

MAKHADO
MUNICIPALITY
FINAL ANNUAL
BUDGET 2016/17-
2018/19

MTREF-2016-2019

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PART 1 – ANNUAL BUDGET

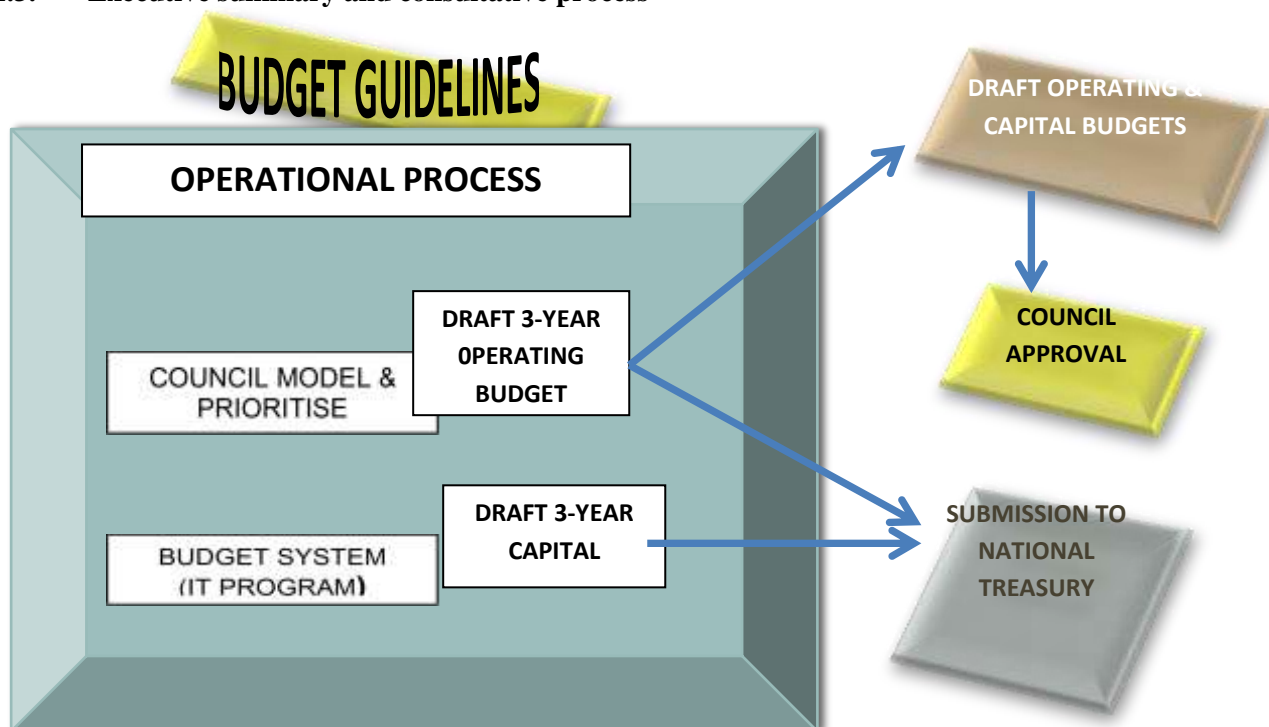
1.1. Mayor's Report

The mayor's report will be furnished after the Budget Speech.

1.2. Recommendations (administrative management)

- 1.2.1 THAT the Final Capital and Operational Estimates for the 2016/2017 financial year as more fully recorded in Annexure A and B attached to the report in this regard be approved and that the Accounting Officer proceeds with the publication of the Final Annual Budget as purposed in section 22 of the Local Government: Municipal Finance Management Act, No 56 of 2003 (hereinafter referred as MFMA) and the Regulations promulgated thereof.
- 1.2.2 THAT it be noted that 2016/2017 budget related policies as approved in the draft annual budget on 31st March 2016 remain unchanged after public notification and consultation processes aligned to the IDP.
- 1.2.3 THAT Council approve in principle the tariffs for municipal services with reference to Annexure C attached.
- 1.2.4 THAT it be noted that the Final 2016/2017 Estimates after the approval by the Council in terms of section 22 of the MFMA will be submitted to the National Treasury and Provincial Treasury, accompanied by quality certificate approved by the Accounting Officer.
- 1.2.5 THAT 2016/2017 budget related policies be approved as more fully set out in Annexure D attached to the report in this regard.

1.3. Executive summary and consultative process



1.3.1. Alignment with national, provincial and district priorities

The National, provincial and district priorities will be gathered during consultative process and be integrated in the IDP of both Makhado Local Municipality and Vhembe District Municipality.

1.3.2. Alignment with National and Provincial Government

Information-sharing will take place between the municipality, provincial and national governments in order to ensure integration

1.3.3. Proposed tariff increments

Proposed tariff increase on other services are as follows:

SERVICE	2016/2017	2017/2018	2018/2019
Electricity	7.86%	7.86%	7.86%
Property rates	6.6%	6.2%	5.9%
Other services	6.6%	6.2%	5.9%
Sundry tariffs	6.6%	6.2%	5.9%

1.3.4. Situational Analysis

1.3.4.1. Demography

According to 2011 Census outcome, the estimated total population of Makhado Local Municipality has increased from 495 261 to 516 031. The estimated number of households have increased from 108 978 to 134 889 households, with about 225 059 registered voters.

Makhado Local Municipality comprises of five formal towns, which are: Makhado, Vleifontein, Vuwani, Waterval and Dzanani. The Makhado Local Municipality further have 279 villages.

The main administrative office is situated in Makhado town with three supporting regional administrative offices which are situated in the following areas: Dzanani, Vuwani and Waterval.

Makhado Local Municipality has 38 ward councillors and 37 proportional councillors. There are 14 traditional leaders who are ex-officio members of the municipal council and 10 councillors who are members of the executive committee. The Municipality also has 38 established and fully functional ward committees.

Political Office Bearers and Municipal Manager	
Mayor	Cllr Mutavhatsindi FD
Speaker	Cllr Mogale LB
Chief Whip	Cllr Ludere R
Municipal Manager	Mr Mutshinyali IP

1.4. Budget overview

The budget has been compiled on a three year basis, which is a requirement of National Treasury, Accounting Practices (GRAP) and MFMA. The budget process of compiling a three-year budget commenced in August 2011.

The Makhado Local Municipality was confronted with various challenges during the compilation of the budget and reviewing of the IDP such as the formulation of measurable objectives for the different functions, the financial implications of the organisational structure, capital costs, input costs to deliver services and increasing maintenance costs.

According to National Treasury MFMA Circular No. 28 of 2005, it is submitted that the draft budget documentation must be tabled to council not later than 31st March

(i.e. 90 days before the start of the budget year) and final budget to be adopted on or before the 31st of May.

- The projected overall spending envelope for the 2016/2017 MTREF amounts to **R 846 251 000**. whereas, the operating revenue for the 2016/2017 MTREF amounts to **R 696 267 0000** and **R 140,276,000** in the capital budget
- The total estimated operational revenue for 2016/2017 from own source is **R 436,165,238**. The total estimated operational revenue for 2016/2017 from National and Provincial as grants and subsidies is **R 392,576,000**. The estimated per cent Revenue is 6.6 % above the current adjusted budget. On the other hand the proposed estimated expenditure for 2016/2017 annual budget is an average of 7% higher than the current adjusted expenditure.

Table 1: Operational Expenditure 2015/2016 to 2017/2018

	2016/2017 Final budget	2017/2018 Forecasted Budget	2018/2019 Forecasted Budget
Revenue	696 267 000	739 391 000	787 013 000
Transfers	101 346 000	113 766 000	122 141 000
Capital investment assets	140 276 000	186 460 000	158 272 000
Expenditure	846 251 000	907 85 5 000	177 324 000
Resulting surplus	9 363 000	10 302 000	2 817 0000

- The 2016/2017 MTREF has been prepared within the context of reducing expenditure due to the municipality's weighty cash constraints and taking into consideration the implications of the increasing global costs thus to ensure that the financial sustainability of the council is sustained.
- A strategic write off undertaken in 2016/17, should also have a positive effect on increased collection rates and also the implementation of new valuation roll should result in the revenue base increasing.
- MFMA Circular No. 79 of the National Treasury provides some guidelines as to how municipalities may respond to the economic crisis in their budget preparations. The municipal revenue and cash flows are expected to remain under severe pressure in 2015/16 and thus a conservative approach will be adopted when projecting the revenues.
- Given the constraints on the revenue side, the municipality will expedite spending on capital projects that are funded by conditional grants but

maintaining fiscal sustainability the commitment to deliver quality services. Maintaining all assets at a level adequate to protect the capital investment and minimize future maintenance future maintenance and replacement costs.

- The municipality targeted at achieving a clean audit report in 2016/17, reflecting the drive towards financial management excellence in the region and increasing spending on conditional grants
- The IDP review was prepared in alignment with budget and performance management plan objectives of the municipality, resulting in the development and approval of the Service Delivery and Budget Implementation Plan (SDBIP).

1.5. Overview of the alignment of annual budget with integrated development plan 2017-2018 and public consultation process:

- A three (3) year capital budget has been prepared and built on the IDP document to be tabled in Council in March 2016.
- This budget compiled in line with the Municipal Budgeting and Reporting Regulation (MBRR) notice no. 31804 of 2009 which provides the comparative financial information over a systematic number of years.
- The extent of the indigent support granted by Council to indigent households within the Municipal area will be determined based on budgetary allocation for a particular financial year and the tariff charges.
- The key focal point of the municipality is ensuring that its budget complies with the following three criteria:
 - ✓ **Sustainability** - to ensure that the municipality has sufficient revenue and adequate corporate and financial stability to fund and deliver on its budget.
 - ✓ **Credibility** - to ensure that the municipality, with its ability and capacity to spend, deliver in terms of its budget.
 - ✓ **Governance** - that the Municipality has appropriate capacity and stability to ensure the long term sustainability of service delivery.

