

**UGU DISTRICT MUNICIPALITY**

**EXTRACT FROM THE DRAFT MINUTES OF THE UGU DISTRICT MUNICIPAL COUNCIL MEETING HELD ON 24 MAY 2018**

3. **Ugu District Municipality: Annual Budget: 2018/2019**

The Municipal Manager took members through the item.

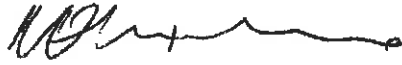
Ensuing discussion,

It was unanimously,

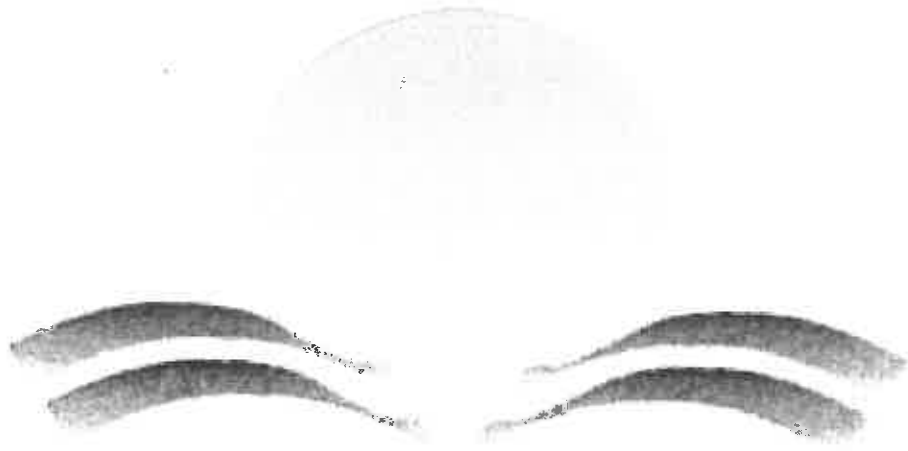
**RESOLVED:**

- (a) That the Ugu District Municipality: Annual Budget: 2018/2019 be and is hereby **NOTED.**
- (b) That the Ugu District Municipality: Annual Budget: 2018/2019 be and is hereby **APPROVED.**

**CERTIFIED A TRUE COPY OF THE ORIGINAL**



**VO MAZIBUKO**  
**GENERAL MANAGER: CORPORATE SERVICES**



*Ugu District Municipality*

**CONSOLIDATED BUDGET 2018/2019**



treasury

Department:  
Treasury

PROVINCE OF KWAZULU-NATAL

OFFICE OF THE MEC FOR FINANCE

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2nd Floor, Natalia Building  
Pietermaritzburg 3201

PO Box 3613, Pietermaritzburg 3200  
Tel: 033 846 6800 Fax: 033 846 6801/2

Our reference: M-3/2/1/43 Ugu District  
Inkomba yethu  
Ons verwysing:

Date: 19 June 2018  
Usuku:  
Datum:

Please quote our reference on all correspondence

THE MAYOR  
UGU DISTRICT MUNICIPALITY  
PO BOX 33  
PORT SHEPSTONE  
4240

Fax No: 039 682 1720

Dear Cllr. M.A. Chiliza

UGU DISTRICT  
RECEIVED BY THE OFFICE  
OF THE MUNICIPAL MANAGER

2018-06-21

Returned to: Mayor

MUNICIPALITY

### HIGH LEVEL ASSESSMENT OF THE APPROVED BUDGET FOR THE 2018/19 FINANCIAL YEAR

Reference is made to your Approved Budget for the 2018/19 financial year that was submitted to Provincial Treasury in accordance with Section 24(3) of the Municipal Finance Management Act (MFMA), which states that *the accounting officer of a municipality must submit the approved annual budget to the National Treasury and the relevant Provincial Treasury.*

Provincial Treasury has conducted a high level assessment of your 2018/19 Approved Budget with a view of assessing whether the municipality has considered the comments and recommendations provided by Provincial Treasury on your 2018/19 Tabled Budget, as required by Section 23(1)(b) of the MFMA. Section 23(1) (b) states that *the municipal Council must consider any views of the National Treasury, the relevant Provincial Treasury and any provincial or national organs of state or municipalities which made submissions on the budget*

A Council resolution approving the 2018/19 Final Budget dated 24 May 2018 was received by Provincial Treasury.

A high level assessment conducted on your 2018/19 Approved Budget is set out in Tables 1 to 6 in Annexure B and should be read together with Provincial Treasury's assessment of the 2018/19 Tabled (Draft) Budget.

Based on the negative amount of **R58.9 million for the 2018/19 Cash/cash equivalents at the year-end** recalculated in Table A7: *Budgeted cash flows* and the **Cash shortfall of R152.4 million** recalculated in Table A8: *Cash backed reserves/accumulated surplus reconciliation* your municipality's 2018/19 Approved Budget is **Unfunded** in terms of Section 18 of the MFMA read together with MFMA Circular No. 55, due to the following reasons amongst others:

- The 2018/19 budget for *Net increase/decrease in cash held* is a **negative R83.5 million** as per Table A7 and a **negative R111.2 million** as per the Provincial Treasury's recalculations;

indicating a decreasing trend in cash reserves. This indicates that the budgeted cash receipts for 2018/19 are not sufficient to cover the budgeted expenditure and as a result cash reserves from the prior years will be utilised. The municipality is advised to implement Cost containment measures and reduce expenditure in the 2018/19 budget year.

- The budgeted 2018/19 *Cash/cash equivalents at the year beginning* of R188.2 million does not agree to the municipality's 2017/18 Adjustments Budget closing balance of R141.6 million. Furthermore, Provincial Treasury recalculated the opening cash balance to be R52.4 million based on the municipality's net cash position as at 31 May 2018. The municipality must correct this error to ensure that the budgeted cash flows are realistic.
- Provincial Treasury recalculated the budgeted amount for *Government grants - operating* using the 2018 DoRB, Provincial Gazette No. 1940 dated 5 April 2018 and Local Municipalities' individual budgets. The Provincial Treasury's recalculated amount for *Government grants - operating* was R451.7 million for the 2018/19 budget year, which does not agree to R446.1 million reflected in Table A7 for this line item. Therefore, the budget for *Government grants - operating* has been understated by R5.6 million and this should be corrected to reflect realistic revenue to be received

The budget in its current form will not be sustainable as your municipality will be reporting expenditure against an unfunded budget. This is a serious transgression that will impact the financial viability of the municipality as well as its ability to deliver services to the community.

The following issues were noted relating to the sustainability of the municipality:

- The municipality budgeted R75 million for *Bulk purchases* in the 2018/19 budget year, which is a decrease of R1 million or 1.4 percent from the 2017/18 Adjusted Budget amount of R76 million. This decrease does not appear reasonable when compared to the historic trend of R77.8 million audited outcome for 2016/17 and the budgeted increase of R13.9 million or 5.3 percent for *Service charges - water revenue*, which will result in increased *Bulk purchases*. Furthermore, the municipality should also consider the annual increases by Bulk water suppliers. The municipality should revise the budget for this line item to ensure that the budget is realistic, credible and sustainable.
- The municipality has budgeted for an *Operating deficit* of R49.7 million in the 2018/19 financial year, R65 million in the 2019/20 financial year and R53.2 million in the 2020/21 financial year. This is not in line with MFMA Circular No. 72 which requires all municipalities to adopt a surplus position on the Statement of financial performance. Furthermore, it must be noted that if all the errors noted under *Transfers and subsidies, Depreciation & asset impairment and Debt impairment* are corrected, the municipality's *Deficit* position could worsen. Therefore, the municipality should consider the comments provided by Provincial Treasury and reassess its operating budget and ensure that it budgets for an *Operating surplus* as *Deficits* result in the erosion of cash reserves.
- Water losses represent the loss of potential revenue in kilolitres of water purchased or purified but not sold. The municipality indicated in the 2016/17 audited Annual Financial Statements (AFS) that the *Water losses* were approximately 69.04 percent for the 2016/17 financial year

JA 9

and 70.28 percent for the 2015/16 financial year, which is significantly above the norm of between 15 percent and 30 percent as per MFMA Circular No. 71. This could indicate ageing water infrastructure or poor asset management. The municipality should investigate the root cause for water losses and ensure that it is addressed. #

- The municipality budgeted R133.8 million for *Repairs and maintenance* as per Table A9, which is approximately 3.4 percent of the 2016/17 *Property, plant and equipment*. The budgeted *Repairs and maintenance* are below the norm of 8 percent as required by MFMA Circular No. 55. This indicates that insufficient monies are being spent on *Repairs and maintenance* to the extent that it could increase the impairment of useful assets. The municipality is advised to ensure that sufficient monies are being spent on *Repairs and maintenance* in order to ensure the ongoing health of the municipality's infrastructure.
- As per Table A9, the municipality did not budget for *Renewals and Upgrading of existing assets in the 2018/19 MTREF*. This is not in line with MFMA Circular No. 55, which recommends that at least 40 percent of total *Capital expenditure* should be allocated to *Renewal of existing assets*. Furthermore, this indicates that no funds are being committed to asset renewal and this could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected. The municipality's minimal budget for *Repairs and maintenance* and *Renewals and Upgrading of existing assets* is concerning due to the significant water losses reported by the municipality. The municipality must revise the *Capital expenditure* budget or provide a detailed explanation and assurance in the Budget Document that the budgeted amount is adequate to secure the ongoing health of the municipality's infrastructure supported by reference to its Asset Management Plan as required by the MFMA Circular No. 55.

**In its current form, Provincial Treasury does not support the 2018/19 Approved Budget of the municipality as it is Unfunded.**

Your 2018/19 Approved Budget is hereby referred back to the municipality to re-table a funded budget.

It is noted that as per the engagement with the municipality on 12 June 2018 and subsequently in a letter from the Mayor, the municipality made a commitment that a funded 2018/19 MTREF Budget will be tabled at the Council meeting on 28 June 2018 for approval.

The municipality should reduce non-essential expenditure; implement cost containment measures as per MFMA Circular No.82. Your municipality is encouraged to re-table a Funded Budget in terms of Section 24(2) of the MFMA before the start of the 2018/19 financial year, failing which, your municipality should table a Funded Adjustments Budget in terms of Section 28 of the MFMA and Regulation 23(1) and (2) of the Municipal Budget and Reporting Regulations (MBRR). The municipality is strongly reminded that, when revising the budget to ensure that it is funded, there should be no adjustment to municipal tariffs. #

**Should the municipality not adhere to the above requirements, I will have no choice but to escalate the matter to National Treasury to recommend the stopping of the equitable share transfers to your municipality in terms of Section 38(1)(a) of the MFMA, which states that National Treasury may stop the transfer of funds due to a municipality as its share of the** #

*local government's equitable share referred to in Section 214(1)(a) of the Constitution, but only if the municipality commits a serious or persistent breach of the measures established in terms of Section 216(1) of the Constitution which includes reporting obligations as set out in the MFMA and National Treasury's request for information in terms of Section 74 of the MFMA.*

The municipality is requested to table in the next Council meeting, Provincial Treasury's comments on the high level assessment conducted on your Approved Budget for 2018/19 and provide us with the copies of the Council resolution and the minutes thereof.

The municipality is reminded that the Mayor must approve the Service Delivery and Budget Implementation Plan (SDBIP) within 28 days of approval of the budget in terms of Section 53(1)(c)(iii) of the MFMA and that the Municipal Manager must submit an electronic and printed copy thereof to National and Provincial Treasuries within 10 working days after approval of the SDBIP in terms of Regulation 20(2)(b) of the MBRR.

As part of the National Treasury's Budget Verification exercise, National Treasury publishes a consolidated set of budget information for all municipalities annually. The municipality is thus reminded of their responsibility to ensure that all the submitted annual returns and mSCOA data strings are fully aligned to the 2018/19 Approved Budget (A Schedule).

Yours sincerely

  
MS B F SCOTT  
MEC FOR FINANCE – KZN

cc: Municipal Manager  
Chief Financial Officer  
Jan Hattingh - National Treasury  
Head of Department – KZN Provincial Treasury  
Audit Committee Chairperson  
Business Executive – KZN Auditor – General

**UGU DISTRICT MUNICIPALITY**

**RESPONSE TO THE LETTER FROM PROVINCIAL TREASURY WITH REGARDS TO 2018/2019 ANNUAL BUDGET**

**1. BACKGROUND**

The Council approved 2018/19 budget on 24 May 2018. Immediately the approved budget was submitted to Provincial Treasury in accordance with Section 24(3) of the MFMA, which states that the Accounting Officer must submit the approved annual budget to the National Treasury and the relevant Provincial Treasury.

The assessment was done by Provincial Treasury in the form of comments and recommendations as required by section 23(1)(b) of the MFMA.

The MSCOA Regulations requires that the municipality tables before Council MSCOA Data Strings together with an approved budget as the MSCOA became effective in the municipalities with effect from 01 July 2017.

The MEC for Finance – KZN, Ms BF Scott communicated her comments in the form of the letter to Mayor, Cllr MA Chiliza on our 2018/2019 approved budget and recommended that her comments be tabled before next Council and revised budget as the results of the incorporation of her comments.

It is the against this background that the written responses on Provincial Treasury's comments are presented informing the amendments of the 2018/19 budget to ensure that it is fully funded.

## 2. RESPONSES ON COMMENTS BY PROVINCIAL TREASURY

NO	SUMMARISED COMMENT BY PROVINCIAL TREASURY	RESPONSE TO COMMENT BY PROVINCIAL TREASURY
1.	<p>The approved 2018/19 Budget is unfunded due to negative cash and cash equivalents per schedule A7 and A8 indicating a decreasing trend in cash reserves. This indicates that the budgeted receipts for 2018/19 are not sufficient to cover budgeted expenditure and as a result cash reserves from the prior years will be utilised.</p> <p>The municipality is advised to implement cost containment measures and reduce expenditure in the 2018/19 budget year.</p>	<p>The budgeted kilolitres of water to be sold were adjusted upwards a bit to ensure that our budget becomes funded which resulted in the slight increase of our water and sanitation income. Such increment resulted in a R2,5 million monthly increment of water income and R2 million monthly increment on sanitation income. It therefore changed our annual budgeted water income of R276,8 million to R306,8 million and sanitation income of R97,2 million to R122,2 million. These changes were effected in A4 Table.</p> <p>The A7 and A8 tables were amended accordingly to reflect positive Cash and Cash Equivalents of R5,3 million to eliminate anticipated cash overdrawn in our bank account.</p> <p>Our budget makes it very difficult to be funded because, our municipality is too financially pressured as a result but not limited to the following:</p> <ul style="list-style-type: none"> <li>• Over financial commitments on capital projects;</li> <li>• Many contracts of three years in almost all operations within the municipality which makes the municipality to be very under-pressure financially;</li> <li>• None containment of expenditure;</li> <li>• High employee related, operational and administration costs in the municipality;</li> <li>• Low revenue collection rates and minimal revenue streams etc.</li> </ul> <p>The municipality is committed on the implementation of cost containment measures in 2018/19 financial year.</p>
2.	<p>The budgeted Cash &amp; Cash Equivalents equivalents at the beginning of the year of R188,2 million does not agree to municipality's 2017/18 Adjustment Budget balance of R141,6 million. The Provincial Treasury has recalculated opening cash balance to be R52,4 million based on the municipality's net cash position as at 31 May 2018. The municipality must correct this error to ensure realistic budgeted cash flows.</p>	<p>The error has been corrected in A7 table by ensuring that our cash and cash equivalents at the beginning of the year amounts to R52,4 million.</p>



NO	SUMMARISED COMMENT BY PROVINCIAL TREASURY	RESPONSE TO COMMENT BY PROVINCIAL TREASURY
3.	The Provincial Treasury recalculated the budgeted amount for Government Grants – Operating using 2018 DORA to be R451,7 million for 2018/19 budget not R446,1 million reflected in A7 schedule. This should be corrected to reflect realistic revenue to be received.	The correction has been made to A7 table by correcting understatement of R5,6 million to reflect R451,7 million.
4.	The municipality budgeted R75 million for bulk purchases in the 2018/19 budget year compare to R76 million in 2017/18 budget. The municipality must consider an increase of the budget for bulk purchases looking at the historical trend of R77.8 million audited outcome for 2016/17 and tariffs increment of 5,3%.	The financial performance on Bulk Purchases budget will be analysed and reviewed during adjustment budget period, because if it can be increased now, our 2018/19 will be further more unfunded as a result of an expenditure. Therefore, this will be taken care of during adjustment budget if necessary when the actual expenditure is known.
5.	The municipality has budgeted for an Operating Deficit of R49,7 million in 2018/19, R65 million in 2019/20 and R53,2 million in 2020/21.	The budget has been amended to correct the operating deficit in A4 table to reflect the surplus of R9,6 million, R36,5 million, R54,3 million respectively.
6.	The municipality indicated in the 2016/17 audited annual financial statements (AFS) the Water losses of 69.04% and in 2015/16 audited AFS of 70.28% which is significantly above the norm of between 15% to 30%. This could indicate aging water infrastructure or poor asset management. The municipality should investigate the root cause for water losses and ensure that it is addressed.	<p>The water losses are acknowledged. The root causes of the water losses include but not limited to the following:</p> <ul style="list-style-type: none"> <li>• Leaking pipes due to aging infrastructure;</li> <li>• No regular replacements of aging infrastructure emanating from Infrastructure replacement strategy (if any);</li> <li>• Illegal connections; etc.</li> </ul> <p>As part of intervention in dealing with the issue of water losses, the municipality has budgeted R37,9 million for Water Pipeline Replacements, Water Pipeline Replacement (i.e. South Coast Pipeline Phase 2B to Malangeni Link) for R14,1 million; Water Pipeline Replacements (i.e. uMdoni Reservoir, Sezela, Elysium &amp; Mthwalume Link) for R20 million and R10 million for Margate Sewer Line Replacement in 2018/19 financial year. These budget allocations are included in our capital budget in SA36 table.</p>

NO	SUMMARISED COMMENT BY PROVINCIAL TREASURY	RESPONSE TO COMMENT BY PROVINCIAL TREASURY
7.	<p>The municipality budgeted R133.8 million for Repairs and Maintenance as per A9 Table, which is approximately 3,4% of the 2016/17 Property, Plant and Equipment. The Budgeted Repairs and Maintenance are below the norm of 8%.</p>	<p>The 2016/17 Property, Plant and Equipment as disclosed in 2016/17 audited AFS includes Work in Progress that does not need any repairs and maintenance until such projects get completed and handed over to the community, none infrastructural assets such as Office Equipment, Furniture, Motor Vehicles, Computer Equipment etc.</p> <p>However, with respect to Repairs and Maintenance of Infrastructural Assets the municipality need a minimum of R188 million which is not affording currently. It only afforded R133.8 million in its 2018/19 budget. The municipality will start working with R133.8 million that I can afford for now and then assess the actual implementation during the adjustment period. Should we increase Repairs and maintenance budget to R188 million from R133,8 million our 2018/19 budget will become unfunded even more further with is in contravention with Section 18 of the MFMA and MFMA Circular No. 55.</p>
8.	<p>As per A9 Table the municipality did not budget for Renewal and Upgrading of existing Infrastructure Assets in the 2018/19 MTREF which is in contravention of MFMA Circular No. 55 which recommends that at least 40% of the total Capital Expenditure should be allocated to Renewal of Existing Infrastructure.</p>	<p>The A9 Table has been updated for Renewal of Existing Infrastructure which amounts to R104 million. This is funded out of our MIG Capital Budget of R230 million in 2018/19 budget year, which represents 45% of the total MIG Capital Budget compared to MFMA Circular No. 55 recommendation of 40%. It means the municipality has exceeded the guideline of 40% by 5% more which is favourable.</p> <p>The details of the capital projects are tabulated in SA 36 Table.</p>
9.	<p>In the current form, Provincial Treasury does not support the 2018/19 Approved Budget of the municipality as it is unfunded. The 2018/19 Approved Budget is referred back to the municipality to re-table a funded budget.</p>	<p>The 2018/19 has been amended to ensure that it is funded in terms of section 18 of the MFMA. The amended 2018/19 budget was resubmitted to Provincial Treasury and a response was obtained from Provincial Treasury that our budget is now funded.</p> <p>The email confirmation from Provincial Treasury is attached for reference purposes while a formal response of the confirmation of our funded budget will be received. The funded budget will be tabled before Council on the 28 June 2018 for adoption.</p>

NO	SUMMARISED COMMENT BY PROVINCIAL TREASURY	RESPONSE TO COMMENT BY PROVINCIAL TREASURY
10.	<p>It is noted that as per the engagement with the municipality on 12 June 2018 and subsequently a letter from the Mayor was received for a commitment that a funded 2018/19 MTREF Budget will be tabled at the Council meeting on 28 June 2018 for Approval.</p>	<p>Yes, the engagement is acknowledged and the commitment was made by the Mayor to ensure a funded budget. The funded budget will be tabled before Council on the 28 June 2018.</p>
11.	<p>The municipality should reduce non-essential expenditure, implement costs cutting measures as per MFMA Circular No. 82. Your municipality is encouraged to re-table a Funded Budget in terms of section 24(2) of the MFMA before the start of the 2018/19 financial year.</p> <p>Failing which your municipality should table a Funded Adjustment Budget in terms of Section 28 of the MFMA and Regulation 23(1) and (2) of the Municipal Budget and Reporting Regulations (MBRR).</p> <p>The municipality is strongly reminded that that, when revising the budget to ensure the budget is funded, there should be no adjustments to the municipal tariffs.</p> <p>Should the municipality not adhere to the comments made, I shall have no choice but to escalate the matter to National Treasury to recommend the stopping of the Equitable Share transfers to your municipality in terms of Section 38(1)(a) of the MFMA, which states that National Treasury may stop the transfer of funds due to a municipality as its share of local government equitable share referred to in Section 214(1)(a) of the Constitution.</p>	<p>The municipality is committed to reduce non-essential expenditure and to implement costs containment measures. The funded budget will be tabled before Council on 28 June 2018.</p> <p>The municipality will amend and table the funded budget on 28 June 2018 immediately not wait for the Adjustment Budget which is due after six (6) months of 2018/19 financial year.</p> <p>The tariffs were not adjusted as a result of this amendment. The tariffs increment remains at 5,3% as initially agreed in line with CPI for 2018/19 financial year.</p> <p>The Provincial Treasury's Comments have been taken into account as a result, the 2018/19 budget was amended.</p>
12.	<p>The municipality is requested to table in the next Council Meeting, Provincial Treasury's comments and provide us with the copies of the Council Resolution and minutes thereof.</p>	<p>The Provincial Treasury's Comments will be tabled before Council. Copies of the Council Resolution and Minutes thereof will be submitted to Provincial Treasury.</p>

NO	SUMMARISED COMMENT BY PROVINCIAL TREASURY	RESPONSE TO COMMENT BY PROVINCIAL TREASURY
13.	The municipality is reminded that the Mayor must approve Service Delivery and Budget Implementation Plan (SDBIP) within 28 days of the approval of the budget in terms of Section 53(1)(c)(iii) of the MFMA and that the Municipal Manager must submit the electronic and printed copy thereof to National and Provincial Treasury within 10 working days after the approval of the SDBIP in terms of Regulations 20 (2) (b') of the MBRR.	The Mayor will make sure that SDBIP of the municipality is approved within 28 Days after the approval of the Budget.
14.	As part of the National Treasury's Budget Verification exercise, National Treasury published a consolidated set of the budget information for all municipalities annually. The municipality is thus reminded of their responsibility to ensure that all the submitted annual returns and MSCOA Data Strings are fully aligned to the 2018/19 Approved Budget (i.e. A Schedule).	The MSCOA Data Strings for both uGu District and its two Entities will be tabled before Council on the 28 June 2018 together with amended budget.

COMPILED BY



MR MS DLAMINI  
CHIEF FINANCIAL OFFICER  
22 JUNE 2018

**From:** XOLANI MTHIMKHULU [<mailto:XOLANI.MTHIMKHULU@kzntreasury.gov.za>]  
**Sent:** Friday, June 22, 2018 2:26 PM  
**To:** Mkhululeni.Dlamini <[Mkhululeni.Dlamini@ugu.gov.za](mailto:Mkhululeni.Dlamini@ugu.gov.za)>  
**Cc:** NKOSINATHI RADEBE <[NKOSINATHI.RADEBE@kzntreasury.gov.za](mailto:NKOSINATHI.RADEBE@kzntreasury.gov.za)>; LERUSHA JOSIAH <[LERUSHA.JOSIAH@kzntreasury.gov.za](mailto:LERUSHA.JOSIAH@kzntreasury.gov.za)>; Fano.Ngubane <[Fano.Ngubane@ugu.gov.za](mailto:Fano.Ngubane@ugu.gov.za)>  
**Subject:** Revised 2018/19 Budget

Dear CFO,

I had a look at your revised budget submitted today by your municipality. Based on the information submitted by your municipality, the 2018/19 budget appears funded with **major risks** as the surplus is very minimal and some of the concerns raised in the feedback letter dated 19 June 2018 are still not addressed i.e. Bulk purchases, Depreciation etc.

Regards,



treasury

Department:  
Treasury  
PROVINCE OF KWAZULU-NATAL

Xolani Mthimkhulu |  
Municipal Finance Analyst |  
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# MAYOR'S REPORT OF 2018/2019 ANNUAL BUDGET FOR UGU DISTRICT MUNICIPALITY

## 1. LEGISLATIVE REQUIREMENTS

In terms of section 16 of the MFMA, the Council of the municipality must for each financial year approve, an annual budget for the municipality before the start of that financial year.

The above section is read together with section 52 of the MFMA, that says, the Mayor of the municipality must provide general political guidance over the fiscal and financial affairs of the municipality. In providing such political guidance he or she must take all reasonable steps to ensure that the municipality performs its constitutional and statutory functions within the limits of the municipality's approved budget.

Section 53 (1) of the MFMA further says, the Mayor of the municipality must:

- Provide general political guidance over the budget process and the priorities that must guide the preparation of the of a budget.
- Co-ordinate the annual revision of the Integrated Development Plan (IDP) in terms of section 34 of the Municipal Systems Act and the preparation of the annual budget, and determine how the IDP is to be taken into account or revised for the purposes of the budget;
- Take all reasonable steps to ensure that:
  - (i) The municipality approves its annual budget before the start of the budget year;
  - (ii) That the municipality's Service Delivery and Budget Implementation Plan (SDBIP) is approved by the mayor within 28 days after the approval of the budget; and
  - (iii) That the annual performance agreements as required in terms of the section 57(1)(b) of the Municipal Systems Act (MSA) for the Municipal Manager and Senior Managers are made Public and submitted to MEC for Local Government not later than 14 days after the approval of the SDBIP, and they also----
    - Comply with MFMA in order to promote sound financial management;
    - Are linked to the measurable performance objectives approved with the budget and to the SDBIP; and
    - Are concluded in accordance with section 57(2) of the Municipal Systems Act.

It is therefore against the above legislative requirements that; the 2018/2019 annual budget is tabled before Council for adoption.

