



FETAKGOMO – GREATER TUBATSE  
LOCAL MUNICIPALITY



**Annual Budget**  
**Of**  
**Fetakgomo / Greater Tubatse Municipality**

**2017/2018-2019/2020**

**Medium Term Revenue Expenditure Forecasts**

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- At the municipal libraries
- Municipal offices located at the reception
- At [www.Fetakgomo / Greater Tubatse Municipality.gov.za](http://www.Fetakgomo / Greater Tubatse Municipality.gov.za)

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**ACRONYMS AND TABLES**

MFMA	Municipal Finance Management Act 56 of 2003
MSA	Municipal Systems Act 32 of 2000
MPRA	Municipal Property Rates Act 6 of 2004
MIG	Municipal Infrastructure Grant
LGSETA	Local Government Sector Education Training Authority
CoGHSTA	Department of Cooperative Governance Human Settlement and Traditional Affairs
COGTA	Department of Cooperative Governance and Traditional Affairs
MTREF	Medium Term Revenue Expenditure Framework
LED	Local Economic Development
MMBRR	Municipal Monitoring and Budgeting Reporting Regulation
EPWP	Expanded Public Works Programme
VAT	Valued Added Tax
CPI	Consumer Price Index

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***MAYOR'S FOREWORD***

Mayor`s address at the Council Meeting to Consider 2017/18 IDP and Budget, Moses Mabotha Hall, 29 May 2017

Madame Speaker

Chief Whip

Members of the Executive Committee

Traditional leaders

Councillors

Municipal Manager and the Senior Managers

Officials

Media

Ladies and gentlemen

We are gathered here today to consider the 2017/18 IDP and Budget. This the first budget of this Council as have inherited the previous budgets from former Greater Tubatse and Fetakgomo Municipalities respectively. We must commend this Council because we were able to consolidate the IDP`s and Budgets and the Municipality was able to function effectively. The transition period is always difficult but in our case the merger has been peaceful, successful and a learning curve to most of us. Unlike other communities, the people of LIM 476 have embraced the change and we must thank them for the manner in which they have conducted themselves thus far.

This IDP and Budget came as a result of the public participation process that took place in April and May 2017 to solicit inputs, suggestions and comments from the communities. All the necessary legal requirements were followed until this stage where Council must approve to enable implementation. We would like to thank our communities for taking part in the meetings that took place in the 18 clusters. In some

areas we had to rerun the process due to many factors and we shall make sure that all issues raised are given attention.

This shows that our people still have faith and confidence in this government and it is our duty to ensure that the trust is maintained by providing basic services. We also like to thank our Magoshi by supporting this Council in all its endeavours to develop the communities and this is the kind of partnership we need to build stronger communities. During the public participation process the following issues were raised and it is our responsibility to make sure that they are implemented;

- Provision of water
- Electrification
- Access bridge
- Sanitation
- Fencing of cemeteries
- Access bridges
- Community halls
- Street lights
- Grading of sports fields
- Tarring of roads

These issues are at the centre of the hearts of the communities and as government we must find ways to address them together with other spheres of government and the Private sector. During our Mayoral outreach at Leboeng the Magoshi raised an important issue of socio economic activities. They are complaining that there are no shopping facilities in their village and are forced to travel many kilometres just to access an ATM despite the abundance of land for development in their vicinity.

It should be our mission to attract investors to revitalise our townships and village economy in order to create employment and business opportunities for the local SMME`s. We are confronted by a challenge of high unemployment especially amongst the youth and as a local sphere of government we must play our part by creating a conducive environment for investment.

Madame Speaker allow me to give progress report of the projects that the Municipality was involved with in the 2016/17 financial year. The following have been completed;

- Bothashoek access bridge
- Madithongoane access bridge
- Motshana access bridge

- Mabotsha access bridge
- Leboeng access bridge
- Atok Nodal points culverts drainage system
- Mphanama Nodal Point Culvert Drainage Structures
- Apel Nodal Point Culvert Drainage Structures
- Nchabeleng Culvert Drainage Structure and Access Street
- Radingoana Sport Facility
- The Mafarafara access bridge is 99% complete

The following are the multi year projects and will be implemented before the end of the current financial year;

- Bothashoek internal road
- Thokwane access road
- Dithamaga access bridge
- Tjate access bridge
- Morokadieta access bridge

We must mention that we had a challenge in the implementation of Operation Mabone in the remaining villages and currently legal representatives of the two parties are busy with engagements to resolve the matter however we are still committed to see our areas being electrified. Villages like Mareseleng and kampeng have lately being energised.

Our budget for the 2017/18 financial year is as follows;

- Total revenue anticipated is R633 million for 2017/18, increasing to R714 million and R744 million for the MTREF period,
- Total operational expenditure is R574 million, reducing to R545 million and increasing to R593 million for the MTREF period,
- Total capital expenditure is R150 million, increasing to R160 million and reducing to R146 million for the MTREF period,
- These resulted in the deficit of R90 million for the 2017/18 financial year while a surplus of R8,2 million and R3,1 million for the two outer years in anticipated.
- Accelerated spending is planned for the 2017/18 financial year to address the service delivery backlog while the two outer years will see a slight decrease in spending, and

- The Data cleansing project underway is expected to reduce the billing of farms that belong to traditional authorities thus reducing the amount of revenue being billed monthly consequently reducing the provision for bad debts.

The deficit of R90 million will be funded by savings from 2016/17 financial year which will emanate from cost containment measures for operational expenditure

- Cash on hand at the end of April 2017 was R 307 million only R 38,5 million related to conditional grants. The Municipality will be in a position to fund the deficit.
- It should be noted that the deficit is mainly attributable to non – cash transactions such as Depreciation of assets and provisions for impairments of debtors book.

Depreciation is budgeted for at R90 million and Provision of doubtful debts is budget at R30 million for 2017/18 financial year

Revenue from grants and subsidies amounts to R438 million for 2017/18, the major categories being the following:

- Equitable share R 333 million,
- Municipal Infrastructure Grant (MIG) funding of R81 million,
- Integrated National Electrification Grant (INEG) of R10 million, and

Last trench of Municipal demarcation transitional grant of R4,5 million

Revenue from own sources amounts to R188 million for 2017/18, the major categories being the following:

- Property rates R126 million,
- Refuse removal R13,8 million,
- Interest on late payments and penalties of R23,6 million, and

Interest on investments of R10,8 million

Total operating expenditure is R574 million, reducing to R545 million and increasing to R593 million over the MTREF period, the highest contributors to the operational expenditure for 2016/17 are:

- Employee related costs of R163 million (28,54%),
- General Expenses R166 million (29,80%),
- Depreciation of assets R90 million (15,67%),
- Repairs and Maintenance R72 million (12,61%),
- Provision for doubtful debts R30 million (5,21%), and

Remuneration of Councillors R24 million (4,19%).



The following capital projects are going to be implemented in the 2017/18 financial year;

- MIG-UPGRADING GRADING WANASPORTS FAC.
- MIG - MAPODILE SPORTS FACILITIES PHASE 2
- MIG - MOTODI SPORTS COMPLEX
- MIG-TUBATSE HIGH MAST LIGHTS
- MIG-ACCESS BRIDGE-DITHAMAGA
- MIG - ACCESS BRIDGE-TJATE
- MIG - ACCESS ROAD-BOTHASHOEK
- MIG - TUKAKGOMO ACCESS ROAD
- MIG - ACCESS BRIDGE-LEFAHLA
- MIG - THOKWANE ACCESS ROAD
- MIG - LEBOENG ACCESS ROAD
- MIG - ACCESS BRIDGE-GAMALWANE
- MIG - ACCESS BRIDGE-MOROKADIETA
- MIG - NCHABELENG/NKWANA/SEROKA STYKRALL/COMMUNITY HALLS INTERNAL STREET
- MIG - MAGAKALA TO MAGOTWANA INTERNAL STREET
- MIG - FETAKGOMO MUNICIPAL FACILITIES INTERNAL STREET
- MIG - MASHUNG INTERNAL STREET

Therefore Madame Speaker we would like the Council to consider and approve the following;

- That Council approves the 2017/18 annual budget
- Total revenue be budgeted at R633 million for 2017/18, increasing to R714 million and R744 million for the MTREF period,
- Total operational expenditure be budgeted at R574 million, reducing to R545 million and increasing to R593 million for the MTREF period,
- Total capital expenditure be budgeted at R150 million, increasing to R160 million and reducing to R146 million for the MTREF period,
- That Council approves the budget related policies and be implemented from 1 July 2017,

- That Council approves the reviewed tariffs to be implemented from 1 July 2017 for billing purposes,
- That the annual budget for the financial year 2017/18 be submitted to National and Provincial Treasury and relevant stakeholders in the prescribed format.
- That the annual budget for 2017/18 be placed on the Fetakgomo /Greater Tubatse Municipality website as prescribed by MFMA section 75(1)

Thank you!

### 1.3 Council Resolutions

The Mayor of the municipality Councillor Phokane JM hereby tables the following resolutions for approval. That Council approve;

1.3.1 That Exco supports and recommend to Council the annual budget for 2017/18 financial year or adoption as follows:

1.3.2 Total revenue be budgeted at R633 million for 2017/18, increasing to R714 million and R744 million for the MTREF period,

1.3.3 Total operational expenditure be budgeted at R574 million, reducing to R545 million and increasing to R593 million for the MTREF period,

1.3.4 Total capital expenditure be budgeted at R150 million, increasing to R160 million and reducing to R146 million for the MTREF period,

1.3.5 That EXCO support and recommend to Council the approval and implementation of the budget related policies from 1 July 2017

1.3.6 That EXCO recommend to Council to approve the reviewed tariffs to be implemented from 1 July 2017 for billing purposes,

1.3.7 That the annual budget for the financial year 2017/18 be submitted to National and Provincial Treasury and relevant stakeholders in the prescribed format.

1.3.8 That the annual budget for 2017/18 be placed on the Fetakgomo /Greater Tubatse Municipality website as prescribed by MFMA section 75(1).

4. The following budget related policies are made available for review;

4.1. Asset management policy

4.2. Borrowing Policy

4.3. The credit control and debt collection policy.

4.4 budget management policy

4.5 Virement policy

4.6 Cash management and investment policy

4.7 Tariff f policy

4.8 Indigent management policy

4.9 Property rates policy

4.10 Supply Chain Management Policy



#### 1.4 EXECUTIVE SUMMARY

Fetakgomo / Greater Tubatse Municipality local municipality has in preparation and compilation of this budget complied with the Municipal Budgeting and Reporting Regulation (MBRR) notice no 31804 of 2009, the provisions of the MFMA, the provisions of the MSA and various budget circulars which guide the process, content and the format of municipal budgets. The budget does not have comparative figures since it is a newly established municipality.

The budget document must be read together with the Integrated Development Plan (IDP) and the Service Delivery and Budget Implementation Plan (SDBIP) to gain a full understanding of its intentions.

The 2016 Medium Term Budget Policy Statement emphasised that the global recovery from the 2008 financial crisis remains precarious, with growth forecast at 3.1 per cent in 2016 and 3.4 per cent in 2017. In developed economies, the combination of weak economic growth, low or negative interest rates, and elevated asset prices has increased the likelihood of renewed financial volatility. Countries that are highly reliant on foreign savings, such as South Africa, will remain vulnerable to global financial volatility and rapid capital outflows. While global economic weakness plays a large role in South Africa's economic growth performance, domestic constraints stand in the way of investment, output and trade.

Domestic GDP growth for 2016 was forecasted at 0.9 per cent at the time of the 2016 Budget and it has since been revised to 0.5 per cent. It is anticipated that factors such as a more reliable electricity supply, improved labour relations, low inflation, a recovery in business and consumer confidence, stabilising commodity prices and stronger global growth will increase growth to 2.2 per cent by 2019. Furthermore, the country has experienced a decline in mining growth and weakened agricultural outputs as a result of the drought while growth in transport and telecommunications, electricity, gas and water have declined because of weakened demand.

These economic challenges will continue to pressurise municipal revenue generation and collection hence a conservative approach is advised for projecting revenue. Municipalities will have to improve their efforts to limit non-priority spending and to implement stringent cost containment measures.

The following headline CPI inflation forecasts were taken into consideration during budget preparation process and Medium Term Revenue and Expenditure Framework as gazette by National Treasury.

2015/16- 2019/20 Fiscal year	2015/16	2016/17	2017/18	2018/19	2019/20
	<b>Actual</b>	<b>Estimate</b>		<b>Forecast</b>	

<b>CPI Inflation</b>	4.6%	6.4%	6.1%	5.9%	5.8%
<b>Real GDP growth</b>	1.6%	0.9%	1.2%	1.9%	2.5%

*This is the inflation targets and forecasts of the South African Reserve Bank (SARB)*

The municipality has taken these projections into account in preparing this budget. We become more conservative in our revenue collection rates while expecting the community to demand more assistance from the municipality.

The budget is under pressure where expenditure has outpaced income resulting in an unsustainable financial trajectory. The budget deficit will be funded by accumulated funds from savings and unspent funds in the previous years. The municipality will have enough resources to provide for provisions, current liabilities and cash backing of unspent conditional grants. The budget deficit will ease in the next financial year 2018/2019 and budget a net surplus in the 2019/2020 budget year.

## **OVERVIEW OF THE 2018 BUDGET**

The municipality has little room to make choices as the budget continues to be under pressure due to slow or little revenue growth while the cost of doing business increases exponentially.

The budget is intended to strengthen municipal operations such institutional development and transformation, good governance, improving the financial viability, basic service delivery and spatial planning.

The operating budget is pushed up by input costs such as electricity, cleaning and maintenance costs as a result of added building constructed over the last few years.

Furthermore community needs continues to grow demanding for contribution to projects as outlined in the IDP.

### **1.4.1 OPERATING BUDGET FRAMEWORK**

Fetakgomo / Greater Tubatse Municipality local municipality has in preparation and compilation of this budget compiled with the Municipal Budgeting and Reporting Regulation (MBRR) notice no 31804 of 2009, the provisions of the MFMA, the provisions of the MSA and various budget circulars which guide the process, content and the format of municipal budgets. The budget provides comparative financial over a seven year period horizon commencing in the 2011/2012 budget year to 2017/18 budget year.