Budgets were prepared in accordance with the IDP. The key strategic focus areas of the IDP are as follows:

- ✓ Economic Development
- ✓ LED support and implementation
- ✓ Integrated Land Use Management System
- ✓ Implementation and monitoring of Performance Management System (PMS)
- ✓ Environmental Management
- ✓ Optimize tourism potential
- ✓ Rural Development

- ✓ Poverty alleviation, particularly in rural areas
- ✓ Service backlogs (water, sanitation, electricity, roads, storm water, solid waste, cleansing) needs to be addressed
- ✓ Upgrading, maintenance of roads and storm water, electricity, water, sewer and purification networks
- ✓ Improve access and linkages between towns, informal and rural settlements
- ✓ Public transportation should be improved. Bus and taxi ranks must be upgraded and the railway line should be better utilized. Improve solid waste management
- ✓ Broaden Revenue Base
- ✓ Implementation of the HIV/AIDS plan
- ✓ Crime prevention (Safety and Security)
- ✓ Construction of new and upgrading of existing educational facilities on all levels
- ✓ Development, however the lack of timely suitable engineering services have limited development at this point in time, however the municipality has embarked on the formulation of a development Strategic plan for accelerating infrastructure including development of a landfill site

Water supply

Vhembe District Municipality is the water service authority for Makhado Local Municipality. A service level agreement signed with Vhembe District and Makhado Local Municipality has the status of a water services provider. In some areas within the Makhado Local Municipality such as Air Force Base, boreholes are drying up and water consumption level is extremely high. The Air Force Base acquires water from the underground reserves thus this may result in a severe burden on the water source.

Most rural communities do not have access to water at household level. The provision of water is limited and the supply does not meet the required minimum RDP standards for water provision.

To ensure sustainable governance practices within the Municipality, the following should be adhered to:

- Corporate governance practices (legal compliance)
- Business leadership / management (planning, structuring, culture, performance management, stakeholder relations management, communication)
- Resource management (people management, financial management, ICT management, asset management)

1.6. Overview budget related policies

The municipality has various policies which relate to budgeting and financial management in the municipality. These Financial policies comply with the MFMA

and its promulgated regulations. The following budget related policies have been amended:

- Budget Policy – 2016/2017
- Credit Control and Debt Collection
- Subsidy Scheme on Indigents Policy
- Investment of Funds and Principles Policy
- Asset Management Policy
- Tariff and Free Basic Services Policy
- Principles on the Writing -off of Irrecoverable Debt Policy
- Budget Virement Policy Supply Chain Management Policy
- Borrowing Policy
- Funding and reserves policy
- Expenditure Management Policy
- Revenue Management Policy Revenue Property Rates policy
- Supply chain policy

By-laws

- Property Rates By-law

1.7. Overview of budget funding

The operating expenditure budget for 2016/2017 amounts to R 846 251 000 as compared to the previous revised budget of R 873, 584, 000 in the 2015/2016 financial year. The provision of free basic water and sanitation from Makhado Local Municipal and water infrastructure grant is allocated to Vhembe District Municipality.

A1 denotes budget summary, A3 and A4 attached to this report depicts budgeted financial performance, table A6 shows budgeted financial Position and table A7 shows budgeted cash flows for financial year 2016/17.

1.7.1. Income

The operating income for 2016/17 is budgeted at R 696 267 000 which leaves a marginal operating surplus of R 9 363 000- but includes non-cash items such as depreciation and impairment of bad debts amounting to R 135 678 000

Provision has been made to supply all households serviced by the Council with 6Kl of water free of charge. To partially cover the expenditure of the operating budget all tariffs of the Council will be investigated and where need be they will be adjusted in line with the MFMA Circular no. 79.

R thousands	Adjusted Budget 2015/16	Budget Year 2016/17	Variance
Property rates	49,711,000	52 992000	5 081 000
Service charges	291 863 000	314 562 000	22 966 000
Investment revenue	3,785,000	4 035 000	250 000
Transfers recognized - operational	363,596,000	291,230,000	(72,366,000)
Other own revenue	31 379 000	33 448 000	2 069 000
Total Revenue (excluding capital transfers and contributions)	740 334 000	696 267 000	(44 067 000)

1.7.2. Expenditure

The incremental expenditure does not increase in the same proportion as tariffs and service charges such as electricity and property rates hence they have various costing basis. Furthermore, projected electricity increases in tariffs will be capped by the Provisional NERSA indication, however, currently at 7.86% increase.

Funding of the operating budget is mainly from the Equitable share allocation, MIG operating subsidy grant and partial own income.

The municipality is currently reviewing the budget related processes to support the implementation of the Service Delivery and Budget Implementation Plan.

Salaries increased from R 248,316,000 for the 2015/2016 financial year's revised budget to an amount of R 262,055,000 for the 2016/2017 financial year (excluding councilors), For councilors the expenditure budgeted expenditure increased from R 24,997,000 to R 26,722,000 which is due to the fact that some critical vacancies will be filled in order to sustain service delivery and sustainable financial reporting. The total salary package of the Council amounts to 2.85% of the total expenditure.

R thousands	Adjusted Budget	Budget Year 2016/17	Variance in cost increase
Employee costs	248,316,000	262,055,000	13,739,000
Remuneration of councilors	24,997,000	26,722,000	1,725,000
Depreciation & asset impairment	153,426,000	125 678 000	27 748 000
Finance charges	7,343,000	7,527,000	184,000
Materials and bulk purchases	224,239,000	245 142 000	20 903 000
Other expenditure	215 263 000	179,126,000	(36,137,000)
Total Expenditure	873 584 000	846 251 000	27 333 333

Proposed tariff increase on other services are as follows:

SERVICES	2016/17	2017/2018	2017/2018
Electricity	7.86%	7.86%	7.86%
Property rates	6.6%	6.2%	5.9%
Other services	6.6%	6.2%	5.9%
Sundry tariffs	6.6%	6.2%	5.9%

1.7.3. General expenses

General expense has been provided for at R 179 126 000 in 2016/2017 financial year operational estimates.

Repairs and maintenance has been provided at a cost of R 50 328 000, which his below the 8% norm against property plant and equipment

Operational contracts having future budgetary implications

- Extension of municipal offices
- Rental under fleet management - petrol cards and tracker systems and 3rd party road assistance to be introduced
- IT infrastructure upgrading and related policy overhaul in progress
- Phase in Data cleansing for revenue systems
- Infrastructure assets management consulting as required by accounting standards.
- Extensive Electricity Tariff restructuring consulting costs as recommended by NERSA and Eskom

1.8. Overview of budget assumptions

Introduction

This section of the budget report provide comprehensive summary of all the assumption used in the budget proposal. Budgets are prepared in an environment of uncertainty and assumptions need to be made about both internal and external factors that could impact on the budget during the course of the financial year. It should be noted that, the longer the period, the more uncertainly and vice versa, the two outer period as presented on the budget are more likely to be missed than the 2016/2017 estimates.

National Treasury estimate inflation rate of 6.6% in 2016 respectively. Inflation rate is expected to come within the targeted range of 5.9 % in 2017 - 2019.

Prices increases on various items on the budget were assumed as follows:

- Price movements on **bulk purchases**: Based on the application response awaiting from NERSA for the proposed electricity tariff increase of 7.86% also in line with the National Treasury guidance
- **Employee costs** were increased by 6.9 % which is also guided by national Treasury general employee costs increase
- **Overtime and leave payment**: it was assumed that leave will be paid only on termination due to resignation or death. It was assumed that the municipality will not purchase any leave in cash during the year.
- **Depreciation Expenses**: Depreciation expense reduced provisionally by 18% as we will not impair major assets and also transfer of assets to new municipality in next financial period
- **Interest on borrowing**: Currently prime lending rate is 10.25% and based on the inflation rate above, stable interest rate is expected during the budget period under review.
- **Collection rate**: collection rate of 89% was assumed during 2016/167 budget period. This was based on the current collection rate, and the fact that the focus economic growth suggests no major improvement in collection levels.

PART 2 – ANNUAL BUDGET TABLES

2.1. Capital budget

The capital required for 2016/2017 amounts to **R 140,276,000** of which **R 38,930,000** should be funded out internally generated income.

Many of the capital projects required by the Managers were reduced due to a lack of funds and the increasing maintenance costs and fund availability in the light of the municipality's financial constraints.

The composition of the Capital Budget is made up as follows:

FUNDING SOURCE	2016/2017	2017/2018	2018/2019
INCOME	38,930,000	69,695,000	31,130,000
MIG	85,346,000	91,765,000	97,142,000
INEP	16,000,000	25,000,000	25,000,000
TOTAL	140,276,000	186,460,000	158,272,000

The growth in the expenditure budget is mainly attributed to:

- Increased spending to addressing maintenance backlogs in infrastructure
- Increased spending on employee related costs

- Increased spending attributable to bulk purchasing costs for electricity and increased servicing cost relating to borrowing.
- On-going issues requiring monitoring and evaluation, consequently, they should carefully be monitored and evaluated:
- Maintenance backlogs in respect of Council’s assets – adequacy of budgetary provisions
- Maintenance of current collection rates
- Effectiveness of debt collection

2.1.1. Summary of electrification projects

Allocations on grants made by the municipality

Section 17 (3) (j) of the MFMA requires municipality to disclose in its budget documentation the amounts of *particulars of any proposed allocations or grants by the municipality to—*

- (i) *other municipalities;*
- (ii) *any municipal entities and other external mechanisms assisting the municipality in the exercise of its functions or powers;*
- (iii) *any other organs of state;*
- (iv) *any organisations or bodies referred to in section 67 (1);*

The Council allocates grants-in-aid, discretionary grants, and grants by councilors (included in the operating budget) on an annual basis to needy organizations, based on business plans indicating the proposed usage of such funds.

