

Draft Annual Budget of Polokwane Municipality

2019/20 TO 2021/22

MEDIUM TERM REVENUE AND EXPENDITURE
FORECASTS



The Ultimate in Innovation and Sustainable Development



Contents

2019/20 TO 2021/22	1
MEDIUM TERM REVENUE AND EXPENDITURE FORECASTS	1
Executive Summary	4
Purpose	4
OVERVIEW OF BUDGET RELATED POLICIES	15
Detailed Budget Tables	21
Table A1 Budget Summary	21
Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification).....	23
Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)	24
Table A4 Budgeted Financial Performance (revenue and expenditure).....	25
Table A5 Budgeted Capital Expenditure by vote, standard classification and funding	27
Table A6 Budgeted Financial Position	27
Table A7 Budgeted Cash Flows.....	28
Table A8 Cash backed reserves/accumulated surplus reconciliation	29
Table A 9 Consolidated Asset Management	31
Table A 9 Consolidated Asset Management - cont.....	32
Table A 9 Consolidated Asset Management - cont.....	33
Table SA1 - Supporting detail to budgeted financial performance	34
Table SA1 - Supporting detail to budgeted financial performance...continues	35
Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department).....	36
Table SA3 – Supporting detail to Statement of Financial Position	37
Table SA4 Reconciliation of IDP strategic objectives and budget (revenue).....	38
Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)	38
Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure).....	39
Supporting Table SA8 Performance indicators and benchmarks	40
Supporting Table SA9 Social, economic and demographic statistics and assumptions	41
Supporting Table SA9 Social, economic and demographic statistics and assumptions	42
Polokwane Supporting Table SA10 Funding measurement.....	44
Supporting Table SA12a Property rates by category (current year).....	46
Supporting Table SA12b Property rates by category (budget year).....	46
Supporting Table SA13a Service Tariffs by category	47
Supporting Table SA13b Service Tariffs by category	48
Supporting Table SA14 Household bills	49
Supporting Table SA15 Investment particulars by type.....	50

Supporting Table SA17 Borrowing.....	50
Supporting Table SA18 Transfers and grant receipts.....	51
Supporting Table SA19 Expenditure on transfers and grant programme.....	52
Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds	53
Supporting Table SA21 Transfers and grants made by the municipality.....	53
Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers).....	54
Supporting Table SA24 Summary of personnel numbers.....	55
Supporting Table SA25 Consolidated budgeted monthly revenue and expenditure	56
Supporting Table SA26 Consolidated budgeted monthly revenue and expenditure (municipal vote).....	57
Table SA27 Consolidated budgeted monthly revenue and expenditure (functional classification).....	58
Table SA27 Consolidated budgeted monthly revenue and expenditure (functional classification) ... continued	59
Supporting Table SA28 Consolidated budgeted monthly capital expenditure (municipal vote).....	60
Supporting Table SA29 Consolidated budgeted monthly capital expenditure (functional classification).....	61
Supporting Table SA30 Consolidated budgeted monthly cash flow.....	62
Supporting Table SA34a Consolidated capital expenditure on new assets by asset class	63
Supporting Table SA34b Consolidated capital expenditure on the renewal of existing assets by asset class	65
Supporting Table SA34d Consolidated Depreciation by asset class	66
Supporting Table SA34d Consolidated Depreciation by asset class – Continued.....	67
Supporting Table SA34e Consolidated capital expenditure on the upgrading of existing assets by asset class	68
Annexure A: Polokwane Housing Association	69
Table D1 Budget Summary.....	72
Polokwane Housing Agency - Table D2 Budgeted Financial Performance (revenue and expenditure).....	73
Polokwane Housing Agency - Table D3 Capital Budget by vote and funding	73
Polokwane Housing Agency - Table D4 Budgeted Financial Position	74
Polokwane Housing Agency - Table D5 Budgeted Cash Flow	75
Multi -Year Capital Programme 2019/2020 to 2021/2022.....	76
Municipal Manager Quality Certificate	85

Executive Summary

Purpose

The purpose of the report is to table the Draft Multi-Year Budget 2019/20 -2021/22 to Council for approval.

Background

The IDP/Budget Process Plan to review the 2019/2020 IDP/Budget was adopted on 25 July 2018 in terms of the provision of the Municipal Finance Management Act. The process plan outlines the key deadlines for the preparation, tabling and approval of the annual budget.

Discussion

Section 16 of the Municipal Finance Management Act stipulates the following:

- (a) The Council of a municipality must for each financial year approve an annual budget for the Municipality before the start of that financial year.
- (b) In order for a municipality to comply with subsection (1), the Mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.

Section 24 further stipulates that the Council must at least 30 days before the start of the budget year consider approval of the annual budget.

This draft 2019/20 Budget places emphasis on inclusive growth, as well as a progressive programme of capital expenditures. This draft Budget also relies on practice of good governance and a public ethic that values honesty and fairness. If we act together, on these principles, as public representatives, civil servants, business people, youth, workers and citizens, we can overcome the challenges of tough economic times and difficult adjustments.

The following budgeting PRINCIPLES were applied in formulating the medium term budget:

- Realistic and achievable collection rates.
- Sustainable, affordable, realistic and balanced budget
- Major tariffs to be cost reflective, realistic and affordable
- Budget to contribute to achieving strategic objectives of the IDP

- Balancing capital expenditure for social, economic, rehabilitation and support

In this MTREF we have ensured that we eradicate non-priority spending and reprioritise expenditure to focus on core infrastructure and service delivery.

The main **CHALLENGES** experienced during the compilation of the 2019/2020 MTREF are as follows:

- National Treasury Austerity measures with minimal growth in grant allocations.
- Huge backlogs and further demands due to urbanization.
- Economic slowdown & unemployment: impacts on collection rates
- Limited available own funding to fund much needed infrastructure

The following are some of the AUSTERITY MEASURES that will be applied to the 2019/20 medium term budgets, in order confirm to National Treasury cost containment guidelines.

- Utilisation of vehicles will closely monitored via the vehicle tracking system.
- Strategic approach to vacancies. Analysis of vacancies carried out.
- Fuel, overtime, catering, and consultants are some of the costs that are closely monitored.

Total draft budget for the 2019/20 financial year is R5.2 billion made up of an operating budget of R3.5 billion and a capital budget of R1.9 billion. The focus of this budget will be directed to the key areas in line with our promises to improve the lives of our people. Ensuring good governance in the City and ensuring the effective use of public funds and enhance accountability

The following assumptions were taken into account during the compilation of draft budget:

Revenue: Tariff increases:

- **Electricity:** NERSA has issued a guideline percentage price increase of 8.44% on electricity sales for 2019/20.
- **Water services:** It is proposed to increase water tariffs with 7.5%.
- **Sanitation:** It is proposed that sanitation services be increased by 6%
- **Waste Removal:** It is proposed to increase tariffs by 6%.
- **Assessment rates:** It is proposed to increase rates by 6%
- Growth is estimated at **1%** per annum
- Debtors collection is estimated at **89%**

- Other tariffs: These tariffs will increase at a CPIX rate as outline in circular 93 & 94 issued by National Treasury.

The municipality will embark on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers and to ensure that all revenue due is billed correctly and collected efficiently

Expenditure increases

1. **Electricity bulk purchases** have been increased by 10% in line with NERSA guidelines.
2. **Water bulk purchases** have been increased by 6% in line with National Treasury's inflation forecasts.
3. **Salaries and allowances** have been increased by 7% which is in line with National Treasury's inflation forecasts and SALGA bargaining agreement.
4. **Other expenses** will increase at rate CPIX
5. **Other Materials** will increase at rate CPIX

The following are general contributory factors for the increase in levels of rates and service charges:

- The cost of bulk purchases.
- Cost of the social package to indigents.
- Salary increase with effect from 1 July 2019.
- Increased maintenance of network and infrastructure

The cost pressures of the water and electricity bulk purchases tariffs continue to grow faster than the inflation rate. Given that these tariff increases are determined by the external bodies; the impacts they have on the municipality's tariff are largely outside the control of the Municipality. Furthermore, the adverse impacts of the current economic climate coupled with unfavourable external pressures on services, make tariff increases higher than the CPI levels inevitable.

Indigent subsidies

Provision is made in the operating budget for the subsidizing of indigent households. This subsidy includes a free 6Kl of water, 50 units of electricity, a 100% subsidy for refuse removal and sewerage charges. A 100% rebate on assessment rates will also be given for Indigent

households. The subsidy allowed, exceeds the National norm and stretches the affordability threshold of the municipality.

To qualify as indigents, the household income must not exceed R3 500, the policy is reviewed to also cater for the child headed families and the qualifying people with disability.

The municipality further grants 80% rebates to owners of residential properties who depend on pensions or social grants provided the household income does not exceed R9 000.

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

In view of the aforementioned, the following tables are a consolidated overview of the proposed 2019/20 Medium-term Revenue and Expenditure Framework

Revenue by Source

Description	Current Year 2018/19		2018/19 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Budget Year 2019/20	%	Budget Year +1 2020/21	%	Budget Year +2 2021/22	%
Revenue By Source								
Property rates	431 818	12,8%	520 000	12,7%	551 200	12,8%	584 272	13,0%
Service charges - electricity revenue	1 054 944	31,4%	1 158 750	29,0%	1 316 887	29,7%	1 448 577	30,6%
Service charges - water revenue	277 273	8,2%	310 841	6,8%	329 492	7,1%	349 260	7,3%
Service charges - sanitation revenue	123 864	3,7%	133 773	2,8%	141 800	2,8%	150 309	2,8%
Service charges - refuse revenue	118 636	3,5%	128 127	3,1%	135 814	3,1%	143 964	3,1%
Rental of facilities and equipment	37 297	1,1%	39 535	1,0%	41 907	1,0%	44 416	1,0%
Interest earned - external investments	27 281	0,8%	28 918	1,3%	30 653	1,3%	32 492	1,3%
Interest earned - outstanding debtors	80 000	2,4%	84 800	2,2%	89 888	2,2%	95 282	2,1%
Dividends received	-	0,0%		0,0%		0,0%		0,0%
Fines, penalties and forfeits	16 000	0,5%	16 960	0,4%	17 980	0,4%	19 060	0,4%
Licences and permits	14 890	0,4%	15 784	0,4%	16 733	0,4%	17 733	0,4%
Agency services	25 000	0,7%	26 500	0,7%	28 090	0,7%	29 775	0,7%
Transfers and subsidies	978 326	29,1%	1 039 367	27,8%	1 149 693	27,1%	1 228 910	27,2%
Other revenue	399 619	11,9%	297 180	11,7%	215 015	11,4%	233 911	10,1%
Gains on disposal of PPE		0,0%		0,0%		0,0%		0,0%
Total Revenue (excluding capital transfers and contributions)	3 584 948	100,0%	3 800 535	100,0%	4 065 152	100,0%	4 377 961	100,0%
Revenue from Services Charges	1 574 717	46,8%	1 731 491	41,8%	1 923 993	42,7%	2 092 110	43,8%

Expenditure by Type

Description	Current Year 2018/19		2018/19 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Budget Year 2019/20	%	Budget Year +1 2020/21	%	Budget Year +2 2021/22	%
R thousand								
Expenditure By Type								
Employee related costs	852 667	25,0%	940 000	26,4%	996 400	26,2%	1 056 184	25,7%
Remuneration of councillors	40 518	1,2%	43 149	1,2%	45 955	1,2%	45 955	1,1%
Debt impairment	200 000	5,9%	200 000	5,6%	250 000	6,6%	300 000	7,3%
Depreciation & asset impairment	190 000	5,6%	237 000	6,7%	255 000	6,7%	285 000	6,9%
Finance charges	82 500	2,4%	80 000	2,2%	75 000	2,0%	65 000	1,6%
Bulk purchases	880 497	25,8%	968 547	27,2%	1 065 401	28,0%	1 171 942	28,6%
Other materials	39 266	1,2%	60 827	1,7%	64 159	1,7%	64 159	1,6%
Contracted services	891 283	26,2%	784 936	22,0%	792 160	20,8%	840 059	20,5%
Transfers and subsidies	11 500	0,3%	11 500	0,3%	11 500	0,3%	11 500	0,3%
Other expenditure	218 119	6,4%	235 345	6,6%	247 889	6,5%	262 762	6,4%
Loss on disposal of PPE								
Total Expenditure	3 406 350	100,0%	3 561 304	100,0%	3 803 464	100,0%	4 102 561	100,0%

The expenditure budget, which funds the continued provision of services provided by the municipality, increased from R 3.4 billion in 2018/19 to R 3.5 billion in 2019/20, R 3.8 billion in 2020/21 and R 4.1 billion in 2021/22 respectively.

Bulk purchases are largely informed by the purchase of electricity and water from suppliers and take up 27.2% of the operating budget. Given projected increases in the bulk prices of both electricity and water, expenditure on this item is likely to grow more rapidly. Expenditure on contracted services including repairs and maintenance amounts to R 785 million for the 2019/20 year, representing 22% of the total operating budget. This includes substantial spend on asset replacement and bringing assets to a good state of repair.

Employee Related Costs takes up 26.4% of the operational budget.

The growth of the operating budget is mainly due to:

- Cost of addressing service delivery backlogs
- Cost of bulk purchases - Water and Electricity
- Repairs and maintenance of infrastructure.

Funding of Operating Budget

Funding is obtained from various sources, the major sources being service charges such as electricity, water, sanitation, and refuse collection, property rates, grants and subsidies received from National government.

Grant Allocations

Municipalities play a critical role in furthering government's objective of providing services to all. Cities are also driving South Africa's growth and development. However, to play these roles, cities need to be supported and funded. Local Government conditional grants are being reformed to provide targeted support to different types of municipalities. The following projected grant allocations to the municipality in terms of the 2019/20 Division of Revenue Bill have been included in this medium term budget.

Govt Gazette no 42217 of 9 February 2019	National financial year 1 April - 31 March		
	2019/20	2020/21	2021/22
Infrastructure Grants	000	000	000
Integrated Urban Development Grant (IUDG)	378 290	358 253	387 180
Regional Bulk Infrastructure Grant (RBIG)	630 998	644 491	297 118
Integrated National Electrification Programme Grant (INEP)	38 118	40 000	40 000
Public Transport Network Grant (PTNG)	179 433	189 302	203 488
Water services infrastructure grant	96 650	116 050	122 382
Neighbourhood Development Partnership Grant (NDPG)	40 613	45 000	35 000
Sub Total	1 364 102	1 393 096	1 085 168
Specific Purpose Current Grants			
Financial Management Grant (FMG)	2 500	2 500	2 500
Infrastructure Skills Development Grant (ISDG)	5 111	5 000	5 000
Energy efficiency and demand side management grant	8 000	8 000	10 000
Extended Public Works Programme (EPWP)	4 201	-	-
Sub Total	19 812	15 500	17 500
Equitable Share	922 589	1 007 149	1 102 086
Sub Total Municipality	2 306 503	2 415 745	2 204 754
Allocations- in-kind-Grants (Schedule 6)			
Water Services Infrastructure Grant			
Municipal Systems Improvement Grant	600	200	200
Integrated National Electrification Programme (Escom)	61 385	62 957	82 904
Neighbourhood Develop Partnership Grant (Technical Assistance)	1 000	1 002	200
Sub Total	62 985	64 159	83 304
TOTAL	2 369 488	2 479 904	2 288 058

Capital Budget

The capital budget flows from the IDP process and contains information obtained from relevant stakeholders through extensive public participation processes as well as ward committee processes where applicable

Capital expenditure is budgeted to be R 1.9 billion in 2019/20 and thereafter to R 1.6 billion by 2020/21, and decrease to R 1.3 billion in 2021/22 (approximately 90%) is allocated to meeting infrastructure and household services needs and backlogs over the medium term.

The capital budget continues to reflect consistent efforts to address backlogs in basic services and the renewal of the infrastructure of existing network services.

FUNDING OF CAPITAL BUDGET

The Capital budget is funded by the allocations made to the city by National Government in the form of grants, donations and internally generated funds.

The table below represents the capital budget per vote (Directorate)

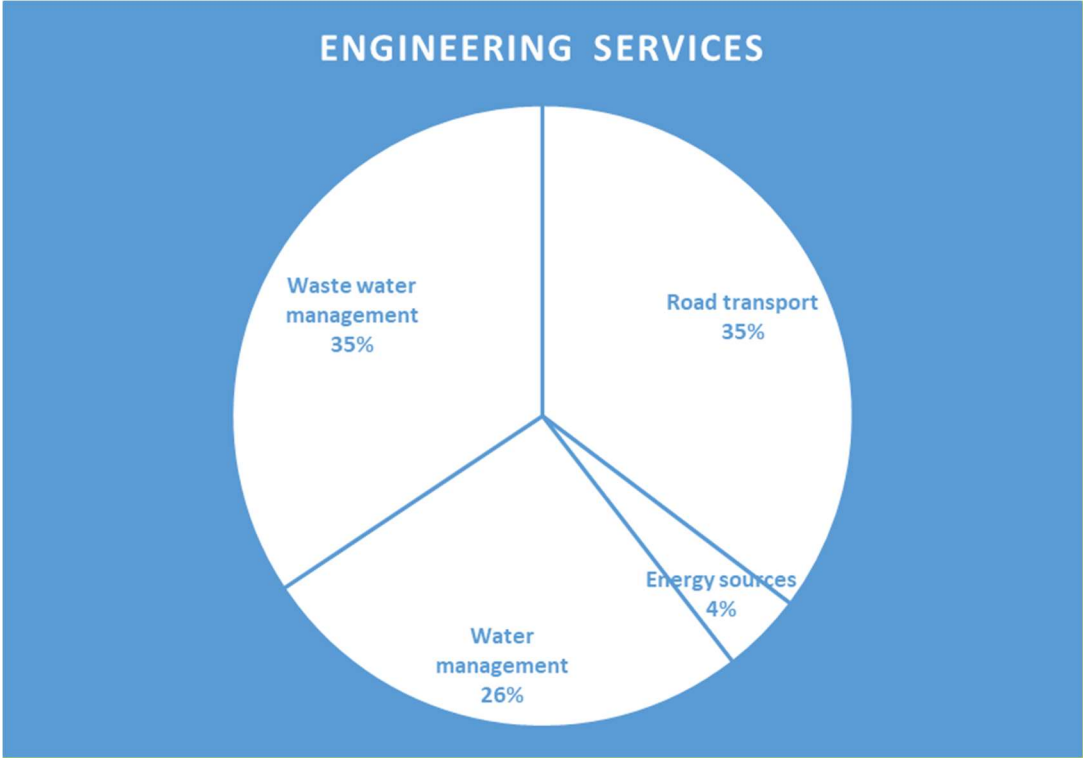
Vote Description R thousand	2018/19 Medium Term Revenue & Expenditure Framework					
	Budget Year 2019/20	%	Budget Year +1 2020/21	%	Budget Year +2 2021/22	%
Capital expenditure - Vote						
Vote 1 - Council	-	0,0%	-	0,0%	-	0,0%
Vote 2 - Office of the Municipal Manger	-	0,0%	-	0,0%	-	0,0%
Vote 3 - Strategic Planning Monitoring and Evaluation	-	0,0%	-	0,0%	-	0,0%
Vote 4 - Engineering Services	1 498 329	77,6%	1 317 605	83,1%	1 003 395	77,1%
Vote 5 - Community Services	153 324	7,9%	20 299	1,3%	23 005	1,8%
Vote 6 - Community Development	81 964	4,2%	59 836	3,8%	69 219	5,3%
Vote 7 - Corporate and Shared Services	16 968	0,9%	6 790	0,4%	6 144	0,5%
Vote 8 - Planning and Economic Development	13 339	0,7%	28 130	1,8%	24 110	1,9%
Vote 9 - Budget and Treasury	6 500	0,3%	-	0,0%	-	0,0%
Vote 10 - Transport Operations	159 433	8,3%	152 492	9,6%	175 971	13,5%
Total Capital Expenditure - Vote	1 929 856	100%	1 585 152	100%	1 301 844	100%

The bulk of the budget (78%) is allocated to Engineering Directorate for infrastructure projects.

The Municipality is strategically focusing on renewing its asset with the sole objective of optimizing service delivery, the area of focus is on Refurbishment on Roads, Waste Water Management, Water Network as well as Energy Infrastructure.

While at the same time, investing in the creation of new assets to increase services and economic development in the municipality, major projects undertaken as part of this strategic focus are:

- Building of new Regional Waste Water Treatment Plant
- Building of Regional Water Schemes and acceleration of rural sanitation

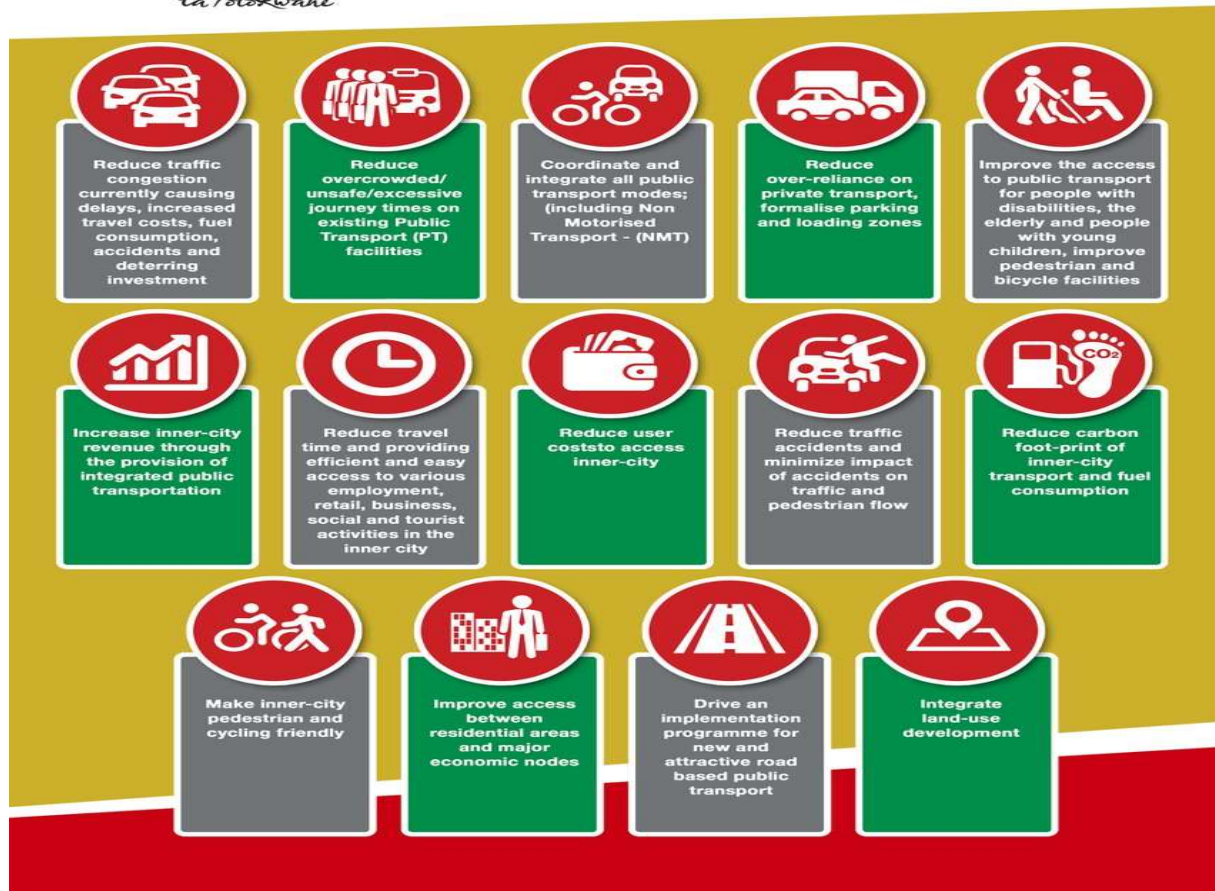


Transport Operations is allocated 8.3% for completion of infrastructure project and IT System. However, it is worth indicating that the municipality will experience funding shortfall on this program based on outcomes of Division of Revenue.



THE BENEFITS OF LEETO LA POLOKWANE™

The Municipality aims to achieve the following main objectives through the implementation of Leeto La Polokwane



The funds available for capital expenditure from **conditional grants** for the following 3 years are R 1.2 billion, R 1.2 billion and R 975 million respectively.

MULTI YEAR BUDGET	Original budget 2019/20	Budget Year +1 2020/21	Budget Year +1 2021/22
Intergrated Urban Development Grant	331 375 000	310 340 000	347 821 000
Public Transport Network Grant	159 433 000	152 492 000	175 971 000
Neighbourhood Development Grant	40 613 000	45 000 000	35 000 000
Water Services Infrastructure Grant	94 717 000	113 729 000	119 934 360
Regional Bulk Infrastructure Grant	630 998 000	644 491 000	297 118 000
Integrated National Electrification Programme Grant	10 000 000	-	-
Total DoRA Allocations	1 267 136 000	1 266 052 000	975 844 360

It must be noted that as per the Division of Revenue Bill the municipality will no longer be receiving the Municipal Infrastructure Grant (MIG) instead it will receive the newly introduced grant called Integrated Urban Development Grant.

MFMA Circular 91

“Smaller cities face some of the same urban development challenges as major metropolitan areas. These cities will be eligible for a new integrated urban development grant from 2019/20. Cities will have to meet planning and performance criteria to receive the grant, which will be funded through a shift of funds from the municipal infrastructure grant. The new grant will require cities to plan for a programme of infrastructure investment, funded from grants and own revenues, rather than just standalone projects. This aligns with the policy set out in the Integrated Urban Development Framework (IUDF) approved by Cabinet in April 2016. This approach will be piloted in uMhlathuze and Polokwane local municipalities in 2019/20.

The funds available for capital expenditure from **Cash Replacement Reserve** (Own funds) for the following 3 years are R 228 million, R 243 million and R261 million respectively. The following CRR funding is broken down by directorate.

