

TOKOLOGO LOCAL MUNICIPALITY



DRAFT BUDGET 2013 – 2015

31 MARCH 2012

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2. MAYORAL SPEECH ON THE BUDGET

(To be distributed at Council meeting)

3. BUDGET RELATED RESOLUTIONS

Budget for 2012/13

3.1 Council resolves that the draft multi-year annual budget of capital and operating expenditure for 2012/13 and the indicated two outer years of 2012/14 and 2014/15 which will be tabled for public scrutiny and input by April/May 2012 as set out by the following amended tables:

Table A1 :	Budget summary
Table A2 :	Budgeted financial performance (revenue and expenditure by standard classification)
Table A3 :	Budgeted financial performance (revenue and expenditure by municipal vote)
Table A4 :	Budget financial performance (revenue and expenditure)
Table A5 :	Budgeted capital expenditure by vote and funding
Table A6 :	Budgeted financial position
Table A7 :	Budgeted cash flows
Table A8 :	Cash backed reserves / accumulate surplus reconciliation
Table A9 :	Asset management

Table SA 36 : Budgeted capital expenditure by programme name

Multi-year Capital Budget

3.2 Council resolves that multi-year capital appropriations by vote and associated funding reflected in Schedule 3 be approved.

Property Rates and other Municipal Tax

3.3 Council resolves that, in terms of section 24 of the Local Government Municipal Property Rates Act, Act 6 of 2004, rates differentiating among the different categories of properties, determined by the actual use, for property tax be levied on market value of all rateable properties within the municipal area for the financial year 1 July 2012 to 30 June 2013, provided that rebates, as indicated, on application be allowed.

Tariffs and Charges

3.4 Council resolves that the following general increases be applied:

- Electricity tariffs to increase by 11.03% on consumption only;
- Water tariffs to increase by 5.09%;
- Refuse removal tariffs to increase by 5.09%;
- All other sundry tariffs i.e. cemetery fees, rentals, pound fees, dog licenses, halls, clearance certificates to increase by 5.09%;
- Sewerage tariffs to increase by 5.09%;
- Property rates tariffs to increase by 5.09%

- 3.4.1 Council resolves that the individual tariffs and charges in the Tariff Schedule, attached as Annexure C, be applied.

Measurable Performance Objectives

- 3.5 Council resolves that the measurable performance objectives for revenue from each source and for each vote reflect the budget.

Integrated Development Plan

- 3.6 Council resolves to approve the implementation of the Integrated Development Plan.

Budget Related Policies

- 3.7 Council notes that the following Budget related policies will be tabled at later council seating prior to the final 2012/13 budget being approved. Refer to Annexure C regarding the overview on budget related policies.
- 3.8 Council notes that the review of other financial policies is subject to a project to be undertaken prior to the adoption of the final 2012/13 .

4. THE BUDGET

This section contains an Executive Summary of the budget, highlighting the processes and assumptions which guided the compilation of the budget.

4.1 Executive Summary

Overview

The budget process is governed by the Municipal Finance Management Act 56 of 2003 and the Municipal Systems Act 32 of 2000. The objective process is to ensure good governance and accountability and enables the municipality to involve residents and other stakeholders in the budgeting process.

In terms of Section 24 (1) and (2) of the Municipal Finance Management Act (MFMA) No 56, 2003:

“(1) The municipal council must at least 30 days before the start of the budget year consider approval of the annual budget.

(2) An annual budget –

(a) must be approved before the start of the budget year;

(b) is approved by the adoption by the council of a resolution referred to in section 17(3)(a)(i); and

(c) must be approved together with the adoption of resolutions as may be necessary –

(i) imposing any municipal tax for the budget year;

(ii) setting any municipal tariffs for the budget year;

(iii) approving measurable performance objectives for revenue from each source and for each vote in the budget;

(iv) approving any changes to the municipality’s integrated development plan; and

(v) approving any changes to the municipality’s budget-related policies.”

4.1.1 Strategic Focus Areas and Municipal Priority Issues

The following strategic focus areas remain for the 2012- 2013 financial year:-

- ❑ Growth
- ❑ Inclusiveness and public participation
- ❑ Sustainability
- ❑ Empowerment – LED projects
- ❑ Political stability
- ❑ Administrative efficiency
- ❑ Streamlined and realistic IDP

Council has reconfirmed these strategic priorities. However the top priorities for the next three financial years will be the restoration of the internal control processes and adhering to compliance matters.

This annual budget is in the approved format outlined in National Treasury Circular No 59 and has the following features:-

- ❑ A deficit operating budget containing expenditure details and realistically anticipated revenues; this is non-cash deficit, and is borne out of minimised increases on tariffs to ensure a realistic budget and recoverability of debtors;
- ❑ A balanced budget for capital expenditure that is within realistic funding already secured, together with the projected future financial implications of such capital expenditure;
- ❑ Actual results for the previous years; and
- ❑ Adjusted budget for the current financial year, the next year's budget and the outer two years.

Within the available resources the budget reflects the Council's IDP and details the methods of funding.

An in-depth review of revenue has taken place and the level of spending is limited by the availability of realistically anticipated revenue based on current and projected payment levels. In addition the ability of consumers to pay the revised tariffs has been taken into consideration.

Municipal Services:	29%
Government Grants and Subsidies:	69%
Other Income:	2%.

The major expenditure allocations are as follows;

Employee related costs:	36%
Councilor remuneration	3%
Repairs and maintenance	6%
General expenses	31%
Bulk purchases	19%
Provision for bad debts	5%

Due to the low payment levels a number of issues such as repairs and maintenance, inadequate provisions, staffing requirements etc. are not fully covered. However planning and development of strategies to address these issues are part of the continuing municipal turnaround strategy sessions. It is trusted that the expected significant improvement in this area will result in more funding becoming available in the adjustments budget during Jan 2013.

The capital budget is balanced and totals R59.8 million funded through transfers from National Government Grants 96% and internally funded 4%.

4.1.2 Key assumptions

4.1.2.1 National Treasury provided guidance through MFMA Circular No. 59 issued in terms of Municipal Finance Management Act No. 56 of 2003 regarding inflation:-

Fiscal year	2010/11 Actual	2011/12 Estimate	2012/13	2013/14 Forecast	2014/15
Headline CPI Inflation	3.8%	5.7%	5.9%	5.3%	4.9%

4.1.2.2 The inflation rate to be used for calculating wage increases

The benchmark set by circular 59 of National Treasury has been applied, and is at a percentage of 5% for the 2012/13 financial year. The increases for the out years are according to the inflation forecasts set as per circular 59.

4.1.2.3 For the period 1 July 2010 to 30 June 2011, Eskom will increase the municipal tariff rates for bulk electricity by 28.9 per cent. For 2011/12 and 2012/13, municipalities should budget for increases in the bulk price of electricity of 25.8 per cent and 25.9 per cent respectively. However it should be noted that these increases may change in future.

4.1.3 National Treasury guide lines in terms of allocations

An extract from MFMA Circular No. 51 reads as follows:

4.2 Mayor's discretionary funds and similar discretionary budget allocations

It has been observed that many municipal budgets contain sub-votes or allocations to "Mayoral Discretionary Funds", "Special Projects", "Special Events" or similar discretionary type funds.

- ❑ *National Treasury regards these types of allocations as a bad practice because:*
- ❑ *It is not clear how they are aligned to the constitutional requirement that municipalities structure their budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community (see section 153(a) of the Constitution);*
- ❑ *They do not provide for the appropriation of funds for the purposes of a department or functional area of the municipality (see the definition of 'vote' in section 1 of the MFMA);*
- ❑ *They undermine the budget consultation processes since the intended use of the funds is not transparently reflected in the tabled budget; and*
- ❑ *There is a risk that they may be abused for personal gain or to improperly benefit another person or organisation.*

Therefore National Treasury discourages allocations of this nature. Good budget practice requires that a municipal budget should transparently indicate the purposes and areas where municipal funds (i.e. public funds) are to be allocated.

Further key issues to be noted in MFMA Circular No. 58 & 59 attached as **ANNEXURE A and ANNEXURE B respectively.**

4.2 BUDGET SCHEDULES

4.2.1 Table A1 : Budget summary

FS182 Tokologo - Table A1 Budget Summary

Description	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousands									
Financial Performance									
Property rates	1 275	1 272	1 701	1 749	2 475	–	2 871	3 370	3 535
Service charges	10 928	11 560	14 359	11 760	16 117	–	17 581	19 150	20 844
Investment revenue	6 640	2 540	1 165	3 070	500	–	424	455	501
Transfers recognised - operational	21 669	29 768	39 975	49 042	41 292	–	48 385	50 240	53 536
Other own revenue	678	1 359	1 240	843	732	–	868	914	958
Total Revenue (excluding capital transfers and contributions)	41 189	46 500	58 439	66 464	61 116	–	70 129	74 128	79 374
Employee costs	15 126	17 379	20 329	22 948	23 854	–	24 006	25 279	26 517
Remuneration of councillors	1 674	1 626	1 497	1 981	1 981	–	1 991	2 097	2 199
Depreciation & asset impairment	255	849	1 382	532	532	–	4 147	7 353	10 712
Finance charges	101	92	99	200	200	–	150	158	166
Materials and bulk purchases	8 079	9 596	10 849	11 000	11 300	–	12 485	14 170	16 083
Transfers and grants	–	116	1 346	–	840	–	810	853	895
Other expenditure	18 660	13 737	44 900	29 804	22 410	–	26 870	28 132	29 510
Total Expenditure	43 895	43 395	80 402	66 464	61 116	–	70 459	78 041	86 083
Surplus/(Deficit)	(2 705)	3 105	(21 963)	0	(0)	–	(330)	(3 913)	(6 708)
Transfers recognised - capital	–	37 885	45 020	67 391	69 987	–	57 575	61 705	67 960
Contributions recognised - capital & contributed a	–	–	–	2 000	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(2 705)	40 991	23 057	69 391	69 987	–	57 245	57 792	61 251
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(2 705)	40 991	23 057	69 391	69 987	–	57 245	57 792	61 251
Capital expenditure & funds sources									
Capital expenditure	32 708	38 114	46 924	67 391	69 987	–	59 774	63 867	73 525
Transfers recognised - capital	32 278	37 885	45 020	67 391	69 987	–	57 575	61 705	67 960
Public contributions & donations	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	431	228	1 904	–	–	–	2 198	2 163	5 565
Total sources of capital funds	32 708	38 114	46 924	67 391	69 987	–	59 774	63 867	73 525
Financial position									
Total current assets	87 078	69 517	24 445	150 844	16 701	–	20 168	19 533	15 520
Total non current assets	141 260	170 204	222 716	252 266	301 940	–	350 819	408 637	473 391
Total current liabilities	73 217	41 566	13 702	37 449	2 511	–	2 456	1 937	1 427
Total non current liabilities	507	2 055	14 301	184	5 184	–	339	250	250
Community wealth/Equity	154 614	196 100	219 158	365 476	310 946	–	368 192	425 983	487 235
Cash flows									
Net cash from (used) operating	80 371	20 864	14 158	182 314	(1 010)	–	59 824	63 996	73 525
Net cash from (used) investing	(32 596)	(36 629)	(45 020)	20 800	500	–	(59 774)	(63 888)	(73 544)
Net cash from (used) financing	(966)	303	17	–	–	–	(150)	(108)	20
Cash/cash equivalents at the year end	48 490	33 028	2 183	203 114	1 673	–	1 573	1 573	1 573
Cash backing/surplus reconciliation									
Cash and investments available	48 731	33 307	2 452	109 737	2 057	–	8 328	8 892	6 278
Application of cash and investments	33 224	15 116	(1 763)	(19 683)	(10 332)	–	(8 106)	(7 580)	(6 890)
Balance - surplus (shortfall)	15 507	18 191	4 215	129 420	12 389	–	16 434	16 472	13 168
Asset management									
Asset register summary (WDV)	141 019	169 925	222 447	251 882	301 556	–	350 435	408 233	472 967
Depreciation & asset impairment	255	849	1 382	532	532	–	4 147	7 353	10 712
Renewal of Existing Assets	–	–	–	–	–	–	–	–	–
Repairs and Maintenance	2 527	3 260	–	2 704	4 955	–	4 062	4 277	4 487
Free services									
Cost of Free Basic Services provided	–	–	–	–	–	–	–	–	–
Revenue cost of free services provided	–	–	–	–	–	–	–	–	–
Households below minimum service level									
Water:	–	–	–	–	–	–	–	–	–
Sanitation/sew erage:	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–

