

**THE ANNUAL BUDGET OF  
DR RUTH SEGOMOTSI MOMPATI DISTRICT  
MUNICIPALITY**



**2018/19 TO 2020/21  
MEDIUM TERM REVENUE AND EXPENDITURE  
FORECASTS**

# **SCHEDULE A**

## **ANNUAL BUDGET AND SUPPORTING DOCUMENTATION OF A MUNICIPALITY**

## Abbreviations and Acronyms

ACIP Accelerated Community Infrastructure Programme	MIG Municipal Infrastructure Grant
BSC Budget Steering Committee	MM Municipal Manager
CAPEX Capital Budget/Expenditure	MMC Member of Mayoral Committee
CBD Central Business District	MSA Municipal Systems Act
CFO Chief Financial Officer	MTEF Medium-term Expenditure Framework
CPI Consumer Price Index	MTREF Medium-term Revenue and Expenditure Framework
DBSA Development Bank of South Africa	MWIG Municipal Water Infrastructure Grant
DoRA Division of Revenue Act	NGO Non-Governmental organisations
DWA Department of Water Affairs	NKPIs National Key Performance Indicators
EDTA Economic Development, Tourism and Agriculture	NT National Treasury
EE Employment Equity	OHS Occupational Health and Safety
EEDSM Energy Efficiency Demand Side Management	OP Operational Plan
EM Executive Mayor	OPEX Operating Budget/Expenditure
FBS Free basic services	DrRSM Dr Ruth Segomotsi Mompati District Municipality
GAMAP Generally Accepted Municipal Accounting Practice	PBO Public Benefit Organisations
GDP Gross domestic product	PMS Performance Management System
GFS Government Financial Statistics	PPE Property Plant and Equipment PPP Public Private Partnership
GRAP General Recognised Accounting Practice	PT Provincial Treasury
HR Human Resources	RBIG Regional Bulk Infrastructure Grant
IDP Integrated Development Plan	RRAMS Rural Road Asset Management System
ICT Information & Communication Technology	RHIG Rural Household Infrastructure Grant
KPA Key Performance Area	SALGA South African Local Government Association
KPI Key Performance Indicator	SDBIP Service Delivery & Budget Implementation Plan
LED Local Economic Development	SMME Small Micro and Medium Enterprises
MEC Member of the Executive Committee	WSOG Water Services Operating Grant
MFMA Municipal Finance Management Act	

# TABLE OF CONTENTS

<b>PART 1 – ANNUAL BUDGET .....</b>	<b>2</b>
<b>1.1 MAYOR’S COMMENTS ON THE BUDGET .....</b>	<b>2</b>
<b>1.2 COUNCIL RESOLUTIONS .....</b>	<b>5</b>
<b>1.3 EXECUTIVE SUMMARY .....</b>	<b>6</b>
<b>1.5 OPERATING EXPENDITURE FRAMEWORK.....</b>	<b>11</b>
<b>1.6 CAPITAL EXPENDITURE .....</b>	<b>14</b>
<b>1.7 ANNUAL BUDGET TABLES .....</b>	<b>15</b>
<b>2.1 OVERVIEW OF THE ANNUAL BUDGET PROCESS .....</b>	<b>26</b>
<b>2.2 OVERVIEW OF ALIGNMENT OF THE ANNUAL BUDGET WITH THE IDP .....</b>	<b>27</b>
<b>2.3 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS .....</b>	<b>29</b>
<b>2.4 OVERVIEW OF BUDGET RELATED-POLICIES .....</b>	<b>29</b>
<b>2.5 OVERVIEW OF BUDGET ASSUMPTIONS .....</b>	<b>30</b>
<b>2.6 OVERVIEW OF BUDGET FUNDING .....</b>	<b>32</b>
<b>MUNICIPAL MANAGER’S QUALITY CERTIFICATE .....</b>	<b>51</b>

## LIST OF TABLES

Table 1 Consolidated Overview of the 2018/2019 and the MTREF .....	9
Table 2 Revenue by Source .....	10
Table 3 Operating Transfers and Grant Receipts per Grant .....	11
Table 4 Summary Operating Expenditure by standard classification item .....	12
Table 5 2018/19 Medium-term capital budget per vote.....	14
Table 6 MBRR Table A1 - Budget Summary.....	15
Table 7 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification).....	17
Table 8 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote) .....	18
Table 9 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure) .....	19
Table 10 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source .....	20
Table 11 MBRR Table A6 - Budgeted Financial Position .....	21
Table 12 MBRR Table A7 - Budgeted Cash Flow Statement.....	23
Table 13 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation .....	24
Table 14 MBRR Table A9 - Asset Management.....	25
Table 15 MBRR Table SA2 Financial Performance Budget (revenue and expenditure per source and per type) .....	33
Table 16 MBRR Table SA4 Reconciliation of the IDP and the Strategic Objectives (Revenue) .....	34
Table 17 MBRR Table SA5 Reconciliation of the IDP and the Strategic Objectives (Expenditure).....	35
Table 18 MBRR SA6 Reconciliation of the IDP and the Strategic Objectives (Capital) .....	36
Table 19 MBRR SA10 Funding Measurement .....	37

## **Part 1 – Annual Budget**

### **1.1 Mayor's Comments on the budget**

The Executive Mayor delivered her Budget speech together with the State of the District Address with the tabling of the final budget for approval.

The draft IDP and draft SDBIP was approved during the Council meeting that was held on the 31 May 2018 for final approval.

This is what the Executive Mayor Cllr Boitumelo Mahlangu said on the Draft Budget:

The municipality is going through a difficult time as a district in as far as the economy is concerned. The Equitable Share that is not enough also affects the municipality negatively. However, we need to ensure that the equitable share is received and spent on service delivery.

This budget accommodates the issues that were raised in the previous engagements, as well as the issues that were raised by the Provincial and National Treasuries on the previous assessments of the budget. The budget also needs to address the budget related issues raised by the A/G. The AG in the 2016/2017 Audit report was concerned about the unauthorized expenditure, either by vote or the whole budget of the municipality. Cost containment measures need to be put in place and adhered to. Reference be given to Cost Containment regulations.

For the 2018/2019, the basis of our operating revenue forecasted is mainly from reliance on grant transfer and subsidies, not much from rental of facilities and equipment and interest earned from external investments. I must hasten to mention that the VBS investments of R150 million has caused much stir and uncertainty with unsubstantiated talk doing round that the district might lose the investment, which is a cause for concern, however there is not much clarity that has been forthcoming from the curator of the South African Reserve Bank and National Treasury. This matter shall be dealt later as a separate item in the agenda today.

The capital expenditure is projected to be reduced, this resulted as some slow spending experienced during the financial year as result of work stoppages, community protests, and slack performance by providers. However, we envisage accelerate implementation of funded capital projects as planning is already at advance stage.

The capital and operating budget was compiled taking into consideration the compliance and legislative requirements. During the Budget Steering Committee key budget assumptions were

consider which amongst others focused on the municipality's service delivery priorities which were reviewed through the adjustment budget that took place in February 2018.

The municipality is grant dependent and has embarked on implementing a range of revenue collection strategies to optimize the outstanding Sedibeng account and repayment of the DBSA loan. Furthermore the municipality has undertaken steps to ensure that council adopts cost containment measures as per the National Treasury Circulars.

The employee related costs were increased by R15, 168m and the municipality's payroll is sitting at 40% of the total operating budget. The total cost of the newly approved structure is R174, 300m however, there was a need to budget and fill posts that are critical like in the political offices and the Budget and Treasury Office. The Total employee related costs for 2018/19 is R137, 836m

The main challenges experienced during the compilation of the 2018/2019 MTREF can be summarised as follows:

- The municipality is still having challenge in budgeting adequately for non-cash items e.g. depreciation
- Repairs and maintenance is also one of the items that is not adequately budgeted for
- The municipality has a challenge of implementing capital year plans, currently the municipality is sitting at very low expenditure on capital assets and projects this does not include MIG projects
- Lack of procurement plans from service delivery departments and therefore no aligned with the approved budget
- The municipality is experiencing delays with procurement due to the Supply Chain Management procurement processes
- Non- reconciliation of reports between the finance department and technical departments
- Uncertainty of the investments made with VBS could result in catastrophic results for the municipality, the bulk of the money meant for for service delivery

## **REVENUE**

The municipality still needs to develop a revenue strategy which will be built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the Municipality and continued economic development;
- Identification of new possible revenue sources and the sustainability of such sources
- Increased pressure to deliver and maintain services and recover costs;

Departments need to own the budget, even the junior officials need to know what is contained in the budget. It is their budget also, so that they are able to understand what the municipality can and cannot afford. Therefore all staff members need to engage with the budget and the engagements should not only be limited to Senior Management.

The BTO must also continue to consult with the departmental heads where there are changes and anticipated changes on the budget, so that there is a common understanding of where the municipality is in terms of the budget.

**Boitumelo Mahlangu**  
**Executive Mayor**  
**Dr Ruth S. Mompoti District Municipalit**



## 1.2 Council Resolutions

During a special council meeting which was held on the 31 May 2018 at 10H00 in the Dr Ruth S. District Municipality, the Council adopted the following resolutions:

Resolved:

- a) That Council approves the Draft Operating and Capital Budget for the MTREF 2018/19 to 2020/21.
- b) That the Draft Operating and Capital budget be made public in terms of Section 22 of the MFMA and in accordance with chapter 4 of the Municipal Systems Act;
- c) That the approved annual budget for 2018/19 to 2020/21 be submitted to the National Treasury, Provincial Treasury and other relevant Stakeholders

**Resolution: 189/2017/18**

### 1.3 Executive Summary

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

The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditure on non-core and 'nice to have' items.

The publishing of the regulation on the Standard chart of Accounts (SCOA) on 22 April 2014 will have a profound effect on the business of local government. This reform is not limited to a financial reform, but a business reform as a whole. It is the largest reform since the promulgation of the Municipal Finance Management Act in 2003, and municipalities are expected to have implemented this reform for which the target date was 01 July 2017. The mSCOA Regulations aim to ensure a standardised and uniform reporting of financial transactions of municipalities. The following are extracts from the preamble to the regulations:-

“Section 216 of the Constitution of the Republic of South Africa, 1996, provides that national legislation must prescribe measures to ensure transparency and expenditure control in each sphere of government by introducing generally recognised accounting practice, uniform expenditure classifications and uniform treasury norms and standards.” “These Regulations propose segments and a classification framework for the standard chart of accounts to be applied in local government in similar form to that implemented for national and provincial government departments. In order to enable the National Treasury to provide consolidated local government information for incorporation in national accounts, national policy and other purposes, it must obtain financial information from individual municipalities.”

The regulations contain amongst others, segment and classification framework for SCOA, minimum business process and system requirements and responsibilities of municipal councils and accounting officers.

The segments classification consists of the following:

*Funding segment* – This segment relates to the various sources of funding available to municipalities and municipal entities for financing expenditure relating to the operation of the municipality and provides for both capital and operational spending.

*Function segment* - This segment provides for the classification of the transaction according to the function or service delivery objective and provides for the standardisation of functions and sub functions across local government.

*Municipal Standard Classification Segment* - This segment provides for the organisational structure and functionality of an individual municipality, which is not prescribed.

*Project Segment* - This segment provides for the classification of capital and operating projects on the basis of whether it relates to a specific project and if so, the type of project.

*Regional Indicator Segment* - This segment identifies and assigns government expenditure to the lowest relevant geographical region within which the intended beneficiaries of the service or capital investment are located.

*Item Segment* - This segment provides for the classification of item detail in the presentation of the financial position, performance and cash flow according to the nature of the transaction either as revenue, expenditure, asset, liability or net asset.

*Costing Segment* - This segment provides for a classification structure for secondary cost elements with reference to departmental charges, internal billing etc. and acts as a cost collector in determining inter alia total cost of services.

National Treasury's MFMA Circulars No. 78, 79, 82 and 91, was used as guidance for the compilation of the 2018/19 MTREF. Some of the main key challenges experienced during the compilation of the 2018/19 MTREF can be summarised as follows:

- The on-going difficulties in the national and local economy;
- Ever aging water, roads, sewage and electricity infrastructure;
- Lack of revenue sources and grant dependency, Dr Ruth S Mompati District Municipality is heavily dependent on grants for funding for the municipality;
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities of the municipality;
- Wage increases for municipal staff that have exceeded headline consumer inflation in the past, as well as the need to restructure certain components for operational efficiencies;
- Lack of adequate and sufficient office space or office accommodation for the municipality
- Maintaining a positive cash flow.

- Support to local municipalities.
- The delayed mSCOA implementation process and challenges encountered
- The main concern being audit of the 2017/2018 FY

### 1.3.2 The Municipality's Budget Structure

The *mSCOA* Regulations applied to all municipalities and municipal entities with effect from 1 July 2017 . The 2018/2019 Ver. 6.2. A Schedule was complied with. The implementation of *mSCOA* must be considered a business reform and it requires a significant change in municipal business processes; and it involves systems conversion and or re-implementation.

Further, *mSCOA* requires organisational change as it is not only a financial reform that is being introduced. The tabled budget or consolidated budget must include an annexure containing the municipality's *mSCOA* project plan and progress to date.

A vote is one of the main segments of a budget. The structure is for reporting requirements and links the accounting performance both to the IDP and responsible officials. The high level budget structure for Dr Ruth S Mompoti District Municipality as included in the budget documentation is shown in the table below:

<b>BUDGET VOTE</b>	<b>VOTE DESCRIPTION</b>
Vote 1	Office of the Executive Mayor
Vote 2	Office of the Speaker
Vote 3	Office of the Municipal Manager
Vote 4	Internal Audit
Vote 5	Budget and Treasury Office
Vote 6	Corporate Services
Vote 7	Planning and Development
Vote 8	Community Services: Environmental Health
Vote 9	Community Services: Fire and Disaster Management
Vote 10	Engineering Services
Vote 11	Project Management Unit
Vote 12	Economic Dev. Tourism and Agriculture

In view of the aforementioned, the following table is a consolidated overview of the proposed 2018/19 Medium-term Revenue and Expenditure Framework:

#### 1.4 Operating Revenue Framework

For Dr Ruth Segomotsi Mompati District Municipality to continue improving the quality of services provided to its citizens there is a need for the municipality to generate revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of the municipality. The reality is that, the district municipality is not selling any services nor does it charge for any services to the communities, meaning that there is no revenue generated internally at all and therefore dependence of conditional grants is still very high.

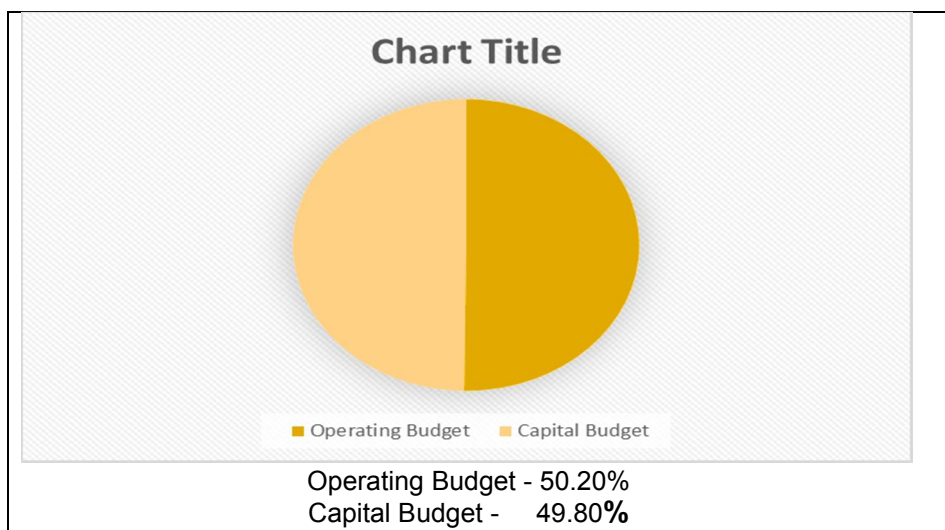
The District Municipality is faced with challenges which include amongst others, an increasing population demand for services as the populations and the demographics of the district are growing, as well as development backlogs and increasing poverty levels. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation balancing expenditures against available financial resources.

The municipality still needs to develop a revenue strategy which will be built around the following key components:

- National Treasury’s guidelines and macroeconomic policy;
- Growth in the Municipality and continued economic development;
- Identification of new possible revenue sources and the sustainability of such sources
- Increased pressure to deliver and maintain services and recover costs;

**Table 1 Consolidated Overview of the 2018/2019 and the MTREF**

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year	Budget Year +1	Budget Year +2
	R'000	R'000	R'000	R'000	R'000
<b>REVENUE</b>					
Operating Revenue	733 044	737 390	738 353	751 414	803 390
<b>EXPENDITURE</b>					
Operating Expenditure	381 513	385 290	396 728	430 349	463 602
Capital Expenditure	393 844	393 844	378 690	363 246	383 487
<b>TOTAL EXPENDITURE</b>	<b>775 357</b>	<b>779 134</b>	<b>775 418</b>	<b>793 596</b>	<b>847 088</b>
<b>NETT BALANCE</b>	<b>(42 313)</b>	<b>(41 744)</b>	<b>(37 066)</b>	<b>(42 181)</b>	<b>(43 698)</b>



The total revenue for the 2018/19 as indicated in the Division of Revenue Act indicates as small percentage decrease. This is due to the reduced EPWP Grant from R4, 842m 2017/2018 to R1, 278m 2018/19. The reduced RBIG from R182, 000m 2017/18 to R149, 150m 2018/19 and lastly MIG from R140, 903 2017/18 to R135, 482m 2018/19

There is a slight indicative increase of 8% and 9% in the Equitable Share for the two outer years of 2019/20 and 2020/21 respectively. The operating expenditure amounts to 50,2% of the total revenue whereas the total capital expenditure amounts to 49,8% of the total revenue.

