



FETAKGOMO TUBATSE
LOCAL MUNICIPALITY

Draft Annual Budget

Of

Fetakgomo Tubatse Municipality

2019/2020-2021/2022

Medium Term Revenue Expenditure Forecasts

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- At the municipal libraries
- Municipal offices located at the reception
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Table of Contents

Part 1 - ANNUAL BUDGET

1.1 Mayor's Foreword

1.2 Council Resolutions

1.3 Executive Summary

1.4. Annual Budget Tables

1.4.1 Table A1 – Consolidated Budget Summary

1.4.2 Table A2 – Consolidated Budgeted Financial Performance (Standard Classification)

1.4.3 Table A3 – Consolidated Budgeted Financial Performance (Municipal Vote)

1.4.4 Table A4 – Consolidated Budgeted Financial Performance (Operational Revenue and Expenditure)

1.4.5 Table A5 – Consolidated Budgeted Capital Expenditure (By Vote & Standard Classification)

1.4.6 Table A6 – Consolidated Budgeted Financial Position

1.4.7 Table A7 – Consolidated Budgeted Cash Flows

1.4.8 Table A8 – Consolidated Cash backed reserves/Accumulated surplus reconciliation

1.4.9 Table A9 – Consolidated Asset Management

1.4.10 Table A10 – Consolidated Basic Service delivery measurement

1.5 Operating Revenue Framework

1.6 Operating Expenditure Framework

1.7 Remuneration Of Councillors And Executive Management

1.8 Capital Expenditure

1.9 Annual Budget Tables

Part 2 - Supporting Tables

2.1 Overview of municipal draft budget process

2.2 Overview of alignment of draft budget with integrated Development Plan

2.3 Measurable performance objectives and indicators

2.4 Overview of draft budget related policies

2.5 Overview of draft budget assumptions

2.6 Overview of draft budget funding

-
- 2.7** Expenditure on allocations and grant programmes
 - 2.8** Allocations and grants made by the municipality
 - 2.8** Councillors, senior managers and employees benefits
 - 2.9** Monthly targets for revenue, expenditure and cash flow
 - 2.10** Contracts having future budgetary implications
 - 2.11** Capital Expenditure details
 - 2.12** Legislation compliance status
 - 2.13** Other supporting documents
 - 2.14** Draft budget of municipal entities attached to the municipal annual budget
 - 2.15** Municipal manager's quality certification
-

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
MSCOA	Municipal Standard Chart of Accounts

1.1 Mayor's Foreword

Mayor's foreword at the tabling of the draft 2019/20 Annual budget

We are here before Council to table the draft 2019/20 annual budget for the consideration of the House. We are compelled by legislation to embark on this exercise to enable the Council to adopt the 2019/20 IDP and Budget at the end of May 2019. This also paves the way for Council to subject the draft annual budget to public scrutiny to make comments and inputs.

The draft budget emanates from the submissions made by internal departments and we would like to thank them for the job well done. We would also like to mention that the base of this draft budget emanates from the Strategic planning session that was held in March 2019. The Strategic planning session assisted us a lot in making self-introspection and the direction which the Municipality must take to achieve its 2030 vision. What remains central to us is the acceleration of the pace to provide basic services to our communities.

As stated the draft annual budget will be subjected to public participation in the following month to solicit inputs and comments by the communities to inform the final IDP and Budget to be considered at the end of the financial year. As a practise the engagements with the communities will be intense, robust and at times emotional as most wishes of various villages will not be covered due to budgetary constraints. We would like to appeal to our Councillors to remain level headed to accommodate the needs from the communities. Our wish is to see every Councillor being part of the activities for the collective ownership of the project.

Our draft annual budget is based on the following four factors;

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

Our allocation and spending in the following financial year will be based on the above mentioned activities. We would like to increase our tariffs to be in line with the CPIX and the inflation rate. This will enable the Council to generate its own revenue in order to meet the demands of the communities.

We are still experiencing huge debt from government departments, business and rate payers. We are confident that our intervention strategy of reduction the debts by 50% to both business and

domestic will yield positive results. Also our debt collectors will assist in recouping money from those owing the institution.

1.3 Council Resolutions

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

- 1.3.1 Total revenue be budgeted at R731 million for 2019/20, increasing to R791 million and R854 million for the MTREF period,
- 1.3.2 Total operational expenditure be budgeted at R 575 million, increasing to R586 million and increasing to R619 million for the MTREF period,
- 1.3.3 Total capital expenditure be budgeted at R 155 million, increasing to R167 million and increasing to R168 million for the MTREF period,
- 1.3.4 That EXCO support and recommend to Council the approval and implementation of the draft budget related policies from 1 July 2019 as follows:
 - 1.3.5 Principles and policy on credit control and debt collection,
 - 1.3.6 Principles and policy on Indigent consumers,
 - 1.3.7 Assets management policy,
 - 1.3.8 Tariff policy,
 - 1.3.9 Borrowing policy,
 - 1.3.10 Budget policy,
 - 1.3.11 Virement policy
 - 1.3.12 Cash management and Investment policy,
 - 1.3.13 Property rates policy,
 - 1.3.14 Supply Chain Management Policy
 - 1.3.15 Standard For Infrastructure Procurement and Delivery Management
 - 1.3.16 Funding and Reserves Policy and ,
 - 1.3.17 Cost Containment Policy
- 1.3.18 That EXCO recommend to Council to approve the draft reviewed tariffs to be implemented from 1 July 2019 for billing purposes,

- 1.3.19 That the draft budget for the financial year 2019/20 MTREF be submitted to National and Provincial Treasury and relevant stakeholders in the prescribed format.
- 1.3.20 That the draft annual budget for 2019/20 MTREF be placed on the Fetakgomo Tubatse Municipality website as prescribed by MFMA section 75(1).

1.4 EXECUTIVE SUMMARY

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 2018/2019 was forecasted at 0.7 per cent at the time of the 2019 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 0.2 per cent by 2020. 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.

2018/19- 2021/22	2018/19	2019/20	2020/21	2021/22
Fiscal year				
	Estimate		Forecast	
CPI Inflation	4.7%	5.2%	5.4%	5.4%
Real GDP growth	0.7%	1.5%	1.7%	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. 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 continues to be under pressure as a result of reserves invested in VBS Bank. The municipality was put into section 139(b) of the constitution of RSA and stringent cost containment measures has to be in place in order for the municipality to recover from this situation. Financial recovery plan is currently in place to address the current challenges faced by the municipality.

OVERVIEW OF THE 2019 BUDGET

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

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

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

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

1.5 OPERATING BUDGET FRAMEWORK

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 5,2 per cent increasing to 5,4 and 5,4 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 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.
- Implementing cost containment measure to address non priority spending and improve cash flow management.

Table 1: Consolidated Overview

AREA	2019/20 MTREF		
	BUDGET YEAR 2019/20	ESTIMATE BUDGET YEAR 2020/21	ESTIMATE BUDGET YEAR 2021/22
TOTAL REVENUE	731 441 544	791 263 774	854, 013,033
TOTAL EXPENDITURE	(575 460 994)	(586 107 353)	(619 166 794)
CAPEX - OWN FUNDS	55,830,000	53,115,900	43,850,000
CAPEX MIG	80,150,550	84,702,000	90,994,709
CAPEX INEP	20,000,000	30,000,000	33,685,000
TOTAL CAPEX	(155,980,550)	(167 817 900)	(168 529 709)
SURPLUS/(DEFICIT)	0	37,338,521	66,316,531

- Total revenue anticipated is R 731 million for 2019/20, increasing to R791 million and R854 million for the MTREF period,
- Total operational expenditure is R575 million, increasing to R 586 million and increasing to R 619 million for the MTREF period,
- Total capital expenditure is R 155 million, increasing to R167 million and increasing to R168 million for the MTREF period,
- These resulted in a breakeven budget for 2019/20 financial year while a surplus of R 37 million and R 66 million for the two outer years is anticipated.
- Cost containment measures were taken into consideration when compiling the 2019/20 draft budget as a result of the financial distress the Municipality is currently faced with. Realistic revenue projections has been anticipated based on previous collection rates.

1.6 OPERATING 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	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue By Source											
Property rates	2	-	107 248	129 495	131 288	131 288	131 288	131 288	138 115	145 573	153 434
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	14 209	17 852	11 683	18 819	18 819	18 819	14 133	14 896	15 701
Rental of facilities and equipment		-	271	374	632	388	388	388	408	430	453
Interest earned - external investments		-	9 039	11 936	12 210	932	932	932	980	1 033	1 089
Interest earned - outstanding debtors		-	-	-	13 568	16 068	16 068	16 068	30 338	31 977	33 703
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	3 214	21 933	15 304	15 311	15 311	15 311	2 672	2 816	2 968
Licences and permits		-	7 160	10 457	13 198	13 198	13 198	13 198	13 884	14 634	15 424
Agency services		-	-	-	4 531	4 531	4 531	4 531	4 766	5 024	5 295
Transfers and subsidies		-	272 066	342 846	367 663	382 663	382 663	382 663	420 272	454 136	494 538
Other revenue	2	-	25 960	4 119	2 545	1 863	1 863	1 863	1 504	1 585	1 671
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		-	439 167	539 013	572 622	585 061	585 061	585 061	627 073	672 104	724 276

Property rates

Property rates collection is estimated at **66 per cent** and a provision of **33 per cent** has been made for bad debt. This is based on the trend over the past year.

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

Traffic function

Traffic function which has been fully devolved to the municipality is the second most collectible revenue source following grants. The traffic station has been completed and operational.

Grant funding

Revenues from the government grants; equitable share, Municipal Finance Management Grant (FMG), Intergrated National Electricity Grant (INEG) , Municipal Infrastructure Grant and EPWP incentive Grant are reliable and constitute **69 per cent** of the budgeted revenue. This means only less than **29 per cent** of the revenue may fluctuate giving the municipality certainty on its expenditures and better planning.

