



FETAKGOMO TUBATSE
LOCAL MUNICIPALITY

Annual Budget
Of
Fetakgomo Tubatse Municipality

2018/2019-2020/2021

Medium Term Revenue Expenditure Forecasts

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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



MAYORAL FOREWORD

In the spirit of Thuma Mina; it is with pleasure to present the IDP Review for 2018/2019 as it marks the first review of the Fetakgomo Tubatse Municipality.

When delivering his annual State of the Province Address on the 23th February 2018 at the Jack Botes Hall in Polokwane; Premier Chupu Stanley Mathabatha said the year 2018 marks the centenary of the birth of the first democratically elected President of the Republic of South Africa and also is the 100th anniversary of the birth Mma Albertina Nontsikelelo Sisulu who was a prominent leader of the African National Congress Women's League and the United Democratic Front. Through her leadership, she embodied the fundamental link between national liberation and gender emancipation. As we mark her centenary, we reaffirm that no liberation can be complete and no nation can be free until its women are free.

One of the most popular quote by Nelson Mandela said "as long as poverty, injustice and gross inequality persist in our worlds, none of us should rest. Therefore we appeal to the people of Fetakgomo Tubatse to never rest until our people are free from poverty, inequality and are enjoying equal access to opportunities.

We are convinced beyond any reasonable doubt that SOPA pronouncements will advance the imperatives of sustainable economic growth, job creation and poverty reduction.

Delivering his first State of the Nation Address in February 17 2018, President Cyril Ramaphosa Said: "We have dedicated this year to Nelson Mandela's memory and we will devote our every action, every effort, and every utterance to the realization of his vision of a democratic, just and equitable society. Guided by his example, we will use this year to reinforce our commitment to ethical behavior and ethical leadership. In celebrating the centenary of Nelson Mandela we are not merely honoring the past, we are building the future".

Our 2018/2019 Integrated Development Plan (IDP) and Budget may not, and dare not, be the same as the preceding ones as it must reflect the action prescribed by the President, and the inherent reality that it is the second IDP after the merger of Fetakgomo and Greater Tubatse Local Municipality.

It is for this reason that this current IDP and Budget must and will be externally focused, driven by community needs and geared towards meeting community aspirations gleaned from stakeholder consultations and engagements throughout the past years.

Our IDP therefore, must first and foremost reflect our commitment to goals in our quest to meet the 2016 Local Government Elections Manifesto of the ruling party, which was subsequently

adopted as our guiding light for the Municipality for the five years including the period under review in this IDP, where we have committed ourselves to the following key deliverables:

- Together we shall promote social cohesion and nation building in municipalities
- Together we shall promote health and primary healthcare in our communities
- Together we shall help all municipalities adapt to changing climatic conditions
- Together we shall build spatially integrated communities
- Working together to promote education as the apex priority in local communities
- Together we shall fight crime in communities
- Together we shall intensify the fight against fraud and corruption in local government
- Together we shall develop and strengthen local economies, create jobs and promote job placements, especially for the youth
- Together we shall improve and enhance institutional capacity of municipalities
- Together we shall continue to improve public participation and accountability
- Together we shall improve access to municipal services and reduce outsourcing
- Together we shall build on the achievements made in the delivery of basic services

In accordance with the provisions of the laws that govern the affairs of the municipality we have embarked upon a process of consultation with the local community with a view to present the IDP and Budget for the 2018/19 Financial year. In its preamble, the Freedom Charter (1955) cautions us that “no government can justly claim authority unless it is based on the will of the people.” The Charter being the blueprint, upon which our democratic future is established, our municipality ensures that public participation remains the hallmark of all government work.

Chapter 4 of the Municipal Systems Act 32 of 2000 makes community participation in the affairs, programmes and activities of the municipality a legal obligation. This IDP is therefore the culmination of a lengthy process of consultation with the local community. **This process resonates very well with the Pedi version that says “Ditau tsa hloka seboka di shitwa ke nare e hlotsa.” (Loosely translated means “Lions that fail to work as a team will struggle to bring down even a limping buffalo”.)**

These consultations are in line with the Back to Basics programme (B2B) which states that the people should be put first and that municipalities should concentrate their efforts in providing basic services such as water and sanitation, human settlements, electricity, waste management, roads and public transportation in order to create decent living conditions.

Finally the annual budget for the 2018/19 financial year was presented on the 28 May 2018 to council for approval 30 days before the start of the financial year in line with the Municipal Finance Management Act; Act 56 of 2003

Accordingly, this IDP carries the aspirations of the masses of our community which the 2018/19 Budget must seek to finance. Therefore, this IDP must be seen as a beacon of hope that will continue to guide us over the next financial year in our collective endeavors of building a better life for all our communities.

The IDP will remain the legislative planning instrument for the municipality and will still align itself more intimately with both the National Development Plan and Limpopo Development Plan respectively to ensure that both national and provincial strategies are enshrined at a local level.

The challenge will remain on making local government (Fetakgomo Tubatse Municipality) sustainable and there will be a renewed focus on opportunities and challenges that impact on such sustainability.

To this end, we call upon all citizens young or old to visit their voting station to register or update their addresses in preparation for National and Provincial elections schedule for 2019.

The recent Local Government Energy Summit has resonate very well to Fetakgomo Tubatse Municipality as a special economic zone area and a provincial growth point that requires a sustainable and reliable energy mix capable of supplying the projected and anticipated influx of mining industrial and manufacturing hubs from 2020 henceforth.

At the African National Congress's (ANC) 54th National Conference it was announced that a decision had been taken to speed up land reform by pursuing expropriation without compensation, provided that it is sustainable and does not harm the agricultural sector or the economy. Importantly Land redistribution is premised on section 25 (5) of the Constitution, which places an obligation on the State to take reasonable legislative and other measures, within its available resources, to foster conditions that enable citizens to gain access to land on an equitable basis. To this end; the ANC aims to change the constitution to allow for land expropriation without compensation to address racial disparities in land ownership that persist more than two decades after apartheid's demise in 1994.

At the time of printing the municipality has full complement of senior management post except the one vacancy caused by the promotion of the Director Community Services having being appointed Municipal Manager. The post of Director Community has since being

advertised and the post will be filled within the prescribed timeline .The recent Municipal Financial Sustainability Index from Rating Afrika dated 27th May 2018 reported in the Business Report Newspaper rated Fetakgomo Tubatse as the best performing municipality in Limpopo with 61%.However there is no time to relax or be happy precisely because the journey continues and there are lot that still needs to be done.

On behalf of the citizens of Fetakgomo Tubatse Municipality would like to congratulated Black Leopard Football Club affectionely known as Lidoda Duvha on their deserved promotion to the PSL.While other provinces are struggling to have one team in the professional league ;Premier Mathabatha holds that having three teams in the Premier League will go a long way in supporting the growth of the local economy particularly the hospitality industry and small businesses that are mostly operated by women and young people. We wish Black Leopards a long and fruitful stay in the PSL .In the same vein the Limpopo Province is hosting the Council of Southern Africa Football Association Tournament involving fourteen (14) countries from the 27th May to 09th June 2018 at the Seshego.Old Peter Mokaba and New Peter Mokaba Stadia.The tournament will boast the economy of the province in the tourism, transport, arts and craft sectors.

The sixth National elections will be held in South Africa in 2019 to elect a new National Assembly and a new Provincial legislatures in each province for period of 5 years. The 2019 elections would be hotly contested and on behalf of the municipality we urge all citizen to make use of the registration periods to update their details on the voters roll. While it is important for first time voters to register so that they have an opportunity to make their voices heard, it is similarly important for previous voters to ensure that they registered in the correct voter district. This will enable them to vote in the upcoming elections with ease. The overall budget for 2018/19 MTREF Fetakgomo Tubatse Municipality (FTLM) is summarised hereunder:

Fetakgomo Tubatse Income and Expenditure for 2018/19			
REVENUE			
Grants	466,356,000	EQUITABLE SHARES	361,513,000
Own Revenue	203,903,455	FMG	4,115,000
Operational Expenditure	(579,793,862)	EPWP	2,035,000
		MSIG	1,055,000
Capital expenditure	(194,508,000)	INEP	15,000,000
		MIG	82,638,000

A multi-year budget is a financial plan of action for a financial year and two outer years .It is also used as a tool for allocating financial resources for implementing service delivery objectives of the Municipality as set out in the Integrated Development Plan. A municipal budget also provides for greater transparency, accountability; flexibility and predictability within the financial resources of the Municipality.

Let us work together in providing the much needed service delivery to our communities.

NELSON ROLIHLEHLA MANDELA: FIRST DEMOCRATICALLY ELECTED PRESIDENT OF THE REPUBLIC OF SOUTH AFRICA – “A FREEDOM COMES WITH RESPONSIBILITIES: WE DARE NOT LINGER, FOR OUR LONG WALK IS NOT ENDED”

**THE HONARABLE MAYOR
CLLR PHOKANE MJ**

EXECUTIVE SUMMARY

The 2018/19 Integrated Development Plan (IDP) of Fetakgomo Tubatse Local Municipality is presented within the context of an important milestone achieved by the municipality during the past year as illustrated in the 2016/17 Annual Report.

The Council tables the 2018/19 IDP and Budget for the consideration of the House. We are compelled by legislation to adopt the budget at least 30 days before the beginning of the new financial year. This is done to enable the administration to compile and submit the SDBIP for the consideration of the Mayor 14 days after the adoption of the budget and its implementation on the 01st of July.

The IDP and Budget that we are adopting were subjected to public participation process where all stakeholders were consulted to make inputs and comments into the draft IDP and Budget. We would like to thank all stakeholders who participated in the hearings and the inputs that were made are valuable in building the Municipality. It was a learning process to all of us and always we shall strive to engage our communities more often.

The IDP and Budget consultations were robust and in some instances very emotional as our communities wanted to understand why certain projects are not implemented in their wards and why are some prioritised than others. It is our responsibility to teach our communities how the Council works in order for them to have an understanding and to protect our Councillors from the attacks and abuse from those who do not understand the matrix of our Council.

During the consultations with the stakeholders, the following featured prominently and our communities want us to move with speed to provide those services;

- Consistent provision of water
- Allocation of housing and the improvement of workmanship on poor RDP houses built
- Grading and re-gravelling of access roads
- Fencing of cemeteries
- Construction of community halls and pension pay points
- Building of clinics
- Provision of high mast lights
- Electrification of households
- Grading of sports grounds

It is our responsibility as Council to make sure that the aspirations of our communities are accommodated. However we must mention that the Municipality is operating under difficult financial situation due to many factors including huge debts and the culture of non-payment from the residents in townships. Our Municipality is rural in nature and as such we rely heavily on grants to survive. We have started a campaign on indigent registrations which will give an indication on how many households are qualifying to receive free basic services.

There are two issues that are giving the Municipality sleepless nights and must be put into perspective. Currently there are engagements going on with Eskom to resolve the **Operation Mabone** issues once and for all. Assessment on the remaining work has been done by both Eskom and the private company employed by the Municipality. Soon we shall announce the outcomes of the engagement to both Council and the affected wards. This has affected the Municipality in a negative way and it is our quest to make sure that all wards are electrified including the new settlements that are mushrooming.

The issue of the **VBS bank** has been reported in many publications and as Fetakgomo Tubatse Municipality we are affected by the fiasco. We must report that we were summoned by the Provincial Legislature to respond on those allegations surrounding the investments. As the matter has been taken over by the South African Reserve Bank we request that they be given a space to work on the matter and as Council we shall be guided by their outcomes and it will be premature of us to give statements while the issue is still under investigation.

Despite those difficulties the Council was able to deliver on its mandate especially on the implementation of our capital projects which are making a huge impact on the lives of our communities. Our third quarter performance report gives us hope that the Municipality is moving into the right direction as we were able to achieve over 70% of our targets. We are confident that all the remaining targets will be achieved at the end of the fourth quarter.

Madame Speaker, our budget is based on the following factors;

- Equitable share
- Municipal Infrastructure grant
- Own funding
- INEG

We shall strive to remain cost effective and apply austerity measures until our financial situation has improved. Much effort should be made on the area of collection in order to reduce the huge debts. We are confident that the Provincial government will continue to urge sector departments to service their debts as we are not allowed to litigate each other.

Allow me to present the 2018/19 budget is informed by the inputs and comments from all stakeholders that were consulted during April and May 2018;

- Total revenue anticipated is R 670 million for 2018/19, increasing to R720 million and R788 million for the MTREF period,
- Total operational expenditure is R579 million, increasing to R 590 million and increasing to R 621 million for the MTREF period,
- Total capital expenditure is R 194 million, decreasing to R130 million and decreasing to R120 million for the MTREF period,
- These resulted in the deficit of R 104 million for the 2018/19 financial year while a deficit of R 259 thousand and surplus of R 46 million for the two outer years is anticipated.
- Accelerated spending is planned for the 2018/19 financial year to address the service delivery backlog while the two outer years will see a slight decrease in spending.

- The deficit of R 104 million will be funded by savings from 2017/18 financial year which will emanate from cost containment measures for operational expenditure.
- 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.
- It should be noted that for 2017/18 there is a delay of R100 million in projects from own funding due to cash flow constraints this may impact the implementation of 2018/19 own funding projects.

REVENUE

Revenue from grants and subsidies

DESCRIPTION	BUDGET 2018 /2019	BUDGET 2019/ 2020	BUDGET 2020/2021
EQUITABLE SHARE	(361,513,000)	(405,334,000)	(446,874,000)
GRANTS-MIG FUNDS	(82,638,000)	(84,369,000)	(89,160,000)
GRANTS-INEG-INTERNAT ELEC GRANT	(15,000,000)	(9,600,000)	(19,200,000)
GRANTS - FMG- FINANCE MANAGEMENT GRANT	(4,115,000)	(3,000,000)	(2,500,000)
EPWP GRANT	(2,035,000)	(2,157,100)	(2,286,526)
MSIG GRANT	(1,055,000)	-	-
TOTALS	(466,356,000)	(504,460,100)	(560,020,526)

Revenue from grants and subsidies amounts to R 466 million for 2018/19, the major categories being the following:

- Equitable share R 361 million,
- Municipal Infrastructure Grant (MIG) funding of R82 million,
- Integrated National Electrification Grant (INEG) of R15 million

Own revenue

DESCRIPTION	BUDGET 2018/2019	BUDGET 2019/ 2020	BUDGET 2020/ 2021
PROPERTY RATES	(133,937,678)	(141,973,938)	(150,492,374)
REFUSE REMOVAL CHARGES	(13,879,032)	(14,711,774)	(15,594,480)
INTEREST ON LATE PAYMENT	(12,770,566)	(13,536,800)	(14,349,008)
INTEREST ON OUTSTANDING DEBTORS	(12,326,186)	(13,065,757)	(13,849,703)
INTEREST ON INVESTMENTS	(11,478,360)	(12,167,062)	(12,897,086)

DESCRIPTION	BUDGET 2018/2019	BUDGET 2019/ 2020	BUDGET 2020/ 2021
LICENSING-CHANGE OF LIC/APPL FEES	(5,143,597)	(5,452,213)	(5,779,346)
LICENSING-COMMISSION ON VEHICLE REGISTRATION	(4,530,794)	(4,802,642)	(5,090,801)
FINES-TRAFFIC	(2,529,833)	(2,681,623)	(2,842,520)
TENDER DOCUMENTS	(2,003,923)	(2,124,158)	(2,251,608)
LICENSING-DRIVER SLICENSES	(7,338,274)	(7,778,570)	(8,245,285)
LICENCING PERMITS	(350,000)	(371,000)	(393,260)
LEARNERS LICENCES	(365,780)	(387,726)	(410,990)
OTHER INCOME	(2,299,433)	(2,244,737)	(2,329,755)
INCOME FORGONE	5,050,000	5,353,000	5,702,270
TOTALS	(203,903,455)	(215,945,000)	(228,823,944)

- Revenue from own sources amounts to R203 million for 2018/19, the major categories being the following:
 - Property rates R133 million,
 - Refuse removal R13,8 million,
 - Interest on late payments and penalties of R24 million, and
 - Interest on investments of R11 million

The above mentioned activities give a detailed account on where the Municipality will derive the source to fund all the programmes and projects for the 2018/19 financial year.