**2. TOTAL 2018/2019 BUDGET REVENUE FOR UGU DISTRICT MUNICIPALITY AND ITS TWO ENTITIES (i.e. SOUTH COAST TOURISM AGENCY AND UGU SOUTH COAST DEVELOPMENT AGENCY)**

**2.1. TOTAL 2018/2019 BUDGET REVENUE FOR UGU DISTRICT MUNICIPALITY**

NO	REVENUE DESCRIPTION	2018/2019	2019/2020	2020/2021
1.	Equitable Share	435,877,000	461,838,000	503,224,000
2.	Municipal Infrastructure Grant (MIG)	235,889,000	241,038,000	255,284,000
3.	Water Services Infrastructure Grant (WSIG)	55,000,000	95,000,000	100,225,000
4.	Financial Management Grant (FMG)	1,865,000	1,865,000	1,800,000
4.	Expanded Works Programme Grant	3,250,000	0,00	0,00
5.	Rural Roads Management Systems Grant	2,663,000	2,821,000	2,984,000
6.	Development Planning Shared Services Grant	400,000	500,000	600,000
7.	Umzumbe Trail Grant	2,000,000	2,100,000	2,216,000
8.	Water Income	306,836,157	327,484,558	345,317,941
9.	Sanitation Income	122,275,258	128,775,401	135,726,847
10.	Interest on Investments	2,535,182	2,672,082	2,819,046
11.	Interest on overdue accounts	508,485	535,943	565,420
12.	Rental of Facilities	1,091,486	1,150,426	1,213,670
13.	Other Income	6,730,875	7,067,419	7,420,790
14.	<b>TOTAL BUDGET REVENUE</b>	<b>1,176,920,404</b>	<b>1,272,847,828</b>	<b>1,359,396,714</b>

**2.2. TOTAL 2018/2019 REVENUE BUDGET FOR SOUTH COAST TOURISM AGENCY**

NO.	REVENUE DESCRIPTION	2018/2019	% REVENUE STREAM CONTRIBUTION
1.	Grant Allocation from uGu District Municipality	14,135,196.00	63.94%
2.	Grant Allocation from Ray Nkonyeni Local Municipality	2,007,570.00	9.08%
3.	Grant Allocation from uMdoni Local Municipality	1,151,729.00	5.21%
4.	Grant Allocation from uMzumbe Local Municipality	476,798.00	2.16%
5.	Grant Allocation from uMuziwabantu Local Municipality	376,599.00	1.70%
6.	Other Conditional Grants Income	2,816,251.00	12.74%
7.	Interest Revenue	644,854.00	2.92%
8.	Own Revenue	496,751.00	2.25%
9.	<b>TOTAL BUDGET REVENUE</b>	<b>22,105,750.00</b>	<b>100%</b>

### 2.3. TOTAL 2018/2019 REVENUE FOR UGU SOUTH COAST DEVELOPMENT AGENCY

NO.	REVENUE DESCRIPTION	2018/2019	% REVENUE STREAM CONTRIBUTION
1.	Grant Allocation from uGu District Municipality	6,282,310.00	32.59%
2.	Grant Allocation from Ray Nkonyeni Local Municipality	1,785,000.00	9.26%
3.	Grant Allocation from uMdoni Local Municipality	1,102,500.00	5.72%
4.	Grant Allocation from uMzumbe Local Municipality	551,250.00	2.86%
5.	Grant Allocation from uMuziwabantu Local Municipality	551,250.00	2.86%
6.	KZN Department of Education – National School Nutrition	3,000,000.00	15.57%
7.	Department of Agriculture, Forestry and Fisheries – Fish Farming	3,000,000.00	15.57%
8.	Department of Agriculture, Forestry and Fisheries – Aquaculture Business Plan	300,000.00	1.56%
9.	KZN Department of Economic Development and Environmental Affairs – IFafa	500,000.00	2.59%
10.	Income: Project – KwaXolo Caves	1,551,679.00	8.05%
11.	Interest on Investment	300,000.00	1.56%
12.	Rent Income : Lease of Facilities (IFafa)	300,000.00	1.56%
13.	Sale of Tender Documents	50,000.00	0.26%
14.	<b>TOTAL REVENUE BUDGET</b>	<b>19,273,989.00</b>	<b>100%</b>



**3. TOTAL 2018/2019 BUDGET EXPENDITURE FOR UGU DISTRICT MUNICIPALITY AND ITS TWO ENTITIES**

**3.1. UGU DISTRICT MUNICIPALITY**

**3.1.1. OPERATING BUDGET FOR UGU DISTRICT MUNICIPALITY**

NO	OPERATING EXPENDITURE BUDGET DESCRIPTION	2018/2019	2019/2020	2020/2021
1.	Employee Related Costs	334,469,000.00	352,530,326.00	371,919,494.00
2.	Councillors Remuneration	11,815,003.00	12,453,013.00	13,137,928.00
<b>3.</b>	<b>TOTAL DEPRECIATION AND ASSETS IMPAIRMENT</b>	<b>58,000,000.00</b>	<b>89,992,000.00</b>	<b>94,762,000.00</b>
3.1.	Depreciation on Property, Plant and Equipment	50,000,000.00	89,992,000.00	84,762,000.00
3.2.	Asset Impairment	8,000,000.00	10,000,000.00	10,000,000.00
<b>4.</b>	<b>TOTAL BULK PURCHASES</b>	<b>75,000,000.00</b>	<b>83,187,000.00</b>	<b>87,596,000.00</b>
4.1.	Electricity Bulk Purchases	0.00	0.00	0.00
4.2.	Water Bulk Purchases	75,000,000.00	83,187,000.00	87,596,000.00
<b>5.</b>	<b>TOTAL ALLOCATIONS TO THE ENTITIES</b>	<b>20,417,310.00</b>	<b>21,499,427.00</b>	<b>22,681,896.00</b>
5.1.	South Coast Tourism Agency	14,135,000.00	14,884,155.00	15,702,784.00
5.2.	UGu South Coast Development Agency	6,282,310.00	6,627,837.00	6,992,368.00
<b>6.</b>	<b>CONTRACTED SERVICES COSTS</b>			
<b>6.1.</b>	<b>Total Security Services Costs</b>	<b>14,600,000.00</b>	<b>15,388,000.00</b>	<b>16,235,000.00</b>
6.1.1.	Outsourced General Security (i.e. Guarding)	13,495,000.00	14,224,000.00	15,006,000.00
6.1.2.	Outsourced Alarm Monitoring	5,000.00	5,000.00	6,000.00
6.1.3.	Electronic Security Initiatives	1,100,000.00	1,159,000.00	1,223,000.00
<b>7.</b>	<b>Total Cleansing, Hygienic &amp; Pests Control Services</b>	<b>2,500,000.00</b>	<b>2,634,000.00</b>	<b>2,777,000.00</b>
7.1.	Outsourced Cleansing Services	2,320,000.00	2,445,000.00	2,577,000.00
7.2.	Hygiene Services	100,000.00	105,000.00	111,000.00
7.3.	Pests Control & Fumigation	80,000.00	84,000.00	89,000.00
<b>8.</b>	<b>Total Accounting &amp; Banking Services</b>	<b>3,095,000.00</b>	<b>3,262,000.00</b>	<b>3,441,000.00</b>
8.1.	Accounting System Operation and Maintenance Support	2,950,000.00	3,109,000.00	3,280,000.00
8.2.	Cash In Transit Services	145,000.00	153,000.00	161,000.00
<b>9.</b>	<b>Total Revenue Management Services</b>	<b>8,204,000.00</b>	<b>8,645,000.00</b>	<b>9,121,000.00</b>
9.1.	Meter Reading Services	3,420,000.00	3,605,000.00	3,803,000.00
9.2.	Hand Delivering of Returned Bills Statements from the Post	684,000.00	721,000.00	761,000.00
9.3.	Printing of Bills Statements	600,000.00	632,000.00	667,000.00
9.4.	Cleansing of Customers' Data	1,500,000.00	1,581,000.00	1,668,000.00
9.5.	Tracing & Collection of long overdue debtors	2,000,000.00	2,106,000.00	2,222,000.00

**3.1.1. OPERATING BUDGET FOR UGU DISTRICT MUNICIPALITY (CONT.....)**

NO	OPERATING EXPENDITURE BUDGET DESCRIPTION	2018/2019	2019/2020	2020/2021
<b>10.</b>	<b>Total Water Engineering Services</b>	<b>11,000,000.00</b>	<b>11,594,000.00</b>	<b>12,232,000.00</b>
10.1.	Water Quality Monitoring & Compliance	5,500,000.00	5,797,000.00	6,116,000.00
10.2.	Dam Safety Services	1,500,000.00	1,581,000.00	1,668,000.00
10.3.	Telemetry & Mechanical Systems	1,500,000.00	1,581,000.00	1,668,000.00
10.4.	Assessment of Water & Sewerage Infrastructure (i.e. for WSDP & Water Master Plan)	2,500,000.00	2,635,000.00	2,780,000.00
<b>11.</b>	<b>Total Information Communication Technology (ICT) Services</b>	<b>1,750,000.00</b>	<b>1,845,000.00</b>	<b>1,946,000.00</b>
11.1.	Network Wireless & Extensions	1,300,000.00	1,370,000.00	1,446,000.00
11.2.	Telephone Line Systems	150,000.00	158,000.00	167,000.00
11.3.	Internet Services	200,000.00	211,000.00	222,000.00
11.4.	Backup Services	100,000.00	105,000.00	111,000.00
<b>12.</b>	<b>Total Asset Management &amp; Planning Services</b>	<b>3,400,000.00</b>	<b>3,583,000.00</b>	<b>3,780,000.00</b>
12.1.	Insurance of Municipal Assets	2,900,000.00	3,057,000.00	3,225,000.00
12.2.	Scanners and GIS Tools	100,000.00	105,000.00	111,000.00
12.3.	Development Planning Shared Services	400,000.00	421,000.00	444,000.00
<b>13.</b>	<b>Total Long Term Loans Repayments</b>	<b>28,000,000.00</b>	<b>28,000,000.00</b>	<b>28,000,000.00</b>
13.1.	Development Bank of South Africa (DBSA)	5,400,000.00	5,400,000.00	5,400,000.00
13.2.	Development Bank of South Africa (DBSA)	2,700,000.00	2,700,000.00	2,700,000.00
13.3.	Development Bank of South Africa (DBSA)	2,700,000.00	2,700,000.00	2,700,000.00
13.4.	ABSA Bank	17,200,000.00	17,200,000.00	17,200,000.00
<b>14.</b>	<b>Total Materials (i.e. Consumables or Inventory)</b>	<b>15,529,000.00</b>	<b>16,894,000.00</b>	<b>17,825,000.00</b>
14.1.	Materials for Repairs & Maintenance of Infrastructure (i.e. Pipes, Couplings, Small Tools etc)	5,480,000.00	5,776,000.00	6,094,000.00
14.2.	Water Chemicals	2,586,000.00	2,726,000.00	2,876,000.00
14.3.	Protective Clothing for Staff in Water Services	2,114,000.00	2,228,000.00	2,351,000.00
14.4.	Cleansing Services for Staff in Water Services (e.g. Soap, Detergents etc)	349,000.00	367,000.00	388,000.00
14.5.	Water Meters	3,000,000.00	3,162,000.00	3,336,000.00
14.6.	Vacuuming of Rural VIP Toilets	2,500,000.00	2,635,000.00	2,780,000.00

3.1.1. OPERATING BUDGET FOR UGU DISTRICT MUNICIPALITY (CONT.....)

NO	OPERATING EXPENDITURE BUDGET DESCRIPTION	2018/2019	2019/2020	2020/2021
15.	<b>TOTAL SPECIAL PROGRAMMES</b>	<b>12,609,000.00</b>	<b>13,290,000.00</b>	<b>13,680,000.00</b>
15.1.	<b>Youth Development Programmes</b>	<b>11,200,000.00</b>	<b>11,805,000.00</b>	<b>12,454,000.00</b>
15.1.1.	Youth Development initiatives	2,800,000.00	2,951,000.00	3,114,000.00
15.1.2.	SALGA Games	5,700,000.00	6,008,000.00	6,338,000.00
15.1.3.	Mayoral Cup	450,000.00	474,000.00	500,000.00
15.1.4.	Mayoral Bursaries	600,000.00	632,000.00	667,000.00
15.1.5.	Drug Substance Abuse	150,000.00	158,000.00	167,000.00
15.1.6.	Sporting Codes Development Programmes	1,500,000.00	1,581,000.00	1,668,000.00
15.2.	<b>Rights of the Child</b>	<b>211,000.00</b>	<b>222,000.00</b>	<b>234,000.00</b>
15.3.	<b>Gender Development Programmes</b>			
15.3.1.	Women Celebration	500,000.00	527,000.00	554,000.00
15.3.2.	Gender Development Initiatives	200,000.00	211,000.00	222,000.00
15.4.	<b>Elderly Development Programmes</b>	<b>198,000.00</b>	<b>209,000.00</b>	<b>220,000.00</b>
15.5.	<b>People Living with Disability Development Programmes</b>	<b>450,000.00</b>	<b>474,000.00</b>	<b>500,000.00</b>
15.6.	<b>HIV/AIDS Development Programmes</b>	<b>550,000.00</b>	<b>580,000.00</b>	<b>612,000.00</b>
16.	<b>TOTAL LOCAL ECONOMIC DEVELOPMENT PROGRAMMES</b>	<b>4,050,000.00</b>	<b>4,269,000.00</b>	<b>4,504,000.00</b>
16.1.	SMMES Development Programmes	500,000.00	527,000.00	556,000.00
16.2.	Cooperatives Development Programmes	500,000.00	527,000.00	556,000.00
16.3.	Cultural & Heritage Development Programmes	400,000.00	422,000.00	445,000.00
16.4.	Arts Development Programmes	450,000.00	474,000.00	500,000.00
16.5.	Agricultural Development Programmes	550,000.00	580,000.00	612,000.00
16.6.	Mining Development Programmes	300,000.00	316,000.00	334,000.00
16.7.	Manufacturing Development Programmes	350,000.00	369,000.00	389,000.00
16.8.	Tourism Development Programmes	1,000,000.00	1,054,000.00	1,112,000.00
17.	<b>POVERTY ALLEVIATION OR ERADICATION PROGRAMMES</b>	<b>14,845,000.00</b>	<b>15,647,000.00</b>	<b>16,508,000.00</b>
17.1.	Cleansing of Infrastructure Services	4,632,000.00	4,882,000.00	5,151,000.00
17.2.	Cleansing of the Rivers, Alien Species, Wetlands and Springs	4,713,000.00	4,968,000.00	5,241,000.00
17.3.	Community Skills Development Programme	5,500,000.00	5,797,000.00	6,116,000.00

3.1.1. OPERATING BUDGET FOR UGU DISTRICT MUNICIPALITY (CONT.....)

NO	OPERATING EXPENDITURE BUDGET DESCRIPTION	2018/2019	2019/2020	2020/2021
<b>18.</b>	<b>GRADUATE PROGRAMMES</b>	<b>1,130,000.00</b>	<b>1,191,000.00</b>	<b>1,257,000.00</b>
18.1.	Unemployed Graduates Programme	420,000.00	443,000.00	467,000.00
18.2.	Financial Management Internship Programme	500,000.00	527,000.00	556,000.00
18.3.	Other Internship Programme	210,000.00	221,000.00	234,000.00
<b>19.</b>	<b>FREE BASIC SERVICES</b>	<b>18,600,000.00</b>	<b>19,704,000.00</b>	<b>20,789,000.00</b>
19.1.	Development & Review of Indigent Register	1,800,000.00	1,897,000.00	2,002,000.00
19.2.	Recovery of water costs from standpipes	6,900,000.00	7,273,000.00	7,673,000.00
19.3.	Water Tankering Costs	6,000,000.00	6,318,000.00	6,666,000.00
19.4.	Rural Emergency Water Relief Programme (i.e. Immediate Water Extension & Minor Repairs on Stand Pipes)	4,000,000.00	4,216,000.00	4,448,000.00
<b>20.</b>	<b>MUNICIPAL HEALTH PROGRAMMES</b>	<b>1,180,000.00</b>	<b>1,243,000.00</b>	<b>1,311,000.00</b>
20.1.	Municipal Health Programme	1,000,000.00	1,053,000.00	1,111,000.00
20.2.	Pauper Burial Support	180,000.00	190,000.00	200,000.00
<b>21.</b>	<b>ENVIRONMENTAL MANAGEMENT PROGRAMMES</b>	<b>2,800,000.00</b>	<b>2,951,000.00</b>	<b>3,114,000.00</b>
<b>22.</b>	<b>DISASTER MANAGEMENT PROGRAMMES</b>	<b>6,300,000.00</b>	<b>6,640,000.00</b>	<b>7,005,000.00</b>
22.1.	Fire & Rescue Services	2,100,000.00	2,213,000.00	2,335,000.00
22.2.	Response to Disaster	3,000,000.00	3,162,000.00	3,336,000.00
22.3.	Uniform & Protective Clothing and Others	200,000.00	211,000.00	222,000.00
22.4.	Disaster Education & Training	1,000,000.00	1,054,000.00	1,112,000.00
<b>23.</b>	<b>REPAIRS &amp; MAINTENANCE</b>	<b>78,500,000.00</b>	<b>82,739,000.00</b>	<b>87,297,000.00</b>
23.1.	Water & Sewerage Infrastructure	65,000,000.00	68,510,000.00	72,278,000.00
23.2.	Municipal Fleet	9,000,000.00	9,486,000.00	10,008,000.00
23.3.	Municipal Buildings & Facilities	4,500,000.00	4,743,000.00	5,004,000.00
<b>24.</b>	<b>OPERATING LEASES</b>	<b>2,960,000.00</b>	<b>3,120,000.00</b>	<b>3,291,000.00</b>
24.1.	Municipal Office Buildings	1,360,000.00	1,433,000.00	1,512,000.00
24.2.	Computer & Office Equipment	1,400,000.00	1,476,000.00	1,557,000.00
24.3.	Ingonyama Trust Land	200,000.00	211,000.00	222,000.00
<b>25.</b>	<b>CALL CENTRE SERVICES</b>	<b>1,400,000.00</b>	<b>1,476,000.00</b>	<b>1,557,000.00</b>
25.1.	Assessment & Refurbishment of Call Centre System	1,400,000.00	1,476,000.00	1,557,000.00
<b>26.</b>	<b>PUBLIC PARTICIPATION PROGRAMMES</b>	<b>3,122,000.00</b>	<b>3,291,000.00</b>	<b>3,469,000.00</b>
26.1.	Community & Stakeholder Engagements	2,500,000.00	2,635,000.00	2,780,000.00
26.2.	News Letters	122,000.00	129,000.00	136,000.00
26.3.	Radio Slots	350,000.00	369,000.00	389,000.00

NO	OPERATING EXPENDITURE BUDGET DESCRIPTION	2018/2019	2019/2020	2020/2021
26.4.	Multi Civic Society	150,000.00	158,000.00	167,000.00
<b>27.</b>	<b>COMMUNITY INITIATIVE SUPPORT DEVELOPMENT PROGRAMMES</b>	<b>600,000.00</b>	<b>632,000.00</b>	<b>667,000.00</b>
27.1.	NGOs, NPOs & Other Community Development Organisations	100,000.00	105,000.00	111,000.00
27.2.	Other Community Initiative Support Programmes	500,000.00	527,000.00	556,000.00
<b>28.</b>	<b>OCCUPATIONAL HEALTH &amp; SAFETY PROGRAMMES</b>	<b>320,000.00</b>	<b>337,000.00</b>	<b>355,000.00</b>
28.1.	Employee Wellness Programme	120,000.00	126,000.00	133,000.00
28.2.	Other OHS Programmes	200,000.00	211,000.00	222,000.00
<b>29.</b>	<b>GENERAL EXPENSES</b>			
29.1.	Advertising	480,000.00	506,000.00	534,000.00
29.2.	External Audit Fees	3,200,000.00	3,373,000.00	3,558,000.00
29.3.	Specialised Audit	650,000.00	685,000.00	723,000.00
29.4.	Bank Charges	780,000.00	822,000.00	867,000.00
29.5.	Telephone	4,200,000.00	4,427,000.00	4,670,000.00
29.6.	Electricity	52,000,000.00	54,808,000.00	57,822,000.00
29.7.	SALGA Subscriptions	4,500,000.00	4,743,000.00	5,004,000.00
29.8.	Travelling & Accommodation	1,800,000.00	1,897,000.00	2,002,000.00
29.9.	Printing & Stationery	2,200,000.00	2,319,000.00	2,446,000.00
29.10.	Postage & Courier services	1,900,000.00	2,003,000.00	2,113,000.00
29.11.	Legal Costs	1,350,000.00	1,423,000.00	1,501,000.00
29.12.	Meetings & Logistics	260,000.00	274,000.00	289,000.00
29.13.	Fuel & Oil	14,500,000.00	15,283,000.00	16,124,000.00
29.14.	Training & Development	3,000,000.00	3,162,000.00	3,336,000.00
29.15.	Computer Licenses	5,000,000.00	5,270,000.00	5,560,000.00
29.16.	Property Transfers	1,100,000.00	1,159,000.00	1,223,000.00
29.17.	Property Rates	1,500,000.00	1,581,000.00	1,668,000.00
29.18.	Vehicle Registrations & Licences	1,300,000.00	1,370,000.00	1,446,000.00
29.19.	Subscriptions & Membership Fees	60,000.00	63,000.00	67,000.00
29.20.	Workmen Compensation Insurance	2,300,000.00	2,424,000.00	2,558,000.00
29.21.	Seminars & Conferences	420,000.00	443,000.00	467,000.00
29.22.	Vehicles Tracking	1,400,000.00	1,476,000.00	1,557,000.00
29.23.	Performance Management Systems (PMS)	80,000.00	84,000.00	89,000.00
29.24.	Political Parties Caucuses Expenses	300,000.00	316,000.00	334,000.00
29.25.	Labour Relations Costs	50,000.00	53,000.00	56,000.00
29.26.	Flags, Signage & Badges	50,000.00	53,000.00	53,000.00

**3.1.2. CAPITAL BUDGET FOR UGU DISTRICT MUNICIPALITY**

<b>NO</b>	<b>CAPITAL EXPENDITURE BUDGET DESCRIPTION</b>	<b>2018/2019</b>	<b>2019/2020</b>	<b>2020/2021</b>
<b>1.</b>	<b>Internal Capital Budget</b>	<b>24,500,000.00</b>	<b>25,798,500.00</b>	<b>27,193,012.50</b>
1.1.	Purchase of Municipal Fleet	10,000,000.00	10,540,000.00	11,120,000.00
1.2.	Construction of Offices in the Disaster Centre	7,000,000.00	7,378,000.00	7,784,000.00
1.3.	Construction of Offices in Oslo Municipal Building	7,000,000.00	7,378,000.00	7,784,000.00
1.4.	ICT Infrastructure (servers)	500,000.00	502,500.00	505,012.50
<b>2.</b>	<b>MIG Capital Projects (i.e. Details of the Projects Attached)</b>	<b>230,889,000.00</b>	<b>243,357,000.00</b>	<b>256,742,000.00</b>

**N.B. The Operating and Capital Budget for the two entities are also attached.**

**Prepared by:**

**Mayor:** \_\_\_\_\_  
**CLLR M CHILIZA**



*Ugu District Municipality*

**CONSOLIDATED BUDGET 2018/2019**

**Vision**

**By 2035 Ugu District Municipality will provide adequate access to basic services in an efficient and sustainable manner, enhancing the quality of its citizens in an inclusive progressive economy.**

**Mission**

**To ensure all our communities have access to quality drinking water, decent sanitation, sustainable economic opportunities underpinned by the active participation of our citizens in exemplary government.**

**Umbono**

Ngotyaka wezi-2035, uMasipala Wezifunda uGugu uyopho sawuhlozeka ngazidinganga ngi efanele ngodidi ehlakile nenozinzo, ethuthukisa izingqizakhamuzi zayo emonathweni odidiyelelenozinzo.

**Imiphikaphelo**

Uyinqulakava ukuthi yonke imiphikaphelo amona imanzi ahlantsele okuphuzo izindlu zangasese ezihloliwelele, amathuthu axinobutho somsemo bsekelwe ukubandakanyeka kwemithambo zethu ngendlela efanele kululumeni oyibonakali.



# MAYOR'S REPORT OF 2018/2019 ANNUAL BUDGET FOR UGU DISTRICT MUNICIPALITY

## 1. LEGISLATIVE REQUIREMENTS

In terms of section 16 of the MFMA, the Council of the municipality must for each financial year approve, an annual budget for the municipality before the start of that financial year.

The above section is read together with section 52 of the MFMA, that says, the Mayor of the municipality must provide general political guidance over the fiscal and financial affairs of the municipality. In providing such political guidance he or she must take all reasonable steps to ensure that the municipality performs its constitutional and statutory functions within the limits of the municipality's approved budget.

Section 53 (1) of the MFMA further says, the Mayor of the municipality must:

- Provide general political guidance over the budget process and the priorities that must guide the preparation of the of a budget.
- Co-ordinate the annual revision of the Integrated Development Plan (IDP) in terms of section 34 of the Municipal Systems Act and the preparation of the annual budget, and determine how the IDP is to be taken into account or revised for the purposes of the budget;
- Take all reasonable steps to ensure that:
  - (i) The municipality approves its annual budget before the start of the budget year;
  - (ii) That the municipality's Service Delivery and Budget Implementation Plan (SDBIP) is approved by the mayor within 28 days after the approval of the budget; and
  - (iii) That the annual performance agreements as required in terms of the section 57(1)(b) of the Municipal Systems Act (MSA) for the Municipal Manager and Senior Managers are made Public and submitted to MEC for Local Government not later than 14 days after the approval of the SDBIP, and they also----
    - Comply with MFMA in order to promote sound financial management;
    - Are linked to the measurable performance objectives approved with the budget and to the SDBIP; and
    - Are concluded in accordance with section 57(2) of the Municipal Systems Act.

It is therefore against the above legislative requirements that; the 2018/2019 annual budget is tabled before Council for adoption.

**2. TOTAL 2018/2019 BUDGET REVENUE FOR UGU DISTRICT MUNICIPALITY AND ITS TWO ENTITIES (i.e. SOUTH COAST TOURISM AGENCY AND UGU SOUTH COAST DEVELOPMENT AGENCY)**

**2.1. TOTAL 2018/2019 BUDGET REVENUE FOR UGU DISTRICT MUNICIPALITY**

NO	REVENUE DESCRIPTION	2018/2019	2019/2020	2020/2021
1.	Equitable Share	435,877,000	461,838,000	503,224,000
2.	Municipal Infrastructure Grant (MIG)	235,889,000	241,038,000	255,284,000
3.	Water Services Infrastructure Grant (WSIG)	55,000,000	95,000,000	100,225,000
4.	Financial Management Grant (FMG)	1,865,000	1,865,000	1,800,000
4.	Expanded Works Programme Grant	3,250,000	0,00	0,00
5.	Rural Roads Management Systems Grant	2,663,000	2,821,000	2,984,000
6.	Development Planning Shared Services Grant	400,000	500,000	600,000
7.	Umzumbe Trail Grant	2000,000	2,100,000	2,216,000
8.	Water Income	306,836,157	327,484,558	345,317,941
9.	Sanitation Income	122,275,258	128,775,401	135,726,847
10.	Interest on Investments	2,535,182	2,672,082	2,819,046
11.	Interest on overdue accounts	508,485	535,943	565,420
12.	Rental of Facilities	1,091,486	1,150,426	1,213,670
13.	Other Income	6,730,875	7,067,419	7,420,790
14.	<b>TOTAL BUDGET REVENUE</b>	<b>1,176,920,404</b>	<b>1,272,847,828</b>	<b>1,359,396,714</b>

**2.2. TOTAL 2018/2019 REVENUE BUDGET FOR SOUTH COAST TOURISM AGENCY**

NO.	REVENUE DESCRIPTION	2018/2019	% REVENUE STREAM CONTRIBUTION
1.	Grant Allocation from uGu District Municipality	14,135,196.00	63.94%
2.	Grant Allocation from Ray Nkonyeni Local Municipality	2,007,570.00	9.08%
3.	Grant Allocation from uMdoni Local Municipality	1,151,729.00	5.21%
4.	Grant Allocation from uMzumbe Local Municipality	476,798.00	2.16%
5.	Grant Allocation from uMuziwabantu Local Municipality	376,599.00	1.70%
6.	Other Conditional Grants Income	2,816,251.00	12.74%
7.	Interest Revenue	644,854.00	2.92%
8.	Own Revenue	496,751.00	2.25%
9.	<b>TOTAL BUDGET REVENUE</b>	<b>22,105,750.00</b>	<b>100%</b>

**2.3. TOTAL 2018/2019 REVENUE FOR UGU SOUTH COAST DEVELOPMENT AGENCY**

<b>NO.</b>	<b>REVENUE DESCRIPTION</b>	<b>2018/2019</b>	<b>% REVENUE STREAM CONTRIBUTION</b>
1.	Grant Allocation from uGu District Municipality	6,282,310.00	32.59%
2.	Grant Allocation from Ray Nkonyeni Local Municipality	1,785,000.00	9.26%
3.	Grant Allocation from uMdoni Local Municipality	1,102,500.00	5.72%
4.	Grant Allocation from uMzumbe Local Municipality	551,250.00	2.86%
5.	Grant Allocation from uMuziwabantu Local Municipality	551,250.00	2.86%
6.	KZN Department of Education – National School Nutrition	3,000,000.00	15.57%
7.	Department of Agriculture, Forestry and Fisheries – Fish Farming	3,000,000.00	15.57%
8.	Department of Agriculture, Forestry and Fisheries – Aquaculture Business Plan	300,000.00	1.56%
9.	KZN Department of Economic Development and Environmental Affairs – IFafa	500,000.00	2.59%
10.	Income: Project – KwaXolo Caves	1,551,679.00	8.05%
11.	Interest on Investment	300,000.00	1.56%
12.	Rent Income : Lease of Facilities (IFafa)	300,000.00	1.56%
13.	Sale of Tender Documents	50,000.00	0.26%
14.	<b>TOTAL REVENUE BUDGET</b>	<b>19,273,989.00</b>	<b>100%</b>

**3. TOTAL 2018/2019 BUDGET EXPENDITURE FOR UGU DISTRICT MUNICIPALITY AND ITS TWO ENTITIES**

**3.1. UGU DISTRICT MUNICIPALITY**

**3.1.1. OPERATING BUDGET FOR UGU DISTRICT MUNICIPALITY**

NO	OPERATING EXPENDITURE BUDGET DESCRIPTION	2018/2019	2019/2020	2020/2021
1.	Employee Related Costs	334,469,000.00	352,530,326.00	371,919,494.00
2.	Councillors Remuneration	11,815,003.00	12,453,013.00	13,137,928.00
<b>3.</b>	<b>TOTAL DEPRECIATION AND ASSETS IMPAIRMENT</b>	<b>58,000,000.00</b>	<b>89,992,000.00</b>	<b>94,762,000.00</b>
3.1.	Depreciation on Property, Plant and Equipment	50,000,000.00	89,992,000.00	84,762,000.00
3.2.	Asset Impairment	8,000,000.00	10,000,000.00	10,000,000.00
<b>4.</b>	<b>TOTAL BULK PURCHASES</b>	<b>75,000,000.00</b>	<b>83,187,000.00</b>	<b>87,596,000.00</b>
4.1.	Electricity Bulk Purchases	0.00	0.00	0.00
4.2.	Water Bulk Purchases	75,000,000.00	83,187,000.00	87,596,000.00
<b>5.</b>	<b>TOTAL ALLOCATIONS TO THE ENTITIES</b>	<b>20,417,310.00</b>	<b>21,499,427.00</b>	<b>22,681,896.00</b>
5.1.	South Coast Tourism Agency	14,135,000.00	14,884,155.00	15,702,784.00
5.2.	UGu South Coast Development Agency	6,282,310.00	6,627,837.00	6,992,368.00
<b>6.</b>	<b>CONTRACTED SERVICES COSTS</b>			
<b>6.1.</b>	<b>Total Security Services Costs</b>	<b>14,600,000.00</b>	<b>15,388,000.00</b>	<b>16,235,000.00</b>
6.1.1.	Outsourced General Security (i.e. Guarding)	13,495,000.00	14,224,000.00	15,006,000.00
6.1.2.	Outsourced Alarm Monitoring	5,000.00	5,000.00	6,000.00
6.1.3.	Electronic Security Initiatives	1,100,000.00	1,159,000.00	1,223,000.00
<b>7.</b>	<b>Total Cleansing, Hygienic &amp; Pests Control Services</b>	<b>2,500,000.00</b>	<b>2,634,000.00</b>	<b>2,777,000.00</b>
7.1.	Outsourced Cleansing Services	2,320,000.00	2,445,000.00	2,577,000.00
7.2.	Hygiene Services	100,000.00	105,000.00	111,000.00
7.3.	Pests Control & Fumigation	80,000.00	84,000.00	89,000.00
<b>8.</b>	<b>Total Accounting &amp; Banking Services</b>	<b>3,095,000.00</b>	<b>3,262,000.00</b>	<b>3,441,000.00</b>
8.1.	Accounting System Operation and Maintenance Support	2,950,000.00	3,109,000.00	3,280,000.00
8.2.	Cash In Transit Services	145,000.00	153,000.00	161,000.00
<b>9.</b>	<b>Total Revenue Management Services</b>	<b>8,204,000.00</b>	<b>8,645,000.00</b>	<b>9,121,000.00</b>
9.1.	Meter Reading Services	3,420,000.00	3,605,000.00	3,803,000.00
9.2.	Hand Delivering of Returned Bills Statements from the Post	684,000.00	721,000.00	761,000.00
9.3.	Printing of Bills Statements	600,000.00	632,000.00	667,000.00
9.4.	Cleansing of Customers' Data	1,500,000.00	1,581,000.00	1,668,000.00
9.5.	Tracing & Collection of long overdue debtors	2,000,000.00	2,106,000.00	2,222,000.00

