



MAKANA
MUNICIPALITY | EASTERN CAPE
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Report To: **COUNCIL**

File ref : _____

Collaborator/Item no: _____

Date: **26 MAY 2016**

SUBJECT: REPORT DATED 26 MAY 2016 FROM THE EXECUTIVE MAYOR TO COUNCIL TABLING OF THE FINAL INTEGRATED DEVELOPMENT PLAN (IDP) AND MTREF BUDGET 2016/17 TO 2018/19 FOR APPROVAL

PURPOSE

The purpose of this item is to table the Final IDP and MTREF Budget for 2016/17 to Council for **ADOPTION**, in terms of Section 16(2) of the Municipal Finance Management Act No. 56 of 2003.

LEGAL COMPLIANCE

Municipal Finance Management Act No. 56 of 2003, and various Circulars from National Treasury.

BACKGROUND

Chapter 5 of the Municipal Systems Act 32 of 2000 requires that the Final IDP and Draft Budget be tabled simultaneously in a Council meeting at least 90 days before commencement of a financial year for approval, and the purpose of this item is to comply with that legislative requirement. Efforts have been made to ensure that there is a link between the IDP document and the Budget for the same year, more especially on externally funded projects.

Section 16(2) of the Municipal Finance Management Act No. 56 of 2003 states the following: "The mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year (meaning that on or before the end of March as the municipal financial year commences from 1st July of each year)". Section 17 of the Municipal Finance Management Act further requires the municipality to ensure that the budget is based on realistically anticipated revenue for the budget year, from various revenue sources.

The attached final budget summary, which indicates various sources of revenue such as electricity, water, refuse charge, general rates, sewerage charge, grants and subsidies, etc., is attempting to address the requirements of Section 17 of the MFMA. The attached budget documents are not finally funded yet as the budget is at a draft stage, however, as the budget had to be finally approved before

end of June 2016, a lot of work will have to be undertaken during the period leading to the end of June to ensure that a funded budget is approved by the Council

DISCUSSION

The final budget for 2016/17 financial year's budget has been prepared based on certain assumptions, such as increase in salaries have been budgeted for at **7.64%**, electricity tariff increases have been budgeted for at **9.4% tariff**, and all other tariffs (water, refuse, sewerage) have been increased by **8.5%**

Electricity Increases: It is necessary for Council to note that a tariff increase of 9.4 % has been approved for Eskom by NERSA, however NERSA has not yet approved and published guidelines on municipal electricity price increase for 2016/17 financial year.

RECOMMENDATIONS:

- 1) **That**, the Council of Makana Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) consider and adopts the annual budget of the municipality for the financial year 2016/17 and the multi-year and single-year capital appropriations.
- 2) **That**, to guide the implementation of the municipality's annual budget, the Council approves the policies and tariffs as set out in the Annexures of this document.
- 3) **That**, in order to facilitate multi-year budgeting, departments **BE AUTHORISED** to commit projects on the 2017/18 and 2018/19 budgets, on confirmed external funding sources.
- 4) **That, the** implementation of the Municipal Standard Chart of Accounts (mSCOA) is funded from Financial Management Grant (FMG) and Equitable Share.

COMMENTS FROM THE EXECUTIVE MANAGEMENT:

1.1.1. TECHNICAL AND INFRASTRUCTURE SERVICES: Yes

1.1.2. COMMUNITY AND SOCIAL SERVICES: Yes

1.1.3. CORPORATE SERVICES: Yes

1.1.4. BUDGET AND TREASURY SERVICES: Yes

1.1.5. LOCAL ECONOMIC DEVELOPMENT: Yes

1.1.6. MUNICIPAL MANAGER: Yes

FOR FURTHER DETAILS CONTACT:

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.....
CHIEF FINANCIAL OFFICER
Ms. N.F. Siwahla



.....
ACTING MUNICIPAL MANAGER
Ms. R. Meiring

26/05/16

.....
EXECUTIVE MAYOR
HON. CLR N. Gaga



MAKANA
MUNICIPALITY | EASTERN CAPE

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

FINAL BUDGET OF MAKANA MUNICIPALITY

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

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Part 1 – Annual Budget

1.1 Mayor's Report

The Mayor's Report will be included in the item to Council.

1.2 Council Resolutions

On 26 May 2016 the Council of Makana Municipality met in the Council Chambers to consider the annual budget of the municipality for the financial year 2016/17. The Council approved and adopted the following resolutions:

1. The Council of Makana 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 2016/17 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 on page 7;
- 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained on page 8;
- 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained page 9; and
- 1.1.4. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained on page 10.

- 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 on page 17;
- 1.2.2. Budgeted Cash Flows as contained on page 18;
- 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained on page 19;
- 1.2.4. Asset management as contained on page 20; and
- 1.2.5. Basic service delivery measurement as contained on page 21.

2. The Council of Makana Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2016 as set out in Annexure A:

- 2.1 Property Rates Tariffs
- 2.2 Electricity Tariffs
- 2.3 Supply of Water Tariffs
- 2.3 Sanitation services Tariffs
- 2.4 Solid Waste Services Tariffs
- 2.5 Miscellaneous and other tariffs

3. To guide the implementation of the municipality's annual budget, the Council approves the policies as set out in the Annexure B:

Annexure Budget Policy Statement (reviewed)
 Annexure Property Rates Policy (Reviewed)
 Annexure Assistance to the poor & Indigent Policy (Reviewed)
 Annexure Provision for doubtful debts (Reviewed)
 Annexure Credit Control & Debt Collection Policy (Reviewed)
 Annexure Funding and Reserves Policy (remains unchanged)
 Annexure Borrowing Policy (remains unchanged)
 Annexure Cash Management and Investment Policy (reviewed)

Annexure Asset Management Policy (reviewed)
Annexure Tariff Policy (reviewed)

5. That the Standard Charts of Accounts (SCOA) funded by Financial Management Grant (FMG) and Equitable Share and that system configuration will not proceed until further notice from National Treasury.

.....
Ms. R. Meiring
ACTING MUNICIPAL MANAGER

DATE:

1.3 Executive Summary

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. This includes the compilation of the Medium-term Revenue and Expenditure Framework.

The service delivery priorities were reviewed as part of this year's planning and budget process. A critical review was also undertaken of expenditures on noncore and 'nice to have' items as per Circular 82.

The municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. Furthermore, the Council has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

National Treasury's MFMA Circular No. 78 and 79 were used to guide the compilation of the 2016/17 MTREF.

The main challenges experienced during the compilation of the 2016/17 MTREF can be summarised as follows:

- High unemployment and slower than average economic growth;
- Adequate revenue base and where municipalities face a combination of challenges such as resource scarcity,
- Aging and poorly maintained water, roads and electricity infrastructure;
- An aggressive approach to curbing non-core spending and improving operational efficiencies is strongly advised.

The following budget principles and guidelines directly informed the compilation of the 2016/17 MTREF:

1.3.1 Revenue Management

The MTREF used the guidelines set out of Circular 78 and 79 issued by National Treasury as well as the Guideline on Municipal Electricity price increase.

On 14 April 2016, NERSA approved a guideline increase for municipalities as follows:

A guideline increase of 7.64%, which is based on the following assumption:

- Bulk purchases cost have increased by 7.87% in line with Eskom's electricity tariff increases to municipalities;
- A consumer price index (CPI) of 6.6% as indicated in the National Treasury (Budget Review) 2016;
- Salary and wage increases of CPI plus 1% as indicated in the SALGA Circular No.31/2015: Salary & Wage Collective Agreement; and
- Repairs & maintenance, capital charges and other costs have increased by the CPI.

National Treasury continues to encourage municipality to keep increases in property rates, tariffs for trading services and charges for other municipal own revenue sources within the parameters of the country's inflation rate.

In terms of Circular 79 "Setting of tariffs should consider the following practicalities:

- Cost of bulk purchases and the fluctuation in the seasonal cost thereof,
- Consumption patterns to enable better demand planning and management, and

- Embark on the process to correct tariff structures to be cost reflective

The door-to-door consumer and electricity meter audit was conducted in October 2015 in conjunction with municipal electricians, of the 1,000 electricity meters audited 31 (3%) were found to be tampered.

One of the main challenges hampering revenue collection is the issue of tariffs structure, provisions has been made in 2016/17 budget to start the process of correcting the tariffs to be cost reflective especial water and sanitation tariffs structure.

The budget is based on a water tariff increase of 8.5%, the installation of new meter and replacement of damaged meter project that is implemented by SEBATA is expected to significantly have a positive effect on the collection rate as this will mean that all consumers will be accurately billed and this should minimise the frequency of disputes by consumers.

Sanitation tariffs will increase by 8.5%. This is based on the cost of sewer purification rendered. Refuse removal tariff increase is set at 8.5% for all users. This is largely based on the increase of the main cost drivers of the service.

Sundry tariff increases will be limited, in most instances, to be within the CPI inflation rate.

The financial sustainability and viability of the 2016/17 MTREF is largely dependent on the collection level of billed revenue for services delivered. A debt collection company has been appointed for data cleansing and improving collection rate. The 2016/17 budget is based on the collection rate 85% collection, the year to date collection level for 2015/16 financial year 81%.

Expenditure Management

Long-outstanding debt, particularly ESKOM, continues to be a challenge. Payment plans are in place and provision has been made in 2016/17 budget for repayment of these debts.

The repayment of long-outstanding creditors relating to previous financial years was not budgeted appropriately in the current financial year, compromising service delivery. This means 2016/17 budgeted expenditure had to be cut or put on hold to compensate for the funds repayment of accruals.

Employee-related costs budget has been base on the personnel verification process which was conducted as recommended in the Financial Recovery Plan. The employee related costs budget has increase by R1, 881 million as compared to 2015/16 budget.

Asset plan, including a maintenance plan are regarded a priority as they have a direct impact on the quality of services delivered to the communities. To date, the maintenance plan has been developed and its implementation is in phases due to financial constraints. Municipal asset reconciliations, verification of movables and updating of work-in-progress (WIP) have been is in process.

In terms of Circular 78 issued on the 7 December 2015 it states that 2016/17 tabled budget should include an annexure containing the mSCOA project plan and progress to date. The implementation of the Municipal Standard Chart of Accounts (mSCOA) is funded from Financial Management Grant (FMG) and Equitable Share, as recommended by National Treasury. Self-assessment together with ITC readiness has been conducted and the progress report has been reported to Provincial & National Treasury.

The externally funded Capital Budget of R170, 043 million for 2016/17 is 36% more when compared to the 2014/15 Revised Budget. The Capital Budget is largely driven by projects emanating from the IDP and projects identified by the community as well as incomplete projects.

The MTREF for the 2016/17 Multi-year budget summary is as follows:

EC104 Makana - Table A1 Budget Summary

| Description | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | | | | 2016/17 Medium Term Revenue & Expenditure Framework | | |
|--|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousands | | | | | | | | | | |
| Financial Performance | | | | | | | | | | |
| Property rates | 38,084 | 46,153 | 53,827 | 52,695 | 52,695 | 52,695 | – | 65,215 | 69,258 | 73,344 |
| Service charges | 166,253 | 161,564 | 199,402 | 260,856 | 277,532 | 277,532 | – | 306,690 | 326,536 | 333,040 |
| Investment revenue | 9,711 | 10,822 | 12,494 | 500 | 500 | 500 | – | 700 | 743 | 787 |
| Transfers recognised - operational | 74,354 | 82,950 | 120,569 | 84,920 | 80,361 | 80,361 | – | 91,291 | 92,345 | 93,287 |
| Other own revenue | 8,514 | 18,989 | 6,707 | 28,666 | 28,966 | 28,966 | – | 22,296 | 30,188 | 26,822 |
| Total Revenue (excluding capital transfers and contributions) | 296,916 | 320,478 | 392,999 | 427,637 | 440,053 | 440,053 | – | 486,191 | 519,071 | 527,281 |
| Employee costs | 113,284 | 129,818 | 128,392 | 126,773 | 131,969 | 131,969 | – | 144,631 | 166,723 | 180,142 |
| Remuneration of councillors | 7,782 | 8,337 | 9,458 | 9,723 | 9,723 | 9,723 | – | 10,497 | 11,148 | 11,806 |
| Depreciation & asset impairment | 46,625 | 36,729 | 33,599 | 31,502 | 31,502 | 31,502 | – | 31,639 | 59,170 | 61,863 |
| Finance charges | 215 | 6,337 | 21,536 | 478 | 478 | 478 | – | 5,500 | 5,600 | 5,700 |
| Materials and bulk purchases | 69,229 | 67,096 | 82,037 | 89,174 | 82,858 | 82,858 | – | 105,926 | 112,538 | 119,226 |
| Transfers and grants | 17,187 | 22,099 | 30,545 | 48,997 | 48,997 | 48,997 | – | 50,515 | 50,738 | 53,732 |
| Other expenditure | 93,724 | 67,198 | 74,705 | 120,991 | 132,393 | 132,393 | – | 137,482 | 113,153 | 94,813 |
| Total Expenditure | 348,057 | 337,615 | 380,272 | 427,637 | 437,920 | 437,920 | – | 486,191 | 519,071 | 527,281 |
| Surplus/(Deficit) | (51,141) | (17,137) | 12,727 | 1 | 2,134 | 2,134 | – | 1 | 0 | (0) |
| Transfers recognised - capital | 59,398 | 32,636 | 2,230 | 191,857 | 85,078 | 85,078 | – | 170,043 | 12,330 | 14,508 |
| Contributions recognised - capital & contributed a | – | – | – | – | – | – | – | – | – | – |
| Surplus/(Deficit) after capital transfers & contributions | 8,257 | 15,499 | 14,957 | 191,858 | 87,212 | 87,212 | – | 170,044 | 12,330 | 14,508 |
| Share of surplus/ (deficit) of associate | – | – | – | – | – | – | – | – | – | – |
| Surplus/(Deficit) for the year | 8,257 | 15,499 | 14,957 | 191,858 | 87,212 | 87,212 | – | 170,044 | 12,330 | 14,508 |
| Capital expenditure & funds sources | | | | | | | | | | |
| Capital expenditure | 94,186 | 50,261 | 40,579 | 191,856 | 85,078 | 85,078 | – | 170,043 | 12,330 | 14,508 |
| Transfers recognised - capital | 94,186 | 29,643 | 21,697 | 179,775 | 80,022 | 80,022 | – | 170,043 | 12,330 | 14,508 |
| Public contributions & donations | – | – | – | – | – | – | – | – | – | – |
| Borrowing | – | – | 6,835 | – | – | – | – | – | – | – |
| Internally generated funds | – | 20,619 | 12,047 | 12,081 | 5,056 | 5,056 | – | – | – | – |
| Total sources of capital funds | 94,186 | 50,261 | 40,579 | 191,856 | 85,078 | 85,078 | – | 170,043 | 12,330 | 14,508 |
| Financial position | | | | | | | | | | |
| Total current assets | 185,449 | 183,242 | 261,423 | 329,733 | 383,757 | 383,757 | – | 278,677 | 295,955 | 313,417 |
| Total non current assets | 1,498,744 | 1,037,290 | 1,083,701 | 944,650 | 950,562 | 950,562 | – | 1,155,225 | 1,226,849 | 1,299,233 |
| Total current liabilities | 153,800 | 135,312 | 257,115 | 123,423 | 111,932 | 111,932 | – | 281,005 | 298,427 | 316,034 |
| Total non current liabilities | 70,357 | 91,099 | 103,040 | 55,246 | 2,673 | 2,673 | – | 109,841 | 116,651 | 123,534 |
| Community wealth/Equity | 1,460,035 | 994,122 | 984,969 | 1,095,714 | 1,219,714 | 1,219,714 | – | 1,043,057 | 1,107,726 | 1,173,082 |
| Cash flows | | | | | | | | | | |
| Net cash from (used) operating | 27,831 | (3,662) | 58,442 | 246,082 | (9,744) | 5,042 | – | 184,063 | 195,475 | 207,008 |
| Net cash from (used) investing | (93,501) | (50,377) | (40,580) | (191,857) | (6,857) | (6,857) | – | (173,043) | (183,772) | (194,614) |
| Net cash from (used) financing | 22,505 | 30,770 | 6,909 | – | – | – | – | (5,500) | (5,841) | (6,186) |
| Cash/cash equivalents at the year end | 9,833 | (13,437) | 11,334 | 64,058 | (9,681) | 5,105 | – | 8,129 | 13,992 | 20,200 |
| Cash backing/surplus reconciliation | | | | | | | | | | |
| Cash and investments available | 10,318 | (13,275) | 19,347 | 148,156 | 19,813 | 19,813 | – | 20,623 | 21,902 | 23,194 |
| Application of cash and investments | 12,878 | (60,879) | 9,897 | (61,030) | (149,629) | (134,496) | – | 12,494 | 12,838 | 3,550 |
| Balance - surplus (shortfall) | (2,560) | 47,604 | 9,449 | 209,186 | 169,442 | 154,309 | – | 8,129 | 9,064 | 19,644 |
| Asset management | | | | | | | | | | |
| Asset register summary (WDV) | 253,100 | 231,182 | 1,082,652 | 1,695,900 | 316,035 | 316,035 | 404,138 | 404,138 | 368,132 | 393,138 |
| Depreciation & asset impairment | 46,625 | 36,729 | 33,599 | 31,502 | 31,502 | 31,502 | 31,639 | 31,639 | 59,170 | 61,863 |
| Renewal of Existing Assets | – | – | – | 191,857 | 62,992 | 62,992 | 62,992 | – | – | – |
| Repairs and Maintenance | 18,721 | 12,777 | 10,136 | 23,657 | 23,657 | 23,657 | 25,887 | 25,887 | 27,687 | 29,407 |
| Free services | | | | | | | | | | |
| Cost of Free Basic Services provided | – | – | – | – | – | – | 7,434 | 7,434 | 7,895 | 8,361 |
| Revenue cost of free services provided | – | – | – | 4,034 | 4,034 | 4,034 | – | – | – | – |
| Households below minimum service level | | | | | | | | | | |
| Water: | – | – | – | – | – | – | – | – | – | – |
| Sanitation/sewerage: | – | – | – | – | – | – | – | – | – | – |
| Energy: | – | – | – | – | – | – | – | – | – | – |
| Refuse: | – | – | – | 0 | 0 | 0 | 0 | 0 | – | – |

1.4 OPERATING BUDGET FRAMEWORK

1.4.1 Operating Revenue

Municipality is in the process of turning around the current declining position in order to build a sustainable future, revenue enhancement is one of the key elements of turn around strategies that has been used to address the challenges.

The Council has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. A debt collecting company was also appointed to assist with data cleansing, recovering outstanding debts and capacitating the Credit Control personnel in the process.

Indigent policy and procedures, credit control and debt collection policy were reviewed as they are an important part of debt management and revenue enhancement.

Table 1 Summary of revenue classified by main revenue source

EC104 Makana - Table A4 Budgeted Financial Performance (revenue and expenditure)

| EC104 Makana - Table A: 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 | | |
| R thousand | 1 | 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 | 38,084 | 46,153 | 53,827 | 52,695 | 52,695 | 52,695 | - | 65,215 | 69,258 | 73,344 |
| Property rates - penalties & collection charges | | - | - | - | - | - | - | - | - | - | - |
| Service charges - electricity revenue | 2 | 106,423 | 95,766 | 114,619 | 168,727 | 185,703 | 185,703 | - | 191,033 | 202,677 | 205,846 |
| Service charges - water revenue | 2 | 34,413 | 39,594 | 53,344 | 54,900 | 54,900 | 54,900 | - | 63,277 | 67,200 | 68,165 |
| Service charges - sanitation revenue | 2 | 16,844 | 19,752 | 21,525 | 26,016 | 26,016 | 26,016 | - | 44,075 | 46,520 | 47,570 |
| Service charges - refuse revenue | 2 | 8,445 | 6,363 | 9,813 | 10,913 | 10,913 | 10,913 | - | 8,305 | 10,139 | 11,459 |
| Service charges - other | | 129 | 90 | 102 | 301 | 1 | 1 | - | - | - | - |
| Rental of facilities and equipment | | 1,059 | 801 | 1,023 | 3,176 | 3,176 | 3,176 | - | 811 | 862 | 912 |
| Interest earned - external investments | | 9,711 | 10,822 | 12,494 | 500 | 500 | 500 | - | 700 | 743 | 787 |
| Interest earned - outstanding debtors | | 1,325 | 385 | - | 11,893 | 11,393 | 11,393 | - | 16,059 | 18,055 | 19,120 |
| Dividends received | | - | - | - | - | - | - | - | - | - | - |
| Fines | | 996 | 656 | 55 | 1,089 | 1,089 | 1,089 | - | 1,092 | 1,659 | 1,757 |
| Licences and permits | | 2,411 | 2,597 | 2,344 | 3,448 | 3,448 | 3,448 | - | 1,647 | 1,750 | 1,853 |
| Agency services | | 1,006 | 877 | 850 | 1,300 | - | - | - | 500 | 681 | 721 |
| Transfers recognised - operational | | 74,354 | 82,950 | 120,569 | 84,920 | 80,361 | 80,361 | - | 91,291 | 92,345 | 93,287 |
| Other revenue | 2 | 1,717 | 13,674 | 2,433 | 7,760 | 9,860 | 9,860 | - | 2,186 | 7,182 | 2,458 |
| Gains on disposal of PPE | | - | - | - | - | - | - | - | - | - | - |
| Total Revenue (excluding capital transfers and contributions) | | 296,916 | 320,478 | 392,999 | 427,637 | 440,053 | 440,053 | - | 486,191 | 519,071 | 527,281 |

- Revenue generated from rates and services charges form a significant percentage of the revenue basket for the municipality. In the 2016/17 financial year, revenue from rates and services charges have been budgeted at R371,905 million or 76 per cent of the total operating budget. This growth can be mainly attributed to the yearly tariff increases in service charges and the anticipated increase collection rate.
- Electricity is the largest revenue source, excluding grants and transfers, totalling 39 per cent or R191, 033 million; followed by Water and Property rates at R63, 277 million or 13 per cent and R65, 215 million or 13 per cent respectively. The priority of water projects that is being currently undertaken is expected to not only materially improve the municipality's service delivery but also increase our revenue.
- One of the ever-present challenges facing all spheres of government is managing the gap between cost drivers and tariffs levied. With this in mind, Makana municipality has undertaken to set the tariff increase relating to service charges above 8.5 per cent and rates at 9 per cent.

1.5 Operating Expenditure

Operating expenditure for 2016/17 MTREF is informed by the following:

- The implementation of cost-containment measures and elimination of non-priority spending.
- Eliminating of wasteful expenditure
- Credibility and level of funding
- Financial Recovery Plan

Table 2 Summary of operating expenditure by standard classification item

EC104 Makana - 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 |
| R thousand | 1 | | | | | | | | | | |
| Expenditure By Type | | | | | | | | | | | |
| Employee related costs | 2 | 113,294 | 129,818 | 126,392 | 126,773 | 131,969 | 131,969 | – | 144,631 | 166,723 | 180,142 |
| Remuneration of councillors | | 7,782 | 8,337 | 9,458 | 9,723 | 9,723 | 9,723 | – | 10,497 | 11,148 | 11,806 |
| Debt impairment | 3 | 23,522 | – | – | – | – | – | – | 10,000 | 10,620 | 11,247 |
| Depreciation & asset impairment | 2 | 46,625 | 36,729 | 33,599 | 31,502 | 31,502 | 31,502 | – | 31,639 | 59,170 | 61,863 |
| Finance charges | | 215 | 6,337 | 21,536 | 478 | 478 | 478 | – | 5,500 | 5,600 | 5,700 |
| Bulk purchases | 2 | 69,229 | 67,096 | 82,037 | 87,574 | 81,258 | 81,258 | – | 104,404 | 110,922 | 117,514 |
| Other materials | 8 | – | – | – | 1,600 | 1,600 | 1,600 | – | 1,522 | 1,617 | 1,712 |
| Contracted services | | 4,332 | 6,917 | 4,491 | 8,734 | 10,126 | 10,129 | – | 28,408 | 7,115 | 7,955 |
| Transfers and grants | | 17,187 | 22,099 | 30,545 | 48,997 | 48,997 | 48,997 | – | 50,515 | 50,738 | 53,732 |
| Other expenditure | 4, 5 | 65,723 | 60,281 | 70,215 | 112,257 | 122,264 | 122,264 | – | 99,074 | 95,419 | 75,612 |
| Loss on disposal of PPE | | 148 | – | – | – | – | – | – | – | – | – |
| Total Expenditure | | 348,057 | 337,615 | 380,272 | 427,637 | 437,920 | 437,920 | – | 486,191 | 519,071 | 527,281 |
| Surplus/(Deficit) | | (51,141) | (17,137) | 12,727 | 1 | 2,134 | 2,134 | – | 1 | 0 | (0) |
| Transfers recognised - capital | | 59,398 | 32,636 | 2,230 | 191,857 | 85,078 | 85,078 | – | 170,043 | 12,330 | 14,508 |
| Contributions recognised - capital | | – | – | – | – | – | – | – | – | – | – |
| Contributed assets | | – | – | – | – | – | – | – | – | – | – |
| contributions | | 8,257 | 15,499 | 14,957 | 191,858 | 87,212 | 87,212 | – | 170,044 | 12,330 | 14,508 |
| Taxation | | – | – | – | – | – | – | – | – | – | – |
| Surplus/(Deficit) after taxation | | 8,257 | 15,499 | 14,957 | 191,858 | 87,212 | 87,212 | – | 170,044 | 12,330 | 14,508 |
| Attributable to minorities | | – | – | – | – | – | – | – | – | – | – |
| Surplus/(Deficit) attributable to municipality | | 8,257 | 15,499 | 14,957 | 191,858 | 87,212 | 87,212 | – | 170,044 | 12,330 | 14,508 |
| Share of surplus/ (deficit) of associate | 7 | – | – | – | – | – | – | – | – | – | – |
| Surplus/(Deficit) for the year | | 8,257 | 15,499 | 14,957 | 191,858 | 87,212 | 87,212 | – | 170,044 | 12,330 | 14,508 |

- The total operating expenditure is budgeted at R486, 191 million, equaling the Operating revenue.
- Employee-related costs are budgeted for at R144, 631 million, which is 28 per cent of the total operating expenditure. The amount is based on the recent institutional personnel verification exercise.
- The cost associated with the remuneration of councilors of R10, 407 million and is budgeted in line with the latest Public Officer Bearers act latest issue.
- Bulk purchases of R104, 404 million are directly informed by the purchase of electricity from Eskom and water. The Bulk purchases increase of Electricity at 7.64 per cent have been factored into the budget appropriations and directly inform the revenue provisions.
- The municipality allocates R31, 639 million (7%) of its total operating budgeting on depreciation and asset impairment.
- Repairs and maintenance have been budgeted at R25, 887 million. This is aligned to the municipality's strategic objectives and goals in the Integrated Development Plan (IDP). Consequently, repairs and maintenance are linked to the municipality's core services.

1.5.1 Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Makana Indigent Policy. The target is to register more indigent households during the 2016/17 financial year, a process reviewed annually.

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.