Vote Description	2018/19 Medium Term Revenue & Expenditure Framework		
	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand			
Capital expenditure - Vote			
Vote 1 - Council	-	-	-
Vote 2 - Office of the Municipal Manger	-	-	-
Vote 3 - Strategic Planning Monitoring and Evaluation	-	-	-
Vote 4 - Engineering Services	123 725	149 008	166 053
Vote 5 - Community Services	27 506	22 811	21 332
Vote 6 - Community Development	36 873	26 294	32 476
Vote 7 - Corporate and Shared Services	19 278	16 863	16 660
Vote 8 - Planning and Economic Development	14 839	28 525	24 479
Vote 9 - Budget and Treasury	6 500	-	-
Vote 10 - Transport Operations	-	-	-
Total Capital Expenditure - Vote	228 721	243 500	261 000

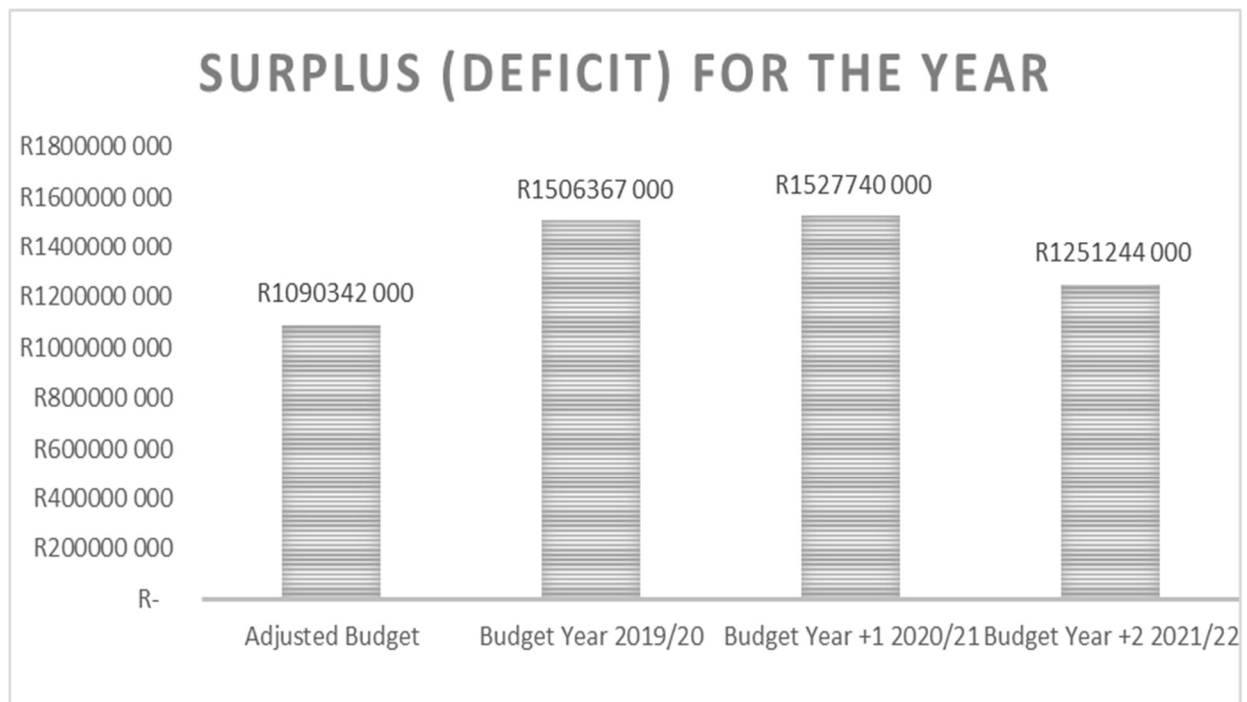
SUMMARY

1. The Draft Annual Budget for the financial year 2019/2020 and indicative for the two projected outer years 2020/2021 and 2021/2022 can be summarized as follows:

1.1 Operating revenue and expenditure by source:

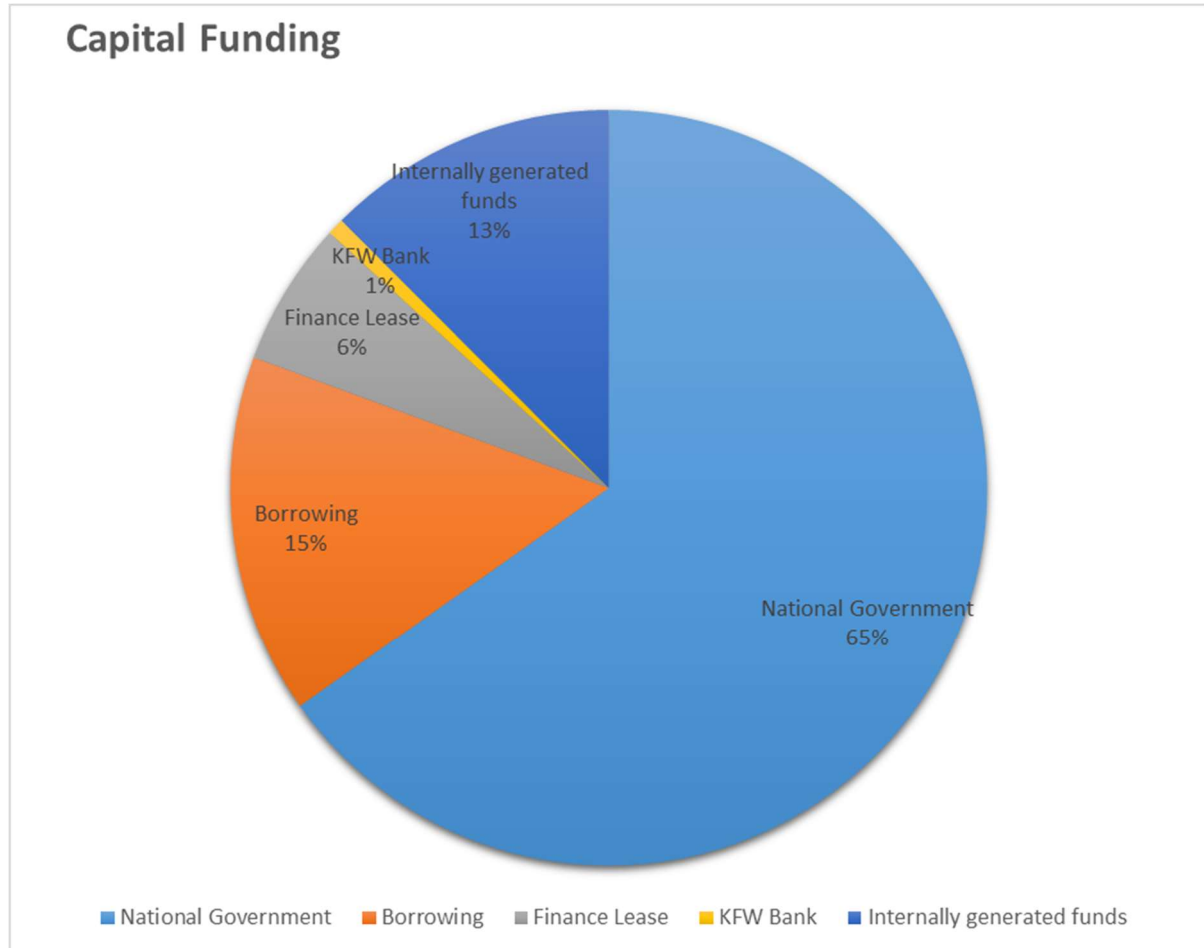
Description	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand					
Total Revenue (excluding capital transfers and contributions)	3 634 554	3 584 948	3 800 535	4 065 152	4 377 961
Total Expenditure	3 348 689	3 406 350	3 561 304	3 803 464	4 102 561
Surplus/(Deficit)	285 865	178 598	239 231	261 688	275 400
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	798 465	910 344	1 267 136	1 266 052	975 844
Transfers and subsidies - capital (in-kind - all)	14 400	1 400			
Surplus/(Deficit) for the year	1 098 730	1 090 342	1 506 367	1 527 740	1 251 244

Surplus for the year



1.2 Capital expenditure

Total capital budget is **R 1 929 856 500** and is funded as per the depiction below:



OVERVIEW OF BUDGET RELATED POLICIES

The MFMA and the Municipal Budget and Reporting Regulations require budget related policies to be reviewed, and where applicable, to be updated on an annual basis. The main purpose of budget related policies is to govern and guide the budget process and inform the projections of the medium term.

The following are draft budget related policies which have been approved by Council, or have been reviewed /amended and / or are currently being reviewed / amended in line with National Guidelines and other legislation

Cash Management and Investment Policy

The objectives of the Investment Policy are: -to manage the investments of the municipality in

such a manner that it will not tie up the municipality's scarce resources required to improve the quality of life of the citizens; that sufficient cash resources are available to finance the capital and operating budgets of the municipality; and to gain the highest possible return on investments during periods when excess funds are not being used, without unnecessary risk.

Leave Policy

To ensure that employees know their entitlement with regard to the allocation of leave, the responsibility to apply for leave in the prescribed manner(s) and for good governance of leave in Polokwane Municipality.

Integrated Customer Policy

The objective of this policy is to provide a policy framework for the circumstances under which deposit must be paid, the determination of the amount of the deposit that must be paid and the refund or forfeiture of deposit

Assets Management Policy

The objective of this policy is to ensure the effective and efficient control of the municipality's assets through proper recording of assets from authorisation to acquisition and to subsequent disposal; providing for safeguarding procedures, setting proper guidelines as to authorised utilisation and prescribing for proper maintenance. To assist officials in understanding their legal and managerial responsibilities with regard to assets.

Budget and Virement Policy

- The budget and virement policy sets out the budgeting principles which Polokwane Municipality will follow in preparing each annual budget. The policy aims to give effect to the requirements and stipulations of the Municipal Finance Management Act in terms of the planning, preparation and approval of the annual budgets.
- The policy shall apply to all the relevant parties within the Polokwane Municipality that are involved throughout the budget process.
- The policy shall establish and maintain procedures to ensure adherence to the IDP review and budget processes

Performance Management System Policy

- The overall objective of implementing and sustaining effective employee performance management is to build human capital at strategic and operational levels throughout the municipality.
- To achieve this objective an Organisational and Employee Performance Management System is implemented to provide administrative simplicity, maintain mutual respect between managers and employees, and add value to day to day communication about performance and development issues

Funding and Reserve Policy

The objectives of the funding and reserves policy are as follows:

- To comply with the legislative requirements
- To ensure that the Municipality's Operating and Capital budgets are adequately funded;
- To ensure that the Municipality's provisions and reserves are maintained at the required levels, in order to mitigate unfunded liabilities in future financial years

Borrowing Policy

The objectives of this Policy are to: -

- Manage interest rate and credit risk exposure;
- Maintain debt within specified limits and ensure adequate provision for the repayment of debt;
- To ensure compliance with all Legislation and Council policy governing borrowing of funds.

Indigent and Social Assistance Policy

The objectives of this Policy are to: -

- Provide a framework within which the Municipality can exercise its executive and legislative authority with regard to the implementation of financial aid to indigent and poor households in respect of their municipal account;
- Determine the criteria for qualification of Indigent and poor households;
- Ensure that the criteria are applied correctly and fairly to all applicants;
- Allow the municipality to conduct in loco visits to the premises of applicants to verify the actual status of the household with respect to meeting the criteria on an indigent household.
- Allow the Municipality to maintain and publish the register of names and addresses of account holders receiving subsidies (financial aid in respect of the Municipal Services account

Supply Chain Management Policy

The objective of the supply chain management policy is

- To give effect to the provisions of section 217 of the Constitution of the Republic of South Africa, 1996;
- To give effect to the provisions of the Local Government: Municipal Finance Management Act, (Act No. 56 of 2003)
- To give effect to the provisions of the Preferential Procurement Policy Act 5 of 2000 and regulations 2011
- To give effect to the Municipal Supply Chain Management Regulations
- The Broad Based Black Economic Empowerment Act 53 of 2003

- The prevention and combating of corruption Activities Act 12 of 2004.

Credit Control and Debt Collection Policy

The objectives of Credit Control Policy are:

- To provide procedures and mechanisms to collect all the monies due and payable to the Municipality arising out of the supply of services and annual levies, in order to ensure financial sustainability and delivery of municipal services in the interest of the community
- To limit risk levels by means of effective management tools.
- To provide for restrictions, limitations, termination of services for non-payment.

The objective of Debt Collection Policy is:

- To implement procedures which ensure the collection of debt, meeting of service targets and the prevention of escalation in arrear debt

Tariff Policy

- To comply with the provisions of section 74 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000).
- To prescribe procedures for calculating tariffs where the Municipality wishes to appoint service providers in terms of section 76(b) of the Act.
- To give guidance to the Portfolio Committee for Finance regarding tariff proposals that must be submitted to Council annually during the budgetary process.
- To ensure that there is consistency in how the tariffs are applied throughout the Municipality.
- To ensure municipal services are financially sustainable, affordable and equitable.
- Determining cost effective tariff as far as possible.
- To ensure affordability of basic services to the community.

Property Rates Policy

The key objectives of the policy are to:

- ensure that all owners of rateable property are informed about their liability to pay assessment rates;
- specify relief measures for ratepayers who may qualify for relief or partial relief in respect of the payment of rates through exemptions, reductions and rebates contemplated in section 8 of this policy and section 15 of the Act;
- set out the criteria to be applied by the Council if it increases rates and levies differential rates on different categories of property;
- provide for categories of public benefit organisations, approved in terms of Section 30(1) of the Income Tax Act, 1962 (Act no 58 of 1962) as amended, which ratepayers are eligible for exemptions, reductions and rebates and therefore may apply to the Council for relief from rates;

- recognise the state, organs of state and owners of public service infrastructure as property owners;
- not discourage the development of property;
- ensure that all persons liable for rates are treated equitably as required by the Act;
- determine the level of increases in rates; and
- Provide for exemption, rebates and reductions

Subsistence and Travel Policy

Subject to the provisions of the standard Conditions of Services and any other Agreement with the Bargaining Council applicable to the Council of its employees, the objective of the policy is:

- To fairly compensate persons / employees representing the Council for essential additional expenses incurred by them in the execution of their official duties.
- To ensure uniformity in the payment of subsistence and traveling allowances.

Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy

This policy aims to ensure that, amongst other things:

- Unauthorised, irregular, or fruitless and wasteful expenditure is detected, processed, recorded, and reported in a timely manner;
- Officials and councillors have a clear and comprehensive understanding of the procedures they must follow when addressing unauthorised, irregular, fruitless and wasteful expenditure;
- Polokwane Municipality' s resources are managed in compliance with the MFMA, the municipal regulations and other relevant legislation; and
- All officials and councillors are aware of their responsibilities in respect of unauthorised, irregular, fruitless and wasteful expenditure.

RECOMMEND

1. That the draft (table) annual budget of the municipality and municipal entity (Polokwane Housing Association) for the financial year 2019/20 and the multi-year and single-year capital appropriations as required by section 16 of the Municipal Finance Management Act be tabled and approved for public participation
2. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table A2;
 - 1.2.1. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table A3;
 - 1.2.2. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table A4 and D2; and
 - 1.2.3. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table A5 and D3

3. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets be tabled and approved as set out in the following tables as part of Draft Budget for 2019/2020 and Multi -year:

- 2.1 Budgeted Financial Position as contained in Table A6 and D4;
- 2.2 Budgeted Cash Flows as contained in Table A7 and D5;
- 2.3 Cash backed reserves and accumulated surplus reconciliation as contained in Table A8;
- 2.4 Asset management as contained in Table A9; and
- 2.5 Basic service delivery measurement as contained in Table A10.

4. The Council of Polokwane Municipality, acting in terms of section 75A of the Municipal Systems Act (Act 32 of 2000) table the tariffs as outlined in the draft budget for public participation:
5. That the following draft budget related policies be tabled and reviewed as part of 2019/2020 and Multi-year;

- Cash management and Investment Policy
- Leave Policy
- Integrated Customer Care Policy
- Asset Management Policy
- Loss and Claims Policy
- Budget and Virement Policy
- Performance Management System Policy
- Funding and reserves Policy
- Borrowing Policy
- Indigent and Social Assistance Policy
- Supply chain management Policy
- Credit control and debt collection Policy
- Tariff Policy
- Property Rates Policy
- Subsistence and Travelling Policy
- Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy

Detailed Budget Tables

Table A1 Budget Summary

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousands									
Financial Performance									
Property rates	-	310 476	360 161	461 484	431 818	431 818	520 000	551 200	584 272
Service charges	-	1 183 014	1 351 943	1 518 870	1 574 717	1 574 717	1 731 491	1 923 993	2 092 110
Investment revenue	-	34 088	29 593	47 281	27 281	27 281	28 918	30 653	32 492
Transfers recognised - operational	-	793 516	939 879	1 008 780	978 326	978 326	1 039 367	1 149 693	1 228 910
Other own revenue	-	1 236 880	353 944	598 139	572 806	572 806	480 759	409 613	440 177
Total Revenue (excluding capital transfers and contributions)	-	3 557 975	3 035 520	3 634 554	3 584 948	3 584 948	3 800 535	4 065 152	4 377 961
Employee costs	-	658 612	768 269	817 423	852 667	852 667	940 000	996 400	1 056 184
Remuneration of councillors	-	31 846	36 190	40 518	40 518	40 518	43 149	45 955	45 955
Depreciation & asset impairment	-	754 377	885 858	190 000	190 000	190 000	237 000	255 000	285 000
Finance charges	-	37 512	63 645	107 500	82 500	82 500	80 000	75 000	65 000
Materials and bulk purchases	-	1 034 542	895 838	943 163	919 763	919 763	1 029 374	1 129 560	1 236 101
Transfers and grants	-	15 500	9 480	11 500	11 500	11 500	11 500	11 500	11 500
Other expenditure	-	597 710	1 208 258	1 238 685	1 309 402	1 309 402	1 220 281	1 290 049	1 402 821
Total Expenditure	-	3 130 099	3 867 538	3 348 689	3 406 350	3 406 350	3 561 304	3 803 464	4 102 561
Surplus/(Deficit)	-	427 876	(832 017)	285 865	178 598	178 598	239 231	261 688	275 400
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	548 523	546 275	798 465	910 344	910 344	1 267 136	1 266 052	975 844
Contributions recognised - capital & contributed assets	-	-	-	14 400	1 400	1 400	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	976 399	(285 743)	1 098 730	1 090 342	1 090 342	1 506 367	1 527 740	1 251 244
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	-	976 399	(285 743)	1 098 730	1 090 342	1 090 342	1 506 367	1 527 740	1 251 244
Capital expenditure & funds sources									
Capital expenditure	-	815 423	985 716	1 912 547	1 645 770	1 645 770	1 929 856	1 585 152	1 301 844
Transfers recognised - capital	-	569 507	544 588	812 865	911 744	911 744	1 281 136	1 276 652	975 844
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	143 574	134 000	830 000	490 000	490 000	420 000	65 000	65 000
Internally generated funds	-	102 342	307 128	269 682	244 026	244 026	228 721	243 500	261 000
Total sources of capital funds	-	815 423	985 716	1 912 547	1 645 770	1 645 770	1 929 856	1 585 152	1 301 844
Financial position									
Total current assets	-	940 940	1 065 099	711 934	733 156	733 156	938 920	988 032	1 021 878
Total non current assets	-	13 514 256	13 454 685	15 751 558	15 469 471	15 484 238	18 706 838	20 270 260	22 050 805
Total current liabilities	-	735 162	887 623	676 936	737 936	737 936	1 090 470	1 188 239	1 213 161
Total non current liabilities	-	622 398	816 933	991 314	1 196 402	1 196 402	1 099 854	1 077 715	934 675
Community wealth/Equity	-	13 097 636	12 815 228	14 795 243	14 268 290	14 283 057	17 455 434	18 992 338	20 924 847
Cash flows									
Net cash from (used) operating	-	943 935	883 558	1 295 260	1 334 281	1 334 281	1 504 076	1 638 956	1 411 083
Net cash from (used) investing	-	(943 897)	(1 122 240)	(1 928 971)	(1 568 801)	(1 568 801)	(1 856 983)	(1 510 844)	(1 237 238)
Net cash from (used) financing	-	11 475	145 171	754 023	392 050	392 050	360 000	10 000	43 000
Cash/cash equivalents at the year end	-	99 771	4 526	138 325	159 548	162 056	166 641	304 753	521 599

DRAFT MULTI-YEAR BUDGET 2019/20-2021/22

Description	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousands									
<u>Cash backing/surplus reconciliation</u>									
Cash and investments available	-	348 350	117 028	335 225	159 547	159 547	262 642	304 754	521 600
Application of cash and investments	-	40 000	(71 375)	111 627	57 074	57 074	66 151	210 659	329 864
Balance - surplus (shortfall)	-	308 350	188 403	223 598	102 474	102 474	196 491	94 095	191 735
<u>Asset management</u>									
Asset register summary (MDV)	-	13 514 256	13 454 685	15 461 447	17 206 690	17 187 008	18 725 533	20 288 955	21 561 689
Depreciation	-	-	-	190 000	190 000	190 000	237 000	255 000	285 000
Renewal of Existing Assets	-	182 211	397 607	469 222	552 345	552 345	428 204	415 959	259 274
Repairs and Maintenance	-	244 422	289 040	492 286	532 798	532 798	517 097	524 778	574 455
<u>Free services</u>									
Cost of Free Basic Services provided	-	-	-	499 022	499 022	499 022	550 224	597 871	650 283
Revenue cost of free services provided	-	-	-	112 770	112 770	112 770	120 177	128 155	136 718
<u>Households below minimum service level</u>									
Water:	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	178	130	138	138	138	146	155	164
Energy:	-	29	39	41	41	41	44	46	49
Refuse:	-	-	-	-	-	-	-	-	-

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

DRAFT MULTI-YEAR BUDGET 2019/20-2021/22

Functional Classification Description R thousand	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue - Functional					
<i>Governance and administration</i>	2 676 130	2 707 889	3 194 739	3 257 277	3 102 774
Executive and council	-	-	-	-	-
Finance and administration	2 676 130	2 707 889	3 194 739	3 257 277	3 102 774
Internal audit	-	-	-	-	-
<i>Community and public safety</i>	12 083	12 083	10 145	10 754	11 393
Community and social services	2 446	2 446	2 600	2 756	2 920
Sport and recreation	6 809	6 809	7 222	7 655	8 109
Public safety	303	303	323	343	364
Housing	-	-	-	-	-
Health	2 525	2 525	-	-	-
<i>Economic and environmental services</i>	135 589	122 589	131 150	139 024	147 362
Planning and development	58 801	58 801	62 323	66 061	70 025
Road transport	76 788	63 788	66 150	70 125	74 329
Environmental protection	-	-	2 677	2 838	3 008
<i>Trading services</i>	1 623 617	1 654 130	1 731 637	1 924 149	2 092 276
Energy sources	1 055 136	1 055 136	1 158 759	1 316 898	1 448 589
Water management	350 836	354 325	310 976	329 635	349 412
Waste water management	102 528	123 864	133 773	141 800	150 309
Waste management	115 117	120 805	128 129	135 816	143 966
<i>Other</i>	-	-	-	-	-
Total Revenue - Functional	4 447 419	4 496 691	5 067 671	5 331 204	5 353 805
Expenditure - Functional					
<i>Governance and administration</i>	1 211 241	1 281 032	1 274 897	1 377 781	1 496 550
Executive and council	357 912	324 342	314 462	368 664	422 331
Finance and administration	840 603	946 850	948 904	997 400	1 061 800
Internal audit	12 727	9 840	11 531	11 717	12 419
<i>Community and public safety</i>	262 621	256 791	268 314	273 298	288 192
Community and social services	77 000	76 057	90 927	92 117	96 154
Sport and recreation	130 483	125 088	119 998	123 364	130 758
Public safety	49 228	49 884	49 722	50 011	53 011
Housing	869	928	828	887	941
Health	5 041	4 834	6 839	6 919	7 328
<i>Economic and environmental services</i>	450 515	459 354	496 544	505 113	524 474
Planning and development	133 036	133 862	140 598	123 849	131 630
Road transport	316 684	324 800	348 489	373 611	384 731
Environmental protection	796	691	7 456	7 653	8 113
<i>Trading services</i>	1 424 312	1 409 173	1 521 549	1 647 271	1 793 344
Energy sources	894 756	882 586	954 688	1 046 749	1 147 497
Water management	296 731	293 516	341 487	370 851	407 807
Waste water management	114 419	104 405	102 173	105 412	99 931
Waste management	118 407	128 666	123 201	124 259	138 110
Surplus/(Deficit) for the year	1 098 730	1 090 342	1 506 367	1 527 740	1 251 244

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

DRAFT MULTI-YEAR BUDGET 2019/20-2021/22

Vote Description	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand					
Revenue by Vote					
Vote 1 - COUNCIL	-	-	-	-	-
Vote 2 - Office of the Municipal Manger	-	-	-	-	-
Vote 3 - Strategic Planning Monitoring and Evaluation	-	-	-	-	-
Vote 4 - Engineering Services	1 523 152	1 547 977	1 603 776	1 788 617	1 948 612
Vote 5 - Community Services	184 126	189 814	201 308	213 394	226 190
Vote 6 - Community Development	11 533	11 533	12 228	12 961	13 736
Vote 7 - Corporate and Shared Services	5 334	5 334	5 656	5 995	6 354
Vote 8 - Planning and Economic Development	58 801	58 801	62 323	66 061	70 025
Vote 9 - Budget and Treasury	2 664 473	2 683 232	3 182 380	3 244 176	3 088 888
Vote 10 - Transport Operations	-	-	-	-	-
Total Revenue by Vote	4 447 419	4 496 692	5 067 671	5 331 204	5 353 805
Expenditure by Vote to be appropriated					
Vote 1 - COUNCIL	338 419	304 549	308 118	362 316	415 602
Vote 2 - Office of the Municipal Manger	48 675	46 038	33 834	34 410	36 470
Vote 3 - Strategic Planning Monitoring and Evaluation	72 465	78 073	81 765	64 799	69 059
Vote 4 - Engineering Services	1 468 603	1 455 672	1 609 532	1 744 217	1 889 706
Vote 5 - Community Services	436 590	451 053	460 361	465 887	500 220
Vote 6 - Community Development	186 544	196 838	198 288	204 416	220 142
Vote 7 - Corporate and Shared Services	217 499	236 425	306 978	379 745	407 446
Vote 8 - Planning and Economic Development	72 942	72 920	76 742	77 125	81 732
Vote 9 - Budget and Treasury	449 748	507 977	450 021	420 549	440 684
Vote 10 - Transport Operations	57 205	56 805	35 665	50 001	41 501
Total Expenditure by Vote	3 348 689	3 406 350	3 561 304	3 803 464	4 102 561
Surplus/(Deficit) for the year	1 098 730	1 090 342	1 506 367	1 527 740	1 251 244

Table A4 Budgeted Financial Performance (revenue and expenditure)