4.2.2 Table A2 : Budgeted financial performance (revenue and expenditure by standard classification)

FS182 Tokologo - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand	1									
Revenue - Standard										
<i>Governance and administration</i>		14 138	11 194	19 214	31 664	30 601	-	31 841	32 784	34 741
Executive and council		776	6 108	5 033	12 729	11 617	-	12 485	11 854	12 726
Budget and treasury office		7 088	3 812	12 480	10 791	13 630	-	13 054	13 877	14 527
Corporate services		6 274	1 274	1 701	8 144	5 354	-	6 302	7 052	7 488
<i>Community and public safety</i>		2 512	36 161	7 550	21 344	22 181	-	22 615	15 534	10 216
Community and social services		2 270	35 619	7 426	20 271	20 939	-	19 990	12 717	7 195
Sport and recreation		-	335	8	560	584	-	2 043	2 193	2 354
Public safety		171	207	116	513	658	-	582	623	667
Housing		-	-	-	-	-	-	-	-	-
Health		71	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		24 539	37 031	76 696	82 847	78 321	-	73 248	87 515	102 376
Electricity		7 433	10 808	17 270	15 060	13 801	-	16 518	18 141	19 927
Water		4 902	11 776	38 458	57 053	57 166	-	42 803	43 649	48 886
Waste water management		8 414	10 090	16 535	7 309	5 394	-	8 448	9 047	29 150
Waste management		3 790	4 356	4 433	3 425	1 961	-	5 479	16 679	4 414
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	41 189	84 385	103 460	135 855	131 103	-	127 704	135 833	147 334
Expenditure - Standard										
<i>Governance and administration</i>		20 427	17 681	32 617	37 574	29 421	-	29 482	30 424	31 971
Executive and council		1 351	7 935	7 526	18 633	11 531	-	10 211	10 867	11 582
Budget and treasury office		8 590	6 557	13 699	9 248	14 891	-	15 324	15 400	16 028
Corporate services		10 485	3 189	11 391	9 693	2 999	-	3 947	4 157	4 360
<i>Community and public safety</i>		8 792	8 686	10 910	11 826	9 070	-	9 559	10 500	10 402
Community and social services		7 929	7 741	9 686	10 931	7 828	-	6 917	7 713	7 474
Sport and recreation		-	500	587	474	584	-	2 045	2 154	2 260
Public safety		566	441	638	421	658	-	597	633	668
Housing		-	-	-	-	-	-	-	-	-
Health		298	3	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		14 675	17 028	36 875	17 064	22 625	-	31 418	37 117	43 710
Electricity		8 922	10 230	14 887	10 655	13 801	-	16 638	18 640	20 843
Water		2 278	1 692	4 411	2 496	3 543	-	5 266	7 261	9 655
Waste water management		1 858	3 239	7 284	2 122	3 174	-	5 596	6 091	8 940
Waste management		1 618	1 867	10 294	1 790	2 108	-	3 917	5 125	4 273
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	43 895	43 395	80 402	66 464	61 116	-	70 459	78 041	86 083
Surplus/(Deficit) for the year		(2 705)	40 991	23 057	69 391	69 987	-	57 245	57 792	61 251

4.2.3 Table A3 : Budgeted financial performance (revenue and expenditure by municipal vote)

FS182 Tokologo - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
		R thousand								
Revenue by Vote	1									
Vote 1 - COUNCIL GENERAL		776	6 108	5 033	6 186	8 308	-	6 634	5 572	5 982
Vote 2 - MUNICIPAL MANAGER		-	-	-	6 543	3 309	-	5 851	6 282	6 744
Vote 3 - FINANCIAL SERVICES		7 088	3 812	12 480	10 791	13 630	-	13 054	13 877	14 527
Vote 4 - ASSESSMENT RATES		1 275	1 274	1 701	1 624	2 475	-	2 896	3 396	3 563
Vote 5 - CORPORATE SERVICES		4 999	-	-	6 520	2 879	-	3 405	3 656	3 925
Vote 6 - COMMUNITY AND SOCIAL SERVICES		712	1 657	1 183	3 273	4 564	-	4 622	4 947	5 293
Vote 7 - TECHNICAL SERVICES		1 800	34 504	6 366	18 071	17 617	-	17 993	10 586	4 924
Vote 8 - ELECTRICITY		7 433	10 808	17 270	15 060	13 801	-	16 518	18 141	19 927
Vote 9 - WATER		4 902	11 776	38 458	57 053	57 166	-	42 803	43 649	48 886
Vote 10 - WASTE WATER MANAGEMENT		8 414	10 090	4 433	7 309	5 394	-	8 448	9 047	29 150
Vote 11 - SOLID WASTE MANAGEMENT		3 790	4 356	16 535	3 425	1 961	-	5 479	16 679	4 414
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	41 189	84 385	103 460	135 855	131 103	-	127 704	135 833	147 334
Expenditure by Vote to be appropriated	1									
Vote 1 - COUNCIL GENERAL		666	6 890	6 074	11 884	8 222	-	4 585	5 104	5 366
Vote 2 - MUNICIPAL MANAGER		685	1 045	1 122	6 749	3 309	-	5 626	5 763	6 216
Vote 3 - FINANCIAL SERVICES		8 590	6 557	14 030	9 248	14 891	-	15 324	15 400	16 028
Vote 4 - ASSESSMENT RATES		182	1	8 186	20	120	-	527	555	582
Vote 5 - CORPORATE SERVICES		10 303	3 187	3 205	9 673	2 879	-	3 421	3 602	3 778
Vote 6 - COMMUNITY AND SOCIAL SERVICES		1 548	3 873	3 797	3 725	3 811	-	4 911	5 252	5 408
Vote 7 - TECHNICAL SERVICES		7 244	4 813	7 216	8 101	5 259	-	4 649	5 248	4 994
Vote 8 - ELECTRICITY		8 922	10 230	14 779	10 655	13 801	-	16 638	18 640	20 843
Vote 9 - WATER		2 278	1 692	4 411	2 496	3 543	-	5 266	7 261	9 655
Vote 10 - WASTE WATER MANAGEMENT		1 858	3 239	7 289	2 122	3 174	-	5 596	6 091	8 940
Vote 11 - SOLID WASTE MANAGEMENT		1 618	1 867	10 294	1 790	2 108	-	3 917	5 125	4 273
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	43 895	43 395	80 402	66 464	61 116	-	70 459	78 041	86 083
Surplus/(Deficit) for the year	2	(2 705)	40 991	23 057	69 391	69 987	-	57 245	57 792	61 251

4.2.4 Table A4 : Budget financial performance (revenue and expenditure)

FS182 Tokologo - Table A4 Budgeted Financial Performance (revenue and expenditure)									
Description	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue By Source									
Property rates	1 275	1 272	1 701	1 624	2 350	–	2 871	3 370	3 535
Property rates - penalties & collection charges				125	125				
Service charges - electricity revenue	5 168	7 201	9 169	9 900	10 002	–	11 105	12 330	13 690
Service charges - water revenue	1 559	275	460	450	1 125	–	1 191	1 255	1 316
Service charges - sanitation revenue	2 557	2 507	2 884	885	3 031	–	3 209	3 380	3 545
Service charges - refuse revenue	1 644	1 576	1 845	525	1 960	–	2 076	2 186	2 293
Service charges - other									
Rental of facilities and equipment	68	78	215	94	214		251	264	277
Interest earned - external investments	6 640	2 540	1 165	3 070	500		424	455	501
Interest earned - outstanding debtors	415	471	509				100	105	110
Dividends received			2				3	3	3
Fines	79	88	116	81	75		80	84	88
Licences and permits									
Agency services									
Transfers recognised - operational	21 669	29 768	39 975	49 042	41 292		48 385	50 240	53 536
Other revenue	116	681	397	668	443	–	434	457	480
Gains on disposal of PPE		42	1						
Total Revenue (excluding capital transfers and contributions)	41 189	46 500	58 439	66 464	61 116	–	70 129	74 128	79 374
Expenditure By Type									
Employee related costs	15 126	17 379	20 329	22 948	23 854	–	24 006	25 279	26 517
Remuneration of councillors	1 674	1 626	1 497	1 981	1 981		1 991	2 097	2 199
Debt impairment	–	162	24 645	1 200	1 300		3 144	3 311	3 473
Depreciation & asset impairment	255	849	1 382	532	532	–	4 147	7 353	10 712
Finance charges	101	92	99	200	200		150	158	166
Bulk purchases	8 079	9 596	10 849	10 700	11 000	–	12 485	14 170	16 083
Other materials				300	300				
Contracted services	2 148	3 736	4 781	16 100	–	–	12 062	12 539	13 154
Transfers and grants	–	116	1 346	–	840	–	810	853	895
Other expenditure	16 511	9 838	15 242	12 504	21 110	–	11 664	12 282	12 884
Loss on disposal of PPE			233						
Total Expenditure	43 895	43 395	80 402	66 464	61 116	–	70 459	78 041	86 083
Surplus/(Deficit)	(2 705)	3 105	(21 963)	0	(0)	–	(330)	(3 913)	(6 708)
Transfers recognised - capital		37 885	45 020	67 391	69 987		57 575	61 705	67 960
Contributions recognised - capital	–	–	–	2 000	–	–	–	–	–
Contributed assets									
Surplus/(Deficit) after capital transfers & contributions	(2 705)	40 991	23 057	69 391	69 987	–	57 245	57 792	61 251
Taxation									
Surplus/(Deficit) after taxation	(2 705)	40 991	23 057	69 391	69 987	–	57 245	57 792	61 251
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	(2 705)	40 991	23 057	69 391	69 987	–	57 245	57 792	61 251
Share of surplus/ (deficit) of associate									
Surplus/(Deficit) for the year	(2 705)	40 991	23 057	69 391	69 987	–	57 245	57 792	61 251