1.6 CAPITAL BUDGET FRAMEWORK

1.6.1 Capital Revenue and Expenditure

Total Capital Budget amounts to R170, 043 million, comprising of conditional grants and other external funding sources.

The following table indicates funding of capital projects and programs over the MTREF:

EC104 Makana - 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 |
| R thousand | 1 | | | | | | | | | | |
| Capital expenditure - Vote | | | | | | | | | | | |
| Multi-year expenditure to be appropriated | 2 | | | | | | | | | | |
| Vote 1 - Technical & Infrastructure | | - | - | - | 153,683 | 41,195 | 41,195 | - | 89,671 | - | - |
| Vote 2 - Corporate Services | | - | - | - | 1,200 | 1,050 | 1,050 | - | 6,350 | 220 | 160 |
| Vote 3 - Financial Services | | - | - | - | - | - | - | - | - | - | - |
| Vote 4 - Community & Social Services | | - | - | - | 14,300 | 11,420 | 11,420 | - | 17,878 | - | - |
| Vote 5 - Executive Mayor | | - | - | - | - | - | - | - | - | - | - |
| Vote 6 - Speakers Office | | - | - | - | - | - | - | - | - | - | - |
| Vote 7 - Municipal Manager | | - | - | - | - | - | - | - | - | - | - |
| Vote 8 - Local Economic Development | | - | - | - | - | 300 | 300 | - | - | - | - |
| Vote 9 - Housing | | - | - | - | - | - | - | - | - | - | - |
| Vote 10 - Electricity | | - | - | - | 7,674 | 5,114 | 5,114 | - | 9,079 | 12,110 | 14,348 |
| Vote 11 - Water | | - | - | - | 15,000 | 26,000 | 26,000 | - | 47,065 | - | - |
| Vote 12 - Dog Tax | | - | - | - | - | - | - | - | - | - | - |
| Vote 13 - Parking Meters | | - | - | - | - | - | - | - | - | - | - |
| Vote 14 - [NAME OF VOTE 14] | | - | - | - | - | - | - | - | - | - | - |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - | - | - | - | - |
| Capital multi-year expenditure sub-total | 7 | - | - | - | 191,857 | 85,078 | 85,078 | - | 170,043 | 12,330 | 14,508 |
| Single-year expenditure to be appropriated | 2 | | | | | | | | | | |
| Vote 1 - Technical & Infrastructure | | - | - | - | - | - | - | - | - | - | - |
| Vote 2 - Corporate Services | | - | - | - | - | - | - | - | - | - | - |
| Vote 3 - Financial Services | | - | - | - | - | - | - | - | - | - | - |
| Vote 4 - Community & Social Services | | - | - | - | - | - | - | - | - | - | - |
| Vote 5 - Executive Mayor | | - | - | - | - | - | - | - | - | - | - |
| Vote 6 - Speakers Office | | - | - | - | - | - | - | - | - | - | - |
| Vote 7 - Municipal Manager | | - | - | - | - | - | - | - | - | - | - |
| Vote 8 - Local Economic Development | | - | - | - | - | - | - | - | - | - | - |
| Vote 9 - Housing | | - | - | - | - | - | - | - | - | - | - |
| Vote 10 - Electricity | | - | - | - | - | - | - | - | - | - | - |
| Vote 11 - Water | | - | - | - | - | - | - | - | - | - | - |
| Vote 12 - Dog Tax | | - | - | - | - | - | - | - | - | - | - |
| Vote 13 - Parking Meters | | - | - | - | - | - | - | - | - | - | - |
| Vote 14 - [NAME OF VOTE 14] | | - | - | - | - | - | - | - | - | - | - |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - | - | - | - | - |
| Capital single-year expenditure sub-total | | - | - | - | - | - | - | - | - | - | - |
| Total Capital Expenditure - Vote | | - | - | - | 191,857 | 85,078 | 85,078 | - | 170,043 | 12,330 | 14,508 |
| Capital Expenditure - Standard | | | | | | | | | | | |
| Governance and administration | | 53,707 | 5,302 | 3,368 | 1,200 | 1,150 | 1,150 | - | 6,350 | 220 | 160 |
| Executive and council | | 5,748 | 673 | 327 | - | - | - | - | - | - | - |
| Budget and treasury office | | 36,161 | 1,161 | 568 | - | - | - | - | - | - | - |
| Corporate services | | 11,798 | 3,468 | 2,473 | 1,200 | 1,150 | 1,150 | - | 6,350 | 220 | 160 |
| Community and public safety | | 6,640 | 15,778 | 3,673 | 14,300 | 10,704 | 10,704 | - | 17,878 | - | - |
| Community and social services | | 705 | 269 | 67 | 3,891 | 996 | 996 | - | 1,084 | - | - |
| Sport and recreation | | - | 14,138 | 3,393 | 10,409 | 9,708 | 9,708 | - | 16,794 | - | - |
| Public safety | | 5,935 | 935 | 213 | - | - | - | - | - | - | - |
| Housing | | - | - | - | - | - | - | - | - | - | - |
| Health | | - | 436 | - | - | - | - | - | - | - | - |
| Economic and environmental services | | 16,312 | 8,229 | 11,945 | 14,682 | 13,934 | 13,934 | - | 1,252 | - | - |
| Planning and development | | 10,867 | 2,867 | 3,720 | - | - | - | - | - | - | - |
| Road transport | | - | 4,917 | 8,224 | 14,682 | 13,934 | 13,934 | - | 1,252 | - | - |
| Environmental protection | | 5,445 | 445 | - | - | - | - | - | - | - | - |
| Trading services | | 17,528 | 20,952 | 21,593 | 161,674 | 59,291 | 59,291 | - | 144,563 | 12,110 | 14,348 |
| Electricity | | 3,230 | 1,129 | 2,953 | 7,674 | 5,114 | 5,114 | - | 9,079 | 12,110 | 14,348 |
| Water | | 5,436 | 1,897 | 14,381 | 15,000 | 26,000 | 26,000 | - | 47,065 | - | - |
| Waste water management | | 8,862 | 17,926 | 4,236 | 139,000 | 28,177 | 28,177 | - | 88,419 | - | - |
| Waste management | | - | - | 24 | - | - | - | - | - | - | - |
| Other | | - | - | - | - | - | - | - | - | - | - |
| Total Capital Expenditure - Standard | 3 | 94,186 | 50,261 | 40,579 | 191,856 | 85,078 | 85,078 | - | 170,043 | 12,330 | 14,508 |
| Funded by: | | | | | | | | | | | |
| National Government | | 94,186 | 29,643 | 21,630 | 168,779 | 79,026 | 79,026 | - | 159,140 | 12,330 | 14,508 |
| Provincial Government | | - | - | - | 996 | 996 | 996 | - | 1,084 | - | - |
| District Municipality | | - | - | 67 | - | - | - | - | - | - | - |
| Other transfers and grants | | - | - | - | 10,000 | - | - | - | 9,820 | - | - |
| Transfers recognised - capital | 4 | 94,186 | 29,643 | 21,697 | 179,775 | 80,022 | 80,022 | - | 170,043 | 12,330 | 14,508 |
| Public contributions & donations | 5 | - | - | - | - | - | - | - | - | - | - |
| Borrowing | 6 | - | - | 6,835 | - | - | - | - | - | - | - |
| Internally generated funds | 7 | - | 20,619 | 12,047 | 12,081 | 5,056 | 5,056 | - | - | - | - |
| Total Capital Funding | 7 | 94,186 | 50,261 | 40,579 | 191,856 | 85,078 | 85,078 | - | 170,043 | 12,330 | 14,508 |

The capital programme is aligned to the asset renewal strategy and backlog eradication plan. For 2016/17 an amount of R162, 610 million has been appropriated for the development of infrastructure which represents 94 per cent of the total capital budget. Sanitation receives the highest allocation of R88, 419 million in 2016/17 which equates to 51 per cent followed by water infrastructure at 27 per cent, R47, 065 million and then sports & recreation at 10 per cent, R16, 794 million.

1.7 Annual Budget Tables

The following tables are the main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2016/17 budget and MTREF as approved by the Council. Each table is accompanied by explanatory notes.

EC104 Makana - Table A1 Budget Summary

| Description | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | | | | 2016/17 Medium Term Revenue & Expenditure Framework | | |
|--|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousands | | | | | | | | | | |
| Financial Performance | | | | | | | | | | |
| Property rates | 38,084 | 46,153 | 53,827 | 52,695 | 52,695 | 52,695 | – | 65,215 | 69,258 | 73,344 |
| Service charges | 166,253 | 161,564 | 199,402 | 260,856 | 277,532 | 277,532 | – | 306,690 | 326,536 | 333,040 |
| Investment revenue | 9,711 | 10,822 | 12,494 | 500 | 500 | 500 | – | 700 | 743 | 787 |
| Transfers recognised - operational | 74,354 | 82,950 | 120,569 | 84,920 | 80,361 | 80,361 | – | 91,291 | 92,345 | 93,287 |
| Other own revenue | 8,514 | 18,989 | 6,707 | 28,666 | 28,966 | 28,966 | – | 22,296 | 30,188 | 26,822 |
| Total Revenue (excluding capital transfers and contributions) | 296,916 | 320,478 | 392,999 | 427,637 | 440,053 | 440,053 | – | 486,191 | 519,071 | 527,281 |
| Employee costs | 113,294 | 129,818 | 128,392 | 126,773 | 131,969 | 131,969 | – | 144,631 | 166,723 | 180,142 |
| Remuneration of councillors | 7,782 | 8,337 | 9,458 | 9,723 | 9,723 | 9,723 | – | 10,497 | 11,148 | 11,806 |
| Depreciation & asset impairment | 46,625 | 36,729 | 33,599 | 31,502 | 31,502 | 31,502 | – | 31,639 | 59,170 | 61,863 |
| Finance charges | 215 | 6,337 | 21,536 | 478 | 478 | 478 | – | 5,500 | 5,600 | 5,700 |
| Materials and bulk purchases | 69,229 | 67,096 | 82,037 | 89,174 | 82,858 | 82,858 | – | 105,926 | 112,538 | 119,226 |
| Transfers and grants | 17,187 | 22,099 | 30,545 | 48,997 | 48,997 | 48,997 | – | 50,515 | 50,738 | 53,732 |
| Other expenditure | 93,724 | 67,198 | 74,705 | 120,991 | 132,393 | 132,393 | – | 137,482 | 113,153 | 94,813 |
| Total Expenditure | 348,057 | 337,615 | 380,272 | 427,637 | 437,920 | 437,920 | – | 486,191 | 519,071 | 527,281 |
| Surplus/(Deficit) | (51,141) | (17,137) | 12,727 | 1 | 2,134 | 2,134 | – | 1 | 0 | (0) |
| Transfers recognised - capital | 59,398 | 32,636 | 2,230 | 191,857 | 85,078 | 85,078 | – | 170,043 | 12,330 | 14,508 |
| Contributions recognised - capital & contributed a | – | – | – | – | – | – | – | – | – | – |
| Surplus/(Deficit) after capital transfers & contributions | 8,257 | 15,499 | 14,957 | 191,858 | 87,212 | 87,212 | – | 170,044 | 12,330 | 14,508 |
| Share of surplus/ (deficit) of associate | – | – | – | – | – | – | – | – | – | – |
| Surplus/(Deficit) for the year | 8,257 | 15,499 | 14,957 | 191,858 | 87,212 | 87,212 | – | 170,044 | 12,330 | 14,508 |
| Capital expenditure & funds sources | | | | | | | | | | |
| Capital expenditure | 94,186 | 50,261 | 40,579 | 191,856 | 85,078 | 85,078 | – | 170,043 | 12,330 | 14,508 |
| Transfers recognised - capital | 94,186 | 29,643 | 21,697 | 179,775 | 80,022 | 80,022 | – | 170,043 | 12,330 | 14,508 |
| Public contributions & donations | – | – | – | – | – | – | – | – | – | – |
| Borrowing | – | – | 6,835 | – | – | – | – | – | – | – |
| Internally generated funds | – | 20,619 | 12,047 | 12,081 | 5,056 | 5,056 | – | – | – | – |
| Total sources of capital funds | 94,186 | 50,261 | 40,579 | 191,856 | 85,078 | 85,078 | – | 170,043 | 12,330 | 14,508 |
| Financial position | | | | | | | | | | |
| Total current assets | 185,449 | 183,242 | 261,423 | 329,733 | 383,757 | 383,757 | – | 278,677 | 295,955 | 313,417 |
| Total non current assets | 1,498,744 | 1,037,290 | 1,083,701 | 944,650 | 950,562 | 950,562 | – | 1,155,225 | 1,226,849 | 1,299,233 |
| Total current liabilities | 153,800 | 135,312 | 257,115 | 123,423 | 111,932 | 111,932 | – | 281,005 | 298,427 | 316,034 |
| Total non current liabilities | 70,357 | 91,099 | 103,040 | 55,246 | 2,673 | 2,673 | – | 109,841 | 116,651 | 123,534 |
| Community wealth/Equity | 1,460,035 | 994,122 | 984,969 | 1,095,714 | 1,219,714 | 1,219,714 | – | 1,043,057 | 1,107,726 | 1,173,082 |
| Cash flows | | | | | | | | | | |
| Net cash from (used) operating | 27,831 | (3,662) | 58,442 | 246,082 | (9,744) | 5,042 | – | 184,063 | 195,475 | 207,008 |
| Net cash from (used) investing | (93,501) | (50,377) | (40,580) | (191,857) | (6,857) | (6,857) | – | (173,043) | (183,772) | (194,614) |
| Net cash from (used) financing | 22,505 | 30,770 | 6,909 | – | – | – | – | (5,500) | (5,841) | (6,186) |
| Cash/cash equivalents at the year end | 9,833 | (13,437) | 11,334 | 64,058 | (9,681) | 5,105 | – | 8,129 | 13,992 | 20,200 |
| Cash backing/surplus reconciliation | | | | | | | | | | |
| Cash and investments available | 10,318 | (13,275) | 19,347 | 148,156 | 19,813 | 19,813 | – | 20,623 | 21,902 | 23,194 |
| Application of cash and investments | 12,878 | (60,879) | 9,897 | (61,030) | (149,629) | (134,496) | – | 12,494 | 12,838 | 3,550 |
| Balance - surplus (shortfall) | (2,560) | 47,604 | 9,449 | 209,186 | 169,442 | 154,309 | – | 8,129 | 9,064 | 19,644 |
| Asset management | | | | | | | | | | |
| Asset register summary (WDV) | 253,100 | 231,182 | 1,082,652 | 1,695,900 | 316,035 | 316,035 | 404,138 | 404,138 | 368,132 | 393,138 |
| Depreciation & asset impairment | 46,625 | 36,729 | 33,599 | 31,502 | 31,502 | 31,502 | 31,639 | 31,639 | 59,170 | 61,863 |
| Renewal of Existing Assets | – | – | – | 191,857 | 62,992 | 62,992 | 62,992 | – | – | – |
| Repairs and Maintenance | 18,721 | 12,777 | 10,136 | 23,657 | 23,657 | 23,657 | 25,887 | 25,887 | 27,687 | 29,407 |
| Free services | | | | | | | | | | |
| Cost of Free Basic Services provided | – | – | – | – | – | – | 7,434 | 7,434 | 7,895 | 8,361 |
| Revenue cost of free services provided | – | – | – | 4,034 | 4,034 | 4,034 | – | – | – | – |
| Households below minimum service level | | | | | | | | | | |
| Water: | – | – | – | – | – | – | – | – | – | – |
| Sanitation/sewerage: | – | – | – | – | – | – | – | – | – | – |
| Energy: | – | – | – | – | – | – | – | – | – | – |
| Refuse: | – | – | – | 0 | 0 | 0 | 0 | 0 | – | – |

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides an overview of the municipal budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
 - b. Capital expenditure is balanced by capital funding sources, of which
 - i. Transfers recognised is reflected on the Financial Performance Budget;

Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

EC104 Makana - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

| Standard Classification Description | Ref | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | | | 2016/17 Medium Term Revenue & Expenditure Framework | | |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2016/17 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| Revenue - Standard | | | | | | | | | | |
| <i>Governance and administration</i> | | 190,061 | 104,831 | 186,455 | 110,328 | 110,328 | - | 143,582 | 138,973 | 148,954 |
| Executive and council | | 190,061 | 3,858 | 4,937 | 8,520 | 8,520 | - | 7,659 | 7,004 | 7,363 |
| Budget and treasury office | | - | 96,280 | 178,364 | 98,799 | 98,799 | - | 126,200 | 129,068 | 138,530 |
| Corporate services | | - | 4,694 | 3,154 | 3,009 | 3,009 | - | 9,724 | 2,901 | 3,060 |
| <i>Community and public safety</i> | | - | 8,971 | 5,259 | 4,509 | 4,912 | - | 25,372 | 7,959 | 8,429 |
| Community and social services | | - | 2,682 | 1,085 | 3,242 | 3,642 | - | 4,796 | 3,943 | 4,176 |
| Sport and recreation | | - | 3,784 | 2,230 | 12 | 15 | - | 16,803 | 10 | 10 |
| Public safety | | - | 711 | 204 | 1,255 | 1,255 | - | 1,851 | 1,966 | 2,082 |
| Housing | | - | - | - | - | - | - | - | - | - |
| Health | | - | 1,793 | 1,740 | - | - | - | 1,921 | 2,040 | 2,161 |
| <i>Economic and environmental services</i> | | 129 | 13,097 | 4,215 | 9,003 | 4,040 | - | 3,918 | 2,831 | 2,998 |
| Planning and development | | - | 2,455 | 641 | 7,514 | 2,551 | - | 230 | 244 | 259 |
| Road transport | | 129 | 9,620 | 3,172 | 1,489 | 1,489 | - | 3,663 | 2,560 | 2,711 |
| Environmental protection | | - | 1,022 | 402 | - | - | - | 25 | 27 | 28 |
| <i>Trading services</i> | | 166,124 | 226,212 | 199,300 | 303,782 | 320,757 | - | 483,352 | 359,793 | 381,021 |
| Electricity | | 106,423 | 100,108 | 114,619 | 174,087 | 191,063 | - | 204,540 | 207,579 | 219,826 |
| Water | | 34,413 | 61,021 | 53,344 | 73,101 | 73,101 | - | 116,645 | 80,335 | 85,075 |
| Waste water management | | 16,844 | 37,692 | 21,525 | 37,254 | 37,254 | - | 146,403 | 55,138 | 58,391 |
| Waste management | | 8,445 | 27,390 | 9,813 | 19,340 | 19,340 | - | 15,764 | 16,741 | 17,729 |
| <i>Other</i> | 4 | - | 3 | - | 15 | 15 | - | 10 | 11 | 11 |
| Total Revenue - Standard | 2 | 356,314 | 353,114 | 395,229 | 427,637 | 440,053 | - | 656,234 | 509,568 | 541,413 |
| Expenditure - Standard | | | | | | | | | | |
| <i>Governance and administration</i> | | 348,057 | 112,147 | 164,586 | 132,160 | 129,449 | - | 158,999 | 168,776 | 180,051 |
| Executive and council | | 348,057 | 24,104 | 16,310 | 32,474 | 33,831 | - | 31,862 | 32,877 | 35,224 |
| Budget and treasury office | | - | 57,673 | 117,244 | 59,180 | 52,069 | - | 79,443 | 84,649 | 89,974 |
| Corporate services | | - | 30,371 | 31,032 | 40,506 | 43,548 | - | 47,694 | 51,249 | 54,853 |
| <i>Community and public safety</i> | | - | 25,345 | 33,475 | 33,475 | 36,101 | - | 50,119 | 54,248 | 58,478 |
| Community and social services | | - | 6,599 | 8,601 | 12,144 | 14,147 | - | 25,505 | 27,632 | 29,776 |
| Sport and recreation | | - | 6,685 | 8,014 | 4,852 | 4,876 | - | 2,914 | 3,138 | 3,352 |
| Public safety | | - | 9,768 | 15,038 | 16,479 | 17,078 | - | 18,822 | 20,363 | 21,990 |
| Housing | | - | 45 | - | - | - | - | 56 | 60 | 64 |
| Health | | - | 2,249 | 1,822 | - | - | - | 2,821 | 3,055 | 3,296 |
| <i>Economic and environmental services</i> | | - | 23,905 | 17,704 | 36,831 | 39,391 | - | 35,791 | 38,495 | 41,508 |
| Planning and development | | - | 7,675 | 6,520 | 15,076 | 13,444 | - | 11,862 | 12,726 | 13,620 |
| Road transport | | - | 11,789 | 9,692 | 14,597 | 18,907 | - | 20,392 | 21,973 | 23,821 |
| Environmental protection | | - | 4,440 | 1,491 | 7,158 | 7,039 | - | 3,536 | 3,796 | 4,067 |
| <i>Trading services</i> | | - | 175,967 | 164,507 | 225,011 | 232,820 | - | 241,114 | 260,199 | 275,694 |
| Electricity | | - | 84,155 | 98,641 | 120,032 | 117,977 | - | 129,734 | 138,015 | 146,439 |
| Water | | - | 50,585 | 37,390 | 52,203 | 55,749 | - | 56,891 | 60,822 | 64,317 |
| Waste water management | | - | 24,801 | 16,314 | 29,996 | 29,739 | - | 32,966 | 35,324 | 37,727 |
| Waste management | | - | 16,426 | 12,163 | 22,781 | 29,354 | - | 21,522 | 26,038 | 27,211 |
| <i>Other</i> | 4 | - | 252 | - | 160 | 160 | - | 169 | 179 | 190 |
| Total Expenditure - Standard | 3 | 348,057 | 337,615 | 380,272 | 427,637 | 437,920 | - | 486,191 | 521,898 | 555,921 |
| Surplus/(Deficit) for the year | | 8,257 | 15,498 | 14,957 | (0) | 2,133 | - | 170,043 | (12,330) | (14,508) |

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

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

Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)
EC104 Makana - 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 - Technical & Infrastructure | | - | - | 35,407 | 38,567 | 38,567 | - | 53,842 | 57,181 | 60,454 |
| Vote 2 - Corporate Services | | - | - | 403 | 929 | 929 | - | 915 | 972 | 1,029 |
| Vote 3 - Financial Services | | - | - | 83,700 | 98,799 | 98,799 | - | 126,200 | 138,397 | 138,863 |
| Vote 4 - Community & Social Services | | - | - | 28,469 | 27,319 | 27,716 | - | 25,437 | 28,457 | 30,136 |
| Vote 5 - Executive Mayor | | - | - | 463 | 561 | 561 | - | 2,912 | 3,093 | 3,275 |
| Vote 6 - Speakers Office | | - | - | 3,746 | 4,508 | 4,508 | - | 4,745 | 5,040 | 5,337 |
| Vote 7 - Municipal Manager | | - | - | - | 3,428 | 3,428 | - | 2 | 2 | 2 |
| Vote 8 - Local Economic Development | | - | - | 109 | 6,336 | 1,380 | - | 1,032 | 1,096 | 1,160 |
| Vote 9 - Housing | | - | - | - | - | - | - | - | - | - |
| Vote 10 - Electricity | | - | - | 116,556 | 174,087 | 191,063 | - | 195,461 | 201,499 | 202,932 |
| Vote 11 - Water | | - | - | 76,715 | 73,101 | 73,101 | - | 75,645 | 83,335 | 84,092 |
| Vote 12 - Dog Tax | | - | - | - | 1 | 1 | - | 1 | 1 | 1 |
| Vote 13 - Parking Meters | | - | - | - | - | - | - | - | - | - |
| Vote 14 - [NAME OF VOTE 14] | | - | - | - | - | - | - | - | - | - |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - | - | - | - |
| Total Revenue by Vote | 2 | - | - | 345,569 | 427,637 | 440,054 | - | 486,191 | 519,071 | 527,281 |
| Expenditure by Vote to be appropriated | 1 | | | | | | | | | |
| Vote 1 - Technical & Infrastructure | | - | - | 44,396 | 49,834 | 51,054 | - | 59,362 | 63,633 | 68,226 |
| Vote 2 - Corporate Services | | - | - | 25,738 | 30,744 | 38,016 | - | 37,843 | 40,772 | 43,733 |
| Vote 3 - Financial Services | | - | - | 60,708 | 59,180 | 50,605 | - | 79,443 | 84,649 | 71,673 |
| Vote 4 - Community & Social Services | | - | - | 58,543 | 67,402 | 87,102 | - | 77,120 | 83,342 | 88,653 |
| Vote 5 - Executive Mayor | | - | - | 4,371 | 4,937 | 4,937 | - | 10,281 | 11,084 | 11,905 |
| Vote 6 - Speakers Office | | - | - | 6,728 | 11,887 | 11,348 | - | 13,163 | 14,147 | 15,166 |
| Vote 7 - Municipal Manager | | - | - | 4,158 | 13,193 | 5,806 | - | 8,418 | 7,646 | 8,153 |
| Vote 8 - Local Economic Development | | - | - | 4,866 | 18,197 | 16,433 | - | 13,877 | 14,899 | 15,951 |
| Vote 9 - Housing | | - | - | 48 | 26 | 26 | - | 56 | 60 | 64 |
| Vote 10 - Electricity | | - | - | 106,402 | 120,032 | 116,744 | - | 129,734 | 138,015 | 140,439 |
| Vote 11 - Water | | - | - | 48,304 | 52,203 | 55,849 | - | 56,891 | 60,822 | 63,317 |
| Vote 12 - Dog Tax | | - | - | - | 1 | - | - | 1 | 2 | 2 |
| Vote 13 - Parking Meters | | - | - | - | - | - | - | - | - | - |
| Vote 14 - [NAME OF VOTE 14] | | - | - | - | - | - | - | - | - | - |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - | - | - | - |
| Total Expenditure by Vote | 2 | - | - | 364,262 | 427,637 | 437,920 | - | 486,191 | 519,071 | 527,281 |
| Surplus/(Deficit) for the year | 2 | - | - | (18,693) | (1) | 2,133 | - | 0 | 0 | (0) |

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

Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the City. This means it is possible to present the operating surplus or deficit of a vote. The following table is an analysis of the surplus or deficit for the electricity and water trading services.