DRAFT MULTI-YEAR BUDGET 2019/20-2021/22

Description	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +1 2020/21
R thousand					
Revenue By Source					
Property rates	461 484	431 818	520 000	551 200	584 272
Service charges - electricity revenue	1 054 944	1 054 944	1 158 750	1 316 887	1 448 577
Service charges - water revenue	248 450	277 273	310 841	329 492	349 260
Service charges - sanitation revenue	102 528	123 864	133 773	141 800	150 309
Service charges - refuse revenue	112 948	118 636	128 127	135 814	143 964
Service charges - other					
Rental of facilities and equipment	37 297	37 297	39 535	41 907	44 416
Interest earned - external investments	47 281	27 281	28 918	30 653	32 492
Interest earned - outstanding debtors	80 000	80 000	84 800	89 888	95 282
Dividends received		-			
Fines, penalties and forfeits	16 000	16 000	16 960	17 980	19 060
Licences and permits	14 890	14 890	15 784	16 733	17 733
Agency services	25 000	25 000	26 500	28 090	29 775
Transfers and subsidies	1 008 780	978 326	1 039 367	1 149 693	1 228 910
Other revenue	424 952	399 619	297 180	215 015	233 911
Gains on disposal of PPE					
Total Revenue (excluding capital transfers and contributions)	3 634 554	3 584 948	3 800 535	4 065 152	4 377 961
Expenditure By Type					
Employee related costs	817 423	852 667	940 000	996 400	1 056 184
Remuneration of councillors	40 518	40 518	43 149	45 955	45 955
Debt impairment	235 000	200 000	200 000	250 000	300 000
Depreciation & asset impairment	190 000	190 000	237 000	255 000	285 000
Finance charges	107 500	82 500	80 000	75 000	65 000
Bulk purchases	905 497	880 497	968 547	1 065 401	1 171 942
Other materials	37 666	39 266	60 827	64 159	64 159
Contracted services	796 325	891 283	784 936	792 160	840 059
Transfers and subsidies	11 500	11 500	11 500	11 500	11 500
Other expenditure	207 260	218 119	235 345	247 889	262 762
Loss on disposal of PPE					
Total Expenditure	3 348 689	3 406 350	3 561 304	3 803 464	4 102 561
Surplus/(Deficit)	285 865	178 598	239 231	261 688	275 400
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	798 465	910 344	1 267 136	1 266 052	975 844
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	-	-	-	-
Surplus/(Deficit) for the year	1 098 730	1 090 342	1 506 367	1 527 740	1 251 244

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

Vote Description	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand					
Capital expenditure - Vote					
Vote 1 - COUNCIL	–	–	–	–	–
Vote 2 - Office of the Municipal Manger	–	–	–	–	–
Vote 3 - Strategic Planning Monitoring and Evaluation	3 100	1 000	–	–	–
Vote 4 - Engineering Services	1 527 348	1 080 912	1 498 329	1 317 605	1 003 395
Vote 5 - Community Services	38 977	33 283	153 324	20 299	23 005
Vote 6 - Community Development	50 340	36 271	81 964	59 836	69 219
Vote 7 - Corporate and Shared Services	9 750	52 522	16 968	6 790	6 144
Vote 8 - Planning and Economic Development	7 000	4 000	13 339	28 130	24 110
Vote 9 - Budget and Treasury	8 500	8 500	6 500	–	–
Vote 10 - Transport Operations	267 532	429 282	159 433	152 492	175 971
Capital single-year expenditure sub-total	1 912 547	1 645 770	1 929 856	1 585 152	1 301 844
Total Capital Expenditure - Vote	1 912 547	1 645 770	1 929 856	1 585 152	1 301 844
Capital Expenditure - Functional					
Governance and administration	332 907	77 399	146 761	13 106	17 063
Executive and council	–	–	–	–	–
Finance and administration	332 907	77 399	146 761	13 106	17 063
Internal audit	–	–	–	–	–
Community and public safety	43 390	35 277	101 185	65 066	72 114
Community and social services	4 050	7 380	19 690	21 119	26 424
Sport and recreation	39 340	27 897	61 185	32 239	33 362
Public safety	–	–	20 310	11 708	12 328
Economic and environmental services	755 557	679 708	705 634	474 527	557 204
Planning and development	7 000	4 000	14 839	28 525	24 479
Road transport	748 557	675 708	681 486	438 244	523 902
Environmental protection	–	–	9 310	7 758	8 823
Trading services	780 693	853 386	976 276	1 031 853	655 463
Energy sources	69 070	60 838	62 248	89 107	99 281
Water management	300 703	428 006	386 703	769 285	351 607
Waste water management	392 320	345 643	507 948	162 025	201 107
Waste management	18 600	18 900	19 378	11 437	3 469
Other	–	–	–	–	–
Total Capital Expenditure - Functional	1 912 547	1 645 770	1 929 856	1 584 552	1 301 844
Funded by:					
National Government	798 465	910 344	1 267 136	1 266 052	975 844
Transfers recognised - capital	812 865	911 744	1 281 136	1 276 052	975 844
Public contributions & donations	–	–	–	–	–
Borrowing	830 000	490 000	420 000	65 000	65 000
Internally generated funds	269 682	244 026	228 721	243 500	261 000
Total Capital Funding	1 912 547	1 645 770	1 929 856	1 584 552	1 301 844

Table A6 Budgeted Financial Position

DRAFT MULTI-YEAR BUDGET 2019/20-2021/22

Description	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +2 2020/21	Budget Year +2 2021/22
R thousand					
ASSETS					
Current assets					
Cash	138 325	109 347	166 641	304 753	521 599
Call investment deposits	–	50 200	96 000	–	–
Consumer debtors	491 895	491 895	534 565	501 565	418 565
Other debtors	45 000	45 000	45 000	45 000	45 000
Current portion of long-term receivables	500	500	500	500	500
Inventory	36 214	36 214	96 214	136 214	36 214
Total current assets	711 934	733 156	938 920	988 032	1 021 878
Non current assets					
Long-term receivables	–	–	–	–	–
Investments	196 899	–	1	1	1
Investment property	658 489	658 489	732 808	732 808	732 808
Investment in Associate	–	–	–	–	–
Property, plant and equipment	14 877 687	14 787 766	17 969 507	19 532 929	20 805 663
Agricultural					
Biological	16 785	11 833	11 833	11 833	11 833
Intangible	4 588	11 383	11 383	11 383	11 383
Other non-current assets	16 609	–	–	–	–
Total non current assets	15 751 558	15 469 471	18 725 533	20 288 955	21 561 689
TOTAL ASSETS	16 463 493	16 202 628	19 664 453	21 276 987	22 583 567
LIABILITIES					
Current liabilities					
Bank overdraft	–	–	–	–	–
Borrowing	66 812	147 812	50 535	61 114	50 535
Consumer deposits	72 000	72 000	73 000	75 000	78 000
Trade and other payables	538 124	518 124	494 599	595 864	642 947
Provisions	–	–	–	–	–
Total current liabilities	676 936	737 936	618 134	731 978	771 482
Non current liabilities					
Borrowing	728 258	897 158	592 043	583 725	444 663
Provisions	263 056	299 244	507 811	493 991	490 012
Total non current liabilities	991 314	1 196 402	1 099 854	1 077 715	934 675
TOTAL LIABILITIES	1 668 250	1 934 338	1 717 988	1 809 693	1 706 156
NET ASSETS	14 795 243	14 268 290	17 946 465	19 467 294	20 877 411
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	7 595 329	6 842 269	10 444 791	11 965 620	13 375 737
Reserves	7 199 914	7 426 021	7 501 674	7 501 674	7 501 674
TOTAL COMMUNITY WEALTH/EQUITY	14 795 243	14 268 290	17 946 465	19 467 294	20 877 411

Table A7 Budgeted Cash Flows

DRAFT MULTI-YEAR BUDGET 2019/20-2021/22

Description	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2022/22
R thousand					
CASH FLOW FROM OPERATING ACTIVITIES					
Receipts					
Property rates	406 106	380 000	442 000	440 960	467 418
Service charges	1 366 983	1 385 751	1 523 712	1 693 114	1 841 057
Other revenue	484 662	523 349	348 444	281 358	303 508
Government - operating	1 008 780	978 326	1 039 367	1 149 693	1 228 910
Government - capital	798 465	910 344	1 267 136	1 266 052	975 844
Interest	118 371	33 000	100 072	106 076	112 441
Payments					
Suppliers and employees	(2 770 182)	(2 831 989)	(3 125 395)	(3 212 056)	(3 441 823)
Finance charges	(106 425)	(33 000)	(79 760)	(74 775)	(64 805)
Transfers and Grants	(11 500)	(11 500)	(11 500)	(11 466)	(11 466)
NET CASH FROM/(USED) OPERATING ACTIVITIES	1 295 260	1 334 281	1 504 076	1 638 956	1 411 083
CASH FLOWS FROM INVESTING ACTIVITIES					
Receipts					
Proceeds on disposal of PPE	14 400	14 400	-	-	-
Decrease (Increase) in non-current debtors	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-
Decrease (increase) in non-current investments	(88 200)	-	-	-	-
Payments					
Capital assets	(1 855 171)	(1 583 201)	(1 856 983)	(1 510 844)	(1 237 238)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(1 928 971)	(1 568 801)	(1 856 983)	(1 510 844)	(1 237 238)
CASH FLOWS FROM FINANCING ACTIVITIES					
Receipts					
Short term loans	-	-	-	-	-
Borrowing long term/refinancing	830 000	470 000	420 000	65 000	65 000
Increase (decrease) in consumer deposits	-	50	-	-	-
Payments					
Repayment of borrowing	(75 977)	(78 000)	(60 000)	(55 000)	(22 000)
NET CASH FROM/(USED) FINANCING ACTIVITIES	754 023	392 050	360 000	10 000	43 000
NET INCREASE/ (DECREASE) IN CASH HELD	120 312	157 530	7 093	138 112	216 846
Cash/cash equivalents at the year begin:	18 013	2 018	159 548	166 641	304 753
Cash/cash equivalents at the year end:	138 325	159 548	166 641	304 753	521 599

Table A8 Cash backed reserves/accumulated surplus reconciliation

DRAFT MULTI-YEAR BUDGET 2019/20-2021/22

Description	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/2	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand					
<u>Cash and investments available</u>					
Cash/cash equivalents at the year end	138 325	159 548	166 641	304 753	521 599
Other current investments > 90 days	-	(0)	96 000	-	-
Non current assets - Investments	196 899	-	1	1	1
Cash and investments available:	335 225	159 547	262 642	304 754	521 600
<u>Application of cash and investments</u>					
Unspent conditional transfers	-	-	50 000	50 000	50 000
Unspent borrowing	-	-	-	-	-
Statutory requirements	(20 818)	-	(47 000)	(57 000)	(60 000)
Other working capital requirements	68 014	41 643	(46 280)	88 228	204 434
Other provisions	64 431	15 431	15 431	15 431	15 431
Long term investments committed	-	-	-	-	-
Reserves to be backed by cash/investments					
Total Application of cash and investments:	111 627	57 074	(27 849)	96 659	209 864
Surplus(shortfall)	223 598	102 474	290 491	208 095	311 735

Table A 9 Consolidated Asset Management

Description	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +2 2020/21	Budget Year +2 2021/22
R thousand						
CAPITAL EXPENDITURE						
Total New Assets	1 443 325	1 100 425	1 100 425	1 501 652	1 169 193	1 042 570
<i>Roads Infrastructure</i>	180 122	129 266	129 266	113 788	188 821	125 483
<i>Storm water Infrastructure</i>	-	-	-	7 500	-	-
<i>Electrical Infrastructure</i>	59 970	43 420	43 420	58 248	80 812	88 008
<i>Water Supply Infrastructure</i>	200 553	207 981	207 981	392 365	485 592	351 607
<i>Sanitation Infrastructure</i>	351 185	304 508	304 508	507 948	162 025	201 107
<i>Solid Waste Infrastructure</i>	12 800	13 100	13 100	19 378	11 437	3 469
<i>Coastal Infrastructure</i>	-	-	-	268	-	406
Infrastructure	804 630	698 275	698 275	1 099 495	928 686	770 080
Community Facilities	75 418	61 969	61 969	314 688	179 901	210 129
Sport and Recreation Facilities	12 700	10 999	10 999	55 540	30 659	35 760
Community Assets	88 118	72 968	72 968	370 227	210 560	245 889
Heritage Assets	1 550	1 550	1 550	-	-	-
Revenue Generating	-	-	-	12 669	22 798	17 653
Investment properties	-	-	-	12 669	22 798	17 653
Operational Buildings	-	-	-	10 802	4 701	6 273
Housing	4 000	-	-	-	-	-
Other Assets	4 000	-	-	10 802	4 701	6 273
Servitudes	1 000	-	-	-	-	-
Licences and Rights	-	-	-	2 700	790	369
Intangible Assets	1 000	-	-	2 700	790	369
Computer Equipment	3 300	2 352	2 352	2 000	-	369
Furniture and Office Equipment	1 660	1 000	1 000	1 500	395	554
Machinery and Equipment	10 867	10 267	10 267	2 260	1 264	1 384
Transport Assets	528 200	314 013	314 013	-	-	-
Total Renewal of Existing Assets	253 783	365 518	365 518	12 256	19 954	19 373
<i>Roads Infrastructure</i>	4 500	4 500	4 500	3 705	5 273	2 583
<i>Electrical Infrastructure</i>	11 408	10 725	10 725	2 000	4 345	6 273
<i>Water Supply Infrastructure</i>	87 335	210 160	210 160	-	-	-
<i>Sanitation Infrastructure</i>	45 800	45 800	45 800	-	-	-
<i>Information and Communication Infrastructure</i>	4 000	4 000	4 000	-	-	-
Infrastructure	153 043	275 185	275 185	5 705	9 618	8 856
Community Facilities	16 525	6 360	6 360	4 708	5 596	4 428
Sport and Recreation Facilities	-	-	-	-	-	-
Community Assets	16 525	6 360	6 360	4 708	5 596	4 428
Revenue Generating	-	-	-	335	593	1 845
Investment properties	-	-	-	335	593	1 845
Operational Buildings	84 215	83 973	83 973	1 508	4 148	4 244
Housing	-	-	-	-	-	-
Other Assets	84 215	83 973	83 973	1 508	4 148	4 244
Total Upgrading of Existing Assets	215 440	186 828	186 828	205 949	402 405	234 902
<i>Roads Infrastructure</i>	146 382	142 210	142 210	178 550	98 058	211 913
<i>Storm water Infrastructure</i>	1 900	-	-	2 010	-	2 952
<i>Electrical Infrastructure</i>	4 193	4 193	4 193	2 000	3 950	5 000
<i>Water Supply Infrastructure</i>	10 150	9 200	9 200	838	283 693	-
<i>Solid Waste Infrastructure</i>	4 000	6 000	6 000	-	-	-
<i>Information and Communication Infrastructure</i>	-	-	-	12 000	6 000	5 000

Table A 9 Consolidated Asset Management - cont

Description	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +2 2020/21	Budget Year +2 2021/22
R thousand						
Infrastructure	166 625	161 603	161 603	405 398	385 300	229 865
Community Facilities	12 600	2 850	2 850	1 371	4 385	5 055
Sport and Recreation Facilities	19 215	9 875	9 875	7 845	1 580	-
Community Assets	31 815	12 725	12 725	9 216	5 965	5 055
Heritage Assets	-	-	-	-	-	-
Revenue Generating	-	-	-	335	4 740	4 613
Non-revenue Generating	-	-	-	-	-	-
Investment properties	-	-	-	335	4 740	4 613
Operational Buildings	10 000	8 500	8 500	1 000	-	369
Housing	-	-	-	-	-	-
Other Assets	10 000	8 500	8 500	1 000	-	369
Biological or Cultivated Assets	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-
Computer Equipment	7 000	4 000	4 000	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-
Total Capital Expenditure	1 912 547	1 652 770	1 652 770	1 929 856	1 585 152	1 301 844
<i>Roads Infrastructure</i>	331 004	275 976	275 976	506 043	285 752	344 979
<i>Storm water Infrastructure</i>	1 900	-	-	9 510	-	2 952
<i>Electrical Infrastructure</i>	75 570	58 338	58 338	62 248	89 107	99 281
<i>Water Supply Infrastructure</i>	298 038	427 341	427 341	393 203	769 285	351 607
<i>Sanitation Infrastructure</i>	396 985	350 308	350 308	507 948	162 025	201 107
<i>Solid Waste Infrastructure</i>	16 800	19 100	19 100	19 378	11 437	3 469
<i>Information and Communication Infrastructure</i>	4 000	4 000	4 000	12 000	6 000	5 000
Infrastructure	1 124 297	1 135 062	1 135 062	1 510 597	1 323 605	1 008 801
Community Facilities	104 543	71 179	71 179	320 767	189 881	219 613
Sport and Recreation Facilities	31 915	20 874	20 874	63 385	32 239	35 760
Community Assets	136 458	92 053	92 053	384 151	222 120	255 373
Heritage Assets	1 550	1 550	1 550	-	-	-
Revenue Generating	-	-	-	13 339	28 130	24 110
Investment properties	-	-	-	13 339	28 130	24 110
Operational Buildings	94 215	92 473	92 473	13 309	8 848	10 886
Housing	4 000	-	-	-	-	-
Other Assets	98 215	92 473	92 473	13 309	8 848	10 886
Biological or Cultivated Assets	-	-	-	-	-	-
Servitudes	1 000	-	-	-	-	-
Licences and Rights	-	-	-	2 700	790	369
Intangible Assets	1 000	-	-	2 700	790	369
Computer Equipment	10 300	6 352	6 352	2 000	-	369
Furniture and Office Equipment	1 660	1 000	1 000	1 500	395	554
Machinery and Equipment	10 867	10 267	10 267	2 260	1 264	1 384
Transport Assets	528 200	314 013	314 013	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	1 912 547	1 652 770	1 652 770	1 929 856	1 585 152	1 301 844

Table A 9 Consolidated Asset Management - cont

Description	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +2 2020/21	Budget Year +2 2021/22
R thousand						
ASSET REGISTER SUMMARY - PPE (WDV)	15 461 447	17 206 690	17 187 008	18 725 533	20 288 955	21 561 689
<i>Roads Infrastructure</i>	5 412 939	5 688 915	5 688 915	6 194 958	6 480 710	6 825 689
<i>Storm water Infrastructure</i>	432 057	432 057	432 057	441 567	441 567	444 519
<i>Electrical Infrastructure</i>	1 455 543	1 513 880	1 513 880	1 576 128	1 665 234	1 764 515
<i>Water Supply Infrastructure</i>	1 629 038	2 056 378	2 056 378	2 449 581	3 218 866	3 570 473
<i>Sanitation Infrastructure</i>	823 886	1 174 193	1 174 193	1 682 141	1 844 166	2 045 273
<i>Solid Waste Infrastructure</i>	80 119	99 219	99 219	118 597	130 034	133 502
<i>Rail Infrastructure</i>	-	-	-	-	-	-
<i>Coastal Infrastructure</i>	-	-	-	268	268	674
<i>Information and Communication Infrastructure</i>	15 681	19 681	-	12 000	18 000	23 000
Infrastructure	9 849 262	10 984 324	10 964 643	12 475 240	13 798 845	14 807 646
Community Assets	2 259 151	2 351 204	2 351 204	2 735 355	2 957 475	3 212 848
Heritage Assets	17 146	18 696	18 696	18 696	18 696	18 696
Investment properties	827 023	919 496	919 496	732 808	732 808	732 808
Other Assets	1 568 841	1 661 314	1 661 314	1 483 317	1 498 565	1 504 451
Biological or Cultivated Assets	11 833	11 833	11 833	11 833	11 833	11 833
Intangible Assets	12 147	12 147	12 147	14 847	15 637	16 006
Computer Equipment	15 315	21 667	21 667	23 667	23 667	24 036
Furniture and Office Equipment	19 387	20 387	20 387	21 887	22 282	22 835
Machinery and Equipment	20 206	30 473	30 473	32 733	33 997	35 380
Transport Assets	679 263	993 276	993 276	993 276	993 276	993 276
Libraries	181 873	181 873	181 873	181 873	181 873	181 873
Zoo's, Marine and Non-biological Animals						
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	15 461 447	17 206 690	17 187 008	18 725 533	20 288 955	21 561 689
EXPENDITURE OTHER ITEMS	682 286	722 798	722 798	754 097	779 778	859 455
<u>Depreciation</u>	190 000	190 000	190 000	237 000	255 000	285 000
<u>Repairs and Maintenance by Asset Class</u>	492 286	532 798	532 798	517 097	524 778	574 455
<i>Roads Infrastructure</i>	59 902	69 902	69 902	99 243	102 383	108 897
<i>Storm water Infrastructure</i>	1 770	1 770	1 770	1 876	1 989	2 108
<i>Electrical Infrastructure</i>	37 975	36 475	36 475	104 543	107 787	111 987
<i>Water Supply Infrastructure</i>	26 711	26 711	26 711	54 923	56 665	60 066
<i>Sanitation Infrastructure</i>	7 379	7 379	7 379	52 700	53 316	56 515
<i>Solid Waste Infrastructure</i>	10 446	10 446	10 446	31 106	32 720	34 684
Infrastructure	144 183	152 683	152 683	344 392	354 860	374 257
<i>Community Facilities</i>	17 361	13 811	13 811	5 701	6 044	6 407
<i>Sport and Recreation Facilities</i>	4 485	3 735	3 735	29 380	30 099	31 906
Community Assets	21 846	17 546	17 546	35 081	36 143	38 313
Heritage Assets	1 853	1 853	1 853	1 965	2 083	2 207
Investment properties	-	-	-	-	-	-
<i>Operational Buildings</i>	283 201	306 663	306 663	39 446	29 702	47 516
Other Assets	283 201	306 663	306 663	39 446	29 702	47 516
<i>Licences and Rights</i>	13 335	13 335	13 335	19 000	20 140	22 866
Intangible Assets	13 335	13 335	13 335	19 000	20 140	22 866
Computer Equipment	2 148	2 148	2 148	8 122	8 612	9 129
Furniture and Office Equipment	20 662	33 512	33 512	21 901	23 215	24 607
Machinery and Equipment	5 058	5 058	5 058	5 290	5 608	5 944
TOTAL EXPENDITURE OTHER ITEMS	682 286	722 798	722 798	754 097	779 778	859 455
<i>Renewal and upgrading of Existing Assets as % of total capex</i>	24,5%	33,4%	33,4%	22,2%	26,2%	19,9%
<i>Renewal and upgrading of Existing Assets as % of deprecn</i>	247,0%	290,7%	290,7%	180,7%	163,1%	91,0%
<i>R&M as a % of PPE</i>	3,3%	3,6%	3,6%	2,9%	2,7%	2,8%
<i>Renewal and upgrading and R&M as a % of PPE</i>	6,0%	6,0%	6,0%	5,0%	5,0%	4,0%

Table SA1 - Supporting detail to budgeted financial performance

Description	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +2 2020/21	Budget Year 2021/22
R thousand					
REVENUE ITEMS:					
Property rates					
Total Property Rates	515 417	485 751	577 169	611 800	648 508
<i>less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>	53 933	53 933	57 169	60 600	64 236
Net Property Rates	461 484	431 818	520 000	551 200	584 272
Service charges - electricity revenue					
Total Service charges - electricity revenue	1 091 256	1 091 256	1 198 636	1 362 357	1 500 412
<i>less Revenue Foregone (in excess of 50 kwh per indigent household per month)</i>	8 723	8 723	9 582	10 923	12 452
<i>less Cost of Free Basis Services (50 kwh per indigent household per month)</i>	27 589	27 589	30 304	34 547	39 383
Net Service charges - electricity revenue	1 054 944	1 054 944	1 158 750	1 316 887	1 448 577
Service charges - water revenue					
Total Service charges - water revenue	290 672	319 495	356 205	377 578	400 232
<i>less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)</i>	21 111	21 111	22 682	24 043	25 486
<i>less Cost of Free Basis Services (6 kilolitres per indigent household per month)</i>	21 111	21 111	22 682	24 043	25 486
Net Service charges - water revenue	248 450	277 273	310 841	329 492	349 260
Service charges - sanitation revenue					
Total Service charges - sanitation revenue	134 082	155 418	167 221	177 255	187 891
<i>less Revenue Foregone (in excess of free sanitation service to indigent households)</i>	15 777	15 777	16 724	17 728	18 791
<i>less Cost of Free Basis Services (free sanitation service to indigent households)</i>	15 777	15 777	16 724	17 728	18 791
Net Service charges - sanitation revenue	102 528	123 864	133 773	141 800	150 309
Service charges - refuse revenue					
Total refuse removal revenue	139 400	145 088	156 167	165 536	175 469
Total landfill revenue	-	-	-	-	-
<i>less Revenue Foregone (in excess of one removal a week to indigent households)</i>	13 226	13 226	14 020	14 861	15 753
<i>less Cost of Free Basis Services (removed once a week to indigent households)</i>	13 226	13 226	14 020	14 861	15 753
Net Service charges - refuse revenue	112 948	118 636	128 127	135 814	143 964
Other Revenue by source					
Total 'Other' Revenue	424 952	399 619	297 180	215 015	233 911
EXPENDITURE ITEMS:					
Employee related costs					
Basic Salaries and Wages	516 498	516 498	541 614	536 604	568 794
Pension and UIF Contributions	111 145	102 285	111 453	110 488	117 147
Medical Aid Contributions	31 358	31 358	33 759	33 483	35 493
Overtime	39 681	62 785	67 268	66 670	70 670
Performance Bonus	-	-	-	-	-
Motor Vehicle Allowance	50 852	50 852	56 505	56 018	59 379
Cellphone Allowance	329	329	353	360	384
Housing Allowances	7 660	7 660	8 431	8 384	8 896
Other benefits and allowances	59 901	54 449	91 274	155 259	164 543
Payments in lieu of leave	-	15 053	16 850	16 758	17 759
Long service awards	-	11 399	12 493	12 376	13 119
Post-retirement benefit obligations	-	-	-	-	-
Total Employee related costs	817 423	852 667	940 000	996 400	1 056 184

Table SA1 - Supporting detail to budgeted financial performance...continues

Description	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +2 2020/21	Budget Year 2021/22
R thousand					
<u>Contributions recognised - capital</u>					
<i>KFW Bank</i>			14 000		
Total Contributions recognised - capital	-	-	14 000	-	-
<u>Depreciation & asset impairment</u>					
Depreciation of Property, Plant & Equipment	530 000	530 000	573 800	610 508	685 000
Lease amortisation	-	-			
Capital asset impairment	-	-			
Depreciation resulting from revaluation of PPE	340 000	340 000	336 800	355 508	400 000
Total Depreciation & asset impairment	190 000	190 000	237 000	255 000	285 000
<u>Bulk purchases</u>					
Electricity Bulk Purchases	700 631	685 631	751 390	826 528	918 737
Water Bulk Purchases	204 866	194 866	217 157	238 873	253 205
Total bulk purchases	905 497	880 497	968 547	1 065 401	1 171 942
<u>Transfers and grants</u>					
Cash transfers and grants	11 500	11 500	11 500	11 500	11 500
Non-cash transfers and grants	-	-	-	-	-
Total transfers and grants	11 500	11 500	11 500	11 500	11 500
Total contracted services	796 325	891 283	784 936	792 160	840 059
Total 'Other' Expenditure	207 260	218 119	235 345	247 889	262 762

Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)

Description	Vote 1 - COUNCIL	Vote 2 - Office of the Municipal Manger	Vote 3 - Strategic Planning Monitoring and Evaluation	Vote 4 - Engineering Services	Vote 5 - Community Services	Vote 6 - Community Development	Vote 7 - Corporate and Shared Services	Vote 8 - Planning and Economic Development	Vote 9 - Budget and Treasury	Vote 10 - Transport Operations	Total
R thousand											
Revenue By Source											
Property rates									520 000		520 000
Service charges - electricity revenue				1 158 750							1 158 750
Service charges - water revenue				310 841							310 841
Service charges - sanitation revenue				133 773							133 773
Service charges - refuse revenue					128 127						128 127
Service charges - other		-	-	-		-	-	-	-	-	-
Rental of facilities and equipment					2 043	9 046		28 446			39 535
Interest earned - external investments									28 918		28 918
Interest earned - outstanding debtors									84 800		84 800
Dividends received											-
Fines, penalties and forfeits				144	16 680	136					16 960
Licences and permits							14 990	656	138		15 784
Agency services					26 500						26 500
Other revenue				268	12 968	3 046	5 656	33 221	242 021		297 180
Transfers and subsidies									1 039 367		1 039 367
Gains on disposal of PPE											-
contributions)	-	-	-	1 603 776	186 318	12 228	20 646	62 323	1 915 244	-	3 800 535
Expenditure By Type											
Employee related costs	32 662	21 834	27 405	201 525	271 158	86 024	138 848	63 076	86 190	11 279	940 000
Remuneration of councillors	43 149										43 149
Debt impairment	200 000										200 000
Depreciation & asset impairment	279	1 322	5 129	163 009	11 687	46 548	4 018	4 226	667	115	237 000
Finance charges	80 000										80 000
Bulk purchases				968 547							968 547
Other materials	88	184	462	44 504	6 068	1 599	4 506	491	2 708	217	60 827
Contracted services	745	3 753	40 634	207 453	154 145	43 837	86 082	4 173	220 948	23 166	784 936
Transfers and subsidies	11 500										11 500
Other expenditure	19 696	6 741	8 135	24 493	17 304	20 280	73 524	4 776	59 508	888	235 345
Loss on disposal of PPE											-
Total Expenditure	388 118	33 834	81 765	1 609 532	460 361	198 288	306 978	76 742	370 021	35 665	3 561 304
Surplus/(Deficit)											
(National / Provincial and District)		(33 834)	(81 765)	(5 756)	(274 043)	(186 060)	(286 332)	(14 419)	1 545 223	(35 665)	239 231
(National / Provincial Departmental Agencies, Households, Non-Transfers and subsidies - capital (in-kind - all))									1 267 136		1 267 136
Surplus/(Deficit) after capital transfers & contributions	(388 118)	(33 834)	(81 765)	(5 756)	(274 043)	(186 060)	(286 332)	(14 419)	2 812 359	(35 665)	1 506 367

Table SA3 – Supporting detail to Statement of Financial Position

Description	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand					
ASSETS					
Call investment deposits					
Call deposits		50 200	96 000		
Other current investments	–	50 200	96 000	–	–
Total Call investment deposits					
Consumer debtors					
Consumer debtors	1 176 363	1 176 363	1 419 033	1 636 033	1 853 033
Less: Provision for debt impairment	(684 468)	(684 468)	(884 468)	(1 134 468)	(1 434 468)
Total Consumer debtors	491 895	491 895	534 565	501 565	418 565
Debt impairment provision					
Balance at the beginning of the year	449 468	449 468	684 468	884 468	1 134 468
Contributions to the provision	235 000	235 000	200 000	250 000	300 000
Bad debts written off	684 468	684 468	884 468	1 134 468	1 434 468
Balance at end of year					
Property, plant and equipment (PPE)					
PPE at cost/valuation (excl. finance leases)	25 220 390	25 130 469	29 204 116	31 733 554	34 091 288
Leases recognised as PPE	–	–	–	–	–
Less: Accumulated depreciation	10 342 703	10 342 703	11 253 303	12 219 319	13 304 319
Total Property, plant and equipment (PPE)	14 877 687	14 787 766	17 950 813	19 514 235	20 786 969
LIABILITIES					
Current liabilities - Borrowing					
Short term loans (other than bank overdraft)	2 499	2 499			
Current portion of long-term liabilities	64 313	145 313	50 535	61 114	50 535
Total Current liabilities - Borrowing	66 812	147 812	50 535	61 114	50 535
Trade and other payables					
Trade and other creditors	491 926	471 926	444 599	488 279	529 603
Unspent conditional transfers	46 198	46 198		57 585	63 344
VAT			50 000	50 000	50 000
Total Trade and other payables	538 124	518 124	494 599	595 864	642 947
Non current liabilities - Borrowing					
Borrowing	638 258	807 158	472 043	483 725	364 663
Finance leases (including PPP asset element)	90 000	90 000	120 000	100 000	80 000
Total Non current liabilities - Borrowing	728 258	897 158	592 043	583 725	444 663
Provisions - non-current					
Retirement benefits	198 625	234 813	421 740	418 761	415 782
<i>List other major provision items</i>					
Refuse landfill site rehabilitation	64 431	64 431	76 230	75 230	74 230
Other			9 841		
Total Provisions - non-current	263 056	299 244	507 811	493 991	490 012
CHANGES IN NET ASSETS					
Accumulated Surplus/(Deficit)					
Accumulated Surplus/(Deficit) - opening balance	6 496 599	5 751 927	8 919 729	10 419 185	12 105 798
GRAP adjustments					
Restated balance	6 496 599	5 751 927	8 919 729	10 419 185	12 105 798
Surplus/(Deficit)	1 098 730	1 090 342	1 506 367	1 527 740	1 251 244
Accumulated Surplus/(Deficit)	7 595 329	6 842 269	10 426 096	11 946 925	13 357 042
Reserves					
Revaluation	7 199 914	7 426 021	7 501 674	7 501 674	7 501 674
Total Reserves	7 199 914	7 426 021	7 501 674	7 501 674	7 501 674
TOTAL COMMUNITY WEALTH/EQUITY	14 795 243	14 268 290	17 927 770	19 448 599	20 858 716

Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +2 2020/21	Budget Year +2 2021/22
R thousand						
Develop and refurbish infrastructural services	Improved provision of basic and environmental services in a sustainable way to our communities	1 523 152	1 547 977	1 603 776	1 788 617	1 948 612
Create a conducive economic environment	Increased economic growth, job creation and sustainable human settlement	58 801	58 801	62 323	66 061	70 025
Enhance revenue and asset base	Enhanced Financial Viability and Improved Financial Management	2 664 473	2 683 232	3 182 380	3 244 176	3 088 888
Facilitate, care and support communities	Improve community confidence in the system of local government	195 659	201 347	213 536	226 355	239 926
Invest in human capital and retain skills	Improve efficiency and effectiveness of Municipal administration	5 334	5 334	5 656	5 995	6 354
Allocations to other priorities						
Total Revenue		4 447 419	4 496 692	5 067 671	5 331 204	5 353 805

Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand						
Develop and refurbish infrastructural services	Improved provision of basic and environmental services in a sustainable way to our communities	1 468 603	1 455 672	1 609 532	1 744 217	1 889 706
Create a conducive economic environment	Increased economic growth, job creation and sustainable human settlement	72 942	72 920	76 742	77 125	81 732
Enhance revenue and asset base	Enhanced Financial Viability and Improved Financial Management	449 748	507 977	450 021	420 549	440 684
Plan sustainable integrated settlements	Increased economic growth, job creation and sustainable human settlement	57 205	56 805	35 665	50 001	41 501
Preserve natural resources	Improved provision of basic and environmental services in a sustainable way to our communities	-	-	-	-	-
Facilitate, care and support communities	Improve community confidence in the system of local government	623 134	647 890	658 649	670 303	720 362
Invest in human capital and retain skills	Improve efficiency and effectiveness of Municipal administration	217 499	236 425	306 978	379 745	407 446
Allocations to other priorities						
Total Expenditure		3 348 689	3 406 350	3 561 304	3 803 464	4 102 561

Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
			Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year 2020/21	Budget Year +2 2020/21
R thousand							
Develop and refurbish infrastructural services	Improved provision of basic and environmental services in a sustainable way to our communities	A	1 527 348	1 080 912	1 498 329	1 317 605	1 003 395
Create a conducive economic environment	Increased economic growth, job creation and sustainable human settlement	B	7 000	4 000	13 339	28 130	24 110
Enhance revenue and asset base	Enhanced Financial Viability and Improved Financial Management	C	8 500	8 500	6 500	-	-
Plan sustainable integrated settlements	Increased economic growth, job creation and sustainable human settlement	D	267 532	429 282	159 433	152 492	175 971
Preserve natural resources	Improved provision of basic and environmental services in a sustainable way to our communities	E					
Facilitate, care and support communities	Improve community confidence in the system of local government	F	89 317	69 554	235 288	80 135	92 224
Invest in human capital and retain skills	Improve efficiency and effectiveness of Municipal administration	G	12 850	53 522	16 968	6 790	6 144
Practice good governance	Improve efficiency and effectiveness of Municipal administration	H					
Allocations to other priorities							
Total Capital Expenditure			1 912 547	1 645 770	1 929 856	1 585 152	1 301 844

Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +2 2020/21	Budget Year +2 2021/22
Borrowing Management						
Credit Rating						
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating	5,5%	4,7%	3,9%	3,4%	2,1%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing	7,0%	6,2%	5,1%	4,5%	2,8%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers	75,5%	64,0%	64,7%	21,1%	19,9%
Safety of Capital						
Gearing	Long Term Borrowing/ Funds & Reserves	10,1%	12,1%	7,9%	7,8%	5,9%
Liquidity						
Current Ratio	Current assets/current liabilities	1,1	1,0	1,5	1,3	1,3
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current	1,1	1,0	1,5	1,3	1,3
Liquidity Ratio	Monetary Assets/Current Liabilities	0,2	0,2	0,4	0,4	0,7
Revenue Management						
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	74,5%	89,5%	86,8%	87,3%	86,2%
Current Debtors Collection Rate (Cash receipts % of		89,5%	88,0%	87,3%	86,2%	86,3%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	14,8%	15,0%	15,3%	13,5%	10,6%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors >					
Other Indicators						
Electricity Distribution Losses (2)	Total Volume Losses (kW)	90653714,28	113686185,6	107702702,1	96932431,89	87239188,7
	Total Cost of Losses (Rand '000)	45 000 000	94 909 899	89 914 641	80 923 177	72 830 859
	% Volume (units purchased and generated		15	14	13	12
Water Distribution Losses (2)	Total Volume Losses (kℓ)	8 000	4 986	4 724	4 251	3 826
	Total Cost of Losses (Rand '000)	35 000 000	24 535 027	23 243 710	20 919 339	18 827 405
	% Volume (units purchased and generated		13	11	10	
Employee costs	Employee costs/(Total Revenue - capital	22,5%	23,8%	24,7%	24,5%	24,1%
Remuneration	Total remuneration/(Total Revenue - capital	23,7%	24,0%	22,9%	22,7%	22,4%
Repairs & Maintenance	R&M/(Total Revenue excluding capital	13,5%	14,9%	13,7%	13,6%	13,4%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	8,2%	7,6%	8,3%	8,1%	8,0%
IDP regulation financial viability indicators						
i. Debt coverage	(Total Operating Revenue - Operating	23,7	23,7	17,1	21,7	23,4
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual	26,6%	26,3%	25,3%	21,7%	17,1%
iii. Cost coverage	(Available cash + Investments)/monthly fixed	0,6	0,6	0,6	1,1	1,7

Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Basis of calculation	2001 Census	2007 Survey	2011 Census	2016/17	2017/18	2019/20 Medium Term Revenue & Expenditure Framework		
					Outcome	Outcome	Outcome	Outcome	Outcome
Demographics									
Population	Stats SA Estimates	508		629	638	651	684	701	719
Females aged 5 - 14	Stats SA Estimates	47		58	59	61	64	65	67
Males aged 5 - 14	Stats SA Estimates	48		60	61	62	65	67	68
Females aged 15 - 34	Stats SA Estimates	100		123	125	128	134	137	141
Males aged 15 - 34	Stats SA Estimates	100		123	125	128	134	137	141
Unemployment	Stats SA Estimates	211		204	207	211	222	227	233
Monthly household income (no. of households)									
No income	Stats SA	21 485		24 585	24 585	24 585	25 830	26 475	27 137
R1 - R1 600	Stats SA	7 473		8 551	8 551	8 551	8 984	9 208	9 439
R1 601 - R3 200	Stats SA	13 234		15 051	15 051	15 051	15 813	16 208	16 613
R3 201 - R6 400	Stats SA	30 048		34 367	34 367	34 367	36 107	37 010	37 935
R6 401 - R12 800	Stats SA	30 671		35 053	35 053	35 053	36 828	37 748	38 692
R12 801 - R25 600	Stats SA	18 216		20 794	20 794	20 794	21 847	22 393	22 953
R25 601 - R51 200	Stats SA	12 611		14 454	14 454	14 454	15 186	15 565	15 955
R52 201 - R102 400	Stats SA	11 210		12 900	12 900	12 900	13 553	13 892	14 239
R102 401 - R204 800	Stats SA	7 162		8 201	8 201	8 201	8 616	8 832	9 052
R204 801 - R409 600	Stats SA	2 491		2 834	2 834	2 834	2 977	3 052	3 128
R409 601 - R819 200	Stats SA	623		691	691	691	726	744	763
> R819 200	Stats SA	467		510	510	510	536	549	563
Poverty profiles (no. of households)									
< R2 060 per household per month									
Insert description									
Household/demographics (000)									
Number of people in municipal area		508 277		628 999	638	629	661	677	694
Number of poor people in municipal area							-	-	-
Number of households in municipal area		124 978		130 361	157	178	187	192	196
Number of poor households in municipal area									
Definition of poor household (R per month)									
Housing statistics									
Formal		99 107		110 285	135 688	171 539	180 223	184 729	189 347
Informal		25 871		20 076	20 878	6 462	6 789	6 959	7 133
Total number of households		124 978	-	130 361	156 566	178 001	187 012	191 688	196 480

Supporting Table SA9 Social, economic and demographic statistics and assumptions

Total municipal services	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Household service targets (000)					
<u>Water:</u>					
Piped water inside dwelling	61 680	61 680	65 381	69 304	73 462
Piped water inside yard (but not in dwelling)	60 976	60 976	64 634	68 513	72 623
Using public tap (at least min.service level)	71 819	71 819	76 128	80 696	85 538
Other water supply (at least min.service level)	47 318	47 318	50 157	53 166	56 356
<i>Minimum Service Level and Above sub-total</i>	241 793	241 793	256 300	271 678	287 979
Using public tap (< min.service level)	-	-	-	-	-
Other water supply (< min.service level)	-	-	-	-	-
No water supply	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-
Total number of households	241 793	241 793	256 300	271 678	287 979
<u>Sanitation/sewerage:</u>					
Flush toilet (connected to sewerage)	56 995	56 995	60 414	64 039	67 882
Flush toilet (with septic tank)	5 770	5 770	6 116	6 483	6 872
Chemical toilet	2 139	2 139	2 267	2 403	2 548
Pit toilet (ventilated)	47 847	47 847	50 718	53 761	56 987
Other toilet provisions (> min.service level)	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	112 751	112 751	119 516	126 687	134 288
Bucket toilet	-	-	-	-	-
Other toilet provisions (< min.service level)	-	-	-	-	-
No toilet provisions	137 913	137 913	146 188	154 959	164 257
<i>Below Minimum Service Level sub-total</i>	137 913	137 913	146 188	154 959	164 257
Total number of households	250 665	250 665	265 704	281 647	298 546
<u>Energy:</u>					
Electricity (at least min.service level)	112 379	112 379	119 121	126 269	133 845
Electricity - prepaid (min.service level)	97 167	97 167	102 997	109 177	115 728
<i>Minimum Service Level and Above sub-total</i>	209 546	209 546	222 119	235 446	249 573
Electricity (< min.service level)	18 611	18 611	19 728	20 911	22 166
Electricity - prepaid (< min. service level)	20 439	20 439	21 665	22 965	24 343
Other energy sources	2 069	2 069	2 193	2 324	2 464
<i>Below Minimum Service Level sub-total</i>	41 119	41 119	43 586	46 201	48 973
Total number of households	250 665	250 665	265 704	281 647	298 546
<u>Refuse:</u>					
Removed at least once a week	129 556	129 556	137 330	145 569	154 304
<i>Minimum Service Level and Above sub-total</i>	129 556	129 556	137 330	145 569	154 304
Removed less frequently than once a week	-	-	-	-	-
Using communal refuse dump	-	-	-	-	-
Using own refuse dump	-	-	-	-	-
Other rubbish disposal	-	-	-	-	-
No rubbish disposal	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-
Total number of households	129 556	129 556	137 330	145 569	154 304

Municipal in-house services	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Household service targets (000)					
Water:					
Piped water inside dwelling	61 680	61 680	65 381	69 304	73 462
Piped water inside yard (but not in dwelling)	60 976	60 976	64 634	68 513	72 623
Using public tap (at least min.service level)	71 819	71 819	76 128	80 696	85 538
Other water supply (at least min.service level)	47 318	47 318	50 157	53 166	56 356
<i>Minimum Service Level and Above sub-total</i>	241 793	241 793	256 300	271 678	287 979
Using public tap (< min.service level)					
Other water supply (< min.service level)					
No water supply					
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-
Total number of households	241 793	241 793	256 300	271 678	287 979
Sanitation/sewerage:					
Flush toilet (connected to sewerage)	56 995	56 995	60 414	64 039	67 882
Flush toilet (with septic tank)	5 770	5 770	6 116	6 483	6 872
Chemical toilet	2 139	2 139	2 267	2 403	2 548
Pit toilet (ventilated)	47 847	47 847	50 718	53 761	56 987
Other toilet provisions (> min.service level)					
<i>Minimum Service Level and Above sub-total</i>	112 751	112 751	119 516	126 687	134 288
Bucket toilet					
Other toilet provisions (< min.service level)					
No toilet provisions	137 913	137 913	146 188	154 959	164 257
<i>Below Minimum Service Level sub-total</i>	137 913	137 913	146 188	154 959	164 257
Total number of households	250 665	250 665	265 704	281 647	298 546
Energy:					
Electricity (at least min.service level)	112 379	112 379	119 121	126 269	133 845
Electricity - prepaid (min.service level)	97 167	97 167	102 997	109 177	115 728
<i>Minimum Service Level and Above sub-total</i>	209 546	209 546	222 119	235 446	249 573
Electricity (< min.service level)	18 611	18 611	19 728	20 911	22 166
Electricity - prepaid (< min. service level)	20 439	20 439	21 665	22 965	24 343
Other energy sources	2 069	2 069	2 193	2 324	2 464
<i>Below Minimum Service Level sub-total</i>	41 119	41 119	43 586	46 201	48 973
Total number of households	250 665	250 665	265 704	281 647	298 546
Refuse:					
Removed at least once a week	129 556	129 556	137 330	145 569	154 304
<i>Minimum Service Level and Above sub-total</i>	129 556	129 556	137 330	145 569	154 304
Removed less frequently than once a week					
Using communal refuse dump					
Using own refuse dump					
Other rubbish disposal					
No rubbish disposal					
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-
Total number of households	129 556	129 556	137 330	145 569	154 304

Detail of Free Basic Services (FBS) provided		Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Electricity	<u>Location of households for each type of FBS</u>					
List type of FBS service	Formal settlements - (50 kwh per indigent household)	27 589 000	27 589 000	30 304 000	34 547 000	39 383 000
	Total cost of FBS - Electricity for informal settlements	27 589 000	27 589 000	30 304 000	34 547 000	39 383 000
Sanitation	<u>Location of households for each type of FBS</u>					
List type of FBS service	Formal settlements - (free sanitation service to	15 777 000	15 777 000	16 724 000	17 727 500	18 791 000
	Number of HH receiving this type of FBS	14 539	14 539	15 775	16 800	17 976
	Informal settlements (Rands)	175 003 990	175 003 990	189 879 330	202 221 486	216 376 990
	Number of HH receiving this type of FBS	161 271	161 271	174 979	186 352	199 397
	Total cost of FBS - Sanitation for informal settlements	175 003 990	175 003 990	189 879 330	202 221 486	216 376 990
Refuse Removal	<u>Location of households for each type of FBS</u>					
List type of FBS service	Formal settlements - (removed once a week to	13 226 000	13 226 000	14 020 000	14 861 000	15 752 500
	Number of HH receiving this type of FBS	14 539	14 539	15 775	16 800	17 976
	Informal settlements (Rands)	12 225 780	12 225 780	13 264 972	14 127 195	15 116 099
	Number of HH receiving this type of FBS	161 271	161 271	174 979	186 352	199 397
	Total cost of FBS - Refuse Removal for informal settler	12 225 780	12 225 780	13 264 972	14 127 195	15 116 099

Polokwane Supporting Table SA10 Funding measurement

Description	MFMA section	Current Year 2018/19		2019/20 Medium Term Revenue and Expenditure Framework		
		Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Funding measures						
Cash/cash equivalents at the year end - R'000	18(1)b	138 325	159 548	166 641	304 753	521 599
Cash + investments at the yr end less applications - R'000	18(1)b	223 598	102 474	290 491	208 095	311 735
Cash year end/monthly employee/supplier payments	18(1)b	0,6	0,6	0,6	1,1	1,7
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	1 098 730	1 090 342	1 506 367	1 527 740	1 251 244
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	9,7%	(4,7%)	6,2%	3,9%	2,1%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	87,6%	88,7%	84,7%	83,7%	83,8%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	11,9%	10,0%	8,9%	10,1%	11,2%
Capital payments % of capital expenditure	18(1)c;19	97,0%	96,2%	96,2%	95,3%	95,0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	75,5%	64,0%	64,7%	21,1%	19,9%
Current consumer debtors % change - incr(decr)	18(1)a	(31,6%)	0,0%	7,9%	(5,7%)	(15,2%)
Long term receivables % change - incr(decr)	18(1)a	(100,0%)	0,0%	0,0%	0,0%	0,0%
R&M % of Property Plant & Equipment	20(1)(vi)	3,3%	3,6%	2,9%	2,8%	2,8%
Asset renewal % of capital budget	20(1)(vi)	13,3%	22,2%	0,6%	1,3%	1,5%

Description	Current Year 2018/19		2019/20 Medium Term Revenue and Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Total Operating Revenue	3 634 554	3 584 948	3 800 535	4 065 152	4 377 961
Total Operating Expenditure	3 348 689	3 406 350	3 561 304	3 803 464	4 102 561
Operating Performance Surplus/(Deficit)	285 865	178 598	239 231	261 688	275 400
Cash and Cash Equivalents (30 June 2019)			166 641		
Revenue					
% Increase in Total Operating Revenue	19,7%	(1,4%)	6,0%	7,0%	7,7%
% Increase in Property Rates Revenue	28,1%	(6,4%)	20,4%	6,0%	6,0%
% Increase in Electricity Revenue	17,2%	0,0%	9,8%	13,6%	10,0%
% Increase in Property Rates & Services Charges	15,7%	1,3%	12,2%	9,9%	8,1%
Expenditure					
% Increase in Total Operating Expenditure	(13,4%)	1,7%	4,5%	6,8%	7,9%
% Increase in Employee Costs	6,4%	4,3%	10,2%	6,0%	6,0%
% Increase in Electricity Bulk Purchases	(12,7%)	(2,1%)	9,6%	10,0%	11,2%
Average Cost Per Budgeted Employee Position (Remuneration)	483 396		451 923		
Average Cost Per Councillor (Remuneration)	450 200		479 433		
R&M % of PPE	3,3%	3,6%	2,9%	2,8%	2,8%
Asset Renewal and R&M as a % of PPE	6,0%	6,0%	4,0%	5,0%	4,0%
Debt Impairment % of Total Billable Revenue	11,9%	10,0%	8,9%	10,1%	11,2%
Capital Revenue					
Internally Funded & Other (R'000)	269 682	244 026	228 721	243 500	261 000
Borrowing (R'000)	830 000	490 000	420 000	65 000	65 000
Grant Funding and Other (R'000)	812 865	911 744	1 281 136	1 276 652	975 844
Internally Generated funds % of Non Grant Funding	24,5%	33,2%	35,3%	78,9%	80,1%
Borrowing % of Non Grant Funding	75,5%	66,8%	64,7%	21,1%	19,9%
Grant Funding % of Total Funding	42,5%	55,4%	66,4%	80,5%	75,0%
Capital Expenditure					
Total Capital Programme (R'000)	1 912 547	1 645 770	1 929 856	1 585 152	1 301 844
Asset Renewal	469 222	552 345	218 204	422 359	254 274
Asset Renewal % of Total Capital Expenditure	24,5%	33,6%	11,3%	26,6%	19,5%
Cash					
Cash Receipts % of Rate Payer & Other	87,6%	88,7%	84,7%	83,7%	83,8%
Cash Coverage Ratio	0	0	0	0	0
Borrowing					
Credit Rating (2009/10)			0		
Capital Charges to Operating	5,5%	4,7%	3,9%	3,4%	2,1%
Borrowing Receipts % of Capital Expenditure	75,5%	64,0%	64,7%	21,1%	19,9%
Reserves					
Surplus/(Deficit)	223 598	102 474	290 491	208 095	311 735
Free Services					
Free Basic Services as a % of Equitable Share	0,0%	0,0%	0,0%	0,0%	0,0%
Free Services as a % of Operating Revenue (excl operational transfers)	4,3%	4,3%	4,4%	4,4%	4,3%
High Level Outcome of Funding Compliance					
Total Operating Revenue	3 634 554	3 584 948	3 800 535	4 065 152	4 377 961
Total Operating Expenditure	3 348 689	3 406 350	3 561 304	3 803 464	4 102 561
Surplus/(Deficit) Budgeted Operating Statement	285 865	178 598	239 231	261 688	275 400
Surplus/(Deficit) Considering Reserves and Cash Backing	223 598	102 474	290 491	208 095	311 735
MTREF Funded (1) / Unfunded (0)	1	1	1	1	1
MTREF Funded ✓ / Unfunded ✗	✓	✓	✓	✓	✓

Supporting Table SA12a Property rates by category (current year)