On funding of the budget, **Section 18(1)** of the MFMA states that

An annual budget may only be funded from -

- (a) *realistically anticipated revenues to be collected;*
- (b) *cash-backed accumulated funds from previous years’ surpluses not committed for other purposes; and*
- (c) *borrowed funds, but only for the capital budget referred to in section 17 (2).*

2.1.1. Funding source for the Capital Budget:

Confirmed to date Capital Budget is funded largely from government grants, mainly from MIG which amounts to R 85,346,000 in 2016/17. The own funded projects is proposed to be funded from own funding to the value of million.

The following is the summary of grants allocations as per provisional DORA gazette

MAKHADO MUNICIPALITY DORA ALLOCATION	FINANCIAL YEARS		
	2016/2017	2017/2018	2018/2019
Local Government Financial	1,625,0000	1,700,000	1,700,000

MAKHADO MUNICIPALITY DORA ALLOCATION	FINANCIAL YEARS		
	2016/2017	2017/2018	2018/2019
Management Grant			
Municipal System Improvement Grant			761,000
Municipal Infrastructure Grant	85,346,000	91,765,000	97,142,000
Integrated National Electrification Programme Grant	16,000,000	22,000,000	25,000,000
Equitable Shares	275,985,000	296,533,000	315,879,000
Demarcation Transition Grant	6,714,000	2,282,000	
EPWP Grant	1,281,000		
Energy Efficiency & Demand Side Management	5,625,000	5,000,000	5,000,000
TOTAL	392,576,000	419,280,000	445,482,000

2.2. CASH FLOW PROJECTION

- Makhado Local Municipality projected to start the financial year with positive balance cash / cash equivalents and project an average collection rate for the coming financial year of 80-85%. Based on these assumptions the projected income for the year will exceed the projected expenditure.
- It is therefore important that the impact of increased expenditures for each service delivery area be carefully considered with the next budget cycle to ensure that each service remains financially sustainable over the medium term with the least impact on the communities.
- The adjustment budget will have significant effect on the service delivery targets and performance indicators of Council thus revision is required per department.

Projected cash flow is attached and suggest the projected cash flow surplus of R44 161 000 , 30 June 2017 which will be mainly supported by the cash investment that will be rolled forward to 2016/2017 financial year.

- The average collection rate for main tariffs for the current financial year to date is 85%
- It is suggested that the proposed expenditure levels be reduced to maintain stability in payment of creditors within 30 days of receipt of invoice Therefore the municipality will have to monitor its operational expenditure closely and safe as much as possible, curb all non-essential and non-service delivery expenditure and ensure that the budgeted collection rate is achieved to enable the municipality to function efficiently and deliver services to the community.
- It is recommended that the municipality’s proposed operating and own funded capital budget is reduced for the time being and if the collection rate of 85% is proved to be achievable and maintainable, the surplus that may become available in the next 36 month period could then be utilized to motivate an increase in the own funded capital budget at the time when the municipality considers its adjustments budget

2.3. Budget process and key stakeholder relations

31 August	<ul style="list-style-type: none"> • The Mayor tables at Council for approval the IDP and Budget Process Plan in terms of Section 21 of the Municipal Systems Act and Section 34 of the Municipal Finance Management Act. • Distribution of the Council approved IDP and Budget Process Plan to all relevant stakeholders.
September	<ul style="list-style-type: none"> • Strategic Planning Session to review the current strategic plan of the Municipality, review of past service delivery performance and determine future multiyear political priorities, KPAs, KPIs and Programmes.
October	<ul style="list-style-type: none"> • The Budget Office prepares an initial Medium Term Financial Forecast (MTFF) and indicates the likely level of resources to be available. • Public Consultation Process with the community, and other key stakeholders on service delivery performance for the prior year and current year-to-date. Share information on the political priorities and Programmes planned for the year/s ahead. Confirmation of ward based priority needs for the year/s ahead.
November	<ul style="list-style-type: none"> • Compile report on the needs for the year/s ahead obtained from the community and other key stakeholders. Prioritization process of community needs and projects

<p>December- January</p>	<ul style="list-style-type: none"> • Second Strategic IDP/Budget Workshops for Mayoral Committee members and Senior Management Team: outcomes <ul style="list-style-type: none"> ✓ IDP proposals and Budget alignment ✓ Agreement of any changes the Mayor should propose to the IDP for 2016/17. • Finalize the review of the Municipal Situational Analysis Chapter (Chapter 2) of the IDP. • Senior Management start reviewing the stage one IDP/Budget/SDBIP process input forms (IDP changes, capital project proposals, and operational budget growth requests).
<p>January</p>	<p>The Mayor tables at Council:</p> <ul style="list-style-type: none"> • the 2015/16 mid-year performance and budget assessment reports • Review of the draft mid-year performance and budget monitoring reports. • The 2014/15 Annual Report
<p>February</p>	<ul style="list-style-type: none"> • Agreement of the draft 2015/16 Adjustments Budget Report to be tabled at Council • Executive Management Team meets to: <ul style="list-style-type: none"> ✓ prepare for Strategic IDP/Budget/SDBIP Workshop ✓ discuss the draft 2016/2017 IDP inputs ✓ discuss the 2016/2017 budget proposals
<p>March</p>	<p>Third Strategic IDP/Budget Workshop for Mayoral Committee members and Senior Management Team: outcomes</p> <ul style="list-style-type: none"> • Agreement of the proposed changes to be made to the IDP to be included in the March Council Report. • Agreement of the 2016/17 budget proposals to be included in the March Council Budget Report. <p>The IDP, Budget Report, and draft SDBIP tabled at all relevant Portfolio Committees and Mayoral Committee prior to tabling at Council.</p> <p>The Executive Mayor tables the Municipality’s Draft 2016/17 Budget Report and IDP at Council.</p>

<p>April</p>	<p>Statutory public participation process undertaken on the tabled Draft IDP and Budget for 2016/17. Council obtains the views of the local community, National Treasury, Provincial Treasury, other district, provincial and national organs of state and municipalities.</p> <p>Finalization of 2016/2017 SDBIP.</p> <p>The IDP, Budget Report, and draft SDBIP tabled at all relevant Portfolio Committees and Mayoral Committee prior to tabling at Council.</p> <p>The Executive Mayor tables the Municipality’s 2016/17 Budget Report, IDP, and draft SDBIP at Council for final approval on 30 April 2016.</p>
<p>June</p>	<p>The IDP and Budget Reports are placed on the municipality’s website and sent to National and Provincial Treasuries.</p> <p>The Executive Mayor must agree and approve the 2016/2017 SDBIP within 28 days after approval of the budget and ensure that annual performance contracts are concluded in accordance with section 57(2) of the Municipal Systems Act. The Executive Mayor to ensure that the annual performance agreements are linked to the measurable performance objectives approved with the budget and SDBIP. The Executive Mayor submits the approved 2016/2017 SDBIP and performance agreements to Council, MEC for local government, and makes it public within 14 days after approval.</p>

Special Council Meeting Executive mayor tables budget (pre-community consultation) to Council

- Final Budget Made available on the municipality's website, municipal offices and notice placed in all major newspapers informing members of the public about the final budget and inviting written submissions/representations.
- Budget discussions Ward committees/Stakeholders.
- Community consultation to present and discuss the draft budget proposals
- and receive inputs/ submissions
- Closing of Public and internal Submissions to close on end of Mid April 2016.
- Special Council Meeting Mayor delivers budget speech and submits final budget to Council for consideration and approval.

Process to record and integrate inputs from the community

- After consideration of all budget submissions the Executive Mayor must be given the opportunity to respond, if necessary revise the budget and table amendments for consideration.
- To ensure that all community inputs are recorded and integrated, throughout the consultation period, a system were initiated to ensure that:
- All written submissions were required to be directed to the main municipal offices for further reprocessing department, who would maintain a record of lodgments and direct submissions to the appropriate department for comment and recommendation.
- All verbal questions at community consultation meetings would be recorded, together with the answer provided at the meeting or referred an appropriate representative to the appropriate department for comment and recommendation.
- Where possible, the submissions and presentations received during the community consultation process and additional information regarding revenue and expenditure will be addressed before tabling of the final budget.

SDBIP

The SDBIP document is at final preparation stage taking into considerations provisions of the MFMA

Audit committee

An audit committee has been established in terms of the MFMA

Public:

All applicable By-laws to be adopted and the annual budget will be published in the municipal website.

Provincial Treasury

A copy of the Final budget will be submitted to National Treasury

National Treasury

A copy of the Final budget will be submitted to National Treasury

2.4. Recommendations (administrative management)

- 2.4.1. THAT the final Capital and Operational Estimates for the 2016/2017 financial year as more fully recorded in Annexure A attached to the report in this regard be approved and that the Accounting Officer proceeds with the publication of the final Annual Budget as purposed in section 22 of the Local Government: Municipal Finance Management Act, No 56 of 2003, and the Regulations promulgated in terms thereof.
- 2.4.2. THAT the following 2016/2017 budget related policies be approved as more fully set out in Annexures 1 to Annexure 18 attached to the report in this regard-

Policies

- 2.4.1. Virement Policy
 - 2.4.2. Credit Control and Debt Collection Policy
 - 2.4.3. Tariff policy free basic services/indigent policy
 - 2.4.4. Borrowing policy
 - 2.4.5. Expenditure Management Policy
 - 2.4.6. Funding and Reserves Policy
 - 2.4.7. Budget Policy
 - 2.4.8. Framework for cash flow management
 - 2.4.9. Asset management policy
 - 2.4.10. Investment Policy
 - 2.4.11. Subsidy for indigent household policy
 - 2.4.12. Uniform Credit Control Policy
 - 2.4.13. Debt written off policy
 - 2.4.14. Property Rates Policy
 - 2.4.15. Property Rates By-Law
 - 2.4.16. Supply Chain Management Policy
 - 2.4.17. Revenue Management Policy
 - 2.4.18. Travel and Subsistence Policy
- 2.4.3. THAT note be taken of any amendments to the contents of the Property Rates By-law, of which the necessary promulgations provisions related to municipal property rates will be undertaken after public consultation thereof.
- 2.4.4. THAT it be noted that the 2016/2017 Estimates will after approval by the Council in terms of section 22 of the Municipal Finance Management Act, be submitted to National Treasury and the Provincial Treasury.

