409	7,545

Unspent Borrowing - Categorised by type	Ref	2012/13	2013/14	2014/15	Current Year 2015/16	2016/17 Medium Term Revenue & Expenditure Framework
<u>Parent municipality</u>						
Other Securities						
Municipality sub-total	1	-	-	-	-	-
<u>Entities</u>						
Other Securities						
Entities sub-total	1	-	-	-	-	-
Total Unspent Borrowing	1	-	-	-	-	-

DC25 Amajuba - 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
RECEIPTS:	1, 2									
- <u>Operating Transfers and Grants</u>										
National Government:		98,319	111,431	118,115	128,374	129,626	129,626	133,198	142,473	152,693
Local Government Equitable Share		44,413	52,618	55,797	60,132	60,132	60,132	63,222	68,209	73,303
RSC Levy Replacement		47,630	51,917	56,588	60,795	60,795	60,795	65,938	71,128	77,635
Finance Management		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,755
Municipal Systems Improvement		1,000	890	934	940	940	940	1,041	1,636	
Water Services Operating Subsidy		1,000	1,800		3,000	3,000	3,000			
EPWP Incentive		1,000	1,000	1,276	-	1,252	1,252	1,497	-	-
Rural Transport Grant		1,776	1,706	2,020	2,007	2,007	2,007			
Provincial Government:		2,524	-	1,000	250	250	250	400	500	500
Sport and Recreation		1,050								
Health subsidy										
Shared Services Grant		1,474		1,000	250	250	250	400	500	500
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Other grant providers:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Total Operating Transfers and Grants	5	100,843	111,431	119,115	128,624	129,876	129,876	133,598	142,973	153,193

Capital Transfers and Grants										
National Government:		63,420	67,524	64,551	59,944	59,944	59,944	91,041	89,365	125,340
Municipal Infrastructure Grant (MIG)		49,992	51,962	41,650	40,119	40,119	40,119	39,577	42,664	44,998
Regional Bulk Infrastructure				8,482						
Rural Households Infrastructure			4,000	2,379						
Rural Households Infrastructure			1,078							
Rural Transport Services and Infrastructure							2,064	2,201	2,342	
Municipal Water Infrastructure Grant (MWIG)		13,428	10,484	12,040	19,825	19,825	19,825	49,400	44,500	78,000
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Capital Transfers and Grants	5	63,420	67,524	64,551	59,944	59,944	59,944	91,041	89,365	125,340
TOTAL RECEIPTS OF TRANSFERS & GRANTS		164,263	178,955	183,666	188,568	189,820	189,820	224,639	232,338	278,533

DC25 Amajuba - 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
EXPENDITURE:	1									
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		98,319	111,431	118,115	128,374	129,626	129,626	133,198	142,473	152,693
Local Government Equitable Share		44,413	52,618	55,797	60,132	60,132	60,132	63,222	68,209	73,303
RSC Levy Replacement		47,630	51,917	56,588	60,795	60,795	60,795	65,938	71,128	77,635
Finance Management		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,755
Municipal Systems Improvement		1,000	890	934	940	940	940	1,041	1,636	
Water Services Operating Subsidy		1,000	1,800		3,000	3,000	3,000			
EPWP Incentive		1,000	1,000	1,276	-	1,252	1,252	1,497	-	-
Rural Transport Grant		1,776	1,706	2,020	2,007	2,007	2,007			
Provincial Government:		2,524	-	1,000	250	250	250	400	500	500
Sport and Recreation		1,050								
Health subsidy										
Shared Services Grant		1,474		1,000	250	250	250	400	500	500
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Other grant providers:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Total operating expenditure of Transfers and Grants:		100,843	111,431	119,115	128,624	129,876	129,876	133,598	142,973	153,193
<u>Capital expenditure of Transfers and Grants</u>										

National Government:	63,420	67,524	64,551	59,944	63,944	63,944	91,041	89,365	125,340
Municipal Infrastructure Grant (MIG)	49,992	51,962	41,650	40,119	40,119	40,119	39,577	42,664	44,998
Regional Bulk Infrastructure			8,482						
Rural Households Infrastructure		4,000	2,379		4,000	4,000			
Rural Households Infrastructure		1,078							
Rural Transport Services and Infrastructure	-						2,064	2,201	2,342
Municipal Water Infrastructure Grant (MWIG)	13,428	10,484	12,040	19,825	19,825	19,825	49,400	44,500	78,000
Provincial Government:	-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]									
District Municipality:	-	-	-	-	-	-	-	-	-
[insert description]									
Other grant providers:	-	-	-	-	-	-	-	-	-
[insert description]									
Total capital expenditure of Transfers and Grants	63,420	67,524	64,551	59,944	63,944	63,944	91,041	89,365	125,340
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	164,263	178,955	183,666	188,568	193,820	193,820	224,639	232,338	278,533

