

**DRAFT ANNUAL BUDGET OF**  
**NAMAKWA DISTRICT**  
**MUNICIPALITY**



**2018/19 TO 2020/21**

**MEDIUM TERM REVENUE AND  
EXPENDITURE FORECASTS**

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## Abbreviations and Acronyms

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

## **Part 1 – Annual Budget**

### **1.1 Mayor's Report**

In the year which we celebrate the centennial celebrations of our late President Oliver Reginald Tambo under the theme "Unity, Renewal and Jobs "

It is with great humility to present this draft annual budget to the Council and communities of Namakwa District Municipality .Our district is the largest in the Northern Cape Province making up over one third of its geographical area and is well known for its beautiful flowers, cultural richness and its various minerals particular diamonds.

There is no doubt that communication and collaboration at local government level remain very important, not only as a means of feedback to the state but in terms of making sure the needs of the people are met.

The implementation of the "BACK TO BASICS" programme remains a key priority for us as it enable the B-Municipalities to execute their service delivery mandate of providing services to our people on a sustainable basis.

Audit outcomes remain a critical area of focus and we need to continue the positive trajectory achieved in audit outcomes over the last term. Ultimately the bigger picture is to deepen a culture of accountability and drive the journey towards attaining clean audits and sustaining them across all our municipalities.

Truly, inclusive economic growth requires structural change in line with Provincial Growth and Development Strategy and the National development plan.

The skills revolution is an important pillar to produce the necessary skills our economy need to grow, therefore it is important to develop partnership with the education sectors to create a climate where our people especially the youth can develop their skills to get employment in the formal and informal sector.

We must encourage learners to take full advantage of the opportunities present to them by the S.K.A and SALT projects.

Tourists in both our domestic and international markets segments made the Namakwa region their tourism destination of choice .We can proudly say that we have a diverse tourism industry which contribute to the gross domestic product of the province. We offer to tourist Namakwa flower season, Operation Phakisa's Marine and Coastal tourism, Namakwa Open Africa Routes, Namakwa 4x4 trails and Green tourism, which they can come and experience.

Unemployment is considered as one of the main reasons of poverty therefore as the Namakwa District Municipality we had embark on several job creation initiatives as well as spin offs from large operations such as the Vedanta Mining and Solar energy projects in Khai-Ma, the West Coast mining project in Kamiesberg, Alexcor mining in Richtersveld and Wind and Solar Energy in Hantam area.

Namakwa District Municipality can proudly say that the following job creation projects contribute to the alleviation of poverty they are as follows Municipal Infrastructure projects , Community Works Programme ,Expanded Public Works Programme ,Working for water project and Khotsu Pula Nala projects. AS the district we spend from our own budget R5.9 million and create 175 job opportunities.

The Northern Cape Provincial Government has a standing twinning agreement with the Namibian //Kharas Region which focuses on three streams namely: Local Government, Economic Development and Social stream are bearing fruits now.

This year our commemorative days in partnership with National , Provincial and District departments will mainly focus on the centennial celebration of President Oliver Reginald Tambo throughout the year in honoring his contribution to free us from the bondage of Apartheid. As our year drawn to an end we are fully aware that we indeed are on the right track in working together to improve the lives of our people. A lot has been achieved but more need to be done.

As Executive Mayor on behalf of Namakwa District Municipality want to thank all that contribute in making the NDM a centre of excellence, coordinate and implement programmes to address the economic and social challenges in collaboration with departments, municipalities and other stakeholders.

President Nelson Mandela once said and I quote him "What counts in life is not the mere fact that we have lived .It is what difference we have made to the lives of others that will determine the signifance of the life we lead.

TOGETHER WE CAN MOVE NAMAKWADISTRICT FORWARD

**ACTING EXECUTIVE MAYOR**  
**COUNCILLOR A S ROOI**

## 1.2 Council Resolutions

On 28 March 2018 the Council of Namakwa District Municipality met in the Council Chambers in Springbok to table the draft annual budget of the municipality for the financial year 2018/19. The Council approved and adopted the following resolutions:

1. The Council of Namakwa District Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:
  - 1.1. The annual budget of the municipality for the financial year 2018/19 and the multi-year and single-year capital appropriations as set out in the following tables:
    - 1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table 10 on page 15;
    - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table 11 on page 16;
    - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table 12 on page 17; and
    - 1.1.4. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table 13 on page 18.
  - 1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
    - 1.2.1. Budgeted Financial Position as contained in Table 14 on page 19;
    - 1.2.2. Budgeted Cash Flows as contained in Table 15 on page 21;
    - 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table 16 on page 21;
    - 1.2.4. Asset management as contained in Table 17 on page 23; and
    - 1.2.5. Basic service delivery measurement as contained in Table 18 on page 25.
2. To give proper effect to the municipality's annual budget, the Council of Namakwa District Municipality approves:
  - 2.1. That cash backing is implemented through the utilisation of the municipality own reserves to ensure that all capital reserves and provisions, unspent long-term loans and unspent conditional grants are cash backed as required in terms of the municipality's funding and reserves policy as prescribed by section 8 of the Municipal Budget and Reporting Regulations.



### 1.3 Executive Summary

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

The municipality'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 expenditures on noncore and 'nice to have' items.

National Treasury's MFMA Circular No. 89 and 91 was used to guide the compilation of the 2018/19 MTREF.

The main 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;
- The District Municipality being grant dependant and a non-generating municipality;
- Wage increases for municipal staff that continue to exceed consumer inflation;
- Long outstanding government debtors by the Department of Agriculture, Forestry and Fisheries as well of Roads and Public Works;
- Looking at innovative ways of reducing the deficit on the municipality's budget and future projections;
- No clarity on an amended funding module for District Municipalities.

The following budget principles and guidelines directly informed the compilation of the 2018/19 MTREF:

- The 2017/18 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2018/19 annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazette as required by the annual Division of Revenue Act;

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

**Table 1 Consolidated Overview of the 2018/19 MTREF**

R thousand	Adjustments Budget 2017/18	Budget Year 2018/19	Budget Year 2019/20	Budget Year 2020/21
Total Operating Revenue	59 099 874	66 425 523	69 224 583	71 641 582
Total Operating Expenditure	67 667 601	69 400 315	71 702 844	75 338 320
(Surplus)/Deficit for the year	<b>-8 567 727</b>	<b>-2 973 792</b>	<b>-2 478 261</b>	<b>-3 696 738</b>
Total Capital Expenditure	<b>536 000</b>	<b>2 820 000</b>	-	-

The municipality's operating budget indicates a deficit of R 2.97 million which is mainly due to the following isolated events:

- The budget inclusion of interest of the post retirement benefit of R 1 952 279. Note that this is a non-cash item.
- The budget inclusion of current service costs for the medical aid benefit as well as the long service award benefit.
- Provision for the review of the Namakwa District Municipality's special development framework.
- The consideration of replacement of the Municipality's fleet due to all vehicles being out of the warranty periods, attracting high maintenance costs and far exceeding 100 000kms. Cost estimates indicated replacement costs of +- R 2 800 000.
- The loss of allocation of Expanded Public Works Grant of R 1 000 000 for the 2018/19 financial year. No indication / reasons were provided by National Treasury for the removal of this allocation.
- Inclusion of non-cash item, depreciation for R 1 373 000 which contributes to the loss indicated.
- High provision of audit fees in excess of R 2 300 000 for the 2018/19 financial year.
- The loss of the Municipal Systems Improvement Grant gazetted in the 2017 Division of Revenue Bill which has been subsequently removed from the current gazette. The amount lost is R 3 123 000.

**The above deficit is fully funded by the municipality's own funding which include investments which are sufficient. Also note that the municipality indicates a surplus of R6.98 million for the 2018/19 MTREF in A8 and SA 10 indicates that the Namakwa District Municipality's budget is fully funded for the projected forecasted years included in this MTREF.**

## 1.4 Operating Revenue Framework

For Namakwa District Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to

address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in balancing expenditures against realistically anticipated revenues.

The municipality’s revenue strategy is built around the following key components:

- National Treasury’s guidelines and macroeconomic policy;
- Change in the calculation of the equitable share formula for district municipalities;
- The continuous efforts of seeking implementing agent opportunities which will generate additional revenues for the Namakwa District Municipality.

The following table is a summary of the 2018/19 MTREF (classified by main revenue source):

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

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		635	643	671	917	917	917	917	938	988	1 042
Interest earned - external investments		2 287	1 854	1 467	2 260	2 260	2 260	2 260	3 020	2 800	2 800
Interest earned - outstanding debtors		59	63	72	60	60	60	60	60	60	60
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	5	5	5	5	5	5	5
Licences and permits		-	-	-	-	-	-	-	-	-	-
Agency services		759	-	236	8 823	7 800	7 800	7 800	9 000	9 500	9 800
Transfers and subsidies		44 176	46 946	42 857	44 527	45 218	45 218	45 218	51 376	53 928	56 274
Other revenue	2	787	1 347	1 291	-	2 840	2 840	2 840	2 027	1 943	1 660
Gains on disposal of PPE		-	31	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>48 704</b>	<b>50 883</b>	<b>46 593</b>	<b>56 591</b>	<b>59 100</b>	<b>59 100</b>	<b>59 100</b>	<b>66 426</b>	<b>69 225</b>	<b>71 642</b>

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

Revenue generated from Government Grants forms the major source of revenue of Namakwa District Municipality.

Operating grants and transfers totals R51.37 million in the 2018/19 financial year and increases to R54.07 million by 2020/21. The increase in revenue is as a result of a small reform of the equitable share formula for small allocation District Municipalities.

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

**Table 3 Operating Transfers and Grant Receipts**

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>RECEIPTS:</b>										
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		36 541	36 541	40 611	42 892	44 092	44 092	51 376	53 928	56 274
Local Government Equitable Share		32 035	32 035	33 008	36 316	36 316	36 316	44 724	46 639	48 375
Local Government Financial Management Grant		1 250	1 250	1 250	1 250	1 250	1 250	1 320	1 785	2 217
Municipal Systems Improvement		827	827	-	-	-	-	-	-	-
Health Inspector's Subsidy		2 429	2 429	2 428	2 428	2 428	2 428	2 428	2 428	2 428
Municipal Infrastructure Grant		-	-	-	-	-	-	-	-	-
Road Asset Management Systems Grant [Schedule 5]		-	-	3 925	2 898	4 098	4 098	2 904	3 076	3 254
<b>Provincial Government:</b>		1 148	1 148	1 154	1 350	1 435	1 435	-	-	-
Civil Defence Subsidy		148	148	154	350	435	435	-	-	-
Expanded Public Works Programme Integrated Grant		1 000	1 000	1 000	1 000	1 000	1 000	-	-	-
Fire Equipment Grant		-	-	-	-	-	-	-	-	-
IDP/LDO		-	-	-	-	-	-	-	-	-
Sakrivier Bridge		-	-	-	-	-	-	-	-	-
NC Housing		-	-	-	-	-	-	-	-	-
Drought Relief		-	-	-	-	-	-	-	-	-
Namaqua Sanitation Bucket System		-	-	-	-	-	-	-	-	-
Khotsso Pula Nala		-	-	-	-	-	-	-	-	-
Fencing		-	-	-	-	-	-	-	-	-
Border Fencing		-	-	-	-	-	-	-	-	-
Komaggas Road		-	-	-	-	-	-	-	-	-
SA Projects		-	-	-	-	-	-	-	-	-
Contingency Fund		-	-	-	-	-	-	-	-	-
Electronic Filing System		-	-	-	-	-	-	-	-	-
Agricultural - Fish Factory		-	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<i>District Municipality</i>		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		23	23	-	109	109	109	-	-	-
Maintenance Fund		-	-	-	-	-	-	-	-	-
Swartzkop Sport Ground (Lotto)		-	-	-	-	-	-	-	-	-
Public Sector SETA		-	-	-	109	109	109	-	-	-
Training Reserve (SETA)		23	23	-	-	-	-	-	-	-
Kamiesberg Special Fund		-	-	-	-	-	-	-	-	-
Richtersveld Special Fund		-	-	-	-	-	-	-	-	-
Construction Education Training Authority		-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	5	37 712	37 712	41 765	44 351	45 636	45 636	51 376	53 928	56 274

Announced in the Division of Revenue Bill for 2018 there is a significant increase of 12.57% in the equitable share of the Namakwa District Municipality from 2017/18 financial year to 2018/19 financial year. The Municipal Systems Improvement Grant and EPWP Grant were removed from the Division of Revenue Bill.

The municipality is in the ongoing process of continuously seeking for other revenue sources due to the reduction of reserves as well as the equitable share not being adequate to fund all activities of the Namakwa District Municipality.

### 1.5 Operating Expenditure Framework

The Namakwa District Municipality’s expenditure framework for the 2018/19 budget and MTREF is informed by the following:

- The asset renewal strategy and the repairs and maintenance plan;
- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to the asset renewal strategy and is mainly funded by internally generated funding being cash-back reserves;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of *no project plans no budget*. If there is no business plan no funding allocation can be made.

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

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

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>Expenditure By Type</b>											
Employee related costs	2	27 325	27 690	25 908	35 668	34 996	34 996	34 996	37 700	39 296	41 564
Remuneration of councillors		2 583	2 868	2 829	3 134	2 861	2 861	2 861	3 093	3 291	3 505
Debt impairment	3	929	405	19 136	-	-	-	-	-	-	-
Depreciation & asset impairment	2	2 054	2 074	1 976	2 267	2 267	2 267	2 267	1 373	1 373	1 373
Finance charges		1 611	1 667	1 699	378	191	191	191	100	86	94
Bulk purchases	2	-	-	-	-	-	-	-	-	-	-
Other materials	8	-	-	-	-	805	805	805	558	589	621
Contracted services		-	7 754	2 611	13 088	15 289	15 289	15 289	14 716	14 650	15 148
Transfers and subsidies		7 480	707	1 014	120	133	133	133	120	120	120
Other expenditure	4, 5	16 459	16 103	14 728	10 932	11 126	11 126	11 126	11 740	12 297	12 912
Loss on disposal of PPE		21	-	16	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>58 461</b>	<b>59 267</b>	<b>69 918</b>	<b>65 585</b>	<b>67 668</b>	<b>67 668</b>	<b>67 668</b>	<b>69 400</b>	<b>71 703</b>	<b>75 338</b>

The budgeted allocation for employee related costs for the 2018/19 financial year totals R37.70 million, which equals 54.32 % of the total operating expenditure, a reduction from the previous year of 55.09%. Based on Circular 11 of 2018, salary increases have been factored into this budget at a percentage increase of 5.9 percent for the 2018/19 financial year. An

annual increase of 6.4 and 6.5 percent has been included in the two outer years of the MTREF where no additional information was available.

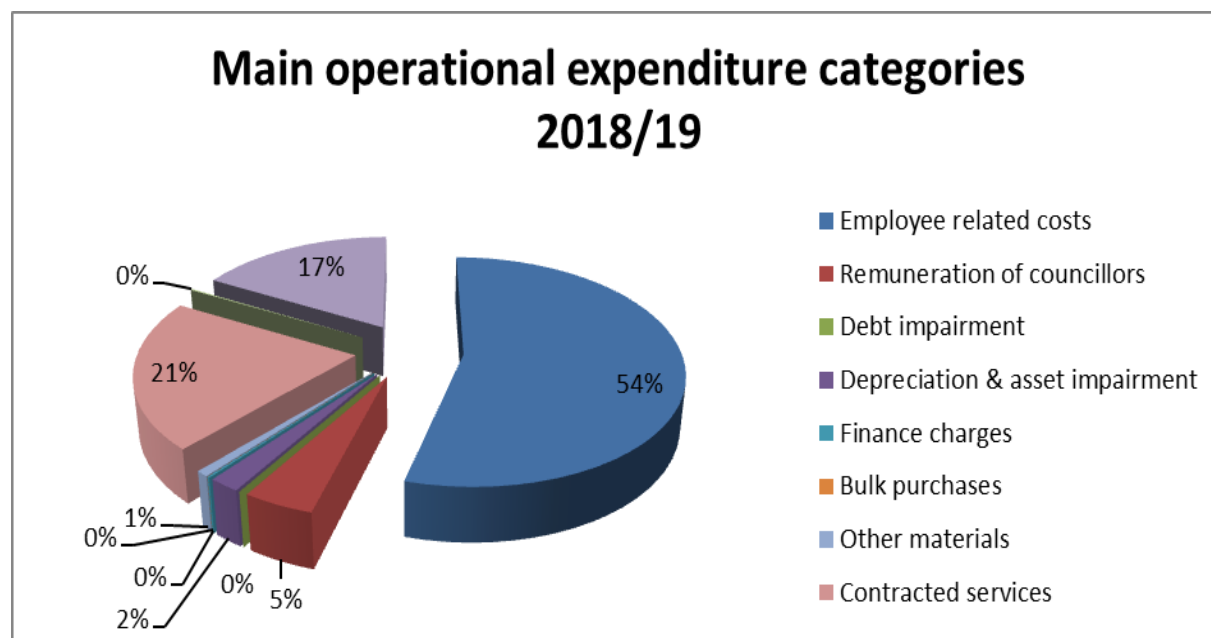
The cost associated with the remuneration of councilors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the municipality’s budget.

Provision for depreciation and asset impairment has been informed by the Municipality’s Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R1.37 million for the 2018/19 financial and equates to 1.98 percent 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.

Contracted services are strictly costing that was obtained from the Department of Environmental Affairs for the Work for Water project.

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. Growth has been limited to 5.3 percent for 2018/19 and curbed at 5.4 and 5.5 per cent for the two outer years, indicating that significant cost savings have been already realised. Further details relating to contracted services can be seen in Table 51 MBRR SA1.

The following table gives a breakdown of the main expenditure categories for the 2018/19 financial year.



**Figure 1 Main operational expenditure categories for the 2018/19 financial year**

### 1.5.1 Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the Municipality’s current infrastructure, the 2018/19 budget and MTREF provided for reasonable growth in the area of asset maintenance, as informed by the asset renewal strategy and repairs and maintenance plan of the municipality. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services.

Considering these cost drivers, the following table is a consolidation of all the expenditures associated with repairs and maintenance:

**Table 5 Operational repairs and maintenance**

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>R thousand</b>											
Repairs and Maintenance	8	-	-	-	-	-	-	-	-	-	-
Employee related costs		-	-	-	-	-	-	-	-	-	-
Other materials		-	-	-	-	-	-	-	28	30	31
Contracted Services		641	-	-	471	540	540	540	567	598	631
Other Expenditure		-	-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>	<b>9</b>	<b>641</b>	<b>-</b>	<b>-</b>	<b>471</b>	<b>540</b>	<b>540</b>	<b>540</b>	<b>595</b>	<b>627</b>	<b>662</b>

The municipality’s repairs and maintenance budget has increased by 11.26% from R 595 000 in 2018/19 financial year to R 662 000 in the 2020/21 financial year. This is as a result of maintenance to be done on the Council Building in Calvinia as well as other Municipal buildings.

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

**Table 6 Repairs and maintenance per asset class**

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
<b>R thousand</b>											
<b>EXPENDITURE OTHER ITEMS</b>											
<u>Depreciation</u>	7	2 054	2 074	1 976	2 267	2 267	2 267	1 373	1 373	1 373	
<u>Repairs and Maintenance by Asset Class</u>	3	641	-	-	471	540	540	595	627	662	
<b>Investment properties</b>											
Operational Buildings		404	-	-	300	334	334	377	397	419	
Housing		-	-	-	-	-	-	-	-	-	
<b>Other Assets</b>		<b>404</b>	<b>-</b>	<b>-</b>	<b>300</b>	<b>334</b>	<b>334</b>	<b>377</b>	<b>397</b>	<b>419</b>	
<b>Biological or Cultivated Assets</b>											
Servitudes		-	-	-	-	-	-	-	-	-	
Licences and Rights		-	-	-	20	30	30	32	33	35	
<b>Intangible Assets</b>					<b>20</b>	<b>30</b>	<b>30</b>	<b>32</b>	<b>33</b>	<b>35</b>	
Computer Equipment		85	-	-	62	90	90	94	99	104	
Furniture and Office Equipment		58	-	-	33	30	30	34	36	38	
Machinery and Equipment		-	-	-	-	-	-	-	-	-	
<b>Transport Assets</b>		<b>94</b>	<b>-</b>	<b>-</b>	<b>56</b>	<b>56</b>	<b>56</b>	<b>59</b>	<b>62</b>	<b>66</b>	
Libraries		-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	
<b>TOTAL EXPENDITURE OTHER ITEMS</b>		<b>2 695</b>	<b>2 074</b>	<b>1 976</b>	<b>2 738</b>	<b>2 807</b>	<b>2 807</b>	<b>1 969</b>	<b>2 001</b>	<b>2 035</b>	

All repairs and maintenance is classified under other assets as the municipality’s assets does not fall into any other category as provided in these schedules.

### 1.6 Capital expenditure

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

**Table 7 2018/19 Medium-term capital budget per vote**

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Capital expenditure - Municipal Vote</b>											
<b>Single-year expenditure appropriation</b>	2										
<b>Vote 1 - Municipal Manager</b>		87	-	-	78	95	95	95	15	-	-
1.1 - Council: Councillors		-	-	-	-	-	-	-	-	-	-
1.2 - Council Expenditure		1	-	-	30	32	32	32	-	-	-
1.3 - Executive Mayor		-	-	-	-	-	-	-	-	-	-
1.4 - Internal Audit and Audit Committee		21	-	-	-	-	-	-	-	-	-
1.5 - Mayor - PA		60	-	-	-	-	-	-	-	-	-
1.6 - Municipal Manager		5	-	-	48	63	63	63	-	-	-
1.7 - Municipal Manager - Admin		-	-	-	-	-	-	-	-	-	-
1.8 - Housing		-	-	-	-	-	-	-	-	-	-
1.9 - Speaker		-	-	-	-	-	-	-	-	-	-
1.10 - Speaker - PA		-	-	-	-	-	-	-	15	-	-
<b>Vote 2 - Manager: Corporate Services</b>		152	134	84	17	41	41	41	2 723	-	-
2.1 - Administration		33	55	27	17	41	41	41	2 723	-	-
2.2 - Human Resources		-	-	-	-	-	-	-	-	-	-
2.3 - Council Buildings		119	79	57	-	-	-	-	-	-	-
2.4 - Council Vehicles		-	-	-	-	-	-	-	-	-	-
2.5 - Equitable Share - Admin		-	-	-	-	-	-	-	-	-	-
2.6 - Equitable Share - Electricity		-	-	-	-	-	-	-	-	-	-
2.7 - Equitable Share - Sanitation		-	-	-	-	-	-	-	-	-	-
2.8 - Equitable Share - Water		-	-	-	-	-	-	-	-	-	-
2.9 - Operational and Maintenance		-	-	-	-	-	-	-	-	-	-
<b>Vote 3 - Manager: Economic Development</b>		236	30	5	-	-	-	-	-	-	-
3.1 - Economic Development		1	30	5	-	-	-	-	-	-	-
3.2 - Fish Factory		-	-	-	-	-	-	-	-	-	-
3.3 - Harbour		-	-	-	-	-	-	-	-	-	-
3.4 - Project Manager SLP		-	-	-	-	-	-	-	-	-	-
3.5 - Tourism		-	-	-	-	-	-	-	-	-	-
3.6 - Working for Water		-	-	-	-	-	-	-	-	-	-
3.7 - Planning		-	-	-	-	-	-	-	-	-	-
3.8 - Council Projects		-	-	-	-	-	-	-	-	-	-
3.9 - Project Management		236	-	-	-	-	-	-	-	-	-
<b>Vote 4 - Manager: Environmental Health</b>		1 192	121	196	-	385	385	385	65	-	-
4.1 - Ambulance		-	-	-	-	-	-	-	-	-	-
4.2 - Environmental Health		42	-	-	-	-	-	-	65	-	-
4.3 - Law Enforcement		-	-	-	-	-	-	-	-	-	-
4.4 - Primary Health		-	-	-	-	-	-	-	-	-	-
4.5 - Safety		1 151	121	196	-	385	385	385	-	-	-
<b>Vote 5 - Manager: Finance</b>		-	8	-	15	15	15	15	17	-	-
5.1 - Finance		-	8	-	15	15	15	15	17	-	-
<b>Vote 6 - Manager: Roads</b>		-	-	-	-	-	-	-	-	-	-
6.1 - Plant and Equipment		-	-	-	-	-	-	-	-	-	-
6.2 - Roads		-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		1 668	293	284	110	536	536	536	2 820	-	-
<b>Total Capital Expenditure</b>		1 668	293	284	110	536	536	536	2 820	-	-

This is the capital budget included per department for the 2018/19 MTREF. The capital expenditure budget has increased from 2017/18 to 2018/19 financial year. This increase in the capital budget is due to the proposed replacement of fleet.