The following assumptions were used in compiling the budget;

- Consumer price inflation forecast is at 6.1 per cent increasing to 5.9 and 5.8 over the MTREF
- Surplus cash is invested in capital expenditure programmes in 2017 reducing over the MTREF.
- Ensuring that expenditure is aligned to revenue and that the municipality has sufficient cash to finance the expenditure as in section 18 of MFMA;
- Ensure that the municipality maintains sufficient reserves for rainy days and capital expansion.
- Ensure that the budget respond to priorities enlisted in the IDP.
- Review of all programmes and cost centres to minimize wastage, maximize efficient and accelerate service delivery;
- Reprioritization of expenditure programmes to curb the growing personnel expenditure.
- Ensure that services are cost reflective, affordable and sustainable.
- Ensure that realistic revenue targets are set to ensure that the budget is funded.
- Follow the national guide on salary and CPI projections.

Table 1: Consolidated Overview

DESCRIPTION	BUDGET 2017 / 2018	BUDGET 2018/ 2019	BUDGET 2019/2020
<b>TOTAL REVENUE</b>	<b>(633,801,914)</b>	<b>(714,521,116)</b>	<b>(744,028,647)</b>
<b>TOTAL EXPENDITURE</b>	<b>574,247,118</b>	<b>545,263,433</b>	<b>593,901,808</b>
CAPEX - OWN FUNDS	58,960,000	24,740,000	15,750,000
CAPEX MIG	81,478,401	86,251,370	91,217,715
OPERATIONAL INEP	10,000,000	50,000,000	40,000,000
<b>TOTAL</b>	<b>150,438,401</b>	<b>160,991,370</b>	<b>146,967,715</b>
<b>SURPLUS/(DEFICIT)</b>	<b>(90,883,604)</b>	<b>8,266,313</b>	<b>3,159,123</b>

- Total revenue anticipated is R633 million for 2017/18, increasing to R714 million and R744 million for the MTREF period,
- Total operational expenditure is R574 million, reducing to R545 million and increasing to R593 million for the MTREF period,
- Total capital expenditure is R150 million, increasing to R160 million and reducing to R146 million for the MTREF period,
- These resulted in the deficit of R90 million for the 2017/18 financial year while a surplus of R8,2 million and R3,1 million for the two outer years in anticipated.
- Accelerated spending is planned for the 2017/18 financial year to address the service delivery backlog while the two outer years will see a slight decrease in spending, and
- The Data cleansing project underway is expected to reduce the billing of farms that belong to traditional authorities thus reducing the amount of revenue being billed monthly consequently reducing the provision for bad debts.
- The deficit of R90 million will be funded by savings from 2016/17 financial year which will emanate from cost containment measures for operational expenditure.
- Cash on hand at the end of April 2017 was R 307 million only R 38,5 million related to conditional grants. The Municipality will be in a position to fund the deficit.
- It should be noted that the deficit is mainly attributable to non – cash transactions such as Depreciation of assets and provisions for impairments of debtors book.



- Depreciation is budgeted for at R90 million and Provision of doubtful debts is budget at R30 million for 2017/18 financial year.

**1.4.2. OPERATING REVENUE FRAMEWORK**

Fetakgomo / Greater Tubatse Municipality to improve the quality of services provided to its citizens it needs to generate the required income. In these tough economic times strong revenue management is fundamental to the financial stability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence the difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues. The receivers of our services have an obligation to pay for the services they receive so that the municipality continues to offer such services.

The municipality's revenue strategy is built around the following key components;

- National treasury's key guidelines and macroeconomic policy;
- Growth in the municipality's continued economic development
- Efficient revenue management, which aims to ensure that billed revenue is collected
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by calculating the revenue requirement of each service;
- The municipality's property rates policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004)(MPRA)
- The municipality's indigent policy and rendering of free basic services; and
- Tariff policies of the municipality

Table 3: Consolidated Revenue Overview

LIM476 Fetakgomo-Tubatse - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>Revenue By Source</b>	1										
Property rates	2	-	-	-	88,038	118,090	118,090	-	123,856	132,526	141,803
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	-	-	12,508	12,971	12,971	-	11,479	12,283	13,142
Service charges - other					418	0	0				
Rental of facilities and equipment					1,092	538	538		575	615	658
Interest earned - external investments					10,959	10,765	10,765		11,519	12,325	13,188
Interest earned - outstanding debtors					10,763	10,867	10,867		11,719	12,540	13,417
Dividends received					-	-	-				
Fines, penalties and forfeits					13,491	13,491	13,491		14,436	15,432	16,497
Licences and permits					6,472	6,470	6,470		13,846	14,773	15,763
Agency services					3,995	3,663	3,663		4,274	4,550	4,844
Transfers and subsidies					314,615	297,357	297,357		352,892	415,026	424,724
Other revenue	2	-	-	-	2,503	3,448	3,448	-	3,342	3,576	3,826
Gains on disposal of PPE											
<b>Total Revenue (excluding capital transfers and contributions)</b>		-	-	-	<b>464,854</b>	<b>477,661</b>	<b>477,661</b>	-	<b>547,939</b>	<b>623,646</b>	<b>647,864</b>

### Property rates

Property rates collection is estimated at **75 per cent** and a provision of **25 per cent** has been made for bad debt. This is based on the trend over the years for the former municipalities.

The projected billing has also taken into account the collection trends and revenue forgone over the past years.

### Traffic function

Traffic function which has been fully devolved to the municipality is the second most collectible revenue source following grants. The traffic station has been completed and operational for former Fetakgomo and revenue projection for Licences and permits has been increased by R 6 million.

### Grant funding

Revenues from the government grants; equitable share, Municipal Finance Management Grant (FMG), Intergrated National Electricity Grant (INEG) , Municipal Infrastructure Grant and EPWP incentive Grant are reliable and constitute **69 per cent** of the budgeted revenue. This means only less than **31 per cent** of the revenue may fluctuate giving the municipality certainty on its expenditures and better planning.



## Grant Receipts

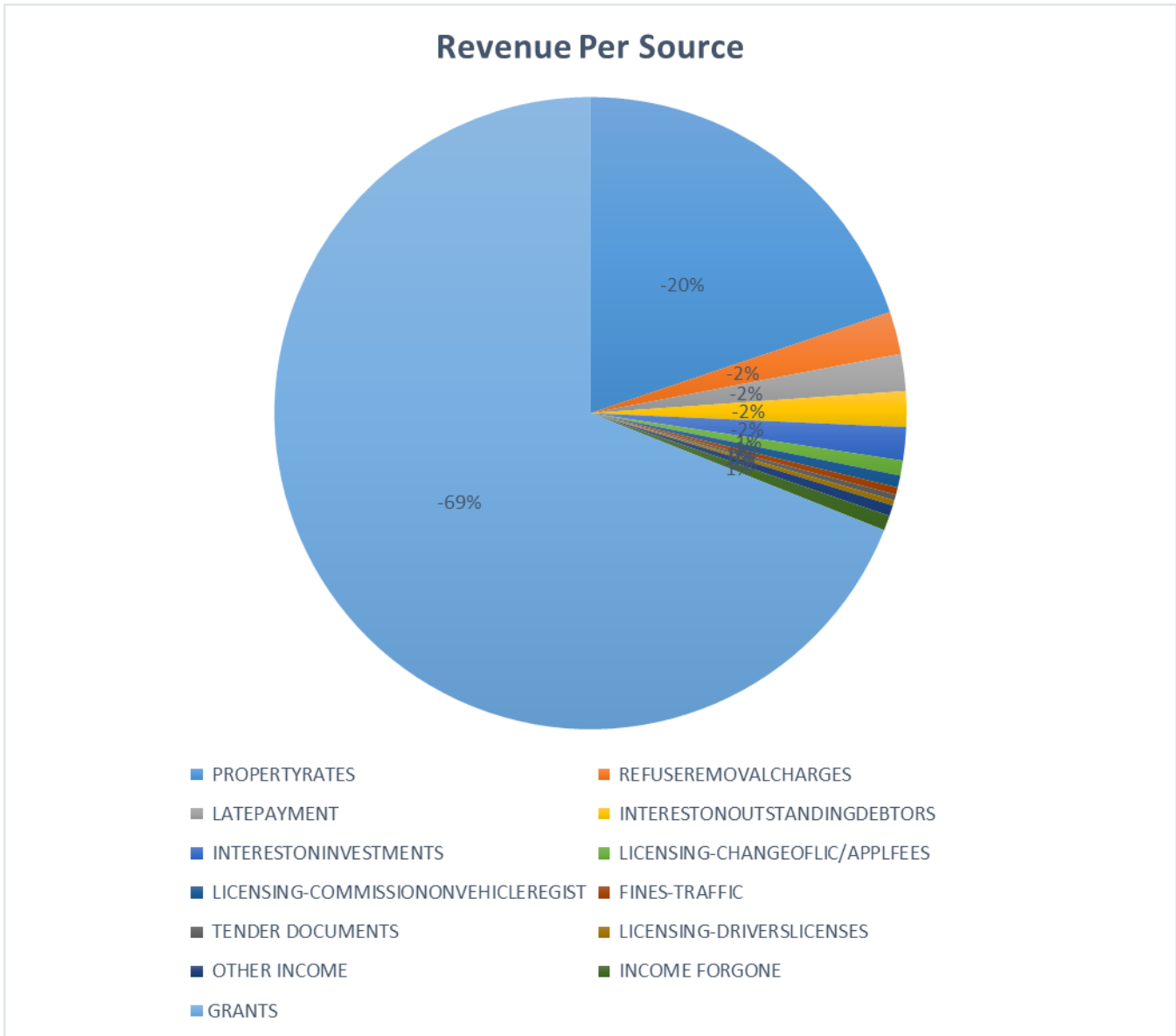
LIM476 Fetakgomo-Tubatse - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		-	-	-	326,352	320,109	-	342,892	365,026	384,724
Local Government Equitable Share					307,760	307,760		333,002	359,356	378,699
Finance Management					3,635	3,635		4,045	4,301	4,561
EPWP Incentive					1,000	1,000		1,279	1,369	1,464
Municipal Systems Improvement					957	-				
MUNICIPAL DERMACATION TRANSITIONAL GRANT					13,000	7,714		4,566		
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
MUNICIPAL DERMACATION TRANSITIONAL GRANT										
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Total Operating Transfers and Grants</b>	5	-	-	-	326,352	320,109	-	342,892	365,026	384,724
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		-	-	-	169,873	160,885	-	95,863	140,875	136,165
Municipal Infrastructure Grant (MIG)					89,873	80,885		85,863	90,875	96,165
INEG					80,000	80,000		10,000	50,000	40,000
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Total Capital Transfers and Grants</b>	5	-	-	-	169,873	160,885	-	95,863	140,875	136,165
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		-	-	-	496,225	480,994	-	438,755	505,901	520,889

- Revenue from grants and subsidies amounts to R439 million for 2017/18, the major categories being the following:
  - Equitable share R 333 million,
  - Municipal Infrastructure Grant (MIG) funding of R85 million,
  - Integrated National Electrification Grant (INEG) of R10 million, and

- Last trench of Municipal demarcation transitional grant of R4,5 million.

Chart 2: Revenue per source chart



The graph indicates different categories regarded as revenue, 69% of revenue emanates from grants.

**1.4.3. OPERATING EXPENDITURE FRAMEWORK**

The municipality's expenditure framework for 2017/2018 budget and MTREF is informed by the following;

- Review and prioritisation of expenditure programmes based on impact assessment
- Funding of the budget over the medium term as informed by section 18 and 19 of the MFMA;
- Additional human resources will only be considered as a last resort;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services;
- Salary increases budgeted at 7 per cent which 0,5 per cent above what National Treasury project.
- While the operating expenses are rising annually, the budget is considering various ways of reducing recurring expenditure by promoting the green economy, monitoring travelling expensive and removing the nice to have altogether.
- Service delivery programmes have being evaluated and additional funds provided where necessary.
- All revenue projections are based on trends except where the revenue from national or provincial government in which case has been gazetted.
- Funding for capital expenditure takes into account the availability of funding. The capital budget is mainly funded by grant revenue 69 per cent and accumulated funds 31 per cent.

**Table 5: Summary of operating expenditure by standard classification item**

LIM476 Fetakgomo-Tubatse - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>Expenditure By Type</b>											
Employee related costs	2	-	-	-	160,342	152,139	152,139	-	163,899	174,363	185,490
Remuneration of councillors					29,028	27,716	27,716		24,099	25,786	27,591
Debt impairment	3				30,387	24,537	24,537		30,000	25,000	26,750
Depreciation & asset impairment	2	-	-	-	44,183	41,233	41,233	-	90,000	96,300	103,041
Finance charges					1,653	1,653	1,653		1,725	1,846	1,975
Bulk purchases	2	-	-	-	-	-	-	-	-	-	-
Other materials	8				32,417	70,400	70,400		72,748	33,826	36,344
Contracted services					41,820	72,035	72,035		79,838	77,586	78,712
Transfers and subsidies					5,425	5,425	5,425		4,000	4,500	5,000
Other expenditure	4, 5				135,837	114,716	114,716		117,938	156,056	168,999
Loss on disposal of PPE											
<b>Total Expenditure</b>		-	-	-	<b>481,092</b>	<b>509,853</b>	<b>509,853</b>	-	<b>584,247</b>	<b>595,263</b>	<b>633,902</b>

- Total operating expenditure is R574 million, reducing to R545 million and increasing to R593 million over the MTREF period, the highest contributors to the operational expenditure for 2016/17 are:
  - Employee related costs of R163 million (28,54%),
  - General Expenses R166 million (29,80%),
  - Depreciation of assets R90 million (15,67%),
  - Repairs and Maintenance R72 million (12,61%),
  - Provision for doubtful debts R30 million (5,21%), and
  - Remuneration of Councillors R24 million (4,19%).
- Other expenditure increased from R 117 million to R156 million as a result of electrification of households that was previously classified as capital expenditure.