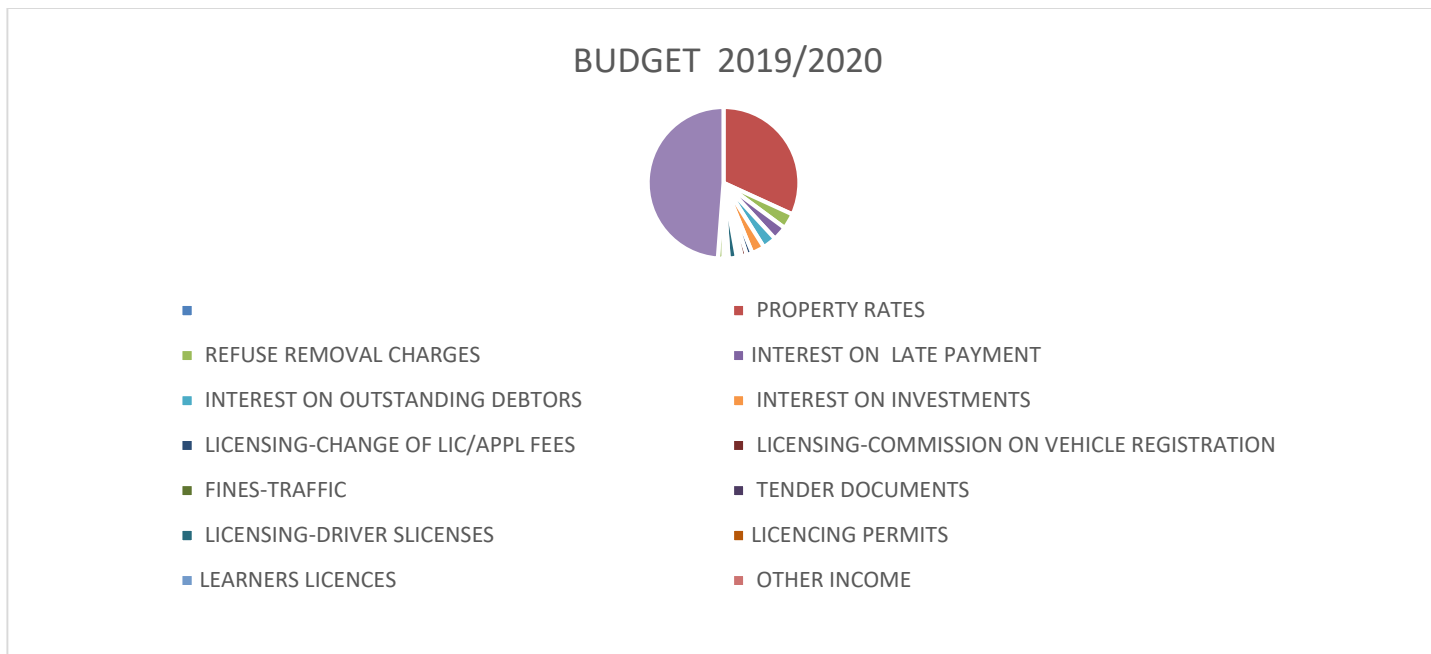
Table 3: Grant Receipts

LIM476 Tubatse Fetakgomo - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		-	-	9 890	88 788	88 788	88 788	420 272	454 136	494 538
Local Government Equitable Share		-	-	-	-	-	-	415 486	451 636	492 038
Expanded Public Works Programme Integrated		-	-	1 279	2 035	2 035	2 035	1 786	-	-
Integrated National Electrification Programme [-	-	-	-	-	-	-	-	-
Local Government Financial Management Gra		-	-	4 045	4 115	4 115	4 115	3 000	2 500	2 500
Municipal Demarcation and Transition Grant [S		-	-	4 566	-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]		-	-	-	82 638	82 638	82 638	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Limpopo Appeal Tribunals		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	-	-	9 890	88 788	88 788	88 788	420 272	454 136	494 538
Capital Transfers and Grants										
National Government:		-	-	86 449	15 000	65 237	65 237	104 369	119 160	129 737
Integrated National Electrification Programme		-	-	-	15 000	15 000	15 000	20 000	30 000	33 685
Municipal Infrastructure Grant [Schedule 5B]		-	-	86 449	-	-	-	84 369	89 160	96 052
Water Services Infrastructure Grant		-	-	-	-	50 237	50 237	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	-	-	86 449	15 000	65 237	65 237	104 369	119 160	129 737
TOTAL RECEIPTS OF TRANSFERS & GRANTS		-	-	96 339	103 788	154 025	154 025	524 641	573 296	624 275

- Revenue from grants and subsidies amounts to R524 million for 2019/20, the major categories being the following:
 - Equitable share R 415 million,
 - Municipal Infrastructure Grant (MIG) funding of R84 million,
 - Integrated National Electrification Grant (INEG) of R20 million

Chart 1: Revenue per source chart



The graph indicates different categories regarded as revenue.

1.7 OPERATING EXPENDITURE FRAMEWORK

The municipality's expenditure framework for 2019/2020 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 6.2 per cent which as per circular 94 of MFMA.
- 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.

Table 4: Summary of operating expenditure by standard classification item

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

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Expenditure By Type											
Employee related costs	2	–	124 147	165 595	180 511	211 476	211 476	110 852	226 938	240 997	256 221
Remuneration of councillors			23 358	31 843	31 625	31 625	31 625	31 625	33 586	35 735	38 022
Debt impairment	3	–	(20 372)	63 883	45 000	47 768	47 768	47 768	44 992	47 421	49 982
Depreciation & asset impairment	2	–	95 739	113 993	68 759	58 054	58 054	–	79 392	83 679	88 198
Finance charges		–	2 667	1 213	1 846	2 350	2 350	2 350	1 315	1 386	1 461
Bulk purchases	2	–	154	–	–	–	–	–	–	–	–
Other materials	8	–	50 099	96 847	22 058	11 055	11 055	11 055	2 269	2 392	2 521
Contracted services		–	64 099	50 758	124 558	105 684	105 684	55 771	101 925	83 212	87 215
Transfers and subsidies		–	5 465	8 087	5 000	7 778	7 778	7 778	6 000	6 324	6 665
Other expenditure	4, 5	–	75 595	366 349	155 437	74 696	74 696	74 696	79 045	84 961	88 882
Loss on disposal of PPE		–	–	–	–	–	–	–	–	–	–
Total Expenditure		–	420 951	898 568	634 794	550 486	550 485	341 895	575 461	586 107	619 167

- Total operational budget is **R575 million**, increasing to **R586 million** and increasing to **R619 million** over the MTREF period, the highest contributors to the operational expenditure for 2016/17 are:

Employee related costs of R226 million (39%),

The employee costs increased by 49% as compared to the audited outcomes as a result of the provision made for salary parity and job evaluation outcomes.

Other Expenditure

Other expenditure increased from R 74 million to R79 million

Depreciation of assets R79 million (14%),

Depreciation was budgeted at R79 million which shows an increase compared to the previous years. Most assets were disposed of thus decreasing the depreciation calculations.

Provision for doubtful debts R44 million (8%),

Provision for bad debts was provided for at R44 million based on the collection rate of 66% above.

Remuneration of Councillors R33 million (6%).

Councillors' remuneration costs were provided for based on the upper limits and an increase of 6, 2% (CPI + 1).

The operational expenditure budgets for each department are summarised below:

The detailed breakdown for the budgeted operational expenditure are attached in the detailed budget.

DEVELOPMENT PLANNING (DVP)

DESCRIPTION	BUDGET YEAR 2019/2020	ESTIMATE YEAR 2020/2021	ESTIMATE YEAR 2021/2021
Employee related costs	12 888 769	13 713 650	14 591 324
General Expenses	15 975 732	676 947	713 265
TOTAL	28 864 501	14 390 597	15 304 589

LOCAL ECONOMIC DEVELOPMENT (LED)

DESCRIPTION	BUDGET YEAR 2019/2020	ESTIMATE YEAR 2020/2021	ESTIMATE YEAR 2021/2021
Employee related costs	8 904 644	9 474 542	10 080 912
General Expenses	3 397 481	4 415 565	4 478 677
TOTAL	12 302 125	13 890 106	14 559 590

COMMUNITY SERVICES

DESCRIPTION	BUDGET YEAR 2019/2020	ESTIMATE YEAR 2020/2021	ESTIMATE YEAR 2021/2021
Employee related costs	60 999 651	64 903 629	68 801 865
General expenses	6 824 712	4 936 002	5 503 275
Repairs and maintenance	620 000	653 480	688 768
Contracted Services (Refuse removal)	13 443 820	10 530 000	11 088 090
Provision for doubtful debts for refuse	2 911 721	3 068 954	3 234 678
TOTAL	84 799 904	84 092 065	89 316 676

TECHNICAL SERVICES

DESCRIPTION	BUDGET YEAR 2019/2020	ESTIMATE YEAR 2020/2021	ESTIMATE YEAR 2021/2021
Employee related costs	31 066 846	33 024 693	35 452 253
General Expenses	3 115 033	3 283 245	3 460 541
Repairs and maintenance	6 446 800	5 740 927	6 050 937
Electricity	3 939 740	4 152 486	4 376 720
Free Basic Electricity	6 000 000	6 324 000	6 665 496
Depreciation	70 648 314	74 463 323	78 484 342
TOTAL	121 216 733	126 988 674	134 490 289

MUNICIPAL MANAGER

DESCRIPTION	BUDGET YEAR 2019/2020	ESTIMATE YEAR 2020/2021	ESTIMATE YEAR 2021/2021
Employee related costs	12 732 025	13 546 875	14 413 874
General Expenses	5 772 901	6 084 637	6 413 208
TOTAL	18 504 926	19 631 512	20 827 082

BUDGET AND TREASURY

DESCRIPTION	BUDGET YEAR 2019/2020	ESTIMATE YEAR 2020/2021	ESTIMATE YEAR 2021/2021
Employee related costs	38 456 675	40 481 102	42 922 109
General Expenses	21 425 249	22 339 013	23 545 319
Depreciation	8 743 468	9 215 615	9 713 258
Provision for doubtful debts	42 080 000	44 352 320	46 747 345
TOTAL	110 705 392	116 388 050	122 928 032

CORPORATE SERVICES

DESCRIPTION	BUDGET YEAR 2019/2020	ESTIMATE YEAR 2020/2021	ESTIMATE YEAR 2021/2021
Remuneration of Councilors	33 726 601	35 885 103	38 181 750
Employee related costs	61 999 711	65 967 693	70 189 624
General Expenses	69 818 345	73 588 535	77 562 316
Repairs and maintenance	4 183 020	4 408 903	4 646 984
Lease of Municipal buildings	23 984 337	25 231 522	26 543 561
Lease of Mayoral Vehicle	1 200 000	1 264 800	-
Electricity related costs	4 155 400	4 379 792	4 616 300
TOTAL	199 067 414	210 726 348	221 740 535

Key expenditure programmes for implementation include;

- Continued implementation of Expanded Public Works Programme from needy 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.

