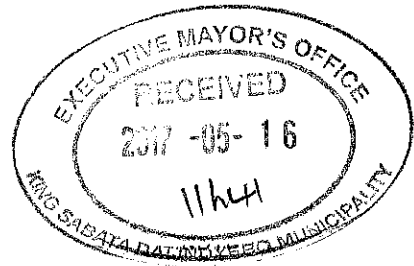


19/05/17
MUNICIPAL MANAGER
King Sabata Dalindyebo
Municipality
[Signature]



2017/2018 TO 2019/20 MEDIUM TERM REVENUE AND EXPENDITURE BUDGET

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Part 1 – Annual Budget

1.1 Mayor's Report

1.2 Council Resolutions

On the 25 May 2017 the Council of King Sabata Dalindyebo Local Municipality met in the Town Hall to table and the budget of the municipality for the 2017/18 MTREF. .

1. The Council of King Sabata Dalindyebo Local Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves the 2017/18 MTREF Budget.
 - 1.1. The draft annual budget of the municipality for the financial year 2017/18 and the multi-year and single-year capital appropriations as set out in the following tables:
 - 1.1.1. The draft Budgeted Financial Performance (revenue and expenditure by Standard Classification) as contained in Table 9 on page 22;
 - 1.1.2. The Budgeted Financial Performance (revenue and expenditure by Municipal Vote) as contained in Table 10 on page 23;
 - 1.1.3. The Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table 11 on page 24; and
 - 1.1.4. The Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table 12 on page 25.
 - 1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, and asset management are approved as set out in the following tables:
 - 1.2.1. The Budgeted Financial Position as contained in Table 13 on page 26;
 - 1.2.2. Budgeted Cash Flows as contained in Table 14 on page 27;
 - 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table 15 on page 28;
 - 1.2.4. Asset management as contained in Table 16 on page 29; and
 - 1.2.5. Basic Service Delivery Measurement Table 17 on Page 30
2. The Council of King Sabata Dalindyebo Local Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves the tariffs to be implemented on the 1st July 2017 for consultation:
 - 2.1. the tariffs for property rates – as set out in Table 3 on page 11
 - 2.2. the tariffs for electricity as set out in Table 4 on page 12
 - 2.3. refuse removal tariffs as set out in Table 5 on page 15

3. The Council of King Sabata Dalindyebo Local Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves tariffs to be implemented on 1 July 2017 for other services, as set out in Annexures G1 to G21 respectively.
4. To give proper effect to the municipality's annual budget, the Council of King Sabata Dalindyebo Local Municipality :
 - 4.1. Cash backing is implemented through the utilisation of a portion of the revenue generated from property rates to ensure that all capital reserves and provisions, unspent long-term loans and unspent conditional grants are cash backed as required in terms of the municipality's funding and reserves policy as prescribed by section 8 of the Municipal Budget and Reporting Regulations.

1.3 Executive Summary

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

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

National Treasury's MFMA Circular No.85 and 86 were used to guide the compilation of the 2017/18 MTREF.

The main challenges experienced during the compilation of the 2017/18 MTREF can be summarized as follows:

- The ongoing difficulties in the municipal cash-flows
- The need to re-priorities projects and expenditure within the existing resource envelope given the cash flow realities.
- The increased cost of bulk electricity due to tariff increases from Eskom, which is placing upward pressure on service tariffs to residents.
- Wage increases for municipal staff as well as the need to fill critical vacancies and the placement of staff.
- Budgeting for plant and fleet as Makhubu Contract has come to an end and no provisions were made for the replacement of fleet. The municipality over the number of years has bought a significant number of the vehicles to reduce the impact of the fleet contract however due to limitations in the budget and cash-flow few items of plant and equipment were bought during this time.

BUDGET PRINCIPLES

The following budget principles and guidelines directly informed the compilation of the 2017/18 MTREF:

- The 2016/17 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were considered as the upper limits for the new baselines for the 2017/2018 annual budget;
- Increase on tariffs for rates, service and other direct income that should be affordable and should generally not exceed inflation as measured by the CPIX, except where there are price increases in the inputs of services that are beyond the control of the municipality.

In addition, tariffs need to move towards being cost reflective, and should take into account the need to address infrastructure backlogs;

There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazette as required by the annual Division of Revenue Act;

BUDGET ASSUMPTIONS

National treasury has as per Circular 85 and 86 has indicated that the municipalities must apply the following inflation rates to provide for the 2016/17 MTREF.

Fiscal year	2016 /17	2017 /18	2018 /19	2019/20
	Estimate	Forecast		
CPI Inflation	6.4%	6.4%	5.7%	5.6%
Real GDP growth	0.5%	1.3%	2%	2.2%

The following assumptions were used in setting tariffs and determining forecasting the expenditure for the MTREF

1. Tariff for property rates and fire brigade fees an increase of 6.4% for the current year and 5.7% and 5.6% for the two outer years respectively as well as provision for the new developments that are still in progress.
2. Refuse removal and increase of 7.4% for the current year 6.7% and 6.6% for the two outer years respectively. Due to inability to recover costs and also attempts to move towards cost recovery let to increases above the inflation rate as the municipality is attempting to at breakeven between sales and costs.
3. Electricity tariff guidance by the NERSA used to increase tariffs for electricity and an increase in bulk purchases of 8%
4. All other tariffs to be set at the inflation rate. Refer to discussion of tariffs for detailed explanation on individual tariffs on the Operating Revenue Framework Section below.
5. National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the 6 per cent upper boundary of the South African Reserve Bank's inflation target. Excessive

increases are likely to be counterproductive, resulting in higher levels of non-payment.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2017/2018 Medium-term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the 2017/2018 MTREF

TABLE 1 Consolidated Overview of the 2017/18 MTREF			
Vote Description	2017/18 Medium Term Revenue & Expenditure Framework		
	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand			
Total Revenue by Vote	1 198 159	1 273 535	1 362 746
Total Expenditure by Vote	1 189 495	1 268 595	1 357 520
Surplus/(Deficit) for the year	8 665	4 940	5 227
Capital Grants Receipts	227 052	285 697	306 051
Capital Expenditure	235 717	290 637	311 278

1.4 Operating Revenue Framework

For King Sabata Dalindyebo to continue improving the quality of services provided to its citizens it needs to generate the required revenue. This is vital as there is a high rate of employment in the area and high levels of indigence. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The municipality is faced with development backlogs and poverty.