DC25 Amajuba - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

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										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		177,361	173,231	177,558	128,374	129,626	129,626	133,198	142,473	152,693
Conditions met - transferred to revenue		177,361	172,390	177,558	128,374	129,626	129,626	133,198	142,473	152,693
Conditions still to be met - transferred to liabilities			841							
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts		-	-	1,000	250	250	250	400	500	500
Conditions met - transferred to revenue		-	-	948	250	250	250	400	500	500
Conditions still to be met - transferred to liabilities				52						
Total operating transfers and grants revenue		177,361	172,390	178,506	128,624	129,876	129,876	133,598	142,973	153,193
Total operating transfers and grants - CTBM	2	-	841	52	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		3,780	21,797	47,203	61,798	63,944	63,944	91,041	89,365	125,340
Conditions met - transferred to revenue		3,780	-	40,445	61,798	63,944	63,944	91,041	89,365	125,340
Conditions still to be met - transferred to liabilities			21,797	6,758						
Total capital transfers and grants revenue		3,780	-	40,445	61,798	63,944	63,944	91,041	89,365	125,340
Total capital transfers and grants - CTBM	2	-	21,797	6,758	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		181,141	172,390	218,951	190,422	193,820	193,820	224,639	232,338	278,533
TOTAL TRANSFERS AND GRANTS - CTBM		-	22,639	6,810	-	-	-	-	-	-

DC25 Amajuba - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration 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
- Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		4,220	4,205	4,320	5,708	5,174	5,174	5,174	5,546	5,874
Pension and UIF Contributions										
Medical Aid Contributions										
Motor Vehicle Allowance										
Cellphone Allowance										
Housing Allowances										
Other benefits and allowances										
Sub Total - Councillors		4,220	4,205	4,320	5,708	5,174	5,174	5,174	5,546	5,874
% increase	4		(0.4%)	2.8%	32.1%	(9.4%)	-	-	7.2%	5.9%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		2,756	6,129	3,932	6,861	6,861	6,861	6,317	6,772	7,171
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus					961	961	961	884	948	1,004
Motor Vehicle Allowance	3			742						
Cellphone Allowance	3				108	108	108	108	108	108
Housing Allowances	3									
Other benefits and allowances	3			694						
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Municipality		2,756	6,129	5,368	7,929	7,929	7,929	7,309	7,828	8,283
% increase	4		122.4%	(12.4%)	47.7%	-	-	(7.8%)	7.1%	5.8%
Other Municipal Staff										
Basic Salaries and Wages		24,952	38,017	42,063	50,793	37,661	37,661	43,301	46,419	49,158

Pension and UIF Contributions		2,810	4,911	5,880	5,751	6,374	6,374	6,859	7,353	7,787
Medical Aid Contributions		1,324	2,255	2,705	2,292	3,015	3,015	3,244	3,477	3,683
Overtime		811	3,673	4,668	1,090	4,094	4,094	4,120	4,417	4,677
Performance Bonus		2,392	3,893	4,031	4,594	3,839	3,839	4,280	4,588	4,859
Motor Vehicle Allowance	3	4,562	4,890	4,784	4,153	5,565	5,565	5,988	6,419	6,798
Cellphone Allowance	3		-		685	635	635	691	749	799
Housing Allowances	3	154	190	205	404	415	415	446	479	507
Other benefits and allowances	3		527	1,022	1,189	1,263	1,263	2,659	2,851	3,019
Payments in lieu of leave		1,042	4,510	1,781						
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Other Municipal Staff		38,046	62,865	67,139	70,950	62,861	62,861	71,588	76,750	81,285
% increase	4		65.2%	6.8%	5.7%	(11.4%)	-	13.9%	7.2%	5.9%
Total Parent Municipality		45,022	73,199	76,827	84,587	75,964	75,964	84,071	90,124	95,442
			62.6%	5.0%	10.1%	(10.2%)	-	10.7%	7.2%	5.9%
TOTAL SALARY, ALLOWANCES & BENEFITS		45,022	73,199	76,827	84,587	75,964	75,964	84,071	90,124	95,442
% increase	4		62.6%	5.0%	10.1%	(10.2%)	-	10.7%	7.2%	5.9%
TOTAL MANAGERS AND STAFF	5,7	40,802	68,994	72,507	78,879	70,790	70,790	78,897	84,578	89,568