PART 3 – ANNUAL BUDGET TABLES

C1	CAPEX detailed breakdown of projects listing
A1	Budget Summary
A3	Budgeted Financial Performance (revenue and expenditure by municipal vote)
A4	Budgeted Financial Performance (revenue and expenditure)
A5	Budgeted Capital Expenditure by vote, standard classification and funding
A6	Budgeted Financial Position
SA 30	Budgeted Cash Flows
A7	Budgeted Cash Flows

FINAL ANNUAL CAPITAL BUDGET 2016/2017 TO 2018/2019 FINANCIAL YEAR TECHNICAL SERVICES DEPARTMENT

ELECTRICAL ENGINEERING								
COD E	DEP T	ITEM	DESCRIPTION	SOURCES	2016/2017	2017/2018	2018/2019	
MC	697	413800	Air conditioners	INCOME	150 000.00	330 000.00	330 000.00	
MC	697	413649	Car ports	INCOME	-	-	-	
MC	697	413803	CT VT Units 11kv & 22kV	INCOME	400 000.00	300 000.00	300 000.00	

MC	697	413805	Low voltage problems Rural Farming	INCOME	500 000.00	1 000 000.00	1 000 000.00
MC	697	413504	Mini Subs	INCOME	700 000.00	1 300 000.00	1 300 000.00
MC	697	413508	MV Cable 70mm ² 11kV - urban network	INCOME	500 000.00	800 000.00	800 000.00
MC	697	413509	MV cable 95mm ² 22kV	INCOME	-	-	1 400 000.00
MC	697	413809	Power/Distribution transformer repairs	INCOME	-	1 000 000.00	1 000 000.00
MC	697	413514	Recloser and controllers whole network	INCOME	1 200 000.00	600 000.00	600 000.00
MC	697	413814	Remote control of switch gear Tshipise & Levubu sub and line controllers	INCOME	-	200 000.00	200 000.00
MC	697	413678	Replace Line protection control Panel complete Makhado Sub	INCOME	-	1 000 000.00	1 000 000.00
MC	697	413737	Ring Main Units 11kV (RMU)	INCOME	500 000.00	400 000.00	400 000.00
MC	697	413818	Strategic Spares	INCOME	200 000.00	500 000.00	500 000.00
MC	697	413692	Sub Station battery chargers	INCOME	-	-	-
MC	697	413547	Transformers 2x10MVA 22/11	INCOME	-	2 000 000.00	-
MC	697	413567	Transformers 2x5MVA 22/11	INCOME	-	3 000 000.00	-
MC	697	413585	Transformers 1x5MVA 22/11	INCOME	-		
MC	452	413823	Upgrade Bandelierkop line	INCOME	-	250 000.00	250 000.00
MC	697	413821	Upgrade Industrial line	INCOME	300 000.00	-	-
MC	454	413825	Upgrade Levubu line 1	INCOME	-	2 000 000.00	2 000 000.00
MC	454	413827	Upgrade Levubu 2 line	INCOME		200 000.00	200 000.00
MC	454	413832	Upgrade LV OHPL to UGPC EXT2 Multi Year	INCOME		3 000 000.00	3 000 000.00
MC	462	413828	Upgrade Mara Line	INCOME		300 000.00	300 000.00
MC	458	413829	Upgrade Shefeera Line	INCOME	300 000.00	200 000.00	200 000.00
MC	697	413556	Upgrade and reroute Beaufort West line	INCOME	1 000 000.00	100 000.00	100 000.00
MC	697	413698	Upgrade Urban Substations	INCOME	5 000 000.00	5 000 000.00	
MC	697	413556	Upgrading reroute transmission line 66kV bulk supply to Levubu and Beaufort subs	INCOME	-	10 000 000.00	10 000 000.00
MC	697	413822	Upgrading bulk supply Sinthimule	INCOME	-	3 000 000.00	-
MC	697	413553	Upgrading bulk supply Tshipise Leeudraai	INCOME	-	4 000 000.00	-
MC	697	413554	Upgrading bulk supply Tshithuni 2.5MVA	INCOME	3 000 000.00	-	-
MC	697	413640	Upgrading Mountain line	INCOME	300 000.00	500 000.00	500 000.00
MC	697	413665	Replace OCB (outdoor circuit breakers - main substation)	INCOME	1 000 000.00	1 000 000.00	1 000 000.00

MC	697	413558	Substation channel cover replacements	INCOME	250 000.00		
MC	697	413599	Transformer oil purification	INCOME	350 000.00	350 000.00	350 000.00
MC	697	413812	Substation control room renovations	INCOME	100 000.00	200 000.00	200 000.00
MC	697	413813	Service OCB's	INCOME	200 000.00	200 000.00	200 000.00
MC	697	413815	Transformer refurbishment (Levubu)	INCOME	600 000.00	600 000.00	600 000.00
TOTAL					16 550 000.00	43 330 000.00	27 730 000.00

ELECTRIFICATION							
COD E	DEP T	ITEM	DESCRIPTION	SOURCES	2016/2017	2017/2018	2018/2019
MC	678	407225	Bush valley	INCOME	-	2 000 000.00	-
MC	678	407256	Electrification in Eskom Areas	INEP	-	25 000 000.00	25 000 000.00
MC	678	407146	Rathidili Tshikhwani	INEP	1 663 485.12	-	-
MC	678	407147	Maname Paradise	INEP	831 742.56	-	-
MC	678	407148	Ratombo sections(Tshituni tsha fhasi) Phase-2	INEP	1 708 852.90	-	-
MC	678	407149	Tshiozwi/Gogobole Phase-2	INEP	1 512 259.20	-	-
MC	678	407150	Magau/Makhitha/Tshikodobo/Zamekom Phase-2	INEP	937 600.70	-	-
MC	678	407236	Mamburu Phase-2	INEP	1 512 259.20	-	-
MC	678	407196	Madabani	INEP	831 742.56	-	-
MC	678	407197	Sukani Phase-2	INEP	1 814 814.72	-	-
MC	678	407198	Freedom / Lusaka Phase-2	INEP	1 209 876.48	-	-
MC	678	407199	Manavhela/ Madodonga phase 2	INEP	1 829 938.18	-	-
MC	678	407200	Mavhunga (Muromani)	INEP	1 279 886.38	-	-
MC	678	407227	Vyeboom Electrification	INEP	867 542.00	-	-
MC	678	407201	Rathidili Tshikhwani	INCOME	259 919.55	-	-
MC	678	407202	Maname Paradise	INCOME	129 959.78	-	-
MC	678	407203	Ratombo sections(Tshituni tsha fhasi) Phase-2	INCOME	472 581.00	-	-

MC	678	407204	Tshiozwi/Gogobole Phase-2	INCOME	236 290.50	-	-
MC	678	407206	Magau/Makhitha/Tshikodobo/Zamekom Phase-2	INCOME	146 500.11	-	-
MC	678	407207	Mamburu Phase-2	INCOME	354 435.75	-	-
MC	678	407208	Madabani	INCOME	129 959.78	-	-
MC	678	407209	Sukani Phase-2	INCOME	217 399.68	-	-
MC	678	407210	Freedom / Lusaka Phase-2	INCOME	125 241.12	-	-
MC	678	407211	Manavhela/ Madodonga phase 2	INCOME	285 927.84	-	-
MC	678	407212	Mavhunga (Muromani)	INCOME	141 784.90	-	-
MC	678	407257	Electrification in Eskom Areas top up from income	INCOME	-	3 000 000.00	3 000 000.00
MC	678	407226	Eltivillas Extension	INCOME	-	-	-
MC	678	407228	Extenuation 9 development	INCOME	-	-	-
MC	678	407223	Leeu street development Ext 13	INCOME	-	-	-
MC	678	407224	Link and bulk services Ext 12 (38 erven)	INCOME	-	-	-
MC	678	407221	Post Connection own licensed areas	INCOME	2 000 000.00	500 000.00	500 000.00
MC	678	407222	South of Pretorius Str Bulk supply Engineering	INCOME	-	2 500 000.00	2 500 000.00
TOTAL					20 500 000.00	33 000 000.00	31 000 000.00

37 050 000.00 76 330 000.00 58 730 000.00

CIVIL ENGINEERING SECTION							
COD E	DEP T	ITEM	DESCRIPTION	SOURCES	2016/2017	2017/2018	2018/2019
MC	657	401208	OK/ Shoprite Traders market revitalization project	MIG	500 000.00	2 500 000.00	2 500 000.00
MC	645	401209	Sereni Themba to Mashamba post office (phase 3)	MIG	11 800 000.00	-	-
MC	645	401203	Waterval stormwater rehablittion	MIG	-	9 500 000.00	9 500 000.00
MC	645	401262	Robert khoza street (chavani to bungeni road)	MIG	9 246 000.00	18 200 000.00	20 000 000.00