**3.1.1. OPERATING BUDGET FOR UGU DISTRICT MUNICIPALITY (CONT.....)**

NO	OPERATING EXPENDITURE BUDGET DESCRIPTION	2018/2019	2019/2020	2020/2021
<b>10.</b>	<b>Total Water Engineering Services</b>	<b>11,000,000.00</b>	<b>11,594,000.00</b>	<b>12,232,000.00</b>
10.1.	Water Quality Monitoring & Compliance	5,500,000.00	5,797,000.00	6,116,000.00
10.2.	Dam Safety Services	1,500,000.00	1,581,000.00	1,668,000.00
10.3.	Telemetry & Mechanical Systems	1,500,000.00	1,581,000.00	1,668,000.00
10.4.	Assessment of Water & Sewerage Infrastructure (i.e. for WSDP & Water Master Plan)	2,500,000.00	2,635,000.00	2,780,000.00
<b>11.</b>	<b>Total Information Communication Technology (ICT) Services</b>	<b>1,750,000.00</b>	<b>1,845,000.00</b>	<b>1,946,000.00</b>
11.1.	Network Wireless & Extensions	1,300,000.00	1,370,000.00	1,446,000.00
11.2.	Telephone Line Systems	150,000.00	158,000.00	167,000.00
11.3.	Internet Services	200,000.00	211,000.00	222,000.00
11.4.	Backup Services	100,000.00	105,000.00	111,000.00
<b>12.</b>	<b>Total Asset Management &amp; Planning Services</b>	<b>3,400,000.00</b>	<b>3,583,000.00</b>	<b>3,780,000.00</b>
12.1.	Insurance of Municipal Assets	2,900,000.00	3,057,000.00	3,225,000.00
12.2.	Scanners and GIS Tools	100,000.00	105,000.00	111,000.00
12.3.	Development Planning Shared Services	400,000.00	421,000.00	444,000.00
<b>13.</b>	<b>Total Long Term Loans Repayments</b>	<b>28,000,000.00</b>	<b>28,000,000.00</b>	<b>28,000,000.00</b>
13.1.	Development Bank of South Africa (DBSA)	5,400,000.00	5,400,000.00	5,400,000.00
13.2.	Development Bank of South Africa (DBSA)	2,700,000.00	2,700,000.00	2,700,000.00
13.3.	Development Bank of South Africa (DBSA)	2,700,000.00	2,700,000.00	2,700,000.00
13.4.	ABSA Bank	17,200,000.00	17,200,000.00	17,200,000.00
<b>14.</b>	<b>Total Materials (i.e. Consumables or Inventory)</b>	<b>15,529,000.00</b>	<b>16,894,000.00</b>	<b>17,825,000.00</b>
14.1.	Materials for Repairs & Maintenance of Infrastructure (i.e. Pipes, Couplings, Small Tools etc)	5,480,000.00	5,776,000.00	6,094,000.00
14.2.	Water Chemicals	2,586,000.00	2,726,000.00	2,876,000.00
14.3.	Protective Clothing for Staff in Water Services	2,114,000.00	2,228,000.00	2,351,000.00
14.4.	Cleansing Services for Staff in Water Services (e.g. Soap, Detergents etc)	349,000.00	367,000.00	388,000.00
14.5.	Water Meters	3,000,000.00	3,162,000.00	3,336,000.00
14.6.	Vacuuming of Rural VIP Toilets	2,500,000.00	2,635,000.00	2,780,000.00

3.1.1. OPERATING BUDGET FOR UGU DISTRICT MUNICIPALITY (CONT.....)

NO	OPERATING EXPENDITURE BUDGET DESCRIPTION	2018/2019	2019/2020	2020/2021
<b>15.</b>	<b>TOTAL SPECIAL PROGRAMMES</b>	<b>12,609,000.00</b>	<b>13,290,000.00</b>	<b>13,680,000.00</b>
<b>15.1.</b>	<b>Youth Development Programmes</b>	<b>11,200,000.00</b>	<b>11,805,000.00</b>	<b>12,454,000.00</b>
15.1.1.	Youth Development initiatives	2,800,000.00	2,951,000.00	3,114,000.00
15.1.2.	SALGA Games	5,700,000.00	6,008,000.00	6,338,000.00
15.1.3.	Mayoral Cup	450,000.00	474,000.00	500,000.00
15.1.4.	Mayoral Bursaries	600,000.00	632,000.00	667,000.00
15.1.5.	Drug Substance Abuse	150,000.00	158,000.00	167,000.00
15.1.6.	Sporting Codes Development Programmes	1,500,000.00	1,581,000.00	1,668,000.00
<b>15.2.</b>	<b>Rights of the Child</b>	<b>211,000.00</b>	<b>222,000.00</b>	<b>234,000.00</b>
<b>15.3.</b>	<b>Gender Development Programmes</b>			
15.3.1.	Women Celebration	500,000.00	527,000.00	554,000.00
15.3.2.	Gender Development Initiatives	200,000.00	211,000.00	222,000.00
<b>15.4.</b>	<b>Elderly Development Programmes</b>	<b>198,000.00</b>	<b>209,000.00</b>	<b>220,000.00</b>
<b>15.5.</b>	<b>People Living with Disability Development Programmes</b>	<b>450,000.00</b>	<b>474,000.00</b>	<b>500,000.00</b>
<b>15.6.</b>	<b>HIV/AIDS Development Programmes</b>	<b>550,000.00</b>	<b>580,000.00</b>	<b>612,000.00</b>
<b>16.</b>	<b>TOTAL LOCAL ECONOMIC DEVELOPMENT PROGRAMMES</b>	<b>4,050,000.00</b>	<b>4,269,000.00</b>	<b>4,504,000.00</b>
16.1.	SMMES Development Programmes	500,000.00	527,000.00	556,000.00
16.2.	Cooperatives Development Programmes	500,000.00	527,000.00	556,000.00
16.3.	Cultural & Heritage Development Programmes	400,000.00	422,000.00	445,000.00
16.4.	Arts Development Programmes	450,000.00	474,000.00	500,000.00
16.5.	Agricultural Development Programmes	550,000.00	580,000.00	612,000.00
16.6.	Mining Development Programmes	300,000.00	316,000.00	334,000.00
16.7.	Manufacturing Development Programmes	350,000.00	369,000.00	389,000.00
16.8.	Tourism Development Programmes	1,000,000.00	1,054,000.00	1,112,000.00
<b>17.</b>	<b>POVERTY ALLEVIATION OR ERADICATION PROGRAMMES</b>	<b>14,845,000.00</b>	<b>15,647,000.00</b>	<b>16,508,000.00</b>
17.1.	Cleansing of Infrastructure Services	4,632,000.00	4,882,000.00	5,151,000.00
17.2.	Cleansing of the Rivers, Alien Species, Wetlands and Springs	4,713,000.00	4,968,000.00	5,241,000.00
17.3.	Community Skills Development Programme	5,500,000.00	5,797,000.00	6,116,000.00

3.1.1. OPERATING BUDGET FOR UGU DISTRICT MUNICIPALITY (CONT.....)

NO	OPERATING EXPENDITURE BUDGET DESCRIPTION	2018/2019	2019/2020	2020/2021
<b>18.</b>	<b>GRADUATE PROGRAMMES</b>	<b>1,130,000.00</b>	<b>1,191,000.00</b>	<b>1,257,000.00</b>
18.1.	Unemployed Graduates Programme	420,000.00	443,000.00	467,000.00
18.2.	Financial Management Internship Programme	500,000.00	527,000.00	556,000.00
18.3.	Other Internship Programme	210,000.00	221,000.00	234,000.00
<b>19.</b>	<b>FREE BASIC SERVICES</b>	<b>18,600,000.00</b>	<b>19,704,000.00</b>	<b>20,789,000.00</b>
19.1.	Development & Review of Indigent Register	1,800,000.00	1,897,000.00	2,002,000.00
19.2.	Recovery of water costs from standpipes	6,900,000.00	7,273,000.00	7,673,000.00
19.3.	Water Tankering Costs	6,000,000.00	6,318,000.00	6,666,000.00
19.4.	Rural Emergency Water Relief Programme (i.e. Immediate Water Extension & Minor Repairs on Stand Pipes)	4,000,000.00	4,216,000.00	4,448,000.00
<b>20.</b>	<b>MUNICIPAL HEALTH PROGRAMMES</b>	<b>1,180,000.00</b>	<b>1,243,000.00</b>	<b>1,311,000.00</b>
20.1.	Municipal Health Programme	1,000,000.00	1,053,000.00	1,111,000.00
20.2.	Pauper Burial Support	180,000.00	190,000.00	200,000.00
<b>21.</b>	<b>ENVIRONMENTAL MANAGEMENT PROGRAMMES</b>	<b>2,800,000.00</b>	<b>2,951,000.00</b>	<b>3,114,000.00</b>
<b>22.</b>	<b>DISASTER MANAGEMENT PROGRAMMES</b>	<b>6,300,000.00</b>	<b>6,640,000.00</b>	<b>7,005,000.00</b>
22.1.	Fire & Rescue Services	2,100,000.00	2,213,000.00	2,335,000.00
22.2.	Response to Disaster	3,000,000.00	3,162,000.00	3,336,000.00
22.3.	Uniform & Protective Clothing and Others	200,000.00	211,000.00	222,000.00
22.4.	Disaster Education & Training	1,000,000.00	1,054,000.00	1,112,000.00
<b>23.</b>	<b>REPAIRS &amp; MAINTENANCE</b>	<b>78,500,000.00</b>	<b>82,739,000.00</b>	<b>87,297,000.00</b>
23.1.	Water & Sewerage Infrastructure	65,000,000.00	68,510,000.00	72,278,000.00
23.2.	Municipal Fleet	9,000,000.00	9,486,000.00	10,008,000.00
23.3.	Municipal Buildings & Facilities	4,500,000.00	4,743,000.00	5,004,000.00
<b>24.</b>	<b>OPERATING LEASES</b>	<b>2,960,000.00</b>	<b>3,120,000.00</b>	<b>3,291,000.00</b>
24.1.	Municipal Office Buildings	1,360,000.00	1,433,000.00	1,512,000.00
24.2.	Computer & Office Equipment	1,400,000.00	1,476,000.00	1,557,000.00
24.3.	Ingonyama Trust Land	200,000.00	211,000.00	222,000.00
<b>25.</b>	<b>CALL CENTRE SERVICES</b>	<b>1,400,000.00</b>	<b>1,476,000.00</b>	<b>1,557,000.00</b>
25.1.	Assessment & Refurbishment of Call Centre System	1,400,000.00	1,476,000.00	1,557,000.00
<b>26.</b>	<b>PUBLIC PARTICIPATION PROGRAMMES</b>	<b>3,122,000.00</b>	<b>3,291,000.00</b>	<b>3,469,000.00</b>
26.1.	Community & Stakeholder Engagements	2,500,000.00	2,635,000.00	2,780,000.00
26.2.	News Letters	122,000.00	129,000.00	136,000.00
26.3.	Radio Slots	350,000.00	369,000.00	389,000.00

NO	OPERATING EXPENDITURE BUDGET DESCRIPTION	2018/2019	2019/2020	2020/2021
26.4.	Multi Civic Society	150,000.00	158,000.00	167,000.00
<b>27.</b>	<b>COMMUNITY INITIATIVE SUPPORT DEVELOPMENT PROGRAMMES</b>	<b>600,000.00</b>	<b>632,000.00</b>	<b>667,000.00</b>
27.1.	NGOs, NPOs & Other Community Development Organisations	100,000.00	105,000.00	111,000.00
27.2.	Other Community Initiative Support Programmes	500,000.00	527,000.00	556,000.00
<b>28.</b>	<b>OCCUPATIONAL HEALTH &amp; SAFETY PROGRAMMES</b>	<b>320,000.00</b>	<b>337,000.00</b>	<b>355,000.00</b>
28.1.	Employee Wellness Programme	120,000.00	126,000.00	133,000.00
28.2.	Other OHS Programmes	200,000.00	211,000.00	222,000.00
<b>29.</b>	<b>GENERAL EXPENSES</b>			
29.1.	Advertising	480,000.00	506,000.00	534,000.00
29.2.	External Audit Fees	3,200,000.00	3,373,000.00	3,558,000.00
29.3.	Specialised Audit	650,000.00	685,000.00	723,000.00
29.4.	Bank Charges	780,000.00	822,000.00	867,000.00
29.5.	Telephone	4,200,000.00	4,427,000.00	4,670,000.00
29.6.	Electricity	52,000,000.00	54,808,000.00	57,822,000.00
29.7.	SALGA Subscriptions	4,500,000.00	4,743,000.00	5,004,000.00
29.8.	Travelling & Accommodation	1,800,000.00	1,897,000.00	2,002,000.00
29.9.	Printing & Stationery	2,200,000.00	2,319,000.00	2,446,000.00
29.10.	Postage & Courier services	1,900,000.00	2,003,000.00	2,113,000.00
29.11.	Legal Costs	1,350,000.00	1,423,000.00	1,501,000.00
29.12.	Meetings & Logistics	260,000.00	274,000.00	289,000.00
29.13.	Fuel & Oil	14,500,000.00	15,283,000.00	16,124,000.00
29.14.	Training & Development	3,000,000.00	3,162,000.00	3,336,000.00
29.15.	Computer Licenses	5,000,000.00	5,270,000.00	5,560,000.00
29.16.	Property Transfers	1,100,000.00	1,159,000.00	1,223,000.00
29.17.	Property Rates	1,500,000.00	1,581,000.00	1,668,000.00
29.18.	Vehicle Registrations & Licences	1,300,000.00	1,370,000.00	1,446,000.00
29.19.	Subscriptions & Membership Fees	60,000.00	63,000.00	67,000.00
29.20.	Workmen Compensation Insurance	2,300,000.00	2,424,000.00	2,558,000.00
29.21.	Seminars & Conferences	420,000.00	443,000.00	467,000.00
29.22.	Vehicles Tracking	1,400,000.00	1,476,000.00	1,557,000.00
29.23.	Performance Management Systems (PMS)	80,000.00	84,000.00	89,000.00
29.24.	Political Parties Caucuses Expenses	300,000.00	316,000.00	334,000.00
29.25.	Labour Relations Costs	50,000.00	53,000.00	56,000.00
29.26.	Flags, Signage & Badges	50,000.00	53,000.00	53,000.00



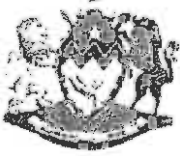
**3.1.2. CAPITAL BUDGET FOR UGU DISTRICT MUNICIPALITY**

<b>NO</b>	<b>CAPITAL EXPENDITURE BUDGET DESCRIPTION</b>	<b>2018/2019</b>	<b>2019/2020</b>	<b>2020/2021</b>
<b>1.</b>	<b>Internal Capital Budget</b>	<b>24,500,000.00</b>	<b>25,798,500.00</b>	<b>27,193,012.50</b>
1.1.	Purchase of Municipal Fleet	10,000,000.00	10,540,000.00	11,120,000.00
1.2.	Construction of Offices in the Disaster Centre	7,000,000.00	7,378,000.00	7,784,000.00
1.3.	Construction of Offices in Oslo Municipal Building	7,000,000.00	7,378,000.00	7,784,000.00
1.4.	ICT Infrastructure (servers)	500,000.00	502,500.00	505,012.50
<b>2.</b>	<b>MIG Capital Projects (i.e. Details of the Projects Attached)</b>	<b>230,889,000.00</b>	<b>243,357,000.00</b>	<b>256,742,000.00</b>

**N.B. The Operating and Capital Budget for the two entities are also attached.**

**Prepared by:**

Mayor: \_\_\_\_\_  
**CLLR M CHILIZA**



Our reference: M-3/2/1/43 Ugu District  
 inkomba yethu :  
 Ons verwysing:

Date: 19 June 2018  
 Usuku:  
 Datum:

Please quote our reference on all correspondence

THE MAYOR  
 UGU DISTRICT MUNICIPALITY  
 PO BOX 33  
 PORT SHEPSTONE  
 4240

Fax No: 039 682 1720

Dear Cllr. M.A. Chiliza

*Urgent*  
*CFO to see*  
*M. M.*

UGU DISTRICT  
 RECEIVED BY THE OFFICE  
 OF THE MUNICIPAL MANAGER  
 2018-05-27  
 Returned to: *M. M.*  
 MUNICIPALITY  
*CFO*

**HIGH LEVEL ASSESSMENT OF THE APPROVED BUDGET FOR THE 2018/19 FINANCIAL YEAR**

Reference is made to your Approved Budget for the 2018/19 financial year that was submitted to Provincial Treasury in accordance with Section 24(3) of the Municipal Finance Management Act (MFMA), which states that *the accounting officer of a municipality must submit the approved annual budget to the National Treasury and the relevant Provincial Treasury.*

Provincial Treasury has conducted a high level assessment of your 2018/19 Approved Budget with a view of assessing whether the municipality has considered the comments and recommendations provided by Provincial Treasury on your 2018/19 Tabled Budget, as required by Section 23(1)(b) of the MFMA. Section 23(1) (b) states that *the municipal Council must consider any views of the National Treasury, the relevant Provincial Treasury and any provincial or national organs of state or municipalities which made submissions on the budget*

A Council resolution approving the 2018/19 Final Budget dated 24 May 2018 was received by Provincial Treasury.

A high level assessment conducted on your 2018/19 Approved Budget is set out in Tables 1 to 6 in Annexure B and should be read together with Provincial Treasury's assessment of the 2018/19 Tabled (Draft) Budget.

Based on the negative amount of **R58.9 million for the 2018/19 Cash/cash equivalents at the year-end** recalculated in Table A7: *Budgeted cash flows* and the **Cash shortfall of R152.4 million** recalculated in Table A8: *Cash backed reserves/accumulated surplus reconciliation* your municipality's 2018/19 Approved Budget is **Unfunded** in terms of Section 18 of the MFMA read together with MFMA Circular No. 55, due to the following reasons amongst others:

- The 2018/19 budget for *Net increase/decrease in cash held* is a **negative R83.5 million** as per Table A7 and a **negative R111.2 million** as per the Provincial Treasury's recalculations,

indicating a decreasing trend in cash reserves. This indicates that the budgeted cash receipts for 2018/19 are not sufficient to cover the budgeted expenditure and as a result cash reserves from the prior years will be utilised. The municipality is advised to implement Cost containment measures and reduce expenditure in the 2018/19 budget year.

- The budgeted 2018/19 *Cash/cash equivalents at the year beginning* of **R188.2 million** does not agree to the municipality's 2017/18 Adjustments Budget closing balance of **R141.6 million**. Furthermore, Provincial Treasury recalculated the opening cash balance to be **R52.4 million** based on the municipality's net cash position as at 31 May 2018. The municipality must correct this error to ensure that the budgeted cash flows are realistic.
- Provincial Treasury recalculated the budgeted amount for *Government grants - operating* using the 2018 DoRB, Provincial Gazette No. 1940 dated 5 April 2018 and Local Municipalities' individual budgets. The Provincial Treasury's recalculated amount for *Government grants - operating* was R451.7 million for the 2018/19 budget year, which does not agree to R446.1 million reflected in Table A7 for this line item. Therefore, the budget for *Government grants - operating* has been understated by **R5.6 million** and this should be corrected to reflect realistic revenue to be received

The budget in its current form will not be sustainable as your municipality will be reporting expenditure against an unfunded budget. This is a serious transgression that will impact the financial viability of the municipality as well as its ability to deliver services to the community.

The following issues were noted relating to the sustainability of the municipality:

- The municipality budgeted R75 million for *Bulk purchases* in the 2018/19 budget year, which is a decrease of R1 million or 1.4 percent from the 2017/18 Adjusted Budget amount of R76 million. This decrease does not appear reasonable when compared to the historic trend of R77.8 million audited outcome for 2016/17 and the budgeted increase of R13.9 million or 5.3 percent for *Service charges - water revenue*, which will result in increased *Bulk purchases*. Furthermore, the municipality should also consider the annual increases by Bulk water suppliers. The municipality should revise the budget for this line item to ensure that the budget is realistic, credible and sustainable.
- The municipality has budgeted for an *Operating deficit* of **R49.7 million** in the 2018/19 financial year, **R65 million** in the 2019/20 financial year and **R53.2 million** in the 2020/21 financial year. This is not in line with MFMA Circular No. 72 which requires all municipalities to adopt a surplus position on the Statement of financial performance. Furthermore, it must be noted that if all the errors noted under *Transfers and subsidies, Depreciation & asset impairment* and *Debt impairment* are corrected, the municipality's *Deficit* position could worsen. Therefore, the municipality should consider the comments provided by Provincial Treasury and reassess its operating budget and ensure that it budgets for an *Operating surplus* as *Deficits* result in the erosion of cash reserves.
- Water losses represent the loss of potential revenue in kilolitres of water purchased or purified but not sold. The municipality indicated in the 2016/17 audited Annual Financial Statements (AFS) that the *Water losses* were approximately **69.04 percent** for the 2016/17 financial year.

JA 9

and 70.28 percent for the 2015/16 financial year, which is significantly above the norm of between 15 percent and 30 percent as per MFMA Circular No. 71. This could indicate ageing water infrastructure or poor asset management. The municipality should investigate the root cause for water losses and ensure that it is addressed

- The municipality budgeted **R133.8 million for Repairs and maintenance** as per Table A9, which is approximately 3.4 percent of the 2016/17 *Property, plant and equipment*. The budgeted *Repairs and maintenance* are below the norm of 8 percent as required by MFMA Circular No. 55. This indicates that insufficient monies are being spent on *Repairs and maintenance* to the extent that it could increase the impairment of useful assets. The municipality is advised to ensure that sufficient monies are being spent on *Repairs and maintenance* in order to ensure the ongoing health of the municipality's infrastructure.
- As per Table A9, the municipality **did not budget for Renewals and Upgrading of existing assets in the 2018/19 MTREF**. This is not in line with MFMA Circular No. 55, which recommends that at least 40 percent of total *Capital expenditure* should be allocated to *Renewal of existing assets*. Furthermore, this indicates that no funds are being committed to asset renewal and this could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected. The municipality's minimal budget for *Repairs and maintenance* and *Renewals and Upgrading of existing assets* is concerning due to the significant water losses reported by the municipality. The municipality must revise the *Capital expenditure* budget or provide a detailed explanation and assurance in the Budget Document that the budgeted amount is adequate to secure the ongoing health of the municipality's infrastructure supported by reference to its Asset Management Plan as required by the MFMA Circular No. 55.

**In its current form, Provincial Treasury does not support the 2018/19 Approved Budget of the municipality as it is Unfunded.**

Your 2018/19 Approved Budget is hereby referred back to the municipality to re-table a funded budget.

It is noted that as per the engagement with the municipality on 12 June 2018 and subsequently in a letter from the Mayor, the municipality made a commitment that a funded 2018/19 MTREF Budget will be tabled at the Council meeting on 28 June 2018 for approval.

The municipality should reduce non-essential expenditure; implement cost containment measures as per MFMA Circular No.82. Your municipality is encouraged to re-table a Funded Budget in terms of Section 24(2) of the MFMA before the start of the 2018/19 financial year, failing which, your municipality should table a Funded Adjustments Budget in terms of Section 28 of the MFMA and Regulation 23(1) and (2) of the Municipal Budget and Reporting Regulations (MBRR). The municipality is strongly reminded that, when revising the budget to ensure that it is funded, there should be no adjustment to municipal tariffs.

**Should the municipality not adhere to the above requirements, I will have no choice but to escalate the matter to National Treasury to recommend the stopping of the equitable share transfers to your municipality in terms of Section 38(1)(a) of the MFMA, which states that National Treasury may stop the transfer of funds due to a municipality as its share of the**

*local government's equitable share referred to in Section 214(1)(a) of the Constitution, but only if the municipality commits a serious or persistent breach of the measures established in terms of Section 216(1) of the Constitution which includes reporting obligations as set out in the MFMA and National Treasury's request for information in terms of Section 74 of the MFMA.*

The municipality is requested to table in the next Council meeting, Provincial Treasury's comments on the high level assessment conducted on your Approved Budget for 2018/19 and provide us with the copies of the Council resolution and the minutes thereof.

The municipality is reminded that the Mayor must approve the Service Delivery and Budget Implementation Plan (SDBIP) within 28 days of approval of the budget in terms of Section 53(1)(c)(iii) of the MFMA and that the Municipal Manager must submit an electronic and printed copy thereof to National and Provincial Treasuries within 10 working days after approval of the SDBIP in terms of Regulation 20(2)(b) of the MBRR.

As part of the National Treasury's Budget Verification exercise, National Treasury publishes a consolidated set of budget information for all municipalities annually. The municipality is thus reminded of their responsibility to ensure that all the submitted annual returns and mSCOA data strings are fully aligned to the 2018/19 Approved Budget (A Schedule).

Yours sincerely

  
MS B F SCOTT  
MEC FOR FINANCE – KZN

cc: Municipal Manager  
Chief Financial Officer  
Jan Hattingh - National Treasury  
Head of Department – KZN Provincial Treasury  
Audit Committee Chairperson  
Business Executive – KZN Auditor - General

**UGU DISTRICT MUNICIPALITY**

**RESPONSE TO THE LETTER FROM PROVINCIAL TREASURY WITH REGARDS TO 2018/2019 ANNUAL BUDGET**

**1. BACKGROUND**

The Council approved 2018/19 budget on 24 May 2018. Immediately the approved budget was submitted to Provincial Treasury in accordance with Section 24(3) of the MFMA, which states that the Accounting Officer must submit the approved annual budget to the National Treasury and the relevant Provincial Treasury.

The assessment was done by Provincial Treasury in the form of comments and recommendations as required by section 23(1)(b) of the MFMA.

The MSCOA Regulations requires that the municipality tables before Council MSCOA Data Strings together with an approved budget as the MSCOA became effective in the municipalities with effect from 01 July 2017.

The MEC for Finance – KZN, Ms BF Scott communicated her comments in the form of the letter to Mayor, Cllr MA Chiliza on our 2018/2019 approved budget and recommended that her comments be tabled before next Council and revised budget as the results of the incorporation of her comments.

It is the against this background that the written responses on Provincial Treasury's comments are presented informing the amendments of the 2018/19 budget to ensure that it is fully funded.