1. Council Resolutions

I therefore recommend to Council the final budget for 2018/19 financial year for approval as follows:

- 1.3.1 Total revenue be budgeted at R670 million for 2018/19, increasing to R720 million and R788 million for the MTREF period,
- 1.3.2 Total operational expenditure be budgeted at R579 million, increasing to R590 million and increasing to R621 million for the MTREF period,
- 1.3.3 Total capital expenditure be budgeted at R 194 million, reducing to R130 million and reducing to R120 million for the MTREF period,
- 1.3.4 That EXCO support and recommend to Council the approval and implementation of the annual budget related policies from 1 July 2018 as follows:
 - 1.3.4.1 Principles and policy on credit control and debt collection,
 - 1.3.4.2 Principles and policy on Indigent consumers,
 - 1.3.4.3 Assets management policy,
 - 1.3.4.4 Tariff policy,
 - 1.3.4.5 Borrowing policy,
 - 1.3.4.6 Budget policy,
 - 1.3.4.7 Virement policy
 - 1.3.4.8 Cash management and Investment policy,
 - 1.3.4.9 Property rates policy,
 - 1.3.4.10 Supply Chain Management Policy
 - 1.3.4.11 Cost Containment Policy
 - 1.3.4.12 Tariffs By-law
 - 1.3.4.13 Property rates By-law
 - 1.3.4.14 Credit control and debt collection By-law
- 1.3.5 That EXCO recommend to Council to approve the final reviewed tariffs to be implemented from 1 July 2018 for billing purposes,

- 1.3.6 That the final budget for the financial year 2018/19 be submitted to National and Provincial Treasury and relevant stakeholders in the prescribed format.
- 1.3.7 That the annual budget for 2018/19 be placed on the Fetakgomo Tubatse Municipality website as prescribed by MFMA section 75(1).

Thank you!

OVERVIEW OF THE BUDGET

Fetakgomo 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 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.

Domestic GDP growth for 2018 was forecasted at 1.0 per cent at the time of the 2018 Budget and it has since been revised to 1.5 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.

2017/18- 2020/21	2017/18	2018/19	2019/20	2020/21
Fiscal year				
Actual	Estimate	Forecast		
CPI Inflation	5.3%	5.3%	5.4%	5.5%
Real GDP growth	1.0%	1.5%	1.8%	2.1%

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. In instances where the municipality projected more than the CPI forecast clear narrative has been put in place. 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 2019/2020 and budget a net surplus in the 2020/2021 budget year.

In terms of the Municipal Finance Management Act No. 56 of 2003 section 16 (1), the council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year. It is a requirement in terms of section 16 (2) that at least 90 days before the start of the financial year, the Mayor of the municipality must table in a council meeting the annual budget before the start of the financial year.

Complying with section 21 (b) of the MFMA, the mayor of Fetakgomo Tubatse Local Municipality has tabled in a council meeting held during August 2016 a time schedule outlining key deadlines for:

- i. The preparation, tabling and approval of the annual budget;
- ii. The annual review of :
 - a. The integrated development plan in terms of section 34 of the Municipal Systems Act;
 - b. The budget-related policies;
- iii. The tabling and adoption of any amendments to the Integrated Development Plan and the budget related policies; and
- iv. All consultative processes forming part of the budget processes.

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.

Fetakgomo 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 following assumptions were used in compiling the budget;

- Consumer price inflation forecast is at 5,3 per cent increasing to 5,4 and 5,5 over the MTREF
- Surplus cash is invested in capital expenditure programmes in 2019 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 however instances where the rate is above the CPI, clear narratives are provided.

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.

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

Table 1: Consolidated Overview

AREA	AUDITED OUTCOMES 2017	CURRENT YEAR 2018		2018/19 MTREF		
		ORIGINAL BUDGET	AJUSTED BUDGET	BUDGET 2018/19	BUDGET ESTIMATE 2019/20	BUDGET ESTIMATE 2020/21
TOTAL REVENUE	521,008,309	633,801,914	619,901,913	670,259,455	720,425,450	788,887,817
TOTAL EXPENDITURE	(420,951,690)	(574,247,117)	(633,096,013)	(579,793,862)	(590,134,089)	(621,729,859)
CAPEX - OWN FUNDS	(8,512,515)	58,960,000	62,395,412	96,870,000	29,595,000	4,361,750
CAPEX MIG	104,970,490	81,478,401	111,976,360	82,638,000	91,356,250	96,780,137
CAPEX INEP	-	10,000,000	-	15,000,000	9,600,000	19,200,000
TOTAL CAPEX	(113,483,005)	(150,438,401)	(174,371,772)	(194,508,000)	(130,551,250)	(120,341,887)
FAIR VALUE ADJUSTMENT	23,129,000					
SURPLUS/(DEFICIT)	9,702,614	(90,883,604)	(187,565,872)	(104,042,407)	(259,889)	46,816,071

- Total revenue anticipated is R 670 million for 2018/19, increasing to R720 million and R788 million for the MTREF period,
- Total operational expenditure is R579 million, increasing to R 590 million and increasing to R 621 million for the MTREF period,
- Total capital expenditure is R 194 million, decreasing to R130 million and decreasing to R120 million for the MTREF period,
- These resulted in the deficit of R 104 million for the 2018/19 financial year while a deficit of R 259 thousand and surplus of R 46 million for the two outer years is anticipated.
- Accelerated spending is planned for the 2018/19 financial year to address the service delivery backlog while the two outer years will see a slight decrease in spending.
- The deficit of R 104 million will be funded by savings from 2017/18 financial year which will emanate from cost containment measures for operational expenditure.
- 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.

- It should be noted that for 2017/18 there is a delay of R100 million in projects from own funding due to cash flow constraints this may impact the implementation of 2018/19 own funding projects.

REVENUE FRAMEWORK

Fetakgomo 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 2: Consolidated Revenue Overview

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

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue By Source											
Property rates	2	-	-	107,248	123,856	123,856	123,856	123,856	144,058	152,702	161,836
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	-	14,209	11,479	11,479	11,479	11,479	11,570	12,264	13,000
Service charges - other		-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment				271	575	575	575	575	615	646	685
Interest earned - external investments				9,039	11,519	11,519	11,519	11,519	12,210	12,943	13,719
Interest earned - outstanding debtors				-	11,719	11,719	11,719	11,719	13,477	13,264	14,060
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits				3,214	14,436	14,436	14,436	14,436	2,533	2,685	2,846
Licences and permits				7,160	13,846	13,846	13,846	13,846	13,198	13,990	14,829
Agency services				-	4,274	3,919	3,919	3,919	4,531	4,803	5,091
Transfers and subsidies				272,066	352,892	329,513	329,513	329,513	367,663	408,334	449,374
Other revenue	2	-	-	25,960	3,342	3,697	3,697	3,697	2,768	2,602	2,741
Gains on disposal of PPE				-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		-	-	439,167	547,939	524,559	524,559	524,559	572,622	624,231	678,180

The budgeted total revenue of the municipality amounts R 572 million in 2018/19, increasing to R 624 million and R 678 million for 2019/20 and 2020/21 respectively.

The significant increase was with regards to the following among others:

Property rates

Property rates budget increased from R 123 in 2017/18 million to R 144 million in 2018/19. The significant increase of 16, 3 percent emanates from additional properties from the supplementary valuation roll for 2017/18 which has to be catered for during the 2018/19 budget year.

Property rates collection is estimated at **60 per cent** and a provision of **40 per cent** has been made for bad debt. This was based on the trend over the past years.

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

Service Charges – Refuse removal

Revenue from services charges declined from R 14 million performance in 2018/17 to R 11 million in 2018/19 as a result of refuse removal write offs which were taken into account during the year.

Rental of facilities

Rental of facilities increased from R575 thousand to R 615 thousand as a result of addition property to be rented out. Council resolved that the current municipal house was allocated for rental thus increasing the revenue anticipated for the 2018/19 budget year.

Interest earned – Investments

Interest on investment increased from R 11 million in 2017/18 to R 12 million as a result of additional investment that the municipality intends to investment with different financial institutions.

Interest earned – Outstanding Debtors

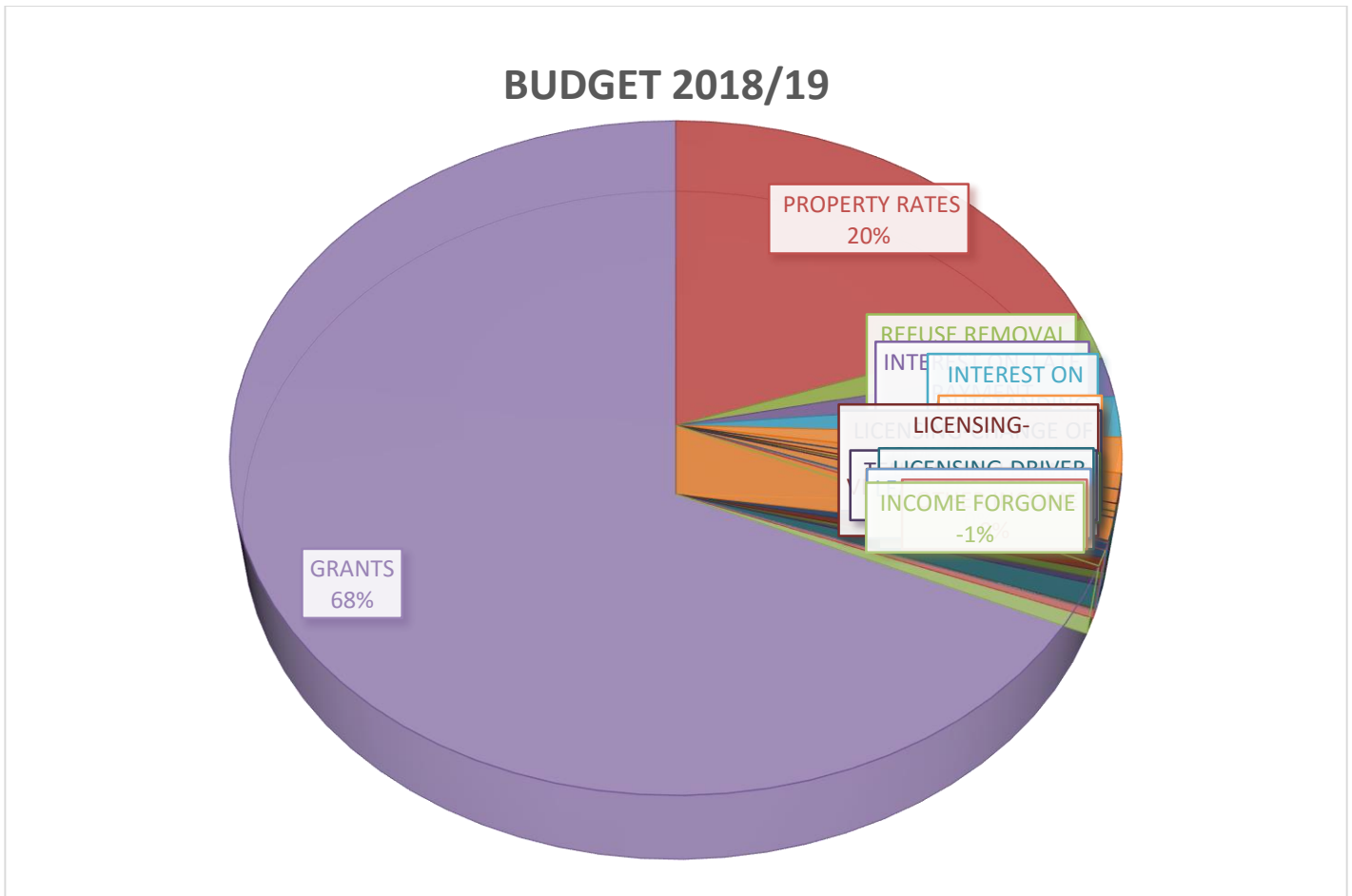
Interest on outstanding debtors increased from R 11 million in 2017/18 to R 13 million in 2018/19 as a result of additional properties mentioned above. The non-culture of payments by our rate payers increases this revenue factor. The municipality current appointed debt collectors who will be collecting long outstanding debts for the municipality. This revenue stream will increase significantly as long outstanding rates and taxes are being recovered by the debt collectors

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 **64 per cent** of the budgeted revenue. This means only less than **36 per cent** of the revenue may fluctuate giving the municipality certainty on its expenditures and better planning.

However the municipality has put in place revenue collection strategies to collect outstanding revenue due to the municipalities by commercial and government institutions.

Chart 1: Revenue per source chart



The graph indicates different categories regarded as revenue.

OPERATING EXPENDITURE FRAMEWORK

The municipality's expenditure framework for 2018/2019 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.

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,youth, people with disability and local economic development.

Table 4: Summary of operating expenditure by standard classification item

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

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1										
Expenditure By Type											
Employee related costs	2	-	-	124,147	163,899	184,129	184,129	184,129	179,576	192,081	205,527
Remuneration of councillors		-	-	23,358	24,099	31,246	31,246	31,246	31,625	33,839	36,207
Debt impairment	3	-	-	(20,372)	30,000	32,586	32,586	32,586	45,000	45,100	45,200
Depreciation & asset impairment	2	-	-	95,739	90,000	55,351	55,351	55,351	68,709	76,457	81,809
Finance charges		-	-	2,667	1,725	1,725	1,725	1,726	1,846	1,975	2,114
Bulk purchases	2	-	-	154	-	-	-	-	-	-	-
Other materials	8	-	-	50,099	72,748	124,068	124,068	124,068	22,058	33,580	29,769
Contracted services		-	-	64,098	79,838	72,559	72,559	72,559	87,755	86,572	93,645
Transfers and subsidies		-	-	5,465	4,000	5,500	5,500	5,500	5,000	5,350	5,725
Other expenditure	4, 5	-	-	75,595	117,938	125,931	125,931	125,930	193,225	141,780	140,934
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Total Expenditure		-	-	420,951	584,247	633,096	633,096	633,096	634,794	616,734	640,930

The budgeted total expenditure of the municipality amounts R 634 million in 2018/19, decreasing to R 616 million and R 621 million for 2019/20 and 2020/21 respectively.

- Total operational budget is **R634 million**, increasing to **R616 million** and increasing to **R640 million** over the MTREF period, the highest contributors to the operational expenditure for 2016/17 are:
 - Employee related costs of R179 million (28%),
 - General Expenses R169 million (27%),
 - Depreciation of assets R68 million (11%),
 - Repairs and Maintenance R24 million (4%),
 - Provision for doubtful debts R47 million (8%), and
 - Remuneration of Councillors R31 million (5%).
 - Electrification of Households (9%)

Operational expenditure

	BUDGET	BUDGET	BUDGET	%
DESCRIPTION	2018/2019	2019/20	2020/21	2018/19
Employee related costs Total	179,511,817	192,007,710	205,549,181	28%
General Expenses Total	169,627,762	151,400,341	161,759,134	27%
Depreciation Total	68,709,000	76,456,850	81,808,830	11%
Repairs and maintenance Total	24,057,781	33,579,390	29,769,161	4%
Provision for doubtful debts Total	47,767,796	48,061,541	48,368,849	8%
Remuneration of Councillors Total	31,624,971	33,838,719	36,207,429	5%
Lease of Municipal buildings Total	19,800,000	21,780,000	23,958,000	3%

	BUDGET	BUDGET	BUDGET	%
DESCRIPTION	2018/2019	2019/20	2020/21	2018/19
Lease of yellow fleet Total	20,000,000	13,000,000	13,000,000	3%
Electricity related costs Total	7,695,000	8,233,650	8,810,006	1%
Professional Services Contracted(Refuse removal) Total	10,000,000	10,700,000	11,449,000	2%
Operation Mabone	55,000,000	26,600,000	19,200,000	9%
Leave pay provision Total	999,735	1,075,888	1,050,269	0%
Grand Total	634,793,862	616,134,089	640,929,859	100%

The significant increase was with regards to the following among others:

Employee Costs

Employee costs has decreased from R 184 million to R 179 million as result of reviewed organisation structure .Some of the posts were no longer applicable in the 2018/19 financial year.

Depreciation and asset impairment

Provision for depreciation was done in line with the asset management policy and GRAP 17 and also taking into account the new additions. The asset value of R 2, 2 billion in the AFS for 2016/17 includes mainly bridges. Our budget assumption for 2018/19 amounts to R 68 million which is 11 percent of the operating expenditure increasing to R 76 million in 2019/20 and R 81 million in 2020/21.