DC25 Amajuba - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions 1.	Allowances	Performance Bonuses	In-kind benefits	Total Package 2.
Rand per annum								
Councillors	3							
Speaker	4	1	629,647		20,868			650,515
Chief Whip								-
Executive Mayor		1	787,061		20,868			807,929
Deputy Executive Mayor		1	401,166					401,166
Executive Committee		3	1,059,180		22,428			1,081,608
Total for all other councillors		19	2,065,671		166,944			2,232,615
Total Councillors	8	25	4,942,725	-	231,108			5,173,833
Senior Managers of the Municipality	5							
Municipal Manager (MM)		1	1,511,507	-	18,000	211,611		1,741,118
Chief Finance Officer		1	821,361		18,000	114,991		954,352
Directorate-Corporate Services		1	860,586		18,000	120,482		999,068
Directorate-Economic Development and Planning Services		1	1,042,939		18,000	146,011		1,206,951
Directorate Community Services		1	1,039,673		18,000	145,554		1,203,227
Directorate Engineering Services		1	1,040,770		18,000	145,708		1,204,477
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	31	11,259,560	-	339,108	884,357		12,483,025

DC25 Amajuba - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2014/15			Current Year 2015/16			Budget Year 2016/17		
		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)		25	-	25	25	-	25	25		25
Municipal employees	5									
Municipal Manager and Senior Managers	3	6		6	6		6	6		6
Other Managers	7									
Professionals		93	88	5	124	116	8	107	101	5
<i>Finance</i>		23	18	5	28	23	5	23	17	5
<i>Spatial/town planning</i>		-	-		17	17	-	13	13	-
<i>Information Technology</i>		2	2	-	3	2	1	2	2	-
<i>Water</i>		68	68	-	76	74	2	69	69	-
<i>Sanitation</i>										
Technicians		81	81	-	82	72	10	84	80	4
<i>Water</i>										
<i>Sanitation</i>										
<i>Refuse</i>										
<i>Other</i>		81	81		82	72	10	84	80	4
Clerks (Clerical and administrative)										
TOTAL PERSONNEL NUMBERS	9	205	169	36	237	188	49	222	181	40
% increase					15.6%	11.2%	36.1%	(6.3%)	(3.7%)	(18.4%)
Total municipal employees headcount	6, 10									
Finance personnel headcount	8, 10									
Human Resources personnel headcount	8, 10									

DC25 Amajuba - Supporting Table SA25 Budgeted monthly revenue and expenditure

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
R thousand																
Revenue By Source	-															
Service charges - water revenue		1,607	1,607	1,607	1,607	1,607	1,607	1,607	1,607	1,607	1,607	1,607	1,607	19,284	20,672	21,892
Service charges - sanitation revenue		282	282	282	282	282	282	282	282	282	282	282	282	3,382	3,626	3,840
Rental of facilities and equipment		17	17	17	17	17	17	17	17	17	17	17	17	200	200	200
Interest earned - external investments		67	67	67	67	67	67	67	67	67	67	67	67	800	858	908
Interest earned - outstanding debtors		202	202	202	202	202	202	202	202	202	202	202	202	2,423	2,597	2,751
Transfers recognised - operational		11,133	11,133	11,133	11,133	11,133	11,133	11,133	11,133	11,133	11,133	11,133	11,133	133,598	142,973	153,193
Other revenue		175	175	175	175	175	175	175	175	175	175	175	175	2,095	2,288	2,414
Gains on disposal of PPE														-	-	-
Total Revenue (excluding capital transfers and contributions)		13,482	13,482	13,482	13,482	13,482	13,482	13,482	13,482	13,482	13,482	13,482	13,482	161,781	173,214	185,197
Expenditure By Type	-															
Employee related costs		6,575	6,575	6,575	6,575	6,575	6,575	6,575	6,575	6,575	6,575	6,575	6,575	78,897	84,578	89,568
Remuneration of councillors		431	431	431	431	431	431	431	431	431	431	431	431	5,174	5,546	5,874
Debt impairment		485	485	485	485	485	485	485	485	485	485	485	485	5,820	6,239	6,607
Depreciation & asset impairment		2,197	2,197	2,197	2,197	2,197	2,197	2,197	2,197	2,197	2,197	2,197	2,197	26,367	28,265	28,933
Finance charges		63	63	63	63	63	63	63	63	63	63	63	63	762	816	865
Bulk purchases		1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	20,000	21,440	22,705
Other materials														-	-	-
Contracted services		863	863	863	863	863	863	863	863	863	863	863	863	10,350	11,807	14,818
Transfers and grants														-	-	-
Other expenditure		2,067	2,067	2,067	2,067	2,067	2,067	2,067	2,067	2,067	2,067	2,067	2,067	24,799	28,117	29,675
Loss on disposal of PPE														-	-	-
Total Expenditure		14,347	14,347	14,347	14,347	14,347	14,347	14,347	14,347	14,347	14,347	14,347	14,347	172,169	186,809	199,045
Surplus/(Deficit)		(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(10,388)	(13,595)	(13,848)
Transfers recognised - capital		7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	91,041	89,365	125,340
Contributions recognised - capital														-	-	-
Contributed assets		(7,587)	(7,587)	(7,587)	(7,587)	(7,587)	(7,587)	(7,587)	(7,587)	(7,587)	(7,587)	(7,587)	(7,587)	(91,041)	(89,365)	(125,340)