The table below provides a breakdown of capital expenditure by class and sub-class:



**Table 8 Capital Expenditure per class and sub-class**

DC6 Namakwa - Supporting Table SA36 Detailed capital budget																
Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code	Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2018/19 Medium Term Revenue & Expenditure Framework			Project information	
										Audited Outcome 2016/17	Current Year 2017/18 Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	Ward location	New or renewal
R thousand	4			2	6	3	3	5								
Parent municipality: <i>List all capital projects grouped by Municipal Vote</i>																
3.1 - Economic Development		Furniture			Yes	Other assets	Furniture and other office equipment			5	-	-	-	-		
2.1 - Administration		Furniture			Yes	Other assets	Furniture and other office equipment			27	-	-	-	-		
2.1 - Administration		Computer Equipment			Yes	Other assets	Computers - hardware/equipment			-	17	2 723	-	-		
5.1 - Finance		Computer Equipment			Yes	Other assets	Computers - hardware/equipment			-	15	17	-	-		
1.10 - Speaker - PA		Computer Equipment			Yes	Other assets	Computers - hardware/equipment			-	-	15	-	-		
4.5 - Safety		Equipment			Yes	Other assets	Plant & equipment			196	-	-	-	-		
4.2 - Environmental Health		Computer Equipment			Yes	Other assets	Computers - hardware/equipment			-	-	65	-	-		
2.3 - Council Buildings		Land and Buildings			Yes	Other assets	Other Buildings			57	-	-	-	-		
1.2 - Council Expenditure		Computer Equipment			Yes	Other assets	Computers - hardware/equipment			-	30	-	-	-		
1.6 - Municipal Manager		Computer Equipment			Yes	Other assets	Computers - hardware/equipment			-	48	-	-	-		
Parent Capital expenditure	1									284	110	2 820	-	-		
Entities: <i>List all capital projects grouped by Entity</i>																
Entity A Water project A																
Entity B Electricity project B																
Entity Capital expenditure										-	-	-	-	-		
Total Capital expenditure										284	110	2 820	-	-		

**1.7 Annual Budget Tables – Namakwa District Municipality**

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality’s 2018/19 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory notes* on the facing page.

**Table 9 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	2 287	1 854	1 467	2 260	2 260	2 260	2 260	3 020	2 800	2 800
Transfers recognised - operational	44 176	46 946	42 857	44 527	45 218	45 218	45 218	51 376	53 928	56 274
Other own revenue	2 240	2 084	2 270	9 805	11 622	11 622	11 622	12 030	12 497	12 568
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>48 704</b>	<b>50 883</b>	<b>46 593</b>	<b>56 591</b>	<b>59 100</b>	<b>59 100</b>	<b>59 100</b>	<b>66 426</b>	<b>69 225</b>	<b>71 642</b>
Employee costs	27 325	27 690	25 908	35 668	34 996	34 996	34 996	37 700	39 296	41 564
Remuneration of councillors	2 583	2 868	2 829	3 134	2 861	2 861	2 861	3 093	3 291	3 505
Depreciation & asset impairment	2 054	2 074	1 976	2 267	2 267	2 267	2 267	1 373	1 373	1 373
Finance charges	1 611	1 667	1 699	378	191	191	191	100	86	94
Materials and bulk purchases	-	-	-	-	805	805	805	558	589	621
Transfers and grants	7 480	707	1 014	120	133	133	133	120	120	120
Other expenditure	17 409	24 262	36 491	24 020	26 415	26 415	26 415	26 456	26 948	28 061
<b>Total Expenditure</b>	<b>58 461</b>	<b>59 267</b>	<b>69 918</b>	<b>65 585</b>	<b>67 668</b>	<b>67 668</b>	<b>67 668</b>	<b>69 400</b>	<b>71 703</b>	<b>75 338</b>
<b>Surplus/(Deficit)</b>	<b>(9 757)</b>	<b>(8 384)</b>	<b>(23 325)</b>	<b>(8 994)</b>	<b>(8 568)</b>	<b>(8 568)</b>	<b>(8 568)</b>	<b>(2 975)</b>	<b>(2 478)</b>	<b>(3 697)</b>
Transfers and subsidies - capital (monetary alloc	1 084	324	196	-	-	-	-	-	-	-
Contributions recognised - capital & contributed a	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(8 673)</b>	<b>(8 060)</b>	<b>(23 129)</b>	<b>(8 994)</b>	<b>(8 568)</b>	<b>(8 568)</b>	<b>(8 568)</b>	<b>(2 975)</b>	<b>(2 478)</b>	<b>(3 697)</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>(8 673)</b>	<b>(8 060)</b>	<b>(23 129)</b>	<b>(8 994)</b>	<b>(8 568)</b>	<b>(8 568)</b>	<b>(8 568)</b>	<b>(2 975)</b>	<b>(2 478)</b>	<b>(3 697)</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>1 668</b>	<b>293</b>	<b>284</b>	<b>110</b>	<b>536</b>	<b>536</b>	<b>536</b>	<b>2 820</b>	<b>-</b>	<b>-</b>
Transfers recognised - capital	980	153	196	-	385	385	385	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	688	140	89	110	151	151	151	2 820	-	-
<b>Total sources of capital funds</b>	<b>1 668</b>	<b>293</b>	<b>284</b>	<b>110</b>	<b>536</b>	<b>536</b>	<b>536</b>	<b>2 820</b>	<b>-</b>	<b>-</b>
<b>Financial position</b>										
Total current assets	34 276	38 014	10 838	17 067	17 067	17 067	17 067	11 922	11 034	7 844
Total non current assets	11 578	9 773	8 065	4 700	9 297	8 832	8 832	10 279	8 905	7 532
Total current liabilities	6 506	16 806	12 384	3 953	3 953	3 953	3 953	4 081	4 296	3 378
Total non current liabilities	18 596	18 331	16 997	21 672	20 010	20 010	20 010	19 158	19 160	19 212
Community wealth/Equity	20 752	12 650	(10 478)	(3 858)	2 401	1 937	1 937	(1 038)	(3 517)	(7 213)
<b>Cash flows</b>										
Net cash from (used) operating	(19 713)	(8 535)	(10 336)	7 985	8 411	8 411	8 411	(2 370)	(907)	(3 209)
Net cash from (used) investing	(2 187)	(238)	(284)	(110)	(536)	(536)	(536)	(2 820)	-	-
Net cash from (used) financing	231	(84)	(127)	(37)	(37)	(37)	(37)	(14)	-	-
<b>Cash/cash equivalents at the year end</b>	<b>27 833</b>	<b>18 976</b>	<b>8 228</b>	<b>16 486</b>	<b>16 486</b>	<b>16 486</b>	<b>16 486</b>	<b>11 282</b>	<b>10 374</b>	<b>7 166</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	27 834	18 977	8 229	16 486	16 486	16 486	16 486	11 282	10 374	7 166
Application of cash and investments	967	(35 146)	8 499	1 389	1 383	1 383	1 383	1 302	1 359	272
<b>Balance - surplus (shortfall)</b>	<b>26 867</b>	<b>54 123</b>	<b>(270)</b>	<b>15 097</b>	<b>15 103</b>	<b>15 103</b>	<b>15 103</b>	<b>9 979</b>	<b>9 016</b>	<b>6 893</b>
<b>Asset management</b>										
Asset register summary (WDV)	9 772	8 064	4 700	4 700	9 297	8 832	-	10 279	8 905	7 532
Depreciation	2 054	2 074	1 976	2 267	2 267	2 267	-	1 373	1 373	1 373
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	641	-	-	471	540	540	-	595	627	662
<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/sewerage:	-	-	-	-	-	-	-	-	-	-
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. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget
    - 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 in previous financial years the municipality was paying much attention to managing this aspect of its finances, and consequently many of its obligations are cash-backed. However, due to the constant operating deficits as well as the minimal increases in the equitable share allocation, the municipality's reserves are depleting at a significant rate.

**Table 10 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>		45 331	41 743	43 046	42 076	41 976	41 976	50 791	53 002	54 862
Executive and council		10 228	6 813	7 574	6 966	6 866	6 866	6 369	7 156	7 825
Finance and administration		35 103	34 930	35 472	35 110	35 110	35 110	44 422	45 846	47 037
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		3 797	2 924	2 929	2 778	3 295	3 295	2 817	2 675	2 691
Community and social services		2 429	2 428	2 428	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		1 368	496	501	350	867	867	389	247	263
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	2 428	2 428	2 428	2 428	2 428	2 428
<i>Economic and environmental services</i>		660	6 540	814	11 737	13 829	13 829	12 817	13 547	14 089
Planning and development		660	6 540	806	2 915	5 006	5 006	2 904	3 076	3 254
Road transport		-	-	8	1 022	1 022	1 022	913	971	1 035
Environmental protection		-	-	-	7 800	7 800	7 800	9 000	9 500	9 800
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	<b>49 788</b>	<b>51 207</b>	<b>46 789</b>	<b>56 591</b>	<b>59 100</b>	<b>59 100</b>	<b>66 426</b>	<b>69 225</b>	<b>71 642</b>
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		39 316	37 367	36 356	37 263	36 895	36 895	39 224	40 086	42 178
Executive and council		24 426	21 675	19 486	17 500	17 186	17 186	17 290	17 186	18 165
Finance and administration		14 890	15 693	16 871	18 509	18 327	18 327	20 468	21 352	22 375
Internal audit		-	-	-	1 255	1 382	1 382	1 466	1 548	1 638
<i>Community and public safety</i>		9 640	9 822	8 528	8 881	10 112	10 112	10 408	10 751	11 337
Community and social services		4 600	5 001	4 338	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		4 972	4 751	4 189	4 349	4 953	4 953	4 922	5 012	5 295
Housing		-	-	-	-	-	-	-	-	-
Health		69	70	-	4 531	5 159	5 159	5 486	5 739	6 042
<i>Economic and environmental services</i>		7 422	10 441	23 394	17 329	18 551	18 551	17 720	18 703	19 538
Planning and development		7 422	10 441	23 385	7 832	9 729	9 729	7 807	8 231	8 703
Road transport		-	-	8	1 022	1 022	1 022	913	971	1 035
Environmental protection		-	-	-	8 475	7 800	7 800	9 000	9 500	9 800
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	2 083	1 637	1 640	2 113	2 109	2 109	2 048	2 163	2 286
<b>Total Expenditure - Functional</b>	3	<b>58 461</b>	<b>59 267</b>	<b>69 918</b>	<b>65 585</b>	<b>67 668</b>	<b>67 668</b>	<b>69 400</b>	<b>71 703</b>	<b>75 338</b>
<b>Surplus/(Deficit) for the year</b>		<b>(8 673)</b>	<b>(8 060)</b>	<b>(23 129)</b>	<b>(8 994)</b>	<b>(8 568)</b>	<b>(8 568)</b>	<b>(2 975)</b>	<b>(2 478)</b>	<b>(3 697)</b>

**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 7 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 11 MBRR 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 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>Revenue by Vote</b>	1									
Vote 1 - Municipal Manager		4 826	10 192	4 867	3 649	3 549	3 549	2 645	2 798	2 952
Vote 2 - Manager: Corporate Services		5 353	5 017	7 939	4 348	4 348	4 348	5 386	6 071	6 278
Vote 3 - Manager: Economic Development		13 038	9 763	3 603	10 715	12 807	12 807	11 904	12 576	13 054
Vote 4 - Manager: Environmental Health		3 391	3 797	2 838	2 778	3 295	3 295	2 817	2 675	2 691
Vote 5 - Manager: Finance		23 179	22 438	27 534	34 079	34 079	34 079	42 760	44 133	45 632
Vote 6 - Manager: Roads		-	-	8	1 022	1 022	1 022	913	971	1 035
<b>Total Revenue by Vote</b>	2	<b>49 788</b>	<b>51 207</b>	<b>46 789</b>	<b>56 591</b>	<b>59 100</b>	<b>59 100</b>	<b>66 426</b>	<b>69 225</b>	<b>71 642</b>
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 1 - Municipal Manager		14 603	15 059	17 104	18 755	18 568	18 568	18 756	18 734	19 803
Vote 2 - Manager: Corporate Services		9 173	10 079	11 604	12 782	12 636	12 636	14 217	14 391	14 691
Vote 3 - Manager: Economic Development		21 457	19 067	27 409	17 744	19 638	19 638	18 855	19 894	20 789
Vote 4 - Manager: Environmental Health		8 392	9 656	8 526	9 555	10 112	10 112	10 408	10 751	11 337
Vote 5 - Manager: Finance		4 836	5 406	5 266	5 727	5 692	5 692	6 251	6 961	7 684
Vote 6 - Manager: Roads		-	-	8	1 022	1 022	1 022	913	971	1 035
<b>Total Expenditure by Vote</b>	2	<b>58 461</b>	<b>59 267</b>	<b>69 918</b>	<b>65 585</b>	<b>67 668</b>	<b>67 668</b>	<b>69 400</b>	<b>71 703</b>	<b>75 338</b>
<b>Surplus/(Deficit) for the year</b>	2	<b>(8 673)</b>	<b>(8 060)</b>	<b>(23 129)</b>	<b>(8 994)</b>	<b>(8 568)</b>	<b>(8 568)</b>	<b>(2 975)</b>	<b>(2 478)</b>	<b>(3 697)</b>

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

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

**Table 12 MBRR 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		635	643	671	917	917	917	917	938	988	1 042
Interest earned - external investments		2 287	1 854	1 467	2 260	2 260	2 260	2 260	3 020	2 800	2 800
Interest earned - outstanding debtors		59	63	72	60	60	60	60	60	60	60
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	5	5	5	5	5	5	5
Licences and permits		-	-	-	-	-	-	-	-	-	-
Agency services		759	-	236	8 823	7 800	7 800	7 800	9 000	9 500	9 800
Transfers and subsidies		44 176	46 946	42 857	44 527	45 218	45 218	45 218	51 376	53 928	56 274
Other revenue	2	787	1 347	1 291	-	2 840	2 840	2 840	2 027	1 943	1 660
Gains on disposal of PPE		-	31	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>48 704</b>	<b>50 883</b>	<b>46 593</b>	<b>56 591</b>	<b>59 100</b>	<b>59 100</b>	<b>59 100</b>	<b>66 426</b>	<b>69 225</b>	<b>71 642</b>
<b>Expenditure By Type</b>											
Employee related costs	2	27 325	27 690	25 908	35 668	34 996	34 996	34 996	37 700	39 296	41 564
Remuneration of councillors		2 583	2 868	2 829	3 134	2 861	2 861	2 861	3 093	3 291	3 505
Debt impairment	3	929	405	19 136	-	-	-	-	-	-	-
Depreciation & asset impairment	2	2 054	2 074	1 976	2 267	2 267	2 267	2 267	1 373	1 373	1 373
Finance charges		1 611	1 667	1 699	378	191	191	191	100	86	94
Bulk purchases	2	-	-	-	-	-	-	-	-	-	-
Other materials	8	-	-	-	-	805	805	805	558	589	621
Contracted services		-	7 754	2 611	13 088	15 289	15 289	15 289	14 716	14 650	15 148
Transfers and subsidies		7 480	707	1 014	120	133	133	133	120	120	120
Other expenditure	4, 5	16 459	16 103	14 728	10 932	11 126	11 126	11 126	11 740	12 297	12 912
Loss on disposal of PPE		21	-	16	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>58 461</b>	<b>59 267</b>	<b>69 918</b>	<b>65 585</b>	<b>67 668</b>	<b>67 668</b>	<b>67 668</b>	<b>69 400</b>	<b>71 703</b>	<b>75 338</b>
<b>Surplus/(Deficit)</b>		<b>(9 757)</b>	<b>(8 384)</b>	<b>(23 325)</b>	<b>(8 994)</b>	<b>(8 568)</b>	<b>(8 568)</b>	<b>(8 568)</b>	<b>(2 975)</b>	<b>(2 478)</b>	<b>(3 697)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		1 084	324	196	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Transfers and subsidies - capital (in-kind - all)	6	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(8 673)</b>	<b>(8 060)</b>	<b>(23 129)</b>	<b>(8 994)</b>	<b>(8 568)</b>	<b>(8 568)</b>	<b>(8 568)</b>	<b>(2 975)</b>	<b>(2 478)</b>	<b>(3 697)</b>
Taxation		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>(8 673)</b>	<b>(8 060)</b>	<b>(23 129)</b>	<b>(8 994)</b>	<b>(8 568)</b>	<b>(8 568)</b>	<b>(8 568)</b>	<b>(2 975)</b>	<b>(2 478)</b>	<b>(3 697)</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(8 673)</b>	<b>(8 060)</b>	<b>(23 129)</b>	<b>(8 994)</b>	<b>(8 568)</b>	<b>(8 568)</b>	<b>(8 568)</b>	<b>(2 975)</b>	<b>(2 478)</b>	<b>(3 697)</b>
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>		<b>(8 673)</b>	<b>(8 060)</b>	<b>(23 129)</b>	<b>(8 994)</b>	<b>(8 568)</b>	<b>(8 568)</b>	<b>(8 568)</b>	<b>(2 975)</b>	<b>(2 478)</b>	<b>(3 697)</b>

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

1. Total revenue is R66.43 million in 2018/19 and increases to R71.64 million by 2020/21. This represents an increase of 7.84% from total revenue in 2018/19 to 2020/21.
2. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. It needs to be noted that in real terms the grants receipts from national government has increased over the MTREF by 9.53% from 2018/19 to 2020/21.

**Table 13 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source**

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Capital Expenditure - Functional</b>											
<i><b>Governance and administration</b></i>		239	142	84	110	151	151	151	2 755	-	-
Executive and council		87	-	-	78	95	95	95	15	-	-
Finance and administration		152	142	84	32	56	56	56	2 740	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-
<i><b>Community and public safety</b></i>		1 151	121	196	-	385	385	385	65	-	-
Community and social services		-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		1 151	121	196	-	385	385	385	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	65	-	-
<i><b>Economic and environmental services</b></i>		278	30	5	-	-	-	-	-	-	-
Planning and development		257	30	5	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-	-
Environmental protection		21	-	-	-	-	-	-	-	-	-
<i><b>Trading services</b></i>		-	-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-
<i><b>Other</b></i>		-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	3	1 668	293	284	110	536	536	536	2 820	-	-
<b>Funded by:</b>											
National Government		107	23	-	-	-	-	-	-	-	-
Provincial Government		873	130	196	-	385	385	385	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	4	980	153	196	-	385	385	385	-	-	-
<b>Public contributions &amp; donations</b>	5	-	-	-	-	-	-	-	-	-	-
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		688	140	89	110	151	151	151	2 820	-	-
<b>Total Capital Funding</b>	7	1 668	293	284	110	536	536	536	2 820	-	-

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

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. Single-year capital expenditure has been appropriated at R 2 820 000 for the 2018/19 financial year and no budget for the outer years.
3. The capital programme is funded from capital and provincial grants and transfers and internally generated funds from current year surpluses.