Table A4 - Budgeted Financial Performance (revenue and expenditure)
EC104 Makana - 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 | 38,084 | 46,153 | 53,827 | 52,695 | 52,695 | 52,695 | – | 65,215 | 69,258 | 73,344 |
| Property rates - penalties & collection charges | | – | – | – | – | – | – | – | – | – | – |
| Service charges - electricity revenue | 2 | 106,423 | 95,766 | 114,619 | 168,727 | 185,703 | 185,703 | – | 191,033 | 202,677 | 205,846 |
| Service charges - water revenue | 2 | 34,413 | 39,594 | 53,344 | 54,900 | 54,900 | 54,900 | – | 63,277 | 67,200 | 68,165 |
| Service charges - sanitation revenue | 2 | 16,844 | 19,752 | 21,525 | 26,016 | 26,016 | 26,016 | – | 44,075 | 46,520 | 47,570 |
| Service charges - refuse revenue | 2 | 8,445 | 6,363 | 9,813 | 10,913 | 10,913 | 10,913 | – | 8,305 | 10,139 | 11,459 |
| Service charges - other | | 129 | 90 | 102 | 301 | 1 | 1 | – | – | – | – |
| Rental of facilities and equipment | | 1,059 | 801 | 1,023 | 3,176 | 3,176 | 3,176 | – | 811 | 862 | 912 |
| Interest earned - external investments | | 9,711 | 10,822 | 12,494 | 500 | 500 | 500 | – | 700 | 743 | 787 |
| Interest earned - outstanding debtors | | 1,325 | 385 | – | 11,893 | 11,393 | 11,393 | – | 16,059 | 18,055 | 19,120 |
| Dividends received | | – | – | – | – | – | – | – | – | – | – |
| Fines | | 996 | 656 | 55 | 1,089 | 1,089 | 1,089 | – | 1,092 | 1,659 | 1,757 |
| Licences and permits | | 2,411 | 2,597 | 2,344 | 3,448 | 3,448 | 3,448 | – | 1,647 | 1,750 | 1,853 |
| Agency services | | 1,006 | 877 | 850 | 1,300 | – | – | – | 500 | 681 | 721 |
| Transfers recognised - operational | | 74,354 | 82,950 | 120,569 | 84,920 | 80,361 | 80,361 | – | 91,291 | 92,345 | 93,287 |
| Other revenue | 2 | 1,717 | 13,674 | 2,433 | 7,760 | 9,860 | 9,860 | – | 2,186 | 7,182 | 2,458 |
| Gains on disposal of PPE | | – | – | – | – | – | – | – | – | – | – |
| Total Revenue (excluding capital transfers and contributions) | | 296,916 | 320,478 | 392,999 | 427,637 | 440,053 | 440,053 | – | 486,191 | 519,071 | 527,281 |
| Expenditure By Type | | | | | | | | | | | |
| Employee related costs | 2 | 113,294 | 129,818 | 128,392 | 126,773 | 131,969 | 131,969 | – | 144,631 | 166,723 | 180,142 |
| Remuneration of councillors | | 7,782 | 8,337 | 9,458 | 9,723 | 9,723 | 9,723 | – | 10,497 | 11,148 | 11,806 |
| Debt impairment | 3 | 23,522 | – | – | – | – | – | – | 10,000 | 10,620 | 11,247 |
| Depreciation & asset impairment | 2 | 46,625 | 36,729 | 33,599 | 31,502 | 31,502 | 31,502 | – | 31,639 | 59,170 | 61,863 |
| Finance charges | | 215 | 6,337 | 21,536 | 478 | 478 | 478 | – | 5,500 | 5,600 | 5,700 |
| Bulk purchases | 2 | 69,229 | 67,096 | 82,037 | 87,574 | 81,258 | 81,258 | – | 104,404 | 110,922 | 117,514 |
| Other materials | 8 | – | – | – | 1,600 | 1,600 | 1,600 | – | 1,522 | 1,617 | 1,712 |
| Contracted services | | 4,332 | 6,917 | 4,491 | 8,734 | 10,128 | 10,128 | – | 28,408 | 7,115 | 7,955 |
| Transfers and grants | | 17,187 | 22,099 | 30,545 | 48,997 | 48,997 | 48,997 | – | 50,515 | 50,738 | 53,732 |
| Other expenditure | 4, 5 | 65,723 | 60,281 | 70,215 | 112,257 | 122,264 | 122,264 | – | 99,074 | 95,419 | 75,612 |
| Loss on disposal of PPE | | 148 | – | – | – | – | – | – | – | – | – |
| Total Expenditure | | 348,057 | 337,615 | 380,272 | 427,637 | 437,920 | 437,920 | – | 486,191 | 519,071 | 527,281 |
| Surplus/(Deficit) | | (51,141) | (17,137) | 12,727 | 1 | 2,134 | 2,134 | – | 1 | 0 | (0) |
| Transfers recognised - capital | 6 | 59,398 | 32,636 | 2,230 | 191,857 | 85,078 | 85,078 | – | 170,043 | 12,330 | 14,508 |
| Contributions recognised - capital | | – | – | – | – | – | – | – | – | – | – |
| Contributed assets | | – | – | – | – | – | – | – | – | – | – |
| Surplus/(Deficit) after capital transfers & contributions | | 8,257 | 15,499 | 14,957 | 191,858 | 87,212 | 87,212 | – | 170,044 | 12,330 | 14,508 |
| Taxation | | – | – | – | – | – | – | – | – | – | – |
| Surplus/(Deficit) after taxation | | 8,257 | 15,499 | 14,957 | 191,858 | 87,212 | 87,212 | – | 170,044 | 12,330 | 14,508 |
| Attributable to minorities | | – | – | – | – | – | – | – | – | – | – |
| Surplus/(Deficit) attributable to municipality | | 8,257 | 15,499 | 14,957 | 191,858 | 87,212 | 87,212 | – | 170,044 | 12,330 | 14,508 |
| Share of surplus/ (deficit) of associate | 7 | – | – | – | – | – | – | – | – | – | – |
| Surplus/(Deficit) for the year | | 8,257 | 15,499 | 14,957 | 191,858 | 87,212 | 87,212 | – | 170,044 | 12,330 | 14,508 |

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

EC104 Makana - 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 |
| R thousand | 1 | | | | | | | | | | |
| Capital expenditure - Vote | | | | | | | | | | | |
| Multi-year expenditure to be appropriated | 2 | | | | | | | | | | |
| Vote 1 - Technical & Infrastructure | | - | - | - | 153,683 | 41,195 | 41,195 | - | 89,671 | - | - |
| Vote 2 - Corporate Services | | - | - | - | 1,200 | 1,050 | 1,050 | - | 6,350 | 220 | 160 |
| Vote 3 - Financial Services | | - | - | - | - | - | - | - | - | - | - |
| Vote 4 - Community & Social Services | | - | - | - | 14,300 | 11,420 | 11,420 | - | 17,878 | - | - |
| Vote 5 - Executive Mayor | | - | - | - | - | - | - | - | - | - | - |
| Vote 6 - Speakers Office | | - | - | - | - | - | - | - | - | - | - |
| Vote 7 - Municipal Manager | | - | - | - | - | - | - | - | - | - | - |
| Vote 8 - Local Economic Development | | - | - | - | - | 300 | 300 | - | - | - | - |
| Vote 9 - Housing | | - | - | - | - | - | - | - | - | - | - |
| Vote 10 - Electricity | | - | - | - | 7,674 | 5,114 | 5,114 | - | 9,079 | 12,110 | 14,348 |
| Vote 11 - Water | | - | - | - | 15,000 | 26,000 | 26,000 | - | 47,065 | - | - |
| Vote 12 - Dog Tax | | - | - | - | - | - | - | - | - | - | - |
| Vote 13 - Parking Meters | | - | - | - | - | - | - | - | - | - | - |
| Vote 14 - [NAME OF VOTE 14] | | - | - | - | - | - | - | - | - | - | - |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - | - | - | - | - |
| Capital multi-year expenditure sub-total | 7 | - | - | - | 191,857 | 85,078 | 85,078 | - | 170,043 | 12,330 | 14,508 |
| Single-year expenditure to be appropriated | 2 | | | | | | | | | | |
| Vote 1 - Technical & Infrastructure | | - | - | - | - | - | - | - | - | - | - |
| Vote 2 - Corporate Services | | - | - | - | - | - | - | - | - | - | - |
| Vote 3 - Financial Services | | - | - | - | - | - | - | - | - | - | - |
| Vote 4 - Community & Social Services | | - | - | - | - | - | - | - | - | - | - |
| Vote 5 - Executive Mayor | | - | - | - | - | - | - | - | - | - | - |
| Vote 6 - Speakers Office | | - | - | - | - | - | - | - | - | - | - |
| Vote 7 - Municipal Manager | | - | - | - | - | - | - | - | - | - | - |
| Vote 8 - Local Economic Development | | - | - | - | - | - | - | - | - | - | - |
| Vote 9 - Housing | | - | - | - | - | - | - | - | - | - | - |
| Vote 10 - Electricity | | - | - | - | - | - | - | - | - | - | - |
| Vote 11 - Water | | - | - | - | - | - | - | - | - | - | - |
| Vote 12 - Dog Tax | | - | - | - | - | - | - | - | - | - | - |
| Vote 13 - Parking Meters | | - | - | - | - | - | - | - | - | - | - |
| Vote 14 - [NAME OF VOTE 14] | | - | - | - | - | - | - | - | - | - | - |
| Vote 15 - [NAME OF VOTE 15] | | - | - | - | - | - | - | - | - | - | - |
| Capital single-year expenditure sub-total | | - | - | - | - | - | - | - | - | - | - |
| Total Capital Expenditure - Vote | | - | - | - | 191,857 | 85,078 | 85,078 | - | 170,043 | 12,330 | 14,508 |
| Capital Expenditure - Standard | | | | | | | | | | | |
| Governance and administration | | 53,707 | 5,302 | 3,368 | 1,200 | 1,150 | 1,150 | - | 6,350 | 220 | 160 |
| Executive and council | | 5,748 | 673 | 327 | - | - | - | - | - | - | - |
| Budget and treasury office | | 36,161 | 1,161 | 568 | - | - | - | - | - | - | - |
| Corporate services | | 11,798 | 3,468 | 2,473 | 1,200 | 1,150 | 1,150 | - | 6,350 | 220 | 160 |
| Community and public safety | | 6,640 | 15,778 | 3,673 | 14,300 | 10,704 | 10,704 | - | 17,878 | - | - |
| Community and social services | | 705 | 269 | 67 | 3,891 | 996 | 996 | - | 1,084 | - | - |
| Sport and recreation | | - | 14,138 | 3,393 | 10,409 | 9,708 | 9,708 | - | 16,794 | - | - |
| Public safety | | 5,935 | 935 | 213 | - | - | - | - | - | - | - |
| Housing | | - | - | - | - | - | - | - | - | - | - |
| Health | | - | 436 | - | - | - | - | - | - | - | - |
| Economic and environmental services | | 16,312 | 8,229 | 11,945 | 14,682 | 13,934 | 13,934 | - | 1,252 | - | - |
| Planning and development | | 10,867 | 2,867 | 3,720 | - | - | - | - | - | - | - |
| Road transport | | - | 4,917 | 8,224 | 14,682 | 13,934 | 13,934 | - | 1,252 | - | - |
| Environmental protection | | 5,445 | 445 | - | - | - | - | - | - | - | - |
| Trading services | | 17,528 | 20,952 | 21,593 | 161,674 | 59,291 | 59,291 | - | 144,563 | 12,110 | 14,348 |
| Electricity | | 3,230 | 1,129 | 2,953 | 7,674 | 5,114 | 5,114 | - | 9,079 | 12,110 | 14,348 |
| Water | | 5,436 | 1,897 | 14,381 | 15,000 | 26,000 | 26,000 | - | 47,065 | - | - |
| Waste water management | | 8,862 | 17,926 | 4,236 | 139,000 | 28,177 | 28,177 | - | 88,419 | - | - |
| Waste management | | - | - | 24 | - | - | - | - | - | - | - |
| Other | | - | - | - | - | - | - | - | - | - | - |
| Total Capital Expenditure - Standard | 3 | 94,186 | 50,261 | 40,579 | 191,856 | 85,078 | 85,078 | - | 170,043 | 12,330 | 14,508 |
| Funded by: | | | | | | | | | | | |
| National Government | | 94,186 | 29,643 | 21,630 | 168,779 | 79,026 | 79,026 | - | 159,140 | 12,330 | 14,508 |
| Provincial Government | | - | - | - | 996 | 996 | 996 | - | 1,084 | - | - |
| District Municipality | | - | - | 67 | - | - | - | - | - | - | - |
| Other transfers and grants | | - | - | - | 10,000 | - | - | - | 9,820 | - | - |
| Transfers recognised - capital | 4 | 94,186 | 29,643 | 21,697 | 179,775 | 80,022 | 80,022 | - | 170,043 | 12,330 | 14,508 |
| Public contributions & donations | 5 | - | - | - | - | - | - | - | - | - | - |
| Borrowing | 6 | - | - | 6,835 | - | - | - | - | - | - | - |
| Internally generated funds | | - | 20,619 | 12,047 | 12,081 | 5,056 | 5,056 | - | - | - | - |
| Total Capital Funding | 7 | 94,186 | 50,261 | 40,579 | 191,856 | 85,078 | 85,078 | - | 170,043 | 12,330 | 14,508 |

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

- 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.

- The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. In relation to multi-year appropriations, for 2016/17

Table A6 - Budgeted Financial Position

EC104 Makana - Table A6 Budgeted Financial Position

| Description | Ref | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | | | | 2016/17 Medium Term Revenue & Expenditure Framework | | |
|--|-----|------------------|------------------|------------------|----------------------|------------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand | | | | | | | | | | | |
| ASSETS | | | | | | | | | | | |
| Current assets | | | | | | | | | | | |
| Cash | | 4,133 | 5 | 7,066 | 4,591 | 6,920 | 6,920 | | 7,533 | 8,000 | 8,472 |
| Call investment deposits | 1 | 5,700 | 2,024 | 12,139 | 142,928 | 6,344 | 6,344 | – | 12,940 | 13,742 | 14,553 |
| Consumer debtors | 1 | 128,468 | 129,572 | 177,542 | 142,419 | 330,698 | 330,698 | – | 189,260 | 200,994 | 212,853 |
| Other debtors | | 38,442 | 38,490 | 49,106 | 30,124 | 30,124 | 30,124 | | 52,347 | 55,593 | 58,873 |
| Current portion of long-term receivables | | – | 29 | 28 | – | – | – | | 30 | 32 | 34 |
| Inventory | 2 | 8,706 | 13,122 | 15,542 | 9,671 | 9,671 | 9,671 | | 16,568 | 17,595 | 18,633 |
| Total current assets | | 185,449 | 183,242 | 261,423 | 329,733 | 383,757 | 383,757 | – | 278,677 | 295,955 | 313,417 |
| Non current assets | | | | | | | | | | | |
| Long-term receivables | | – | – | – | – | – | – | | – | – | – |
| Investments | | 485 | 161 | 142 | 637 | 6,549 | 6,549 | | 151 | 160 | 170 |
| Investment property | | 226,882 | 201,302 | 201,302 | 252,039 | 252,039 | 252,039 | | 214,588 | 227,893 | 241,338 |
| Investment in Associate | | – | – | – | – | – | – | | – | – | – |
| Property, plant and equipment | 3 | 1,245,158 | 805,947 | 852,542 | 661,804 | 661,804 | 661,804 | – | 908,810 | 965,156 | 1,022,100 |
| Agricultural | | 25,770 | 28,931 | – | – | – | – | | – | – | – |
| Biological | | – | – | 29,008 | – | – | – | | 30,923 | 32,840 | 34,777 |
| Intangible | | 448 | 948 | 707 | 1,004 | 1,004 | 1,004 | | 753 | 800 | 847 |
| Other non-current assets | | – | – | – | 29,166 | 29,166 | 29,166 | | – | – | – |
| Total non current assets | | 1,498,744 | 1,037,290 | 1,083,701 | 944,650 | 950,562 | 950,562 | – | 1,155,225 | 1,226,849 | 1,299,233 |
| TOTAL ASSETS | | 1,684,192 | 1,220,533 | 1,345,124 | 1,274,383 | 1,334,319 | 1,334,319 | – | 1,433,902 | 1,522,804 | 1,612,650 |
| LIABILITIES | | | | | | | | | | | |
| Current liabilities | | | | | | | | | | | |
| Bank overdraft | 1 | – | 15,467 | – | – | – | – | – | – | – | – |
| Borrowing | 4 | 1,727 | 4,010 | 4,128 | 2,500 | 2,500 | 2,500 | – | 4,400 | 4,673 | 4,949 |
| Consumer deposits | | 2,206 | 2,298 | 2,321 | 2,451 | 2,451 | 2,451 | – | 2,474 | 2,628 | 2,783 |
| Trade and other payables | 4 | 147,095 | 103,825 | 240,953 | 114,354 | 102,863 | 102,863 | – | 263,776 | 280,130 | 296,658 |
| Provisions | | 2,772 | 9,713 | 9,713 | 4,118 | 4,118 | 4,118 | – | 10,354 | 10,996 | 11,844 |
| Total current liabilities | | 153,800 | 135,312 | 257,115 | 123,423 | 111,932 | 111,932 | – | 281,005 | 298,427 | 316,034 |
| Non current liabilities | | | | | | | | | | | |
| Borrowing | | 21,913 | 50,117 | 56,786 | 52,573 | – | – | – | 60,534 | 64,287 | 68,080 |
| Provisions | | 48,444 | 40,982 | 46,254 | 2,673 | 2,673 | 2,673 | – | 49,307 | 52,364 | 55,453 |
| Total non current liabilities | | 70,357 | 91,099 | 103,040 | 55,246 | 2,673 | 2,673 | – | 109,841 | 116,651 | 123,533 |
| TOTAL LIABILITIES | | 224,157 | 226,411 | 360,155 | 178,669 | 114,605 | 114,605 | – | 390,846 | 415,078 | 439,568 |
| NET ASSETS | 5 | 1,460,035 | 994,122 | 984,969 | 1,095,714 | 1,219,714 | 1,219,714 | – | 1,043,057 | 1,107,726 | 1,173,082 |
| COMMUNITY WEALTH/EQUITY | | | | | | | | | | | |
| Accumulated Surplus/(Deficit) | | 1,454,627 | 988,694 | 979,576 | 1,090,286 | 1,214,286 | 1,214,286 | – | 1,037,308 | 1,101,621 | 1,166,616 |
| Reserves | 4 | 5,409 | 5,428 | 5,393 | 5,428 | 5,428 | 5,428 | – | 5,749 | 6,106 | 6,466 |
| | | – | – | – | – | – | – | – | – | – | – |
| TOTAL COMMUNITY WEALTH/EQUITY | 5 | 1,460,035 | 994,122 | 984,969 | 1,095,714 | 1,219,714 | 1,219,714 | – | 1,043,057 | 1,107,726 | 1,173,082 |

Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understand ability 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 66 is supported by an extensive table of notes (SA3 which can be found on page 102) providing a detailed analysis of the major components of a number of items, including:
 - Call investments deposits;
 - Consumer debtors;
 - Property, plant and equipment;
 - Trade and other payables;
 - Provisions non -current;

- Changes in net assets; and
 - Reserves
4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
 5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

Table A7 - Budgeted Cash Flow Statement

EC104 Makana - Table A7 Budgeted Cash Flows

| Description | Ref | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | | | | 2016/17 Medium Term Revenue & Expenditure Framework | | |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand | | | | | | | | | | | |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Property rates, penalties & collection charges | | 34,703 | 38,085 | 53,459 | 44,790 | 40,518 | 40,518 | - | 57,240 | 60,788 | 64,375 |
| Service charges | | 122,476 | 166,253 | 199,402 | 222,147 | 206,731 | 206,731 | - | 226,079 | 240,096 | 254,261 |
| Other revenue | | 13,980 | 17,839 | 12,130 | 5,717 | 757 | 757 | - | 21,000 | 22,302 | 23,618 |
| Government - operating | 1 | 128,119 | 133,752 | 120,569 | 84,920 | 84,920 | 84,920 | - | 89,475 | 95,022 | 100,629 |
| Government - capital | 1 | - | - | 2,044 | 170,389 | 1,801 | 1,801 | - | 173,043 | 183,772 | 194,614 |
| Interest | | 1,325 | 385 | - | 11,893 | (7,393) | 7,393 | - | 12,100 | 12,850 | 13,608 |
| Dividends | | - | - | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | | | | |
| Suppliers and employees | | (272,557) | (353,639) | (307,626) | (243,064) | (259,776) | (259,776) | - | (351,972) | (373,794) | (395,848) |
| Finance charges | | (215) | (6,337) | (21,536) | (1,713) | (1,713) | (1,713) | - | (5,000) | (5,310) | (5,623) |
| Transfers and Grants | 1 | - | - | - | (48,997) | (75,589) | (75,589) | - | (37,901) | (40,251) | (42,626) |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | 27,831 | (3,662) | 58,442 | 246,082 | (9,744) | 5,042 | - | 184,063 | 195,475 | 207,008 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Proceeds on disposal of PPE | | 131 | (116) | (21) | - | - | - | - | - | - | - |
| Decrease (increase) in non-current debtors | | - | - | - | - | - | - | - | - | - | - |
| Decrease (increase) other non-current receivables | | - | - | - | - | - | - | - | - | - | - |
| Decrease (increase) in non-current investments | | 554 | - | 20 | - | - | - | - | - | - | - |
| Payments | | | | | | | | | | | |
| Capital assets | | (94,186) | (50,261) | (40,579) | (191,857) | (6,857) | (6,857) | - | (173,043) | (183,772) | (194,614) |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | (93,501) | (50,377) | (40,580) | (191,857) | (6,857) | (6,857) | - | (173,043) | (183,772) | (194,614) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Short term loans | | - | - | - | - | - | - | - | - | - | - |
| Borrowing long term/refinancing | | 23,407 | 30,770 | - | - | - | - | - | - | - | - |
| Increase (decrease) in consumer deposits | | - | - | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | | | | |
| Repayment of borrowing | | (902) | - | 6,909 | - | - | - | - | (5,500) | (5,841) | (6,186) |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | | 22,505 | 30,770 | 6,909 | - | - | - | - | (5,500) | (5,841) | (6,186) |
| NET INCREASE/ (DECREASE) IN CASH HELD | | (43,165) | (23,269) | 24,770 | 54,225 | (16,601) | (1,815) | - | 5,520 | 5,863 | 6,208 |
| Cash/cash equivalents at the year begin: | 2 | 52,997 | 9,833 | (13,437) | 9,833 | 6,920 | 6,920 | - | 2,609 | 8,129 | 13,992 |
| Cash/cash equivalents at the year end: | 2 | 9,833 | (13,437) | 11,334 | 64,058 | (9,681) | 5,105 | - | 8,129 | 13,992 | 20,200 |

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.

Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

EC104 Makana - Table A8 Cash backed reserves/accumulated surplus reconciliation

| 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 |
| Cash and investments available | | | | | | | | | | | |
| Cash/cash equivalents at the year end | 1 | 9,833 | (13,437) | 11,334 | 64,058 | (9,681) | 5,105 | – | 8,129 | 13,992 | 20,200 |
| Other current investments > 90 days | | – | 0 | 7,871 | 83,461 | 22,945 | 8,159 | – | 12,343 | 7,750 | 2,824 |
| Non current assets - investments | 1 | 485 | 161 | 142 | 637 | 6,549 | 6,549 | – | 151 | 160 | 170 |
| Cash and investments available: | | 10,318 | (13,275) | 19,347 | 148,156 | 19,813 | 19,813 | – | 20,623 | 21,902 | 23,194 |
| Application of cash and investments | | | | | | | | | | | |
| Unspent conditional transfers | | 45,126 | – | – | – | – | 14,863 | – | 6,920 | 7,349 | 7,783 |
| Unspent borrowing | | – | – | – | – | – | – | – | – | – | – |
| Statutory requirements | 2 | – | – | – | (33,331) | – | – | – | (64,764) | (72,624) | (78,432) |
| Other working capital requirements | 3 | (32,248) | (60,879) | 9,897 | (37,979) | (161,131) | (161,131) | – | 70,338 | 76,747 | 82,884 |
| Other provisions | | – | – | – | 4,852 | 4,852 | 4,852 | – | – | – | – |
| Long term investments committed | 4 | – | – | – | – | – | – | – | – | – | – |
| Reserves to be backed by cash/investments | 5 | – | – | – | 5,428 | 6,920 | 6,920 | – | – | – | – |
| Total Application of cash and investments: | | 12,878 | (60,879) | 9,897 | (61,030) | (149,629) | (134,486) | – | 12,494 | 11,472 | 12,235 |
| Surplus(shortfall) | | (2,560) | 47,604 | 9,449 | 209,186 | 169,442 | 154,309 | – | 8,129 | 10,430 | 10,959 |

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.