## Table 2 Revenue by Source

The following Table A4 presents the summary classification of Revenue by Source;

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure		
					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>R thousand</b>	<b>1</b>	<b>Audited Outcome</b>	<b>Audited Outcome</b>	<b>Audited Outcome</b>							
<b>Revenue By Source</b>											
Property rates	2	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - other											
Rental of facilities and equipment		733	797	942	1 077	1 077	1 077	1 077	1 185	1 303	1 407
Interest eamed - external investments		5 025	6 643	14 196	13 874	17 874	17 874	17 874	17 253	18 475	19 768
Interest eamed - outstanding debtors		-	-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies		234 374	266 558	285 383	316 979	316 979	316 979	316 979	342 247	364 895	393 677
Other revenue	2	570	947	6 384	225	225	225	225	400	500	423
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>240 702</b>	<b>274 945</b>	<b>306 906</b>	<b>332 155</b>	<b>336 155</b>	<b>336 155</b>	<b>336 155</b>	<b>361 084</b>	<b>385 173</b>	<b>415 275</b>

**Table 3 Operating Transfers and Grant Receipts per Grant**

Description	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term		
	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>Government Grants and Subsidies</b>									
Local Government Equitable Share	223 475	260 500	282 287	308 448	308 448	308 448	337 205	360 521	388 722
Finance Management	1 075	1 250	1 250	1 250	1 250	1 250	1 320	1 785	2 217
Municipal Systems Improvement		930	-	-	-	-	-	-	-
Water Services Operating Subsidy	6 666	9 737	-	-	-	-	-	-	-
EPWP Incentive	1 668	2 262	2 237	4 842	4 842	4 842	1 278		
Rural Road Asset Management Grant	3 883	2 231	2 290	2 439	2 439	2 439	2 444	2 589	2 738
Municipal Infrastructure Grant (MIG)	177 217	148 575	230 717	133 858	133 858	133 858	135 482	138 393	146 444
Rural Households Infrastructure	3 947	4 500	-	-	-	-	-	-	-
Regional Bulk Infrastructure	31 819	45 127	103 523	182 000	182 000	182 000	149 150	121 693	129 660
Municipal Water Infrastructure Grant	12 806	30 000	-	-	-	-	-	-	-
Water Services Infrastructure Grant	-	-	65 793	77 986	77 986	77 986	91 557	105 000	110 775
<b>TOTAL GRANTS AND SUBSIDIES</b>	<b>462 556</b>	<b>505 111</b>	<b>688 096</b>	<b>710 823</b>	<b>710 823</b>	<b>710 823</b>	<b>718 436</b>	<b>729 981</b>	<b>780 556</b>

## 1.5 Operating Expenditure Framework

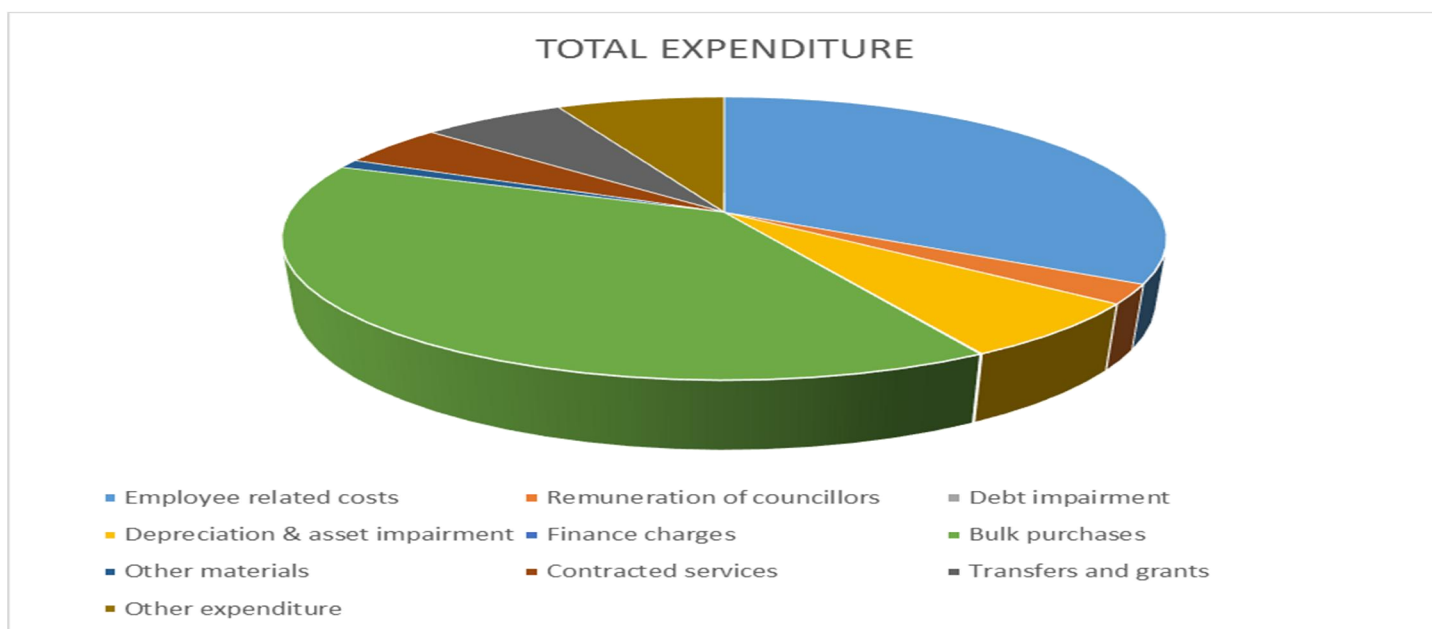
The municipality's expenditure framework for the 2018/19 budget and MTREF is informed by the following:

- Guidance provided by National Treasury in all budget circulars issued by the National Treasury and mostly on Circular 78, 79, 82 and 91
- Balanced budget constraint
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and core services; and

The following table is a high level summary of the 2018/19 budget and MTREF (classified per main type of operating expenditure:

**Table 4 Summary Operating Expenditure by standard classification item**

Description	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
Employee related costs	96 787	105 969	111 027	131 266	122 668	122 668	122 668	137 836	147 618	158 276
Remuneration of councillors	5 875	6 177	6 400	7 455	8 160	8 160	8 160	8 602	9 006	9 585
Debt impairment	–	(310)	141	1 000	1 000	1 000	1 000	1 500	1 600	1 700
Depreciation & asset impairment	35 085	37 668	38 629	47 243	45 732	45 732	45 732	40 828	43 228	44 298
Finance charges	21 200	2 862	3 436	128	128	128	128	130	140	170
Bulk purchases	61 573	134 364	130 061	113 659	113 658	113 658	113 658	115 011	125 044	134 829
Other materials	5 740	1 710	3 141	1 335	2 161	2 161	2 161	1 460	2 235	2 100
Contracted services	20 063	32 420	22 637	20 018	26 342	25 092	25 242	25 934	27 247	30 914
Transfers and subsidies	103 775	53 163	79 055	10 350	14 700	14 700	14 700	12 950	13 560	16 356
Other expenditure	30 153	30 534	25 861	31 256	30 226	30 226	30 226	31 540	36 662	39 218
Loss on disposal of PPE	9 657	1 384	6 726	–	–	–	–	–	–	–
<b>Total Expenditure</b>	<b>389 908</b>	<b>405 941</b>	<b>427 114</b>	<b>363 711</b>	<b>364 776</b>	<b>363 526</b>	<b>363 676</b>	<b>375 791</b>	<b>406 339</b>	<b>437 447</b>



Employee related costs are provided for within the threshold set by the National Treasury of a maximum of 35 – 40%. There is an increase in employee related costs. The organizational structure has been reviewed and approved by Council on the 28 February 2018. The total cost of the newly approved structure is estimated at R174, 300m however, there was a need to budget and fill posts that are critical like in the political offices and the Budget and Treasury Office. The Total employee related costs for 2018/19 is R137,836m

The cost associated with the remuneration of Councillors is determined by the Minister of Cooperative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The proclamation with regard to the 2018/19 increases has not been published to date.



For draft budgeting purposes, the same increase of 7 per cent, as for other employees has been factored into the budget.

Depreciation is widely considered a proxy for the measurement of the rate of asset consumption. Budget appropriations in this regard total R40, 828m for the 2018/19 financial year and equates to 11 per cent of the total operating expenditure. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register which brings the total asset value of the municipality to R2.4 bn as audited in June 2017 which means that for the municipality to sufficiently provide for the depreciation, an amount of at least R240m should be included in the budget. However, sufficient provision for depreciation is totally unaffordable due to the lack of sufficient financial resources and is not necessarily in line with the Asset Management Policy of the municipality.

Bulk purchases address the bulk water and bulk sanitation services which the District Municipality is providing through the entire district. The municipality is the Water Services Authority and contracted Sedibeng Water Board to provide the service on their behalf on some of its areas. A portion of the budgeted amount on the bulk purchases goes to address the old accounts between the district municipality and the water board is directly informed by the purchase water from the water service providers. There has been a difficulty in providing sufficiently for bulk water as due to limited financial resources. The municipality was also instructed by the Minister of Water and Sanitation to take over the Bloemhof Sewer Plant which was initially not in the financial plans of the municipality, and this directive was not followed by the financial resources to support it. The municipality could only provide R115m instead of a total estimate of R228m for the total districtwide service.

Other expenditure comprises of various line items relating to the daily operations of the municipality. The following diagram is a graphical demonstration of how the revenue is divided to cover the expenses of the municipality.

## 1.6 Capital Expenditure

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

**Table 5 2018/19 Medium-term capital budget per vote**

Vote Description	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>R thousand</b>										
<b>Capital expenditure - Municipal Vote</b>										
Vote 1 - OFFICE OF THE EXECUTIVE MAYOR		58	787	50	50	50	50	200	50	80
Vote 2 - OFFICE OF THE SPEAKER				700	200	200	200	800	30	30
Vote 3 - OFFICE OF THE MUNICIPAL MANAGER				70	70	70	70	50	30	30
Vote 4 - INTERNAL AUDIT				100	100	100	100	150	30	45
Vote 5 - BUDGET AND TREASURY OFFICE		1 416	1 081	400	400	400	400	170	280	350
Vote 6 - COPORATE SERVICES	828	-	892	861	900	900	900	195	170	125
Vote 7 - PLANNING AND DEVELOPMENT			15	50	50	50	50	550	420	410
Vote 8 - ENVIRONMENTAL HEALTH			14	-	300	300	300	770	100	90
Vote 9 - FIRE AND DISASTER MANAGEMENT	724	116	-	-	-	-	-	880	230	180
Vote 10 - ENGINEERING SERVICES	149 427	192 390	356 528	393 844	393 844	393 844	393 844	374 685	361 826	381 997
Vote 11 - PROJECT MANAGEMENT UNIT				-	-	-	-	160	30	30
Vote 12 - ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE				100	100	100	100	80	50	120
<b>Total Capital Expenditure</b>	<b>150 979</b>	<b>193 979</b>	<b>359 318</b>	<b>396 175</b>	<b>396 014</b>	<b>396 014</b>	<b>396 014</b>	<b>378 690</b>	<b>363 246</b>	<b>383 487</b>

For 2018/19 an amount of R369, 449m has been appropriated for the development of infrastructure which represents 49.2 per cent of the total revenue. This amount is conditional grants will be allocated for grant funded projects relating to water and sanitation infrastructure. The other R9,275m is for movable assets and will be funded internally.

## 1.7 Annual Budget Tables

The following pages present the nine main budget tables (Table A1- A9) as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2018/19 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory notes (Narration)*.

**Table 6 MBRR Table A1 - Budget Summary**

Description	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>R thousands</b>										
<b>Financial Performance</b>										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-	-
Investment revenue	5 025	6 643	14 196	13 874	17 874	17 874	17 874	17 253	18 475	19 768
Transfers recognised - operational	234 374	266 558	285 383	316 979	316 979	316 979	316 979	342 247	364 895	393 677
Other own revenue	1 303	1 744	7 327	1 302	1 302	1 302	1 302	1 585	1 803	1 830
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>240 702</b>	<b>274 945</b>	<b>306 906</b>	<b>332 155</b>	<b>336 155</b>	<b>336 155</b>	<b>336 155</b>	<b>361 084</b>	<b>385 173</b>	<b>415 275</b>
Employee costs	96 787	105 969	111 027	131 266	122 668	122 668	122 668	137 836	147 618	158 276
Remuneration of councillors	5 875	6 177	6 400	7 455	8 160	8 160	8 160	8 602	9 006	9 585
Depreciation & asset impairment	35 085	37 668	38 629	47 243	45 732	45 732	45 732	40 828	43 228	44 298
Finance charges	21 200	2 862	3 436	128	128	128	128	130	140	170
Materials and bulk purchases	67 313	136 074	133 202	114 994	115 819	115 819	115 819	116 471	127 279	136 929
Transfers and grants	103 775	53 163	79 055	10 350	14 700	14 700	14 700	12 950	13 560	16 356
Other expenditure	59 873	64 027	55 365	52 275	57 567	56 317	56 467	58 974	65 508	71 832
<b>Total Expenditure</b>	<b>389 908</b>	<b>405 941</b>	<b>427 114</b>	<b>363 711</b>	<b>364 776</b>	<b>363 526</b>	<b>363 676</b>	<b>375 791</b>	<b>406 339</b>	<b>437 447</b>
<b>Surplus/(Deficit)</b>	<b>(149 206)</b>	<b>(130 997)</b>	<b>(120 208)</b>	<b>(31 556)</b>	<b>(28 621)</b>	<b>(27 371)</b>	<b>(27 521)</b>	<b>(14 707)</b>	<b>(21 166)</b>	<b>(22 171)</b>
Transfers and subsidies - capital (monetary alloc	240 405	251 291	402 713	400 889	400 889	400 889	400 889	369 415	358 166	379 557
Contributions recognised - capital & contributed a	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>91 199</b>	<b>120 295</b>	<b>282 505</b>	<b>369 333</b>	<b>372 268</b>	<b>373 518</b>	<b>373 368</b>	<b>354 708</b>	<b>337 001</b>	<b>357 386</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>91 199</b>	<b>120 295</b>	<b>282 505</b>	<b>369 333</b>	<b>372 268</b>	<b>373 518</b>	<b>373 368</b>	<b>354 708</b>	<b>337 001</b>	<b>357 386</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>150 979</b>	<b>193 979</b>	<b>359 331</b>	<b>396 175</b>	<b>396 014</b>	<b>396 014</b>	<b>396 014</b>	<b>375 990</b>	<b>363 246</b>	<b>383 487</b>
Transfers recognised - capital	149 427	192 390	356 437	393 844	393 844	393 844	393 844	369 415	358 166	379 557
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	1 552	1 589	2 894	2 331	2 170	2 170	2 170	6 575	5 080	3 930
<b>Total sources of capital funds</b>	<b>150 979</b>	<b>193 979</b>	<b>359 331</b>	<b>396 175</b>	<b>396 014</b>	<b>396 014</b>	<b>396 014</b>	<b>375 990</b>	<b>363 246</b>	<b>383 487</b>
<b>Financial position</b>										
Total current assets	131 538	117 197	172 631	71 778	71 778	71 778	375 281	78 850	86 623	95 165
Total non current assets	1 824 679	1 969 351	2 232 144	2 782 798	2 782 798	2 782 798	2 246 384	2 608 456	2 972 965	3 357 880
Total current liabilities	143 048	158 575	203 428	151 241	152 240	152 240	217 302	217 857	239 643	263 607
Total non current liabilities	111 992	102 608	92 375	114 432	113 432	113 432	98 531	80 519	82 716	85 032
Community wealth/Equity	1 701 177	1 825 364	2 108 973	2 588 903	2 588 903	2 588 903	2 305 832	2 388 930	2 737 228	3 104 406
<b>Cash flows</b>										
Net cash from (used) operating	193 849	193 102	406 911	385 391	385 392	385 392	223 432	28 389	24 830	25 147
Net cash from (used) investing	(196 953)	(193 961)	(359 238)	(396 025)	(395 864)	(395 864)	(41 995)	(378 690)	(363 246)	(383 487)
Net cash from (used) financing	(1 200)	(7 200)	(10 835)	(10 800)	(10 800)	(10 800)	(4 503)	(11 880)	(13 068)	(14 375)
<b>Cash/cash equivalents at the year end</b>	<b>53 692</b>	<b>45 661</b>	<b>82 499</b>	<b>50 972</b>	<b>51 134</b>	<b>51 134</b>	<b>259 433</b>	<b>(343 005)</b>	<b>(694 490)</b>	<b>(1 067 205)</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	53 692	45 661	82 499	30 510	30 510	30 510	288 171	33 455	36 689	40 237
Application of cash and investments	(1 537 789)	132 156	151 418	92 830	135 097	135 097	206 636	160 582	176 641	194 305
<b>Balance - surplus (shortfall)</b>	<b>1 591 481</b>	<b>(86 495)</b>	<b>(68 919)</b>	<b>(62 320)</b>	<b>(104 587)</b>	<b>(104 587)</b>	<b>81 535</b>	<b>(127 127)</b>	<b>(139 953)</b>	<b>(154 067)</b>
<b>Asset management</b>										
Asset register summary (WDV)	1 824 447	1 969 859	2 233 512	2 401 225	2 394 110	2 394 110	-	2 766 831	3 126 812	3 508 859
Depreciation	(35 097)	(35 591)	(37 243)	(47 243)	(45 732)	(45 732)	-	(40 828)	(43 228)	(44 298)
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	5 377	1 710	3 141	1 928	2 161	2 161	-	1 460	2 235	2 100
<b>Free services</b>										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-
<b>Households below minimum service level</b>										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

## Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasize the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
  - a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
  - b. Capital expenditure is balanced by capital funding sources, of which
    - i. Transfers recognised is reflected on the Financial Performance Budget;
    - ii. No provision for any borrowing is incorporated in the net cash from financing on the Cash Flow Budget as the municipality anticipates not borrowing over the MTREF;
    - iii. Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
4. The Cash backing/surplus reconciliation shows that over the MTREF there is significant decline in cash levels

**Table 7 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard 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>										
<i>Governance and administration</i>		73 297	84 801	104 082	121 197	121 684	121 684	127 743	135 466	144 761
Executive and council		22 283	23 550	28 128	39 427	39 702	39 702	43 824	46 847	49 975
Finance and administration		39 949	50 584	64 258	66 964	67 588	67 588	68 971	71 623	76 599
Internal audit		11 066	10 667	11 696	14 806	14 393	14 393	14 948	16 997	18 187
<i>Community and public safety</i>		15 993	25 559	31 645	37 021	33 585	33 585	46 776	48 063	51 428
Public safety		7 997	12 779	20 017	24 696	23 005	23 005	30 489	30 637	32 781
Health		7 997	12 779	11 628	12 325	10 580	10 580	16 287	17 427	18 646
<i>Economic and environmental services</i>		10 006	10 440	8 797	12 722	12 449	12 449	20 200	21 259	22 633
Planning and development		10 006	10 440	8 797	12 722	12 449	12 449	20 200	21 259	22 633
<i>Trading services</i>		234 374	264 945	549 855	546 749	553 339	553 339	524 399	526 006	562 506
Water management		234 374	264 945	549 855	546 749	553 339	553 339	524 399	526 006	562 506
<i>Other</i>	4	13 258	16 318	15 240	16 457	16 332	16 332	19 235	20 619	22 063
<b>Total Revenue - Functional</b>	2	346 929	402 062	709 619	734 146	737 389	737 389	738 353	751 414	803 390
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		88 160	90 778	102 962	117 471	122 905	122 905	127 676	139 255	148 624
Executive and council		26 182	27 747	28 128	38 477	39 352	39 352	42 774	46 737	49 835
Finance and administration		52 168	51 804	62 469	64 288	69 259	69 259	70 105	75 551	80 647
Internal audit		9 810	11 227	12 365	14 706	14 293	14 293	14 798	16 967	18 142
<i>Community and public safety</i>		41 278	34 310	37 185	36 921	33 085	33 085	44 326	47 733	51 158
Public safety		30 417	21 383	25 746	24 646	22 805	22 805	28 809	30 407	32 601
Health		10 861	12 926	11 438	12 275	10 280	10 280	15 517	17 327	18 556
<i>Economic and environmental services</i>		3 608	3 954	9 370	12 592	12 319	12 319	19 489	20 809	22 193
Planning and development		3 608	3 954	9 370	12 592	12 319	12 319	19 489	20 809	22 193
<i>Trading services</i>		192 612	256 127	263 884	198 719	205 153	205 153	186 082	201 983	219 684
Water management		192 612	256 127	263 884	198 719	205 153	205 153	186 082	201 983	219 684
<i>Other</i>	4	12 417	16 218	14 316	16 357	15 798	15 798	19 155	20 569	21 943
<b>Total Expenditure - Functional</b>	3	338 074	401 386	427 716	382 060	389 261	389 261	396 728	430 349	463 602
<b>Surplus/(Deficit) for the year</b>		8 855	676	281 903	352 086	348 128	348 128	341 624	321 065	339 789

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

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4.