1.8 REMUNERATION OF COUNCILLORS AND EXECUTIVE MANAGEMENT

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

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contribution	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4		536 620		238 873			775 493
Chief Whip			503 083		220 876			723 959
Executive Mayor			670 777		256 320			927 097
Deputy Executive Mayor			-		-			-
Executive Committee			3 177 287		1 522 950			4 700 237
Total for all other councillors			17 390 537		9 068 403			26 458 940
Total Councillors	8	-	22 278 304	-	11 307 422			33 585 726

Councillor remuneration is in line with the upper limits as determined by the minister of Cooperative Governance and Traditional Affairs budgeted at **R33 million**.

1.9 CAPITAL EXPENDITURE

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

Table 6: Consolidated Overview of Capital Expenditure Funding

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital Expenditure - Functional	1										
Governance and administration		-	-	3 417	4 020	539	539	539	63 580	92 968	76 385
Executive and council											
Finance and administration		-	-	3 417	4 020	539	539	539	63 580	92 968	76 385
Internal audit											
Community and public safety		-	-	3 438	45 345	44 699	44 699	44 699	1 100	150	-
Community and social services		-	-	-	25 500	290	290	290	1 100	150	-
Sport and recreation				1 761	10 345	38 409	38 409	38 409			
Public safety				1 678	9 500	6 000	6 000	6 000			
Housing											
Health											
Economic and environmental services		-	-	78 470	90 074	120 878	120 878	120 878	76 201	74 700	92 145
Planning and development		-	-	4 645	6 000	-	-	-	-	-	-
Road transport		-	-	73 825	84 074	120 878	120 878	120 878	76 201	74 700	92 145
Environmental protection											
Trading services		-	-	5 843	1 000	1 333	1 333	1 333	15 100	-	-
Energy sources				3 121							
Water management											
Waste water management											
Waste management		-	-	2 721	1 000	1 333	1 333	1 333	15 100	-	-
Other											
Total Capital Expenditure - Functional	3	-	-	91 168	140 438	167 449	167 449	167 448	155 981	167 818	168 530
Funded by:											
National Government			-	80 178	97 638	143 743	143 743	143 743	100 151	114 702	124 680
Provincial Government											
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	-	-	80 178	97 638	143 743	143 743	143 743	100 151	114 702	124 680
Borrowing	6										
Internally generated funds			-	10 990	42 800	23 706	23 706	23 706	55 830	53 116	43 850
Total Capital Funding	7	-	-	91 168	140 438	167 449	167 449	167 448	155 981	167 818	168 530

Performance indicators for capital budget

The Capital budget has three areas:

- Own funding for Capital Expenditure,
- Municipal Infrastructure Grant (MIG), and
- Integrated National Electrification Programme (INEP).

The table below is a summary of the capital budget:

DESCRIPTION	BUDGET YEAR 2019/ 2020	ESTIMATE BUDGET 2020/ 2021	ESTIMATE BUDGET 2021/2022
CAPEX - OWN FUNDS	55 830 000	53 115 900	43 850 000
CAPEX MIG	80 150 550	84 702 000	90 994 709
CAPEX INEP	20 000 000	30 000 000	33 685 000
TOTAL CAPEX	155 980 550	167 817 900	168 529 709

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

Description	BUDGET YEAR 2020	ESTIMATE BUDGET YEAR 2021	ESTIMATE BUDGET YEAR 2022
OWN FUNDING PROJECTS			
FEASIBILITY STUDY WATER & ELECTRICITY AUTHORITY	1 000 000	-	-
PURCHASE OF TRAFFIC VEHICLE	700 000	-	-
PURCHASE OF NEW LANDFILL SITE	10 000 000	-	-
REHABILITATION AND CLOSURE OF BURGERSFORT LANDFILL SITE	5 100 000	-	-
CONSTRUCTION OF PRAKTISEER LICENSING OFFICES	2 000 000	-	-
DEVELOPMENT OF TRANSFER STATION	2 000 000	1 000 000	-
DEVELOPMENT OF APIESDORING REGIONAL CEMETERY	700 000	300 000	-
PURCHASE OF YELLOW MACHINES	6 000 000	-	10 000 000
CLEANING EQUIPMENT	300 000	315 900	400 000
FURNITURE FURNITURE /OFFICE EQUIPMENTS	300 000	500 000	
COMPUTER HARDWARES	1 000 000	400 000	300 000
DEVELOPMENT OF INFRASTRUCTURE MASTER PLAN	800 000	-	
PLANNING ON N1 ROAD FROM BOTHASHOEK T JUNCTION TO RIVER CROSS	300 000	-	
PLANNING ON APPIESDROORING TO MANOKE ROAD	200 000	-	
PLANNING OF INTERNAL STREETS	200 000	-	
PLANNING OF INTERNAL STREET - PRAKTISEER	200 000	200 000	
PLANNING OF INTERNAL STREET - MABOCHA	-	200 000	200 000
PLANNING OF INTERNAL STREET - BURGERSFORT EXT 5	-	200 000	200 000
PLANNING OF INTERNAL STREET - ALVERTON	-	200 000	200 000
DEVELOPMENT OF FIRE PLANS	300 000	-	

Description	BUDGET YEAR 2020	ESTIMATE BUDGET YEAR 2021	ESTIMATE BUDGET YEAR 2022
PURCHASE OF RECORDS MANAGEMENT SYSTEM	2 000 000		
CONSTRUCTION OF GUARDROOM BURGERSFORT RECREATIONAL PARK	-	150 000	
REHABILITATION OF APEL RECREATIONAL PARK	300 000	300 000	-
CONSTRUCTION OF SPRAY PARK AT BURGERSFORT & APEL RECREATIONAL PARKS		1 000 000	-
PURCHASE OF GRASS CUTTING TRACTOR	-	500 000	
SOFTWARE FOR CEMETRY MANAGEMENT SYSTEM	-	150 000	
PURCHASE OF DISASTER VEHICLES	600 000	-	
FEASIBILITY STUDY ON APEL REGIONAL CEMETRY	-	100 000	
REHABILITATION OF BURGERSFORT TAXI RANK	-	1 000 000	
CALIBRATION OF SPEED MEASURING DEVICES	450 000	500 000	550 000
PURCHASE OF SOUND SYSTEM	80 000	-	-
ESTABLISHMENT OF MUNICIPAL CONTROL ROOM	1 000 000	-	-
INSTALLATION OF ACCESS CONTROL SYSTEMS	100 000	-	-
GA RADINGWANA TO SEKHUKHUNE COLLEGE INTERNAL STREET	200 000	2 000 000	-
OPERATION MABONE	20 000 000	44 100 000	32 000 000
TOTAL OWN FUNDING PROJECTS	55 830 000	53 115 900	43 850 000

8.1 CAPEX FROM MIG

The table below is a list of MIG projects as per draft MIG implementation plan submitted to COHGSTA.

MIG PROJECTS	BUDGET YEAR 2020	ESTIMATE BUDGET YEAR 2021	ESTIMATE BUDGET YEAR 2022
MIG - MOTODI SPORTS COMPLEX	5 000 000	-	-
MIG-FETAKGOMO TUBATSE HIGHMAST LIGHTS	5 000 000	13 702 000	-
MIG - LEBOENGACCESSROAD	34 000 000	-	-
MIG - MAGAKALA ACCESS BRIDGE	4 150 550	30 000 000	18 551 869
MIG - MAGOTWANENG ACCESS BRIDGE	30 000 000	-	-
MIG- MASHUNG ACCESS ROAD	1 000 000	26 000 000	19 460 000
MIG - GADEBEILA TO MOHLALETSE ACCESS ROAD	1 000 000	15 000 000	25 500 000
MIG - STRYDKRAAL A TO THOBEHLALE			27 482 840
TOTAL MIG PROJECTS	80 150 550	84 702 000	90 994 709

1.10. 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 2019/20 budget and MTREF as approved by Council. Each table is accompanied by explanatory note on the next page.

Annual Budget Tables

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	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1									
Revenue - Functional										
<i>Governance and administration</i>		-		504 690	658 441	695 901	695 901	298 691	321 430	342 795
Executive and council		-	-	-	20 258	20 258	20 258	21 312	22 463	23 676
Finance and administration		-	413 990	504 690	638 183	675 643	675 643	277 380	298 967	319 120
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	10 680	14 289	40	127	127	133	141	148
Community and social services		-	24	1 344	40	127	127	133	141	148
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	10 656	12 945	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	105 259	88 595	5	243	243	4	4	5
Planning and development		-	288	703	5	243	243	4	4	5
Road transport		-	104 970	87 892	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	14 209	17 888	11 774	21 666	21 666	432 613	469 688	511 065
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	14 209	17 888	11 774	21 666	21 666	432 613	469 688	511 065
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	#REF!	625 462	670 260	717 936	717 936	731 442	791 263	854 013
Expenditure - Functional										
<i>Governance and administration</i>		-	270 103	569 004	341 435	477 260	477 260	502 145	513 438	542 415
Executive and council		-	41 289	61 818	72 114	59 056	59 056	64 355	68 343	72 579
Finance and administration		-	228 815	507 186	269 321	418 203	418 203	437 790	445 095	469 836
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	54 257	50 382	52 991	10 007	10 007	12 539	11 095	11 374
Community and social services		-	54 257	22 199	31 231	10 007	10 007	12 539	11 095	11 374
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	28 183	21 760	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	96 591	262 771	219 789	40 592	40 592	40 658	43 951	46 774
Planning and development		-	15 755	16 836	43 775	11 967	11 967	12 302	13 890	14 560
Road transport		-	80 835	245 935	176 014	28 625	28 625	28 356	30 061	32 215
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	16 411	20 579	22 627	22 627	20 120	17 623	18 604
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	16 411	20 579	22 627	22 627	20 120	17 623	18 604
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	-	420 951	898 568	634 794	550 486	550 485	575 461	586 107	619 167
Surplus/(Deficit) for the year		-	#REF!	(273 106)	35 466	167 451	167 451	155 981	205 156	234 846