Table A9 - Asset Management

EC104 Makana - Table A9 Asset Management

| Description | | Ref | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | | | 2016/17 Medium Term Revenue & Expenditure Framework | | |
|--|--|------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| R thousand | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2016/17 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| CAPITAL EXPENDITURE | | | | | | | | | | | |
| Total New Assets | | 1 | 94,186 | 50,261 | 40,579 | 191,857 | 62,992 | 62,992 | 170,043 | 106,599 | 116,175 |
| Infrastructure - Road transport | | | - | 17,290 | 8,224 | 14,683 | 1,701 | 1,701 | 1,252 | 23,656 | 24,827 |
| Infrastructure - Electricity | | | 3,230 | 825 | 2,953 | 7,674 | 5,114 | 5,114 | 7,782 | 12,110 | 14,348 |
| Infrastructure - Water | | | 5,436 | 1,034 | 14,381 | 15,000 | 26,000 | 26,000 | 47,065 | 13,360 | - |
| Infrastructure - Sanitation | | | 8,862 | 15,193 | 4,236 | 139,000 | 26,811 | 26,811 | 89,716 | 57,473 | 77,000 |
| Infrastructure - Other | | | 16,312 | - | - | - | - | - | - | - | - |
| Infrastructure | | | 33,840 | 34,342 | 29,793 | 176,357 | 59,626 | 59,626 | 145,815 | 106,599 | 116,175 |
| Community | | | 5,935 | 883 | 7,113 | 13,350 | 2,016 | 2,016 | 17,878 | - | - |
| Heritage assets | | | - | 2,669 | - | - | 300 | 300 | - | - | - |
| Investment properties | | | - | - | - | - | - | - | - | - | - |
| Other assets | | 6 | 54,412 | 10,697 | 2,689 | 2,150 | 1,050 | 1,050 | 6,350 | - | - |
| Agricultural Assets | | | - | - | - | - | - | - | - | - | - |
| Biological assets | | | - | 1,039 | 77 | - | - | - | - | - | - |
| Intangibles | | | - | 631 | 907 | - | - | - | - | - | - |
| Total Renewal of Existing Assets | | 2 | - | - | - | 191,857 | 62,992 | 62,992 | - | - | - |
| Infrastructure - Road transport | | | - | - | - | 14,682 | 1,200 | 1,200 | - | - | - |
| Infrastructure - Electricity | | | - | - | - | 7,274 | 5,114 | 5,114 | - | - | - |
| Infrastructure - Water | | | - | - | - | 15,000 | 26,000 | 26,000 | - | - | - |
| Infrastructure - Sanitation | | | - | - | - | 139,000 | 27,347 | 27,347 | - | - | - |
| Infrastructure - Other | | | - | - | - | - | - | - | - | - | - |
| Infrastructure | | | - | - | - | 175,956 | 59,661 | 59,661 | - | - | - |
| Community | | | - | - | - | 12,805 | 1,881 | 1,881 | - | - | - |
| Heritage assets | | | - | - | - | - | - | - | - | - | - |
| Investment properties | | | - | - | - | - | - | - | - | - | - |
| Other assets | | 6 | - | - | - | 3,096 | 1,450 | 1,450 | - | - | - |
| Agricultural Assets | | | - | - | - | - | - | - | - | - | - |
| Biological assets | | | - | - | - | - | - | - | - | - | - |
| Intangibles | | | - | - | - | - | - | - | - | - | - |
| Total Capital Expenditure | | 4 | - | - | - | - | - | - | - | - | - |
| Infrastructure - Road transport | | | - | 17,290 | 8,224 | 29,365 | 2,901 | 2,901 | 1,252 | 23,656 | 24,827 |
| Infrastructure - Electricity | | | 3,230 | 825 | 2,953 | 14,948 | 10,228 | 10,228 | 7,782 | 12,110 | 14,348 |
| Infrastructure - Water | | | 5,436 | 1,034 | 14,381 | 30,000 | 52,000 | 52,000 | 47,065 | 13,360 | - |
| Infrastructure - Sanitation | | | 8,862 | 15,193 | 4,236 | 278,000 | 54,158 | 54,158 | 89,716 | 57,473 | 77,000 |
| Infrastructure - Other | | | 16,312 | - | - | - | - | - | - | - | - |
| Infrastructure | | | 33,840 | 34,342 | 29,793 | 352,313 | 119,287 | 119,287 | 145,815 | 106,599 | 116,175 |
| Community | | | 5,935 | 883 | 7,113 | 26,155 | 3,897 | 3,897 | 17,878 | - | - |
| Heritage assets | | | - | 2,669 | - | - | 300 | 300 | - | - | - |
| Investment properties | | | - | - | - | - | - | - | - | - | - |
| Other assets | | 6 | 54,412 | 10,697 | 2,689 | 5,246 | 2,500 | 2,500 | 6,350 | - | - |
| Agricultural Assets | | | - | - | - | - | - | - | - | - | - |
| Biological assets | | | - | 1,039 | 77 | - | - | - | - | - | - |
| Intangibles | | | - | 631 | 907 | - | - | - | - | - | - |
| TOTAL CAPITAL EXPENDITURE - Asset class | | 2 | 94,186 | 50,261 | 40,579 | 383,714 | 125,984 | 125,984 | 170,043 | 106,599 | 116,175 |
| ASSET REGISTER SUMMARY - PPE (WDV) | | 5 | | | | | | | | | |
| Infrastructure - Road transport | | | | | 8,224 | 14,682 | 1,200 | 1,200 | 21,474 | 23,656 | 24,827 |
| Infrastructure - Electricity | | | | | 2,953 | 7,274 | 5,114 | 5,114 | 7,782 | 12,110 | 14,348 |
| Infrastructure - Water | | | | | 14,381 | 15,000 | 26,000 | 26,000 | 41,000 | 13,360 | - |
| Infrastructure - Sanitation | | | | | 4,236 | 1,390,000 | 23,131 | 23,131 | 69,534 | 57,473 | 77,000 |
| Infrastructure - Other | | | | | - | - | - | - | 4,000 | - | - |
| Infrastructure | | | - | - | 29,793 | 1,426,956 | 55,445 | 55,445 | 143,790 | 106,599 | 116,175 |
| Community | | | | | 223,893 | 12,805 | 2,781 | 2,781 | 14,084 | - | - |
| Heritage assets | | | | | - | - | - | - | - | - | - |
| Investment properties | | | 226,882 | 201,302 | 201,302 | 252,039 | 252,039 | 252,039 | 214,588 | 227,893 | 241,338 |
| Other assets | | | | | 597,949 | 3,096 | 4,766 | 4,766 | - | - | - |
| Agricultural Assets | | | 25,770 | 28,931 | - | - | - | - | - | - | - |
| Biological assets | | | - | - | 29,008 | - | - | - | 30,923 | 32,840 | 34,777 |
| Intangibles | | | 448 | 948 | 707 | 1,004 | 1,004 | 1,004 | 753 | 800 | 847 |
| TOTAL ASSET REGISTER SUMMARY - PPE (WDV) | | 5 | 253,100 | 231,182 | 1,082,652 | 1,695,900 | 316,035 | 316,035 | 404,138 | 368,132 | 393,138 |
| EXPENDITURE OTHER ITEMS | | | | | | | | | | | |
| Depreciation & asset impairment | | | 46,625 | 36,729 | 33,599 | 31,502 | 31,502 | 31,502 | 31,639 | 59,170 | 61,863 |
| Repairs and Maintenance by Asset Class | | 3 | 18,721 | 12,777 | 10,136 | 23,657 | 23,657 | 23,657 | 25,887 | 27,687 | 29,407 |
| Infrastructure - Road transport | | | - | - | - | - | - | - | 5,468 | 5,862 | 6,266 |
| Infrastructure - Electricity | | | - | - | - | - | - | - | 1,224 | 1,405 | 1,487 |
| Infrastructure - Water | | | - | - | - | - | - | - | 4,950 | 5,284 | 5,596 |
| Infrastructure - Sanitation | | | - | - | - | - | - | - | 5,200 | 5,552 | 5,880 |
| Infrastructure - Other | | | - | - | - | 23,657 | 23,657 | 23,657 | 9,045 | 9,583 | 10,177 |
| Infrastructure | | | - | - | - | 23,657 | 23,657 | 23,657 | 25,887 | 27,687 | 29,407 |
| Community | | | - | - | - | - | - | - | - | - | - |
| Heritage assets | | | - | - | - | - | - | - | - | - | - |
| Investment properties | | | - | - | - | - | - | - | - | - | - |
| Other assets | | 6, 7 | 18,721 | 12,777 | 10,136 | - | - | - | - | - | - |
| TOTAL EXPENDITURE OTHER ITEMS | | | 65,346 | 49,506 | 43,735 | 55,159 | 55,159 | 55,159 | 57,526 | 86,857 | 91,270 |
| Renewal of Existing Assets as % of total capex | | | 0.0% | 0.0% | 0.0% | 50.0% | 50.0% | 50.0% | 0.0% | 0.0% | 0.0% |
| Renewal of Existing Assets as % of deprecn" | | | 0.0% | 0.0% | 0.0% | 609.0% | 200.0% | 200.0% | 0.0% | 0.0% | 0.0% |
| R&M as a % of PPE | | | 1.5% | 1.6% | 1.2% | 3.6% | 3.6% | 3.6% | 2.8% | 2.9% | 2.9% |
| Renewal and R&M as a % of PPE | | | 7.0% | 6.0% | 1.0% | 13.0% | 27.0% | 27.0% | 6.0% | 8.0% | 7.0% |

Explanatory notes to Table A9 - Asset Management

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

Table A10 - Basic Service Delivery Measurement

| EC104 Makana - Table A10 Basic service delivery measurement | | | | | | | | | | |
|--|-----|---------|---------|---------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| Description | Ref | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | | | 2016/17 Medium Term Revenue & Expenditure Framework | | |
| | | Outcome | Outcome | Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2016/17 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| Household service targets | 1 | | | | | | | | | |
| Water: | | | | | | | | | | |
| Piped water inside dwelling | | - | - | - | 37,500 | 37,500 | 37,500 | 37,500 | 45,000 | 50,000 |
| Piped water inside yard (but not in dwelling) | | - | - | - | 650 | 650 | 650 | 650 | 500 | 500 |
| 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> | | | | | 38,150 | 38,150 | 38,150 | 38,150 | 45,500 | 50,500 |
| 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> | | | | | - | - | - | - | - | - |
| Total number of households | 5 | - | - | - | 38,150 | 38,150 | 38,150 | 38,150 | 45,500 | 50,500 |
| Sanitation/sewerage: | | | | | | | | | | |
| Flush toilet (connected to sewerage) | | - | - | - | 700 | 700 | 700 | 700 | 750 | 800 |
| 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> | | | | | 700 | 700 | 700 | 700 | 750 | 800 |
| Bucket toilet | | - | - | - | - | - | - | - | - | - |
| Other toilet provisions (< min.service level) | | - | - | - | - | - | - | - | - | - |
| No toilet provisions | | - | - | - | - | - | - | - | - | - |
| <i>Below Minimum Service Level sub-total</i> | | | | | - | - | - | - | - | - |
| Total number of households | 5 | - | - | - | 700 | 700 | 700 | 700 | 750 | 800 |
| Energy: | | | | | | | | | | |
| 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> | | | | | - | - | - | - | - | - |
| Total number of households | 5 | - | - | - | - | - | - | - | - | - |
| Refuse: | | | | | | | | | | |
| Removed at least once a week | | - | - | - | 24,423 | 24,423 | 24,423 | 24,423 | 24,423 | 24,423 |
| <i>Minimum Service Level and Above sub-total</i> | | | | | 24,423 | 24,423 | 24,423 | 24,423 | 24,423 | 24,423 |
| Removed less frequently than once a week | | - | - | - | - | - | - | - | - | - |
| Using communal refuse dump | | - | - | - | 2 | 2 | 2 | 2 | - | - |
| Using own refuse dump | | - | - | - | - | - | - | - | - | - |
| Other rubbish disposal | | - | - | - | - | - | - | - | - | - |
| No rubbish disposal | | - | - | - | - | - | - | - | - | - |
| <i>Below Minimum Service Level sub-total</i> | | | | | 2 | 2 | 2 | 2 | - | - |
| Total number of households | 5 | - | - | - | 24,425 | 24,425 | 24,425 | 24,425 | 24,423 | 24,423 |
| Households receiving Free Basic Service | 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) | | - | - | - | - | - | - | - | - | - |
| Cost of Free Basic Services provided - Formal Settlements (R'000) | 8 | | | | | | | | | |
| Water (6 kilolitres per indigent household per month) | | - | - | - | - | - | - | - | - | - |
| Sanitation (free sanitation service to indigent households) | | - | - | - | - | - | - | - | - | - |
| Electricity/other energy (50kwh per indigent household per month) | | - | - | - | - | - | - | - | - | - |
| Refuse (removed once a week for indigent households) | | - | - | - | - | - | - | - | - | - |
| Cost of Free Basic Services provided - Informal Formal Settlements (R'000) | | | | | | | | 7,434 | 7,895 | 8,361 |
| Total cost of FBS provided | | | | | - | - | - | 7,434 | 7,895 | 8,361 |
| Highest level of free service provided per household | | | | | | | | | | |
| Property rates (R value threshold) | | | | | 45,925,379 | 45,925,379 | 45,925,379 | | | |
| Water (kilolitres per household per month) | | | | | 6 | 6 | 6 | | | |
| Sanitation (kilolitres per household per month) | | | | | 20 | 20 | 20 | | | |
| Sanitation (Rand per household per month) | | | | | 106 | 106 | 106 | | | |
| Electricity (kwh per household per month) | | | | | 50 | 50 | 50 | | | |
| Refuse (average litres per week) | | | | | 85 | 85 | 85 | | | |
| Revenue cost of subsidised services provided (R'000) | 9 | | | | | | | | | |
| Property rates (tariff adjustment) (impermissible values per section 17 of MPRA) | | | | | | | | | | |
| Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA | | - | - | - | 4,034 | 4,034 | 4,034 | - | - | - |
| 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 | | | | | | | | | | |
| Other | | | | | | | | | | |
| Total revenue cost of subsidised services provided | 6 | - | - | - | 4,034 | 4,034 | 4,034 | - | - | - |

Explanatory notes to Table A10 - Basic Service Delivery Measurement

- Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.

PART 2- SUPPORTING DOCUMENTATION

2.1 Overview of the 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 Mayor, Mayco, Municipal Manager and senior officials of the municipality meet on the 18th March 2016 to discuss the draft budget.

The primary aims 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;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

2.2 Overview of Budget Assumptions

Budgets are prepared in an environment of uncertainty. To prepare meaningful budgets, assumptions need to be made about internal and external factors that could influence the budget. This budget is premised on an 85 per cent collection rate.

2.2.1 General inflation outlook and its impact on the municipal activities

The revised headline CPI forecasts from National Treasury for 2016/17, 2017/18 and 2018/19 are 6.6%, 6.2% and 5.9% respectively. These growth parameters does not apply to tariff increases for property rates, user and other charges raised by municipalities.

2.2.2 Rates, tariffs and charges

The following table shows the assumed average domestic percentage increases built into the MTREF for rates, tariffs and charges:

| Tariffs | Proposed tariff increases (2016/17) |
|---------------------------------|-------------------------------------|
| Rates | 9% |
| Water | 8.5% |
| Electricity Monthly consumption | 7.64% |
| Sewerage | 8.5% |
| Refuse | 8.5% |

Sundry tariff increases will be limited, in most instances, to be within the CPI inflation rate.

3. Overview of budget related-policies

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

3.1.1 Collection rates for each revenue source and customer type

The Municipality has in place a revised fair credit control policy. Furthermore, its policy on indigent support and rebates means that indigent households receive free or subsidised basic services thereby keeping them free of the burden of municipal debt.

3.1.2 Free or subsidised basic services

Makana's criteria for supporting free or subsidised basic services are set out in the indigent support and rebate policy. The Government allocates revenue from the Division of Revenue Act (DORA) in the form of the Equitable Share Grant with the primary aim of assisting with the costs of providing free or subsidised basic services to indigent households. Any costs over and above the Equitable Share allocation are met by the Municipality.

3.1.3 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 municipal 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.

3.1.4 Cash Management and Investment Policy

The Cash Management and Investment Policy was amended by Council in March 2016. The aim of the policy is to ensure that the municipal 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 required at any point in time and introduces time frames to achieve certain benchmarks

3.1.5 Tariff Policies

The municipal tariff policies provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery.

4. Overview of budget assumptions

- **General inflation outlook and its impact on the municipal activities**

There are five key factors that have been taken into consideration in the compilation of the 2016/17 MTREF:

- National Government macro- economic targets;
 - The general inflationary outlook and the impact on Makana residents and businesses;
 - The impact of municipal cost drivers;
 - The increase in prices for bulk electricity and water; and
 - The increase in the cost of remuneration. Employee related costs comprise 28 per cent of total operating expenditure in the 2016/17 MTREF and therefore this increase above inflation places a disproportionate upward pressure on the expenditure budget.
- **Collection rate for revenue services**

The base assumption is that tariff and rating increases will increase at a rate slightly higher than CPI over the long term. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term.

The rate of revenue collection is currently expressed as a percentage (95 per cent) of annual billings. Cash flow is assumed to be 85 per cent of billings, plus an increased collection of arrear debt from the revised collection and credit control policy. The performance of arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.

i. Growth or decline in tax base of the municipality

Debtor's revenue is assumed to increase at a rate that is influenced by the consumer debtor's collection rate, tariff/rate pricing, real growth rate of the municipality, household formation growth rate and the poor household change rate.

Household formation is the key factor in measuring municipal revenue and expenditure growth, as servicing 'households' is a greater municipal service factor than servicing individuals. Household formation rates are assumed to convert to household dwellings. In addition the change in the number of poor households influences the net revenue benefit derived from household formation growth, as it assumes that the same costs incurred for servicing the household exist, but that no consumer revenue is derived as the 'poor household' limits consumption to the level of free basic services.

ii. 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.

iii. Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of at least 95 per cent is achieved on operating expenditure and 98 per cent on the capital programme for the 2016/17 MTREF of which performance has been factored into the cash flow budget.

5. Expenditure on grants and reconciliations of unspent funds

EC104 Makana - Supporting Table SA19 Expenditure on transfers and grant programme

| Description | Ref | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | | | 2016/17 Medium Term Revenue & Expenditure Framework | | |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2016/17 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| EXPENDITURE: | 1 | | | | | | | | | |
| Operating expenditure of Transfers and Grants | | | | | | | | | | |
| National Government: | | 58,871 | – | 76,391 | 80,559 | 80,559 | 80,559 | 77,632 | 83,855 | 124,072 |
| Local Government Equitable Share | | 58,871 | | 72,184 | 75,767 | 75,767 | 75,767 | 73,008 | 80,465 | 86,244 |
| Finance Management | | | | 1,909 | 1,675 | 1,675 | 1,675 | 1,810 | 2,145 | 24,000 |
| Municipal Systems Improvement | | | | 27 | 930 | 930 | 930 | – | – | 761 |
| EPWP Incentive | | | | 1,007 | 1,002 | 1,002 | 1,002 | 1,000 | – | – |
| Integrated National Electrification Programme | | | | – | – | – | – | – | – | – |
| MIG (Operational) | | | | 1,264 | 1,185 | 1,185 | 1,185 | 1,814 | 1,245 | 13,067 |
| Provincial Government: | | – | – | 2,935 | 2,581 | 2,581 | 2,581 | 2,901 | – | – |
| Sport and Recreation | | | | 2,435 | 2,581 | 2,581 | 2,581 | 2,901 | – | – |
| | | | | – | – | – | – | – | – | – |
| | | | | – | – | – | – | – | – | – |
| Health subsidy | | | | – | – | – | – | – | – | – |
| COGTA | | | | 500 | – | – | – | – | – | – |
| District Municipality: | | – | – | 1,409 | 1,500 | 1,500 | 1,500 | 1,917 | 2,036 | 2,156 |
| Health | | – | – | 1,409 | 1,500 | 1,500 | 1,500 | 1,917 | 2,036 | 2,156 |
| Fire | | – | – | – | – | – | – | – | – | – |
| Other grant providers: | | – | – | – | – | – | – | – | – | – |
| <i>[insert description]</i> | | | | | | | | | | |
| Total operating expenditure of Transfers and Grants | | 58,871 | – | 80,735 | 84,639 | 84,639 | 84,639 | 82,450 | 85,891 | 126,228 |
| Capital expenditure of Transfers and Grants | | | | | | | | | | |
| National Government: | | – | 51,699 | 48,778 | 169,204 | 56,940 | 56,940 | 152,790 | 106,599 | 116,172 |
| Municipal Infrastructure Grant (MIG) | | | 30,098 | 35,865 | 22,510 | – | – | 34,474 | 23,656 | 24,824 |
| Regional Bulk Infrastructure | | | – | 10,000 | 15,000 | 26,000 | 26,000 | 86,000 | 70,833 | 77,000 |
| Neighbourhood Development Partnership | | | 21,601 | 893 | – | 300 | 300 | – | – | – |
| | | | – | – | – | – | – | – | – | – |
| INEP & Bucket Eradication | | | – | 2,020 | 131,694 | 30,640 | 30,640 | 32,316 | 12,110 | 14,348 |
| Provincial Government: | | – | – | 1,550 | 996 | 996 | 996 | 1,084 | – | – |
| Sports and Recreation | | | | 1,550 | 996 | 996 | 996 | 1,084 | – | – |
| District Municipality: | | – | – | – | – | – | – | – | – | – |
| Health | | | | | | | | | | |
| Other grant providers: | | – | – | 131,624 | 10,000 | – | 5,056 | 16,169 | – | – |
| External Funding | | | | 126,224 | 10,000 | – | – | 16,169 | – | – |
| | | | | 5,400 | – | – | 5,056 | – | – | – |
| Total capital expenditure of Transfers and Grants | | – | 51,699 | 181,952 | 180,200 | 57,936 | 62,992 | 170,043 | 106,599 | 116,172 |
| TOTAL EXPENDITURE OF TRANSFERS AND GRANTS | | 58,871 | 51,699 | 262,687 | 264,839 | 142,575 | 147,631 | 252,493 | 192,490 | 242,400 |

EC104 Makana - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

| Description | Ref | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | | | 2016/17 Medium Term Revenue & Expenditure Framework | | |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2016/17 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand | | | | | | | | | | |
| Operating transfers and grants: | 1,3 | | | | | | | | | |
| National Government: | | | | | | | | | | |
| Balance unspent at beginning of the year | | – | – | 467 | – | 341 | 341 | – | – | – |
| Current year receipts | | – | – | 75,184 | 79,374 | 159,933 | 159,933 | 77,632 | 85,891 | 126,228 |
| Conditions met - transferred to revenue | | – | – | 75,651 | 79,374 | 160,274 | 160,274 | 77,632 | 85,891 | 126,228 |
| Conditions still to be met - transferred to liabilities | | – | – | – | – | – | – | – | – | – |
| Provincial Government: | | | | | | | | | | |
| Balance unspent at beginning of the year | | – | – | 500 | – | – | – | – | – | – |
| Current year receipts | | – | – | 2,435 | 2,581 | 2,581 | 2,581 | 2,901 | – | – |
| Conditions met - transferred to revenue | | – | – | 2,935 | 2,581 | 2,581 | 2,581 | 2,901 | – | – |
| Conditions still to be met - transferred to liabilities | | – | – | – | – | – | – | – | – | – |
| District Municipality: | | | | | | | | | | |
| Balance unspent at beginning of the year | | – | – | – | – | – | – | – | – | – |
| Current year receipts | | – | – | 1,409 | 1,500 | 1,500 | 1,500 | 1,917 | 2,036 | 2,156 |
| Conditions met - transferred to revenue | | – | – | 1,409 | 1,500 | 1,500 | 1,500 | 1,917 | 2,036 | 2,156 |
| Conditions still to be met - transferred to liabilities | | – | – | – | – | – | – | – | – | – |
| Other grant providers: | | | | | | | | | | |
| Balance unspent at beginning of the year | | – | – | – | – | 1,024 | 1,024 | – | – | – |
| Current year receipts | | – | – | – | – | – | – | – | – | – |
| Conditions met - transferred to revenue | | – | – | – | – | 1,024 | 1,024 | – | – | – |
| Conditions still to be met - transferred to liabilities | | – | – | – | – | – | – | – | – | – |
| Total operating transfers and grants revenue | | – | – | 79,995 | 83,455 | 165,379 | 165,379 | 82,450 | 87,927 | 128,384 |
| Total operating transfers and grants - CTBM | 2 | – | – | – | – | – | – | – | – | – |
| Capital transfers and grants: | 1,3 | | | | | | | | | |
| National Government: | | | | | | | | | | |
| Balance unspent at beginning of the year | | – | – | 12,567 | – | – | – | – | – | – |
| Current year receipts | | – | – | 36,212 | 170,378 | 56,685 | 56,685 | 156,790 | 106,599 | 116,172 |
| Conditions met - transferred to revenue | | – | – | 48,779 | 170,378 | 56,685 | 56,685 | 156,790 | 106,599 | 116,172 |
| Conditions still to be met - transferred to liabilities | | – | – | – | – | – | – | – | – | – |
| Provincial Government: | | | | | | | | | | |
| Balance unspent at beginning of the year | | – | – | – | – | – | – | – | – | – |
| Current year receipts | | – | – | 1,550 | 996 | 996 | 996 | 1,084 | – | – |
| Conditions met - transferred to revenue | | – | – | 1,550 | 996 | 996 | 996 | 1,084 | – | – |
| Conditions still to be met - transferred to liabilities | | – | – | – | – | – | – | – | – | – |
| District Municipality: | | | | | | | | | | |
| Balance unspent at beginning of the year | | – | – | – | – | – | – | – | – | – |
| Current year receipts | | – | – | – | – | – | – | – | – | – |
| Conditions met - transferred to revenue | | – | – | – | – | – | – | – | – | – |
| Conditions still to be met - transferred to liabilities | | – | – | – | – | – | – | – | – | – |
| Other grant providers: | | | | | | | | | | |
| Balance unspent at beginning of the year | | – | – | – | – | – | – | – | – | – |
| Current year receipts | | – | – | 130,717 | 10,000 | – | – | 12,169 | – | – |
| Conditions met - transferred to revenue | | – | – | 130,717 | 10,000 | – | – | 12,169 | – | – |
| Conditions still to be met - transferred to liabilities | | – | – | – | – | – | – | – | – | – |
| Total capital transfers and grants revenue | | – | – | 181,046 | 181,374 | 57,681 | 57,681 | 170,043 | 106,599 | 116,172 |
| Total capital transfers and grants - CTBM | 2 | – | – | – | – | – | – | – | – | – |
| TOTAL TRANSFERS AND GRANTS REVENUE | | – | – | 261,041 | 264,829 | 223,060 | 223,060 | 252,493 | 194,526 | 244,556 |

6 Other supporting documents

EC104 Makana - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

| Description | Ref | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | | | | 2016/17 medium term Revenue & Expenditure Framework | | |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand | | | | | | | | | | | |
| REVENUE ITEMS: | | | | | | | | | | | |
| Property rates | 6 | | | | | | | | | | |
| Total Property Rates | | 38,084 | 46,153 | 53,827 | 56,728 | 56,728 | 56,728 | | 65,215 | 69,258 | 73,344 |
| <i>rebates and impermissible values in excess of section 17 of MPRA)</i> | | - | - | - | 4,034 | 4,034 | 4,034 | | - | - | - |
| Net Property Rates | | 38,084 | 46,153 | 53,827 | 52,695 | 52,695 | 52,695 | - | 65,215 | 69,258 | 73,344 |
| Service charges - electricity revenue | 6 | | | | | | | | | | |
| Total Service charges - electricity revenue | | 106,423 | 95,766 | 114,619 | 168,727 | 185,703 | 185,703 | | 191,033 | 202,677 | 205,846 |
| <i>less Revenue Foregone (in excess of 50 kwh per indigent household per month)</i> | | - | - | - | - | - | - | - | - | - | - |
| <i>less Cost of Free Basis Services (50 kwh per indigent household per month)</i> | | - | - | - | - | - | - | - | - | - | - |
| Net Service charges - electricity revenue | | 106,423 | 95,766 | 114,619 | 168,727 | 185,703 | 185,703 | - | 191,033 | 202,677 | 205,846 |
| Service charges - water revenue | 6 | | | | | | | | | | |
| Total Service charges - water revenue | | 34,413 | 39,594 | 53,344 | 54,900 | 54,900 | 54,900 | | 63,277 | 67,200 | 68,165 |
| <i>less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)</i> | | - | - | - | - | - | - | - | - | - | - |
| <i>less Cost of Free Basis Services (6 kilolitres per indigent household per month)</i> | | - | - | - | - | - | - | - | - | - | - |
| Net Service charges - water revenue | | 34,413 | 39,594 | 53,344 | 54,900 | 54,900 | 54,900 | - | 63,277 | 67,200 | 68,165 |
| Service charges - sanitation revenue | 6 | | | | | | | | | | |
| Total Service charges - sanitation revenue | | 16,844 | 19,752 | 21,525 | 26,016 | 26,016 | 26,016 | | 44,075 | 46,520 | 47,570 |
| <i>less Revenue Foregone (in excess of free sanitation service to indigent households)</i> | | - | - | - | - | - | - | - | - | - | - |
| <i>less Cost of Free Basis Services (free sanitation service to indigent households)</i> | | - | - | - | - | - | - | - | - | - | - |
| Net Service charges - sanitation revenue | | 16,844 | 19,752 | 21,525 | 26,016 | 26,016 | 26,016 | - | 44,075 | 46,520 | 47,570 |
| Service charges - refuse revenue | 6 | | | | | | | | | | |
| Total refuse removal revenue | | 8,445 | 6,363 | 9,813 | 10,913 | 10,913 | 10,913 | | 8,305 | 10,139 | 11,459 |
| Total landfill revenue | | - | - | - | - | - | - | - | - | - | - |
| <i>less Revenue Foregone (in excess of one removal a week to indigent households)</i> | | - | - | - | - | - | - | - | - | - | - |
| <i>less Cost of Free Basis Services (removed once a week to indigent households)</i> | | - | - | - | - | - | - | - | - | - | - |
| Net Service charges - refuse revenue | | 8,445 | 6,363 | 9,813 | 10,913 | 10,913 | 10,913 | - | 8,305 | 10,139 | 11,459 |
| Other Revenue by source | | | | | | | | | | | |
| Royalties | | - | 41 | - | 7,760 | 9,860 | 9,860 | | | | |
| Administration/sale of plots | | 358 | 347 | 419 | | | | | 530 | 563 | 596 |
| Advertising fees | | 1 | 1 | 1 | | | | | 5 | 5 | 6 |
| Building Plans | | 428 | 350 | 291 | | | | | 226 | 240 | 254 |
| Car pound fees | | 17 | 10 | 39 | | | | | 5 | 5 | 6 |
| Grazing fees | | 20 | 22 | 22 | | | | | 25 | 27 | 28 |
| Weighbridge fees | | 10 | 2 | - | | | | | 1 | 1 | 1 |
| Sundry revenue | | 836 | 1,193 | 536 | | | | | 1,138 | 1,209 | 1,280 |
| Search fees | | 3 | 5 | 10 | | | | | 22 | 23 | 25 |
| Printing and photocopies | | 19 | 54 | 19 | | | | | 33 | 35 | 37 |
| Refuse bags and bins | | 20 | 17 | 14 | | | | | 20 | 21 | 22 |
| Other own revenue | 3 | 5 | 11,632 | 1,081 | | | | | 182 | 5,054 | 205 |
| Total 'Other' Revenue | 1 | 1,717 | 13,674 | 2,433 | 7,760 | 9,860 | 9,860 | - | 2,186 | 7,182 | 2,458 |