Surplus/(Deficit) after capital transfers & contributions		(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(10,388)	(13,595)	(13,848)
Surplus/(Deficit)	1	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(10,388)	(13,595)	(13,848)

DC25 Amajuba - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

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
Revenue by Vote																
Vote 1 - COUNCIL SUPPORT AND EXECUTIVE COMMITTEE		1,168	1,168	1,168	1,168	1,168	1,168	1,168	1,168	1,168	1,168	1,168	1,168	14,021	15,127	16,257
Vote 2 - DIRECTORATE :MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - DIRECTORATE:BUDGET AND TREASURY		5,775	5,775	5,775	5,775	5,775	5,775	5,775	5,775	5,775	5,775	5,775	5,775	69,295	75,139	80,316
Vote 4 - DIRECTORATE:CORPORATE SERVICES		7	7	7	7	7	7	7	7	7	7	7	7	84	90	95
Vote 5 - DIRECTORATE:COMMUNITY SERVICES		17	17	17	17	17	17	17	17	17	17	17	17	200	200	200
Vote 6 - DIRECTORATE:COMMUNITY SERVICES		536	536	536	536	536	536	536	536	536	536	536	536	6,432	6,939	7,457
Vote 9 - DIRECTORATE:ECONOMIC DEVELOPMENT AND PLANNING		33	33	33	33	33	33	33	33	33	33	33	33	400	500	500
Vote 10 - DIRECTORATE:ENGINEERING SERVICES		125	125	125	125	125	125	125	125	125	125	125	125	1,497	-	-
Vote 11 - DIRECTORATE:ENGINEERING SERVICES		5,821	5,821	5,821	5,821	5,821	5,821	5,821	5,821	5,821	5,821	5,821	5,821	69,854	75,220	80,373
Total Revenue by Vote		13,482	13,482	13,482	13,482	13,482	13,482	13,482	13,482	13,482	13,482	13,482	13,482	161,781	173,214	185,197
Expenditure by Vote to be appropriated																
Vote 1 - COUNCIL SUPPORT AND EXECUTIVE COMMITTEE		440	440	440	440	440	440	440	440	440	440	440	440	5,284	5,664	5,998
Vote 2 - DIRECTORATE :MUNICIPAL MANAGER		765	765	765	765	765	765	765	765	765	765	765	765	9,174	9,835	10,415
Vote 3 - DIRECTORATE:BUDGET AND TREASURY		1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	15,157	16,660	16,077
Vote 4 - DIRECTORATE:CORPORATE SERVICES		1,865	1,865	1,865	1,865	1,865	1,865	1,865	1,865	1,865	1,865	1,865	1,865	22,376	23,987	25,402
Vote 5 - DIRECTORATE:COMMUNITY SERVICES		478	478	478	478	478	478	478	478	478	478	478	478	5,735	6,148	6,511
Vote 6 - DIRECTORATE:COMMUNITY SERVICES		288	288	288	288	288	288	288	288	288	288	288	288	3,451	3,700	3,918
Vote 7 - DIRECTORATE:COMMUNITY SERVICES		60	60	60	60	60	60	60	60	60	60	60	60	725	777	823
Vote 8 - DIRECTORATE:COMMUNITY SERVICES		405	405	405	405	405	405	405	405	405	405	405	405	4,860	5,210	5,517
Vote 9 - DIRECTORATE:ECONOMIC DEVELOPMENT AND PLANNING		939	939	939	939	939	939	939	939	939	939	939	939	11,274	12,664	14,558
Vote 10 - DIRECTORATE:ENGINEERING SERVICES		934	934	934	934	934	934	934	934	934	934	934	934	11,209	12,612	13,367
Vote 11 - DIRECTORATE:ENGINEERING SERVICES		6,910	6,910	6,910	6,910	6,910	6,910	6,910	6,910	6,910	6,910	6,910	6,910	82,925	89,553	96,458
Total Expenditure by Vote		14,347	14,347	14,347	14,347	14,347	14,347	14,347	14,347	14,347	14,347	14,347	14,347	172,169	186,809	199,045
Surplus/(Deficit) before assoc.		(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(10,388)	(13,595)	(13,848)