**Table 14 MBRR 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		1 313	3 686	1 019	16 486	16 486	16 486	16 486	11 282	10 374	7 166
Call investment deposits	1	26 520	15 290	7 209	-	-	-	-	-	-	-
Consumer debtors	1	-	-	-	581	581	581	581	640	659	679
Other debtors		6 443	19 038	2 610	-	-	-	-	-	-	-
Current portion of long-term receivables		-	-	-	-	-	-	-	-	-	-
Inventory	2	-	-	-	-	-	-	-	-	-	-
<b>Total current assets</b>		<b>34 276</b>	<b>38 014</b>	<b>10 838</b>	<b>17 067</b>	<b>17 067</b>	<b>17 067</b>	<b>17 067</b>	<b>11 922</b>	<b>11 034</b>	<b>7 844</b>
<b>Non current assets</b>											
Long-term receivables		-	-	-	-	-	-	-	-	-	-
Investments		1	1	1	-	-	-	-	-	-	-
Investment property		131	98	109	806	806	109	109	98	87	75
Investment in Associate		-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	3	10 409	8 925	7 439	3 528	7 975	7 975	7 975	9 608	8 421	7 234
Agricultural		-	-	-	-	-	-	-	-	-	-
Biological		-	-	-	-	-	-	-	-	-	-
Intangible		1 037	749	516	366	516	749	749	573	398	223
Other non-current assets		-	-	-	-	-	-	-	-	-	-
<b>Total non current assets</b>		<b>11 578</b>	<b>9 773</b>	<b>8 065</b>	<b>4 700</b>	<b>9 297</b>	<b>8 832</b>	<b>8 832</b>	<b>10 279</b>	<b>8 905</b>	<b>7 532</b>
<b>TOTAL ASSETS</b>		<b>45 854</b>	<b>47 787</b>	<b>18 903</b>	<b>21 767</b>	<b>26 364</b>	<b>25 899</b>	<b>25 899</b>	<b>22 200</b>	<b>19 939</b>	<b>15 377</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft	1	-	-	-	-	-	-	-	-	-	-
Borrowing	4	97	127	138	-	-	-	-	-	-	-
Consumer deposits		-	-	-	-	-	-	-	-	-	-
Trade and other payables	4	3 245	13 233	8 732	1 935	1 935	1 935	1 935	1 936	2 014	947
Provisions		3 164	3 446	3 514	2 018	2 018	2 018	2 018	2 145	2 282	2 430
<b>Total current liabilities</b>		<b>6 506</b>	<b>16 806</b>	<b>12 384</b>	<b>3 953</b>	<b>3 953</b>	<b>3 953</b>	<b>3 953</b>	<b>4 081</b>	<b>4 296</b>	<b>3 378</b>
<b>Non current liabilities</b>											
Borrowing		343	229	91	14	14	14	14	-	-	-
Provisions		18 253	18 101	16 906	21 657	19 996	19 996	19 996	19 158	19 160	19 212
<b>Total non current liabilities</b>		<b>18 596</b>	<b>18 331</b>	<b>16 997</b>	<b>21 672</b>	<b>20 010</b>	<b>20 010</b>	<b>20 010</b>	<b>19 158</b>	<b>19 160</b>	<b>19 212</b>
<b>TOTAL LIABILITIES</b>		<b>25 102</b>	<b>35 137</b>	<b>29 381</b>	<b>25 625</b>	<b>23 963</b>	<b>23 963</b>	<b>23 963</b>	<b>23 239</b>	<b>23 456</b>	<b>22 590</b>
<b>NET ASSETS</b>	5	<b>20 752</b>	<b>12 650</b>	<b>(10 478)</b>	<b>(3 858)</b>	<b>2 401</b>	<b>1 937</b>	<b>1 937</b>	<b>(1 038)</b>	<b>(3 517)</b>	<b>(7 213)</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated Surplus/(Deficit)		20 213	12 637	(10 489)	(3 858)	2 401	1 937	1 937	(1 038)	(3 517)	(7 213)
Reserves	4	538	13	11	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	5	<b>20 752</b>	<b>12 650</b>	<b>(10 478)</b>	<b>(3 858)</b>	<b>2 401</b>	<b>1 937</b>	<b>1 937</b>	<b>(1 038)</b>	<b>(3 517)</b>	<b>(7 213)</b>



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

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. Table 53 is supported by an extensive table of notes (SA3 which can be found on page 77) providing a detailed analysis of the major components of a number of items, including:
  - Call investments deposits;
  - Consumer debtors;
  - Property, plant and equipment;
  - Trade and other payables;
  - Provisions non-current;
  - Changes in net assets; and
  - Reserves
4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

**Table 15 MBRR Table A7 - Budgeted Cash Flow Statement**

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		44	61	72	-	-	-	-	-	-	-
Service charges		-	-	-	-	-	-	-	-	-	-
Other revenue		748	5 155	131	9 224	11 041	11 041	11 041	11 911	12 417	12 488
Government - operating	1	38 301	48 755	42 695	44 527	45 218	45 218	45 218	51 376	53 928	56 274
Government - capital	1	-	-	-	-	-	-	-	-	-	-
Interest		2 287	1 854	1 467	2 260	2 260	2 260	2 260	3 080	2 860	2 860
Dividends		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Suppliers and employees		(61 086)	(64 285)	(54 648)	(47 906)	(49 988)	(49 988)	(49 988)	(68 617)	(69 993)	(74 711)
Finance charges		(8)	(75)	(54)	-	-	-	-	-	-	-
Transfers and Grants	1	-	-	-	(120)	(120)	(120)	(120)	(120)	(120)	(120)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>(19 713)</b>	<b>(8 535)</b>	<b>(10 336)</b>	<b>7 985</b>	<b>8 411</b>	<b>8 411</b>	<b>8 411</b>	<b>(2 370)</b>	<b>(907)</b>	<b>(3 209)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		-	76	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Capital assets		(2 187)	(314)	(284)	(110)	(536)	(536)	(536)	(2 820)	-	-
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(2 187)</b>	<b>(238)</b>	<b>(284)</b>	<b>(110)</b>	<b>(536)</b>	<b>(536)</b>	<b>(536)</b>	<b>(2 820)</b>	<b>-</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		324	21	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Repayment of borrowing		(93)	(105)	(127)	(37)	(37)	(37)	(37)	(14)	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>231</b>	<b>(84)</b>	<b>(127)</b>	<b>(37)</b>	<b>(37)</b>	<b>(37)</b>	<b>(37)</b>	<b>(14)</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(21 669)</b>	<b>(8 857)</b>	<b>(10 748)</b>	<b>7 838</b>	<b>7 838</b>	<b>7 838</b>	<b>7 838</b>	<b>(5 205)</b>	<b>(907)</b>	<b>(3 209)</b>
Cash/cash equivalents at the year begin:	2	49 502	27 833	18 976	8 648	8 648	8 648	8 648	16 486	11 282	10 374
Cash/cash equivalents at the year end:	2	27 833	18 976	8 228	16 486	16 486	16 486	16 486	11 282	10 374	7 166

**Table 16 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation**

DC6 Namakwa - 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	27 833	18 976	8 228	16 486	16 486	16 486	16 486	11 282	10 374	7 166
Other current investments > 90 days		(0)	0	0	0	(0)	(0)	(0)	0	0	(0)
Non current assets - Investments	1	1	1	1	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>27 834</b>	<b>18 977</b>	<b>8 229</b>	<b>16 486</b>	<b>16 486</b>	<b>16 486</b>	<b>16 486</b>	<b>11 282</b>	<b>10 374</b>	<b>7 166</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		2 090	3 575	3 218	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(1 123)	(38 721)	5 281	1 389	1 383	1 383	1 383	1 302	1 359	272
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
<b>Total Application of cash and investments:</b>		<b>967</b>	<b>(35 146)</b>	<b>8 499</b>	<b>1 389</b>	<b>1 383</b>	<b>1 383</b>	<b>1 383</b>	<b>1 302</b>	<b>1 359</b>	<b>272</b>
<b>Surplus(shortfall)</b>		<b>26 867</b>	<b>54 123</b>	<b>(270)</b>	<b>15 097</b>	<b>15 103</b>	<b>15 103</b>	<b>15 103</b>	<b>9 979</b>	<b>9 016</b>	<b>6 893</b>

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

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

3. It can be seen that the cash levels of the municipality are slightly decreasing over the 2018/19 to 2020/21.
4. The municipality needs to urgently address the significant decrease in cash reserves over the MTREF period and prioritize expenditure and also look at cost cutting mechanisms.
5. The 2018/19 MTREF has been informed by the planning principle of ensuring adequate cash reserves over the medium-term.
6. Cash and cash equivalents totals R11.82 million as at the end of the 2018/19 financial year and decreases to R7.17 million by 2020/21.

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

#### **Reconciliation**

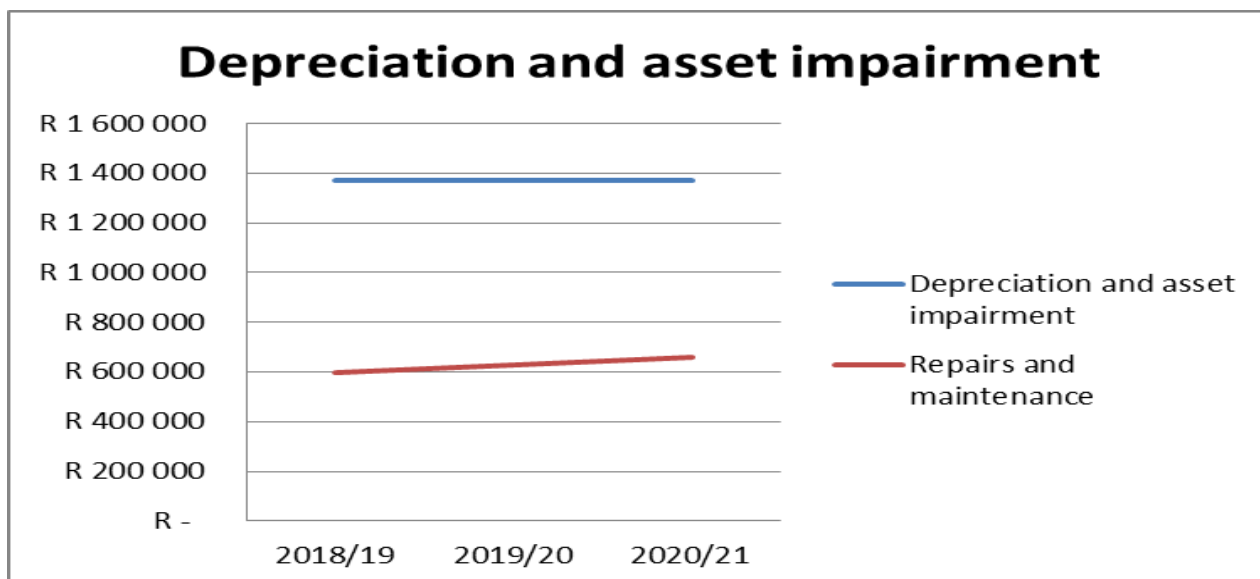
1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available 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. From the table it can be seen that for the period 2018/19 to 2020/21 the surplus decreased from R9.98 million to R6.89 million.
6. Considering the requirements of section 18 of the MFMA, it can be concluded that the adopted 2018/19 MTREF was fully funded due to the surplus indicated.
7. As part of the budgeting and planning guidelines that informed the compilation of the 2018/19 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA.

**Table 17 MBRR Table A9 - Asset Management**

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>ASSET REGISTER SUMMARY - PPE (WDV)</b>										
Roads Infrastructure	5	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		-	-	-	-	-	-	-	-	-
<b>Heritage Assets</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	806	806	109	98	87	75
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	806	806	109	98	87	75
Operational Buildings		131	98	109	99	4 120	4 610	4 150	3 690	3 230
Housing		-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		131	98	109	99	4 120	4 610	4 150	3 690	3 230
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		1 031	749	516	366	516	749	573	398	223
<b>Intangible Assets</b>		1 031	749	516	366	516	749	573	398	223
<b>Computer Equipment</b>		824	977	477	911	1 337	536	3 177	2 999	2 820
<b>Furniture and Office Equipment</b>		2 341	1 366	581	1 740	1 740	1 055	838	622	405
<b>Machinery and Equipment</b>		4 180	3 994	2 470	88	88	1 228	1 006	784	562
<b>Transport Assets</b>		1 266	880	547	690	690	547	437	327	217
<b>Libraries</b>		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	9 772	8 064	4 700	4 700	9 297	8 832	10 279	8 905	7 532
<b>EXPENDITURE OTHER ITEMS</b>										
<b>Depreciation</b>	7	2 054	2 074	1 976	2 267	2 267	2 267	1 373	1 373	1 373
<b>Repairs and Maintenance by Asset Class</b>	3	641	-	-	471	540	540	595	627	662
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		-	-	-	-	-	-	-	-	-
<b>Heritage Assets</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Operational Buildings		404	-	-	300	334	334	377	397	419
Housing		-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		404	-	-	300	334	334	377	397	419
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	20	30	30	32	33	35
<b>Intangible Assets</b>		-	-	-	20	30	30	32	33	35
<b>Computer Equipment</b>		85	-	-	62	90	90	94	99	104
<b>Furniture and Office Equipment</b>		58	-	-	33	30	30	34	36	38
<b>Machinery and Equipment</b>		-	-	-	-	-	-	-	-	-
<b>Transport Assets</b>		94	-	-	56	56	56	59	62	66
<b>Libraries</b>		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE OTHER ITEMS</b>		2 695	2 074	1 976	2 738	2 807	2 807	1 969	2 001	2 035

**Explanatory notes to Table A9 - Asset Management**

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. The municipality meets both these recommendations.
3. The following graph provides an analysis between depreciation and operational repairs and maintenance over the MTREF. It highlights the municipality’s strategy to address the maintenance backlog.



**Figure 2 Depreciation in relation to repairs and maintenance over the MTREF**

**Table 18 MBRR Table A10 - Basic Service Delivery Measurement**

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Household service targets</b>	1									
<b>Water:</b>										
Piped water inside dwelling		-	-	-	-	-	-	-	-	-
Piped water inside yard (but not in dwelling)		-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	2	-	-	-	-	-	-	-	-	-
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Sanitation/sewerage:</b>										
Flush toilet (connected to sewerage)		-	-	-	-	-	-	-	-	-
Flush toilet (with septic tank)		-	-	-	-	-	-	-	-	-
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Energy:</b>										
Electricity (at least min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Refuse:</b>										
Removed at least once a week		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Households receiving Free Basic Service</b>	7									
Water (6 kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free minimum level service)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed at least once a week)		-	-	-	-	-	-	-	-	-
<b>Cost of Free Basic Services provided - Formal Settlements (R'000)</b>	8									
Water (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed once a week for indigent households)		-	-	-	-	-	-	-	-	-
<b>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</b>										
<b>Total cost of FBS provided</b>		-	-	-	-	-	-	-	-	-
<b>Highest level of free service provided per household</b>										
Property rates (R value threshold)		-	-	-	-	-	-	-	-	-
Water (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)		-	-	-	-	-	-	-	-	-
Electricity (kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (average litres per week)		-	-	-	-	-	-	-	-	-
<b>Revenue cost of subsidised services provided (R'000)</b>	9									
Property rates (tariff adjustment) ( impermissible values per section 17 of MPRA)		-	-	-	-	-	-	-	-	-
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		-	-	-	-	-	-	-	-	-
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates		-	-	-	-	-	-	-	-	-
Housing - top structure subsidies	6	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Total revenue cost of subsidised services provided</b>		-	-	-	-	-	-	-	-	-

## 2 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 aim of the Budget Steering Committee is to ensure:

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

#### 2.1.1 Budget Process Overview

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

The Mayor tabled in Council the required the IDP and budget time schedule on 31 August 2017. Key dates applicable to the process were:

- **August 2017** – The Mayor of the municipality submits the new budget process and timeframes to the Council for approval;
- **August 2017** – Advertisement (website, local newspapers and notice boards) of budget process and time schedules. This advertisement should be done within 5 days of the submission of the plan to Council;
- **September 2017** – Review all external mechanisms to ensure that all possible changes with agreements which may have an impact on the next budget are considered;
- **September 2017** – Based on the financial statements of the previous year and the results of performance investigations consider the financial position and capacity of the Municipality to determine the impact thereof on future strategies and budgets;
- **October 2017** – In consultation with the Mayoral Committee, determine future priority areas for the Municipality to guide the budget allocations and IDP plans. Identify all factors which may have an impact on future budgets and determine broad financial

frameworks. Determine possible income/funding which may become available for the next three years;

- **November 2017** – Consultation with B-Municipalities;
- **December 2017** – Municipality derives inputs from National and Provincial Government and other bodies about factors which may influence the budget:
- **31 January 2018** – Preparation of draft IDP and capital and operational plans with costs and income projections. Incorporate in the first SDBIP. Preparation of projections of functional allocations based on past performance and adjusts with known factors, known obligations and asset maintenance requirements. Finalization of preliminary options for the IDP and budget for the next three years.
- **February 2018** – Consult Mayoral Committee about the preliminary budget, tariff adjustments and IDP medium term proposals. Mayoral Committee discusses the preliminary budget, tariff adjustments and IDP proposals in consideration with the priorities and objectives which are included in the medium term proposals. Go ahead with the finalization of the detailed operational plans and budgets. Incorporate the objectives and operational plans in the draft Service Delivery and Budget Implementation Plan. National and Provincial accountancy officials finalize any adjustments towards the projected allocations for the next three years no later than their own budgets. The finalization of detailed draft budget for the next three years in accordance with the prescribed format.
- **March 2018** – Incorporate the draft budget proposals and monthly projections of Income, expenditure, capital and of Income per Source in the draft Service Delivery and Budget Implementation Plan. Mayoral Committee receive the budget, draft SDBIP and updates to the IDP. Mayoral Committee considers the budget. Mayor submit budget, tariffs, draft SDBIP and updated IDP to Council by 31 March. The Council debates the budget and updated IDP.
- **April 2018** – Send a copy of the budget, tariffs, draft SDBIP and changes in the IDP to National and Provincial Government for inputs. Consultation with the community should take place regarding the budget, tariffs, IDP and performance objectives and indicators in the draft SDBIP.
- **May 2018** – Receive and analyze additional inputs of the communities, National and Provincial Government. Incorporate feedback from the community and National and Provincial Government and if necessary, review the budget, tariffs, draft SDBIP and IDP before submission to Council. Mayor submits the review budget, tariffs and IDP with consideration of the inputs of the community and Council – no later than 31 May. Municipal Council approves the IDP and budget before 31 May.
- **June 2018** – Publication of the budget, tariffs and IDP send a copy of the approved budget to the National and Provincial Government (for notification). Submit draft SDBIP and draft performance agreements of the Municipal Manager and Senior Managers to the Executive Mayor for approval. Approval of SDBIP and performance agreements.
- **July 2018** – Advertise the SDBIP and performance agreements (notification). Submission of performance agreements to the MEC of Local and Provincial Government



(special council meeting). Implementation of the budget. Start with the preparation of the next budget.

- **January 2019** – Review the budget, if necessary.

There were no deviations from the key dates set out in the Budget Time Schedule tabled in Council to date.

### 2.1.2 Integrated Development Plan

The IDP for the Namakwa District Municipality is presented in the context of the National Development Plan which has identified various central challenges. These challenges have a direct impact on the development and growth in this area.

The central challenges identified in the plan are:

- Unemployment
- Poor quality of education
- Ineffective economic infrastructure, poorly located, under-maintained and insufficient to support sustainable growth.
- Spatial Development patterns exclude the poor from benefitting from the fruits of development.
- The economy needs transformation in terms of resource management and use.
- Ineffective public health system
- Public services are uneven and often of poor quality.
- Corrupt activities.
- Transform in coherent South African society.

To create the better life for the people of Namakwa the focus and align activities in line with priorities as identified in the National Development Plan – Vision 2030;

- Creating jobs and livelihoods;
- Expanding infrastructure;
- Transitioning to a low-carbon economy;
- Improving education and training;
- Providing quality healthcare;
- Building a capable state;
- Fighting corruption and enhancing accountability;
- Transforming society and uniting the nation.

The Namakwa District Municipality, Councillors and officials had certain work sessions in which developmental issues were discussed and conclusions reached regarding the future role and function of the District. These sessions were held during 2017 and a 5 year development vision, mission and strategic objectives for the District were formulated.

### **2.1.3 Financial Modelling and Key Planning Drivers**

As part of the compilation of the 2018/19 MTREF extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability of the municipality. The following key factors and planning strategies have informed the compilation of the 2018/19 MTREF:

- Municipality growth
- Policy priorities and strategic objectives
- Asset maintenance
- Performance trends
- The approved 2017/18 adjustments budget and performance against the SDBIP
- Cash Flow Management Strategy
- Debtor payment levels
- Loan and investment possibilities
- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 51 and 54 has been taken into consideration in the planning and prioritisation process.

## **2.2 Overview of alignment of annual budget with IDP**

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized 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 national and provincial priorities, policies and strategies of importance include amongst others:

- Green Paper on National Strategic Planning of 2009;
- Government Programme of Action;
- Development Facilitation Act of 1995;
- Provincial Growth and Development Strategy (GGDS);
- National and Provincial spatial development perspectives;
- Relevant sector plans such as transportation, legislation and policy;
- National Key Performance Indicators (NKPIs);
- Accelerated and Shared Growth Initiative (ASGISA);
- National 2014 Vision;
- National Spatial Development Perspective (NSDP) and
- The National Priority Outcomes.

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 Namakwa District Municipality embark during March 2017 with a strategic session to review the priorities, challenges and programme of action for 2017 - 2022. The outcome of this strategic session was included in the 2018/19 IDP. The draft IDP was reviewed to amend any changes to the 5 year plan in the 2018/19 financial year.

**Table 19 IDP Strategic Objectives**

These projects include detailed information of projects on an annual basis. The annual implementation plan will be included in 2018/2019 Service Delivery Budget Implementation Plan (SDBIP). These projects are sorted in terms of the municipal KPA's of Namakwa District Municipality.

Director	Sub-Votes	Project	Project Number (5digits)	Sum of Budget Year 2018/19	Sum of Budget Year +1 2019/20	Sum of Budget Year +2 2020/21
Vote 1 - Municipal Manager	1.1 - Council: Councillors		00001	2 398 644.00	2 546 108.00	2 705 245.00
Vote 1 - Municipal Manager	1.10 - Speaker - PA	Operational :Maintenance - Non-infrastructure - Correc	00002	1 422.00	1 499.00	1 581.00
Vote 1 - Municipal Manager	1.10 - Speaker - PA	Operational :Municipal Running Cost		0	8 000.00	8 000.00
Vote 1 - Municipal Manager	1.10 - Speaker - PA		00003	533 343.00	565 554.00	600 324.00
Vote 1 - Municipal Manager	1.2 - Council Expenditure	Operational :Maintenance - Non-infrastructure - Correc		0	10 000.00	10 540.00
Vote 1 - Municipal Manager	1.2 - Council Expenditure	Operational :Maintenance - Non-infrastructure - Prever	00005	20 000.00	21 080.00	22 239.00
Vote 1 - Municipal Manager	1.2 - Council Expenditure	Operational :Maintenance - Non-infrastructure - Prever	00006	31 590.00	33 296.00	35 127.00
Vote 1 - Municipal Manager	1.2 - Council Expenditure	Operational :Municipal Running Cost		0	41 493.00	44 149.00
Vote 1 - Municipal Manager	1.2 - Council Expenditure		00007	4 142 182.00	4 331 219.00	4 534 152.00
Vote 1 - Municipal Manager	1.2 - Council Expenditure		00008	640 000.00	674 560.00	711 661.00
Vote 1 - Municipal Manager	1.2 - Council Expenditure	Operational :Typical Work Streams - Protecting the P		0	120 000.00	126 480.00
Vote 1 - Municipal Manager	1.2 - Council Expenditure	Operational :Typical Work Streams - Strategic Manag		0	1 000 000.00	-
Vote 1 - Municipal Manager	1.3 - Executive Mayor	Operational :Maintenance - Non-infrastructure - Correc	00012	1 474.00	1 554.00	1 639.00
Vote 1 - Municipal Manager	1.3 - Executive Mayor	Operational :Municipal Running Cost		0	1 369.00	1 443.00
Vote 1 - Municipal Manager	1.3 - Executive Mayor		00013	848 223.00	899 409.00	954 613.00
Vote 1 - Municipal Manager	1.3 - Executive Mayor	Operational :Typical Work Streams - AIDS/HIV, Tuber	00014	15 200.00	15 200.00	15 200.00
Vote 1 - Municipal Manager	1.3 - Executive Mayor	Operational :Typical Work Streams - AIDS/HIV, Tuber	00015	84 800.00	84 800.00	84 800.00
Vote 1 - Municipal Manager	1.4 - Internal Audit and Audit Committee		00016	1 062 090.00	1 118 421.00	1 179 141.00
Vote 1 - Municipal Manager	1.4 - Internal Audit and Audit Committee		00017	555 459.00	590 411.00	628 158.00
Vote 1 - Municipal Manager	1.4 - Internal Audit and Audit	Operational: Typical Work Streams - Financial Manag		0	9 958.00	10 226.00
Vote 1 - Municipal Manager	1.5 - Mayor - PA	Operational :Maintenance - Non-infrastructure - Correc	00018	4 001.00	4 217.00	4 449.00
Vote 1 - Municipal Manager	1.5 - Mayor - PA		00019	1 597 932.00	1 694 630.00	1 799 004.00
Vote 1 - Municipal Manager	1.6 - Municipal Manager	Operational :Maintenance - Non-infrastructure - Correc	00020	1 369.00	1 443.00	1 522.00
Vote 1 - Municipal Manager	1.6 - Municipal Manager		00021	1 678 102.00	1 770 086.00	1 869 341.00
Vote 1 - Municipal Manager	1.7 - Municipal Manager - Ad	Operational :Municipal Running Cost		0	13 433.00	-
Vote 1 - Municipal Manager	1.7 - Municipal Manager - Admin		00023	3 087 187.00	3 278 425.00	3 485 002.00
Vote 1 - Municipal Manager	1.9 - Speaker	Operational :Maintenance - Non-infrastructure - Correc	00024	1 580.00	1 665.00	1 757.00
Vote 1 - Municipal Manager	1.9 - Speaker		00025	846 967.00	899 561.00	956 340.00
Vote 2 - Manager: Corporate	2.1 - Administration		00030	5 700.00	6 008.00	6 338.00
Vote 2 - Manager: Corporate	2.1 - Administration	Operational :Municipal Running Cost		0	5 102 922.00	5 355 895.00
Vote 2 - Manager: Corporate	2.1 - Administration		00031	2 297 485.00	2 388 031.00	2 529 042.00
Vote 2 - Manager: Corporate	2.1 - Administration		00035	42 200.00	44 478.00	46 925.00
Vote 2 - Manager: Corporate	2.2 - Human Resources	Operational :Municipal Running Cost		0	99 276.00	86 133.00
Vote 2 - Manager: Corporate	2.2 - Human Resources		00031	3 007 226.00	2 726 691.00	2 833 050.00
Vote 2 - Manager: Corporate	2.2 - Human Resources		00032	120 452.00	121 556.00	122 742.00
Vote 2 - Manager: Corporate	2.2 - Human Resources		00033	87 758.00	89 257.00	90 866.00
Vote 2 - Manager: Corporate	2.2 - Human Resources		00034	173 658.00	176 556.00	179 667.00
Vote 2 - Manager: Corporate	2.2 - Human Resources		00035	6 039.00	6 365.00	6 715.00
Vote 2 - Manager: Corporate	2.2 - Human Resources		00036	10 530.00	11 098.00	11 708.00
Vote 2 - Manager: Corporate	2.3 - Council Buildings	Operational :Maintenance - Non-infrastructure - Prever		0	205 335.00	216 423.00
Vote 2 - Manager: Corporate	2.3 - Council Buildings	Operational :Maintenance - Non-infrastructure - Prever		0	18 954.00	19 978.00
Vote 2 - Manager: Corporate	2.3 - Council Buildings		00037	152 685.00	160 929.00	169 780.00
Vote 2 - Manager: Corporate	2.3 - Council Buildings	Operational :Municipal Running Cost		0	1 464 150.00	1 518 374.00
Vote 2 - Manager: Corporate	2.4 - Council Vehicles	Operational :Maintenance - Non-infrastructure - Correc	00026	11 583.00	12 208.00	12 879.00
Vote 2 - Manager: Corporate	2.4 - Council Vehicles	Operational :Maintenance - Non-infrastructure - Prever	00039	58 968.00	62 152.00	65 570.00