4.2.5 Table A5 : Budgeted capital expenditure by vote and funding

FS182 Tokologo - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description R thousand	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Capital expenditure - Vote									
Multi-year expenditure to be appropriated									
Vote 1 - COUNCIL GENERAL	-	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL MANAGER	-	-	-	-	-	-	-	-	-
Vote 3 - FINANCIAL SERVICES	-	-	-	-	-	-	-	-	-
Vote 4 - ASSESSMENT RATES	-	-	-	-	-	-	-	-	-
Vote 5 - CORPORATE SERVICES	-	-	-	-	-	-	-	-	-
Vote 6 - COMMUNITY AND SOCIAL SERVICES	-	-	-	-	-	-	-	-	-
Vote 7 - TECHNICAL SERVICES	-	-	-	-	-	-	2 834	5 983	-
Vote 8 - ELECTRICITY	-	-	-	-	-	-	-	-	-
Vote 9 - WATER	-	25 035	30 175	-	-	-	37 000	40 000	45 000
Vote 10 - WASTE WATER MANAGEMENT	-	2 500	-	-	-	-	4 079	3 536	-
Vote 11 - SOLID WASTE MANAGEMENT	-	-	-	-	-	-	2 323	12 684	-
Vote 12 - [NAME OF VOTE 12]	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	-	27 535	30 175	-	-	-	46 236	62 203	45 000
Single-year expenditure to be appropriated									
Vote 1 - COUNCIL GENERAL	5 074	33	134	890	890	-	26	500	-
Vote 2 - MUNICIPAL MANAGER	-	85	61	-	-	-	21	-	3 500
Vote 3 - FINANCIAL SERVICES	104	67	208	-	-	-	13	-	-
Vote 4 - ASSESSMENT RATES	-	-	-	-	-	-	-	-	-
Vote 5 - CORPORATE SERVICES	-	42	49	-	-	-	16	-	-
Vote 6 - COMMUNITY AND SOCIAL SERVICES	-	-	-	753	753	-	180	-	500
Vote 7 - TECHNICAL SERVICES	-	596	91	9 762	12 358	-	10 901	-	-
Vote 8 - ELECTRICITY	-	1 959	-	-	-	-	-	499	1 565
Vote 9 - WATER	8 178	7 795	14 845	53 623	53 623	-	2 382	665	-
Vote 10 - WASTE WATER MANAGEMENT	19 352	-	1 362	2 363	2 363	-	-	-	22 960
Vote 11 - SOLID WASTE MANAGEMENT	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	32 708	10 578	16 749	67 391	69 987	-	13 537	1 664	28 525
Total Capital Expenditure - Vote	32 708	38 114	46 924	67 391	69 987	-	59 774	63 867	73 525
Capital Expenditure - Standard									
Governance and administration	5 178	228	451	890	890	-	75	500	3 500
Executive and council	5 074	118	194	890	890	-	47	500	3 500
Budget and treasury office	104	67	208	-	-	-	13	-	-
Corporate services	-	42	49	-	-	-	16	-	-
Community and public safety	-	596	91	10 515	13 111	-	13 915	5 983	500
Community and social services	-	596	91	10 515	13 111	-	13 735	5 983	-
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	180	-	500
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	-	-	-	-	-	-	-	-	-
Planning and development	-	-	-	-	-	-	-	-	-
Road transport	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	27 530	37 290	46 382	55 986	55 986	-	45 784	57 384	69 525
Electricity	-	1 959	-	-	-	-	-	499	1 565
Water	8 178	32 830	45 020	53 623	53 623	-	39 382	40 665	45 000
Waste water management	19 352	2 500	1 362	2 363	2 363	-	4 079	3 536	22 960
Waste management	-	-	-	-	-	-	2 323	12 684	-
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	32 708	38 114	46 924	67 391	69 987	-	59 774	63 867	73 525
Funded by:									
National Government	32 278	36 629	45 020	67 391	69 987	-	57 575	61 705	67 960
Provincial Government	-	-	-	-	-	-	-	-	-
District Municipality	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	1 256	-	-	-	-	-	-	-
Transfers recognised - capital	32 278	37 885	45 020	67 391	69 987	-	57 575	61 705	67 960
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	431	228	1 904	-	-	-	2 198	2 163	5 565
Total Capital Funding	32 708	38 114	46 924	67 391	69 987	-	59 774	63 867	73 525

4.2.6 Table A6 : Budgeted financial position

FS182 Tokologo - Table A6 Budgeted Financial Position

Description	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
ASSETS									
Current assets									
Cash				41 219	1 573		1 573	1 573	1 573
Call investment deposits	56 308	34 065	6 667	68 134	100	–	6 372	6 915	4 281
Consumer debtors	28 910	31 383	12 811	37 973	11 511	–	10 511	9 511	8 311
Other debtors	520	2 730	3 627	3 126	3 126		1 300	1 100	900
Current portion of long-term receivables	–	–							
Inventory	1 339	1 339	1 339	391	391		412	433	455
Total current assets	87 078	69 517	24 445	150 844	16 701	–	20 168	19 533	15 520
Non current assets									
Long-term receivables									
Investments	241	279	269	384	384		384	404	424
Investment property	115	115	115	115	115		1 000	1 000	1 000
Investment in Associate									
Property, plant and equipment	139 377	168 242	221 020	251 767	300 388	–	348 450	406 286	470 820
Agricultural									
Biological	1 527	1 569	1 311		1 053		985	947	1 147
Intangible									
Other non-current assets									
Total non current assets	141 260	170 204	222 716	252 266	301 940	–	350 819	408 637	473 391
TOTAL ASSETS	228 338	239 721	247 161	403 109	318 641	–	370 987	428 170	488 911
LIABILITIES									
Current liabilities									
Bank overdraft	7 818	1 037	4 484						
Borrowing	168	172	127	145	145	–	70	30	–
Consumer deposits		303	320	367	367		386	407	427
Trade and other payables	64 045	38 281	6 632	36 938	2 000	–	2 000	1 500	1 000
Provisions	1 186	1 773	2 138						
Total current liabilities	73 217	41 566	13 702	37 449	2 511	–	2 456	1 937	1 427
Non current liabilities									
Borrowing	507	308	181	184	184	–	89	–	–
Provisions	–	1 747	14 120	–	5 000	–	250	250	250
Total non current liabilities	507	2 055	14 301	184	5 184	–	339	250	250
TOTAL LIABILITIES	73 724	43 621	28 003	37 633	7 695	–	2 795	2 187	1 677
NET ASSETS	154 614	196 100	219 158	365 476	310 946	–	368 192	425 983	487 235
COMMUNITY WEALTH/EQUITY									
Accumulated Surplus/(Deficit)	154 614	196 100	219 158	365 476	310 946		368 192	425 983	487 235
Reserves	–	–	–	–	–	–	–	–	–
Minorities' interests									
TOTAL COMMUNITY WEALTH/EQUITY	154 614	196 100	219 158	365 476	310 946	–	368 192	425 983	487 235

4.2.7 Table A7 : Budgeted cash flows

FS182 Tokologo - Table A7 Budgeted Cash Flows

Description	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Ratepayers and other	9 693	9 608	8 834	16 280	16 280		18 239	20 050	21 698
Government - operating	21 669	29 768	39 975	42 719	41 292		48 385	50 240	53 536
Government - capital	59 270	14 106	21 728	66 855	69 987		57 575	61 705	67 960
Interest	6 640	2 540	1 165				424	455	501
Dividends			2				3	3	3
Payments									
Suppliers and employees	(16 800)	(35 071)	(57 454)	56 460	(128 799)		(64 652)	(68 299)	(70 008)
Finance charges	(101)	(88)	(91)		229		(150)	(158)	(166)
Transfers and Grants									
NET CASH FROM/(USED) OPERATING ACTIVITIES	80 371	20 864	14 158	182 314	(1 010)	-	59 824	63 996	73 525
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	353								
Decrease (increase) in non-current debtors									
Decrease (increase) other non-current receivables									
Decrease (increase) in non-current investments				20 800	500			(20)	(20)
Payments									
Capital assets	(32 949)	(36 629)	(45 020)				(59 774)	(63 867)	(73 525)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(32 596)	(36 629)	(45 020)	20 800	500	-	(59 774)	(63 888)	(73 544)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans									
Borrowing long term/refinancing									
Increase (decrease) in consumer deposits		303	17				19	20	20
Payments									
Repayment of borrowing	(966)						(170)	(129)	
NET CASH FROM/(USED) FINANCING ACTIVITIES	(966)	303	17	-	-	-	(150)	(108)	20
NET INCREASE/ (DECREASE) IN CASH HELD	46 809	(15 463)	(30 845)	203 114	(510)	-	(100)	0	(0)
Cash/cash equivalents at the year begin:	1 682	48 490	33 028		2 183		1 673	1 573	1 573
Cash/cash equivalents at the year end:	48 490	33 028	2 183	203 114	1 673	-	1 573	1 573	1 573

4.2.8 Table A8 : Cash backed reserves / accumulate surplus reconciliation

FS182 Tokologo - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand									
Cash and investments available									
Cash/cash equivalents at the year end	48 490	33 028	2 183	203 114	1 673	-	1 573	1 573	1 573
Other current investments > 90 days	0	0	(0)	(93 761)	-	-	6 372	6 915	4 281
Non current assets - Investments	241	279	269	384	384	-	384	404	424
Cash and investments available:	48 731	33 307	2 452	109 737	2 057	-	8 328	8 892	6 278
Application of cash and investments									
Unspent conditional transfers	47 072	23 293	-	-	-	-	-	-	-
Unspent borrowing	-	-	-	-	-	-	-	-	-
Statutory requirements									
Other working capital requirements	(13 848)	(8 177)	(1 763)	(19 683)	(10 332)	-	(8 106)	(7 580)	(6 890)
Other provisions									
Long term investments committed	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments									
Total Application of cash and investments:	33 224	15 116	(1 763)	(19 683)	(10 332)	-	(8 106)	(7 580)	(6 890)
Surplus(shortfall)	15 507	18 191	4 215	129 420	12 389	-	16 434	16 472	13 168

4.2.9 Table A9 : Asset management

FS182 Tokologo - Table A9 Asset Management

Description	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand									
CAPITAL EXPENDITURE									
Total New Assets	32 708	38 114	46 924	67 391	69 987	-	59 774	63 867	73 525
Infrastructure - Road transport	-	-	-	9 762	12 358	-	10 901	-	-
Infrastructure - Electricity	-	1 959	-	-	-	-	-	-	1 565
Infrastructure - Water	8 178	31 584	45 020	50 943	50 943	-	39 382	40 000	45 000
Infrastructure - Sanitation	19 352	2 500	1 362	2 959	2 959	-	2 944	3 204	22 960
Infrastructure - Other	-	-	-	2 974	2 974	-	1 515	12 518	-
Infrastructure	27 530	36 044	46 382	66 638	69 234	-	54 741	55 721	69 525
Community	3 461	-	-	753	753	-	2 834	5 983	4 000
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	1 717	2 070	542	-	-	-	2 198	2 163	-
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Community	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport	-	-	-	9 762	12 358	-	10 901	-	-
Infrastructure - Electricity	-	1 959	-	-	-	-	-	-	1 565
Infrastructure - Water	8 178	31 584	45 020	50 943	50 943	-	39 382	40 000	45 000
Infrastructure - Sanitation	19 352	2 500	1 362	2 959	2 959	-	2 944	3 204	22 960
Infrastructure - Other	-	-	-	2 974	2 974	-	1 515	12 518	-
Infrastructure	27 530	36 044	46 382	66 638	69 234	-	54 741	55 721	69 525
Community	3 461	-	-	753	753	-	2 834	5 983	4 000
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	1 717	2 070	542	-	-	-	2 198	2 163	-
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	32 708	38 114	46 924	67 391	69 987	-	59 774	63 867	73 525
ASSET REGISTER SUMMARY - PPE (WDV)									
Infrastructure - Road transport	20 293	20 293	20 293	30 055	32 651	-	41 610	43 157	43 157
Infrastructure - Electricity	9 531	9 531	9 531	-	-	-	-	-	-
Infrastructure - Water	33 655	60 068	98 616	138 020	184 045	-	216 863	251 951	291 425
Infrastructure - Sanitation	53 571	56 620	57 981	60 344	60 344	-	62 798	65 608	85 748
Infrastructure - Other	-	-	12 895	-	-	-	-	10 981	10 981
Infrastructure	117 049	146 511	199 316	228 420	277 041	-	321 271	371 696	431 310
Community	5 110	5 062	4 946	5 699	5 699	-	8 185	13 434	13 434
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	115	115	115	115	115	-	1 000	1 000	1 000
Other assets	17 218	16 668	16 758	17 648	17 648	-	18 993	21 156	26 077
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	1 527	1 569	1 311	-	1 053	-	985	947	1 147
Intangibles	-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WD)	141 019	169 925	222 447	251 882	301 556	-	350 435	408 233	472 967
EXPENDITURE OTHER ITEMS									
Depreciation & asset impairment	255	849	1 382	532	532	-	4 147	7 353	10 712
Repairs and Maintenance by Asset Class	2 527	3 260	-	2 704	4 955	-	4 062	4 277	4 487
Infrastructure - Road transport	683	8	-	150	150	-	-	-	-
Infrastructure - Electricity	-	573	-	750	2 150	-	750	790	828
Infrastructure - Water	146	46	-	80	80	-	40	42	44
Infrastructure - Sanitation	-	-	-	10	300	-	500	527	552
Infrastructure - Other	1	2	-	20	20	-	-	-	-
Infrastructure	830	629	-	1 010	2 700	-	1 290	1 358	1 425
Community	97	210	-	171	171	-	50	53	55
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	2	-	20	20	-	-	-	-
Other assets	1 599	2 419	-	1 503	2 064	-	2 722	2 866	3 006
TOTAL EXPENDITURE OTHER ITEMS	2 782	4 109	1 382	3 236	5 487	-	8 208	11 630	15 199
Renewal of Existing Assets as % of total capex	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Renewal of Existing Assets as % of deprecn"	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M as a % of PPE	1.8%	1.9%	0.0%	1.1%	1.6%	0.0%	1.2%	1.1%	1.0%
Renewal and R&M as a % of PPE	2.0%	2.0%	0.0%	1.0%	2.0%	0.0%	1.0%	1.0%	1.0%