MC	645	401265	Piesanghoek to Khunda road and stormwater Phase II	MIG	-	14 000 000.00	-
MC	645	401295	Tshikwarani to Zamkomste Road - 4.5km	MIG	11 800 000.00	-	-
MC	645	401296	Tshirolwe,Matsa to Manyii road P1- 20km	MIG	11 800 000.00	-	-
MC	645	401297	Tshedza to Vuvha road- 4.3 km	MIG	11 800 000.00	-	-
MC	645	402140	Gombiti,Tshivhuyuni to Mamphagi P1- 15km	MIG	11 800 000.00	-	-
MC	645	401237	Xitacini to Jiweni P1 - 6.1km	MIG	11 800 000.00	-	-
MC	645	401275	Tshikwarani ,Muduluni and Manavhela High mast lights	MIG	-	5 000 000.00	5 000 000.00
MC	645	401276	Mingard entrance bridge to Chief Mbokota	MIG	-	6 500 000.00	6 500 000.00
MC	645	401279	Rivoni to Xihlobyeni access road	MIG	-	8 000 000.00	8 000 000.00
MC	645	401284	Luvhalani to Dzananwa access roads	MIG	-	4 965 000.00	5 000 000.00
MC	645	401285	Tshituni,Matidza and Rabali High mast lights	MIG	-	4 000 000.00	4 000 000.00
MC	645	401287	Construction of Tshivhuyuni sports and recreational facilities	MIG	-	5 000 000.00	4 642 000.00
MC	645	401288	Provision of sports centre in Eltivillas/Makhado park	MIG	-	1 000 000.00	15 000 000.00
MC	645	401290	High mast lights Elim,Waterval and Mpheni	MIG	-	4 000 000.00	5 000 000.00
MC	645	401292	High mast lights Madombidzha/Tshiozwi/Rathidili/Ravele/Madabani/Muraleni	MIG	-	4 000 000.00	5 000 000.00
MC	645	401303	Fencing of eight graveyards	MIG	2 500 000.00	2 300 000.00	
MC	645	401301	Construction of Admin Block Makhado(Testing Ground)	MIG	-	1 000 000.00	7 000 000.00
MC	321	411221	Development of refuse transfer station for Waterval Region	MIG	500 000.00	1 800 000.00	-

MC	321	411226	Construction of waste Disposal Cell (New landfill)	MIG	500 000.00	-	-
MC	645		Upgrade Dzanani Trasnfer Station - Elec + Guard room	MIG	800 000.00	-	-
MC	645		Development of Kutama/Sinthumule Stadium	MIG	500 000.00		
TOTAL					85 346 000.00	91 765 000.00	97 142 000.00

BUILDING MAINTENANCE							
COD E	DEP T	ITEM	DESCRIPTION	SOURCES	2016/2017	2017/2018	2018/2019
MC	657	404030	Refurbishment of Old Age rental Flats	INCOME	-	700 000.00	-
MC	657	404046	Refurbishment of Caravan Park buildings	INCOME	300 000.00	-	-
MC			Abulution of Tree Park facility	INCOME	150 000.00	-	-
MC	657	404047	Refurbishment of electrical Store and Warehouse	INCOME	-	800 000.00	-
MC	657	404049	Installation of fence at Vleifontein Hall and Office	INCOME	-	-	-
MC	657	404051	Palisade fence at Dzanani Regional office	INCOME	-	-	-
MC	657	404053	Construction of pay point at Zamekomste	INCOME	-	300 000.00	-
MC	657	404054	Civic Centre external wall Painting	INCOME	-	-	-
MC	657	404055	New offices parking steel work	INCOME	-	-	-
MC	657	404056	Standby quarters perimeter wall (Electrical)	INCOME	225 000.00	-	-
TOTAL					675 000.00	1 800 000.00	-

ROADS AND STORM WATER							
NO	DEP T	ITEM	DESCRIPTION	SOURCES	2016/2017	2017/2018	2018/2019
MC	694	411778	Horizotal water (Water Tank 500 L fitted on trailer)	INCOME		-	-
MC	694	411779	Hand operated Chip Spreader	INCOME		-	-
MC		401229	Rehabilitation of Internal Streets	INCOME	3 000 000.00	-	-

	645						
MC	645	401230	Feasibility study for development of Aerodrome	INCOME	-	750 000.00	-
TOTAL					3 000 000.00	750 000.00	-

PROVISION OF TOOLS, EQUIPMENT & MATERIALS (MECHANICAL WORKSHOP)							
NO	DEP T	ITEM	DESCRIPTION	SOURCES	2016/2017	2017/2018	2018/2019
MC	645	401221	Remove underground fuel tanks and rehabilitate the soil	INCOME	900 000.00	-	-
TOTAL					900 000.00	-	-

TOTAL TECHNICAL SERVICES BUDGET

126 971 000.00	170 645 000.00	155 872 000.00
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25 625 000.00	53 880 000.00	33 730 000.00
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BUDGET AND TREASURY

ASSETS MANAGEMENT SECTION							
COD E	DEPT	ITE M	DESCRIPTION	SOURCES	2016/2017	2017/2018	2018/2019
MC	281	41410 2	Office Furniture -Whole municipality	INCOME	800 000.00	400 000.00	400 000.00

MC	702	41552 5	Municipal Vehicles	INCOME	2 000 000.00	-	-
TOTAL					2 800 000.00	400 000.00	400 000.00

TOTAL BUDGET AND TREASURY BUDGET

2 800 000.00	400 000.00	400 000.00
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CORPORATE SERVICES DEPARTMENT

UPGRADE AND ACQUISITION OF NETWORK AND COMMUNICATION SYSTEMS - ICT							
COD E	DEP T	ITEM	DESCRIPTION	SOURCES	2016/2017	2017/2018	2018/2019
MC	694	411200	Implement automisation of municipal call centre	INCOME	500 000.00	-	-
MC	694	411201	Upgrade of network infrastructure (regional offices)	INCOME	100 000.00	100 000.00	-
MC	694	411202	Upgrade of server harddrives to increase capacity	INCOME	150 000.00	50 000.00	-
MC	694	411203	Upgrade of server room to meet minimum standards	INCOME	50 000.00	-	-
MC	694	411204	Upgrade software Office 2010 to Office 2016	INCOME	-	1 000 000.00	-
MC	694	411205	Additional Range of IP addresses	INCOME	15 000.00	15 000.00	-
MC	694	411206	CAL increase from 250 to 300	INCOME	-	200 000.00	-
MC	694	411207	Network infrastructure new offices Civic Center	INCOME	230 000.00	-	-
MC	694	411208	New VEEAM backup server	INCOME	150 000.00	-	-
MC	694	411213	Add extra telephone points at Municipal Stores complex	INCOME	200 000.00	-	-
MC	694	411214	Implementation MCGICTP, 2015	INCOME	500 000.00	-	-
MC	694	411215	Planning & Phase 1: Develop electricity control center	INCOME	-	300 000.00	-
MC	694	411216	ESS Software (for employee leave application apart from existing VIP Leave module)	INCOME	200 000.00	-	-
MC	694	411217	Micro Station Engineering Design Tool software including CAD & GIS for elec	INCOME	-	-	-
TOTAL					2 095 000.00	1 665 000.00	-

COUNCIL GENERAL							
COD E	DEP T	ITEM	DESCRIPTION	SOURCES	2016/2017	2017/2018	2018/2019
MC	694	411219	Replace fixed sound & recording system in Council Chamber	INCOME	-	-	-
TOTAL					-	-	-

COMMUNICATIONS DIVISION							
COD E	DEP T	ITEM	DESCRIPTION	SOURCES	2016/2017	2017/2018	2018/2019
MC	694	411223	Revamp municipal website	INCOME	60 000.00	-	-
TOTAL					60 000.00	-	-

PROVISION OF OFFICE FURNITURE AND EQUIPMENTS COLLECTIVE NEED FOR CORPORATE SERVICES DEPARTMENT ONLY							
COD E	DEP T	ITEM	DESCRIPTION	SOURCES	2016/2017	2017/2018	2018/2019
MC	281	414103	Laptops/Computers/Printers Whole Municipality/desktop	INCOME	400 000.00	400 000.00	400 000.00
TOTAL					400 000.00	400 000.00	400 000.00

TOTAL CORPORATE SERVICES BUDGET	2 555 000.00	2 065 000.00	400 000.00
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COMMUNITY SERVICES DEPARTMENT

LIBRARY SERVICES

COD E	DEP T	ITEM	DESCRIPTION	SOURCES	2016/2017	2017/2018	2018/2019
MC	694	411254	Extension of Library buildings	INCOME	-	-	50 000.00
MC	694	411255	Library Roof	INCOME	1 200 000.00	-	-
MC	694	411260	1 x Pyramid 6 position Computer carrels	INCOME	20 000.00		
MC	694	411261	6 x Portable Scanner- stock taking	INCOME	-	-	-
TOTAL					1 220 000.00	-	50 000.00

PARKS AND RECREATION SECTION							
COD E	DEP T	ITEM	DESCRIPTION	SOURCES	2016/2017	2017/2018	2018/2019
MC	657	404069	Development of E59 and E60 Park(Makhado Town)	INCOME	400 000.00	-	-
MC	657	404070	Development of Bird Park (Makhado Town)	INCOME	-	500 000.00	-
MC	657	404071	Development of Dzanani Park next to Shopping Mall	INCOME	-	-	400 000.00
MC	657	404072	Development of Vuwani Park (next to Science and Technology Centre)	INCOME	.	-	-
MC	657	404073	Refurbishment and upgrading of Caravan Park	INCOME	-	-	-
MC	657	404078	Refurnish and fencing Eltivillas Swimming Pool	INCOME			150 000.00
MC	657	404074	Redesign Town Swimming Pool	INCOME	-	-	-
MC	657	404075	Refurbishment and upgrading of corner Tshiruluni (Meerkat Park)	INCOME	-	-	-
MC	657	404076	Refurbishemnt and upgrading of Civic Centre park	INCOME	-	500 000.00	-
MC	657	404077	Refurbishment of Potgieter Park	INCOME	300 000.00	-	-
MC	694	411511	Purchasing of 7 x self-propelled heavy duty Lawnmowers	INCOME	-	300 000.00	-
MC	694	411517	Construction of Tshikota cemetery ablution facilities	INCOME	200 000.00	-	-
MC	553	413105	Construction of cattle pound /loding zone at Tshitale (Waterval)	INCOME	-	-	-
MC	694	411518	Paving at the open Erf 1 -N1	INCOME	1 000 000.00	-	-
TOTAL					1 900 000.00	1 300 000.00	550 000.00

WASTE MANAGEMENT							
COD E	DEP T	ITEM	DESCRIPTION	SOURCES	2016/2017	2017/2018	2018/2019
MC	321	411222	Rehabilitation of the existing Landfill site	INCOME	3 000 000.00	200 000.00	-
MC	321	411200	25 Skip Bins	INCOME	-	450 000.00	-
MC	321	411202	1000 x 240L Wheelie bins	INCOME	-	-	1 000 000.00
MC	321	411204	Wood Chipper Machine	INCOME	-	100 000.00	-
MC	321	411205	Builder Rubble Crusher Machine	INCOME			-
MC	321	411206	Vondeling Landfill Gas extraction	INCOME	-	-	-
TOTAL					3 000 000.00	750 000.00	1 000 000.00