Description	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.
Current Year 2018/19									
Valuation:									
No. of properties	52 071	235	2 949	2 230		1 791	109	7 616	2
No. of sectional title property values									
Years since last valuation (select)	2	2	2	2	2	2	2	2	2
Frequency of valuation (select)	4	4	4	4	4	4	4	4	4
Method of valuation used (select)	Market	Market	Market	Market	Market	Market	Market	Market	Market
Base of valuation (select)	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.
Phasing-in properties s21 (number)									
Combination of rating types used? (Y/N)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Flat rate used? (Y/N)	No	No	No	No	No	No	No	No	No
Is balance rated by uniform rate/variable rate?									
Total valuation reductions:									
Total value used for rating (Rm)	26 485	1 159	21 514	6 328		735	386	2 064	3
Total land value (Rm)									
Total value of improvements (Rm)									
Total market value (Rm)	26 485	1 159	21 514	6 328		735	386	2 064	3
Rating:									
Average rate	0,004982	0,009964	0,009964	0,001254	–	–	0,001254	0,022567	
Rate revenue budget (R '000)	178 397	28 651	197 913	13 201	–	–	689	42 632	
Rate revenue expected to collect (R'000)	156 990	25 213	174 163	11 617	–	–	607	37 516	
Expected cash collection rate (%)	88,0%	88,0%	88,0%	88,0%	88,0%	88,0%	88,0%	88,0%	
Special rating areas (R'000)									

Supporting Table SA12b Property rates by category (budget year)

Description	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.
Budget year 2019/20									
Valuation:									
No. of properties	52 071	235	2 949	2 230		1 791	109	7 616	2
Years since last valuation (select)	2	2	2	2	2	2	2	2	2
Frequency of valuation (select)	4	4	4	4	4	4	4	4	4
Method of valuation used (select)	Market	Market	Market	Market	Market	Market	Market	Market	Market
Base of valuation (select)	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.
Phasing-in properties s21 (number)									
Combination of rating types used? (Y/N)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Flat rate used? (Y/N)	No	No	No	No	No	No	No	No	No
Is balance rated by uniform rate/variable rate?									
Total valuation reductions:									
Total value used for rating (Rm)	26 485	1 159	21 514	6 328		735	386	2 064	3
Total land value (Rm)									
Total value of improvements (Rm)									
Total market value (Rm)	26 485	1 159	21 514	6 328		735	386	2 064	3
Rating:									
Average rate	0,004982	0,009964	0,009964	0,001254	–	–	0,001254	0,022567	
Rate revenue budget (R '000)	201 018	32 284	223 008	14 875	–	–	777	48 038	–
Rate revenue expected to collect (R'000)	170 866	27 441	189 557	12 644	–	–	660	40 832	–
Expected cash collection rate (%)	85,0%	85,0%	85,0%	85,0%	85,0%	85,0%	85,0%	85,0%	
Special rating areas (R'000)									

Supporting Table SA13a Service Tariffs by category

Description	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
		Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 202/22
Property rates (rate in the Rand)				
Residential properties	0,0057	0,0061	0,0064	0,0068
Residential properties - vacant land	0,0260	0,0275	0,0292	0,0309
Formal/informal settlements	-	-	-	-
Small holdings	0,0057	0,0061	0,0064	0,0068
Farm properties - used	0,0014	0,0015	0,0016	0,0017
Farm properties - not used	0,0115	0,0121	0,0129	0,0136
Industrial properties	0,0115	0,0121	0,0129	0,0136
Business and commercial properties	0,0115	0,0121	0,0129	0,0136
State-owned properties	0,0115	0,0121	0,0129	0,0136
Municipal properties	-	-	-	-
Public service infrastructure	0,0115	0,0121	0,0129	0,0136
Privately owned towns serviced by the owner	-	-	-	-
State trust land	0,0014	0,0015	0,0016	0,0017
Restitution and redistribution properties	0,0014	0,0015	0,0016	0,0017
Exemptions, reductions and rebates (Rands)				
Residential properties				
R15 000 threshold rebate	15 000	15 000	15 000	15 000
General residential rebate	85 000	85 000	85 000	85 000
Other rebates or exemptions				
Water tariffs				
Domestic				
Water usage - life line tariff	8	8	9	9
Water usage - Block 1 (c/kl)	12	13	14	14
Water usage - Block 2 (c/kl)	13	14	15	15
Water usage - Block 3 (c/kl)	17	18	19	20
Water usage - Block 4 (c/kl)	20	22	23	25
Other	25	27	28	30
Waste water tariffs				
Domestic				
Service point - vacant land (Rands/month)	-	-	-	-
Waste water - flat rate tariff (c/kl)	-	-	-	-
Volumetric charge - Block 1 (c/kl)	50	53	57	60
Volumetric charge - Block 2 (c/kl)	17	18	19	20
Volumetric charge - Block 3 (c/kl)	13	14	15	16
Volumetric charge - Block 4 (c/kl)				
Other				
Electricity tariffs				
Domestic				
Basic charge/fixe fee (Rands/month)	80	7	7	8
Life-line tariff - meter	99	8	9	9
Life-line tariff - prepaid	99	8	9	9
Meter - IBT Block 1 (c/kwh)	90	8	8	9
Meter - IBT Block 2 (c/kwh)	113	10	10	11
Meter - IBT Block 3 (c/kwh)	166	14	15	16
Meter - IBT Block 4 (c/kwh)	192	16	17	18
Prepaid - IBT Block 1 (c/kwh)	90	8	8	9
Prepaid - IBT Block 2 (c/kwh)	113	10	10	11
Prepaid - IBT Block 3 (c/kwh)	166	14	15	16
Prepaid - IBT Block 4 (c/kwh)	192	16	17	18
Prepaid - IBT Block 5 (c/kwh)				
Waste management tariffs				
Domestic				
Basic charge/fixe fee				
80l bin - once a week				
250l bin - once a week				

Supporting Table SA13b Service Tariffs by category

Description	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
		Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Exemptions, reductions and rebates (Rands)				
<i>Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>	53 932 800	57 168 768	60 598 894	64 234 828
Water tariffs				
<i>Revenue Foregone (in excess of 6 kilolitres per indigent household per month)</i>	8 884 200	9 817 041	10 823 288	11 905 616
Waste water tariffs				
<i>Revenue Foregone (in excess of free sanitation service to indigent households)</i>	16 358 787	18 403 635	20 290 008	22 319 009
Electricity tariffs				
<i>Revenue Foregone (in excess of 50 kwh per indigent household per month)</i>	23 924 250	26 077 433	28 685 176	30 406 286

Supporting Table SA14 Household bills

Description	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework			
	Original Budget	Adjusted Budget	Budget Year 2019/20 % incr.	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Rand/cent						
Monthly Account for Household - 'Middle Income Range'						
Rates and services charges:						
Property rates	286,49	286,49	6,0%	303,68	321,90	341,21
Electricity: Basic levy	89,27	89,27	8,4%	96,81	105,52	116,07
Electricity: Consumption	1 525,48	1 525,48	8,4%	1 654,23	1 885,83	2 149,84
Water: Basic levy						
Water: Consumption	363,41	363,41	7,5%	390,67	430,71	473,78
Sanitation	67,09	67,09	6,0%	71,12	75,39	79,91
Refuse removal	112,00	112,00	6,0%	118,72	125,84	133,39
Other	116,60	116,60	6,0%	123,60	131,01	138,87
sub-total	2 560,35	2 560,35	7,8%	2 758,82	3 076,19	3 433,08
VAT on Services	333,96	333,96		359,85	401,24	447,79
Total large household bill:	2 894,31	2 894,31	7,8%	3 118,67	3 477,44	3 880,88
% increase/-decrease	8,9%	-		7,8%	11,5%	11,6%
Monthly Account for Household - 'Affordable Range'						
Rates and services charges:						
Property rates	190,99	190,99	6,0%	202,44	214,59	227,47
Electricity: Basic levy	89,27	89,27	8,4%	96,81	105,52	116,07
Electricity: Consumption	642,96	642,96	8,4%	697,23	759,98	835,98
Water: Basic levy						
Water: Consumption	296,89	296,89	7,5%	319,16	351,87	387,06
Sanitation	67,09	67,09	6,0%	71,12	75,39	79,91
Refuse removal	112,00	112,00	6,0%	118,72	125,84	133,39
Other	58,30	58,30	6,0%	61,80	65,51	69,44
sub-total	1 457,50	1 457,50	7,5%	1 567,27	1 698,69	1 849,31
VAT on Services						
Total small household bill:	1 457,50	1 457,50	7,5%	1 567,27	1 698,69	1 849,31
% increase/-decrease	8,1%	-		7,5%	8,4%	8,9%
Monthly Account for Household - 'Indigent' Household receiving free basic services						
Rates and services charges:						
Property rates	96,81	96,81	6,0%	102,62	108,78	115,31
Electricity: Basic levy	89,27	89,27	8,4%	96,81	105,52	116,07
Electricity: Consumption	366,29	366,29	8,4%	397,20	432,95	476,24
Water: Basic levy						
Water: Consumption	177,35	177,35	7,5%	190,65	210,19	231,21
Sanitation	-	-		-	-	-
Refuse removal	41,84	41,84	6,0%	44,35	47,01	49,83
Other						
sub-total	771,56	771,56	7,8%	831,63	904,45	988,66
VAT on Services						
Total small household bill:	771,56	771,56	7,8%	831,63	904,45	988,66
% increase/-decrease	8,5%	-		7,8%	8,8%	9,3%

Supporting Table SA15 Investment particulars by type

Investment type	Current year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand					
Parent municipality					
Deposits - Bank	-	50 200	96 000	-	-
Guaranteed Endowment Policies (sinking)	196 899	-	-	-	-
Municipality sub-total	196 899	50 200	96 000	-	-
Entities sub-total	-	-	-	-	-
Consolidated total:	196 899	50 200	96 000	-	-

Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Current year 2018/19		2019/20 Medium Term Revenue and Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand					
Parent municipality					
Annuity and Bullet Loans					
Long-Term Loans (non-annuity)	728 258	897 158	592 043	583 725	444 663
Municipality sub-total	728 258	897 158	592 043	583 725	444 663
Entities					
Entities sub-total	-	-	-	-	-
Total Borrowing	728 258	897 158	592 043	583 725	444 663

Supporting Table SA18 Transfers and grant receipts

Description	Current year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget year 2019/20	Budget year +1 2020/21	Budget Year +2 2021/22
R thousand					
RECEIPTS:					
<u>Operating Transfers and Grants</u>					
National Government:	1 008 780	978 326	1 039 367	1 149 693	1 228 910
Local Government Equitable Share	831 436	831 436	922 589	1 007 149	1 102 086
EPWP Incentive	5 742	5 742	4 201		
Integrated National Electrification Programme	38 957	28 957	28 118	40 000	40 000
Finance Management	3 048	3 048	2 500	2 500	2 500
Municipal Infrastructure Grant (MIG)	59 149	47 418	–	–	–
Integrated Urban Development Grant (IUDG)			46 915	47 913	39 359
Public Transport and Systems	45 825	45 825	20 000	36 810	27 517
Infrastructure skills development fund	6 500	6 500	5 111	5 000	5 000
Energy Efficiency and Demand Management	8 000	8 000	8 000	8 000	10 000
Municipal Demarcation Transition Grant					
Water Services Infrastructure Grant	1 400	1 400	1 933	2 321	2 448
Regional Bulk Infrastructure Grant (RBIG)	8 723				
Total Operating Transfers and Grants	1 008 780	978 326	1 039 367	1 149 693	1 228 910
<u>Capital Transfers and Grants</u>					
National Government:	798 465	910 344	1 267 136	1 266 052	975 844
Municipal Infrastructure Grant (MIG)	271 728	283 459	–	–	–
Integrated Urban Development Grant (IUDG)			331 375	310 340	347 821
Public Transport and Systems	159 282	159 282	159 433	152 492	175 971
Regional Bulk Infrastructure	263 855	344 003	630 998	644 491	297 118
Neighbourhood Development Partnership	35 000	45 000	40 613	45 000	35 000
Water Services Infrastructure Grant	68 600	68 600	94 717	113 729	119 934
Integrated National Electrification Programme	–	10 000	10 000		
Total Capital Transfers and Grants	798 465	910 344	1 267 136	1 266 052	975 844
TOTAL RECEIPTS OF TRANSFERS & GRANTS	1 807 245	1 888 670	2 306 503	2 415 745	2 204 754

Supporting Table SA19 Expenditure on transfers and grant programme

Description	Current year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +2 2020/21	Budget Year +2 2021/22
R thousand					
EXPENDITURE:					
Operating expenditure of Transfers and Grants					
National Government:	1 008 780	978 326	1 039 367	1 149 693	1 228 910
Local Government Equitable Share	831 436	831 436	922 589	1 007 149	1 102 086
EPWP Incentive	5 742	5 742	4 201	–	–
Integrated National Electrification Programme	38 957	28 957	28 118	40 000	40 000
Finance Management	3 048	3 048	2 500	2 500	2 500
Energy Efficiency and Demand Management	8 000	8 000	8 000	8 000	10 000
Municipal Infrastructure Grant (MIG)	59 149	47 418	–	–	–
Integrated Urban Development Grant (IUDG)			46 915	47 913	39 359
Public Transport System Grant	45 825	45 825	20 000	36 810	27 517
Infrastructure skills development fund	6 500	6 500	5 111	5 000	5 000
Municipal Demarcation Transition Grant		–	–	–	–
Regional Bulk Infrastructure Grant (RBIG)	8 723	–	–	–	–
Water Services Infrastructure Grant	1 400	1 400	1 933	2 321	2 448
	–	–	–	–	–
Total operating expenditure of Transfers and Grants:	1 008 780	978 326	1 039 367	1 149 693	1 228 910
Capital expenditure of Transfers and Grants					
National Government:	1 596 930	1 820 687	2 534 272	2 532 104	1 951 689
Municipal Infrastructure Grant (MIG)	271 728	283 459	–	–	–
Integrated Urban Development Grant (IUDG)			331 375	310 340	347 821
Public Transport and Systems	159 282	159 282	159 433	152 492	175 971
Regional Bulk Infrastructure	263 855	344 003	630 998	644 491	297 118
Neighbourhood Development Partnership	35 000	45 000	40 613	45 000	35 000
Water Services Infrastructure Grant	68 600	68 600	94 717	113 729	119 934
Total capital expenditure of Transfers and Grants	798 465	910 344	1 267 136	1 266 052	975 844
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	1 807 245	1 888 670	2 306 503	2 415 745	2 204 754

Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand					
Operating transfers and grants:					
National Government:					
Balance unspent at beginning of the year					
Current year receipts	1 008 780	978 326	1 039 367	1 149 693	1 228 910
Conditions met - transferred to revenue	1 008 780	978 326	1 039 367	1 149 693	1 228 910
Conditions still to be met - transferred to liabilities					
Provincial Government:					
Balance unspent at beginning of the year					
Current year receipts					
Conditions met - transferred to revenue	-	-	-	-	-
Total operating transfers and grants revenue	1 008 780	978 326	1 039 367	1 149 693	1 228 910
Total operating transfers and grants - CTBM	-	-	-	-	-
Capital transfers and grants:					
National Government:					
Balance unspent at beginning of the year					
Current year receipts	798 465	910 344	1 267 136	1 266 052	1 266 052
Conditions met - transferred to revenue	798 465	910 344	1 267 136	1 266 052	1 266 052
Conditions still to be met - transferred to liabilities					
Provincial Government:					
Balance unspent at beginning of the year					
Current year receipts					
Conditions met - transferred to revenue	-	-	-	-	-
Conditions still to be met - transferred to liabilities	-	-	50 000	50 000	50 000
Total capital transfers and grants revenue	798 465	910 344	1 217 136	1 216 052	1 216 052
Total capital transfers and grants - CTBM	-	-	50 000	50 000	50 000
TOTAL TRANSFERS AND GRANTS REVENUE	1 807 245	1 888 670	2 256 503	2 365 745	2 444 962

Supporting Table SA21 Transfers and grants made by the municipality

Description	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand					
Cash Transfers to Entities/Other External Mechanisms					
<i>Polokwane Housing Agency</i>	11 000	11 000	11 000	11 000	11 000
Total Cash Transfers To Entities/Ems'	11 000	11 000	11 000	11 000	11 000
Cash Transfers to Organisations					
<i>SPCA</i>	500	500	500	500	500
Total Cash Transfers To Organisations	500	500	500	500	500
TOTAL CASH TRANSFERS AND GRANTS	11 500	11 500	11 500	11 500	11 500
TOTAL TRANSFERS AND GRANTS	11 500	11 500	11 500	11 500	11 500

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

Disclosure of Salaries, Allowances & Benefits 1.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum		1.				2.
Councillors						
Speaker	597 060	126 260	272 850	-	-	996 170
Chief Whip	573 520	102 720	260 010	-	-	936 250
Executive Mayor	785 380	117 700	360 590	-	-	1 263 670
Deputy Executive Mayor	-	-	-	-	-	-
Executive Committee	4 225 430	841 020	1 965 590	-	-	7 032 040
Total for all other councillors	19 036 550	4 261 810	9 622 510	-	-	32 920 870
Total Councillors	25 217 940	5 449 510	12 481 550	-	-	43 149 000
Senior Managers of the Municipality						
Municipal Manager (MM)	2 298 360	-	2 140	-	-	2 300 500
Chief Finance Officer	2 011 600	2 140	147 660	-	-	2 161 400
Director Engineering Services	1 369 600	285 690	380 920	-	-	2 036 210
Director Community Services	1 423 100	272 850	340 260	-	-	2 036 210
Director Corporate & Shared Services	2 034 070	2 140	-	-	-	2 036 210
Director Planning & Economic Development	1 491 580	271 780	271 780	-	-	2 035 140
<i>List of each official with packages >= senior manager</i>						
Director Community Development	2 034 070	2 140	-	-	-	2 036 210
Director Strategic Planning Monitoring & Evaluation	1 603 930	283 550	148 730	-	-	2 036 210
Director Transport Operations	2 034 070	2 140	-	-	-	2 036 210
Total Senior Managers of the Municipality	16 300 380	1 122 430	1 291 490	-	-	18 714 300
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	41 518 320	6 571 940	13 773 040	-	-	61 863 300

Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers Number	Current Year 2018/19			Budget Year 2019/20		
	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities						
Councillors (Political Office Bearers plus Other Councillors)	90		90	90		90
Board Members of municipal entities						
Municipal employees						
Municipal Manager and Senior Managers	9	–	9	10	–	10
Other Managers	124	110	3	137	100	1
Professionals	215	190	11	221	147	11
<i>Finance</i>	30	24	6	35	25	6
<i>Spatial/town planning</i>	30	23	–	27	11	–
<i>Information Technology</i>	11	9	–	11	11	–
<i>Roads</i>	9	8	–	9	9	–
<i>Electricity</i>	15	14	–	15	13	–
<i>Water</i>	12	11	–	19	11	–
<i>Sanitation</i>	–	–	–	–	–	–
<i>Refuse</i>	3	2	–	6	3	–
<i>Other</i>	105	99	5	99	64	5
Technicians	945	731	–	672	399	–
<i>Finance</i>	119	102	–	69	56	–
<i>Spatial/town planning</i>	29	22	–	12	10	–
<i>Information Technology</i>	11	10	–	11	8	–
<i>Roads</i>	42	39	–	12	12	–
<i>Electricity</i>	56	50	–	45	30	–
<i>Water</i>	52	44	–	53	24	–
<i>Sanitation</i>	–	–	–	–	–	–
<i>Refuse</i>	41	32	–	8	2	–
<i>Other</i>	595	432	–	462	257	–
Clerks (Clerical and administrative)	108	88	–	234	176	–
Service and sales workers	34	28	–	60	48	–
Skilled agricultural and fishery workers	–	–	–	–	–	–
Craft and related trades						
Plant and Machine Operators						
Elementary Occupations	645	654		702	562	
TOTAL PERSONNEL NUMBERS	2 170	1 801	113	2 126	1 432	112
% increase	21,8%	7,5%	(27,1%)	(2,0%)	(20,5%)	(0,9%)
Total municipal employees headcount				3 149	1 902	
Finance personnel headcount	210	154		212	161	
Human Resources personnel headcount	56	45	–	64	52	–

Supporting Table SA25 Consolidated budgeted monthly revenue and expenditure

Description	Budget Year 2019/20												2019/20 Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year +1 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand															
Revenue By Source															
Property rates	37 224	48 073	63 531	49 848	43 148	51 699	38 877	30 144	48 837	47 361	30 505	30 753	520 000	551 200	584 272
Service charges - electricity revenue	82 949	107 124	141 569	111 079	96 150	115 204	86 632	67 170	108 827	105 537	67 975	68 534	1 158 750	1 316 887	1 448 577
Service charges - water revenue	22 252	28 737	37 977	29 798	25 793	30 904	23 240	18 019	29 194	28 311	18 235	18 381	310 841	329 492	349 260
Service charges - sanitation revenue	9 577	12 367	16 344	12 824	11 101	13 300	10 002	7 755	12 564	12 184	7 848	7 907	133 773	141 800	150 309
Service charges - refuse revenue	9 172	11 846	15 654	12 283	10 632	12 739	9 580	7 428	12 034	11 670	7 517	7 572	128 127	135 814	143 964
Rental of facilities and equipment	2 831	3 655	4 831	3 790	3 281	3 931	2 956	2 292	3 714	3 601	2 320	2 333	39 535	41 907	44 416
Interest earned - external investments	2 071	2 674	3 534	2 773	2 400	2 876	2 162	1 677	2 716	2 634	1 697	1 704	28 918	30 653	32 492
Interest earned - outstanding debtors	6 071	7 840	10 361	8 129	7 037	8 431	6 340	4 916	7 965	7 724	4 975	5 011	84 800	89 888	95 282
Fines, penalties and forfeits	1 215	1 568	2 073	1 626	1 408	1 687	1 268	984	1 593	1 545	995	998	16 960	17 980	19 060
Licences and permits	1 130	1 460	1 929	1 514	1 310	1 570	1 181	915	1 483	1 438	926	928	15 784	16 733	17 733
Agency services	1 897	2 450	3 238	2 541	2 199	2 635	1 982	1 537	2 489	2 414	1 555	1 563	26 500	28 090	29 775
Transfers and subsidies	74 403	96 087	126 984	99 635	86 244	103 334	77 706	60 250	97 615	94 664	60 972	61 473	1 039 367	1 149 693	1 228 910
Other revenue	21 274	27 474	36 308	28 488	24 660	29 546	22 218	17 227	27 911	27 067	17 434	17 573	297 180	215 015	233 911
Gains on disposal of PPE												-	-	-	-
Total Revenue (excluding capital transfers and contributions)	272 066	351 355	464 333	364 328	315 363	377 856	284 144	220 314	356 942	346 150	222 954	224 730	3 800 535	4 065 152	4 377 961
Expenditure By Type															
Employee related costs	76 841	80 286	84 618	71 064	69 830	84 917	76 211	72 051	75 088	75 221	76 363	97 510	940 000	996 400	1 056 184
Remuneration of councillors	3 528	3 686	3 885	3 263	3 206	3 898	3 499	3 308	3 447	3 453	3 506	4 470	43 149	45 955	45 955
Debt impairment	16 350	17 082	18 004	15 120	14 858	18 068	16 215	15 330	15 977	16 005	16 248	20 743	200 000	250 000	300 000
Depreciation & asset impairment	19 374	20 243	21 335	17 918	17 606	21 410	19 215	18 166	18 932	18 966	19 254	24 581	237 000	255 000	285 000
Finance charges	6 540	6 833	7 202	6 048	5 943	7 227	6 486	6 132	6 391	6 402	6 499	8 297	80 000	75 000	65 000
Bulk purchases	79 175	82 724	87 188	73 222	71 951	87 496	78 525	74 239	77 369	77 505	78 682	100 471	968 547	1 065 401	1 171 942
Other materials	4 973	5 196	5 476	4 599	4 519	5 495	4 932	4 663	4 859	4 868	4 942	6 305	60 827	64 159	64 159
Contracted services	64 165	67 042	70 660	59 341	58 311	70 909	63 639	60 165	62 702	62 812	63 766	81 424	784 936	792 160	840 059
Transfers and subsidies	941	983	1 036	870	855	1 039	933	882	919	921	935	1 186	11 500	11 500	11 500
Other expenditure	19 239	20 101	21 186	17 792	17 484	21 261	19 081	18 040	18 800	18 833	19 119	24 409	235 345	247 889	262 762
Loss on disposal of PPE												-	-	-	-
Total Expenditure	291 126	304 176	320 590	269 237	264 563	321 720	288 736	272 976	284 484	284 986	289 314	369 396	3 561 304	3 803 464	4 102 561
Surplus/(Deficit)	(19 060)	47 179	143 743	95 091	50 800	56 136	(4 592)	(52 662)	72 458	61 164	(66 360)	(144 666)	239 231	261 688	275 400
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	90 708	117 144	154 811	121 469	105 143	125 979	94 735	73 453	119 006	115 408	74 333	74 947	1 267 136	1 266 052	975 844
Surplus/(Deficit)	71 648	164 323	298 554	216 560	155 943	182 115	90 143	20 791	191 464	176 572	7 973	(69 719)	1 506 367	1 527 740	1 251 244

Supporting Table SA26 Consolidated budgeted monthly revenue and expenditure (municipal vote)