Debt Impairment

Provision for debt impairment was increased from R 32 million to R45 million in 2018/19. The increase was with regards to the increase of the debtor's book in the audited AFS for 2016/17. Provision was then made to cater for such debt.

Contracted services

Contracted services increased for R72 million to R 87 million in 2018/19.Included in contracted services is lease of yellow machine of R 20 million which the municipality prioritised to accommodate service delivery backlog. The cost of buying and maintenance on this machines were costly for the municipality.

Other materials

Other materials comprise of repairs and maintenance of roads, street lights and municipal facilities. The budget decreased from R 124 million to R 24 million .The projected budget of R24 million which seem to be below the norm of 8 percent the reason being that most of the municipality assets are bridges which the municipality do not normally maintain. The asset value of R2.2 billion in the AFS for 2016/17 includes the access bridges. The 2017/18 budget of R 124 million includes the regravelling of roads which the municipality will be maintaining this roads in house using the leased yellow goods above. The budgeted amount will be adequate to secure the ongoing health of the municipality's infrastructure as per the asset management plan

Other expenditure

Other expenditure comprise of various operating expenditure of the municipality. The projections increased from R125 million in 2017/18 to R 193 million in 2018/19.Included in the 2018/19 budget is the budget for electrification of household of R 55 million. Attached is a breakdown of general expenditure on **Annexure A**. Furthermore cost containment measures were also considered on tabling of this budget.

Remuneration for councillors

LIM476 Tubatse Fetakgomo - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4		505,292	168,431	56,496			730,218
Chief Whip			473,713	157,904	50,076			681,693
Executive Mayor			631,616	30,816	210,539			872,971
Deputy Executive Mayor								-
Executive Committee			2,991,795	997,265	436,774			4,425,835
Total for all other councillors			16,375,270	2,931,013	5,607,972			24,914,254
Total Councillors	8	-	20,977,686	4,285,428	6,361,857			31,624,971

Councillor remuneration is in line with the upper limits as determined by the minister of Cooperative Governance and Traditional Affairs budgeted at **R31 million**.

CAPITAL EXPENDITURE

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

Table 6: Consolidated Overview of Capital Expenditure Funding

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

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital Expenditure - Functional	1										
Governance and administration		-	-	3,771	4,020	5,270	5,270	5,270	5,780	2,595	2,362
Executive and council											
Finance and administration				3,771	4,020	5,270	5,270	5,270	5,780	2,595	2,362
Internal audit											
Community and public safety		-	-	7,051	45,345	21,146	21,146	21,146	24,650	16,800	12,000
Community and social services				2,852	25,500	1,500	1,500	1,500	4,650	750	
Sport and recreation				4,199	10,345	12,169	12,169	12,169	15,000	13,050	10,000
Public safety					9,500	7,477	7,477	7,477	5,000	3,000	2,000
Housing											
Health											-
Economic and environmental services		-	-	102,666	90,074	118,956	118,956	118,956	91,978	84,556	86,780
Planning and development				1,625	6,000	8,849	8,849	8,849	4,950		
Road transport				101,041	84,074	110,107	110,107	110,107	87,028	84,556	86,780
Environmental protection											
Trading services		-	-	-	1,000	19,000	19,000	19,000	17,100	-	22,056
Energy sources						5,500	5,500	5,500			
Water management											
Waste water management											
Waste management					1,000	13,500	13,500	13,500	17,100		22,056
Other											
Total Capital Expenditure - Functional	3	-	-	113,487	140,438	164,372	164,372	164,372	139,508	103,951	123,198
Funded by:											
National Government				113,487	81,478	95,342	95,342	95,342	97,638	93,969	108,360
Provincial Government											
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	-	-	113,487	81,478	95,342	95,342	95,342	97,638	93,969	108,360
Public contributions & donations	5										
Borrowing	6										
Internally generated funds					58,960	69,030	69,030	69,030	41,870	9,982	14,838
Total Capital Funding	7	-	-	113,487	140,438	164,372	164,372	164,372	139,508	103,951	123,198

Performance indicators for capital budget

The Capital budget has two areas:

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

FINANCIAL POSITION

LIM476 Tubatse Fetakgomo - Table A6 Budgeted Financial Position

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
ASSETS											
Current assets											
Cash				208,341	208,341	52,193	52,193	52,193	86,378	123,156	172,066
Call investment deposits	1	-	-	-	78,762	78,762	78,762	78,762	127,552	147,711	191,323
Consumer debtors	1	-	-	129,666	129,666	157,786	157,786	157,786	165,675	-	173,959
Other debtors				66,024	66,024	7,452	7,452	7,452	66,024	72,626	79,889
Current portion of long-term receivables				48,469	48,469	2,012	2,012	2,012	53,316	53,316	58,648
Inventory	2			1,294	1,294	2,357	2,357	2,357	1,424	1,566	1,723
Total current assets		-	-	453,794	532,556	300,562	300,562	300,562	500,369	398,375	677,607
Non current assets											
Long-term receivables											
Investments											
Investment property				162,495	162,495	149,335	149,335	149,335	162,495	162,495	162,495
Investment in Associate											
Property, plant and equipment	3	-	-	2,222,690	2,222,690	1,380,808	1,380,808	1,380,808	2,083,642	1,977,579	1,956,764
Agricultural Biological											
Intangible				48	48						
Other non-current assets				1,068	1,068						
Total non current assets		-	-	2,386,301	2,386,301	1,530,143	1,530,143	1,530,143	2,246,137	2,140,074	2,119,259
TOTAL ASSETS		-	-	2,840,094	2,918,857	1,830,705	1,830,705	1,830,705	2,746,506	2,538,450	2,796,866
LIABILITIES											
Current liabilities											
Bank overdraft	1										
Borrowing	4	-	-	-	-	-	-	-	-	-	-
Consumer deposits											
Trade and other payables	4	-	-	167,112	44,741	44,741	44,741	44,741	98,168	96,927	110,893
Provisions				11,191							
Total current liabilities		-	-	178,303	44,741	44,741	44,741	44,741	98,168	96,927	110,893
Non current liabilities											
Borrowing		-	-	4,856	13,849	13,849	13,849	13,849	12,805	11,705	10,505
Provisions		-	-	61,716	27,069	27,069	27,069	27,069	38,067	39,971	41,969
Total non current liabilities		-	-	66,572	40,918	40,918	40,918	40,918	50,872	51,676	52,474
TOTAL LIABILITIES		-	-	244,875	85,658	85,658	85,658	85,658	149,040	148,603	163,367
NET ASSETS	5	-	-	2,595,219	2,833,198	1,745,047	1,745,047	1,745,047	2,597,466	2,389,847	2,633,499
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)				2,595,219	2,833,198	1,745,047	1,745,047	1,745,047	2,597,466	2,389,847	2,633,499
Reserves	4	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	5	-	-	2,595,219	2,833,198	1,745,047	1,745,047	1,745,047	2,597,466	2,389,847	2,633,499

CASH FLOW

LIM476 Tubatse Fetakgomo - Table A7 Budgeted Cash Flows

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates				40,419	74,314	74,314	74,314	74,314	86,435	91,621	97,101
Service charges				9,209	8,099	8,099	8,099	8,099	6,942	7,358	7,800
Other revenue				15,405	15,927	15,927	15,927	15,927	22,298	23,483	22,720
Government - operating	1			350,246	353,882	329,513	329,513	329,513	367,663	408,334	449,374
Government - capital	1			95,383	85,863	85,863	85,863	85,863	97,638	93,969	108,360
Interest				9,039	13,878	13,878	13,878	13,878	12,210	12,943	13,719
Dividends									-	-	-
Payments											
Suppliers and employees				(383,715)	(449,794)	(449,794)	(449,794)	(449,794)	(499,239)	(478,252)	(486,883)
Finance charges				(1,537)	(1,725)	(1,725)	(1,725)	(1,725)	(1,846)	(1,975)	(2,114)
Transfers and Grants	1			(5,465)	(4,000)	(4,000)	(4,000)	(4,000)	(5,000)	(5,350)	(5,725)
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	-	128,985	96,444	72,075	72,075	72,075	87,101	152,130	204,354
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE									-	-	-
Decrease (increase) in non-current debtors									-	-	-
Decrease (increase) other non-current receivables									-	-	-
Decrease (increase) in non-current investments									-	-	-
Payments											
Capital assets				(110,753)	(140,438)	(140,438)	(140,438)	(140,438)	(115,000)	(94,351)	(111,618)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	-	(110,753)	(140,438)	(140,438)	(140,438)	(140,438)	(115,000)	(94,351)	(111,618)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									-	-	-
Borrowing long term/refinancing									-	-	-
Increase (decrease) in consumer deposits									-	-	-
Payments											
Repayment of borrowing				(911)	(1,100)	(1,100)	(1,100)	(1,100)	(1,200)	(1,250)	(1,300)
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	(911)	(1,100)	(1,100)	(1,100)	(1,100)	(1,200)	(1,250)	(1,300)
NET INCREASE/ (DECREASE) IN CASH HELD											
Cash/cash equivalents at the year begin:	2			191,020	208,341	208,341	208,341	208,341	240,775	211,676	268,205
Cash/cash equivalents at the year end:	2			208,341	163,246	138,877	138,877	138,877	211,676	268,205	359,640

The cash flow mainly determines whether the municipality's budget is funded. The cash and cash equivalents at the beginning of the year shows that the municipality has R208 million. The projected cash and cash equivalents for 2018/19 shows that the municipality will have a balance of R 211 million at the end of 2018/19.

CASH BACKED RESERVES

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

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	-	-	208,341	163,246	138,877	138,877	138,877	211,676	268,205	359,640
Other current investments > 90 days		-	-	0	123,857	(7,921)	(7,921)	(7,921)	2,255	2,662	3,748
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		-	-	208,341	287,103	130,956	130,956	130,956	213,930	270,867	363,389
Application of cash and investments											
Unspent conditional transfers		-	-	92,761	-	-	-	-	15,000	9,600	19,200
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	29,146	32,500	34,200
Other working capital requirements	3	-	-	(6,162)	(61,117)	(44,801)	(44,801)	(44,801)	(55,882)	43,505	(58,927)
Other provisions		-	-	-	-	-	-	-	38,067	39,971	41,969
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		-	-	86,598	(61,117)	(44,801)	(44,801)	(44,801)	26,331	125,576	36,442
Surplus(shortfall)		-	-	121,742	348,220	175,757	175,757	175,757	187,599	145,291	326,946

The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality’s budget must be “funded”. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded. From the table it can be seen that for the period 2018/19 to 2019/20 the municipality’s budget is properly funded and reflect surplus. Considering the requirements of section 18 of the MFMA, it can be concluded that the 2018/19 MTREF was fully funded. Provision was not provided for the investment held in VBS as there was no formal communication regarding the investment held.

1. 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 2018/19 budget and MTREF as approved by Council. Each table is accompanied by explanatory note on the next page.

Annual Budget Tables

LIM476 Tubatse Fetakgomo - Table A1 Budget Summary

Description	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousands										
Financial Performance										
Property rates	-	-	107,248	123,856	123,856	123,856	123,856	144,058	152,702	161,836
Service charges	-	-	14,209	11,479	11,479	11,479	11,479	11,570	12,264	13,000
Investment revenue	-	-	9,039	11,519	11,519	11,519	11,519	12,210	12,943	13,719
Transfers recognised - operational	-	-	272,066	352,892	329,513	329,513	329,513	367,663	408,334	449,374
Other own revenue	-	-	36,605	48,193	48,192	48,192	48,192	37,121	37,989	40,252
Total Revenue (excluding capital transfers and contributions)	-	-	439,167	547,939	524,559	524,559	524,559	572,622	624,231	678,180
Employee costs	-	-	124,147	163,899	184,129	184,129	184,129	179,576	192,081	205,527
Remuneration of councillors	-	-	23,358	24,099	31,246	31,246	31,246	31,625	33,839	36,207
Depreciation & asset impairment	-	-	95,739	90,000	55,351	55,351	55,351	68,709	76,457	81,809
Finance charges	-	-	2,667	1,725	1,725	1,725	1,726	1,846	1,975	2,114
Materials and bulk purchases	-	-	50,253	72,748	124,068	124,068	124,068	22,058	33,580	29,769
Transfers and grants	-	-	5,465	4,000	5,500	5,500	5,500	5,000	5,350	5,725
Other expenditure	-	-	119,321	227,775	231,076	231,076	231,075	325,980	273,452	279,780
Total Expenditure	-	-	420,951	584,247	633,096	633,096	633,096	634,794	616,734	640,930
Surplus/(Deficit)	-	-	18,216	(36,308)	(108,537)	(108,537)	(108,536)	(62,171)	7,497	37,250
Transfers and subsidies - capital (monetary alloc	-	-	104,971	85,863	95,342	95,342	95,342	97,638	93,969	108,360
Contributions recognised - capital & contributed a	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	-	123,186	49,555	(13,194)	(13,194)	(13,194)	35,467	101,466	145,610
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	-	-	123,186	49,555	(13,194)	(13,194)	(13,194)	35,467	101,466	145,610
Capital expenditure & funds sources										
Capital expenditure	-	-	113,487	140,438	164,372	164,372	164,372	139,508	103,951	123,198
Transfers recognised - capital	-	-	113,487	81,478	95,342	95,342	95,342	97,638	93,969	108,360
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	58,960	69,030	69,030	69,030	41,870	9,982	14,838
Total sources of capital funds	-	-	113,487	140,438	164,372	164,372	164,372	139,508	103,951	123,198
Financial position										
Total current assets	-	-	453,794	532,556	300,562	300,562	300,562	500,369	398,375	677,607
Total non current assets	-	-	2,386,301	2,386,301	1,530,143	1,530,143	1,530,143	2,246,137	2,140,074	2,119,259
Total current liabilities	-	-	178,303	44,741	44,741	44,741	44,741	98,168	96,927	110,893
Total non current liabilities	-	-	66,572	40,918	40,918	40,918	40,918	50,872	51,676	52,474
Community wealth/Equity	-	-	2,595,219	2,833,198	1,745,047	1,745,047	1,745,047	2,597,466	2,389,847	2,633,499
Cash flows										
Net cash from (used) operating	-	-	128,985	96,444	72,075	72,075	72,075	87,101	152,130	204,354
Net cash from (used) investing	-	-	(110,753)	(140,438)	(140,438)	(140,438)	(140,438)	(115,000)	(94,351)	(111,618)
Net cash from (used) financing	-	-	(911)	(1,100)	(1,100)	(1,100)	(1,100)	(1,200)	(1,250)	(1,300)
Cash/cash equivalents at the year end	-	-	208,341	163,246	138,877	138,877	138,877	211,676	268,205	359,640
Cash backing/surplus reconciliation										
Cash and investments available	-	-	208,341	287,103	130,956	130,956	130,956	213,930	270,867	363,389
Application of cash and investments	-	-	86,598	(61,117)	(44,801)	(44,801)	(44,801)	126,331	225,576	186,442
Balance - surplus (shortfall)	-	-	121,742	348,220	175,757	175,757	175,757	87,599	45,291	176,946
Asset management										
Asset register summary (WDV)	-	-	2,385,232	1,530,143	1,530,143	1,530,143		2,246,137	2,140,075	2,119,258
Depreciation	-	-	-	-	-	-	-	68,709	76,457	81,809
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	-	-	-	72,748	124,513	123,232		22,058	33,580	29,769
Free services										
Cost of Free Basic Services provided	-	-	5,425	8,064	8,382	-	5,425	5,425	8,064	8,382
Revenue cost of free services provided	-	-	-	4,900	4,900	4,900	5,050	5,050	5,353	5,702
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sew erage:	-	-	-	-	-	-	-	-	-	-
Energy :	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	12	12	12	13