Director	Sub-Votes	Project	Project Number (5digits)	Sum of Budget Year 2018/19	Sum of Budget Year +1 2019/20	Sum of Budget Year +2 2020/21
Vote 2 - Manager: Corporate	2.4 - Council Vehicles		00028	489 780.00	516 142.00	544 619.00
Vote 2 - Manager: Corporate	2.4 - Council Vehicles		00040	860 384.00	871 205.00	882 821.00
Vote 2 - Manager: Corporate	2.4 - Council Vehicles	Operational: Typical Work Streams - Asset Protection		0	1 800.00	1 800.00
Vote 3 - Manager: Economic	3.1 - Economic Development	Operational :Maintenance - Non-infrastructure - Correc	00041	3 264.00	3 440.00	3 629.00
Vote 3 - Manager: Economic	3.1 - Economic Development		00042	735 979.00	775 801.00	823 154.00
Vote 3 - Manager: Economic	3.5 - Tourism	Operational :Maintenance - Non-infrastructure - Correc	00043	3 264.00	3 440.00	3 629.00
Vote 3 - Manager: Economic	3.5 - Tourism	Operational :Municipal Running Cost		0	33 591.00	35 404.00
Vote 3 - Manager: Economic	3.5 - Tourism		00044	1 505 409.00	1 597 643.00	1 697 278.00
Vote 3 - Manager: Economic	3.5 - Tourism		00045	183 177.00	186 048.00	189 131.00
Vote 3 - Manager: Economic	3.5 - Tourism		00046	308 741.00	325 414.00	343 311.00
Vote 3 - Manager: Economic	3.5 - Tourism	Operational: Typical Work Streams - Tourism - Tourist		0	14 000.00	14 756.00
Vote 3 - Manager: Economic	3.6 - Working for Water	Operational :Maintenance - Non-infrastructure - Correc	00047	23 377.00	24 639.00	25 994.00
Vote 3 - Manager: Economic	3.6 - Working for Water	Operational :Maintenance - Non-infrastructure - Correc	00048	2 317.00	2 442.00	2 576.00
Vote 3 - Manager: Economic	3.6 - Working for Water		00049	8 974 306.00	9 472 919.00	9 771 430.00
Vote 3 - Manager: Economic	3.7 - Planning	Operational :Municipal Running Cost		0	4 212.00	4 439.00
Vote 3 - Manager: Economic	3.7 - Planning		00050	1 648 592.00	1 739 818.00	1 838 236.00
Vote 3 - Manager: Economic	3.8 - Council Projects	Operational :Maintenance - Non-infrastructure - Correc	00051	12 004.00	12 652.00	13 348.00
Vote 3 - Manager: Economic	3.8 - Council Projects	Operational :Municipal Running Cost		0	97 311.00	102 566.00
Vote 3 - Manager: Economic	3.8 - Council Projects		00052	1 891 699.00	1 974 935.00	2 082 185.00
Vote 3 - Manager: Economic	3.9 - Project Management	Operational :Maintenance - Non-infrastructure - Correc	00054	3 106.00	3 274.00	3 454.00
Vote 3 - Manager: Economic	3.9 - Project Management	Operational :Municipal Running Cost		0	2 211.00	2 330.00
Vote 3 - Manager: Economic	3.9 - Project Management		00052	17 375.00	18 313.00	19 320.00
Vote 3 - Manager: Economic	3.9 - Project Management		00055	487 416.00	517 661.00	550 326.00
Vote 3 - Manager: Economic	3.9 - Project Management	Operational :Typical Work Streams - Strategic Manag	00053	2 904 000.00	3 076 000.00	3 254 000.00
Vote 4 - Manager: Environm	4.1 - Ambulance	Operational :Municipal Running Cost		0	41 493.00	44 149.00
Vote 4 - Manager: Environm	4.2 - Environmental Health		00056	4 686.00	4 939.00	5 211.00
Vote 4 - Manager: Environm	4.2 - Environmental Health		00057	579.00	610.00	644.00
Vote 4 - Manager: Environm	4.2 - Environmental Health	Operational :Municipal Running Cost		0	28 648.00	-
Vote 4 - Manager: Environm	4.2 - Environmental Health		00058	5 323 394.00	5 598 740.00	5 896 014.00
Vote 4 - Manager: Environm	4.2 - Environmental Health		00059	42 053.00	42 164.00	42 283.00
Vote 4 - Manager: Environm	4.4 - Primary Health	Operational :Municipal Running Cost		0	45 197.00	48 090.00
Vote 4 - Manager: Environmental Health		Operational :Maintenance - Non-infrastructure - Correc	00061	7 845.00	8 269.00	8 724.00
Vote 4 - Manager: Environmental Health		Operational :Maintenance - Non-infrastructure - Correc	00062	895.00	943.00	995.00
Vote 4 - Manager: Environmental Health		Operational :Municipal Running Cost		0	2 633.00	2 775.00
Vote 4 - Manager: Environmental Health			00063	4 910 662.00	5 000 427.00	5 281 877.00
Vote 5 - Manager: Finance	5.1 - Finance	Operational :Maintenance - Non-infrastructure - Correc	00064	9 136.00	9 629.00	10 159.00
Vote 5 - Manager: Finance	5.1 - Finance	Operational :Municipal Running Cost		0	5 482 433.00	5 762 099.00
Vote 5 - Manager: Finance	5.1 - Finance	Operational :Typical Work Streams - Financial Manag	00069	29 479.00	31 071.00	32 780.00
Vote 5 - Manager: Finance	5.1 - Finance	Operational :Typical Work Streams - Financial Manag	00068	160 000.00	168 640.00	177 915.00
Vote 5 - Manager: Finance	5.1 - Finance	Operational :Typical Work Streams - Financial Manag	00067	430 000.00	840 742.00	1 214 216.00
Vote 5 - Manager: Finance	5.1 - Finance	Operational :Typical Work Streams - Financial Manag	00066	138 865.00	147 604.00	157 040.00
Vote 5 - Manager: Finance	5.1 - Finance	Operational: Typical Work Streams - Financial Manag		0	1 239.00	1 306.00
Vote 6 - Manager: Roads	6.1 - Plant and Equipment		00071	334 685.00	356 105.00	379 252.00
Vote 6 - Manager: Roads	6.2 - Roads	Operational :Municipal Running Cost		0	518 150.00	551 312.00
Vote 6 - Manager: Roads	6.2 - Roads		00072	60 189.00	64 041.00	68 204.00
				<b>69 400 315.00</b>	<b>71 702 844.00</b>	<b>75 338 320.00</b>

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. This process is aimed at influencing the development path by proposing a substantial programme of public-led investment to restructure current patterns of settlement, activity and access to resources in the municipality so as to promote greater equity and enhanced opportunity. The strategy specifically targets future developmental opportunities in traditional dormitory settlements. It provides direction to the municipality's IDP, associated sectoral plans and strategies, and the allocation of resources of the municipality and other service delivery partners.

Lessons learned with previous IDP revision and planning cycles as well as changing environments were taken into consideration in the compilation of the fourth revised IDP, including:

- Strengthening the analysis and strategic planning processes of the municipality;
- Ensuring better coordination through a programmatic approach and attempting to focus the budgeting process through planning interventions; and
- Strengthening performance management and monitoring systems in ensuring the objectives and deliverables are achieved.

The 2018/19 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

**Table 20 MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue**

DC6 Namakwa - 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	
R thousand													
Financial Viability and Sustainability	Strategic and sustainable budgeting. Grow and diversify our revenues and Value for money expenditure	A		33 093	34 880	27 534	34 079	34 079	34 079	42 760	44 133	45 632	
Good Governance	Ensure accessibility and promote governance	B		13 165	10 145	12 806	7 997	7 897	7 897	8 031	8 869	9 230	
Quality Living Environment	Meet service needs and address backlogs	C		-	-	8	1 022	1 022	1 022	913	971	1 035	
Safe, Healthy and Secure Environment	Promoting the safety of citizens	D		3 389	2 924	2 838	2 778	3 295	3 295	2 817	2 675	2 691	
Sustaining the Natural and Built Environment	Climate protection and pollution minimisation	E		142	3 258	3 603	10 715	12 807	12 807	11 904	12 576	13 054	
Allocations to other priorities			2										
<b>Total Revenue (excluding capital transfers and contributions)</b>				1	<b>49 788</b>	<b>51 207</b>	<b>46 789</b>	<b>56 591</b>	<b>59 100</b>	<b>59 100</b>	<b>66 426</b>	<b>69 225</b>	<b>71 642</b>

**Table 21 MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure**

DC6 Namakwa - 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	
R thousand													
Financial Viability and Sustainability	Strategic and sustainable budgeting. Grow and diversify our revenues and Value for money expenditure	A		6 336	6 039	5 266	5 727	5 692	5 692	6 251	6 961	7 684	
Good Governance	Ensure accessibility and promote governance	B		33 033	36 391	49 575	33 649	33 313	33 313	35 021	35 288	36 780	
Quality Living Environment	Meet service needs and address backlogs	C		-	-	8	1 022	1 022	1 022	913	971	1 035	
Safe, Healthy and Secure Environment	Promoting the safety of citizens	D		9 922	9 822	8 526	9 555	10 112	10 112	10 408	10 751	11 337	
Sustaining the Natural and Built Environment	Climate protection and pollution minimisation	E		9 170	7 015	6 543	15 632	17 529	17 529	16 807	17 731	18 503	
Allocations to other priorities													
<b>Total Expenditure</b>				1	58 461	59 267	69 918	65 585	67 668	67 668	69 400	71 703	75 338



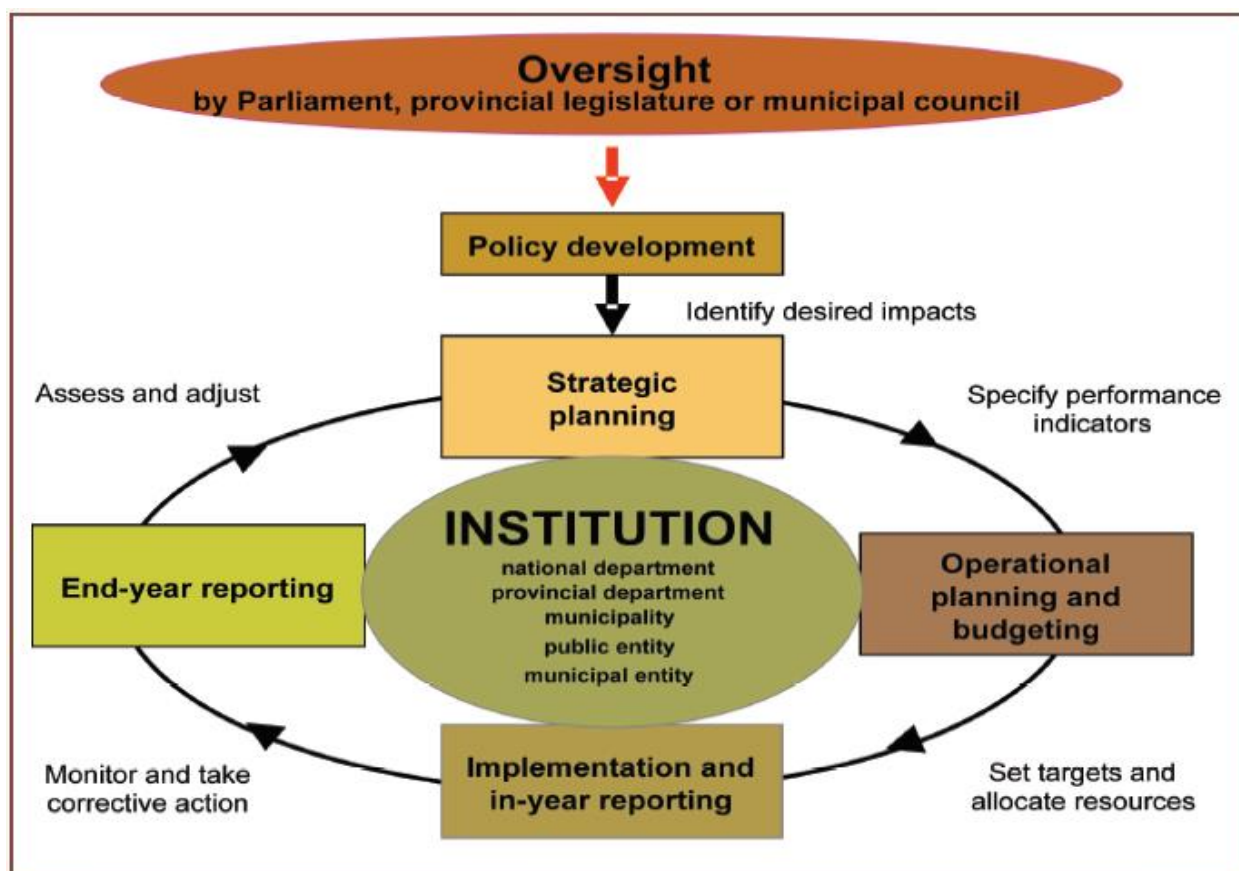
**Table 22 MBRR Table SA7 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure**

DC6 Namakwa - Supporting Table SA7 Measureable performance objectives										
Description	Unit of measurement	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>Office of the Executive Mayor</b>										
<b>Social Transformation</b>										
<b>Mathematics</b>										
Facilitate of Maths, science and technology awareness and education				50 000						
<b>HIV/Aids Council</b>										
Council functions				100 000						
<b>Recognition of Grade 12</b>										
Facilitate literacy education programmes				-						
<b>Back to school programme</b>										
Facilitate literacy education programmes				20 000						
<b>Namakwa Festival</b>										
Support of Sport, Arts, Culture & Heritage at a District level based on MOU sign										
<b>Commemorative days</b>										
Celebrating commemorative days				435 000						
<b>Vulnerable group support</b>										
Support to vulnerable groups				150 000						
<b>Food hamper and Social equipment</b>										
Delivery of food hampers and social equipment				100 000						
<b>Skills Development</b>										
Skills development for Namakwa District Municipality personnel and councillors				300 000						
<b>Economic Development</b>										
Port Nolloth Jetty				25 000 000						
Upgrade Ports of Entry				10 000 000						
Working for Water				9 532 441						
<b>Infrastructure</b>										
RRAMS										
SPLUMA										
<b>Sub-function 3 - (name)</b>										
Insert measure/s description										
<b>Function 2 - (name)</b>										
<b>Sub-function 1 - (name)</b>										
Insert measure/s description										
<b>Sub-function 2 - (name)</b>										
Insert measure/s description										
<b>Sub-function 3 - (name)</b>										
Insert measure/s description										
<b>Vote 3 - vote name</b>										
<b>Function 1 - (name)</b>										
<b>Sub-function 1 - (name)</b>										
Insert measure/s description										
<b>Sub-function 2 - (name)</b>										
Insert measure/s description										
<b>Sub-function 3 - (name)</b>										
Insert measure/s description										
<b>Function 2 - (name)</b>										
<b>Sub-function 1 - (name)</b>										
Insert measure/s description										
<b>Sub-function 2 - (name)</b>										
Insert measure/s description										
<b>Sub-function 3 - (name)</b>										
Insert measure/s description										
<b>And so on for the rest of the Votes</b>										

### 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, assess 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 during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting and reporting cycle can be graphically illustrated as follows:

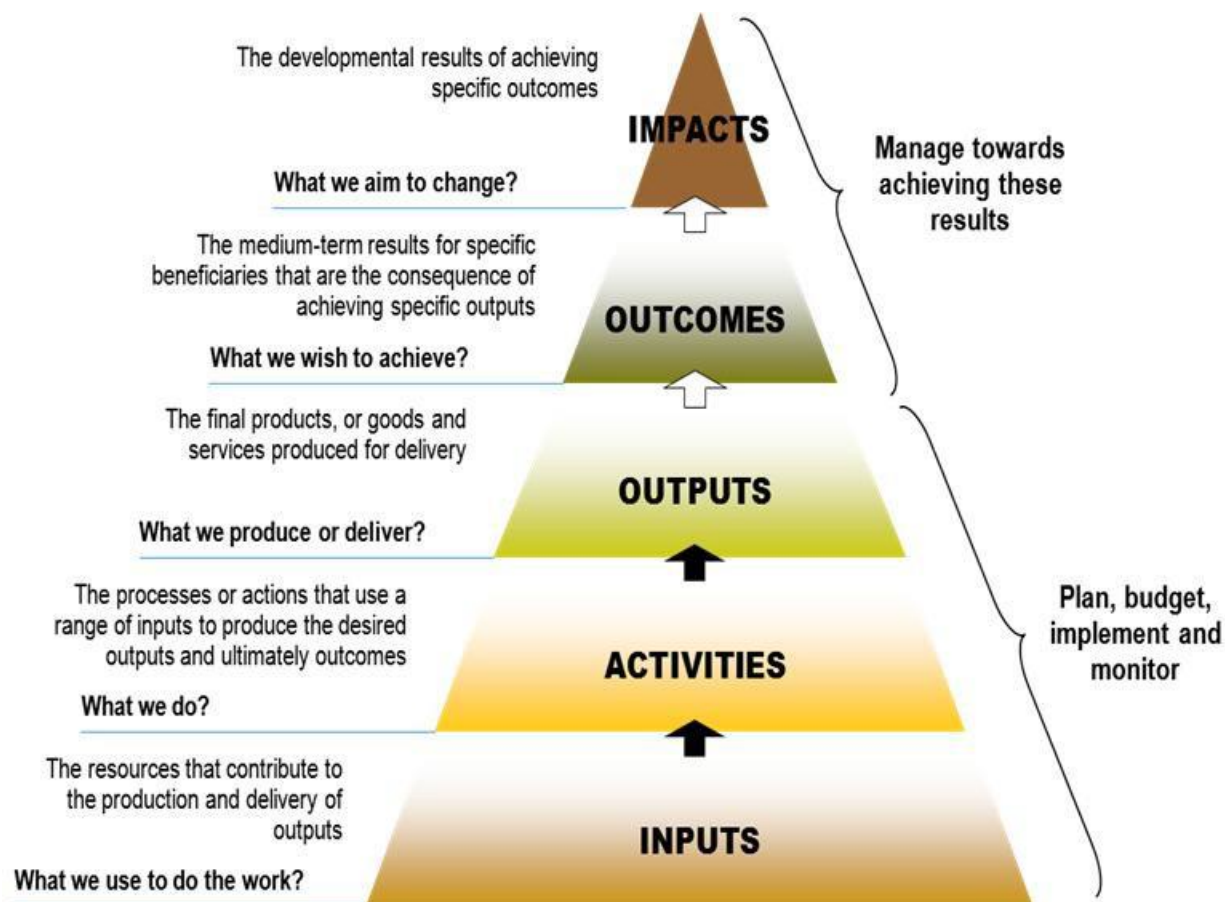


**Figure 3 Planning, budgeting and reporting cycle**

The performance of the municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The municipality therefore has adopted one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets and benchmarks);
- Monitoring (regular monitoring and checking on the progress against plan);
- Measurement (indicators of success);
- Review (identifying areas requiring change and improvement);
- Reporting (what information, to whom, from whom, how often and for what purpose); and
- Improvement (making changes where necessary).

The performance information concepts used by the municipality in its integrated performance management system are aligned to the **Framework of Managing Programme Performance Information** issued by the National Treasury:



**Figure 4 Definition of performance information concepts**

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

**Table 23 MBRR Table SA7 - Measurable performance objectives**

DC6 Namakwa - Supporting Table SA7 Measureable performance objectives										
Description	Unit of measurement	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>Office of the Executive Mayor</b>										
<b>Social Transformation</b>										
<b>Mathematics</b>										
<i>Facillate of Maths, science and technology awareness and education</i>				50 000						
<b>HIV/Aids Council</b>										
<i>Council functions</i>				100 000						
<b>Recognition of Grade 12</b>										
<i>Facillite literacy education programmes</i>				-						
<b>Back to school programme</b>										
<i>Facillite literacy education programmes</i>				20 000						
<b>Namakwa Festival</b>										
<i>Support of Sport, Arts, Culture &amp; Heritage at a District level based on MOU sign</i>										
<b>Commemorative days</b>										
<i>Celebrating commemorative days</i>				435 000						
<b>Vulnerable group support</b>										
<i>Support to vulnerable groups</i>				150 000						
<b>Food hamper and Social equipment</b>										
<i>Delivery of food hampers and social equipment</i>				100 000						
<b>Skills Development</b>										
<i>Skills development for Namakwa District Municipality personnel and councillors</i>				300 000						
<b>Economic Development</b>										
<i>Port Nolloth Jetty</i>				25 000 000						
<i>Upgrade Ports of Entry</i>				10 000 000						
<i>Working for Water</i>				9 532 441						
<b>Infrastructure</b>										
<i>RRAMS</i>										
<i>SPLUMA</i>										
<b>Sub-function 3 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Function 2 - (name)</b>										
<b>Sub-function 1 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Sub-function 2 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Sub-function 3 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Vote 3 - vote name</b>										
<b>Function 1 - (name)</b>										
<b>Sub-function 1 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Sub-function 2 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Sub-function 3 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Function 2 - (name)</b>										
<b>Sub-function 1 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Sub-function 2 - (name)</b>										
<i>Insert measure/s description</i>										
<b>Sub-function 3 - (name)</b>										
<i>Insert measure/s description</i>										
<b>And so on for the rest of the Votes</b>										

The following table sets out the municipalities main performance objectives and benchmarks for the 2018/19 MTREF.