## 2. RESPONSES ON COMMENTS BY PROVINCIAL TREASURY

NO	SUMMARISED COMMENT BY PROVINCIAL TREASURY	RESPONSE TO COMMENT BY PROVINCIAL TREASURY
1.	<p>The approved 2018/19 Budget is unfunded due to negative cash and cash equivalents per schedule A7 and A8 indicating a decreasing trend in cash reserves. This indicates that the budgeted receipts for 2018/19 are not sufficient to cover budgeted expenditure and as a result cash reserves from the prior years will be utilised.</p> <p>The municipality is advised to implement costs containment measures and reduce expenditure in the 2018/19 budget year.</p>	<p>The budgeted kilolitres of water to be sold were adjusted upwards a bit to ensure that our budget becomes funded which resulted in the slight increase of our water and sanitation income. Such increment resulted in a R2,5 million monthly increment of water income and R2 million monthly increment on sanitation income. It therefore changed our annual budgeted water income of R276,8 million to R306,8 million and sanitation income of R97,2 million to R122.2 million. These changes were effected in A4 Table.</p> <p>The A7 and A8 tables were amended accordingly to reflect positive Cash and Cash Equivalents of R5,3 million to eliminate anticipated cash overdrawn in our bank account.</p> <p>Our budget makes it very difficult to be funded because, our municipality is too financially pressured as a result but not limited to the following:</p> <ul style="list-style-type: none"> <li>• Over financial commitments on capital projects;</li> <li>• Many contracts of three years in almost all operations within the municipality which makes the municipality to be very under-pressure financially;</li> <li>• None containment of expenditure;</li> <li>• High employee related, operational and administration costs in the municipality;</li> <li>• Low revenue collection rates and minimal revenue streams etc.</li> </ul> <p>The municipality is committed on the implementation of costs containment measures in 2018/19 financial year.</p>
2.	<p>The budgeted Cash &amp; Cash Equivalents equivalents at the beginning of the year of R188,2 million does not agree to municipality's 2017/18 Adjustment Budget balance of R141,6 million. The Provincial Treasury has recalculated opening cash balance to be R52,4 million based on the municipality's net cash position as at 31 May 2018. The municipality must correct this error to ensure realistic budgeted cash flows.</p>	<p>The error has been corrected in A7 table by ensuring that our cash and cash equivalents at the beginning of the year amounts to R52,4 million.</p>

NO	SUMMARISED COMMENT BY PROVINCIAL TREASURY	RESPONSE TO COMMENT BY PROVINCIAL TREASURY
3.	The Provincial Treasury recalculated the budgeted amount for Government Grants – Operating using 2018 DORA to be R451,7 million for 2018/19 budget not R446,1 million reflected in A7 schedule. This should be corrected to reflect realistic revenue to be received.	The correction has been made to A7 table by correcting understatement of R5,6 million to reflect R451,7 million.
4.	The municipality budgeted R75 million for bulk purchases in the 2018/19 budget year compare to R76 million in 2017/18 budget. The municipality must consider an increase of the budget for bulk purchases looking at the historical trend of R77.8 million audited outcome for 2016/17 and tariffs increment of 5,3%.	The financial performance on Bulk Purchases budget will be analysed and reviewed during adjustment budget period, because if it can be increased now, our 2018/19 will be further more unfunded as a result of an expenditure. Therefore, this will be taken care of during adjustment budget if necessary when the actual expenditure is known.
5.	The municipality has budgeted for an Operating Deficit of R49,7 million in 2018/19, R65 million in 2019/20 and R53,2 million in 2020/21.	The budget has been amended to correct the operating deficit in A4 table to reflect the surplus of R9,6 million, R36,5 million, R54,3 million respectively.
6.	The municipality indicated in the 2016/17 audited annual financial statements (AFS) the Water losses of 69.04% and in 2015/16 audited AFS of 70.28% which is significantly above the norm of between 15% to 30%. This could indicate aging water infrastructure or poor asset management. The municipality should investigate the root cause for water losses and ensure that it is addressed.	<p>The water losses are acknowledged. The root causes of the water losses include but not limited to the following:</p> <ul style="list-style-type: none"> <li>• Leaking pipes due to aging infrastructure;</li> <li>• No regular replacements of aging infrastructure emanating from Infrastructure replacement strategy (if any);</li> <li>• Illegal connections; etc.</li> </ul> <p>As part of intervention in dealing with the issue of water losses, the municipality has budgeted R37,9 million for Water Pipeline Replacements, Water Pipeline Replacement (i.e. South Coast Pipeline Phase 2B to Malangeni Link) for R14,1 million; Water Pipeline Replacements (i.e. uMdoni Reservoir, Sezela, Elysium &amp; Mthwalume Link) for R20 million and R10 million for Margate Sewer Line Replacement in 2018/19 financial year. These budget allocations are included in our capital budget in SA36 table.</p>

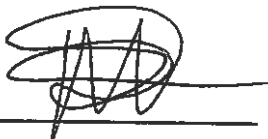


NO	SUMMARISED COMMENT BY PROVINCIAL TREASURY	RESPONSE TO COMMENT BY PROVINCIAL TREASURY
7.	<p>The municipality budgeted R133.8 million for Repairs and Maintenance as per A9 Table, which is approximately 3,4% of the 2016/17 Property, Plant and Equipment. The Budgeted Repairs and Maintenance are below the norm of 8%.</p>	<p>The 2016/17 Property, Plant and Equipment as disclosed in 2016/17 audited AFS includes Work in Progress that does not need any repairs and maintenance until such projects get completed and handed over to the community, none infrastructural assets such as Office Equipment, Furniture, Motor Vehicles, Computer Equipment etc.</p> <p>However, with respect to Repairs and Maintenance of Infrastructural Assets the municipality need a minimum of R188 million which is not affording currently. It only afforded R133.8 million in its 2018/19 budget. The municipality will start working with R133.8 million that I can afford for now and then assess the actual implementation during the adjustment period. Should we increase Repairs and maintenance budget to R188 million from R133,8 million our 2018/19 budget will become unfunded even more further with is in contravention with Section 18 of the MFMA and MFMA Circular No. 55.</p>
8.	<p>As per A9 Table the municipality did not budget for Renewal and Upgrading of existing Infrastructure Assets in the 2018/19 MTREF which is in contravention of MFMA Circular No. 55 which recommends that at least 40% of the total Capital Expenditure should be allocated to Renewal of Existing Infrastructure.</p>	<p>The A9 Table has been updated for Renewal of Existing Infrastructure which amounts to R104 million. This is funded out of our MIG Capital Budget of R230 million in 2018/19 budget year, which represents 45% of the total MIG Capital Budget compared to MFMA Circular No. 55 recommendation of 40%. It means the municipality has exceeded the guideline of 40% by 5% more which is favourable.</p> <p>The details of the capital projects are tabulated in SA 36 Table.</p>
9.	<p>In the current form, Provincial Treasury does not support the 2018/19 Approved Budget of the municipality as it is unfunded. The 2018/19 Approved Budget is referred back to the municipality to re-table a funded budget.</p>	<p>The 2018/19 has been amended to ensure that it is funded in terms of section 18 of the MFMA. The amended 2018/19 budget was resubmitted to Provincial Treasury and a response was obtained from Provincial Treasury that our budget is now funded.</p> <p>The email confirmation from Provincial Treasury is attached for reference purposes while a formal response of the confirmation of our funded budget will be received. The funded budget will be tabled before Council on the 28 June 2018 for adoption.</p>

NO	SUMMARISED COMMENT BY PROVINCIAL TREASURY	RESPONSE TO COMMENT BY PROVINCIAL TREASURY
10.	It is noted that as per the engagement with the municipality on 12 June 2018 and subsequently a letter from the Mayor was received for a commitment that a funded 2018/19 MTREF Budget will be tabled at the Council meeting on 28 June 2018 for Approval.	Yes, the engagement is acknowledged and the commitment was made by the Mayor to ensure a funded budget. The funded budget will be tabled before Council on the 28 June 2018.
11.	<p>The municipality should reduce non-essential expenditure, implement costs cutting measures as per MFMA Circular No. 82. Your municipality is encouraged to re-table a Funded Budget in terms of section 24(2) of the MFMA before the start of the 2018/19 financial year.</p> <p>Failing which your municipality should table a Funded Adjustment Budget in terms of Section 28 of the MFMA and Regulation 23(1) and (2) of the Municipal Budget and Reporting Regulations (MBRR).</p> <p>The municipality is strongly reminded that that, when revising the budget to ensure the budget is funded, there should be no adjustments to the municipal tariffs.</p> <p>Should the municipality not adhere to the comments made, I shall have no choice but to escalate the matter to National Treasury to recommend the stopping of the Equitable Share transfers to your municipality in terms of Section 38(1)(a) of the MFMA, which states that National Treasury may stop the transfer of funds due to a municipality as its share of local government equitable share referred to in Section 214(1)(a) of the Constitution.</p>	<p>The municipality is committed to reduce non-essential expenditure and to implement costs containment measures. The funded budget will be tabled before Council on 28 June 2018.</p> <p>The municipality will amend and table the funded budget on 28 June 2018 immediately not wait for the Adjustment Budget which is due after six (6) months of 2018/19 financial year.</p> <p>The tariffs were not adjusted as a result of this amendment. The tariffs increment remains at 5,3% as initially agreed in line with CPI for 2018/19 financial year.</p> <p>The Provincial Treasury's Comments have been taken into account as a result, the 2018/19 budget was amended.</p>
12.	The municipality is requested to table in the next Council Meeting, Provincial Treasury's comments and provide us with the copies of the Council Resolution and minutes thereof.	The Provincial Treasury's Comments will be tabled before Council. Copies of the Council Resolution and Minutes thereof will be submitted to Provincial Treasury.

NO	SUMMARISED COMMENT BY PROVINCIAL TREASURY	RESPONSE TO COMMENT BY PROVINCIAL TREASURY
13.	The municipality is reminded that the Mayor must approve Service Delivery and Budget Implementation Plan (SDBIP) within 28 days of the approval of the budget in terms of Section 53(1)(c)(iii) of the MFMA and that the Municipal Manager must submit the electronic and printed copy thereof to National and Provincial Treasury within 10 working days after the approval of the SDBIP in terms of Regulations 20 (2) (b') of the MBRR.	The Mayor will make sure that SDBIP of the municipality is approved within 28 Days after the approval of the Budget.
14.	As part of the National Treasury's Budget Verification exercise, National Treasury published a consolidated set of the budget information for all municipalities annually. The municipality is thus reminded of their responsibility to ensure that all the submitted annual returns and MSCOA Data Strings are fully aligned to the 2018/19 Approved Budget (i.e. A Schedule).	The MSCOA Data Strings for both uGu District and its two Entities will be tabled before Council on the 28 June 2018 together with amended budget.

COMPILED BY



MR MS DLAMINI  
CHIEF FINANCIAL OFFICER  
22 JUNE 2018

**From:** XOLANI MTHIMKHULU [<mailto:XOLANI.MTHIMKHULU@kzntreasury.gov.za>]  
**Sent:** Friday, June 22, 2018 2:26 PM  
**To:** Mkhululeni.Dlamini <[Mkhululeni.Dlamini@ugu.gov.za](mailto:Mkhululeni.Dlamini@ugu.gov.za)>  
**Cc:** NKOSINATHI RADEBE <[NKOSINATHI.RADEBE@kzntreasury.gov.za](mailto:NKOSINATHI.RADEBE@kzntreasury.gov.za)>; LERUSHA JOSIAH <[LERUSHA.JOSIAH@kzntreasury.gov.za](mailto:LERUSHA.JOSIAH@kzntreasury.gov.za)>; Fano.Ngubane <[Fano.Ngubane@ugu.gov.za](mailto:Fano.Ngubane@ugu.gov.za)>  
**Subject:** Revised 2018/19 Budget

Dear CFO,

I had a look at your revised budget submitted today by your municipality. Based on the information submitted by your municipality, the 2018/19 budget appears funded with **major risks** as the surplus is very minimal and some of the concerns raised in the feedback letter dated 19 June 2018 are still not addressed i.e. Bulk purchases, Depreciation etc.

Regards,



treasury

Department:  
Treasury  
PROVINCE OF KWAZULU-NATAL

Xolani Mthimkhulu |  
Municipal Finance Analyst |  
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# Municipal annual budgets and MTREF & supporting tables

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**national treasury**

Department  
National Treasury  
REPUBLIC OF SOUTH AFRICA

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or

For registered users using the LG Upload Portal.



DC21 Ugu - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Revenue by Vote</b>										
Vote 1 - EXECUTIVE & COUNCIL	1	2,624	2,083	2,190	2,356	2,356	(15,106)	10,250	10,793	11,365
Vote 2 - FINANCE & ADMINISTRATION		231,527	391,689	185,327	201,496	179,852	191,406	4,400	4,633	4,879
Vote 3 - INFRASTRUCTURE & ECONOMIC DEVELOPMENT		277,022	256,450	262,413	54,239	53,363	49,807	56,773	59,782	62,951
Vote 4 - WATER		424,952	343,848	473,788	786,053	732,896	731,596	975,441	1,050,547	1,125,554
Vote 5 - WASTE WATER MANAGEMENT		136,593	107,403	112,502	120,891	100,041	93,631	110,399	116,251	122,412
Vote 6 - PUBLIC SAFETY		7,277	109	11,915	7,526	7,526	7,150	8,040	8,466	8,915
Vote 7 - ENVIRONMENTAL PROTECTION		10,206	946	17,392	18,827	18,827	17,866	18,007	18,961	19,966
Vote 8 - OTHER: MARKET		1,284	862	181	165	165	157	839	883	930
Vote 9 - SPORTS & RECREATION		309	220	237	241	241	229	253	266	280
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	<b>2</b>	<b>1,061,794</b>	<b>1,103,611</b>	<b>1,065,944</b>	<b>1,191,795</b>	<b>1,095,287</b>	<b>1,076,756</b>	<b>1,185,402</b>	<b>1,270,583</b>	<b>1,357,252</b>
<b>Expenditure by Vote to be appropriated</b>										
Vote 1 - EXECUTIVE & COUNCIL	1	38,539	55,583	51,670	78,645	79,498	65,607	80,550	81,543	86,027
Vote 2 - FINANCE & ADMINISTRATION		94,836	138,196	171,529	172,126	183,660	166,142	171,750	173,866	183,429
Vote 3 - INFRASTRUCTURE & ECONOMIC DEVELOPMENT		56,054	27,825	79,205	73,364	73,364	67,016	75,740	76,673	80,890
Vote 4 - WATER		555,936	595,005	614,428	469,062	430,024	440,456	402,101	409,331	431,776
Vote 5 - WASTE WATER MANAGEMENT		68,203	92,103	108,020	91,356	91,356	82,755	125,150	126,691	133,659
Vote 6 - PUBLIC SAFETY		4,367	2,515	5,177	8,434	8,434	8,012	6,300	6,378	6,728
Vote 7 - ENVIRONMENTAL PROTECTION		14,406	16,207	17,566	18,602	18,602	17,672	23,274	23,561	24,856
Vote 8 - OTHER: MARKET		784	1,045	1,165	1,451	1,451	1,378	-	-	-
Vote 9 - SPORTS & RECREATION		77,214	465	-	390	390	371	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	<b>2</b>	<b>910,339</b>	<b>928,944</b>	<b>1,048,760</b>	<b>913,432</b>	<b>886,780</b>	<b>849,409</b>	<b>884,865</b>	<b>898,042</b>	<b>947,366</b>
<b>Surplus/(Deficit) for the year</b>	<b>2</b>	<b>151,455</b>	<b>174,667</b>	<b>17,184</b>	<b>278,363</b>	<b>208,507</b>	<b>227,347</b>	<b>300,537</b>	<b>372,541</b>	<b>409,886</b>

## References

1. Insert 'Vote'; e.g. department, if different to functional classification structure
2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)
3. Assign share in 'associate' to relevant Vote

DC21 Ugu - Table A2 Consolidated Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Revenue - Functional</b>										
<b>Governance and administration</b>		234,151	393,772	187,517	203,851	185,558	176,300	14,650	15,427	16,244
Executive and council		2,624	2,083	2,190	2,356	(15,922)	(15,106)	10,250	10,793	11,365
Finance and administration		231,527	391,689	185,327	201,495	201,480	191,406	4,400	4,633	4,879
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		7,586	329	12,151	7,767	7,767	7,379	8,293	8,732	9,195
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		309	220	237	241	241	229	253	266	280
Public safety		7,277	109	11,915	7,526	7,526	7,150	8,040	8,466	8,915
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		287,228	257,398	279,805	73,067	71,256	67,693	74,780	78,743	82,917
Planning and development		277,022	256,450	262,413	54,239	52,428	49,807	56,773	59,792	62,951
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		10,206	948	17,392	18,827	18,827	17,886	18,007	18,961	19,966
<b>Trading services</b>		531,545	451,251	586,291	906,945	830,541	825,227	1,086,840	1,166,797	1,247,966
Energy sources		-	-	-	-	-	-	-	-	-
Water management		424,952	343,848	473,788	786,053	731,982	731,596	976,441	1,050,547	1,125,554
Waste water management		106,593	107,403	112,502	120,891	98,559	93,631	110,399	116,251	122,412
Waste management		-	-	-	-	-	-	-	-	-
<b>Other</b>	4	1,284	862	181	165	165	157	839	883	930
<b>Total Revenue - Functional</b>	2	1,061,794	1,103,611	1,065,944	1,191,795	1,095,287	1,076,756	1,185,402	1,270,583	1,357,252
<b>Expenditure - Functional</b>										
<b>Governance and administration</b>		133,375	193,779	223,199	250,771	243,946	231,749	252,301	255,409	269,456
Executive and council		38,539	55,583	51,670	78,645	69,060	65,607	80,550	81,543	86,027
Finance and administration		94,836	138,196	171,529	172,126	174,886	166,142	171,750	173,866	183,429
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		81,581	2,981	5,177	8,824	8,824	8,383	6,300	6,378	6,728
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		77,214	465	-	390	390	371	-	-	-
Public safety		4,367	2,515	5,177	8,434	8,434	8,012	6,300	6,378	6,728
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		70,460	44,031	96,771	91,966	89,145	84,688	99,014	100,233	105,746
Planning and development		56,054	27,825	79,205	73,364	70,543	67,016	75,740	76,673	80,890
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		14,406	16,207	17,566	18,602	18,602	17,672	23,274	23,561	24,856
<b>Trading services</b>		624,139	687,108	722,448	560,419	543,413	523,211	527,251	536,022	565,435
Energy sources		-	-	-	-	-	-	-	-	-
Water management		555,936	595,005	614,428	469,062	456,303	440,456	402,101	409,331	431,776
Waste water management		68,203	92,103	108,020	91,356	87,110	82,755	125,150	126,691	133,659
Waste management		-	-	-	-	-	-	-	-	-
<b>Other</b>	4	784	1,045	1,165	1,451	1,451	1,378	-	-	-
<b>Total Expenditure - Functional</b>	3	910,339	928,944	1,048,760	913,432	886,780	849,409	884,865	898,042	947,366
<b>Surplus/(Deficit) for the year</b>		151,455	174,667	17,184	278,363	208,507	227,347	300,537	372,541	409,886

**References**

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes
2. Total Revenue by functional classification must reconcile to Total Operating Revenue shown in Budgeted Financial Performance (revenue and expenditure)
3. Total Expenditure by Functional Classification must reconcile to Total Operating Expenditure shown in Budgeted Financial Performance (revenue and expenditure)
4. All amounts must be classified under a functional classification. The GFS function 'Other' is only for Abattoirs, Air Transport, Forestry, Licensing and Regulation, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification.



DC21 Ugu - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Revenue By Source</b>											
Property rates	2	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	192,674	208,858	208,163	315,836	262,943	249,796	249,796	306,836	323,405	341,193
Service charges - sanitation revenue	2	102,346	107,250	105,963	113,236	92,386	87,766	87,766	122,275	128,878	135,966
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - other											
Rental of facilities and equipment		2,430	1,089	2,545	1,160	1,116	1,061	1,061	1,391	1,150	1,214
Interest earned - external investments		16,025	26,609	24,229	20,813	2,535	2,408	2,408	3,480	2,672	2,819
Interest earned - outstanding debtors		3,490	4,019	4,021	3,846	483	459	459	508	536	565
Dividends received											
Fines, penalties and forfeits											
Licences and permits											
Agency services											
Transfers and subsidies		341,199	392,648	397,281	445,808	445,808	445,808	445,808	451,692	469,124	510,724
Other revenue	2	16,964	16,630	12,751	11,977	11,165	10,606	10,606	8,329	8,779	9,262
Gains on disposal of PPE		862	813	691							
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>675,991</b>	<b>747,915</b>	<b>755,645</b>	<b>912,678</b>	<b>816,436</b>	<b>797,905</b>	<b>797,905</b>	<b>894,513</b>	<b>934,545</b>	<b>1,001,743</b>
<b>Expenditure By Type</b>											
Employee related costs	2	274,840	302,629	339,203	350,373	316,301	300,486	300,486	347,306	366,061	386,194
Remuneration of councillors		9,146	9,544	9,423	13,306	9,175	8,716	8,716	13,125	13,834	14,595
Debt impairment	3	18	97,093	69,440	3,000	3,000	2,850	2,850	3,159	3,326	3,503
Depreciation & asset impairment	2	337,863	195,103	203,639	121,047	121,047	121,047	121,047	58,301	61,449	64,829
Finance charges		12,813	13,556	10,165	9,771	19,615	18,634	18,634	28,001	29,513	31,136
Bulk purchases	2	52,826	66,091	77,790	76,034	76,034	72,232	72,232	75,000	79,050	83,398
Other materials	8	3,664	13,060	-	8,962	16,551	15,723	15,723	16,029	19,343	20,387
Contracted services		19,964	22,808	35,647	35,558	145,553	138,275	138,275	41,018	43,233	45,611
Transfers and subsidies		29,478	20,327	36,335	18,310	18,310	18,310	18,310	20,213	21,284	22,412
Other expenditure	4, 5	169,930	188,732	229,534	277,070	161,195	153,136	153,136	282,713	260,950	275,302
Loss on disposal of PPE				37,585							
<b>Total Expenditure</b>		<b>910,339</b>	<b>928,944</b>	<b>1,048,760</b>	<b>913,432</b>	<b>886,780</b>	<b>849,409</b>	<b>849,409</b>	<b>884,865</b>	<b>898,042</b>	<b>947,366</b>
<b>Surplus/(Deficit)</b>											
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(234,348)	(181,029)	(293,115)	(753)	(70,344)	(51,504)	(51,504)	9,648	36,503	54,377
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		385,804	355,696	310,299	279,116	278,851	278,851	278,851	290,889	336,038	355,509
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>151,455</b>	<b>174,667</b>	<b>17,184</b>	<b>278,363</b>	<b>208,507</b>	<b>227,347</b>	<b>227,347</b>	<b>300,537</b>	<b>372,541</b>	<b>409,886</b>
Taxation											
<b>Surplus/(Deficit) after taxation</b>		<b>151,455</b>	<b>174,667</b>	<b>17,184</b>	<b>278,363</b>	<b>208,507</b>	<b>227,347</b>	<b>227,347</b>	<b>300,537</b>	<b>372,541</b>	<b>409,886</b>
Attributable to minorities											
<b>Surplus/(Deficit) attributable to municipality</b>		<b>151,455</b>	<b>174,667</b>	<b>17,184</b>	<b>278,363</b>	<b>208,507</b>	<b>227,347</b>	<b>227,347</b>	<b>300,537</b>	<b>372,541</b>	<b>409,886</b>
Share of surplus/ (deficit) of associate	7										
<b>Surplus/(Deficit) for the year</b>		<b>151,455</b>	<b>174,667</b>	<b>17,184</b>	<b>278,363</b>	<b>208,507</b>	<b>227,347</b>	<b>227,347</b>	<b>300,537</b>	<b>372,541</b>	<b>409,886</b>

**References**

1. Classifications are revenue sources and expenditure type
2. Detail to be provided in Table SA1
3. Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment
4. Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item; e.g. employee costs
5. Repairs & maintenance detailed in Table A9 and Table SA34c
6. Contributions are funds provided by external organisations to assist with infrastructure development; e.g. developer contributions (detail to be provided in Table SA1)
7. Equity method (Includes Joint Ventures)

DC21 Ugu - Table A5 Consolidated Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Capital expenditure - Vote</b>											
<b>Multi-year expenditure to be appropriated</b>	2										
Vote 1 - EXECUTIVE & COUNCIL		-	-	-	-	-	-	-	-	-	-
Vote 2 - FINANCE & ADMINISTRATION		-	-	-	-	-	-	-	-	-	-
Vote 3 - INFRASTRUCTURE & ECONOMIC DEVELOPMENT		-	-	-	-	-	-	-	-	-	-
Vote 4 - WATER		-	-	-	-	-	-	-	-	-	-
Vote 5 - WASTE WATER MANAGEMENT		-	-	-	-	-	-	-	-	-	-
Vote 6 - PUBLIC SAFETY		-	-	-	-	-	-	-	-	-	-
Vote 7 - ENVIRONMENTAL PROTECTION		-	-	-	-	-	-	-	-	-	-
Vote 8 - OTHER: MARKET		-	-	-	-	-	-	-	-	-	-
Vote 9 - SPORTS & RECREATION		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	7	-	-	-	-	-	-	-	-	-	-
<b>Single-year expenditure to be appropriated</b>	2										
Vote 1 - EXECUTIVE & COUNCIL		599	129	-	1,000	3,400	3,230	3,230	-	-	-
Vote 2 - FINANCE & ADMINISTRATION		11,766	10,720	13,797	50,159	51,679	49,095	49,095	24,500	25,183	26,516
Vote 3 - INFRASTRUCTURE & ECONOMIC DEVELOPMENT		-	-	288,726	265	285	271	271	274	288	303
Vote 4 - WATER		289,821	348,608	33,616	228,751	241,634	229,552	229,552	227,089	239,125	251,799
Vote 5 - WASTE WATER MANAGEMENT		23,600	4,631	-	81,500	48,547	48,120	-	49,300	51,913	54,884
Vote 6 - PUBLIC SAFETY		-	163	-	-	-	-	-	-	-	-
Vote 7 - ENVIRONMENTAL PROTECTION		-	-	-	650	650	618	618	-	615	648
Vote 8 - OTHER: MARKET		-	-	-	-	-	-	-	-	-	-
Vote 9 - SPORTS & RECREATION		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		325,786	364,251	316,139	362,325	346,195	328,885	328,766	301,163	317,124	333,932
<b>Total Capital Expenditure - Vote</b>		325,786	364,251	316,139	362,325	346,195	328,885	328,766	301,163	317,124	333,932
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>		12,365	10,849	13,797	51,159	55,079	52,325	52,325	24,500	25,799	27,166
Executive and council		599	129	-	1,000	3,400	3,230	3,230	-	-	-
Finance and administration		11,766	10,720	13,797	50,159	51,679	49,095	49,095	24,500	25,799	27,166
Internal audit		-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	163	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		-	163	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		-	-	288,726	915	935	888	888	274	288	303
Planning and development		-	-	288,726	265	285	271	271	274	288	303
Road transport		-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	650	650	618	618	-	-	-
<b>Trading services</b>		313,421	353,239	33,616	310,251	290,181	275,672	275,672	276,389	291,038	306,463
Energy services		-	-	-	-	-	-	-	-	-	-
Water management		289,821	348,608	33,616	228,751	241,634	229,552	229,552	227,089	239,125	251,799
Waste water management		23,600	4,631	-	81,500	48,547	48,120	48,120	49,300	51,913	54,664
Waste management		-	-	-	-	-	-	-	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	3	325,786	364,251	316,139	362,325	346,195	328,885	328,885	301,163	317,124	333,932
<b>Funded by:</b>											
National Government		287,015	307,058	302,342	278,851	278,851	278,851	278,851	276,389	291,038	306,463
Provincial Government		16,818	48,373	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	4	313,934	355,430	302,342	278,851	278,851	278,851	278,851	276,389	291,038	306,463
<b>Public contributions &amp; donations</b>	5	-	-	-	-	-	-	-	-	-	-
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		11,853	8,821	13,797	83,474	67,344	50,034	50,034	24,774	26,087	27,469
<b>Total Capital Funding</b>	7	325,786	364,251	316,139	362,325	346,195	328,885	328,885	301,163	317,124	333,932

**References**

- Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).
- Include capital component of PPP unitary payment. Note that capital transfers are only appropriated to municipalities for the budget year.
- Capital expenditure by functional classification must reconcile to the appropriations by vote.
- Must reconcile to supporting table SA20 and to Budgeted Financial Performance (revenue and expenditure).
- Must reconcile to Budgeted Financial Performance (revenue and expenditure).
- Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17.
- Total Capital Funding must balance with Total Capital Expenditure.
- Include any capitalised interest (MFMA section 46) as part of relevant capital budget.

DC21 Ugu - Table A6 Consolidated Budgeted Financial Position

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18						
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>ASSETS</b>											
<b>Current assets</b>											
Cash		50,622	59,313	14,230	27,423	27,423	26,052	26,052			
Call investment deposits	1	222,080	219,254	174,972	140,224	140,224	133,213	133,213	5,396	7,987	28,678
Consumer debtors	1	96,262	63,119	101,304	138,306	138,306	131,391	131,391	106,673	112,327	118,260
Other debtors		50,989	56,917	40,737	22,661	22,661	21,528	21,528	42,896	45,170	47,564
Current portion of long-term receivables		52	12	59	217	217	206	206	62	65	69
Inventory	2	14,426	11,524	7,629	20,475	20,475	19,451	19,451	8,034	8,460	8,908
<b>Total current assets</b>		<b>434,431</b>	<b>407,139</b>	<b>338,931</b>	<b>349,307</b>	<b>349,307</b>	<b>331,841</b>	<b>331,841</b>	<b>163,061</b>	<b>174,009</b>	<b>203,498</b>
<b>Non current assets</b>											
Long-term receivables		271	101	31	650	650	618	618	32	34	36
Investments											
Investment property		29,403	29,500	39,342	30,000	30,000	28,500	28,500	41,428	43,623	45,935
Investment in Associate											
Property, plant and equipment	3	3,590,626	3,850,650	3,929,693	4,042,114	4,042,114	3,840,009	3,840,008	4,175,280	4,382,211	4,599,967
Agricultural Biological intangible		8,981	11,504	16,318	9,779	9,779	9,290	9,290	17,183	18,094	19,053
Other non-current assets											
<b>Total non current assets</b>		<b>3,629,281</b>	<b>3,891,756</b>	<b>3,985,385</b>	<b>4,082,543</b>	<b>4,082,543</b>	<b>3,878,415</b>	<b>3,878,415</b>	<b>4,233,923</b>	<b>4,443,963</b>	<b>4,665,012</b>
<b>TOTAL ASSETS</b>		<b>4,063,711</b>	<b>4,298,895</b>	<b>4,324,316</b>	<b>4,431,849</b>	<b>4,431,849</b>	<b>4,210,257</b>	<b>4,210,257</b>	<b>4,396,984</b>	<b>4,617,971</b>	<b>4,868,510</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft	1	26,152	2,306	150					851	896	943
Borrowing	4	21,979	19,728	21,591	20,714	20,714	19,678	19,678	20,511	19,486	18,511
Consumer deposits		20,034	20,607	20,831	22,816	22,816	21,675	21,675	21,935	23,098	24,322
Trade and other payables	4	171,312	185,986	174,394	207,320	207,320	196,954	196,954	118,638	121,549	128,164
Provisions		20,269	25,716	28,782	23,464	23,464	22,290	22,290	30,307	24,707	24,707
<b>Total current liabilities</b>		<b>259,747</b>	<b>254,342</b>	<b>245,748</b>	<b>274,314</b>	<b>274,314</b>	<b>260,598</b>	<b>260,598</b>	<b>192,242</b>	<b>189,735</b>	<b>196,648</b>
<b>Non current liabilities</b>											
Borrowing		144,531	125,826	104,931	83,333	83,333	79,167	83,333	79,167	75,208	71,448
Provisions		28,484	29,582	31,459	32,419	32,419	30,798	30,798	33,126	34,882	36,731
<b>Total non current liabilities</b>		<b>173,016</b>	<b>155,407</b>	<b>136,390</b>	<b>115,752</b>	<b>115,752</b>	<b>109,964</b>	<b>114,131</b>	<b>112,293</b>	<b>110,091</b>	<b>108,179</b>
<b>TOTAL LIABILITIES</b>		<b>432,762</b>	<b>409,749</b>	<b>382,137</b>	<b>390,066</b>	<b>390,066</b>	<b>370,562</b>	<b>374,729</b>	<b>304,535</b>	<b>299,826</b>	<b>304,826</b>
<b>NET ASSETS</b>	5	<b>3,630,949</b>	<b>3,889,146</b>	<b>3,942,178</b>	<b>4,041,784</b>	<b>4,041,784</b>	<b>3,839,694</b>	<b>3,835,528</b>	<b>4,092,449</b>	<b>4,318,146</b>	<b>4,563,684</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated Surplus/(Deficit)		3,630,949	3,889,146	3,942,178	4,041,784	4,041,784	3,839,694	3,839,694	4,259,899	4,632,440	5,042,326
Reserves	4	-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	5	<b>3,630,949</b>	<b>3,889,146</b>	<b>3,942,178</b>	<b>4,041,784</b>	<b>4,041,784</b>	<b>3,839,694</b>	<b>3,839,694</b>	<b>4,259,899</b>	<b>4,632,440</b>	<b>5,042,326</b>

**References**

1. Detail to be provided in Table SA3
2. Include completed low cost housing to be transferred to beneficiaries within 12 months
3. Include 'Construction-work-in-progress' (disclosed separately in annual financial statements)
4. Detail to be provided in Table SA3. Includes reserves to be funded by statute.
5. Net assets must balance with Total Community Wealth/Equity

DC21 Ugu - Table A7 Consolidated Budgeted Cash Flows

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2018/20	Budget Year +2 2020/21
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates											
Service charges		331,609	316,108	285,258	300,350	248,730	248,730	248,730	343,289	351,483	380,642
Other revenue			17,719	22,615	13,137	12,281	12,281	12,281	8,355	3,362	3,547
Government - operating	1	321,618	321,618	391,139	445,808	445,808	445,808	445,808	451,692	469,124	510,724
Government - capital	1	384,636	416,726	310,299	279,116	278,851	278,851	278,851	290,889	336,038	355,509
Interest		19,515	30,628	28,295	23,907	3,018	3,018	3,018	3,989	3,208	3,384
Dividends											
<b>Payments</b>											
Suppliers and employees		(283,986)	(654,732)	(732,952)	(761,303)	(724,808)	(724,808)	(724,808)	(775,192)	(762,470)	(825,487)
Finance charges		(12,813)	(13,556)	(10,165)	(9,771)	(19,615)	(19,615)	(19,615)	(28,001)	(29,513)	(31,136)
Transfers and Grants	1	(326,781)	(20,327)	(36,335)	(18,310)	(18,310)	(18,310)	(18,310)	(20,213)	(21,284)	(22,412)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>433,798</b>	<b>414,183</b>	<b>258,153</b>	<b>272,534</b>	<b>225,956</b>	<b>225,956</b>	<b>225,956</b>	<b>274,509</b>	<b>339,949</b>	<b>374,772</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		885	963	900							
Decrease (Increase) in non-current debtors		(263)	210	27	(311)	(311)	(311)	(311)	618	651	685
Decrease (Increase) other non-current receivables		(20)									
Decrease (Increase) in non-current investments											
<b>Payments</b>											
Capital assets		(325,004)	(365,260)	(328,617)	(362,325)	(343,195)	(343,195)	(343,195)	(301,163)	(317,124)	(333,932)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(324,401)</b>	<b>(364,087)</b>	<b>(327,690)</b>	<b>(362,636)</b>	<b>(343,506)</b>	<b>(343,506)</b>	<b>(343,506)</b>	<b>(300,545)</b>	<b>(316,473)</b>	<b>(333,247)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans											
Borrowing long term/refinancing											
Increase (decrease) in consumer deposits		309	573	224	1,086	1,086	1,086	1,086	881	928	977
<b>Payments</b>											
Repayment of borrowing		(20,484)	(20,957)	(18,764)	(20,714)	(20,714)	(20,714)	(20,714)	(21,812)	(21,812)	(21,812)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(20,175)</b>	<b>(20,385)</b>	<b>(18,539)</b>	<b>(19,628)</b>	<b>(19,628)</b>	<b>(19,628)</b>	<b>(19,628)</b>	<b>(20,931)</b>	<b>(20,884)</b>	<b>(20,835)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>											
Cash/cash equivalents at the year begin:	2	157,328	246,549	276,261	179,487	281,797	281,797	281,797	52,363	5,396	7,987
Cash/cash equivalents at the year end:	2	246,549	276,261	188,185	69,758	144,620	144,620	144,620	5,396	7,987	28,678

**References**

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less
3. The MTREF is populated directly from SA30.