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

Functional Classification Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1									
Revenue - Functional										
<i>Governance and administration</i>		-	-	413,990	502,805	490,705	490,705	537,547	587,293	639,042
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	-	413,990	502,805	490,705	490,705	537,547	587,293	639,042
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	10,680	22,072	22,072	22,072	22,333	23,673	25,093
Community and social services		-	-	24	1,880	1,880	1,880	2,075	2,199	2,331
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	10,656	20,192	20,192	20,192	20,258	21,474	22,762
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	105,259	97,355	95,555	95,555	98,606	94,754	109,176
Planning and development		-	-	288	1,492	1,492	1,492	968	1,020	1,082
Road transport		-	-	104,970	95,863	94,063	94,063	97,638	93,734	108,094
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	14,209	11,570	11,570	11,570	11,774	12,480	13,229
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	14,209	11,570	11,570	11,570	11,774	12,480	13,229
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	-	544,137	633,802	619,902	619,902	670,260	718,200	786,540
Expenditure - Functional										
<i>Governance and administration</i>		-	-	270,103	359,160	358,145	358,145	341,435	344,365	365,009
Executive and council		-	-	41,289	63,157	76,253	76,253	72,114	76,121	81,548
Finance and administration		-	-	228,815	296,003	281,892	281,892	269,321	268,244	283,461
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	54,257	44,968	54,929	54,929	52,991	56,973	60,973
Community and social services		-	-	54,257	23,194	31,193	31,193	31,231	33,677	36,024
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	21,774	23,736	23,736	21,760	23,296	24,949
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	96,591	137,982	196,782	196,782	219,789	193,291	171,931
Planning and development		-	-	15,755	29,955	35,879	35,879	43,775	19,769	21,510
Road transport		-	-	80,836	108,026	160,903	160,903	176,014	173,522	150,421
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	42,137	23,241	23,241	20,579	22,105	23,817
Energy sources		-	-	-	10,000	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	32,137	23,241	23,241	20,579	22,105	23,817
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	-	-	420,951	584,247	633,096	633,096	634,794	616,734	621,730
Surplus/(Deficit) for the year		-	-	123,186	49,555	(13,194)	(13,194)	35,466	101,466	164,810

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

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue by Vote	1									
Vote 1 - Executive and council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		-	-	413,990	502,805	490,705	490,705	537,547	587,058	638,776
Vote 3 - Community and Social Services		-	-	10,680	22,072	22,072	22,072	22,333	23,673	25,093
Vote 4 - Economic and environmental services		-	-	105,259	97,355	95,555	95,555	98,606	94,989	109,442
Vote 5 - Waste management		-	-	14,209	11,570	11,570	11,570	11,774	12,480	13,229
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]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	-	-	544,137	633,802	619,902	619,902	670,260	718,200	786,540
Expenditure by Vote to be appropriated	1									
Vote 1 - Executive and council		-	-	41,289	63,157	76,253	76,253	72,114	76,121	81,548
Vote 2 - Finance and Administration		-	-	228,815	296,003	281,892	281,892	269,321	268,009	283,195
Vote 3 - Community and Social Services		-	-	54,257	44,968	54,929	54,929	52,992	56,973	60,973
Vote 4 - Economic and environmental services		-	-	96,591	147,982	196,782	196,782	219,789	180,901	159,324
Vote 5 - Waste management		-	-	-	32,137	23,241	23,241	20,579	34,730	36,690
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]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	-	420,951	584,247	633,096	633,096	634,794	616,734	621,730
Surplus/(Deficit) for the year	2	-	-	123,186	49,555	(13,194)	(13,194)	35,467	101,466	164,810

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

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue By Source											
Property rates	2	-	-	107,248	123,856	123,856	123,856	123,856	144,058	152,702	161,836
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	-	14,209	11,479	11,479	11,479	11,479	11,570	12,264	13,000
Service charges - other		-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		-	-	271	575	575	575	575	615	646	685
Interest earned - external investments		-	-	9,039	11,519	11,519	11,519	11,519	12,210	12,943	13,719
Interest earned - outstanding debtors		-	-	-	11,719	11,719	11,719	11,719	13,477	13,264	14,060
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	3,214	14,436	14,436	14,436	14,436	2,533	2,685	2,846
Licences and permits		-	-	7,160	13,846	13,846	13,846	13,846	13,198	13,990	14,829
Agency services		-	-	-	4,274	3,919	3,919	3,919	4,531	4,803	5,091
Transfers and subsidies		-	-	272,066	352,892	329,513	329,513	329,513	367,663	408,334	449,374
Other revenue	2	-	-	25,960	3,342	3,697	3,697	3,697	2,768	2,602	2,741
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		-	-	439,167	547,939	524,559	524,559	524,559	572,622	624,231	678,180
Expenditure By Type											
Employee related costs	2	-	-	124,147	163,899	184,129	184,129	184,129	179,576	192,081	205,527
Remuneration of councillors		-	-	23,358	24,099	31,246	31,246	31,246	31,625	33,839	36,207
Debt impairment	3	-	-	(20,372)	30,000	32,586	32,586	32,586	45,000	45,100	45,200
Depreciation & asset impairment	2	-	-	95,739	90,000	55,351	55,351	55,351	68,709	76,457	81,809
Finance charges		-	-	2,667	1,725	1,725	1,725	1,726	1,846	1,975	2,114
Bulk purchases	2	-	-	154	-	-	-	-	-	-	-
Other materials	8	-	-	50,099	72,748	124,068	124,068	124,068	22,058	33,580	29,769
Contracted services		-	-	64,098	79,838	72,559	72,559	72,559	87,755	86,572	93,645
Transfers and subsidies		-	-	5,465	4,000	5,500	5,500	5,500	5,000	5,350	5,725
Other expenditure	4, 5	-	-	75,595	117,938	125,931	125,931	125,930	193,225	141,780	140,934
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Total Expenditure		-	-	420,951	584,247	633,096	633,096	633,096	634,794	616,734	640,930
Surplus/(Deficit)		-	-	18,216	(36,308)	(108,537)	(108,537)	(108,536)	(62,171)	7,497	37,250
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	-	104,971	85,863	95,342	95,342	95,342	97,638	93,969	108,360
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	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		-	-	123,186	49,555	(13,194)	(13,194)	(13,194)	35,467	101,466	145,610
Taxation		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		-	-	123,186	49,555	(13,194)	(13,194)	(13,194)	35,467	101,466	145,610
Attributable to minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		-	-	123,186	49,555	(13,194)	(13,194)	(13,194)	35,467	101,466	145,610
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		-	-	123,186	49,555	(13,194)	(13,194)	(13,194)	35,467	101,466	145,610

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

Vote Description	Ref:	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital Expenditure - Functional	1										
Governance and administration		-	-	3,771	4,020	5,270	5,270	5,270	5,780	2,595	2,362
Executive and council											
Finance and administration				3,771	4,020	5,270	5,270	5,270	5,780	2,595	2,362
Internal audit											
Community and public safety		-	-	7,051	45,345	21,146	21,146	21,146	24,650	16,800	12,000
Community and social services				2,852	25,500	1,500	1,500	1,500	4,650	750	
Sport and recreation				4,199	10,345	12,169	12,169	12,169	15,000	13,050	10,000
Public safety					9,500	7,477	7,477	7,477	5,000	3,000	2,000
Housing											
Health											-
Economic and environmental services		-	-	102,666	90,074	118,956	118,956	118,956	91,978	84,556	86,780
Planning and development				1,625	6,000	8,849	8,849	8,849	4,950		
Road transport				101,041	84,074	110,107	110,107	110,107	87,028	84,556	86,780
Environmental protection											
Trading services		-	-	-	1,000	19,000	19,000	19,000	17,100	-	22,056
Energy sources						5,500	5,500	5,500			
Water management											
Waste water management											
Waste management					1,000	13,500	13,500	13,500	17,100		22,056
Other											
Total Capital Expenditure - Functional	3	-	-	113,487	140,438	164,372	164,372	164,372	139,508	103,951	123,198
Funded by:											
National Government				113,487	81,478	95,342	95,342	95,342	97,638	93,969	108,360
Provincial Government											
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	-	-	113,487	81,478	95,342	95,342	95,342	97,638	93,969	108,360
Public contributions & donations	5										
Borrowing	6										
Internally generated funds					58,960	69,030	69,030	69,030	41,870	9,982	14,838
Total Capital Funding	7	-	-	113,487	140,438	164,372	164,372	164,372	139,508	103,951	123,198

LIM476 Tubatse Fetakgomo - Table A6 Budgeted Financial Position

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
ASSETS											
Current assets											
Cash				208,341	208,341	52,193	52,193	52,193	86,378	123,156	172,066
Call investment deposits	1	-	-	-	78,762	78,762	78,762	78,762	127,552	147,711	191,323
Consumer debtors	1	-	-	129,666	129,666	157,786	157,786	157,786	165,675	-	173,959
Other debtors				66,024	66,024	7,452	7,452	7,452	66,024	72,626	79,889
Current portion of long-term receivables				48,469	48,469	2,012	2,012	2,012	53,316	53,316	58,648
Inventory	2			1,294	1,294	2,357	2,357	2,357	1,424	1,566	1,723
Total current assets		-	-	453,794	532,556	300,562	300,562	300,562	500,369	398,375	677,607
Non current assets											
Long-term receivables											
Investments											
Investment property				162,495	162,495	149,335	149,335	149,335	162,495	162,495	162,495
Investment in Associate											
Property, plant and equipment	3	-	-	2,222,690	2,222,690	1,380,808	1,380,808	1,380,808	2,083,642	1,977,579	1,956,764
Agricultural Biological											
Intangible				48	48						
Other non-current assets				1,068	1,068						
Total non current assets		-	-	2,386,301	2,386,301	1,530,143	1,530,143	1,530,143	2,246,137	2,140,074	2,119,259
TOTAL ASSETS		-	-	2,840,094	2,918,857	1,830,705	1,830,705	1,830,705	2,746,506	2,538,450	2,796,866
LIABILITIES											
Current liabilities											
Bank overdraft	1										
Borrowing	4	-	-	-	-	-	-	-	-	-	-
Consumer deposits											
Trade and other payables	4	-	-	167,112	44,741	44,741	44,741	44,741	98,168	96,927	110,893
Provisions				11,191							
Total current liabilities		-	-	178,303	44,741	44,741	44,741	44,741	98,168	96,927	110,893
Non current liabilities											
Borrowing		-	-	4,856	13,849	13,849	13,849	13,849	12,805	11,705	10,505
Provisions		-	-	61,716	27,069	27,069	27,069	27,069	38,067	39,971	41,969
Total non current liabilities		-	-	66,572	40,918	40,918	40,918	40,918	50,872	51,676	52,474
TOTAL LIABILITIES		-	-	244,875	85,658	85,658	85,658	85,658	149,040	148,603	163,367
NET ASSETS	5	-	-	2,595,219	2,833,198	1,745,047	1,745,047	1,745,047	2,597,466	2,389,847	2,633,499
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)				2,595,219	2,833,198	1,745,047	1,745,047	1,745,047	2,597,466	2,389,847	2,633,499
Reserves	4	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	5	-	-	2,595,219	2,833,198	1,745,047	1,745,047	1,745,047	2,597,466	2,389,847	2,633,499

LIM476 Tubatse Fetakgomo - Table A7 Budgeted Cash Flows

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates				40,419	74,314	74,314	74,314	74,314	86,435	91,621	97,101
Service charges				9,209	8,099	8,099	8,099	8,099	6,942	7,358	7,800
Other revenue				15,405	15,927	15,927	15,927	15,927	22,298	23,483	22,720
Government - operating	1			350,246	353,882	329,513	329,513	329,513	367,663	408,334	449,374
Government - capital	1			95,383	85,863	85,863	85,863	85,863	97,638	93,969	108,360
Interest				9,039	13,878	13,878	13,878	13,878	12,210	12,943	13,719
Dividends									-	-	-
Payments											
Suppliers and employees				(383,715)	(449,794)	(449,794)	(449,794)	(449,794)	(499,239)	(478,252)	(486,883)
Finance charges				(1,537)	(1,725)	(1,725)	(1,725)	(1,725)	(1,846)	(1,975)	(2,114)
Transfers and Grants	1			(5,465)	(4,000)	(4,000)	(4,000)	(4,000)	(5,000)	(5,350)	(5,725)
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	-	128,985	96,444	72,075	72,075	72,075	87,101	152,130	204,354
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE									-	-	-
Decrease (increase) in non-current debtors									-	-	-
Decrease (increase) other non-current receivables									-	-	-
Decrease (increase) in non-current investments									-	-	-
Payments											
Capital assets				(110,753)	(140,438)	(140,438)	(140,438)	(140,438)	(115,000)	(94,351)	(111,618)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	-	(110,753)	(140,438)	(140,438)	(140,438)	(140,438)	(115,000)	(94,351)	(111,618)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									-	-	-
Borrowing long term/refinancing									-	-	-
Increase (decrease) in consumer deposits									-	-	-
Payments											
Repayment of borrowing				(911)	(1,100)	(1,100)	(1,100)	(1,100)	(1,200)	(1,250)	(1,300)
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	(911)	(1,100)	(1,100)	(1,100)	(1,100)	(1,200)	(1,250)	(1,300)
NET INCREASE/ (DECREASE) IN CASH HELD											
Cash/cash equivalents at the year begin:	2			191,020	208,341	208,341	208,341	208,341	240,775	211,676	268,205
Cash/cash equivalents at the year end:	2			208,341	163,246	138,877	138,877	138,877	211,676	268,205	359,640

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

Description	Ref:	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Cash and investments available											
Cash/cash equivalents at the year end	1	–	–	208,341	163,246	138,877	138,877	138,877	211,676	268,205	359,640
Other current investments > 90 days		–	–	0	123,857	(7,921)	(7,921)	(7,921)	2,255	2,662	3,748
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		–	–	208,341	287,103	130,956	130,956	130,956	213,930	270,867	363,389
Application of cash and investments											
Unspent conditional transfers		–	–	92,761	–	–	–	–	15,000	9,600	19,200
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2	–	–	–	–	–	–	–	29,146	32,500	34,200
Other working capital requirements	3	–	–	(6,162)	(61,117)	(44,801)	(44,801)	(44,801)	(55,882)	43,505	(58,927)
Other provisions		–	–	–	–	–	–	–	138,067	139,971	191,969
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	–	–	–	–	–	–	–	–	–	–
Total Application of cash and investments:		–	–	86,598	(61,117)	(44,801)	(44,801)	(44,801)	126,331	225,576	186,442
Surplus(shortfall)		–	–	121,742	348,220	175,757	175,757	175,757	87,599	45,291	176,946

LIM476 Tubatse Fetakgomo - Table A9 Asset Management

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	-	-	113,483	140,438	164,372	164,372	139,508	103,901	123,198
<i>Roads Infrastructure</i>		-	-	100,625	71,074	95,607	95,607	64,528	72,128	78,836
<i>Storm water Infrastructure</i>		-	-	-	4,000	4,000	4,000	6,500	1,500	15,000
<i>Electrical Infrastructure</i>		-	-	-	2,500	5,500	5,500	15,000	10,928	15,000
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	21,000	6,500	6,500	17,100	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	100,625	98,574	111,607	111,607	103,128	84,556	108,836
Community Facilities		-	-	4,535	13,500	6,477	6,477	9,000	3,750	2,000
Sport and Recreation Facilities		-	-	4,359	10,345	24,018	24,018	15,000	13,000	10,000
Community Assets		-	-	8,894	23,845	30,494	30,494	24,000	16,750	12,000
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	2,730	6,100	4,250	4,250	2,500	500	500
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	2,730	6,100	4,250	4,250	2,500	500	500
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	1,500	-	-	3,000	500	400
Intangible Assets		-	-	-	1,500	-	-	3,000	500	400
Computer Equipment		-	-	925	300	1,000	1,000	-	-	-
Furniture and Office Equipment		-	-	60	620	820	820	1,280	1,095	1,062
Machinery and Equipment		-	-	222	8,000	9,000	9,000	1,000	500	400
Transport Assets		-	-	27	1,500	7,200	7,200	650	-	-
Land		-	-	-	-	-	-	3,950	-	-
Total Capital Expenditure										
<i>Roads Infrastructure</i>	4	-	-	100,625	71,074	95,607	95,607	64,528	72,128	78,836
<i>Storm water Infrastructure</i>		-	-	-	4,000	4,000	4,000	6,500	1,500	15,000
<i>Electrical Infrastructure</i>		-	-	-	2,500	5,500	5,500	15,000	10,928	15,000
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	21,000	6,500	6,500	17,100	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	100,625	98,574	111,607	111,607	103,128	84,556	108,836
Community Facilities		-	-	4,535	13,500	6,477	6,477	9,000	3,750	2,000
Sport and Recreation Facilities		-	-	4,359	10,345	24,018	24,018	15,000	13,000	10,000
Community Assets		-	-	8,894	23,845	30,494	30,494	24,000	16,750	12,000
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	2,730	6,100	4,250	4,250	2,500	500	500
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	2,730	6,100	4,250	4,250	2,500	500	500
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	1,500	-	-	3,000	500	400
Intangible Assets		-	-	-	1,500	-	-	3,000	500	400
Computer Equipment		-	-	925	300	1,000	1,000	-	-	-
Furniture and Office Equipment		-	-	60	620	820	820	1,280	1,095	1,062
Machinery and Equipment		-	-	222	8,000	9,000	9,000	1,000	500	400
Transport Assets		-	-	27	1,500	7,200	7,200	650	-	-
Land		-	-	-	-	-	-	3,950	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		-	-	113,483	140,438	164,372	164,372	139,508	103,901	123,198