**Table 8 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)**

**DC39 Dr Ruth Segomotsi Mompoti - Table A3 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	Audited	Audited	Original	Adjusted	Full Year	Budget Year	Budget Year	Budget Year
		Outcome	Outcome	Outcome	Budget	Budget	Forecast	2018/19	+1 2019/20	+2 2020/21
<b>Revenue by Vote</b>	1									
Vote 1 - OFFICE OF THE EXECUTIVE MAYOR		17 900	18 673	18 543	25 194	24 474	24 474	25 688	27 442	29 358
Vote 2 - OFFICE OF THE SPEAKER		4 382	4 877	4 971	9 388	10 382	10 382	12 061	12 906	13 641
Vote 3 - OFFICE OF THE MUNICIPAL MANAGER		3 570	3 443	4 614	4 845	4 845	4 845	6 074	6 499	6 976
Vote 4 - INTERNAL AUDIT		11 066	10 667	11 696	14 806	14 393	14 393	14 948	16 997	18 187
Vote 5 - BUDGET AND TREASURY OFFICE		16 830	23 281	30 778	32 478	31 918	31 918	31 571	31 582	33 874
Vote 6 - COPORATE SERVICES		23 119	27 303	33 480	34 485	35 670	35 670	37 400	40 040	42 725
Vote 7 - PLANNING AND DEVELOPMENT		4 725	4 842	2 871	5 676	5 404	5 404	13 426	14 339	15 311
Vote 8 - ENVIRONMENTAL HEALTH		7 997	12 779	11 628	12 325	10 580	10 580	16 287	17 427	18 646
Vote 9 - FIRE AND DISASTER MANAGEMENT		32 071	20 018	20 017	24 696	23 005	23 005	30 489	30 637	32 781
Vote 10 - ENGINEERING SERVICES		341 132	375 081	549 855	546 749	553 339	553 339	524 399	526 006	562 506
Vote 11 - PROJECT MANAGEMENT UNIT		5 281	5 598	5 926	7 045	7 045	7 045	6 774	6 920	7 322
Vote 12 - ECONOMIC DEVELOPMENT, TOURISM A		13 258	17 358	15 240	16 457	16 332	16 332	19 235	20 619	22 063
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>481 331</b>	<b>523 920</b>	<b>709 619</b>	<b>734 146</b>	<b>737 389</b>	<b>737 389</b>	<b>738 353</b>	<b>751 414</b>	<b>803 390</b>
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 1 - OFFICE OF THE EXECUTIVE MAYOR		18 297	18 573	16 422	25 144	24 374	24 374	25 488	27 392	29 278
Vote 2 - OFFICE OF THE SPEAKER		4 398	4 857	8 029	8 538	10 182	10 182	11 261	12 876	13 611
Vote 3 - OFFICE OF THE MUNICIPAL MANAGER		3 487	3 393	3 676	4 795	4 795	4 795	6 024	6 469	6 946
Vote 4 - INTERNAL AUDIT		9 810	10 617	12 365	14 706	14 293	14 293	14 798	16 967	18 142
Vote 5 - BUDGET AND TREASURY OFFICE		26 169	25 756	24 985	31 808	34 489	34 489	32 899	35 681	38 047
Vote 6 - COPORATE SERVICES		35 656	26 353	37 484	32 485	34 770	34 770	37 205	39 870	42 600
Vote 7 - PLANNING AND DEVELOPMENT		3 608	4 782	3 330	5 626	5 354	5 354	12 876	13 919	14 901
Vote 8 - ENVIRONMENTAL HEALTH		10 861	10 559	11 438	12 275	10 280	10 280	15 517	17 327	18 556
Vote 9 - FIRE AND DISASTER MANAGEMENT		30 417	19 913	25 746	24 646	22 805	22 805	28 809	30 407	32 601
Vote 10 - ENGINEERING SERVICES		223 784	268 161	263 884	198 719	205 153	205 153	186 082	201 983	219 684
Vote 11 - PROJECT MANAGEMENT UNIT		11 005	6 736	6 040	6 965	6 995	6 995	6 614	6 890	7 292
Vote 12 - ECONOMIC DEVELOPMENT, TOURISM A		12 417	15 190	14 316	16 357	15 798	15 798	19 155	20 569	21 943
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>389 908</b>	<b>414 890</b>	<b>427 716</b>	<b>382 065</b>	<b>389 291</b>	<b>389 291</b>	<b>396 728</b>	<b>430 349</b>	<b>463 602</b>
<b>Surplus/(Deficit) for the year</b>	2	<b>91 423</b>	<b>109 030</b>	<b>281 903</b>	<b>352 081</b>	<b>348 098</b>	<b>348 098</b>	<b>341 624</b>	<b>321 065</b>	<b>339 789</b>

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

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

**Table 9 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)**

DC39 Dr Ruth Segomotsi Mompoti - Table A4 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	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - other											
Rental of facilities and equipment		733	797	942	1 077	1 077	1 077	1 077	1 185	1 303	1 407
Interest earned - external investments		5 025	6 643	14 196	13 874	17 874	17 874	17 874	17 253	18 475	19 768
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies		234 374	266 558	285 383	316 979	316 979	316 979	316 979	342 247	364 895	393 677
Other revenue	2	570	947	6 384	225	225	225	225	400	500	423
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>240 702</b>	<b>274 945</b>	<b>306 906</b>	<b>332 155</b>	<b>336 155</b>	<b>336 155</b>	<b>336 155</b>	<b>361 084</b>	<b>385 173</b>	<b>415 275</b>
<b>Expenditure By Type</b>											
Employee related costs	2	96 787	105 969	111 027	131 266	122 668	122 668	122 668	137 836	147 618	158 276
Remuneration of councillors		5 875	6 177	6 400	7 455	8 160	8 160	8 160	8 602	9 006	9 585
Debt impairment	3	-	(310)	141	1 000	1 000	1 000	1 000	1 500	1 600	1 700
Depreciation & asset impairment	2	35 085	37 668	38 629	47 243	45 732	45 732	45 732	40 828	43 228	44 298
Finance charges		21 200	2 862	3 436	128	128	128	128	130	140	170
Bulk purchases	2	61 573	134 364	130 061	113 659	113 658	113 658	113 658	115 011	125 044	134 829
Other materials	8	5 740	1 710	3 141	1 335	2 161	2 161	2 161	1 460	2 235	2 100
Contracted services		20 063	32 420	22 637	20 018	26 342	25 092	25 242	25 934	27 247	30 914
Transfers and subsidies		103 775	53 163	79 055	10 350	14 700	14 700	14 700	12 950	13 560	16 356
Other expenditure	4, 5	30 153	30 534	25 861	31 256	30 226	30 226	30 226	31 540	36 662	39 218
Loss on disposal of PPE		9 657	1 384	6 726	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>389 908</b>	<b>405 941</b>	<b>427 114</b>	<b>363 711</b>	<b>364 776</b>	<b>363 526</b>	<b>363 676</b>	<b>375 791</b>	<b>406 339</b>	<b>437 447</b>
<b>Surplus/(Deficit)</b>		<b>(149 206)</b>	<b>(130 997)</b>	<b>(120 208)</b>	<b>(31 556)</b>	<b>(28 621)</b>	<b>(27 371)</b>	<b>(27 521)</b>	<b>(14 707)</b>	<b>(21 166)</b>	<b>(22 171)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		240 405	251 291	402 713	400 889	400 889	400 889	400 889	369 415	358 166	379 557
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational)	6	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)											
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>91 199</b>	<b>120 295</b>	<b>282 505</b>	<b>369 333</b>	<b>372 268</b>	<b>373 518</b>	<b>373 368</b>	<b>354 708</b>	<b>337 001</b>	<b>357 386</b>
Taxation											
<b>Surplus/(Deficit) after taxation</b>		<b>91 199</b>	<b>120 295</b>	<b>282 505</b>	<b>369 333</b>	<b>372 268</b>	<b>373 518</b>	<b>373 368</b>	<b>354 708</b>	<b>337 001</b>	<b>357 386</b>
Attributable to minorities											
<b>Surplus/(Deficit) attributable to municipality</b>		<b>91 199</b>	<b>120 295</b>	<b>282 505</b>	<b>369 333</b>	<b>372 268</b>	<b>373 518</b>	<b>373 368</b>	<b>354 708</b>	<b>337 001</b>	<b>357 386</b>
Share of surplus/ (deficit) of associate	7										
<b>Surplus/(Deficit) for the year</b>		<b>91 199</b>	<b>120 295</b>	<b>282 505</b>	<b>369 333</b>	<b>372 268</b>	<b>373 518</b>	<b>373 368</b>	<b>354 708</b>	<b>337 001</b>	<b>357 386</b>

References

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

1. Total operating revenue for 2018/19 is allocated at R361, 084m and a projected increase to R385, 173m for the 2019/20, a further increase to R415, 275m the 2020/21. This indicates an inconsistent movement in the operating revenue from year to year, the two outer years are just estimated projections and these may change depending on the revised Division of Revenue Act of those relevant financial years.

**Table 10 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source**

Vote Description	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>R thousand</b>										
<b>Capital expenditure - Municipal Vote</b>										
Vote 1 - OFFICE OF THE EXECUTIVE MAYOR		58	787	50	50	50	50	200	50	80
Vote 2 - OFFICE OF THE SPEAKER				700	200	200	200	800	30	30
Vote 3 - OFFICE OF THE MUNICIPAL MANAGER				70	70	70	70	50	30	30
Vote 4 - INTERNAL AUDIT				100	100	100	100	150	30	45
Vote 5 - BUDGET AND TREASURY OFFICE		1 416	1 081	400	400	400	400	170	280	350
Vote 6 - COPORATE SERVICES	828	–	892	861	900	900	900	195	170	125
Vote 7 - PLANNING AND DEVELOPMENT			15	50	50	50	50	550	420	410
Vote 8 - ENVIRONMENTAL HEALTH			14	–	300	300	300	770	100	90
Vote 9 - FIRE AND DISASTER MANAGEMENT	724	116	–	–	–	–	–	880	230	180
Vote 10 - ENGINEERING SERVICES	149 427	192 390	356 528	393 844	393 844	393 844	393 844	374 685	361 826	381 997
Vote 11 - PROJECT MANAGEMENT UNIT				–	–	–	–	160	30	30
Vote 12 - ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE				100	100	100	100	80	50	120
<b>Total Capital Expenditure</b>	<b>150 979</b>	<b>193 979</b>	<b>359 318</b>	<b>396 175</b>	<b>396 014</b>	<b>396 014</b>	<b>396 014</b>	<b>378 690</b>	<b>363 246</b>	<b>383 487</b>

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

1. Table A5 is a breakdown of the capital budget estimates in relation to capital expenditure by municipal vote. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations, however, only single year projections are appropriated on this table. The capital expenditure is here presented by vote, standard classification as well as the relevant funding sources that will fund it.
2. The capital expenditure presented in table A5 is 50.20 % of the total revenue. This does not mean that the service delivery requirements are limited or measured at that percentage. However, this percentage is the only amount that could be affordable at this stage given the economic conditions and the available resources. The capital budget is mainly grant funded R 369,449m for infrastructure assets and the difference of R9,275m is internally generated funds.
3. Single-year capital expenditure has been appropriated at R375, 340m for the 2018/19 financial year and declines for 2019/20 to R363, 246m in 2020/21 there is a slight increase to R 383, 487m.
4. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year. The budget appropriations for the two outer years are indicative allocations based on the departmental estimates as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.
5. The capital programme is funded from grants and transfers, and small portion of the operating revenue.



**Table 11 MBRR Table A6 - Budgeted Financial Position**

**DC39 Dr Ruth Segomotsi Mompoti - Table A6 Budgeted Financial Position**

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>ASSETS</b>											
<b>Current assets</b>											
Cash		3 541	11 704	594	3 502	3 501	3 501	19 680	3 747	4 009	4 289
Call investment deposits	1	50 151	33 957	81 905	27 008	27 008	27 008	268 491	29 709	32 680	35 948
Consumer debtors	1	77 846	71 535	90 132	41 268	41 268	41 268	3 941	45 395	49 934	54 928
Other debtors											
Current portion of long-term receivables								83 168			
Inventory	2										
<b>Total current assets</b>		<b>131 538</b>	<b>117 197</b>	<b>172 631</b>	<b>71 778</b>	<b>71 778</b>	<b>71 778</b>	<b>375 281</b>	<b>78 850</b>	<b>86 623</b>	<b>95 165</b>
<b>Non current assets</b>											
Long-term receivables											
Investments											
Investment property		3 800	4 554	5 569	4 094	4 094	4 094	3 940	6 126	6 738	7 412
Investment in Associate											
Property, plant and equipment	3	1 819 819	1 963 832	2 225 050	2 777 358	2 777 358	2 777 358	2 240 918	2 600 389	2 963 606	3 347 093
Agricultural											
Biological											
Intangible		1 061	965	1 526	1 346	1 346	1 346	1 526	1 941	2 621	3 376
Other non-current assets											
<b>Total non current assets</b>		<b>1 824 679</b>	<b>1 969 351</b>	<b>2 232 144</b>	<b>2 782 798</b>	<b>2 782 798</b>	<b>2 782 798</b>	<b>2 246 384</b>	<b>2 608 456</b>	<b>2 972 965</b>	<b>3 357 880</b>
<b>TOTAL ASSETS</b>		<b>1 956 217</b>	<b>2 086 548</b>	<b>2 404 776</b>	<b>2 854 576</b>	<b>2 854 576</b>	<b>2 854 576</b>	<b>2 621 665</b>	<b>2 687 306</b>	<b>3 059 588</b>	<b>3 453 045</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft	1										
Borrowing	4	7 286	11 072	11 037	10 800	10 800	10 800	9 000	11 880	13 068	14 375
Consumer deposits		404			513	513	513	404			
Trade and other payables	4	130 355	142 411	187 252	134 098	135 097	135 097	207 897	205 977	226 575	249 233
Provisions		5 002	5 092	5 140	5 830	5 830	5 830				
<b>Total current liabilities</b>		<b>143 048</b>	<b>158 575</b>	<b>203 428</b>	<b>151 241</b>	<b>152 240</b>	<b>152 240</b>	<b>217 302</b>	<b>217 857</b>	<b>239 643</b>	<b>263 607</b>
<b>Non current liabilities</b>											
Borrowing		76 434	65 634	54 838	69 234	68 234	68 234	53 034	32 158	30 970	29 663
Provisions		35 558	36 974	37 537	45 198	45 198	45 198	45 497	48 362	51 747	55 369
<b>Total non current liabilities</b>		<b>111 992</b>	<b>102 608</b>	<b>92 375</b>	<b>114 432</b>	<b>113 432</b>	<b>113 432</b>	<b>98 531</b>	<b>80 519</b>	<b>82 716</b>	<b>85 032</b>
<b>TOTAL LIABILITIES</b>		<b>255 039</b>	<b>261 183</b>	<b>295 803</b>	<b>265 673</b>	<b>265 672</b>	<b>265 672</b>	<b>315 832</b>	<b>298 377</b>	<b>322 360</b>	<b>348 639</b>
<b>NET ASSETS</b>	5	<b>1 701 177</b>	<b>1 825 364</b>	<b>2 108 973</b>	<b>2 588 903</b>	<b>2 588 904</b>	<b>2 588 904</b>	<b>2 305 832</b>	<b>2 388 930</b>	<b>2 737 228</b>	<b>3 104 406</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated Surplus/(Deficit)		1 693 452	1 816 925	2 099 147	2 579 490	2 579 490	2 579 490	2 298 107	2 378 858	2 726 451	3 092 875
Reserves	4	7 726	8 439	9 826	9 413	9 413	9 413	7 726	10 072	10 777	11 531
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	5	<b>1 701 177</b>	<b>1 825 364</b>	<b>2 108 973</b>	<b>2 588 903</b>	<b>2 588 903</b>	<b>2 588 903</b>	<b>2 305 832</b>	<b>2 388 930</b>	<b>2 737 228</b>	<b>3 104 406</b>

**Explanatory notes to Table A6 - Budgeted Financial Position**

1. MBRR Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting”. The order of items within each group illustrates items in the order of liquidity.
3. MBRR Table A6 contains mainly the following items:
  - Consumer debtors - The district municipality does not have any consumer base and therefore there are not consumer debtors. However, the debtors reflected in table A6 is mainly the Department of Water Affairs (DWA) and other sundry debtors.
  - Property, plant and equipment;

- Trade and other payables;
- Provisions noncurrent;
- Changes in net assets, and
- Reserves

4. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitable impact on the Budgeted Financial Position. Therefore any budget assumptions are critical as they form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition, the funding compliance assessment is informed by directly forecasting the statement of financial position.
5. Reserves as presented in the above table are not cash backed. These are indicative amounts by which the movements in assets occurred. The Accumulated surplus is just an accounting figure used to calculate the value of the municipality in line with GRAP 1, it does not have any financial backing attached, therefore there are no monetary cash amounting to the value attached to the accumulated surplus.