MAKANA MUNICIPALITY – FINAL BUDGET 2016/17 TO 2018/19

EC104 Makana - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

| Description | Ref | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | | | | 2016/17 Medium Term Revenue & Expenditure Framework | | |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand | | | | | | | | | | | |
| EXPENDITURE ITEMS: | | | | | | | | | | | |
| Employee related costs | | | | | | | | | | | |
| Basic Salaries and Wages | 2 | 83,378 | 89,808 | 95,432 | 94,358 | 99,555 | 99,555 | | 98,523 | 116,435 | 124,180 |
| Pension and UIF Contributions | | 767 | 841 | 826 | 17,493 | 17,493 | 17,493 | | 18,071 | 21,324 | 25,006 |
| Medical Aid Contributions | | 5,124 | 6,096 | 6,192 | 1,495 | 1,495 | 1,495 | | 9,297 | 10,226 | 11,249 |
| Overtime | | 7,854 | 8,478 | 7,108 | 3,235 | 3,235 | 3,235 | | 1,126 | 1,190 | 1,320 |
| Performance Bonus | | 405 | (2,564) | (6,106) | - | - | - | | - | - | - |
| Motor Vehicle Allowance | | 2,254 | 3,278 | 3,302 | 3,804 | 3,804 | 3,804 | | 4,650 | 4,961 | 5,280 |
| Cellphone Allowance | | - | - | - | 360 | 360 | 360 | | 3,655 | 3,901 | 4,153 |
| Housing Allowances | | 367 | 270 | 292 | 265 | 265 | 265 | | 1,727 | 1,851 | 1,979 |
| Other benefits and allowances | | 12,499 | 15,952 | 17,181 | 2,318 | 2,318 | 2,318 | | 7,581 | 6,835 | 6,975 |
| Payments in lieu of leave | | 642 | 7,521 | 1,081 | 672 | 872 | 872 | | - | - | - |
| Long service awards | | - | - | - | 428 | 428 | 428 | | - | - | - |
| Post retirement benefit obligations | | - | - | - | - | - | - | | - | - | - |
| sub-total | 4 | 4 | 138 | 3,085 | 2,145 | 2,145 | 2,145 | | - | - | - |
| | 5 | 113,294 | 129,818 | 128,392 | 126,773 | 131,969 | 131,969 | - | 144,631 | 166,723 | 180,142 |
| Less: Employees costs capitalised to PPE | | | | | | | | | | | |
| Total Employee related costs | 1 | 113,294 | 129,818 | 128,392 | 126,773 | 131,969 | 131,969 | - | 144,631 | 166,723 | 180,142 |
| Depreciation & asset impairment | | | | | | | | | | | |
| Depreciation of Property, Plant & Equipment | | 46,625 | 36,729 | 33,599 | 14,186 | 14,186 | 14,186 | | 10,526 | 37,170 | 39,363 |
| Lease amortisation | | - | - | - | - | - | - | | - | - | - |
| Capital asset impairment | | - | - | - | 17,317 | 17,317 | 17,317 | | 21,113 | 22,000 | 22,500 |
| Depreciation resulting from revaluation of PPE | 10 | - | - | - | - | - | - | | - | - | - |
| Total Depreciation & asset impairment | 1 | 46,625 | 36,729 | 33,599 | 31,502 | 31,502 | 31,502 | - | 31,639 | 59,170 | 61,863 |
| Bulk purchases | | | | | | | | | | | |
| Electricity Bulk Purchases | | 67,875 | 67,096 | 79,294 | 85,574 | 79,258 | 79,258 | | 99,904 | 106,098 | 112,358 |
| Water Bulk Purchases | | 1,354 | - | 2,743 | 2,000 | 2,000 | 2,000 | | 4,500 | 4,824 | 5,157 |
| Total bulk purchases | 1 | 69,229 | 67,096 | 82,037 | 87,574 | 81,258 | 81,258 | - | 104,404 | 110,922 | 117,514 |
| Transfers and grants | | | | | | | | | | | |
| Cash transfers and grants | | 17,187 | 22,099 | 30,545 | 48,997 | 48,997 | 48,997 | | 50,515 | 50,738 | 53,732 |
| Non-cash transfers and grants | | - | - | - | - | - | - | | - | - | - |
| Total transfers and grants | 1 | 17,187 | 22,099 | 30,545 | 48,997 | 48,997 | 48,997 | - | 50,515 | 50,738 | 53,732 |
| Contracted services | | | | | | | | | | | |
| Professional Fees | | 4,332 | 6,917 | 4,491 | 4,569 | 5,964 | 5,964 | | 24,174 | 2,618 | 3,193 |
| Other Contractors | | - | - | - | - | - | - | | - | - | - |
| Rent Office Equipment | | - | - | - | 606 | 606 | 606 | | 644 | 684 | 724 |
| Security | | - | - | - | 3,559 | 3,559 | 3,559 | | 3,590 | 3,813 | 4,037 |
| sub-total | 1 | 4,332 | 6,917 | 4,491 | 8,734 | 10,128 | 10,129 | - | 28,408 | 7,115 | 7,955 |
| Other Expenditure By Type | | | | | | | | | | | |
| Collection costs | | - | - | - | 159 | 159 | 159 | | 168 | 179 | 189 |
| Contributions to 'other' provisions | | - | - | - | 18,352 | 18,352 | 18,352 | | - | - | - |
| Consultant fees | | 3,151 | 3,564 | 3,281 | - | - | - | | - | - | - |
| Audit fees | | - | - | - | - | - | - | | 4,263 | 4,570 | 4,431 |
| General expenses | | 6,498 | 8,451 | 6,444 | - | - | - | | 31,117 | 23,460 | - |
| Administration Charges | | 3,463 | 3,902 | 2,704 | 1,929 | 1,929 | 1,929 | | 4,296 | 4,562 | 4,832 |
| Advertising | | 1,358 | 1,813 | 768 | 2,315 | 2,315 | 2,315 | | 2,007 | 2,132 | 2,258 |
| Bank Charges | | 1,082 | 900 | 343 | 478 | 478 | 478 | | 506 | 538 | 569 |
| Chemicals and Poison | | 2,542 | 582 | 64 | 1,078 | 1,078 | 1,078 | | 406 | 431 | 457 |
| Cleaning Material | | 170 | - | - | 201 | 201 | 201 | | - | - | - |
| Commissions Paid | | 1,285 | 1,691 | 1,400 | 1,423 | 1,423 | 1,423 | | 1,508 | 1,602 | 1,696 |
| Conference Expenses | | 1,836 | 1,168 | 510 | 1,721 | 1,721 | 1,721 | | 1,144 | 1,215 | 1,286 |
| Corporate Branding | | 73 | - | - | 290 | 290 | 290 | | 100 | 106 | 112 |
| Electricity and Water | | 4,196 | 4,625 | 16,922 | 5,984 | 5,984 | 5,984 | | 5,139 | 5,203 | 5,325 |
| Fuel and Oil | | 4,834 | 5,576 | 3,965 | 3,779 | 3,779 | 3,779 | | 3,868 | 4,108 | 4,350 |
| Insurance and Security | | 1,092 | 1,308 | 1,338 | 1,747 | 1,747 | 1,747 | | 1,732 | 1,839 | 1,948 |
| Internal/External Audit Fees | | 4,109 | 754 | 12,927 | 5,268 | 5,268 | 5,268 | | 4,980 | 5,289 | 5,601 |
| License Cards and Licences | | 417 | 408 | 585 | 1,147 | 1,147 | 1,147 | | 1,510 | 1,604 | 1,699 |
| Materials and Stocks | | 431 | 463 | (18) | 1,399 | 1,399 | 1,399 | | - | - | - |
| Newsletter | | 190 | 0 | - | 400 | 400 | 400 | | 150 | 159 | 169 |
| Other expenses | | 1,377 | 1,219 | 2,375 | 25,327 | 35,334 | 35,334 | | - | - | - |
| Postage and Courier | | 696 | 942 | 837 | 876 | 876 | 876 | | 902 | 958 | 1,015 |
| Repairs and maintenance | | 18,721 | 12,777 | 10,136 | 23,657 | 23,657 | 23,657 | | 25,887 | 27,492 | 29,114 |
| Project Expenses from own funds | | 5,529 | 7,168 | 2,587 | 10,447 | 10,447 | 10,447 | | 6,053 | 6,428 | 6,808 |
| Protective Clothing | | 518 | 3 | 54 | 1,115 | 1,115 | 1,115 | | 1,112 | 1,181 | 1,250 |
| Relocation Expenses | | 322 | 196 | 252 | 200 | 200 | 200 | | 200 | 212 | 225 |
| Telephone | | 1,832 | 2,771 | 2,738 | 2,966 | 2,966 | 2,966 | | 2,026 | 2,151 | 2,278 |
| Total 'Other' Expenditure | 1 | 65,723 | 80,281 | 70,215 | 112,297 | 122,284 | 122,284 | - | 99,074 | 95,419 | 75,812 |
| Repairs and Maintenance by Expenditure Item | | | | | | | | | | | |
| Employee related costs | 8 | 18,721 | 12,777 | 10,136 | 23,657 | 23,657 | 23,657 | | - | - | - |
| Other materials | | - | - | - | - | - | - | | - | - | - |
| Contracted Services | | - | - | - | - | - | - | | - | - | - |
| Other Expenditure | | - | - | - | - | - | - | | 25,887 | 27,666 | 29,406 |
| Total Repairs and Maintenance Expenditure | 9 | 18,721 | 12,777 | 10,136 | 23,657 | 23,657 | 23,657 | - | 25,887 | 27,666 | 29,406 |

MAKANA MUNICIPALITY – FINAL BUDGET 2016/17 TO 2018/19

EC104 Makana - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

| Description | Ref | Vote 1 - Technical & Infrastructure | Vote 2 - Corporate Services | Vote 3 - Financial Services | Vote 4 - Community & Social Services | Vote 5 - Executive Mayor | Vote 6 - Speakers Office | Vote 7 - Municipal Manager | Vote 8 - Local Economic Development | Vote 9 - Housing | Vote 10 - Electricity | Vote 11 - Water | Vote 12 - Dog Tax | Vote 13 - Parking Meters | Vote 14 - [NAME OF VOTE 14] | Vote 15 - [NAME OF VOTE 15] | Total |
|--|----------|---|-----------------------------------|-----------------------------------|---|--------------------------------|--------------------------------|----------------------------------|--|---------------------|--------------------------|--------------------|----------------------|--------------------------------|-----------------------------------|-----------------------------------|----------------|
| R thousand | 1 | | | | | | | | | | | | | | | | |
| Revenue By Source | | | | | | | | | | | | | | | | | |
| Property rates | | – | – | 58 980 | – | – | – | – | – | – | – | – | – | – | – | – | 58 980 |
| Property rates - penalties & collection charges | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Service charges - electricity revenue | | – | – | – | – | – | – | – | – | – | 188 011 | – | – | – | – | – | 188 011 |
| Service charges - water revenue | | – | – | – | – | – | – | – | – | – | – | 50 184 | – | – | – | – | 50 184 |
| Service charges - sanitation revenue | | 35 749 | – | – | – | – | – | – | – | – | – | – | – | – | – | – | 35 749 |
| Service charges - refuse revenue | | – | – | – | 8 198 | – | – | – | – | – | – | – | – | – | – | – | 8 198 |
| Service charges - other | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Rental of facilities and equipment | | – | – | 550 | – | – | – | – | – | – | – | – | – | – | – | – | 550 |
| Interest earned - external investments | | – | 4 281 | – | – | – | – | – | – | – | – | – | – | – | – | – | 4 281 |
| Interest earned - outstanding debtors | | – | – | 16 059 | – | – | – | – | – | – | – | – | – | – | – | – | 16 059 |
| Dividends received | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Fines | | – | – | – | 1 092 | – | – | – | – | – | – | – | – | – | – | – | 1 092 |
| Licences and permits | | – | – | – | 1 467 | – | – | – | – | – | – | – | – | – | – | – | 1 467 |
| Agency services | | – | – | – | 500 | – | – | – | – | – | – | – | – | – | – | – | 500 |
| Other revenue | | 15 925 | – | 10 000 | – | – | – | – | 1 020 | – | 3 500 | 1 200 | – | – | – | – | 31 645 |
| Transfers recognised - operational | | 7 842 | – | 50 039 | 9 434 | 490 | 5 020 | 50 | – | – | 4 352 | 12 248 | – | – | – | – | 89 475 |
| Gains on disposal of PPE | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Total Revenue (excluding capital transfers and contributions) | | 69 516 | 4 281 | 135 628 | 20 691 | 490 | 5 020 | 50 | 1 020 | – | 106 863 | 63 632 | – | – | – | – | 486 191 |
| Expenditure By Type | | | | | | | | | | | | | | | | | |
| Employee related costs | | – | 142 759 | – | – | – | – | – | – | – | – | – | – | – | – | – | 142 759 |
| Remuneration of councillors | | – | – | – | – | – | 9 689 | – | – | – | – | – | – | – | – | – | 9 689 |
| Debt impairment | | – | – | – | – | – | – | – | – | – | 92 524 | – | – | – | – | – | 92 524 |
| Depreciation & asset impairment | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Finance charges | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Bulk purchases | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Other materials | | – | 1 534 | – | – | – | – | – | – | – | – | – | – | – | – | – | 1 534 |
| Contracted services | | – | – | 37 901 | – | – | – | – | – | – | – | – | – | – | – | – | 37 901 |
| Transfers and grants | | – | – | 189 359 | – | – | – | – | – | – | – | – | – | – | – | – | 189 359 |
| Other expenditure | | 12 425 | – | – | – | – | – | – | – | – | – | – | – | – | – | – | 12 425 |
| Loss on disposal of PPE | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Total Expenditure | | 12 425 | 144 293 | 227 260 | – | – | 9 689 | – | – | – | 92 524 | – | – | – | – | – | 486 191 |
| Surplus/(Deficit) | | 47 091 | (140 012) | (91 632) | 20 691 | 490 | (4 669) | 50 | 1 020 | – | 103 339 | 63 632 | – | – | – | – | 0 |
| Transfers recognised - capital | | 170 043 | – | – | – | – | – | – | – | – | – | – | – | – | – | – | 170 043 |
| Contributions recognised - capital | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Contributed assets | | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Surplus/(Deficit) after capital transfers & contributions | | 217 134 | (140 012) | (91 632) | 20 691 | 490 | (4 669) | 50 | 1 020 | – | 103 339 | 63 632 | – | – | – | – | 170 043 |

EC104 Makana - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

| Description | Ref | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | | | | 2016/17 Medium Term Revenue & Expenditure Framework | | |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand | | | | | | | | | | | |
| ASSETS | | | | | | | | | | | |
| Call investment deposits | | | | | | | | | | | |
| Call deposits < 90 days | | | | | 6,344 | 6,344 | 6,344 | | - | - | - |
| Other current investments > 90 days | | 5,700 | 2,024 | 12,139 | 136,584 | - | - | | 12,940 | 13,742 | 14,553 |
| Total Call investment deposits | 2 | 5,700 | 2,024 | 12,139 | 142,928 | 6,344 | 6,344 | - | 12,940 | 13,742 | 14,553 |
| Consumer debtors | | | | | | | | | | | |
| Consumer debtors | | 212,802 | 219,682 | 290,231 | 153,721 | 342,000 | 342,000 | | 309,386 | 328,568 | 347,953 |
| Less: Provision for debt impairment | | (84,334) | (90,109) | (112,688) | (11,302) | (11,302) | (11,302) | | (120,126) | (127,573) | (135,100) |
| Total Consumer debtors | 2 | 128,468 | 129,572 | 177,542 | 142,419 | 330,698 | 330,698 | - | 189,260 | 200,994 | 212,853 |
| Debt impairment provision | | | | | | | | | | | |
| Balance at the beginning of the year | | | | | | | | | - | - | - |
| Contributions to the provision | | | | | (17,137) | (17,137) | (17,137) | | - | - | - |
| Bad debts written off | | | | | 5,835 | 5,835 | 5,835 | | - | - | - |
| Balance at end of year | | - | - | - | (11,302) | (11,302) | (11,302) | - | - | - | - |
| Property, plant and equipment (PPE) | | | | | | | | | | | |
| PPE at cost/valuation (excl. finance leases) | | 1,429,021 | 992,462 | 1,070,770 | 857,458 | 857,458 | 857,458 | | 1,141,441 | 1,212,210 | 1,283,731 |
| Leases recognised as PPE | | | | | | | | | - | - | - |
| Less: Accumulated depreciation | | 183,862 | 186,515 | 218,228 | 195,654 | 195,654 | 195,654 | | 232,631 | 247,054 | 261,631 |
| Total Property, plant and equipment (PPE) | 2 | 1,245,158 | 805,947 | 852,542 | 661,804 | 661,804 | 661,804 | - | 908,810 | 965,156 | 1,022,100 |
| LIABILITIES | | | | | | | | | | | |
| Current liabilities - Borrowing | | | | | | | | | | | |
| Short term loans (other than bank overdraft) | | | | | | | | | - | - | - |
| Current portion of long-term liabilities | | 1,727 | 4,010 | 4,128 | 2,500 | 2,500 | 2,500 | | 4,400 | 4,673 | 4,949 |
| Total Current liabilities - Borrowing | | 1,727 | 4,010 | 4,128 | 2,500 | 2,500 | 2,500 | - | 4,400 | 4,673 | 4,949 |
| Trade and other payables | | | | | | | | | | | |
| Trade and other creditors | | 101,969 | 103,825 | 240,953 | 99,491 | 88,000 | 88,000 | | 256,856 | 272,781 | 288,875 |
| Unspent conditional transfers | | 45,126 | | | | | 14,863 | | 6,920 | 7,349 | 7,783 |
| VAT | | | | | 14,863 | 14,863 | | | - | - | - |
| Total Trade and other payables | 2 | 147,095 | 103,825 | 240,953 | 114,354 | 102,863 | 102,863 | - | 263,776 | 280,130 | 296,658 |
| Non current liabilities - Borrowing | | | | | | | | | | | |
| Borrowing | | 21,913 | 50,117 | 56,786 | 52,573 | - | - | | 60,534 | 64,287 | 68,080 |
| Finance leases (including PPP asset element) | | | | | | | | | - | - | - |
| Total Non current liabilities - Borrowing | 4 | 21,913 | 50,117 | 56,786 | 52,573 | - | - | - | 60,534 | 64,287 | 68,080 |
| Provisions - non-current | | | | | | | | | | | |
| Retirement benefits | | 44,076 | 40,982 | 46,254 | 2,145 | 2,145 | 2,145 | | 49,307 | 52,364 | 55,453 |
| List other major provision items | | | | | | | | | - | - | - |
| Refuse landfill site rehabilitation | | 750 | | | 100 | 100 | 100 | | - | - | - |
| Other | | 3,618 | | | 428 | 428 | 428 | | - | - | - |
| Total Provisions - non-current | | 48,444 | 40,982 | 46,254 | 2,673 | 2,673 | 2,673 | - | 49,307 | 52,364 | 55,453 |
| CHANGES IN NET ASSETS | | | | | | | | | | | |
| Accumulated Surplus/(Deficit) | | | | | | | | | | | |
| Accumulated Surplus/(Deficit) - opening balance | | | | | 1,076,100 | 945,139 | 945,139 | | - | - | - |
| GRAP adjustments | | | | | | | | | - | - | - |
| Restated balance | | - | - | - | 1,076,100 | 945,139 | 945,139 | | - | - | - |
| Surplus/(Deficit) | | 8,257 | 15,499 | 14,957 | 191,858 | 87,212 | 87,212 | | 170,043 | 86,236 | 91,523 |
| Appropriations to Reserves | | | | | | | | | - | - | - |
| Transfers from Reserves | | | | | | | | | - | - | - |
| Depreciation offsets | | | | | 14,186 | 14,186 | 14,186 | | - | - | - |
| Other adjustments | | | | | | | | | - | - | - |
| Accumulated Surplus/(Deficit) | 1 | 8,257 | 15,499 | 14,957 | 1,282,144 | 1,046,537 | 1,046,537 | - | 170,043 | 86,236 | 91,523 |
| Reserves | | | | | | | | | | | |
| Housing Development Fund | | | | | | | | | - | - | - |
| Capital replacement | | | | | | | | | - | - | - |
| Self-insurance | | | | | | | | | - | - | - |
| Other reserves | | 5,409 | 5,428 | 5,393 | 5,428 | 5,428 | 5,428 | | 5,749 | 6,106 | 6,466 |
| Revaluation | | | | | | | | | - | - | - |
| Total Reserves | 2 | 5,409 | 5,428 | 5,393 | 5,428 | 5,428 | 5,428 | - | 5,749 | 6,106 | 6,466 |
| TOTAL COMMUNITY WEALTH/EQUITY | 2 | 13,666 | 20,927 | 20,350 | 1,287,572 | 1,051,965 | 1,051,965 | - | 175,792 | 92,342 | 97,989 |

EC104 Makana - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

| EC104 Makana - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue) | | | | | | | | | | | | |
|---|---|------------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| Strategic Objective | Goal | Goal Code | Ref | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | | | 2016/17 Medium Term Revenue & Expenditure Framework | | |
| | | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2016/17 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand | | | | | | | | | | | | |
| Well structured, efficient provision of basic services and that supports sustainable human settlement by 2017 Well structured, efficient, safe and supports sustainable human settlement by 2017 Well structured, efficient, safe and supports sustainable human settlement by 2017 Well structured, efficient, safe and supports sustainable human settlement by 2017 Well structured, efficient, safe and supports sustainable human settlement by 2017 Community of Makana have access to adequate facilities in a secure and health environment by 2017 Community of Makana have access to adequate facilities in a secure and health environment by 2017 | Upgrading and Refurbishment of the water Infrastructure | IDP. 1.1.1 | | | 15,573 | - | - | - | 41,000 | | | |
| | | IDP. 1.1.2 | | | | - | - | - | | | | |
| | | IDP. 1.2.1 | | | 20,548 | - | - | - | 5,000 | | | |
| | Conservation of water | IDP. 1.4.1 | | | 4,794 | - | - | - | 66,000 | | | |
| | | IDP. 1.4.2 | | | - | - | - | - | | | | |
| | | IDP. 1.4.3 | | | - | - | - | - | | | | |
| | Upgrading of Bulk sanitation infrastructure | IDP. 1.4.4 | | | - | - | - | - | | | | |
| | | IDP. 1.4.5 | | | - | - | - | - | | | | |
| | | IDP. 1.4.6 | | | 4,000 | - | - | - | | | | |
| | Rehabilitation Sewer Reticulation | IDP. 1.5.1 | | | 4,150 | - | - | - | | | | |
| | | IDP. 1.5.2 | | | 1,000 | - | - | - | | | | |
| | | IDP. 1.5.3 | | | - | - | - | - | | | | |
| | | IDP. 1.5.4 | | | - | - | - | - | | | | |
| | | IDP. 1.5.5 | | | - | - | - | - | | | | |
| | | IDP. 1.5.6 | | | - | - | - | - | | | | |
| | | IDP. 1.5.8 | | | - | 500 | 500 | 500 | | | | |
| | | | | | | - | - | - | | | | |
| Allocations to other priorities | | | 2 | | | | | | | | | |
| Total Revenue (excluding capital transfers and contributions) | | | 1 | - | - | 50,066 | 500 | 500 | 500 | 112,000 | - | - |

EC104 Makana - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

| LED14 Mahara - Supporting Table 3A3 Reconciliation of IDP Strategic Objectives and Budget (Operating expenditure) | | | | | | | | | | | | |
|---|---|------------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| Strategic Objective | Goal | Goal Code | Ref | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | | | 2016/17 Medium Term Revenue & Expenditure Framework | | |
| | | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2016/17 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand | | | | | | | | | | | | |
| Well structured efficient, safe and supports sustainable human settlement by 2017 | Conservation of water | IDP. 1.2.1 | | | | 850 | 250 | 250 | 250 | 5,000 | | |
| | Improve Green and Blue Drop status(Maintenance of WTW and WWTW) | IDP. 1.3.1 | | | | 800 | - | - | - | 250 | | |
| | Illegal stormwater discharge | IDP. 1.5.7 | | | | 2,500 | - | - | - | 300 | | |
| Community Development and Social Cohesion | Effective Waste Management | IDP. 2.1.1 | | | | 1,000 | - | - | - | 300 | | |
| | | IDP. 2.1.2 | | | | - | 1,000 | 1,000 | 1,000 | - | | |
| | | IDP. 2.1.3 | | | | - | 300 | 300 | 300 | 1,600 | | |
| | Improve community services provision | IDP. 2.3.1 | | | | - | 606 | 606 | 606 | 233 | | |
| | improve library service | IDP. 2.4.1 | | | | - | 40 | 40 | 40 | 1,084 | | |
| Maximise economic growth and development takes place in a conducive environment | Promotion of Heritage and Tourism | IDP. 3.2.1 | | | | | 100 | 100 | 100 | 200 | | |
| | | IDP. 3.2.2 | | | | 4,150 | - | - | - | 200 | | |
| | | IDP. 3.2.3 | | | | 1,000 | - | - | - | 200 | | |
| | | IDP. 3.2.4 | | | | - | 1,852 | 1,852 | 1,852 | 200 | | |
| | Review of the LED Strategy | IDP. 3.1.1 | | | | - | 2,200 | 2,200 | 2,200 | 200 | | |
| | SMME development and investment promotion | IDP. 3.2.1 | | | | - | 250 | 250 | 250 | 250 | | |
| | | IDP. 3.2.2 | | | | - | 4,112 | 4,112 | 4,112 | 250 | | |
| | | IDP. 3.2.3 | | | | - | 3,855 | 3,855 | 3,855 | 450 | | |
| | Provision land for housing development | IDP. 3.4.1 | | | | | 980 | 980 | 980 | 1,500 | | |
| Support to Agrarian programs and promote rural development initiatives | | | | | | 568 | 568 | 568 | 750 | | | |
| Allocations to other priorities | | | | | | | | | | | | |
| Total Expenditure | | | 1 | - | - | 10,300 | 16,113 | 16,113 | 16,113 | 12,987 | - | - |