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

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue by Vote	1									
Vote 01 - Corporate Services		-	-	77	100 750	150 486	150 486	106 761	119 798	130 410
Vote 02 - Municipal Manager		-	-	-	20 258	20 258	20 258	21 312	22 463	23 676
Vote 03 - Budget And Treasury		-	413 990	504 613	537 433	525 157	525 157	170 619	179 170	188 710
Vote 04 - Technical Services		-	104 970	87 892	-	-	-	-	-	-
Vote 05 - Community Services		-	24 889	32 177	11 814	21 792	21 792	432 747	469 829	511 213
Vote 06 - Development And Planning		-	-	-	-	-	-	-	-	-
Vote 07 - Local Economic Development And Tourism		-	288	703	5	243	243	4	4	5
Vote 08 -		-	-	-	-	-	-	-	-	-
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	-	544 137	625 462	670 260	717 936	717 936	731 443	791 264	854 013
Expenditure by Vote to be appropriated	1									
Vote 01 - Corporate Services		-	135 607	171 188	208 841	203 850	203 850	201 117	210 779	221 796
Vote 02 - Municipal Manager		-	17 931	19 219	26 532	16 372	16 372	18 505	19 632	20 827
Vote 03 - Budget And Treasury		-	116 565	378 597	106 061	110 043	110 043	106 406	116 143	123 180
Vote 04 - Technical Services		-	80 835	245 935	176 014	104 501	104 501	123 017	126 989	134 490
Vote 05 - Community Services		-	54 257	66 793	73 570	82 255	82 255	85 500	84 549	89 656
Vote 06 - Development And Planning		-	-	-	28 277	21 499	21 499	28 613	14 125	14 658
Vote 07 - Local Economic Development And Tourism		-	15 755	16 836	15 498	11 967	11 966	12 303	13 890	14 560
Vote 08 -		-	-	-	-	-	-	-	-	-
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	420 951	898 568	634 794	550 486	550 485	575 461	586 107	619 167
Surplus/(Deficit) for the year	2	-	123 186	(273 106)	35 466	167 451	167 451	155 981	205 157	234 846

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

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1										
Revenue By Source											
Property rates	2	–	107 248	129 495	131 288	131 288	131 288	131 288	138 115	145 573	153 434
Service charges - electricity revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	2	–	14 209	17 852	11 683	18 819	18 819	18 819	14 133	14 896	15 701
Rental of facilities and equipment		–	271	374	632	388	388	388	408	430	453
Interest earned - external investments		–	9 039	11 936	12 210	932	932	932	980	1 033	1 089
Interest earned - outstanding debtors		–	–	–	13 568	16 068	16 068	16 068	30 338	31 977	33 703
Dividends received		–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		–	3 214	21 933	15 304	15 311	15 311	15 311	2 672	2 816	2 968
Licences and permits		–	7 160	10 457	13 198	13 198	13 198	13 198	13 884	14 634	15 424
Agency services		–	–	–	4 531	4 531	4 531	4 531	4 766	5 024	5 295
Transfers and subsidies		–	272 066	342 846	367 663	382 663	382 663	382 663	420 272	454 136	494 538
Other revenue	2	–	25 960	4 119	2 545	1 863	1 863	1 863	1 504	1 585	1 671
Gains on disposal of PPE		–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		–	439 167	539 013	572 622	585 061	585 061	585 061	627 073	672 104	724 276
Expenditure By Type											
Employee related costs	2	–	124 147	165 595	180 511	211 476	211 476	110 852	226 938	240 997	256 221
Remuneration of councillors		–	23 358	31 843	31 625	31 625	31 625	31 625	33 586	35 735	38 022
Debt impairment	3	–	(20 372)	63 883	45 000	47 768	47 768	47 768	44 992	47 421	49 982
Depreciation & asset impairment	2	–	95 739	113 993	68 759	58 054	58 054	–	79 392	83 679	88 198
Finance charges		–	2 667	1 213	1 846	2 350	2 350	2 350	1 315	1 386	1 461
Bulk purchases	2	–	154	–	–	–	–	–	–	–	–
Other materials	8	–	50 099	96 847	22 058	11 055	11 055	11 055	2 269	2 392	2 521
Contracted services		–	64 099	50 758	124 558	105 684	105 684	55 771	101 925	83 212	87 215
Transfers and subsidies		–	5 465	8 087	5 000	7 778	7 778	7 778	6 000	6 324	6 665
Other expenditure	4, 5	–	75 595	366 349	155 437	74 696	74 696	74 696	79 045	84 961	88 882
Loss on disposal of PPE		–	–	–	–	–	–	–	–	–	–
Total Expenditure		–	420 951	898 568	634 794	550 486	550 485	341 895	575 461	586 107	619 167
Surplus/(Deficit)		–	18 216	(359 555)	(62 172)	34 575	34 576	243 166	51 612	85 997	105 109
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		–	104 970	86 449	97 638	132 875	132 875	–	104 369	119 160	129 737
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	(273 106)	35 466	167 451	167 451	243 166	155 981	205 157	234 846
Taxation		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		–	123 186	(273 106)	35 466	167 451	167 451	243 166	155 981	205 157	234 846
Attributable to minorities		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		–	123 186	(273 106)	35 466	167 451	167 451	243 166	155 981	205 157	234 846
Share of surplus/ (deficit) of associate	7	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year		–	123 186	(273 106)	35 466	167 451	167 451	243 166	155 981	205 157	234 846

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1										
Capital Expenditure - Functional											
Governance and administration		-	-	3 417	4 020	539	539	539	63 580	92 968	76 385
Executive and council											
Finance and administration		-	-	3 417	4 020	539	539	539	63 580	92 968	76 385
Internal audit											
Community and public safety		-	-	3 438	45 345	44 699	44 699	44 699	1 100	150	-
Community and social services		-	-	-	25 500	290	290	290	1 100	150	-
Sport and recreation				1 761	10 345	38 409	38 409	38 409			
Public safety				1 678	9 500	6 000	6 000	6 000			
Housing											
Health											
Economic and environmental services		-	-	78 470	90 074	120 878	120 878	120 878	76 201	74 700	92 145
Planning and development		-	-	4 645	6 000	-	-	-	-	-	-
Road transport		-	-	73 825	84 074	120 878	120 878	120 878	76 201	74 700	92 145
Environmental protection											
Trading services		-	-	5 843	1 000	1 333	1 333	1 333	15 100	-	-
Energy sources				3 121							
Water management											
Waste water management											
Waste management		-	-	2 721	1 000	1 333	1 333	1 333	15 100	-	-
Other											
Total Capital Expenditure - Functional	3	-	-	91 168	140 438	167 449	167 449	167 448	155 981	167 818	168 530

LIM476 Tubatse Fetakgomo - Table A6 Budgeted Financial Position

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
ASSETS											
Current assets											
Cash		–	208 341	3 609	208 341	55 458	55 458	55 458	36 590	67 537	127 091
Call investment deposits	1	–	–	–	78 762	78 762	78 762	78 762	–	–	–
Consumer debtors	1	–	129 666	64 627	129 666	159 783	159 783	159 783	156 348	161 038	165 869
Other debtors		–	66 024	41 667	66 024	7 448	7 448	7 448	7 821	8 212	8 622
Current portion of long-term receivables		–	48 469	–	48 469	–	–	–	–	–	–
Inventory	2	–	1 294	1 347	1 294	–	–	–	–	–	–
Total current assets		–	453 794	111 250	532 556	301 452	301 452	301 452	200 759	236 787	301 583
Non current assets											
Long-term receivables		–	–	–	–	–	–	–	–	–	–
Investments		–	–	–	–	–	–	–	–	–	–
Investment property		–	162 495	49 488	49 488	129 996	129 996	129 996	49 488	49 488	49 488
Investment in Associate		–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	3	–	2 222 690	2 330 588	2 395 829	1 398 912	1 398 912	1 398 912	1 638 868	1 654 692	1 655 590
Biological		–	–	–	–	–	–	–	–	–	–
Intangible		–	48	73	48	1 234	1 234	1 234	3 234	3 296	3 461
Other non-current assets		–	1 068	1 068	1 068	–	–	–	–	–	–
Total non current assets		–	2 386 301	2 381 217	2 446 434	1 530 142	1 530 142	1 530 142	1 691 590	1 707 477	1 708 539
TOTAL ASSETS		–	2 840 094	2 492 468	2 978 990	1 831 594	1 831 594	1 831 594	1 892 349	1 944 264	2 010 122
LIABILITIES											
Current liabilities											
Bank overdraft	1	–	–	–	–	–	–	–	–	–	–
Borrowing	4	–	–	–	–	–	–	–	–	–	–
Consumer deposits		–	–	–	–	–	–	–	–	–	–
Trade and other payables	4	–	167 112	245 104	44 741	45 051	45 051	45 051	61 403	47 795	49 228
Provisions		–	11 191	–	–	–	–	–	–	–	–
Total current liabilities		–	178 303	245 104	44 741	45 051	45 051	45 051	61 403	47 795	49 228
Non current liabilities											
Borrowing		–	66 572	66 370	11 778	11 778	11 778	11 778	9 278	7 978	6 778
Provisions		–	–	–	27 069	–	–	–	–	–	–
Total non current liabilities		–	66 572	66 370	38 846	11 778	11 778	11 778	9 278	7 978	6 778
TOTAL LIABILITIES		–	244 875	311 474	83 587	56 829	56 829	56 829	70 680	55 772	56 006
NET ASSETS	5	–	2 595 219	2 180 993	2 895 403	1 774 766	1 774 766	1 774 766	1 821 669	1 888 491	1 954 116
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		–	2 595 219	2 180 993	2 895 403	1 774 766	1 774 766	1 774 766	1 821 669	1 888 491	1 954 116
Reserves	4	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	5	–	2 595 219	2 180 993	2 895 403	1 774 766	1 774 766	1 774 766	1 821 669	1 888 491	1 954 116

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates			40 419	158 477	86 435	86 435	86 435	86 435	74 808	131 413	138 509
Service charges			9 209	9 209	6 942	6 942	6 942	6 942	8 480	14 896	15 701
Other revenue			15 405	16 384	22 298	22 298	22 298	22 298	36 670	38 650	40 737
Government - operating	1		350 246	342 846	367 663	382 663	382 663	382 663	420 272	454 136	494 538
Government - capital	1		95 383	86 449	97 638	132 875	132 875	132 875	104 369	119 160	129 737
Interest			9 039	12 071	12 210	932	932	932	13 115	33 009	34 792
Dividends									-	-	-
Payments											
Suppliers and employees			(383 715)	(608 601)	(499 239)	(453 909)	(453 909)	(453 909)	(488 499)	(537 354)	(567 782)
Finance charges			(1 537)	(1 213)	(1 846)	(1 846)	(1 846)	(1 846)	(1 315)	(47 421)	(49 982)
Transfers and Grants	1		(5 465)	(8 087)	(5 000)	(7 778)	(7 778)	(7 778)	(6 000)	(6 324)	(6 665)
NET CASH FROM/(USED) OPERATING ACTIVITIES			-	128 985	7 535	87 101	168 612	168 612	161 900	200 165	229 584
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)	(206 550)	(112 745)	(122 730)	(122 730)	(122 730)	(134 785)	(167 818)	(168 530)
NET CASH FROM/(USED) INVESTING ACTIVITIES			-	(110 753)	(206 550)	(112 745)	(122 730)	(122 730)	(134 785)	(167 818)	(168 530)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									-	-	-
Borrowing long term/refinancing									-	-	-
Increase (decrease) in consumer deposits									-	-	-
Payments											
Repayment of borrowing			(911)	1 523	(1 200)	(1 200)	(1 200)	(1 200)	(1 300)	(1 400)	(1 500)
NET CASH FROM/(USED) FINANCING ACTIVITIES			-	(911)	1 523	(1 200)	(1 200)	(1 200)	(1 300)	(1 400)	(1 500)
NET INCREASE/ (DECREASE) IN CASH HELD			-	17 320	(197 492)	(26 844)	44 683	44 683	25 815	30 947	59 554
Cash/cash equivalents at the year begin:	2		191 020	204 147	240 775	10 775	10 775	10 775	10 775	36 590	67 537
Cash/cash equivalents at the year end:	2		208 341	6 655	213 931	55 458	55 458	55 458	36 590	67 537	127 091