## 1.4.4 REMUNERATION OF COUNCILLORS AND EXECUTIVE MANAGEMENT

LIM476 Fetakgomo-Tubatse - Supporting Table SA23 Salaries, allowances &amp; 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.
<b>Councillors</b>	3							
Speaker	4		401,400	70,835	186,212			658,447
Chief Whip			376,314	66,408	170,374			613,096
Executive Mayor			501,751	88,544	225,565			815,861
Deputy Executive Mayor								-
Executive Committee			2,376,660	419,411	1,137,224			3,933,294
Total for all other councillors			10,580,193	1,867,093	5,631,095			18,078,381
<b>Total Councillors</b>	8	-	<b>14,236,318</b>	<b>2,512,291</b>	<b>7,350,470</b>			<b>24,099,079</b>

Councillor remuneration is in line with the upper limits as determined by the minister of Cooperative Governance and Traditional Affairs budgeted at **R24 million**.

***Key expenditure programmes for implementation include;***

- Continued implementation of Expanded Public Works Programme which employees at least **232 people from poor families**.
- Strengthening of the ward committee system of local government through re-training and skilling, provision of tools of trade and payment of stipends.
- Programmes that improve the conditions of youth, people with disabilities, the elderly, children and women.
- Provision of bursaries to needy and deserving learners.
- Support of sport and arts programmes
- Support of local entrepreneurs and cooperative through capital injection.
- Improving measures to prevent fraud, risk management and improve governance.
- Improvement of the revenue collection through better and improved billing systems
- Provision of funds to strengthen the traffic management and the licensing divisions
- Improvement of the refuse removal service through provision of adequate assets and infrastructure for effective collection.
- Allocation for free basic electricity to needy households in line with the municipality's indigent management policies.
- Support of local farming initiatives, tourism and local economic development.

Chart 3: Expenditure per type chart

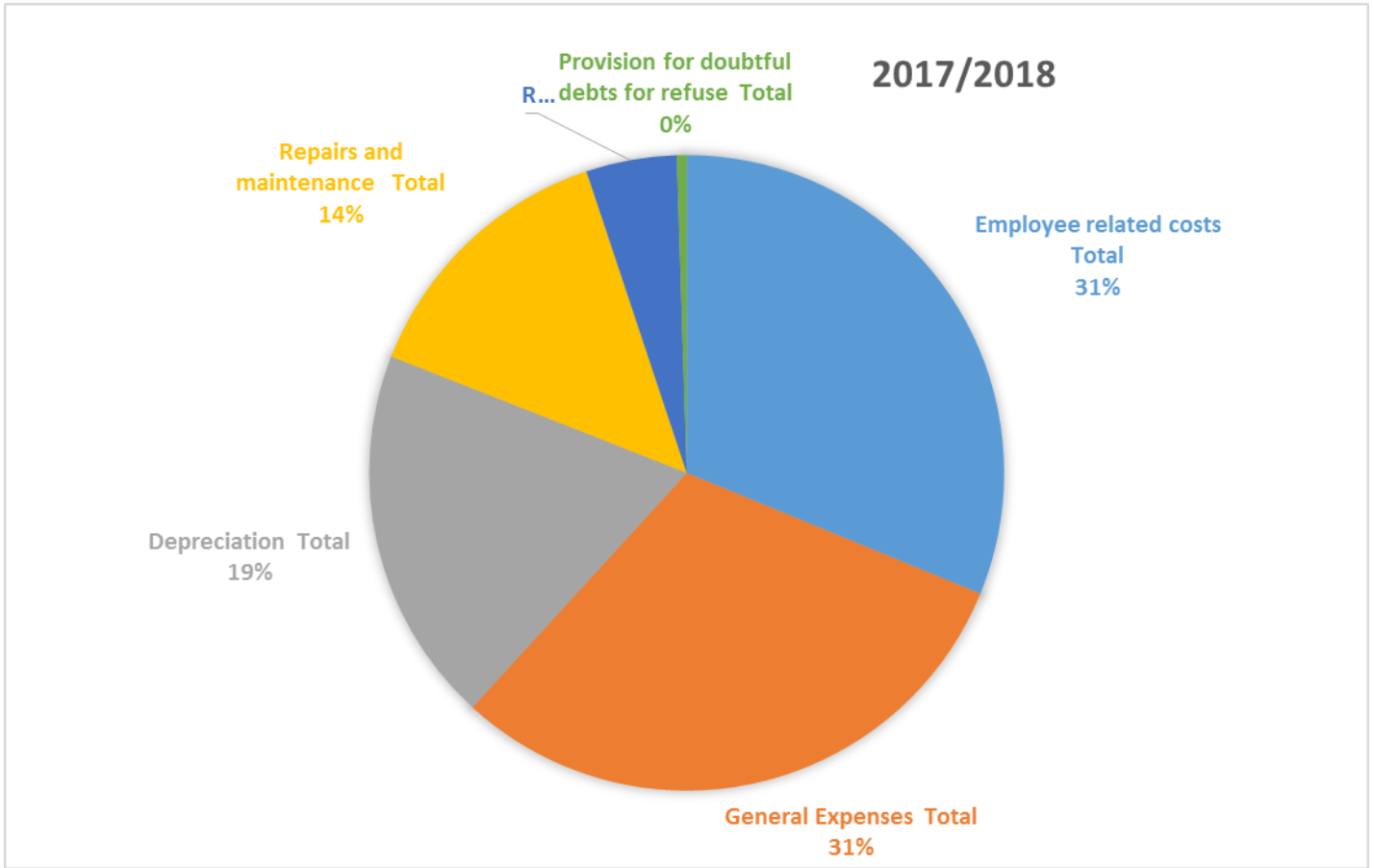
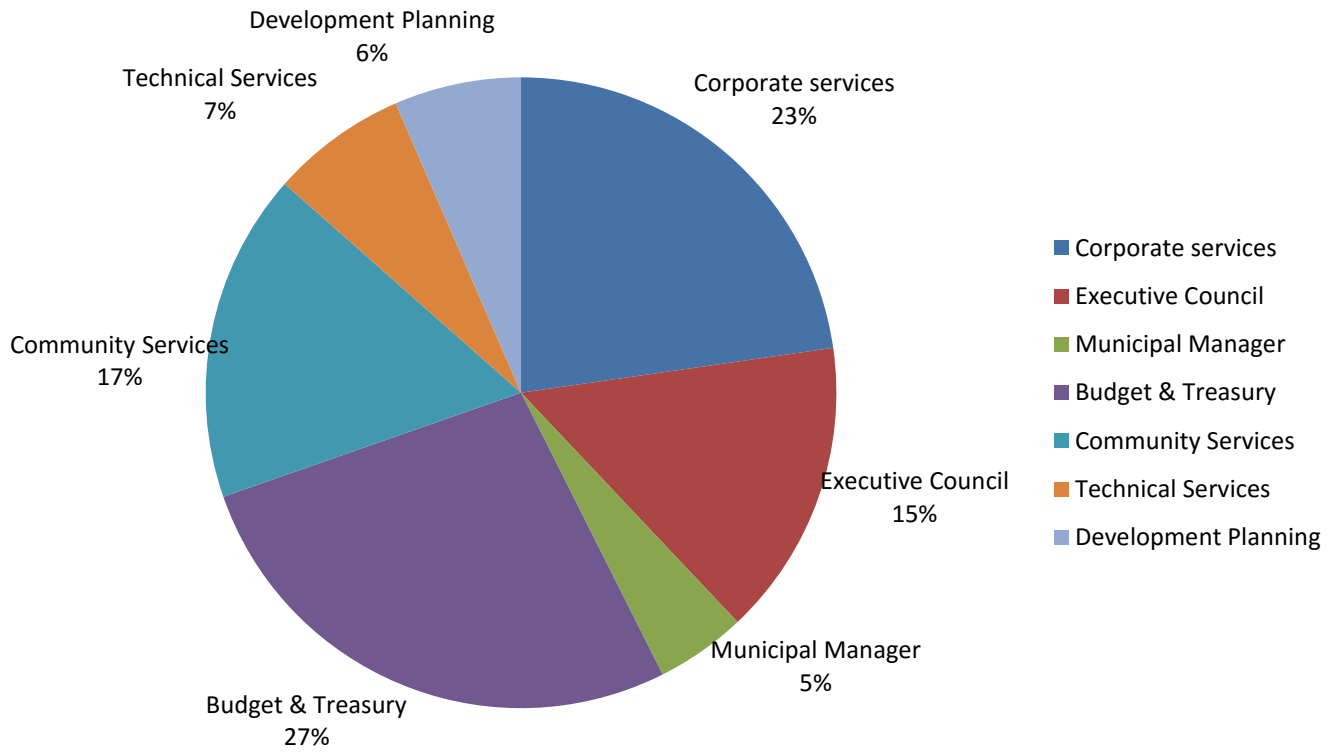


CHART 4: OPERATING EXPENDITURE PER VOTE CHART



## 1.5 CAPITAL EXPENDITURE

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

**Table 12: Consolidated Overview of Capital Expenditure Funding**

LIM476 Fetakgomo-Tubatse - Table A5 Consolidated Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>		-	-	-	2,260	500	500	-	4,020	1,940	1,050
Executive and council											
Finance and administration					2,260	500	500		4,020	1,940	1,050
Internal audit											
<b>Community and public safety</b>		-	-	-	47,664	23,935	23,935	-	45,345	21,722	31,712
Community and social services					47,664	23,935	23,935		25,500	9,500	4,500
Sport and recreation									10,345	10,222	25,212
Public safety									9,500	2,000	2,000
Housing											
Health											
<b>Economic and environmental services</b>		-	-	-	179,879	205,888	205,888	-	90,074	86,029	72,705
Planning and development					114,266	52,120	52,120		6,000	6,500	4,000
Road transport					65,613	153,768	153,768		84,074	79,529	68,705
Environmental protection									-	-	-
<b>Trading services</b>		-	-	-	300	300	300	-	1,000	1,300	1,500
Energy sources									-	-	-
Water management					300	300	300			-	-
Waste water management											
Waste management									1,000	1,300	1,500
<b>Other</b>					10,910						
<b>Total Capital Expenditure - Functional</b>	3	-	-	-	241,014	230,623	230,623	-	140,438	110,991	106,968
<b>Funded by:</b>											
National Government					162,019	122,885	122,885		81,478	86,251	91,218
Provincial Government											
District Municipality											
Other transfers and grants											
<b>Transfers recognised - capital</b>	4	-	-	-	162,019	122,885	122,885	-	81,478	86,251	91,218
<b>Public contributions &amp; donations</b>	5										
<b>Borrowing</b>	6										
<b>Internally generated funds</b>					78,995	107,738	107,738		58,960	24,740	15,750
<b>Total Capital Funding</b>	7	-	-	-	241,014	230,623	230,623	-	140,438	110,991	106,968

### Performance indicators for capital budget

The Capital budget has three areas:

- Own funding for Capital Expenditure,
- Municipal Infrastructure Grant (MIG), and

The table below is a summary of the capital budget:

DESCRIPTION	BUDGET 2017 / 2018	BUDGET 2018/ 2019	BUDGET 2019/2020
CAPEX - OWN FUNDS	58,960,000	24,740,000	15,750,000
CAPEX MIG	81,541,851	86,251,370	91,217,715
<b>TOTAL CAPEX</b>	<b>140,438,401</b>	<b>110,991,370</b>	<b>106,967,715</b>

The table below is a list of all Capital projects that will be funded by own funds:

Description	2017/2018	2018/2019	2019/2010
PLANTANDEQUIPMENT	8,000,000	1,500,000	1,200,000
FEASIBILITY STUDY WATER AUTHORITY	1,500,000	-	-
CONSTRUCTION OF STORMWATER DRAINAGE	4,000,000	2,000,000	1,500,000
TOWNSHIP ESTABLISHMENT /LAND ACQUISITION	2,000,000	2,500,000	3,000,000
IDENTIFICATION OF LAND & DESIGNS FOR BUSINESS PARK	500,000	-	-
BURGERSFORT STADIUM	1,000,000	-	-
DISASTER VEHICLE	-	500,000	-
PURCHASE OF TRAFFIC VEHICLE	1,000,000	-	-
PURCHASE OF REFUSE REMOVAL FLEET	1,500,000	2,000,000	-
PURCHASE OF LAND FOR ANIMAL POUND	2,000,000	-	-
PURCHASE OF LAND FOR VEHICLE POUND	1,500,000	-	-
PURCHASE OF LANDFILL SITE	15,000,000	-	-
REHABILITATION AND CLOSURE OF BURGERSFORT LANDFILL SITE	1,500,000	2,000,000	3,000,000
DEVELOPMENT OF MALOGENG LANDFILL SITE	2,000,000	3,000,000	1,500,000
CONTRUCTION OF PRAKTISEER LIENCING OFFICES	2,000,000	-	-
PURCHASE OF WASTE SKIP AND STREET BINS	1,000,000	1,300,000	1,500,000
DEVELOPMENT OF TRANSFER STATION	2,000,000	2,000,000	2,000,000
FENCING OF CEMETRIES	1,500,000	2,000,000	-
DEVELOPMENT OF REGIONAL CEMETERIES	1,000,000	-	-
CONSTRUCTION OF CARPORTS	100,000	70,000	-
CLEANING EQUIPMENT	120,000	120,000	200,000
FURNITURE	500,000	100,000	-
COMPUTER HARDWARES	300,000	650,000	400,000
PURCHASE OF MUNICIPAL FLEET	1,500,000	500,000	350,000
SURVEY OF MUNICIPAL BUILDING	500,000	1,000,000	1,000,000

Description	2017/2018	2018/2019	2019/2010
REFURBISHMENT OF MUNICIPAL BUILDINGS	1,500,000	500,000	100,000
OHRIDSTAD SPORTS COMPLEX PHASE 2	2,000,000		
DEVELOPMENT OF MASTER PLAN	1,500,000		
CONSTRUCTION OF NEHWAKERS STALLS	1,500,000	3,000,000	-
DECENTRALISATION OF RA FUNCTION	1,000,000	-	-
OWN FUNDING MIG PROJECTS	560,000		
<b>TOTAL ASSETS FROM OWN FUNDS</b>	<b>58,960,000</b>	<b>24,740,000</b>	<b>15,750,000</b>