Surplus/(Deficit)	1	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(10,388)	(13,595)	(13,848)
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DC25 Amajuba - 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
Revenue - Standard	-															
<i>Governance and administration</i>		6,950	6,950	6,950	6,950	6,950	6,950	6,950	6,950	6,950	6,950	6,950	6,950	83,399	90,355	96,668
Executive and council		1,168	1,168	1,168	1,168	1,168	1,168	1,168	1,168	1,168	1,168	1,168	1,168	14,021	15,127	16,257
Budget and treasury office		5,775	5,775	5,775	5,775	5,775	5,775	5,775	5,775	5,775	5,775	5,775	5,775	69,295	75,139	80,316
Corporate services		7	7	7	7	7	7	7	7	7	7	7	7	84	90	95
<i>Community and public safety</i>		553	553	553	553	553	553	553	553	553	553	553	553	6,632	7,139	7,657
Community and social services		17	17	17	17	17	17	17	17	17	17	17	17	200	200	200
Health		536	536	536	536	536	536	536	536	536	536	536	536	6,432	6,939	7,457
<i>Economic and environmental services</i>		158	158	158	158	158	158	158	158	158	158	158	158	1,897	500	500
Planning and development		33	33	33	33	33	33	33	33	33	33	33	33	400	500	500
Road transport		125	125	125	125	125	125	125	125	125	125	125	125	1,497	-	-
<i>Trading services</i>		5,821	5,821	5,821	5,821	5,821	5,821	5,821	5,821	5,821	5,821	5,821	5,821	69,854	75,220	80,373
Water		5,821	5,821	5,821	5,821	5,821	5,821	5,821	5,821	5,821	5,821	5,821	5,821	69,854	75,220	80,373
Total Revenue - Standard		13,482	13,482	13,482	13,482	13,482	13,482	13,482	13,482	13,482	13,482	13,482	13,482	161,781	173,214	185,197
			14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700				
Expenditure - Standard	-															
<i>Governance and administration</i>		4,333	4,333	4,333	4,333	4,333	4,333	4,333	4,333	4,333	4,333	4,333	4,333	51,991	56,146	57,893
Executive and council		1,205	1,205	1,205	1,205	1,205	1,205	1,205	1,205	1,205	1,205	1,205	1,205	14,458	15,499	16,414
Budget and treasury office		1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	1,263	15,157	16,660	16,077
Corporate services		1,865	1,865	1,865	1,865	1,865	1,865	1,865	1,865	1,865	1,865	1,865	1,865	22,376	23,987	25,402
<i>Community and public safety</i>		1,231	1,231	1,231	1,231	1,231	1,231	1,231	1,231	1,231	1,231	1,231	1,231	14,771	15,835	16,769
Community and social services		538	538	538	538	538	538	538	538	538	538	538	538	6,460	6,926	7,334
Public safety		405	405	405	405	405	405	405	405	405	405	405	405	4,860	5,210	5,517
Health		288	288	288	288	288	288	288	288	288	288	288	288	3,451	3,700	3,918
<i>Economic and environmental services</i>		1,874	1,874	1,874	1,874	1,874	1,874	1,874	1,874	1,874	1,874	1,874	1,874	22,482	25,276	27,925
Planning and development		939	939	939	939	939	939	939	939	939	939	939	939	11,274	12,664	14,558
Road transport		934	934	934	934	934	934	934	934	934	934	934	934	11,209	12,612	13,367
<i>Trading services</i>		6,910	6,910	6,910	6,910	6,910	6,910	6,910	6,910	6,910	6,910	6,910	6,910	82,925	89,553	96,458

