

BA-PHALABORWA MUNICIPALITY



"Home of Marula and Wildlife Tourism"

ANNUAL BUDGET 2019/20 MTREF

Vision

“Provision of quality services for community well-being and tourism development”



Mission

- to provide democratic and accountable government for local communities;
- to ensure the provision of services to communities in a sustainable manner;
- to promote social and economic development;
- to promote a safe and healthy environment; and
 - to encourage the involvement of communities and community organisations in the matters of local government.

Values

- Efficiency and effectiveness
 - Accountability
- Innovation and creativity
- Professionalism & hospitality
- Transparency and fairness
 - Continuous learning
- Conservation conscious

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ABBREVIATIONS/ACCRONYMS

CFO	Chief Financial Officer
CPIX	Consumer Price Index
DoRA	Division of Revenue Act
DPLG	Department of Provincial and Local Government
DLGH	Department of Local Government and Housing
EXCO	Executive Committee
GRAP	Generally Recognised Accounting Practice
IDP	Integrated Development Plan
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MPRA	Municipal Property Rates Act
MTREF	Medium Term Revenue and Expenditure Framework
NERSA	National Electricity Regulation of South Africa
NT	National Treasury
PMS	Performance Management System
PPP	Public-Private Partnerships
SALGA	South African Local Government Association
SDBIP	Service Delivery Budget and Implementation Plan

PART ONE

ANNUAL BUDGET

1. MAYOR'S REPORT

BA- PHALABORWA LOCAL MUNICIPALITY'S BUDGET SPEECH FOR 2019/20

Delivered by Mayor, Cllr. PJ Shayi

On Friday, 30th MAY 2019

Honourable Speaker, Cllr. MM Malatji, Chief Whip of Council, Cllr. E Hlungwani, Members of the Executive Committee,
Leaders of Opposition Parties, Traditional Leaders, Fellow Cllrs, Community at large,
Distinguished Guests, Members of the Media, Ladies and Gentlemen,

Good Morning,

In terms of MFMA Sec 16.

(1) The council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year.

(2) 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.

17. (1) An annual budget of a municipality must be a schedule in the prescribed format—

(a) setting out realistically anticipated revenue for the budget year from each revenue source;

(b) appropriating expenditure for the budget year under the different votes of the municipality;

(c) setting out indicative revenue per revenue source and projected expenditure by vote for the two financial years following the budget year;

(d) setting out—

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- (i) estimated revenue and expenditure by vote for the current year; and
- (ii) And actual revenue and expenditure by vote for the financial year preceding the current year

Honourable Speaker, for the 2019/20 budget an effort was put to align our strategic objectives with the IDP and Budget. The total projected revenue for budget year 2019/20 is **R584,4** million. The total revenue comprises of own generated revenue which amount to **R390** million for all municipal service charges and total transfers grants amounting **R168.4 million** as per Division Of Revenue Act.

The 2019/20 total expenditure budget amounts to **R584,3 million**. This total budget comprises of operational expenditure budget of **R536,1** million and capital budget of **R48,2** million.

- The budgeted allocation for employee related costs for the 2019/20 financial year totals **R158.2 million** which equals 29.5% of the total operating expenditure. Salary increases have been factored into this budget at a percentage increase of 5.4% as per SALGA Bargaining agreement (CPI +1,5%) for the 2019/20 financial year as per latest circular 94.
- The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). For the 2019/20 financial year the remuneration will amount to **R18,8 million**, which is equal to 3.5% of the operating expenditure.
- The provision of debt impairment is determined based on a current collection rate and the Debt Write-off Policy of the municipality. For the 2019/20 financial year this amount equates to **R33.3 million** which equates to 6.2% of the total operating expenditure.

- Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Budget appropriations in this regard total **R75.3 million** for the 2019/20 financial and equates to 14.1% of the total operating expenditure. Note that the implementation of GRAP 17 accounting standard has taken into account.
- Bulk purchases are directly informed by the purchase of electricity from Eskom. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The expenditures include distribution losses and are equal to 18.8% of the operating expenditure.
- The finance charges for 2019/20 financial year is estimated to be **R575 thousand** which constitute 0.10% of the total operating expenditure.
- Other expenditure comprises of various line items relating to the daily operations of the municipality, For 2019/20 financial year is estimated at **R97,7 million** which equates to 18.2% of total operational budget.

The budget that is tabled today is having a projected surplus amount of **R10,800 million** which will be able to fund the internally funded capital projects if collection of revenue as planned is achieved.

Honourable Speaker, as I've already indicated that the total capital budget is **R48.2 million**, in terms of budget funding, **R10,8 million** will be funded from internally generated revenue, while the **R37.4 million** will be funded by Grants as outlined in the DORA.

Tariffs

Honourable Speaker, it is envisaged that the proposed tariffs will allow the municipality to generate sufficient revenue to sustain its operations. The 2019/20 tariffs has been reviewed and analysis has been conducted to assess affordability level of our community.

However, NERSA is governing the electricity tariff increases. The annexure of tariff book is attached on the budget document to highlight the categories of increases. Members of the community are encouraged to allow access into their yards where meters are located to avoid exorbitant charges.

Honourable Speaker, I will always remind members of our **community to pay for services offered by Council in order to afford continuity.**

I thank you.

2. ANNUAL BUDGET RESOLUTIONS

The Council of Ba-Phalaborwa Local Municipality in its seating on the 30th May 2019 resolved as follows with regard to the annual Budget for 2019/20 Medium-Term Revenue and Expenditure Framework:

2.1. ANNUAL BUDGET FOR 2019/20 MTREF

Council resolved that the budget and MTREF and its supporting tables of the Ba-Phalaborwa municipality for the financial year 2019/20; be approved as set out in the following tables:

Table MBRR A1	Budget Summary
Table MBRR A2	Revenue and expenditure by standard classification Budgeted financial performance (Revenue and Expenditure by Municipal Vote)
Table MBRR A3	Budgeted financial performance (Revenue and Expenditure)
Table MBRR A4	Budgeted capital expenditure
Table MBRR A5	Financial position
Table MBRR A6	Budget cash flows
Table MBRR A7	Cash backed reserves, accumulated surplus reconciliation
Table MBRR A8	Asset Management,
Table MBRR A9	Basic service delivery measures
Table MBRR A10	

2.2. ANNUAL BUDGET SUPPORT TABLES FOR 2019/20 MTREF

That the Annual budget of Ba-Phalaborwa municipality for the financial year 2019/20; and indicative figures for the two projected outer years 2019/20 and 2019/20 be approved as set-out in the following supporting tables:

Table MBRR SA1	Supporting details to budgeted financial performance
Table MBRR SA2	Consolidated Matrix Financial performance
Table MBRR SA3	Budgeted financial position
Table MBRR SA7	Measurable performance objective
Table MBRR SA8	Performance indicators and benchmark
Table MBRR SA9	Social, economic and demographic statistics and assumptions
Table MBRR SA10	Funding Measurements
Table MBRR SA11	Property rates summary,
TableMBRSA12&13	Property rates category
Table MBRR SA14	Household bills
Table MBRR SA15	Investment particulars
Table MBRR SA16	Investment particulars by maturity
Table MBRR SA17	Borrowing
Table MBRR SA20	Reconciliation of transfer, grant receipt and unspent funds
Table MBRR SA21	Transfer and grants made by the municipality
Table MBRR SA22	Summary of councillor and staff benefits
Table MBRR SA23	Salaries, allowances & benefits
Table MBRR SA25	Budgeted monthly revenue and expenditure (Standard Item)
Table MBRR SA26	Budgeted monthly revenue and expenditure (Municipal vote)
Table MBRR SA27	Budgeted monthly revenue and expenditure (Standard