## 8.1 CAPEX FROM MIG

The table below is a list of MIG projects and their adjustments:

Description	BUDGET YEAR 2018	BUDGET YEAR 2019	BUDGET YEAR 2020
MIG-UPGRADING GRADING WANASPORTSFAC.	1,666,001	-	-
MIG - MAPODILE SPORTS FACILITIES PHASE 2	3,178,850	5,000,000	12,230,000
MIG - MOTODI SPORTS COMPLEX	2,500,000	5,222,344	12,982,232
MIG-TUBATSE HIGH MAST LIGHTS	2,500,000	15,000,000	10,927,979
MIG-ACCESS BRIDGE-DITHAMAGA	7,317,695		
MIG - ACCESS BRIDGE-TJATE	10,208,246	5,000,000	-
MIG - ACCESS ROAD-BOTHASHOEK	13,983,817	5,000,000	
MIG - TUKAKGOMO ACCESS ROAD	1,500,000	6,800,000	-
MIG - ACCESS BRIDGE-LEFAHLA	1,500,000	8,572,026	
MIG - THOKWANE ACCESS ROAD	6,000,000	8,000,000	3,597,654
MIG - LEBOENG ACCESS ROAD	4,083,792	7,000,000	9,000,000
MIG - ACCESS BRIDGE-GAMALWANE	1,500,000	6,000,000	9,264,888
MIG - ACCESS BRIDGE-MOROKADIETA	8,900,000	-	-
MIG - NCHABELENG/NKWANA/SEROKA STYKRALL/COMMUNITY HALLS INTERNAL STREET	4,000,000	5,000,000	
MIG - MAGAKALA TO MAGOTWANA INTERNAL STREET	4,000,000	3,000,000	1,255,000
MIG - FETAKGOMO MUNICIPAL FACILITIES INTERNAL STREET	4,700,000	4,300,000	-
MIG - MASHUNG INTERNAL STREET	4,500,000		-
MIG - STRYDKRAAL A TO HOBEHLALE INTERNAL STREET	-	2,357,000	8,000,000

<b>Description</b>	<b>BUDGET YEAR 2018</b>	<b>BUDGET YEAR 2019</b>	<b>BUDGET YEAR 2020</b>
MIG - RADINGWANA TO SEKHUKHUNE INTERNAL STREET	-	-	7,000,000
MIG - GA- DEBEILA TO MOHLALETSE INTERNAL STREET	-	-	16,959,962
<b>TOTAL ASSETS FROM GRANTS AND SUBSIDIES</b>	<b>81,541,851</b>	<b>86,251,370</b>	<b>91,217,715</b>

**1.6. Annual Budget Tables-Parent Municipality**



The following pages presents 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 2017/18 budget and MTREF as approved by Council. Each table is accompanied by explanatory note on the next page.

## **Annual Budget Tables**

LIM476 Fetakgomo-Tubatse - Table A1 Consolidated Budget Sun

Description	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>R thousands</b>										
<b>Financial Performance</b>										
Property rates	-	-	-	88,038	118,090	118,090	-	123,856	132,526	141,803
Service charges	-	-	-	12,926	12,971	12,971	-	11,479	12,283	13,142
Investment revenue	-	-	-	10,959	10,765	10,765	-	11,519	12,325	13,188
Transfers recognised - operational	-	-	-	314,615	297,357	297,357	-	352,892	415,026	424,724
Other own revenue	-	-	-	38,317	38,477	38,477	-	48,193	51,487	55,006
<b>Total Revenue (excluding capital transfers and contributions)</b>	-	-	-	464,854	477,661	477,661	-	547,939	623,646	647,864
Employee costs	-	-	-	160,342	152,139	152,139	-	163,899	174,363	185,490
Remuneration of councillors	-	-	-	29,028	27,716	27,716	-	24,099	25,786	27,591
Depreciation & asset impairment	-	-	-	44,183	41,233	41,233	-	90,000	96,300	103,041
Finance charges	-	-	-	1,653	1,653	1,653	-	1,725	1,846	1,975
Materials and bulk purchases	-	-	-	32,417	70,400	70,400	-	72,748	33,826	36,344
Transfers and grants	-	-	-	5,425	5,425	5,425	-	4,000	4,500	5,000
Other expenditure	-	-	-	208,044	211,288	211,288	-	227,775	258,642	274,461
<b>Total Expenditure</b>	-	-	-	481,092	509,853	509,853	-	584,247	595,263	633,902
<b>Surplus/(Deficit)</b>	-	-	-	(16,238)	(32,192)	(32,192)	-	(36,308)	28,383	13,962
Transfers and subsidies - capital (monetary alloc	-	-	-	164,046	208,025	208,025	-	85,863	90,875	96,165
Contributions recognised - capital & contributed a	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	-	-	-	147,808	175,833	175,833	-	49,555	119,258	110,127
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	-	-	-	147,808	175,833	175,833	-	49,555	119,258	110,127
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	-	-	-	241,014	230,623	230,623	-	140,438	110,991	106,968
Transfers recognised - capital	-	-	-	162,019	122,885	122,885	-	81,478	86,251	91,218
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	78,995	107,738	107,738	-	58,960	24,740	15,750
<b>Total sources of capital funds</b>	-	-	-	241,014	230,623	230,623	-	140,438	110,991	106,968
<b>Financial position</b>										
Total current assets	-	-	-	245,947	245,947	245,947	-	300,562	361,498	424,933
Total non current assets	-	-	-	1,465,371	1,465,371	1,465,371	-	1,530,531	1,630,550	1,750,559
Total current liabilities	-	-	-	61,409	61,409	61,409	-	53,927	56,623	59,454
Total non current liabilities	-	-	-	49,378	49,378	49,378	-	50,104	50,917	51,820
Community wealth/Equity	-	-	-	1,600,532	1,600,532	1,600,532	-	1,716,510	1,873,429	2,052,584
<b>Cash flows</b>										
Net cash from (used) operating	-	-	-	166,062	169,469	169,469	-	106,444	202,890	184,915
Net cash from (used) investing	-	-	-	(241,014)	(230,623)	(230,623)	-	(142,622)	(149,334)	(129,285)
Net cash from (used) financing	-	-	-	(901)	(901)	(901)	-	(1,100)	(1,100)	(1,100)
<b>Cash/cash equivalents at the year end</b>	-	-	-	154,436	168,234	168,234	-	130,956	183,412	237,942
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	-	-	-	154,436	154,436	154,436	-	130,956	183,412	237,942
Application of cash and investments	-	-	-	(9,295)	1,592	1,592	-	(44,800)	(47,031)	(49,362)
<b>Balance - surplus (shortfall)</b>	-	-	-	163,731	152,844	152,844	-	175,756	230,443	287,304
<b>Asset management</b>										
Asset register summary (WDV)	-	-	-	1,465,266	1,465,266	1,465,266	1,530,426	1,530,426	1,630,440	1,750,448
Depreciation	-	-	-	44,183	41,233	41,233	90,000	90,000	96,300	103,041
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-	-	72,748	72,748	33,826	36,344
<b>Free services</b>										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	4,489	(0)	(0)	4,900	4,900	5,243	5,610
<b>Households below minimum service level</b>										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sew erage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	113	113	113	113	113	113	113

**Explanatory notes to MBRR table A1-Budget Summary**

1. *Table A1 is a budget summary and provides a concise overview of the 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 assessments 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 by capital funding sources, of which*
    - i. *Transfers recognised is reflected on the financial performance budget*
    - ii. *Borrowing is incorporated in the net cash from financing on the cash flow budget*
    - iii. *Internally generated funds are financed from a combination of the current operating surplus and accumulated cash backed surplus from previous years. The amount is incorporated in the net cash from investing on the cash flow budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital budget.*
4. *Municipality continue to cater for free basic services to the indigent residents. In addition, the municipality continues to make progress in addressing service delivery backlogs.*

LIM476 Fetakgomo-Tubatse - Table A2 Consolidated Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>Revenue - Functional</b>	1									
<b>Governance and administration</b>		-	-	-	435,343	448,199	448,199	502,805	536,133	567,809
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	-	-	435,343	448,199	448,199	502,805	536,133	567,809
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	-	-	14,053	13,810	13,810	22,072	23,537	25,100
Community and social services		-	-	-	-	-	-	1,880	2,012	2,153
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	14,053	13,810	13,810	20,192	21,525	22,947
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		-	-	-	166,996	210,707	210,707	97,355	142,472	137,873
Planning and development		-	-	-	166,996	561	561	1,492	1,597	1,708
Road transport		-	-	-	-	210,146	210,146	95,863	140,875	136,165
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		-	-	-	12,508	12,971	12,971	11,570	12,380	13,246
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	12,508	12,971	12,971	11,570	12,380	13,246
<b>Other</b>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	-	-	-	628,900	685,686	685,686	633,802	714,521	744,029
<b>Expenditure - Functional</b>										
<b>Governance and administration</b>		-	-	-	280,787	284,307	284,307	359,160	362,847	381,745
Executive and council		-	-	-	22,835	61,436	61,436	63,157	67,535	71,915
Finance and administration		-	-	-	257,952	222,871	222,871	296,003	295,312	309,830
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	-	-	81,484	72,731	72,731	44,968	48,222	50,780
Community and social services		-	-	-	81,484	72,731	72,731	23,194	24,911	25,816
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	21,774	23,311	24,965
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		-	-	-	118,822	152,814	152,814	137,982	98,306	105,084
Planning and development		-	-	-	66,014	49,759	49,759	29,955	26,657	28,059
Road transport		-	-	-	52,808	103,056	103,056	108,026	71,649	77,025
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		-	-	-	-	-	-	42,137	85,888	96,292
Energy sources		-	-	-	-	-	-	10,000	50,000	40,000
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	32,137	35,888	56,292
<b>Other</b>	4	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	3	-	-	-	481,092	509,853	509,853	584,247	595,263	633,902
<b>Surplus/(Deficit) for the year</b>		-	-	-	147,808	175,833	175,833	49,555	119,258	110,127

LIM476 Fetakgomo-Tubatse - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>Revenue by Vote</b>	1									
Vote 1 - Governance and Administration		-	-	-	435,343	448,199	448,199	502,805	536,133	567,809
Vote 2 - Community and Public Safety		-	-	-	14,053	13,810	13,810	22,072	23,537	25,100
Vote 3 - Economic and Environmental Services		-	-	-	166,996	210,707	210,707	97,355	142,472	137,873
Vote 4 - Trading Services		-	-	-	12,508	12,971	12,971	11,570	12,380	13,246
Vote 5 - Waste management		-	-	-	-	-	-	-	-	-
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	-	-	-	<b>628,900</b>	<b>685,686</b>	<b>685,686</b>	<b>633,802</b>	<b>714,521</b>	<b>744,029</b>
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 1 .Executive and council		-	-	-	280,787	284,307	284,307	359,160	362,847	381,745
Vote 2 - Community and Public Safety		-	-	-	81,484	72,732	72,732	77,106	84,110	107,073
Vote 3 - Economic and Environmental Services		-	-	-	118,822	152,814	152,814	147,982	148,306	145,084
Vote 4 - Trading Services		-	-	-	-	-	-	-	-	-
Vote 5 - Waste management		-	-	-	-	-	-	-	-	-
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	-	-	-	<b>481,092</b>	<b>509,853</b>	<b>509,853</b>	<b>584,247</b>	<b>595,263</b>	<b>633,902</b>
<b>Surplus/(Deficit) for the year</b>	2	-	-	-	<b>147,808</b>	<b>175,833</b>	<b>175,833</b>	<b>49,555</b>	<b>119,258</b>	<b>110,127</b>

LIM476 Fetakgomo-Tubatse - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>Revenue By Source</b>											
Property rates	2	-	-	-	88,038	118,090	118,090	-	123,856	132,526	141,803
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	-	-	12,508	12,971	12,971	-	11,479	12,283	13,142
Service charges - other					418	0	0				
Rental of facilities and equipment					1,092	538	538		575	615	658
Interest earned - external investments					10,959	10,765	10,765		11,519	12,325	13,188
Interest earned - outstanding debtors					10,763	10,867	10,867		11,719	12,540	13,417
Dividends received					-	-	-				
Fines, penalties and forfeits					13,491	13,491	13,491		14,436	15,432	16,497
Licences and permits					6,472	6,470	6,470		13,846	14,773	15,763
Agency services					3,995	3,663	3,663		4,274	4,550	4,844
Transfers and subsidies					314,615	297,357	297,357		352,892	415,026	424,724
Other revenue	2	-	-	-	2,503	3,448	3,448	-	3,342	3,576	3,826
Gains on disposal of PPE											
<b>Total Revenue (excluding capital transfers and contributions)</b>		-	-	-	<b>464,854</b>	<b>477,661</b>	<b>477,661</b>	-	<b>547,939</b>	<b>623,646</b>	<b>647,864</b>
<b>Expenditure By Type</b>											
Employee related costs	2	-	-	-	160,342	152,139	152,139	-	163,899	174,363	185,490
Remuneration of councillors					29,028	27,716	27,716		24,099	25,786	27,591
Debt impairment	3				30,387	24,537	24,537		30,000	25,000	26,750
Depreciation & asset impairment	2	-	-	-	44,183	41,233	41,233	-	90,000	96,300	103,041
Finance charges					1,653	1,653	1,653		1,725	1,846	1,975
Bulk purchases	2	-	-	-	-	-	-	-	-	-	-
Other materials	8				32,417	70,400	70,400		72,748	33,826	36,344
Contracted services					41,820	72,035	72,035		79,838	77,586	78,712
Transfers and subsidies					5,425	5,425	5,425		4,000	4,500	5,000
Other expenditure	4, 5	-	-	-	135,837	114,716	114,716	-	117,938	156,056	168,999
Loss on disposal of PPE											
<b>Total Expenditure</b>		-	-	-	<b>481,092</b>	<b>509,853</b>	<b>509,853</b>	-	<b>584,247</b>	<b>595,263</b>	<b>633,902</b>
<b>Surplus/(Deficit)</b>		-	-	-	<b>(16,238)</b>	<b>(32,192)</b>	<b>(32,192)</b>	-	<b>(36,308)</b>	<b>28,383</b>	<b>13,962</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)					164,046	208,025	208,025		85,863	90,875	96,165
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Transfers and subsidies - capital (in-kind - all)	6	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		-	-	-	<b>147,808</b>	<b>175,833</b>	<b>175,833</b>	-	<b>49,555</b>	<b>119,258</b>	<b>110,127</b>
Taxation											
<b>Surplus/(Deficit) after taxation</b>		-	-	-	<b>147,808</b>	<b>175,833</b>	<b>175,833</b>	-	<b>49,555</b>	<b>119,258</b>	<b>110,127</b>
Attributable to minorities											
<b>Surplus/(Deficit) attributable to municipality</b>		-	-	-	<b>147,808</b>	<b>175,833</b>	<b>175,833</b>	-	<b>49,555</b>	<b>119,258</b>	<b>110,127</b>
Share of surplus/ (deficit) of associate	7										
<b>Surplus/(Deficit) for the year</b>		-	-	-	<b>147,808</b>	<b>175,833</b>	<b>175,833</b>	-	<b>49,555</b>	<b>119,258</b>	<b>110,127</b>