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

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1		208 341	6 655	213 931	55 458	55 458	55 458	36 590	67 537	127 091
Other current investments > 90 days			0	(3 045)	73 172	78 763	78 763	78 763	-	-	-
Non current assets - Investments	1		-	-	-	-	-	-	-	-	-
Cash and investments available:			208 341	3 609	287 103	134 221	134 221	134 221	36 590	67 537	127 091
Application of cash and investments											
Unspent conditional transfers			-	80 046	1 002	-	-	-	15 000	-	-
Unspent borrowing			-	-	-	-	-	-	-	-	-
Statutory requirements	2		-	-	-	-	-	-	-	-	-
Other working capital requirements	3		86 597	58 857	(73 701)	(50 968)	(50 968)	(50 968)	(49 279)	(96 507)	(99 544)
Other provisions			-	-	-	-	-	-	-	-	-
Long term investments committed	4		-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5		-	-	-	-	-	-	-	-	-
Total Application of cash and investments:			86 597	138 903	(72 699)	(50 968)	(50 968)	(50 968)	(34 279)	(96 507)	(99 544)
Surplus(shortfall)			121 743	(135 294)	359 803	185 189	185 189	185 189	70 870	164 045	226 635

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand										
ASSET REGISTER SUMMARY - PPE (WDV)	5	-	2 381 217	2 445 366	1 530 143	1 530 142	1 530 142	1 691 590	1 707 477	1 708 539
<i>Roads Infrastructure</i>		-	2 119 916	2 157 160	1 168 405	1 175 091	1 175 091	1 562 322	1 564 871	1 582 666
<i>Storm water Infrastructure</i>		-	-	-	18 264	19 025	19 025	-	-	-
<i>Electrical Infrastructure</i>		-	15 948	31 298	-	25 000	25 000	45 000	87 802	65 685
<i>Water Supply Infrastructure</i>		-	412	-	-	50 237	50 237	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	1 333	1 333	17 100	1 000	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		-	2 136 276	2 188 457	1 186 669	1 270 685	1 270 685	1 624 422	1 653 673	1 648 351
Community Assets		-	28 865	109 011	56 066	102 260	102 260	5 300	2 450	-
Heritage Assets		-	1 068	-	-	-	-	-	-	-
Investment properties		-	181 702	49 488	150 335	129 996	129 996	49 488	49 488	49 488
Other Assets		-	-	2 837	-	17 023	17 023	2 000	-	-
B										
Intangible Assets		-	48	-	-	1 234	1 234	1 100	150	-
Computer Equipment		-	-	-	136 789	120	120	1 000	400	300
Furniture and Office Equipment		-	10 160	14 385	-	363	363	680	816	400
Machinery and Equipment		-	19 486	33 808	283	300	300	300	-	-
Transport Assets		-	3 613	14 940	-	8 160	8 160	7 300	500	10 000
Land		-	-	32 439	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	-	2 381 217	2 445 366	1 530 143	1 530 142	1 530 142	1 691 590	1 707 477	1 708 539
EXPENDITURE OTHER ITEMS										
Depreciation	7	-	-	118 758	141 507	69 109	69 109	91 724	95 648	100 836
Repairs and Maintenance by Asset Class	3	-	-	4 764	72 748	11 055	11 055	12 332	11 969	12 639
<i>Roads Infrastructure</i>		-	-	-	60 032	1 020	1 020	2 500	1 581	1 666
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	6 500	3 000	3 000	1 000	1 054	1 111
<i>Water Supply Infrastructure</i>		-	-	112	152	-	-	105	111	117
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	20	326	300	300	316	333	351
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	131	67 010	4 320	4 320	3 921	3 079	3 245
Community Facilities		-	-	-	-	750	750	631	665	701
Sport and Recreation Facilities		-	-	-	-	285	285	300	316	333
Community Assets		-	-	-	-	1 035	1 035	931	981	1 034
Heritage Assets		-	-	-	-	-	-	-	-	-
<i>Revenue Generating</i>		-	-	-	-	-	-	-	-	-
<i>Non-revenue Generating</i>		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
<i>Operational Buildings</i>		-	-	1 732	1 000	2 445	2 445	1 000	1 054	1 111
<i>Housing</i>		-	-	-	-	-	-	-	-	-
Other Assets		-	-	1 732	1 000	2 445	2 445	1 000	1 054	1 111
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<i>Servitudes</i>		-	-	-	-	-	-	-	-	-
<i>Licences and Rights</i>		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	229	1 000	100	100	200	211	222
Furniture and Office Equipment		-	-	(22)	-	155	155	-	-	-
Machinery and Equipment		-	-	2 476	3 738	2 000	2 000	5 228	5 536	5 858
Transport Assets		-	-	217	-	1 000	1 000	1 052	1 109	1 169
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		-	-	118 758	141 507	69 109	69 109	91 724	95 648	100 836
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		0,0%	0,0%	0,0%	5,0%	0,8%	0,8%	9,7%	0,0%	0,0%
<i>Renewal and upgrading of Existing Assets as % of deprec R&M as a % of PPE</i>		0,0%	0,0%	0,0%	10,2%	2,3%	2,3%	19,0%	0,0%	0,0%
<i>Renewal and upgrading and R&M as a % of PPE</i>		0,0%	0,0%	0,2%	3,0%	0,8%	0,8%	0,8%	0,7%	0,8%
<i>Renewal and upgrading and R&M as a % of PPE</i>		0,0%	0,0%	0,0%	5,0%	1,0%	1,0%	2,0%	1,0%	1,0%

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.

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

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
REVENUE ITEMS:											
Property rates	6										
Total Property Rates			107 248	129 495	131 288	131 288	131 288	131 288	140 902	148 511	156 531
<i>less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>									2 788	2 938	3 097
Net Property Rates			107 248	129 495	131 288	131 288	131 288	131 288	138 115	145 573	153 434
Service charges - electricity revenue	6										
Service charges - refuse revenue	6										
Total refuse removal revenue			14 209	17 852	11 683	18 819	18 819	18 819	14 133	14 896	15 701
Total landfill revenue											
<i>less Revenue Foregone (in excess of one removal a week to indigent households)</i>											
<i>less Cost of Free Basis Services (removed once a week to indigent households)</i>											
Net Service charges - refuse revenue			14 209	17 852	11 683	18 819	18 819	18 819	14 133	14 896	15 701
Other Revenue by source											
Fuel Levy											
Other Revenue			25 960								
Outdoor Advertisement				68							
Sundry income				3 463							
Fees earned				453							
interest received trading				135							
REQ INFO - PLAN PRINTING & DUPLICATES					687	5	5	5	5	6	6
SKILLS DEVELOPMENT LEVY REFUND					91	91	91	91	95	101	106
RENT ON LAND - LAND - UNDEVELOPED LAND					24	24	24	24	25	26	28
ADVERTISEMENTS					329	329	329	329	346	365	385
CEMETERY & BURIAL					117	117	117	117	123	129	136
DEVELOPMENT CHARGES					3	3	3	3	3	3	4
PHOTOCOPIES & FAXES					12	12	12	12	13	13	14
PLAN & DEV: BUILDING PLAN APPROVAL					150	150	150	150	158	166	175
PLAN & DEV: CLEARANCE CERTIFICATES					41	41	41	41	44	46	48
PLAN & DEV: REMOVAL OF RESTRICTIONS					35	35	35	35	37	39	41
PLAN & DEV: TOWN PLANNING & SERVITUDES					49	49	49	49	52	54	57
SALE OF: PUBLICATION - TENDER DOCUMENTS					1 004	1 004	1 004	1 004	600	632	667
SALE OF: VALUATION ROLLS					2	2	2	2	3	3	3
STREETS/STREET MARKETS INFORMAL TRADERS					1	1	1	1	1	1	1
VALUATIONCERTIFICATE											
BURIALFEES											
Total 'Other' Revenue	1		25 960	4 119	2 545	1 863	1 863	1 863	1 504	1 585	1 671

EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	-	80 929	103 415	103 984	133 219	133 219	69 267	142 744	151 415	160 905
Pension and UIF Contributions		-	14 214	18 706	23 635	25 105	25 105	13 358	26 661	28 368	30 183
Medical Aid Contributions		-	6 104	6 666	8 826	10 312	10 312	5 637	10 952	11 653	12 398
Overtime		-	2 338	3 379	3 522	3 546	3 546	2 078	3 552	3 779	4 021
Performance Bonus		-	775	4 375	10 703	8 726	8 726	4 300	9 487	10 094	10 740
Motor Vehicle Allowance		-	13 665	16 326	23 140	22 493	22 493	12 114	24 991	26 590	28 292
Cellphone Allowance		-	1 349	1 905	2 659	2 586	2 586	1 272	2 746	2 922	3 109
Housing Allowances		-	1 221	1 376	1 832	2 255	2 255	1 133	2 395	2 548	2 711
Other benefits and allowances		-	1 266	4 621	1 211	1 898	1 898	897	1 973	2 099	2 234
Payments in lieu of leave		-	1 030	774	-	-	-	-	-	-	-
Long service awards		-	-	-	-	74	74	66	79	84	90
Post-retirement benefit obligations	4	-	1 257	4 053	1 000	1 262	1 262	730	1 358	1 445	1 537
sub-total	5	-	124 147	165 595	180 511	211 476	211 476	110 852	226 938	240 997	256 221
Less: Employees costs capitalised to PPE		-	-	-	-	-	-	-	-	-	-
Total Employee related costs	1	-	124 147	165 595	180 511	211 476	211 476	110 852	226 938	240 997	256 221
Contributions recognised - capital											
Total Contributions recognised - capital											
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		-	95 739	113 993	68 759	58 054	58 054	-	79 392	83 679	88 198
Lease amortisation		-	-	-	-	-	-	-	-	-	-
Capital asset impairment		-	-	-	-	-	-	-	-	-	-
Depreciation resulting from revaluation of PPE	10	-	-	-	-	-	-	-	-	-	-
Total Depreciation & asset impairment	1	-	95 739	113 993	68 759	58 054	58 054	-	79 392	83 679	88 198
Bulk purchases											
Electricity Bulk Purchases		-	-	-	-	-	-	-	-	-	-
Water Bulk Purchases		-	154	-	-	-	-	-	-	-	-
Total bulk purchases	1	-	154	-	-	-	-	-	-	-	-
Transfers and grants											
Cash transfers and grants		-	5 465	8 087	5 000	7 778	7 778	7 778	6 000	6 324	6 665
Non-cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Total transfers and grants	1	-	5 465	8 087	5 000	7 778	7 778	7 778	6 000	6 324	6 665
Contracted services											
Contractors		-	15 012	15 012	25 501	12 090	12 090	1 811	12 294	11 930	12 514
Outsourced Services		-	34 848	21 507	46 275	42 655	42 655	27 152	41 241	35 003	36 469
Consultants & Professionals		-	14 239	14 239	52 781	50 939	50 939	26 808	48 390	36 279	38 232
sub-total	1	-	64 099	50 758	124 558	105 684	105 684	55 771	101 925	83 212	87 215
Allocations to organs of state:											
Electricity		-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-
Sanitation		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total contracted services		-	64 099	50 758	124 558	105 684	105 684	55 771	101 925	83 212	87 215