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Household service targets	1									
Water:										
Piped water inside dwelling		-	-	58,255	58,255	58,255	-	58,255	58,255	58,255
Piped water inside yard (but not in dwelling)		-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	2	-	-	-	-	-	-	-	-	-
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	58,255	58,255	58,255	-	58,255	58,255	58,255
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	58,255	58,255	58,255	-	58,255	58,255	58,255
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		-	-	5,893	5,893	5,893	-	5,893	5,893	5,893
Flush toilet (with septic tank)		-	-	1,906	1,906	1,906	-	1,906	1,906	1,906
Chemical toilet		-	-	36,442	36,442	36,442	-	36,442	36,442	36,442
Pit toilet (ventilated)		-	-	436	436	436	-	436	436	436
Other toilet provisions (> min.service level)		-	-	70,619	70,619	70,619	-	70,619	70,619	70,619
<i>Minimum Service Level and Above sub-total</i>		-	-	115,296	115,296	115,296	-	115,296	115,296	115,296
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	115,296	115,296	115,296	-	115,296	115,296	115,296
Energy:										
Electricity (at least min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Refuse:										
Removed at least once a week		-	-	-	-	7,891	7,891	11,741	12,328	12,944
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	7,891	7,891	11,741	12,328	12,944
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	11,741	12,328	12,944
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	11,741	12,328	12,944
Total number of households	5	-	-	-	-	7,891	7,891	23,482	24,656	25,889
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free minimum level service)		-	-	-	41,610	41,610	41,610	41,610	41,610	41,610
Electricity/other energy (50kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed at least once a week)		-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed once a week for indigent households)		-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)				5,425	8,064	8,382	-	5,425	8,064	8,382
Total cost of FBS provided		-	-	5,425	8,064	8,382	-	5,425	8,064	8,382
Highest level of free service provided per household										
Property rates (R value threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)										
Refuse (average litres per week)										
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)										
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		-	-	-	2,500	2,500	2,500	2,650	2,809	3,006
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	2,400	2,400	2,400	2,400	2,544	2,697
Municipal Housing - rental rebates										
Housing - top structure subsidies	6									
Other										
Total revenue cost of subsidised services provided		-	-	-	4,900	4,900	4,900	5,050	5,353	5,702

References

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 2018/2019 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 2018/2019

MONTH	ACTIVITY	TARGET DATE
July 2017	<p>Preparatory Phase</p> <p>Review of previous year's IDP/Budget process processes, 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 4th Quarter Performance Lekgotla (2016/17)</p>	July 2017
August 2017	<p>Ward-to-Ward based data collection Collate information from ward based data. Submit AFS (Annual Financial Statements) for 2016/17 to AG Submit 2016/17 Annual Performance Report to AG & Council Structures</p>	August 2017
September 2017	<p>Analysis Phase</p> <p>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 2018/19 financial year. Consult with provincial and national sector departments on sector specific programs for alignment (schools, libraries, clinics, water, electricity, roads, etc). Finalize ward based data compilation for verification in December 2017. Update Council structures on updated data.</p>	September 2017
October 2017	<p>Strategies Phase</p> <p>Quarterly (1st) review of 2016/17 budget, related policies, amendments (if necessary), any related consultative process.</p>	October 2017

	Begin preliminary preparations on proposed budget reviews for 2017/18 financial year with consideration being given to partial performance of 2017/18. Submission of 2017/18 1st Quarter performance report	
November 2017	Projects Phase Confirm IDP projects with district and sector departments. Engage with sector departments' strategic sessions to test feasibility of attendance to planned sessions. Review and effect changes on initial IDP draft.	November 2017
December 2017	Integration Phase Review budget performance and prepare for adjustment Consolidated Analysis Phase in place IDP/Budget Steering Committee meeting IDP Rep Forum	December 2017
January 2018	Table Draft 2016/17 Annual Report to Council. Submit Draft Annual Report to AG, PT and COGHSTA Publish Draft Annual Report in the municipal jurisdiction (website etc). Prepare Oversight Report for the 2016/17 financial year. Mid-Year Performance Lekgotla/Review/Strategic Submission of 2nd quarter report to council Submission of Mid – Year report to Mayor, COGHSTA, National and Provincial treasury; Table Mid – year Report to council Planning Session, (review of IDP/Budget, related policies and consultative process).	January 2018
February 2018	Table Budget 17/18 Adjustment (if necessary). Submission of Draft IDP/Budget for 2017/18 to Management, relevant stakeholders & structures; Table adjusted SDBIP Conduct individual performance assessments	February 2017
March 2018	Council considers the 2018/19 Draft IDP/Budget/SDBIP. Publish the 2018/19 Draft IDP/Budget for public comments. Adoption of Oversight Report for 2017/18.	March 2017
April 2018	Approval Phase Submit 2018/19 Draft IDP/Budget to the National Treasury, Provincial Treasury and COGHSTA in both printed & electronic formats. Community Consultation and with key stakeholders. 3rd Quarter Exco – Lekgotla; Submission of 3rd quarter performance report to council	April 2018
May 2018	Submit Final Draft IDP/Budget for 2018/19 with incorporated comments from stakeholders' consultation to Council for approval.	May 2018

	Prepare SDBIP for 2018/19 f/y.	
June 2018	Submission of the SDBIP to the Mayor. Prepare 2018/19 Performance Agreements of MM, Senior Managers and Middle Managers for 2018/19 performance year.	June 2018

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.

2.2 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 minimize 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.

2.3 Overview of budget related-policies

The budget related policies were circulated for consultation in April. The following are such policies;

A. SUPPLY CHAIN MANAGEMENT POLICY

Attached as annexure B

B. ASSET MANAGEMENT POLICY

Attached as annexure B

C. BAD DEBTS WRITE OFF POLICY

Attached as annexure B

D. THE CREDIT CONTROL AND DEBT COLLECTION POLICY

Attached as annexure B

E. BUDGET MANAGEMENT POLICY

Attached as annexure B

F. VIREMENT POLICY

Attached as annexure B

G. CASH MANAGEMENT AND INVESTMENT POLICY

Attached as annexure B

H. TARIFF POLICY

Attached as annexure B

I. INDIGENT MANAGEMENT POLICY

Attached as annexure B

J. PROPERTY RATES POLICY

Attached as annexure B

K. COST CONTAINMENT POLICY

Attached as annexure B

L. PROPERTY RATES BY LAW

Attached as annexure B

M. CREDIT CONTROL AND DEBT COLLECTION BY- LAW

Attached as annexure B

N. TARIFF BY LAW

Attached as annexure B

2.4 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 fifteen interns undergoing training in various divisions of the Budget and Treasury Office. A total of six interns has since been appointed full time at the municipality.

Budget and Treasury Office

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

3. Audit Committee

An audit committee has been established and is fully functional.

4. Service Delivery and Implementation Plan

The 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.

5. Annual Report

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

LIM476 Tubatse Fetakgomo - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
REVENUE ITEMS:											
Property rates											
Total Property Rates	6			107,248	126,356	126,356	126,356	126,356	146,708	155,511	164,841
<i>less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>					2,500	2,500	2,500	2,500	2,650	2,809	3,006
Net Property Rates		-	-	107,248	123,856	123,856	123,856	123,856	144,058	152,702	161,836
Service charges - refuse revenue											
Total refuse removal revenue	6			14,209	13,879	13,879	13,879	13,879	13,970	14,808	15,696
Total landfill revenue											
<i>less Revenue Foregone (in excess of one removal a week to indigent households)</i>					2,400	2,400	2,400	2,400	2,400	2,544	2,697
<i>less Cost of Free Basis Services (removed once a week to indigent households)</i>		-	-	-	-	-	-	-	-	-	-
Net Service charges - refuse revenue		-	-	14,209	11,479	11,479	11,479	11,479	11,570	12,264	13,000
Other Revenue by source											
<i>Other Revenue</i>				25,960	357	357	357	357			
OUTDOORADVERTISMENT					311	311	311	311	329	290	290
BUILDINGPLANSFEES					466	466	466	466	23		
SUNDRYINCOME					15	15	15	15	12	13	13
BILLBOARDS					100	100	100	100	204		
LANDUSECHARGE					22	22	22	22	24		
LGSETA-TRAINING					86	86	86	86	91	96	102
CIVICHALL					22	22	22	22	5		
CLEARANCECERTIFICATES					39	39	39	39	41	44	47
TENDERDOCUMENTS					1,890	1,890	1,890	1,890	2,004	2,124	2,252
VALUATIONCERTIFICATE						355	355	355	2	3	3
BURIALFEES	3				35	35	35	35	32	32	35
Total 'Other' Revenue	1	-	-	25,960	3,342	3,697	3,697	3,697	2,768	2,602	2,741
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2			80,929	93,084	111,928	111,928	111,928	105,808	113,161	121,082
Pension and UIF Contributions				14,214	22,373	25,263	25,263	25,263	21,889	23,411	25,049
Medical Aid Contributions				6,104	7,517	8,177	8,177	8,177	9,603	10,276	10,995
Overtime				2,338	2,465	3,288	3,288	3,288	3,972	4,250	4,547
Performance Bonus				775	2,303	100	100	100	1,773	1,897	2,030
Motor Vehicle Allowance				13,665	18,135	21,344	21,344	21,344	21,360	22,855	24,455
Cellphone Allowance				1,349	4,367	2,423	2,423	2,423	2,581	2,762	2,955
Housing Allowances				1,221	1,498	1,561	1,561	1,561	2,348	2,512	2,688
Other benefits and allowances				1,266	12,158	10,046	10,046	10,046	9,302	9,953	10,650
Payments in lieu of leave				1,030	-				939	1,005	1,075
Long service awards											
Post-retirement benefit obligations	4			1,257							
sub-total	5	-	-	124,147	163,899	184,129	184,129	184,129	179,576	192,081	205,527
<i>Less: Employees costs capitalised to PPE</i>											
Total Employee related costs	1	-	-	124,147	163,899	184,129	184,129	184,129	179,576	192,081	205,527

Depreciation & asset impairment											
	Depreciation of Property, Plant & Equipment		95,739	90,000	55,351	55,351	55,351	68,709	76,457	81,809	
	Lease amortisation										
	Capital asset impairment										
	Depreciation resulting from revaluation of PPE	10									
	Total Depreciation & asset impairment	1	-	-	95,739	90,000	55,351	55,351	68,709	76,457	81,809
Bulk purchases											
	Electricity Bulk Purchases		154								
	Water Bulk Purchases										
	Total bulk purchases	1	-	-	154	-	-	-	-	-	
Transfers and grants											
	Cash transfers and grants		-	-	-	-	-	-	-	-	
	Non-cash transfers and grants		-	-	5,465	4,000	5,500	5,500	5,000	5,350	5,725
	Total transfers and grants	1	-	-	5,465	4,000	5,500	5,500	5,000	5,350	5,725
Contracted services											
	<i>List services provided by contract</i>										
			13,103								
			50,995								
	SECURITY SERVICES							23,000	25,000	28,000	
	LEGAL FEES			20,865	20,865	20,865	20,865	13,000	14,000	15,000	
	PROFESSIONAL SERVICES (CONTRACTED)			12,000	15,500	15,500	15,500	10,000	10,700	11,449	
	CASH COLLECTION COST (DEPOSIT FEES)			22,647	14,647	14,647	14,647	350	375	401	
	RENT OF OFFICES AND EQUIPMENT			128	248	248	248	19,800	21,780	23,958	
	AFS ANNUAL COMPILATION			19,200	19,799	19,799	19,799	1,605	1,717	1,838	
	LEASE YELLOW GOODS			4,998	1,500	1,500	1,500	20,000	13,000	13,000	
	sub-total	1	-	-	64,099	79,838	72,559	72,559	87,755	86,572	93,645
	Allocations to organs of state:										
	Electricity										
	Water										
	Sanitation										
	Other										
	Total contracted services		-	-	64,099	79,838	72,559	72,559	87,755	86,572	93,645
Other Expenditure By Type											
	Collection costs										
	Contributions to 'other' provisions										
	Consultant fees										
	Audit fees										
	General expenses	3									
	<i>List Other Expenditure by Type</i>		75,595	117,938	125,931	125,931	125,930	138,225	115,180	121,734	
	<i>Operation Mabone</i>							55,000	26,600	19,200	
	Total 'Other' Expenditure	1	-	-	75,595	117,938	125,931	125,930	193,225	141,780	140,934

NB: The List of general expenditure has been attached on annexure A

LIM476 Tubatse Fetakgomo - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - Executive and council	Vote 2 - Finance and Administration	Vote 3 - Community and Social Services	Vote 4 - Economic and environment	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]	Total
R thousand	1																
Revenue By Source																	
Property rates			144,058														144,058
Service charges - electricity revenue																	-
Service charges - water revenue																	-
Service charges - sanitation revenue																	-
Service charges - refuse revenue						11,570											11,570
Service charges - other																	-
Rental of facilities and equipment			23		615												637
Interest earned - external investments			12,210														12,210
Interest earned - outstanding debtors			12,422														12,422
Dividends received																	-
Fines, penalties and forfeits				2,533													2,533
Licences and permits				13,198													13,198
Agency services				4,531													4,531
Other revenue			2,536			204											2,740
Transfers and subsidies			366,683	2,035	97,638												466,356
Gains on disposal of PPE																	-
Total Revenue (excluding capital transfers and contributions)		-	537,932	22,296	98,253	11,774	-	-	-	-	-	-	-	-	-	-	670,255
Expenditure By Type																	
Employee related costs		17,723	74,384	42,550	45,275	4,397											184,329
Remuneration of councillors		31,457															31,457
Debt impairment			45,000														45,000
Depreciation & asset impairment			4,459		64,250												68,709
Finance charges																	-
Bulk purchases																	-
Other materials			8,698	900	14,460												24,058
Contracted services			78,005			10,000											88,005
Transfers and subsidies																	-
Other expenditure		22,934	61,780	9,541	92,800	6,182											193,237
Loss on disposal of PPE																	-
Total Expenditure		72,114	272,325	52,991	216,785	20,579	-	-	-	-	-	-	-	-	-	-	634,794
Surplus/(Deficit)		(72,114)	265,607	(30,695)	(118,532)	(8,805)	-	-	-	-	-	-	-	-	-	-	35,461
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)																	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)																	-
Transfers and subsidies - capital (in-kind - all)																	-
Surplus/(Deficit) after capital transfers & contributions		(72,114)	265,607	(30,695)	(118,532)	(8,805)	-	-	-	-	-	-	-	-	-	-	35,461