4.2.10 Table SA36 : Capital Budget

FS182 Tokologo - Supporting Table SA36 Detailed capital budget

Table S16: Detailed Capital Budget															
Municipal Vote/Capital project R thousand	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No) 6	Asset Class 3	Asset Sub-Class 3	GPS co-ordinates 5	Total Project Estimate	Prior year outcomes		2012/13 Medium Term Revenue & Expenditure Framework			Project information	
									Audited Outcome 2010/11	Current Year 2011/12 Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Ward location	New or renewal
Parent municipality: <i>List all capital projects grouped by Municipal Vote</i>															
	Dealesville/Tshwaraganang: Installation of 3000 m wall	S0372/W09/09									50			Ward 1	
	Boschof/Serebe: Installation of 3000 m wall	S0374/W09/09									15			Ward 2	
	Dealesville/Tshwaraganang: Installation of 3000 m wall	S0865/W11/12									2 317			Ward 1	
	Upgrading of Stadium Serebe	S0891/CF11/13									2 834			Ward 2	Renewal
	Dealesville/Tshwaraganang: Upgrading of 20m Pavement Roads	S0892/W12/13									2 944			Ward 1	
	Serebe Provision of 20m Pavement Roads	J9900R, ST/12/14									10 901			Ward 2	
	Upgrading of Landfill Site in Boschof, Dealesville & Hertzogville										1 563			Ward 1 - Ward 4	Renewal
Parent Capital expenditure											20 624	-	-		
Entities: <i>List all capital projects grouped by Entity</i>															
Entity A Water project A															
Entity B Electricity project B															
Entity Capital expenditure										-	-	-	-	-	
Total Capital expenditure										-	-	20 624	-	-	

5 Budget Process Overview

5.1 Background

Integrated Development Planning is a process through which municipalities prepare a strategic development plan which extends over a five-year period. The Integrated Development Plan (IDP) is a product of the IDP process. The Tokologo Local Municipality (TLM) IDP is the principal strategic planning instrument which guides and informs all planning, budgeting, management and decision-making processes in the municipality. Through Integrated Development Planning which necessitates the involvement of all relevant stakeholders, a municipality:

- Identifies its key development priorities;
- Formulates a clear vision, mission and values;
- Formulates appropriate strategies;
- Develops the appropriate organisational structure and systems to realise the vision and mission; and
- Aligns resources with the developmental priorities.

In terms of the Municipal Systems Act, all municipalities have to undertake an IDP process to produce IDPs. As the IDP is a legislative requirement it has a legal status and supersedes all other plans that guide development at local government level.

In a nutshell, the IDP process entails an assessment of the existing level of development and the identification of key development priorities. The vision and mission statements for the long-term development flow from the aforesaid, with specific reference to critical developmental and internal transformational needs. The development strategies and objectives will be directed at bridging the gap between the existing level of development and the vision and mission. A very critical phase of the IDP process is to link planning to the municipal budget (i.e. allocation of internal or external funding to the identified projects); because this will ensure that the IDP directs the development and implementation of projects.

During the past ten years TLM has made significant strides in ensuring that there is noticeable improvement in the infrastructure development and we have made definite progress in enabling the people of this region to enjoy the fruits of liberation and democracy. We have seen substantial improvements made in providing, building houses, electrification programmes, providing sanitation and that the bucket system can be fully eradicated. We have laid a solid foundation and are on course to improving the lives of our communities. As we celebrate the change in our communities, we are also aware of the many challenges we still face. Our fight against poverty and underdevelopment will be further intensified. Our responsibility as a sphere of government is to ensure that the quality of life of all who live and work in Tokologo is improved. We will continue to engage in both progressive and meaningful discussions with our communities to shape a clear path from which governance and development will draw guidance and direction. The council will continue to pursue and encourage community participation programmes, to ensure that our plans are in line with community needs.

We have a responsibility to contribute to the process of transforming the lives of our people from the conditions of abject poverty and underdevelopment. In our fight against poverty and underdevelopment, we are committed to ensuring that equitable service delivery becomes the norm in Tokologo. For this reason TLM has to focus inter alia, on the following:

- Build sustainable communities by paying special attention to service delivery, human settlements, environment and safety;
- Develop infrastructure to equalise services upgrade and ensure accessibility and unity in Tokologo;
- Grow the economy to be linked with the national and provincial economies, empower the people of the region and build required skills; and
- Developing and implementing integrated plans and strategies for economic and social development; service delivery; infrastructure development; provision of basic services; human development; safety and security; participatory governance; youth development; women empowerment; building integrated and sustainable communities and protection of the environment.

REVIEW OF THE BUDGET PROCESS

- Council approved the budget timetable during August 2011
- Budget Timetable not 100% followed throughout the process, and thus there were gaps in the statistical information.
- Draft budget not submitted in the prescribed format. Also a challenge to comply with budget formats due to submitted GRAP not yet implemented.
- Key target dates met:-
 - Draft Budget and Draft IDP submitted to Council on 31 March 2012 - Draft IDP referred back – Draft Budget approved
 - Process of community consultation in progress - additional community meetings to be held during April/May 2012
 - Final budget will be submitted on 31 May 2012

Public Consultation and Planning

The TLM is striving to deepen the democratic process of governance in Tokologo. Community-Based Planning (CBP) is one of the initiatives identified to achieve this objective. CBP is a planning and implementation process that provides a platform for the communities to engage in interactive participation in planning and decision-making for implementation in their wards.

The municipal planning system, as elaborated in the Municipal Systems Act, 2000, has been formulated to play a critical role in determining how resources are allocated, especially the budgets of the municipality. Our experience over the past few years has clearly demonstrated that unless the community, especially the poor, can influence these budgets, the ability to promote sustainability, a key priority of our IDP, will be limited, as will be the impact of our local democracy.

6 Alignment of Budget with Integrated Development Plan

The IDP contains information on developmental needs submitted by the community that may not be covered in the Budget. There should not be an expectation that everything contained in the IDP is funded. There are numerous needs submitted that are not the responsibility of the TLM, but that of either the National or Provincial governments. However, these inputs will be analysed and discussed with stakeholders such as government departments, ward committees, CDW NGO's and private sector to refine what can be implemented. The funding process is based on the priorities identified in the IDP, as shown in the relevant tables in this document. As such the IDP and budget are not completely aligned as prescribed by circular 59. However the aligning process should be finalised by end May 2012.

7 Budget Related Policies Overview and Amendments

One of the reasons for the municipality struggling to collect revenue is that the current economic conditions especially for this community. Poverty and unemployment rates are quite high in this community, and thus credit control and debt collection policy cannot be applied in full. This results in the municipality not being able to vigorously implement the revenue enhancement strategy and not being able to disconnect defaulters without having to face being challenged in court or riots. A door to door campaign will be undertaken by the municipality to curb high un- collectability rates and to ensure that the indigents register can be updated to include more of the community. The indigent policy is being reviewed and when the budget process is finalised, this policy should be final as well and could then create an opportunity to include more of the community.

Section 18 of the Municipal Finance Management Act (MFMA) states that the Budget can only be funded by realistically anticipated revenue to be collected, and cash-backed accumulated funds from previous years, which was not committed for other purposes. Furthermore, National Treasury Circular 59 stipulates that the Budget be managed in a full accrual manner reflecting a transparent budget and accounting system approach. The MFMA further requires the municipality to adopt and implement a tariff policy. Council has approved for public participation policies for main services provided by the municipality, which are attached as annexures to this document. Council is required to adopt budgetary provisions based on realistic anticipated revenue for the budget year from each revenue source as per the requirements of the MFMA (Chapter 4, 17 (1) (a) and (3) (b)).

The overview is attached as Annexure C:

Council notes that the review of other financial policies is subject to a project to be launched internally from generic policies to be tailor-made for the implementation by the Municipality in the new financial year.

8 Budget Assumptions

8.1 National Treasury provided guidance in MFMA Circular No. 59 issued in terms of Municipal Finance Management Act No. 56 of 2003 regarding inflation:-

Fiscal year	2010/11 Actual	2011/12 Estimate	2012/13	2013/14 Forecast	2014/15
Headline CPI Inflation	3.8%	5.7%	5.9%	5.3%	4.9%

8.2 The inflation rate to be used for calculating wage increases

The period of the *SALGA Salary and Wage Collective Agreement 2009/10 to 2011/2012 has to an end. In the absence of other information from the South African Local Government Bargaining Council, municipalities are advised to budget for a 5 per cent cost-of-living increase adjustment*, to be implemented with effect from July 2012 (in-line with the increase in the 2012 MTBPS).

NT benchmark as per Circular 59 5.0%

Consequently, National Treasury suggests that municipalities use 5.0 per cent as a benchmark for determining wage increase for the 2012/13 financial year. Note that Municipal Managers and those employees appointed as managers directly accountable to the Municipal Managers in terms of Section 57(6) if the Municipal Systems Act 32 of 2000 are excluded from the collective agreement. The municipality must still undertake a process of bringing parity regarding section 57 manager salaries. Other Municipalities of a similar size should be used as a benchmark.

8.3 Eskom's increase for the period 1 July 2012 to 30 June 2013 for bulk electricity is 13.5 per cent. The suggested tariff increase for municipalities during 2012/2013 is 11.03 per cent, which was applied by the municipality in setting the prices. These are not cast in stone and might change, depending on NERSA's approval.

8.4 Electricity tariff increase
NERSA provided a guide to determining proper tariff increases, however these calculation would be impractical to implement as the municipality has not kept proper statistical data to facilitate this process. It was therefore decided that the base increase of 11.03% will be applied over the prior year's revenues. Although this is not ideal as the municipality is subsidising the purchase of electricity from own funds and will result in non-achievement of breaking even. Endeavours are underway to ensure that there is improvement in the collection and maintenance of statistical data and that the formula guides by NERSA can be applied. The services accounts will be ring-fenced for better price setting and to monitor performance for each service.

8.5 Collection rates

In accordance with relevant legislation and national directives, revenue recovery rates are based on realistic and sustainable trends. Tokologo's collection rate is set at an average of 60% but the intention is to increase it to between 65% - 70% for the forthcoming year. It is based on a combination of actual rates achieved to date and estimated outcomes of the current financial period.