Other Expenditure By Type											
Collection costs											
Contributions to 'other' provisions											
Consultant fees											
Audit fees											
General expenses	3	-	-	155 437				79 045	84 961	88 882	
<i>Allowances traditional Leaders</i>		242	369	242	450	450	450	473	498	525	
<i>Advertisement</i>		1 175	855	1 175	500	500	500	526	554	584	
<i>Auditors Remuneration</i>		7 976	7 430	7 976	7 150	7 150	7 150	7 848	8 272	8 718	
<i>Bank charges</i>		474	1 569	474	600	600	600	631	665	701	
<i>Consulting and professional fees</i>		14 481	651	14 481	4 280	4 280	4 280				
<i>Debt Collection</i>			590		700	700	700	736	776	818	
<i>Entertainment</i>		1 326	688	1 326	596	596	596	192	202	213	
<i>Hire Charges</i>		2 376	-	2 376							
<i>Insurance</i>		2 464	1 192	2 464	1 350	1 350	1 350	2 577	2 717	2 863	
<i>IT management</i>		10 734	7 863	10 734	12 752	12 752	12 752	6 780	7 146	7 532	
<i>Promotions and sponsorship</i>		1 654	364	1 654	590	590	590	386	403	421	
<i>Magazines books and periodics</i>		427	293	427	5	5	5	500	527	555	
<i>EPWP-implementation of grant</i>		1 859	2 632	1 859	3 694	3 694	3 694	2 786	1 054	1 111	
<i>Fuel and oil</i>		3 655	964	3 655	2 270	2 270	2 270	1 500	1 581	1 666	
<i>Printing and stationery</i>		2 381	985	2 381	1 828	1 828	1 828	1 000	1 054	1 111	
<i>Protective clothing</i>		238	64	238	750	750	750	170	179	189	
<i>Royalties and license fees</i>		63	18	63	94	94	94	101	107	113	
<i>Occupational health and safety</i>		348	343	348	100	100	100	100	105	111	
<i>Employee wellness</i>		209	98	209	100	100	100	100	105	111	
<i>Subscriptions and membership fees</i>		97	3 390	97	106	106	106	2 438	2 570	2 708	
<i>Telephone and fax</i>		2 744	1 845	2 744	3 184	3 184	3 184	3 349	3 530	3 721	
<i>Training</i>		2 164	2 216	2 164	2 795	2 795	2 795	1 381	1 456	1 534	
<i>Travel-Local</i>		10 155	7 571	10 155	6 811	6 811	6 811	5 403	4 746	5 002	
<i>Refuse</i>		932	48	932	200	200	200	210	222	234	
<i>Special programs</i>		4 748	6 958	4 748	3 737	3 737	3 737	3 961	4 199	4 451	
<i>Ward committee</i>		6 047	2 963	6 047	4 500	4 500	4 500	5 734	6 044	6 370	
<i>Skills Developmentt programms</i>			1 187		1 121	1 121	1 121	1 559	1 643	1 732	
<i>Implementation of FMG Grant</i>		2	1 865	2	2 245	2 245	2 245	1 200	1 022	1 077	
<i>Other expenses</i>		25 988	19 910	25 988	2 050	2 050	2 050	2 786	2 925	3 072	
<i>Rent of equipment and offices</i>		472	675	472	800	800	800	842	887	935	
<i>Lease rentals on operating lease</i>				17 009							
<i>Accommodation</i>					3 055	3 055	3 055	2 987	3 149	3 319	
<i>BURSARYFUND</i>					1 000	1 000	1 000	1 052	1 109	1 169	
<i>Electric Expenses</i>					3 285	3 285	3 285	4 155	4 380	4 616	
<i>Valuation costs</i>					2 000	2 000	2 000	2 104	2 218	2 337	
<i>Collection Costs</i>				742							
<i>Other financial assets written off</i>				243 169							
<i>WESTERN RING ROAD LITIGATION</i>								3 277			
<i>TOWNSHIP ESTABLISHMENT - Hoeraroep</i>								3 065			
<i>LAND TENURE SECURITY UPGRADE</i>								4 075			
<i>Formalisation of informal settlement</i>								1 796			
<i>Social relief</i>								1 263	1 332	1 404	
Total 'Other' Expenditure	1	-	75 595	366 349	155 437	74 696	74 696	74 696	79 045	84 961	88 882

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 2018	Preparatory Phase	July 2018
	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 4 th Quarter Performance Lekgotla (2016/17)	
August 2018	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	August 2018
September 2018	Analysis Phase	September 2018
	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 2019/20 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.	
October 2018	Strategies Phase	October 2018
	Quarterly (1 st) review of 2016/17 budget, related policies, amendments (if necessary), any related consultative process.	

	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 2018	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 2018
December 2018	Integration Phase Review budget performance and prepare for adjustment Consolidated Analysis Phase in place IDP/Budget Steering Committee meeting IDP Rep Forum	December 2018
January 2019	Table Draft 2017/18 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 2017/18 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 2019
February 2019	Table Budget 18/19 Adjustment (if necessary). Submission of Draft IDP/Budget for 2018/19 to Management, relevant stakeholders & structures; Table adjusted SDBIP Conduct individual performance assessments	February 2019
March 2019	Council considers the 2019/20 Draft IDP/Budget/SDBIP. Publish the 2019/20 Draft IDP/Budget for public comments. Adoption of Oversight Report for 2017/18.	March 2019
April 2019	Approval Phase Submit 2019/20 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 2019
May 2019	Submit Final Draft IDP/Budget for 2019/20 with incorporated comments from stakeholders' consultation to Council for approval.	May 2019

	Prepare SDBIP for 2019/20 f/y.	
June 2019	Submission of the SDBIP to the Mayor. Prepare 2019/20 Performance Agreements of MM, Senior Managers and Middle Managers for 2019/20 performance year.	June 2019

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

2.3 Overview of budget assumptions

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

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

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

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

Principles guiding the budget process

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

2.4 Overview of budget related-policies

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

A. SUPPLY CHAIN MANAGEMENT POLICY

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

B. ASSET MANAGEMENT POLICY

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

C. BAD DEBTS WRITE OFF POLICY

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

D. THE CREDIT CONTROL AND DEBT COLLECTION POLICY.

This policy is subject to review and is attached as annexure

E. BUDGET MANAGEMENT POLICY AND VIREMENT POLICY

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

F. CASH MANAGEMENT AND INVESTMENT POLICY

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

G. TARIFF POLICY

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

H. INDIGENT MANAGEMENT POLICY

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

I. PROPERTY RATES POLICY

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

J. COST CONTAINMENT POLICY

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

K. STANDARD FOR INFRASTRUCTURE PROCUREMENT AND DELIVERY MANAGEMENT

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

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

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

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contribution	Allowances	Performance Bonuses	In-kind benefits	Total Package
				1.				2.
Rand per annum								
<u>Councillors</u>	3							
Speaker	4		536 620		238 873			775 493
Chief Whip			503 083		220 876			723 959
Executive Mayor			670 777		256 320			927 097
Deputy Executive Mayor			-		-			-
Executive Committee			3 177 287		1 522 950			4 700 237
Total for all other councillors			17 390 537		9 068 403			26 458 940
Total Councillors	8	-	22 278 304	-	11 307 422			33 585 726
<u>Senior Managers of the Municipality</u>	5							
Municipal Manager (MM)			1 239 487	58 710	245 160	169 920		1 713 277
Chief Finance Officer			1 573 393	-	746 159	178 416		2 497 968
SM			-		-			-
SM D01			1 131 867	22 279	263 246	138 060		1 555 452
SM D03			993 967	1 301	233 646	-		1 228 914
SM D04			993 967	9 940	254 877	10 620		1 269 404
SM D05			828 741	12 685	521 636	100 000		1 463 062
SM D06			866 381	1 023	266 155	100 890		1 234 449
								-
List of each official with packages >= senior manager								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
Total Senior Managers of the Municipality	8,10	-	7 627 803	105 938	2 530 879	697 906		10 962 526
<u>A Heading for Each Entity</u>	6,7							
List each member of board by designation								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
Total for municipal entities	8,10	-	-	-	-	-		-
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	-	29 906 107	105 938	13 838 301	697 906		44 548 252