DZANANI TRAFFIC STATION							
COD E	DEP T	ITEM	DESCRIPTION	SOURCES	2016/2017	2017/2018	2018/2019
MC	82	413200	Upgrading of Vehicle Testing station (Grade B to A)	INCOME	-	300 000.00	
MC	82	413201	Carport for employees (Bricks and Zinc Structure)	INCOME	50 000.00	-	-
MC	694	411522	Special Garage Roller Door for VTS and 2x 30m long chains	INCOME	-	-	-
TOTAL					50 000.00	300 000.00	-

MAKHADO TRAFFIC STATION							
COD E	DEP T	ITEM	DESCRIPTION	SOURCES	2016/2017	2017/2018	2018/2019
MC	181	411200	Upgrading DLTC (landscaping of testing ground)	INCOME	-	-	-
MC	181	411201	Construction of Admin Block (Testing Ground)	INCOME	-	5 000 000.00	-
MC	181	411206	Borehole ,Stand and Tank at Testing Ground	INCOME	-	-	-
TOTAL					-	5 000 000.00	-

WATERVAL TRAFFIC STATION							
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COD E	DEP T	ITEM	DESCRIPTION	SOURCES	2016/2017	2017/2018	2018/2019
MC	553	413101	Establishment of Watervaal Registering Authority	INCOME	200 000.00	-	-
MC	553	413102	Standby (backup)Electricity power Generator	INCOME	-	-	-
TOTAL					200 000.00	-	-

DISASTER MANAGEMENT							
COD E	DEP T	ITEM	DESCRIPTION	SOURCES	2016/2017	2017/2018	2018/2019
MC	694	411616	Tents	INCOME			
TOTAL					-	-	-

TOTAL COMMUNITY SERVICES BUDGET

6 370 000.00	7 350 000.00	1 600 000.00
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REGIONAL OFFICES

DZANANI REGIONAL OFFICE							
COD E	DEP T	ITEM	DESCRIPTION	SOURCES	2016/2017	2017/2018	2018/2019
MC	694	411667	Standby generator and installation- office	INCOME	-	300 000.00	-
MC	694	411668	2 x Water tanks	INCOME	20 000.00	-	-
TOTAL					20 000.00	-	-

TOTAL REGIONAL OFFICES BUDGET

20 000.00	-	-
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PLANNING AND DEVELOPMENT

BUILDING CONTROL

NO	DEP T	ITEM	DESCRIPTION	SOURCES	2016/2017	2017/2018	2018/2019
MC	694	411253	Plan Print Machine for Building Section	INCOME	250 000.00	-	-
MC	694	411255	Development of Integrated Transport Plan- mive opex	INCOME	-	-	-
MC	657	404015	Extension of Civic Centre finalisation	INCOME	100 000.00	-	-
MC	657	404017	New Disaster centre -Erf 235	INCOME	500 000.00	-	-
MC	694	411256	18 x Aircons for new offices	INCOME	200 000.00	-	-
MC	694	411258	Mounted Overhead Projector -Municipal Boardroom	INCOME	10 000.00	-	-
MC	694	411259	Street names- R293 Townships	INCOME	200 000.00	-	-
TOTAL					1 260 000.00	-	-

TOWN PLANNING

COD E	DEP T	ITEM	DESCRIPTION	SOURCES	2016/2017	2017/2018	2018/2019
MC	657	404005	1 x Theodolite for Survey Technician	INCOME	100 000.00	-	-
MC	657	404007	Information Recreational Park and Botanical Garden (Phase 2)	INCOME	-	1 000 000.00	-
MC	657	404009	Upgrading of Ayob Motors Traders Market	INCOME	-	-	-
MC	657	404010	Upgrading of Elim Traders Market	INCOME	-	-	-
MC	657	404011	Upgrading of Dzanani Traders Market	INCOME	-	500 000.00	-
MC	657	404012	Development of Industrial Park	INCOME	-	1 000 000.00	-
MC	657	404013	Planning/ Development of Municipal Truck Stop Facility	INCOME	-	-	-
MC			Informal Business Area development -Ext 12			3 000 000.00	
MC	657	404014	Upgrading of Dzanani Traders Market	INCOME	200 000.00	500 000.00	-

TOTAL	300 000.00	6 000 000.00	-
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**TOTAL PLANNING AND DEVELOPMENT BUDGET
MAKHADO MUNICIPALITY
SUMMARISED FINAL ANNUAL CAPITAL BUDGET FOR 2016/2017 TO 2018/2019 FINANCIAL YEAR**

1 560 000.00	6 000 000.00	-
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DEPARTMENT	2016/2017	2017/2018	2018/2019
Planning and Development	1 560 000.00	6 000 000.00	-
Technical Services	126 971 000.00	170 645 000.00	155 872 000.00
Community Services	6 370 000.00	7 350 000.00	1 600 000.00
Budget and Treasury	2 800 000.00	400 000.00	400 000.00
Corporate Services	2 555 000.00	2 065 000.00	400 000.00
Regional Offices	20 000.00	-	-
TOTAL	140 276 000.00	186 460 000.00	158 272 000.00

FUNDING SOURCES	2016/2017	2017/2018	2018/2019
INCOME	38 930 000.00	69 695 000.00	36 130 000.00
MIG	85 346 000.00	91 765 000.00	97 142 000.00
INEP	16 000 000.00	25 000 000.00	25 000 000.00
TOTAL	140 276 000.00	186 460 000.00	158 272 000.00

LIM344 Makhado - Table A1 Budget Summary

Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Financial Performance										
R thousands										
Property rates	28 077	28 523	41 666	43 642	49 711	49 711	24 167	52 992	56 278	59 598
Service charges	207	228	254 447	298 585	291 864	291 864	130 111	314 562	337 787	364 191

	993	997									
Investment revenue	341	341	3 720	3 285	3 785	3 785	2 886	4 035	4 285	4 538	
Transfers recognised - operational	527	527	291 276	363 596	363 596	363 596	267 127	291 230	305 515	323 340	
Other own revenue	803	803	32 908	42 483	31 379	31 379	11 863	33 448	35 526	35 347	
Total Revenue (excluding capital transfers and contributions)	741	741	624 016	751 591	740 334	740 334	436 153	696 267	739 391	787 013	
Employee costs	383	383	212 743	241 177	248 316	248 316	117 458	262 055	279 809	298 766	
Remuneration of councillors	470	470	21 798	22 610	24 997	24 997	10 720	26 722	28 539	30 480	
Depreciation & asset impairment	670	670	106 351	153 426	153 426	153 426	-	125 678	136 757	136 757	
Finance charges	025	025	10 896	6 181	7 343	7 343	2 714	7 527	7 994	8 465	
Materials and bulk purchases	721	721	183 246	216 939	224 239	224 239	100 264	245 142	261 027	281 909	
Transfers and grants	-	-	-	-	-	-	-	-	-	-	
Other expenditure	866	866	175 792	194 796	215 263	197 629	81 103	179 126	193 728	207 961	
Total Expenditure	135	135	710 827	835 130	873 584	855 950	312 259	846 251	907 855	964 338	
Surplus/(Deficit)	394	394	811	538	(250)	(616)	123 894	984	464	(324)	
Transfers recognised - capital	397	397	154 981	129 264	189 264	189 264	189 264	101 346	113 766	122 141	
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	58 000	65 000	58 000	
Surplus/(Deficit) after capital transfers & contributions	003	003	68 170	45 726	56 014	73 648	313 158	9 363	10 302	2 817	
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) for the year	003	003	68 170	45 726	56 014	73 648	313 158	9 363	10 302	2 817	
Capital expenditure & funds sources											
Capital expenditure	926	926	180 221	163 938	228 690	228 690	131 319	140 256	186 460	158 272	
Transfers recognised - capital	152	152	154 981	129 264	189 264	189 264	114 422	101 346	116 765	122 142	
Public contributions & donations	-	-	-	-	-	-	-	-	-	-	
Borrowing	-	-	-	-	-	-	-	-	-	-	
Internally generated funds	775	775	25 239	34 674	39 426	39 426	16 897	38 930	69 695	36 130	
Total sources of capital funds	926	926	180 221	163 938	228 690	228 690	131 319	140 276	186 460	158 272	

Financial position										
	186	258								
Total current assets	166	262	271 807	234 208	404 579	404 579	180 822	345 516	371 963	393 693
	1 860	1 756								
Total non current assets	948	422	1 799 179	2 063 186	2 060 249	2 060 249	2 047 299	2 158 828	2 247 362	2 348 833
	180	212								
Total current liabilities	350	431	172 548	105 918	187 141	187 141	–	90 037	78 326	69 099
	102	106								
Total non current liabilities	505	599	117 933	54	117 732	117 732	54	124 151	130 730	136 769
	2 003	1 725								
Community wealth/Equity	350	650	1 708 495	–	2 159 995	2 159 995	–	2 290 156	2 410 268	2 536 658
Cash flows										
	110	149								
Net cash from (used) operating	573	718	138 822	22 661	928	928	204 331	87 041	92 639	92 768
	(86)	(46)	(180)	(163)	(228)	(228)	(131)	(82)	(121)	(100)
Net cash from (used) investing	926	985	221)	938)	690)	690)	319)	276)	460)	272)
	(8)	(3)	(3)	–	(21)	–	–	(1)	–	–
Net cash from (used) financing	168)	215)	806)	–	432)	5 226	–	800)	–	–
	10	109		(76)	(184)	(157)				
Cash/cash equivalents at the year end	191	822	64 618	660)	576)	918)	137 629	67 582	38 761	31 258
Cash backing/surplus reconciliation										
	10	52								
Cash and investments available	304	010	47 450	55 027	110 053	110 053	55 027	108 658	118 530	124 657
	106	80					(12)	(32)	(60)	(83)
Application of cash and investments	491	694	59 315	43 496	116 492	116 492	764)	240)	104)	845)
	(96)	(28)	(11)	–	(6)	(6)	–	–	–	–
Balance - surplus (shortfall)	187)	684)	865)	11 531	439)	439)	67 791	140 898	178 633	208 502
Asset management										
	176	269								
Asset register summary (WDV)	072	232	23 017	12 753	26 659	26 659	28 342	28 342	30 061	30 942
	112	123								
Depreciation & asset impairment	670	266	106 351	153 426	153 426	153 426	125 678	125 678	136 757	136 757
Renewal of Existing Assets	–	–	–	–	–	–	–	50 328	50 947	53 903
	14	17								
Repairs and Maintenance	676	585	20 508	52 452	50 328	50 328	50 328	50 328	50 947	53 902
Free services										
	–	–								
Cost of Free Basic Services provided	15	15	–	–	–	–	–	–	–	–
Revenue cost of free services provided	109	458	13 240	13 985	14 880	14 885	11 265	11 265	15 117	15 542
Households below minimum service level										
Water:	39	41	–	43	43	43	44	44	45	47
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–

Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	49	49	-	142	142	142	146	146	150	155

LIM344 Makhado - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue By Source											
Property rates	2	28 077	28 523	41 666	43 642	49 711	49 711	24 167	52 992	56 278	59 598
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	201 650	222 149	246 283	288 861	283 903	283 903	126 027	306 218	330 287	356 248
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	6 343	6 848	8 164	9 724	7 960	7 960	4 083	8 344	7 500	7 943
Service charges - other		-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		170	505	289	449	449	449	208	479	510	544
Interest earned - external investments		1 341	1 955	3 720	3 285	3 785	3 785	2 886	4 035	4 285	4 538
Interest earned - outstanding debtors		16 357	12 886	7 830	11 981	12 102	12 102	4 051	12 901	13 701	12 231
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines		3 849	5 650	5 844	1 641	1 667	1 667	662	1 777	1 888	1 999
Licences and permits		12 207	11 078	10 611	11 251	11 405	11 405	4 452	12 158	12 912	13 674
Agency services		-	-	-	-	-	-	-	-	-	-
Transfers recognised - operational		311 527	373 366	291 276	363 596	363 596	363 596	267 127	291 230	305 515	323 340
Other revenue	2	8 220	20 837	8 334	17 162	5 755	5 755	2 491	6 133	6 515	6 900
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)		589 741	683 797	624 016	751 591	740 334	740 334	436 153	696 267	739 391	787 013
Expenditure By Type											
Employee related costs	2	199 383	201 866	212 743	241 177	248 316	248 316	117 458	262 055	279 809	298 766
Remuneration of councillors		18 470	20 782	21 798	22 610	24 997	24 997	10 720	26 722	28 539	30 480
Debt impairment	3	40 624	12 894	24 310	10 000	20 000	20 000	10 000	10 000	10 580	11 194

Depreciation & asset impairment	2	670	112	266	123	351	106	426	153	153 426	153 426	-	125 678	136 757	136 757
Finance charges			9 025	10 302	10 302	10 896	6 181	7 343	7 343	7 343	7 343	2 714	7 527	7 994	8 465
Bulk purchases	2	721	156	754	157	246	183	939	216	224 239	224 239	100 264	245 142	261 027	281 909
Other materials	8		-		-		-		-						
Contracted services			-		-		-		-	17 634	-	-	18 798	19 963	21 121
Transfers and grants			-		-		-		-	-	-	-	-	-	-
Other expenditure	4, 5	104	242	174	790	482	151	796	184	177 629	177 629	81 103	150 328	163 185	175 646
Loss on disposal of PPE			-		-		-		-						
Total Expenditure			641	701	710	835	873 584	855 950	312 259	846 251	907 855	964 338			
			135	653	827	130									
Surplus/(Deficit)			(51	(17	(86	(83	(133	(115	123 894	984	(149	(168	(177		
			394)	856)	811)	538)	250)	616)			984)	464)	324)		
Transfers recognised - capital			69 397	876	981	264	129	189 264	189 264	189 264	189 264	101 346	113 766	122 141	
Contributions recognised - capital	6		-	-	-	-	-	-	-	-	-	-	-	-	-
Contributed assets															
			18 003	93 020	68 170	45 726	56 014	73 648	313 158	9 363	10 302	2 817			
Surplus/(Deficit) after capital transfers & contributions															
Taxation															
Surplus/(Deficit) after taxation			18 003	93 020	68 170	45 726	56 014	73 648	313 158	9 363	10 302	2 817			
Attributable to minorities															
Surplus/(Deficit) attributable to municipality			18 003	93 020	68 170	45 726	56 014	73 648	313 158	9 363	10 302	2 817			
Share of surplus/ (deficit) of associate	7														
Surplus/(Deficit) for the year			18 003	93 020	68 170	45 726	56 014	73 648	313 158	9 363	10 302	2 817			

LIM344 Makhado - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	
Capital expenditure - Vote												
Multi-year expenditure to be appropriated	2											
Vote 1 - EXECUTIVE AND COUNCIL		54	100	147	107	181	181					
Vote 2 - WASTE MANAGEMENT		685	436	443	656	129	129	124 432	89 921	94 315	97 142	
Vote 3 - ROAD TRANSPORT		-	-	-	5 300	-	-	-	-	-	-	-
		-	-	-	1 430	-	-	-	-	-	-	-

Vote 4 - WATER		-	-	-	-	-	-	-	-	-	-
10		10									
Vote 5 - ELECTRICITY		280	18 658	24 826	21 383	34 019	34 019	6 182	37 050	76 330	58 730
Vote 6 - CORPORATE SERVICES		863	512	2 167	4 500	865	865	-	2 555	2 065	400
Vote 7 - PLANNING AND DEVELOPMENT		1	967	2 140	2 575	920	920	705	1 560	6 000	-
6		6									
Vote 8 - COMMUNITY AND SOCIAL SERVICES		779	865	-	-	6 273	6 273	-	6 370	7 350	1 600
Vote 9 - HOUSING		-	-	-	-	-	-	-	-	-	-
Vote 10 - OTHER		0	797	-	7 100	1 102	1 102	-	20	-	-
Vote 11 - SPORTS AND RECREATION		-	-	-	-	-	-	-	-	-	-
14		14									
Vote 12 - BUDGET AND TREASURY		320	-	3 645	13 994	4 382	4 382	-	2 800	400	400
0		0									
0		0									
0		0									
Capital multi-year expenditure sub-total	7	86	122	180	163	228	228	131 319	140	186	158
		926	235	221	938	690	690	131 319	276	460	272
Single-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-	-
Vote 2 - WASTE MANAGEMENT		-	-	-	-	-	-	-	-	-	-
Vote 3 - ROAD TRANSPORT		-	-	-	-	-	-	-	-	-	-
Vote 4 - WATER		-	-	-	-	-	-	-	-	-	-
Vote 5 - ELECTRICITY		-	-	-	-	-	-	-	-	-	-
Vote 6 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 7 - PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-	-	-	-
Vote 8 - COMMUNITY AND SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 9 - HOUSING		-	-	-	-	-	-	-	-	-	-
Vote 10 - OTHER		-	-	-	-	-	-	-	-	-	-
Vote 11 - SPORTS AND RECREATION		-	-	-	-	-	-	-	-	-	-
Vote 12 - BUDGET AND TREASURY		-	-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Vote		86	122	180	163	228	228	131 319	140	186	158
		926	235	221	938	690	690	131 319	276	460	272
Capital Expenditure - Standard											
15		15									
Governance and administration		200	4 836	1 310	8 579	7 269	7 269	2 964	9 930	5 015	800
Executive and council		17	4 324	1 310	8 579	2 887	2 887	2 964	4 575	2 550	-
Budget and treasury office		14	-	-	-	4 382	4 382	-	2 800	400	400

		320									
Corporate services		863	512						2 555	2 065	400
Community and public safety		6	865	-	-	6 273	6 273	-	6 370	7 350	1 600
Community and social services		6	865			6 273	6 273		6 370	7 350	1 600
Sport and recreation		779									
Public safety		-	-								
Housing		-	-								
Health		-	-								
Economic and environmental services		54	159	119	181	181	114 422	86 906	97 765	97 142	
Planning and development		668	97 079	612	854	129	129	114 422	86 906	97 765	97 142
Road transport		1	967	257	1 090			1 560	6 000	-	
Environmental protection		54	159	118	181	181	114 422	85 346	91 765	97 142	
Trading services		10	18 658	19 299	35 505	34 019	34 019	13 933	37 050	76 330	58 730
Electricity		280	18 658	19 299	35 505	34 019	34 019	13 933	37 050	76 330	58 730
Water		-	-								
Waste water management		-	-								
Waste management		-	-								
Other		-	797								
Total Capital Expenditure - Standard	3	86	122	180	163	228	228	131 319	140	186	158
		926	235	221	938	690	690	131 319	256	460	272
Funded by:											
National Government		65	110	154	129	189	189	114 422	101	116	122
Provincial Government		152	876	981	264	264	264	114 422	346	765	142
District Municipality		-	-								
Other transfers and grants		-	-								
Transfers recognised - capital	4	65	110	154	129	189	189	114 422	101	116	122
Public contributions & donations	5	152	876	981	264	264	264	114 422	346	765	142
Borrowing	6	-	-								
Internally generated funds		21	11 359	25 239	34 674	39 426	39 426	16 897	38 930	69 695	36 130
		775	11 359	25 239	34 674	39 426	39 426	16 897	38 930	69 695	36 130
Total Capital Funding	7	86	122	180	163	228	228	131 319	140	186	158
		926	235	221	938	690	690	131 319	276	460	272