9 Funding the Budget (including fiscal overview and sources of funding)

9.1 FUNDING OF THE CAPITAL BUDGET

The 2012/2013 capital budget amounts to approximately R59.8million. External grants of R57.6 million as well as R2.2 million generated internally from VAT refunds under statement of financial position budget funding the Capital Budget.

9.2 FUNDING OF THE OPERATING BUDGET

The Operating Budget is funded from the following main sources:

- Assessment Rates;
- Tariffs levied for Services, i.e. Electricity, Water, Sewerage and Refuse Collection; and
- Operating Grants and Subsidies.

Assessment Rates.

The municipality has not reviewed the valuation roll for the last three years and as such the rates being levied are not the most up to date rates. This is clearly in contravention with MPRA which requires that there must a review yearly. However endeavors are underway to remedy the non-compliance with MPRA and this should be complete during 2012/13. During the 2012/2013 financial year the municipality will complete the process to implement a valuation roll compiled in accordance with the MPRA with effect from 1 July 2012. This included completing the valuation of all properties, including agricultural and the mines, developing and publishing a property rates policy and by-law and approving a new tariff.

This has associated cost implications to redo a new valuation roll with a new valuation date and new values. Property owners may also be faced with possible higher property values as the new date of valuation will be fixed at a later date.

The phase-ins have been completed during the 2011/12 financial year and should therefore not have a major impact on the implementation of the revised rates.

Electricity

Guidelines for the bulk electricity tariff increase to be implemented by municipalities were issued by National Treasury in Circular 59 as being 13.5%. This increase, together with increases in expenditure on Salaries and Wages, Repairs and Maintenance, contributions to the Rate Account would generally require the electricity tariffs to increase by an average higher than the envisaged 11.03 however due to reasons explained previously it will be limited to the 11.03% proposed by NERSA.

Sundry tariffs

Sundry tariffs which include, cemetery fees, games fees, pound fees, dog licenses, halls, clearance certificates will be increased by 5.9%.

Water

The Tokologo water tariffs are not rendered cost efficiently, as the costs must be appropriately calculated and related rates determined. A strategy session will be undertaken during May 2012 to discuss pricings and how cost effective tariffs settings can be sought.

Refuse

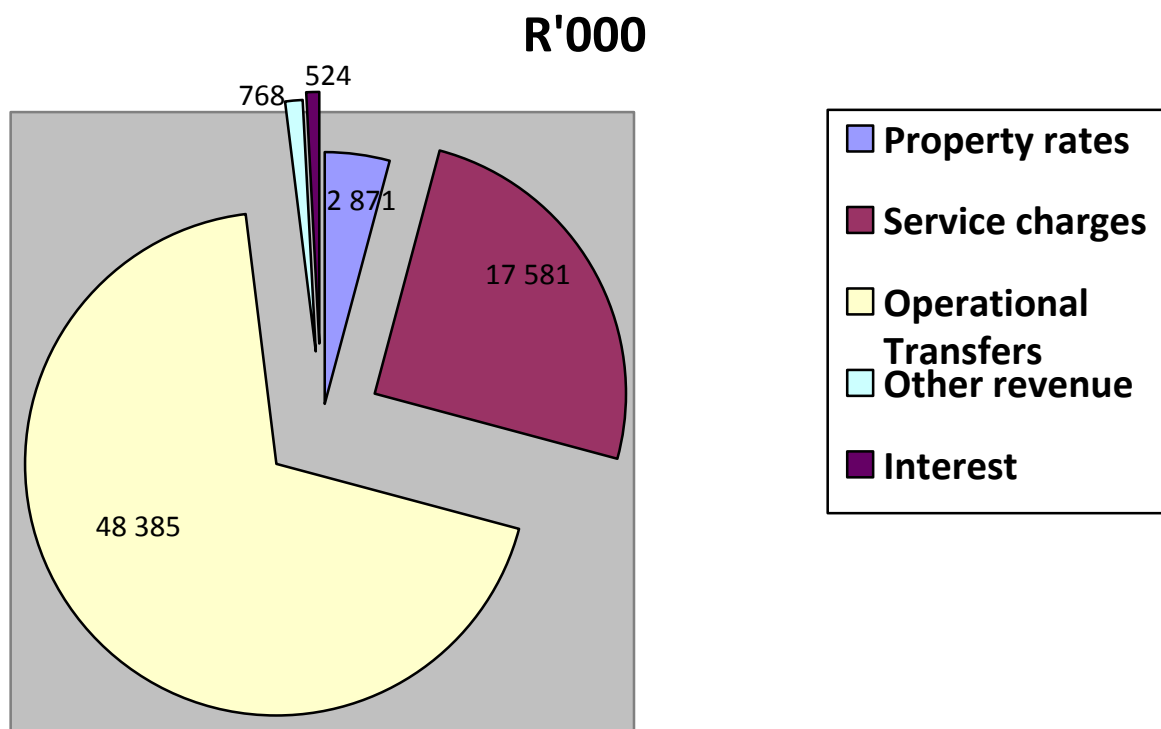
Refuse tariffs to increase by 5.9%.

Sewer

Sewerage tariffs to increase with 5.9% although it costs more to service due to water consumption but the proper increases will be appropriately considered in the out years.

Operating Grants and Subsidies

National Government allocates grants to the Municipality to subsidise operational activities. The revenue received in the form of the Equitable Share Grant has increased significantly over the past year from R 38,552,000 to R 43,058,000. The Financial Management Grant also increased from R1,450,000 to R1,500,000 and the Municipal Systems Improvement Grant from R790,000 to R800,000. A breakdown of main revenue sources is set out below.



10 Annual budgets and service delivery and budget implementation plans – internal departments

In terms of Section 53 (1) (c) (ii) of the Municipal Finance Management Act, the Service Delivery and Budget Implementation Plan (SDBIP) is defined as a detailed plan approved by the mayor of a municipality for implementing its delivery of municipal services and its annual budget, and which must indicate the following –

- (a) Monthly projections of –
 - (i) Revenue to be collected, by source, and
 - (ii) Operational and capital expenditure, by vote.
- (b) Service delivery targets and performance indicators for each quarter, and
- (c) Other matters prescribed.

The Honourable Mayor, in accordance with Section 53 of the MFMA, is expected to approve the SDBIP within 28 days after the approval of the Budget. In addition, the Honourable Mayor must ensure that the revenue and expenditure projections for each month and the service delivery targets and performance indicators as set out in the SDBIP are made public within 14 days after its approval.

The SDBIP gives effect to the Integrated Development Plan and the Budget of the municipality. It is an expression of the objectives of the Council in quantifiable outcomes which will be implemented by the administration for the financial period from 1 July 2012 to 30 June 2013 (the financial year). It includes the service delivery targets and performance indicators for each quarter, which should be linked to the performance agreements of senior management. It therefore facilitates oversight of financial and non-financial performance of the municipality, and allows the Municipal Manager to monitor the performance of the Section 57 Managers, the Mayor/Council to monitor the performance of the Municipal Manager, and the community to monitor the performance of the Council.

The SDBIP for the 2012/2013 financial year will be approved by the Mayor before 30 June 2012 following approval of the Budget.

FS182 Tokologo - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

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FS182 Tokologo - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	1 184	1 130	1 048	1 396	1 332		1 399	1 473	1 545
Pension and UIF Contributions	11	10							
Medical Aid Contributions									
Motor Vehicle Allowance	394	377	349	586	444		466	491	515
Cellphone Allowance	86	109	100		204		126	133	139
Housing Allowances			1 048						
Other benefits and allowances									
Sub Total - Councillors	1 674	1 626	2 545	1 982	1 981	-	1 991	2 097	2 199
% increase		(2.9%)	56.5%	(22.1%)	(0.1%)	(100.0%)	-	5.3%	4.9%
Senior Managers of the Municipality									
Basic Salaries and Wages	1 065	1 280	1 619	2 627	2 627		2 119	2 231	2 340
Pension and UIF Contributions	5	6	6				6	7	7
Medical Aid Contributions									
Overtime									
Performance Bonus				219	219				
Motor Vehicle Allowance	192	230	372				421	444	465
Cellphone Allowance									
Housing Allowances	36	46	36				24	25	27
Other benefits and allowances									
Payments in lieu of leave									
Long service awards									
Post-retirement benefit obligations									
Sub Total - Senior Managers of Municipality	1 298	1 561	2 033	2 846	2 846	-	2 570	2 706	2 839
% increase		20.3%	30.2%	40.0%	-	(100.0%)	-	5.3%	4.9%
Other Municipal Staff									
Basic Salaries and Wages	9 297	10 457	13 422	16 218	14 562		15 462	16 282	17 079
Pension and UIF Contributions	1 947	2 100	1 470	2 010	2 395		2 343	2 467	2 588
Medical Aid Contributions	-	657	666	474	820		1 209	1 273	1 335
Overtime	338	395	452		152		394	415	435
Performance Bonus	568	757	791		710		1 171	1 233	1 294
Motor Vehicle Allowance	1 678	832	1 066	328	1 170		187	197	207
Cellphone Allowance	-	-	-		5				
Housing Allowances	-	19	-	29	29		22	23	25
Other benefits and allowances	-	19	53	1 043	1 166		648	682	715
Payments in lieu of leave	-	583	378						
Long service awards	-	-	-						
Post-retirement benefit obligations	-	-	-						
Sub Total - Other Municipal Staff	13 828	15 817	18 297	20 101	21 008	-	21 436	22 572	23 678
% increase		14.4%	15.7%	9.9%	4.5%	(100.0%)	-	5.3%	4.9%
Total Parent Municipality	16 800	19 005	22 874	24 929	25 835	-	25 997	27 375	28 717
		13.1%	20.4%	9.0%	3.6%	(100.0%)	-	5.3%	4.9%
Board Members of Entities									
Basic Salaries and Wages									
Pension and UIF Contributions									
Medical Aid Contributions									
Overtime									
Performance Bonus									
Motor Vehicle Allowance									
Cellphone Allowance									
Housing Allowances									
Other benefits and allowances									
Board Fees									
Payments in lieu of leave									
Long service awards									
Post-retirement benefit obligations									
Sub Total - Board Members of Entities	-	-	-	-	-	-	-	-	-
% increase									
Senior Managers of Entities									
Basic Salaries and Wages									
Pension and UIF Contributions									
Medical Aid Contributions									
Overtime									
Performance Bonus									
Motor Vehicle Allowance									
Cellphone Allowance									
Housing Allowances									
Other benefits and allowances									
Payments in lieu of leave									
Long service awards									
Post-retirement benefit obligations									
Sub Total - Senior Managers of Entities	-	-	-	-	-	-	-	-	-
% increase									
Other Staff of Entities									
Basic Salaries and Wages									
Pension and UIF Contributions									
Medical Aid Contributions									
Overtime									
Performance Bonus									
Motor Vehicle Allowance									
Cellphone Allowance									
Housing Allowances									
Other benefits and allowances									
Payments in lieu of leave									
Long service awards									
Post-retirement benefit obligations									
Sub Total - Other Staff of Entities	-	-	-	-	-	-	-	-	-
% increase									
Total Municipal Entities	-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS	16 800	19 005	22 874	24 929	25 835	-	25 997	27 375	28 717
% increase		13.1%	20.4%	9.0%	3.6%	(100.0%)	-	5.3%	4.9%
TOTAL MANAGERS AND STAFF	15 126	17 379	20 329	22 948	23 854	-	24 006	25 279	26 517