LIM476 Fetakgomo-Tubatse - Table A5 Consolidated Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>		-	-	-	2,260	500	500	-	4,020	1,940	1,050
Executive and council											
Finance and administration					2,260	500	500		4,020	1,940	1,050
Internal audit											
<b>Community and public safety</b>		-	-	-	47,664	23,935	23,935	-	45,345	21,722	31,712
Community and social services					47,664	23,935	23,935		25,500	9,500	4,500
Sport and recreation									10,345	10,222	25,212
Public safety									9,500	2,000	2,000
Housing											
Health											
<b>Economic and environmental services</b>		-	-	-	179,879	205,888	205,888	-	90,074	86,029	72,705
Planning and development					114,266	52,120	52,120		6,000	6,500	4,000
Road transport					65,613	153,768	153,768		84,074	79,529	68,705
Environmental protection									-	-	-
<b>Trading services</b>		-	-	-	300	300	300	-	1,000	1,300	1,500
Energy sources									-	-	-
Water management					300	300	300				
Waste water management									1,000	1,300	1,500
Waste management											
<b>Other</b>					10,910						
<b>Total Capital Expenditure - Functional</b>	3	-	-	-	241,014	230,623	230,623	-	140,438	110,991	106,968
<b>Funded by:</b>											
National Government					162,019	122,885	122,885		81,478	86,251	91,218
Provincial Government											
District Municipality											
Other transfers and grants											
<b>Transfers recognised - capital</b>	4	-	-	-	162,019	122,885	122,885	-	81,478	86,251	91,218
<b>Public contributions &amp; donations</b>	5										
<b>Borrowing</b>	6										
<b>Internally generated funds</b>					78,995	107,738	107,738		58,960	24,740	15,750
<b>Total Capital Funding</b>	7	-	-	-	241,014	230,623	230,623	-	140,438	110,991	106,968



LIM476 Fetakgomo-Tubatse - Table A6 Consolidated Budgeted Financial Position

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>ASSETS</b>											
<b>Current assets</b>											
Cash					33,336	33,336	33,336		52,193	84,649	109,179
Call investment deposits	1	-	-	-	121,100	121,100	121,100	-	78,762	98,762	128,762
Consumer debtors	1	-	-	-	82,690	82,690	82,690	-	157,786	165,439	173,458
Other debtors					6,452	6,452	6,452		7,452	7,973	8,531
Current portion of long-term receivables					1,012	1,012	1,012		2,012	2,153	2,304
Inventory	2				1,357	1,357	1,357		2,357	2,522	2,699
<b>Total current assets</b>		-	-	-	<b>245,947</b>	<b>245,947</b>	<b>245,947</b>	-	<b>300,562</b>	<b>361,498</b>	<b>424,933</b>
<b>Non current assets</b>											
Long-term receivables											
Investments											
Investment property					149,335	149,335	149,335		149,335	149,335	149,335
Investment in Associate											
Property, plant and equipment	3	-	-	-	1,315,648	1,315,648	1,315,648	-	1,380,808	1,480,808	1,600,802
Agricultural											
Biological											
Intangible					283	283	283		283	297	312
Other non-current assets					105	105	105		105	110	110
<b>Total non current assets</b>		-	-	-	<b>1,465,371</b>	<b>1,465,371</b>	<b>1,465,371</b>	-	<b>1,530,531</b>	<b>1,630,550</b>	<b>1,750,559</b>
<b>TOTAL ASSETS</b>		-	-	-	<b>1,711,318</b>	<b>1,711,318</b>	<b>1,711,318</b>	-	<b>1,831,093</b>	<b>1,992,048</b>	<b>2,175,492</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft	1										
Borrowing	4	-	-	-	-	-	-	-	-	-	-
Consumer deposits											
Trade and other payables	4	-	-	-	52,660	52,660	52,660	-	44,741	46,978	49,326
Provisions					8,749	8,749	8,749		9,186	9,645	10,128
<b>Total current liabilities</b>		-	-	-	<b>61,409</b>	<b>61,409</b>	<b>61,409</b>	-	<b>53,927</b>	<b>56,623</b>	<b>59,454</b>
<b>Non current liabilities</b>											
Borrowing		-	-	-	14,849	14,849	14,849	-	13,849	12,849	11,849
Provisions		-	-	-	34,528	34,528	34,528	-	36,255	38,067	39,971
<b>Total non current liabilities</b>		-	-	-	<b>49,378</b>	<b>49,378</b>	<b>49,378</b>	-	<b>50,104</b>	<b>50,917</b>	<b>51,820</b>
<b>TOTAL LIABILITIES</b>		-	-	-	<b>110,786</b>	<b>110,786</b>	<b>110,786</b>	-	<b>104,031</b>	<b>107,540</b>	<b>111,274</b>
<b>NET ASSETS</b>	5	-	-	-	<b>1,600,532</b>	<b>1,600,532</b>	<b>1,600,532</b>	-	<b>1,727,062</b>	<b>1,884,509</b>	<b>2,064,218</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated Surplus/(Deficit)					1,600,532	1,600,532	1,600,532		1,727,062	1,884,509	2,064,218
Reserves	4	-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	5	-	-	-	<b>1,600,532</b>	<b>1,600,532</b>	<b>1,600,532</b>	-	<b>1,727,062</b>	<b>1,884,509</b>	<b>2,064,218</b>

LIM476 Fetakgomo-Tubatse - Table A7 Consolidated Budgeted Cash Flows

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates					72,057	72,057	72,057		74,314	79,516	85,082
Service charges					8,616	8,616	8,616		8,099	8,666	9,273
Other revenue					14,639	14,639	14,639		15,927	17,041	18,223
Government - operating	1				309,570	297,357	297,357		343,882	366,085	385,858
Government - capital	1				164,046	208,025	208,025		95,863	140,875	136,165
Interest					12,911	12,911	12,911		13,878	14,849	15,888
Dividends									-	-	-
<b>Payments</b>											
Suppliers and employees					(408,700)	(437,059)	(437,059)		(439,794)	(417,796)	(458,598)
Finance charges					(1,653)	(1,653)	(1,653)		(1,725)	(1,846)	(1,975)
Transfers and Grants	1				(5,425)	(5,425)	(5,425)		(4,000)	(4,500)	(5,000)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		-	-	-	<b>166,062</b>	<b>169,469</b>	<b>169,469</b>	-	<b>106,444</b>	<b>202,890</b>	<b>184,915</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE									-	-	-
Decrease (increase) in non-current debtors									-	-	-
Decrease (increase) other non-current receivables									-	-	-
Decrease (increase) in non-current investments									-	-	-
<b>Payments</b>											
Capital assets					(241,014)	(230,623)	(230,623)		(142,622)	(149,334)	(129,285)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		-	-	-	<b>(241,014)</b>	<b>(230,623)</b>	<b>(230,623)</b>	-	<b>(142,622)</b>	<b>(149,334)</b>	<b>(129,285)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans									-	-	-
Borrowing long term/refinancing									-	-	-
Increase (decrease) in consumer deposits									-	-	-
<b>Payments</b>											
Repayment of borrowing					(901)	(901)	(901)		(1,100)	(1,100)	(1,100)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		-	-	-	<b>(901)</b>	<b>(901)</b>	<b>(901)</b>	-	<b>(1,100)</b>	<b>(1,100)</b>	<b>(1,100)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		-	-	-	<b>(75,852)</b>	<b>(62,055)</b>	<b>(62,055)</b>	-	<b>(37,278)</b>	<b>52,456</b>	<b>54,530</b>
Cash/cash equivalents at the year begin:	2				<b>230,289</b>	<b>230,289</b>	<b>230,289</b>		<b>168,234</b>	<b>130,956</b>	<b>183,412</b>
Cash/cash equivalents at the year end:	2				<b>154,436</b>	<b>168,234</b>	<b>168,234</b>		<b>130,956</b>	<b>183,412</b>	<b>237,942</b>

LIM476 Fetakgomo-Tubatse - Table A8 Consolidated Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	-	-	-	154,436	168,234	168,234	-	130,956	183,412	237,942
Other current investments > 90 days		-	-	-	0	(13,797)	(13,797)	-	-	-	-
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>					<b>154,436</b>	<b>154,436</b>	<b>154,436</b>		<b>130,956</b>	<b>183,412</b>	<b>237,942</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		-	-	-	10,050	10,050	10,050	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	-	-	-	(19,345)	(8,458)	(8,458)	-	(44,800)	(47,031)	(49,362)
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
<b>Total Application of cash and investments:</b>					<b>(9,295)</b>	<b>1,592</b>	<b>1,592</b>		<b>(44,800)</b>	<b>(47,031)</b>	<b>(49,362)</b>
<b>Surplus(shortfall)</b>					<b>163,731</b>	<b>152,844</b>	<b>152,844</b>		<b>175,756</b>	<b>230,443</b>	<b>287,304</b>

LIM476 Fetakgomo-Tubatse - Table A9 Consolidated Asset Management

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>CAPITAL EXPENDITURE</b>										
<b>Total New Assets</b>	1	-	-	-	241,314	230,622	231,222	140,438	110,991	106,968
Roads Infrastructure		-	-	-	92,479	133,891	133,891	71,074	61,029	55,078
Storm water Infrastructure		-	-	-	300	123	123	4,000	2,000	1,500
Electrical Infrastructure		-	-	-	80,300	43,970	43,970	2,500	15,000	10,928
Water Supply Infrastructure		-	-	-	600	600	600	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	33,000	16,900	16,900	21,000	8,800	6,000
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>					<b>206,679</b>	<b>195,484</b>	<b>195,484</b>	<b>98,574</b>	<b>86,829</b>	<b>73,505</b>
Community Facilities		-	-	-	1,200	5,248	5,848	13,500	7,000	2,000
Sport and Recreation Facilities		-	-	-	12,039	2,100	2,100	10,345	10,222	25,212
<b>Community Assets</b>					<b>13,239</b>	<b>7,348</b>	<b>7,948</b>	<b>23,845</b>	<b>17,222</b>	<b>27,212</b>
<b>Heritage Assets</b>										
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>										
Operational Buildings		-	-	-	-	4,050	4,050	6,100	4,070	4,100
Housing		-	-	-	-	-	-	-	-	-
<b>Other Assets</b>						<b>4,050</b>	<b>4,050</b>	<b>6,100</b>	<b>4,070</b>	<b>4,100</b>
<b>Biological or Cultivated Assets</b>										
Servitudes		-	-	-	-	3,600	3,600	-	-	-
Licences and Rights		-	-	-	-	-	-	1,500	-	-
<b>Intangible Assets</b>						<b>3,600</b>	<b>3,600</b>	<b>1,500</b>		
Computer Equipment		-	-	-	8,535	4,804	4,804	300	650	400
Furniture and Office Equipment		-	-	-	1,070	220	220	620	220	200
Machinery and Equipment		-	-	-	11,790	15,116	15,116	8,000	1,500	1,200
Transport Assets		-	-	-	-	-	-	1,500	500	350
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-

<b>Total Capital Expenditure</b>	4	-	-	-	92,479	133,891	133,891	71,074	61,029	55,078
<i>Roads Infrastructure</i>		-	-	-	92,479	133,891	133,891	71,074	61,029	55,078
<i>Storm water Infrastructure</i>		-	-	-	300	123	123	4,000	2,000	1,500
<i>Electrical Infrastructure</i>		-	-	-	80,300	43,970	43,970	2,500	15,000	10,928
<i>Water Supply Infrastructure</i>		-	-	-	600	600	600	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	33,000	16,900	16,900	21,000	8,800	6,000
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		-	-	-	<b>206,679</b>	<b>195,484</b>	<b>195,484</b>	<b>98,574</b>	<b>86,829</b>	<b>73,505</b>
Community Facilities		-	-	-	1,200	5,248	5,848	13,500	7,000	2,000
Sport and Recreation Facilities		-	-	-	12,039	2,100	2,100	10,345	10,222	25,212
<b>Community Assets</b>		-	-	-	<b>13,239</b>	<b>7,348</b>	<b>7,948</b>	<b>23,845</b>	<b>17,222</b>	<b>27,212</b>
<b>Heritage Assets</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	4,050	4,050	6,100	4,070	4,100
Housing		-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		-	-	-	-	<b>4,050</b>	<b>4,050</b>	<b>6,100</b>	<b>4,070</b>	<b>4,100</b>
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	3,600	3,600	-	-	-
Licences and Rights		-	-	-	-	-	-	1,500	-	-
<b>Intangible Assets</b>		-	-	-	-	<b>3,600</b>	<b>3,600</b>	<b>1,500</b>	-	-
<b>Computer Equipment</b>		-	-	-	<b>8,535</b>	<b>4,804</b>	<b>4,804</b>	<b>300</b>	<b>650</b>	<b>400</b>
<b>Furniture and Office Equipment</b>		-	-	-	<b>1,070</b>	<b>220</b>	<b>220</b>	<b>620</b>	<b>220</b>	<b>200</b>
<b>Machinery and Equipment</b>		-	-	-	<b>11,790</b>	<b>15,116</b>	<b>15,116</b>	<b>8,000</b>	<b>1,500</b>	<b>1,200</b>
<b>Transport Assets</b>		-	-	-	-	-	-	<b>1,500</b>	<b>500</b>	<b>350</b>
<b>Libraries</b>		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>		-	-	-	<b>241,314</b>	<b>230,622</b>	<b>231,222</b>	<b>140,438</b>	<b>110,991</b>	<b>106,968</b>