**Table 12 MBRR Table A7 - Budgeted Cash Flow Statement**

**DC39 Dr Ruth Segomotsi Mompati - Table A7 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 2019/20	Budget Year +2 2020/21
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates									-	-	-
Service charges									-	-	-
Other revenue		27 927	250	2 913	1 302	-	-	416	1 585	1 803	1 830
Government - operating	1	234 374	266 558	291 994	316 979	316 979	316 979	158 966	342 247	364 895	393 677
Government - capital	1	287 846	253 261	402 322	400 889	400 889	400 889	147 996	-	-	-
Interest		5 025	6 643	14 196	13 874	13 874	13 874	11 484	18 332	19 630	21 004
Dividends									-	-	-
<b>Payments</b>											
Suppliers and employees		(257 473)	(277 584)	(225 459)	(316 225)	(314 922)	(314 922)	(86 540)	(320 695)	(347 798)	(374 839)
Finance charges		(74)	(2 862)		(10 928)	(10 928)	(10 928)		(130)	(140)	(170)
Transfers and Grants	1	(103 775)	(53 163)	(79 055)	(20 500)	(20 500)	(20 500)	(8 890)	(12 950)	(13 560)	(16 356)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>193 849</b>	<b>193 102</b>	<b>406 911</b>	<b>385 391</b>	<b>385 392</b>	<b>385 392</b>	<b>223 432</b>	<b>28 389</b>	<b>24 830</b>	<b>25 147</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE			17	93					-	-	-
Decrease (Increase) in non-current debtors									-	-	-
Decrease (increase) other non-current receivables									-	-	-
Decrease (increase) in non-current investments									-	-	-
<b>Payments</b>											
Capital assets		(196 953)	(193 979)	(359 331)	(396 025)	(395 864)	(395 864)	(41 995)	(378 690)	(363 246)	(383 487)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(196 953)</b>	<b>(193 961)</b>	<b>(359 238)</b>	<b>(396 025)</b>	<b>(395 864)</b>	<b>(395 864)</b>	<b>(41 995)</b>	<b>(378 690)</b>	<b>(363 246)</b>	<b>(383 487)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans									-	-	-
Borrowing long term/refinancing									-	-	-
Increase (decrease) in consumer deposits									-	-	-
<b>Payments</b>											
Repayment of borrowing		(1 200)	(7 200)	(10 835)	(10 800)	(10 800)	(10 800)	(4 503)	(11 880)	(13 068)	(14 375)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(1 200)</b>	<b>(7 200)</b>	<b>(10 835)</b>	<b>(10 800)</b>	<b>(10 800)</b>	<b>(10 800)</b>	<b>(4 503)</b>	<b>(11 880)</b>	<b>(13 068)</b>	<b>(14 375)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(4 304)</b>	<b>(8 059)</b>	<b>36 838</b>	<b>(21 434)</b>	<b>(21 272)</b>	<b>(21 272)</b>	<b>176 934</b>	<b>(362 181)</b>	<b>(351 485)</b>	<b>(372 715)</b>
Cash/cash equivalents at the year begin:	2	57 996	53 721	45 661	72 406	72 406	72 406	82 499	19 176	(343 005)	(694 490)
Cash/cash equivalents at the year end:	2	53 692	45 661	82 499	50 972	51 134	51 134	259 433	(343 005)	(694 490)	(1 067 205)

**Explanatory notes to Table A7 - Budgeted Cash Flow Statement**

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. It can be seen that the cash levels of the municipality remain positive over the MTREF period though highly declining as compared to the prior years. The municipality is encountering a serious cash flow problem, which is also evident in the 2018/2019 budget.
4. The 2018/19 MTREF provide for a further break even in cash and cash equivalents for the year and for the two outer years. This means that it is projected that the municipality will have no cash available at the end of the financial years.

**Table 13 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation**

DC39 Dr Ruth Segomotsi Mompoti - Table A8 Cash backed reserves/accumulated surplus reconciliation

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 and investments available</b>											
Cash/cash equivalents at the year end	1	53 692	45 661	82 499	50 972	51 134	51 134	259 433	(343 005)	(694 490)	(1 067 205)
Other current investments > 90 days		-	-	-	(20 462)	(20 624)	(20 624)	28 739	376 461	731 178	1 107 442
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>53 692</b>	<b>45 661</b>	<b>82 499</b>	<b>30 510</b>	<b>30 510</b>	<b>30 510</b>	<b>288 171</b>	<b>33 455</b>	<b>36 689</b>	<b>40 237</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		-	-	-	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	(1 537 789)	132 156	151 418	92 830	135 097	135 097	206 636	160 582	176 641	194 305
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
<b>Total Application of cash and investments:</b>		<b>(1 537 789)</b>	<b>132 156</b>	<b>151 418</b>	<b>92 830</b>	<b>135 097</b>	<b>135 097</b>	<b>206 636</b>	<b>160 582</b>	<b>176 641</b>	<b>194 305</b>
<b>Surplus(shortfall)</b>		<b>1 591 481</b>	<b>(86 495)</b>	<b>(68 919)</b>	<b>(62 320)</b>	<b>(104 587)</b>	<b>(104 587)</b>	<b>81 535</b>	<b>(127 127)</b>	<b>(139 953)</b>	<b>(154 067)</b>

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

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality’s budget must be “funded”.
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.
5. Considering the requirements of section 18 of the MFMA, it can be concluded that the draft 2018/2019 Budget and MTREF is not funded.

**Table 14 MBRR Table A9 - Asset Management**

DC39 Dr Ruth Segomotsi Mompoti - Table A9 Asset Management									
Description	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue &		
	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>CAPITAL EXPENDITURE</b>									
<b>Total New Assets</b>									
Roads Infrastructure	149 427	192 390	356 437	393 844	393 844	393 844	369 415	358 166	379 557
Intangible Assets	8	-	803	1 059	1 059	1 059	415	680	755
Computer Equipment	-	-	-	451	640	640	910	410	510
Furniture and Office Equipment	820	1 007	1 406	422	240	240	690	390	265
Machinery and Equipment	724	116	-	-	-	-	600	-	-
Transport Assets	-	466	685	700	650	650	6 660	3 600	2 400
Libraries	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>	<b>150 979</b>	<b>193 979</b>	<b>359 331</b>	<b>396 475</b>	<b>396 433</b>	<b>396 433</b>	<b>378 690</b>	<b>363 246</b>	<b>383 487</b>
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>									
Electrical Infrastructure									
Water Supply Infrastructure	1 803 586	1 940 591	2 199 722	2 391 521	2 391 521	2 391 521	2 763 506	3 125 332	3 507 329
Sanitation Infrastructure									
Solid Waste Infrastructure									
Rail Infrastructure									
Coastal Infrastructure									
Information and Communication Infrastructure									
<b>Infrastructure</b>	<b>1 803 586</b>	<b>1 940 591</b>	<b>2 199 722</b>	<b>2 391 521</b>	<b>2 391 521</b>	<b>2 391 521</b>	<b>2 763 506</b>	<b>3 125 332</b>	<b>3 507 329</b>
<b>Investment properties</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Operational Buildings	3 800	4 554	5 569	3 826					
Housing	16 232	23 242	25 327	3 246					
<b>Other Assets</b>	<b>20 032</b>	<b>27 795</b>	<b>30 896</b>	<b>7 072</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Biological or Cultivated Assets</b>									
Servitudes									
Licences and Rights	8	-	803	1 059	1 059	1 059	415	680	755
<b>Intangible Assets</b>	<b>8</b>	<b>-</b>	<b>803</b>	<b>1 059</b>	<b>1 059</b>	<b>1 059</b>	<b>415</b>	<b>680</b>	<b>755</b>
Computer Equipment				451	640	640	820	410	510
Furniture and Office Equipment	820	1 007	1 406	422	240	240	640	390	265
Machinery and Equipment									
Transport Assets		466	685	700	650	650	1 450		
Libraries									
Zoo's, Marine and Non-biological Animals									
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	<b>1 824 447</b>	<b>1 969 859</b>	<b>2 233 512</b>	<b>2 401 225</b>	<b>2 394 110</b>	<b>2 394 110</b>	<b>2 766 831</b>	<b>3 126 812</b>	<b>3 508 859</b>
<b>EXPENDITURE OTHER ITEMS</b>									
<b>TOTAL EXPENDITURE OTHER ITEMS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Renewal and upgrading of Existing Assets as % of total ca</i>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Renewal and upgrading of Existing Assets as % of deprec</i>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>R&amp;M as a % of PPE</i>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Renewal and upgrading and R&amp;M as a % of PPE</i>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

## **Part 2 SUPPORTING DOCUMENTATION**

### **2.1 Overview of the Annual Budget Process**

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

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the MMC for Finance. The primary aims of the Budget Steering Committee are to ensure:

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

#### **2.1.1 The Budget Process Overview**

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2017) a time schedule that sets out the process to revise the IDP and prepare the budget.

#### **2.1.2 Community Consultation on the Draft Budget**

The draft 2018/19 MTREF, was tabled during a Special Council meeting dated 29<sup>th</sup> March 2018, whereby community members were present. The draft budget document is further made available on the municipal website: [www.rsmompatidm.gov.za](http://www.rsmompatidm.gov.za). Furthermore, a Mayoral Roadshow will be held in the month of April 2018 to seek the community inputs on the budget. Submissions received during the community consultation process and additional information regarding revenue and expenditure and capital projects will be considered by the Budget Steering Committee

meeting to be held after the Mayoral Budget Road Show for the finalisation of the 2018/2019 Budget.

### **2.1.3 IDP and Service Delivery and Budget Implementation Plan**

The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the fourth revision cycle included the following key IDP processes and deliverables:-

- Registration of community needs;
- Compilation of departmental business plans with key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP, and
- The review of the performance management and monitoring processes.

With the compilation of the 2018/19 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2017/2018 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

## **2.2 Overview of Alignment of the Annual Budget with the IDP**

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realised through a credible integrated developmental planning process. Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals.

A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the

capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area.

The IDP enables municipalities to make the best use of scarce resources and speed up service delivery. Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality. It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area.

Applied to the Municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the Municipality strategically complies with the key national and provincial priorities. The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the Municipality's response to these requirements.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2018/19 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 14 – Table 16 below presents the reconciliation of the IDP Strategic Objectives. In order to ensure integrated and focused service delivery between all spheres of government it was important for the Municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the Municipality. The five-year programme responds to the development challenges and opportunities faced by the Municipality by identifying the key performance areas to achieve the five the strategic objectives



mentioned above. In addition to the five-year IDP, the Municipality undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years for infrastructure planning. This process is aimed at influencing the development path to restructure current patterns of settlement, activity and access to resources in the Municipality so as to promote greater equity and enhanced opportunity. It provides direction to the Municipality's IDP, associated sectorial plans and strategies, and the allocation of resources of the Municipality and other service delivery partners.

The 2018/19 MTREF has therefore been directly informed by the IDP revision process and the following tables MBRR Tables SA4-SA6 as outlined in Table 14 – 16 below provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

### **2.3 Measurable performance objectives and indicators**

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the Municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assesses and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly at each quarter, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages.

### **2.4 Overview of budget related-policies**

The Municipality's budgeting process is guided and governed by relevant legislation, frameworks. Additional to the MFMA and the Municipal Budget and Reporting Regulations, the following policies are used to guide the budget process:-

### **2.4.1 Asset Management Policy**

The Asset Management Policy is considered a strategic guide in ensuring a sustainable approach to asset renewal, repairs and maintenance. In addition the policy prescribes the accounting and administrative policies and procedures relating to property, plant and equipment (fixed assets).

A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis. Preserving the investment in existing infrastructure needs to be considered a significant strategy in ensuring the future sustainability of infrastructure and the revenue base.

### **2.4.2 Budget Policy**

The budget process is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the financial management practices of municipalities. To ensure that the Municipality continues to deliver on its core mandate and achieves its developmental goals, the mid-year review and adjustment budget process will be utilised to ensure that underperforming functions are identified and funds redirected to performing functions.

### **2.4.3 Supply Chain Management Policy**

The Supply Chain Management Policy was adopted by Council in 2018. The policy is continually revised to incorporate amending legislation.

### **2.4.4 Investment & Cash Management Policy**

The aim of the policy is to ensure that the Municipality's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves.

## **2.5 Overview of budget assumptions**

### **2.5.1 External factors**

The effects of recession are still evident. After a protracted hike in the interest rates, this increased recently. Upwards pressure is also evident in the inflation rate and the Rand continues to weaken against leading currencies. International oil prices are rising after a significant decrease over the previous months.

### **2.5.2 General inflation outlook and its impact on the municipal activities**

There are five key factors that have been taken into consideration in the compilation of the 2018/19 MTREF:

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

### **2.5.3 Interest rates for borrowing and investment of funds**

The MFMA specifies that borrowing can only be utilised to fund capital or refinancing of borrowing in certain conditions. The municipality chiefly engages in amortisation-style loans requiring both regular principal and interest payments. Surplus cash is invested and re-invested at short intervals.

### **2.5.4 Growth or decline in tax base of the municipality**

Lack of revenue collection sources for the district municipality being one critical concerning point. The municipality is 99% grant dependent.

### **2.5.5 Salary increases**

Salary increases were based on the proposed increase as per the MFMA budget circular.

### **2.5.6 Impact of national, provincial and local policies**

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

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

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

## **2.5.7 Ability of the municipality to spend and deliver on the programmes**

It is estimated that a spending rate of at 100 per cent is achieved on operating expenditure and 95 per cent on the capital programme for the 2018/19 MTREF.

## **2.6 Overview of budget funding**

### **2.6.1 Medium-term outlook: operating revenue**

Investment revenue contributes marginally to the revenue base. It needs to be noted that these allocations have been conservatively estimated. The actual performance against budget will be carefully monitored. Any variances in this regard will be addressed as part of the mid-year review and adjustments budget.

For the medium-term, the funding strategy has been informed directly by ensuring financial sustainability and continuity. The surplus is intended to partly fund capital expenditure from own sources as well as ensure adequate cash backing of reserves and funds.

### **2.6.2 Medium-term outlook: capital revenue**

The following table is a breakdown of the funding composition of the 2018/19 medium-term capital programme:

Capital grants and receipts equates to 49,2 per cent of the total funding source which represents R369,415 m million for the 2018/19 financial year.

The municipality did not raise new loans, however, the municipality is still servicing old loans from the DBSA, which arose as demarcation liabilities between the Southern and the then Bophirima District Municipalities.

### **2.6.3 Cash Flow Management**

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understanding for councillors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provide for as cash inflow based on actual performance. In other words the actual collection rate of billed revenue.

## 2.6.4 Cash Backed Reserves/Accumulated Surplus Reconciliation

DC39 Dr Ruth Segomotsi Mompoti - Table A8 Cash backed reserves/accumulated surplus reconciliation

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 and investments available</b>											
Cash/cash equivalents at the year end	1	53 692	45 661	82 499	50 972	51 134	51 134	259 433	(343 005)	(694 490)	(1 067 205)
Other current investments > 90 days		-	-	-	(20 462)	(20 624)	(20 624)	28 739	376 461	731 178	1 107 442
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>53 692</b>	<b>45 661</b>	<b>82 499</b>	<b>30 510</b>	<b>30 510</b>	<b>30 510</b>	<b>288 171</b>	<b>33 455</b>	<b>36 689</b>	<b>40 237</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		-	-	-	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	(1 537 789)	132 156	151 418	92 830	135 097	135 097	206 636	160 582	176 641	194 305
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
<b>Total Application of cash and investments:</b>		<b>(1 537 789)</b>	<b>132 156</b>	<b>151 418</b>	<b>92 830</b>	<b>135 097</b>	<b>135 097</b>	<b>206 636</b>	<b>160 582</b>	<b>176 641</b>	<b>194 305</b>
<b>Surplus(shortfall)</b>		<b>1 591 481</b>	<b>(86 495)</b>	<b>(68 919)</b>	<b>(62 320)</b>	<b>(104 587)</b>	<b>(104 587)</b>	<b>81 535</b>	<b>(127 127)</b>	<b>(139 953)</b>	<b>(154 067)</b>

Table 11 above, MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation below meets the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

- What are the predicted cash and investments that are available at the end of the budget year? • How are those funds used?
- What is the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that is available. A shortfall (applications cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded' It is also important to analyse trends to understand the consequences. Small cash surpluses have been realised over the past three years, which is inevitably utilised to finance operations. No meaningful growth in cash has occurred. The working capital has to be optimally managed.

**Table 15 MBRR Table SA2 Financial Performance Budget (revenue and expenditure per source and per type)**

The following table SA2, presents the financial performance Budget per revenue source and per expenditure type per vote

DC39 Dr Ruth Segomotsi Mompoti - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - OFFICE OF THE EXECUTIVE MAYOR	Vote 2 - OFFICE OF THE SPEAKER	Vote 3 - OFFICE OF THE MUNICIPAL MANAGER	Vote 4 - INTERNAL AUDIT	Vote 5 - BUDGET AND TREASURY OFFICE	Vote 6 - CORPORATE SERVICES	Vote 7 - PLANNING AND DEVELOPMENT	Vote 8 - ENVIRONMENTAL HEALTH	Vote 9 - FIRE AND DISASTER MANAGEMENT	Vote 10 - ENGINEERING SERVICES	Vote 11 - PROJECT MANAGEMENT UNIT	Vote 12 - ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE	Vote 13 - [NAME OF VOTE 13]	Vote 14 - [NAME OF VOTE 14]	Vote 15 - [NAME OF VOTE 15]	Total
<b>R thousand</b>	1																
<b>Revenue By Source</b>																	
Rental of facilities and equipment							1 185										1 185
Interest earned - external investments						18 332											18 332
Other revenue						200	200										400
Transfers and subsidies		25 688	12 061	6 074	14 948	13 039	36 016	13 426	16 287	30 489	154 984	6 774	19 235				349 021
Gains on disposal of PPE																	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>25 688</b>	<b>12 061</b>	<b>6 074</b>	<b>14 948</b>	<b>31 571</b>	<b>37 400</b>	<b>13 426</b>	<b>16 287</b>	<b>30 489</b>	<b>154 984</b>	<b>6 774</b>	<b>19 235</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>368 938</b>
<b>Expenditure By Type</b>																	
Employee related costs		15 105	4 711	5 689	12 343	16 385	20 017	6 222	14 597	25 861	5 703	6 299	11 205				137 836
Remuneration of councillors		3 846	4 756	-	-	-	-	-	-	-	-	-	-				8 602
Debt impairment		-	-	-	-	1 500	-	-	-	-	-	-	-				1 500
Depreciation & asset impairment		70	10	-	-	3 000	-	-	-	-	37 748	-	-				40 828
Finance charges		-	-	-	-	130	-	-	-	-	-	-	-				130
Bulk purchases		-	-	-	-	-	-	-	-	-	115 011	-	-				115 011
Other materials		70	30	-	-	-	760	-	-	600	-	-	-				1 460
Contracted services		-	-	-	-	4 650	2 830	5 754	350	150	12 200	-	-				25 934
Transfers and subsidies		2 750	600	-	-	-	-	-	-	500	3 000	-	6 100				12 950
Other expenditure		3 646	1 152	335	2 455	7 085	13 039	900	570	1 121	12 420	315	1 850				44 887
Loss on disposal of PPE																	-
<b>Total Expenditure</b>		<b>25 487</b>	<b>11 260</b>	<b>6 024</b>	<b>14 798</b>	<b>32 749</b>	<b>36 646</b>	<b>12 876</b>	<b>15 517</b>	<b>28 231</b>	<b>186 082</b>	<b>6 614</b>	<b>19 155</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>389 139</b>
<b>Surplus/(Deficit)</b>		<b>201</b>	<b>802</b>	<b>50</b>	<b>150</b>	<b>(1 178)</b>	<b>755</b>	<b>550</b>	<b>770</b>	<b>2 258</b>	<b>(31 098)</b>	<b>160</b>	<b>80</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(20 201)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)											369 415						369 415
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>201</b>	<b>802</b>	<b>50</b>	<b>150</b>	<b>(1 178)</b>	<b>755</b>	<b>550</b>	<b>770</b>	<b>2 258</b>	<b>338 317</b>	<b>160</b>	<b>80</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>349 214</b>