Description	Budget year 2019/20												2019/20 Medium Term Revenue and Expenditure Framework			
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	
R thousand																
Revenue by Vote																
Vote 1 - COUNCIL	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manger	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Strategic Planning Monitoring and Evaluation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Engineering Services	114 806	148 265	195 940	153 740	133 077	159 448	119 903	92 967	150 622	146 069	94 081	94 858	1 603 776	1 788 617	1 948 612	
Vote 5 - Community Services	14 411	18 611	24 595	19 298	16 704	20 015	15 051	11 670	18 907	18 335	11 810	11 901	201 308	213 394	226 190	
Vote 6 - Community Development	876	1 131	1 494	1 173	1 015	1 216	915	709	1 149	1 114	718	718	12 228	12 961	13 736	
Vote 7 - Corporate and Shared Services	405	523	692	543	470	563	423	328	532	516	332	329	5 656	5 995	6 354	
Vote 8 - Planning and Economic Development	4 462	5 762	7 615	5 975	5 172	6 197	4 660	3 613	5 854	5 677	3 656	3 680	62 323	66 061	70 025	
Vote 9 - Budget and Treasury	227 814	294 206	388 808	305 069	264 068	316 398	237 928	184 481	298 885	289 847	186 690	188 186	3 182 380	3 244 176	3 088 888	
Vote 10 - Transport Operations													-	-	-	
Total Revenue by Vote	362 774	468 498	619 144	485 798	420 506	503 837	378 880	293 768	475 949	461 558	297 287	299 672	5 067 671	5 331 204	5 353 805	
Expenditure by Vote to be appropriated																
Vote 1 - COUNCIL	25 188	26 317	27 737	23 294	22 890	27 835	24 981	23 618	24 613	24 657	25 031	31 957	308 118	362 316	415 602	
Vote 2 - Office of the Municipal Manger	2 766	2 890	3 046	2 558	2 514	3 057	2 744	2 594	2 703	2 708	2 749	3 505	33 834	34 410	36 470	
Vote 3 - Strategic Planning Monitoring and Evaluation	6 684	6 984	7 361	6 182	6 075	7 387	6 630	6 268	6 532	6 543	6 643	8 476	81 765	64 799	69 059	
Vote 4 - Engineering Services	131 572	137 470	144 889	121 680	119 567	145 401	130 492	123 370	128 571	128 798	130 753	166 969	1 609 532	1 744 217	1 889 706	
Vote 5 - Community Services	37 633	39 320	41 442	34 804	34 199	41 588	37 324	35 287	36 775	36 839	37 399	47 751	460 361	465 887	500 220	
Vote 6 - Community Development	16 210	16 936	17 850	14 991	14 731	17 913	16 077	15 199	15 840	15 868	16 109	20 564	198 288	204 416	220 142	
Vote 7 - Corporate and Shared Services	25 095	26 219	27 634	23 208	22 805	27 732	24 889	23 530	24 522	24 565	24 938	31 841	306 978	379 745	407 446	
Vote 8 - Planning and Economic Development	6 274	6 555	6 909	5 802	5 701	6 933	6 222	5 883	6 131	6 142	6 235	7 955	76 742	77 125	81 732	
Vote 9 - Budget and Treasury	36 788	38 437	40 511	34 022	33 431	40 654	36 486	34 494	35 949	36 012	36 559	46 678	450 021	420 549	440 684	
Vote 10 - Transport Operations	2 916	3 047	3 211	2 697	2 650	3 222	2 892	2 734	2 849	2 854	2 898	3 695	35 665	50 001	41 501	
Total Expenditure by Vote	291 126	304 175	320 590	269 238	264 563	321 722	288 737	272 977	284 485	284 986	289 314	369 391	3 561 304	3 803 464	4 102 561	
Surplus/(Deficit)	71 648	164 323	298 554	216 560	155 943	182 115	90 143	20 791	191 464	176 572	7 973	(69 719)	1 506 367	1 527 740	1 251 244	

Table SA27 Consolidated budgeted monthly revenue and expenditure (functional classification)

Description	Budget year 2019/20												2019/20 Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue - Functional															
Governance and administration	228 697	295 348	390 316	306 254	265 093	317 627	238 848	185 196	300 047	290 974	187 415	188 924	3 194 739	3 257 277	3 102 774
Executive and council												-	-	-	-
Finance and administration	228 697	295 348	390 316	306 254	265 093	317 627	238 848	185 196	300 047	290 974	187 415	188 924	3 194 739	3 257 277	3 102 774
Internal audit												-	-	-	-
Community and public safety	728	939	1 241	974	843	1 011	760	589	955	925	596	584	10 145	10 754	11 393
Community and social services	187	241	318	250	216	259	195	151	245	237	153	148	2 600	2 756	2 920
Sport and recreation	517	668	883	693	600	719	540	419	679	658	424	422	7 222	7 655	8 109
Public safety	24	30	40	31	27	33	25	19	31	30	19	14	323	343	364
Housing												-	-	-	-
Health												-	-	-	-
Economic and environmental services	9 390	12 126	16 025	12 574	10 884	13 041	9 807	7 604	12 319	11 946	7 695	7 739	131 150	139 024	147 362
Planning and development	4 462	5 762	7 615	5 975	5 172	6 197	4 660	3 613	5 854	5 677	3 656	3 680	62 323	66 061	70 025
Road transport	4 736	6 116	8 082	6 342	5 489	6 577	4 946	3 835	6 213	6 025	3 881	3 908	66 150	70 125	74 329
Environmental protection	192	248	328	257	223	267	201	156	252	244	158	151	2 677	2 838	3 008
Trading services	123 962	160 087	211 564	165 998	143 688	172 161	129 464	100 381	162 632	157 715	101 583	102 402	1 731 637	1 924 149	2 092 276
Energy sources	82 950	107 125	141 571	111 080	96 151	115 204	86 632	67 171	108 828	105 538	67 975	68 534	1 158 759	1 316 898	1 448 589
Water management	22 262	28 749	37 994	29 811	25 804	30 918	23 250	18 027	29 206	28 323	18 243	18 389	310 976	329 635	349 412
Waste water management	9 577	12 367	16 344	12 824	11 101	13 300	10 002	7 755	12 564	12 184	7 848	7 907	133 773	141 800	150 309
Waste management	9 173	11 846	15 655	12 283	10 632	12 739	9 580	7 428	12 034	11 670	7 517	7 572	128 129	135 816	143 966
Other												-	-	-	-
Total Revenue - Functional	362 777	468 500	619 146	485 800	420 508	503 840	378 879	293 770	475 953	461 560	297 289	299 649	5 067 671	5 331 204	5 353 805

Table SA27 Consolidated budgeted monthly revenue and expenditure (functional classification) ... continued

Description	Budget year 2019/20												2019/20 Medium Term Revenue and Expenditure Framework		
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21
Expenditure - Functional			581 628	768 650	603 105	522 047	625 500	470 366	364 705	590 880	573 012	369 073			
Governance and administration	104 218	108 890	114 766	96 383	94 709	115 172	103 362	97 721	101 842	102 020	103 569	132 245	1 274 897	1 377 781	1 496 550
Executive and council	25 706	26 859	28 308	23 774	23 361	28 408	25 495	24 104	25 120	25 164	25 546	32 617	314 462	368 664	422 331
Finance and administration	77 569	81 046	85 420	71 737	70 491	85 722	76 932	72 733	75 800	75 933	77 086	98 435	948 904	997 400	1 061 800
Internal audit	943	985	1 038	872	857	1 042	935	884	922	923	937	1 193	11 531	11 717	12 419
Community and public safety	21 936	22 919	24 156	20 287	19 935	24 241	21 756	20 569	21 436	21 474	21 800	27 805	268 314	273 298	288 192
Community and social services	7 433	7 767	8 186	6 875	6 755	8 215	7 372	6 970	7 264	7 277	7 387	9 426	90 927	92 117	96 154
Sport and recreation	9 810	10 249	10 803	9 072	8 915	10 841	9 729	9 198	9 586	9 603	9 749	12 443	119 998	123 364	130 758
Public safety	4 065	4 247	4 476	3 759	3 694	4 492	4 032	3 812	3 972	3 979	4 040	5 154	49 722	50 011	53 011
Housing	68	71	75	63	62	75	68	64	67	67	68	80	828	887	941
Health	560	585	616	518	509	618	555	525	547	548	556	702	6 839	6 919	7 328
Economic and environmental services	40 592	42 411	44 700	37 540	36 888	44 858	40 258	38 061	39 666	39 735	40 339	51 496	496 544	505 113	524 474
Planning and development	11 494	12 009	12 657	10 630	10 445	12 702	11 399	10 777	11 232	11 251	11 422	14 580	140 598	123 849	131 630
Road transport	28 488	29 765	31 371	26 346	25 889	31 482	28 254	26 712	27 838	27 887	28 311	36 146	348 489	373 611	384 731
Environmental protection	610	637	672	564	554	674	605	572	596	597	606	769	7 456	7 653	8 113
Trading services	124 383	129 957	136 970	115 030	113 033	137 454	123 360	116 628	121 545	121 759	123 608	157 822	1 521 549	1 647 271	1 793 344
Energy sources	78 042	81 540	85 940	72 174	70 921	86 244	77 401	73 177	76 262	76 396	77 556	99 035	954 688	1 046 749	1 147 497
Water management	27 916	29 167	30 741	25 817	25 368	30 849	27 686	26 175	27 279	27 327	27 742	35 420	341 487	370 851	407 807
Waste water management	8 353	8 727	9 198	7 725	7 591	9 231	8 284	7 832	8 162	8 177	8 301	10 592	102 173	105 412	99 931
Waste management	10 072	10 523	11 091	9 314	9 153	11 130	9 989	9 444	9 842	9 859	10 009	12 775	123 201	124 259	138 110
Total Expenditure - Functional	291 129	304 177	320 592	269 240	264 565	321 725	288 736	272 979	284 489	284 988	289 316	369 368	3 561 304	3 803 464	4 102 561
Surplus/(Deficit)	71 648	164 323	298 554	216 560	155 943	182 115	90 143	20 791	191 464	176 572	7 973	(69 719)	1 506 367	1 527 740	1 251 244

Supporting Table SA28 Consolidated budgeted monthly capital expenditure (municipal vote)

Description	Budget year 2019/20												2019/20 Medium Term Revenue and		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget year 2019/20	Budget year 2020/21	Budget year 2021/22
Single-year expenditure to be appropriated															
Vote 1 - Council												-	-	-	-
Vote 2 - Office of the Municipal Manger												-	-	-	-
Vote 3 - Strategic Planning Monitoring and Evaluation												-	-	-	-
Vote 4 - Engineering Services	34 140	44 885	71 358	93 222	93 380	105 597	105 651	105 651	157 340	178 606	232 194	276 305	1 498 329	1 317 605	1 003 395
Vote 5 - Community Services	1 981	3 260	6 410	9 012	9 031	10 485	10 491	10 491	16 643	19 174	25 551	30 795	153 324	20 299	23 005
Vote 6 - Community Development	1 059	1 743	3 427	4 818	4 828	5 605	5 609	5 609	8 897	10 250	13 659	16 460	81 964	59 836	69 219
Vote 7 - Corporate and Shared Services	220	361	710	998	1 000	1 161	1 161	1 161	1 842	2 122	2 828	3 404	16 968	6 790	6 144
Vote 8 - Planning and Economic Development	173	284	558	784	786	913	913	913	1 448	1 668	2 223	2 676	13 339	28 130	24 110
Vote 9 - Budget and Treasury	84	139	272	383	383	445	445	445	706	813	1 084	1 301	6 500	-	-
Vote 10 - Transport Operations	2 060	3 389	6 665	9 371	9 391	10 903	10 909	10 909	17 306	19 938	26 569	32 023	159 433	152 492	175 971
Capital single-year expenditure sub-total	39 717	54 061	89 400	118 588	118 799	135 109	135 179	135 179	204 182	232 571	304 108	362 963	1 929 856	1 585 152	1 301 844
Total Capital Expenditure	39 717	54 061	89 400	118 588	118 799	135 109	135 179	135 179	204 182	232 571	304 108	362 963	1 929 856	1 585 152	1 301 844

Supporting Table SA29 Consolidated budgeted monthly capital expenditure (functional classification)

Description	Budget Year 2019/20												2019/20 Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital Expenditure - Functional															
<i>Governance and administration</i>	1 857	3 057	6 011	8 451	8 469	9 832	9 838	9 838	15 606	17 980	23 960	28 877	143 776	11 886	13 155
Executive and council															
Finance and administration	1 857	3 057	6 011	8 451	8 469	9 832	9 838	9 838	15 606	17 980	23 960	28 877	143 776	11 886	13 155
Internal audit															
<i>Community and public safety</i>	1 309	2 152	4 232	5 949	5 961	6 920	6 925	6 925	10 985	12 655	16 864	20 308	101 185	65 066	72 114
Community and social services	255	419	824	1 158	1 160	1 347	1 348	1 348	2 138	2 463	3 282	3 948	19 690	21 119	26 424
Sport and recreation	791	1 301	2 558	3 597	3 604	4 184	4 187	4 187	6 642	7 652	10 197	12 285	61 185	32 239	33 362
<i>Economic and environmental services</i>	23 813	27 888	37 928	46 220	46 280	50 914	50 934	50 934	70 537	78 604	98 928	115 640	698 620	473 386	557 422
Planning and development	199	327	642	902	904	1 049	1 050	1 050	1 665	1 919	2 557	3 075	15 339	28 525	24 479
Road transport	23 506	27 384	36 939	44 830	44 887	49 297	49 316	49 316	67 971	75 647	94 988	110 905	674 986	438 244	523 902
<i>Trading services</i>	12 738	20 964	41 229	57 968	58 089	67 443	67 482	67 482	107 054	123 332	164 356	198 139	986 276	1 034 815	659 153
Energy sources	804	1 324	2 603	3 659	3 667	4 257	4 260	4 260	6 757	7 785	10 374	12 498	62 248	89 699	100 572
Water management	251	412	811	1 139	1 142	1 326	1 326	1 326	2 104	2 424	3 230	3 887	19 378	11 437	3 469
Waste water management	6 559	10 795	21 231	29 853	29 915	34 733	34 733	34 733	55 133	63 515	84 643	102 067	507 948	162 025	201 107
Waste management	5 124	8 433	16 584	23 317	23 365	27 127	27 144	27 144	43 060	49 608	66 109	79 688	396 703	771 655	354 006
<i>Other</i>															
Total Capital Expenditure - Functional	39 717	54 061	89 400	118 588	118 799	135 109	135 179	135 179	204 182	232 571	304 108	362 963	1 929 856	1 585 152	1 301 844
Funded by:															
National Government	16 366	26 935	52 972	74 476	74 632	86 648	86 700	86 700	137 539	178 456	256 162	189 550	1 267 136	1 266 052	975 844
Provincial Government															
Transfers recognised - capital	16 366	26 935	52 972	74 476	74 632	86 648	86 700	86 700	137 539	178 456	256 162	203 550	1 281 136	1 276 652	975 844
Public contributions & donations															
Borrowing	18 663	19 414	21 263	22 790	22 801	23 655	23 658	23 658	27 269	28 755	32 499	155 575	420 000	65 000	65 000
Internally generated funds	4 688	7 712	15 165	21 322	21 366	24 806	24 821	24 821	39 374	25 360	15 447	3 839	228 721	243 500	261 000
Total Capital Funding	39 717	54 061	89 400	118 588	118 799	135 109	135 179	135 179	204 182	232 571	304 108	362 963	1 929 856	1 585 152	1 301 844

Supporting Table SA34a Consolidated capital expenditure on new assets by asset class

Description R thousand	Current Year 2018/2019		2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital expenditure on new assets by Asset Class/Sub-class					
Infrastructure	804 630	698 275	1 099 495	928 686	770 080
Roads Infrastructure	180 122	129 266	113 788	188 821	125 483
<i>Roads</i>	180 122	129 266			
<i>Road Structures</i>			113 788	188 821	125 483
Storm water Infrastructure	–	–	7 500	–	–
<i>Storm water Conveyance</i>			7 500	–	–
Electrical Infrastructure	59 970	43 420	58 248	80 812	88 008
<i>HV Transmission Conductors</i>			58 248	80 812	88 008
<i>Capital Spares</i>	59 970	43 420			
Water Supply Infrastructure	200 553	207 981	392 365	485 592	351 607
<i>Distribution</i>	200 553	207 981	392 365	485 592	351 607
Sanitation Infrastructure	351 185	304 508	507 948	162 025	201 107
<i>Reticulation</i>	351 185	304 508			
<i>Waste Water Treatment Works</i>			507 613	160 840	200 000
<i>Capital Spares</i>			335	1 185	1 107
Solid Waste Infrastructure	12 800	13 100	19 378	11 437	3 469
<i>Landfill Sites</i>			12 100	6 790	1 107
<i>Waste Transfer Stations</i>	12 800	13 100	5 977	3 185	–
<i>Capital Spares</i>			1 301	1 462	2 362
Information and Communication Infrastructure	–	–	268	–	406
<i>Data Centres</i>			268	–	406
Community Assets	88 118	72 968	370 227	210 560	245 889
Community Facilities	75 418	61 969	314 688	179 901	210 129
<i>Halls</i>	12 992	3 700	1 500	1 185	2 214
<i>Centres</i>	59 426	55 269	4 000	5 965	5 351
<i>Fire/Ambulance Stations</i>			123 397	3 792	6 660
<i>Testing Stations</i>			3 500	3 950	2 190
<i>Museums</i>			–	356	1 286
<i>Libraries</i>			1 500	2 765	3 358
<i>Cemeteries/Crematoria</i>	3 000	3 000	–	790	1 107
<i>Police</i>			11 750	4 440	4 395
<i>Public Open Space</i>			7 216	2 666	4 059
<i>Public Ablution Facilities</i>			500	1 501	1 771
<i>Markets</i>			–	–	554
<i>Taxi Ranks/Bus Terminals</i>			159 433	152 492	175 971
<i>Capital Spares</i>			1 892	–	1 214
Sport and Recreation Facilities	12 700	10 999	55 540	30 659	35 760
<i>Indoor Facilities</i>					
<i>Outdoor Facilities</i>	12 700	10 999	54 540	30 185	35 244
<i>Capital Spares</i>			1 000	474	517
Heritage assets	1 550	1 550	–	–	–
Works of Art	1 550	1 550			
Investment properties	–	–	12 669	22 798	17 653
Revenue Generating	–	–	12 669	22 798	17 653
Unimproved Property			12 669	22 798	17 653

Description R thousand	Current Year 2018/2019		2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Capital expenditure on new assets by Asset Class/Sub-class					
Other assets	4 000	-	10 802	4 701	6 273
Operational Buildings	-	-	10 802	4 701	6 273
<i>Municipal Offices</i>			4 302	4 701	6 273
<i>Stores</i>			6 500	-	-
Housing	4 000	-	-	-	-
<i>Capital Spares</i>	4 000	-			
Intangible Assets	1 000	-	2 700	790	369
Servitudes	1 000	-			
Licences and Rights	-	-	2 700	790	369
<i>Computer Software and Applications</i>			700	395	-
<i>Unspecified</i>			2 000	395	369
Computer Equipment	3 300	2 352	2 000	-	369
Computer Equipment	3 300	2 352	2 000	-	369
Furniture and Office Equipment	1 660	1 000	1 500	395	554
Furniture and Office Equipment	1 660	1 000	1 500	395	554
Machinery and Equipment	10 867	10 267	2 260	1 264	1 384
Machinery and Equipment	10 867	10 267	2 260	1 264	1 384
Transport Assets	528 200	314 013	-	-	-
Transport Assets	528 200	314 013			
Total Capital Expenditure on new assets	1 443 325	1 100 425	1 501 652	1 169 193	1 042 570

Supporting Table SA34b Consolidated capital expenditure on the renewal of existing assets by asset class

Description	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand					
Capital expenditure on renewal of existing assets by Asset Class/Sub-class					
Infrastructure	153 043	275 185	5 705	9 618	8 856
Roads Infrastructure	4 500	4 500	3 705	5 273	2 583
<i>Roads</i>	4 500	4 500			
<i>Road Structures</i>			3 705	5 273	2 583
Electrical Infrastructure	11 408	10 725	2 000	4 345	6 273
<i>HV Transmission Conductors</i>	11 408	10 725	2 000	4 345	6 273
Water Supply Infrastructure	87 335	210 160	–	–	–
<i>Distribution</i>	87 335	210 160			
Sanitation Infrastructure	45 800	45 800	–	–	–
<i>Pump Station</i>					
<i>Reticulation</i>					
<i>Waste Water Treatment Works</i>	45 800	45 800			
Information and Communication Infrastructure	4 000	4 000	–	–	–
<i>Capital Spares</i>	4 000	4 000			
Community Assets	16 525	6 360	4 708	5 596	4 428
Community Facilities	16 525	6 360	4 708	5 596	4 428
<i>Halls</i>					
<i>Centres</i>	14 950	4 785	1 340	3 226	3 321
<i>Crèches</i>					
<i>Clinics/Care Centres</i>					
<i>Fire/Ambulance Stations</i>			1 500	1 185	738
<i>Libraries</i>			368	1 185	369
<i>Public Open Space</i>			1 500	–	–
<i>Capital Spares</i>	1 575	1 575			
Investment properties	–	–	335	593	1 845
Revenue Generating	–	–	335	593	1 845
<i>Improved Property</i>					
<i>Unimproved Property</i>			335	593	1 845
Other assets	84 215	83 973	1 508	4 148	4 244
Operational Buildings	84 215	83 973	1 508	4 148	4 244
<i>Municipal Offices</i>	84 215	83 973	1 508	4 148	4 244
Total Capital Expenditure on renewal of existing assets	253 783	365 518	12 256	19 954	19 373
Renewal of Existing Assets as % of total capex	13,3%	22,1%	0,7%	1,3%	1,5%
Renewal of Existing Assets as % of deprecn"	0,0%	0,0%	0,0%	0,0%	0,0%

Supporting Table SA34d Consolidated Depreciation by asset class

Description	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand					
Depreciation by Asset Class/Sub-class					
Infrastructure	101 042	101 042	123 617	123 617	124 220
Roads Infrastructure	32 909	32 909	60 579	60 579	61 185
<i>Roads</i>	24 194	24 194	52 516	52 516	53 041
<i>Road Structures</i>	8 074	8 074	7 470	7 470	7 545
<i>Road Furniture</i>	641	641	593	593	599
Storm water Infrastructure	8 531	8 531	7 893	7 893	7 972
<i>Storm water Conveyance</i>	8 531	8 531	7 893	7 893	7 972
<i>Attenuation</i>					-
Electrical Infrastructure	24 296	24 296	22 479	22 479	22 704
<i>Power Plants</i>					-
<i>HV Substations</i>	5 282	5 282	4 887	4 887	4 936
<i>MV Networks</i>	12 984	12 984	12 013	12 013	12 133
<i>LV Networks</i>	6 030	6 030	5 579	5 579	5 635
<i>Capital Spares</i>					-
Water Supply Infrastructure	24 774	24 774	22 921	22 921	22 517
<i>Dams and Weirs</i>	678	678	627	627	
<i>Boreholes</i>	1 868	1 868	1 728	1 728	1 745
<i>Reservoirs</i>	4 930	4 930	4 561	4 561	4 607
<i>Pump Stations</i>	707	707	654	654	661
<i>Water Treatment Works</i>	843	843	780	780	788
<i>Bulk Mains</i>	3 475	3 475	3 215	3 215	3 247
<i>Distribution</i>	11 818	11 818	10 935	10 935	11 044
<i>Distribution Points</i>	447	447	413	413	417
<i>PRV Stations</i>	8	8	8	8	8
<i>Capital Spares</i>					
Sanitation Infrastructure	7 512	7 512	6 951	6 951	7 021
<i>Pump Station</i>	328	328	304	304	307
<i>Reticulation</i>	2 432	2 432	2 250	2 250	2 273
<i>Waste Water Treatment Works</i>	3 507	3 507	3 245	3 245	3 277
<i>Outfall Sewers</i>	1 245	1 245	1 152	1 152	1 164
<i>Toilet Facilities</i>					-
<i>Capital Spares</i>					
Solid Waste Infrastructure	2 311	2 311	2 138	2 138	2 159
<i>Landfill Sites</i>	2 260	2 260	2 091	2 091	2 112
<i>Waste Transfer Stations</i>	51	51	47	47	47
Information and Communication Infrastructure	709	709	656	656	663
<i>Data Centres</i>	213	213	197	197	199
<i>Core Layers</i>	461	461	427	427	431
<i>Distribution Layers</i>	11	11	10	10	10
<i>Capital Spares</i>	24	24	22	22	22

Supporting Table SA34d Consolidated Depreciation by asset class – Continued

Description	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand					
Depreciation by Asset Class/Sub-class					
Community Assets	49 284	49 284	49 730	49 730	50 227
Community Facilities	22 512	22 512	24 960	24 960	25 210
<i>Halls</i>	797	797	737	737	744
<i>Centres</i>	27	27	25	25	25
<i>Clinics/Care Centres</i>	61	61	56	56	57
<i>Fire/Ambulance Stations</i>	749	749	693	693	700
<i>Testing Stations</i>	130	130	121	121	122
<i>Museums</i>	1 891	1 891	1 750	1 750	1 768
<i>Cemeteries/Crematoria</i>	265	265	245	245	247
<i>Public Open Space</i>	1 350	1 350	1 249	1 249	1 261
<i>Markets</i>	266	266	246	246	248
<i>Airports</i>	888	888	821	821	829
<i>Taxi Ranks/Bus Terminals</i>	1 039	1 039	962	962	972
<i>Capital Spares</i>	15 049	15 049	18 055	18 055	18 236
Sport and Recreation Facilities	26 772	26 772	24 770	24 770	25 018
<i>Indoor Facilities</i>	1 696	1 696	1 569	1 569	1 585
<i>Outdoor Facilities</i>	25 076	25 076	23 201	23 201	23 433
Other assets	6 928	6 928	28 934	46 934	75 487
Operational Buildings	6 701	6 701	28 725	46 725	75 276
<i>Municipal Offices</i>	4 894	4 894	4 528	4 528	4 573
<i>Pay/Enquiry Points</i>	357	357	331	331	334
<i>Workshops</i>	404	404	374	374	378
<i>Yards</i>	1 046	1 046	968	968	978
<i>Capital Spares</i>	–	–	22 524	40 524	69 013
Housing	227	227	209	209	211
<i>Staff Housing</i>	143	143	132	132	133
<i>Social Housing</i>	84	84	77	77	78
Computer Equipment	2 049	2 049	2 172	2 172	2 194
Computer Equipment	2 049	2 049	2 172	2 172	2 194
Furniture and Office Equipment	6 192	6 192	6 565	6 565	6 631
Furniture and Office Equipment	6 192	6 192	6 565	6 565	6 631
Machinery and Equipment	3 117	3 117	3 305	3 305	3 338
Machinery and Equipment	3 117	3 117	3 305	3 305	3 338
Transport Assets	21 388	21 388	22 677	22 677	22 904
Transport Assets	21 388	21 388	22 677	22 677	22 904
Total Depreciation	190 000	190 000	237 000	255 000	285 000

Supporting Table SA34e Consolidated capital expenditure on the upgrading of existing assets by asset class

Description	Current year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2021/21	Budget Year +2 2021/22
R thousand					
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class					
Infrastructure	166 625	161 603	405 398	385 300	229 865
Roads Infrastructure	146 382	142 210	388 550	91 658	216 913
<i>Roads</i>	146 382	142 210			
Storm water Infrastructure	1 900	-	2 010	-	2 952
<i>Drainage Collection</i>					
<i>Storm water Conveyance</i>	1 900	-	2 010	-	2 952
<i>Attenuation</i>					
Electrical Infrastructure	4 193	4 193	2 000	3 950	5 000
<i>HV Transmission Conductors</i>	4 193	4 193	2 000	3 950	5 000
Water Supply Infrastructure	10 150	9 200	838	283 693	-
<i>Distribution</i>	10 150	9 200	838	283 693	-
Solid Waste Infrastructure	4 000	6 000	-	-	-
<i>Capital Spares</i>	4 000	6 000			
Community Assets	31 815	12 725	9 216	5 965	5 055
Community Facilities	12 600	2 850	1 371	4 385	5 055
<i>Halls</i>					
<i>Centres</i>	12 600	2 850	670	2 568	3 137
<i>Public Open Space</i>			500	395	369
<i>Nature Reserves</i>			-	1 185	1 292
Sport and Recreation Facilities	19 215	9 875	7 845	1 580	-
<i>Indoor Facilities</i>					
<i>Outdoor Facilities</i>	19 215	9 875	7 845	1 580	
Investment properties	-	-	335	4 740	4 613
Revenue Generating	-	-	335	4 740	4 613
<i>Improved Property</i>					
<i>Unimproved Property</i>			335	4 740	4 613
Other assets	10 000	8 500	1 000	-	369
Operational Buildings	10 000	8 500	1 000	-	369
<i>Municipal Offices</i>	10 000	8 500	1 000	-	369
<i>Stores</i>					
Computer Equipment	7 000	4 000	-	-	-
Computer Equipment	7 000	4 000			
Total Capital Expenditure on upgrading of existing assets	215 440	186 828	415 949	396 005	239 902
Upgrading of Existing Assets as % of total capex	11,3%	11,3%	21,6%	25,0%	18,4%
Upgrading of Existing Assets as % of deprecn"	113,4%	98,3%	175,5%	155,3%	84,2%

Annexure A: Polokwane Housing Association



Annual Budget and service delivery agreement - Polokwane Housing Association (PHA) For the Period 2019/2020 to 2021/2022

Despite global and national economic challenges, the PHA's financial history indicates that the entity has managed to survive year on year. As the municipal entity the PHA is mandated to develop and manage Integrated Human Settlements, Social and Non Social Housing Rental Housing Units within the jurisdiction of Polokwane Municipality.