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

- National Treasury's guidelines and macroeconomic policy;
- Growth in the Municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 95 % collection current debts and 20% on arrear debt for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Attempts to achieve a full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing the revenue requirement of each service;
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

TABLE 2 SUMMARY OF REVENUE CLASSIFIED BY MAIN REVENUE SOURCE

EC157 King Sabata Dalindyebo - Table A4 Budgeted Financial Performance (revenue and expenditure)				
Description	Ref	2017/18 Medium Term Revenue & Expenditure Framework		
		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	1			
Revenue By Source				
Property rates	2	242,248	275,056	290,459
Service charges - electricity revenue	2	388,764	431,438	456,462
Service charges - water revenue	2	–	–	–
Service charges - sanitation revenue	2	–	–	–
Service charges - refuse revenue	2	43,048	51,502	54,386
Service charges - other		7,420	7,842	8,282
Rental of facilities and equipment		19,319	20,421	21,564
Interest earned - external investments		3,526	3,727	3,936
Interest earned - outstanding debtors		37,807	39,962	42,200
Dividends received				
Fines, penalties and forfeits		2,691	2,849	3,014
Licences and permits		17,168	18,147	19,163
Agency services				
Transfers and subsidies		293,208	310,504	325,920
Other revenue	2	6,560	6,935	7,323
Gains on disposal of PPE		1,422	1,503	1,587
Total Revenue (excluding capital transfers and contributions)		1,063,181	1,169,887	1,234,296

1. Revenue generated from rates and services charges forms a significant percentage of the revenue basket for the Municipality. Rates and service charge revenues are budgeted for R681 million comprise approximately 64 % of the total revenue mix (Excluding Capital Grant income as reflected in operating expenditure table).
2. Operating grants and transfers totals R293 million being 28 % of the 2017/2018 budget excluding capital grants income.
3. The remaining direct income and rental of facilities are 8% of the total revenue mix excluding capital grant receipts.

REVISION OF TARIFFS FOR RATES, REFUSE AND OTHER CHARGES

Within this framework the Municipality has undertaken the tariff setting process relating to service charges as follows:

1.4.1 Property Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process. The property rates tariff will be increased by 6.4%.

The implementation of the new valuation will necessitate the following changes in the municipal rates policy and bylaw to take into account the increase in values:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA). In addition to this rebate, a further R45 000 reduction on the market value of a property will be granted in terms of the Municipality's own Property Rates Policy.
- 100 per cent rebate will be granted to registered indigents in terms of the Indigent Policy. In this regard the following stipulations are relevant:
 - For physically and mentally disabled persons an application has to be made
 - Owners of rate-able property if the total gross income of the applicant and/or his/her spouse, if any, does not to exceed the amount equal to twice the annual state pension as approved by the National Government for a financial year.

The following conditions should be met:-

- The rate-able property concerned must be occupied only by the applicant and his/her spouse, if any, and by dependents without income;
- The applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, proof of certification by a Medical Officer of Health, also proof of the annual income from a social pension;
- The applicant's account must be paid in full, or if not, an arrangement to pay the debt should be in place; and
- The property must be categorized as residential.
- The Municipality may award a 100 per cent grant-in-aid on the assessment rates of rate-able properties of certain classes such as registered welfare organizations, institutions or organizations performing charitable work, sports grounds used for purposes of amateur sport. The owner of such a property must apply to the Chief Financial Officer in the prescribed format for such a grant.

Table 3 Proposed property rates tariffs to be levied for 2017/2018

ESTIMATES OF INCOME AND EXPENDITURE- TARIFFS			
AS FROM 01 JULY 2016			
	2016/2017	2017/2018	
PROPERTY PRATES AND LEVIES			
Proposed increment 2015/16			
General Rate			
Domestic (cents in a Rand)	0,66538 Cents in a Rand	0,69732	Cents in a Rand
Business/ Commercial (cents in a Rand)	1,31075 Cents in a Rand	1,39464	Cents in a Rand
Government/ Parastatals (State Owned) (cents in a Rand)	1,96613 Cents in a Rand	2,09196	Cents in a Rand
Agricultural (cents in a Rand)	0,16500 Cents in a Rand	0,17556	Cents in a Rand
PSI (cents in a Rand)	0,16500 Cents in a Rand	0,17556	Cents in a Rand
Public Benefit Organisation	0,16500 Cents in a Rand	0,17556	Cents in a Rand
Parking Development Rate (cents in a Rand)	0,20254 Cents in a Rand	0,21550	Cents in a Rand
Fire Levy			
Domestic - Per annum	331,49	352,71	
Business/ Commercial Per Annum	596,71	634,90	

The recommended increase in property rates is set at 6.6 % in line with the NT guidelines.