LIM476 Tubatse Fetakgomo - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
ASSETS											
Call investment deposits											
Call deposits					78,762	78,762	78,762	78,762	127,552	147,711	191,323
Other current investments											
Total Call investment deposits	2	-	-	-	78,762	78,762	78,762	78,762	127,552	147,711	191,323
Consumer debtors											
Consumer debtors				129,666	129,666	213,232	213,232	213,232	223,894		235,089
Less: Provision for debt impairment						(55,446)	(55,446)	(55,446)	(58,219)		(61,130)
Total Consumer debtors	2	-	-	129,666	129,666	157,786	157,786	157,786	165,675	-	173,959
Debt impairment provision											
Balance at the beginning of the year											
Contributions to the provision											
Bad debts written off					(55,446)	(55,446)	(55,446)	(55,446)	(58,219)	(61,130)	(64,186)
Balance at end of year		-	-	-	(55,446)	(55,446)	(55,446)	(55,446)	(58,219)	(61,130)	(64,186)
Property, plant and equipment (PPE)											
PPE at cost/valuation (ex cl. finance leases)				2,222,690	2,222,690	1,380,808	1,380,808	1,380,808	2,083,642	1,977,579	1,956,764
Leases recognised as PPE											
Less: Accumulated depreciation											
Total Property, plant and equipment (PPE)	2	-	-	2,222,690	2,222,690	1,380,808	1,380,808	1,380,808	2,083,642	1,977,579	1,956,764
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)											
Current portion of long-term liabilities											
Total Current liabilities - Borrowing		-	-	-	-	-	-	-	-	-	-
Trade and other payables											
Trade and other creditors				74,352	43,739	43,739	43,739	43,739	83,168	87,327	91,693
Unspent conditional transfers				92,761	-	-	-	-	15,000	9,600	19,200
VAT					1,002	1,002	1,002	1,002	0		
Total Trade and other payables	2	-	-	167,112	44,741	44,741	44,741	44,741	98,168	96,927	110,893
Non current liabilities - Borrowing											
Borrowing				4,730	13,849	13,849	13,849	13,849	12,805	11,705	10,505
Finance leases (including PPP asset element)				125							
Total Non current liabilities - Borrowing	4	-	-	4,856	13,849	13,849	13,849	13,849	12,805	11,705	10,505
Provisions - non-current											
Retirement benefits											
List other major provision items											
Refuse landfill site rehabilitation					3,473	3,473	3,473	3,473	3,647	3,829	4,020
Other				61,716	23,596	23,596	23,596	23,596	34,420	36,142	37,949
Total Provisions - non-current		-	-	61,716	27,069	27,069	27,069	27,069	38,067	39,971	41,969
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance				2,463,566	2,783,643	1,088,897	1,772,087	1,772,087	2,563,511	2,289,236	2,469,844
GRAP adjustments											
Restated balance				2,463,566	2,783,643	1,088,897	1,772,087	1,772,087	2,563,511	2,289,236	2,469,844
Surplus/(Deficit)				123,186	49,555	(13,194)	(13,194)	(13,194)	35,467	101,466	145,610
Appropriations to Reserves											
Transfers from Reserves											
Depreciation offsets											
Other adjustments											
Accumulated Surplus/(Deficit)	1	-	-	2,586,752	2,833,198	1,075,703	1,758,892	1,758,893	2,598,977	2,390,703	2,615,454
Reserves											
Housing Development Fund											
Capital replacement											
Self-insurance											
Other reserves											
Revaluation											
Total Reserves	2	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	-	-	2,586,752	2,833,198	1,075,703	1,758,892	1,758,893	2,598,977	2,390,703	2,615,454

LIM476 Tubatse Fetakgomo - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Access to Basic Service and Infrastructure Development	To supply water, sanitation waste, removal and roads public transport and maintain infrastructure of the Local					104,970	95,863	94,063	94,063	97,638	93,969	108,360
Financial Viability & Management	Improvement on systems used by the organisation so as to maintain sound financial management					413,990	502,698	490,598	490,598	537,433	586,937	638,648
Local economic development	Improve local economic development through job creation & support to SMME's					288	1,492	1,492	1,492	968	1,020	1,082
Community Services	Good Governance & public participation					10,680	22,072	22,072	22,072	22,333	23,673	25,093
Waste Management						14,209	11,570	11,570	11,570	11,774	12,480	13,229
Municipal Transformation & Organisational Development	To build municipal capacity by way of raising institutional efficiency, effectiveness and competency						107	107	107	114	120	128
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	-	-	544,137	633,802	619,902	619,902	670,259	718,200	786,540

LIM476 Tubatse Fetakgomo - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
R thousand													
Access to Basic Service and Infrastructure Development	To supply water, sanitation waste, removal and roads public transport and maintain					80,836	108,026	160,903	160,903	176,014	161,132	157,014	
Financial Viability & Management	Improvement on systems used by the organisation so as to maintain sound financial					108,098	169,559	145,773	145,769	105,311	106,662	110,831	
Local economic development	Improve local economic development through job creation & support to SMME's					15,755	29,955	35,879	35,879	43,775	19,769	21,510	
Community Services	Good Governance & public participation					54,257	44,968	54,929	54,929	52,991	56,973	60,973	
Waste Management						32,137	23,241	23,241		20,579	22,105	23,817	
Municipal Transformation & Organisational Development	To build municipal capacity by way of raising institutional efficiency, effectiveness and					121,401	208,497	212,372	235,613	236,124	250,092	266,785	
Allocations to other priorities													
Total Expenditure				1	-	-	412,485	584,247	633,096	633,092	634,794	616,734	640,930

LIM476 Tubatse Fetakgomo - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Access to Basic Service and Infrastructure Development	To supply water, sanitation waste, removal and roads public transport and maintain	A				101,041	84,074	110,107	110,107	87,028	84,556	108,836
Financial Viability & Management	Improvement on systems used by the organisation so as to maintain sound financial	B			3,771		4,020	5,270	5,270	5,780	2,595	2,362
		C										
Local economic development	Improve local economic development through job creation & support to SMME's	D			1,625		6,000	8,849	8,849	4,950		
		E										
Community Services	Good Governance & public participation	F			7,051		45,345	21,146	21,146	24,650	16,800	12,000
Municipal Transformation & Organisational Development	To build municipal capacity by way of raising institutional efficiency, effectiveness and	G										
Waste management		H					1,000	13,500	13,500	17,100		
Energy Sources		I						5,500	5,500			
		J										
		K										
		L										
		M										
		N										
		O										
		P										
Allocations to other priorities			3									
Total Capital Expenditure			1	-	-	113,487	140,438	164,372	164,372	139,508	103,951	123,198

LIM476 Tubatse Fetakgomo - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.0%	0.0%	0.9%	0.5%	0.4%	0.4%	0.4%	0.5%	0.5%	0.5%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	0.0%	0.0%	2.1%	1.4%	1.4%	1.4%	1.4%	1.5%	1.5%	1.5%
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%
Safety of Capital											
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%
Liquidity											
Current Ratio	Current assets/current liabilities	-	-	2.5	11.9	6.7	6.7	6.7	5.1	4.1	6.1
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	-	-	2.5	11.9	6.7	6.7	6.7	5.1	4.1	6.1
Liquidity Ratio	Monetary Assets/Current Liabilities	-	-	1.2	6.4	2.9	2.9	2.9	2.2	2.8	3.3
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	0.0%	40.9%	60.9%	60.9%	60.9%	60.9%	60.0%	60.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	0.0%	40.9%	60.9%	60.9%	60.9%	60.9%	60.0%	60.0%	60.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	0.0%	0.0%	55.6%	44.6%	31.9%	31.9%	31.9%	49.8%	20.2%	46.1%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))										
Creditors to Cash and Investments		0.0%	0.0%	35.7%	26.8%	31.5%	31.5%	31.5%	39.3%	32.6%	25.5%
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW)										
	Total Cost of Losses (Rand '000)										
Water Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated										
	Total Volume Losses (kℓ)										
Employee costs	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%	28.3%	29.9%	35.1%	35.1%	35.1%	31.4%	30.8%	30.3%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	0.0%	0.0%	38.4%	34.3%	0.0%	0.0%		36.9%	36.2%	35.6%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0.0%	0.0%	0.0%	13.3%	23.7%	23.5%		3.9%	5.4%	4.4%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	0.0%	0.0%	22.4%	16.7%	10.9%	10.9%	10.9%	12.3%	12.6%	12.4%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	-	-	11.2	13.0	13.0	13.0	14.5	14.4	14.4	15.2
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	0.0%	0.0%	200.6%	179.6%	123.1%	123.1%	123.1%	182.4%	76.0%	178.0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	-	-	10.3	5.2	4.0	4.0	4.0	5.9	7.5	9.6

LIM476 Tubatse Fetakgomo Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	-	-	208,341	163,246	138,877	138,877	138,877	211,676	268,205	359,640
Cash + investments at the yr end less applications - R'000	18(1)b	2	-	-	121,742	348,220	175,757	175,757	175,757	87,599	45,291	176,946
Cash year end/monthly employee/supplier payments	18(1)b	3	-	-	10.3	5.2	4.0	4.0	4.0	5.9	7.5	9.6
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	-	-	123,186	49,555	(13,194)	(13,194)	(13,194)	35,467	101,466	145,610
Service charge rev % change - macro CPI target exclusive	18(1)a,(2)	5	N.A.	(6.0%)	(6.0%)	5.4%	(6.0%)	(6.0%)	(6.0%)	9.0%	(0.0%)	(0.0%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	0.0%	0.0%	41.1%	53.6%	53.6%	53.6%	53.6%	60.0%	60.3%	59.3%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	0.0%	0.0%	(16.8%)	22.2%	24.1%	24.1%	24.1%	28.9%	27.3%	25.9%
Capital payments % of capital expenditure	18(1)c;19	8	0.0%	0.0%	97.6%	100.0%	85.4%	85.4%	85.4%	82.4%	90.8%	90.6%
Borrowing receipts % of capital expenditure (ex cl. 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%	(31.5%)	0.0%	0.0%	70.4%	(55.8%)	148.1%
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%	3.3%	9.0%	8.9%	1.6%	1.1%	1.7%	1.5%
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 Tubatse Fetakgomo - Supporting Table SA12a Property rates by category (current year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n)	Protect. Areas	National Monum/Is	Public benefit organs.	Mining Props.
Current Year 2017/18																	
Valuation:																	
No. of properties		8,209	91	889	822	307	191	71		48						20	34
No. of sectional title property values		37															
No. of unreasonably difficult valuations s7(2)		14		8	2			4								1	1
No. of supplementary valuations																	
Supplementary valuation (Rm)		23,076,000		#####	3,130,000			555,000								600,000	43,000,000
No. of valuation roll amendments																	
No. of objections by rate-payers																	
No. of appeals by rate-payers																	
No. of appeals by rate-payers finalised																	
No. of successful objections																	
No. of successful objections > 10%																	
Estimated no. of properties not valued																	
Years since last valuation (select)		1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Frequency of valuation (select)		4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Method of valuation used (select)		Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market
Base of valuation (select)		Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.
Phasing-in properties s21 (number)																	
Combination of rating types used? (Y/N)		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Flat rate used? (Y/N)		No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Is balance rated by uniform rate/variable rate?		Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable

LIM476 Tubatse Fetakgomo - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2014/15	2015/16	2016/17	Current Year 2017/18	2018/19 Medium Term Revenue & Expenditure Framework		
							Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Property rates (rate in the Rand)									
Residential properties	1					0.0099	0.0095	0.0101	0.0107
Residential properties - vacant land						0.0099	0.0095	0.0101	0.0107
Formal/informal settlements						-	-	-	-
Small holdings						0.0023	0.0023	0.0025	0.0026
Farm properties - used						0.0394	0.0394	0.0418	0.0443
Farm properties - not used						0.0023	0.0023	0.0025	0.0026
Industrial properties						0.0196	0.0208	0.0220	0.0233
Business and commercial properties						0.0196	0.0208	0.0220	0.0233
Communal land - residential									
Communal land - small holdings									
Communal land - farm property									
Communal land - business and commercial									
Communal land - other									
State-owned properties						0.0185	0.0185	0.0100	0.0106
Municipal properties									
Public service infrastructure									
Privately owned towns serviced by the State trust land									
Restitution and redistribution properties									
Protected areas									
National monuments properties									
Exemptions, reductions and rebates (Rands)									
Residential properties									
R15 000 threshold rebate			15,000	15,000	15,000	15,000	15,000	15,000	15,000
General residential rebate					35,000	35,000	35,000	35,000	35,000

LIM476 Tubatse Fetakgomo - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand										
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank					78,762	78,762	78,762	127,552	147,711	191,323
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										
Municipality sub-total	1	-	-	-	78,762	78,762	78,762	127,552	147,711	191,323
Entities										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		-	-	-	78,762	78,762	78,762	127,552	147,711	191,323

LIM476 Tubatse Fetakgomo - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID	1	Yrs/Months												
Parent municipality														
VBS MUTUAL BANK			Call	YES						115,343	12,210			-
														127,552
														-
														-
														-
Municipality sub-total										115,343		-	-	127,552
Entities														
														-
														-
														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	1									115,343		-	-	127,552

LIM476 Tubatse Fetakgomo - Supporting Table SA17 Borrowing

Borrowing - Categorized by type	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand										
Parent municipality										
Annuity and Bullet Loans				13,808	13,808	13,808		12,805	11,705	10,505
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	-	-	13,808	13,808	13,808	-	12,805	11,705	10,505
Entities										
Annuity and Bullet Loans										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Borrowing	1	-	-	13,808	13,808	13,808	-	12,805	11,705	10,505

LIM476 Tubatse Fetakgomo - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		-	-	272,066	342,892	342,892	342,892	367,663	408,334	449,374
Local Government Equitable Share				256,467	333,002	333,002	333,002	361,513	405,334	446,874
Finance Management				3,635	4,045	4,045	4,045	4,115	3,000	2,500
EPWP Incentive				2,121	1,279	1,279	1,279	2,035		
Municipal Demarcation Transition				9,843	4,566	4,566	4,566			
Municipal Systems Improvement										
Provincial Government:		-	-	-	-	-	-	-	-	-
Municipal Systems Improvement										
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Other grant providers:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Total Operating Transfers and Grants	5	-	-	272,066	342,892	342,892	342,892	367,663	408,334	449,374
Capital Transfers and Grants										
National Government:		-	-	104,970	95,863	85,863	85,863	97,638	93,969	108,360
Municipal Infrastructure Grant (MIG)				104,970	85,863	85,863	85,863	82,638	84,369	89,160
ENEG				-	10,000	-	-	15,000	9,600	19,200
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants <i>[insert description]</i>										
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Other grant providers:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Total Capital Transfers and Grants	5	-	-	104,970	95,863	85,863	85,863	97,638	93,969	108,360
TOTAL RECEIPTS OF TRANSFERS & GRANTS		-	-	377,037	438,755	428,755	428,755	465,301	502,303	557,734

LIM476 Tubatse Fetakgomo - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		-	-	272,066	342,892	342,892	342,892	364,603	407,491	449,161
Local Government Equitable Share				256,467	333,002	333,002	333,002	361,513	405,334	446,874
Finance Management				3,635	4,045	4,045	4,045		2,157	2,287
EPWP Incentive				2,121	1,279	1,279	1,279	2,035		
Municipal Demarcation Transition										
Municipal Systems Improvement				9,843	4,566	4,566	4,566	1,055		
Provincial Government:		-	-	-	-	-	-	-	-	-
Municipal Systems Improvement										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total operating expenditure of Transfers and Grants		-	-	272,066	342,892	342,892	342,892	364,603	407,491	449,161
Capital expenditure of Transfers and Grants										
National Government:		-	-	104,970	95,863	85,863	85,863	97,638	93,969	108,360
Municipal Infrastructure Grant (MIG)				104,970	85,863	85,863	85,863	82,638	84,369	89,160
ENEG					10,000	-		15,000	9,600	19,200
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total capital expenditure of Transfers and Grants		-	-	104,970	95,863	85,863	85,863	97,638	93,969	108,360
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	-	377,037	438,755	428,755	428,755	462,241	501,460	557,521

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

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year				13,118	5,418	5,418	5,418			
Current year receipts				269,945	352,892	352,892	352,892	367,663	408,334	449,374
Conditions met - transferred to revenue		-	-	279,432	358,310	358,310	358,310	367,663	408,334	449,374
Conditions still to be met - transferred to liabilities				3,631						
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		-	-	279,432	358,310	358,310	358,310	367,663	408,334	449,374
Total operating transfers and grants - CTBM	2	-	-	3,631	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year				18,796						
Current year receipts				190,885	81,478	81,478	81,478	97,638	93,969	108,360
Conditions met - transferred to revenue		-	-	120,551	81,478	81,478	81,478	97,638	93,969	108,360
Conditions still to be met - transferred to liabilities				89,130						
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		-	-	120,551	81,478	81,478	81,478	97,638	93,969	108,360
Total capital transfers and grants - CTBM	2	-	-	89,130	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		-	-	399,984	439,789	439,789	439,789	465,301	502,303	557,734
TOTAL TRANSFERS AND GRANTS - CTBM		-	-	92,761	-	-	-	-	-	-