FS182 Tokologo - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers				Current Year 2011/12			Budget Year 2012/13		
Number	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities									
Councillors (Political Office Bearers plus Other Councillors)							8	1	7
Board Members of municipal entities									
Municipal employees									
Municipal Manager and Senior Managers							4		4
Other Managers							10	10	
Professionals	144	139	5	155	151	4	159	154	5
<i>Finance</i>	22	17	5	33	29	4	37	32	5
<i>Spatial/town planning</i>									
<i>Information Technology</i>									
<i>Roads</i>	42	42		42	42		42	42	
<i>Electricity</i>									
<i>Water</i>	7	7		7	7		7	7	
<i>Sanitation</i>	43	43		43	43		43	43	
<i>Refuse</i>	30	30		30	30		30	30	
<i>Other</i>									
Technicians	10	10	-	15	15	-	15	15	-
<i>Finance</i>									
<i>Spatial/town planning</i>									
<i>Information Technology</i>									
<i>Roads</i>									
<i>Electricity</i>									
<i>Water</i>									
<i>Sanitation</i>									
<i>Refuse</i>									
<i>Other</i>	10	10		15	15		15	15	
Clerks (Clerical and administrative)									
Service and sales workers									
Skilled agricultural and fishery workers									
Craft and related trades									
Plant and Machine Operators									
Elementary Occupations									
TOTAL PERSONNEL NUMBERS	154	149	5	170	166	4	196	180	16
% Increase				10.4%	11.4%	(20.0%)	15.3%	8.4%	300.0%
Total municipal employees headcount									
Finance personnel headcount							34	32	2
Human Resources personnel headcount							6	5	1

12 Monthly Performances by Source

FS182 Tokologo - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue By Source																
Property rates		239	239	239	239	239	239	239	239	239	239	239	239	2 871	3 370	3 535
Property rates - penalties & collection charges														-	-	-
Service charges - electricity revenue		925	925	925	925	925	925	925	925	925	925	925	925	11 105	12 330	13 690
Service charges - water revenue		99	99	99	99	99	99	99	99	99	99	99	99	1 191	1 255	1 316
Service charges - sanitation revenue		267	267	267	267	267	267	267	267	267	267	267	267	3 209	3 380	3 545
Service charges - refuse revenue		173	173	173	173	173	173	173	173	173	173	173	173	2 076	2 186	2 293
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		21	21	21	21	21	21	21	21	21	21	21	21	251	264	277
Interest earned - external investments		35	35	35	35	35	35	35	35	35	35	35	35	424	455	501
Interest earned - outstanding debtors		8	8	8	8	8	8	8	8	8	8	8	8	100	105	110
Dividends received														3	3	3
Fines														80	84	88
Licences and permits														-	-	-
Agency services														-	-	-
Transfers recognised - operational		21 446				15 044				11 397			499	48 385	50 240	53 536
Other revenue		36	36	36	36	36	36	36	36	36	36	36	36	434	457	480
Gains on disposal of PPE														-	-	-
Total Revenue (excluding capital transfers and contributions)		23 251	1 805	1 805	1 805	16 849	1 805	1 805	1 805	13 202	1 805	1 805	2 387	70 129	74 128	79 374
Expenditure By Type																
Employee related costs		2 001	2 001	2 001	2 001	2 001	2 001	2 001	2 001	2 001	2 001	2 001	2 001	24 006	25 279	26 517
Remuneration of councillors		166	166	166	166	166	166	166	166	166	166	166	166	1 991	2 097	2 199
Debt impairment		262	262	262	262	262	262	262	262	262	262	262	262	3 144	3 311	3 473
Depreciation & asset impairment		135	135	135	135	135	135	135	135	135	135	135	2 660	4 147	7 353	10 712
Finance charges		13	13	13	13	13	13	13	13	13	13	13	13	150	158	166
Bulk purchases		1 040	1 040	1 040	1 040	1 040	1 040	1 040	1 040	1 040	1 040	1 040	1 040	12 485	14 170	16 083
Other materials		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services		1 005	1 005	1 005	1 005	1 005	1 005	1 005	1 005	1 005	1 005	1 005	1 005	12 062	12 539	13 154
Transfers and grants		68	68	68	68	68	68	68	68	68	68	68	68	810	853	895
Other expenditure		972	972	972	972	972	972	972	972	972	972	972	972	11 664	12 282	12 884
Loss on disposal of PPE														-	-	-
Total Expenditure		5 661	5 661	5 661	5 661	5 661	5 661	5 661	5 661	5 661	5 661	5 661	8 186	70 459	78 041	86 083
Surplus/(Deficit)		17 590	(3 856)	(3 856)	(3 856)	11 188	(3 856)	(3 856)	(3 856)	7 541	(3 856)	(3 856)	(5 800)	(330)	(3 913)	(6 708)
Transfers recognised - capital		11 725	3 083	3 083	3 083	9 873	3 083	3 083	3 083	8 227	3 083	3 083	3 083	57 575	61 705	67 960
Contributions recognised - capital														-	-	-
Contributed assets														-	-	-
Surplus/(Deficit) after capital transfers & contributions		29 314	(773)	(773)	(773)	21 061	(773)	(773)	(773)	15 768	(773)	(773)	(2 716)	57 245	57 792	61 251
Taxation														-	-	-
Attributable to minorities														-	-	-
Share of surplus/ (deficit) of associate														-	-	-
Surplus/(Deficit)	1	29 314	(773)	(773)	(773)	21 061	(773)	(773)	(773)	15 768	(773)	(773)	(2 716)	57 245	57 792	61 251

FS182 Tokologo - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

CS182 Tokologo - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)																		
Description		Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework			
R thousand			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	
Revenue by Vote																		
Vote 1 - COUNCIL GENERAL			2 786				2 189			1 659				-	6 634	5 572	5 982	
Vote 2 - MUNICIPAL MANAGER			2 458				1 931			1 463				-	5 851	6 282	6 744	
Vote 3 - FINANCIAL SERVICES			6 433	43	43	43	3 257	43	43	43	2 478	43	43	542	13 054	13 877	14 527	
Vote 4 - ASSESSMENT RATES			2	2	1 725	130	130	130	130	130	130	130	130	130	2 896	3 396	3 563	
Vote 5 - CORPORATE SERVICES			1 430				1 124			851				-	3 405	3 656	3 925	
Vote 6 - COMMUNITY AND SOCIAL SERVICES			1 700	60	60	60	1 349	60	60	1 036	60	60	60	60	4 622	4 947	5 293	
Vote 7 - TECHNICAL SERVICES			1 809	0	0	0	1 421	0	0	1 077	0	0	13 685	17 993	10 586	4 924		
Vote 8 - ELECTRICITY			3 189	928	928	928	2 704	928	928	928	2 274	928	928	928	16 518	18 141	19 927	
Vote 9 - WATER			1 035	99	99	99	835	99	99	657	99	99	39 481	42 803	43 649	48 886		
Vote 10 - WASTE WATER MANAGEMENT			1 231	267	267	267	1 025	267	267	267	841	267	267	3 211	8 448	9 047	29 150	
Vote 11 - SOLID WASTE MANAGEMENT			946	173	173	173	780	173	173	173	633	173	173	1 736	5 479	16 679	4 414	
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			23 019	1 573	3 296	1 700	16 744	1 700	1 700	1 700	13 097	1 700	1 700	59 773	127 704	135 833	147 334	
Expenditure by Vote to be appropriated																		
Vote 1 - COUNCIL GENERAL			382	382	382	382	382	382	382	382	382	382	382	382	4 585	5 104	5 366	
Vote 2 - MUNICIPAL MANAGER			469	469	469	469	469	469	469	469	469	469	469	469	5 626	5 763	6 216	
Vote 3 - FINANCIAL SERVICES			1 277	1 277	1 277	1 277	1 277	1 277	1 277	1 277	1 277	1 277	1 277	1 277	15 324	15 400	16 028	
Vote 4 - ASSESSMENT RATES			44	44	44	44	44	44	44	44	44	44	44	44	527	555	582	
Vote 5 - CORPORATE SERVICES			285	285	285	285	285	285	285	285	285	285	285	285	3 421	3 602	3 778	
Vote 6 - COMMUNITY AND SOCIAL SERVICES			409	409	409	409	409	409	409	409	409	409	409	409	4 911	5 252	5 408	
Vote 7 - TECHNICAL SERVICES			337	337	337	337	337	337	337	337	337	337	337	337	938	4 649	5 248	
Vote 8 - ELECTRICITY			1 387	1 387	1 387	1 387	1 387	1 387	1 387	1 387	1 387	1 387	1 387	1 387	16 638	18 640	20 843	
Vote 9 - WATER			295	295	295	295	295	295	295	295	295	295	295	2 022	5 266	7 261	9 655	
Vote 10 - WASTE WATER MANAGEMENT			456	456	456	456	456	456	456	456	456	456	456	585	5 596	6 091	8 940	
Vote 11 - SOLID WASTE MANAGEMENT			321	321	321	321	321	321	321	321	321	321	321	389	3 917	5 125	4 273	
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			5 661	5 661	5 661	5 661	5 661	5 661	5 661	5 661	5 661	5 661	5 661	8 186	70 459	78 041	86 083	
Surplus/(Deficit) before assoc.			17 358	(4 088)	(2 366)	(3 961)	11 083	(3 961)	(3 961)	(3 961)	7 436	(3 961)	(3 961)	51 587	57 245	57 792	61 251	
Taxation															-	-	-	
Attributable to minorities															-	-	-	
Share of surplus/ (deficit) of associate															-	-	-	
Surplus/(Deficit)			1	17 358	(4 088)	(2 366)	(3 961)	11 083	(3 961)	(3 961)	(3 961)	7 436	(3 961)	(3 961)	51 587	57 245	57 792	61 251

13 Measurable Performance Objectives (revenue source and Vote)

FS182 Tokologo - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - COUNCIL GENERAL	Vote 2 - MUNICIPAL MANAGER	Vote 3 - FINANCIAL SERVICES	Vote 4 - ASSESSMEN T RATES	Vote 5 - CORPORATE SERVICES	Vote 6 - COMMUNITY AND SOCIAL SERVICES	Vote 7 - TECHNICAL SERVICES	Vote 8 - ELECTRICIT Y	Vote 9 - WATER	Vote 10 - WASTE WATER MANAGEMENT	Vote 11 - SOLID WASTE MANAGEMENT	Vote 12 - [NAME OF VOTE 12]	Vote 13 - [NAME OF VOTE 13]	Vote 14 - [NAME OF VOTE 14]	Vote 15 - [NAME OF VOTE 15]	Total
R thousand	1																
Revenue By Source																	
Property rates					2 871												2 871
Property rates - penalties & collection charges																	-
Service charges - electricity revenue									11 105								11 105
Service charges - water revenue										1 191							1 191
Service charges - sanitation revenue											3 209						3 209
Service charges - refuse revenue												2 076					2 076
Service charges - other																	-
Rental of facilities and equipment							251										251
Interest earned - external investments				424													424
Interest earned - outstanding debtors				75													100
Dividends received				3													3
Fines							80										80
Licences and permits																	-
Agency services																	-
Other revenue				14			385	3	30	1		1					434
Transfers recognised - operational		6 634	5 851	12 539		3 405	3 906	4 303	5 383	2 229	2 295	1 839					48 385
Gains on disposal of PPE																	-
Total Revenue (excluding capital transfers and contributions)		6 634	5 851	13 054	2 896	3 405	4 422	4 306	16 518	3 421	5 504	3 916	-	-	-	-	70 129
Expenditure By Type																	
Employee related costs		536	2 433	3 465		1 713	3 562	3 778	1 107	836	3 488	3 088					24 006
Remuneration of councillors		1 991															1 991
Debt impairment					507				1 666	179	481	311					3 144
Depreciation & asset impairment		114	9	326	-	-	741	104	1 728	454	576	95					4 147
Finance charges				150													150
Bulk purchases									11 350	1 135							12 485
Other materials																	-
Contracted services		171	2 210	9 915		1 150	785	110	1 830	481	610	101					17 362
Transfers and grants									10	550	170	80					810
Other expenditure		1 842	979	1 666	20	557	274	119		182	493	232					6 364
Loss on disposal of PPE																	-
Total Expenditure		4 655	5 631	15 522	527	3 421	5 362	4 111	17 690	3 816	5 818	3 907	-	-	-	-	70 459
Surplus/(Deficit)		1 980	220	(2 468)	2 370	(15)	(740)	196	(1 173)	(395)	(313)	9	-	-	-	-	(330)
Transfers recognised - capital								13 735		39 382	2 944	1 515					57 575
Contributions recognised - capital																	-
Contributed assets																	-
Surplus/(Deficit) after capital transfers & contributions		1 980	220	(2 468)	2 370	(15)	(740)	13 930	(1 173)	38 987	2 630	1 524	-	-	-	-	57 245

14 Municipal Manager's Quality Certification

I, **Adv. L.M.A. Mofokeng**, Accounting Officer of the Tokologo Local Municipality hereby certify that the draft budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act 56 of 2003 and the regulations made under the Act, except where information was not readily available, those schedules would be incomplete, and that the adjustment budget and supporting documents are consistent with the Integrated Development Plan of the municipality where possible.