1.4.2 Sale of Electricity and Impact of Tariff Increases

- NERSA has announced the revised bulk electricity pricing structure. NERSA has approved an increase of Eskom tariffs of 2.2 % which translates to 031% to due to differential years between Eskom and municipalities.
- The municipality implemented stepped tariff for prepaid consumers, it is evident that most of our consumers fall on the lowest tariff and as a result municipality is selling electricity below the average cost of providing electricity and this might lead to possible losses in the losses on the prepaid sales. It is thus recommended that a flat rate tariff be established and if approved by the NERSA be implemented from the 01st July 2017

The following table shows the impact of the proposed increases in electricity tariffs:

TABLE 4 COMPARISON BETWEEN CURRENT ELECTRICITY CHARGES AND INCREASES.

ITEM NO.		2016/2017	2017/2018
1	ELECTRICITY TARIFFS		
	Domestic Tariffs		
1	Tariff 1	c/kwh	141,00
1,1	Domestic prepayment	c/kwh	115,00
2	COMMERCIAL CONVENTIONAL		
2,1	Basic Charge/ month	344,23	371,77
	Energy Charge	156,7	169,24
3	COMMERCIAL PREPAYMENT		
	Energy charge/ kwh		
	Small (Tariff 3)	188,06	203,10
	Big (Tariff 4)	188,06	203,10
	INDUSTRIAL LOW		
4	≤ 100 KVA		
	Basic Charge/ month	1167,29	1260,67
	Energy Charge/ Kwh	81,70	88,24
	Demand Charge/ KVA	248,20	268,06
	INDUSTRIAL HIGH		
	> 100 KVA		
	Basic Charge/ month	1022,83	1104,66
	Energy Charge/ Kwh	58,39	63,06
	Demand Charge/ KVA	248,26	268,12
	<i>A minimum of 70% will be charged on all NMD capacity per month</i>		
5	CHARGES FOR SERVICES RENDERED		
5,1	Call out during working hours	384,23	408,82
5,2	Call out after hours	551,89	587,21
5,3	Disconnect at request of consumer	376,90	401,02
5,4	Disconnect for improper use of service or illegal connection	686,60	2700,00
5,5	Disconnect for nonpayment of account	562,61	598,61

1.4.3 Solid Waste Removal and Impact of Tariff Increases

Currently solid waste removal is operating at a deficit. It is recommended that the municipality work towards recouping the costs associated with the rendering of this service and as such tariffs should be cost driven. It is widely accepted that the rendering of this service should at least break even, which is currently not the case.

The Municipality will have to implement a solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term. The main contributors to this deficit are hiring costs, increases in general expenditure and the cost of remuneration. Considering the deficit, it is recommended that a comprehensive investigation into the cost structure of solid waste function be undertaken, and that this include investigating alternative service delivery models. The outcomes of this investigation will be incorporated into the next planning cycle.

A 7.4 per cent increase in the waste removal tariff is proposed from 1 July 2017. Higher increases will not be viable in 2017/2018 owing to the significant increases implemented

in previous financial years as well as the overall impact of higher than inflation increases of other services.

The following table compares current and proposed amounts payable from 1 July 2017:

Table 5 Comparison between current waste removal fees and increases

ESTIMATES OF INCOME AND EXPENDITURE- TARIFFS AS FROM 01 JULY 2017		2016/2017	2017/2018
3,0	SOLID WASTE : Proposed increment 6.4%		
	Refuse Removal : Full Level of Service		
	Annual Charges		
3.1.1	Domestic (2 bags or bins once per week)	2212,54	2376,27
3.1.2	Commercial/Industrial/Institutional (2 bins or bags once per week)	4450,35	4779,68
3.1.3	Per additional bag or bin	2212,54	2376,27
3.1.4	Per additional service removal per week	4450,35	4779,68
3.1.5	240 L Bin rental per annum		
	Emptying charge of 240L bin per annum		
4,2	Refuse Removal : Full Level of Service		
	Monthly Charges	186,65	200,47
4.2.1	Domestic (2 bags or bins once per week)	4,60	4,94
4.2.2	Commercial/Industrial/Institutional (2 bins or bags once per week)	186,65	200,47
4.2.3	Per additional bag or bin	375,38	403,16
4.2.4	Per additional service removal per week		
4.2.5	240L Bin rental per month	12,84	13,79
4.2.6	240L Bin Clearance / per bin	26,75	28,73
4.2.7	Emptying charge of 240L bin : Household per month	106,76	114,67
4,3	Refuse Removal : Basic Level of Service		
	Annual Charges		
4.3.1	Domestic	1264,30	1357,86
4.3.2	Business/Industry	2958,46	3177,39
4.3.3	Government Institutions	2958,46	3177,39
4.3.4	Coffee Bay & Hole-in-the-Wall		
4,4	Refuse Removal : Basic Level of Service		
	Monthly Charges		
4.4.1	Domestic	106,77	114,67
4.4.2	Business/Industry	249,07	267,51
4.4.3	Government Institutions	249,07	267,51

1.4.4 Other direct income

The tariff increase on direct income is budgeted for at 6.4 % in line with the recommendations per circulars

1.5 Operating Expenditure Framework

The Municipality's expenditure framework for the 2017/18 budget and MTREF is informed by the following:

- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit. Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA. Operational gains and efficiencies will be directed to funding the capital budget and other core services; and strict adherence to the principle of *no project plan no budget*. If there is no business plan no funding allocation can be made.

The following table is a summary of the 2017/2018 budget and MTREF (classified per main type of operating expenditure):

Table 6 Summary of operating expenditure by standard classification item

EC157 King Sabata Dalindyebo - Table A4 Budgeted Financial Performance (revenue and expenditure)				
Description	Ref	2017/18 Medium Term Revenue & Expenditure Framework		
		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	1			
Expenditure By Type				
Employee related costs	2	422,759	451,082	480,854
Remuneration of councillors		26,732	28,523	30,406
Debt impairment	3	28,053	29,708	31,431
Depreciation & asset impairment	2	165,723	218,340	202,035
Finance charges		28,461	30,141	31,889
Bulk purchases	2	285,635	285,386	335,892
Other materials	8			
Contracted services		7,982	8,453	8,943
Transfers and subsidies		24,000	25,416	34,324
Other expenditure	4, 5	200,149	191,547	201,746
Loss on disposal of PPE				
Total Expenditure		1,189,495	1,268,595	1,357,520

1.5.1. Employee related costs.

The budgeted allocation for employee related costs for the 2017/2018 financial year totals R422.8 million. The budget is 35.5 % of the total operating expenditure.