As a Municipal Entity entrusted with managing rental housing units, PHA is required to comply with Municipal Finance Management Act, Act 56 of 2003, the Municipal System Act, Act 32 of 2000, the Companies Act, Act 71 of 2008, the Housing Code, the Social Housing Act of 2008, and all other relevant legislation applicable to the municipal entity

The PHA's mandate includes, amongst others, the responsibility for administrative processes, accounting and financial management, tenant liaison, policy and guideline formation, capital raising, agency role and other functions that Polokwane Municipality may require in applying the principles of rental housing in Polokwane. The mandate has been extended to include participating in the non-social housing rental space, i.e. gap market and profit making rental housing. Above all PHA must ensure its financial sustainability.

The financial plan for 2019/20 reflects that, with the projected allocation of all rental units of 697 units, the entity will be generating R12.9 million for the year. The 2018/19 budget process was prepared following a similar approach used in previous years. The budget takes into account the current market conditions, such as inflation, historical trend analysis, as well as the proposed Polokwane Municipality budget guidelines. The combined budgeted operating deficit is projected at R3.5 million for the year, this deficit is mainly due to non-cash items: Asset impairment of R5 million and Debt impairment of R4 million, for two outer years the entity is projecting the deficit of R1.5 million and R2.6 million respectively.

The 2019/20 budget includes a R11 million operational grant which would assist the entity in making certain that the entity's cash flow remains positive and that the entity is able to fund its operations. For 2020/21 and 2021/22 the operational grant remains at R11 million. For two outer years the operational budget is split between R7 million to fund operations R4 million will go towards equity in assisting the development of Polokwane extension 76 which will be 208 units

Due to the nature of our business and Funding of new projects being hard to secure, PHA is embarking on Public Private Partnerships. For the period between 2019 and 2022 financial year the entity is projecting to develop 754 Gap market units and 5116 student accommodation beds. These projects are to be developed using the Built Operate and Transfer mode(BOT). Under this model the entity is putting forth as its own equity contribution land as investment. After 30 years the private sector partners will transfer the facility to the entity. In the meantime, the private sector partners will be paying the entity royalties monthly. This new development will lessen PHA's dependency on the municipality. The PHA's existence is informed by the SMART pillar which forms one of the Municipality's SMART Pillars. i.e SMART Economy. Etc. in attainment of vision 2030 smart city.

For 2019/20 employment costs are budgeted at 7% for budget purposes subject to agreement at South African Local Government Bargaining Council, the 7% is consistent with the 2018/19 increase.

Service Delivery Agreement between the City and the PHA

Service Delivery Agreement

Period of Agreement	No period stipulated but subject to annual reviews in terms of Section 93A of the systems Act
Service Provided	Rentals of Units
Expiry date of SDA	N/A
Monetary value	1 000. Of R1 shares worth R1000
Ownership and control	Shareholding as at 30 December 2018 Polokwane Municipality 100%
Mandate	Develop and Manage Integrated Human Settlements
Funding over medium term	R11 Million 2019/20

	R11 Million 2020/21
	R11 Million 2021/22
Summary of SDA	Sets out the obligation of PHA to Polokwane Municipality in respect of compliance and performance Issues
Past performance and future objectives	Has fairly met targets in the past, except with Ga-Rena Project which is cumbersome, PHA is confident that it will maintain high level of rental occupation and rental collection. PHA hopes to meet future housing demands

Table D1 Budget Summary

Description	Current Year 2018/19		Medium Term Revenue and Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousands					
Financial Performance					
Property rates	-	-	-	-	-
Service charges	-	-	-	-	-
Investment revenue	-	-	-	-	-
Transfers recognised - operational	11 000	11 000	11 000	11 000	11 000
Other own revenue	12 541	11 673	12 984	15 872	15 873
	23 541	22 673	23 984	26 872	26 873
Total Revenue (excluding capital transfers and contributions)					
Employee costs	7 842	8 042	8 887	9 204	9 816
Remuneration of Board Members	2 150	2 150	2 251	2 363	2 482
Depreciation & asset impairment	4 000	4 000	4 000	4 200	4 200
Finance charges	-	-	-	-	-
Materials and bulk purchases	-	-	-	-	-
Transfers and grants	-	-	-	-	-
Other expenditure	11 540	11 676	12 362	12 689	13 032
Total Expenditure	25 532	25 868	27 500	28 456	29 529
Surplus/(Deficit)	(1 991)	(3 195)	(3 516)	(1 583)	(2 657)
Transfers recognised - capital	-	-	-	-	-
Contributions recognised - capital & contributed assets	-	-	-	-	-
	(1 991)	(3 195)	(3 516)	(1 583)	(2 657)
Surplus/(Deficit) after capital transfers & contributions					
Taxation	-	-	-	-	-
Surplus/ (Deficit) for the year	(1 991)	(3 195)	(3 516)	(1 583)	(2 657)
Capital expenditure & funds sources					
Capital expenditure	45	-	250	-	-
Transfers recognised - capital	-	-	-	-	-
Total sources of capital funds	-	-	-	-	-
Financial position					
Total current assets	7 851	6 200	7 960	7 671	7 671
Total non current assets	93 778	106 097	101 066	103 949	97 215
Total current liabilities	2 535	2 635	2 880	3 100	2 980
Total non current liabilities	95	-	-	-	-
Community wealth/Equity	98 999	109 662	106 146	104 563	101 906
Cash flows					
Net cash from (used) operating	1 344	1 199	1 789	161	100
Net cash from (used) investing	(45)	(45)	(250)	-	-
Net cash from (used) financing	-	-	-	-	-
Cash/cash equivalents at the year end	2 795	2 650	4 189	4 350	4 450

Polokwane Housing Agency - Table D2 Budgeted Financial Performance (revenue and expenditure)

Description R thousands	Current Year 2018/19		Medium Term Revenue and Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue by Source					
Rental of facilities and equipment	12 518 480	11 662 360	12 973 000	15 850 000	15 850 000
Transfers recognised - operational	11 000 000	11 000 000	11 000 000	11 000 000	11 000 000
Other revenue	22 400	10 700	10 700	22 480	22 560
Gains on disposal of PPE					
Total Revenue (excluding capital transfers and contributions)	23 540 880	22 673 060	23 983 700	26 872 480	26 872 560
Expenditure By Type					
Employee related costs	7 842 000	8 041 534	8 886 653	9 203 566	9 815 734
Remuneration of Directors	2 150 000	2 150 224	2 250 857	2 363 400	2 481 570
Debt impairment	4 000 000	4 000 000	4 000 000	4 200 000	4 200 000
Depreciation & asset impairment	4 800 000	4 800 000	5 027 000	5 027 000	5 027 000
Finance charges	-	-	-	-	-
Other expenditure	6 740 000	6 876 470	7 335 210	7 661 971	8 005 069
Loss on disposal of PPE					
Total Expenditure	25 532 000	25 868 228	27 499 720	28 455 937	29 529 373
Surplus/(Deficit)	- 1 991 120	- 3 195 168	- 3 516 020	- 1 583 457	- 2 656 813
Transfers recognised - capital					
Contributions recognised - capital					
Contributed assets					
Surplus/(Deficit) after capital transfers & contributions	- 1 991 120	- 3 195 168	- 3 516 020	- 1 583 457	- 2 656 813
Taxation					
Surplus/ (Deficit) for the year	- 1 991 120	- 3 195 168	- 3 516 020	- 1 583 457	- 2 656 813

Polokwane Housing Agency - Table D3 Capital Budget by vote and funding

Vote Description R thousands	Current Year 2018/19		Medium Term Revenue and Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Other assets	45 000	-	250 000	-	-
General vehicles			220 000	-	-
Computers - hardware/equipment	15 000	-	15 000	-	-
Furniture and other office equipment	30 000	-	15 000	-	-
Total capital expenditure on assets	45 000	-	250 000	-	-

Polokwane Housing Agency - Table D4 Budgeted Financial Position

Description R thousands	Current Year 2018/19		Medium Term Revenue and Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
ASSETS					
Current assets					
Cash	2 795 000	2 650 000	4 189 000	4 350 000	4 450 000
Call investment deposits					
Consumer debtors	5 011 088	3 500 000	3 750 000	3 300 000	3 200 000
Other debtors	45 000	50 000	21 000	21 000	21 000
Total current assets	7 851 088	6 200 000	7 960 000	7 671 000	7 671 000
Non current assets					
Long-term receivables					
Investments			-	3 957 000	2 254 000
Property, plant and equipment	93 663 000	106 000 000	100 973 000	99 903 000	94 876 000
Agricultural					
Biological					
Intangible	115 000	97 000	93 000	89 000	85 000
Other non-current assets					
Total non current assets	93 778 000	106 097 000	101 066 000	103 949 000	97 215 000
TOTAL ASSETS	101 629 088	112 297 000	109 026 000	111 620 000	104 886 000
LIABILITIES					
Current liabilities					
Trade and other payables	2 205 000	1 950 000	2 200 000	2 450 000	2 350 000
Provisions	330 000	685 000	680 000	650 000	630 000
Total current liabilities	2 535 000	2 635 000	2 880 000	3 100 000	2 980 000
Non current liabilities					
Borrowing	95 000				
Provisions					
Total non current liabilities	95 000	-	-	-	-
TOTAL LIABILITIES	2 630 000	2 635 000	2 880 000	3 100 000	2 980 000
NET ASSETS	98 999 088	109 662 000	106 146 000	108 520 000	101 906 000
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	23 345 088	20 986 239	17 470 219	15 886 762	13 229 949
Reserves	75 653 000	88 675 000	88 675 000	88 675 000	88 675 000
Share capital	1 000	1 000	1 000	1 000	1 000
TOTAL COMMUNITY WEALTH/EQUITY	98 999 088	109 662 239	106 146 219	104 562 762	101 905 949

Polokwane Housing Agency - Table D5 Budgeted Cash Flow

Description R thousands	Current Year 2018/19		Medium Term Revenue and Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
CASH FLOW FROM OPERATING ACTIVITIES					
Receipts					
Property rates, penalties & collection charges	7 029 792	4 639 000	7 289 000	7 350 000	7 550 000
Service charges					
Other revenue					
Government - operating	11 000 000	11 000 000	11 000 000	11 000 000	11 000 000
Payments					
Suppliers and employees	- 16 686 000	- 14 440 000	- 16 500 000	- 18 189 000	- 18 450 000
Finance charges			-	-	-
Dividends paid					
Transfers and Grants					
NET CASH FROM/(USED) OPERATING ACTIVITIES	1 343 792	1 199 000	1 789 000	161 000	100 000
CASH FLOWS FROM INVESTING ACTIVITIES					
Payments					
Capital assets	- 45 000	- 45 000	- 250 000	-	
NET CASH FROM/(USED) INVESTING ACTIVITIES	- 45 000	- 45 000	- 250 000	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD	1 298 792	1 154 000	1 539 000	161 000	100 000
Cash/cash equivalents at the year begin:	1 496 000	1 496 000	2 650 000	4 189 000	4 350 000
Cash/cash equivalents at the year end:	2 794 792	2 650 000	4 189 000	4 350 000	4 450 000

Multi -Year Capital Programme 2019/2020 to 2021/2022

MULTI YEAR BUDGET	Funding	Original budget 2019/20	Budget Year +1 2020/21	Budget Year +1 2021/22
Description				
Clusters - SPME				
Thusong Service Centre (TSC)	CRR	1 340 000	1 975 000	2 583 000
Mobile service sites	CRR	1 500 000	395 000	738 000
Upgrading of Mohlolong centre (Aganang cluster)	CRR	-	987 500	1 291 500
Renovation of existing Cluster offices	CRR	-	750 500	738 000
Cluster offices Construction at Seshego	CRR	670 000	1 185 000	1 476 000
Upgrading of existing Cluster offices	CRR	-	632 000	922 500
Construction of mobile service sites (Molefjie & Mankweng)	CRR	-	2 962 500	922 500
Construction of Municipal Depots in the Clusters (Mankweng)	CRR	1 500 000	1 975 000	2 214 000
Total Clusters - SPME		5 010 000	10 862 500	10 885 500
Facility Management- Community Development				
Civic Centre refurbishment	CRR	1 507 500	3 160 000	3 136 500
Renovation of offices	CRR	-	987 500	1 107 000
Municipal Furniture and Office Equipment	CRR	1 500 000	395 000	553 500
Refurbishment of City Library and Auditorium	CRR	168 000	395 000	369 000
Upgrading of Seshego Library	CRR	-	197 500	-
Library Sebaying	CRR	-	790 000	922 500
Library Aganang	CRR	-	790 000	922 500
Construction of Mankweng Traffic and Licensing Testing Centre	CRR	3 500 000	3 950 000	2 190 000
Civic Centre Aircon Upgrade	CRR	1 000 000	-	369 000
Refurbishment of Municipal Public toilets	CRR	500 000	316 000	295 200
Construction of Mankweng Water and Sanitation Centre	CRR	3 500 000	2 370 000	2 398 500
Renovation for the dilapidated AIDS Centre	CRR	-	500 000	-
Refurbishment of Mankweng Library	CRR	200 000	592 500	-
Refurbishment of Mankweng Fire Department	CRR	1 500 000	1 185 000	738 000
Construction of the integrated Control Center at Traffic Ladanna	CRR	8 000 000	1 580 000	1 660 500
Extension of the Fire and Traffic Training Facility at Ladanna	CRR	1 500 000	1 185 000	1 107 000
Extension of offices Workshop (Water, Roads and Storm Water, and Waste Management)	CRR	-	158 000	1 107 000
Construction of new Standby Staff facility at Ladanna	CRR	-	1 185 000	1 476 000
Refurbishment of Nirvana Hall	CRR	-	1 185 000	553 500
Extension of offices at Ladanna electrical workshop	CRR	-	592 500	1 291 500
Nirvana and Seshego Swimming Pool refurbishment	CRR	670 000	-	-
Fencing of Itsoeng Centre	CRR	1 000 000	-	-
Planning for Construction of New Fire Station at Molepo/Chuene/Maja Cluster (Planning)	CRR	-	-	1 107 000
Refurbishment of Mike's Kitchen Building	CRR	-	-	553 500
Upgrading of Jack Botes Hall	CRR	1 500 000	-	922 500
Refurbishment of Westernburg Hall	CRR	-	-	738 000
Aganang Cluster offices refurbishment	CRR	-	-	553 500
Tennis Courts Refurbishment	CRR	1 000 000	-	553 500
Upgrading of Traffic Logistics Offices	CRR	300 000	-	-
Refurbishment of the City Pool	CRR	1 000 000	-	-
Nirvana Soccer Grounds and Cricket Grounds Refurbishment	CRR	300 000	-	738 000
Upgrading of Fence at Westernburg Stadium	CRR	900 000	-	1 107 000
Renovation of overnight accommodation	CRR	500 000	-	-
Total Facility Management- Community Development		30 045 500	21 514 000	26 470 200

DRAFT MULTI-YEAR BUDGET 2019/20-2021/22

MULTI YEAR BUDGET	Funding	Original budget 2019/20	Budget Year +1 2020/21	Budget Year +1 2021/22
Description				
Clusters - SPME				
Thusong Service Centre (TSC)	CRR	1 340 000	1 975 000	2 583 000
Mobile service sites	CRR	1 500 000	395 000	738 000
Upgrading of Mhlonong centre (Aganang cluster)	CRR	-	987 500	1 291 500
Renovation of existing Cluster offices	CRR	-	750 500	738 000
Cluster offices Construction at Seshego	CRR	670 000	1 185 000	1 476 000
Upgrading of existing Cluster offices	CRR	-	632 000	922 500
Construction of mobile service sites (Moleletje & Mankweng)	CRR	-	2 962 500	922 500
Construction of Municipal Depots in the Clusters (Mankweng)	CRR	1 500 000	1 975 000	2 214 000
Total Clusters - SPME		5 010 000	10 862 500	10 885 500
Facility Management- Community Development				
Civic Centre refurbishment	CRR	1 507 500	3 160 000	3 136 500
Renovation of offices	CRR	-	987 500	1 107 000
Municipal Furniture and Office Equipment	CRR	1 500 000	395 000	553 500
Refurbishment of City Library and Auditorium	CRR	168 000	395 000	369 000
Upgrading of Seshego Library	CRR	-	197 500	-
Library Sebayeng	CRR	-	790 000	922 500
Library Aganang	CRR	-	790 000	922 500
Construction of Mankweng Traffic and Licensing Testing Centre	CRR	3 500 000	3 950 000	2 190 000
Civic Centre Aircon Upgrade	CRR	1 000 000	-	369 000
Refurbishment of Municipal Public toilets	CRR	500 000	316 000	295 200
Construction of Mankweng Water and Sanitation Centre	CRR	3 500 000	2 370 000	2 398 500
Renovation for the dilapidated AIDS Centre	CRR	-	500 000	-
Refurbishment of Mankweng Library	CRR	200 000	592 500	-
Refurbishment of Mankweng Fire Department	CRR	1 500 000	1 185 000	738 000
Construction of the integrated Control Center at Traffic Ladanna	CRR	8 000 000	1 580 000	1 660 500
Extension of the Fire and Traffic Training Facility at Ladanna	CRR	1 500 000	1 185 000	1 107 000
Extension of offices Workshop (Water, Roads and Storm Water, and Waste Management)	CRR	-	158 000	1 107 000
Construction of new Standby Staff facility at Ladanna	CRR	-	1 185 000	1 476 000
Refurbishment of Nirvana Hall	CRR	-	1 185 000	553 500
Extension of offices at Ladanna electrical workshop	CRR	-	592 500	1 291 500
Nirvana and Seshego Swimming Pool refurbishment	CRR	670 000	-	-
Fencing of Itsoeng Centre	CRR	1 000 000	-	-
Planning for Construction of New Fire Station at Molepol/Chuene/Maja Cluster (Planning)	CRR	-	-	1 107 000
Refurbishment of Mike's Kitchen Building	CRR	-	-	553 500
Upgrading of Jack Botes Hall	CRR	1 500 000	-	922 500
Refurbishment of Westemburg Hall	CRR	-	-	738 000
Aganang Cluster offices refurbishment	CRR	-	-	553 500
Tennis Courts Refurbishment	CRR	1 000 000	-	553 500
Upgrading of Traffic Logistics Offices	CRR	300 000	-	-
Refurbishment of the City Pool	CRR	1 000 000	-	-
Nirvana Soccer Grounds and Cricket Grounds Refurbishment	CRR	300 000	-	738 000
Upgrading of Fence at Westemburg Stadium	CRR	900 000	-	1 107 000
Renovation of overnight accommodation	CRR	500 000	-	-
Total Facility Management- Community Development		30 045 500	21 514 000	26 470 200

DRAFT MULTI-YEAR BUDGET 2019/20-2021/22

MULTI YEAR BUDGET	Funding	Original budget 2019/20	Budget Year +1 2020/21	Budget Year +1 2021/22
Description				
Roads & Stormwater - Engineering Services				
Upgrading of Arterial road in SDA1 (Luthuli)	IUDG	10 000 000	10 000 000	-
Upgrading Makanye Road (Ga-Thoka)	IUDG	8 000 000	10 000 000	-
Tarring Ntsime to Sefateng	IUDG	10 000 000	14 000 000	10 000 000
Upgrading of Internal Street in Seshego zone 8	IUDG	10 000 000	5 000 000	8 000 000
Ntshitshane Road	IUDG	8 000 000	15 000 000	5 000 000
Upgrading of internal streets in Toronto	IUDG	5 000 000	-	-
Upgrading of internal Streets in Mankweng unit E(Vukuphile)	CRR	2 000 000	2 370 000	1 000 000
Upgrading of internal streets linked with Excelsior Street in Mankweng unit A	IUDG	9 000 000	5 000 000	6 000 000
Upgrading of Arterial road in Ga Rampheri (Tarring of 2.1 km from gravel to tar as per RAL MOU)	IUDG	8 000 000	6 000 000	6 000 000
Upgrading of access Roads to Maja Moshate(Molepo,Chuene Maja cluster)	IUDG	10 000 000	10 000 000	-
Upgrading of storm water system in municipal area (Vukuphile)	CRR	2 010 000	-	2 952 000
Rehabilitation of Streets in Nirvana	CRR	4 000 000	3 950 000	4 059 000
Rehabilitation of streets in Seshego Cluster (Vukuphile)	CRR	3 705 000	5 273 250	2 583 000
Upgrading of internal streets in Seshego Zone 1	CRR	5 025 000	5 925 000	2 904 000
Upgrading of internal streets in Seshego Zone 2	IUDG	5 000 000	10 000 000	14 000 000
Upgrading of internal streets in Seshego Zone 2	CRR	-	4 937 500	3 000 000
Upgrading of internal streets in Seshego Zone 3	CRR	8 000 000	5 925 000	2 904 000
Upgrading of internal streets in Seshego Zone 4	CRR	5 025 000	5 925 000	2 904 000
Upgrading of internal streets in Seshego Zone 6	CRR	7 000 000	4 937 500	4 142 000
Upgrading of internal streets in Seshego Zone 5	IUDG	8 000 000	15 000 000	6 000 000
Upgrading of internal streets in Westernburg RDP Section	CRR	3 000 000	5 925 000	3 904 000
Traffic Lights and Signs	CRR	2 000 000	1 580 000	3 321 000
Installation of road signage	CRR	1 675 000	316 000	258 300
Mohlomong to Kalkspruit upgrading of roads from gravel to tar	IUDG	10 000 000	14 000 000	-
Lonsdale to Percyclinic via flora upgrading of road from gravel to tar	IUDG	12 000 000	-	-
Construction of NMT at Dillou Str, Freedom Str, Zondi Str, Kgoro, Realeboga and Braam	NDPG	-	45 000 000	35 000 000
Upgrading of Arterial road from R37 via Thokwaneng RDP to Silo school (Concession) Ward 1	Loan/Sinking Fund	12 500 000	2 708 333	2 708 333
Upgrading of Arterial road D 4011 in Ga Thaba from D4018 Soetfontein Clinic to Ga Thaba connect D 4018 (Concession) Ward 2	Loan/Sinking Fund	12 500 000	2 708 333	2 708 333
Upgrading of Arterial road D4014 in Makgoro (Sekgweng) to MakaTjane (Concession) Ward 3	Loan/Sinking Fund	12 500 000	2 708 333	2 708 333
Upgrading of arterial road from Gravel to tar – Mountain view via Magokobung to Subiaco (Concession) Ward 4	Loan/Sinking Fund	12 500 000	2 708 333	2 708 333
Upgrading of roads from gravel to tar Nobody traffic circle to Mothiba Mafiane(Concession) Ward 6	Loan/Sinking Fund	12 500 000	2 708 333	2 708 333
Upgrading of road D3330 Chebeng to Sengatane(Concession) Ward 9	Loan/Sinking Fund	12 500 000	2 708 333	2 708 333
Upgrading of Bloodriver main road via Mulautsi high school to agriculture houses(Concession) Ward 10	Loan/Sinking Fund	12 500 000	2 708 333	2 708 333
Upgrading of road D3432 from Ga-Mosi(Gilead road) via Sengatane to Chebeng(Concession) Ward 16	Loan/Sinking Fund	12 500 000	2 708 333	2 708 333
Upgrading of road from Leokama to Moshung(Concession) Ward 18	Loan/Sinking Fund	12 500 000	2 708 333	2 708 333
Upgrading of road D3989 in Mathebaskraal to Nobody traffic circle (Concession) Ward 24	Loan/Sinking Fund	12 500 000	2 708 333	2 708 333