**Table 16 MBRR Table SA4 Reconciliation of the IDP and the Strategic Objectives (Revenue)**

DC39 Dr Ruth Segomotsi Mompati - 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
Service Delivery and Infrastructure development	To eradicate backlogs in order to improve access to services and ensure proper operations and maintenance			234 374	264 945	549 855	546 749	553 339	553 339	524 399	526 006	562 506
Public participation and good governance	To promote a culture of participatory and good governance.			38 630	39 814	45 948	61 279	61 141	61 141	41 663	44 180	46 986
Institutional development and transformation	To improve organisational cohesion and effectiveness			27 844	32 145	36 351	40 162	41 074	41 074	58 423	63 536	67 888
Financial Viability	To improve overall financial management in the municipalities by developing and implementing appropriate financial management policies, procedures and systems			16 830	23 281	30 778	32 478	31 918	31 918	31 571	31 582	33 874
Local Economic Development, Tourism and Agriculture	Create an environment that promotes the development of the local economy and facilitate job creation			13 258	16 318	15 240	16 457	16 332	16 332	19 235	20 619	22 063
Community Services and Development	Environmental Health Fire and Disaster Management Solid waste management systems			15 993	25 559	31 645	37 021	33 585	33 585	63 062	65 490	70 074
<b>Allocations to other priorities</b>			2									
<b>Total Revenue (excluding capital transfers and contributions)</b>			1	<b>346 929</b>	<b>402 062</b>	<b>709 817</b>	<b>734 146</b>	<b>737 389</b>	<b>737 389</b>	<b>738 353</b>	<b>751 414</b>	<b>803 390</b>

**Table 17 MBRR Table SA5 Reconciliation of the IDP and the Strategic Objectives (Expenditure)**

**DC39 Dr Ruth Segomotsi Mompati - 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	
Service Delivery and Infrastructure development	To eradicate backlogs in order to improve access to services and ensure proper operations and maintenance			192 612	256 127	263 884	198 719	205 153	205 153	186 082	201 983	219 684	
Public participation and good governance (Internal Audit, Office of the Mayor, Office of the Speaker)	To promote a culture of participatory and good governance.			35 656	29 598	25 601	31 449	21 426	20 176	49 548	54 235	56 031	
Institutional development and transformation (Corporate Services, PMS and IDP)	To improve organisational cohesion and effectiveness			3 608	3 954	4 958	38 111	40 124	40 124	48 081	52 789	55 500	
Financial Viability	To improve overall financial management in the municipalities by developing			16 513	22 206	20 027	31 803	34 489	34 489	31 699	34 681	38 047	
Local Economic Development, Tourism and Agriculture	Create an environment that promotes the development of the local economy and facilitates job creation			12 417	16 218	14 316	16 357	15 798	15 798	18 155	19 917	21 943	
Community Services and Development	Environmental Health Fire and Disaster Management Solid waste management			25 328	24 676	19 274	36 921	33 085	33 085	42 227	42 733	46 241	
<b>Allocations to other priorities</b>													
<b>Total Expenditure</b>				1	286 132	352 778	348 059	353 361	350 076	348 826	375 792	406 339	437 446



**Table 18 MBRR SA6 Reconciliation of the IDP and the Strategic Objectives (Capital)**

**DC39 Dr Ruth Segomotsi Mompati - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)**

Strategic Objective	Goal	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										
Service Delivery and Infrastructure development	To eradicate backlogs in order to improve access to services and ensure proper operations and maintenance	149 427	192 390	356 528	393 844	393 844	393 844	374 845	361 856	382 027
Public participation and good governance (Internal Audit, Office of the Mayor, Office of the Speaker, Planning and Dev)	To promote a culture of participatory and good governance.		58	787	670	470	470	1 750	560	595
Institutional development and transformation (Corporate Services)	To improve organisational cohesion and effectiveness	828	–	892	861	900	900	195	170	125
Financial Viability	To improve overall financial management in the municipalities by developing and implementing		1 416	1 081	400	400	400	170	280	350
Local Economic Development, Tourism and Agriculture	Create an environment that promotes the development of the local economy and facilitate job creation	–	–	15	100	100	100	80	50	120
Community Services and Development	Environmental Health Fire and Disaster Management Solid waste management	724	116	14	300	300	300	1 650	330	270
<b>Allocations to other priorities</b>										
<b>Total Capital Expenditure</b>		<b>150 979</b>	<b>193 979</b>	<b>359 318</b>	<b>396 175</b>	<b>396 014</b>	<b>396 014</b>	<b>378 690</b>	<b>363 246</b>	<b>383 487</b>

**Table 19 MBRR SA10 Funding Measurement**

**DC39 Dr Ruth Segomotsi Mompoti Supporting Table SA10 Funding measurement**

Description	MFMA section	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>Funding measures</b>												
Cash/cash equivalents at the year end - R'000	18(1)b	1	53 692	45 661	82 499	50 972	51 134	51 134	259 433	(343 005)	(694 490)	(1 067 205)
Cash + investments at the yr end less applications - R'000	18(1)b	2	1 591 481	(86 495)	(68 919)	(62 320)	(104 587)	(104 587)	81 535	(127 127)	(139 953)	(154 067)
Cash year end/monthly employee/supplier payments	18(1)b	3	2.9	1.9	3.6	2.2	2.2	2.2	11.1	(14.2)	(26.6)	(37.9)
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	91 199	120 295	282 505	369 333	372 268	373 518	373 368	354 708	337 001	357 386
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	2142.9%	14.3%	39.8%	100.0%	0.0%	0.0%	32.0%	100.0%	100.0%	100.0%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital payments % of capital expenditure	18(1)c;19	8	130.5%	100.0%	100.0%	100.0%	100.0%	100.0%	10.6%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	(8.1%)	26.0%	(54.2%)	0.0%	0.0%	111.1%	10.0%	10.0%	10.0%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	0.3%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

**Table 20 MBRR SA16 – Detail Investment Information**

DC39 Dr Ruth Segomotsi Mompati - Supporting Table SA16 Investment particulars by maturity									
Investments by Maturity	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID	Yrs/Months								
<b>Parent municipality</b>									
503 - FNB - 6 Months Fixed Account	12 months	Call Accounts	No	Variable	4 500	6 434	–	–	<b>6 434</b>
504 - MIG	12 months	Call Accounts	No	Variable	11 894	1 980	(99 416)	167 990	<b>1 980</b>
505 - DWAF	12 months	Call Accounts	No	Variable	20 003	3 183	(43 468)	82 295	<b>3 183</b>
506 - Department of Sport Grant	12 months	Call Accounts	No	Variable	1 002	53	–	–	<b>53</b>
508 - MSIG	12 months	Call Accounts	No	Variable	0	–	–	–	<b>–</b>
509 - FMG	12 months	Call Accounts	No	Variable	1	59	–	1 250	<b>59</b>
510 - Rural Sanitation Program (DDL&H)	12 months	Call Accounts	No	Variable	–	–	–	–	<b>–</b>
511 - Municipal Building Fund	12 months	Call Accounts	No	Variable	16 639	844	(64 305)	47 814	<b>844</b>
512 - Guarantees	12 months	Call Accounts	No	Variable	432	23	–	–	<b>23</b>
513 - Leave Provision	12 months	Call Accounts	No	Variable	2 429	129	–	–	<b>129</b>
517 - LGSETA Grant	12 months	Call Accounts	No	Variable	30	2	–	–	<b>2</b>
518 - National Department Public Works	12 months	Call Accounts	No	Variable	33	77	(2 000)	4 842	<b>77</b>
519 - Provincial Infrastructure Grant (MAMUSA MIG)	12 months	Call Accounts	No	Variable	2 889	87	(9 210)	6 266	<b>87</b>
520 - Rural Transport Service and Infrastructure Grant	12 months	Call Accounts	No	Variable	4	44	(1 389)	2 439	<b>44</b>
521 - Rural Households Infrastructure Grant	12 months	Call Accounts	No	Variable	11	1	–	–	<b>1</b>
523 - Equitable Share	12 months	Call Accounts	No	Variable	–	1 250	(193 330)	–	<b>1 250</b>
524 - WSOG	12 months	Call Accounts	No	Variable	22 031	1 073	(87 049)	–	<b>1 073</b>
525 - Nedbank - 6 Months Fixed Deposit Account	12 months	Call Accounts	No	Variable	20 000	767	(20 767)	–	<b>767</b>
526 - VBS Mutual Bank - 3 Months Fixed Deposit Account	6 months	Call Accounts	No	Variable	60 000	1 248	(61 248)	150 000	<b>1 248</b>
<b>TOTAL INVESTMENTS AND INTEREST</b>					<b>161 898</b>	<b>17 253</b>	<b>(582 182)</b>	<b>462 896</b>	<b>17 253</b>

**Table 21 MBRR SA18 Transfers and Grants Receipt**

DC39 Dr Ruth Segomotsi Mompati - Supporting Table SA18 Transfers and grant receipts									
Description	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>RECEIPTS:</b>									
<b><u>Operating Transfers and Grants</u></b>									
<b>National Government:</b>	<b>236 767</b>	<b>276 910</b>	<b>288 064</b>	<b>316 979</b>	<b>316 979</b>	<b>316 979</b>	<b>342 247</b>	<b>364 895</b>	<b>393 677</b>
Local Government Equitable Share	223 475	260 500	282 287	308 448	308 448	308 448	337 205	360 521	388 722
Finance Management	1 075	1 250	1 250	1 250	1 250	1 250	1 320	1 785	2 217
Municipal Systems Improvement		930	-	-	-	-	-	-	-
Water Services Operating Subsidy	6 666	9 737	-	-	-	-	-	-	-
EPWP Incentive	1 668	2 262	2 237	4 842	4 842	4 842	1 278		
		-	-						
Rural Road Asset Management Grant	3 883	2 231	2 290	2 439	2 439	2 439	2 444	2 589	2 738
<b>Provincial Government:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Operating Transfers and Grants</b>	<b>236 767</b>	<b>276 910</b>	<b>288 064</b>	<b>316 979</b>	<b>316 979</b>	<b>316 979</b>	<b>342 247</b>	<b>364 895</b>	<b>393 677</b>
<b><u>Capital Transfers and Grants</u></b>									
<b>National Government:</b>	<b>225 789</b>	<b>228 201</b>	<b>400 032</b>	<b>393 844</b>	<b>393 844</b>	<b>393 844</b>	<b>376 189</b>	<b>365 086</b>	<b>386 879</b>
Municipal Infrastructure Grant (MIG)	177 217	148 575	230 717	133 858	133 858	133 858	135 482	138 393	146 444
Rural Households Infrastructure	3 947	4 500	-	-	-	-	-	-	-
Regional Bulk Infrastructure	31 819	45 127	103 523	182 000	182 000	182 000	149 150	121 693	129 660
Municipal Water Infrastructure Grant	12 806	30 000	-	-	-	-	-	-	-
Water Services Infrastructure Grant	-	-	65 793	77 986	77 986	77 986	91 557	105 000	110 775
<b>Total Capital Transfers and Grants</b>	<b>225 789</b>	<b>228 201</b>	<b>400 032</b>	<b>393 844</b>	<b>393 844</b>	<b>393 844</b>	<b>376 189</b>	<b>365 086</b>	<b>386 879</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>462 556</b>	<b>505 111</b>	<b>688 096</b>	<b>710 823</b>	<b>710 823</b>	<b>710 823</b>	<b>718 436</b>	<b>729 981</b>	<b>780 556</b>

**Table 22 MBRR Table SA19 Transfers and Grants Expenditure**

DC39 Dr Ruth Segomotsi Mompati - Supporting Table SA19 Expenditure on transfers and grant programme									
Description	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure		
	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>EXPENDITURE:</b>									
<b>Operating expenditure of Transfers and Grants</b>									
<b>Water Services Infrastructure Grant</b>									
Local Government Equitable Share	223 475	260 500	282 287	308 448	308 448	308 448	337 205	360 521	388 722
Finance Management	1 075	1 250	1 250	1 250	1 250	1 250	1 320	1 785	2 217
Municipal Systems Improvement		930	–	–	–	–	–	–	–
Water Services Operating Subsidy	6 666	9 737	–	–	–	–	–	–	–
EPWP Incentive	1 668	2 262	2 237	4 842	4 842	4 842	1 278		
		–	–						
Rural Road Asset Management Grant	3 883	2 231	2 290	2 439	2 439	2 439	2 444	2 589	2 738
<b>Total operating expenditure of Transfers and Grants:</b>	<b>236 767</b>	<b>276 910</b>	<b>288 064</b>	<b>316 979</b>	<b>316 979</b>	<b>316 979</b>	<b>342 247</b>	<b>364 895</b>	<b>393 677</b>
<b>Capital expenditure of Transfers and Grants</b>									
Municipal Infrastructure Grant (MIG)	177 217	148 575	230 717	133 858	133 858	133 858	135 482	138 393	146 444
Rural Households Infrastructure	3 947	4 500	–	–	–	–	–	–	–
Regional Bulk Infrastructure	31 819	45 127	103 523	182 000	182 000	182 000	149 150	121 693	129 660
Municipal Water Infrastructure Grant	12 806	30 000	–	–	–	–	–	–	–
Water Services Infrastructure Grant	–	–	65 793	77 986	77 986	77 986	91 557	105 000	110 775
<b>Total capital expenditure of Transfers and Grants</b>	<b>225 789</b>	<b>228 201</b>	<b>400 032</b>	<b>393 844</b>	<b>393 844</b>	<b>393 844</b>	<b>376 189</b>	<b>365 086</b>	<b>386 879</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>462 556</b>	<b>505 111</b>	<b>688 096</b>	<b>710 823</b>	<b>710 823</b>	<b>710 823</b>	<b>718 436</b>	<b>729 981</b>	<b>780 556</b>



**Table 23 MBRR Table SA22 Summary of Staff Benefit**

**DC39 Dr Ruth Segomotsi Mompoti - 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>	1									
Basic Salaries and Wages		3 340	3 503	3 573	4 103	4 256	4 256	4 390	4 697	5 026
Pension and UIF Contributions		571	569	173	177	189	189	189	202	216
Medical Aid Contributions		121	134	39	35	82	82	82	87	93
Motor Vehicle Allowance		820	860	839	1 026	798	798	1 098	1 174	1 194
Cellphone Allowance		117	163	402	343	577	577	577	618	661
Housing Allowances		675	760	1 199	1 498	1 606	1 606	1 606	1 520	1 638
Other benefits and allowances		231	187	175	255	653	653	661	707	757
<b>Sub Total - Councillors</b>		<b>5 875</b>	<b>6 177</b>	<b>6 400</b>	<b>7 436</b>	<b>8 160</b>	<b>8 160</b>	<b>8 602</b>	<b>9 006</b>	<b>9 586</b>
<b>% increase</b>	4		<b>5.1%</b>	<b>3.6%</b>	<b>16.2%</b>	<b>9.7%</b>	<b>-</b>	<b>5.4%</b>	<b>4.7%</b>	<b>6.4%</b>
<b>Senior Managers of the Municipality</b>	2									
Basic Salaries and Wages		5 970	6 125	6 235	7 018	5 356	4 356	5 189	6 138	7 638
Pension and UIF Contributions		996	964	1 001	1 256	660	314	946	1 146	1 226
Medical Aid Contributions		136	123	137	177	101	44	101	157	168
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	1 783	1 783	1 783	956	1 783	1 783
Motor Vehicle Allowance	3	1 061	1 161	1 246	1 292	1 157	323	903	1 426	1 526
Cellphone Allowance	3	7	7	7	28	14	7	7	8	9
Housing Allowances	3	1 695	1 790	1 795	1 978	1 295	495	895	1 150	1 400
Other benefits and allowances	3	201	325	423	1 348	1 348	-	453	484	518
Payments in lieu of leave		359	379	456	335	295	84	488	522	559
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>		<b>10 425</b>	<b>10 874</b>	<b>11 299</b>	<b>15 214</b>	<b>12 008</b>	<b>7 405</b>	<b>9 939</b>	<b>12 814</b>	<b>14 826</b>
<b>% increase</b>	4		<b>4.3%</b>	<b>3.9%</b>	<b>34.6%</b>	<b>(21.1%)</b>	<b>(38.3%)</b>	<b>34.2%</b>	<b>28.9%</b>	<b>15.7%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		49 308	48 115	49 335	51 880	56 589	56 589	61 250	65 030	69 558
Pension and UIF Contributions		8 235	8 811	8 924	9 249	9 897	9 897	15 105	15 553	16 020
Medical Aid Contributions		9 419	9 078	10 078	2 965	3 007	3 007	5 767	6 116	6 548
Overtime		2 140	1 884	2 720	1 192	1 366	1 366	1 380	1 470	1 573
Performance Bonus		-	-	-	-	-	-	1 601	1 710	1 831
Motor Vehicle Allowance	3	11 260	10 049	13 013	11 854	13 854	13 854	13 818	14 265	15 001
Cellphone Allowance	3	236	253	263	170	235	235	688	729	781
Housing Allowances	3	484	518	518	154	568	568	2 083	2 218	2 375
Other benefits and allowances	3	5 038	4 391	5 391	11 728	14 590	14 590	14 876	15 726	16 993
Payments in lieu of leave		2 885	1 087	3 087	1 514	2 158	2 158	2 645	2 784	2 980
Long service awards		-	-	-	174	236	236	181	195	205
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
<b>Sub Total - Other Municipal Staff</b>		<b>89 005</b>	<b>84 185</b>	<b>93 328</b>	<b>90 881</b>	<b>102 500</b>	<b>102 500</b>	<b>119 395</b>	<b>125 797</b>	<b>133 864</b>
<b>% increase</b>	4		<b>(5.4%)</b>	<b>10.9%</b>	<b>(2.6%)</b>	<b>12.8%</b>	<b>-</b>	<b>16.5%</b>	<b>5.4%</b>	<b>6.4%</b>
<b>Total Parent Municipality</b>		<b>105 304</b>	<b>101 235</b>	<b>111 027</b>	<b>113 532</b>	<b>122 668</b>	<b>118 064</b>	<b>137 936</b>	<b>147 617</b>	<b>158 276</b>

**SA23 Salaries, Allowances, & Benefits (Political office bearers/Councillors)**

**DC39 Dr Ruth Segomotsi Mompoti - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior ma**

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
<b>Rand per annum</b>				<b>1.</b>				<b>2.</b>
<b><u>Councillors</u></b>	3							
Speaker	4	1	476 928	17 280	345 072			839 280
Chief Whip								–
Executive Mayor		1	520 709	468 639	174 557			1 163 904
Deputy Executive Mayor								–
Executive Committee		6	1 690 271	757 765	855 660			3 303 696
Total for all other councillors								–
<b>Total Councillors</b>	8	8	2 687 907	1 243 683	1 375 289			5 306 880
<b><u>Senior Managers of the Municipality</u></b>	5							
Municipal Manager (MM)		1	562 579	183 439	279 286	139 407		1 164 711
Chief Finance Officer		1	562 579	234 217	298 277	139 407		1 234 480
								–
								–
								–
<i>List of each official with packages &gt;= senior manager</i>								
Senior Manager: Internal Audit		1	562 579	136 598	440 077	139 407		1 278 661
Senior Manager: Corporate Services		1	562 579	136 598	440 077	139 407		1 278 661
Senior Manager: Community Services		1	562 579	131 809	312 664	139 407		1 146 459
Senior Manager: Engineering and Technical Services		1	562 579	136 598	440 077	139 407		1 278 661
Senior Manager: EDTA		1	562 579	136 598	440 077	139 407		1 278 661
Senior Manager Planning and Development		1	562 579	136 598	440 077	139 407		1 278 661
								–
								–
								–
								–
								–
<b>Total Senior Managers of the Municipality</b>	8,10	8	4 500 634	1 232 455	3 090 612	1 115 257		9 938 958