Total receipts	1,057,979	1,103,971	1,038,533	1,061,608	988,378	988,378	988,378	1,098,532	1,173,866	1,254,492
Total payments	(948,583)	(1,053,875)	(1,108,069)	(1,151,710)	(1,105,928)	(1,105,928)	(1,105,928)	(1,124,568)	(1,150,391)	(1,212,966)
Borrowings & investments & c.deposits	309	573	224	1,086	1,086	1,086	1,086	881	928	977
Repayment of borrowing	(20,484)	(20,957)	(18,764)	(20,714)	(20,714)	(20,714)	(20,714)	(21,812)	(21,812)	(21,812)
	89,222	29,711	(88,076)	(109,729)	(137,177)	(137,177)	(137,177)	(46,967)	2,591	20,691
	-	-	-	0	-	-	-	-	(0)	0





ASSET REGISTER SUMMARY - PPE (WDV)		5									
Roads Infrastructure											
Storm water Infrastructure											
Electrical Infrastructure											
Water Supply Infrastructure		2,791,080	2,503,693	2,473,728	2,498,119	2,498,119					
Sanitation Infrastructure		604,238	1,294,172	1,252,347	1,343,041	1,343,041					
Solid Waste Infrastructure											
Rail Infrastructure											
Coastal Infrastructure											
Information and Communication Infrastructure											
Infrastructure		3,395,318	3,787,865	3,726,075	3,841,160	3,841,160					
Community Facilities											
Sport and Recreation Facilities											
Community Assets											
Heritage Assets											
Revenue Generating		29,403	29,500	29,503							
Non-revenue Generating											
Investment properties		29,403	29,500	29,503							
Operational Buildings		190,216	198,530	152,391							
Housing											
Other Assets		190,216	198,530	152,391							
Biological or Cultivated Assets											
Servitudes				11,461							
Licences and Rights						9,779					
Intangible Assets		8,981	11,504	11,461		9,779					
Computer Equipment						16,954					
Furniture and Office Equipment				5,544		76,291					
Machinery and Equipment				3,789		67,814					
Transport Assets				36,714		39,895					
Libraries											
Zoo's, Marine and Non-biological Animals											
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>		<b>5</b>	<b>3,623,918</b>	<b>4,037,400</b>	<b>3,965,488</b>	<b>3,841,160</b>	<b>4,051,893</b>				
<b>EXPENDITURE OTHER ITEMS</b>											
Depreciation		7	337,860	195,103	203,639	121,047	121,047	121,047	58,301	61,449	64,829
<b>Repairs and Maintenance by Asset Class</b>		3	<b>53,697</b>	<b>64,351</b>	<b>66,981</b>	<b>66,839</b>	<b>69,839</b>	<b>66,347</b>	<b>78,788</b>	<b>83,042</b>	<b>87,610</b>
Roads Infrastructure			954	1,145	10,035	5,487	5,487	5,213	6,030	6,356	6,705
Storm water Infrastructure			-	-	-	-	-	-	-	-	-
Electrical Infrastructure			-	-	-	-	-	-	-	-	-
Water Supply Infrastructure			15,057	18,064	17,678	22,481	22,481	21,357	28,070	29,586	31,213
Sanitation Infrastructure			4,342	5,210	12,478	3,122	3,122	2,966	5,113	5,389	5,686
Solid Waste Infrastructure			-	-	-	-	-	-	-	-	-
Rail Infrastructure			-	-	-	-	-	-	-	-	-
Coastal Infrastructure			-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure			-	-	806	-	-	-	-	-	-
Infrastructure			20,354	24,419	40,996	31,091	31,091	29,536	39,213	41,331	43,604
Community Facilities			-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities			-	-	-	-	-	-	-	-	-
Community Assets			-	-	-	-	-	-	-	-	-
Heritage Assets			-	-	-	-	-	-	-	-	-
Revenue Generating			-	-	-	-	-	-	-	-	-
Non-revenue Generating			-	-	-	-	-	-	-	-	-
Investment properties			-	-	-	-	-	-	-	-	-
Operational Buildings			16,274	19,524	3,378	7,629	7,629	7,248	8,385	8,837	9,323
Housing			-	-	-	-	-	-	-	-	-
Other Assets			32,284	38,732	3,378	7,629	7,629	7,248	8,385	8,837	9,323
Biological or Cultivated Assets			-	-	-	-	-	-	-	-	-
Servitudes			-	-	-	-	-	-	-	-	-
Licences and Rights			1,300	1,200	-	1,098	109765227%	1,043	1,206	1,271	1,341
Intangible Assets			1,000	1,200	-	1,098	1,098	1,043	1,206	1,271	1,341
Computer Equipment			58	-	657	203	203	193	224	236	249
Furniture and Office Equipment			-	-	-	101	101	96	398	420	443
Machinery and Equipment			-	-	10,422	11,577	11,577	10,998	12,723	13,410	14,147
Transport Assets			-	-	11,527	15,140	18,140	17,233	16,639	17,537	18,502
Libraries			-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals			-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE OTHER ITEMS</b>			<b>391,557</b>	<b>259,454</b>	<b>270,619</b>	<b>187,887</b>	<b>190,887</b>	<b>187,395</b>	<b>137,089</b>	<b>144,492</b>	<b>152,439</b>
Renewal and upgrading of Existing Assets as % of total capex			0.3%	0.0%	0.0%	77.0%	81.3%	81.3%	34.5%	34.6%	34.6%
Renewal and upgrading of Existing Assets as % of deprecn			0.3%	0.0%	0.0%	230.4%	230.4%	218.8%	178.4%	178.3%	177.9%
R&M as a % of PPE			1.5%	1.7%	1.7%	1.7%	1.7%	1.7%	1.9%	1.9%	1.9%
Renewal and upgrading and R&M as a % of PPE			2.0%	2.0%	2.0%	9.0%	9.0%	0.0%	0.0%	0.0%	0.0%

**References**

1. Detail of new assets provided in Table SA34a
2. Detail of renewal of existing assets provided in Table SA34b
3. Detail of Repairs and Maintenance by Asset Class provided in Table SA34c
4. Must reconcile to total capital expenditure on Budgeted Capital Expenditure
5. Must reconcile to 'Budgeted Financial Position' (written down value)
6. Detail of upgrading of existing assets provided in Table SA34e
7. Detail of depreciation provided in Table SA34d

DC21 Ugu - Table A10 Consolidated basic service delivery measurement

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Household service targets</b>	1									
<b>Water:</b>										
Piped water inside dwelling		30	32	32	35	60	35	35	35	35
Piped water inside yard (but not in dwelling)		14	15	15	16	26	16	16	16	16
Using public tap (at least min.service level)	2	58	61	51	67	154	67	67	67	67
Other water supply (at least min.service level)	4	28	29	29	32	5	32	32	32	32
<i>Minimum Service Level and Above sub-total</i>		130	137	137	150	245	150	150	150	150
Using public tap (< min.service level)	3	25	26	26	29	29	29	29	29	29
Other water supply (< min.service level)	4	26	27	27	30	31	30	30	30	30
No water supply		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		51	54	54	59	60	59	59	59	59
<b>Total number of households</b>	5	181	190	190	210	305	210	210	210	210
<b>Sanitation/sewerage:</b>										
Flush toilet (connected to sewerage)		36	37	37	41	16	41	41	41	41
Flush toilet (with septic tank)		15	16	16	17	53	17	17	17	17
Chemical toilet		18	19	19	21	21	21	21	21	21
Pit toilet (ventilated)		58	61	61	67	116	67	67	67	67
Other toilet provisions (> min.service level)		-	-	-	-	3	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		126	132	132	146	208	146	146	146	146
Bucket toilet		3	3	3	3	8	3	3	3	3
Other toilet provisions (< min.service level)		49	51	51	57	85	57	57	57	57
No toilet provisions		8	8	8	9	181	9	9	9	9
<i>Below Minimum Service Level sub-total</i>		60	63	63	69	254	69	69	69	69
<b>Total number of households</b>	5	186	195	195	215	462	215	215	215	215
<b>Energy:</b>										
Electricity (at least min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min.service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Refuse:</b>										
Removed at least once a week		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Households receiving Free Basic Service</b>	7									
Water (6 kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free minimum level service)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed at least once a week)		-	-	-	-	-	-	-	-	-
<b>Cost of Free Basic Services provided - Formal Settlements (R'000)</b>	8									
Water (6 kilolitres per indigent household per month)		25,214	54,480	82,075	70,037	70,037	-	139,900	147,455	155,565
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed once a week for indigent households)		-	-	-	-	-	-	-	-	-
<b>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</b>										
<b>Total cost of FBS provided</b>		25,214	54,480	82,075	70,037	70,037	-	139,900	147,455	155,565
<b>Highest level of free service provided per household</b>										
Property rates (R value threshold)		-	-	-	-	-	-	-	-	-
Water (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)		-	-	-	-	-	-	-	-	-
Electricity (kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (average litres per week)		-	-	-	-	-	-	-	-	-
<b>Revenue cost of subsidised services provided (R'000)</b>	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)		22,983	17,631	-	32,618	32,618	97,522	34,510	36,373	38,374
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		-	-	-	-	-	-	-	-	-
Housing - top structure subsidies		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Total revenue cost of subsidised services provided</b>	6	22,983	17,631	-	32,618	32,618	97,522	34,510	36,373	38,374

## References

1. Include services provided by another entity; e.g. Eskom
2. Stand distance <= 200m from dwelling
3. Stand distance > 200m from dwelling
4. Borehole, spring, rain-water tank etc.
5. Must agree to total number of households in municipal area (informal settlements receiving services must be included)
6. Include value of subsidy provided by municipality above provincial subsidy level
7. Show number of households receiving at least these levels of services completely free (informal settlements must be included)
8. Must reflect the cost to the municipality of providing the Free Basic Service
9. Reflect the cost to the municipality in terms of 'revenue foregone' of providing free services (note this will not equal 'Revenue Foregone' on SA1)









DC21 Ugu - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
Good Governance	Financial Management			103,180	229,798	184,821	201,488	179,852	170,860	205,796	216,703	228,188	
Good Governance	Human Resources Management										-	-	
Good Governance	Support services			1,410	765	505	3,438	3,438	3,266	3,260	3,422	3,604	
Good Governance	Institutional Transformation			889			1,636				-	-	
Good Governance	Strategic Planning			278	250	400	400	400	400	400	421	444	
Economic Development	Agricultural Market			1,933	1,284	181	165	165	157	839	883	930	
Economic Development	Local Economic Development			13,174	4,736	5,970	20,678	53,393	50,714	23,444	24,686	25,995	
Environmental Protection	Environmental Services			8,863	10,206	17,392	18,827	18,827	17,886	1,801	1,896	1,997	
Community	Sports & Recreation			468	309	237	241	241	229	253	266	280	
Safety & Security	Fire Fighting			4,686		1,593	1,734	1,734	1,647	2,460	2,590	2,728	
Safety & Security	Disaster Management			14,679	7,277	10,321	6,700	6,700	6,366	5,580	5,876	6,187	
Sustainable Services	Sanitation			100,105	104,180	112,502	120,708	100,041	95,039	110,399	116,251	122,412	
Sustainable Services	Water			812,161	744,816	732,021	815,779	730,505	730,193	831,180	897,588	964,488	
Allocations to other priorities			2										
<b>Total Revenue (excluding capital transfers and contributions)</b>				1	1,061,794	1,103,611	1,065,944	1,191,795	1,095,287	1,076,756	1,185,402	1,270,583	1,357,252

References

1. Total revenue must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

2. Balance of allocations not directly linked to an IDP strategic objective

check op revenue balance

- 0 - - 0 (0) - (0) 0

DC21 Ugu - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Financial Viability	Financial Management			31,006	34,864	22,426	46,754	44,416	44,416	50,448	53,172	58,097
Good Governance	Human Resources Management			267,421	302,629	338,203	348,245	336,833	330,833	347,206	386,061	386,184
Good Governance	Communication Services											
Good Governance	Public Participation			223	536	1,763	1,410	1,340	1,340	3,122	3,281	3,472
Good Governance	Support Services											
Good Governance	Strategic Planning			650	160	400	400	380	380	400	422	445
Good Governance	Shared Services Strategy											
Institutional Transformation	Skills Training & Development			2,808	2,606	2,107	3,000	2,850	2,650	3,000	3,162	3,336
Institutional Transformation	Employee Assistance Programmes			83	68	133	125	119	119	120	128	133
Social Development	Occupational Health & Safety			83	80	1,001	500	475	475	200	211	222
Social Development	Special Programmes				1,067	4,561	5,762	5,464	5,464	28,684	30,444	32,118
Social Development	Culture											
Social Development	Sports Development			1,351	131	3,073	1,500	1,425	1,425	5,700	6,008	6,336
Economic Development	Agricultural Market				1,045	1,165	380	371	371	-		
Economic Development	Local Economic Development			554	2,548	1,845	2,105	2,000	2,000	4,050	4,269	4,503
Economic Development	Tourism Marketing			6,442	5,154	6,627	6,840	6,498	6,498	7,203	7,584	7,886
Economic Development	Tourism Development			4,602	5,250	5,299	5,682	5,388	5,388	5,983	6,300	6,634
Environmental Protection	Climate Change Vulnerability Assessment						160	143	143			
Environmental Protection	Environmental Services				1,273	1,561	18,855	18,662	18,662	23,274	24,531	25,680
Environmental Protection	Waste Management						100	95	95			
Environmental Protection	Coastal Management				2		10	10	10			
Environmental Protection	Air Quality Management				62	8	300	285	285			
Safety & Security	Fire Fighting			1,605	-	431	1,734	1,647	1,647			
Safety & Security	Disaster Management			1,503	2,515	4,746	6,700	6,365	6,365	6,040	8,474	8,840
Safety & Security	Security Measures			10,436	11,255	16,133	16,000	15,200	15,200	13,600	14,228	15,012
Safety & Security	Crime Prevention Programmes											
Sustainable Services	Sanitation			40,185	62,770	70,262	86,138	81,832	81,832	68,839	63,071	66,639
Sustainable Services	VIP Toilets			11,835		10,729	15,000	14,250	14,250	8,500	10,013	10,584
Sustainable Services	Water Distribution			529,732	494,628	556,430	344,741	346,524	308,153	314,296	296,676	312,952
Allocations to other priorities												0
<b>Total Expenditure</b>				<b>910,339</b>	<b>926,944</b>	<b>1,046,780</b>	<b>913,432</b>	<b>866,780</b>	<b>849,409</b>	<b>884,865</b>	<b>898,042</b>	<b>947,386</b>

References

1. Total expenditure must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

2. Balance of allocations not directly linked to an IDP strategic objective check up expenditure balance

DC21 Ugu - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand												
Good Governance	Support services	A		599		3,505	6,809	6,544	6,217	14,000	14,742	15,523
Good Governance	Human Resources Management	B				10,291	29,700	32,368	30,749	500	527	554
Good Governance	Vehicle Replacement Programme (Fleet Management)	C					15,750	16,167	15,359	10,000	10,530	11,088
Good Governance	Financial Management / IA	D										
Good Governance	Legal Services	E										
Good Governance	Financial Management	F		11,766	10,849							
Good Governance	Strategy & shared services	G										
Good Governance	Executive & Council	H										
Institutional Transformation	Office centralisation	I					750	285	271	274	288	303
Infrastructure	Telecommunication	J										
Institutional Transformation	Workshops Refurbishment	K										
Infrastructure	Sports development	L										
Institutional Transformation	Special Programmes	M										
Safety & Security		N										
Safety & Security	Disaster Management	O			163							
Safety & Security	Fire Fighting	P										
Economic Development	Agricultural Market	Q										
Economic Development	Local Economic Development	R					265	650	616			
Environmental Protection	Environmental Services	S										
Sustainable Services	Leakage Management	T										
Sustainable Services	Water	U		289,821	348,608	268,726	227,751	241,634	229,552	227,089	239,125	251,799
Sustainable Services	Sanitation	V		23,800	4,631	33,616	81,500	48,547	46,120	49,300	51,913	54,664
		P										
Allocations to other priorities			3									
<b>Total Capital Expenditure</b>			1	<b>325,786</b>	<b>364,251</b>	<b>316,139</b>	<b>362,323</b>	<b>346,195</b>	<b>328,865</b>	<b>301,163</b>	<b>317,124</b>	<b>333,932</b>

References

- Total capital expenditure must reconcile to Budgeted Capital Expenditure
- Goal code must be used on Table SA36
- Balance of allocations not directly linked to an IDP strategic objective check capital balance

DC21 Ugu - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Borrowing Management</b>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	3.7%	3.7%	2.8%	3.3%	4.5%	4.6%	4.6%	5.6%	5.7%	5.8%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	9.6%	9.4%	8.1%	6.5%	10.8%	11.2%	11.2%	11.2%	11.0%	10.8%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Safety of Capital</b>											
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%
<b>Liquidity</b>											
Current Ratio	Current assets/current liabilities	1.7	1.6	1.4	1.3	1.3	1.3	1.3	0.8	0.9	1.0
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.7	1.6	1.4	1.3	1.3	1.3	1.3	0.8	0.9	1.0
Liquidity Ratio	Monetary Assets/Current Liabilities	1.0	1.1	0.8	0.6	0.6	0.6	0.6	0.0	0.0	0.1
<b>Revenue Management</b>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing %		112.3%	100.1%	90.8%	89.9%	69.9%	73.6%	73.6%	80.1%	80.1%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		112.4%	100.0%	90.8%	70.0%	70.0%	73.7%	73.7%	80.0%	79.9%	76.8%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	21.8%	15.7%	18.8%	17.7%	19.8%	19.3%	19.3%	16.7%	16.8%	16.8%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%								
<b>Creditors Management</b>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA's 65(e))	90.0%	90.0%								
Creditors to Cash and Investments		80.6%	64.2%	91.0%	297.2%	143.4%	136.2%	136.2%	2198.5%	1521.7%	446.9%
<b>Other Indicators</b>											
Electricity Distribution Losses (2)	Total Volume Losses (kWh)										
	Total Cost of Losses (Rand '000)										
Water Distribution Losses (2)	Total Volume Losses (kt)	0									
	Total Cost of Losses (Rand '000)										
Employee costs	Employee costs/(Total Revenue - capital revenue)	40.7%	40.5%	44.8%	38.4%	38.7%	37.7%	37.7%	38.8%	38.2%	38.6%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	42.0%	41.7%	44.6%	39.8%	39.9%	38.8%		40.3%	39.9%	39.3%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	7.9%	8.6%	8.9%	7.3%	8.6%	8.3%		8.8%	8.9%	8.7%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	51.9%	27.9%	28.3%	14.3%	17.2%	17.5%	17.5%	9.6%	9.7%	9.8%
<b>IDP regulation financial viability Indicators</b>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	6.5	7.8	8.1	19.7	19.7	19.7	13.6	17.7	18.5	19.5
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	49.5%	36.8%	44.9%	37.5%	45.2%	45.2%	45.2%	34.8%	34.7%	34.7%
iii. Cost coverage	(Available cash + investments)/monthly fixed operational expenditure	6.6	5.6	3.5	1.4	2.7	2.9	2.9	0.1	0.1	0.5

**References**

1. Consumer debtors > 12 months old are excluded from current assets
2. Only include if services provided by the municipality









DC21 Ugu - Supporting Table SA11 Property rates summary

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Valuation:</b>	1									
Date of valuation:										
Financial year valuation used										
Municipal by-laws s6 in place? (Y/N)	2									
Municipal/assistant valuer appointed? (Y/N)										
Municipal partnership s38 used? (Y/N)										
No. of assistant valuers (FTE)	3									
No. of data collectors (FTE)	3									
No. of internal valuers (FTE)	3									
No. of external valuers (FTE)	3									
No. of additional valuers (FTE)	4									
Valuation appeal board established? (Y/N)										
Implementation time of new valuation roll (mths)										
No. of properties	5									
No. of sectional title values	5									
No. of unreasonably difficult properties s7(2)										
No. of supplementary valuations										
No. of valuation roll amendments										
No. of objections by rate payers										
No. of appeals by rate payers										
No. of successful objections	8									
No. of successful objections > 10%	8									
Supplementary valuation										
Public service infrastructure value (Rm)	5									
Municipality owned property value (Rm)										
<b>Valuation reductions:</b>										
Valuation reductions-public infrastructure (Rm)										
Valuation reductions-nature reserves/park (Rm)										
Valuation reductions-mineral rights (Rm)										
Valuation reductions-R15,000 threshold (Rm)										
Valuation reductions-public worship (Rm)										
Valuation reductions-other (Rm)										
<b>Total valuation reductions:</b>		-	-	-	-	-	-	-	-	-
Total value used for rating (Rm)	5									
Total land value (Rm)	5									
Total value of improvements (Rm)	5									
Total market value (Rm)	5									
<b>Rating:</b>										
Residential rate used to determine rate for other categories? (Y/N)										
Differential rates used? (Y/N)	5									
Limit on annual rate increase (s20)? (Y/N)										
Special rating area used? (Y/N)										
Phasing-in properties s21 (number)										
Rates policy accompanying budget? (Y/N)										
Fixed amount minimum value (R'000)										
Non-residential prescribed ratio s19? (%)										
<b>Rate revenue:</b>										
Rate revenue budget (R'000)	6									
Rate revenue expected to collect (R'000)	6									
Expected cash collection rate (%)										
Special rating areas (R'000)	7									
Rebates, exemptions - indigent (R'000)										
Rebates, exemptions - pensioners (R'000)										
Rebates, exemptions - bona fide farm. (R'000)										
Rebates, exemptions - other (R'000)										
Phase-in reductions/discounts (R'000)										
<b>Total rebates, exemptions, reductions, discounts (R'000)</b>		-	-	-	-	-	-	-	-	-

References

1. All numbers to be expressed as whole numbers except FTEs and Rates in the Rand
2. To give effect to rates policy
3. Full Time Equivalent (FTE) should be expressed to one decimal place and takes into account full time and part time staff
4. Required to implement new system (FTE)
5. Provide relevant information for historical comparisons. Must reconcile to the total of Table SA12
6. Current and budget year must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)
7. Included in rate revenue budget
8. In favour of the rate-payer

DC21 Ugu - Supporting Table SA12a Property rates by category (current year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Munt props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monuments	Public benefit organs.	Mining Props.
Current Year 2017/18																	
<b>Valuation:</b>																	
No. of properties																	
No. of sectional title property values																	
No. of unreasonably difficult properties s7(2)																	
No. of supplementary valuations																	
Supplementary valuation (Rm)																	
No. of valuation roll amendments																	
No. of objections by rate-payers																	
No. of appeals by rate-payers																	
No. of appeals by rate-payers finalised	5																
No. of successful objections	5																
No. of successful objections > 10%																	
Estimated no. of properties not valued																	
Years since last valuation (select)																	
Frequency of valuation (select)																	
Method of valuation used (select)																	
Base of valuation (select)																	
Phasing-in properties s21 (number)																	
Combination of rating types used? (Y/N)																	
Flat rate used? (Y/N)																	
Is balance rated by uniform rate/variable rate?																	
<b>Valuation reductions:</b>																	
Valuation reductions-public infrastructure (Rm)																	
Valuation reductions-nature reserves/park (Rm)																	
Valuation reductions-mineral rights (Rm)																	
Valuation reductions-R15,000 threshold (Rm)																	
Valuation reductions-public worship (Rm)																	
Valuation reductions-other (Rm)																	
Total valuation reductions:	2																
Total value used for rating (Rm)	6																
Total land value (Rm)	6																
Total value of improvements (Rm)	6																
Total market value (Rm)	6																
<b>Rating:</b>																	
Average rate	3																
Rate revenue budget (R'000)																	
Rate revenue expected to collect (R'000)																	
Expected cash collection rate (%)	4																
Special rating areas (R'000)																	
Rebates, exemptions - indigent (R'000)																	
Rebates, exemptions - pensioners (R'000)																	
Rebates, exemptions - bona fide farm. (R'000)																	
Rebates, exemptions - other (R'000)																	
Phase-in reductions/discounts (R'000)																	
Total rebates, exemptions, discounts (R'000)																	
<b>References</b>																	
1. Land & Assistance Act, Restitution of Land Rights, Communal Property Associations																	
2. Include value of additional reductions is 'free' value greater than MPRA minimum.																	
3. Average rate - cents in the Rand. Eg 10.26 cents in the Rand is 0.1026, expressed to 6 decimal places maximum																	
4. Include arrears collections																	
5. In favour of the rate-payer																	
6. Provide relevant information for historical comparisons.																	

1. Land & Assistance Act, Restitution of Land Rights, Communal Property Associations  
 2. Include value of additional reductions is 'free' value greater than MPRA minimum.  
 3. Average rate - cents in the Rand. Eg 10.26 cents in the Rand is 0.1026, expressed to 6 decimal places maximum  
 4. Include arrears collections  
 5. In favour of the rate-payer  
 6. Provide relevant information for historical comparisons.

DC21 Ugu - Supporting Table SA12b Property rates by category (budget year)

Ref	Description	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monuments	Public benefit organs.	Mining Props.	
	<b>Budget Year 2018/19</b>																	
	<b>Valuation:</b>																	
	No. of properties																	
	No. of sectional title property values																	
	No. of unreasonably difficult properties s7(2)																	
	No. of supplementary valuations																	
	Supplementary valuation (Rm)																	
	No. of valuation roll amendments																	
	No. of objections by rate-payers																	
	No. of appeals by rate-payers																	
	No. of appeals by rate-payers finalised																	
5	No. of successful objections																	
5	No. of successful objections > 10%																	
	Estimated no. of properties not valued																	
	Years since last valuation (select)																	
	Frequency of valuation (select)																	
	Method of valuation used (select)																	
	Base of valuation (select)																	
	Phasing-in properties s21 (number)																	
	Combination of rating types used? (Y/N)																	
	Flat rate used? (Y/N)																	
	Is balance rated by uniform rate/variable rate?																	
	<b>Valuation reductions:</b>																	
	Valuation reductions-public infrastructure (Rm)																	
	Valuation reductions-nature reserves/park (Rm)																	
	Valuation reductions-mineral rights (Rm)																	
	Valuation reductions-R15,000 threshold (Rm)																	
	Valuation reductions-public worship (Rm)																	
	Valuation reductions-other (Rm)																	
2	Total valuation reductions:																	
6	Total value used for rating (Rm)																	
6	Total land value (Rm)																	
6	Total value of improvements (Rm)																	
6	Total market value (Rm)																	
	<b>Rating:</b>																	
3	Average rate																	
	Rate revenue budget (R'000)																	
	Rate revenue expected to collect (R'000)																	
	Expected cash collection rate (%)																	
4	Special rating areas (R'000)																	
	Rebates, exemptions - indigent (R'000)																	
	Rebates, exemptions - pensioners (R'000)																	
	Rebates, exemptions - bona fide farm. (R'000)																	
	Rebates, exemptions - other (R'000)																	
	Phase-in reductions/discounts (R'000)																	
	Total rebates,exemptins, reductions, discs (R'000)																	
	<b>References:</b>																	
	1. Land & Assistance Act, Restitution of Land Rights, Communal Property Associations																	
	2. Include value of additional reductions is 'Yes' value greater than MPRA minimum.																	
	3. Average rate - cents in the Rand. Eg 10.26 cents in the Rand is 0.1026, expressed to 6 decimal places maximum																	
	4. Include areas collections																	
	5. In favour of the rate-payer																	
	6. Provide relevant information for historical comparisons.																	