Electricity													-	-	-	-
Water		6,910	6,910	6,910	6,910	6,910	6,910	6,910	6,910	6,910	6,910	6,910	6,910	82,925	89,553	96,458
Total Expenditure - Standard		14,347	14,347	14,347	14,347	14,347	14,347	14,347	14,347	14,347	14,347	14,347	14,347	172,169	186,809	199,045
Surplus/(Deficit) before assoc.		(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(10,388)	(13,595)	(13,848)
Share of surplus/ (deficit) of associate														-	-	-
Surplus/(Deficit)	1	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(866)	(10,388)	(13,595)	(13,848)

DC25 Amajuba - 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>																
Vote 11 - DIRECTORATE:ENGINEERING SERVICES	1	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	91,041	89,365	125,340
Capital multi-year expenditure sub-total	2	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	91,041	89,365	125,340
Total Capital Expenditure	2	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	91,041	89,365	125,340

DC25 Amajuba - 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
Capital Expenditure - Standard																
<i>Governance and administration</i>	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	91,041	89,365	125,340
Electricity														-	-	-
Water		7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	91,041	89,365	125,340
Waste water management														-	-	-
<i>Other</i>														-	-	-
Total Capital Expenditure - Standard	2	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	91,041	89,365	125,340
Funded by:																
National Government		7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	91,041	89,365	125,340
Provincial Government														-	-	-
District Municipality														-	-	-
Other transfers and grants														-	-	-
Transfers recognised - capital		7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	91,041	89,365	125,340
Public contributions & donations														-	-	-
Borrowing														-	-	-
Internally generated funds														-	-	-
Total Capital Funding		7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	91,041	89,365	125,340

DC25 Amajuba - 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
Cash Receipts By Source													1		
Service charges - water revenue	1,093	1,093	1,093	1,093	1,093	1,093	1,093	1,093	1,093	1,093	1,093	1,093	13,113	20,672	21,892
Service charges - sanitation revenue	192	192	192	192	192	192	192	192	192	192	192	192	2,300	3,626	3,840
Rental of facilities and equipment	17	17	17	17	17	17	17	17	17	17	17	17	200	200	200
Interest earned - external investments	67	67	67	67	67	67	67	67	67	67	67	67	800	858	908
Interest earned - outstanding debtors	202	202	202	202	202	202	202	202	202	202	202	202	2,423	2,597	2,751
Transfer receipts - operational	44,533					44,533				44,533			133,598	142,973	153,193
Other revenue	731	731	731	731	731	731	731	731	731	731	731	731	8,766	2,288	2,414
Cash Receipts by Source	46,833	2,300	2,300	2,300	46,833	2,300	2,300	2,300	46,833	2,300	2,300	2,300	161,200	173,214	185,197
Other Cash Flows by Source															
Transfer receipts - capital	15,256		16,467		13,192		16,467		13,192	16,467			91,041	89,365	125,340
Total Cash Receipts by Source	62,089	2,300	18,767	2,300	60,025	2,300	18,767	2,300	60,025	18,767	2,300	2,300	252,241	262,579	310,537
Cash Payments by Type															
Employee related costs	6,575	6,575	6,575	6,575	6,575	6,575	6,575	6,575	6,575	6,575	6,575	6,575	78,897	84,578	89,568
Remuneration of councillors	431	431	431	431	431	431	431	431	431	431	431	431	5,174	5,546	5,874
Finance charges	63	63	63	63	63	63	63	63	63	63	63	63	762	816	865
Bulk purchases - Water & Sewer	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	20,000	21,440	22,705
Contracted services	863	863	863	863	863	863	863	863	863	863	863	863	10,350	11,807	14,818
Other expenditure	4,749	4,749	4,749	4,749	4,749	4,749	4,749	4,749	4,749	4,749	4,749	4,749	56,986	62,621	65,215
Cash Payments by Type	14,347	14,347	14,347	14,347	14,347	14,347	14,347	14,347	14,347	14,347	14,347	14,347	172,169	186,809	199,045
Other Cash Flows/Payments by Type															
Capital assets	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	7,587	91,041	89,365	125,340
Total Cash Payments by Type	21,934	21,934	21,934	21,934	21,934	21,934	21,934	21,934	21,934	21,934	21,934	21,934	263,210	276,174	324,385
NET INCREASE/(DECREASE) IN CASH HELD	40,155	(19,634)	(3,167)	(19,634)	38,091	(19,634)	(3,167)	(19,634)	38,091	(3,167)	(19,634)	(19,634)	(10,969)	(13,595)	(13,848)
Cash/cash equivalents at the month/year begin:	(16,934)	23,221	3,587	420	(19,214)	18,877	(757)	(3,924)	(23,558)	14,533	11,365	(8,269)	(16,934)	(27,903)	(41,498)
Cash/cash equivalents at the month/year end:	23,221	3,587	420	(19,214)	18,877	(757)	(3,924)	(23,558)	14,533	11,365	(8,269)	(27,903)	(27,903)	(41,498)	(55,346)