**Table 24 MBRR Table SA8 - Performance indicators and benchmarks**

DC6 Namakwa - Supporting Table SA8 Performance indicators and benchmarks											
Description of financial indicator	Basis of calculation	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Borrowing Management</b>											
Credit Rating		0	0	0	0	0	0	0			
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	2.9%	3.0%	2.6%	0.6%	0.3%	0.3%	0.3%	0.2%	0.1%	0.1%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	37.6%	45.0%	48.9%	3.4%	1.6%	1.6%	1.6%	0.8%	0.6%	0.6%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	47.1%	14.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Safety of Capital</b>											
Gearing	Long Term Borrowing/ Funds & Reserves	63.8%	1708.0%	858.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Liquidity</b>											
Current Ratio	Current assets/current liabilities	5.3	2.3	0.9	4.3	4.3	4.3	4.3	2.9	2.6	2.3
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	5.3	2.3	0.9	4.3	4.3	4.3	4.3	2.9	2.6	2.3
Liquidity Ratio	Monetary Assets/Current Liabilities	4.3	1.1	0.7	4.2	4.2	4.2	4.2	2.8	2.4	2.1
<b>Revenue Management</b>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	13.2%	37.4%	5.6%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	0.9%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Creditors Management</b>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA' s 65(e))	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Creditors to Cash and Investments		4.1%	50.9%	67.0%	11.7%	11.7%	11.7%	11.7%	17.2%	19.4%	13.2%
<b>Other Indicators</b>											
Electricity Distribution Losses (2)	Total Volume Losses (kW)	0	0	0	0	0	0	0	0	0	0
	Total Cost of Losses (Rand '000)	-	-	-	-	-	-	-	-	-	-
	% Volume (units purchased and generated less units sold)/units purchased and generated	-	-	-	-	-	-	-	-	-	-
Water Distribution Losses (2)	Total Volume Losses (kℓ)	-	-	-	-	-	-	-	-	-	-
	Total Cost of Losses (Rand '000)	0	0	0	0	0	0	0	0	0	0
	% Volume (units purchased and generated less units sold)/units purchased and generated	-	-	-	-	-	-	-	-	-	-
Employee costs	Employee costs/(Total Revenue - capital revenue)	56.1%	54.4%	55.6%	63.0%	59.2%	59.2%	59.2%	56.8%	56.8%	58.0%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	61.4%	60.1%	61.7%	68.6%	64.1%	64.1%	64.1%	61.3%	61.5%	62.9%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	1.3%	0.0%	0.0%	0.8%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	7.5%	7.4%	7.9%	4.7%	4.2%	4.2%	4.2%	2.2%	2.1%	2.0%
<b>IDP regulation financial viability indicators</b>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	2.3	2.5	1.6	5.3	5.3	5.3	4.5	5.3	5.3	5.4
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	1014.7%	2962.0%	389.0%	63.3%	63.3%	63.3%	63.3%	68.3%	66.7%	65.1%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	7.2	4.8	1.7	3.5	3.4	3.4	3.4	2.2	2.0	1.3

### 2.3.1 Performance indicators and benchmarks

#### 2.3.1.1 Safety of Capital

- *The gearing ratio* is a measure of the total long term borrowings over funds and reserves. Between 2018/19 and 2020/21 the gearing ratio peaked at 0 percent. This was primarily a result of the zero borrowing levels and increased funds and reserves.

#### 2.3.1.2 Liquidity

- *Current ratio* is a measure of the current assets divided by the current liabilities and as a benchmark the municipality has set a limit of 1, hence at no point in time should this ratio be less than 1. For the 2018/19 MTREF the current ratio is 2.9, 2.6 And 2.3 for the two outer years of the MTREF. Going forward it will be necessary to maintain these levels.
- *The liquidity ratio* is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations. For the 2018/19 financial year the ratio was 2.9 and 2.6 and 2.3 for the two outer years of the MTREF.

#### 2.3.1.3 Revenue Management

- As part of the financial sustainability strategy, an aggressive revenue management framework has been implemented to increase cash inflow by seeking for additional revenue sources such as implementing agency services.

#### 2.3.1.4 Creditors Management

- The municipality has managed to ensure that creditors are settled within the legislated 30 days of invoice.

#### 2.3.1.5 Other Indicators

- In real terms, repairs and maintenance has increased as part of the municipality's strategy to ensure the management of its asset base.

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

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

### **2.4.1 Review of credit control and debt collection procedures/policies**

The Collection Policy was revised by Council on 20 October 2016.

### **2.4.2 Asset Management, Infrastructure Investment and Funding Policy**

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 municipality's revenue base. Within the framework, the need for asset renewal was considered a priority and hence the capital programme was determined based on renewal of current assets versus new asset construction.

Further, continued improvements in technology generally allows many assets to be renewed at a lesser 'real' cost than the original construction cost. Therefore, it is considered prudent to allow for a slightly lesser continual level of annual renewal than the average annual depreciation. The Asset Management, Infrastructure and Funding Policy is therefore considered a strategic guide in ensuring a sustainable approach to asset renewal, repairs and maintenance and is utilised as a guide to the selection and prioritisation of individual capital projects. In addition the policy prescribes the accounting and administrative policies and procedures relating to property, plant and equipment (fixed assets).

The asset management and investment policy was revised by Council on 20 October 2016.

### **2.4.3 Budget Adjustment Policy**

The adjustments 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.

### **2.4.4 Supply Chain Management Policy**

The Supply Chain Management Policy was revised by Council on 20 October 2016. However, this will need to be revised as part of the normal revision of Council policies.

### **2.4.5 Cash Management and Investment Policy**

The municipality's Cash Management and Investment Policy were amended by Council on 7 March 2013. 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. The policy details the minimum cash and cash equivalents that is required at any point in time and introduces time frames to achieve certain benchmarks.

### **2.4.6 Borrowing Policy**

The municipality has approved its borrowing policy on 20 October 2016.

All the above policies are available on the municipality's website, as well as the following budget related policies:

- Funding and Reserves Policy;

### **2.4.7 Management and Disposal of Assets Policy**

The policy relating to the management and disposal of assets are an integral part of the Supply Chain Management Policy as well as the Asset Management Policy.

The municipality has revised these policies on 20 October 2016.

## **2.5 Overview of budget assumptions**

### **2.5.1 Salary increases**

The collective agreement regarding salaries/wages came into operation on 1 July 2015 and shall remain in force until 30 June 2018. Based on Circular 11 of 2018, an increase of 5.9 percent was proposed for in the 2018/19 financial year. Negotiations are still underway and the % can change before the final annual budget approval process.

### **2.5.2 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.

### 2.5.3 Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of at least 65 per cent is achieved on operating expenditure and 95 per cent on the capital programme for the 2018/19 MTREF of which performance has been factored into the cash flow budget. The reason for the 65 percent spending rate on operating expenditure is due to the fact that the municipality has to budget for implementing agent services such as Working for Water but has to remove the operating expenditure at the end of the financial year because according to the accounting principles of GRAP, the municipality can only reflect the actual income to the municipality and not the income nor expenditure of the implementing agent service.

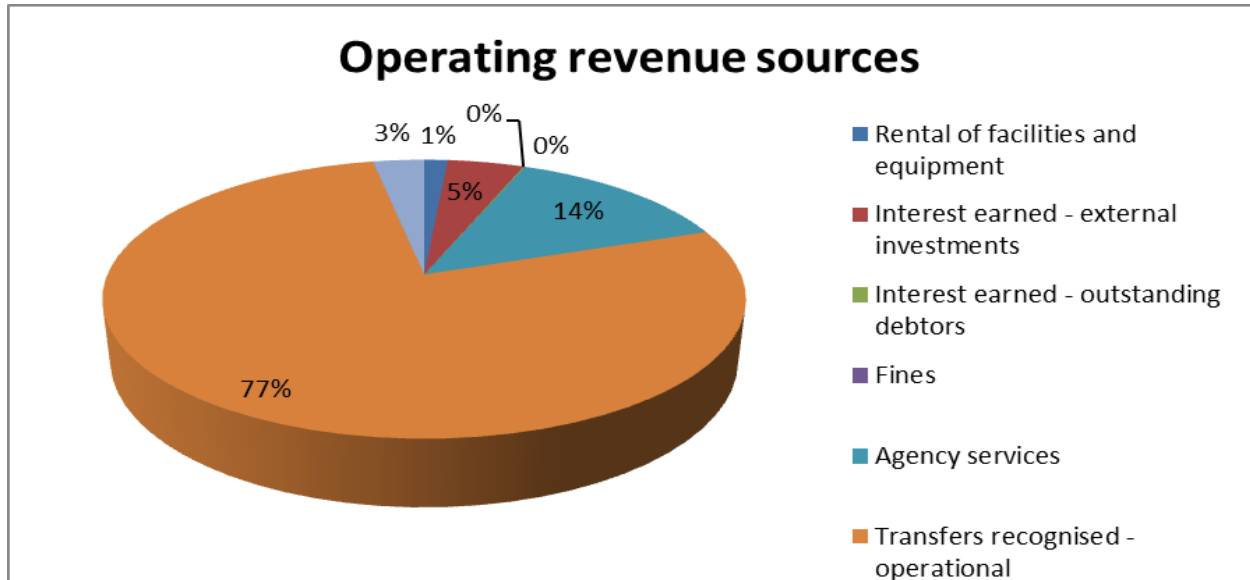
## 2.6 Overview of budget funding

### 2.6.1 Medium-term outlook: operating revenue

**Table 25 Breakdown of the operating revenue over the medium-term**

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>R thousand</b>	1										
<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		635	643	671	917	917	917	917	938	988	1 042
Interest earned - external investments		2 287	1 854	1 467	2 260	2 260	2 260	2 260	3 020	2 800	2 800
Interest earned - outstanding debtors		59	63	72	60	60	60	60	60	60	60
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	5	5	5	5	5	5	5
Licences and permits		-	-	-	-	-	-	-	-	-	-
Agency services		759	-	236	8 823	7 800	7 800	7 800	9 000	9 500	9 800
Transfers and subsidies		44 176	46 946	42 857	44 527	45 218	45 218	45 218	51 376	53 928	56 274
Other revenue	2	787	1 347	1 291	-	2 840	2 840	2 840	2 027	1 943	1 660
Gains on disposal of PPE		-	31	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>48 704</b>	<b>50 883</b>	<b>46 593</b>	<b>56 591</b>	<b>59 100</b>	<b>59 100</b>	<b>59 100</b>	<b>66 426</b>	<b>69 225</b>	<b>71 642</b>

The following graph is a breakdown of the operational revenue per main category for the 2018/19 financial year.



**Figure 5 Breakdown of operating revenue over the 2018/19 MTREF**

The municipality derives most of its operational revenue from the transfers and grants from the National Revenue fund as well as other organs of state in the form of implementing agency fees.

The tables below provide detail investment information and investment particulars by maturity.

**Table 26 MBRR SA15 – Detail Investment Information**

DC6 Namakwa - Supporting Table SA15 Investment particulars by type										
Investment type	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>R thousand</b>										
<b>Parent municipality</b>										
Securities - National Government		-	-	-	-	-	-	-	-	-
Listed Corporate Bonds		-	-	-	-	-	-	-	-	-
Deposits - Bank		26 521	15 291	7 211	-	-	-	-	-	-
Deposits - Public Investment Commissioners		-	-	-	-	-	-	-	-	-
Deposits - Corporation for Public Deposits		-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificates		-	-	-	-	-	-	-	-	-
Negotiable Certificates of Deposit - Banks		-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (sinking)		-	-	-	-	-	-	-	-	-
Repurchase Agreements - Banks		-	-	-	-	-	-	-	-	-
Municipal Bonds		-	-	-	-	-	-	-	-	-
<b>Municipality sub-total</b>	1	<b>26 521</b>	<b>15 291</b>	<b>7 211</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Entities</b>										
Securities - National Government		-	-	-	-	-	-	-	-	-
Listed Corporate Bonds		-	-	-	-	-	-	-	-	-
Deposits - Bank		-	-	-	-	-	-	-	-	-
Deposits - Public Investment Commissioners		-	-	-	-	-	-	-	-	-
Deposits - Corporation for Public Deposits		-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificates		-	-	-	-	-	-	-	-	-
Negotiable Certificates of Deposit - Banks		-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (sinking)		-	-	-	-	-	-	-	-	-
Repurchase Agreements - Banks		-	-	-	-	-	-	-	-	-
<b>Entities sub-total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Consolidated total:</b>		<b>26 521</b>	<b>15 291</b>	<b>7 211</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 27 MBRR SA16 – Investment particulars by maturity**

DC6 Namakwa - Supporting Table SA16 Investment particulars by maturity														
Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (A)	Investment Top Up	Closing Balance
		Yrs/Months												
<b>Parent municipality</b>														
None														-
<b>Municipality sub-total</b>														-
<b>Entities</b>														
														-
<b>Entities sub-total</b>														-
<b>TOTAL INVESTMENTS AND INTEREST</b>	1													-

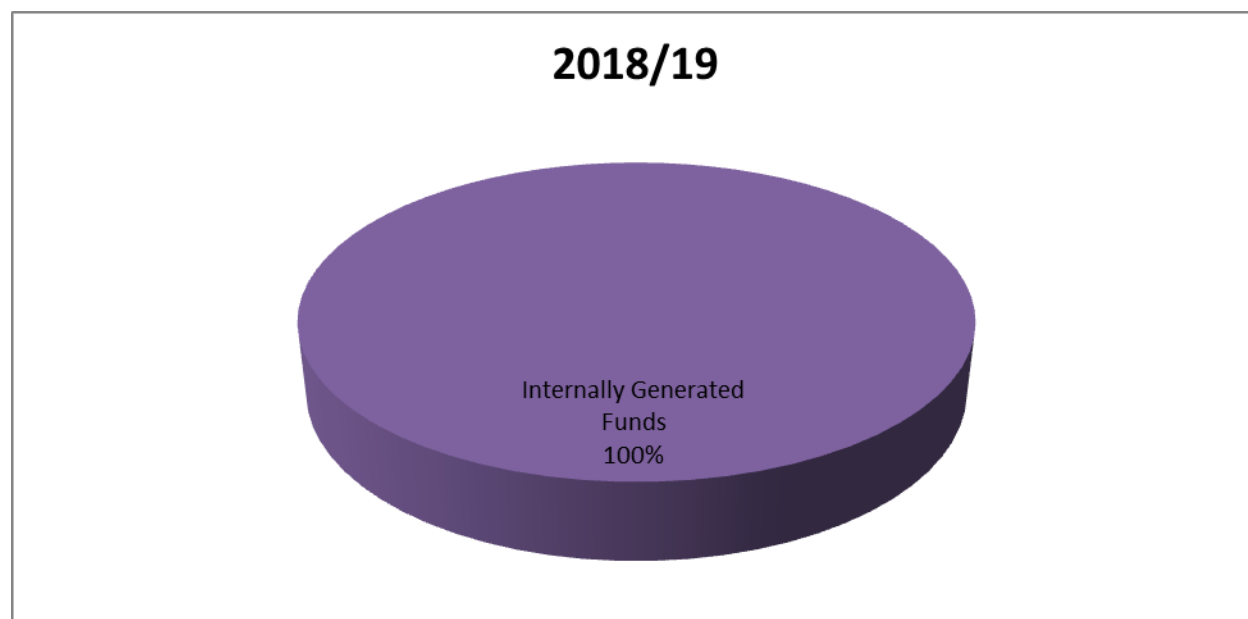
**2.6.2 Medium-term outlook: capital revenue**

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

**Table 28 Sources of capital revenue over the MTREF**

DC6 Namakwa - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding											
Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Funded by:</b>											
National Government		107	23	-	-	-	-	-	-	-	-
Provincial Government		873	130	196	-	385	385	385	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	4	980	153	196	-	385	385	385	-	-	-
<b>Public contributions &amp; donations</b>	5	-	-	-	-	-	-	-	-	-	-
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		688	140	89	110	151	151	151	2 820	-	-
<b>Total Capital Funding</b>	7	1 668	293	284	110	536	536	536	2 820	-	-

The above table is graphically represented as follows for the 2018/19 financial year.



**Figure 6 Sources of capital revenue for the 2018/19 financial year**

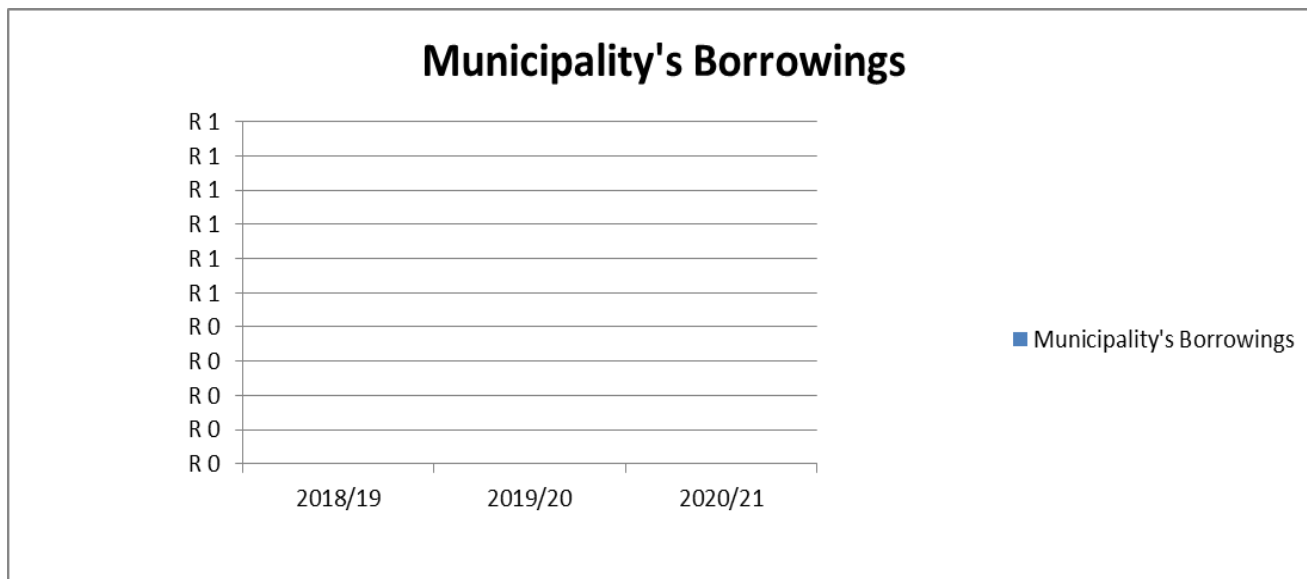
The capital budget of the municipality is mainly funded out of the internally generated funds.

The capital replacement reserve will be utilised to fund the capital budget portion of internally generated funds and is fully cash-backed.

**Table 29 MBRR Table SA 17 - Detail of borrowings**

DC6 Namakwa - Supporting Table SA17 Borrowing										
Borrowing - Categorized by type 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
<b>Parent municipality</b>										
Annuity and Bullet Loans		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		343	229	91	14	14	14	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
<b>Municipality sub-total</b>	1	343	229	91	14	14	14	-	-	-
<b>Entities</b>										
Annuity and Bullet Loans		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
<b>Entities sub-total</b>	1	-	-	-	-	-	-	-	-	-
<b>Total Borrowing</b>	1	343	229	91	14	14	14	-	-	-

The following graph illustrates the growth in outstanding borrowing for the 2018/19 to 2020/21 period.



**Figure 7 Growth in outstanding borrowing (long-term liabilities)**

The municipality does not have any long term borrowing. The only borrowing that the municipality has is finance leases in the form of printers from Nashua and tablets from MTN.

Internally generated funds consist of a mixture between surpluses generated on the operating statement of financial performance and cash backed reserves. In determining the credibility of this funding source it becomes necessary to review the cash flow budget as well as the cash-backed reserves and accumulated funds reconciliation, as discussed below.

**Table 30 MBRR Table SA 18 - Capital transfers and grants receipts**

DC6 Namakwa - Supporting Table SA18 Transfers and grant receipts										
Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		107	107	-	-	-	-	-	-	-
Municipal System Improvement Grant		107	107	-	-	-	-	-	-	-
Finance Management Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant (MIG)		-	-	-	-	-	-	-	-	-
PIMS		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert desc]		-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		847	847	196	-	385	385	-	-	-
Civil Defence Subsidy		167	167	196	-	385	385	-	-	-
Electronic Filing System		-	-	-	-	-	-	-	-	-
Fire Equipment Grant		680	680	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
Maintenance Fund		-	-	-	-	-	-	-	-	-
B Municipalities		-	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	5	954	954	196	-	385	385	-	-	-

### 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 understandability 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., and
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long term borrowing (debt).

**Table 31 MBRR Table A7 - Budget cash flow statement**

DC6 Namakwa - 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		44	61	72	-	-	-	-	-	-	-
Service charges		-	-	-	-	-	-	-	-	-	-
Other revenue		748	5 155	131	9 224	11 041	11 041	11 041	11 911	12 417	12 488
Government - operating	1	38 301	48 755	42 695	44 527	45 218	45 218	45 218	51 376	53 928	56 274
Government - capital	1	-	-	-	-	-	-	-	-	-	-
Interest		2 287	1 854	1 467	2 260	2 260	2 260	2 260	3 080	2 860	2 860
Dividends		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Suppliers and employees		(61 086)	(64 285)	(54 648)	(47 906)	(49 988)	(49 988)	(49 988)	(68 617)	(69 993)	(74 711)
Finance charges		(8)	(75)	(54)	-	-	-	-	-	-	-
Transfers and Grants	1	-	-	-	(120)	(120)	(120)	(120)	(120)	(120)	(120)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>(19 713)</b>	<b>(8 535)</b>	<b>(10 336)</b>	<b>7 985</b>	<b>8 411</b>	<b>8 411</b>	<b>8 411</b>	<b>(2 370)</b>	<b>(907)</b>	<b>(3 209)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		-	76	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Capital assets		(2 187)	(314)	(284)	(110)	(536)	(536)	(536)	(2 820)	-	-
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(2 187)</b>	<b>(238)</b>	<b>(284)</b>	<b>(110)</b>	<b>(536)</b>	<b>(536)</b>	<b>(536)</b>	<b>(2 820)</b>	<b>-</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		324	21	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Repayment of borrowing		(93)	(105)	(127)	(37)	(37)	(37)	(37)	(14)	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>231</b>	<b>(84)</b>	<b>(127)</b>	<b>(37)</b>	<b>(37)</b>	<b>(37)</b>	<b>(37)</b>	<b>(14)</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(21 669)</b>	<b>(8 857)</b>	<b>(10 748)</b>	<b>7 838</b>	<b>7 838</b>	<b>7 838</b>	<b>7 838</b>	<b>(5 205)</b>	<b>(907)</b>	<b>(3 209)</b>
Cash/cash equivalents at the year begin:	2	49 502	27 833	18 976	8 648	8 648	8 648	8 648	16 486	11 282	10 374
Cash/cash equivalents at the year end:	2	27 833	18 976	8 228	16 486	16 486	16 486	16 486	11 282	10 374	7 166

The above table shows that cash and cash equivalents of the municipality are steady between the 2018/19 to 2020/21 financial year moving from a positive cash balance of R11.28 million to R10.37 million with the approved 2019/20 MTREF. In the 2019/20 forecasts, the cash and cash equivalents is expected to decrease to R 7.17 million.