1. Land & Assistance Act, Restitution of Land Rights, Communal Property Associations  
 2. Include value of additional reductions is 'Yes' value greater than MPRA minimum.  
 3. Average rate - cents in the Rand. Eg 10.26 cents in the Rand is 0.1026, expressed to 6 decimal places maximum  
 4. Include areas collections  
 5. In favour of the rate-payer  
 6. Provide relevant information for historical comparisons.





DC21 Ugu - Supporting Table SA14 Household bills

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19 % Incr.	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Rand/cent</b>											
<b>Monthly Account for Household - 'Middle Income Range'</b>											
<b>Rates and services charges:</b>											
Property rates											
Electricity: Basic levy											
Electricity: Consumption											
Water: Basic levy		130.19	138.65	146.56	156.81	156.81	156.81	5.0%	164.70	172.94	181.58
Water: Consumption		365.70	325.57	344.13	368.22	368.22	368.22	5.0%	386.74	406.08	426.38
Sanitation		364.26	387.94	410.05	438.75	438.75	438.75	5.0%	460.82	483.86	508.06
Refuse removal											
Other											
<b>sub-total</b>		<b>800.15</b>	<b>852.16</b>	<b>900.73</b>	<b>963.78</b>	<b>963.78</b>	<b>963.78</b>	<b>5.0%</b>	<b>1,012.26</b>	<b>1,062.88</b>	<b>1,116.02</b>
VAT on Services											
<b>Total large household bill:</b>		<b>800.15</b>	<b>852.16</b>	<b>900.73</b>	<b>963.78</b>	<b>963.78</b>	<b>963.78</b>	<b>5.0%</b>	<b>1,012.26</b>	<b>1,062.88</b>	<b>1,116.02</b>
<b>% Increase/-decrease</b>			<b>6.5%</b>	<b>5.7%</b>	<b>7.0%</b>	<b>-</b>	<b>-</b>		<b>5.0%</b>	<b>5.0%</b>	<b>5.0%</b>
<b>Monthly Account for Household - 'Affordable Range'</b>											
<b>Rates and services charges:</b>											
Property rates											
Electricity: Basic levy											
Electricity: Consumption											
Water: Basic levy		130.19	138.65	146.56	20,458.92	138.65	138.65	5.0%	145.63	152.91	160.55
Water: Consumption		254.75	271.31	344.13	93,636.25	271.31	271.31	5.0%	284.96	299.20	314.16
Sanitation		348.41	371.06	410.05	152,522.58	371.06	371.06	5.0%	369.72	409.21	429.67
Refuse removal											
Other											
<b>sub-total</b>		<b>733.35</b>	<b>781.02</b>	<b>900.73</b>	<b>266,617.75</b>	<b>781.02</b>	<b>781.02</b>	<b>(99.7%)</b>	<b>820.30</b>	<b>861.32</b>	<b>904.38</b>
VAT on Services											
<b>Total small household bill:</b>		<b>733.35</b>	<b>781.02</b>	<b>900.73</b>	<b>266,617.75</b>	<b>781.02</b>	<b>781.02</b>	<b>(99.7%)</b>	<b>820.30</b>	<b>861.32</b>	<b>904.38</b>
<b>% Increase/-decrease</b>			<b>6.5%</b>	<b>15.3%</b>	<b>29,500.1%</b>	<b>(99.7%)</b>	<b>-</b>		<b>5.0%</b>	<b>5.0%</b>	<b>5.0%</b>
<b>Monthly Account for Household - 'Indigent'</b>											
<b>Household receiving free basic services</b>											
<b>Rates and services charges:</b>											
Property rates											
Electricity: Basic levy											
Electricity: Consumption											
Water: Basic levy		130.19	138.65	146.56	20,458.92	138.65	138.65	5.0%	145.63	152.91	160.55
Water: Consumption		163.04	173.64	344.13	69,927.20	271.31	271.31	5.0%	284.96	299.20	314.16
Sanitation		319.88	340.67	410.05	140,033.07	371.06	371.06	5.0%	389.72	409.21	429.67
Refuse removal											
Other											
<b>sub-total</b>		<b>613.11</b>	<b>652.96</b>	<b>900.73</b>	<b>220,419.19</b>	<b>781.02</b>	<b>781.02</b>	<b>(99.6%)</b>	<b>820.30</b>	<b>861.32</b>	<b>904.38</b>
VAT on Services											
<b>Total small household bill:</b>		<b>613.11</b>	<b>652.96</b>	<b>900.73</b>	<b>220,419.19</b>	<b>781.02</b>	<b>781.02</b>	<b>(99.6%)</b>	<b>820.30</b>	<b>861.32</b>	<b>904.38</b>
<b>% Increase/-decrease</b>			<b>6.5%</b>	<b>37.9%</b>	<b>24,371.1%</b>	<b>(99.6%)</b>	<b>-</b>		<b>5.0%</b>	<b>5.0%</b>	<b>5.0%</b>

**References**

1. Use as basis property value of R700 000, 1 000 kWh electricity and 30kl water
2. Use as basis property value of R500 000 and R700 000, 500 kWh electricity and 25kl water
3. Use as basis property value of R 300 000, 350kWh electricity and 20kl water (50 kWh electricity and 6 kl water free)



DC21 Ugu - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>R thousand</b>										
<b>Parent municipality</b>										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		222,080	215,203	173,750	140,224	140,224	133,213	5,396	7,987	28,678
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposits - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
<b>Municipality sub-total</b>	<b>1</b>	<b>222,080</b>	<b>215,203</b>	<b>173,750</b>	<b>140,224</b>	<b>140,224</b>	<b>133,213</b>	<b>5,396</b>	<b>7,987</b>	<b>28,678</b>
<b>Entities</b>										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposits - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
<b>Entities sub-total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Consolidated total:</b>		<b>222,080</b>	<b>215,203</b>	<b>173,750</b>	<b>140,224</b>	<b>140,224</b>	<b>133,213</b>	<b>5,396</b>	<b>7,987</b>	<b>28,678</b>

References

1. Total investments must reconcile to Budgeted Financial Position ('current' call investment deposits plus 'non-current' investments)

DC21 Ugu - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment		Types of Investment	Capital Guarantee (Yes/No)	Variable or Fixed Interest rate	Interest Rate *	Commission Paid (Rands)	Commission Receipt	Expiry date of Investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (f)	Investment Top Up	Closing Balance
		Yrs	Months												
<b>Parent municipality</b>															
First National Bank		Daily Call		Notice Deposit	no	variable	9.45	0	n/a	Daily Call Account	28,046	3,365	(11,218)	9,339	28,531
ABSA Bank CALL		3 Months		Notice Deposit	no	variable	8	0	n/a	Daily Call Account	21,034	2,524	(8,413)	7,004	22,148
ifhala Bank		Daily Call		Notice Deposit	no	variable	9.5	0	n/a	Daily Call Account					
Neobank		Daily Call		Notice Deposit	no	variable	7.97	1	n/a	Daily Call Account	35,058	4,207	(14,022)	11,674	38,914
Standard Bank		Daily Call		Notice Deposit	no	variable	7.75	2	n/a	Daily Call Account	42,087	5,048	(16,827)	14,008	44,297
Investec Bank		Daily Call		Notice Deposit	no	variable	8.59	0	n/a	Daily Call Account	14,022	1,683	(5,669)	4,669	14,768
<b>Municipality sub-total</b>															
											140,224		(56,090)	46,895	147,856
<b>Entities</b>															
South Coast Development Agency NPC		n/a		n/a	n/a	n/a	n/a	n/a	n/a	n/a					
Ugu South Coast Tourism (Pty) Ltd		n/a		n/a	n/a	n/a	n/a	n/a	n/a	n/a					
<b>Entities sub-total</b>															
											140,224		(56,090)	46,895	147,856
<b>TOTAL INVESTMENTS AND INTEREST</b>															

References:

1. Total investments must reconcile to all items in Table SA15 for the Current Year (30 June)
2. List investments in expiry date order
3. If 'Variable' is selected in column F, input interest rate range
4. Withdrawals to be entered as negative

check

DC21 Ugu - Supporting Table SA17 Borrowing

Borrowing - Categorized by type	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand										
<b>Parent municipality</b>										
Annuity and Bullet Loans		144,531	125,826	104,931	83,333	83,333	83,333	79,167	75,208	71,448
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
<b>Municipality sub-total</b>	1	144,531	125,826	104,931	83,333	83,333	83,333	79,167	75,208	71,448
<b>Entities</b>										
Annuity and Bullet Loans										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
<b>Entities sub-total</b>	1	-	-	-	-	-	-	-	-	-
<b>Total Borrowing</b>	1	144,531	125,826	104,931	83,333	83,333	83,333	79,167	75,208	71,448

<b>Unspent Borrowing - Categorized by type</b>										
<b>Parent municipality</b>										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
<b>Municipality sub-total</b>	1	-	-	-	-	-	-	-	-	-
<b>Entities</b>										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
<b>Entities sub-total</b>	1	-	-	-	-	-	-	-	-	-
<b>Total Unspent Borrowing</b>	1	-	-	-	-	-	-	-	-	-

References

- Total borrowing must reconcile to Budgeted Financial Position (Borrowing - non-current) check borrowing balance

DC21 Ugu - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		325,546	364,032	382,089	418,085	418,085	418,085	443,655	466,524	508,008
Local Government Equitable Share			300,885	312,468	342,776	342,776	342,776	360,673	380,002	414,269
RSC Levy Replacement			52,960	63,873	68,900	68,900	68,900	75,204	81,836	88,955
Finance Management			1,325	1,460	1,795	1,795	1,795	1,865	1,865	1,800
EPWP Incentive				1,788	1,956	1,956	1,956	3,250	-	-
Rural Roads Asset Management Systems Grant		2,430	2,446	2,510	2,658	2,658	2,658	2,663	2,821	2,984
Rural Household Sanitation										
Municipal Systems Improvement		934	943							
Water Services Operating Subsidy			3,650							
Water Services Infrastructure Grant										
Municipal Infrastructure Grant										
<b>Provincial Government:</b>		250	250	400	400	400	400	2,400	2,600	2,716
Spatial Development Framework Support				400	400	400	400			
Development Planning Shared Services							400	500	500	
Umzumbi Trails							2,000	2,100	2,216	
<b>District Municipality:</b>		-	-	7,142	10,589	10,589		-	-	-
Grants from LM's to Entities				7,142	7,422	7,422	7,422			
South Coast Bike Festival: EDTEARNM					3,167	3,167	3,167			
<b>Other grant providers:</b>		4,885	4,885	-	-	-		5,637	-	-
Grants from LM's to Entities								5,637		
<b>Total Operating Transfers and Grants</b>	5	330,681	369,167	389,631	429,074	429,074	418,485	451,692	469,124	510,724
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		355,139	358,245	310,219	295,851	295,851	295,851	290,889	336,038	355,509
Municipal Infrastructure Grant (MIG)				233,873	245,479	245,479	245,479	235,889	241,038	255,284
Water Services Infrastructure Grant				58,570	50,372	50,372	50,372	55,000	95,000	100,225
Other capital transfers/grants [insert desc]										
Disaster Management Grant				12,776						
Mhlalalshane				5,000						
<b>Provincial Government:</b>		4,060	11,504	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
Grants from LM's to Entities										
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
Grants from LM's to En										
<b>Total Capital Transfers and Grants</b>	5	359,199	369,749	310,219	295,851	295,851	295,851	290,889	336,038	355,509
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		689,880	738,916	699,850	724,925	724,925	714,336	742,581	805,162	866,233

- References**
1. Each transfer/grant is listed by name as gazetted together with the name of the transferring department or municipality, donor or other organisation
  2. Amounts actually RECEIVED; not revenue recognised (objective is to confirm grants transferred)
  3. Replacement of RSC levies
  4. Housing subsidies for housing where ownership transferred to organisations or persons outside the control of the municipality
  5. Total transfers and grants must reconcile to Budgeted Cash Flows
  6. Motor vehicle licensing refunds to be included under 'agency' services (Not Grant Receipts)

DC21 Ugu - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>EXPENDITURE:</b>										
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		330,558	361,725	362,089	435,085	435,085	435,085	458,155	481,749	523,994
Local Government Equitable Share		264,748	300,885	312,458	342,776	342,776	342,776	360,673	380,002	414,269
RSC Levy Replacement		54,816	52,960	63,873	68,900	68,900	68,900	75,204	81,836	88,955
Finance Management:		1,251	1,325	1,460	1,795	1,795	1,795	1,865	1,865	1,800
Municipal Systems Improvement		727	940							
<u>Water Services Operating Subsidy</u>			1,343							
<u>EPWP Incentive</u>		1,042	1,826	1,788	1,956	1,956	1,956	3,250		
Infrastructure Skills Development Grant										
Rural Transport Service Grant		2,944	2,446	2,510	2,658	2,658	2,658	2,663	2,821	2,984
Rural Household Sanitation										
Municipal Infrastructure Grant		5,030								
Water Services Infrastructure Grant					17,000	17,000	17,000	14,500	15,225	15,986
Municipal Infrastructure Grant										
<b>Provincial Government:</b>		1,441	250	400	400	400	400	2,400	2,600	2,716
Development Planning Shared Services		250	250	400				400	500	500
Cogta Massification:		697								
EPWP Incentive										
Department of Transport Grant										
Africa Bike Week Event										
District GDS		494								
Spatial Development Framework Support					400	400	400			
Disaster Management Centre										
Umzumbi Trails								2,000	2,100	2,216
<b>District Municipality:</b>		-	-	-	10,323	10,323	10,323	-	-	-
Grants from LM's to Entities					7,157	7,157	7,157			
South Coast Bike Festival: EDTE/RNM					3,167	3,167	3,167			
<b>Other grant providers:</b>		2,035	4,885	7,142	-	-	-	5,637	-	-
Grants from LM's to Entities			4,885	7,142				5,637		
DBSA		524								
IDC		45								
National Lottery		1,466								
<b>Total operating expenditure of Transfers and Grants:</b>		<b>334,034</b>	<b>366,860</b>	<b>389,631</b>	<b>445,808</b>	<b>445,808</b>	<b>445,808</b>	<b>466,192</b>	<b>484,349</b>	<b>526,710</b>
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		349,993	358,245	299,490	278,851	278,851	278,851	276,389	326,063	345,035
Municipal Infrastructure Grant (MIG)		260,159	249,316	223,144	228,479	228,479	228,479	221,389	231,063	244,810
Regional Bulk Infrastructure		34,827	8,834	58,570						
Rural Households Infrastructure										
Municipal Disaster Recovery										
Finance Management Grant										
Disaster Management Grant		12,718		5,000						
Mhlabatshane				12,776						
Water Services Infrastructure Grant		42,289	100,095		50,372	50,372	50,372	55,000	95,000	100,225
Other capital transfers/grants (insert desc)										
<b>Provincial Government:</b>		24,985	11,504	-	-	-	-	-	-	-
Disaster Management Centre		20,377	6,504							
Massification - Cogta		4,608	5,000							
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
Grants from LM's to Entities										
<b>Other grant providers:</b>		-	-	-	265	265	265	-	-	-
Grants from LM's to En					265	265	265			
<b>Total capital expenditure of Transfers and Grants</b>		<b>374,978</b>	<b>369,749</b>	<b>299,490</b>	<b>279,116</b>	<b>279,116</b>	<b>279,116</b>	<b>276,389</b>	<b>326,063</b>	<b>345,035</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>709,012</b>	<b>736,609</b>	<b>689,122</b>	<b>724,925</b>	<b>724,925</b>	<b>724,925</b>	<b>742,581</b>	<b>810,412</b>	<b>871,746</b>

References

1. Expenditure must be separately listed for each transfer or grant received or recognised

DC21 Ugu - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Operating transfers and grants:</b>	1,3									
<b>National Government:</b>										
Balance unspent at beginning of the year		16,095	430	7,650						
Current year receipts		314,894	364,032	382,089	435,085	435,085	435,085	443,655	466,524	508,008
<b>Conditions met - transferred to revenue</b>		330,558	359,382	389,739	435,085	435,085	435,085	443,655	466,524	508,008
Conditions still to be met - transferred to liabilities		430	5,080							
<b>Provincial Government:</b>										
Balance unspent at beginning of the year		12,265	326							
Current year receipts			250	400	400	400	400	2,400	2,600	2,716
<b>Conditions met - transferred to revenue</b>		11,939	576	400	400	400	400	2,400	2,600	2,716
Conditions still to be met - transferred to liabilities		326								
<b>District Municipality:</b>										
Balance unspent at beginning of the year										
Current year receipts										
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
<b>Other grant providers:</b>										
Balance unspent at beginning of the year		1,054								
Current year receipts		1,155	4,885	7,142	10,323	10,323	10,323	5,637		
<b>Conditions met - transferred to revenue</b>		2,209	4,885	7,142	10,323	10,323	10,323	5,637	-	-
Conditions still to be met - transferred to liabilities										
<b>Total operating transfers and grants revenue</b>		344,706	384,844	397,281	445,808	445,808	445,808	451,692	489,124	510,724
<b>Total operating transfers and grants - CTBM</b>	2	757	5,080	-	-	-	-	-	-	-
<b>Capital transfers and grants:</b>	1,3									
<b>National Government:</b>										
Balance unspent at beginning of the year		24,143	17,085							
Current year receipts		302,448	358,245	302,342	278,851	278,851	278,851	290,888	336,038	355,509
<b>Conditions met - transferred to revenue</b>		309,506	371,680	302,342	278,851	278,851	278,851	290,888	336,038	355,509
Conditions still to be met - transferred to liabilities		17,085	3,650							
<b>Provincial Government:</b>										
Balance unspent at beginning of the year		18,398	3,677							
Current year receipts		22,034	11,504							
<b>Conditions met - transferred to revenue</b>		36,755	15,180	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		3,677								
<b>District Municipality:</b>										
Balance unspent at beginning of the year										
Current year receipts										
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
<b>Other grant providers:</b>										
Balance unspent at beginning of the year		1,581								
Current year receipts		1,581	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		1,581	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
<b>Total capital transfers and grants revenue</b>		347,843	386,860	302,342	278,851	278,851	278,851	290,888	336,038	355,509
<b>Total capital transfers and grants - CTBM</b>	2	20,761	3,650	-	-	-	-	-	-	-
<b>TOTAL TRANSFERS AND GRANTS REVENUE</b>		692,549	751,704	699,623	724,659	724,659	724,659	742,580	805,162	866,233
<b>TOTAL TRANSFERS AND GRANTS - CTBM</b>		21,518	8,730	-	-	-	-	-	-	-

References

1. Total capital transfers and grants revenue must reconcile to Budgeted Financial Performance and Financial Position; total recurrent grants revenue must reconcile to Budgeted Financial Performance
2. CTBM = conditions to be met
3. National Treasury database will require this reconciliation for each transfer/grant

Check opex	3,507	(17,803)	-	-	-	-	-	-	-
Check capex	33,909	31,430	-	-	-	-	14,499	45,000	49,046

DC21 Ugu - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Cash Transfers to other municipalities</b>	1										
Total Cash Transfers To Municipalities:		1,136	-	-	-	-	-	-	-	-	-
<b>Cash Transfers to Entities/Other External Mechanisms</b>	2										
South Coast Development Agency				36,355	5,788	5,788	5,788	5,788	6,078	6,400	6,739
Tourism Development					5,682	5,682	5,682	5,682	6,282	6,615	6,968
Tourism Marketing					6,840	6,840	6,840	6,840	7,653	8,288	8,707
Total Cash Transfers To Entities/Ems <sup>1</sup>		28,342	20,327	36,355	18,310	18,310	18,310	18,310	20,213	21,284	22,412
<b>Cash Transfers to other Organs of State</b>	3										
Total Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
<b>Cash Transfers to Organisations</b>	0										
Total Cash Transfers To Organisations		-	-	-	-	-	-	-	-	-	-
<b>Cash Transfers to Groups of Individuals</b>	0										
Total Cash Transfers To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
<b>TOTAL CASH TRANSFERS AND GRANTS</b>	6	29,478	20,327	36,355	18,310	18,310	18,310	18,310	20,213	21,284	22,412
<b>Non-Cash Transfers to other municipalities</b>	1										
<i>Insert description</i>											
Total Non-Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
<b>Non-Cash Transfers to Entities/Other External Mechanisms</b>	2										
0											
Total Non-Cash Transfers To Entities/Ems <sup>1</sup>		-	-	-	-	-	-	-	-	-	-
<b>Non-Cash Transfers to other Organs of State</b>	3										
0											
Total Non-Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
<b>Non-Cash Grants to Organisations</b>	4										
0											
Total Non-Cash Grants To Organisations		-	-	-	-	-	-	-	-	-	-
<b>Groups of Individuals</b>	5										
0											
Total Non-Cash Grants To Groups Of individuals:		-	-	-	-	-	-	-	-	-	-
<b>TOTAL NON-CASH TRANSFERS AND GRANTS</b>		-	-	-	-	-	-	-	-	-	-
<b>TOTAL TRANSFERS AND GRANTS</b>	6	29,478	20,327	36,355	18,310	18,310	18,310	18,310	20,213	21,284	22,412

- References**
1. Insert description listed by municipal name and demarcation code of recipient
  2. Insert description of each entity or external mechanism (an external mechanism may be provided with resources to ensure a minimum level of service)
  3. Insert description of each Organ of State (e.g. transfer to electricity provider to compensate for FBS provided)
  4. Insert description of each other organisation (e.g. charity)
  5. Insert description of each other organisation (e.g. the aged, child-headed households)
- All descriptions should separate transfers for 'capital purposes' and 'operating purposes'

DC21 Ugu - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
		A	B	C	D	E	F	G	H	I
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		4,106	4,120	5,537	4,648	4,506	4,281	5,057	5,330	5,623
Pension and UIF Contributions		241	149	-	238	128	122	259	273	288
Medical Aid Contributions		191	125	0	203	109	104	221	232	245
Motor Vehicle Allowance		2,266	2,215	2,103	4,258	2,296	2,181	3,294	3,472	3,663
Cellphone Allowance		346	342	381	367	198	188	391	412	434
Housing Allowances		1,467	1,928	232	2,053	1,107	1,051	2,233	2,354	2,483
Other benefits and allowances		74	78		46	25	24	54	57	60
<b>Sub Total - Councillors</b>		<b>8,690</b>	<b>8,957</b>	<b>8,252</b>	<b>11,812</b>	<b>8,369</b>	<b>7,951</b>	<b>11,509</b>	<b>12,130</b>	<b>12,797</b>
<b>% Increase</b>	4		<b>3.1%</b>	<b>(7.9%)</b>	<b>43.1%</b>	<b>(29.2%)</b>	<b>(5.0%)</b>	<b>44.8%</b>	<b>5.4%</b>	<b>5.5%</b>
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages		3,307	3,684	4,012	3,837	3,484	3,291	4,966	5,234	5,522
Pension and UIF Contributions		300		9	274	247	235	696	734	774
Medical Aid Contributions		123		498	131	118	112	195	206	217
Overtime										
Performance Bonus		362	505	532	664	600	570	315	332	350
Motor Vehicle Allowance	3	1,383	1,302	1,189	1,664	1,502	1,427	1,492	1,573	1,659
Cellphone Allowance	3	76	84	82	87	78	75	68	72	76
Housing Allowances	3	633	672	696	751	578	644	157	165	174
Other benefits and allowances	3	131	49		212	191	182	37	39	42
Payments in lieu of leave				112	208	187	178	83	88	93
Long service awards										
Post-retirement benefit obligations	6									
<b>Sub Total - Senior Managers of Municipality</b>		<b>6,314</b>	<b>6,295</b>	<b>7,131</b>	<b>7,827</b>	<b>7,066</b>	<b>6,712</b>	<b>8,010</b>	<b>8,443</b>	<b>8,907</b>
<b>% Increase</b>	4		<b>(0.3%)</b>	<b>13.3%</b>	<b>9.8%</b>	<b>(9.7%)</b>	<b>(5.0%)</b>	<b>19.3%</b>	<b>5.4%</b>	<b>5.5%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		161,479	177,128	194,067	208,201	187,954	178,556	230,263	242,697	256,045
Pension and UIF Contributions		28,034	31,487	33,666	35,595	32,134	30,527	37,671	39,705	41,889
Medical Aid Contributions		11,613	12,970	13,663	21,463	19,376	18,407	23,852	25,140	26,522
Overtime		23,712	29,471	32,839	22,454	20,271	19,257	6,898	7,271	7,671
Performance Bonus										
Motor Vehicle Allowance	3	10,847	11,113	11,520	10,513	9,491	9,016	10,287	10,843	11,439
Cellphone Allowance	3	1,404	1,496	1,565	1,410	1,272	1,209	1,394	1,470	1,551
Housing Allowances	3	646	894	1,007	485	438	416	703	741	782
Other benefits and allowances	3	14,607	15,525	26,307	10,945	9,881	9,387	11,132	11,733	12,378
Payments in lieu of leave		3,431	4,390	8,268	18,229	16,456	15,633	2,843	2,997	3,162
Long service awards		3,550	3,496	8	1,488	1,633	1,552	1,595	1,681	1,774
Post-retirement benefit obligations	6	1,789	404	(1,027)	-	-	-	-	-	-
<b>Sub Total - Other Municipal Staff</b>		<b>261,110</b>	<b>288,373</b>	<b>321,884</b>	<b>330,783</b>	<b>298,906</b>	<b>283,960</b>	<b>326,639</b>	<b>344,277</b>	<b>363,213</b>
<b>% Increase</b>	4		<b>10.4%</b>	<b>11.6%</b>	<b>2.8%</b>	<b>(9.6%)</b>	<b>(5.0%)</b>	<b>15.0%</b>	<b>5.4%</b>	<b>5.5%</b>
<b>Total Parent Municipality</b>		<b>276,114</b>	<b>303,625</b>	<b>337,267</b>	<b>350,422</b>	<b>314,340</b>	<b>298,623</b>	<b>346,158</b>	<b>364,850</b>	<b>384,917</b>
			<b>10.0%</b>	<b>11.1%</b>	<b>3.9%</b>	<b>(10.3%)</b>	<b>(5.0%)</b>	<b>15.9%</b>	<b>5.4%</b>	<b>5.5%</b>
<b>Board Members of Entities</b>										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3	2			40	22	21	7	7	7
Board Fees		456	586		1,454	784	745	1,610	-	-
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
<b>Sub Total - Board Members of Entities</b>		<b>458</b>	<b>586</b>	<b>-</b>	<b>1,494</b>	<b>805</b>	<b>765</b>	<b>1,616</b>	<b>7</b>	<b>7</b>
<b>% Increase</b>	4		<b>28.2%</b>	<b>(100.0%)</b>	<b>-</b>	<b>(46.1%)</b>	<b>(5.0%)</b>	<b>111.2%</b>	<b>(99.6%)</b>	<b>6.0%</b>





DC21 Ugu - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers		Ref	2016/17			Current Year 2017/18			Budget Year 2018/19		
Number	1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	
<b>Municipal Council and Boards of Municipal Entities</b>											
Councillors (Political Office Bearers plus Other Councillors)				35			35	35		35	
Board Members of municipal entities	4			8			8	8		8	
<b>Municipal employees</b>											
Municipal Manager and Senior Managers	3	5	-	5	5	-	5	5		5	
Other Managers	7	28	28	-	28	28	-	32	31	1	
Professionals		617	501	20	617	501	20	32	30	2	
Finance		18	12	6	18	12	6	4	3	1	
Spatial/town planning											
Information Technology		13	8	1	13	8	1	1	-	1	
Roads											
Electricity											
Water		586	481	13	586	481	13	7	7	-	
Sanitation											
Refuse											
Other											
Technicians		61	61	3	61	61	3	20	20		
Finance								71	71	-	
Spatial/town planning		61	61	3	61	61	3	25	25		
Information Technology											
Roads								1	1		
Electricity											
Water											
Sanitation								11	11		
Refuse											
Other											
Clerks (Clerical and administrative)		173	173	10	173	173	10	34	34		
Service and sales workers								195	195		
Skilled agricultural and fishery workers								117	117		
Craft and related trades								72	55	17	
Plant and Machine Operators											
Elementary Occupations											
<b>TOTAL PERSONNEL NUMBERS</b>	9	<b>884</b>	<b>763</b>	<b>81</b>	<b>884</b>	<b>763</b>	<b>81</b>	<b>385</b>	<b>385</b>	<b>68</b>	
% increase								7.7%	15.9%	(16.0%)	
<b>Total municipal employees headcount</b>	6, 10										
Finance personnel headcount	8, 10	112	110	2	112	110	2				
Human Resources personnel headcount	8, 10	21	20	1	21	20	1				

**References**

1. Positions must be funded and aligned to the municipality's current organisational structure
2. Full Time Equivalent (FTE). E.g. One full time person = 1FTE. A person working half time (say 4 hours out of 8) = 0.5FTE.
3. s57 of the Systems Act
4. Include only in Consolidated Statements
5. Include municipal entity employees in Consolidated Statements
6. Include headcount (number of persons, Not FTE) of managers and staff only (exclude councillors)
7. Managers who provide the direction of a critical technical function
8. Total number of employees working on these functions