**Table 24 MBRR Table SA 24 Summary of Personnel Numbers**

DC39 Dr Ruth Segomotsi Mompoti - Supporting Table SA24 Summary of personnel numbers									
Summary of Personnel Numbers	2016/17			Current Year 2017/18			Budget Year 2018/19		
Number	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 Council Members)	32	7	20	28	-	28	32	-	32
Board Members of municipal entities	-	-	-	-	-	-	-	-	-
<b>Municipal employees</b>									
Municipal Manager and Senior Managers	10	-	10	10	-	10	9	-	9
Other Managers									
Professionals	139	132	11	220	220	-	232	219	18
<i>Finance</i>	20	17	4	20	20	-	25	19	6
<i>Information Technology</i>	1	1	-	1	1	-			
<i>Water</i>	7	7	-	7	7	-	10	10	-
<i>Other</i>	111	107	7	192	192	-	197	190	12
Technicians	-	-	-	-	-	-	-	-	-
Clerks (Clerical and administrative)	12	12		12	12	-	12	12	-
<b>TOTAL PERSONNEL NUMBERS</b>	<b>193</b>	<b>151</b>	<b>41</b>	<b>270</b>	<b>232</b>	<b>38</b>	<b>285</b>	<b>231</b>	<b>59</b>
<b>% increase</b>				39.9%	53.6%	(7.3%)	5.6%	(0.4%)	55.3%
<b>Total municipal employees headcount</b>	<b>213</b>	<b>174</b>	<b>39</b>	<b>227</b>	<b>-</b>	<b>-</b>	<b>26</b>	<b>-</b>	<b>-</b>
Finance personnel headcount	23	19	4	21	-	-	25	19	6
Human Resources personnel headcount	41	38	3	51	-	-	39	39	-



**Table 25 MBRR Table SA 25 Budgeted Monthly Revenue and Expenditure Per Source and Per Type**

DC39 Dr Ruth Segomotsi Mompoti - Supporting Table SA25 Budgeted monthly revenue and expenditure													Medium Term Revenue and Expenditure		
Description	Budget Year 2018/19												Budget Year	Budget Year	Budget Year
	July	August	Sept.	October	November	December	January	February	March	April	May	June	2018/19	+1 2019/20	+2 2020/21
<b>Revenue By Source</b>															
Rental of facilities and equipment	99	99	99	99	99	99	99	99	99	99	99	99	1 185	1 303	1 407
Interest earned - external investments	1 438	1 438	1 438	1 438	1 438	1 438	1 438	1 438	1 438	1 438	1 438	1 438	17 253	18 475	19 768
Transfers and subsidies	171 124				85 562			85 562				(0)	342 247	364 895	393 677
Other revenue	33	33	33	33	33	33	33	33	33	33	33	33	400	500	423
Gains on disposal of PPE												-	-	-	-
<b>Total Revenue (excluding capital transfers and cont</b>	<b>172 693</b>	<b>1 570</b>	<b>1 570</b>	<b>1 570</b>	<b>87 132</b>	<b>1 570</b>	<b>1 570</b>	<b>1 570</b>	<b>87 132</b>	<b>1 570</b>	<b>1 570</b>	<b>1 570</b>	<b>361 084</b>	<b>385 173</b>	<b>415 275</b>
<b>Expenditure By Type</b>															
Employee related costs	12 073	12 073	12 073	12 073	15 073	12 073	12 073	12 073	11 073	11 073	12 073	4 028	137 836	147 618	158 276
Remuneration of councillors	717	717	717	717	717	717	717	717	717	717	717	717	8 602	9 006	9 585
Debt impairment	11	11	11	11	11	11	11	11	11	11	11	1 381	1 500	1 600	1 700
Depreciation & asset impairment												40 828	40 828	43 228	44 298
Finance charges	8 809	8 809	8 809	8 809	8 809	8 809	8 809	8 809	8 809	8 809	8 809	(96 768)	130	140	170
Bulk purchases	172	172	172	172	172	172	172	172	172	172	172	113 123	115 011	125 044	134 829
Other materials	2 257	2 257	2 257	2 257	2 257	2 257	2 257	2 257	2 257	2 257	2 257	(23 367)	1 460	2 235	2 100
Contracted services												25 934	25 934	27 247	30 914
Transfers and subsidies												12 950	12 950	13 560	16 356
Other expenditure	2 628	2 628	2 628	2 628	2 628	2 628	2 628	2 628	2 628	2 628	2 628	2 628	31 540	36 662	39 218
Loss on disposal of PPE												-	-	-	-
<b>Total Expenditure</b>	<b>26 667</b>	<b>26 667</b>	<b>26 667</b>	<b>26 667</b>	<b>29 667</b>	<b>26 667</b>	<b>26 667</b>	<b>26 667</b>	<b>25 667</b>	<b>25 667</b>	<b>26 667</b>	<b>81 454</b>	<b>375 791</b>	<b>406 339</b>	<b>437 447</b>
<b>Surplus/(Deficit)</b>	<b>146 026</b>	<b>(25 097)</b>	<b>(25 097)</b>	<b>(25 097)</b>	<b>57 464</b>	<b>(25 097)</b>	<b>(25 097)</b>	<b>(25 097)</b>	<b>61 465</b>	<b>(24 097)</b>	<b>(25 097)</b>	<b>(79 884)</b>	<b>(14 707)</b>	<b>(21 166)</b>	<b>(22 171)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	38 456	10 100	55	11 900	53 000	122 000	2 500	23 082	23 082	23 082	23 082	39 075	369 415	358 166	379 557
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)												-	-	-	-
<b>Surplus/(Deficit)</b>	<b>184 482</b>	<b>(14 997)</b>	<b>(25 042)</b>	<b>(13 197)</b>	<b>110 464</b>	<b>96 903</b>	<b>(22 597)</b>	<b>(2 015)</b>	<b>84 547</b>	<b>(1 015)</b>	<b>(2 015)</b>	<b>(40 810)</b>	<b>354 708</b>	<b>337 001</b>	<b>357 386</b>

**Table 26 MBRR Table SA26 Budgeted Monthly Revenue and Expenditure per Vote**

DC39 Dr Ruth Segomotsi Mompoti - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

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>																
Vote 1 - OFFICE OF THE EXECUTIVE MAYOR		2 244	2 244	2 244	2 244	2 244	2 244	2 244	2 244	2 244	2 244	2 244	1 008	25 688	27 442	29 358
Vote 2 - OFFICE OF THE SPEAKER		1 005	1 005	1 005	1 005	1 005	1 005	1 005	1 005	1 005	1 005	1 005	1 007	12 061	12 906	13 641
Vote 3 - OFFICE OF THE MUNICIPAL MANAGER		506	506	506	506	506	506	506	506	506	506	506	506	6 074	6 499	6 976
Vote 4 - INTERNAL AUDIT		1 307	1 307	1 307	1 307	1 307	1 307	1 307	1 307	1 307	1 307	1 307	567	14 948	16 997	18 187
Vote 5 - BUDGET AND TREASURY OFFICE		2 440	2 440	2 440	2 440	2 440	2 440	2 440	2 440	2 440	2 440	2 440	4 735	31 571	31 582	33 874
Vote 6 - COPORATE SERVICES		3 129	3 129	3 129	3 129	3 129	3 129	3 129	3 129	3 129	3 129	3 129	2 982	37 400	40 040	42 725
Vote 7 - PLANNING AND DEVELOPMENT		1 181	1 181	1 181	1 181	1 181	1 181	1 181	1 181	1 181	1 181	1 181	431	13 426	14 339	15 311
Vote 8 - ENVIRONMENTAL HEALTH		1 111	1 111	1 111	1 111	1 111	1 111	1 111	1 111	1 111	1 111	1 111	4 061	16 287	17 427	18 646
Vote 9 - FIRE AND DISASTER MANAGEMENT		2 335	2 335	2 335	2 335	2 335	2 335	2 335	2 335	2 335	2 335	2 335	4 799	30 489	30 637	32 781
Vote 10 - ENGINEERING SERVICES		43 819	43 819	43 819	43 819	43 819	43 819	43 819	43 819	43 819	43 819	43 819	42 385	524 399	526 006	562 506
Vote 11 - PROJECT MANAGEMENT UNIT		565	565	565	565	565	565	565	565	565	565	565	565	6 774	6 920	7 322
Vote 12 - ECONOMIC DEVELOPMENT, TOURISM A		1 797	1 797	1 797	1 797	1 797	1 797	1 797	1 797	1 797	1 797	1 797	(527)	19 235	20 619	22 063
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>61 439</b>	<b>61 439</b>	<b>61 439</b>	<b>61 439</b>	<b>61 439</b>	<b>61 439</b>	<b>61 439</b>	<b>61 439</b>	<b>61 439</b>	<b>61 439</b>	<b>61 439</b>	<b>62 519</b>	<b>738 353</b>	<b>751 414</b>	<b>803 390</b>
<b>Expenditure by Vote to be appropriated</b>																
Vote 1 - OFFICE OF THE EXECUTIVE MAYOR		2 227	2 227	2 227	2 227	2 227	2 227	2 227	2 227	2 227	2 227	2 227	991	25 488	27 392	29 278
Vote 2 - OFFICE OF THE SPEAKER		938	938	938	938	938	938	938	938	938	938	938	940	11 261	12 876	13 611
Vote 3 - OFFICE OF THE MUNICIPAL MANAGER		502	502	502	502	502	502	502	502	502	502	502	502	6 024	6 469	6 946
Vote 4 - INTERNAL AUDIT		1 299	1 299	1 299	1 299	1 299	1 299	1 299	1 299	1 299	1 299	1 299	509	14 798	16 967	18 142
Vote 5 - BUDGET AND TREASURY OFFICE		2 425	2 425	2 425	2 425	2 425	2 425	2 425	2 425	2 425	2 425	2 425	6 219	32 899	35 681	38 047
Vote 6 - COPORATE SERVICES		3 113	3 113	3 113	3 113	3 113	3 113	3 113	3 113	3 113	3 113	3 113	2 966	37 205	39 870	42 600
Vote 7 - PLANNING AND DEVELOPMENT		1 135	1 135	1 135	1 135	1 135	1 135	1 135	1 135	1 135	1 135	1 135	385	12 876	13 919	14 901
Vote 8 - ENVIRONMENTAL HEALTH		1 097	1 097	1 097	1 097	1 097	1 097	1 097	1 097	1 097	1 097	1 097	3 446	15 517	17 327	18 556
Vote 9 - FIRE AND DISASTER MANAGEMENT		2 262	2 262	2 262	2 262	2 262	2 262	2 262	2 262	2 262	2 262	2 262	3 926	28 809	30 407	32 601
Vote 10 - ENGINEERING SERVICES		12 821	12 821	12 821	12 821	12 821	12 821	12 821	12 821	12 821	12 821	12 821	45 054	186 082	201 983	219 684
Vote 11 - PROJECT MANAGEMENT UNIT		551	551	551	551	551	551	551	551	551	551	551	551	6 614	6 890	7 292
Vote 12 - ECONOMIC DEVELOPMENT, TOURISM A		1 790	1 790	1 790	1 790	1 790	1 790	1 790	1 790	1 790	1 790	1 790	(534)	19 155	20 569	21 943
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>30 161</b>	<b>30 161</b>	<b>30 161</b>	<b>30 161</b>	<b>30 161</b>	<b>30 161</b>	<b>30 161</b>	<b>30 161</b>	<b>30 161</b>	<b>30 161</b>	<b>30 161</b>	<b>64 956</b>	<b>396 728</b>	<b>430 349</b>	<b>463 602</b>
<b>Surplus/(Deficit) before assoc.</b>		<b>31 278</b>	<b>31 278</b>	<b>31 278</b>	<b>31 278</b>	<b>31 278</b>	<b>31 278</b>	<b>31 278</b>	<b>31 278</b>	<b>31 278</b>	<b>31 278</b>	<b>31 278</b>	<b>(2 437)</b>	<b>341 624</b>	<b>321 065</b>	<b>339 789</b>
Tax ation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>31 278</b>	<b>31 278</b>	<b>31 278</b>	<b>31 278</b>	<b>31 278</b>	<b>31 278</b>	<b>31 278</b>	<b>31 278</b>	<b>31 278</b>	<b>31 278</b>	<b>31 278</b>	<b>(2 437)</b>	<b>341 624</b>	<b>321 065</b>	<b>339 789</b>

**Table 27 MBRR Table SA 27 Budgeted Monthly Revenue and Expenditure Per Standard Classification**

DC39 Dr Ruth Segomotsi Mompoti - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)																	
Description	Budget Year 2018/19												Medium Term Revenue and				
	R thousand	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 - Functional</b>																	
<b>Governance and administration</b>	<b>10 631</b>	<b>10 631</b>	<b>10 631</b>	<b>10 631</b>	<b>10 631</b>	<b>10 631</b>	<b>10 631</b>	<b>10 631</b>	<b>10 631</b>	<b>10 631</b>	<b>10 631</b>	<b>10 806</b>	<b>127 743</b>	<b>135 466</b>	<b>144 761</b>		
Executive and council	3 755	3 755	3 755	3 755	3 755	3 755	3 755	3 755	3 755	3 755	3 755	2 521	43 824	46 847	49 975		
Finance and administration	5 569	5 569	5 569	5 569	5 569	5 569	5 569	5 569	5 569	5 569	5 569	7 717	68 971	71 623	76 599		
Internal audit	1 307	1 307	1 307	1 307	1 307	1 307	1 307	1 307	1 307	1 307	1 307	567	14 948	16 997	18 187		
<b>Community and public safety</b>	<b>3 447</b>	<b>3 447</b>	<b>3 447</b>	<b>3 447</b>	<b>3 447</b>	<b>3 447</b>	<b>3 447</b>	<b>3 447</b>	<b>3 447</b>	<b>3 447</b>	<b>3 447</b>	<b>8 860</b>	<b>46 776</b>	<b>48 063</b>	<b>51 428</b>		
Public safety	2 335	2 335	2 335	2 335	2 335	2 335	2 335	2 335	2 335	2 335	2 335	4 799	30 489	30 637	32 781		
Health	1 111	1 111	1 111	1 111	1 111	1 111	1 111	1 111	1 111	1 111	1 111	4 061	16 287	17 427	18 646		
<b>Economic and environmental services</b>	<b>1 746</b>	<b>1 746</b>	<b>1 746</b>	<b>1 746</b>	<b>1 746</b>	<b>1 746</b>	<b>1 746</b>	<b>1 746</b>	<b>1 746</b>	<b>1 746</b>	<b>1 746</b>	<b>996</b>	<b>20 200</b>	<b>21 259</b>	<b>22 633</b>		
Planning and development	1 746	1 746	1 746	1 746	1 746	1 746	1 746	1 746	1 746	1 746	1 746	996	20 200	21 259	22 633		
<b>Trading services</b>	<b>43 819</b>	<b>43 819</b>	<b>43 819</b>	<b>43 819</b>	<b>43 819</b>	<b>43 819</b>	<b>43 819</b>	<b>43 819</b>	<b>43 819</b>	<b>43 819</b>	<b>43 819</b>	<b>42 385</b>	<b>524 399</b>	<b>526 006</b>	<b>562 506</b>		
Water management	43 819	43 819	43 819	43 819	43 819	43 819	43 819	43 819	43 819	43 819	43 819	42 385	524 399	526 006	562 506		
<b>Other</b>	<b>1 797</b>	<b>1 797</b>	<b>1 797</b>	<b>1 797</b>	<b>1 797</b>	<b>1 797</b>	<b>1 797</b>	<b>1 797</b>	<b>1 797</b>	<b>1 797</b>	<b>1 797</b>	<b>(527)</b>	<b>19 235</b>	<b>20 619</b>	<b>22 063</b>		
<b>Total Revenue - Functional</b>	<b>61 439</b>	<b>61 439</b>	<b>61 439</b>	<b>61 439</b>	<b>61 439</b>	<b>61 439</b>	<b>61 439</b>	<b>61 439</b>	<b>61 439</b>	<b>61 439</b>	<b>61 439</b>	<b>62 519</b>	<b>738 353</b>	<b>751 414</b>	<b>803 390</b>		
		66 940	66 940	66 940	66 940	66 940	66 940	66 940	66 940	66 940	66 940						
<b>Expenditure - Functional</b>																	
<b>Governance and administration</b>	<b>10 504</b>	<b>10 504</b>	<b>10 504</b>	<b>10 504</b>	<b>10 504</b>	<b>10 504</b>	<b>10 504</b>	<b>10 504</b>	<b>10 504</b>	<b>10 504</b>	<b>10 504</b>	<b>12 128</b>	<b>127 676</b>	<b>139 255</b>	<b>148 624</b>		
Executive and council	3 667	3 667	3 667	3 667	3 667	3 667	3 667	3 667	3 667	3 667	3 667	2 433	42 774	46 737	49 835		
Finance and administration	5 538	5 538	5 538	5 538	5 538	5 538	5 538	5 538	5 538	5 538	5 538	9 185	70 105	75 551	80 647		
Internal audit	1 299	1 299	1 299	1 299	1 299	1 299	1 299	1 299	1 299	1 299	1 299	509	14 798	16 967	18 142		
<b>Community and public safety</b>	<b>3 359</b>	<b>3 359</b>	<b>3 359</b>	<b>3 359</b>	<b>3 359</b>	<b>3 359</b>	<b>3 359</b>	<b>3 359</b>	<b>3 359</b>	<b>3 359</b>	<b>3 359</b>	<b>7 373</b>	<b>44 326</b>	<b>47 733</b>	<b>51 158</b>		
Public safety	2 262	2 262	2 262	2 262	2 262	2 262	2 262	2 262	2 262	2 262	2 262	3 926	28 809	30 407	32 601		
Health	1 097	1 097	1 097	1 097	1 097	1 097	1 097	1 097	1 097	1 097	1 097	3 446	15 517	17 327	18 556		
<b>Economic and environmental services</b>	<b>1 687</b>	<b>1 687</b>	<b>1 687</b>	<b>1 687</b>	<b>1 687</b>	<b>1 687</b>	<b>1 687</b>	<b>1 687</b>	<b>1 687</b>	<b>1 687</b>	<b>1 687</b>	<b>936</b>	<b>19 489</b>	<b>20 809</b>	<b>22 193</b>		
Planning and development	1 687	1 687	1 687	1 687	1 687	1 687	1 687	1 687	1 687	1 687	1 687	936	19 489	20 809	22 193		
<b>Trading services</b>	<b>12 821</b>	<b>12 821</b>	<b>12 821</b>	<b>12 821</b>	<b>12 821</b>	<b>12 821</b>	<b>12 821</b>	<b>12 821</b>	<b>12 821</b>	<b>12 821</b>	<b>12 821</b>	<b>45 054</b>	<b>186 082</b>	<b>201 983</b>	<b>219 684</b>		
Water management	12 821	12 821	12 821	12 821	12 821	12 821	12 821	12 821	12 821	12 821	12 821	45 054	186 082	201 983	219 684		
<b>Other</b>	<b>1 790</b>	<b>1 790</b>	<b>1 790</b>	<b>1 790</b>	<b>1 790</b>	<b>1 790</b>	<b>1 790</b>	<b>1 790</b>	<b>1 790</b>	<b>1 790</b>	<b>1 790</b>	<b>(534)</b>	<b>19 155</b>	<b>20 569</b>	<b>21 943</b>		
<b>Total Expenditure - Functional</b>	<b>30 161</b>	<b>30 161</b>	<b>30 161</b>	<b>30 161</b>	<b>30 161</b>	<b>30 161</b>	<b>30 161</b>	<b>30 161</b>	<b>30 161</b>	<b>30 161</b>	<b>30 161</b>	<b>64 956</b>	<b>396 728</b>	<b>430 349</b>	<b>463 602</b>		
<b>Surplus/(Deficit)</b>	<b>31 278</b>	<b>31 278</b>	<b>31 278</b>	<b>31 278</b>	<b>31 278</b>	<b>31 278</b>	<b>31 278</b>	<b>31 278</b>	<b>31 278</b>	<b>31 278</b>	<b>31 278</b>	<b>(2 437)</b>	<b>341 624</b>	<b>321 065</b>	<b>339 789</b>		