### 2.6.4 Cash Backed Reserves/Accumulated Surplus Reconciliation

This following table 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 was/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’. Non-compliance with section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected). It is also important to analyse trends to understand the consequences, e.g. the budget year might indicate a small surplus situation, which in itself is an appropriate outcome, but if in prior years there were much larger surpluses then this negative trend may be a concern that requires closer examination.

**Table 32 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation**

DC6 Namakwa - 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	27 833	18 976	8 228	16 486	16 486	16 486	16 486	11 282	10 374	7 166
Other current investments > 90 days		(0)	0	0	0	(0)	(0)	(0)	0	0	(0)
Non current assets - Investments	1	1	1	1	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>27 834</b>	<b>18 977</b>	<b>8 229</b>	<b>16 486</b>	<b>16 486</b>	<b>16 486</b>	<b>16 486</b>	<b>11 282</b>	<b>10 374</b>	<b>7 166</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		2 090	3 575	3 218	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(1 123)	(38 721)	5 281	1 389	1 383	1 383	1 383	1 302	1 359	272
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
<b>Total Application of cash and investments:</b>		<b>967</b>	<b>(35 146)</b>	<b>8 499</b>	<b>1 389</b>	<b>1 383</b>	<b>1 383</b>	<b>1 383</b>	<b>1 302</b>	<b>1 359</b>	<b>272</b>
<b>Surplus(shortfall)</b>		<b>26 867</b>	<b>54 123</b>	<b>(270)</b>	<b>15 097</b>	<b>15 103</b>	<b>15 103</b>	<b>15 103</b>	<b>9 979</b>	<b>9 016</b>	<b>6 893</b>

From the above table it can be seen that the cash and investments available total R11.82 million in the 2018/19 financial year and decreases to R10.37 million by 2019/20, including the projected cash and cash equivalents as determined in the cash flow forecast. The following is a breakdown of the application of this funding:

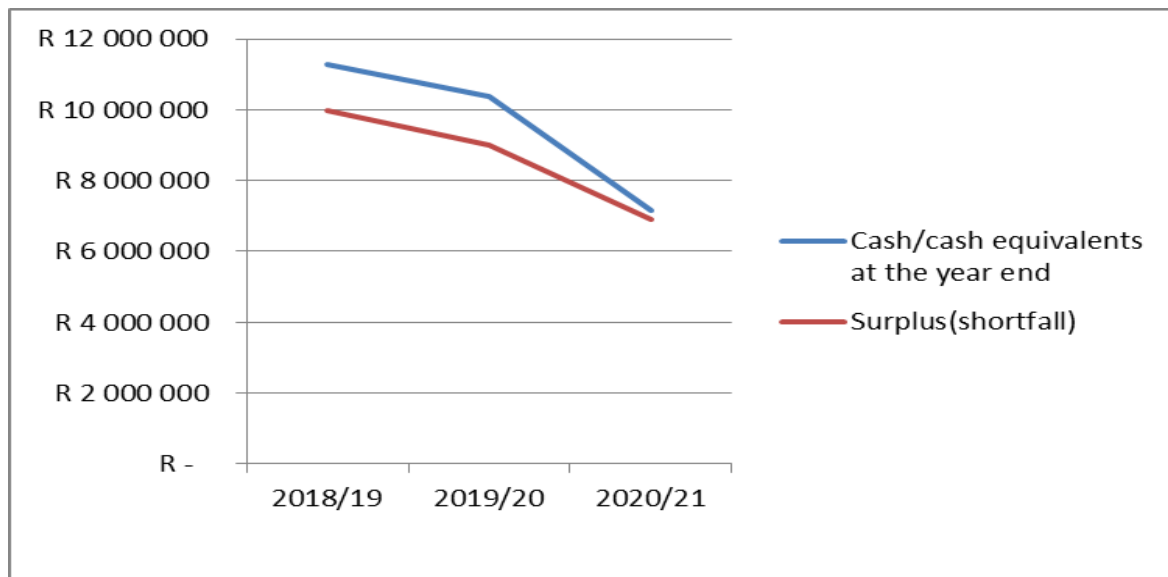
- Unspent conditional transfers (grants) are automatically assumed to be an obligation as the municipality has received government transfers in advance of meeting the conditions. Ordinarily, unless there are special circumstances, the municipality is obligated to return unspent conditional grant funds to the national revenue fund at the end of the financial year. In the past these have been allowed to ‘roll-over’ and be spent in the ordinary course of business, but this practice has been discontinued.



- The main purpose of other working capital is to ensure that sufficient funds are available to meet obligations as they fall due. A key challenge is often the mismatch between the timing of receipts of funds from debtors and payments due to employees and creditors. For the purpose of the cash backed reserves and accumulated surplus reconciliation a provision equivalent to one month’s operational expenditure has been provided for. It needs to be noted that although this can be considered prudent, the desired cash levels should be 60 days to ensure continued liquidity of the municipality.
- Most reserve fund cash-backing is discretionary in nature, but the reserve funds are not available to support a budget unless they are cash-backed. The reserve funds are fully cash-backed. The level of cash-backing is directly informed by the municipality’s cash backing policy.

It can be concluded that the municipality has a surplus against the cash backed and accumulated surpluses reconciliation.

The following graph supplies an analysis of the trends relating cash and cash equivalents and the cash backed reserves/accumulated funds reconciliation over a seven year perspective.



**Figure 8 Cash and cash equivalents / Cash backed reserves and accumulated funds**

### 2.6.5 Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA. Each of the measures is discussed below.

**Table 33 MBRR SA10 – Funding compliance measurement**

DC6 Namakwa 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	27 833	18 976	8 228	16 486	16 486	16 486	16 486	11 282	10 374	7 166
Cash + investments at the yr end less applications - R'000	18(1)b	2	26 867	54 123	(270)	15 097	15 103	15 103	15 103	9 979	9 016	6 893
Cash year end/monthly employee/supplier payments	18(1)b	3	7.2	4.8	1.7	3.5	3.4	3.4	3.4	2.2	2.0	1.3
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	(8 673)	(8 060)	(23 129)	(8 994)	(8 568)	(8 568)	(8 568)	(2 975)	(2 478)	(3 697)
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	35.4%	254.1%	8.9%	94.1%	95.0%	95.0%	95.0%	99.0%	99.4%	99.4%
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	131.1%	107.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (ex cl. transfers)	18(1)c	9	47.1%	14.8%	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								100.0%	100.0%	100.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	195.5%	(86.3%)	(77.7%)	0.0%	0.0%	0.0%	10.2%	3.0%	3.0%
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	6.2%	0.0%	0.0%	13.4%	6.8%	6.8%	7.5%	6.2%	7.4%	9.1%
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%

#### 2.6.5.1 Cash/cash equivalent position

The municipality’s forecast cash position was discussed as part of the budgeted cash flow statement. A ‘positive’ cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

If the municipality’s forecast cash position is negative, for any year of the medium term budget, the budget is very unlikely to meet MFMA requirements or be sustainable and could indicate a risk of non-compliance with section 45 of the MFMA which deals with the repayment of short term debt at the end of the financial year. The forecasted cash and cash equivalents for the 2018/19 MTREF shows R11.28 million, R10.37 million and R7.17 million for each respective financial year.

#### 2.6.5.2 Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves/surpluses is contained in Table 16, on page 21. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

### *2.6.5.3 Surplus/deficit excluding depreciation offsets*

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets. Municipalities need to assess the result of this calculation taking into consideration its own circumstances and levels of backlogs. If the outcome is a deficit, it may indicate that rates and service charges are insufficient to ensure that the community is making a sufficient contribution toward the economic benefits they are consuming over the medium term. For the 2018/19 MTREF the indicative outcome is a deficit of R2.97 million, R2.48 million and R3.70 million.

### *2.6.5.4 Transfers/grants revenue as a percentage of Government transfers/grants available*

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100 per cent could indicate that not all grants as contained in the Division of Revenue Act (DoRA) have been budgeted for. The Namakwa District Municipality has budgeted for all transfers.

### *2.6.5.5 Repairs and maintenance expenditure level*

This measure must be considered important within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected. Details of the municipality's strategy pertaining to asset management and repairs and maintenance are contained in Table 47 MBRR SA34C on page 69.

### *2.6.5.6 Asset renewal/rehabilitation expenditure level*

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget (since MFMA Circular 28 which was issued in December 2005) is to categorise each capital project as a new asset or a renewal/rehabilitation project. The objective is to summarise and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for 'repairs and maintenance' budgets. Further details in this regard are contained in Table 46 MBRR SA34b on page 68.

## 2.7 Expenditure on grants and reconciliations of unspent funds

**Table 34 MBRR SA19 - Expenditure on transfers and grant programmes**

DC6 Namakwa - Supporting Table SA19 Expenditure on transfers and grant programme										
Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>EXPENDITURE:</b>										
<b>Operating expenditure of Transfers and Grants:</b>										
<b>National Government:</b>		36 286	36 286	39 408	42 892	44 092	44 092	51 376	53 928	56 274
Local Government Equitable Share		32 035	32 035	33 008	36 316	36 316	36 316	44 724	46 639	48 375
Local Government Financial Management Grant [Schedule 5B]		1 296	1 296	1 250	1 250	1 250	1 250	1 320	1 785	2 217
Municipal Systems Improvement		527	527	16	-	-	-	-	-	-
Health Inspector's Subsidy		2 429	2 429	2 428	2 428	2 428	2 428	2 428	2 428	2 428
Municipal Infrastructure Grant		-	-	-	-	-	-	-	-	-
Road Asset Management Systems Grant [Schedule 5B]		-	-	2 706	2 898	4 098	4 098	2 904	3 076	3 254
<b>Provincial Government:</b>		7 999	7 999	2 686	1 509	1 926	1 926	-	-	-
Civil Defence Subsidy		115	115	109	350	867	867	-	-	-
Expanded Public Works Programme Integrated Grant		1 079	1 079	930	1 000	1 000	1 000	-	-	-
Fire Equipment Grant		406	406	105	-	-	-	-	-	-
IDP/LDO		59	59	369	100	-	-	-	-	-
Sakrivier Bridge		-	-	8	-	-	-	-	-	-
NC Housing		-	-	152	-	-	-	-	-	-
Drought Relief		-	-	-	-	-	-	-	-	-
Namaqua Sanitation Bucket System		26	26	-	-	-	-	-	-	-
Kholso Pula Nala		6 313	6 313	1 014	-	-	-	-	-	-
Fencing		-	-	-	-	-	-	-	-	-
Border Fencing		-	-	-	54	54	54	-	-	-
Komaggas Road		-	-	-	-	-	-	-	-	-
SA Projects		-	-	-	-	-	-	-	-	-
Contingency Fund		-	-	-	-	-	-	-	-	-
Electronic Filing System		-	-	-	5	5	5	-	-	-
Agricultural - Fish Factory		-	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<i>District Municipality</i>		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		21	21	5	126	126	126	-	-	-
<i>Maintenance Fund</i>		-	-	-	-	-	-	-	-	-
<i>Swartzkop Sport Ground (Lotto)</i>		-	-	5	17	17	17	-	-	-
<i>Public Sector SETA</i>		-	-	-	109	109	109	-	-	-
<i>Training Reserve (SETA)</i>		21	21	-	-	-	-	-	-	-
<i>Kamiesberg Special Fund</i>		-	-	-	-	-	-	-	-	-
<i>Richtersveld Special Fund</i>		-	-	-	-	-	-	-	-	-
<i>Construction Education Training Authority</i>		-	-	-	-	-	-	-	-	-
<b>Total operating expenditure of Transfers and Grants</b>		<b>44 306</b>	<b>44 306</b>	<b>42 099</b>	<b>44 527</b>	<b>46 144</b>	<b>46 144</b>	<b>51 376</b>	<b>53 928</b>	<b>56 274</b>
<b>Capital expenditure of Transfers and Grants:</b>										
<b>National Government:</b>		-	-	-	-	-	-	-	-	-
Municipal System Improvement Grant		-	-	-	-	-	-	-	-	-
Finance Management Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant (MIG)		-	-	-	-	-	-	-	-	-
PIMS		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert desc]		-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		-	-	196	-	-	-	-	-	-
Civil Defence Subsidy		-	-	196	-	-	-	-	-	-
Electronic Filing System		-	-	-	-	-	-	-	-	-
Fire Equipment Grant		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<i>District Municipality</i>		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
<i>Maintenance Fund</i>		-	-	-	-	-	-	-	-	-
<i>B Municipalities</i>		-	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>		<b>-</b>	<b>-</b>	<b>196</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>44 306</b>	<b>44 306</b>	<b>42 295</b>	<b>44 527</b>	<b>46 144</b>	<b>46 144</b>	<b>51 376</b>	<b>53 928</b>	<b>56 274</b>

**Table 35 MBRR SA 20 - Reconciliation between of transfers, grant receipts and unspent funds**

DC6 Namakwa - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds										
Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Operating transfers and grants:</b>										
<b>National Government:</b>										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		36 411	41 857	41 368	42 892	44 092	44 092	51 376	53 928	56 274
<b>Conditions met - transferred to revenue</b>		36 411	41 857	41 368	42 892	44 092	44 092	51 376	53 928	56 274
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>										
Balance unspent at beginning of the year		6 594	3 919	334	159	106	106	-	-	-
Current year receipts		1 148	1 148	1 154	1 350	1 435	1 435	-	-	-
<b>Conditions met - transferred to revenue</b>		7 742	5 067	1 488	1 509	1 541	1 541	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>										
Balance unspent at beginning of the year		-	-	-	17	17	17	-	-	-
Current year receipts		23	23	-	109	109	109	-	-	-
<b>Conditions met - transferred to revenue</b>		23	23	-	126	126	126	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>Total operating transfers and grants revenue</b>		44 176	46 946	42 857	44 527	45 759	45 759	51 376	53 928	56 274
<b>Total operating transfers and grants - CTBM</b>	2	-	-	-	-	-	-	-	-	-
<b>Capital transfers and grants:</b>										
<b>National Government:</b>										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		107	107	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		107	107	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>										
Balance unspent at beginning of the year		26	(801)	-	-	-	-	-	-	-
Current year receipts		847	847	196	-	385	385	-	-	-
<b>Conditions met - transferred to revenue</b>		873	47	196	-	385	385	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>Total capital transfers and grants revenue</b>		980	153	196	-	385	385	-	-	-
<b>Total capital transfers and grants - CTBM</b>	2	-	-	-	-	-	-	-	-	-
<b>TOTAL TRANSFERS AND GRANTS REVENUE</b>		45 156	47 099	43 053	44 527	46 144	46 144	51 376	53 928	56 274
<b>TOTAL TRANSFERS AND GRANTS - CTBM</b>		-	-	-	-	-	-	-	-	-

## 2.8 Councillor and employee benefits

**Table 36 MBRR SA22 - Summary of Councillor and staff benefits**

DC6 Namakwa - Supporting Table SA22 Summary councillor and staff benefits										
Summary of Employee and Councillor remuneration	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand		A	B	C	D	E	F	G	H	I
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages	1	2 162	2 162	2 291	2 611	2 338	2 338	2 522	2 683	2 857
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		-	-	154	167	169	169	145	154	164
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		421	421	337	356	354	354	426	454	483
<b>Sub Total - Councillors</b>		<b>2 583</b>	<b>2 583</b>	<b>2 783</b>	<b>3 134</b>	<b>2 861</b>	<b>2 861</b>	<b>3 093</b>	<b>3 291</b>	<b>3 505</b>
<b>% increase</b>	4		-	7.7%	12.6%	(8.7%)	-	8.1%	6.4%	6.5%
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages	2	2 779	2 779	6 125	3 200	3 143	3 143	3 370	3 586	3 819
Pension and UIF Contributions		383	383	991	452	460	460	487	518	552
Medical Aid Contributions		109	109	-	134	135	135	143	153	162
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	417	183	183	183	198	211	224
Motor Vehicle Allowance	3	516	516	691	483	522	522	492	492	492
Cellphone Allowance	3	38	38	48	42	42	42	42	42	42
Housing Allowances	3	34	34	138	25	25	25	25	25	25
Other benefits and allowances	3	263	263	-	100	80	80	100	106	113
Payments in lieu of leave		109	109	-	-	-	-	-	-	-
Long service awards		-	-	131	57	51	51	51	54	57
Post-retirement benefit obligations	6	-	-	(36)	661	750	750	730	591	604
<b>Sub Total - Senior Managers of Municipality</b>		<b>4 231</b>	<b>4 231</b>	<b>8 506</b>	<b>5 337</b>	<b>5 391</b>	<b>5 391</b>	<b>5 639</b>	<b>5 778</b>	<b>6 092</b>
<b>% increase</b>	4		-	101.1%	(37.3%)	1.0%	-	4.6%	2.5%	5.4%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		15 109	15 759	12 579	18 182	18 003	18 003	19 172	20 399	21 724
Pension and UIF Contributions		2 589	2 589	1 917	3 040	2 922	2 922	3 216	3 422	3 645
Medical Aid Contributions		737	737	-	2 290	2 222	2 222	3 406	3 624	3 859
Overtime		428	428	259	114	244	244	239	239	239
Performance Bonus		-	-	816	1 251	1 080	1 080	1 326	1 411	1 502
Motor Vehicle Allowance	3	1 998	1 998	1 364	2 071	2 067	2 067	1 956	1 956	1 956
Cellphone Allowance	3	24	24	87	112	114	114	93	93	93
Housing Allowances	3	581	581	409	585	555	555	588	588	588
Other benefits and allowances	3	965	965	5	157	74	74	358	381	405
Payments in lieu of leave		183	183	-	-	-	-	-	-	-
Long service awards		116	116	-	102	93	93	120	100	106
Post-retirement benefit obligations	6	365	365	13	2 426	2 232	2 232	1 490	1 307	1 354
<b>Sub Total - Other Municipal Staff</b>		<b>23 095</b>	<b>23 745</b>	<b>17 449</b>	<b>30 331</b>	<b>29 605</b>	<b>29 605</b>	<b>31 964</b>	<b>33 519</b>	<b>35 473</b>
<b>% increase</b>	4		2.8%	(26.5%)	73.8%	(2.4%)	-	8.0%	4.9%	5.8%
<b>Total Parent Municipality</b>		<b>29 908</b>	<b>30 558</b>	<b>28 737</b>	<b>38 801</b>	<b>37 857</b>	<b>37 857</b>	<b>40 696</b>	<b>42 587</b>	<b>45 069</b>
			2.2%	(6.0%)	35.0%	(2.4%)	-	7.5%	4.6%	5.8%

**Table 37 MBRR SA23 - Salaries, allowances and benefits (political office bearers/councillors/ senior managers)**

<b>DC6 Namakwa - Supporting Table SA23 Salaries, allowances &amp; benefits (political office bearers/councillors/senior managers)</b>								
Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
<b>Councillors</b>	3							
Speaker	4		674 935	-	24 168			699 103
Chief Whip			400 485	-	181 831			582 316
Executive Mayor			567 646	-	-			567 646
Deputy Executive Mayor			-	-	-			-
Executive Committee			227 382	-	75 794			303 176
Total for all other councillors			651 215	-	289 576			940 791
<b>Total Councillors</b>	8	-	<b>2 521 663</b>	<b>-</b>	<b>571 369</b>			<b>3 093 032</b>
<b>Senior Managers of the Municipality</b>	5							
Municipal Manager (MM)			860 905	342 149	212 264	56 629		1 471 947
Chief Finance Officer			914 819	340 875	194 264	56 629		1 506 587
Director: Corporate Services			800 779	287 633	144 264	56 629		1 289 305
Director: Economic Development, Tourism and Projects			793 833	389 830	108 367	78 793		1 370 823
			-	-	-	-		-
			-	-	-	-		-
<b>Total Senior Managers of the Municipality</b>	8,10	-	<b>3 370 336</b>	<b>1 360 487</b>	<b>659 159</b>	<b>248 680</b>		<b>5 638 662</b>
<b>TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION</b>	10	-	<b>5 891 999</b>	<b>1 360 487</b>	<b>1 230 528</b>	<b>248 680</b>		<b>8 731 694</b>

**Table 38 MBRR SA24 – summary of personnel numbers**

DC6 Namakwa - Supporting Table SA24 Summary of personnel numbers										
Summary of Personnel Numbers	Ref	2016/17			Current Year 2017/18			Budget Year 2018/19		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
<b>Municipal Council and Boards of Municipal Entities</b>										
Councillors (Political Office Bearers plus Other Councillors)		15	2	13	15	2	13	15	2	13
Board Members of municipal entities	4	-	-	-	-	-	-	-	-	-
<b>Municipal employees</b>	5	-	-	-	-	-	-	-	-	-
Municipal Manager and Senior Managers	3	4	3	1	4	3	1	4	3	1
Other Managers	7	4	4	-	4	4	-	4	4	-
Professionals		4	4	-	4	4	-	4	4	-
<i>Finance</i>		2	2	-	2	2	-	2	2	-
<i>Spatial/town planning</i>		-	-	-	-	-	-	-	-	-
<i>Information Technology</i>		2	2	-	2	2	-	2	2	-
<i>Roads</i>		-	-	-	-	-	-	-	-	-
<i>Electricity</i>		-	-	-	-	-	-	-	-	-
<i>Water</i>		-	-	-	-	-	-	-	-	-
<i>Sanitation</i>		-	-	-	-	-	-	-	-	-
<i>Refuse</i>		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Technicians		9	9	-	9	9	-	9	9	-
<i>Finance</i>		2	2	-	2	2	-	2	2	-
<i>Spatial/town planning</i>		-	-	-	-	-	-	-	-	-
<i>Information Technology</i>		2	2	-	2	2	-	2	2	-
<i>Roads</i>		-	-	-	-	-	-	-	-	-
<i>Electricity</i>		-	-	-	-	-	-	-	-	-
<i>Water</i>		-	-	-	-	-	-	-	-	-
<i>Sanitation</i>		-	-	-	-	-	-	-	-	-
<i>Refuse</i>		-	-	-	-	-	-	-	-	-
<i>Other</i>		5	5	-	5	5	-	5	5	-
Clerks (Clerical and administrative)		48	28	20	48	28	20	48	28	20
Service and sales workers		5	4	1	5	4	1	5	4	1
Skilled agricultural and fishery workers		-	-	-	-	-	-	-	-	-
Craft and related trades		-	-	-	-	-	-	-	-	-
Plant and Machine Operators		-	-	-	-	-	-	-	-	-
Elementary Occupations		4	3	-	4	3	-	4	3	-
<b>TOTAL PERSONNEL NUMBERS</b>	9	<b>93</b>	<b>57</b>	<b>35</b>	<b>93</b>	<b>57</b>	<b>35</b>	<b>93</b>	<b>57</b>	<b>35</b>
<b>% increase</b>										
<b>Total municipal employees headcount</b>	6, 10	-	-	-	-	-	-	-	-	-
Finance personnel headcount	8, 10	19	19	-	10	10	-	10	10	-
Human Resources personnel headcount	8, 10	4	4	-	4	4	-	4	4	-