1.5.2. Remuneration of councillors

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The budget for this expenditure is set at R26.7 million after affecting an increment of 7.4 %. This represents 2.3 % of the total operating expenditure.

Employee related costs including remuneration of councilors is 37.8% of the total operating budget

1.5.3. Debt impairment

The provision of debt impairment was determined based on an annual historical costs and changes in accounting statements. The assumption is that the implementation of the debt collection strategy might yield good results. The budget for the debt impairment is R28 million.

1.5.4. Depreciation and impairment of assets.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. The budget for depreciation and the impairment of assets is set R165.7 million based on prior year actual.

1.5.5. Finance Charges

Interest on external loans is budgeted for at R28.4 million after taking into account loans outstanding at the period as well as possible finance lease obligations.

1.5.6. Electricity bulk purchases

Bulk purchases are directly informed by the purchase of electricity from Eskom which has been confirmed by NERSA to be 2.2 % effectively being 0.31%. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The budget for the year is R285.6 million after considering R34.2 million for the settlement of outstanding debts in terms settlement agreement with ESKOM. This is in terms of MFMA circular 86.

1.5.7. Contracted Services

Contracted services is budgeted at R7.9 million.

1.5.8. Other general expenditure

Other expenditure comprises of various line items relating to the daily operations of the municipality. The budget is set at R200 million for general expenditure. Included in the other expenditure are the following line items:-

Repairs and Maintenance

During the compilation of the 2017/18 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the Municipality's infrastructure and historic deferred maintenance and budget for this line item is set at R43.3 million. This represents 3.6 % of the total operating budget.

The norm is 8% and 40% of the PPE and Capital Budget respectively however the municipality due to cash flow challenges has not managed to meet the norms.

Grant Funded Operating Expenditure

General expenditure is budgeted for at R19 million

General Expenditure

General expenditure R137.5 million.

1.5.9 Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality's Indigent Policy.

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

The budget for the current year is R24 million to cater for free basic electricity, alternative energy and subsidy for rates and other services.

1.6 CAPITAL EXPENDITURE

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

Capital Projects	2017 18	2018 19	2019 20
Civil Engineering Roads	91,137	88,294	93,441
Electricity Engineering	58,013	15,000	35,000
Housing	77,902	182,403	177,610
Contribution to Capital outlay	8,665	4,940	5,227
Total	235,717	290,637	311,278

For 2017/2018 an amount of R235.7 million of which R227 million is funded by grants and R8.6 million is funded by own income. Refer to table below:

Table 7 2017/2018 Medium-term capital budget per vote

EC157 King Sabata Dalindyebo - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description R thousand	Ref	2017/18 Medium Term Revenue & Expenditure Framework		
		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Capital expenditure - Vote				
Single-year expenditure to be appropriated	2			
Vote 1 - EXECUTIVE & COUNCIL		-	-	-
Vote 2 - FINANCE & ASSET MANAGEMENT		7,293	3,487	3,690
Vote 3 - CORPORATE SERVICES		-	-	-
Vote 4 - PLANNING, SOCIAL AND ECONOMIC DEVELOPM		284	300	318
Vote 5 - HUMAN SETTLEMENT		77,979	182,484	177,696
Vote 6 - COMMUNITY SERVICES		200	212	224
Vote 7 - PUBLIC SAFETY		319	338	358
Vote 8 - INFRASTRUCTURE		149,641	103,815	128,992
Capital single-year expenditure sub-total		235,716	290,637	311,278
Total Capital Expenditure - Vote		235,716	290,637	311,278
Capital Expenditure - Functional				
Governance and administration		7,293	3,488	3,690
Executive and council				
Finance and administration		7,293	3,488	3,690
Internal audit				
Community and public safety		78,582	183,123	178,371
Community and social services		110	117	124
Sport and recreation		250	264	280
Public safety		319	338	358
Housing		77,902	182,403	177,610
Health				
Economic and environmental services		91,416	88,590	93,754
Planning and development		7,719		
Road transport		83,697	88,590	93,754
Environmental protection				
Trading services		58,425	15,437	35,462
Energy sources		58,225	15,225	35,238
Water management				
Waste water management		180	191	202
Waste management		20	21	22
Other				
Total Capital Expenditure - Functional	3	235,716	290,637	311,278
Funded by:				
National Government		98,418	103,294	128,441
Provincial Government		128,634	182,403	177,610
District Municipality				
Other transfers and grants				
Transfers recognised - capital	4	227,052	285,697	306,051
Public contributions & donations	5			
Borrowing	6			
Internally generated funds		8,665	4,940	5,227
Total Capital Funding	7	235,716	290,637	311,278

1.7 ANNUAL BUDGET TABLES

Below are budget main schedules as prescribed by the National Treasury in terms of the Municipal Budget Reporting Regulations.