DC21 Ugu - Supporting Table SA25 Consolidated budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
<b>Revenue By Source</b>																	
Property rates																	
Service charges - electricity revenue		19,248	21,606	25,876	23,006	25,539	24,435	27,357	26,088	21,271	20,424	21,424	50,563	306,836	323,405	341,193	
Service charges - water revenue		8,575	8,378	9,378	8,275	9,275	8,506	8,322	9,059	6,566	6,605	6,605	32,669	122,275	128,878	135,966	
Service charges - sanitation revenue																	
Service charges - refuse revenue																	
Service charges - other																	
Rental of facilities and equipment		85	92	81	90	82	97	96	96	99	97	97					
Interest earned - external investments		111	140	374	193	120	178	354	270	179	334	134	380	1,391	1,150	1,214	
Interest earned - outstanding debtors													1,092	3,480	2,672	2,819	
Dividends received													508	506	536	565	
Fines, penalties and forfeits																	
Licences and permits																	
Agency services																	
Transfers and subsidies																	
Other revenue		79,987					69,151				111,452						
Gains on disposal of PPE													5,637	461,592	469,124	510,724	
<b>Total Revenue (excluding capital transfers and contribution)</b>		<b>108,007</b>	<b>30,216</b>	<b>116,182</b>	<b>31,564</b>	<b>35,017</b>	<b>102,366</b>	<b>36,129</b>	<b>35,553</b>	<b>133,107</b>	<b>138,912</b>	<b>28,260</b>	<b>99,199</b>	<b>694,513</b>	<b>934,545</b>	<b>1,001,743</b>	
<b>Expenditure By Type</b>																	
Employee related costs		26,716	53,432	26,716	26,716	26,716	26,716	26,716	26,716	26,716	26,716	26,716	26,716	347,306	366,061	386,194	
Remuneration of councillors		1,094	1,094	1,094	1,094	1,094	1,094	1,094	1,094	1,094	1,094	1,094	1,094	13,125	13,834	14,595	
Debt impairment														3,159	3,326	3,503	
Depreciation & asset impairment		3,858	3,858	4,101	4,254	4,412	4,683	4,883	5,000	5,086	6,269	6,331	5,765	58,301	61,449	64,829	
Finance charges		3,333	3,450	3,322	3,206	2,495	1,991	1,931	1,873	1,779	1,690	1,606	1,324	28,001	29,513	31,136	
Bulk purchases		5,769	5,769	5,769	5,769	5,769	11,538	5,769	5,769	5,769	5,769	5,769	5,769	75,000	79,050	83,398	
Other materials		1,235	1,202	1,273	1,246	1,223	1,404	1,390	1,279	1,173	1,072	2,113	1,419	16,029	19,343	20,387	
Contracted services		2,418	2,466	2,661	2,843	3,036	3,237	3,449	3,672	3,906	4,004	4,254	5,052	41,018	43,233	45,611	
Transfers and subsidies		5,053	29,550	31,027	31,648	29,961	31,243	30,247	30,912	30,268	28,143	27,027	5,064	20,213	21,284	22,412	
Other expenditure		28,143												282,713	260,950	275,302	
Loss on disposal of PPE																	
<b>Total Expenditure</b>		<b>77,619</b>	<b>100,841</b>	<b>75,963</b>	<b>76,776</b>	<b>74,707</b>	<b>86,958</b>	<b>75,278</b>	<b>76,315</b>	<b>80,845</b>	<b>74,757</b>	<b>76,069</b>	<b>6,738</b>	<b>884,865</b>	<b>898,042</b>	<b>947,366</b>	
<b>Surplus/(Deficit)</b>		<b>30,388</b>	<b>(70,625)</b>	<b>40,219</b>	<b>(45,211)</b>	<b>(39,690)</b>	<b>15,408</b>	<b>(39,150)</b>	<b>(40,762)</b>	<b>52,262</b>	<b>64,156</b>	<b>(49,809)</b>	<b>92,461</b>	<b>9,648</b>	<b>36,503</b>	<b>54,377</b>	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)							100,000			45,000				290,889	336,038	355,509	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)																	
Transfers and subsidies - capital (in-kind - all)																	
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>121,276</b>	<b>(70,625)</b>	<b>40,219</b>	<b>(45,211)</b>	<b>(39,690)</b>	<b>115,408</b>	<b>(39,150)</b>	<b>(40,762)</b>	<b>97,262</b>	<b>64,156</b>	<b>(49,809)</b>	<b>147,462</b>	<b>300,537</b>	<b>372,541</b>	<b>409,886</b>	
Taxation																	
Attributable to minorities																	
Share of surplus/(deficit) of associate																	
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>121,276</b>	<b>(70,625)</b>	<b>40,219</b>	<b>(45,211)</b>	<b>(39,690)</b>	<b>115,408</b>	<b>(39,150)</b>	<b>(40,762)</b>	<b>97,262</b>	<b>64,156</b>	<b>(49,809)</b>	<b>147,462</b>	<b>300,537</b>	<b>372,541</b>	<b>409,886</b>	

1. Surplus (Deficit) must reconcile with Budgeted Financial Performance

DC21 Ugu - Supporting Table SA26 Consolidated budgeted monthly revenue and expenditure (municipal vote)

R thousand	Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Revenue by Vote</b>			2,105	4,590	2,897	3,587	3,979	2,649	91,910	96,366	97,404	87,339	95,199	142,547	1,185,402	1,270,583	1,357,252
Vote 1 - EXECUTIVE & COUNCIL			1,008	4,599	1,080	3,587	3,979	1,058	6,887	6,887	7,231	6,797	6,865	5,152	80,550	81,543	86,027
Vote 2 - FINANCE & ADMINISTRATION			3,690	78,562	4,599	75,972	79,578	3,699	12,957	12,905	12,080	13,684	13,318	13,928	171,750	173,866	183,429
Vote 3 - INFRASTRUCTURE & ECONOMIC DEVELOPMENT			77,659	9,378	75,329	9,275	10,275	80,124	7,602	3,801	3,877	3,954	4,152	5,671	75,740	76,673	80,890
Vote 4 - WATER			8,575	568	9,378	9,275	1,880	9,506	11,322	9,089	8,566	8,659	7,605	8,759	976,441	1,050,547	1,125,554
Vote 5 - WASTE WATER MANAGEMENT			2,459	1,586	762	1,567	1,879	1,649	1,580	148	259	288	1,590	77	8,040	8,466	8,915
Vote 6 - PUBLIC SAFETY			1,590	72	1,586	72	72	72	72	72	72	72	72	1,162	18,007	18,961	19,966
Vote 7 - ENVIRONMENTAL PROTECTION			72	21	72	21	21	21	21	21	21	21	21	49	839	883	930
Vote 8 - OTHER: MARKET			21	21	21	21	21	21	21	21	21	21	21	266	266	280	
Vote 9 - SPORTS & RECREATION																	
Vote 10 - [NAME OF VOTE 10]																	
Vote 11 - [NAME OF VOTE 11]																	
Vote 12 - [NAME OF VOTE 12]																	
Vote 13 - [NAME OF VOTE 13]																	
Vote 14 - [NAME OF VOTE 14]																	
Vote 15 - [NAME OF VOTE 15]																	
<b>Total Revenue by Vote</b>			97,179	94,779	95,724	90,495	97,684	98,777	91,910	96,366	97,404	87,339	95,199	142,547	1,185,402	1,270,583	1,357,252
<b>Expenditure by Vote to be appropriated</b>			6,713	7,048	7,189	6,261	6,898	6,622	6,887	6,887	7,231	6,797	6,865	5,152	80,550	81,543	86,027
Vote 1 - EXECUTIVE & COUNCIL			14,312	28,625	12,734	12,840	12,332	12,435	12,957	12,905	12,080	13,684	13,318	13,928	171,750	173,866	183,429
Vote 2 - FINANCE & ADMINISTRATION			6,312	12,623	6,438	6,760	7,098	7,453	7,602	3,801	3,877	3,954	4,152	5,671	75,740	76,673	80,890
Vote 3 - INFRASTRUCTURE & ECONOMIC DEVELOPMENT			38,092	76,184	39,996	31,196	31,608	32,440	40,318	31,125	39,068	37,115	29,979	(25,021)	402,101	409,331	431,776
Vote 4 - WATER			10,429	20,858	10,951	10,195	9,685	9,266	9,968	10,058	9,555	10,033	7,180	6,980	125,150	126,691	133,659
Vote 5 - WASTE WATER MANAGEMENT			525	551	584	519	570	504	525	520	570	542	416	474	6,300	6,378	6,728
Vote 6 - PUBLIC SAFETY			1,940	3,879	1,685	1,538	1,573	2,225	2,287	1,144	2,201	2,129	1,196	1,479	23,274	23,561	24,886
Vote 7 - ENVIRONMENTAL PROTECTION																	
Vote 8 - OTHER: MARKET																	
Vote 9 - SPORTS & RECREATION																	
Vote 10 - [NAME OF VOTE 10]																	
Vote 11 - [NAME OF VOTE 11]																	
Vote 12 - [NAME OF VOTE 12]																	
Vote 13 - [NAME OF VOTE 13]																	
Vote 14 - [NAME OF VOTE 14]																	
Vote 15 - [NAME OF VOTE 15]																	
<b>Total Expenditure by Vote</b>			78,322	149,769	79,578	69,309	69,764	70,945	80,535	66,039	74,583	74,254	63,107	8,662	864,865	898,042	947,366
<b>Surplus/(Deficit) before assoc.</b>			18,857	(54,989)	16,147	21,186	27,920	27,831	11,375	30,327	22,821	13,085	32,092	133,884	300,537	372,541	409,886
Taxation																	
Attributable to minorities																	
Share of surplus/ (deficit) of associate																	
<b>Surplus/(Deficit)</b>			18,857	(54,989)	16,147	21,186	27,920	27,831	11,375	30,327	22,821	13,085	32,092	133,884	300,537	372,541	409,886
References			1														

1. Surplus (Deficit) must reconcile with Budgeted Financial Performance

DC21 Ugu - Supporting Table SA27 Consolidated budgeted monthly revenue and expenditure (functional classification)

R thousand	Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework															
			July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21													
	<b>Revenue - Functional</b>																													
	<b>Governance and administration</b>		3,113		3,977																									
	Executive and council		2,105		2,897																									
	Finance and administration		1,008		1,080																									
	Internal audit																													
	<b>Community and public safety</b>		2,480		783		21																							
	Community and social services						21																							
	Sport and recreation		21		21																									
	Public safety		2,459		762																									
	Housing																													
	Health																													
	<b>Economic and environmental services</b>		5,280		6,178		5,154																							
	Planning and development		3,690		4,590		3,587																							
	Road transport																													
	Environmental protection		1,590		1,588		1,567																							
	<b>Trading services</b>		86,234		87,941		85,248																							
	Energy sources																													
	Water management		77,659		78,562		75,912																							
	Waste water management		8,575		9,378		9,275																							
	Waste management																													
	<b>Other</b>		72		72		72																							
	<b>Total Revenue - Functional</b>		97,179		94,779		90,485																							
	<b>Expenditure - Functional</b>																													
	<b>Governance and administration</b>		21,025		35,673		19,101																							
	Executive and council		6,713		7,048		6,261																							
	Finance and administration		14,312		28,625		12,840																							
	Internal audit																													
	<b>Community and public safety</b>		525		584		519																							
	Community and social services																													
	Sport and recreation																													
	Public safety																													
	Housing		525		584		519																							
	Health																													
	<b>Economic and environmental services</b>		8,251		16,502		8,297																							
	Planning and development		6,312		12,623		6,438																							
	Road transport																													
	Environmental protection		1,940		3,878		1,858																							
	<b>Trading services</b>		48,521		97,042		41,391																							
	Energy sources		10,429		20,858		10,195																							
	Water management		38,092		76,184		31,196																							
	Waste water management																													
	Waste management																													
	<b>Other</b>																													
	<b>Total Expenditure - Functional</b>		78,322		149,769		66,309																							
	<b>Surplus/(Deficit) before assoc.</b>		18,857		(54,989)		16,147																							
	Share of surplus/ (deficit) of associate																													
	<b>Surplus/(Deficit)</b>		18,857		(54,989)		16,147																							
	References																													
	1. Surplus (Deficit) must reconcile with Budgeted Financial Performance																													

1. Surplus (Deficit) must reconcile with Budgeted Financial Performance



DC21 Ugu - Supporting Table SA29 Consolidated budgeted monthly capital expenditure (functional classification)

R thousand	Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework																							
			July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21																					
	<b>Capital Expenditure - Functional</b>	1																																				
	<b>Governance and administration</b>																																					
	Executive and council		1,559	1,559	1,559	1,559	1,559	1,559	1,559	1,559	1,559	1,559	1,559	1,559	1,559	1,559	1,559	1,559	1,559	1,559	1,559	1,559	1,559	1,559	1,559	1,559	1,559	1,559	1,559	1,559	1,559	1,559	1,559	1,559				
	Finance and administration		125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125	125			
	Internal audit		1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434	1,434			
	<b>Community and public safety</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
	Community and social services																																					
	Sport and recreation																																					
	Public safety																																					
	Housing																																					
	Health																																					
	<b>Economic and environmental services</b>																																					
	Planning and development		23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	
	Road transport		23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	
	Environmental protection																																					
	<b>Trading services</b>																																					
	Energy sources		23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	23,032	
	Water management		18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	18,924	
	Waste water management		4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	
	Waste management		4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	4,108	
	<b>Other</b>																																					
	<b>Total Capital Expenditure - Functional</b>	2	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	
	<b>Funded by:</b>																																					
	National Government																																					
	Provincial Government																																					
	District Municipality																																					
	Other transfers and grants																																					
	<b>Transfers recognised - capital</b>																																					
	<b>Public contributions &amp; donations</b>																																					
	<b>Borrowing</b>																																					
	<b>Internally generated funds</b>																																					
	<b>Total Capital Funding</b>		24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	24,614	
	<b>References</b>																																					

1. Table should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimates

2. Total Capital Expenditure must reconcile to Budgeted Capital Expenditure

check

DC21 Ugu - Supporting Table SA30 Consolidated budgeted monthly cash flow

R thousand	Budget Year 2016/19												Medium Term Revenue and Expenditure Framework		
	July	August	Sept	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Cash Receipts By Source</b>															
Property rates															
Service charges - electricity revenue	15,398	17,265	20,701	18,405	20,431	19,548	21,885	20,870	17,017	17,139	40,451	245,469	238,479	272,178	
Service charges - water revenue	6,860	6,703	7,503	6,520	7,420	6,805	6,658	7,279	5,253	5,284	26,151	97,820	103,005	108,464	
Service charges - sanitation revenue															
Service charges - refuse revenue															
Service charges - other	85	92	81	90	82	97	96	96	97	97	390	1,391	1,160	1,214	
Rental of facilities and equipment	111	140	374	193	120	178	354	270	334	134	1,092	3,480	2,872	2,819	
Interest earned - external investments	508											908	538	665	
Interest earned - outstanding debtors															
Dividends received															
Fines, penalties and forfeits															
Licenses and permits															
Agency services	79,987		80,473			69,151			104,992		5,637	451,682	489,124	510,724	
Transfer receipts - operational												6,663	2,212	2,333	
Other revenue	102,951	24,219	109,132	25,308	28,054	95,778	28,993	28,515	133,507	22,854	80,374	807,025	837,178	889,298	
<b>Cash Receipts by Source</b>															
<b>Other Cash Flows by Source</b>															
Transfer receipts - capital	90,888					100,000			45,000		55,001	290,889	396,038	356,509	
Transfers and subsidies - capital (monetary allocations) (National / Provincial / Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)															
Proceeds on disposal of PPE															
Short term loans															
Borrowing long term/financing	470			494			518		544		(1,145)	881	928	977	
Increase (decrease) in consumer deposits	351			391			391		391		(3,682)	618	681	685	
Decrease (Increase) in non-current debtors															
Decrease (Increase) other non-current receivables															
Decrease (Increase) in non-current investments															
<b>Total Cash Receipts by Source</b>	184,700	24,810	109,522	25,193	28,445	186,169	28,992	28,808	172,931	23,045	130,548	1,089,413	1,174,764	1,255,460	
<b>Cash Payments by Type</b>															
Employee related costs	26,716	53,432	26,716	26,716	26,716	26,716	26,716	26,716	26,716	26,716	26,716	347,306	366,861	386,194	
Remuneration of councillors	1,094	1,094	1,094	1,094	1,094	1,094	1,094	1,094	1,094	1,094	1,094	13,125	13,834	14,595	
Finance charges	3,333	3,450	3,322	3,206	2,495	1,991	1,931	1,873	1,779	1,690	1,324	28,001	29,513	31,136	
Bulk purchases - Electricity															
Bulk purchases - Water & Sewer	4,904	4,904	4,904	4,904	4,904	4,904	4,904	4,904	4,904	4,904	4,904	75,000	79,050	83,398	
Other materials	1,050	1,022	1,082	1,059	1,040	1,193	1,182	1,087	997	1,796	3,811	18,029	19,343	20,387	
Contracted services	2,055	2,113	2,292	2,417	2,391	2,751	2,932	3,121	3,403	3,616	10,447	41,018	43,233	45,811	
Transfers and grants - other municipalities	5,053					5,053						20,213	21,284	22,412	
Transfers and grants - other															
Other expenditure	23,921	25,117	25,373	26,901	26,467	26,557	26,710	26,275	23,921	22,973	3,769	282,713	280,950	275,302	
<b>Cash Payments by Type</b>	68,128	91,131	65,752	66,288	64,286	75,162	64,487	65,070	62,640	62,704	68,169	823,405	833,267	879,034	
<b>Other Cash Flows/Payments by Type</b>															
Capital assets															
Repayment of borrowing															
Other Cash Flows/Payments															
<b>Total Cash Payments by Type</b>	68,128	91,131	148,016	66,288	64,286	155,426	64,487	65,070	148,855	67,640	142,388	1,146,390	1,172,203	1,234,778	
<b>NET INCREASE(DECREASE) IN CASH HELD</b>	126,574	(66,321)	(38,493)	(40,109)	(35,851)	40,743	(34,565)	(39,164)	23,078	71,902	(119,922)	60,459	(46,957)	2,891	20,891
Cash/cash equivalents at the month/year begin:	52,363	178,938	112,416	75,923	35,920	(31)	40,711	6,146	(30,018)	(6,942)	64,860	52,363	5,396	7,987	
Cash/cash equivalents at the month/year end:	178,938	112,416	75,923	35,820	(31)	40,711	6,146	(30,018)	(6,942)	64,860	(55,062)	5,396	(46,957)	2,891	20,891

1. Note that this section of Table SA 30 is deliberately not linked to Table A4 because timing differences between the invoicing of clients and receiving the cash means that the cashflow will differ from budgeted revenue, and similarly for budgeted expenditure. However for the MTRREF it is now directly linked to A4.



## DC21 Ugu - Supporting Table SA31 Aggregated entity budget

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>R million</b>										
<b>Financial Performance</b>										
Property rates										
Service charges										
Investment revenue		1	1					1	1	1
Transfers recognised - operational		21	22					38	40	42
Other own revenue		1	1					2	3	3
Contributions recognised - capital & contributed assets										
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>22</b>	<b>23</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41</b>	<b>43</b>	<b>46</b>
Employee costs		8	8					13	13	14
Remuneration of Board Members		0	1					2	2	2
Depreciation & asset impairment		0	0					0	0	0
Finance charges		0	0					0	0	0
Materials and bulk purchases										
Transfers and grants										
Other expenditure		11	11					26	28	29
<b>Total Expenditure</b>		<b>19</b>	<b>20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41</b>	<b>43</b>	<b>46</b>
<b>Surplus/(Deficit)</b>		<b>3</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>										
Transfers recognised - operational			1						-	-
Public contributions & donations									-	-
Borrowing									-	-
Internally generated funds		0							-	-
<b>Total sources</b>		<b>0</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial position</b>										
Total current assets		17	20						-	-
Total non current assets		1	1						-	-
Total current liabilities		2	2						-	-
Total non current liabilities									-	-
Equity		16	20						-	-
<b>Cash flows</b>										
Net cash from (used) operating		1	1						-	-
Net cash from (used) investing		(0)	(0)						-	-
Net cash from (used) financing									-	-
<b>Cash/cash equivalents at the year end</b>		<b>1</b>	<b>1</b>						<b>-</b>	<b>-</b>

**DC21 Ugu - Supporting Table SA32 List of external mechanisms**

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

**References**

1. Total agreement period from commencement until end
2. Annual value

DC21 Ugu - Supporting Table SA33 Contracts having future budgetary implications

R thousand	Description	Ref	Preceding Years	Current Year 2017/18	2018/19 Medium Term Revenue & Expenditure Framework			Forecast 2021/22	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Total Contract Value
					Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21								
1,3	<b>Total</b>						Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	
2	<u>Parent Municipality:</u>														
	<u>Revenue Obligation By Contract</u>														
	Contract 1														
	Contract 2														
	Contract 3 etc														
	<b>Total Operating Revenue Implication</b>														
2	<u>Expenditure Obligation By Contract</u>														
	Contract 1														
	Contract 2														
	Contract 3 etc														
	<b>Total Operating Expenditure Implication</b>														
2	<u>Capital Expenditure Obligation By Contract</u>														
	Contract 1														
	Contract 2														
	Contract 3 etc														
	<b>Total Capital Expenditure Implication</b>														
	<b>Total Parent Expenditure Implication</b>														
	<b>Entities:</b>														
2	<u>Revenue Obligation By Contract</u>														
	Contract 1														
	Contract 2														
	Contract 3 etc														
	<b>Total Operating Revenue Implication</b>														
2	<u>Expenditure Obligation By Contract</u>														
	Contract 1														
	Contract 2														
	Contract 3 etc														
	<b>Total Operating Expenditure Implication</b>														
2	<u>Capital Expenditure Obligation By Contract</u>														
	Contract 1														
	Contract 2														
	Contract 3 etc														
	<b>Total Capital Expenditure Implication</b>														
	<b>Total Entity Expenditure Implication</b>														

References  
 1. Total Implication for all preceding years to be summed and total stated in 'Preceding Years' column  
 2. List all contracts with future financial obligations beyond the three years covered by the MTRF (MFMA s33)  
 3. For municipalities with approved total revenue not exceeding R250 m - all contracts with an annual cost greater than R500 000. For municipalities with approved total revenue greater than R250 m - all contracts with an annual cost greater than R1million. For municipalities with approved total revenue greater than R500 m - all contracts with an annual cost greater than R5 million







Workshops		13,765	16,502		1,742	1,742	1,855	1,815	2,018	2,128
Yards										
Stores										
Laboratories										
Training Centres										
Manufacturing Plant										
Depots										
Capital Spares										
Housing										
Staff Housing										
Social Housing										
Capital Spares										
<b>Biological or Cultivated Assets</b>										
Biological or Cultivated Assets										
<b>Intangible Assets</b>		1,000	1,200		1,088	1,088	1,043	1,208	1,271	1,341
Service Licences										
Water Rights		1,000	1,200		1,088	1,088	1,043	1,208	1,271	1,341
Effluent Licences										
Solid Waste Licences										
Computer Software and Applications		1,000	1,200		1,088	1,088	1,043	1,208	1,271	1,341
Local Settlement Software Applications										
Unspecified										
<b>Computer Equipment</b>		58	70	657	203	203	193	224	238	249
Computer Equipment		58	70	657	203	203	193	224	238	249
<b>Furniture and Office Equipment</b>					101	101	98	388	420	443
Furniture and Office Equipment					101	101	98	388	420	443
<b>Machinery and Equipment</b>		14,852	17,838	10,422	11,577	11,577	10,998	12,723	13,410	14,147
Machinery and Equipment		14,852	17,838	10,422	11,577	11,577	10,998	12,723	13,410	14,147
<b>Transport Assets</b>				11,527	16,140	16,140	17,233	16,639	17,537	18,502
Transport Assets				11,527	16,140	16,140	17,233	16,639	17,537	18,502
<b>Libraries</b>										
Libraries										
<b>Zoo's, Marine and Non-biological Animals</b>										
Zoo's, Marine and Non-biological Animals										
<b>Total Repairs and Maintenance Expenditure</b>	1	52,638	63,151	66,981	66,639	69,839	68,347	78,788	83,042	87,610
<b>R&amp;M as a % of PPE</b>		1.6%	1.8%	1.7%	1.7%	1.7%	1.7%	2.1%	2.0%	2.0%
<b>R&amp;M as % Operating Expenditure</b>		5.6%	6.8%	6.4%	7.3%	7.9%	7.8%	8.3%	8.4%	8.6%
<b>Reference</b>										

1. Total Repairs and Maintenance Expenditure by Asset Category must reconcile to total repairs and maintenance expenditure on Table SA1

check balance

0

(0)

(0)

(0)







DC21 Ugu - Supporting Table SA35 Consolidated future financial implications of the capital budget

Vote Description	Ref	2018/19 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	Forecast 2021/22	Forecast 2022/23	Forecast 2023/24	Present value
<b>R thousand</b>								
<b>Capital expenditure</b>	1							
Vote 1 - EXECUTIVE & COUNCIL		-	-	-				
Vote 2 - FINANCE & ADMINISTRATION		24,500	25,183	26,518				
Vote 3 - INFRASTRUCTURE & ECONOMIC DEVELOPMENT		274	288	303				
Vote 4 - WATER		227,089	239,125	251,799				
Vote 5 - WASTE WATER MANAGEMENT		49,300	51,913	54,664				
Vote 6 - PUBLIC SAFETY		-	-	-				
Vote 7 - ENVIRONMENTAL PROTECTION		-	615	648				
Vote 8 - OTHER: MARKET		-	-	-				
Vote 9 - SPORTS & RECREATION		-	-	-				
Vote 10 - [NAME OF VOTE 10]		-	-	-				
Vote 11 - [NAME OF VOTE 11]		-	-	-				
Vote 12 - [NAME OF VOTE 12]		-	-	-				
Vote 13 - [NAME OF VOTE 13]		-	-	-				
Vote 14 - [NAME OF VOTE 14]		-	-	-				
Vote 15 - [NAME OF VOTE 15]		-	-	-				
List entity summary if applicable		-	-	-				
<b>Total Capital Expenditure</b>		<b>301,163</b>	<b>317,124</b>	<b>333,932</b>				
<b>Future operational costs by vote</b>	2							
Vote 1 - EXECUTIVE & COUNCIL								
Vote 2 - FINANCE & ADMINISTRATION								
Vote 3 - INFRASTRUCTURE & ECONOMIC DEVELOPMENT								
Vote 4 - WATER								
Vote 5 - WASTE WATER MANAGEMENT								
Vote 6 - PUBLIC SAFETY								
Vote 7 - ENVIRONMENTAL PROTECTION								
Vote 8 - OTHER: MARKET								
Vote 9 - SPORTS & RECREATION								
Vote 10 - [NAME OF VOTE 10]								
Vote 11 - [NAME OF VOTE 11]								
Vote 12 - [NAME OF VOTE 12]								
Vote 13 - [NAME OF VOTE 13]								
Vote 14 - [NAME OF VOTE 14]								
Vote 15 - [NAME OF VOTE 15]								
List entity summary if applicable								
<b>Total future operational costs</b>								
<b>Future revenue by source</b>	3							
Property rates								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse revenue								
Service charges - other								
Rental of facilities and equipment								
List other revenues sources if applicable								
List entity summary if applicable								
<b>Total future revenue</b>								
<b>Net Financial Implications</b>		<b>301,163</b>	<b>317,124</b>	<b>333,932</b>				
<b>References</b>								

1. Summarise the total capital cost until capital project is operational (MFMA s19(2)(a))
2. Summary of future operational costs from when projects operational (present value until the end of each asset's useful life) (MFMA s19(2)(b))
3. Summarise the future revenue from when projects are operational, including municipal tax and tariff implications, (present value until the end of asset's useful life)



Entity	Project Description	Quantity	Unit	Estimated Cost	Actual Cost	Balance	Notes
Parent Capital Expenditure	Palm Beach WWTW replacement of aged handrails	100	Reinforcement	13,232	12,543	689	
	Palm Beach WWTW dissolved oxygen probes	50	Reinforcement	9,908	9,381	527	
	Red Desert WWTW replacement of aged handrails	20	Reinforcement	13,768	13,070	698	
	Red Desert WWTW dissolved oxygen probes	50	Reinforcement	1,712	1,623	89	
	Red Desert WWTW Sodium Hypo dosing facility	60	Reinforcement	11,120	10,540	580	
	Melville WWTW sodium hypo disinfection system	50	Reinforcement	3,338	3,182	156	
	Pennington WWTW mechanical cleaned screens	400	Reinforcement	566	527	39	
	Pennington WWTW Screen wash launder	20	Reinforcement	612	580	32	
	Pennington WWTW dissolved oxygen probes	20	Reinforcement	555	500	55	
	Pennington WWTW sodium hypo dosing unit	635	Reinforcement	300,868	317,157	(16,289)	
	Scottdburgh WWTW PST 1 bridge	20	Reinforcement	274	280	(6)	
	Scottdburgh WWTW penstock gables and elbows	60	Reinforcement	301,163	317,825	(16,662)	
	Scottdburgh WWTW MCC room elevation	100	Reinforcement	280	280	0	
	Scottdburgh WWTW extension of biosolids walls	50	Reinforcement	174	183	(9)	
	Scottdburgh WWTW dissolved oxygen probe	100	Reinforcement	100	105	(5)	
	Scottdburgh WWTW clarifier 1 bridge replacement	50	Reinforcement	566	527	39	
	Scottdburgh WWTW standby pump	600	Reinforcement	550	580	(30)	
	Scottdburgh WWTW flowmeter	300	Reinforcement	500	500	0	
	Scottdburgh WWTW automated chlorine dosing system	50	Reinforcement	300,868	317,157	(16,289)	
	Scottdburgh WWTW primary digester recirculation pipeline	300	Reinforcement	274	280	(6)	
	Scottdburgh WWTW digested sludge standby pump	10	Reinforcement	10,000	10,000	0	
	Urnzito WWTW dissolved oxygen probe	50	Reinforcement	8,910	8,910	0	
	Urnzito WWTW flow proportion dosing unit	80	Reinforcement	1,540	1,540	0	
	KwaMbonwa WWTW division box	10	Reinforcement	10,000	10,000	0	
	KwaMbonwa WWTW dissolved oxygen probe	50	Reinforcement	3,000	3,000	0	
Sanitation Infrastructure							
Malengeni Low Cost Housing Project							
Sanitation Relaunchment Phase 1 - Port Edward to Park Rynie							
Urnzito WWTW Water Treatment Works and Outfall Sewers Upgrade							
Pennington Waterborne Sanitation Project-Provision of Bulk Sewer							
Hending Sanitation Scheme: Phase 3							
Mergale Sewer Pipeline Replacement							
Mashinanga/Mongo Sanitation Project							
Ebhohoyi/Mkhombeni Sanitation							
Park Rynie Sanitation							
KwaLethole							
Urnzito Slum Clearance: Farm Isontu Low cost Housing Water a							
Entity A							
Ugu South Coast Tourism Entity							
Entity B							
South Coast Development Agency							
Entity Capital Expenditure							
Total Capital Expenditure							
References:							
1. Mined reconcile with Budgeted Capital Expenditure							
2. As per Table SA16							
3. As per Table SA34							
4. Projects that fall above the threshold values applicable to the municipality as identified in regulation 13 of the Municipal Budget and Reporting Regulations must be listed individually. Other projects by programme by Vote							
5. Contact to seconds. Provide a logical starting point on networked infrastructure.							
6. Distinguish projects approved in terms of MFMA section 18(1)(b) and MFRR Regulation 13							