Roads Infrastructure				1,134,729	1,134,729	1,134,729	1,168,688	1,257,052	1,368,761
Storm water Infrastructure				8,264	8,264	8,264	18,264	24,264	29,264
Electrical Infrastructure									
Water Supply Infrastructure									
Sanitation Infrastructure									
Solid Waste Infrastructure									
Rail Infrastructure									
Coastal Infrastructure									
Information and Communication Infrastructure									
<b>Infrastructure</b>				<b>1,142,993</b>	<b>1,142,993</b>	<b>1,142,993</b>	<b>1,186,952</b>	<b>1,281,316</b>	<b>1,398,025</b>
Community Facilities									
Sport and Recreation Facilities				36,066	36,066	36,066	56,066	61,066	64,066
<b>Community Assets</b>				<b>36,066</b>	<b>36,066</b>	<b>36,066</b>	<b>56,066</b>	<b>61,066</b>	<b>64,066</b>
<b>Heritage Assets</b>									
Revenue Generating									
Non-revenue Generating									
<b>Investment properties</b>									
Operational Buildings				149,335	149,335	149,335	150,335	150,835	151,035
Housing									
<b>Other Assets</b>				<b>149,335</b>	<b>149,335</b>	<b>149,335</b>	<b>150,335</b>	<b>150,835</b>	<b>151,035</b>
<b>Biological or Cultivated Assets</b>									
Servitudes									
Licences and Rights									
<b>Intangible Assets</b>									
Computer Equipment				136,589	136,589	136,589	136,789	136,939	137,039
Furniture and Office Equipment									
Machinery and Equipment				283	283	283	283	283	283
Transport Assets									
Libraries									
Zoo's, Marine and Non-biological Animals									
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	5			<b>1,465,266</b>	<b>1,465,266</b>	<b>1,465,266</b>	<b>1,530,426</b>	<b>1,630,440</b>	<b>1,750,448</b>
<b>EXPENDITURE OTHER ITEMS</b>									
<b>Depreciation</b>	7			44,183	41,233	41,233	90,000	96,300	103,041
<b>Repairs and Maintenance by Asset Class</b>	3						72,748	33,826	36,344
Roads Infrastructure							60,032	20,034	21,437
Storm water Infrastructure									
Electrical Infrastructure							6,500	7,140	7,790
Water Supply Infrastructure							152	162	174
Sanitation Infrastructure									
Solid Waste Infrastructure							326	349	374
Rail Infrastructure									
Coastal Infrastructure									
Information and Communication Infrastructure									
<b>Infrastructure</b>							<b>67,010</b>	<b>27,686</b>	<b>29,774</b>
Community Facilities									
Sport and Recreation Facilities									
<b>Community Assets</b>									
<b>Heritage Assets</b>									
Revenue Generating									
Non-revenue Generating									
<b>Investment properties</b>									
Operational Buildings							1,000	1,070	1,145
Housing									
<b>Other Assets</b>							<b>1,000</b>	<b>1,070</b>	<b>1,145</b>
<b>Biological or Cultivated Assets</b>									
Servitudes									
Licences and Rights									
<b>Intangible Assets</b>									
Computer Equipment							1,000	1,070	1,145
Furniture and Office Equipment									
Machinery and Equipment							3,738	4,000	4,279
Transport Assets									
Libraries									
Zoo's, Marine and Non-biological Animals									
<b>TOTAL EXPENDITURE OTHER ITEMS</b>				<b>44,183</b>	<b>41,233</b>	<b>41,233</b>	<b>162,748</b>	<b>130,126</b>	<b>139,385</b>

***Part 2: Supporting documents***

## ***2.1 Overview of the annual budget process***

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

Section 21(1)(b) of the Municipal Finance Management Act (MFMA) (no. 56 of 2003) generally echoes Section 28(1) of the Municipal Systems Act (MSA) (no. 32 of 2000) by prescribing that the Mayor of the Municipality must at least 10 months before the commencement of the financial year, table in the Council a time schedule outlining key deadlines for the preparations, tabling and approval of the annual budget and also the review of the Integrated Development Plan.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the Mayor.

The primary aim of the budget steering committee is to ensure;

- That the process followed to compile the budget complies with legislation and good budget practices;
- 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;
- That the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

Preparatory data for 2017/2018 IDP/Budget will be the subject of the next section.

Preparatory phase commenced with the process plan. The table below tells a story of the process plan.

**Table : IDP/Budget Process for the 2017/2018**

MONTH	ACTIVITY	TARGET DATE
July 2016	<b>Preparatory Phase</b>	July 2016
	Review of previous year's IDP/Budget process, MTEF included. EXCO provides political guidance over the budget process and priorities that must inform preparations of the budget. IDP/Budget Steering Committee meeting. Consultation with established Committees and fora 4 <sup>th</sup> Quarter Performance Lekgotla (2015/16)	
August 2016	Ward-to-Ward based data collection Collate information from ward based data. Submit AFS (Annual Financial Statements) for 2015/16 to AG Submit 2015/16 cumulative Performance Report to AG & Council Structures	August 2016
September 2016	<b>Analysis Phase</b>	September 2016
	Council determines strategic objectives for service delivery through IDP review processes and the development of the next 3 year budget (including review of sector departments plans). Determine revenue projections and propose tariffs and draft initial allocations per function and department for 2016/17 financial year. Consult with provincial and national sector departments on sector specific programmes for alignment (schools, libraries, clinics, water, electricity, roads, etc). Finalize ward based data compilation for verification in December 2016.	



	Update Council structures on updated data.	
October 2016	<b>Strategies Phase</b>	October 2016
	<p>Quarterly (1<sup>st</sup>) review of 2015/16 budget, related policies, amendments (if necessary), any related consultative process.</p> <p>Begin preliminary preparations on proposed budget for 2016/17 financial year with consideration being given to partial performance of 2015/16.</p>	
November 2016	<b>Projects Phase</b>	November 2016
	<p>Confirm IDP projects with district and sector departments.</p> <p>Engage with sector departments' strategic sessions to test feasibility of attendance to planned sessions.</p> <p>Review and effect changes on initial IDP draft.</p>	
December 2016	<b>Integration Phase</b>	December 2016
	<p>Table Draft 2015/16 Annual Report<sup>1</sup> to Council</p> <p>Review budget performance and prepare for adjustment</p> <p>Consolidated Analysis Phase in place</p> <p>IDP/Budget Steering Committee meeting</p> <p>IDP Rep Forum</p>	
January 2017	<p>Table Draft 2015/16 Annual Report to Council.</p> <p>Submit Draft Annual Report to AG, PT and COGHSTA</p> <p>Publish Draft Annual Report in the municipal jurisdiction (website etc).</p> <p>Prepare Oversight Report for the 2015/16 financial year.</p> <p>Mid-Year Performance Lekgotla/Review/Strategic Planning Session, (review of IDP/Budget, related policies and consultative process).</p>	January 2017

February 2017	Table Budget Adjustment (if necessary). Submission of Draft IDP/Budget for 2017/18 to Management, relevant stakeholders & structures	February 2017
March 2017	Council considers the 2017/18 Draft IDP/Budget. Publish the 2017/18 Draft IDP/Budget for public comments. Adoption of Oversight Report for 2016/17.	March 2017
April 2017	<b>Approval Phase</b> Submit 2017/18 Draft IDP/Budget to the National Treasury, Provincial Treasury and COGHSTA in both printed & electronic formats. Consultation with key stakeholders.	April 2017
May 2017	Submit Final Draft IDP/Budget for 2017/18 with incorporated comments from stakeholders' consultation to Council for approval. Prepare SDBIP for 2017/18 f/y.	May 2017
June 2017	Submission of the SDBIP to the Mayor. Prepare 2017/18 Performance Agreements of MM, Senior Managers and Middle Managers for 2017/18 performance year.	June 2017

*The budget steering committee is leading the process of IDP budget compilation. Various meetings including a strategic planning session were held to consider budget and IDP proposals. Community members were consulted in the first draft of the IDP and second consultation meetings will be held post the adoption of the draft budget.*

### **2.3 Overview of budget assumptions**

An advice from National Treasury circular 58 and 59 was taken into account in preparing the budget. The municipalities revenues will continue to be under pressure owing to a general decline in the world and domestic economy which has put economic pressures on the household and therefore advises municipalities to use a conservative approach when making revenue estimates.

Municipalities must pay special attention to controlling unnecessary spending on nice-to-have items and non-essential activities. The following examples of non-priority expenditure have been observed, and need to be eliminated:

- excessive sponsorship of music festivals, beauty pageants and sporting events, including the purchase of tickets to events for councillors and/or officials;
- public relations projects and activities that are not centred on actual service delivery or are not a municipal function (e.g. celebrations; gala dinners; commemorations, advertising and voter education);
- LED projects that serve the narrow interests of only a small number of beneficiaries or fall within the mandates of other government departments such as the Department of Agriculture;
- excessive catering for meetings and other events, including the use of public funds to buy alcoholic beverages;
- arranging workshops and events at expensive private venues, especially ones outside the municipality (as opposed to using the municipality's own venues);
- excessive printing costs (instead of maximising the use of the municipality's website, including providing facilities for the public to access the website);
- excessive luxurious office accommodation and office furnishings;
- foreign travel by mayors, councillors and officials, particularly 'study tours';
- excessive councillor and staff perks such as luxurious mayoral cars and houses, notebooks, IPADS and cell-phone allowances; travel and subsistence allowances (certain of these may be irregular spending – see paragraph 4.8 below);

- excessive staff in the office of the mayor – particularly the appointment of political ‘advisors’ and ‘spokespersons’;
- ✓ all donations to individuals that are not made in terms of the municipality’s indigent policy or a bursary scheme; for instance donations to cover funeral costs (other than pauper burials which is a district municipality function);
- ✓ costs associated with long-standing staff suspensions and the legal costs associated with not following due process when suspending or dismissing staff, as well as payment of severance packages or ‘golden handshakes’; and
- ✓ the use of consultants to perform routine management tasks, and the payment of excessive fees to consultants.

### **Principles guiding the budget process**

- ✓ Ensuring that expenditure is aligned to revenue and that the municipality has sufficient cash to finance the expenditure.
- ✓ Ensure that the municipality avoids borrowings due to the dependence on grant revenue
- ✓ Ensure that the municipality maintains sufficient reserves for rainy days and capital expansion.
- ✓ Ensure that the budget respond to priorities enlisted in the IDP.
- ✓ Review of all programmes and cost centres to minimise wastage.
- ✓ Reprioritisation of expenditure programmes to curb the growing personnel and operating expenditure.
- ✓ Ensure that services are cost reflective, affordable and sustainable.
- ✓ Ensure that realistic revenue targets are set based on trends.
  - ✓ Follow the national guide on salary and CPI projections.

**2.4 Overview of budget related-policies**

*The budget related policies will be circulated for consultation in April. The following are such policies;*

**A. SUPPLY CHAIN MANAGEMENT POLICY**

*The supply chain management policy has been reviewed in the second quarter but presented as part of budget related policies*

**B. ASSET MANAGEMENT POLICY**

*The asset management policy has been reviewed in the second quarter but presented as part of budget related policies*

**C. BAD DEBTS WRITE OFF POLICY**

*This policy is subject to review and is attached as annexure B*

**D. THE CREDIT CONTROL AND DEBT COLLECTION POLICY.**

*This policy is subject to review and is attached as annexure B*

**E. BUDGET MANAGEMENT POLICY AND VIREMENT POLICY**

*This policy is subject to review and is attached as annexure B*

**F. CASH MANAGEMENT AND INVESTMENT POLICY**

*This policy is subject to review and is attached as annexure B*

**G. TARIFF POLICY**

*This policy is subject to review and is attached as annexure B*

**H. INDIGENT MANAGEMENT POLICY**

*This policy is subject to review and is attached as annexure B*

**I. PROPERTY RATES POLICY**

*This policy is subject to review and is attached as annexure B.*

***All the above policies are available on the municipality's website.***

## 2.5 Expenditure on grants and reconciliation of unspent funds

LIM476 Fetakgomo-Tubatse - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>Operating transfers and grants:</b>	1,3									
<b>National Government:</b>										
Balance unspent at beginning of the year										
Current year receipts					314,615	297,357	297,357	352,892	415,026	424,724
<b>Conditions met - transferred to revenue</b>		-	-	-	314,615	297,357	297,357	352,892	415,026	424,724
Conditions still to be met - transferred to liabilities										
<b>Provincial Government:</b>										
Balance unspent at beginning of the year										
Current year receipts										
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
<b>District Municipality:</b>										
Balance unspent at beginning of the year										
Current year receipts										
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
<b>Other grant providers:</b>										
Balance unspent at beginning of the year										
Current year receipts										
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
<b>Total operating transfers and grants revenue</b>		-	-	-	314,615	297,357	297,357	352,892	415,026	424,724
<b>Total operating transfers and grants - CTBM</b>	2	-	-	-	-	-	-	-	-	-
<b>Capital transfers and grants:</b>	1,3									
<b>National Government:</b>										
Balance unspent at beginning of the year										
Current year receipts					162,019	122,885	122,885	81,478	86,251	91,218
<b>Conditions met - transferred to revenue</b>		-	-	-	162,019	122,885	122,885	81,478	86,251	91,218
Conditions still to be met - transferred to liabilities										
<b>Provincial Government:</b>										
Balance unspent at beginning of the year										
Current year receipts										
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
<b>District Municipality:</b>										
Balance unspent at beginning of the year										
Current year receipts										
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
<b>Other grant providers:</b>										
Balance unspent at beginning of the year										
Current year receipts										
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
<b>Total capital transfers and grants revenue</b>		-	-	-	162,019	122,885	122,885	81,478	86,251	91,218
<b>Total capital transfers and grants - CTBM</b>	2	-	-	-	-	-	-	-	-	-
<b>TOTAL TRANSFERS AND GRANTS REVENUE</b>		-	-	-	476,633	420,242	420,242	434,370	501,277	515,942
<b>TOTAL TRANSFERS AND GRANTS - CTBM</b>		-	-	-	-	-	-	-	-	-