DRAFT MULTI-YEAR BUDGET 2019/20-2021/22

MULTI YEAR BUDGET	Funding	Original budget 2019/20	Budget Year +1 2020/21	Budget Year +1 2021/22
Description				
Roads & Stormwater - Engineering Services				
Upgrading of internal street from gravel to tar in Mankweng Unit A outline between Mamadimo Park link to Nchichane (Concession) Ward 25	Loan/Sinking Fund	12 500 000	2 708 333	2 708 333
Upgrading of internal street along Dikolobe primary school (Concession) Ward 26	Loan/Sinking Fund	12 500 000	2 708 333	2 708 333
Upgrading of road in ga Thoka from reservoir to Makanye 4034(Concession) Ward 27	Loan/Sinking Fund	12 500 000	2 708 333	2 708 333
Upgrading of Bus road from R71 to Dinokeng between Mshongoville Gashiloane to Matshele pata(Concession) Ward 28	Loan/Sinking Fund	12 500 000	2 708 333	2 708 333
Upgrading of arterial road in Tshware from Taxi rank via Tshware village to mamotshwa clinic(Concession)Ward 30	Loan/Sinking Fund	12 500 000	2 708 333	2 708 333
Upgrading of road internal street in Tlhatlaganya (Concession) Ward 31	Loan/Sinking Fund	12 500 000	2 708 333	2 708 333
Upgrading of internal street from Solomondale to D3997 (Concession) Ward 32	Loan/Sinking Fund	12 500 000	2 708 333	2 708 333
Upgrading of road from Ralema primary school via Krukutje , Ga Mmasehla, Ga legodi, Mokgohloa to Molepo bottle store(Concession) Ward36	Loan/Sinking Fund	12 500 000	2 708 333	2 708 333
Upgrading of arterial Road in Ga Semenya from R521 to Semenya (Concession) Ward 38	Loan/Sinking Fund	12 500 000	2 708 333	2 708 333
Upgrading of road D1501 from ga Kgasha via Segwahleng to Boetse (Concession) Ward 40	Loan/Sinking Fund	12 500 000	2 708 333	2 708 333
Upgrading of arterial road D3355 from Monotwane to Matlala clinic (Concession) Ward 41	Loan/Sinking Fund	12 500 000	2 708 333	2 708 333
Upgrading of arterial road D3383 in Setumong via Mahoai to Kgomo school (Concession) Ward 43	Loan/Sinking Fund	12 500 000	2 708 333	2 708 333
Complete the incomplete road from Kordon to Gilead road(Concession) Ward 44	Loan/Sinking Fund	12 500 000	2 708 333	2 708 333
Upgrading of arterial road D3426 in Ga- Ramoshoana to Rammobola(Concession) Ward 45	Loan/Sinking Fund	12 500 000	2 708 341	2 708 341
Polokwane Drive- upgrade from single to dual carriage way	NDPG	18 000 000	-	-
Upgrading of F8 Street in Seshego	NDPG	4 500 000	-	-
Ditlou Street upgrade to dual lane	NDPG	7 000 000	-	-
Seshego Circle upgrade to signal intersection	NDPG	11 113 000	-	-
Upgrading of arterial road from R37 near Maratapelo to Leshikishiki	IUDG	-	-	7 000 000
Upgrading of Arterial road from Dihlophaneng to Sebjeng (D4040)	IUDG	-	-	7 000 000
Upgrading of D1809 from Gamaboi joining D3040 to Laastehoop	IUDG	-	-	9 000 000
Upgrading arterial road from Mothiba ngwanamago to Nare letsolo(D977)	IUDG	-	-	9 000 000
Upgrading of internal street from Phomolong to Phuti/Masioneng	IUDG	-	-	13 000 000
Upgrading of street in Ben harries from Zebediela road to D19	IUDG	-	-	16 000 000
Upgrading of Blood river main road via Mulautsi high school to agriculture houses	IUDG	-	-	10 000 000
Upgrading of arterial road D3472 Ga-Setati to Mashobohlang D3332	IUDG	-	-	6 000 000
Upgrading of internal street Molefje Moshate from Engican church via Radithibela to Moshate	IUDG	-	-	7 000 000
Upgrading of Bus road from R71 to Dinokeng between Mshongoville Gashiloane to Matshele pata	IUDG	-	-	7 000 000
Upgrading of arterial road from Madiga to Moduane	IUDG	-	-	9 000 000
Upgrading of arterial road in Tshware from Taxi rank via Tshware village to mamotshwa clinic	IUDG	-	-	7 000 000
Upgrading of arterial road from Ga Mokgopo to Ga Makalanyane (D4021)	IUDG	-	-	6 000 000
Upgrading of D4036 Mongwaneng taxi route to Thune	IUDG	-	-	7 000 000
Upgrading of road from Ralema primary school via Krukutje , Ga Mmasehla, Ga legodi, Mokgohloa to Molepo bottle store	IUDG	-	-	6 000 000
Upgrading of road from ga Kgasha via Segwahleng to Boetse (D1501)	IUDG	-	-	6 000 000
Upgrading of arterial road from Monotwane to Matlala clinic (D3355)	IUDG	-	-	6 000 000
Nirvana Storm Water in Nirvana	CRR	2 000 000	-	-
Flora Park Storm Water in Sterpark And Fauna Park	CRR	2 500 000	-	-
Storm Water in IyPark	CRR	2 500 000	-	-
Construction of Storm Water in Ga Semenya	IUDG	500 000	-	-
Construction of Storm Water in Ga-Maphoto	CRR	500 000	-	-
Completion of Hospital Road in Mankweng	CRR	1 000 000	-	-
Completion of Hospital Road in Mankweng	IUDG	2 000 000	-	-
Upgrading of arterial road in Setumong via Mahoai to Kgomo school (D3383)	IUDG	-	-	6 000 000
Upgrading of arterial road Mabopane to ga Seema (D3394)	IUDG	-	2 000 000	6 000 000
Upgrading of arterial road in Ga- Ramoshoana to Rammobola(D3426)	IUDG	-	2 087 900	9 000 000
Construction of NMT at Magazyn Street and Vermekuwet	KFWF	14 000 000	10 600 000	-
Total Roads & Stormwater - Engineering		522 053 000	285 752 150	347 931 300

DRAFT MULTI-YEAR BUDGET 2019/20-2021/22

MULTI YEAR BUDGET	Funding	Original budget 2019/20	Budget Year +1 2020/21	Budget Year +1 2021/22
Description				
Water Supply and reticulation - Engineering Services				
Olifantspoort RWS (Mmotong wa Perekisi) 2	IUDG	13 509 300	15 000 000	5 000 000
Mothapo RWS	IUDG	10 000 000	13 000 000	10 000 000
Moleetjie East RWS 2	IUDG	15 000 000	25 000 000	10 000 000
Moleetjie North RWS	IUDG	9 500 000	10 000 000	9 000 000
Sebayeng/Dikgale RWS 2	IUDG	5 000 000	15 000 000	5 000 000
Moleetjie South RWS	IUDG	10 000 000	10 000 000	5 000 000
Houtrive phase 10	IUDG	8 000 000	10 000 000	10 000 000
Chuene Maja RWS phase 9	IUDG	16 000 000	14 000 000	12 000 000
Molepo RWS phase 10	IUDG	17 000 000	10 000 000	5 000 000
Laastehoop RWS phase 10	IUDG	6 000 000	8 000 000	10 000 000
Mankweng RWS phase 10	IUDG	10 000 000	10 000 000	10 000 000
Boyne RWS phase 10	IUDG	12 388 800	5 252 100	11 821 000
Water Conservation & Water WCDM (Smart Meters) Mankweng	WSIG	9 800 000	9 800 000	14 700 000
Segwasi RWS	WSIG	4 900 000	19 333 538	15 680 000
Badimong RWS phase 10	WSIG	4 900 000	10 780 000	13 720 000
Extension 78 Water and Sewer reticulation	CRR	4 690 000	7 110 000	7 380 000
Upgrading of laboratory	CRR	837 500	592 500	-
Extension 106 Sewer and Water reticulation (planning)	CRR	1 675 000	3 000 000	3 000 000
Reservoir (Ivydale)	CRR	6 500 000		20 664 000
AC Pipes Replacement	RBIG	50 000 000	200 551 000	97 118 000
Construction of Borehole Infrastructure and Pumping Mains for the Sterkloop and Sandriver South Wellfields and Polokwane Boreholes (Polokwane Groundwater Development)	WSIG	19 600 000	-	-
Construction of Borehole Infrastructure and Pumping Mains for the Sandriver North Wellfield and Polokwane Boreholes (Polokwane Groundwater Development)	WSIG	19 600 000	-	-
Bloodriver Wellfield and Seshego Groundwater Development and Pumping Mains. (Polokwane Groundwater Development)	WSIG	11 417 000	-	-
Bulk Water Supply - Dap Naude Dam (Pipeline section, booster PS and WTW Refurbishment)	RBIG	44 557 033	283 100 000	-
Polokwane Distribution Pressure and Flow Management	RBIG	28 828 340	-	-
Aganang RWS (1) (Kordodon, Juno and Farlie Villages)	WSIG	24 500 000	29 400 000	-
Aganang RWS (2) (Mahoai and Rammetloana, ceres and Sechaba villages)	IUDG	15 000 000	15 000 000	-
Aganang RWS (3) (for development of technical report on outstanding villages)	WSIG	-	-	31 360 000
Reservoir Flora Park and associated pressure reducing valves and isolation valves	CRR	5 000 000	-	-
Mashashane Water Works	IUDG	2 000 000		
Polokwane Central Ground water development	WSIG	-	44 415 462	44 474 360
Extension 126 Sewer Reticulation	CRR	500 000	950 000	690 000
Total Water Supply and reticulation - Engineering		386 702 973	769 284 600	351 607 360
Sewer Reticulation - Engineering Services				
Regional waste Water treatment plant	RBIG	175 711 835	160 840 000	200 000 000
Refurbishment of Polokwane Waste water treatment work (WWTW)	RBIG	93 590 792	-	-
Refurbishment of Mankweng Waste water treatment work (WWTW)	RBIG	80 000 000	-	-
Refurbishment of Seshego Waste water treatment work (WWTW)	RBIG	58 310 000	-	-
Construction of the Sandriver North Water treatment works (Polokwane Groundwater Development)	RBIG	77 300 000	-	-
Seshego Water Treatment Works (Polokwane Groundwater Development)	RBIG	22 700 000	-	-
Plants and Equipment's	CRR	335 000	1 185 000	1 107 000
Total Sewer Reticulation - Engineering		507 947 627	162 025 000	201 107 000

DRAFT MULTI-YEAR BUDGET 2019/20-2021/22

MULTI YEAR BUDGET	Funding	Original budget 2019/20	Budget Year +1 2020/21	Budget Year +1 2021/22
Description				
Energy Services - Engineering Services				
Illumination of Public areas road (Street Lights)	CRR	1 340 000	1 580 000	1 660 500
Illumination of public areas (High Mast lights)	CRR	3 015 000	3 950 000	3 690 000
Replacement of oil RMU with SF6/ Vacuum	CRR	2 000 000	5 925 000	1 845 000
SCADA on RTU	CRR	1 005 000	1 975 000	1 845 000
Replacement of overhead lines by underground cables	CRR	2 350 000	5 900 000	3 690 000
Replacement of Fiber glass enclosures	CRR	1 675 000	3 925 000	3 690 000
Install New Bakone to IOTA 66KV double circuit GOAT line	CRR	2 525 000	2 765 000	3 690 000
Build 66KV/Bakone substation	CRR	2 680 000	2 765 000	4 380 000
Electrification Of Urban Households in Extension 78 and 40	CRR	1 675 000	1 975 000	10 000 000
Design and Construct permanent distribution substation at Thornhill	CRR	670 000	395 000	-
Power factor corrections in the following substations, Sigma substation, beta substation gamma substation and substation	CRR	2 345 000	3 555 000	5 380 000
Plant and Equipment	CRR	837 500	592 500	553 500
Installation of 3x 185 mm ² cables from Sterpark to Iota sub	CRR	5 375 000	-	-
Installation of 1 X185 MM ² Cable from Delta to Bendor Substation	CRR	2 680 000	-	-
Increase license area assets	CRR	3 350 000	4 345 000	10 000 000
Retrofit 66kV Relays at Gamma, Alpha & Sigma Substations	CRR	1 005 000	1 580 000	-
Replace 66kV Bus Bars & Breakers at Gamma Substation	CRR	1 675 000	1 185 000	-
Replacement of Fences at Gamma, Sigma, Alpha, Beta, Sterpark, Superbia, Laboria, Hospital & Flora park Substations	CRR	1 000 000	395 000	738 000
Replacement of Fences at Gamma, Sigma, Alpha, Beta, Sterpark, Superbia, Laboria, Hospital & Flora park Substations (Vukuphile)	CRR	1 000 000	-	-
Upgrade Gamma Substation and install additional 20MVA transformer	CRR	2 000 000	3 950 000	5 000 000
Design and Construction of New Pietersburg 11kv substation	CRR	4 700 000	2 454 000	1 845 000
Install additional 95MMX11KV cable to complete a ring in Debron to Koppiesfontein	CRR	1 675 000	-	-
Supply power to new Pietersburg substation	CRR	-	3 950 000	-
Replacement of undersized XLPE cables with PILCST Acable	CRR	-	3 950 000	5 535 000
Construction of new 66 KV Substations as per master plan	CRR	-	9 875 000	8 500 000
Construction of new 66 KV Lines as per master plan	CRR	-	5 925 000	6 070 000
Design and Construction of new 11 KV Substations to strengthen capacity in Johnson park	CRR	-	2 291 000	3 690 000
Installation of 11KV cables to new substations	CRR	-	790 000	1 845 000
Installation of Check Meters	CRR	670 000	1 264 000	738 000
Installation of power banks substation	CRR	2 000 000	3 950 000	4 842 167
Lowering Pole mount boxes to ground mounted in Westernburg, Zone 1 Zone8, Zone5, Ext 71,73,75,9A, 9L	CRR	3 000 000	3 950 000	4 842 167
Power Generation (SSEG) at Municipal Buildings	CRR	-	3 950 000	4 842 166
Electrification Of Urban Households in Extension 78	INEP	10 000 000	-	-
11 KV Distribution substations by Developers	CRR	-	-	369 000
Total Energy Services - Engineering		62 247 500	89 106 500	99 280 500
Disaster and Fire - Community Services				
Acquisition of fire Equipment	CRR	335 000	790 000	369 000
6 foto pumps	CRR	100 000	118 500	221 400
10 Large bore hoses with stotz coupling	CRR	117 250	138 250	129 150
150X 80 Fire hoses with instantaneous couplings	CRR	100 500	138 250	129 150
Miscellaneous equipment and gear/ Ancillary equipment	CRR	184 250	217 250	184 500
3 Heavy hydraulic equipment	CRR	670 000	790 000	738 000
6 Electric seismisable portable pump	CRR	284 750	335 750	369 000
16 x Multipurpose branches (Monitors)	CRR	300 000	118 500	110 700
Obsolete fire equipment: Lighting and high mast	CRR	300 000	118 500	110 700
Rescue ropes/high angle	CRR	167 500	118 500	110 700
Industrial lifting rescue equipment,	CRR	167 500	118 500	129 150
Hazmat chemical suit and trench rescue (life saving)	CRR	670 000	790 000	738 000
Upgrading of Fire Training facility	CRR	-	-	1 107 000
Extension of Silicon Fire station	CRR	-	-	184 500
Chuene Maja, Aganang station	CRR	-	-	-
New Mattala Fire station	CRR	-	-	922 500
Total Disaster and Fire - Community Services		3 396 750	3 792 000	5 553 450

DRAFT MULTI-YEAR BUDGET 2019/20-2021/22

MULTI YEAR BUDGET	Funding	Original budget 2019/20	Budget Year +1 2020/21	Budget Year +1 2021/22
Description				
Traffic & Licencing - Community Services				
Purchase alcohol testers	CRR	200 000	86 900	129 150
Upgrading of vehicle test station	CRR	201 000	237 000	258 300
Procurement of AART O equipments	CRR	16 750	63 200	59 040
Procurement of office cleaning equipment's	CRR	33 500	63 200	73 800
Computerized Learners license	CRR	-	790 000	811 800
Procurement of 2 X Metro counters (law enforcement)	CRR	-	118 500	-
Moving valuation recorders	CRR	1 000 000	-	-
Procurement of 7 X Pro-laser 4 Speed equipment's	CRR	1 000 000	553 000	553 500
Total Traffic & Licencing - Community Services		2 451 250	1 911 800	1 885 590
Environmental Management - Community Services				
Grass cutting equipment's	CRR	1 000 000	375 250	553 500
Development of a Botanical garden in Sterpark	CRR	1 500 000	790 000	738 000
Development of a park at Ext 76	CRR	-	355 500	369 000
Upgrading of Tom Naude Park	CRR	500 000	395 000	369 000
Zone 4 Park Expansion Phase 2	CRR	268 000	355 500	369 000
Upgrading of Security at Game Reserve	CRR	-	1 185 000	1 291 500
Upgrading of Environ-mental Education Centre	CRR	-	395 000	369 000
Development of Ablution facilities at Various Municipal Parks	CRR	-	1 185 000	1 476 000
Development of regional/ cluster parks	CRR	-	790 000	922 500
Development of regional/ cluster cemeteries	CRR	-	790 000	922 500
Construction of hall Church Street Cemetery	CRR	-	-	184 500
Green Belt (upgrading of area, removal of alien species, Introduction of indigenous plant species and placing of benches and lighting on River along Serala View through to Lepelle Northern Water)	CRR	750 000	-	369 000
Upgrading of municipal nursery (cooling system and construction of propagation bed)	CRR	300 000	-	369 000
Fencing of municipal parks	CRR	977 500	-	369 000
City Beautification (On cityentrances and various access points , improve the aesthetic of City access points)	CRR	1 500 000	-	-
Greening programme	CRR	-	-	369 000
Refurbishment of Flora Park (To include rename to proposed Thoriso park)	CRR	1 500 000	-	-
Total Environmental Management - Community Services		8 295 500	6 616 250	9 040 500
Control Centre Services - Community Services				
Installation of Fiber Network	CRR	2 000 000	1 185 000	1 291 500
Supply of flags	CRR	100 000	-	-
Supply and installation of prohibited signs	CRR	100 000	-	-
Provision Hand held radios	CRR	60 000	79 000	92 250
Installation of Access Control Systems	CRR	700 000	395 000	-
Total Control Centre - Community Services		2 960 000	1 659 000	1 383 750
Safety and Security - Community Services				
Supply and delivery of guard houses	CRR	501 600	395 000	-
Total Safety and Security- Community Services		501 600	395 000	-
Waste Management - Community Services				
30 m3 skip containers	CRR	-	395 000	922 500
Extension of landfill site(Weltevrede)	CRR	6 000 000	3 790 000	1 107 000
Extension of landfill site(Weltevrede)	IUDG	-	3 000 000	-
Rural transfer station (Dikgale) (Construction, Guard house, Paving , dumping area and Fencing)	IUDG	1 477 400	-	-
Rural transfer Station (Makotopong) (Construction, Guard house, Paving , dumping area and Fencing)	IUDG	2 000 000	-	-
Rural transfer Station(Molepo) (Construction, Guard house, Paving , dumping area and Fencing)	CRR	2 500 000	3 185 000	-
770 L Refuse Containers	CRR	-	395 000	442 800
240 litre bins	CRR	-	276 500	553 500
6 & 9 M3 Skip containers	CRR	1 301 000	395 000	442 800
control No dumping Boards	CRR	100 000	-	-
Aganang Landfill site (to complete main leachate cell lining and drainage)	IUDG	6 000 000	-	-
Total Waste Management - Community Services		19 378 400	11 436 500	3 468 600

DRAFT MULTI-YEAR BUDGET 2019/20-2021/22

MULTI YEAR BUDGET	Funding	Original budget 2019/20	Budget Year +1 2020/21	Budget Year +1 2021/22
Description				
Sport & Recreation - Community Development				
Grass Cutting equipment	CRR	1 000 000	474 000	516 600
Sport stadium in Ga-Maja	IUDG	4 000 000	-	-
EXT 44/78 Sports and Recreation Facility	IUDG	10 999 500	4 000 000	-
Upgrading of Mankweng Stadium	IUDG	6 000 000	-	-
Construction of an RDP Combo Sport Complex at Molepo Area	IUDG	6 000 000	-	-
Upgrading of Tibane Stadium	CRR	1 845 000	1 580 000	-
Upgrading of Mholonong Stadium	IUDG	-	-	-
Construction of Sebayeng / Dikgale Sport Complex	CRR	1 340 000	1 185 000	1 845 000
Construction of soccer field at Moletie	IUDG	5 000 000	-	-
Construction of Softball stadium in City Cluster	IUDG	25 000 000	25 000 000	31 000 000
Total Sport & Recreation - Community Development		61 184 500	32 239 000	33 361 600
Cultural Services - Community Development				
Collection development-books	CRR	1 500 000	1 185 000	1 328 400
New exhibition Irish House	CRR	-	355 500	354 240
Extending Man-kweng library	CRR	-	-	184 500
Conservation Freezer	CRR	-	-	184 500
Purchase of Art works	CRR	-	-	73 800
Public Art sculpture	CRR	-	-	738 000
Art Restoration	CRR	-	-	110 700
Purchase of music System for Museum (Museum Items)	CRR	-	-	9 225
Purchase of 8x Steel cabinets Equipment for museum collection	CRR	-	-	18 450
Installation of Board-walk at Bakone Malapa	CRR	-	-	627 300
Re-thatching of Bakone Malapa Offices	CRR	110 700	-	-
Art Museum Air conditioner	CRR	450 000	-	-
Irish House museum Air-conditioner	CRR	450 000	-	-
Purchase of Bakone Malapa beds for staff village	CRR	11 000	-	-
Re-thatching of staff village at Bakone Malapa	CRR	110 700	-	-
Purchase of Museums Equipments	CRR	-	-	5 535
Purchase of Office Furniture	CRR	-	-	9 225
Installation of bugler doors at art museum	CRR	10 000	-	-
Total Cultural Services - Community Development		2 642 400	1 540 500	3 643 875
Information Services - Corporate and Shared Services				
Provision of Laptops, PCs and Peripheral Devices	CRR	2 000 000	-	369 000
Implementation of ICT Strategy	CRR	268 000	-	405 900
Network Upgrade	CRR	12 000 000	6 000 000	5 000 000
Total Information Services - Corporate and Shared Services		14 268 000	6 000 000	5 774 900
City Planning - Planning and Economic Development				
Township establishment at Farm Volgestruisfontein 667 LS	CRR	1 500 000	395 000	553 500
Township establishment – Aganang extension 1	CRR	-	395 000	738 000
Township establishment at portion 151-160 of the Farm Sterkloop 688 LS.	CRR	1 500 000	1 777 500	553 500
Acquisition or expropriation of land or erven/Farms/Townships	CRR	1 005 000	4 345 000	4 797 000
Township establishment–Portion 74 and 75 of Ivy Dale Agricultural Holdings	CRR	1 000 000	1 500 000	738 000
Implementation of the ICM program (UDF)	CRR	502 500	632 000	664 200
Township Establishment for the Eco-estate at Game Reserve	CRR	335 000	592 500	738 000
Mixed use development on the land adjacent to the Municipal Airport and Stadium	CRR	201 000	276 500	295 035
Establishment of Arts and Cultural HUB at Bakoni Malapa	CRR	335 000	790 000	922 500
Township Engineering services installation (Polokwane extension 108, 26 and 126 (water, electricity, sewerage network and roads)	CRR	3 190 000	8 699 200	6 915 000
Urban renewal Projects: Polokwane Municipal Towers	CRR	335 000	592 500	1 845 000
Upgrading of the R293 area Townships	CRR	335 000	4 740 000	4 612 500
Land Expropriation	CRR	2 000 000	3 000 000	369 000
Total City Planning - Planning and Economic Development		12 238 500	27 735 200	23 741 235

DRAFT MULTI-YEAR BUDGET 2019/20-2021/22

MULTI YEAR BUDGET	Funding	Original budget 2019/20	Budget Year +1 2020/21	Budget Year +1 2021/22
Description				
GIS - Planning and Economic Development				
Procurement of a drone for aerial imagery acquisition	CRR	1 500 000	-	-
Upgrade on the Integrated GIS system	CRR	500 000	395 000	369 000
Total Geo Information - Planning and Economic Development		2 000 000	395 000	369 000
LED - Planning and Economic Development				
Development of the Industrial Park or Special Economic Zone	CRR	600 000	395 000	369 000
Total Local Economic Development - Planning and Economic Development		600 000	395 000	369 000
Transport Operations(IPRTS)- Transport and Services				
AFC	PTISG	22 499 000	-	-
PTMS	PTISG	15 499 000	-	-
Compensation	PTISG	16 760 000	-	-
PT facility upgrade	PTISG	2 250 000	2 492 000	-
Upgrad & constr of T trunk route 108/2017 WP1	PTISG	-	100 000 000	100 000 000
Construction of bus depot Civil works 108/2017 WP3	PTISG	11 720 000	-	-
Construction of bus station Civil works 108/2017 WP4	PTISG	18 180 000	-	10 000 000
Construction & provision of Depot Upper structures	PTISG	4 925 000	-	-
Construction & provision of Station Upperstructures	PTISG	30 000 000	-	-
Construction & provision of Station Upperstructures	PTISG	37 600 000	-	15 971 000
Environmental Management Seshego & SDA1	PTISG	-	2 000 000	2 000 000
Environmental Management in Polokwane City	PTISG	-	1 500 000	1 500 000
Upgrade & rehab of T trunk Ext in Seshego & SDA1 109/2017	PTISG	-	1 500 000	1 500 000
Rehabilitation of Feeder Routes in Polokwane 110/2017	PTISG	-	15 000 000	15 000 000
Acquisition of buses	PTISG	-	30 000 000	30 000 000
Total Transport Operations(IPRTS)- Transport and Services		159 433 000	152 492 000	175 971 000
Supply Chain Management - Budget and Treasury Services				
Upgrading of stores facility	CRR	6 500 000	-	-
Total Supply Chain Management - Budget and Treasury Services		6 500 000	-	-
Fleet Management - Corporate and Shared Services				
Purchase of fire vehicles (Red Fleet)	CRR	-	-	-
Acquisition of fleet	Finance Lease	120 000 000	-	-
Total Fleet Management - Corporate and Shared Services		120 000 000	-	-
TOTAL CAPITAL		1 929 856 500	1 585 152 000	1 301 844 360
Intergrated Urban Development Grant				
Public Transport Network Grant	PTIG	159 433 000	152 492 000	175 971 000
Neighbourhood Development Grant	NDPG	40 613 000	45 000 000	35 000 000
Water Services Infrastructure Grant	WSIG	94 717 000	113 729 000	119 934 360
Regional Bulk Infrastructure Grant	RBIG	630 998 000	644 491 000	297 118 000
Integrated National Electrification Programme Grant	INEP	10 000 000	-	-
Total DoRA Allocations		1 267 136 000	1 266 052 000	975 844 360
Road Concession	LOAN/SINKING FUND	300 000 000	65 000 000	65 000 000
CRR	CRR	228 720 500	243 500 000	261 000 000
Finance Lease	FINANCE LEASE	120 000 000	-	-
KFW Bank	KFW/CRR	14 000 000	10 600 000	-
TOTAL FUNDING		1 929 856 500	1 585 152 000	1 301 844 360

Municipal Manager Quality Certificate

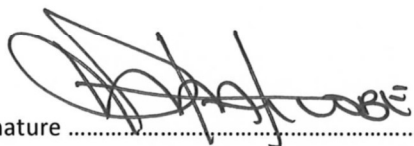


DIKGAPE H. MAKOBE, Municipal Manager of Polokwane Municipality,

hereby certify that the 2019/20 Draft Multi-Year Budget (2019/20 – 2021/22) and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the draft budget and supporting documentation are consistent with the Integrated Development Plan of the municipality

Name DIKGAPE HERSKOUITS MAKOBE

Municipal Manager of Polokwane Municipality: LIM354

Signature 

Date 14/03/2019