EC104 Makana - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

| Strategic Objective | Goal | Goal Code | Ref | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | | | 2016/17 Medium Term Revenue & Expenditure Framework | | | |
|---|---|-----------------------|------------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|--------|
| | | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2016/17 | Budget Year +1 2017/18 | Budget Year +2 2018/19 | |
| R thousand | | | | | | | | | | | | | |
| Well structured, efficient provision of basic services and that supports sustainable human settlement by 2017 | Upgrading and Refurbishment of the water Infrastructure | IDP. 1.1.1 | | | | 15,573 | – | – | – | 46,000 | | | |
| | | IDP. 1.1.2 | | | | | 89,290 | 89,290 | 89,290 | 5,100 | | | |
| | | Conservation of water | IDP. 1.2.1 | | | | 20,548 | – | – | – | 5,000 | | |
| | Upgrading of Bulk sanitation infrastructure | | IDP. 1.4.1 | | | | 4,794 | – | – | – | 65,943 | 12,330 | 14,508 |
| | | | IDP. 1.4.2 | | | | – | 11,133 | 11,133 | 11,133 | 3,000 | | |
| | | IDP. 1.4.3 | | | | – | 11,834 | 11,834 | 11,834 | 2,500 | | | |
| | Community of Makana have access to adequate facilities in a secure and health | IDP. 1.4.4 | | | | – | 4,951 | 4,951 | 4,951 | 16,000 | | | |
| | Community of Makana have access to adequate facilities in a secure and health | IDP. 1.4.5 | | | | – | – | – | – | 750 | | | |
| | Rehabilitation Sewer Reticulation | IDP. 1.4.6 | | | | 4,000 | – | – | – | 5,000 | | | |
| | | IDP. 1.5.1 | | | | – | – | – | – | 500 | | | |
| | | IDP. 1.5.2 | | | | – | – | – | – | 300 | | | |
| | | IDP. 1.5.3 | | | | – | – | – | – | 12,000 | | | |
| | | IDP. 1.5.4 | | | | – | – | – | – | 700 | | | |
| | | IDP. 1.5.5 | | | | – | – | – | – | 750 | | | |
| | | IDP. 1.5.6 | | | | – | – | – | – | 1,500 | | | |
| | | IDP. 1.5.8 | | | | – | – | – | – | 5,000 | | | |
| | Allocations to other priorities | | 3 | | | | | | | | | | |
| Total Capital Expenditure | | 1 | – | – | 44,916 | 117,208 | 117,208 | 117,208 | 170,043 | 12,330 | 14,508 | | |

MAKANA MUNICIPALITY – FINAL BUDGET 2016/17 TO 2018/19

EC104 Makana - Supporting Table SA8 Performance indicators and benchmarks

| Description of financial indicator | Basis of calculation | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | | | | 2016/17 Medium Term Revenue & Expenditure Framework | | |
|--|---|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| Borrowing Management | | | | | | | | | | | |
| Credit Rating | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | |
| Capital Charges to Operating Expenditure | Interest & Principal Paid /Operating Expenditure | 0.3% | 1.9% | 3.8% | 0.1% | 0.1% | 0.1% | 0.0% | 1.1% | 1.1% | 1.1% |
| Capital Charges to Own Revenue | Finance charges & Repayment of borrowing /Own Revenue | 0.5% | 2.7% | 5.4% | 0.1% | 0.1% | 0.1% | 0.0% | 1.4% | 1.4% | 1.4% |
| Borrowed funding of 'own' capital expenditure | Borrowing/Capital expenditure excl. transfers and grants and contributions | -24.9% | -103.8% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Safety of Capital | | | | | | | | | | | |
| Gearing | Long Term Borrowing/ Funds & Reserves | 405.2% | 923.4% | 1052.9% | 968.6% | 0.0% | 0.0% | 0.0% | 1052.9% | 1052.9% | 1052.9% |
| Liquidity | | | | | | | | | | | |
| Current Ratio | Current assets/current liabilities | 1.2 | 1.4 | 1.0 | 2.7 | 3.4 | 3.4 | - | 1.0 | 1.0 | 1.0 |
| Current Ratio adjusted for aged debtors | Current assets less debtors > 90 days/current liabilities | 1.2 | 1.4 | 1.0 | 2.7 | 3.4 | 3.4 | - | 1.0 | 1.0 | 1.0 |
| Liquidity Ratio | Monetary Assets/Current Liabilities | 0.1 | 0.0 | 0.1 | 1.2 | 0.1 | 0.1 | - | 0.1 | 0.1 | 0.1 |
| Revenue Management | | | | | | | | | | | |
| Annual Debtors Collection Rate (Payment Level %) | Last 12 Mths Receipts/Last 12 Mths Billing | | 76.9% | 98.4% | 99.9% | 85.1% | 74.9% | 74.9% | 0.0% | 76.2% | 85.3% |
| Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue) | | 76.9% | 98.4% | 99.9% | 85.1% | 74.9% | 74.9% | 0.0% | 76.2% | 85.3% | 76.2% |
| Outstanding Debtors to Revenue | Total Outstanding Debtors to Annual Revenue | 56.2% | 52.4% | 57.7% | 40.3% | 82.0% | 82.0% | 0.0% | 49.7% | 49.3% | 49.3% |
| Longstanding Debtors Recovered | Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old | | | | | | | | | | |
| Creditors Management | | | | | | | | | | | |
| Creditors System Efficiency | % of Creditors Paid Within Terms (within 'MFMA' s 65(e)) | | | | | | | | | | |
| Creditors to Cash and Investments | | 1037.0% | -772.7% | 2126.0% | 155.3% | -909.0% | 1723.8% | 0.0% | 3159.6% | 1949.6% | 1430.1% |
| Other Indicators | | | | | | | | | | | |
| Electricity Distribution Losses (2) | Total Volume Losses (kW) | | | | | | | | | | |
| | 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) | | | | | | | | | | |
| | % Volume (units purchased and generated less units sold)/units purchased and generated | | | | | | | | | | |
| Employee costs | Employee costs/(Total Revenue - capital revenue) | 38.2% | 40.5% | 32.7% | 29.6% | 30.0% | 30.0% | 0.0% | 29.7% | 32.0% | 32.7% |
| Remuneration | Total remuneration/(Total Revenue - capital revenue) | 39.2% | 0.0% | 0.0% | 29.6% | 30.0% | 30.0% | | 32.1% | 32.0% | 32.7% |
| Repairs & Maintenance | R&M/(Total Revenue excluding capital revenue) | 6.3% | 4.0% | 2.6% | 5.5% | 5.4% | 5.4% | | 5.3% | 5.3% | 5.3% |
| Finance charges & Depreciation | FC&D/(Total Revenue - capital revenue) | 15.8% | 13.4% | 14.0% | 7.5% | 7.3% | 7.3% | 0.0% | 6.5% | 11.4% | 11.2% |
| IDP regulation financial viability indicators | | | | | | | | | | | |
| i. Debt coverage | (Total Operating Revenue - Operating Grants)/Debt service payments due within financial year) | 577.9 | (34.4) | 22.9 | (46.4) | (46.4) | (46.4) | - | 21.1 | 21.4 | 22.8 |
| ii. O/S Service Debtors to Revenue | Total outstanding service debtors/annual revenue received for services | 81.3% | 80.6% | 89.2% | 54.5% | 108.2% | 108.2% | 0.0% | 64.8% | 72.6% | 64.8% |
| iii. Cost coverage | (Available cash + Investments)/monthly fixed operational expenditure | 0.5 | (0.6) | 0.4 | 2.3 | (0.3) | 0.2 | - | 0.3 | 0.4 | 0.6 |

EC104 Makana Supporting Table SA10 Funding measurement

| 2014/15 Medium Term Revenue & Expenditure Framework | | | | | | | | | | | | |
|---|--------------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| Description | MFMA section | Ref | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | | | | 2016/17 Medium Term Revenue & Expenditure Framework | | |
| | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| Funding measures | | | | | | | | | | | | |
| Cash/cash equivalents at the year end - R'000 | 18(1)b | 1 | 9,833 | (13,437) | 11,334 | 64,058 | (9,681) | 5,105 | - | 8,129 | 13,992 | 20,200 |
| Cash + investments at the year end less applications - R'000 | 18(1)b | 2 | (2,560) | 47,604 | 9,449 | 209,186 | 169,442 | 154,309 | - | 8,129 | 10,430 | 10,959 |
| Cash year end/monthly employee/supplier payments | 18(1)b | 3 | 0.5 | (0.6) | 0.4 | 2.3 | (0.3) | 0.2 | - | 0.3 | 0.4 | 0.6 |
| Surplus/(Deficit) excluding depreciation offsets: R'000 | 18(1) | 4 | 8,257 | 15,499 | 14,957 | 206,044 | 101,398 | 101,398 | - | 170,043 | 86,236 | 91,523 |
| Service charge rev % change - macro CPI target exclusive | 18(1)a,(2) | 5 | N.A. | (4.3%) | 15.9% | 17.8% | (0.7%) | (6.0%) | (106.0%) | 6.6% | (11.2%) | 12.6% |
| Cash receipts % of Ratepayer & Other revenue | 18(1)a,(2) | 6 | 80.4% | 98.0% | 101.9% | 79.7% | 69.0% | 69.0% | 0.0% | 77.2% | 76.4% | 75.8% |
| Debt impairment expense as a % of total billable revenue | 18(1)a,(2) | 7 | 11.5% | 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 | 0.0% | 0.0% | 0.0% | 100.0% | 8.1% | 8.1% | 0.0% | 101.8% | 1490.4% | 1341.4% |
| Borrowing receipts % of capital expenditure (excl. transfers) | 18(1)c | 9 | (24.9%) | (103.8%) | 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 | | | | | | | | 0.0% | 0.0% | 0.0% |
| Current consumer debtors % change - incr(decr) | 18(1)a | 11 | N.A. | 0.7% | 34.9% | (23.9%) | 109.1% | 0.0% | (100.0%) | (33.0%) | 6.2% | 5.9% |
| Long term receivables % change - incr(decr) | 18(1)a | 12 | N.A. | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| R&M % of Property Plant & Equipment | 20(1)(v) | 13 | 1.5% | 1.6% | 1.2% | 3.6% | 3.6% | 3.6% | 0.0% | 2.8% | 2.9% | 2.9% |
| Asset renewal % of capital budget | 20(1)(v) | 14 | 0.0% | 0.0% | 0.0% | 100.0% | 74.0% | 74.0% | 0.0% | 0.0% | 0.0% | 0.0% |

MAKANA MUNICIPALITY – FINAL BUDGET 2016/17 TO 2018/19

| | | | | | | | | | | | | |
|--|----|---|----------|----------|-------------|----------|---------|---------|----------|-------------|----------|----------|
| Total Operating Revenue | | | 296,916 | 320,478 | 392,999 | 427,637 | 440,053 | 440,053 | – | 486,191 | 520,708 | 551,430 |
| Total Operating Expenditure | | | 348,057 | 337,615 | 380,272 | 427,637 | 437,920 | 437,920 | – | 486,191 | 541,071 | 576,082 |
| Operating Performance Surplus/(Deficit) | | | (51,141) | (17,137) | 12,727 | 1 | 2,134 | 2,134 | – | 0 | (20,363) | (24,652) |
| Cash and Cash Equivalents (30 June 2012) | | | | | | | | | | 8,129 | | |
| Revenue | | | | | | | | | | | | |
| % Increase in Total Operating Revenue | | | | 7.9% | 22.6% | 8.8% | 2.9% | 0.0% | (100.0%) | 10.5% | 7.1% | 5.9% |
| % Increase in Property Rates Revenue | | | | 21.2% | 16.6% | (2.1%) | 0.0% | 0.0% | (100.0%) | 23.8% | 6.2% | 5.9% |
| % Increase in Electricity Revenue | | | | (10.0%) | 19.7% | 47.2% | 10.1% | 0.0% | (100.0%) | 2.9% | 6.1% | 6.0% |
| % Increase in Property Rates & Services Charges | | | | 1.7% | 21.9% | 23.8% | 5.3% | 0.0% | (100.0%) | 12.6% | (5.2%) | 18.6% |
| Expenditure | | | | | | | | | | | | |
| % Increase in Total Operating Expenditure | | | | (3.0%) | 12.6% | 12.5% | 2.4% | 0.0% | (100.0%) | 11.0% | 11.3% | 6.5% |
| % Increase in Employee Costs | | | | 14.6% | (1.1%) | (1.3%) | 4.1% | (0.0%) | (100.0%) | 9.6% | 15.3% | 8.0% |
| % Increase in Electricity Bulk Purchases | | | | (1.1%) | 18.2% | 7.9% | (7.4%) | 0.0% | (100.0%) | 26.0% | 6.2% | 5.9% |
| Average Cost Per Budgeted Employee Position (Remuneration) | | | | | 107531 1315 | 21128765 | | | | 219138 1333 | | |
| Average Cost Per Councillor (Remuneration) | | | | | 0 | 0 | | | | 0 | | |
| R&M % of PPE | | | 1.5% | 1.6% | 1.2% | 3.6% | 3.6% | 3.6% | | 2.8% | 2.9% | 2.9% |
| Asset Renewal and R&M as a % of PPE | | | 7.0% | 6.0% | 1.0% | 13.0% | 27.0% | 27.0% | | 6.0% | 8.0% | 7.0% |
| Debt Impairment % of Total Billable Revenue | | | 11.5% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Capital Revenue | | | | | | | | | | | | |
| Internally Funded & Other (R'000) | | | – | 20,619 | 12,047 | 12,081 | 5,056 | 5,056 | – | – | – | – |
| Borrowing (R'000) | | | – | – | 6,835 | – | – | – | – | – | – | – |
| Grant Funding and Other (R'000) | | | 94,186 | 29,643 | 21,697 | 179,775 | 80,022 | 80,022 | – | 170,043 | 12,330 | 14,508 |
| Internally Generated funds % of Non Grant Funding | | | 0.0% | 100.0% | 63.8% | 100.0% | 100.0% | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Borrowing % of Non Grant Funding | | | 0.0% | 0.0% | 36.2% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Grant Funding % of Total Funding | | | 100.0% | 59.0% | 53.5% | 93.7% | 94.1% | 94.1% | 0.0% | 100.0% | 100.0% | 100.0% |
| Capital Expenditure | | | | | | | | | | | | |
| Total Capital Programme (R'000) | | | 94,186 | 50,261 | 40,579 | 191,856 | 85,078 | 85,078 | – | 170,043 | 12,330 | 14,508 |
| Asset Renewal | | | – | – | – | 191,857 | 62,992 | 62,992 | 62,992 | – | – | – |
| Asset Renewal as % of Total Capital Expenditure | | | 0.0% | 0.0% | 0.0% | 100.0% | 74.0% | 74.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Cash | | | | | | | | | | | | |
| Cash Receipts % of Rate Payer & Other | | | 80.4% | 98.0% | 101.9% | 79.7% | 69.0% | 69.0% | 0.0% | 77.2% | 76.4% | 75.8% |
| Cash Coverage Ratio | | | 0 | (0) | 0 | 0 | (0) | 0 | – | 0 | 0 | 0 |
| Borrowing | | | | | | | | | | | | |
| Credit Rating (2009/10) | | | | | | | | | | 0 | | |
| Capital Charges to Operating | | | 0.3% | 1.9% | 3.8% | 0.1% | 0.1% | 0.1% | 0.0% | 1.1% | 1.1% | 1.1% |
| Borrowing Receipts % of Capital Expenditure | | | (24.9%) | (103.8%) | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Reserves | | | | | | | | | | | | |
| Surplus/(Deficit) | | | (2,560) | 47,604 | 9,449 | 209,186 | 169,442 | 154,309 | – | 8,129 | 10,430 | 10,959 |
| Free Services | | | | | | | | | | | | |
| Free Basic Services as a % of Equitable Share | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | | 10.2% | 9.8% | 9.7% |
| Free Services as a % of Operating Revenue (excl operational transfers) | | | 0.0% | 0.0% | 0.0% | 1.2% | 1.1% | 1.1% | | 0.0% | 0.0% | 0.0% |
| High Level Outcome of Funding Compliance | | | | | | | | | | | | |
| Total Operating Revenue | | | 296,916 | 320,478 | 392,999 | 427,637 | 440,053 | 440,053 | – | 486,191 | 520,708 | 551,430 |
| Total Operating Expenditure | | | 348,057 | 337,615 | 380,272 | 427,637 | 437,920 | 437,920 | – | 486,191 | 541,071 | 576,082 |
| Surplus/(Deficit) Budgeted Operating Statement | | | (51,141) | (17,137) | 12,727 | 1 | 2,134 | 2,134 | – | 0 | (20,363) | (24,652) |
| Surplus/(Deficit) Considering Reserves and Cash Backing | | | (2,560) | 47,604 | 9,449 | 209,186 | 169,442 | 154,309 | – | 8,129 | 10,430 | 10,959 |
| MTREF Funded (1) / Unfunded (0) | 15 | 0 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| MTREF Funded ✓ / Unfunded ✗ | 15 | ✗ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

EC104 Makana - Supporting Table SA21 Transfers and grants made by the municipality

| Description | Ref | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | | | | 2016/17 Medium Term Revenue & Expenditure Framework | | |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand | | | | | | | | | | | |
| Cash Transfers to other municipalities | | | | | | | | | | | |
| <i>Insert description</i> | 1 | | | | | | | | | | |
| Total Cash Transfers To Municipalities: | | – | – | – | – | – | – | – | – | – | – |
| Cash Transfers to Entities/Other External Mechanisms | | | | | | | | | | | |
| <i>Insert description</i> | 2 | | | | | | | | | | |
| Total Cash Transfers To Entities/Em's | | – | – | – | – | – | – | – | – | – | – |
| Cash Transfers to other Organs of State | | | | | | | | | | | |
| <i>Makana Tourism</i> | 3 | 604 | 968 | 484 | 740 | 740 | 740 | | 850 | 903 | 956 |
| <i>Other Grants and subsidies paid</i> | | 44 | – | 1 | – | – | – | | – | – | – |
| <i>Free Basic Services</i> | | 15,252 | 20,549 | 28,648 | 46,841 | 46,841 | 46,841 | | 46,851 | 49,835 | 52,776 |
| Total Cash Transfers To Other Organs Of State: | | 15,901 | 21,517 | 29,133 | 47,581 | 47,581 | 47,581 | – | 47,701 | 50,738 | 53,732 |
| Cash Transfers to Organisations | | | | | | | | | | | |
| <i>Insert description</i> | | | | | | | | | | | |
| Total Cash Transfers To Organisations | | – | – | – | – | – | – | – | – | – | – |
| Cash Transfers to Groups of Individuals | | | | | | | | | | | |
| <i>Insert description</i> | | | | | | | | | | | |
| <i>Other</i> | | 1,276 | 581 | 1,394 | 500 | 500 | 500 | | 2,814 | – | – |
| Total Cash Transfers To Groups Of Individuals: | | 1,287 | 581 | 1,412 | 1,416 | 1,416 | 1,416 | – | 2,814 | – | – |
| TOTAL CASH TRANSFERS AND GRANTS | 6 | 17,187 | 22,099 | 30,545 | 48,997 | 48,997 | 48,997 | – | 50,515 | 50,738 | 53,732 |

EC104 Makana - Supporting Table SA22 Summary councillor and staff benefits

| Summary of Employee and Councillor remuneration | Ref | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | | | 2016/17 Medium Term Revenue & Expenditure Framework | | |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2016/17 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand | | A | B | C | D | E | F | G | H | I |
| Councillors (Political Office Bearers plus Other) | | | | | | | | | | |
| Basic Salaries and Wages | 1 | 5,524 | | | 6,277 | 6,277 | 6,277 | 7,610 | 8,158 | 8,745 |
| Pension and UIF Contributions | | - | | | 767 | 767 | 767 | 825 | 885 | 949 |
| Medical Aid Contributions | | - | | | 155 | 155 | 155 | 167 | 179 | 192 |
| Motor Vehicle Allowance | | 2,180 | | | 1,919 | 1,919 | 1,919 | 2,065 | 2,214 | 2,373 |
| Cellphone Allowance | | - | | | 602 | 602 | 602 | 648 | 695 | 745 |
| Housing Allowances | | - | | | - | - | - | - | - | - |
| Other benefits and allowances | | - | | | - | - | - | - | - | - |
| Sub Total - Councillors | | 7,704 | - | - | 9,721 | 9,721 | 9,721 | 11,316 | 12,131 | 13,004 |
| % Increase | 4 | | (100.0%) | - | - | - | - | 18.4% | 7.2% | 7.2% |
| Senior Managers of the Municipality | | | | | | | | | | |
| Basic Salaries and Wages | 2 | 4,265 | | | 4,511 | 4,511 | 4,511 | 5,053 | 5,417 | 5,791 |
| Pension and UIF Contributions | | 7 | | | - | - | - | - | - | - |
| Medical Aid Contributions | | - | | | - | - | - | - | - | - |
| Overtime | | - | | | - | - | - | - | - | - |
| Performance Bonus | | 719 | | | - | - | - | - | - | - |
| Motor Vehicle Allowance | 3 | 858 | | | 791 | 791 | 791 | 851 | 912 | 975 |
| Cellphone Allowance | 3 | - | | | 67 | 67 | 67 | 72 | 77 | 83 |
| Housing Allowances | 3 | - | | | - | - | - | - | - | - |
| Other benefits and allowances | 3 | - | | | - | - | - | - | - | - |
| Payments in lieu of leave | | - | | | - | - | - | - | - | - |
| Long service awards | | - | | | - | - | - | - | - | - |
| Post-retirement benefit obligations | 6 | - | | | - | - | - | - | - | - |
| Sub Total - Senior Managers of Municipality | | 5,849 | - | - | 5,368 | 5,368 | 5,368 | 5,976 | 6,407 | 6,849 |
| % Increase | 4 | | (100.0%) | - | - | - | - | 11.3% | 7.2% | 6.9% |
| Other Municipal Staff | | | | | | | | | | |
| Basic Salaries and Wages | | 74,207 | | | 83,571 | 88,767 | 88,767 | 98,181 | 105,249 | 112,512 |
| Pension and UIF Contributions | | 17,345 | | | 16,725 | 16,725 | 16,725 | 19,257 | 22,570 | 26,477 |
| Medical Aid Contributions | | - | | | 3,080 | 3,080 | 3,080 | 7,098 | 7,807 | 8,588 |
| Overtime | | 5,945 | | | 3,235 | 3,235 | 3,235 | 1,214 | 1,466 | 1,613 |
| Performance Bonus | | - | | | - | - | - | - | - | - |
| Motor Vehicle Allowance | 3 | 3,144 | | | 1,094 | 1,094 | 1,094 | 2,945 | 3,133 | 3,326 |
| Cellphone Allowance | 3 | - | | | 292 | 292 | 292 | 216 | 214 | 211 |
| Housing Allowances | 3 | 415 | | | 265 | 265 | 265 | 1,738 | 1,863 | 1,991 |
| Other benefits and allowances | 3 | 1,647 | | | - | - | - | 4,649 | 1,946 | 1,797 |
| Payments in lieu of leave | | - | | | 872 | 872 | 872 | 929 | 939 | 947 |
| Long service awards | | - | | | 428 | 428 | 428 | 460 | 493 | 527 |
| Post-retirement benefit obligations | 6 | - | | | 2,121 | 2,121 | 2,121 | 2,049 | 2,253 | 2,479 |
| Sub Total - Other Municipal Staff | | 102,704 | - | - | 111,683 | 116,879 | 116,879 | 138,736 | 147,933 | 160,468 |
| % Increase | 4 | | (100.0%) | - | - | 4.7% | - | 18.7% | 6.6% | 8.5% |
| Total Parent Municipality | | 116,257 | - | - | 126,773 | 131,969 | 131,969 | 156,028 | 166,470 | 180,321 |
| | | | (100.0%) | - | - | 4.1% | - | 18.2% | 6.7% | 8.3% |
| TOTAL SALARY, ALLOWANCES & BENEFITS | | 116,257 | - | - | 126,773 | 131,969 | 131,969 | 156,028 | 166,470 | 180,321 |
| % Increase | 4 | | (100.0%) | - | - | 4.1% | - | 18.2% | 6.7% | 8.3% |
| TOTAL MANAGERS AND STAFF | 5,7 | 108,554 | - | - | 117,052 | 122,248 | 122,248 | 144,712 | 154,339 | 167,317 |

EC104 Makana - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

| Disclosure of Salaries, Allowances & Benefits 1. | Ref | No. | Salary | Contributions | Allowances | Performance Bonuses | In-kind benefits | Total Package |
|--|------|-----|-------------------|------------------|------------------|---------------------|------------------|-------------------|
| Rand per annum | | | | 1. | | | | 2. |
| Councillors | 3 | | | | | | | |
| Speaker | 4 | | 454,800 | 187,894 | 172,476 | | | 815,170 |
| Chief Whip | | | 17,500 | | 172,476 | | | 189,976 |
| Executive Mayor | | | 568,500 | 156,241 | 172,476 | | | 897,217 |
| Deputy Executive Mayor | | | – | – | – | | | – |
| Executive Committee | | | 2,020,740 | 790,846 | 862,380 | | | 3,673,966 |
| Total for all other councillors | | | 2,741,760 | 238,011 | 2,759,616 | | | 5,739,387 |
| Total Councillors | 8 | – | 5,803,300 | 1,372,992 | 4,139,424 | | | 11,315,716 |
| Senior Managers of the Municipality | 5 | | | | | | | |
| Municipal Manager (MM) | | | 1,030,854 | – | 145,919 | | | 1,176,773 |
| Chief Finance Officer | | | 760,665 | – | 135,964 | | | 896,629 |
| Director Community & Social Services | | | 797,937 | – | 168,005 | | | 965,942 |
| Director Corporate Services | | | 760,665 | – | 135,964 | | | 896,629 |
| Director Technical & Infrastructural Services | | | 760,665 | – | 135,964 | | | 896,629 |
| Director Local & Economic Development | | | 760,665 | – | 135,964 | | | 896,629 |
| Total Senior Managers of the Municipality | 8,10 | – | 4,871,449 | – | 857,780 | – | | 5,729,229 |
| TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION | 10 | – | 10,674,749 | 1,372,992 | 4,997,204 | – | | 17,044,945 |