LIM476 Fetakgomo-Tubatse - Supporting Table SA25 Consolidated budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	
<b>R thousand</b>																	
<b>Revenue By Source</b>																	
Property rates		10,321	10,321	10,321	10,321	10,321	10,321	10,321	10,321	10,321	10,321	10,321	10,322	123,856	132,526	141,803	
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - refuse revenue		964	964	964	964	964	964	964	964	964	964	964	873	11,479	12,283	13,142	
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rental of facilities and equipment		48	48	48	48	48	48	48	48	48	48	48	48	575	615	658	
Interest earned - external investments		960	960	960	960	960	960	960	960	960	960	960	960	11,519	12,325	13,188	
Interest earned - outstanding debtors		969	969	969	969	969	969	969	969	969	969	969	1,060	11,719	12,540	13,417	
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits		953	953	953	953	953	953	953	953	953	953	953	3,954	14,436	15,432	16,497	
Licences and permits		577	577	577	577	577	577	577	577	577	577	577	7,500	13,846	14,773	15,763	
Agency services		327	327	327	327	327	327	327	327	327	327	327	681	4,274	4,550	4,844	
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-	-	352,892	352,892	415,026	424,724	
Other revenue		308	308	308	308	308	308	308	308	308	308	308	(47)	3,342	3,576	3,826	
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>15,427</b>	<b>15,427</b>	<b>15,427</b>	<b>15,427</b>	<b>15,427</b>	<b>15,427</b>	<b>15,427</b>	<b>15,427</b>	<b>15,427</b>	<b>15,427</b>	<b>15,427</b>	<b>378,243</b>	<b>547,939</b>	<b>623,646</b>	<b>647,864</b>	
<b>Expenditure By Type</b>																	
Employee related costs		13,566	13,566	13,566	13,566	13,566	13,566	13,566	13,566	13,566	13,566	13,566	14,678	163,899	174,363	185,490	
Remuneration of councillors		2,008	2,008	2,008	2,008	2,008	2,008	2,008	2,008	2,008	2,008	2,008	2,008	24,099	25,786	27,591	
Debt impairment		2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000	25,000	26,750	
Depreciation & asset impairment		8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	(1,667)	90,000	96,300	103,041	
Finance charges		144	144	144	144	144	144	144	144	144	144	144	144	1,725	1,846	1,975	
Bulk purchases		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other materials		6,124	6,124	6,124	6,124	6,124	6,124	6,124	6,124	6,124	6,124	6,124	5,383	72,748	33,826	36,344	
Contracted services		6,420	6,420	6,420	6,420	6,420	6,420	6,420	6,420	6,420	6,420	6,420	9,218	79,838	77,586	78,712	
Transfers and subsidies		333	333	333	333	333	333	333	333	333	333	333	333	4,000	4,500	5,000	
Other expenditure		8,532	8,532	8,532	8,532	8,532	8,532	8,532	8,532	8,532	8,532	8,532	24,091	117,938	156,056	168,999	
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Expenditure</b>		<b>47,960</b>	<b>47,960</b>	<b>47,960</b>	<b>47,960</b>	<b>47,960</b>	<b>47,960</b>	<b>47,960</b>	<b>47,960</b>	<b>47,960</b>	<b>47,960</b>	<b>47,960</b>	<b>56,688</b>	<b>584,247</b>	<b>595,263</b>	<b>633,902</b>	
<b>Surplus/(Deficit)</b>		<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,534)</b>	<b>321,555</b>	<b>(36,308)</b>	<b>28,383</b>	<b>13,962</b>	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	-	-	-	-	-	-	-	-	-	-	85,863	85,863	90,875	96,165	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,534)</b>	<b>407,418</b>	<b>49,555</b>	<b>119,258</b>	<b>110,127</b>	
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,534)</b>	<b>407,418</b>	<b>49,555</b>	<b>119,258</b>	<b>110,127</b>	



## **2.7 Legislation compliance status**

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

### **1. In year reporting**

Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Mayor (within 10 working days) has progressively improved and includes published performance on the municipality's website.

### **2. Internship programme**

The municipality is participating in the Municipal Internship Programme and has deployed five interns undergoing training in various divisions of the Budget and Treasury Office. A total of five interns has since been appointed full time at the municipality since 2005 when the programme started. All other interns have been appointed by other government department or private business.

### **3. Budget and Treasury Office**

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

### **4. Audit Committee**

An audit committee has been established and is fully functional.

### **5. Service Delivery and Implementation Plan**

The detailed SDBIP document has been draft and will be signed by the Mayor within 10 working days post the adoption of the annual budget. The SDBIP is fully aligned to the IDP and budget.

### **6. Annual Report**

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

LIM476 Fetakgomo-Tubatse - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b><u>Borrowing Management</u></b>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid / Operating Expenditure	0.0%	0.0%	0.0%	0.5%	0.5%	0.5%	0.0%	0.5%	0.5%	0.5%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	0.0%	0.0%	0.0%	1.7%	1.4%	1.4%	0.0%	1.4%	1.4%	1.4%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure ex cl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b><u>Safety of Capital</u></b>											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b><u>Liquidity</u></b>											
Current Ratio	Current assets/current liabilities	-	-	-	4.0	4.0	4.0	-	5.6	6.4	7.1
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	-	-	-	4.0	4.0	4.0	-	5.6	6.4	7.1
Liquidity Ratio	Monetary Assets/Current Liabilities	-	-	-	2.5	2.5	2.5	-	2.4	3.2	4.0
<b><u>Revenue Management</u></b>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	0.0%	0.0%	79.9%	61.6%	61.6%	0.0%	60.9%	60.9%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	0.0%	0.0%	79.9%	61.6%	61.6%	0.0%	60.9%	60.9%	60.9%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	0.0%	0.0%	0.0%	19.4%	18.9%	18.9%	0.0%	30.5%	28.2%	28.4%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<b><u>Creditors Management</u></b>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))										
Creditors to Cash and Investments		0.0%	0.0%	0.0%	27.0%	24.8%	24.8%	0.0%	33.4%	25.0%	20.3%
<b><u>Other Indicators</u></b>											
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)	0.0%	0.0%	0.0%	34.5%	31.9%	31.9%	0.0%	29.9%	28.0%	28.6%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		34.3%	32.1%	32.9%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		13.3%	5.4%	5.6%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	0.0%	0.0%	0.0%	9.9%	9.0%	9.0%	0.0%	16.7%	15.7%	16.2%
<b><u>IDP regulation financial viability indicators</u></b>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	-	-	-	10.9	10.9	10.9	-	12.2	12.3	13.1
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	0.0%	0.0%	0.0%	88.3%	68.5%	68.5%	0.0%	123.1%	120.7%	118.4%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	-	-	-	5.5	5.7	5.7	-	4.1	5.7	7.0

## LIM476 Fetakgomo-Tubatse Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>Funding measures</b>												
Cash/cash equivalents at the year end - R'000	18(1)b	1	-	-	-	154,436	168,234	168,234	-	130,956	183,412	237,942
Cash + investments at the yr end less applications - R'000	18(1)b	2	-	-	-	163,731	152,844	152,844	-	175,756	230,443	287,304
Cash year end/monthly employee/supplier payments	18(1)b	3	-	-	-	5.5	5.7	5.7	-	4.1	5.7	7.0
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	-	-	-	147,808	175,833	175,833	-	49,555	119,258	110,127
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(6.0%)	(6.0%)	(6.0%)	23.8%	(6.0%)	(106.0%)	(2.7%)	1.0%	1.0%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	0.0%	0.0%	0.0%	68.4%	56.2%	56.2%	0.0%	53.6%	53.6%	53.6%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	0.0%	0.0%	0.0%	30.1%	18.7%	18.7%	0.0%	22.2%	17.3%	17.3%
Capital payments % of capital expenditure	18(1)c;19	8	0.0%	0.0%	0.0%	100.0%	100.0%	100.0%	0.0%	101.6%	134.5%	120.9%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	(100.0%)	85.5%	5.0%	5.0%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.3%	2.3%	2.3%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

## LIM476 Fetakgomo-Tubatse - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>R thousand</b>										
<b>Parent municipality</b>										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank					121,100	121,100	121,100	78,762	98,762	128,762
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
<b>Municipality sub-total</b>	1	-	-	-	121,100	121,100	121,100	78,762	98,762	128,762
<b>Consolidated total:</b>										
		-	-	-	121,100	121,100	121,100	78,762	98,762	128,762

Borrowing - Categorized by type R thousand	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>Parent municipality</b>										
Annuity and Bullet Loans										
Long-Term Loans (non-annuity)					14,849	14,849	14,849	13,849	12,849	11,849
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
<b>Municipality sub-total</b>	1	-	-	-	14,849	14,849	14,849	13,849	12,849	11,849

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		-	-	-	326,352	320,109	320,109	342,892	365,026	384,724
Local Government Equitable Share					307,760	307,760	307,760	333,002	359,356	378,699
Finance Management					3,635	3,635	3,635	4,045	4,301	4,561
EPWP Incentive					1,000	1,000	1,000	1,279	1,369	1,464
Municipal Systems Improvement					957	-				
MUNICIPAL DERMACATION TRANSITIONAL GRANT					13,000	7,714	7,714	4,566		
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
MUNICIPAL DERMACATION TRANSITIONAL GRANT										
<b>District Municipality:</b> [insert description]		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b> [insert description]		-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	5	-	-	-	326,352	320,109	320,109	342,892	365,026	384,724
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		-	-	-	169,873	160,885	160,885	95,863	140,875	136,165
Municipal Infrastructure Grant (MIG)					89,873	80,885	80,885	85,863	90,875	96,165
INEG					80,000	80,000	80,000	10,000	50,000	40,000
<b>Provincial Government:</b> Other capital transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b> [insert description]		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b> [insert description]		-	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	5	-	-	-	169,873	160,885	160,885	95,863	140,875	136,165
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		-	-	-	496,225	480,994	480,994	438,755	505,901	520,889

LIM476 Fetakgomo-Tubatse - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
		A	B	C	D	E	F	G	H	I
<b>Councillors (Political Office Bearers plus Other)</b>	1									
Basic Salaries and Wages					29,028	29,028	29,028	14,236	15,233	16,299
Pension and UIF Contributions								2,512	2,688	2,876
Medical Aid Contributions										
Motor Vehicle Allowance								5,583	5,974	6,392
Cellphone Allowance								1,768	1,891	2,024
Housing Allowances										
Other benefits and allowances										
<b>Sub Total - Councillors</b>		-	-	-	29,028	29,028	29,028	24,099	25,786	27,591
<b>% increase</b>	4	-	-	-	-	-	-	(17.0%)	7.0%	7.0%
<b>Senior Managers of the Municipality</b>	2									
Basic Salaries and Wages								6,176	6,608	7,071
Pension and UIF Contributions								673	720	771
Medical Aid Contributions										
Overtime										
Performance Bonus								803	859	919
Motor Vehicle Allowance								967	1,035	1,107
Cellphone Allowance	3							108	115	123
Housing Allowances	3							104	111	119
Other benefits and allowances	3							297	318	340
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
<b>Sub Total - Senior Managers of Municipality</b>		-	-	-	-	-	-	9,127	9,766	10,449
<b>% increase</b>	4	-	-	-	-	-	-	-	7.0%	7.0%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages					160,342	152,139	152,139	86,908	92,175	97,755
Pension and UIF Contributions								21,700	23,219	24,844
Medical Aid Contributions								7,517	8,043	8,606
Overtime								2,465	2,637	2,822
Performance Bonus								1,500	1,605	1,717
Motor Vehicle Allowance	3							17,169	18,178	19,244
Cellphone Allowance	3							4,259	4,558	4,877
Housing Allowances	3							1,395	1,492	1,597
Other benefits and allowances	3							11,861	12,691	13,580
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
<b>Sub Total - Other Municipal Staff</b>		-	-	-	160,342	152,139	152,139	154,772	164,598	175,041
<b>% increase</b>	4	-	-	-	-	(5.1%)	-	1.7%	6.3%	6.3%
<b>Total Parent Municipality</b>		-	-	-	189,371	181,167	181,167	187,998	200,149	213,081
					-	(4.3%)	-	3.8%	6.5%	6.5%



LIM476 Fetakgomo-Tubatse - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers Number	Ref	2015/16			Current Year 2016/17			Budget Year 2017/18		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
<b>Municipal Council and Boards of Municipal Entities</b>										
Councillors (Political Office Bearers plus Other Councillors)					77	-	77	77	-	77
Board Members of municipal entities	4									
<b>Municipal employees</b>	5									
Municipal Manager and Senior Managers	3				8	-	7	8	-	7
Other Managers	7				21	17	-	21	17	-
Professionals		-	-	-	410	280	-	410	71	-
Finance					52	39	-	52	39	-
Spatial/town planning					29	11	-	29	11	-
Information Technology					8	5	-	8	5	-
Roads					10	2	-	10	2	-
Electricity					3	-	-	3	-	-
Water										
Sanitation										
Refuse					21	14	-	21	14	-
Other					287	209	-	287	-	-
Technicians		-	-	-	10	7	-	10	7	-
Finance										
Spatial/town planning										
Information Technology										
Roads					10	7	-	10	7	-
Electricity										
Water										
Sanitation										
Refuse										
Other										
Clerks (Clerical and administrative)					30	11	-	30	11	-
Service and sales workers										
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators					8	-	-	8	-	-
Elementary Occupations										
<b>TOTAL PERSONNEL NUMBERS</b>	9	-	-	-	564	315	84	564	106	84