Check

# MINER DEPT IS DRAFT CAPITAL BUDGET 2018-2019

SDBIP CODE	SDBIP NAME	Activities	Breakdown 2018/2019		Source of Funding	Total budget 2018/2019	Total Budget 2019/2020	Total Budget 2019/2020
CS011A	Motor Vehicles - Fleet replacement plan (60)	Double cabs C0007-8 Bakkies C0007-10 Sedans C0007-9 LDV's	5,000,000.00		Internal	10,000,000.00	10,050,000.00	10,100,250.00
			4,500,000.00					
			500,000.00					
CS023a	Long term office accomodation plan - Disaster Management Building phase 3		7,000,000.00		Internal	7,000,000.00	7,035,000.00	7,070,175.00
CS023a	Long term office accomodation plan - Oslo Beach Phase 3		7,000,000.00		Internal	7,000,000.00	7,035,000.00	7,070,175.00
CS025a	ICT Infrastructure Servers		500,000.00		Internal	500,000.00	502,500.00	505,012.50

24,500,000.00

24,500,000.00

WATER SERVICES DRAFT CAPITAL BUDGET 2018-2019

SDBIP CODE	SDBIP NAME	Activities	Total Budget 2018/2019	Source of Funding	Local Municipality	New / Old Projects
WS/PMU4	Kwaxolo Water Supply - Bulk Supply (AFA) MIS 229750	Construction	10,000,000.00 C0058-21	MIG	Ray Nkonyeni	NEW
WS/PMU6	Umtamvuna Water Treatment Works Extension	Construction	8,000,000.00 C0066-16	MIG	Ray Nkonyeni	OLD
WS/PMU18	Kwanyuswa Water Scheme - Phase 3 (AFA) MIS 194753	Construction	6,000,000.00 C0066-9 C0058-22	MIG	Ray Nkonyeni 3,000,000.00 3,000,000.00	NEW
WS/PMU9	Umzimkhulu Bulk Water Augmentation Scheme Stage One (AFA) MIS 257184	Construction	5,000,000.00 C0066-10	MIG	Ray Nkonyeni	OLD
WS/PMU11	Msikaba and Surrounds Water Supply Scheme	Construction	4,000,000.00 C0066-11	MIG	Ray Nkonyeni	NEW
WS/PMU13	Water Pipeline Replacements	Construction	37,984,000.00 C0141-15	MIG	Ray Nkonyeni	OLD
WS/PMU14	Mistake Farm Supply Scheme	Construction	1,800,000.00 C0058-24 C0058-21	MIG	Umdoni 800,000.00 1,000,000.00	NEW
WS/PMU15	Vulamehlo Cross-Border Water Scheme	Planning	1,970,000.00 C0066-12	MIG	Umdoni	NEW
WS/PMU17	Kwalembe Water Supply Scheme Extension	Planning	680,000.00	MIG	Umdoni	NEW
	Upgrade of Nkonka Pumpstation, Dududu and Surrounding Infills	Planning	4,016,000.00 C0061-22	MIG	Umdoni	NEW
WS/PMU7	Harding Weza Regional Bulk Water Supply Planning (AFA) MIS 207998	Construction	26,500,000.00 C0066-14	MIG	Umuziwabantu	NEW

WS/PMUS	Mhlabatshane Regional Water Supply Scheme	Construction	7,000,000.00 C0061-24	MIG	Umzumbwe	NEW
WS/PMU 32	Mabheleni East Water Project	Planning	10,000,000.00 C0066-15 C0061-23	MIG	Umzumbwe 5,000,000.00 5,000,000.00	NEW
	Water Pipeline Replacements (South Coast Pipeline Phase 2B to Malangenani Link)	Planning	14,139,161.86 C0141-16	MIG	Umzumbwe	OLD
	Water Pipeline Replacements (Umdoni Reservoir to Sezela, Elystun, Mthwalume Link)	Planning	20,000,000.00 C0141-17	MIG	Umzumbwe	OLD
	Assist to Morrison Infill Bulk Main and Reticulation	Planning Construction	5,000,000.00 C0141-18	MIG	Umzumbwe	NEW
	Kwahlongwa WTW upgrade	Construction	10,000,000.00 C0141-19	MIG	Umzumbwe	OLD
WS/PMU1	Gemalahke Water Supply		2,500,000.00 C0064-8	WSIG		NEW
WS/PMU2	Maphumulo Water Scheme		2,500,000.00 C0065-4	WSIG		NEW
WS/WAT/CAP/5	Scada and telemetry upgrade project		30,000,000.00 C0026-1	WSIG		OLD
WS/WAT/CAP/7	Nonrevenue water reduction		20,000,000.00	WSIG		OLD

227,089,161.86

# SANITATION DRAFT CAPITAL BUDGET 2018-2019

SDBIP CODE	SDBIP NAME	Activities	Total Budget 2018/2019	Source of Funding	Local Municipality	New/Old Projects	Total Budget 2018/2019
WS/PMU24	Margate Sewer Pipeline Replacement	Construction	10,000,000.00	MIG	Ray Nkonyeni	NEW	
WS/PMU26	Bhobhoyi / Mkhholombe Sanitation	Planning	500,000.00	MIG	Ray Nkonyeni	NEW	
WS/PMU25	Masinenge/uVongo Sanitation Project (AFA) MIS 221952	Construction	3,000,000.00	MIG	Ray Nkonyeni	NEW	
WS/PMU28	Kwalatshoda Water & Sanitation Project	Planning	550,000.00	MIG	Ray Nkonyeni	NEW	
WS/PMU21	Umzinto Waste Water Treatment Works and Outfall Sewers Upgrade and Rehabilitation	Construction	8,910,000.00	MIG	Umdoni	OLD	
WS/PMU22	Pennington Waterborne Sanitation Project-Provision of Bulk Sewer & Reticulation Infrastructure	Construction	12,400,000.00	MIG	Umdoni	NEW	
WS/PMU19	Malangeni Low Cost Housing Project	Construction	11,900,000.00	MIG	Umdoni		
WS/PMU12	Umzinto Slum Clearance: Farm Isonti Low cost Housing Water and Sanitation Scheme	Planning	500,000.00	MIG	Umdoni	NEW	



WS/PMUJ31	Harding Sanitation scheme phase 3	Close out	1,539,838.14	MIG	Umuziwabantu	NEW	

49,299,838.14

<b>UGU BUDGET</b>	300,889,000.00
<b>TOURISM</b>	173,595.00
<b>DEVELOPMENT AGENCY</b>	100,000.00
<b>TOTAL</b>	301,162,595.00

221,389,000.00 Capex MIG  
55,000,000.00 WSIG  
276,389,000.00 Total Grants

**UGU DISTRICT MUNICIPALITY  
MUNICIPAL INFRASTRUCTURE GRANT 2018/2019 ALLOCATION**

<b>DETAILS</b>	<b>2016/2017 Revised</b>	<b>2017/2018</b>	<b>2018/2019</b>	<b>% Increase</b>
National MIG Allocation	233,873,000	245,479,000	235,889,000	-3.91%
Vat Recovered MIG				
Less : Allocated Expenditure	233,873,000	245,479,000	235,889,000	-3.91%
<b>Capital – Sanitation</b>				
Infrastructure Projects	46,906,419	53,269,420	58,799,838	10.38%
<b>Capital – Water</b>				
Infrastructure Projects	193,252,618	189,800,000	162,589,162	-14.34%
	193,252,618	189,800,000	162,589,162	-14.34%
<b>Operational – Grants</b>				
Vulamehlo VIP's	5,029,963	6,246,580	14,000,000	124.12%
Umzambe VIP's	0	0		
Ezingoleni VIP's	5,029,963	0		
uMuziwabantu VIP's	0	0		
Hibiscus Coast VIP's	0	0		
General Operational Expenditure ( Prog. Mgt Costs )		5,000,000	14,000,000	180.00%
		1,246,580	0	-100.00%
<b>AVAILABLE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>



# UGU DISTRICT MUNICIPALITY

## TARIFF OF CHARGES 2018/2019 WITH EFFECT FROM 1 JULY 2018 (EXCLUDING VAT)

1. **COUNCIL'S CHARGES FOR WATER SUPPLIED TO CONSUMERS**
  - (a) All consumers with a private water connection will be liable for the payment of a basic cost irrespective if water is supplied or not. The basic cost shall be calculated by multiplying the quota of a consumer by the amount of the basic cost.
  - (b) Charges for water supplied shall be calculated by multiplying the consumption of the consumer by the applicable tariff code, by category of consumer.
  - (c) The following tariff and basic costs will be implemented on all accounts submitted on or after **1 July 2018** based on the quota as allocated to the meter.

### **CONSUMPTION CHARGE**

1. **Properties zoned as Special and General Residential -Category A AND E**

	2018/2019	2017/2018	
0 to 6 Kl	Free	Free	
0 – 39kl	12.92	12.27	5.3%
39 – 51kl	20.60	19.57	5.3%
>51kl	23.21	22.05	5.3%

2. **Multi unit residential - Estates AND OTHER bulk users**

**Total Monthly Quota as per Service Level Agreement- Category B**

	2018/2019	2017/2018	
For water consumption	9.15	8.69	5.3%
For water drawn in excess of quota	23.27	22.10	5.3%

3. **Commercial, Industrial or other- Category C**

For water consumption up to quota	12.92	12.27	5.3%
For water drawn in excess of quota	25.81	24.52	5.3%

4. **Special Category - Category D**

Basic to be determined as per Service Level Agreement
Water Consumption determined as per Service Level Agreement

## **BASIC CHARGE**

### **Category A to D**

- (d) A monthly basic charge per kilolitre quota (or part thereof) per day which cost shall be paid at Council's option by the consumer and/or legal owner of the property serviced by the meter – **R165.11 (R156.81 (2017/2018))**  
Consumers residing in areas currently categorised as rural areas by the municipality will receive a 75% rebate on the basic charge.

### **Category E**

- (e) A monthly basic charge per kilolitre quota of **0.71 kilolitres** per day, which cost shall be paid at Council's option by the consumers residing in areas currently categorised as sub-economic by the municipality – **R110.99 (R105.41 (2017/2018:))**
- (f) **Water and Sanitation Basic Charges- other**

Category	Adjusted billing to
Schools	One Basic per meter + Charge per Kilolitre
Religious institutions & non-profit organisations	One Basic per meter + Charge per Kilolitre
Industrial	Calculated Quota
Category E	Sub-economic
Category F	Indigent

## 2. **COUNCIL'S CHARGE FOR A NEW WATER AND SANITATION CONNECTION**

### **2.1 WATER**

SIZE	2018/2019	2017/2018	% Increase
15 mm [Other]	3170.85	3,011.26	5.3%
20 mm	5743.80	5,454.71	5.3%
25 mm	7448.84	7,073.93	5.3%
40 mm	11,651.08	11,064.66	5.3%
SIZE		Deposit Required	
50mm	Cost plus 10%	12000.00	
75mm	Cost plus 10%	13000.00	
100mm	Cost plus 10%	14000.00	
50mm combination	Cost plus 10%	16000.00	

## 2.2 SANITATION

SIZE	2018/2019	2017/2018	% Increase
110mm standard connection, 6m from the boundary of the property to be connected	2,020.99	1,919.27	5.3%
160mm Standard connection 6m from the boundary of the property to be connected	2,599.58	2,468.74	5.3%
SIZE	2018/2019	2017/2018	
110mm under gravel, situated more than 6m from boundary of the property to be connected	Cost plus 10%	Cost plus 10%	
160mm under gravel, situated more than 6m from boundary of the property to be connected	Cost plus 10%	Cost plus 10%	
110mm under tarmac road, situated more than 6m from boundary of the property to be connected	Cost plus 10%	Cost plus 10%	
160mm under tarmac road, situated more than 6m from boundary of the property to be connected	Cost plus 10%	Cost plus 10%	

## 3. COUNCIL'S CHARGES FOR MISCELLANEOUS SERVICES

	SERVICE	2018/2019	2017/2018	% INCREASE
1.	Testing water meters 15 mm and 20 mm	1,303.38	1,237.79	5.3%
2.	Reconnection/Requested Disconnection of supply	275.07	261.23	5.3%
3.	Reconnection of supply outside working hours	1,199.68	1,139.30	5.3%
4.	Restriction (Credit control)	281.77	267.59	5.3%
5.	Disconnection (Credit control)	657.46	624.37	5.3%
6.	Special meter readings	939.20	891.93	5.3%
7.	Inspection of leaks in terms of Section 23(c)	1,253.65	1,190.56	5.3%
8.	Any other service			
9.	For water drawn from an unmetered point of supply per hour or part thereof	958.00	909.79	5.3%
10.	For water drawn from a hydrant standpipe	12.92	12.27/kl	5.3%
11.	Availability charge per fire hydrant standpipe	98.99	94.01 per month per fire hydrant	5.3%

12.	Water supplied by tanker less/equal to 6kl	1,354.80	1,286.61	5.3%
13.	Plan approval fee	298.06	283.06	5.3%
14.	Inspection Fee per visit	606.61	576.08	5.3%
15.	Clearance Certificates	313.27	297.51	5.3%
16.	Drainage Certificate Fee	246.32	233.93	5.3%
17.	Application in terms of New Planning Act	3,063.70	2,909.50	5.3%
18.	Town Planning Applications	298.06	283.06	5.3%
19.	Miscellaneous charges		Cost + 10%	
20.	Administration fee/ Town Planning related matters	241.29	229.15	5.3%
21.	Administration fee/ Town Planning related matters	606.61	576.08	5.3%

4. **WATER AVAILABILITY CHARGE** for the year 2018/2019 raised in terms of Section 10G(7) of the Local Government Transitional Act, and the regulations framed in terms of Section 47 of the Ordinance 27/63, the Council levy a uniform **WATER RATE** as set out hereunder, on all land subject to such rate, within local authority areas and townships within the defined areas of the former Lower South Coast and Umzinto Regional Water Services Corporations, for the financial year ending **30 June 2018**:

**A UNIFORM CHARGE OF R1,981.51 (2017/2018: R1,881.78) PER YEAR PER RATED LOT IRRESPECTIVE OF AREA**

The final date for payment of such charge shall be **30 NOVEMBER 2018**.

5. **COUNCIL'S CHARGES FOR SANITATION SERVICES**

		2018/2019	2017/2018	% INCREASE (DECREASE)
5.1	<b>Waterborne Sanitation (All Areas)</b>			
	Residential			
	Basic Charge (per unit / per property)	269.16	269.16	0.00%
	Charge per kilolitre (water consumption)	4.02	3.82	5.3%
	Conservancy with a Main line facility to Pay 2 x basic fee	538.30	538.30	0.00%
	<b>Industrial/Commercial</b>			
	Basic Charge (per quota)	269.16	269.16	0.00%
	Charge per kilolitre	4.02	3.82	5.3%
	For any sewage effluent delivered to the sewerage works for processing, per kilolitre or part thereof	30.18	28.67	5.3%
5.3	<b>Conservancy Tank Clearances (All Ugu)</b>			
	Residential			
	Basic Charge (per unit/ per property)	269.16	269.16	0.00%
	Charge per kilolitre (water consumption)	4.02	3.82	5.3%
	<b>SINGLE RESIDENTIAL UNITS</b>			
	▪ FIRST LOAD 100% OF APPROVED TARIFF -	419.60	398.49	5.3%

		2018/2019	2017/2018	% INCREASE (DECREASE)
	<ul style="list-style-type: none"> <li>▪ SECOND LOAD 70% OF APPROVED TARIFF-</li> <li>▪ THIRD LOAD AND MORE 50% OF APPROVED</li> </ul> <p>ON CONDITION THAT THERE IS A SPLIT OF GREY AND BLACK WATER As approved by a municipal inspector</p> <p><b>Industrial/Commercial</b> Basic Charge(per quota) Charge per kilolitre <i>Conservancy tank customers will receive one load per month included in the basic charge tariff</i></p>	293.72	278.94	5.3%
		209.79	199.24	5.3%
		269.16	269.16	
		4.02	3.82	5.3%
5.4	<b>Adhoc Vacuum tanker services (All Ugu)</b> For each draw requested	572.60	543.78	5.3%
5.5	Removal of conservancy tank effluent: - <ul style="list-style-type: none"> <li>- For the removal of conservancy effluent per load or part thereof after normal office hours (Monday to Friday).</li> </ul> <p>An applicant for the supply of a conservancy service shall pay a deposit equivalent to the rand value of the number of estimated additional monthly draws anticipated.</p>	2,374.15	2,254.65	5.3%
5.6	<ol style="list-style-type: none"> <li>1) Conservancy tank additional draws are performed on a cash basis, unless there is a consumer account reflecting an appropriate deposit.</li> <li>2) Conservancy tank draws shall be performed within 48 hours of request and/or confirmation of receipt of monies.</li> <li>3) It is the responsibility of the person requesting a draw to get a reference number for follow-up queries.</li> </ol>	572.13	543.34	5.3%
		402.70	382.44	5.3%
		287.65	273.18	5.3%
5.7	<b>Septic Tank Charge:</b> <ul style="list-style-type: none"> <li>- Umdoni Municipality</li> <li>- Per Draw</li> </ul> <p>Provided:</p> <ol style="list-style-type: none"> <li>i) The septic tank must be located and exposed by the owner.</li> <li>ii) The effluent in the septic tank must be liquefied by the owner.</li> <li>iii) The septic tank must be accessible for removal.</li> </ol> <p>This service is performed on a cash basis only.</p>	1,509.08	1,433.12	5.3%



		2018/2019	2017/2018	% INCREASE (DECREASE)
5.8	Leachate Removal Charge: - Umdohi Municipality - Per Draw	270.89	257.26	5.3%

#### 6. Tariff of charges for GIS Copies of Maps – all prices excl vat

Size	Colour Copy		Black and White Copy		Standard photo Copy		% Increase / (Decrease)
	2018/2019	2017/2018	2018/2019	2017/2018	2018/2019	2017/2018	
A0	307.80	292.31	153.89	146.15	-	-	5.3%
A1	230.84	219.23	115.41	109.61	-	-	5.3%
A2	153.89	146.15	71.90	68.29	-	-	5.3%
A3	91.46	86.86	46.16	43.84	7.68	7.30	5.3%
A4	76.94	73.07	38.46	36.53	3.07	2.92	5.3%
Electronic Soft copy on CD	76.94	73.07					5.3%
Images (per MB)	62.82	59.66	38.46	36.53			5.3%

#### 7. 1 CAPITAL CONTRIBUTIONS FOR 2018/2019

Capital contribution shall be based on the actual demand and actual current cost that each development requires as calculated by a registered Civil Engineer and agreed to by Ugu Water Services Authority. The design shall be in terms of the Guidelines for Engineering Services and the National Building Regulations (SANS 0400). Failing to submit an Engineers report the following will apply:

#### SANITATION

#### COST PER QUOTA

OUTFALL SEWER/PUMPING MAIN	R 7 884.00
WASTE WATER TREATMENT WORKS	R 7 489.80
TOTAL	<b>R 15 373.80</b>
ONE QUOTA = 1000 LITERS	
<b>WATER</b>	
COST PER QUOTA	
NETWORK	
DAM	R 2 299.50
SUPPLY PIPELINE	R 2 089.26
PUMPSATION	R 2 969.64
RESERVOIR	R 2 233.80
WATER PURIFICATION WORKS	R 2 759.40
TOTAL	<b>R 12 351.60</b>
ONE QUOTA = 1000 LITERS	

**CONTRIBUTIONS**

	WATER QUOTA	SANITATION QUOTA
<b>RESIDENTIAL 1</b>		
SUB ECONOMIC (250 TO 400)	0.25	0.20
LOW (401 TO 700M <sup>2</sup> )	0.60	0.50
MIDDLE (701 TO 900 M <sup>2</sup> )	0.80	0.65
HIGH (901 TO 2000)	1.00	1.00
GRANNY FLAT	0.50	0.40
<b>RESIDENTIAL 2 AND 3</b>		
LOW (30 TO 60 M <sup>2</sup> )	0.60	0.50
MIDDLE (61 TO 200 M <sup>2</sup> )	0.80	0.65
HIGH (201 TO 500)	1.00	1.00
<b>RESIDENTIAL 4 (HIGH RISE)</b>	1.00	1.00
LOW (30 TO 50 M <sup>2</sup> )	0.45	0.40
MIDDLE ( 51 TO 80 M <sup>2</sup> )	0.60	0.50
HIGH (81 TO 200 M <sup>2</sup> )	0.75	0.70
<b>OFFICE /100M<sup>2</sup></b>	0.40	0.40
<b>SHOPS/100M<sup>2</sup></b>	0.40	0.40
	<b>WATER QUOTA</b>	<b>SANITATION QUOTA</b>
<b>CLINIC/BED</b>	0.25	0.25
<b>RETIREMENT VILLAGE/PERSON</b>		
FRAIL CARE/PERSON	0.25	0.25
BEDS:ITTER/PERSON	0.25	0.25
UNITS/UNIT	0.50	0.50
<b>HOSTELS/PUPIL</b>	0.15	0.15
<b>CRECHE/PUPIL</b>	0.02	0.02
<b>SCHOOLS/PUPIL</b>	0.02	0.02
<b>HOSPITAL/BED</b>	0.25	0.25
<b>RESTAURANT/SEAT</b>	0.09	0.09
<b>WAREHOUSE/ VEHICLE SHOWROOM(EXCL. OFFICE ) /100 M<sup>2</sup></b>	0.20	0.20
<b>INDUSTRIAL(EXCL.OFFICE) /100M<sup>2</sup></b>	0.40	0.40
<b>CARAVAN PARK/SITE</b>	0.60	0.5
<b>CONFERENCE CENTRE/HALL / PER SEAT</b>	0.09	0.09
<b>GOLF ESTATE /HECTARE SERVICE</b>	5.00	0.00
<b>STATION/WORKSHOP/100M<sup>2</sup></b>	0.40	0.40
<b>B&amp;B AND GUESTHOUSE/LODGE/ROOM</b>	0.60	0.50
<b>HOTEL/ROOM</b>	0.60	0.60
<b>CHURCH/RELIGIOUS INSTITUTIONS</b>	1.00	1.00
<b>HALLS AND CLUB HOUSES</b>	1.00	1.00
<b>CAR WASH</b>	7.68	7.68

**QUOTA**

	WATER QUOTA	SANITATION QUOTA
<b>RESIDENTIAL 1</b>		
SUB ECONOMIC (250 TO 400)	0.20	0.20
LOW (401 TO 700M <sup>2</sup> )	0.5	0.40
MIDDLE (701 TO 900 M <sup>2</sup> )	0.7	0.6
HIGH (901 TO 2000)	1.0	1.0
GRANNY FLAT	0.5	0.4
<b>RESIDENTIAL 2 AND 3</b>		
LOW (30 TO 60 M <sup>2</sup> )	0.6	0.50
MIDDLE (61 TO 200 M <sup>2</sup> )	0.8	0.6
HIGH (201 TO 500)	1.00	1.00
<b>RESIDENTIAL 4 (HIGH RISE)</b>		
LOW (30 TO 50 M <sup>2</sup> )	0.4	0.40
MIDDLE (51 TO 80 M <sup>2</sup> )	0.6	0.50
HIGH (81 TO 200 M <sup>2</sup> )	0.80	0.70
<b>OFFICE /100M<sup>2</sup></b>	0.4	0.40
<b>SHOPS/100M<sup>2</sup></b>	0.4	0.40
		<b>SANITATION QUOTA</b>
<b>CLINIC/BED</b>	0.2	0.2
<b>RETIREMENT VILLAGE/PERSON</b>		
FRAIL CARE/PERSON	0.2	0.2
BEDSITTER/PERSON	0.2	0.2
UNITS/UNIT	0.5	0.50
<b>HOSTELS/PUPIL</b>	0.16	0.15
<b>CRECHE/PUPIL</b>	0.02	0.02
<b>SCHOOLS/PUPIL</b>	0.02	0.02
<b>HOSPITAL/BED</b>	0.2	0.2
<b>RESTAURANT/SEAT</b>	0.10	0.09
<b>WAREHOUSE (EXCL. OFFICE) /100 M<sup>2</sup></b>	0.1	0.10
<b>INDUSTRIAL (EXCL. OFFICE) /100M<sup>2</sup></b>	0.3	0.20
<b>CARAVAN PARK/SITE</b>	0.4	0.4
<b>CONFERENCE CENTRE/SEAT</b>	0.10	0.09
<b>GOLF ESTATE /HECTARE</b>	5.35	0.00
<b>SERVICE STATION/WORKSHOP/100M<sup>2</sup></b>	0.2	0.2
<b>B&amp;B AND GUESTHOUSE/LODGE/ROOM</b>	0.5	0.4
<b>HOTEL/ROOM</b>	0.5	0.4
<b>CHURCH/RELIGIOUS INSTITUTIONS</b>	1.0	1.00

**7.2 QUOTA**

Quota can be bought at the rate (tariff) applicable when the development was constructed.

**7.3 NUMBER OF BASIC CHARGES**

Number of Basic charges shall be based on the actual number of units for each property. The number of basic charges shall be calculated as per the Guidelines for Engineering Services and based on the number of units, unit size and consumption per unit.

**8. INDUSTRIAL EFFLUENT CHARGES**

- The charges payable by the owner or occupier, as the case may be, of the manufacturing premises for the use of the Council's sewers in respect of the discharge and conveyance therein of trade effluent from the manufacturing premises, including the use of the Council's sewage purification works for purification of the trade effluent, shall be determined in accordance with the provisions of this by-law. Accounts will be rendered as soon as possible after each period of six months ending on 31<sup>st</sup> December, or 30<sup>th</sup> June of each year and shall apply to such periods. Where during any such six monthly period there has been a change of ownership or occupancy necessitating an apportionment of the amount due to the Council, the Council will apportion the amount between the parties concerned in a manner proportionate to the quantity of trade effluent discharged during the relevant respective periods of ownership or occupancy. Nothing herein shall be construed as preventing the Council from submitting accounts on a monthly basis should such practice be considered more expedient by the Council.

The General Manager: Water Services may base the trade effluent charge as described in paragraph (p) section (a), on the highest COD of one, or more samples collected from the trade effluent sampling point.

The charge to be levied by the General Manager: Water Services in respect to trade effluent discharged into its sewers from manufacturing premises shall be assessed in accordance with the following formula: -

$$R = A + ((\text{COD}/1000) \times B)$$

**WHERE**

- R is the rate in cents per kilolitre due to the Council.
- A is the basic carriage tariff expressed in cents per kilolitre, determined annually in advance by the Council. The value of A is R 6.37 (5.3%)
- B is the basic treatment tariff expressed in cents per kilogram of COD, determined annually in advance by the Council. The value of B is R0.60 (5.3%)
- COD is the chemical oxygen demand value expressed in milligram of COD per litre of effluent recorded in snap samples of effluent collected as and when deemed fit by the General Manager: Water Services.

The charges payable by the owner or occupier will also include any other charges as may be applicable.

- A copy of the methods of chemical analysis and testing procedures used to determine the COD for the purpose of calculating the charge equation described above shall be kept available by the General Manager: Water Services for inspection by the owner or occupier of any premises concerned. The method of chemical

analysis will in all respects follow the STANDARD METHODS FOR WATER ANALYSES published by the SOUTH AFRICAN BUREAU OF STANDARDS being SABS METHOD 1048 – CHEMICAL OXYGEN DEMAND OF WATER.

- In the absence of any direct measurement, the quality of trade effluent discharged into the Council's sewers from any manufacturing premises during any period shall be estimated and determined by the General Manager: Water Services by reference to the quantity of water consumed on such premises during such period. The quantity of water consumed on such premises shall be determined by reference to the Council's water meters in the case of water obtained from the Council and by meter or by calculation in the case of water obtained from any other source, including water emerging from material processed on the premises. In determining the quantity of trade effluent so discharged, due allowance shall be made for the quality of water which it is estimated is used for domestic purposes including gardening on such premises or any other purpose not resulting in the discharge of trade effluent and for water lost by reaction or evaporation during any processes on the manufacturing premises concerned and for water present in the final products or materials produced on such premises and, generally, the District Municipality shall take into consideration such matters as will enable it to estimate for the purpose of the by-laws the quantity of trade effluent discharged as aforesaid during any given period.

Industries linked to water borne sewer will be liable for the sanitation basic fee and charges per kilolitre as per charges set, over and above the industrial effluent charge, based on the calculated quota.

#### 9. ACCEPTANCE OF SEWAGE DELIVERED BY ROAD HAULAGE

Description	2018/2019	2017/2018
	R	R
The charges for any sewage delivered for disposal to any Council facilities shall be assessed by an authorised officer in accordance with the prescribed tariff of charges:		
(a) Disposal of trade effluent from within the Council's area of jurisdiction delivered by private road tanker to Council facilities		
Per tanker load	663.40	R630.01
(b) Disposal of trade effluent from without the Council's area of jurisdiction delivered by private road tanker to Council facilities		
Per tanker load	1,190.21	R1,130.31
(c) Disposal of domestic effluent from within or without the Council's area of jurisdiction to Council facilities		
(i) delivered by private road tanker per kilolitre, measured as the nominal carrying capacity, of the tanker	198.36	R188.38
(ii) delivered by private road haulage in drums per drum of capacity not exceeding 150 litres	39.66	R37.67

#### 10. TARIFFS FOR INSTALLATION OF BASE TELECOMMUNICATION STATIONS

The MONTHLY tariffs for the new installation and the renewal of existing leases of base telecommunication stations on municipal property shall be as per the below mentioned tariff of charges:

- R6,359.41 (R6,039.33) on property with an existing structure.

*Tower erected on Municipal land (a Greenfield site)*

- R3,179.70 (R3,019.66) for Co-Locators (Sub-leases)