Table 8 MBRR Table A1-Budget Summary

EC157 King Sabata Dalindyebo - Table A1 Budget Summary

Description	2017/18 Medium Term Revenue & Expenditure Framework		
	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands			
Financial Performance			
Property rates	242,248	275,056	290,459
Service charges	439,232	490,782	519,130
Investment revenue	3,526	3,727	3,936
Transfers recognized - operational	293,208	310,504	325,920
Other own revenue	84,968	89,817	94,852
Total Revenue (excluding capital transfers and contributions)	1,063,182	1,169,887	1,234,296
Employee costs	422,759	451,082	480,854
Remuneration of councilors	26,732	28,523	30,406
Depreciation & asset impairment	165,723	218,340	202,035
Finance charges	28,461	30,141	31,889
Materials and bulk purchases	285,635	285,386	335,892
Transfers and grants	24,000	25,416	34,324
Other expenditure	236,184	229,708	242,121
Total Expenditure	1,189,495	1,268,595	1,357,520
Surplus/(Deficit)	(126,313)	(98,709)	(123,224)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	134,978	103,649	128,450
	8,665	4,940	5,227
Surplus/(Deficit) after capital transfers & contributions	8,665	4,940	5,227
Surplus/(Deficit) for the year	8,665	4,940	5,227
Capital expenditure & funds sources			
Capital expenditure	235,716	290,637	311,278
Transfers recognized - capital	227,052	285,697	306,051
Internally generated funds	8,665	4,940	5,227
Total sources of capital funds	235,716	290,637	311,278
Financial position			
Total current assets	190,389	213,141	244,832
Total non-current assets	2,462,568	2,391,283	2,327,669
Total current liabilities	196,495	165,154	140,081
Total non-current liabilities	116,642	103,819	91,912
Community wealth/Equity	2,339,820	2,335,451	2,340,508

Cash flows			
Net cash from (used) operating	347,877	440,348	459,753
Net cash from (used) investing	(235,716)	(290,637)	(311,278)
Net cash from (used) financing	15,000	15,000	15,000
Cash/cash equivalents at the year end	139,662	304,373	467,848
Cash backing/surplus reconciliation			
Cash and investments available	18,767	23,266	41,190
Application of cash and investments	1,640	(44,034)	(75,880)
Balance - surplus (shortfall)	17,127	67,299	117,070
Asset management			
Asset register summary (WDV)	2,457,871	2,386,586	2,322,972
Depreciation	165,723	218,340	202,035
Renewal of Existing Assets	141,431	103,294	128,441
Repairs and Maintenance	43,328	45,885	48,546
Free services			
Cost of Free Basic Services provided	15,890	15,890	15,890
Revenue cost of free services provided	15,198	16,414	17,727
Households below minimum service level			
Sanitation/sewerage:	15	15	15
Energy:	81	81	81
Refuse:	76	76	76

Table 9 MBRR Table A2- Budgeted Financial Performance (Revenue and expenditure by Standard Classification).

EC157 King Sabata Dalindyebo - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue - Functional										
<i>Government and administration</i>		-	-	-	-	-	-	586,122	640,888	674,686
Executive and council		-	-	-	-	-	-	254	268	283
Finance and administration		-	-	-	-	-	-	585,868	640,419	674,403
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	-	-	-	-	38,108	10,152	10,355
Community and social services		-	-	-	-	-	-	2,482	2,625	2,773
Sport and recreation		-	-	-	-	-	-	140	148	158
Public safety		-	-	-	-	-	-	3,929	4,153	4,386
Housing		-	-	-	-	-	-	31,557	3,228	3,041
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	-	-	-	-	121,199	118,501	125,252
Planning and development		-	-	-	-	-	-	6,503	6,375	6,742
Road transport		-	-	-	-	-	-	114,696	112,126	118,510
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	452,456	503,904	552,145
Energy sources		-	-	-	-	-	-	407,979	450,892	496,165
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	44,477	53,012	55,980
<i>Other</i>	4	-	-	-	-	-	-	275	291	307
Total Revenue - Functional	2	-	-	-	-	-	-	1,198,159	1,273,535	1,382,746
Expenditure - Functional										
<i>Government and administration</i>		-	-	-	-	-	-	404,957	420,071	453,364
Executive and council		-	-	-	-	-	-	89,743	94,323	100,179
Finance and administration		-	-	-	-	-	-	310,707	321,049	348,179
Internal audit		-	-	-	-	-	-	4,506	4,699	5,006
<i>Community and public safety</i>		-	-	-	-	-	-	57,734	42,378	45,156
Community and social services		-	-	-	-	-	-	15,423	16,450	17,529
Sport and recreation		-	-	-	-	-	-	21,480	3,710	3,952
Public safety		-	-	-	-	-	-	17,057	18,192	19,385
Housing		-	-	-	-	-	-	3,773	4,025	4,290
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	-	-	-	-	327,923	374,608	373,418
Planning and development		-	-	-	-	-	-	48,103	41,451	43,951
Road transport		-	-	-	-	-	-	274,585	327,572	323,512
Environmental protection		-	-	-	-	-	-	5,235	5,586	5,955
<i>Trading services</i>		-	-	-	-	-	-	398,881	431,538	485,582
Energy sources		-	-	-	-	-	-	333,500	360,196	410,805
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	4,162	4,440	4,731
Waste management		-	-	-	-	-	-	61,218	66,903	70,046
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	-	-	-	-	-	-	1,189,495	1,288,595	1,357,520
Surplus/(Deficit) for the year		-	-	-	-	-	-	8,665	4,940	5,227