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LIM476 Fetakgomo-Tubatse - Supporting Table SA25 Consolidated budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>Revenue By Source</b>																
Property rates		10,321	10,321	10,321	10,321	10,321	10,321	10,321	10,321	10,321	10,321	10,321	10,322	123,856	132,526	141,803
Service charges - electricity revenue																
Service charges - water revenue																
Service charges - sanitation revenue																
Service charges - refuse revenue	964	964	964	964	964	964	964	964	964	964	964	964	873	11,479	12,283	13,142
Service charges - other																
Rental of facilities and equipment	48	48	48	48	48	48	48	48	48	48	48	48	48	575	615	658
Interest earned - ex-external investments	960	960	960	960	960	960	960	960	960	960	960	960	960	11,519	12,325	13,188
Interest earned - outstanding debtors	969	969	969	969	969	969	969	969	969	969	969	969	1,060	11,719	12,540	13,417
Dividends received																
Fines, penalties and forfeits	953	953	953	953	953	953	953	953	953	953	953	953	3,954	14,436	15,432	16,497
Licences and permits	577	577	577	577	577	577	577	577	577	577	577	577	7,500	13,846	14,773	15,763
Agency services	327	327	327	327	327	327	327	327	327	327	327	327	681	4,274	4,550	4,844
Transfers and subsidies													352,892	352,892	415,026	424,724
Other revenue	308	308	308	308	308	308	308	308	308	308	308	308	(47)	3,342	3,576	3,826
Gains on disposal of PPE																
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>15,427</b>	<b>15,427</b>	<b>15,427</b>	<b>15,427</b>	<b>15,427</b>	<b>15,427</b>	<b>15,427</b>	<b>15,427</b>	<b>15,427</b>	<b>15,427</b>	<b>15,427</b>	<b>378,243</b>	<b>547,939</b>	<b>623,646</b>	<b>647,864</b>
<b>Expenditure By Type</b>																
Employee related costs	13,566	13,566	13,566	13,566	13,566	13,566	13,566	13,566	13,566	13,566	13,566	13,566	14,678	163,899	174,363	185,490
Remuneration of councillors	2,008	2,008	2,008	2,008	2,008	2,008	2,008	2,008	2,008	2,008	2,008	2,008	2,008	24,099	25,786	27,591
Debt impairment	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000	25,000	26,750
Depreciation & asset impairment	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	(1,667)	90,000	96,300	103,041
Finance charges	144	144	144	144	144	144	144	144	144	144	144	144	144	1,725	1,846	1,975
Bulk purchases																
Other materials	6,124	6,124	6,124	6,124	6,124	6,124	6,124	6,124	6,124	6,124	6,124	6,124	5,383	72,748	33,826	36,344
Contracted services	6,420	6,420	6,420	6,420	6,420	6,420	6,420	6,420	6,420	6,420	6,420	6,420	9,218	79,838	77,586	78,712
Transfers and subsidies	333	333	333	333	333	333	333	333	333	333	333	333	333	4,000	4,500	5,000
Other expenditure	8,532	8,532	8,532	8,532	8,532	8,532	8,532	8,532	8,532	8,532	8,532	8,532	24,091	117,938	156,056	168,999
Loss on disposal of PPE																
<b>Total Expenditure</b>		<b>47,960</b>	<b>47,960</b>	<b>47,960</b>	<b>47,960</b>	<b>47,960</b>	<b>47,960</b>	<b>47,960</b>	<b>47,960</b>	<b>47,960</b>	<b>47,960</b>	<b>47,960</b>	<b>56,688</b>	<b>584,247</b>	<b>595,263</b>	<b>633,902</b>
<b>Surplus/(Deficit)</b>		<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>321,555</b>	<b>(96,308)</b>	<b>28,383</b>	<b>13,962</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)													85,863	85,863	90,875	96,165
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)																
Transfers and subsidies - capital (in-kind - all)																
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,534)</b>	<b>407,418</b>	<b>49,555</b>	<b>119,258</b>	<b>110,127</b>
Taxation																
Attributable to minorities																
Share of surplus/ (deficit) of associate																
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,533)</b>	<b>(32,534)</b>	<b>407,418</b>	<b>49,555</b>	<b>119,258</b>	<b>110,127</b>

LIM476 Fetakgomo-Tubatse - Supporting Table SA26 Consolidated budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>Revenue by Vote</b>																
Vote 1 - Governance and Administration		41,900	41,900	41,900	41,900	41,900	41,900	41,900	41,900	41,900	41,900	41,900	41,901	502,805	536,133	567,809
Vote 2 - Community and Public Safety		1,345	1,345	1,345	1,345	1,345	1,345	1,345	1,345	1,345	1,345	1,345	7,278	22,072	23,537	25,100
Vote 3 - Economic and Environmental Services		8,113	8,113	8,113	8,113	8,113	8,113	8,113	8,113	8,113	8,113	8,113	8,113	97,355	142,472	137,873
Vote 4 - Trading Services		964	964	964	964	964	964	964	964	964	964	964	964	11,570	12,380	13,246
Vote 5 - Waste management																
Vote 6 - [NAME OF VOTE 6]																
Vote 7 - [NAME OF VOTE 7]																
Vote 8 - [NAME OF VOTE 8]																
Vote 9 - [NAME OF VOTE 9]																
Vote 10 - [NAME OF VOTE 10]																
Vote 11 - [NAME OF VOTE 11]																
Vote 12 - [NAME OF VOTE 12]																
Vote 13 - [NAME OF VOTE 13]																
Vote 14 - [NAME OF VOTE 14]																
Vote 15 - [NAME OF VOTE 15]																
<b>Total Revenue by Vote</b>		<b>52,322</b>	<b>52,322</b>	<b>52,322</b>	<b>52,322</b>	<b>52,322</b>	<b>52,322</b>	<b>52,322</b>	<b>52,322</b>	<b>52,322</b>	<b>52,322</b>	<b>52,322</b>	<b>58,255</b>	<b>633,802</b>	<b>714,521</b>	<b>744,029</b>
<b>Expenditure by Vote to be appropriated</b>																
Vote 1 - Governance and Administration		30,076	30,076	30,076	30,076	30,076	30,076	30,076	30,076	30,076	30,076	30,076	28,233	359,160	362,847	381,745
Vote 2 - Community and Public Safety		6,535	6,535	6,535	6,535	6,535	6,535	6,535	6,535	6,535	6,535	6,535	5,223	77,106	84,110	107,073
Vote 3 - Economic and Environmental Services		11,349	11,349	11,349	11,349	11,349	11,349	11,349	11,349	11,349	11,349	11,349	23,142	147,982	148,306	145,084
Vote 4 - Trading Services																
Vote 5 - Waste management																
Vote 6 - [NAME OF VOTE 6]																
Vote 7 - [NAME OF VOTE 7]																
Vote 8 - [NAME OF VOTE 8]																
Vote 9 - [NAME OF VOTE 9]																
Vote 10 - [NAME OF VOTE 10]																
Vote 11 - [NAME OF VOTE 11]																
Vote 12 - [NAME OF VOTE 12]																
Vote 13 - [NAME OF VOTE 13]																
Vote 14 - [NAME OF VOTE 14]																
Vote 15 - [NAME OF VOTE 15]																
<b>Total Expenditure by Vote</b>		<b>47,960</b>	<b>47,960</b>	<b>47,960</b>	<b>47,960</b>	<b>47,960</b>	<b>47,960</b>	<b>47,960</b>	<b>47,960</b>	<b>47,960</b>	<b>47,960</b>	<b>47,960</b>	<b>56,688</b>	<b>584,247</b>	<b>595,263</b>	<b>633,902</b>
<b>Surplus/(Deficit) before assoc.</b>		<b>4,362</b>	<b>4,362</b>	<b>4,362</b>	<b>4,362</b>	<b>4,362</b>	<b>4,362</b>	<b>4,362</b>	<b>4,362</b>	<b>4,362</b>	<b>4,362</b>	<b>4,362</b>	<b>1,567</b>	<b>49,555</b>	<b>119,258</b>	<b>110,127</b>
Taxation																
Attributable to minorities																
Share of surplus/ (deficit) of associate																
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>4,362</b>	<b>4,362</b>	<b>4,362</b>	<b>4,362</b>	<b>4,362</b>	<b>4,362</b>	<b>4,362</b>	<b>4,362</b>	<b>4,362</b>	<b>4,362</b>	<b>4,362</b>	<b>1,567</b>	<b>49,555</b>	<b>119,258</b>	<b>110,127</b>

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LIM476 Fetakgomo-Tubatse - Supporting Table SA27 Consolidated budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>Revenue - Functional</b>																
<b>Governance and administration</b>		41,900	41,900	41,900	41,900	41,900	41,900	41,900	41,900	41,900	41,900	41,900	41,901	502,805	536,133	567,809
Executive and council																
Finance and administration		41,900	41,900	41,900	41,900	41,900	41,900	41,900	41,900	41,900	41,900	41,900	41,901	502,805	536,133	567,809
Internal audit																
<b>Community and public safety</b>		1,345	1,345	1,345	1,345	1,345	1,345	1,345	1,345	1,345	1,345	1,345	7,277	22,072	23,537	25,100
Community and social services		239	239	239	239	239	239	239	239	239	239	239	(752)	1,880	2,012	2,153
Sport and recreation																
Public safety		1,106	1,106	1,106	1,106	1,106	1,106	1,106	1,106	1,106	1,106	1,106	8,028	20,192	21,525	22,947
Housing																
Health																
<b>Economic and environmental services</b>		8,113	8,113	8,113	8,113	8,113	8,113	8,113	8,113	8,113	8,113	8,113	8,113	97,355	142,472	137,873
Planning and development		124	124	124	124	124	124	124	124	124	124	124	124	125	1,492	1,597
Road transport		7,989	7,989	7,989	7,989	7,989	7,989	7,989	7,989	7,989	7,989	7,989	7,989	95,863	140,875	136,165
Environmental protection																
<b>Trading services</b>		964	964	964	964	964	964	964	964	964	964	964	964	11,570	12,380	13,246
Energy sources																
Water management																
Waste water management																
Waste management		964	964	964	964	964	964	964	964	964	964	964	964	11,570	12,380	13,246
<b>Other</b>																
<b>Total Revenue - Functional</b>		52,323	52,323	52,323	52,323	52,323	52,323	52,323	52,323	52,323	52,323	52,323	58,254	633,802	714,521	744,029
<b>Expenditure - Functional</b>																
<b>Governance and administration</b>		30,076	30,076	30,076	30,076	30,076	30,076	30,076	30,076	30,076	30,076	30,076	28,322	359,160	362,847	381,745
Executive and council		5,184	5,184	5,184	5,184	5,184	5,184	5,184	5,184	5,184	5,184	5,184	6,134	63,157	67,535	71,915
Finance and administration		24,892	24,892	24,892	24,892	24,892	24,892	24,892	24,892	24,892	24,892	24,892	22,188	296,003	295,312	309,830
Internal audit																
<b>Community and public safety</b>		3,851	3,851	3,851	3,851	3,851	3,851	3,851	3,851	3,851	3,851	3,851	2,607	44,968	48,222	50,780
Community and social services		2,037	2,037	2,037	2,037	2,037	2,037	2,037	2,037	2,037	2,037	2,037	793	23,194	24,911	25,816
Sport and recreation																
Public safety		1,815	1,815	1,815	1,815	1,815	1,815	1,815	1,815	1,815	1,815	1,815	1,815	21,774	23,311	24,965
Housing																
Health																
<b>Economic and environmental services</b>		11,349	11,349	11,349	11,349	11,349	11,349	11,349	11,349	11,349	11,349	11,349	13,142	137,962	98,306	105,084
Planning and development		2,417	2,417	2,417	2,417	2,417	2,417	2,417	2,417	2,417	2,417	2,417	3,366	29,955	26,657	28,059
Road transport		8,932	8,932	8,932	8,932	8,932	8,932	8,932	8,932	8,932	8,932	8,932	9,776	108,026	71,649	77,025
Environmental protection																
<b>Trading services</b>		2,684	2,684	2,684	2,684	2,684	2,684	2,684	2,684	2,684	2,684	2,684	12,616	42,137	85,888	96,292
Energy sources													10,000	50,000	40,000	
Water management																
Waste water management																
Waste management		2,684	2,684	2,684	2,684	2,684	2,684	2,684	2,684	2,684	2,684	2,616	32,137	35,888	56,292	
<b>Other</b>																
<b>Total Expenditure - Functional</b>		47,960	47,960	47,960	47,960	47,960	47,960	47,960	47,960	47,960	47,960	47,960	56,687	584,247	595,263	633,902
<b>Surplus/(Deficit) before assoc.</b>		4,362	4,362	4,362	4,362	4,362	4,362	4,362	4,362	4,362	4,362	4,362	1,567	49,555	119,258	110,127
Share of surplus/ (deficit) of associate																
<b>Surplus/(Deficit)</b>	1	4,362	4,362	4,362	4,362	4,362	4,362	4,362	4,362	4,362	4,362	4,362	1,567	49,555	119,258	110,127

LIM476 Fetakgomo-Tubatse - Supporting Table SA34a Consolidated capital expenditure on new assets by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		-	-	-	206,679	195,484	195,484	98,574	86,829	73,505
Roads Infrastructure		-	-	-	92,479	133,891	133,891	71,074	61,029	55,078
Roads					92,479	133,891	133,891	71,074	61,029	55,078
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		-	-	-	300	123	123	4,000	2,000	1,500
Drainage Collection					300	123	123	4,000	2,000	1,500
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		-	-	-	80,300	43,970	43,970	2,500	15,000	10,928
Power Plants					80,300	43,970	43,970			
HV Substations								2,500	15,000	10,928
Capital Spares										
Solid Waste Infrastructure		-	-	-	33,000	16,900	16,900	21,000	8,800	6,000
Landfill Sites					33,000	15,000	15,000	20,000	7,500	4,500
Waste Transfer Stations										
Waste Processing Facilities										
Waste Drop-off Points						1,900	1,900	1,000	1,300	1,500

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**Municipal Manager’s Quality certification**

I, **JNT Mohlala**, the Municipal Manager of Fetakgomo / Greater Tubatse Municipality/Greater Tubatse Municipality, hereby certify that the budget has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act and that it is consistent with the Integrated Development Plan

Print name: \_\_\_\_\_

Municipal Manager of Fetakgomo / Greater Tubatse Municipality \ Greater Tubatse Municipality

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

Date : \_\_\_\_\_

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