ANNEXURE A
TARIFFS- 2016/17

PROPERTY RATES

Notice is hereby given that, in terms of the Local Government Municipality Property Rates Act (Act No. 6 of 2004) the under-mentioned cents in rands will be levied for the financial year 2016/2017 (i.e 1 July 2016 to 30 June 2017) on the categories of rateable properties in the Makana Municipality area of jurisdiction as follows:-

| PROPERTY TYPE | CENT IN RAND (RANDAGE/TARIFF) |
|--|-------------------------------|
| 1. Businesses | 0.013872 |
| 2. Government Properties (e.g Public Schools, Government Buildings, etc) | 0.017836 |
| 3. Schools (Private & Public) | 0.004672 |
| 4. Residential Properties | 0.004672 |
| 5. Tertiary Institutions (e.g University) | 0.009202 |
| 6. Domestic Farmers (bona fide farmers) | 0.001168 |
| 7. Public Service Infrastructure (PSI) | 0.001168 |
| 8. Industrial Properties | 0.006936 |
| 9. Tourism/Game | 0.001168 |
| 10. RDP Houses | 0.001168 |
| 11. Sectional Titles | 0.004672 |
| 12. B&B Properties | 0.005096 |
| 13. Museum Properties | EXEMPT |
| 14. Sporting Bodies | EXEMPT |
| 15. Places of Worship | EXEMPT |
| 16. Public Benefit Organisations (P.B.O.)(Including Private Schools) | 0.001168 |
| Please note that the municipality does not levy property rates on places of worship (churches) as in line with the Property Rates Act and the Councils's Property Rates Policy. Also note that rebates as per Council Resolution, as well as rebates as per the Municipal Property Rates Act No. 6 of 2004 for all the qualifying rateable properties are available on application, which must be completed on or before 30 September each year. | |

ELECTRICITY TARIFFS

| | | | | (NERSA APPROVED) | (NERSA APPR.) | (NERSA APPROVED) | (NERSA APPR.) |
|--------------------|---------|-------------|---|-------------------|---------------|-------------------|---------------|
| Tariff Description | KVA | KWH | Scale | KVA/MCB 2015/2016 | KWH 2015/2016 | KVA/MCB 2016/2017 | KWH 2016/2017 |
| Bulk MV | 400 | 450 | 1A | 159.93 | 0.90 | 172.15 | 0.97 |
| Bulk MV | 416 | | 1A - basic | 2000.00 | | 2152.80 | |
| Bulk LV | 401 | 451 | 2 | 193.30 | 0.74 | 208.07 | 0.80 |
| Bulk LV | 412 | | 2 - basic | 1000.00 | | 1076.40 | |
| Commer | 402 | 452 | 3.1 (single phase) | 8.94 | 1.45 | 9.62 | 1.56 |
| Commer | 403/404 | 453 | 3.2 (3 phase) | 8.04 | 1.45 | 8.65 | 1.56 |
| Domestic | 405 | 468 | 4 - 20A | 122.40 | 1.28 | 131.75 | 1.38 |
| Domestic | 405 | 455 | 4 - 40A | 251.60 | 1.29 | 270.82 | 1.39 |
| Domestic | 405 | 476 | 4 - 60A | 394.20 | 1.35 | 424.32 | 1.45 |
| Domestic | 411 | 477 | 4 - 3PH max 25A per PH | 6.18 | 1.35 | 6.65 | 1.45 |
| Domestic | 414/406 | 478 | 4 - 3PH > 25A per PH, | 6.18 | 1.35 | 6.65 | 1.45 |
| | | | | | | | |
| K.W.H. | | 438/456/465 | 5 (Flat rate- min 40 units single phase,75x 3phas | | 3.36 | | 3.62 |
| S/Light | | 457 | 6 - 100W | 73.12 | 2.09 | 78.71 | 2.25 |
| S/Heat | | 439/445 | 7 (night/day) | | 0.59 | | 0.64 |
| Sporting | 406 | 460 | 8 | 8.41 | 1.26 | 9.05 | 1.36 |
| Pre-paid | | | 9 - 20A | | 1.33 | | 1.43 |
| Pre-paid | | | 9 - 40A | | 1.43 | | 1.54 |
| Pre-paid | | | 9 - 60A | | 1.46 | | 1.57 |
| Pre-paid | | | Business/Industrial | | 1.59 | | 1.71 |

| | | | | (NERSA APPROVED) | (NERSA APPR.) | (NERSA APPROVED) | (NERSA APPR.) |
|--------------------|-----|-----|---------------------|-------------------|---------------|-------------------|---------------|
| Tariff Description | KVA | KWH | Scale | KVA/MCB 2015/2016 | KWH 2015/2016 | KVA/MCB 2016/2017 | KWH 2016/2017 |
| Bulk T.O.U. MV | 481 | | basic | 2000.00 | | 2188.00 | |
| | 482 | | access | 54.39 | | 59.50 | |
| | 483 | | demand | 72.00 | | 78.77 | |
| Low Demand | | 484 | peak | | 1.14 | | 1.25 |
| | | 485 | standard | | 0.84 | | 0.92 |
| | | 486 | off-peak | | 0.60 | | 0.66 |
| High Demand | | | peak | | 3.10 | | 3.39 |
| | | | standard | | 1.07 | | 1.17 |
| | | | off-peak | | 0.67 | | 0.73 |
| | 487 | | reactive energy chg | 3.00 | | 3.28 | |
| Bulk T.O.U. LV | 488 | | basic | 1000.00 | | 1094.00 | |
| | 489 | | access | 59.83 | | 65.45 | |
| | 490 | | demand | 76.50 | | 83.69 | |
| Low Demand | | 491 | peak | | 1.19 | | 1.30 |
| | | 492 | standard | | 0.88 | | 0.96 |
| | | 493 | off-peak | | 0.63 | | 0.69 |
| High Demand | | | peak | | 3.25 | | 3.56 |
| | | | standard | | 1.12 | | 1.23 |
| | | | off-peak | | 0.70 | | 0.77 |
| | 487 | | reactive energy chg | 3.00 | | 3.28 | |

WATER TARRIFS

| CATEGORY | KILOLITRES | STEPPED TARRIF (NORMAL PERIOD) 2015 / 2016 | STEPPED TARRIF (NORMAL PERIOD) 2016 /2017 | STEPPED TARRIF (CRITICAL PERIOD) 2015 / 2016 | STEPPED TARRIF (CRITICAL PERIOD) 2016 / 2017 |
|--|--------------|--|---|--|--|
| RESIDENTIAL PROPERTIES | 0 - 10kl/pm | 5.65 | 6.13 | 6.46 | 7.01 |
| | 11 - 20kl/pm | 7.17 | 7.77 | 8.23 | 8.92 |
| | 21 - 30kl/pm | 7.89 | 8.56 | 9.04 | 9.81 |
| | 31 - 40kl/pm | 8.67 | 9.41 | 9.95 | 10.80 |
| | 41 - 50kl/pm | 9.54 | 10.35 | 10.95 | 11.88 |
| | >51kl/pm | 10.50 | 11.39 | 12.04 | 13.07 |
| | | | | | |
| BUSINESS AND INDUSTRIAL PROPERTIES | 0 - 10kl/pm | 5.65 | 6.13 | 7.69 | 8.34 |
| | 11 - 20kl/pm | 7.54 | 8.18 | 10.26 | 11.13 |
| | 21 - 30kl/pm | 8.29 | 8.99 | 11.29 | 12.25 |
| | 31 - 40kl/pm | 9.11 | 9.88 | 12.42 | 13.47 |
| | 41 - 50kl/pm | 10.03 | 10.88 | 13.66 | 14.82 |
| | >51kl/pm | 11.02 | 11.96 | 15.04 | 16.31 |
| | | | | | |
| NB:(i) Critical periods will be based on the Dam Levels such as when Howisonspoort is less than 30% the situation will be critical and Engineers will alert Finance in order to alter tarrifs. | | | | | |
| (ii) All other properties not listed amongst the above categories will be categorised under Residential Properties. | | | | | |
| (iii) The reason for having the same tarrifs for both residential and business properties consuming less than 10kl/pm is to encourage businesses to save water consumption. | | | | | |

MISCELLANEOUS WATER CHARGES

| CATEGORY | KILOLITRES | TARIFF 2015/2016 | TARIFF 2016/2017 |
|-----------|-------------|------------------|------------------|
| Raw | 1st 10 kl | 4.24 | 4.60 |
| | >10kl kl | 5.22 | 5.66 |
| Standpipe | Consumption | 16.23 | 17.61 |

MISCELLANEOUS TARIFFS

| ANNUAL WATER CONNECTION CHARGES | | 2015/2016 | 2016/2017 |
|--|---|------------------|------------------|
| 15mm | | R 1,448.97 | R 1,572.13 |
| 20mm | | R 2,143.57 | R 2,325.77 |
| 25mm | | R 3,336.02 | R 3,619.59 |
| 32mm | | R 5,458.50 | R 5,922.48 |
| 40mm | | R 5,936.86 | R 6,441.49 |
| 50mm | | R 10,667.14 | R 11,573.85 |
| 75mm | | R 14,223.90 | R 15,432.94 |
| 100mm | | R 23,664.73 | R 25,676.24 |
| 150mm | | R 42,617.85 | R 46,240.36 |
| 200mm | | R 76,715.14 | R 83,235.93 |
| Standpipes | | R 1,448.97 | R 1,572.13 |
| | | | |
| ANNUAL SEWER CONNECTION CHARGES | | 2015/2016 | 2016/2017 |
| Domestic | First 2 units | R 1,244.45 | R 1,350.23 |
| | Each unit over 2 | R 621.35 | R 674.16 |
| Sporting/Churches /Monument | per each unit | R 621.35 | R 674.16 |
| Flats | First 2 units | R 1,244.45 | R 1,350.23 |
| | Each unit over 2 | R 1,244.45 | R 1,350.23 |
| Business Sub-Economic | per each unit | R 1,244.45 | R 1,350.23 |
| Housing | per each unit | R 621.35 | R 674.16 |
| | | | |
| Industrial Area | per point In respect of the first 25 units | R 1,404.68 | R 1,524.78 |
| | after which the costs are the same as the business tariff of | R 1,244.45 | R 1,350.85 |
| | | | |
| | | 2015/2016 | 2016/2017 |
| Annual Refuse Removal Charges | That the charge for the removals where this is charged separately for de-rated properties be fixed at (per annum per bag removed once per week | R 980.20 | R 1,063.52 |
| | | 2015/2016 | 2016/2017 |
| Annual Fire Brigade Charges | Annual fire brigade charges, per R300 building valuation for non-rateable properties | R 3.13 | R 3.40 |
| | | 2015/2016 | 2016/2017 |
| Annual Pail Removal Charges | | R 621.35 | R 674.16 |
| | | | |

| MONTHLY REFUSE REMOVAL CHARGES | | 2015/2016 | 2016/2017 |
|---|--|--------------------------------------|--------------------------------------|
| Domestic | | R 56.09 | R 60.86 |
| Business | | R 112.22 | R 121.76 |
| Removal of Garden Refuse | | R 439.25 | R 476.58 |
| Removal of Garden Refuse (domestic Notice) | | R 533.49 | R 578.84 |
| Removal of Condemned Goods | | R 266.75 | R 289.43 |
| Illegal dumping of Refuse (domestic or Other) | | R 439.25 | R 476.58 |
| Special Refuse Removals (Festival) | | No charge | No charge |
| Refuse Bins / Bags & Otto Bins | | Cost determined by supplier's prices | Cost determined by supplier's prices |

| Electricity/Water Deposits (new consumers) | | 2015/2016 | 2016/2017 |
|---|--|------------------|------------------|
| 1. Domestic Consumers (Owners) | | R 1,774 | R 1,910 |
| 2. Domestic Consumers (Occupiers) | | R 2,223 | R 2,393 |
| 3. Small Business (e.g. Chemist, Clothing Store) | | R 2,223 | R 2,393 |
| 4. Chain Store (e.g. Edgars, Topics, Foschini) | | R 3,315 | R 3,568 |
| 5. Small Food Outlets (e.g. small café) | | R 6,668 | R 7,178 |
| 6. Large Food Outlets (e.g. Spur) | | R 13,337 | R 14,356 |
| 7. Hotel/Supermarkets | | R 22,209 | R 23,905 |
| 8. Manufacturing Plant / Large Factories | | R 33,323 | R 35,868 |
| (To be reviewed in full production and to increase to 2,5 x monthly Consumption if necessary) | | | |
| Existing consumers to be charged an average of 2 months consumption | | | |

| Water only (no electricity) (new consumers) | | 2015/2016 | 2016/2017 |
|--|--|------------------|------------------|
| 1. Domestic Consumers (Owners) | | R 304 | R 330 |
| 2. Domestic Consumers (Occupiers) | | R 409 | R 444 |
| 3. Small Business (e.g. chemist, clothing store) | | R 409 | R 444 |
| 4. Chain Stores (e.g. Edgars, Topics, Foschini) | | R 1,014 | R 1,100 |
| 5. Small Food Outlets (e.g. small café) | | R 1,014 | R 1,100 |
| 6. Large Food Outlets (e.g. Spur) | | R 2,027 | R 2,200 |
| 7. Manufacturing Plants / Large Factories | | R 4,055 | R 4,399 |
| (Increased to 2,5 x monthly consumption) If necessary | | | |
| Existing consumers to be charged an Average of 2 months consumption | | | |

| Credit Control Tariffs | | 2015/2016 | 2016/2017 |
|-------------------------------|--|------------------|------------------|
| Letters (normal post) | | R 6.24 | R 6.77 |
| Letters (registered mail) | | R 62.28 | R 67.58 |
| Telephone Call | | R 9.83 | R 10.67 |

| | | | |
|--|--|------------------|------------------|
| Fascimile | | R 13.11 | R 14.23 |
| | | | |
| Indigent Subsidies | | 2015/2016 | 2016/2017 |
| Income categories: R0 - 1 State Pension | | 100% | 100% |
| 1 State Pension - 2 State Pensions | | 75% | 75% |
| First 6 kl of water is to be provided free of charge | | Yes | Yes |
| First 50 units of electricity is to be provided free of charge | | Yes | Yes |
| | | | |
| Search Fees | | 2015/2016 | 2016/2017 |
| per Deeds Office enquiry (per item) | | R 66.89 | R 72.57 |
| Valuation certificate / Zoning certificate | | R 95.81 | R 103.95 |
| Valuation roll | | R 2,867.83 | R 3,111.60 |
| Estate agent listing | | R 969.48 | R 1,051.88 |
| Property transfer listing p.a. | | R 659.31 | R 715.35 |
| | | | |
| Rates Clearance Certificates | | 2015/2016 | 2016/2017 |
| Electronic Applications | | 88.00 | 95.00 |
| Manual Applications | | 177.00 | 250.00 |
| | | | |

| | | | |
|-----------------------------|-----------------------|------------------|------------------|
| Printing Fees | | 2015/2016 | 2016/2017 |
| Printing an account history | 1 - 12 months | R 18.13 | 19.67 |
| Printing an account history | 13 - 36 months | R 22.66 | 24.58 |
| Printing an account history | 37 > months | R 37.76 | 40.97 |
| | | | |
| | | | |
| Tender Fees | | 2015/2016 | 2016/2017 |
| Tender Document | R200 000 - R 1000 000 | R - | R 300.00 |
| Tender Document | R1001 000 - 5000 000 | R - | R 550.00 |
| Tender Document | R5 000000 & Above | R - | R1 000 |

| | | | |
|--|--|------------------|------------------|
| Rate of pay ; Temporary Staff | | 2015/2016 | 2016/2017 |
| Casual students odd jobs - per hour | | 12.48 | R 13.54 |
| Students working full time for one month - per hour | | 13.86 | R 15.04 |
| Relief staff with appropriate experience - Bottom notch | | | |
| Relief staff with less than 4 years experience - 60% of bottom notch | | | |
| Relief Cashier Allowance - per day | | 22.17 | R 24.06 |
| Reserve Firemen for active duty - per hour | | 33.26 | R 36.09 |
| | | | |
| Staff / Councillors on out-of-town day trips | | 2015/2016 | 2016/2017 |
| Breakfast - refundable maximum fee | | 60 | R 65 |
| Lunch - refundable maximum fee | | 60 | R 65 |
| | | | |

| Other | | 2015/2016 | 2016/2017 |
|--|----------|-----------|-----------|
| Long service awards - as per Policy | | | |
| Farewell gift to staff after long service - as per Policy | | | |
| Emergency staff meals - refundable maximum fee - as per S & T Policy | | | |
| Receipt of A4 fax | | 2.81 | R 3.05 |
| Despatch of A4 fax | | 10.86 | R 11.78 |
| | | | |
| | | | |
| Traffic Department | | 2015/2016 | 2016/2017 |
| Towing Fees | | R 886.44 | R 961.79 |
| Impounding Fees | per day | R 106.01 | R 115.03 |
| Administration Charge per transaction - per day | | R 106.01 | R 115.03 |
| Weighbridge levies | per day | R 106.01 | R 115.03 |
| Parking fees | per hour | R 6.39 | R 6.93 |

ENGINEERS DEPARTMENT TARIFFS

| | | | |
|---|------------------|--|------------------|
| Vacuum Tanker Fees (businesses only) | 2015/2016 | | 2016/2017 |
| per load plus VAT | 492.36 | | R 534.21 |
| | | | |
| Sewer Connection Fees (Maximum length 5m) | 2015/2016 | | 2016/2017 |
| 100mm connection (reinstatement tarred surface) | 3232.65 | | R 3,507.43 |
| 100mm connection (no tarred surface) | 2379.17 | | R 2,581.40 |
| Other connections | | | |
| | | | |
| Motor Slopes/ Gutter Crossings & inverts | 2015/2016 | | 2016/2017 |
| Gutter Bridge Crossing - for 3meters | 3786.06 | | R 4,107.87 |
| Thereafter per additional meter | 1182.53 | | R 1,283.05 |
| Motor slope crossing - for 3 meters | 3289.86 | | R 3,569.50 |
| Thereafter per additional meter | 880.14 | | R 954.96 |
| Reinstating of road/paving surface per m2 | 568.74 | | R 617.08 |
| | | | |
| Fire Connection Fees | | | |
| Estimate supplied on request | | | |
| | | | |
| Pool Plan Fees | 2015/2016 | | 2016/2017 |
| Minimum Fees | 288.14 | | R 312.64 |
| | | | |
| Water Connection Fees (Maximum Length 5m) | 2015/2016 | | 2016/2017 |
| 15mm | 3100.96 | | R 3,364.54 |
| 20mm | 3343.53 | | R 3,627.73 |
| 25mm | 6695.26 | | R 7,264.36 |
| A connection of over 25mm or in excess | | | |
| of 5m, as per estimate | | | |
| | | | |
| Tariffs for Disconnection of Water | 2015/2016 | | 2016/2017 |
| Fitting and removal of a drip washer | 556.14 | | R 603.41 |
| Removal and fitting of water connection | 1077.81 | | R 1,169.43 |
| | | | |
| Building Plan Fees | 2015/2016 | | 2016/2017 |
| Minimum fee or fee as per schedule of costs applied to approved formula | 278.63 | | R 302.31 |
| | | | |
| Schedule of Building Costs per m2 | 2015/2016 | | 2016/2017 |
| Houses & Flat lets | 3726.19 | | R 4,042.92 |
| Basic Outbuildings | 2329.69 | | R 2,527.71 |

| | | | |
|--|------------------|--|------------------|
| Carports | 1396.51 | | R 1,515.21 |
| Flats, Shops, Offices & Hotels | 4429.34 | | R 4,805.83 |
| Churches, Halls & Cinemas | 4429.34 | | R 4,805.83 |
| Factories & Warehouses | 3496.16 | | R 3,793.33 |
| Public & Parking Garages | 3956.22 | | R 4,292.50 |
| Farm Sheds | 2559.72 | | R 2,777.29 |
| Low Income Housing | 814.08 | | R 883.28 |
| All other buildings | | | |
| Deposit: Pavement clearing per m2 | 5318.47 | | R 5,770.54 |
| | | | |
| Signage / Façade Application | 2015/2016 | | 2016/2017 |
| Minimum fee per application | 129.49 | | R 140.49 |
| | | | |
| Encroachment Fees (per annum) | 2015/2016 | | 2016/2017 |
| 1. Any area measuring less than 20m | 715.28 | | R 776.08 |
| 2. Any area exceeding 20m | 715.28 | | R 776.08 |
| | | | |
| 3. Encroachments adding aesthetic/streetscape value / providing convenience to the public | | | |
| - Council may reduce the fees to a once-off payment. | 440.70 | | R 478.16 |
| | | | |
| Verandas & Buildings | 2015/2016 | | 2016/2017 |
| Veranda and building encroachment per meter p.a. | 30.17 | | R 32.73 |
| | | | |
| Balconies | 2015/2016 | | 2016/2017 |
| Balcony encroachment per running meter p.a. | 30.63 | | R 33.23 |

ELECTRICITY DEPARTMENT TARIFFS

| Cable Services, etc | | 2015/2016 | 2016/2017 |
|--|------------------|------------------|------------------|
| a) Domestic 1 phase | | R 7,349.54 | R 7,974.26 |
| b) Domestic 3 phase | | R 9,306.72 | R 10,097.79 |
| c) Changing of metering point | | R 1,269.77 | R 1,377.70 |
| d) Change supply on erf (where permissible) | | R 1,269.77 | R 1,377.70 |
| e) Changing from 3 phase to single phase | | R 939.89 | R 1,019.78 |
| f) Changing from 1 phase to 3 phase | | R 785.08 | R 851.81 |
| g) Altering service minimum charge / pre-paid meter installation | | R 1,124.18 | R 1,219.73 |
| h) Commercial consumers (scale 3,4&6 | to be determined | | |
| Connection fees | by department | | |
| i) Bulk consumer fees | to be determined | | |
| | by department | | |
| j) Testing of installation | | R 698.46 | R 757.83 |
| k) Semi-detached or town houses per unit | | R 7,349.54 | R 7,974.26 |
| l) Flats | as determined | | |
| | by department | | |
| m) Reconnection after non-payment after hours | | R 580.52 | R 629.86 |
| n) Reconnection after non-payment office hours | | R 326.20 | R 353.92 |
| o) Special readings | | R 252.48 | R 273.94 |
| p) Temporary connections | | R 1,048.62 | R 1,137.75 |
| q) Change M.C./B.=s | | R 162.18 | R 175.96 |
| r) Testing of metewrs | | R 355.68 | R 385.92 |
| s) Connections after hours | | R 387.01 | R 419.91 |
| t) Change of metering | | R 433.09 | R 469.90 |
| u) Attending complaints: | | R 433.09 | R 469.90 |
| 7.30 a.m. -4.30p.m. | | | |
| For 1 hour or part thereof | per hr | R 235.89 | R 255.94 |
| thereafter additional hour or part thereof | per hr | R 72.18 | R 78.31 |
| After hours Monday to Saturday | | | |
| For 1 hour or part thereof | per hr | R 307.77 | R 333.93 |
| thereafter additional hour or part thereof | per hr | R 117.28 | R 127.25 |
| Public Holidays and Sundays | | | |
| For 1 hour or part thereof | per hour | R 469.94 | R 509.89 |
| thereafter additional hour or part thereof | per hour | R 144.35 | R 156.62 |
| v) Inter-department charge-outs: | | | |
| Electrician | per hr | R 199.03 | R 215.95 |
| Labourer | per hr | R 43.41 | R 47.10 |
| w) Hire of 7 ton truck complete with Hi-ab | per hr | R 433.09 | R 469.90 |
| Crane plus driver | plus AA rate | | |
| | | | |
| After hours, weekends, public holidays | per hr | R 582.36 | R 631.86 |
| | plus AA rate | | |
| x) Hire of Aerial Platform, driver and labourer | per hr | R 649.82 | R 705.06 |

| | | | |
|---|--|------------------|------------------|
| | plus AA rate | | |
| After hours, weekends, public holidays | per hr | R 536.56 | R 582.17 |
| y) Work on consumer's installations, testing of cables, etc | | | |
| 1. Electrician | | | |
| | per hour during normal working hours on week days. | R 251.24 | R 272.60 |
| | per hour after hours, weekends and Public holidays | R 512.27 | R 555.81 |
| | | | |
| | | | |
| 2. Labourers - | | | |
| | per hour during normal working hours on week days. | R 57.10 | R 61.95 |
| | per hour after hours, weekends and Public holidays | R 109.31 | R 118.60 |
| | | | |
| | | | |
| 3. L.D.VB's | | AA rate per km | |
| | | | |
| z) Hire of Compressor (without fuel) | per day or part thereof | R 791.24 | R 858.50 |
| Breaker | per day or part thereof | R 150.09 | R 162.85 |
| Hoses | per day or part thereof | R 75.05 | R 81.42 |
| Moyle's, etc. | per day or part thereof | R 75.05 | R 81.42 |
| | | | |
| Testing of Cables | | 2015/2016 | 2016/2017 |
| per hour or part thereof | | R 387.01 | R 419.91 |
| | | | |
| | | | |
| | | | |
| Disconnection Fees | | 2015/2016 | 2016/2017 |
| a) Where a supply is reconnected | plus VAT + assessed loss | R 3,936.47 | R 4,271.07 |
| illegally, meter by-passed, tampered with or sabotaged | | | |
| | | | |
| b) Illegal connection | plus VAT + assessed loss | R 3,936.47 | R 4,271.07 |
| | | | |
| c) Repeat of either (a) or (b) (second time) | plus VAT + assessed loss | R 5,128.83 | R 5,564.78 |
| | | | |

FIRE DEPARTMENT TARIFFS

| FIRE BRIGADE CHARGES (Vat excluded) | 2015/2016 | | 2016/2017 |
|---|---|--|----------------|
| Within the Council Jurisdiction | | | |
| Major Appliance 1 hour | R 932.80 | | R 1,012.09 |
| Medium Appliance 1 hour | R 654.36 | | R 709.98 |
| Auxiliary Appliance 1 hour | R 529.05 | | R 574.02 |
| Service Vehicle 1 hour | R 250.60 | | R 271.91 |
| Rescue involving public safety of humanitarian nature | No charge | | No charge |
| Specialized extinguishing materials & water charges | Cost + 35% | | Cost + 35% |
| Vegetation Fires | Normal tariffs | | Normal tariffs |
| Fire involving informal 1 domestic structure & structures of indigenous persons | R 121.40 | | R 131.72 |
| Water deliveries | R 743.60 | | R 806.80 |
| | 3.21/km+ | | 3.21/km+ |
| | Water charges | | Water charges |
| Hire of Fire Engine: Father Christmas | R 83.53 | | R 90.64 |
| Street Parades | R 417.67 | | R 453.18 |
| | | | |
| Outside the Council jurisdiction | 2015/2016 | | 2016/2017 |
| Rescue involving public safety of humanitarian nature | 604.23428 | | R 655.59 |
| Major Appliance per hour * | R 892.50 | | R 968.36 |
| Medium appliance per hour * | R 630.70 | | R 684.31 |
| Auxiliary appliance per hour * | R 499.81 | | R 542.29 |
| Service vehicle per hour * | R 249.90 | | R 271.14 |
| Rescues * | R 499.81 | | R 542.29 |
| * plus R38.32 per crew member plus R5.75 per km | | | |
| Training courses to commerce and industry | Cost of materials and printing used + 35% | | |
| Special service calls | Normal tariff | | |
| Humanitarian services | No charge | | |
| Fire involving informal1 domestic structures & structures of indigenous persons (uninsured buildings, etc.) | Normal tariff | | |
| | | | |
| Dealers in Flammable Liquids | 2015/2016 | | 2016/2017 |
| Dealer storing flammable liquids with a flash | R 108.58 | | R 117.81 |
| Point below 40C in quantities less than 40 litres and flammable liquids with a flash point above 40C in quantities less than 200 litres | plus R117.81/store | | |

| | | | |
|--|--------------------------------|--|------------------|
| Flammable liquid stores | R 108.58 | | R 117.81 |
| | plus R117.81 per store | | |
| Flammable liquid storage tanks (above / below ground) | R 108.58 | | R 117.81 |
| | plus R117.81 per tank | | |
| Spray rooms and spray booths | R 108.58 | | R 117.81 |
| | plus R117.81 per room or booth | | |
| Mixing and decanting rooms | R 108.58 | | R 117.81 |
| | plus R117.81 per room | | |
| Liquid petroleum gas license fee | R 108.58 | | R 117.81 |
| plus R70.63 per cylinder for 19kg & smaller/ plus R62.59 for cylinder bigger than 19kg | | | |
| Bulk tanks | R 108.58 | | R 117.81 |
| | plus R173.24 per tank | | |
| Storage | R 108.58 | | R 117.81 |
| | plus R173.24 per storage | | |
| Filling | R 108.58 | | R 117.81 |
| | plus R173.24 per filling | | |
| NB Where storage and filling is on the same site, both facilities to be charged | | | |
| Flammable storage plans submitted per set | 217.14 | | 235.60 |
| | | | |
| CERTIFICATE OF OCCUPANCY | 2015/2016 | | 2016/2017 |
| Temporary | R 62.59 | | R 67.91 |
| Permanent | R 153.27 | | R 166.30 |