Table 10 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote (

EC157 King Sabata Dalindyebo - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue by Vote	1									
Vote 1 - EXECUTIVE & COUNCIL		-	-	-	-	-	-	1,436	1,517	1,602
Vote 2 - FINANCE & ASSET MANAGEMENT		-	-	-	-	-	-	573,329	632,377	666,246
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	784	517	546
Vote 4 - PLANNING, SOCIAL AND ECONOMIC DEVELOPMENT		-	-	-	-	-	-	9,989	2,402	2,537
Vote 5 - HUMAN SETTLEMENT		-	-	-	-	-	-	31,557	3,226	3,041
Vote 6 - COMMUNITY SERVICES		-	-	-	-	-	-	54,345	59,092	62,065
Vote 7 - PUBLIC SAFETY		-	-	-	-	-	-	23,134	24,458	25,833
Vote 8 - INFRASTRUCTURE		-	-	-	-	-	-	503,586	549,946	600,876
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	-	-	-	-	-	-	1,198,159	1,273,535	1,362,746
Expenditure by Vote to be appropriated	1									
Vote 1 - EXECUTIVE & COUNCIL		-	-	-	-	-	-	98,944	103,287	109,731
Vote 2 - FINANCE & ASSET MANAGEMENT		-	-	-	-	-	-	234,724	249,463	270,107
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	43,467	42,766	45,484
Vote 4 - PLANNING, SOCIAL AND ECONOMIC DEVELOPMENT		-	-	-	-	-	-	25,365	26,942	28,703
Vote 5 - HUMAN SETTLEMENT		-	-	-	-	-	-	35,449	31,408	33,465
Vote 6 - COMMUNITY SERVICES		-	-	-	-	-	-	86,601	89,532	93,786
Vote 7 - PUBLIC SAFETY		-	-	-	-	-	-	114,135	121,760	129,772
Vote 8 - INFRASTRUCTURE		-	-	-	-	-	-	550,809	603,438	646,491
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	-	-	-	-	-	1,189,495	1,268,595	1,357,520
Surplus/(Deficit) for the year	2	-	-	-	-	-	-	8,665	4,940	5,227

Table 11 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

EC157 King Sabata Dalindyebo - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue By Source											
Property rates	2	-	-	-	-	-	-	-	242,248	275,056	290,459
Service charges - electricity revenue	2	-	-	-	-	-	-	-	388,764	431,438	456,462
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	-	-	-	-	-	-	43,048	51,502	54,385
Service charges - other	2	-	-	-	-	-	-	-	7,420	7,842	8,282
Rental of facilities and equipment									19,319	20,421	21,564
Interest earned - external investments									3,526	3,727	3,936
Interest earned - outstanding debtors									37,807	39,962	42,200
Dividends received									2,691	2,849	3,014
Fines, penalties and forfeits									17,168	18,147	19,163
Licences and permits											
Agency services									293,208	310,504	325,920
Transfers and subsidies									6,561	6,935	7,323
Other revenue	2	-	-	-	-	-	-	-	1,422	1,503	1,587
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)									1,063,182	1,169,887	1,234,296
Expenditure By Type											
Employee related costs	2	-	-	-	-	-	-	-	422,759	451,082	480,854
Remuneration of councillors									26,732	28,523	30,408
Debt impairment	3	-	-	-	-	-	-	-	28,053	29,708	31,431
Depreciation & asset impairment	2	-	-	-	-	-	-	-	165,723	218,340	202,035
Finance charges									28,461	30,141	31,889
Bulk purchases	2	-	-	-	-	-	-	-	285,635	285,386	335,892
Other materials	8	-	-	-	-	-	-	-	7,982	8,453	8,943
Contracted services									24,000	25,416	34,324
Transfers and subsidies									200,149	191,547	201,746
Other expenditure	4, 5	-	-	-	-	-	-	-			
Loss on disposal of PPE											
Total Expenditure									1,189,495	1,269,595	1,357,520
Surplus/(Deficit)									(126,313)	(98,709)	(123,224)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)									134,978	103,649	128,450
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)									8,665	4,940	5,227
Surplus/(Deficit) after capital transfers & contributions											

Table 12 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

EC157 King Sabata Dalindyebo - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description R thousand	Ref 1	2017/18 Medium Term Revenue & Expenditure Framework		
		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Capital expenditure - Vote				
Single-year expenditure to be appropriated	2			
Vote 1 - EXECUTIVE & COUNCIL		–	–	–
Vote 2 - FINANCE & ASSET MANAGEMENT		7,293	3,487	3,690
Vote 3 - CORPORATE SERVICES		–	–	–
Vote 4 - PLANNING, SOCIAL AND ECONOMIC DEVELOPMENT		284	300	318
Vote 5 - HUMAN SETTLEMENT		77,979	182,484	177,696
Vote 6 - COMMUNITY SERVICES		200	212	224
Vote 7 - PUBLIC SAFETY		319	338	358
Vote 8 - INFRASTRUCTURE		149,641	103,815	128,992
Capital single-year expenditure sub-total		235,716	290,637	311,278
Total Capital Expenditure - Vote		235,716	290,637	311,278
Capital Expenditure - Functional				
Governance and administration		7,293	3,488	3,690
Executive and council				
Finance and administration		7,293	3,488	3,690
Internal audit				
Community and public safety		78,582	183,123	178,371
Community and social services		110	117	124
Sport and recreation		250	264	280
Public safety		319	338	358
Housing		77,902	182,403	177,610
Health				
Economic and environmental services		91,416	88,590	93,754
Planning and development		7,719		
Road transport		83,697	88,590	93,754
Environmental protection				
Trading services		58,425	15,437	35,462
Energy sources		58,225	15,225	35,238
Water management				
Waste water management		180	191	202
Waste management		20	21	22
Other				
Total Capital Expenditure - Functional	3	235,716	290,637	311,278
Funded by:				
National Government		98,418	103,294	128,441
Provincial Government		128,634	182,403	177,610
District Municipality				
Other transfers and grants				
Transfers recognised - capital	4	227,052	285,697	306,051
Public contributions & donations	5			
Borrowing	6			
Internally generated funds		8,665	4,940	5,227
Total Capital Funding	7	235,716	290,637	311,278