**2.9 Monthly targets for revenue, expenditure and cash flow**



**Table 39 MBRR SA25 - Budgeted monthly revenue and expenditure**

DC6 Namakwa - Supporting Table SA25 Budgeted monthly revenue and expenditure														Medium Term Revenue and Expenditure Framework		
Description	Ref	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>R thousand</b>																
<b>Revenue By Source</b>																
Property rates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		78	78	78	78	78	78	78	78	78	78	78	78	938	988	1 042
Interest earned - external investments		252	252	252	252	252	252	252	252	252	252	252	252	3 020	2 800	2 800
Interest earned - outstanding debtors		5	5	5	5	5	5	5	5	5	5	5	5	60	60	60
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		0	0	0	0	0	0	0	0	0	0	0	0	5	5	5
Licences and permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services		750	750	750	750	750	750	750	750	750	750	750	750	9 000	9 500	9 800
Transfers and subsidies		19 941	-	-	-	15 717	-	-	-	15 717	-	-	0	51 376	53 928	56 274
Other revenue		169	169	169	169	169	169	169	169	169	169	169	169	2 027	1 943	1 660
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>21 195</b>	<b>1 254</b>	<b>1 254</b>	<b>1 254</b>	<b>16 971</b>	<b>1 254</b>	<b>1 254</b>	<b>1 254</b>	<b>16 971</b>	<b>1 254</b>	<b>1 254</b>	<b>1 254</b>	<b>66 426</b>	<b>69 225</b>	<b>71 642</b>
<b>Expenditure By Type</b>																
Employee related costs		3 150	3 150	3 150	3 150	3 150	3 150	3 150	3 150	3 150	3 150	3 051	3 051	37 700	39 296	41 564
Remuneration of councillors		258	258	258	258	258	258	258	258	258	258	258	258	3 093	3 291	3 505
Debt impairment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment		114	114	114	114	114	114	114	114	114	114	114	114	1 373	1 373	1 373
Finance charges		0	0	0	0	0	0	0	0	0	0	99	99	100	86	94
Bulk purchases		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials		47	47	47	47	47	47	47	47	47	47	47	47	558	589	621
Contracted services		1 226	1 226	1 226	1 226	1 226	1 226	1 226	1 226	1 226	1 226	1 226	1 226	14 716	14 650	15 148
Transfers and subsidies		10	10	10	10	10	10	10	10	10	10	10	10	120	120	120
Other expenditure		978	978	978	978	978	978	978	978	978	978	978	978	11 740	12 297	12 912
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>5 783</b>	<b>5 783</b>	<b>5 783</b>	<b>5 783</b>	<b>5 783</b>	<b>5 783</b>	<b>5 783</b>	<b>5 783</b>	<b>5 783</b>	<b>5 783</b>	<b>5 783</b>	<b>5 783</b>	<b>69 400</b>	<b>71 703</b>	<b>75 338</b>
<b>Surplus/(Deficit)</b>		<b>15 412</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>11 188</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>11 188</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>(2 975)</b>	<b>(2 478)</b>	<b>(3 697)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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>15 412</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>11 188</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>11 188</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>(2 975)</b>	<b>(2 478)</b>	<b>(3 697)</b>
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>15 412</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>11 188</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>11 188</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>(2 975)</b>	<b>(2 478)</b>	<b>(3 697)</b>

**Table 40 MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)**

DC6 Namakwa - 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 - Municipal Manager		882	-	-	-	882	-	-	-	882	-	-	-	2 645	2 798	2 952
Vote 2 - Manager: Corporate Services		1 380	139	139	139	1 380	139	139	139	1 380	139	139	139	5 386	6 071	6 278
Vote 3 - Manager: Economic Development		3 654	750	750	750	750	750	750	750	750	750	750	750	11 904	12 576	13 054
Vote 4 - Manager: Environmental Health		842	32	32	32	842	32	32	32	842	32	32	32	2 817	2 675	2 691
Vote 5 - Manager: Finance		14 362	257	257	257	13 042	257	257	257	13 042	257	257	257	42 760	44 133	45 632
Vote 6 - Manager: Roads		76	76	76	76	76	76	76	76	76	76	76	76	913	971	1 035
<b>Total Revenue by Vote</b>		<b>21 195</b>	<b>1 254</b>	<b>1 254</b>	<b>1 254</b>	<b>16 971</b>	<b>1 254</b>	<b>1 254</b>	<b>1 254</b>	<b>16 971</b>	<b>1 254</b>	<b>1 254</b>	<b>1 254</b>	<b>66 426</b>	<b>69 225</b>	<b>71 642</b>
<b>Expenditure by Vote to be appropriated</b>																
Vote 1 - Municipal Manager		1 563	1 563	1 563	1 563	1 563	1 563	1 563	1 563	1 563	1 563	1 563	1 563	18 756	18 734	19 803
Vote 2 - Manager: Corporate Services		1 185	1 185	1 185	1 185	1 185	1 185	1 185	1 185	1 185	1 185	1 185	1 185	14 217	14 391	14 691
Vote 3 - Manager: Economic Development		1 571	1 571	1 571	1 571	1 571	1 571	1 571	1 571	1 571	1 571	1 571	1 571	18 855	19 894	20 789
Vote 4 - Manager: Environmental Health		867	867	867	867	867	867	867	867	867	867	867	867	10 408	10 751	11 337
Vote 5 - Manager: Finance		521	521	521	521	521	521	521	521	521	521	521	521	6 251	6 961	7 684
Vote 6 - Manager: Roads		76	76	76	76	76	76	76	76	76	76	76	76	913	971	1 035
<b>Total Expenditure by Vote</b>		<b>5 783</b>	<b>5 783</b>	<b>5 783</b>	<b>5 783</b>	<b>5 783</b>	<b>5 783</b>	<b>5 783</b>	<b>5 783</b>	<b>5 783</b>	<b>5 783</b>	<b>5 783</b>	<b>5 783</b>	<b>69 400</b>	<b>71 703</b>	<b>75 338</b>
<b>Surplus/(Deficit) before assoc.</b>		<b>15 412</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>11 188</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>11 188</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>(2 975)</b>	<b>(2 478)</b>	<b>(3 697)</b>
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>15 412</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>11 188</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>11 188</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>(4 529)</b>	<b>(2 975)</b>	<b>(2 478)</b>	<b>(3 697)</b>

**Table 41 MBRR SA27 - Budgeted monthly revenue and expenditure (standard classification)**

**DC6 Namakwa - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)**

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 - Functional</b>																
<b>Governance and administration</b>		16 624	396	396	396	15 304	396	396	396	15 304	396	396	396	50 791	53 002	54 862
Executive and council		2 123	-	-	-	2 123	-	-	-	2 123	-	-	0	6 369	7 156	7 825
Finance and administration		14 501	396	396	396	13 181	396	396	396	13 181	396	396	396	44 422	45 846	47 037
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		842	32	32	32	842	32	32	32	842	32	32	32	2 817	2 675	2 691
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		32	32	32	32	32	32	32	32	32	32	32	32	389	247	263
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		809	-	-	-	809	-	-	-	809	-	-	-	2 428	2 428	2 428
<b>Economic and environmental services</b>		3 730	826	826	826	826	826	826	826	826	826	826	826	12 817	13 547	14 089
Planning and development		2 904	-	-	-	-	-	-	-	-	-	-	-	2 904	3 076	3 254
Road transport		76	76	76	76	76	76	76	76	76	76	76	76	913	971	1 035
Environmental protection		750	750	750	750	750	750	750	750	750	750	750	750	9 000	9 500	9 800
<b>Trading services</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>		21 195	1 254	1 254	1 254	16 971	1 254	1 254	1 254	16 971	1 254	1 254	1 254	66 426	69 225	71 642
<b>Expenditure - Functional</b>																
<b>Governance and administration</b>		3 269	3 269	3 269	3 269	3 269	3 269	3 269	3 269	3 269	3 269	3 269	3 268	39 224	40 086	42 178
Executive and council		1 441	1 441	1 441	1 441	1 441	1 441	1 441	1 441	1 441	1 441	1 441	1 441	17 290	17 186	18 165
Finance and administration		1 706	1 706	1 706	1 706	1 706	1 706	1 706	1 706	1 706	1 706	1 706	1 706	20 468	21 352	22 375
Internal audit		122	122	122	122	122	122	122	122	122	122	122	122	1 466	1 548	1 638
<b>Community and public safety</b>		867	867	867	867	867	867	867	867	867	867	867	867	10 408	10 751	11 337
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		410	410	410	410	410	410	410	410	410	410	410	410	4 922	5 012	5 295
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		457	457	457	457	457	457	457	457	457	457	457	457	5 486	5 739	6 042
<b>Economic and environmental services</b>		1 477	1 477	1 477	1 477	1 477	1 477	1 477	1 477	1 477	1 477	1 477	1 477	17 720	18 703	19 538
Planning and development		651	651	651	651	651	651	651	651	651	651	651	651	7 807	8 231	8 703
Road transport		76	76	76	76	76	76	76	76	76	76	76	76	913	971	1 035
Environmental protection		750	750	750	750	750	750	750	750	750	750	750	750	9 000	9 500	9 800
<b>Trading services</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Other</b>		171	171	171	171	171	171	171	171	171	171	171	171	2 048	2 163	2 286
<b>Total Expenditure - Functional</b>		5 783	5 783	5 783	5 783	5 783	5 783	5 783	5 783	5 783	5 783	5 783	5 783	69 400	71 703	75 338
<b>Surplus/(Deficit) before assoc.</b>		15 412	(4 529)	(4 529)	(4 529)	11 188	(4 529)	(4 529)	(4 529)	11 188	(4 529)	(4 529)	(4 529)	(2 975)	(2 478)	(3 697)
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	1	15 412	(4 529)	(4 529)	(4 529)	11 188	(4 529)	(4 529)	(4 529)	11 188	(4 529)	(4 529)	(4 529)	(2 975)	(2 478)	(3 697)

**Table 42 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)**

DC6 Namakwa - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)																
Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Multi-year expenditure to be appropriated</b>	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 1 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Manager: Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Manager: Economic Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Manager: Environmental Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Manager: Finance		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Manager: Roads		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Single-year expenditure to be appropriated</b>																
Vote 1 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	15	15	-	-
Vote 2 - Manager: Corporate Services		-	-	-	-	-	-	-	-	-	-	-	2 723	2 723	-	-
Vote 3 - Manager: Economic Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Manager: Environmental Health		-	-	-	-	-	-	-	-	-	-	-	65	65	-	-
Vote 5 - Manager: Finance		-	-	-	-	-	-	-	-	-	-	-	17	17	-	-
Vote 6 - Manager: Roads		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>	2	-	-	-	-	-	-	-	-	-	-	-	2 820	2 820	-	-
<b>Total Capital Expenditure</b>	2	-	-	-	-	-	-	-	-	-	-	-	2 820	2 820	-	-

**Table 43 MBRR SA29 - Budgeted monthly capital expenditure (standard classification)**

DC6 Namakwa - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)																
Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Capital Expenditure - Functional</b>	1															
<b>Governance and administration</b>		230	230	230	230	230	230	230	230	230	230	230	230	2 755	-	-
Executive and council		1	1	1	1	1	1	1	1	1	1	1	1	15	-	-
Finance and administration		228	228	228	228	228	228	228	228	228	228	228	228	2 740	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		5	5	5	5	5	5	5	5	5	5	5	5	65	-	-
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		5	5	5	5	5	5	5	5	5	5	5	5	65	-	-
<b>Economic and environmental services</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	2	235	235	235	235	235	235	235	235	235	235	235	235	2 820	-	-
<b>Funded by:</b>																
National Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provincial Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Public contributions &amp; donations</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Borrowing</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		235	235	235	235	235	235	235	235	235	235	235	235	2 820	-	-
<b>Total Capital Funding</b>		235	235	235	235	235	235	235	235	235	235	235	235	2 820	-	-

Table 44 MBRR SA30 - Budgeted monthly cash flow

DC6 Namakwa - Supporting Table SA30 Budgeted monthly cash flow														Medium Term Revenue and Expenditure Framework		
MONTHLY CASH FLOWS	Budget Year 2018/19												Budget Year	Budget Year	Budget Year	
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	2018/19	+1 2019/20	+2 2020/21
<b>Cash Receipts By Source</b>														1		
Property rates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	78	78	78	78	78	78	78	78	78	78	78	78	78	933	987	1 041
Interest earned - external investments	252	252	252	252	252	252	252	252	252	252	252	252	252	3 020	2 800	2 800
Interest earned - outstanding debtors	5	5	5	5	5	5	5	5	5	5	5	5	5	60	60	60
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	0	0	0	0	0	0	0	0	0	0	0	0	0	5	5	5
Licences and permits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services	746	746	746	746	746	746	746	746	746	746	746	746	746	8 956	9 485	9 785
Transfer receipts - operational	19 941	-	-	-	15 717	-	-	-	15 717	-	-	-	0	51 376	53 928	56 274
Other revenue	168	168	168	168	168	168	168	168	168	168	168	168	168	2 017	1 940	1 657
<b>Cash Receipts by Source</b>	<b>21 191</b>	<b>1 249</b>	<b>1 249</b>	<b>1 249</b>	<b>16 967</b>	<b>1 249</b>	<b>1 249</b>	<b>1 249</b>	<b>16 967</b>	<b>1 249</b>	<b>1 249</b>	<b>1 249</b>	<b>1 249</b>	<b>66 366</b>	<b>69 205</b>	<b>71 622</b>
<b>Other Cash Flows by Source</b>																
Transfer receipts - capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>	<b>21 191</b>	<b>1 249</b>	<b>1 249</b>	<b>1 249</b>	<b>16 967</b>	<b>1 249</b>	<b>1 249</b>	<b>1 249</b>	<b>16 967</b>	<b>1 249</b>	<b>1 249</b>	<b>1 249</b>	<b>1 249</b>	<b>66 366</b>	<b>69 205</b>	<b>71 622</b>
<b>Cash Payments by Type</b>																
Employee related costs	3 188	3 188	3 188	3 188	3 188	3 188	3 188	3 188	3 188	3 188	3 188	3 087	38 150	39 223	42 105	
Remuneration of councillors	261	261	261	261	261	261	261	261	261	261	261	261	3 130	3 285	3 551	
Finance charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	47	47	47	47	47	47	47	47	47	47	47	47	565	587	629	
Contracted services	1 241	1 241	1 241	1 241	1 241	1 241	1 241	1 241	1 241	1 241	1 241	1 241	14 892	14 623	15 345	
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	10	10	10	10	10	10	10	10	10	10	10	10	120	120	120	
Other expenditure	990	990	990	990	990	990	990	990	990	990	990	990	11 880	12 274	13 080	
<b>Cash Payments by Type</b>	<b>5 736</b>	<b>5 736</b>	<b>5 736</b>	<b>5 736</b>	<b>5 736</b>	<b>5 736</b>	<b>5 736</b>	<b>5 736</b>	<b>5 736</b>	<b>5 736</b>	<b>5 736</b>	<b>5 636</b>	<b>68 737</b>	<b>70 113</b>	<b>74 831</b>	
<b>Other Cash Flows/Payments by Type</b>																
Capital assets	-	-	-	-	-	-	-	-	-	-	-	2 820	2 820	-	-	-
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	14	14	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Payments by Type</b>	<b>5 736</b>	<b>5 736</b>	<b>5 736</b>	<b>5 736</b>	<b>5 736</b>	<b>5 736</b>	<b>5 736</b>	<b>5 736</b>	<b>5 736</b>	<b>5 736</b>	<b>5 736</b>	<b>8 470</b>	<b>71 571</b>	<b>70 113</b>	<b>74 831</b>	
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>15 454</b>	<b>(4 487)</b>	<b>(4 487)</b>	<b>(4 487)</b>	<b>11 230</b>	<b>(4 487)</b>	<b>(4 487)</b>	<b>(4 487)</b>	<b>11 230</b>	<b>(4 487)</b>	<b>(4 487)</b>	<b>(7 221)</b>	<b>(5 205)</b>	<b>(907)</b>	<b>(3 209)</b>	
Cash/cash equivalents at the month/year begin:	16 486	31 940	27 453	22 966	18 479	29 709	25 222	20 734	16 247	27 477	22 990	18 503	16 486	11 282	10 374	
Cash/cash equivalents at the month/year end:	31 940	27 453	22 966	18 479	29 709	25 222	20 734	16 247	27 477	22 990	18 503	11 282	11 282	10 374	7 166	

## **2.10 Contracts having future budgetary implications**

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

## **2.11 Capital expenditure details**

The following three tables present details of the Namakwa District Municipality's capital expenditure programme, firstly on new assets, then the renewal of assets and finally on the repair and maintenance of assets.

**Table 45 MBRR SA 34a - Capital expenditure on new assets by asset class**

DC6 Namakwa - Supporting Table SA34a Capital expenditure on new assets by asset class										
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>Other assets</b>	1	-	79	-	-	-	-	-	-	-
Operational Buildings		-	79	-	-	-	-	-	-	-
Municipal Offices		-	79	-	-	-	-	-	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		-	-	-	110	536	536	2 820	-	-
Computer Equipment		-	-	-	110	536	536	2 820	-	-
<b>Furniture and Office Equipment</b>		324	94	5	-	-	-	-	-	-
Furniture and Office Equipment		324	94	5	-	-	-	-	-	-
<b>Machinery and Equipment</b>		562	120	280	-	-	-	-	-	-
Machinery and Equipment		562	120	280	-	-	-	-	-	-
<b>Transport Assets</b>		782	-	-	-	-	-	-	-	-
Transport Assets		782	-	-	-	-	-	-	-	-
<b>Libraries</b>		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on new assets</b>	1	1 668	293	284	110	536	536	2 820	-	-



**Table 46 MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class**

DC6 Namakwa - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class										
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>Other assets</b>		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Municipal Offices		-	-	-	-	-	-	-	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
<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		-	-	-	-	-	-	-	-	-
<b>Libraries</b>		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on renewal of existing</b>	1	-	-	-	-	-	-	-	-	-
<b>Renewal of Existing Assets as % of total capex</b>		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Renewal of Existing Assets as % of deprec"</b>		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

**Table 47 MBRR SA34c - Repairs and maintenance expenditure by asset class**

DC6 Namakwa - Supporting Table SA34c Repairs and maintenance expenditure by asset class										
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>Other assets</b>	1	404	-	-	300	334	334	377	397	419
Operational Buildings		404	-	-	300	334	334	377	397	419
Municipal Offices		404	-	-	300	334	334	377	397	419
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	20	30	30	32	33	35
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	20	30	30	32	33	35
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	20	30	30	32	33	35
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		85	-	-	62	90	90	94	99	104
Computer Equipment		85	-	-	62	90	90	94	99	104
<b>Furniture and Office Equipment</b>		58	-	-	33	30	30	34	36	38
Furniture and Office Equipment		58	-	-	33	30	30	34	36	38
<b>Machinery and Equipment</b>		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
<b>Transport Assets</b>		94	-	-	56	56	56	59	62	66
Transport Assets		94	-	-	56	56	56	59	62	66
<b>Libraries</b>		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>	1	<b>641</b>	<b>-</b>	<b>-</b>	<b>471</b>	<b>540</b>	<b>540</b>	<b>595</b>	<b>627</b>	<b>662</b>

**Table 48 MBRR SA35 - Future financial implications of the capital budget**

DC6 Namakwa - Supporting Table SA35 Future financial implications of the capital budget							
Vote Description	Ref	2018/19 Medium Term Revenue & Expenditure Framework			Forecasts		
		Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	Forecast 2021/22	Forecast 2022/23	Forecast 2023/24
<b>R thousand</b>							
<b>Capital expenditure</b>	1						
Vote 1 - Municipal Manager		15	-	-	-	-	-
Vote 2 - Manager: Corporate Services		2 723	-	-	-	-	-
Vote 3 - Manager: Economic Development		-	-	-	-	-	-
Vote 4 - Manager: Environmental Health		65	-	-	-	-	-
Vote 5 - Manager: Finance		17	-	-	-	-	-
Vote 6 - Manager: Roads		-	-	-	-	-	-
<i>List entity summary if applicable</i>		-	-	-	-	-	-
<b>Total Capital Expenditure</b>		<b>2 820</b>	-	-	-	-	-
<b>Future operational costs by vote</b>	2						
Vote 1 - Municipal Manager		-	-	-	-	-	-
Vote 2 - Manager: Corporate Services		-	-	-	-	-	-
Vote 3 - Manager: Economic Development		-	-	-	-	-	-
Vote 4 - Manager: Environmental Health		-	-	-	-	-	-
Vote 5 - Manager: Finance		-	-	-	-	-	-
Vote 6 - Manager: Roads		-	-	-	-	-	-
<i>List entity summary if applicable</i>		-	-	-	-	-	-
<b>Total future operational costs</b>		-	-	-	-	-	-
<b>Future revenue by source</b>	3						
Property rates		-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-
Service charges - refuse revenue		-	-	-	-	-	-
Service charges - other		-	-	-	-	-	-
Rental of facilities and equipment		-	-	-	-	-	-
<i>List other revenues sources if applicable</i>		-	-	-	-	-	-
<i>List entity summary if applicable</i>		-	-	-	-	-	-
<b>Total future revenue</b>		-	-	-	-	-	-
<b>Net Financial Implications</b>		<b>2 820</b>	-	-	-	-	-

**Table 49 MBRR SA36 - Detailed capital budget per municipal vote**

DC6 Namakwa - Supporting Table SA36 Detailed capital budget																
Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2018/19 Medium Term Revenue & Expenditure Framework			Project information	
										Audited Outcome 2016/17	Current Year 2017/18 Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	Ward location	New or renewal
R thousand	4			2	6	3	3	5								
<b>Parent municipality:</b>																
<i>List all capital projects grouped by Municipal Vote</i>																
3.1 - Economic Development		Furniture			Yes	Other assets	Furniture and other office equipment		5	-	-	-	-			
2.1 - Administration		Furniture			Yes	Other assets	Furniture and other office equipment		27	-	-	-	-			
2.1 - Administration		Computer Equipment			Yes	Other assets	Computers - hardware/equipment		-	17	2 723	-	-			
5.1 - Finance		Computer Equipment			Yes	Other assets	Computers - hardware/equipment		-	15	17	-	-			
1.10 - Speaker - PA		Computer Equipment			Yes	Other assets	Computers - hardware/equipment		-	-	15	-	-			
4.5 - Safety		Equipment			Yes	Other assets	Plant & equipment		196	-	-	-	-			
4.2 - Environmental Health		Computer Equipment			Yes	Other assets	Computers - hardware/equipment		-	-	65	-	-			
2.3 - Council Buildings		Land and Buildings			Yes	Other assets	Other Buildings		57	-	-	-	-			
1.2 - Council Expenditure		Computer Equipment			Yes	Other assets	Computers - hardware/equipment		-	30	-	-	-			
1.6 - Municipal Manager		Computer Equipment			Yes	Other assets	Computers - hardware/equipment		-	48	-	-	-			
<b>Parent Capital expenditure</b>	<b>1</b>								<b>284</b>	<b>110</b>	<b>2 820</b>	<b>-</b>	<b>-</b>			
<b>Entities:</b>																
<i>List all capital projects grouped by Entity</i>																
<b>Entity A</b>																
Water project A																
<b>Entity B</b>																
Electricity project B																
<b>Entity Capital expenditure</b>									<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>			
<b>Total Capital expenditure</b>									<b>284</b>	<b>110</b>	<b>2 820</b>	<b>-</b>	<b>-</b>			

**Table 50 MBRR SA37 - Projects delayed from previous financial year**

DC6 Namakwa - Supporting Table SA37 Projects delayed from previous financial year/s												
Municipal Vote/Capital project	Ref. 1,2	Project name	Project number	Asset Class 3	Asset Sub-Class 3	GPS co-ordinates 4	Previous target year to complete Year	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
								Original Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>R thousand</b>												
<b>Parent municipality:</b> <i>List all capital projects grouped by Municipal Vote</i>												
				Examples	Examples							
<b>Entities:</b> <i>List all capital projects grouped by Municipal Entity</i>												
<b>Entity Name</b> <i>Project name</i>												

## 2.12 Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

**1. *In year reporting***

Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved. Monthly reporting is done in a Budget and Treasury Committee meeting held within 10 working days after month end.