LIM476 Tubatse Fetakgomo - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Cash Transfers to other municipalities											
<i>Insert description</i>	1										
Total Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Entities/Other External Mechanisms											
<i>Insert description</i>	2										
Total Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Cash Transfers to other Organs of State											
<i>Insert description</i>	3										
Total Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Organisations											
<i>Insert description</i>											
Total Cash Transfers To Organisations		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Groups of Individuals											
<i>Insert description</i>											
Total Cash Transfers To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
TOTAL CASH TRANSFERS AND GRANTS	6	-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to other municipalities											
<i>Insert description</i>	1										
Total Non-Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to Entities/Other External Mechanisms											
<i>Insert description</i>	2										
Total Non-Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to other Organs of State											
<i>Insert description</i>	3			5,465	4,000	5,500	5,500	5,500	5,000	5,350	5,725
Total Non-Cash Transfers To Other Organs Of State:		-	-	5,465	4,000	5,500	5,500	5,500	5,000	5,350	5,725
Non-Cash Grants to Organisations											
<i>Insert description</i>	4										
Total Non-Cash Grants To Organisations		-	-	-	-	-	-	-	-	-	-
Groups of Individuals											
<i>Insert description</i>	5										
Total Non-Cash Grants To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
TOTAL NON-CASH TRANSFERS AND GRANTS		-	-	5,465	4,000	5,500	5,500	5,500	5,000	5,350	5,725
TOTAL TRANSFERS AND GRANTS	6	-	-	5,465	4,000	5,500	5,500	5,500	5,000	5,350	5,725

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

Summary of Employee and Councillor remuneration	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages				22,763	14,236			20,978	22,446	24,017
Pension and UIF Contributions					2,512					
Medical Aid Contributions										
Motor Vehicle Allowance				450	5,583			7,142	7,642	8,177
Cellphone Allowance				72	1,768			3,505	3,751	4,013
Housing Allowances										
Other benefits and allowances				73						
Sub Total - Councillors		-	-	23,358	24,099	-	-	31,625	33,839	36,207
% increase	4			-	3.2%	(100.0%)	-	-	7.0%	7.0%
Senior Managers of the Municipality	2									
Basic Salaries and Wages				6,021	6,176			6,682	6,427	6,877
Pension and UIF Contributions					673					
Medical Aid Contributions								77	82	88
Overtime										
Performance Bonus					803			1,482	1,585	1,696
Motor Vehicle Allowance	3			1,166	967			959	1,026	1,098
Cellphone Allowance	3			199	108			339	363	388
Housing Allowances	3			230	104			119	127	136
Other benefits and allowances	3			884	297			109	117	125
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6		11,944	12,780						
Sub Total - Senior Managers of Municipality		-	11,944	21,281	9,127	-	-	9,767	9,727	10,408
% increase	4		-	78.2%	(57.1%)	(100.0%)	-	-	(0.4%)	7.0%
Other Municipal Staff										
Basic Salaries and Wages				80,929	86,908			96,041	103,434	110,674
Pension and UIF Contributions				14,214	21,700			21,889	23,411	25,049
Medical Aid Contributions				6,104	7,517			9,603	10,276	10,995
Overtime				2,338	2,465			3,972	4,250	4,547
Performance Bonus				775	1,500			1,773	1,897	2,030
Motor Vehicle Allowance	3			13,665	17,169			21,360	22,855	24,455
Cellphone Allowance	3			1,349	4,259			2,581	2,762	2,955
Housing Allowances	3			1,221	1,395			2,348	2,512	2,688
Other benefits and allowances	3			1,266	11,861			9,302	9,953	10,650
Payments in lieu of leave				1,030				939	1,005	1,075
Long service awards										
Post-retirement benefit obligations	6			1,257						
Sub Total - Other Municipal Staff		-	-	124,147	154,772	-	-	169,809	182,354	195,119
% increase	4			-	24.7%	(100.0%)	-	-	7.4%	7.0%
Total Parent Municipality		-	11,944	168,786	187,998	-	-	211,201	225,920	241,735
				1,313.1%	11.4%	(100.0%)	-	-	7.0%	7.0%
TOTAL SALARY, ALLOWANCES & BENEFITS		-	11,944	168,786	187,998	-	-	211,201	225,920	241,735
% increase	4			1,313.1%	11.4%	(100.0%)	-	-	7.0%	7.0%
TOTAL MANAGERS AND STAFF	5,7	-	11,944	145,428	163,899	-	-	179,576	192,082	205,527

LIM476 Tubatse Fetakgomo - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand																
Revenue By Source																
Property rates		12,005	12,005	12,005	12,005	12,005	12,005	12,005	12,005	12,005	12,005	12,005	12,005	144,058	152,702	161,836
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	11,570	12,264	13,000
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		51	51	51	51	51	51	51	51	51	51	51	51	615	646	685
Interest earned - external investments		1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,017	12,210	12,943	13,719
Interest earned - outstanding debtors		1,043	1,043	1,043	1,043	1,043	1,043	1,043	1,043	1,043	1,043	1,043	2,007	13,477	13,264	14,060
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		211	211	211	211	211	211	211	211	211	211	211	211	2,533	2,685	2,846
Licences and permits		1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,099	13,198	13,990	14,829
Agency services		378	378	378	378	378	378	378	378	378	378	378	377	4,531	4,803	5,091
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other revenue		566	566	566	566	566	566	566	566	566	566	566	367,663	367,663	408,334	449,374
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	(3,453)	2,768	2,602	2,741
Total Revenue (excluding capital transfers and contributions)		17,335	17,335	17,335	17,335	17,335	17,335	17,335	17,335	17,335	17,335	17,335	381,942	572,622	624,231	678,180
Expenditure By Type																
Employee related costs		14,690	14,690	14,690	14,690	14,690	14,690	14,690	14,690	14,690	14,690	14,690	17,990	179,576	192,081	205,527
Remuneration of councillors		2,786	2,786	2,786	2,786	2,786	2,786	2,786	2,786	2,786	2,786	2,786	977	31,625	33,839	36,207
Debt impairment		3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	45,000	45,100	45,200
Depreciation & asset impairment		5,726	5,726	5,726	5,726	5,726	5,726	5,726	5,726	5,726	5,726	5,726	5,726	68,709	76,457	81,809
Finance charges		-	-	923	-	-	-	-	-	923	-	-	0	1,846	1,975	2,114
Bulk purchases		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials		1,838	1,838	1,838	1,838	1,838	1,838	1,838	1,838	1,838	1,838	1,838	1,838	22,058	33,580	29,769
Contracted services		7,313	7,313	7,313	7,313	7,313	7,313	7,313	7,313	7,313	7,313	7,313	7,313	87,755	86,572	93,645
Transfers and subsidies		417	417	417	417	417	417	417	417	417	417	417	417	5,000	5,350	5,725
Other expenditure		16,226	16,226	16,226	16,226	16,226	16,226	16,226	16,226	16,226	16,226	16,226	14,735	193,225	141,780	140,934
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		52,746	52,746	53,669	52,746	52,746	52,746	52,746	52,746	53,669	52,746	52,746	52,745	634,794	616,734	640,930
Surplus/(Deficit)		(35,411)	(35,411)	(36,334)	(35,411)	(35,411)	(35,411)	(35,411)	(35,411)	(36,334)	(35,411)	(35,411)	329,197	(62,171)	7,497	37,250
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		8,137	8,137	8,137	8,137	8,137	8,137	8,137	8,137	8,137	8,137	8,137	8,137	97,638	93,969	108,360
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)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(27,275)	(27,275)	(28,198)	(27,275)	(27,275)	(27,275)	(27,275)	(27,275)	(28,198)	(27,275)	(27,275)	337,333	35,467	101,466	145,610
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	(27,275)	(27,275)	(28,198)	(27,275)	(27,275)	(27,275)	(27,275)	(27,275)	(28,198)	(27,275)	(27,275)	337,333	35,467	101,466	145,610

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

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue by Vote																
Vote 1 - Executive and council													-	-	-	-
Vote 2 - Finance and Administration		44,796	44,796	44,796	44,796	44,796	44,796	44,796	44,796	44,796	44,796	44,796	44,796	537,547	587,058	638,776
Vote 3 - Community and Social Services		1,861	1,861	1,861	1,861	1,861	1,861	1,861	1,861	1,861	1,861	1,861	1,861	22,333	23,673	25,093
Vote 4 - Economic and environmental services		8,217	8,217	8,217	8,217	8,217	8,217	8,217	8,217	8,217	8,217	8,217	8,217	98,606	94,989	109,442
Vote 5 - Waste management		981	981	981	981	981	981	981	981	981	981	981	981	11,774	12,480	13,229
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]													-	-	-	-
Total Revenue by Vote		55,855	55,855	55,855	55,855	55,855	55,855	55,855	55,855	55,855	55,855	55,855	55,855	670,260	718,200	786,540
Expenditure by Vote to be appropriated																
Vote 1 - Executive and council		6,010	6,010	6,010	6,010	6,010	6,010	6,010	6,010	6,010	6,010	6,010	6,010	72,114	76,121	81,548
Vote 2 - Finance and Administration		22,443	22,443	22,443	22,443	22,443	22,443	22,443	22,443	22,443	22,443	22,443	22,443	269,321	268,009	283,195
Vote 3 - Community and Social Services		4,666	4,666	4,666	4,666	4,666	4,666	4,666	4,666	4,666	4,666	4,666	4,666	52,992	56,973	60,973
Vote 4 - Economic and environmental services		18,316	18,316	18,316	18,316	18,316	18,316	18,316	18,316	18,316	18,316	18,316	18,316	219,789	180,901	178,524
Vote 5 - Waste management		1,715	1,715	1,715	1,715	1,715	1,715	1,715	1,715	1,715	1,715	1,715	1,715	20,579	34,730	36,690
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]													-	-	-	-
Total Expenditure by Vote		53,150	53,150	53,150	53,150	53,150	53,150	53,150	53,150	53,150	53,150	53,150	50,149	634,794	616,734	640,930
Surplus/(Deficit) before assoc.		2,706	2,706	2,706	2,706	2,706	2,706	2,706	2,706	2,706	2,706	2,706	5,706	35,467	101,466	145,610
Taxation													-	-	-	-
Attributable to minorities													-	-	-	-
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	2,706	2,706	2,706	2,706	2,706	2,706	2,706	2,706	2,706	2,706	2,706	5,706	35,467	101,466	145,610

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

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue - Functional																
<i>Governance and administration</i>		44,796	44,796	44,796	44,796	44,796	44,796	44,796	44,796	44,796	44,796	44,796	44,796	537,547	587,293	639,042
Executive and council														-	-	-
Finance and administration		44,796	44,796	44,796	44,796	44,796	44,796	44,796	44,796	44,796	44,796	44,796	44,796	537,547	587,293	639,042
Internal audit														-	-	-
<i>Community and public safety</i>		1,861	1,861	1,861	1,861	1,861	1,861	1,861	1,861	1,861	1,861	1,861	1,861	22,333	23,673	25,093
Community and social services		173	173	173	173	173	173	173	173	173	173	173	173	2,075	2,199	2,331
Sport and recreation														-	-	-
Public safety		1,688	1,688	1,688	1,688	1,688	1,688	1,688	1,688	1,688	1,688	1,688	1,688	20,258	21,474	22,762
Housing														-	-	-
Health														-	-	-
<i>Economic and environmental services</i>		8,217	8,217	8,217	8,217	8,217	8,217	8,217	8,217	8,217	8,217	8,217	8,217	98,606	94,754	109,176
Planning and development		81	81	81	81	81	81	81	81	81	81	81	81	968	1,020	1,082
Road transport		8,137	8,137	8,137	8,137	8,137	8,137	8,137	8,137	8,137	8,137	8,137	8,137	97,638	93,734	108,094
Environmental protection														-	-	-
<i>Trading services</i>		981	981	981	981	981	981	981	981	981	981	981	981	11,774	12,480	13,229
Energy sources														-	-	-
Water management														-	-	-
Waste water management														-	-	-
Waste management		981	981	981	981	981	981	981	981	981	981	981	981	11,774	12,480	13,229
<i>Other</i>														-	-	-
Total Revenue - Functional		55,855	55,855	55,855	55,855	55,855	55,855	55,855	55,855	55,855	55,855	55,855	55,855	670,260	718,200	786,540
Expenditure - Functional																
<i>Governance and administration</i>		28,453	28,453	28,453	28,453	28,453	28,453	28,453	28,453	28,453	28,453	28,453	28,453	341,435	344,365	365,009
Executive and council		6,010	6,010	6,010	6,010	6,010	6,010	6,010	6,010	6,010	6,010	6,010	6,010	72,114	76,121	81,548
Finance and administration		22,443	22,443	22,443	22,443	22,443	22,443	22,443	22,443	22,443	22,443	22,443	22,443	269,321	268,244	283,461
Internal audit														-	-	-
<i>Community and public safety</i>		4,416	4,416	4,416	4,416	4,416	4,416	4,416	4,416	4,416	4,416	4,416	4,416	52,991	56,973	60,973
Community and social services		2,603	2,603	2,603	2,603	2,603	2,603	2,603	2,603	2,603	2,603	2,603	2,603	31,231	33,677	36,024
Sport and recreation														-	-	-
Public safety		1,813	1,813	1,813	1,813	1,813	1,813	1,813	1,813	1,813	1,813	1,813	1,813	21,760	23,296	24,949
Housing														-	-	-
Health														-	-	-
<i>Economic and environmental services</i>		18,316	18,316	18,316	18,316	18,316	18,316	18,316	18,316	18,316	18,316	18,316	18,316	219,789	193,291	191,131
Planning and development		3,648	3,648	3,648	3,648	3,648	3,648	3,648	3,648	3,648	3,648	3,648	3,648	43,775	19,769	21,510
Road transport		14,668	14,668	14,668	14,668	14,668	14,668	14,668	14,668	14,668	14,668	14,668	14,668	176,014	173,522	169,621
Environmental protection														-	-	-
<i>Trading services</i>		1,715	1,715	1,715	1,715	1,715	1,715	1,715	1,715	1,715	1,715	1,715	1,715	20,579	22,105	23,817
Energy sources														-	-	-
Water management														-	-	-
Waste water management														-	-	-
Waste management		1,715	1,715	1,715	1,715	1,715	1,715	1,715	1,715	1,715	1,715	1,715	1,715	20,579	22,105	23,817
<i>Other</i>														-	-	-
Total Expenditure - Functional		52,900	52,900	52,900	52,900	52,900	52,900	52,900	52,900	52,900	52,900	52,900	52,899	634,794	616,734	640,930
Surplus/(Deficit) before assoc.		2,956	2,956	2,956	2,956	2,956	2,956	2,956	2,956	2,956	2,956	2,956	2,956	35,466	101,466	145,610
Share of surplus/ (deficit) of as sociate														-	-	-
Surplus/(Deficit)	1	2,956	2,956	2,956	2,956	2,956	2,956	2,956	2,956	2,956	2,956	2,956	2,956	35,466	101,466	145,610

LIM476 Tubatse Fetakgomo - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
Multi-year expenditure to be appropriated	1																
Vote 1 - Executive and council													-	-	-	-	
Vote 2 - Finance and Administration													-	-	-	-	
Vote 3 - Community and Social Services													-	-	-	-	
Vote 4 - Economic and environmental services		7,252	7,252	7,252	7,252	7,252	7,252	7,252	7,252	7,252	7,252	7,252	87,028	84,556	108,836		
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]													-	-	-	-	
Capital multi-year expenditure sub-total	2	7,252	7,252	7,252	7,252	7,252	7,252	7,252	7,252	7,252	7,252	7,252	87,028	84,556	108,836		
Single-year expenditure to be appropriated																	
Vote 1 - Executive and council													-	-	-	-	
Vote 2 - Finance and Administration		482	482	482	482	482	482	482	482	482	482	482	5,780	2,595	2,362		
Vote 3 - Community and Social Services		2,054	2,054	2,054	2,054	2,054	2,054	2,054	2,054	2,054	2,054	2,054	24,650	16,800	12,000		
Vote 4 - Economic and environmental services		413	413	413	413	413	413	413	413	413	413	413	4,950	-	-		
Vote 5 - Waste management		1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425	17,100	-	-		
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]													-	-	-	-	
Capital single-year expenditure sub-total	2	4,373	4,373	4,373	4,373	4,373	4,373	4,373	4,373	4,373	4,373	4,373	52,480	19,395	14,362		
Total Capital Expenditure	2	11,626	11,626	11,626	11,626	11,626	11,626	11,626	11,626	11,626	11,626	11,626	139,508	103,951	123,198		