Table 13 MBRR Table A6 - Budgeted Financial Position

EC157 King Sabata Dalindyebo - Table A6 Budgeted Financial Position

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
ASSETS											
Current assets											
Cash									1	4,500	22,424
Call investment deposits	1	-	-	-	-	-	-	-	18,766	18,766	18,766
Consumer debtors	1	-	-	-	-	-	-	-	151,763	124,997	91,800
Other debtors									11,438	55,614	95,733
Current portion of long-term receivables									8,422	9,264	16,110
Inventory	2								180,369	213,141	244,832
Total current assets											
Non current assets											
Long-term receivables											
Investments									206,205	245,804	288,020
Investment property											
Investment in Associate											
Property, plant and equipment	3	-	-	-	-	-	-	-	2,251,480	2,139,714	2,031,382
Agricultural											
Biological									1,186	1,067	3,570
Intangible									4,697	4,697	4,697
Other non-current assets											
Total non current assets									2,462,588	2,391,283	2,327,669
TOTAL ASSETS									2,652,957	2,504,424	2,572,501
LIABILITIES											
Current liabilities											
Bank overdraft	1								24,072	24,072	24,072
Borrowing	4	-	-	-	-	-	-	-	15,719	15,719	15,719
Consumer deposits									156,704	125,363	100,291
Trade and other payables	4	-	-	-	-	-	-	-			
Provisions											
Total current liabilities									196,495	165,154	140,081
Non current liabilities											
Borrowing									80,096	67,583	56,821
Provisions									36,546	36,236	36,291
Total non current liabilities									116,642	103,819	93,112
TOTAL LIABILITIES									313,137	268,973	233,193
NET ASSETS	5								2,339,820	2,335,451	2,340,508
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)									1,937,927	1,948,417	1,953,474
Reserves	4	-	-	-	-	-	-	-	401,893	387,034	387,034
TOTAL COMMUNITY WEALTH/EQUITY	5								2,339,820	2,335,451	2,340,508

Table 14 MBRR Table A7 - Budget cash flow statement

EC157 King Sabata Dalindyebo - Table A7 Budgeted Cash Flows

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates									241,857	274,915	290,860
Service charges									453,892	492,298	520,851
Other revenue									45,617	48,309	51,110
Government - operating	1								293,208	310,504	325,920
Government - capital	1								235,716	290,637	311,278
Interest									41,222	43,655	46,186
Dividends									-	-	-
Payments											
Suppliers and employees									(910,975)	(964,412)	(1,020,240)
Finance charges									(28,461)	(30,141)	(31,888)
Transfers and Grants	1								(24,000)	(25,416)	(34,324)
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	-	-	-	-	-	-	347,877	440,348	459,753
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									(235,716)	(290,637)	(311,278)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	-	-	-	-	-	-	(235,716)	(290,637)	(311,278)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									-	-	-
Borrowing long term/refinancing									15,000	15,000	15,000
Increase (decrease) in consumer deposits									-	-	-
Payments											
Repayment of borrowing									-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	15,000	15,000	15,000
NET INCREASE/(DECREASE) IN CASH HELD		-	-	-	-	-	-	-	127,161	164,711	163,475
Cash/cash equivalents at the year begin:	2								12,502	139,662	304,373
Cash/cash equivalents at the year end:	2								139,662	304,373	467,848

Table 15 MBRR Table 8 Cash backed reserves / accumulated surplus reconciliation

R thousand	Description	Ref	Current Year 2016/17					2017/18 Medium Term Revenue & Expenditure Framework				
			2013/14	2014/15	2015/16	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
	Cash and investments available											
	Cash/cash equivalents at the year end	1	-	-	-	-	-	-	139,662	304,373	467,848	
	Other current investments > 90 days		-	-	-	-	-	-	(120,895)	(281,107)	(426,658)	
	Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	
	Cash and investments available:								18,767	23,266	41,190	
	Application of cash and investments											
	Unspent conditional transfers		-	-	-	-	-	-	-	-	-	
	Unspent borrowing		-	-	-	-	-	-	-	-	-	
	Statutory requirements	2	-	-	-	-	-	-	-	-	-	
	Other working capital requirements	3	-	-	-	-	-	-	(1,407)	(47,080)	(78,926)	
	Other provisions	4	-	-	-	-	-	-	3,046	3,046	3,046	
	Long term investments committed	5	-	-	-	-	-	-	-	-	-	
	Reserves to be backed by cash/investments		-	-	-	-	-	-	1,639	(44,034)	(75,880)	
	Total Application of cash and investments:								17,128	67,299	117,070	
	Surplus(shortfall)											

Table 16 MBRR Table A9 – Assets Management

Description	2017/18 Medium Term Revenue & Expenditure Framework		
	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand			
CAPITAL EXPENDITURE	94,286	187,343	182,837
<u>Total New Assets</u>			
Infrastructure	-	-	-
Community Facilities	7,719	-	-
Sport and Recreation Facilities	-	-	-
Community Assets	7,719	-	-
Investment properties	-	-	-
Operational Buildings	492	521	551
Housing	77,902	182,403	177,610
Other Assets	78,394	182,924	178,161
Intangible Assets	-	-	-
Computer Equipment	7,042	3,222	3,049
Machinery and Equipment	600	636	1,033
Transport Assets	531	562	594
Zoo's, Marine and Non-biological Animals	-	-	-
<u>Total Renewal of Existing Assets</u>	141,431	103,294	128,441
Roads Infrastructure	83,418	88,294	93,441
Storm water Infrastructure	-	-	-
Electrical Infrastructure	58,013	15,000	35,000
Information and Communication Infrastructure	-	-	-
Infrastructure	141,431	103,294	128,441
Zoo's, Marine and Non-biological Animals	-	-	-
<u>Total Capital Expenditure</u>	83,418	88,294	93,441
Roads Infrastructure	-	-	-
Storm water Infrastructure	58,013	15,000	35,000
Electrical Infrastructure	-	-	-
Information and Communication Infrastructure	-	-	-
Infrastructure	141,431	103,294	128,441
Community Facilities	7,719	-	-
Sport and Recreation Facilities	-	-	-
Community Assets	7,719	-	-
Non-revenue Generating	-	-	-
Investment properties	-	-	-
Operational Buildings	492	521	551
Housing	77,902	182,403	177,610
Other Assets	78,394	182,924	178,161
Licences and Rights	-	-	-
Intangible Assets	-	-	-
Computer Equipment	7,042	3,222	3,049
Furniture and Office Equipment	-	-	-
Machinery and Equipment	600	636	1,033
Transport Assets	531	562	594
Libraries	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	235,716	290,637	311,278