HALL HIRE TARIFFS

Municipal Halls

The tariffs charged, per hour, can be divided into 2 categories:

Category 1 - 75% of fixed tariff

Welfare Organisations

School Functions

Religious Meetings

Sports Meetings

Public Meetings (excluding Political Meetings)

Functions where no entrance fees are charged or tickets sold

Category 2 - 100% of fixed tariff

Functions where entrance fees are charged

Where liquor is served

Dances / Discos

Political Meetings

Bazaars/ Fetes

Weddings

21st Birthday Parties and other parties

Concerts

Gospel shows

Auctions

Beauty Contests

Music Shows

[illegible]

| | | NOLUTHANDO & EXT. 9 | | | BB ZONDANI | | | TANTYI | |
|-----------------|-------------|---------------------|-----------|--|---------------------|-----------|--|----------------|-----------|
| | | 2015/2016 | 2016/2017 | | 2015/2016 | 2016/2017 | | 2015/2016 | 2016/2017 |
| Mon-Thur: | 08:00-16:30 | 64.02 | 69 | | 57.51 | 62 | | 57.51 | 62 |
| | 16:30-24:00 | 70.53 | 77 | | 64.02 | 69 | | 64.02 | 69 |
| Fridays | 08:00-15:30 | 64.02 | 69 | | 57.51 | 62 | | 57.51 | 62 |
| | 15:30-24:00 | 70.53 | 77 | | 64.02 | 69 | | 64.02 | 69 |
| Saturdays | 08:00-24:00 | 88.97 | 97 | | 83.55 | 91 | | 69.44 | 75 |
| Sundays & | 08:00-24:00 | 115.01 | 125 | | 101.99 | 111 | | 101.99 | 111 |
| Public Holidays | | | | | | | | | |
| | | SILVERTOWN | | | ALICEDALE TOWN HALL | | | Transri & Kwan | |
| | | 2015/2016 | 2016/2017 | | 2015/2016 | 2016/2017 | | 2015/2016 | 2016/2017 |
| Mon-Thur: | 08:00-16:30 | 57.51 | 62 | | 62.39 | 68 | | 57.51 | 62 |
| | 16:30-24:00 | 64.02 | 69 | | 69.46 | 75 | | 64.02 | 69 |
| Fridays | 08:00-15:30 | 57.51 | 62 | | 62.39 | 68 | | 57.51 | 62 |
| | 15:30-24:00 | 64.02 | 69 | | 69.46 | 75 | | 64.02 | 69 |
| Saturdays | 08:00-24:00 | 77.04 | 84 | | 83.58 | 91 | | 83.55 | 91 |
| Sundays & | 08:00-24:00 | 95.48 | 104 | | 103.60 | 112 | | 101.99 | 111 |
| Public Holidays | | | | | | | | | |

| | | ALFRED DIKE KOTA Hall | | | FORT BROWN | | | LUVUYO | |
|-----------------|-------------|-----------------------|-----------|--|------------|-----------|--|-----------|-----------|
| | | 2015/2016 | 2016/2017 | | 2015/2016 | 2016/2017 | | 2015/2016 | 2016/2017 |
| Mon-Thur: | 08:00-16:30 | 57.51 | 62 | | 57.51 | 62 | | 57.51 | 62 |
| | 16:30-24:00 | 64.02 | 69 | | 64.02 | 69 | | 64.02 | 69 |
| Fridays | 08:00-15:30 | 57.51 | 62 | | 57.51 | 62 | | 57.51 | 62 |
| | 15:30-24:00 | 64.02 | 69 | | 64.02 | 69 | | 64.02 | 69 |
| Saturdays | 08:00-24:00 | 83.55 | 91 | | 77.04 | 84 | | 77.04 | 84 |
| Sundays & | 08:00-24:00 | 101.99 | 111 | | 95.48 | 104 | | 95.48 | 104 |
| Public Holidays | | | | | | | | | |

| Hire of hall kitchens | 2015/2016 | 2016/2017 |
|---|-----------|-----------|
| | | |
| Hire of City hall kitchen without the City Hall | 70.53 | 77 |
| Hire of City hall kitchen together with City hall | 108.50 | 118 |
| | | |
| Equipment | 2015/2016 | 2016/2017 |
| Upright piano | 159.50 | 173 |
| Large bainmarie | 159.50 | 173 |
| Small bainmarie | 101.99 | 111 |
| Tables each | 13.02 | 14 |
| Chairs each 0 - 100 | 3.26 | 4 |
| 101 - 200 chairs - each | 2.17 | 2 |
| More than 200 chairs - each | 1.09 | 1 |

NOTE

The tariff for the use of the City Hall Kitchen is for during normal office hours

The tariff for the use of the City Hall Kitchen outside normal office hours will be determined at the time of application

LIBRARY TARIFFS

| Library Fines : Overdue items | | 2015/2016 | 2016/2017 |
|--|--|------------------|------------------|
| Adult Library (per day per item) | | 1.10 | 1.20 |
| Children"s Library (per day per item) | | 1.10 | 1.20 |
| | | | |
| DVD'S | | | |
| Rental | | R 8.68 | R 9 |
| | | | |
| Hall bookings | | | |
| Hall - profit making organisations | | R 41.23 | R 45 |
| Hall - non profit making organisations | | R 29.30 | R 32 |
| Use of Video machine (per hour) | | R 15.19 | R 16 |
| Use of urn and cups (per hour) | | R 15.19 | R 16 |
| | | | |
| Photocopies | | | |
| A3 black and white | | R 1.10 | 1.20 |
| A4 black and white | | R 1.10 | 1.20 |
| A3 colour | | R 1.10 | 1.20 |
| A4 colour | | R 1.10 | 1.20 |

CONDITIONS

1. Anyone or institution that has arranged with the council to use facilities for free,
to bring a written document

PARKS AND RECREATION DEPT TARIFFS

| Dog Licence Fee | | 2015/2016 | | 2016/2017 | |
|---|----------------------|--------------------------|----------------------|--------------------------|--|
| Males | | 83 | | 90 | |
| Sprayed Bitches | | 83 | | 90 | |
| Unsprayed Bitches each | | 166 | | 180 | |
| (Maximum of 2 dogs per household) | | | | | |
| Surcharge on Additional dogs (per dog) | | 83 | | 90 | |
| | | | | | |
| Hiking Trail Fees | | | | | |
| Adults (per hiker (minimum of 6) | | 83 | | 90 | |
| Scholars (per hiker, minimum of 6. | | 45 | | 49 | |
| To be Accompanied by adult) | | | | | |
| | | | | | |
| Pound | Land enclosed | Land not enclosed | Land enclosed | Land not enclosed | |
| | | | | | |
| Trespassing on cultivated land | 2015/2016 | 2015/2016 | 2016/2017 | 2016/2017 | |
| Horses, cattle, pigs (per head) | 115.82 | 134.11536 | 126 | 146 | |
| Goats | 85.34 | 95.796684 | 93 | 104 | |
| Sheep | 85.34 | 95.796684 | 93 | 104 | |
| | | | | | |
| Trespassing on uncultivated Land | 2015/2016 | 2015/2016 | 2016/2017 | 2016/2017 | |
| Horses, cattle, pigs (per Head)Goats and sheep (per head) | 48.76 | 57.478011 | 53 | 62 | |
| | 36.57 | 44.705119 | 40 | 49 | |
| | | | | | |
| Pound Fees | | 2015/2016 | | 2016/2017 | |
| Horses, cattle, pigs (per head) | | 140.5018 | | 152 | |
| Sheep, goats (per head per day) | | 63.864456 | | 69 | |
| Donkeys | | 57.478011 | | 62 | |
| Driving Fees, per km | | 25.545783 | | 28 | |
| | | | | | |
| Sustenance Fees | | 2015/2016 | | 2016/2017 | |
| Horses, cattle, pigs (per head per day) | | 31.932228 | | 35 | |
| Sheep, goats (per head per day) | | 19.159337 | | 21 | |
| Donkeys (per head per day) | | 25.545783 | | 28 | |
| | | | | | |

| Fees for Animals to be separately herded | 2015/2016 | 2016/2017 |
|--|------------------|------------------|
| Stallions (per head per day) | 57.478011 | 62 |
| Bulls (per head per day) | 57.478011 | 62 |
| Boars (per head per day) | 31.932228 | 35 |
| Sheep,rams,goats or other separated animals (per head per day) | 31.932228 | 35 |
| Donkeys | 38.318674 | 42 |
| Dogs: Pound Fees | 2015/2016 | 2016/2017 |
| Sustenance | | |
| Small Dog | 19.159337 | 21 |
| Medium Dog | 25.545783 | 28 |
| Large Dog | 31.932228 | 35 |
| Euthanasia If requested by owner | 114.95602 | 125 |
| Nursery | 2015/2016 | 2016/2017 |
| Palm Fronds, each | 6.3864456 | 7 |
| Lillies, each | 2.5545783 | 3 |
| Trees: Small (bag) | 24.00 - 52.00 | 26.00 - 56.00 |
| Trees: Medium (bag) | 52.00 - 97.00 | 56.00 - 105.00 |
| Trees: Large (bag) | 83.023793 | 90 |
| Shrubs, each | 19.159337 | 21 |
| Hire of Palms, collected | 31.932228 | 35 |
| Delivery Fee | 127.72891 | 139 |
| Hire of Plants in plastic bags, each collected | 5.1091565 | 6 |
| Hire of plants in buckets, each, collected | 8.9410239 | 10 |
| Wood chips per bag | 31.932228 | 35 |
| Wood chips per bakkie load | 357.64096 | 388 |
| Hire of groundcovers in bags (small) | 4.4705119 | 5 |
| Groundcovers | 10.218313 | 11 |
| Transport and Plant | 2015/2016 | 2016/2017 |
| Tip Truck - per hour | 364.0274 | 395 |
| Tanker - per hour | 364.0274 | 395 |
| Tractors per hour | 210.75271 | 229 |
| Pick-Ups - per hour | 178.82048 | 194 |
| Mowers/chainsaws/weed eaters - per hour | 70.250902 | 76 |
| Chipper per hour | 166.04759 | 180 |

| Aerodrome Charges | | 2015/2016 | 2016/2017 |
|---|--|------------------|------------------|
| Landing Fees | | | |
| AUW 2000 kg | | 57.478011 | 62 |
| AUW 2001 - 3500kg | | 89.410239 | 97 |
| AUW 3501 - 5000kg | | 153.2747 | 166 |
| Thereafter for every additional 5000 kg or part thereof | | 31.932228 | 35 |
| 1. New Cemetery Fees | | 2014/2015 | 2016/2017 |
| 1. The following charges and fees shall be paid in respect of burials within | | | |
| A. Administration Fee | | 357.64096 | 388 |
| B. For the exclusive right of burial in any Plot the charges will be: | | | |
| Single grave 2500 mm x 1500 mm | | 830.23793 | 901 |
| Family grave 2500mm x 2500 mm | | 1532.747 | 1663 |
| C. Interments - digging and preparation of grave - privatised | | | |
| For burial of ashes | | 114.95602 | 125 |
| These charges include restoration of the grave but not the replacement of any monument or kerb. | | | |
| D. Exhumations - privatised | | | |
| Administration | | 324 | 352 |
| 2. Old Cemetery | | 2014/2015 | 2016/2017 |
| corner of Grave Street and Albany Road. | | | |
| A. Administrative Fee: | | 351.25451 | 381 |
| B. For the exclusive right of burial in any Plot - not applicable | | | |
| C. Interments: Privatised | | | |
| D. Exhumations: Privatised | | | |
| Administration Fee | | 351.25451 | 381 |
| 3. Lavender Valley Cemetery | | 2015/2016 | 2016/2017 |
| The following charges and fees shall be paid In respect of burials in the Lavender Valley Cemetery: | | | |
| A. Administration Fee | | 236.29849 | 256 |
| B. Interments: Privatised | | | |
| C. Exhumations: Administration Fee | | 351.25451 | 381 |
| 4. Kings Flats Cemetery: | | 2014/2015 | 2015/2016 |
| The following charges and fees shall be paid In respect of burials in the kings Flats Cemetery: | | | |
| A. Administration Fee: | | 217.78663 | 236 |
| B. Interments: Privatised | | | |
| C. Exhumations: Administration Fee | | 323.73688 | 351 |

| | | | | | |
|--|--|------------------|--|------------------|--|
| | | | | | |
| 5. Mayfield Cemetery: | | 2014/2015 | | 2015/2016 | |
| A. Administration Fee: | | 217.78663 | | 236 | |
| For the exclusive right of burial in any Plot, the charge will be: | | | | | |
| B. Single grave | | 453.23163 | | 492 | |
| Family grave (2 plots) | | 894.691 | | 971 | |
| C. Interments: Privatised | | | | | |
| D. Exhumations: Administration Fee | | 323.73688 | | 351 | |
| | | | | | |
| Columbarium | | 2014/2015 | | 2015/2016 | |
| Undertaken locally | | | | | |
| Niche single | | 288.42013 | | 313 | |
| Niche double | | 441.45938 | | 479 | |
| Certificate | | 70.6335 | | 77 | |
| | | | | | |

| | | | | | |
|------------------------------|--|------------------|--|------------------|----------|
| REMOVAL OF BEES | | 2014/2015 | | 2015/2016 | |
| As per quote, minimum fee of | | 292.3756 | | 317 | PLUS VAT |

HIRE OF SPORTS FACILITIES

1. That all school events on official sports facilities be permitted free of charge on condition that such events take place during normal Council working hours.

Monday - Thursday

08:00 - 16:30

Fridays

08:00- 15:30

2. That on Public Holidays the standard tariffs would apply to all users of sports Facilities.

3. That in the event of any school function taking place outside of normal Council Working hours, normal tariffs as per Council estimates would apply.

| Hire of Sports Fields | | 2015/2016 | | 2016/2017 | |
|--|--|------------------|--|------------------|--|
| A. Oval | | | | | |
| Deposit for hire of clubhouse | | 307.83 | | 334 | |
| Hire of Oval clubhouse - meetings | | 122.62 | | 133 | |
| After hours | | | | | |
| Hire of Oval clubhouse - meetings | | 107.29 | | 116 | |
| During working hours | | | | | |
| Hire of one field | | 98.35 | | 107 | |
| Floodlights per hour - one field only | | 40.87 | | 44 | |
| Caretaker's overtime per hour | | 74.08 | | 80 | |
| | | | | | |
| B. Lavender Valley | | | | | |
| Hire of one field | | 74.08 | | 80 | |

| | | | | | |
|--|--|------------------|--|------------------|--|
| Caretaker's overtime per hour | | 74.08 | | 80 | |
| Hire of two (2) temps. Toilets per day | | 466.21 | | 506 | |
| Deposit on (2) temp. Toilets | | 1066.54 | | 1157 | |
| | | | | | |
| C. Fiddler's Green | | | | | |
| (i) Sports Events: | | | | | |
| Deposit for hire of Utility Hall | | 444.50 | | 482 | |
| Hire of field (per event) | | 132.84 | | 144 | |
| Hire of Utility Hall | | 132.84 | | 144 | |
| | | | | | |
| (ii) In cases of revenue | | | | | |
| Generating organisations/ Events: | | | | | |
| Security deposit | | 3557.25 | | 3860 | |
| Hire of facility (per day) | | 803.41 | | 872 | |
| Electricity Scale6 | | | | | |
| Water Consumption | | | | | |
| | | | | | |
| D. Stanton Field | | | | | |
| Hire of Field | | 114.96 | | 125 | |
| | | | | | |
| E. Dlepu Stadium | | | | | |
| | | 2015/2016 | | 2016/2017 | |
| Hire of entire complex | | 213.31 | | 231 | |
| Hire of one field only | | 107.29 | | 116 | |
| Hire of clubhouse | | 107.29 | | 116 | |
| Deposit (for clubhouse) | | 444.50 | | 482 | |
| Floodlights per hour - one field Vat incl | | 40.87 | | 44 | |
| Floodlights per hour - two fields Vat incl | | 79.19 | | 86 | |
| | | | | | |
| F. Micky Yili | | | | | |
| | | 2015/2016 | | 2016/2017 | |
| Hire of entire complex | | 213.31 | | 231 | |
| Hire of one field only | | 107.29 | | 116 | |
| Hire of clubhouse | | 107.29 | | 116 | |
| Deposit (for clubhouse) | | 393.41 | | 427 | |

| G. Indoor Sport Centre | | | 2015/2016 | | 2016/2 |
|-------------------------------|---|----------------------------------|--|--|----------------------------------|
| | Tournaments main Hall* max. 8 hrs | Social / Practice per hour | Schols Practice After Hrs per hour | Tournaments main Hall* max 8 hrs | Social / Practice per hour |
| | | | | | |
| Netball | R 40.03 | R 37.04 | R 18.07 | R 43 | R 40 |
| Basketball | R 40.22 | R 37.04 | R 18.07 | R 44 | R 40 |
| Badminton | R 24.28 | R 21.71 | R 15.33 | R 26 | R 24 |
| Volley Ball | R 24.28 | R 22.99 | R 15.33 | R 26 | R 25 |
| Table Tennis | R 24.28 | R 22.99 | R 15.33 | R 26 | R 25 |

| | | | | | |
|----------------|---------|---------|---------|------|------|
| Karate | R 24.28 | R 22.99 | R 15.33 | R 26 | R 25 |
| Boxing | R 40.22 | R 37.04 | R 22.29 | R 44 | R 40 |
| Weight Lifting | R 24.28 | R 22.99 | R 15.33 | R 26 | R 25 |
| Darts | R 24.28 | R 22.99 | R 15.33 | R 26 | R 25 |
| Ballroom | R 40.22 | R 37.04 | R 22.29 | R 44 | R 40 |
| Hand Ball | R 24.28 | R 22.99 | R 15.33 | R 26 | R 25 |
| Aerobics | R 24.28 | R 22.99 | R 15.33 | R 26 | R 25 |
| | | | | | |

* A refundable deposit of R326.00 is payable in respect of all tournaments

** An Annual deposit of R326.00 is payable when hiring the boxing ring for Sparring (refundable at end of season).

| Outdoor Facilities | | 2015/2016 | | 2016/2017 | |
|---|--|-----------|--|-----------|--|
| | | | | | |
| (Per hour) | | | | | |
| Netball | | 20.44 | | R 22 | |
| Basketball | | 20.44 | | R 22 | |
| Volleyball | | 14.05 | | R 15 | |
| Handball | | 14.05 | | R 15 | |
| | | | | | |
| Annual Charges for Seasonal Social Users (Optic | | 2015/2016 | | 2016/2017 | |
| (Per annum) | | | | | |
| Netball | | 1507.20 | | R 1,635 | |
| Basketball | | 1507.20 | | R 1,635 | |
| Badminton | | 1507.20 | | R 1,635 | |
| Volleyball | | 1507.20 | | R 1,635 | |
| Table Tennis | | 1507.20 | | R 1,635 | |
| Karate | | 1507.20 | | R 1,635 | |
| Boxing | | 1507.20 | | R 1,635 | |
| Weight Lifting | | 1507.20 | | R 1,635 | |
| Darts | | 1507.20 | | R 1,635 | |
| Ballroom Dance | | 1507.20 | | R 1,635 | |
| Handball | | 1507.20 | | R 1,635 | |

Aerobics

Conditions for the Hire of Indoor Sports Centre

1. All bookings must be done seven (7) days prior to the event
2. All payments must be made at least 48 hours before the commencement of an event
3. If the period for which a facility is hired exceeds the duration, an hourly charge of R33.00 / R34.98 per hour will be levied.
4. Official receipts of payment must be shown to a duly appointed Council official before access is granted.

5. All outstanding moneys must be paid in full before further bookings can be considered.

6. No alcohol will be allowed on the premises.

7. Right of admission is reserved.

ALICEDALE

New tariffs to be phased in to be uniform throughout Makana Area.

| Description | 2015/2016 | 2016/2017 |
|--------------------------------------|------------------|------------------|
| 1. Cemetery Fees | | |
| Cost per site - Makana residents | R 122.62 | R 133 |
| Cost per site - Non-Makana residents | R 559.45 | R 607 |
| | | |

2. Sewerage & Sanitation (excluding VAT)

As per Grahamstown

3. Water Tariffs (VAT excluded)

As per Grahamstown

| Description | 2015/2016 | 2016/2017 |
|--|------------------|------------------|
| 5. Refuse (VAT excluded) | | |
| Basic charge per month | R 24.91 | R 27 |
| Once weekly removal - all | R 37.04 | R 40 |
| Availability charge per month - Business | R 74.08 | R 80 |
| Availability charge per month - Schools | R 173.71 | R 188 |
| Availability charge per month - Spoornet | R 185.21 | R 201 |
| Availability charge per month - SA Police | R 185.21 | R 201 |
| Availability charge per month - Post Office | R 185.21 | R 201 |
| Availability charge per month - Telkom | R 185.21 | R 201 |
| Garden refuse removal - per tractor load | R 145.61 | R 158 |
| Garden refuse removal - per bakkie load | R 158.38 | R 172 |
| | | |
| 6. General Services | | |
| Receipt of fax per A4 page | R 3.58 | R 4 |
| Despatch of fax per A4 page | R 13.92 | R 15 |
| | | |
| 7. Creche | | |
| Rental per month | R 176.27 | R 191 |
| | | |
| 8. Library Fees | | |
| Late return of books - per day or part thereof | R 2.24 | R 2 |

9. Pound Fees

As per Grahamstown

10. Hire of Sports Facilities

(a) All school events on official sport facilities be permitted free of charge on condition that such events take place during normal Council working hours.

| | |
|-------------------|-------------|
| Monday - Thursday | 08:00-16:30 |
| Fridays | 08:00-15:30 |

(b) On public holidays, the standard tariffs would apply to all users of sports Facilities.

© In the event of any school functions taking place outside of normal Council working hours, normal tariffs as per Council estimates would apply.

| Hire of Sports Fields | 2015/2016 | 2016/2017 |
|---|------------------|------------------|
| Deposit for hire of clubhouse | R 229.91 | R 249 |
| Hire of clubhouse - meetings after hours | R 83.02 | R 90 |
| Hire of clubhouse - during working hours | R 60.03 | R 65 |
| Hire of one field | R 76.64 | R 83 |
| Floodlights per hour per field excl. VAT | R 38.32 | R 42 |
| Caretaker's overtime per hour | R 53.65 | R 58 |
| | | |
| 11. Dog Tax - per annum | 2015/2016 | 2016/2017 |
| Males , each | R 53.01 | R 58 |
| Sprayed bitches, each | R 53.01 | R 58 |
| Unsprayed bitches, each | R 98.35 | R 107 |
| Maximum of two (2) dogs per household. | | |
| Any household wanting additional dogs | | |
| will require written permission from the | | |
| Municipality. | | |
| Surcharge on additional dogs, each | R 62.59 | R 68 |
| | | |
| *12 Commonage | 2015/2016 | 2016/2017 |
| Grazing fees: large stock usage per household per | R 25.55 | R 28 |
| | | |
| Grazing fees: small stock usage per household | R 25.55 | R 28 |
| | | |

***N.B.** To apply to Grahamstown and Riebeeck East

RIEBEECK EAST

New tariffs to be phased in to be uniform throughout Makana Area.

| | 2015/2016 | 2016/2017 |
|--|------------------|------------------|
| 1. Grazing - per head per month- | | |
| - Large stock usage per household p/month | R 25.55 | R 27.72 |
| - Small stock usage per household p/month | 25.55 | R 27.72 |
| | | |
| 2. Dip - per head per dip excl. VAT (in the case of Council purchasing dip) | 9.58 | R 10.39 |
| 3. Refuse removal - per month excl. VAT | R 21.45 | R 23.27 |
| 4. Water - consumption per kilolitre excl. VAT | R 4.37 | R 4.74 |
| Water meter reading fee - per month | | |
| Water availability - per annum excl. VAT | R 62.23 | R 67.52 |
| | | |
| 5. Dog Tax | 2015/2016 | 2016/2017 |
| Males - each | R 52 | R 56.82 |
| Sprayed bitches - each | R 52 | R 56.82 |
| Unsprayed bitches - each | R 97 | R 105.33 |
| Maximum of 2 dogs per household. | | |
| Any household wanting additional dogs will require written permission from the Municipality. | | |
| Surcharge on additional dogs, each | R 67.70 | R 73.45 |
| | | |
| 6. Cemetery Fees | 2015/2016 | 2016/2017 |
| Cost per site - Makana residents | R 123 | R 133.04 |
| Cost per site - Non-Makana residents | R 557 | R 604.23 |

7. Hire of Sports Facilities

(a) All school events on official sports facilities to be permitted free of charge on condition that such events take place during normal Council working hours.

| | |
|--------------------|---------------|
| Monday -0 Thursday | 08:00 - 16:30 |
| Fridays | 08:00 - 15:30 |

(b) On public holidays the standard tariff would apply to all users of Sports facilities.

© In the event of any school functions taking place outside of normal Council working hours, normal tariffs as per Council estimates would apply.

| Hire of Sports Fields | 2015/2016 | 2016/2017 |
|---|------------------|------------------|
| Deposit for hire of clubhouse | 217.14 | R 235.60 |
| Hire of clubhouse - meetings after Hours | 76.64 | R 83.15 |
| Hire of clubhouse - during working Hours | 57.48 | R 62.36 |

| | | |
|---|-------|---------|
| Hire of one field | 76.64 | R 83.15 |
| Floodlights per hour per field (excl VAT) | 38.32 | R 41.58 |
| Caretaker's overtime per hour | 63.86 | R 69.29 |

ANNEXURE B

BUDGET RELATED

POLICIES - 2016/17