**2. *Budget and Treasury Office***

The Budget and Treasury Office has been established in accordance with the MFMA.

**3. *Audit Committee***

An Audit Committee has been established and is fully functional.

**4. *Service Delivery and Implementation Plan***

The detail SDBIP document is at a draft stage and will be finalised after approval of the 2018/19 MTREF in May 2018 directly aligned and informed by the 2018/19 MTREF.

**5. *Annual Report***

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

**6. *MFMA Training***

The MFMA training module in electronic format was presented in Concordia for certain senior and middle managers as well in Upington for top management and other finance staff. The balance of personnel was included in another group to commence in the near future.

## 2.13 Other supporting documents

**Table 51 MBRR Table SA1 - Supporting detail to budgeted financial performance**

DC6 Namakwa - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'											
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>R thousand</b>											
<b>REVENUE ITEMS:</b>											
<b>Property rates</b>											
Total Property Rates	6	-	-	-	-	-	-	-	-	-	
less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		-	-	-	-	-	-	-	-	-	
<b>Net Property Rates</b>		-	-	-	-	-	-	-	-	-	
<b>Service charges - electricity revenue</b>											
Total Service charges - electricity revenue	6	-	-	-	-	-	-	-	-	-	
less Revenue Foregone (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-	
less Cost of Free Basis Services (50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-	
<b>Net Service charges - electricity revenue</b>		-	-	-	-	-	-	-	-	-	
<b>Service charges - water revenue</b>											
Total Service charges - water revenue	6	-	-	-	-	-	-	-	-	-	
less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-	
less Cost of Free Basis Services (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-	
<b>Net Service charges - water revenue</b>		-	-	-	-	-	-	-	-	-	
<b>Service charges - sanitation revenue</b>											
Total Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	
less Revenue Foregone (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-	
less Cost of Free Basis Services (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-	
<b>Net Service charges - sanitation revenue</b>		-	-	-	-	-	-	-	-	-	
<b>Service charges - refuse revenue</b>											
Total refuse removal revenue	6	-	-	-	-	-	-	-	-	-	
Total landfill revenue		-	-	-	-	-	-	-	-	-	
less Revenue Foregone (in excess of one removal a week to indigent households)		-	-	-	-	-	-	-	-	-	
less Cost of Free Basis Services (removed once a week to indigent households)		-	-	-	-	-	-	-	-	-	
<b>Net Service charges - refuse revenue</b>		-	-	-	-	-	-	-	-	-	
<b>Other Revenue by source</b>											
Fuel Levy		-	-	-	-	-	-	-	-	-	
Other Revenue		787	1 347	1 291	-	2 840	2 840	2 840	2 027	1 943	
Sales of Goods and Rendering of Services		-	-	-	-	-	-	-	-	1 660	
<b>Total 'Other' Revenue</b>	1	787	1 347	1 291	-	2 840	2 840	2 840	2 027	1 943	
<b>EXPENDITURE ITEMS:</b>											
<b>Employee related costs</b>											
Basic Salaries and Wages	2	17 888	18 555	17 813	21 382	21 146	21 146	21 146	22 542	23 985	
Pension and UIF Contributions		3 818	3 799	2 955	3 491	3 382	3 382	3 382	3 703	3 940	
Medical Aid Contributions		-	-	-	2 424	2 357	2 357	2 357	3 549	3 776	
Overtime		428	314	265	114	244	244	244	239	239	
Performance Bonus		1 265	1 293	1 247	1 435	1 263	1 263	1 263	1 524	1 621	
Motor Vehicle Allowance		2 538	2 512	2 259	2 554	2 589	2 589	2 589	2 448	2 448	
Cellphone Allowance		-	-	-	154	156	156	156	135	135	
Housing Allowances		615	573	547	610	580	580	580	613	613	
Other benefits and allowances		-	-	-	257	154	154	154	458	487	
Payments in lieu of leave		292	84	331	-	-	-	-	-	-	
Long service awards		116	127	131	159	143	143	143	267	153	
Post-retirement benefit obligations		365	433	359	3 087	2 982	2 982	2 982	2 221	1 898	
<b>sub-total</b>	5	27 325	27 690	25 908	35 668	34 996	34 996	34 996	37 700	39 296	
Less: Employees costs capitalised to PPE		-	-	-	-	-	-	-	-	-	
<b>Total Employee related costs</b>	1	27 325	27 690	25 908	35 668	34 996	34 996	34 996	37 700	39 296	
<b>Contributions recognised - capital</b>											
List contributions by contract		-	-	-	-	-	-	-	-	-	
<b>Total Contributions recognised - capital</b>		-	-	-	-	-	-	-	-	-	
<b>Depreciation &amp; asset impairment</b>											
Depreciation of Property, Plant & Equipment		2 054	2 074	1 976	2 267	2 267	2 267	2 267	1 373	1 373	
Lease amortisation		-	-	-	-	-	-	-	-	-	
Capital asset impairment		-	-	-	-	-	-	-	-	-	
Depreciation resulting from revaluation of PPE		-	-	-	-	-	-	-	-	-	
<b>Total Depreciation &amp; asset impairment</b>	10	2 054	2 074	1 976	2 267	2 267	2 267	2 267	1 373	1 373	
<b>Bulk purchases</b>											
Electricity Bulk Purchases		-	-	-	-	-	-	-	-	-	
Water Bulk Purchases		-	-	-	-	-	-	-	-	-	
<b>Total bulk purchases</b>	1	-	-	-	-	-	-	-	-	-	

**Table 51 MBRR Table SA1 - Supporting detail to budgeted financial performance  
(Continued)**

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>R thousand</b>											
<b>Transfers and grants</b>											
Cash transfers and grants		7 480	707	1 014	120	133	133	133	120	120	120
Non-cash transfers and grants		-	-	-	-	-	-	-	-	-	-
<b>Total transfers and grants</b>	1	<b>7 480</b>	<b>707</b>	<b>1 014</b>	<b>120</b>	<b>133</b>	<b>133</b>	<b>133</b>	<b>120</b>	<b>120</b>	<b>120</b>
<b>Contracted services</b>											
Outsourced Services		-	-	-	5 040	4 748	4 748	4 748	5 498	5 805	5 898
Consultants and Professional Services		-	-	-	6 294	8 538	8 538	8 538	7 324	7 014	7 318
Contractors		-	7 754	2 611	1 753	2 002	2 002	2 002	1 894	1 831	1 932
<b>sub-total</b>	1	<b>-</b>	<b>7 754</b>	<b>2 611</b>	<b>13 088</b>	<b>15 289</b>	<b>15 289</b>	<b>15 289</b>	<b>14 716</b>	<b>14 650</b>	<b>15 148</b>
<b>Allocations to organs of state:</b>											
Electricity		-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
<b>Total contracted services</b>		<b>-</b>	<b>7 754</b>	<b>2 611</b>	<b>13 088</b>	<b>15 289</b>	<b>15 289</b>	<b>15 289</b>	<b>14 716</b>	<b>14 650</b>	<b>15 148</b>
<b>Other Expenditure By Type</b>											
Collection costs		-	-	-	-	-	-	-	-	-	-
Contributions to 'other' provisions		-	-	-	-	-	-	-	-	-	-
Consultant fees		-	-	-	-	-	-	-	-	-	-
Audit fees		2 128	2 213	2 188	2 100	2 270	2 270	2 270	2 350	2 477	2 613
General expenses	3	6 708	5 729	4 409	2 025	1 989	1 989	1 989	1 956	1 987	2 038
Advertising, Publicity and Marketing		443	199	234	480	443	443	443	457	482	508
Cleaning Services		-	-	-	-	-	-	-	-	-	-
Communication		471	405	407	453	486	486	486	502	529	558
External Computer Service		-	-	-	550	580	580	580	611	644	679
Insurance		274	323	317	201	201	201	201	218	229	242
Inventory Consumed		111	332	305	826	-	-	-	-	-	-
Management Fee		2 349	3 226	3 264	16	16	16	16	17	17	18
Municipal Services		464	583	469	956	945	945	945	995	1 049	1 107
Operating Leases		-	-	-	33	23	23	23	24	25	27
Printing, Publications and Books		380	205	303	190	249	249	249	266	280	295
Travel and Subsistence		3 131	2 888	2 831	3 102	3 925	3 925	3 925	4 345	4 577	4 827
<b>Total 'Other' Expenditure</b>	1	<b>16 459</b>	<b>16 103</b>	<b>14 728</b>	<b>10 932</b>	<b>11 126</b>	<b>11 126</b>	<b>11 126</b>	<b>11 740</b>	<b>12 297</b>	<b>12 912</b>
<b>Repairs and Maintenance</b>											
Employee related costs	8	-	-	-	-	-	-	-	-	-	-
Other materials		-	-	-	-	-	-	-	28	30	31
Contracted Services		641	-	-	471	540	540	540	567	598	631
Other Expenditure		-	-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>	9	<b>641</b>	<b>-</b>	<b>-</b>	<b>471</b>	<b>540</b>	<b>540</b>	<b>540</b>	<b>595</b>	<b>627</b>	<b>662</b>



Table 52 MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)

DC6 Namakwa - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)								
Description	Ref	Vote 1 - Municipal Manager	Vote 2 - Manager: Corporate Services	Vote 3 - Manager: Economic Development	Vote 4 - Manager: Environment al Health	Vote 5 - Manager: Finance	Vote 6 - Manager: Roads	Total
<b>R thousand</b>	1							
<b>Revenue By Source</b>								
Property rates		–	–	–	–	–	–	–
Service charges - electricity revenue		–	–	–	–	–	–	–
Service charges - water revenue		–	–	–	–	–	–	–
Service charges - sanitation revenue		–	–	–	–	–	–	–
Service charges - refuse revenue		–	–	–	–	–	–	–
Service charges - other		–	–	–	–	–	–	–
Rental of facilities and equipment		–	938	–	–	–	–	938
Interest earned - external investments		–	–	–	–	3 020	–	3 020
Interest earned - outstanding debtors		–	–	–	–	60	–	60
Dividends received		–	–	–	–	–	–	–
Fines, penalties and forfeits		–	–	–	–	5	–	5
Licences and permits		–	–	–	–	–	–	–
Agency services		–	–	9 000	–	–	–	9 000
Other revenue		–	725	–	389	–	913	2 027
Transfers and subsidies		2 645	3 724	2 904	2 428	39 675	–	51 376
Gains on disposal of PPE		–	–	–	–	–	–	–
<b>Total Revenue (excluding capital transfers and cont</b>		<b>2 645</b>	<b>5 386</b>	<b>11 904</b>	<b>2 817</b>	<b>42 760</b>	<b>913</b>	<b>66 426</b>
<b>Expenditure By Type</b>								
Employee related costs		7 082	8 811	7 371	8 761	4 860	913	37 799
Remuneration of councillors		3 093	–	–	–	–	–	3 093
Debt impairment		–	–	–	–	–	–	–
Depreciation & asset impairment		195	616	90	158	316	–	1 373
Finance charges		–	–	–	–	1	–	1
Bulk purchases		–	–	–	–	–	–	–
Other materials		43	65	409	6	36	–	558
Contracted services		2 871	1 602	9 179	443	619	–	14 716
Transfers and subsidies		–	–	120	–	–	–	120
Other expenditure		5 472	3 123	1 686	1 040	419	–	11 740
Loss on disposal of PPE		–	–	–	–	–	–	–
<b>Total Expenditure</b>		<b>18 756</b>	<b>14 217</b>	<b>18 855</b>	<b>10 408</b>	<b>6 251</b>	<b>913</b>	<b>69 400</b>
<b>Surplus/(Deficit)</b>		<b>(16 111)</b>	<b>(8 830)</b>	<b>(6 951)</b>	<b>(7 591)</b>	<b>36 509</b>	<b>–</b>	<b>(2 975)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(16 111)</b>	<b>(8 830)</b>	<b>(6 951)</b>	<b>(7 591)</b>	<b>36 509</b>	<b>–</b>	<b>(2 975)</b>

**Table 53 MBRR Table SA3 – Supporting detail to Statement of Financial Position**

DC6 Namakwa - Supporting Table SA3 Supporting detail to '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>R thousand</b>											
<b>ASSETS</b>											
<b>Call investment deposits</b>											
Call deposits		26 520	15 290	7 209	-	-	-	-	-	-	-
Other current investments		-	-	-	-	-	-	-	-	-	-
<b>Total Call investment deposits</b>	2	<b>26 520</b>	<b>15 290</b>	<b>7 209</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Consumer debtors</b>											
Consumer debtors		-	-	-	581	581	581	581	640	659	679
Less: Provision for debt impairment		-	-	-	-	-	-	-	-	-	-
<b>Total Consumer debtors</b>	2	<b>-</b>	<b>-</b>	<b>-</b>	<b>581</b>	<b>581</b>	<b>581</b>	<b>581</b>	<b>640</b>	<b>659</b>	<b>679</b>
<b>Debt impairment provision</b>											
Balance at the beginning of the year		(4 988)	(5 171)	(24 307)	-	-	-	-	-	-	-
Contributions to the provision		-	-	-	-	-	-	-	-	-	-
Bad debts written off		-	-	-	-	-	-	-	-	-	-
<b>Balance at end of year</b>		<b>(4 988)</b>	<b>(5 171)</b>	<b>(24 307)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Property, plant and equipment (PPE)</b>											
PPE at cost/valuation (ex cl. finance leases)		10 409	8 925	7 439	3 528	7 975	24 692	24 692	27 512	27 512	27 512
Leases recognised as PPE	3	-	-	-	-	-	-	-	-	-	-
Less: Accumulated depreciation		-	-	-	-	-	16 717	16 717	17 904	19 091	20 278
<b>Total Property, plant and equipment (PPE)</b>	2	<b>10 409</b>	<b>8 925</b>	<b>7 439</b>	<b>3 528</b>	<b>7 975</b>	<b>7 975</b>	<b>7 975</b>	<b>9 608</b>	<b>8 421</b>	<b>7 234</b>
<b>LIABILITIES</b>											
<b>Current liabilities - Borrowing</b>											
Short term loans (other than bank overdraft)		-	-	-	-	-	-	-	-	-	-
Current portion of long-term liabilities		97	127	138	-	-	-	-	-	-	-
<b>Total Current liabilities - Borrowing</b>		<b>97</b>	<b>127</b>	<b>138</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Trade and other payables</b>											
Trade and other creditors		1 155	9 658	5 514	1 935	1 935	1 935	1 935	1 936	2 014	947
Unspent conditional transfers		2 090	3 575	3 218	-	-	-	-	-	-	-
VAT		-	-	-	-	-	-	-	-	-	-
<b>Total Trade and other payables</b>	2	<b>3 245</b>	<b>13 233</b>	<b>8 732</b>	<b>1 935</b>	<b>1 935</b>	<b>1 935</b>	<b>1 935</b>	<b>1 936</b>	<b>2 014</b>	<b>947</b>
<b>Non current liabilities - Borrowing</b>											
Borrowing	4	-	-	-	-	-	-	-	-	-	-
Finance leases (including PPP asset element)		343	229	91	14	14	14	14	-	-	-
<b>Total Non current liabilities - Borrowing</b>		<b>343</b>	<b>229</b>	<b>91</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Provisions - non-current</b>											
Retirement benefits		18 253	18 101	16 906	21 657	19 996	19 996	19 996	19 158	19 160	19 212
List other major provision items		-	-	-	-	-	-	-	-	-	-
Refuse landfill site rehabilitation		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
<b>Total Provisions - non-current</b>		<b>18 253</b>	<b>18 101</b>	<b>16 906</b>	<b>21 657</b>	<b>19 996</b>	<b>19 996</b>	<b>19 996</b>	<b>19 158</b>	<b>19 160</b>	<b>19 212</b>
<b>CHANGES IN NET ASSETS</b>											
<b>Accumulated Surplus/(Deficit)</b>											
Accumulated Surplus/(Deficit) - opening balance		26 717	20 752	12 650	5 136	5 136	5 136	5 136	1 937	(1 038)	(3 517)
GRAP adjustments		-	-	-	-	-	(465)	(465)	-	-	-
Restated balance		26 717	20 752	12 650	5 136	5 136	4 671	4 671	1 937	(1 038)	(3 517)
Surplus/(Deficit)		(8 673)	(8 060)	(23 129)	(8 994)	(8 568)	(8 568)	(8 568)	(2 975)	(2 478)	(3 697)
Appropriations to Reserves		-	-	-	-	-	-	-	-	-	-
Transfers from Reserves		976	525	3	-	-	-	-	-	-	-
Depreciation offsets		-	-	-	-	-	-	-	-	-	-
Other adjustments		1 192	(580)	(13)	-	5 833	5 833	5 833	-	-	-
<b>Accumulated Surplus/(Deficit)</b>	1	<b>20 213</b>	<b>12 637</b>	<b>(10 489)</b>	<b>(3 858)</b>	<b>2 401</b>	<b>1 937</b>	<b>1 937</b>	<b>(1 038)</b>	<b>(3 517)</b>	<b>(7 213)</b>
<b>Reserves</b>											
Housing Development Fund		-	-	-	-	-	-	-	-	-	-
Capital replacement		538	13	11	-	-	-	-	-	-	-
Self-insurance		-	-	-	-	-	-	-	-	-	-
Other reserves		-	-	-	-	-	-	-	-	-	-
Revaluation		-	-	-	-	-	-	-	-	-	-
<b>Total Reserves</b>	2	<b>538</b>	<b>13</b>	<b>11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>20 752</b>	<b>12 650</b>	<b>(10 478)</b>	<b>(3 858)</b>	<b>2 401</b>	<b>1 937</b>	<b>1 937</b>	<b>(1 038)</b>	<b>(3 517)</b>	<b>(7 213)</b>

**Table 54 MBRR Table SA9 – Social, economic and demographic statistics and assumptions**

DC6 Namakwa - Supporting Table SA9 Social, economic and demographic statistics and assumptions												
Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2014/15	2015/16	2016/17	Current Year 2017/18	2018/19 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
<b>Demographics</b>												
Population				127	116	-	-	-	-	-	-	-
Females aged 5 - 14				-	-	-	-	-	-	-	-	-
Males aged 5 - 14				-	-	-	-	-	-	-	-	-
Females aged 15 - 34				-	-	-	-	-	-	-	-	-
Males aged 15 - 34				-	-	-	-	-	-	-	-	-
Unemployment				-	-	-	-	-	-	-	-	-
<b>Monthly household income (no. of households)</b>												
No income	1, 12			-	-	-	-	-	-	-	-	-
R1 - R1 600				-	-	-	-	-	-	-	-	-
R1 601 - R3 200				-	-	-	-	-	-	-	-	-
R3 201 - R6 400				-	-	-	-	-	-	-	-	-
R6 401 - R12 800				-	-	-	-	-	-	-	-	-
R12 801 - R25 600				-	-	-	-	-	-	-	-	-
R25 601 - R51 200				-	-	-	-	-	-	-	-	-
R52 201 - R102 400				-	-	-	-	-	-	-	-	-
R102 401 - R204 800				-	-	-	-	-	-	-	-	-
R204 801 - R409 600				-	-	-	-	-	-	-	-	-
R409 601 - R819 200				-	-	-	-	-	-	-	-	-
> R819 200				-	-	-	-	-	-	-	-	-
<b>Poverty profiles (no. of households)</b>												
< R2 060 per household per month	13			-	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Insert description	2			-	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Household/demographics (000)</b>												
Number of people in municipal area				126 514	115 842	-	-	-	-	-	-	-
Number of poor people in municipal area				-	-	-	-	-	-	-	-	-
Number of households in municipal area				36 445	29 694	-	-	-	-	-	-	-
Number of poor households in municipal area				-	-	-	-	-	-	-	-	-
Definition of poor household (R per month)				-	-	-	-	-	-	-	-	-
<b>Housing statistics</b>												
Formal	3			-	-	-	-	-	-	-	-	-
Informal				-	-	-	-	-	-	-	-	-
<b>Total number of households</b>				-	-	-	-	-	-	-	-	-
Dwellings provided by municipality	4			-	-	-	-	-	-	-	-	-
Dwellings provided by province/s				126 503	126 503	-	-	-	-	-	-	-
Dwellings provided by private sector	5			-	-	-	-	-	-	-	-	-
<b>Total new housing dwellings</b>				-	126 503	126 503	-	-	-	-	-	-
<b>Economic</b>												
Inflation/inflation outlook (CPIX)	6					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest rate - borrowing						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest rate - investment						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Remuneration increases						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Consumption growth (electricity)						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Consumption growth (water)						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Collection rates</b>												
Property tax/service charges	7					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Rental of facilities & equipment						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest - external investments						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interest - debtors						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Revenue from agency services						0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

**Table 55 MBRR SA32 – List of external mechanisms**

DC6 Namakwa - Supporting Table SA32 List of external mechanisms					
External mechanism	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
Name of organisation		Number			R thousand
Business Connexions	Yrs	Unspecified	Financial system	3 months notice	
Nashua	Yrs	4	Providing photocopier machines	31 January 2019	
URB	Yrs	1	Providing telephone system	6 months notice	
Mubesko	Yrs	1	Providing financial support	30 June 2019	

**2.14 Municipal manager's quality certificate**

I ...**CHRISTIAAN FORTUIN**....., Municipal Manager of Namakwa District Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name \_\_\_\_\_**CHRISTIAAN FORTUIN**\_\_\_\_\_

Municipal manager of Namakwa District Municipality (DC6)



\_\_\_\_\_  
Signature

Date **28 March 2018**