ASSET REGISTER SUMMARY - PPE (WDV)			
<i>Roads Infrastructure</i>	758,981	530,555	330,777
<i>Storm water Infrastructure</i>	296,186	296,186	308,339
<i>Electrical Infrastructure</i>	191,264	191,264	207,150
<i>Information and Communication Infrastructure</i>			
Infrastructure	1,246,432	1,018,006	846,266
Community Facilities			
Sport and Recreation Facilities	363,470	455,885	468,167
Community Assets	363,470	455,885	468,167
Heritage Assets	4,697	4,697	4,697
Revenue Generating	205,205	245,804	288,020
Non-revenue Generating			
Investment properties	205,205	245,804	288,020
Operational Buildings	387,753	416,696	463,124
Housing	189,936	189,936	189,936
Other Assets	577,690	606,632	653,061
Licences and Rights	1,186	1,067	3,570
Intangible Assets	1,186	1,067	3,570
Transport Assets	20,830	20,830	20,830
Libraries	43,058	38,361	43,058
Zoo's, Marine and Non-biological Animals			
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	2,457,871	2,386,586	2,322,972
EXPENDITURE OTHER ITEMS			
<u>Depreciation</u>	165,723	218,340	202,035
<u>Repairs and Maintenance by Asset Class</u>	43,328	45,885	48,546
<i>Roads Infrastructure</i>	25,148	26,631	28,176
<i>Electrical Infrastructure</i>	11,746	12,439	13,160
<i>Water Supply Infrastructure</i>	153	162	171
<i>Sanitation Infrastructure</i>	95	101	106
<i>Information and Communication Infrastructure</i>	-	-	-
Infrastructure	37,141	39,332	41,614
Community Facilities	-	-	-
Sport and Recreation Facilities	-	-	-
Investment properties	-	-	-
Operational Buildings	2,222	2,353	2,490
Housing	-	-	-
Other Assets	2,222	2,353	2,490
Licences and Rights	-	-	-
Intangible Assets	-	-	-
Computer Equipment	21	22	24
Furniture and Office Equipment	50	53	56
Machinery and Equipment	-	-	-
Transport Assets	3,894	4,123	4,363
Libraries	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-
TOTAL EXPENDITURE OTHER ITEMS	209,051	264,224	250,580

Table 17 MBRR Table A10 – Ser Del

Description	2017/18 Medium Term Revenue & Expenditure Framework		
	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
Household service targets			
<u>Water:</u>			
Piped water inside dwelling	42,626	42,626	42,626
Piped water inside yard (but not in dwelling)	24,405	24,405	24,405
<i>Minimum Service Level and Above sub-total</i>	67,031	67,031	67,031
Total number of households	67,031	67,031	67,031
<u>Sanitation/sewerage:</u>			
Flush toilet (connected to sewerage)	37,356	37,356	37,356
Plt toilet (ventilated)	53,138	53,138	53,138
<i>Minimum Service Level and Above sub-total</i>	90,494	90,494	90,494
Bucket toilet	496	496	496
No toilet provisions	14,416	14,416	14,416
<i>Below Minimum Service Level sub-total</i>	14,912	14,912	14,912
Total number of households	105,406	105,406	105,406
<u>Energy:</u>			
Electricity (at least min.service level)	450	450	450
Electricity - prepaid (min.service level)	76,732	76,732	76,732
<i>Minimum Service Level and Above sub-total</i>	77,182	77,182	77,182
Electricity (< min.service level)	60,464	60,464	60,464
Electricity - prepaid (< min. service level)	20,888	20,888	20,888
<i>Below Minimum Service Level sub-total</i>	81,352	81,352	81,352
Total number of households	158,534	158,534	158,534
<u>Refuse:</u>			
Removed at least once a week	27,562	27,562	27,562
<i>Minimum Service Level and Above sub-total</i>	27,562	27,562	27,562
Removed less frequently than once a week	64,603	64,603	64,603
Using own refuse dump	-	-	-
Other rubbish disposal	11,494	11,494	11,494
No rubbish disposal	-	-	-
<i>Below Minimum Service Level sub-total</i>	76,097	76,097	76,097
Total number of households	103,659	103,659	103,659
<u>Cost of Free Basic Services provided - Formal Settlements (R'000)</u>			
Electricity/other energy (50kwh per indigent household per month)	7,890	7,890	7,890
Refuse (removed once a week for indigent households)	8,000	8,000	8,000
	-	-	-
<u>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</u>	15,890	15,890	15,890
Total cost of FBS provided			
<u>Highest level of free service provided per household</u>			
Property rates (R value threshold)	60,000	60,000	60,000
Electricity (kwh per household per month)	50	50	50
Refuse (average litres per week)	8	8	8
<u>Revenue cost of subsidised services provided (R'000)</u>			
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)	15,198	16,414	17,727
Total revenue cost of subsidised services provided	15,198	16,414	17,727