Signature

Adv. L.M.A. Mofokeng
Accounting Officer
Tokologo Local Municipality (FS182)

Date

Annexure A

Summary of key issues – MFMA Circular 55, 58, 59

Circular 55

There is no legal requirement that the operating budget (i.e. the Financial Performance Budget as reflected in Tables A2, A3 and A4) of a municipality must be balanced or be in surplus.

Section 18 of the MFMA requires that an annual budget must be „funded“, and identifies three possible funding sources: (a) realistically anticipated revenues to be collected, (b) cash-backed accumulated funds from previous years“ surpluses not committed for other purposes, and (c) borrowed funds, but only for the capital budget. The Municipal Budget and Reporting Regulations prescribe budget Tables A7 and A8 which, if completed correctly by the municipality, provide most of the information required to evaluate whether a municipality’s operating and capital budgets are “funded” or not:

Circular 58 & 59

Key focus areas

1. Taking the 2011 Local Government and Expenditure Review forward

- i. **Revenue management** - To ensure the collection of revenues, municipalities need to ensure that billing systems are accurate, send out accounts to residents and follow up to collect revenues owed.
- ii. **Collecting outstanding debts** - This requires political commitment, sufficient administrative capacity, and pricing policies that ensure that bills are accurate and affordable, especially for poor households.
- iii. **Pricing services correctly** - The full cost of services should be reflected in the price charged to residents who can afford to pay. Many municipalities offer overly generous subsidies and rebates that result in services being run at a loss, resulting in funds being diverted away from other priorities.
- iv. **Underspending on repairs and maintenance** - Often seen as a way to reduce spending in the short term, underspending on maintenance can shorten the life of assets, increase long-term maintenance and refurbishment costs, and cause a deterioration in the reliability of services.
- v. **Spending on non-priorities** - Many municipalities spend significant amounts on non-priority items including unnecessary travel, luxury furnishings, excessive catering and unwarranted public relations projects. Consultants are often used to perform routine tasks.

2. National priority – creating decent employment opportunities

Creating decent employment opportunities remains a national priority. In drafting their 2012/13 budgets and MTREFs all municipalities are urged to continue to explore opportunities to mainstream labour intensive approaches to delivering services, and more particularly to participate fully in the Extended Public Works Programme.

Municipalities should not just employ more people without any reference to the level of staffing required to deliver effective services, and what is financially sustainable over the medium term. The municipality ought to focus on maximizing its contribution to job creation by:

- National priority – creating decent employment opportunities
- Ensuring that service delivery and capital projects use labour intensive methods wherever appropriate;

- Ensuring that service providers use labour intensive approaches;
- Supporting labour intensive LED projects;
- Participating fully in the Extended Public Works Programme; and
- Implementing interns programmes to provide young people with on-the-job training.

3. Additional allocations to local government

Municipalities MUST ensure that their tabled budgets reflect the equitable share and conditional grant allocations set out in the 2012 Division of Revenue Bill.

4. Procurement reforms and fighting corruption

Municipalities are again advised that the supply chain compliance unit will also be focusing on municipal procurement processes. Consequently, municipalities can expect requests for information relating to their tender committees and processes, as well as specific tenders and contracts.

Municipalities are also encouraged to introduce greater transparency to municipal supply chain processes by publishing SCM process outcomes on their websites.

5. Headline inflation forecasts

- The headline inflation forecast for 2012/13 is 5.4 per cent. Municipalities must take this into consideration when preparing their budgets.
- Municipalities should also take into account the wage agreement SALGA has come to an end and they should use an average increase of 5%.

6. Revising rates, tariffs and other charges

- Municipalities must explore imaginative ways of structuring the tariffs for utility services to encourage more efficient use of these services and to generate the resources required to maintain, renew and expand infrastructure.
- The anticipated increase by NERSA is expected to be 13.05% for bulk purchases and municipalities are then encouraged to budget 11% if there is no full justification for a higher rate.
- All municipalities should aim to have appropriately structured, cost-reflective water, sanitation and solid waste tariffs in place by 2014.

7. Funding choices and management issues

- Municipal revenues and cash flows are expected to remain under pressure in 2012/13 and so municipalities should adopt a conservative approach when projecting their expected revenues and cash receipts
- Municipalities must pay special attention to controlling unnecessary spending on nice-to-have items and non-essential activities, such as foreign travel, councillor and staff perks, and advertising and public relations activities.

- iii. Municipalities must also ensure that their capital budgets reflect consistent efforts to address the backlogs in basic services and the refurbishment of existing network services.
- iv. Municipalities must include a section on 'Drinking water quality and waste water management' in their 2012/13 budget document supporting information
- v. Allocations to "Mayoral Discretionary Funds", "Special Projects", "Special Events" or similar discretionary type funds are discouraged.
- vi. Municipalities are urged to allocate all Ward Allocations in tabled and approved budgets.
- vii. Ensure that VAT on transfers is treated according to the guide and requirements of the circulars.
- viii. Accounting for properly for retention

8. Conditional transfers to municipalities

- i. To bring legal certainty to the process of managing unspent conditional grant funds, section 20 of the 2010 Division of Revenue Bill regulates the process.
- ii. Municipalities may not rollover unspent conditional grant spending in terms of section 28(2)(e) of the MFMA. Written permission to spend these rolled over funds will be given by National Treasury.

9. The Municipal Budget and Reporting Regulations

- i. All municipalities must prepare budgets, adjustments budgets and in-year reports for the 2012/13 financial year in accordance with the Municipal Budget and Reporting
 - ❑ Regulations. In this regard, municipalities must comply with both:
 - ❑ The formats set out in Schedules A, B and C; and
 - ❑ The relevant attachments to each of the Schedules (the Excel Formats).
- ii. All municipalities must do a funding compliance assessment of their 2012/13 budgets in:
 - ❑ accordance with the guidance given in MFMA Circular 42 and the MFMA Funding
 - ❑ Compliance Guideline before tabling their budget, and where necessary rework their
 - ❑ budget to comply so that they table a properly funded budget.

10. Budget process and submissions for the 2012/13 MTREF

- i. The deadline for the submission of tabled budgets is Tuesday, 10 April 2012.
- ii. The deadline for the submission of approved budgets is ten working days after the council approves the annual budget.

Annexure B

OVERVIEW OF BUDGET-RELATED POLICIES MTREF 2012/2013

Listed below is a brief description of the budget-related policies. The policies were not presented with the budget, and will be tabled in the next council seating. These should be part of the final adopted budget to be tabled before 31 May 2012. The policies are in place under review, and are also available from TLM upon request.

1. Supply Chain Management Policy

The comprehensive Supply Chain Management Policy governs, inter alia, the procurement of goods and services; disposal of goods and selecting contractors to aid the Municipality in service delivery. This policy sets out the procedures that must be followed for the above activities in order to comply with all relevant legislation effectively.

2. Fixed Asset Management Policy

The Fixed Asset Management Policy governs the acquisition, utilisation, control, maintenance and disposal of assets of TLM. This policy ensures that assets are managed in an economical, effective and efficient manner throughout their life cycles, to achieve the maximum level of service.

3. Credit Control & Debt Collection Policy

The Credit Control & Debt Collection Policy, adopted by Council, focuses on all outstanding debt and aims to promote a culture of good payment habits amongst debtors. Debtors have a responsibility towards the payment of their accounts. This policy implements an appropriate, innovative system of debt collection, which is also cost-effective. The aim of this policy is to ensure that debt is collected in the shortest possible time, without any interference in the process, thereby reducing all municipal debt.

The Credit Control & Debt Collection Policy ensures a sensitive, transparent and equitable approach to debt recovery. It prescribes methods to effectively and efficiently deal with those who default on payments, whilst taking indigent consumers into consideration and keeping costs to a minimum.

4. Cash Management & Investment Policy

The Investment & Cash Management Policy ensures that all investments are made in an effective and efficient manner and generate the best return for the TLM. This policy ensures that all investments made take into account the preservation and safety of the principal and appropriate liquidity.

5. Tariff & Rates Policy

The Rates Policy applies to all currently rated properties and also covers exemptions, rebates and reductions. This policy ensures that all new rates are tabled to Council for approval, before being implemented. Endeavours will be made to ensure that the policy can be in line with MPRA during the 2013/14 budget year

6. Budget Policy

The Budget Policy sets out the principles followed by TLM in drafting the MTREF. This policy covers the responsibilities of the Mayor; the MM; the CFO and other senior managers in preparing the MTREF. The operating and capital budget; budget funding; budget transfers; unavoidable expenditure and the budget preparation process are covered extensively.

The municipality is currently considering development of the following policies:

- I. Virements Policy
- II. Expenditure Policy
- III. Policy on Infrastructure, Invest. & Cap. Projects
- IV. New Indigents Policy

Annexure C

TOKOLOGO MUNICIPALITY						
TARIFF SCHEDULE FOR THE 2012/2013 FINANCIAL YEAR						
<p>1 Notice is hereby given in terms of section 10G(7)(c) of the Local Government Transition Act Second Amendment Act, 1996 ("the Act") and chapter 4 of the Municipal Finance Management Act (no 56 of 2003) that the municipal estimates of an income and expenditure for the financial year have been approved by the Council of which a copy is available for inspection at the office of the Municipal Manager Boshoff, Unit Manager Dealesville and the Unit Manager Hertzogville during office hours of the Council</p> <p>2 Notice is also hereby given -</p> <p>That the property rates for the financial year ending 30 June 2013 have been assessed in accordance with the provisions of section 114(3)(a) of the Ordinance as indicated in (i), (ii), (iii) and (iv). The mentioned rates are in terms of section 116 of the Ordinance payable in advance by not later than 30 June 2013 or in equal monthly instalments, the first amount being payable on 31 July 2012. Interest will be payable in terms of section 78(2) of the Ordinance on all rates in arrear.</p> <p>3 Management proposes that all indigents must apply for allocation of free basic services. This is to ensure that only deserving people can access the service. There should not be a blanket application for the free basic services.</p>						
Code	Description	Tariff 2011/2012	Tariff 2012/2013	Rebate	Phase-in Rebate	
	Residential	R 0.0035	R 0.0037	R 35 000.00		
	Business	R 0.0035	R 0.0037			
	Government	R 0.0064	R 0.0067			
	Agriculture	R 0.00085	R 0.00090	10.00%	0.00%	
The rates will be calculated on the new valuation roll and as per guidelines from our approved Property Rates Policy.						
ALL THE BELOW MENTIONED TARIFFS EXCLUDES VAT						
2	THAT THE WATER TARIFFS BE DETERMINED AS FOLLOWS:	2010/2011	2011/2012	2012/2013	Tariffs incl VAT	
		0.057	5.70%	5.70%		
		Per month per site/Kilolitre	Per month per site/Kilolitre	Per month per site/Kilolitre		
2.1	Residential erve, Old Age Home and Flats					
	0 – 6 kl: (free for indigents)	1.75	1.86	1.96	2.24	
	7 – 20 kl:	1.75	1.86	1.96	2.24	
	21 - 30 kl:	1.84	1.95	2.07	2.35	
	31 - 70 kl	2.15	2.28	2.41	2.75	
	71 kl & more	2.31	2.45	2.60	2.96	
2.2	Business, Schools, Government, Bulk Users, Correctional Services, Abattoir, Hostel, Chrecc , Hotel.					
	0 - 6 kl	1.75	1.86	1.96	2.24	
	7 - 50 kl	2.31	2.45	2.60	2.96	
	51 - 70 kl	2.41	2.55	2.71	3.08	
	71 kl & more	2.85	3.02	3.20	3.65	
2.3	Unmeter					
	0 – 6 kl:	Free for indigents	Free for indigents	Free for indigents		
2.4	Empty Erven					
	Basic Levy					
2.5	Deposits					
	Domestic:	800.00	848.00	898.03		
	Water	133.00	141.00	149.32		
	Electricity	405.00	429.00	454.31		
	Connection Fee (non repayable)	262.00	278.00	294.40		
	Business:	1 002.00	1 062.00	1 124.66		
	Water	133.00	141.00	149.32		
	Electricity	607.00	643.00	680.94		
	Connection Fee (non repayable)	262.00	278.00	294.40		
	Re-connection Fee (non repayable)					
2.6	WATER CONNECTION/DISCONNECTION FEES					
	WATER CONNECTION:					
	Total cost of material plus 20%					