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

Description	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	
Revenue By Source																	
Property rates		6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	138 115	145 573	153 434	
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - refuse revenue		707	707	707	707	707	707	707	707	707	707	707	707	14 133	14 896	15 701	
Rental of facilities and equipment		-	-	-	-	-	-	-	-	-	-	-	408	408	430	453	
Interest earned - external investments		-	-	-	-	-	-	-	-	-	-	-	980	980	1 033	1 089	
Interest earned - outstanding debtors		1 011	1 011	1 011	1 011	1 011	1 011	1 011	1 011	1 011	1 011	1 011	1 011	30 338	31 977	33 703	
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits		1 341	1 341	1 341	1 341	1 341	1 341	1 341	1 341	1 341	1 341	1 341	(12 083)	2 672	2 816	2 968	
Licences and permits		1 157	1 157	1 157	1 157	1 157	1 157	1 157	1 157	1 157	1 157	1 157	1 157	13 884	14 634	15 424	
Agency services		-	-	-	-	-	-	-	-	-	-	-	4 766	4 766	5 024	5 295	
Transfers and subsidies		140 091	-	-	-	140 091	-	-	-	140 091	-	-	0	420 272	454 136	494 538	
Other revenue		314	314	314	314	314	314	314	314	314	314	314	314	1 504	1 585	1 671	
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Revenue (excluding capital transfers and contributions)		150 855	10 764	10 764	10 764	150 855	10 764	10 764	10 764	150 855	10 764	10 764	3 496	627 073	672 104	724 276	
Expenditure By Type																	
Employee related costs		18 911	18 911	18 911	18 911	18 911	18 911	18 911	18 911	18 911	18 911	18 911	18 911	226 938	240 997	256 221	
Remuneration of councillors		2 799	2 799	2 799	2 799	2 799	2 799	2 799	2 799	2 799	2 799	2 799	2 799	33 586	35 735	38 022	
Debt impairment		3 749	3 749	3 749	3 749	3 749	3 749	3 749	3 749	3 749	3 749	3 749	3 749	44 992	47 421	49 982	
Depreciation & asset impairment		6 616	6 616	6 616	6 616	6 616	6 616	6 616	6 616	6 616	6 616	6 616	6 616	79 392	83 679	88 198	
Finance charges		110	110	110	110	110	110	110	110	110	110	110	110	1 315	1 386	1 461	
Bulk purchases		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other materials		189	189	189	189	189	189	189	189	189	189	189	189	2 269	2 392	2 521	
Contracted services		8 494	8 494	8 494	8 494	8 494	8 494	8 494	8 494	8 494	8 494	8 494	8 494	101 925	83 212	87 215	
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-	-	6 000	6 000	6 324	6 665	
Other expenditure		7 373	7 373	7 373	7 373	7 373	7 373	7 373	7 373	7 373	7 373	7 373	(2 062)	79 045	84 961	88 882	
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditure		48 241	48 241	48 241	48 241	48 241	48 241	48 241	48 241	48 241	48 241	48 241	44 806	575 461	586 107	619 167	
Surplus/(Deficit)		102 614	(37 477)	(37 477)	(37 477)	102 614	(37 477)	(37 477)	(37 477)	102 614	(37 477)	(37 477)	(41 311)	51 612	85 997	105 109	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	-	-	-	-	-	-	-	-	-	-	104 369	104 369	119 160	129 737	
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		102 614	(37 477)	(37 477)	(37 477)	102 614	(37 477)	(37 477)	(37 477)	102 614	(37 477)	(37 477)	63 059	155 981	205 157	234 846	
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit)	1	102 614	(37 477)	(37 477)	(37 477)	102 614	(37 477)	(37 477)	(37 477)	102 614	(37 477)	(37 477)	63 059	155 981	205 157	234 846	

2.7 Legislation compliance status

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

1. In year reporting

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

2. Internship programme

The municipality is participating in the Municipal Internship Programme and has deployed 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 SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue by Vote																
Vote 01 - Corporate Services													106 761	106 761	119 798	130 410
Vote 02 - Municipal Manager													21 312	21 312	22 663	23 676
Vote 03 - Budget And Treasury		11 510	11 510	11 510	11 510	11 510	11 510	11 510	11 510	11 510	11 510	11 510	44 014	170 619	179 170	188 710
Vote 04 - Technical Services																
Vote 05 - Community Services		1 178	1 178	1 178	1 178	1 178	1 178	1 178	1 178	1 178	1 178	1 178	419 791	432 747	469 829	511 213
Vote 06 - Development And Planning																
Vote 07 - Local Economic Development And Tourism													4	4	4	5
Vote 08 -																
Vote 09 -																
Vote 10 -																
Vote 11 -																
Vote 12 -																
Vote 13 -																
Vote 14 -																
Vote 15 - Other																
Total Revenue by Vote		12 687	12 687	12 687	12 687	12 687	12 687	12 687	12 687	12 687	12 687	12 687	591 882	731 443	791 264	854 013
Expenditure by Vote to be appropriated																
Vote 01 - Corporate Services		16 760	16 760	16 760	16 760	16 760	16 760	16 760	16 760	16 760	16 760	16 760	16 760	201 117	210 779	221 796
Vote 02 - Municipal Manager		1 542	1 542	1 542	1 542	1 542	1 542	1 542	1 542	1 542	1 542	1 542	1 542	18 505	19 632	20 827
Vote 03 - Budget And Treasury		9 256	9 256	9 256	9 256	9 256	9 256	9 256	9 256	9 256	9 256	9 256	4 587	108 406	116 143	123 180
Vote 04 - Technical Services		10 251	10 251	10 251	10 251	10 251	10 251	10 251	10 251	10 251	10 251	10 251	10 251	123 017	126 989	134 490
Vote 05 - Community Services		7 022	7 022	7 022	7 022	7 022	7 022	7 022	7 022	7 022	7 022	7 022	8 256	85 500	84 549	89 656
Vote 06 - Development And Planning		2 384	2 384	2 384	2 384	2 384	2 384	2 384	2 384	2 384	2 384	2 384	2 384	28 613	14 125	14 658
Vote 07 - Local Economic Development And Tourism		1 025	1 025	1 025	1 025	1 025	1 025	1 025	1 025	1 025	1 025	1 025	1 025	12 303	13 890	14 560
Vote 08 -																
Vote 09 -																
Vote 10 -																
Vote 11 -																
Vote 12 -																
Vote 13 -																
Vote 14 -																
Vote 15 - Other																
Total Expenditure by Vote		48 241	48 241	48 241	48 241	48 241	48 241	48 241	48 241	48 241	48 241	48 241	44 806	575 461	586 107	619 167
Surplus/(Deficit) before assoc.		(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	547 076	155 981	205 157	234 846
Taxation																
Attributable to minorities																
Share of surplus/ (deficit) of associate																
Surplus/(Deficit)	1	(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	547 076	155 981	205 157	234 846

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

Description	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue - Functional																
Governance and administration		11 510	11 510	11 510	11 510	11 510	11 510	11 510	11 510	11 510	11 510	11 510	172 086	298 691	321 430	342 795
Executive and council													21 312	21 312	22 463	23 676
Finance and administration		11 510	11 510	11 510	11 510	11 510	11 510	11 510	11 510	11 510	11 510	11 510	150 775	277 380	298 967	319 120
Internal audit																
Community and public safety													133	133	141	148
Community and social services													133	133	141	148
Sport and recreation																
Public safety																
Housing																
Health																
Economic and environmental services													4	4	4	5
Planning and development													4	4	4	5
Road transport																
Environmental protection																
Trading services		1 178	1 178	1 178	1 178	1 178	1 178	1 178	1 178	1 178	1 178	1 178	419 658	432 613	469 688	511 065
Energy sources																
Water management																
Waste water management																
Waste management		1 178	1 178	1 178	1 178	1 178	1 178	1 178	1 178	1 178	1 178	1 178	419 658	432 613	469 688	511 065
Other																
Total Revenue - Functional		12 687	12 687	12 687	12 687	12 687	12 687	12 687	12 687	12 687	12 687	12 687	591 882	731 442	791 263	854 013
Expenditure - Functional																
Governance and administration		42 234	42 234	42 234	42 234	42 234	42 234	42 234	42 234	42 234	42 234	42 234	37 566	502 145	513 438	542 415
Executive and council		5 363	5 363	5 363	5 363	5 363	5 363	5 363	5 363	5 363	5 363	5 363	5 363	64 355	68 343	72 579
Finance and administration		36 872	36 872	36 872	36 872	36 872	36 872	36 872	36 872	36 872	36 872	36 872	32 203	437 790	445 095	469 836
Internal audit																
Community and public safety		957	957	957	957	957	957	957	957	957	957	957	2 010	12 539	11 095	11 374
Community and social services		957	957	957	957	957	957	957	957	957	957	957	2 010	12 539	11 095	11 374
Sport and recreation																
Public safety																
Housing																
Health																
Economic and environmental services		3 388	3 388	3 388	3 388	3 388	3 388	3 388	3 388	3 388	3 388	3 388	3 388	40 658	43 951	46 774
Planning and development		1 025	1 025	1 025	1 025	1 025	1 025	1 025	1 025	1 025	1 025	1 025	1 025	12 302	13 890	14 560
Road transport		2 363	2 363	2 363	2 363	2 363	2 363	2 363	2 363	2 363	2 363	2 363	2 363	28 356	30 061	32 215
Environmental protection																
Trading services		1 662	1 662	1 662	1 662	1 662	1 662	1 662	1 662	1 662	1 662	1 662	1 843	20 120	17 623	18 604
Energy sources																
Water management																
Waste water management																
Waste management		1 662	1 662	1 662	1 662	1 662	1 662	1 662	1 662	1 662	1 662	1 662	1 843	20 120	17 623	18 604
Other																
Total Expenditure - Functional		48 241	48 241	48 241	48 241	48 241	48 241	48 241	48 241	48 241	48 241	48 241	44 806	575 461	586 107	619 167
Surplus/(Deficit) before assoc.		(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	547 075	155 981	205 156	234 846
Share of surplus/ (deficit) of associate																
Surplus/(Deficit)	1	(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	(35 554)	547 075	155 981	205 156	234 846

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

Description	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Multi-year expenditure to be appropriated	1															
Vote 01 - Corporate Services																
Vote 02 - Municipal Manager																
Vote 03 - Budget And Treasury																
Vote 04 - Technical Services		7 929	7 929	7 929	7 929	7 929	7 929	7 929	7 929	7 929	7 929	7 929	12 849	100 071	115 602	125 230
Vote 05 - Community Services		417	417	417	417	417	417	417	417	417	417	417	417	5 000		
Vote 06 - Development And Planning																
Vote 07 - Local Economic Development And Tourism																
Vote 08 -																
Vote 09 -																
Vote 10 -																
Vote 11 -																
Vote 12 -																
Vote 13 -																
Vote 14 -																
Vote 15 - Other																
Capital multi-year expenditure sub-total	2	8 346	8 346	8 346	8 346	8 346	8 346	8 346	8 346	8 346	8 346	8 346	13 266	105 071	115 602	125 230
Single-year expenditure to be appropriated																
Vote 01 - Corporate Services		307	307	307	307	307	307	307	307	307	307	307	307	3 680	2 216	700
Vote 02 - Municipal Manager																
Vote 03 - Budget And Treasury																
Vote 04 - Technical Services		1 758	1 758	1 758	1 758	1 758	1 758	1 758	1 758	1 758	1 758	1 758	1 758	21 100	46 900	32 600
Vote 05 - Community Services		2 175	2 175	2 175	2 175	2 175	2 175	2 175	2 175	2 175	2 175	2 175	2 175	26 100	3 100	10 000
Vote 06 - Development And Planning																
Vote 07 - Local Economic Development And Tourism																
Vote 08 -																
Vote 09 -																
Vote 10 -																
Vote 11 -																
Vote 12 -																
Vote 13 -																
Vote 14 -																
Vote 15 - Other																
Capital single-year expenditure sub-total	2	4 240	4 240	4 240	4 240	4 240	4 240	4 240	4 240	4 240	4 240	4 240	4 240	50 880	52 216	43 300
Total Capital Expenditure	2	12 586	12 586	12 586	12 586	12 586	12 586	12 586	12 586	12 586	12 586	12 586	17 506	155 951	167 818	168 530