DC25 Amajuba - Supporting Table SA34a Capital expenditure on new 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									
Capital expenditure on new assets by Asset Class/Sub-class										
- Infrastructure		8,315	328,815	40,445	51,798	53,944	53,944	79,041	89,365	125,340
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Water		8,315	328,815	40,445	36,825	40,223	40,223	59,166	44,500	78,000
<i>Dams & Reservoirs</i>		8,315	328,815	40,445	36,825	40,223	40,223	59,166	44,500	78,000
<i>Water purification</i>										
<i>Reticulation</i>										
Infrastructure - Sanitation		-	-	-	13,721	13,721	13,721	17,811	42,664	44,998
<i>Reticulation</i>					13,721	13,721	13,721	17,811	42,664	44,998
<i>Sewerage purification</i>										
Infrastructure - Other		-	-	-	1,252	-	-	2,064	2,201	2,342
<i>Waste Management</i>										
<i>Transportation</i>										
<i>Gas</i>										
<i>Other</i>	3				1,252	-	-	2,064	2,201	2,342
Community		-	-	-	10,000	10,000	10,000	12,000	-	-
Fire, safety & emergency					10,000	10,000	10,000	12,000		
Other assets		-	-	-	8,717	5,380	5,380	-	-	-
General vehicles					7,637					
Specialised vehicles	10	-	-	-	-	-	-	-	-	-
Plant & equipment						1,500	1,500			
Computers - hardware/equipment										
Furniture and other office equipment					1,080	3,880	3,880			
Total Capital Expenditure on new assets	1	8,315	328,815	40,445	70,515	69,324	69,324	91,041	89,365	125,340

DC25 Amajuba - 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									
Repairs and maintenance expenditure by Asset Class/Sub-class										
- Infrastructure		1,031	4,230	7,303	5,650	6,620	6,620	5,135	5,505	5,829
Infrastructure - Water		-	-	-	-	-	-	4,620	4,953	5,245
<i>Dams & Reservoirs</i>								4,620	4,953	5,245
<i>Water purification</i>										
<i>Reticulation</i>										
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
<i>Reticulation</i>										
<i>Sewerage purification</i>										
Infrastructure - Other		1,031	4,230	7,303	5,650	6,620	6,620	515	552	585
<i>Waste Management</i>										
<i>Transportation</i>	2									
<i>Gas</i>										
<i>Other</i>	3	1,031	4,230	7,303	5,650	6,620	6,620	515	552	585
Community		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	1,031	4,230	7,303	5,650	6,620	6,620	5,135	5,505	5,829
Specialised vehicles		-	-	-	-	-	-	-	-	-
Ambulances										
<i>R&M as a % of PPE</i>		1.7%	1.3%	2.3%	1.5%	1.8%	1.8%	1.2%	1.1%	1.0%
<i>R&M as % Operating Expenditure</i>		0.5%	0.7%	3.6%	3.5%	3.7%	3.7%	3.0%	2.9%	2.9%

DC25 Amajuba - Supporting Table SA34d Depreciation 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									
Depreciation by Asset Class/Sub-class										
- Infrastructure		5,162	27,598	27,006	2,685	25,542	25,542	24,392	26,148	26,690
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
<i>Roads, Pavements & Bridges</i>										
<i>Storm water</i>										
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
<i>Generation</i>										
<i>Transmission & Reticulation</i>										
<i>Street Lighting</i>										
Infrastructure - Water		5,162	27,598	27,006	2,685	25,542	25,542	24,392	26,148	26,690
<i>Dams & Reservoirs</i>		5,162	27,598	27,006	2,685	25,542	25,542	24,392	26,148	26,690
Other assets		-	-	-	-	-	-	1,976	2,118	2,243
General vehicles										
Specialised vehicles	10	-	-	-	-	-	-	-	-	-
Plant & equipment										
Computers - hardware/equipment										
Furniture and other office equipment								1,976	2,118	2,243
Total Depreciation	1	5,162	27,598	27,006	2,685	25,542	25,542	26,367	28,265	28,933