3	THAT THE SEWERAGE TARIFFS BE DETERMINED AS FOLLOWS:	2010/2011	2011/2012	2012/2013	
		Monthly Tariff	5.70% Monthly Tariff	5.70% Monthly Tariff	
3.1	Residential erven	40.79	43.24	45.79	52.20
3.2	Businesses and Churches	67.85	71.92	76.16	86.83
3.3	Schools & Government	451.49	478.58	506.82	577.77
3.4	Sewer connections Cost plus 20%				
3.5	Sewer disconnection fee				
	All connections	210.96	223.62	236.81	269.96
3.6	Connection fees for sizes not mentioned: By quotation only				
3.7	Drain Blockages				
	Businesses	210.96	223.62	236.81	269.96
	Houses	168.68	178.80	189.35	215.86
4	THAT THE REFUSE REMOVAL TARIFFS BE DETERMINED AS FOLLOWS:				
		Monthly Tariff	Monthly Tariff	Monthly Tariff	
4.1	Domestic and Churches	26.97	28.59	30.27	34.51
4.2	Businesses	37.46	39.71	42.05	47.94
4.3	Government & Schools	226.32	239.90	254.05	289.62
5	THAT THE TRAFFIC TARIFFS BE DETERMINED AS FOLLOWS:				
5.1	Escorts per event (1180 / 4630 / 0000)	70.35	74.57	78.97	90.03
6	THAT THE LIBRARY TARIFFS BE DETERMINED AS FOLLOWS:				
6.1	Annual membership fees				
6.2	Penalty for late return of books: per week or part thereof (1050 / 4330 / 0000)				
6.3	Usage of library halls (1050 / 4140 / 0000)				
7	THAT THE FIRE BRIGADE TARIFFS BE DETERMINED AS FOLLOWS:				
7.1	Within the municipal area				
	Call out charges	210.96	223.62	236.81	269.96
	Use of service per hour (calculated from the time of departure until the time back at the station)	Cost plus 15%	Cost plus 15%	Cost plus 15%	
	Use of any material other than water	Cost plus 15%	Cost plus 15%	Cost plus 15%	
	Use of water per kl or part thereof	2.32	2.46	2.60	2.97
	Use of portable pump per hour	76.12	80.69	85.45	97.41
8	THAT THE FOLLOWING GENERAL FEES BE DETERMINED:				
8.1	Certificates:				
	Clearance certificates (1230 / 4620 / 0000)	58.77	62.30	65.97	75.21
	Valuation certificates (1230 / 4620 / 0000)	43.85	46.48	49.22	56.11

		2010/2011	2011/2012	2012/2013	VAT incl	
8.2	Building Plans (1140 / 4510 / 0000)					
	Residential: Additions	37.00	39.22	41.53		
	New Buildings	47.00	49.82	52.76		
	Business: Additions	42.00	44.52	47.15		
	New Buildings	47.00	49.82	52.76		
8.3	Office Equipment (1220 / 8510 / 0000)					
	Photo copies: A4	3.00	3.18	3.37		
	A3	4.00	4.24	4.49		
	Faxes send: (per page)	9.00	9.54	10.10		
8.4	Posters					
	Posters – Deposits	180.00	190.80	202.06		
	Per poster	4.45	4.72	5.00		
8.5	Rental of Vehicles (1130 / 4150 / 0000)	Per Hour	Per Hour	Per Hour		
	Grader	228.07	241.75	256.02	291.86	
	Front-end Loader	232.45	246.40	260.93	297.47	
	Back Acter	228.07	241.75	256.02	291.86	
	Roller	96.49	102.28	108.31	123.48	
	Bulldozer	307.01	325.43	344.63	392.88	
	Trucks	232.45	246.40	260.93	297.47	
	Tractor	118.42	125.53	132.93	151.54	
	Trailer	35.08	37.18	39.38	44.89	
	Building Material (Per Load)	83.33	88.33	93.54	106.64	
8.6	Cleaning / Cut of even: (1090 / 4530 / 0000)					
	Large even	197.93	209.81	222.18	253.29	
	Small even	146.92	155.74	164.92	188.01	
8.7	Gravel & Ground (1140 / 4500 / 0000)					
	Gravel	82.64	87.59	92.76	105.75	
	Ground	82.64	87.59	92.76	105.75	
	Delivery Charge	44.91	47.60	50.41	57.47	
8.8	Dog Licenses					
	Dog					
8.9	Pound Fees					
	Small Stock	19.00	20.14	21.33		
	Big Stock	43.00	45.58	48.27		
	Booking Fee	10.00	10.60	11.23		
	Pound Fees (Per day)	12.00	12.72	13.47		
9	THAT THE CEMETERY FEES BE DETERMINED AS FOLLOWS: (1040 / 4290 / 0000)					
9.1	Former Town Cemeteries					
	Total cost					
	Grave	234.21	248.26	262.91	299.72	
	Opening Costs	153.50	162.71	172.31	196.43	
9.2	Former Township Cemeteries:					
	Adults	32.28	34.22	36.24	41.31	
	Adults: Opening Cost	154.82	164.11	173.79	198.12	
	Children	24.29	25.75	27.27	31.08	
	Children: Opening Cost	77.02	81.65	86.46	98.57	

		2010/2011	2011/2012	2012/2013	VAT incl		
10	Hiring of Halls (1130 / 4590 / 0000)						
10.1	Main Hall						
	Residents	160.75	170.40	180.45	205.71		
	Non-residents	368.21	390.30	413.33	471.19		
	Deposit	160.75	170.40	180.45	205.71		
10.2	Side Hall						
	Residents	51.36	54.44	57.65	65.72		
	Non-residents	70.88	75.14	79.57	90.71		
	Deposit	77.02	81.65	86.46	98.57		
10.3	Kitchen						
	Rental of Kitchen & Facilities	24.29	25.75	27.26	31.08		
	Rental of Crockery						
50% Discount on all the above in respect to Charitable and Religious Organisations							
11	Hiring of Sport Stadiums (1150 / 4260 / 0000)						
	Per week day	32.01	33.93	35.93	40.96		
	Saturdays and Sundays	68.68	72.80	77.10	87.89		
	Electricity						
	KwH						
	Electricity Card	9.34	9.90	10.48	11.95		
12	Game Park (1150 / 4600 / 0000)						
	Chalets - Hertzogville (per day)	148.24	157.13	166.41	189.70		
	Chalets - Boshof (per day)	46.50	49.29	52.20	59.51		
	Using Facilities (per occasion)	50.87	53.92	57.10	65.10		
13	Removal of Garden Refuse (1090 / 4530 / 0000)						
	Removal	37.01	39.23	41.55	47.36		
14	PROPOSED ELECTRICITY TARIFFS (SUBJECT TO THE APPROVAL OF THE NATIONAL ELECTRICITY REGULATOR.)	2010/2011 Excl VAT	2010/2011 Incl VAT	2011/2012 Excl VAT	2011/2012 Incl VAT	2012/2013 Excl VAT	2012/2013 Incl VAT
						2012/07/01 11.03%	
14.1	Deposits						
14.1.1	See tariff 2.5						
14.2	Consumption						
14.2.1	Domestic (E001 , E003)						
	Basic Charge	60.00	68.40	59.65	68.00	66.23	75.50
	Unit Charge:	0.68	0.78	0.76	0.87	0.85	0.97
14.2.2	Business (E002)						
	Basic Charge: Per Month	173.00	197.22	207.81	236.90	230.73	263.03
	Unit Charge: kWh	0.71	0.81	0.8570	0.98	0.95	1.08
14.2.3	Schools (E004)						
	Basic Charge: Per Month	393.00	448.02	207.81	236.90	230.73	263.03
	Unit Charge: Per kWh	0.95	1.08	0.8570	0.98	0.95	1.08
14.2.4	Government (E005)						
	Basic Charge: Per Month	393.00	448.02	207.81	236.90	230.73	263.03
	Unit Charge: Per kWh	0.95	1.08	0.8570	0.98	0.95	1.08
14.2.5	Churches (E006)						
	Basic Charge: Per Month	119.00	135.66	143.44	163.52	159.26	181.56
	Unit Charge: Per kWh	0.65	0.75	0.78.70	89.72	87.38	99.61
14.2.6	Bulk KVA (E008)						
	Bulk: Per kVA	58.00	66.12	73.02	83.24	81.07	92.42
14.2.7	School KVA (E010)						
	Basic Charge	393.00	448.02	473.28	539.54	525.48	599.05
	Unit Charge: Per kWh	0.24	0.28	29.30	33.40	32.53	37.09
	Demand Charge: Per kVA	0.24	0.28	103.00	117.42	114.36	130.37
14.2.8	Bulk (E007)						
	Basic Charge: Per Month	225.00	256.50	281.55	320.97	312.60	356.37
	Unit Charge: Per kWh	0.35	0.39	0.4325	0.49	0.46	0.55
	Demand Charge: Per kVA	0.24	0.28	73.02	83.24	81.07	92.42
14.2.9	Flats (E001)						
	Basic Charge: Per Month	57.00	64.98	69.29	78.99	76.93	87.70
	Unit Charge: Per kWh	0.65	0.75	0.78.70	89.72	87.38	99.61
14.2.10	Old Age Home (E001)						
	Basic Charge: Per Month	57.26	65.28	69.29	78.99	76.93	87.70
	Unit Charge: Per kWh	0.65	0.75	0.78.70	89.72	87.38	99.61
14.2.11	Pre-paid; Domestic (E009; E001&E003)						
	Basic Charge: Per Month	59.65	68.00	59.65	68.00	66.23	75.50
	0 - 50	-	-	0.6300	0.7182	0.6995	0.80
	51 - 350	-	-	0.7140	0.8140	0.7928	0.90
	351 - 600	-	-	0.8201	0.9349	0.9106	1.04
	> 600	-	-	0.8857	1.0097	0.9834	1.12
ALL THE ABOVE MENTIONED TARIFFS EXCLUDE VAT WHERE VAT IS NOT STATED							