LIM476 Tubatse Fetakgomo - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital Expenditure - Functional	1															
<i>Governance and administration</i>		482	482	482	482	482	482	482	482	482	482	482	482	5,780	2,595	2,362
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance and administration		482	482	482	482	482	482	482	482	482	482	482	482	5,780	2,595	2,362
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		2,054	2,054	2,054	2,054	2,054	2,054	2,054	2,054	2,054	2,054	2,054	2,054	24,650	16,800	12,000
Community and social services		388	388	388	388	388	388	388	388	388	388	388	388	4,650	750	-
Sport and recreation		1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	15,000	13,050	10,000
Public safety		417	417	417	417	417	417	417	417	417	417	417	417	5,000	3,000	2,000
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		7,665	7,665	7,665	7,665	7,665	7,665	7,665	7,665	7,665	7,665	7,665	7,665	91,978	84,556	86,780
Planning and development		413	413	413	413	413	413	413	413	413	413	413	413	4,950	-	-
Road transport		7,252	7,252	7,252	7,252	7,252	7,252	7,252	7,252	7,252	7,252	7,252	7,252	87,028	84,556	86,780
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425	17,100	-	22,056
Energy sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425	17,100	-	22,056
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	2	11,526	11,526	11,526	11,526	11,526	11,526	11,526	11,526	11,526	11,526	11,526	11,526	139,508	103,951	123,198
Funded by:																
National Government		-	-	-	-	-	-	-	-	-	-	-	97,638	97,638	93,969	108,360
Provincial Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	-	-	-	-	-	-	-	-	-	-	97,638	97,638	93,969	108,360
Public contributions & donations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	-	-	-	-	-	-	-	-	41,870	41,870	9,982	14,838
Total Capital Funding		-	-	-	-	-	-	-	-	-	-	-	139,508	139,508	103,951	123,198

LIM476 Tubatse Fetakgomo - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Cash Receipts By Source													1			
Property rates	7,203	7,203	7,203	7,203	7,203	7,203	7,203	7,203	7,203	7,203	7,203	7,203	7,203	86,435	91,621	97,101
Service charges - electricity revenue																
Service charges - water revenue																
Service charges - sanitation revenue																
Service charges - refuse revenue	579	579	579	579	579	579	579	579	579	579	579	579	579	6,942	7,358	7,800
Service charges - other																
Rental of facilities and equipment	51	51	51	51	51	51	51	51	51	51	51	51	51	615	646	685
Interest earned - external investments	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018	1,018	12,210	12,943	13,719
Interest earned - outstanding debtors																
Dividends received																
Fines, penalties and forfeits	211	211	211	211	211	211	211	211	211	211	211	211	211	2,533	2,685	2,846
Licences and permits	941	941	941	941	941	941	941	941	941	941	941	941	941	11,291	11,815	11,622
Agency services	378	378	378	378	378	378	378	378	378	378	378	378	377	4,531	4,803	5,091
Transfer receipts - operational	147,065					128,682			91,916					367,663	408,334	449,374
Other revenue	277	277	277	277	277	277	277	277	277	277	277	277	277	3,329	3,534	2,477
Cash Receipts by Source	157,722	10,657	10,657	10,657	139,339	10,657	10,657	102,573	10,657	10,657	10,657	10,656	495,548	543,739	590,715	
Other Cash Flows by Source																
Transfer receipts - capital	39,055				29,291				29,291					97,638	93,969	108,360
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)																
Proceeds on disposal of PPE																
Short term loans																
Borrowing long term/refinancing																
Increase (decrease) in consumer deposits																
Decrease (Increase) in non-current debtors																
Decrease (increase) other non-current receivables																
Decrease (increase) in non-current investments																
Total Cash Receipts by Source	196,778	10,657	10,657	10,657	168,631	10,657	10,657	102,573	39,949	10,657	10,657	10,656	593,186	637,708	699,075	
Cash Payments by Type																
Employee related costs	14,690	14,690	14,690	14,690	14,690	14,690	14,690	14,690	14,690	14,690	14,690	14,690	14,690	176,276	188,562	201,762
Remuneration of councillors	2,786	2,786	2,786	2,786	2,786	2,786	2,786	2,786	2,786	2,786	2,786	2,786	2,786	33,434	33,839	36,207
Finance charges			923						923					1,846	1,975	2,114
Bulk purchases - Electricity																
Bulk purchases - Water & Sewer																
Other materials	1,838	1,838	1,838	1,838	1,838	1,838	1,838	1,838	1,838	1,838	1,838	1,838	1,838	22,058	33,580	29,769
Contracted services	7,313	7,313	7,313	7,313	7,313	7,313	7,313	7,313	7,313	7,313	7,313	7,313	7,313	87,755	86,572	93,645
Transfers and grants - other municipalities																
Transfers and grants - other	417	417	417	417	417	417	417	417	417	417	417	417	417	5,000	5,350	5,725
Other expenditure	14,976	14,976	14,976	14,976	14,976	14,976	14,976	14,976	14,976	14,976	14,976	14,976	14,976	179,716	135,699	125,499
Cash Payments by Type	42,020	42,020	42,943	42,020	42,020	42,020	42,020	42,020	42,943	42,020	42,020	42,020	506,085	485,577	494,721	
Other Cash Flows/Payments by Type																
Capital assets	9,583	9,583	9,583	9,583	9,583	9,583	9,583	9,583	9,583	9,583	9,583	9,583	9,583	115,000	94,351	111,618
Repayment of borrowing													1,200	1,250	1,300	
Other Cash Flows/Payments																
Total Cash Payments by Type	51,603	51,603	52,526	51,603	51,603	51,603	51,603	51,603	52,526	51,603	51,603	52,803	622,285	581,179	607,639	
NET INCREASE/(DECREASE) IN CASH HELD	145,174	(40,946)	(41,869)	(40,946)	117,027	(40,946)	(40,946)	50,970	(12,578)	(40,946)	(40,946)	(42,147)	(29,099)	56,529	91,435	
Cash/cash equivalents at the month/year begin:	240,775	385,949	345,003	303,134	262,188	379,215	338,269	297,323	348,293	335,715	294,769	253,823	240,775	211,676	268,205	
Cash/cash equivalents at the month/year end:	385,949	345,003	303,134	262,188	379,215	338,269	297,323	348,293	335,715	294,769	253,823	211,676	211,676	268,205	359,640	

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

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital expenditure on new assets by Asset Class/Sub-class	1									
Infrastructure		-	-	100,625	98,574	111,607	111,607	103,128	84,556	108,836
Roads Infrastructure		-	-	100,625	71,074	95,607	95,607	64,528	72,128	78,836
Roads				100,625	71,074	95,607	95,607	64,528	72,128	78,836
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		-	-	-	4,000	4,000	4,000	6,500	1,500	15,000
Drainage Collection					4,000	4,000	4,000	6,500	1,500	15,000
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		-	-	-	2,500	5,500	5,500	15,000	10,928	15,000
Power Plants					2,500	5,500	5,500			
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks										
Capital Spares								15,000	10,928	15,000
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Dams and Weirs										
Boreholes										
Reservoirs										
Pump Stations										
Water Treatment Works										
Bulk Mains										
Distribution										
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station										
Reticulation										
Waste Water Treatment Works										
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure		-	-	-	21,000	6,500	6,500	17,100	-	-
Landfill Sites					20,000	5,500	5,500	17,000		
Waste Transfer Stations										
Waste Processing Facilities										
Waste Drop-off Points					1,000	1,000	1,000	100		
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										

Community Assets	-	-	8,894	23,845	30,494	30,494	24,000	16,750	12,000	
Community Facilities	-	-	4,535	13,500	6,477	6,477	9,000	3,750	2,000	
Halls										
Centres										
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations										
Testing Stations				9,500	4,977	4,977	5,000	3,000	2,000	
Museums										
Galleries										
Theatres										
Libraries										
Cemeteries/Crematoria			2,852	2,500	1,500	1,500	1,700	500		
Police										
Parks							1,300	250		
Public Open Space										
Nature Reserves										
Public Ablution Facilities										
Markets			1,682							
Stalls				1,500						
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals							1,000			
Capital Spares										
Sport and Recreation Facilities	-	-	4,359	10,345	24,018	24,018	15,000	13,000	10,000	
Indoor Facilities			4,359							
Outdoor Facilities				10,345	12,169	12,169	15,000	13,000	10,000	
Capital Spares					11,849	11,849				
Heritage assets	-	-	-	-	-	-	-	-	-	
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
Investment properties	-	-	-	-	-	-	-	-	-	
Revenue Generating	-	-	-	-	-	-	-	-	-	
Improved Property										
Unimproved Property										
Non-revenue Generating	-	-	-	-	-	-	-	-	-	
Improved Property										
Unimproved Property										
Other assets	-	-	2,730	6,100	4,250	4,250	2,500	500	500	
Operational Buildings	-	-	2,730	6,100	4,250	4,250	2,500	500	500	
Municipal Offices			2,730	1,600	1,750	1,750	1,000	500	500	
Pay/Enquiry Points										
Building Plan Offices				4,500	2,500	2,500	1,500			
Workshops										
Yards										
Stores										
Laboratories										
Training Centres										
Manufacturing Plant										
Depots										
Capital Spares										
Housing	-	-	-	-	-	-	-	-	-	
Staff Housing										
Social Housing										
Capital Spares										
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	
Biological or Cultivated Assets										
Intangible Assets	-	-	-	1,500	-	-	3,000	500	400	
Servitudes										
Licences and Rights	-	-	-	1,500	-	-	3,000	500	400	
Water Rights				1,500			1,000			
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications							2,000	500	400	
Load Settlement Software Applications										
Unspecified										
Computer Equipment	-	-	925	300	1,000	1,000	-	-	-	
Computer Equipment			925	300	1,000	1,000				
Furniture and Office Equipment	-	-	60	620	820	820	1,280	1,095	1,062	
Furniture and Office Equipment			60	620	820	820	1,280	1,095	1,062	
Machinery and Equipment	-	-	222	8,000	9,000	9,000	1,000	500	400	
Machinery and Equipment			222	8,000	9,000	9,000	1,000	500	400	
Transport Assets	-	-	27	1,500	7,200	7,200	650	-	-	
Transport Assets			27	1,500	7,200	7,200	650			
Land	-	-	-	-	-	-	3,950	-	-	
Land							3,950			
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals										
Total Capital Expenditure on new assets	1	-	-	113,483	140,438	164,372	164,372	139,508	103,901	123,198

LIM476 Tubatse Fetakgomo - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		-	-	-	67,010	118,976	118,976	12,460	23,283	18,777
Roads Infrastructure		-	-	-	60,032	110,032	110,032	5,035	15,037	10,039
Roads					60,032	110,032	110,032	5,035	15,037	10,039
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		-	-	-	6,500	8,500	8,500	7,000	7,790	8,250
Power Plants					6,500	8,500	8,500	7,000	7,790	8,250
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks										
Capital Spares										
Water Supply Infrastructure		-	-	-	152	118	118	125	135	144
Dams and Weirs										
Boreholes					152	118	118	125	135	144
Reservoirs										
Pump Stations										
Water Treatment Works										
Bulk Mains										
Distribution										
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station										
Reticulation										
Waste Water Treatment Works										
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure		-	-	-	326	326	326	300	321	343
Landfill Sites					326	326	326	300	321	343

Community Assets	-	-	-	-	-	-	1,385	1,509	1,589	
Community Facilities	-	-	-	-	-	-	1,100	1,473	1,550	
Halls										
Centres										
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations										
Testing Stations										
Museums										
Galleries										
Theatres										
Libraries										
Cemeteries/Crematoria							200	510	520	
Police										
Parks							700	749	801	
Public Open Space										
Nature Reserves										
Public Ablution Facilities										
Markets										
Stalls							200	214	229	
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares										
Sport and Recreation Facilities	-	-	-	-	-	-	285	36	39	
Indoor Facilities										
Outdoor Facilities							285	36	39	
Capital Spares										
Heritage assets	-	-	-	-	-	-	-	-	-	
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
Investment properties	-	-	-	-	-	-	-	-	-	
Revenue Generating	-	-	-	-	-	-	-	-	-	
Improved Property										
Unimproved Property										
Non-revenue Generating	-	-	-	-	-	-	-	-	-	
Improved Property										
Unimproved Property										
Other assets	-	-	-	1,000	1,300	1,300	3,250	3,478	3,721	
Operational Buildings	-	-	-	1,000	1,300	1,300	3,250	3,478	3,721	
Municipal Offices				1,000	1,300	1,300	3,250	3,478	3,721	
Pay/Enquiry Points										
Building Plan Offices										
Workshops										
Yards										
Stores										
Laboratories										
Training Centres										
Manufacturing Plant										
Depots										
Capital Spares										
Housing	-	-	-	-	-	-	-	-	-	
Staff Housing										
Social Housing										
Capital Spares										
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	
Biological or Cultivated Assets										
Intangible Assets	-	-	-	-	-	-	-	-	-	
Servitudes										
Licences and Rights	-	-	-	-	-	-	-	-	-	
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications										
Load Settlement Software Applications										
Unspecified										
Computer Equipment	-	-	-	1,000	1,000	1,000	200	214	229	
Computer Equipment				1,000	1,000	1,000	200	214	229	
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	
Furniture and Office Equipment										
Machinery and Equipment	-	-	-	3,738	1,956	1,956	3,000	3,210	3,435	
Machinery and Equipment				3,738	1,956	1,956	3,000	3,210	3,435	
Transport Assets	-	-	-	-	1,281	-	1,763	1,886	2,018	
Transport Assets					1,281		1,763	1,886	2,018	
Land	-	-	-	-	-	-	-	-	-	
Land										
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals										
Total Repairs and Maintenance Expenditure	1	-	-	72,748	124,513	123,232	22,058	33,580	29,769	
R&M as a % of PPE		0.0%	0.0%	0.0%	3.3%	9.0%	8.9%	1.6%	1.6%	1.5%
R&M as % Operating Expenditure		0.0%	0.0%	0.0%	12.5%	19.7%	19.5%	3.5%	5.3%	4.8%

LIM476 Tubatse Fetakgomo - Supporting Table SA34d Depreciation by asset class

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Depreciation by Asset Class/Sub-class	1									
Infrastructure		-	-	-	-	-	-	62,250	66,608	71,270
Roads Infrastructure		-	-	-	-	-	-	62,250	66,608	71,270
Roads		-	-	-	-	-	-	62,250	66,608	71,270
Community Assets		-	-	-	-	-	-	2,140	2,290	2,450
Sport and Recreation Facilities		-	-	-	-	-	-	2,140	2,290	2,450
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		-	-	-	-	-	-	2,140	2,290	2,450
Other assets		-	-	-	-	-	-	250	3,206	3,430
Operational Buildings		-	-	-	-	-	-	250	3,206	3,430
Municipal Offices		-	-	-	-	-	-	250	3,206	3,430
Computer Equipment		-	-	-	-	-	-	567	607	649
Computer Equipment		-	-	-	-	-	-	567	607	649
Furniture and Office Equipment		-	-	-	-	-	-	1,252	1,339	1,434
Furniture and Office Equipment		-	-	-	-	-	-	1,252	1,339	1,434
Machinery and Equipment		-	-	-	-	-	-	2,000	2,140	2,290
Machinery and Equipment		-	-	-	-	-	-	2,000	2,140	2,290
Transport Assets		-	-	-	-	-	-	250	268	286
Transport Assets		-	-	-	-	-	-	250	268	286
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Depreciation	1	-	-	-	-	-	-	68,709	76,457	81,809

Municipal Manager's Quality certification

I, NP Busane the Municipal Manager of Fetakgomo 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 Tubatse Municipality

Signature : _____

Date : _____