LIM344 Makhado - Table A7 Budgeted Cash Flows

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16	2016/17 Medium Term Revenue & Expenditure Framework
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R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
		28									
Property rates, penalties & collection charges		091	30 437	303 133	43 642	49 711	49 711	24 167	52 992	56 278	59 598
		216									
Service charges		006	331 246		288 861	310 851	310 851	126 027	314 562	337 787	364 191
		1									
Other revenue		847	12 081		17 162	5 324	5 324	2 491	20 547	21 825	23 116
		241									
Government - operating	1	136	262 490	291 276	363 596	363 596	363 596	267 127	291 230	305 515	323 340
		69									
Government - capital	1	397	110 876	154 981	129 264	129 264	129 264	89 842	101 346	113 765	122 142
		17									
Interest		696	1 955	11 550	15 266	15 766	15 766	6 937	16 936	17 986	16 769
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
		(458)	(590)	(611)	(828)	(866)	(866)	(309)	(703)	(752)	(807)
Suppliers and employees		360)	924)	222)	949)	241)	241)	546)	045)	523)	922)
		(5)	(8)	(10)	(6)	(7)	(7)	(2)	(7)	(7)	(8)
Finance charges		240)	443)	896)	181)	343)	343)	714)	527)	994)	465)
Transfers and Grants	1	-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		110	149 718	138 822	22 661	928	928	204 331	87 041	92 639	92 768
		573									
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
		-	75 250	-	-	-	-	-	58 000	65 000	58 000
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Payments											
		(86)	(122)	(180)	(163)	(228)	(228)	(131)	(140)	(186)	(158)
Capital assets		926)	235)	221)	938)	690)	690)	319)	276)	460)	272)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(86)	(46)	(180)	(163)	(228)	(228)	(131)	(82)	(121)	(100)
		926)	985)	221)	938)	690)	690)	319)	276)	460)	272)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
		-	-	-	-	-	-	-	-	-	-
Short term loans		-	-	392	-	-	7 747	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-
Payments											

Repayment of borrowing		(8)	(3)	(4)	–	(21)	(2)		(1)	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		168)	215)	198)	–	432)	521)	–	800)	–	–
NET INCREASE/ (DECREASE) IN CASH HELD		479	99 518	204)	(141	194)	536)	73 012	2 965	821)	504)
Cash/cash equivalents at the year begin:	2	288)	10 304	109 822	64 618	64 618	64 618	64 618	64 618	67 582	38 761
Cash/cash equivalents at the year end:	2	191	109 822	64 618	660)	576)	918)	137 629	67 582	38 761	31 258

LIM344 Makhado - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		298	353	435	468	459				
Vote 2 - WASTE MANAGEMENT		984	146	526	605	592	459 592	521 273	562 627	601 117
Vote 3 - ROAD TRANSPORT		5 472	6 088	5 790	6 677	6 677	6 677	7 118	7 559	8 005
Vote 4 - WATER		16 214	16 820	16 474	13 017	13 017	13 017	13 876	14 737	15 606
Vote 5 - ELECTRICITY		–	–	(73)	–	–	–	–	–	0
Vote 6 - CORPORATE SERVICES		218	247	254	305	320				
Vote 7 - PLANNING AND DEVELOPMENT		835	402	696	866	792	320 792	232 454	247 040	261 615
Vote 8 - COMMUNITY AND SOCIAL SERVICES		26 638	26 699	41 624	50 070	52 697	52 697	56 175	59 658	63 178
Vote 9 - HOUSING		368	3 378	2 972	491	491	491	523	556	1 112
Vote 10 - OTHER		103	107	50	92	92	92	98	104	207
Vote 11 - SPORTS AND RECREATION		47	305	47	56	56	56	59	63	126
Vote 12 - BUDGET AND TREASURY		220	–	178	–	–	–	–	–	0
0		28	78	48	84	–	–	–	–	0
0		–	–	–	–	–	–	–	–	–
0		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	597	689	777	880	897	897 659	878 741	942 433	1 004 011
Expenditure by Vote to be appropriated	1									
Vote 1 - EXECUTIVE AND COUNCIL		110	137	98 692	105	105	98 692	105 205	111 728	223 456

		813	229		772	772						
Vote 2 - WASTE MANAGEMENT		3 782	14 434	19 231	22 635	22 635	22 635	24 129	25 625	51 250		
Vote 3 - ROAD TRANSPORT		21 098	22 803	23 273	25 229	25 229	25 229	26 894	28 561	57 123		
Vote 4 - WATER		1 548	1 214	805	19 080	19 080	19 080	20 339	21 600	43 200		
		192	194	236	270	270						
Vote 5 - ELECTRICITY		596	879	196	815	815	287 815	306 811	325 833	345 057		
Vote 6 - CORPORATE SERVICES		38 925	34 480	33 698	39 431	39 431	39 431	42 033	44 640	47 273		
Vote 7 - PLANNING AND DEVELOPMENT		26 563	44 023	43 026	50 337	50 337	50 337	53 659	56 986	60 348		
Vote 8 - COMMUNITY AND SOCIAL SERVICES		15 807	8 186	6 275	7 487	7 487	7 487	7 981	8 476	8 976		
Vote 9 - HOUSING		-	-	20	-	-	-	-	-	0		
Vote 10 - OTHER		13 354	16 964	14 414	27 395	27 395	27 395	29 203	31 013	32 843		
Vote 11 - SPORTS AND RECREATION		8 603	12 121	15 638	17 632	-	17 632	18 796	19 961	21 139		
		216	202	218	249	249						
Vote 12 - BUDGET AND TREASURY		056	916	657	317	317	231 445	218 829	241 362	89 996		
0		-	-	-	-	-	-	-	-	-		
0		-	-	-	-	-	-	-	-	-		
0		-	-	-	-	-	-	-	-	-		
Total Expenditure by Vote	2	649	689	709	835	817	827 178	853 879	915 786	980 662		
		(51										
Surplus/(Deficit) for the year	2	394)	615	68 044	45 725	80 161	70 481	24 862	26 647	23 349		

LIM344 Makhado - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2016/17												Me	
	July	August	Sept.	October	November	December	January	February	March	April	May	June		Budg 201
R thousand														
Cash Receipts By Source														
Property rates	4	3	3											
Property rates - penalties & collection charges	019	969	808	4 027	4 212	4 133	4 145	4 217	4 152	3 223	5 669	7 420		
Service charges - electricity revenue	24	24	24											
Service charges - water revenue	487	758	576	22 612	23 554	21 095	23 816	24 687	26 403	39 907	39 180	11 144		
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - other	408	625	763	739	628	621	674	520	623	838	944	963		
	-	-	-	-	-	-	-	-	-	-	-	-	-	

Rental of facilities and equipment	51	37	28	36	27	29	22	3	9	55	60	122	
Interest earned - external investments	100	107	395	451	178	116	163	110	373	245	185	1 611	
Interest earned - outstanding debtors	589	-	-	-	-	-	-	-	2 762	2 548	2 470	2 532	
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	
Fines	012	819	280	1 600	1 184	800	816	624	933	857	1 256	405)	(9
Licences and permits	786	833	718	872	792	1 451	1 151	903	885	1 035	1 574	1 158	
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer receipts - operational	317	-	-	-	96 106	-	-	-	72 808	-	-	-	2
Other revenue	203	290	441	248	156	1 153	81	22	481	757	759	1 542	
Cash Receipts by Source	972	436	009	30 586	126 836	29 397	30 868	31 086	109 429	49 466	52 097	17 086	6
Other Cash Flows by Source													
Transfer receipts - capital	018	-	000	-	5 000	32 018	2 000	-	27 311	-	-	0	1
Contributions recognised - capital & Contributed assets	-	-	-	-	-	-	-	-	-	-	-	58 000	5
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 receivables	-	-	-	-	-	-	-	-	-	-	-	-	
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	
Total Cash Receipts by Source	989	436	009	30 586	131 836	61 414	32 868	31 086	136 740	49 466	52 097	75 086	8
Cash Payments by Type													
Employee related costs	886	269	802	20 146	20 576	41 594	20 115	20 026	20 797	19 367	19 157	18 321	2
Remuneration of councillors	806	785	786	1 786	1 779	1 778	2 489	1 879	1 877	2 713	2 713	4 332	2
Finance charges	700	308	205	186	1 865	639	433	319	473	845	815	739	
Bulk purchases - Electricity	004	311	195	19 138	18 004	17 612	18 044	20 042	20 939	22 757	25 756	29 341	2
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	
Other materials	-	-	-	-	-	-	-	-	-	-	-	-	
Contracted services	486	119	209	776	1 548	721	1 158	2 567	1 177	1 268	1 568	2 202	

Transfers and grants - other municipalities												-	
Transfers and grants - other												-	
Other expenditure	15 022	11 780	13 713	13 244	15 332	12 080	10 065	12 819	10 835	12 445	14 590	8 404	1
Cash Payments by Type	57 904	54 572	55 909	55 274	59 103	74 424	52 304	57 652	56 098	59 394	64 598	63 339	7
Other Cash Flows/Payments by Type													
Capital assets	13 995	12 392	10 668	11 401	13 943	13 676	9 298	12 182	11 505	10 967	9 263	10 987	1
Repayment of borrowing	-	-	-	719	27	27	-	-	722	-	-	305	
Other Cash Flows/Payments				-	-	-	-	-	-	-	-	-	
Total Cash Payments by Type	71 899	66 964	66 578	67 394	73 073	88 127	61 602	69 834	68 325	70 362	73 861	74 630	8
NET INCREASE/(DECREASE) IN CASH HELD	115 091	(35 528)	(30 569)	(36 808)	58 763	(26 712)	(28 734)	(38 748)	68 415	(20 896)	(21 764)	456	
Cash/cash equivalents at the month/year begin:	64 618	179 708	144 180	113 611	76 803	135 566	108 854	80 119	41 371	109 786	88 890	67 126	6
Cash/cash equivalents at the month/year end:	179 708	144 180	113 611	76 803	135 566	108 854	80 119	41 371	109 786	88 890	67 126	67 582	6