**Table 28 MBRR Table SA28 Budgeted Monthly Capital Expenditure per Municipal Vote**

**DC39 Dr Ruth Segomotsi Mompoti - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)**

Description	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>Single-year expenditure to be appropriated</b>															
Vote 1 - OFFICE OF THE EXECUTIVE MAYOR		200										-	200	50	80
Vote 2 - OFFICE OF THE SPEAKER			800									-	800	30	30
Vote 3 - OFFICE OF THE MUNICIPAL MANAGER		50										-	50	30	30
Vote 4 - INTERNAL AUDIT		100	50									-	150	30	45
Vote 5 - BUDGET AND TREASURY OFFICE		170										-	170	280	350
Vote 6 - COPORATE SERVICES		195										-	195	170	125
Vote 7 - PLANNING AND DEVELOPMENT		100	450									-	550	420	410
Vote 8 - ENVIRONMENTAL HEALTH		170	600									-	770	100	90
Vote 9 - FIRE AND DISASTER MANAGEMENT		80	-	800								-	880	230	180
Vote 10 - ENGINEERING SERVICES	44 032			41 332	41 332	41 332	41 332	41 332	41 332	41 332	41 332	-	374 685	361 826	381 997
Vote 11 - PROJECT MANAGEMENT UNIT			160									(0)	160	30	30
Vote 12 - ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE			80									-	80	50	120
<b>Capital single-year expenditure sub-total</b>	<b>44 032</b>	<b>1 065</b>	<b>2 140</b>	<b>42 132</b>	<b>41 332</b>	<b>41 332</b>	<b>41 332</b>	<b>41 332</b>	<b>41 332</b>	<b>41 332</b>	<b>41 332</b>	<b>(0)</b>	<b>378 690</b>	<b>363 246</b>	<b>383 487</b>
<b>Total Capital Expenditure</b>	<b>44 032</b>	<b>1 065</b>	<b>2 140</b>	<b>42 132</b>	<b>41 332</b>	<b>41 332</b>	<b>41 332</b>	<b>41 332</b>	<b>41 332</b>	<b>41 332</b>	<b>41 332</b>	<b>(0)</b>	<b>378 690</b>	<b>363 246</b>	<b>383 487</b>

**Table 29 MBRR Table SA30 Budgeted Monthly Cash Flow**

**DC39 Dr Ruth Segomotsi Mompati - Supporting Table SA30 Budgeted monthly cash flow**

MONTHLY CASH FLOWS	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework			
	R thousand	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>																
Rental of facilities and equipment	99	99	99	99	99	99	99	99	99	99	99	99	1 185	1 303	1 407	
Interest earned - external investments	1 438	1 438	1 438	1 438	1 438	1 438	1 438	1 438	1 438	1 438	1 438	2 517	18 332	19 630	21 004	
Transfer receipts - operational	171 124					85 562			85 562			(0)	342 247	364 895	393 677	
Other revenue	33	33	33	33	33	33	33	33	33	33	33	33	400	500	423	
<b>Cash Receipts by Source</b>	<b>172 693</b>	<b>1 570</b>	<b>1 570</b>	<b>1 570</b>	<b>87 132</b>	<b>1 570</b>	<b>1 570</b>	<b>1 570</b>	<b>87 132</b>	<b>1 570</b>	<b>1 570</b>	<b>2 649</b>				
<b>Cash Payments by Type</b>																
Employee related costs	12 073	12 073	12 073	12 073	15 073	12 073	12 073	12 073	11 073	11 073	12 073	4 028	137 836	147 618	158 276	
Remuneration of councillors	717	717	717	717	717	717	717	717	717	717	717	717	8 602	9 006	9 586	
Finance charges	11	11	11	11	11	11	11	11	11	11	11	11	130	140	170	
Bulk purchases - Electricity												-	-	-	-	
Bulk purchases - Water & Sewer	8 809	8 809	8 809	8 809	8 809	8 809	8 809	8 809	8 809	8 809	8 809	18 113	115 011	125 044	134 829	
Other materials	122	122	122	122	122	122	122	122	122	122	122	122	1 460	2 235	2 100	
Contracted services	2 257	2 257	2 257	2 257	2 257	2 257	2 257	2 257	2 257	2 257	2 257	1 107	25 934	27 247	30 914	
Transfers and grants - other municipalities												-	-	-	-	
Transfers and grants - other	1 079	1 079	1 079	1 079	1 079	1 079	1 079	1 079	1 079	1 079	1 079	1 079	12 950	13 560	16 356	
Other expenditure	2 628	2 628	2 628	2 628	2 628	2 628	2 628	2 628	2 628	2 628	2 628	2 940	31 852	36 649	39 134	
<b>Cash Payments by Type</b>	<b>27 696</b>	<b>27 696</b>	<b>27 696</b>	<b>27 696</b>	<b>30 696</b>	<b>27 696</b>	<b>27 696</b>	<b>27 696</b>	<b>26 696</b>	<b>26 696</b>	<b>27 696</b>	<b>28 117</b>	<b>333 775</b>	<b>361 498</b>	<b>391 365</b>	
<b>Other Cash Flows/Payments by Type</b>																
Capital assets	38 456	10 100	55	11 900	53 000	122 000	2 500	23 082	23 082	23 082	23 082	48 350	378 690	363 246	383 487	
Repayment of borrowing	990	990	990	990	990	990	990	990	990	990	990	990	11 880	13 068	14 375	
Other Cash Flows/Payments												-				
<b>Total Cash Payments by Type</b>	<b>67 142</b>	<b>38 786</b>	<b>28 741</b>	<b>40 586</b>	<b>84 686</b>	<b>150 686</b>	<b>31 186</b>	<b>51 768</b>	<b>50 768</b>	<b>50 768</b>	<b>51 768</b>	<b>77 457</b>	<b>724 345</b>	<b>737 813</b>	<b>789 226</b>	
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>105 551</b>	<b>(37 216)</b>	<b>(27 171)</b>	<b>(39 016)</b>	<b>2 445</b>	<b>(149 116)</b>	<b>(29 616)</b>	<b>(50 199)</b>	<b>36 363</b>	<b>(49 199)</b>	<b>(50 199)</b>	<b>(74 808)</b>	<b>(724 345)</b>	<b>(737 813)</b>	<b>(789 226)</b>	
Cash/cash equivalents at the month/year begin:	19 176	124 727	87 511	60 339	21 323	23 768	(125 348)	(154 965)	(205 163)	(168 800)	(217 999)	(268 198)	19 176	(705 169)	(1 442 982)	
Cash/cash equivalents at the month/year end:	124 727	87 511	60 339	21 323	23 768	(125 348)	(154 965)	(205 163)	(168 800)	(217 999)	(268 198)	(343 005)	(705 169)	(1 442 982)	(2 232 208)	

**Table 30 MBRR SA34c Repairs and Maintenance Expenditure by Asset Class**

DC39 Dr Ruth Segomotsi Mompoti - Supporting Table SA34c Repairs and maintenance expenditure by asset class									
Description	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19	Medium Term Budget Year +1	Term Budget Year +2
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year 2019/20	Budget Year 2020/21
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>									
<b>Infrastructure</b>									
Water Supply Infrastructure									
<b>Computer Equipment</b>	-	-	-	-	-	-	-	-	-
Computer Equipment									
<b>Furniture and Office Equipment</b>	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment									
<b>Machinery and Equipment</b>	-	-	-	-	-	-	-	-	-
Machinery and Equipment									
<b>Transport Assets</b>	-	-	-	-	-	-	-	-	-
Transport Assets	5 377	1 710	3 141	1 928	2 161	2 161	1 460	2 235	2 100
<b>Total Repairs and Maintenance Expenditure</b>	<b>5 377</b>	<b>1 710</b>	<b>3 141</b>	<b>1 928</b>	<b>2 161</b>	<b>2 161</b>	<b>1 460</b>	<b>2 235</b>	<b>2 100</b>

The Municipality might be seen to not budget enough as prescribed for repairs and maintenance of infrastructure assets. This is mainly due to the fact that for Bulk Water, there is a portion for repairs and maintenance that the municipality pays for. Part of Water Services Infrastructure Grant is used for repairs and Maintenance, hence the municipality only budget for Repairs and maintenance of movable assets.

**PART 3 - APPENDICES**

**Appendix A**

**3.1. Capital Projects: Allocation per Municipality**

### 3.1.1. Capital Projects for Greater Taung Local Municipality

DC39 Dr Ruth Segomotsi Mompoti - Supporting Table SA36 Detailed capital budget

R thousand	Municipal Vote/Capital project	Source Of Funding	Total Project Estimate	Prior year outcomes			2018/19 Medium Term Revenue & Expenditure Framework		
				Audited Outcome 2016/17	Current Year 2017/18 Full Year	Adjustment 2017/18	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Parent municipality:</b>									
<i>List all capital projects grouped by Municipal Vote</i>									
	Greater Taung: Bulk Water Supply Upgrading Taung Phase 2C: Raw Water Pipeline (Moedi/Mosegedi JV & DWS-CU)	Regional Bulk Infrastructure Grant (RBIG)	64 866 008	-	-	7 650	-	-	-
	Greater Taung: Bulk Water Supply Upgrading Taung Phase 2D: New Treatment Works (Bigen Africa & DWS-CU)	Regional Bulk Infrastructure Grant (RBIG)	205 000 000	-	9 259	24 850	-	-	-
	Greater Taung: Bulk Water Supply Upgrading Taung Phase 2E-1: BulkWater Supply: Bulk pump line from new WTW in Taung to new Res	Regional Bulk Infrastructure Grant (RBIG)	74 850 000	-	20 741	31 250	20 000	15 600	-
	Greater Taung: Bulk Water Supply Upgrading Taung Phase 2E-1: BulkWater Supply: New pump Stations at the new WTW in Taung and N	Regional Bulk Infrastructure Grant (RBIG)	28 400 000	-	-	-	15 450	12 950	-
	Greater Taung: Bulk Water Supply Upgrading Taung Phase 2E-1: BulkWater Supply: New Reservoir and Elevated Tower at Morokweng	Regional Bulk Infrastructure Grant (RBIG)	29 850 000	-	-	-	11 100	15 000	-
	Greater Taung: Bulk water supply upgrading Taung: Phase 2E-2 - Bulk distribution Southern Portion (Moedi & Uncle Paul & Jorian Contr	Regional Bulk Infrastructure Grant (RBIG)	29 650 000	-	25 000	19 300	13 450	75	-
	Greater Taung: Bulk water supply upgrading Taung: Phase 2E-2 - Bulk distribution Eastern Portion (Moedi & Lesedi Contractors)	Regional Bulk Infrastructure Grant (RBIG)	33 050 000	-	-	-	10 000	16 375	-
	Greater Taung: Bulk water supply upgrading Taung: Phase 2E-2 - Bulk distribution Northern Portion (Moedi & Contractor)	Regional Bulk Infrastructure Grant (RBIG)	32 000 000	-	-	-	-	-	15 000
	Greater Taung: Bulk water supply upgrading Taung: Phase 2E-2 - Bulk distribution Western Portion (Moedi & Contractor)	Regional Bulk Infrastructure Grant (RBIG)	23 750 000	-	-	-	-	-	18 000
	Greater Taung: Bulk water supply upgrading Taung: Phase 2E-2 - Bulk distribution Central Portion (Moedi & Contractor)	Regional Bulk Infrastructure Grant (RBIG)	28 600 000	-	-	-	-	-	17 000
	Greater Taung: Bulk water supply to Madipelesa (BVI/OJ JV & Isiphethu/Amanzi JV)	Water Services Infrastructure Grant (WSIG)	7 093 100	-	-	1 384	-	-	-
	Greater Taung: Bulk water supply to Shaleng (BVI/OJ JV & Isiphethu/Amanzi JV)	Water Services Infrastructure Grant (WSIG)	8 900 000	-	-	-	8 000	-	-
	Greater Taung: Bulk water supply to Reivilo: Phase 1 (BVI/OJ JV & Isiphethu/Amanzi JV)	Water Services Infrastructure Grant (WSIG)	12 100 000	-	986	8 308	-	-	-
	Greater Taung: Bulk water supply to Reivilo: Phase 2 (BVI/OJ JV & Isiphethu/Amanzi JV)	Water Services Infrastructure Grant (WSIG)	13 200 000	-	-	-	5 000	8 200	-
	Greater Taung: Bulk & internal water supply to Lykso Phase 1 (BVI/OJ JV & Isiphethu/Amanzi JV)	Water Services Infrastructure Grant (WSIG)	5 449 460	-	2 100	4 834	-	-	-
	Greater Taung: Bophirima Rural Water Supply Program 2016/19: Picong (BVI/OJ JV & Isiphethu/Amanzi JV)	Water Services Infrastructure Grant (WSIG)	2 850 000	-	-	-	2 850	-	-
	Greater Taung: Bophirima Rural Water Supply Program 2016/19: Matlhako 1 & 2 (BVI/OJ JV & Isiphethu/Amanzi JV)	Water Services Infrastructure Grant (WSIG)	14 600 000	-	-	-	-	6 600	7 000
	Greater Taung: Bophirima Rural Water Supply Program 2016/19: Molelema (BVI/OJ JV & Isiphethu/Amanzi JV)	Water Services Infrastructure Grant (WSIG)	7 200 000	-	-	-	-	-	-
	Greater Taung: Upgrading of Diplankeng oxidation ponds	Water Services Infrastructure Grant (WSIG)	9 000 000	-	1 000	-	-	-	-
	Greater Taung: Upgrading of Taung Station oxidation ponds	Water Services Infrastructure Grant (WSIG)	9 000 000	-	-	-	-	-	-
	Greater Taung: Upgrading of Diplankeng Oxidation ponds	Water Services Infrastructure Grant (WSIG)	10 000 000	-	-	-	8 200	9 000	500
	Greater Taung: Upgrading of Pudimoe Oxidation ponds	Water Services Infrastructure Grant (WSIG)	10 000 000	-	1 000	-	-	9 000	500
	Greater Taung: Upgrading of Reivilo Oxidation ponds	Water Services Infrastructure Grant (WSIG)	15 000 000	-	-	-	-	500	11 200
	Greater Taung: Bophirima Rural Sanitation Programme 2016/2019 - WSIG Funding (Izwelethu Cemforce)	Water Services Infrastructure Grant (WSIG)	35 000 000	-	15 000	15 000	-	-	-
	Greater Taung: Bophirima Rural Sanitation Programme 2019/2022 - WSIG Funding	Water Services Infrastructure Grant (WSIG)	20 000 000	-	-	-	-	-	5 000
	Greater Taung: Bophirima Rural Water Supply Program 2016/19: Kameelputs (BVI/OJ JV & Isuphethu/Amanzi JV)	Municipal Infrastructure Grant (MIG)	2 750 000	-	-	2 318	-	-	-
	Greater Taung: Bophirima Rural Water Supply Program 2016/19: Karelstad (BVI/OJ JV & Isuphethu/Amanzi JV)	Municipal Infrastructure Grant (MIG)	5 600 000	-	-	-	5 600	-	-
	Greater Taung: Bophirima Rural Sanitation Programme 2016/2019 - MIG Funding (Izwelethu Cemforce)	Municipal Infrastructure Grant (MIG)	86 000 000	-	15 000	15 000	10 000	-	-
	Greater Taung: Bophirima Rural Sanitation Programme 2019/2022 - MIG Funding	Municipal Infrastructure Grant (MIG)	20 000 000	-	-	-	-	7 000	20 000
	<b>TOTAL CAPITAL PROJECTS FOR GREATER TAUNG LOCAL MUNICIPALITY</b>		<b>843 758 568</b>	<b>-</b>	<b>90 086</b>	<b>129 894</b>	<b>109 650</b>	<b>100 300</b>	<b>94 200</b>