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

Description	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital Expenditure - Functional	1															
Governance and administration		5 298	5 298	5 298	5 298	5 298	5 298	5 298	5 298	5 298	5 298	5 298	5 298	63 580	92 968	76 385
Executive and council																
Finance and administration		5 298	5 298	5 298	5 298	5 298	5 298	5 298	5 298	5 298	5 298	5 298	5 298	63 580	92 968	76 385
Internal audit																
Community and public safety		92	92	92	92	92	92	92	92	92	92	92	92	1 100	150	
Community and social services		92	92	92	92	92	92	92	92	92	92	92	92	1 100	150	
Sport and recreation																
Public safety																
Housing																
Health																
Economic and environmental services		5 938	5 938	5 938	5 938	5 938	5 938	5 938	5 938	5 938	5 938	5 938	10 888	76 201	74 700	92 145
Planning and development																
Road transport		5 938	5 938	5 938	5 938	5 938	5 938	5 938	5 938	5 938	5 938	5 938	10 888	76 201	74 700	92 145
Environmental protection																
Trading services		1 258	1 258	1 258	1 258	1 258	1 258	1 258	1 258	1 258	1 258	1 258	1 258	15 100		
Energy sources																
Water management																
Waste water management																
Waste management		1 258	1 258	1 258	1 258	1 258	1 258	1 258	1 258	1 258	1 258	1 258	1 258	15 100		
Other																
Total Capital Expenditure - Functional	2	12 586	12 586	12 586	12 586	12 586	12 586	12 586	12 586	12 586	12 586	12 586	17 536	155 981	167 818	168 530

LIM476 Tubatse Fetakgomo - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand															
Cash Receipts By Source													1		
Property rates	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	6 234	74 808	131 413	138 509
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	707	707	707	707	707	707	707	707	707	707	707	707	8 480	14 896	15 701
Rental of facilities and equipment	-	-	-	-	-	-	-	-	-	-	-	-	408	430	453
Interest earned - external investments	-	-	-	-	-	-	-	-	-	-	-	-	980	1 033	1 089
Interest earned - outstanding debtors	1 011	1 011	1 011	1 011	1 011	1 011	1 011	1 011	1 011	1 011	1 011	1 011	12 135	31 977	33 703
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	1 341	1 341	1 341	1 341	1 341	1 341	1 341	1 341	1 341	1 341	1 341	1 341	16 096	16 965	17 881
Licences and permits	1 157	1 157	1 157	1 157	1 157	1 157	1 157	1 157	1 157	1 157	1 157	1 157	13 884	14 634	15 424
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer receipts - operational	140 091	-	-	-	140 091	-	-	-	140 091	-	-	-	420 272	454 136	494 538
Other revenue	314	314	314	314	314	314	314	314	314	314	314	314	6 282	6 621	6 978
Cash Receipts by Source													553 345	672 104	724 276
Other Cash Flows by Source															
Transfer receipts - capital												104 369	104 369	119 160	129 737
Cash Payments by Type															
Employee related costs	18 911	18 911	18 911	18 911	18 911	18 911	18 911	18 911	18 911	18 911	18 911	18 911	226 938	240 997	256 221
Remuneration of councillors	2 799	2 799	2 799	2 799	2 799	2 799	2 799	2 799	2 799	2 799	2 799	2 799	33 586	35 735	38 022
Finance charges	-	-	658	-	-	-	-	-	-	-	-	-	1 315	47 421	49 982
Bulk purchases - Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	83 679	88 198
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	1 386	1 461
Other materials	189	189	189	189	189	189	189	189	189	189	189	189	2 269	2 392	2 521
Contracted services	8 494	8 494	8 494	8 494	8 494	8 494	8 494	8 494	8 494	8 494	8 494	8 494	101 925	83 212	87 215
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	-	-	-	-	-	-	-	-	-	-	-	1 263	6 000	6 324	6 665
Other expenditure	7 373	7 373	7 373	7 373	7 373	7 373	7 373	7 373	7 373	7 373	7 373	2 674	123 781	89 954	94 144
Cash Payments by Type	37 766	37 766	38 424	37 766	37 766	37 766	37 766	37 766	38 424	37 766	37 766	34 331	495 814	591 100	624 429
Other Cash Flows/Payments by Type															
Capital assets	10 399	10 399	10 399	10 399	10 399	10 399	10 399	10 399	10 399	10 399	10 399	10 399	134 785	167 818	168 530
Repayment of borrowing	-	-	650	-	-	-	-	-	-	-	-	-	1 300	1 400	1 500
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	48 165	48 165	49 473	48 165	48 165	48 165	48 165	48 165	49 473	48 165	48 165	44 730	631 899	760 318	794 459
NET INCREASE/(DECREASE) IN CASH HELD	(48 165)	(48 165)	(49 473)	(48 165)	(48 165)	(48 165)	(48 165)	(48 165)	(49 473)	(48 165)	(48 165)	59 639	25 815	30 947	59 554
Cash/cash equivalents at the monthly/year begin:	10 775	(37 390)	(85 555)	(135 028)	(183 193)	(231 359)	(279 524)	(327 689)	(375 854)	(425 327)	(473 492)	(521 657)	10 775	36 590	67 537
Cash/cash equivalents at the monthly/year end:	(37 390)	(85 555)	(135 028)	(183 193)	(231 359)	(279 524)	(327 689)	(375 854)	(425 327)	(473 492)	(521 657)	(462 018)	36 590	67 537	127 091

References

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

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital expenditure on new assets by Asset Class/Sub-class	1									
Infrastructure		-	100 819	75 674	91 574	120 158	120 158	117 321	161 602	157 280
Roads Infrastructure		-	100 819	68 332	71 074	32 396	32 396	72 321	73 800	91 595
Roads		-	100 819	63 254	71 074	32 396	32 396	38 170	43 800	45 560
Road Structures		-	-	-	-	-	-	34 151	30 000	46 035
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	4 000	12 525	12 525	-	-	-
Drainage Collection		-	-	-	4 000	12 525	12 525	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	2 500	25 000	25 000	45 000	87 802	65 685
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	5 078	2 500	25 000	25 000	45 000	87 802	65 685
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	50 237	50 237	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	50 237	50 237	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	2 264	14 000	-	-	-	-	-
Landfill Sites		-	-	2 264	13 000	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	1 000	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-

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

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Repairs and maintenance expenditure by Asset Class/Sub-class	1									
Infrastructure		-	-	131	67 010	4 320	4 320	3 921	3 079	3 245
Roads Infrastructure		-	-	-	60 032	1 020	1 020	2 500	1 581	1 666
Roads		-	-	-	60 032	1 020	1 020	1 000	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	1 500	1 581	1 666
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	6 500	3 000	3 000	1 000	1 054	1 111
LV Networks		-	-	-	6 500	3 000	3 000	1 000	1 054	1 111
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	112	152	-	-	105	111	117
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	112	152	-	-	105	111	117
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		-	-	20	326	300	300	316	333	351
Landfill Sites		-	-	20	326	300	300	316	333	351
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	229	1 000	100	100	200	211	222
Computer Equipment		-	-	229	1 000	100	100	200	211	222
Furniture and Office Equipment		-	-	(22)	-	155	155	-	-	-
Furniture and Office Equipment		-	-	(22)	-	155	155	-	-	-
Machinery and Equipment		-	-	2 476	3 738	2 000	2 000	5 228	5 536	5 858
Machinery and Equipment		-	-	2 476	3 738	2 000	2 000	5 228	5 536	5 858
Transport Assets		-	-	217	-	1 000	1 000	1 052	1 109	1 169
Transport Assets		-	-	217	-	1 000	1 000	1 052	1 109	1 169
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	-	-	4 764	72 748	11 055	11 055	12 332	11 969	12 639
R&M as a % of PPE		0,0%	0,0%	0,2%	3,0%	0,8%	0,8%	0,9%	0,7%	0,8%
R&M as % Operating Expenditure		0,0%	0,0%	0,5%	11,5%	2,0%	2,0%	3,6%	2,1%	2,2%

References

LIM476 Tubatse Fetakgomo - Supporting Table SA34d Depreciation by asset class

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Depreciation by Asset Class/Sub-class	1									
Infrastructure		-	-	99 051	62 250	51 545	51 545	68 544	72 246	76 147
Roads Infrastructure		-	-	99 051	62 250	51 545	51 545	68 544	72 246	76 147
Roads		-	-	99 051	62 250	51 545	51 545	68 544	72 246	76 147
Community Assets		-	-	7 210	2 215	2 215	2 215	2 330	2 456	2 589
Community Facilities		-	-	7 210	2 215	2 215	2 215	2 330	2 456	2 589
Halls		-	-	7 210	2 140	2 140	2 140	2 251	2 373	2 501
Other assets		-	-	289	250	250	250	4 263	4 493	4 736
Operational Buildings		-	-	289	250	250	250	4 263	4 493	4 736
Municipal Offices		-	-	289	250	250	250	4 263	4 493	4 736
Computer Equipment		-	-	1 663	567	567	567	597	629	663
Computer Equipment		-	-	1 663	567	567	567	597	629	663
Furniture and Office Equipment		-	-	1 208	1 177	1 177	1 177	1 238	1 305	1 376
Furniture and Office Equipment		-	-	1 208	1 177	1 177	1 177	1 238	1 305	1 376
Machinery and Equipment		-	-	2 249	2 000	2 000	2 000	2 104	2 218	2 337
Machinery and Equipment		-	-	2 249	2 000	2 000	2 000	2 104	2 218	2 337
Transport Assets		-	-	2 323	300	300	300	316	333	351
Transport Assets		-	-	2 323	300	300	300	316	333	351
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Depreciation	1	-	-	113 993	68 759	58 054	58 054	79 392	83 679	88 198