DC25 Amajuba - 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
R thousand								
<u>Capital expenditure</u>	1							
Vote 11 - DIRECTORATE:ENGINEERING SERVICES		91,041	89,365	125,340				
Total Capital Expenditure		91,041	89,365	125,340	-	-	-	-
Total future revenue		-	-	-	-	-	-	-
Net Financial Implications		91,041	89,365	125,340	-	-	-	-

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DC25 Amajuba - Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2016/17 Medium Term Revenue & Expenditure Framework			Project information	
										Audited Outcome 2014/15	Current Year 2015/16 Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	Ward location	New or renewal
R thousand	4				6	3	3	5								
Parent municipality:																
<i>List all capital projects grouped by Municipal Vote</i>																
MIG INFRASTRUCTURE	01	EMADLANGENI SANITATION- MIG;	ES01		Yes	Infrastructure - Sanitation	Reticulation			40,445	3,008	-	42,664	44,998		
MIG INFRASTRUCTURE	02	DISASTER MANAGEMENT - PHASE 2	ES02		Yes	Community Infrastructure -	Buildings				13,148	12,000				
MIG INFRASTRUCTURE	03	BUFFALO FLATS WATER -PHASE 3	ES03		Yes	Infrastructure - Water	Dams & Reservoirs				433	-				
MIG INFRASTRUCTURE	04	BUFFALO FLATS WATER - PHASE 3B	ES04		Yes	Infrastructure - Water	Dams & Reservoirs				6,746	-				
MIG INFRASTRUCTURE	05	BUFFALO FLATS SANITATION;TRA	ES05		Yes	Infrastructure - Sanitation	Sewerage purification				14,803	13,000				
MIG INFRASTRUCTURE	06	OTHER MWIG -	ES06		Yes	Infrastructure - Other	Water purification				1,981	1,950				
MUNICIPAL WATER INFRASTRUCTURE GRANT	07	Emadlangeni Rural Water Supply Phase 1	ES07		Yes	Infrastructure - Water	Dams & Reservoirs				3,000	-	44,500	78,000		
MUNICIPAL WATER INFRASTRUCTURE GRANT	08	Emadlangeni Rural Water Supply Phase 2	ES08		Yes	Infrastructure - Water	Dams & Reservoirs				7,000	6,150				
MUNICIPAL WATER INFRASTRUCTURE GRANT	09	WCWDM Master Plan REFURBISHMENT	ES09		Yes	Infrastructure - Water	Water purification				7,825	4,000				
MUNICIPAL WATER INFRASTRUCTURE GRANT	10	AND DRILLING OF NEW BOREHOLES BULK WATER SUPPLY-	ES10		Yes	Infrastructure - Water	Roads, Pavements & Bridges				2,000	700				
MIG INFRASTRUCTURE	11	GOEDEHOOP;	ES11		Yes	Infrastructure - Water	Dams & Reservoirs				4,000	12,050				
OFFICE FURNITURE	12	OFFICE	CS01		No	Other Assets	Furniture				1,500					

AND BUILDINGS		FURNITURE AND BUILDINGS														
OFFICE FURNITURE AND BUILDINGS	13	OFFICE FURNITURE AND BUILDINGS	CS02	No	Other Assets	and other office equipment				3,880						
MUNICIPAL WATER INFRASTRUCTURE GRANT	14	BULLAO FLATS PHASE 4	ES12	Yes	Infrastructure - Water	Dams & Reservoirs					5,033					
MUNICIPAL WATER INFRASTRUCTURE GRANT	15	BULK WATER METER INSTALLATIONS	ES13	Yes	Infrastructure - Water	Reticulation Roads, Pavements & Bridges					14,500					
MUNICIPAL WATER INFRASTRUCTURE GRANT	16	OTHER MWIG PROJECTS	ES14	Yes	Infrastructure - Other						21,659					
Parent Capital expenditure	1										91,041	87,164	122,998			
Entity Capital expenditure									-	-	-	-	-			
Total Capital expenditure									40,445	69,324	91,041	87,164	122,998			

Municipal manager’s quality certificate

I, LINDA M. AFRICA, Municipal Manager of Amajuba District Municipality, hereby certify that the draft 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 : LINDA M. AFRICA
Municipal manager of : Amajuba District Municipality (DC 25)

Signature _____

Date : _____

END OF REPORT