### 3.1.2 Capital Projects for to Kagisano Molopo Local Municipality



**DC39 Dr Ruth Segomotsi Mompoti - Supporting Table SA36 Detailed capital budget**

R thousand	Municipal Vote/Capital project	Source Of Funding	Total Project Estimate	Prior year outcomes			2018/19 Medium Term Revenue & Expenditure Framework		
				Audited Outcome 2016/17	Current Year 2017/18 Full Year	Adjustment 2017/18	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Parent municipality:</b>									
<b>List all capital projects grouped by Municipal Vote</b>									
	Kagisano Molopo: Bulk Water Implementation: Tlapeng to Eksdale Cluster (Moedi waBatho)	Regional Bulk Infrastructure Grant (RBIG)	290 000 000	-	6 000	-	5 000	21 693	29 660
	Kagisano Molopo: Bulk Water Implementation: Bona Bona to Tseoge Cluster (Moedi waBatho)	Regional Bulk Infrastructure Grant (RBIG)	55 000 000	-	20 000	26 000	29 150	-	-
	Kagisano Molopo: Dr Ruth Segomotsi Mompoti Rural Sanitation Programme 2016/2019 - WSIG Funding: (Izwelethu Cemforce)	Water Services Infrastructure Grant (WSIG)	50 000 000	-	15 000	15 000	-	-	-
	Kagisano Molopo: Dr Ruth Segomotsi Mompoti Rural Sanitation Programme 2019/2022 - WSIG Funding:	Water Services Infrastructure Grant (WSIG)	20 000 000	-	-	-	-	-	-
	Kagisano Molopo: Dr Ruth Segomotsi Mompoti Rural Water Programme 2016/2019 - WSIG Funding: Piet Plessis (Tsela Tsweu & HT Pelatona/LepolLetsa JV)	Water Services Infrastructure Grant (WSIG)	8 815 400	-	-	5 550	-	-	-
	Kagisano Molopo: Upgrading Bulk water to Pomfret: Phase 3	Water Services Infrastructure Grant (WSIG)	3 500 000	-	-	-	-	-	-
	Kagisano Molopo: Bophirima Rural Water Programme 2016/2019 - WSIG Funding: Louwna (Tsela Tsweu & HT Pelatona/LepolLetsa JV)	Water Services Infrastructure Grant (WSIG)	5 800 000	-	-	-	5 800	-	-
	Kagisano Molopo: Bophirima Rural Water Programme 2016/2019 - WSIG Funding: Maheng (Tsela Tsweu & HT Pelatona/LepolLetsa JV)	Water Services Infrastructure Grant (WSIG)	21 400 000	-	-	-	9 007	11 400	-
	Kagisano Molopo: Bophirima Rural Water Programme 2016/2019 - WSIG Funding: Mabone (Tsela Tsweu & HT Pelatona/LepolLetsa JV)	Water Services Infrastructure Grant (WSIG)	15 800 000	-	-	-	5 750	10 000	-
	Kagisano Molopo: Bophirima Rural Sanitation Programme 2016/2019 - MIG Funding (Izwelethu Cemforce)	Municipal Infrastructure Grant (MIG)	120 000 000	-	15 000	30 864	10 000	-	-
	Kagisano Molopo: Bophirima Rural Sanitation Programme 2019/2022 - MIG Funding	Municipal Infrastructure Grant (MIG)	120 000 000	-	-	-	-	7 000	20 000
	Kagisano Molopo: Bophirima Rural Water Supply Program 2016/19: Konke Phase 2 (Tsela Tsweu & HT Pelatona/LepolLetsa JV)	Municipal Infrastructure Grant (MIG)	19 250 000	-	-	18 000	-	-	-
	Kagisano Molopo: Bophirima Rural Water Supply Program 2016/19: Konke Phase 3	Municipal Infrastructure Grant (MIG)	30 000 000	-	-	-	-	-	30 000
	Kagisano Molopo: Construction of Oxidation Ponds: Bray	Municipal Infrastructure Grant (MIG)	12 750 000	-	-	-	12 750	-	-
	Kagisano Molopo: Construction of Oxidation Ponds: Ganyesa	Municipal Infrastructure Grant (MIG)	12 000 000	-	-	700	3 400	-	-
	Kagisano Molopo: Construction of Oxidation Ponds: Morokweng	Municipal Infrastructure Grant (MIG)	12 000 000	-	-	550	4 000	-	-
	Kagisano Molopo: Construction of Oxidation Ponds: Tlakgameng	Municipal Infrastructure Grant (MIG)	10 050 000	-	-	550	6 800	-	-
	Kagisano Molopo: Construction of Oxidation Ponds: Piet Plessis	Municipal Infrastructure Grant (MIG)	6 350 000	-	-	-	-	-	6 350
	Kagisano Molopo: Construction of Oxidation Ponds: Tosca	Municipal Infrastructure Grant (MIG)	12 000 000	-	-	-	-	-	12 000
<b>TOTAL CAPITAL PROJECTS FOR KAGISANO MOLOPO LOCAL MUNICIPALITY</b>			<b>824 715 400</b>	<b>-</b>	<b>56 000</b>	<b>97 214</b>	<b>91 657</b>	<b>50 093</b>	<b>98 010</b>

**3.1.3 Capital Projects for Lekwa Teemane Local Municipality**

DC39 Dr Ruth Segomotsi Mompoti - Supporting Table SA36 Detailed capital budget

R thousand	Municipal Vote/Capital project	Source Of Funding	Total Project Estimate	Prior year outcomes			2018/19 Medium Term Revenue & Expenditure Framework		
				Audited Outcome 2016/17	Current Year 2017/18 Full Year	Adjustment 2017/18	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Parent municipality:</b>									
<i>List all capital projects grouped by Municipal Vote</i>									
	Lekwa Teemane: Bulk Water Supply: New Raw Water Abstraction Works in Bloemhof (Lidwala & DWS-CU)	Regional Bulk Infrastructure Grant (RBIG)	45 790 000	-	-	8 350	-	-	-
	Lekwa Teemane: Upgrading of Sewer Treatment works in Bloemhof (Vandalized Portion): Phase 4	Water Services Infrastructure Grant (WSIG)	6 200 000	-	8 500	6 200	-	-	-
	Lekwa Teemane: Upgrading of the WTW in Christiana	Water Services Infrastructure Grant (WSIG)	85 000 000	-	3 000	-	8 250	28 300	40 025
	Lekwa Teemane: Replacement of AC pipes in Christiana & Utwanang & Geluksoord Ext 1	Water Services Infrastructure Grant (WSIG)	5 000 000	-	-	-	-	-	2 000
	Lekwa Teemane: Water conservation and demand management (WCDM) and sewer network investigation: Bloemhof & Boitumelong Phase 1	Water Services Infrastructure Grant (WSIG)	5 100 000	-	-	-	-	3 100	2 000
	Lekwa Teemane: Replacement of AC pipes in Bloemhof and Boitumelong	Water Services Infrastructure Grant (WSIG)	5 000 000	-	-	-	-	-	-
	Lekwa Teemane: Refurbishment of Boitumelong Sewer Pumpstation	Water Services Infrastructure Grant (WSIG)	2 500 000	-	-	-	-	-	-
	Lekwa Teemane: Refurbishment of Hoopstad road Sewer Pumpstation	Water Services Infrastructure Grant (WSIG)	5 250 000	-	-	-	5 250	-	-
	Lekwa Teemane: Boitumelong Outfall Sewer and Pumpstation	Water Services Infrastructure Grant (WSIG)	750 000	-	-	-	-	-	-
	Lekwa-Teemane: Bulk Water Services for Geluksoord Ext 2 and 3 & 4- Phase 2 (Infra Buro & Selenane)	Municipal Infrastructure Grant (MIG)	58 165 553	-	27 000	27 000	11 158	-	-
	Lekwa Teemane: Bulk Water and Sanitation Services Bloemhof Ext 11	Municipal Infrastructure Grant (MIG)	13 000 000	-	-	-	-	-	8 022
	Lekwa Teemane: Bulk Water and Sanitation Services Bloemhof Ext 12	Municipal Infrastructure Grant (MIG)	15 000 000	-	-	-	-	-	-
	Lekwa Teemane: Bophirima Rural Sanitation Programme 2016/2019 - Bloemhof Ext 12	Municipal Infrastructure Grant (MIG)	9 000 000	-	-	-	-	9 000	-
	Lekwa Teemane: Bophirima Rural Sanitation Programme 2016/2019 - Geluksoord Ext 5	Municipal Infrastructure Grant (MIG)	2 500 000	-	-	-	-	2 500	-
	Lekwa Teemane: Bophirima Rural Water Supply Program 2016/19: Bloemhof Ext. 12	Municipal Infrastructure Grant (MIG)	30 900 000	-	-	-	10 000	10 000	20 900
	Lekwa Teemane: Bophirima Rural Water Supply Program 2016/19: Geluksoord Ext 5	Municipal Infrastructure Grant (MIG)	13 850 000	-	-	-	-	6 000	7 850
	Lekwa Teemane: Bulk water upgrading to Utwanang Ext 5	Municipal Infrastructure Grant (MIG)	5 000 000	-	-	-	-	5 000	-
	<b>TOTAL CAPITAL PROJECTS FOR LEKWA-TEEMANE LOCAL MUNICIPALITY</b>		<b>308 005 553</b>	<b>-</b>	<b>38 500</b>	<b>41 550</b>	<b>34 658</b>	<b>63 900</b>	<b>80 797</b>

### 3.1.4 Capital Projects for Mamusa Local Municipality

DC39 Dr Ruth Segomotsi Mompoti - Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project	Source Of Funding	Total Project Estimate	Prior year outcomes			2018/19 Medium Term Revenue & Expenditure Framework		
			Audited Outcome 2016/17	Current Year 2017/18 Full Year	Adjustment 2017/18	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Parent municipality:</b>								
<i>List all capital projects grouped by Municipal Vote</i>								
Mamusa: Bulk Water Supply to the Greater Mamusa Area: New 12ML/Day Module at Water Purification Works & Storage facilities in Bloemhof (Lidwala & DWS-CU)	Regional Bulk Infrastructure Grant (RBIG)	164 372 000	-	64 200	30 000	15 000	-	-
Mamusa LM: Bulk Water Supply to the Greater Mamusa Area: New bulk water supply from Bloemhof to Schweizer Reneke: Pump Main from Bloemhof to Reservoir at Olievenfontein (IX Consultants & Contractor )	Regional Bulk Infrastructure Grant (RBIG)	57 500 000		36 800	20 000	18 400	19 100	-
Mamusa LM: Bulk Water Supply to the Greater Mamusa Area: New bulk water supply from Bloemhof to Schweizer Reneke: Pump Main from Olievenfontein Reservoir to Vaalkop Reservoir (IX Consultants & Contractor )	Regional Bulk Infrastructure Grant (RBIG)	30 000 000		-	-		-	30 000
Mamusa LM: Bulk Water Supply to the Greater Mamusa Area: New bulk water supply from Bloemhof to Schweizer Reneke: Gravity pipe line from Vaalkop Reservoir to Schweizer Reneke Reservoir: (IX Consultants & Contractor )	Regional Bulk Infrastructure Grant (RBIG)	30 300 000		-	10 000	5 000	20 900	-
Mamusa LM: Bulk Water Supply to the Greater Mamusa Area: New bulk water supply from Bloemhof to Schweizer Reneke: Pipejacking (IX Consultants & ICON Contractors (Pty) Ltd.)	Regional Bulk Infrastructure Grant (RBIG)	6 600 000	-		-	6 600	-	-
Mamusa LM: Bulk Water Supply to the Greater Mamusa Area: New Reservoir at Schweizer Reneke	Regional Bulk Infrastructure Grant (RBIG)	25 000 000	-			-	-	
Mamusa LM: Bulk Water Supply to the Greater Mamusa Area: New bulk water supply from Bloemhof to Schweizer Reneke: New 7.5 ML reservoir at Schweizer Reneke (IX Consultants & Contractor )	Regional Bulk Infrastructure Grant (RBIG)	20 000 000	-					20 000
Mamusa: Upgrading of Ground Water supply system in Schweizer Reneke & Ipelegeng: Phase 2 (Tsela Tsweu & HT Pelatona/LepolLetsa JV)	Water Services Infrastructure Grant (WSIG)	6 100 000	-	9 000	4 900	-	-	-
Mamusa: Upgrading of sewer pump station in Schweizer Reneke & Ipelegeng	Water Services Infrastructure Grant (WSIG)	6 650 000	-	1 700	-	-	-	-
Mamusa: Refurbishment of Waste Water Treatment Works in Schweizer Reneke: Phase 2 (Moedi & KD Civils)	Water Services Infrastructure Grant (WSIG)	2 000 000	-	-	-	2 000	-	-
Mamusa: Refurbishment of Water Treatment Works in Schweizer Reneke: Phase 2 (Moedi & Pro Care)	Water Services Infrastructure Grant (WSIG)	4 000 000	-	-	-	4 000	-	-
Mamusa: WCDM in Schweizer Reneke & Ipelegeng Phase 1	Water Services Infrastructure Grant (WSIG)	4 000 000	-	-	-	3 500	500	
Mamusa: WCDM in Schweizer Reneke & Ipelegeng Phase 2	Water Services Infrastructure Grant (WSIG)	10 500 000	-	-	-	-	5 045	5 500
Mamusa: Bulk water & Sewer upgrading to Mareesin Farm	Water Services Infrastructure Grant (WSIG)	5 555 000		2 000	-		5 555	-
Mamusa: Upgrading of Water supply to Gaudina (Tsela Tsweu & HT Pelatona/LepolLetsa JV)	Water Services Infrastructure Grant (WSIG)	5 000 000	-	5 000	-	-		5 000
Mamusa: Upgrading of Water supply to Migdol (Tsela Tsweu & HT Pelatona/LepolLetsa JV)	Water Services Infrastructure Grant (WSIG)	5 000 000	-	5 000	-	-	500	5 000
Mamusa: Upgrading of Water supply to Nooightgedagt (Tsela Tsweu & HT Pelatona/LepolLetsa JV)	Water Services Infrastructure Grant (WSIG)	2 500 000	-	2 500	-	-	500	2 000
Mamusa: Upgrading of Water supply to Amalia (Tsela Tsweu & HT Pelatona/LepolLetsa JV)	Water Services Infrastructure Grant (WSIG)	4 000 000	-	1 000	-	-	-	-
Mamusa: Upgrading of Water supply to Aandster (Tsela Tsweu & HT Pelatona/LepolLetsa JV)	Water Services Infrastructure Grant (WSIG)	2 500 000	-	-	-	-	500	2 000
Mamusa: Replacement of AC pipes in Schweizer Reneke and Ipelegeng	Water Services Infrastructure Grant (WSIG)	4 300 000	-	-	-	-	-	4 300
Mamusa LM: Construction of Oxidation Ponds: Gaudina (Aseda &	Municipal Infrastructure Grant (MIG)	4 203 021	-	500	3 306	-	-	-
Mamusa LM: Construction of Oxidation Ponds: Migdol (Aseda & Isiphethu/Amanzi JV)	Municipal Infrastructure Grant (MIG)	4 203 021	-	500	1 174	-	-	-
<b>TOTAL CAPITAL PROJECTS FOR MAMUSA LOCAL MUNICIPALITY</b>		<b>404 283 042</b>	<b>-</b>	<b>128 200</b>	<b>69 380</b>	<b>54 500</b>	<b>52 600</b>	<b>73 800</b>

### 3.1.5. Capital Projects for Naledi Local Municipality

DC39 Dr Ruth Segomotsi Mompati - Supporting Table SA36 Detailed capital budget

R thousand	Municipal Vote/Capital project	Source Of Funding	Total Project Estimate	Prior year outcomes			2018/19 Medium Term Revenue & Expenditure Framework		
				Audited Outcome 2016/17	Current Year 2017/18 Full Year	Adjustment 2017/18	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Parent municipality:</b>									
<i>List all capital projects grouped by Municipal Vote</i>									
	Naledi: Upgrading of Pudumong and Vryburg Water Purification Works - Phase 2A (MDCC & Botjheng)	Regional Bulk Infrastructure Grant (RBIG)	54 976 234	-	-	2 500	-	-	-
	Naledi: Bulk Water Supply: Upgrading to Vryburg and Huhudi - Phase 2B (Nep & Various Contractors)	Regional Bulk Infrastructure Grant (RBIG)	407 045 975	-	-	2 100	-	-	-
	Naledi: Water conservation and demand management (WCDM) in Stella Phase 2 (Additional funding) (Moedi)	Water Services Infrastructure Grant (WSIG)	1 150 000	-	-	1 150	-	-	-
	Naledi: Refurbishment of Stella Sewer pump station and Rising main (Moedi)	Water Services Infrastructure Grant (WSIG)	1 600 000		1 600	-	1 600	-	-
	Naledi: Water conservation and demand management (WCDM) and sewer network investigation: Phase 2 (Additional funding) Moedi)	Water Services Infrastructure Grant (WSIG)	9 560 000		-	9 560	-	-	-
	Naledi: Water conservation and demand management (WCDM) and sewer network investigation: Phase 3 (Moedi)	Water Services Infrastructure Grant (WSIG)	12 800 000		-	-	5 000	6 300	1 000
	Naledi: Water supply to Broedersput Phase 1 (Tsela Tsweu & Isiphethu/Amanzi JV)	Water Services Infrastructure Grant (WSIG)	8 750 000		-	3 000	-	-	-
	Naledi: Replacement of small bore Sewer pipes (Moedi)	Water Services Infrastructure Grant (WSIG)	3 100 000		3 100	3 100	4 000	-	-
	Naledi: Replacement of AC pipes in Vryburg and Huhudi	Water Services Infrastructure Grant (WSIG)	8 350 000		-	-	-	-	-
	Naledi: Water supply upgrading to Geduldspan (Tsela Tsweu & HT Pelatona/Lepolletsa JV)	Water Services Infrastructure Grant (WSIG)	9 550 000		500	-	9 550	-	-
	Naledi: Water supply upgrading to Dithakwaneng	Water Services Infrastructure Grant (WSIG)	10 000 000		-	-	-	-	-
	Naledi: Upgrading of Water supply to informal settlements in Huhudi & Colridge (1900HH) (Tsela Tsweu & HT Pelatona/Lepolletsa JV)	Water Services Infrastructure Grant (WSIG)	14 250 000	-	-	-	-	-	14 250
	Naledi: Upgrading of Water supply to informal settlements in Rekgarathile (700HH) (Tsela Tsweu & HT Pelatona/Lepolletsa JV)	Water Services Infrastructure Grant (WSIG)	4 000 000	-	-	-	3 800	-	-
	Naledi: Bophirima Rural Sanitation Programme 2016/2019 - Informal settlement (Monoto Motshweu (700), Monoto Motshella (800) & Phola park (500) (1XVIP for every 4x Households) (Izwelelo Cemforce)	Water Services Infrastructure Grant (WSIG)	7 000 000	-	-	-	-	-	3 500
	Naledi: Vryburg - New Waste Water Treatment Plant: Phase 1	Municipal Infrastructure Grant (MIG)	119 000 000	-	-	-	-	-	-
	Naledi: Vryburg - New Waste Water Treatment Plant: Phase 2	Municipal Infrastructure Grant (MIG)	236 000 000	-	66 000	92 170	50 000	69 973	-
	Naledi: Building of New Oxidation ponds outfall Sewer for Stella and Rekgarathile	Municipal Infrastructure Grant (MIG)	44 000 000	-	9 000	-	5 000	15 000	14 000
	<b>TOTAL CAPITAL PROJECTS FOR NALEDI LOCAL MUNICIPALITY</b>		<b>951 132 209</b>	<b>-</b>	<b>80 200</b>	<b>113 580</b>	<b>78 950</b>	<b>91 273</b>	<b>32 750</b>



## **Municipal Manager's Quality Certificate**

**DR RUTH S. MOMPATI DISTRICT MUNICIPALITY**

### **MUNICIPAL MANAGER'S QUALITY CERTIFICATE**

I, JERRY MONONELA, Municipal Manager of Dr Ruth S Mompoti District Municipality, hereby certify that this 2018/2019 MTREF Budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the 2018/19 MTREF Operating And Capital Budget and supporting documents are consistent with the Integrated Development Plan of the Municipality.

**Print Name:** JERRY MONONELA

**Municipal Manager of Dr Ruth S Mompoti District Municipality**

**Signature:** \_\_\_\_\_

A handwritten signature in black ink, appearing to be 'J. Mononela', written over a horizontal line.

**Date:** 31 May 2018