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	classification)
Table MBRR SA28	Budgeted monthly capital expenditure (Municipal vote)
Table MBRR SA29	Budgeted monthly capital expenditure (Standard classification)
Table MBRR SA30	Budgeted monthly cash flow
Table MBRR SA33	Contract having future budgetary implications
Table MBRR SA34	Capital expenditure by asset classification
Table MBRR SA35	Future financial implications of the capital budget
Table MBRR SA36	Detailed capital budget
Table MBRR SA37	Detailed capital projects delayed from previous financial
Table MBRR SA38	Consolidated detailed operational projects

2.3. Property Rates and other municipal tax

Council resolves that **adopted** property rates and other municipal tax as reflected on Tariff Schedule are **imposed** for the budget year 2019/20

2.4. Tariffs and charges

Council resolves that the tariffs and charges reflected on Tariff Schedule are **approved** for 2019/20 budget year be adopted for implementation.

2.5. Integrated Development Plan

Council resolves that the ANNUAL Integrated Development Plan be **approved** with this budget.

2.6. Credit Control, Debt Collection

Council resolves that the adopted credit control, debt collection and Consumer Care Policies be approved for 2019/20 financial year

2.7. Indigent Policies

Council resolves that the adopted Indigent Household Consumers Subsidy Policy be approved for 2019/20 financial year.

Indigent Support

2.7.1. Council resolves to support indigents households **approved** as per adopted indigent household consumer policy

2.7.2. Council further resolves that, in the event that the total subsidy in respect of approved indigents exceeds the budgeted amount, the excess amount be re-allocated from the current provision for bad debts to the relevant indigent subsidies, in view of the fact that the current bad debt is adequately provided for and the resolution related to the approval of the Indigent Policy will remain intact.

2.7.3. Council resolves that for the 2019/20 financial year the indigents are subsidized as set out in adopted Household Consumer and Subsidy Policy and that the subsidy will consist of the following:

1.6 kl of water per indigent household per month, where metered, alternatively the flat rate levied

2.50 kw of electricity per indigent household per month, where metered, alternatively the flat rate levied

3.100% Free refuse removal from residential stands in accordance with the Tariff Schedule

4.100% Free sewer services to residential stands in accordance with the municipality's Tariff Schedule

5. Payment of Rates and Taxes on a residential property in accordance with the municipality's Property Rates and Tariff Policies

6. Payment of rental on council-occupied residential property in accordance with the municipality's Tariff Policy

ANNUAL BUDGET RELATED POLICIES

Council resolves that the following 2019/20 Annual budget related policies be approved:

1. Property Rates Policy
2. Tariff Policy
3. Credit Control Policy
4. Debt Collection Policy
5. Indigent Household Consumer Subsidy policy
6. Supply chain management policy
7. Virement policy
8. Budget policy
9. Petty Cash policy
10. Asset Management Policy

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11. Bad Debts Write Off
12. Deposit Policy
13. Cash management and Investment Policy
14. Fleet management Policy
15. Electricity by-laws
16. Land use by-law
17. Electricity supply by-laws
18. Subsistence and travelling policy
19. Customer care Policy and Service Standards
20. Inventory Management Policy

CLLR MM MALATJI

SPEAKER OF BA-PHALABORWA LOCAL MUNICIPALITY COUNCIL

3. EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

In terms of Section 16. (1) Of the MFMA, the council of a municipality must for each financial year approve an annual budget for the municipality before the start of the financial year, (which is before the end of June each year). In order for a municipality to comply with the above statement indicated, the mayor of the municipality must table the annual budget at a council meeting at least **90 days** (which is before or by the end of March) before the start of the budget year.

Section 17 of the MFMA, further states that the annual budget of a municipality must be scheduled in the prescribed formats as indicated by National Treasury, and must do the following:

- Setting out **realistically anticipated revenue** for the budget year from each revenue source.
- Appropriating expenditure for the budget year under the different votes of the municipality.
- Setting out **indicative revenue per revenue source and projected expenditure by vote** for the two financial years following the budget year.

Section 18 of the MFMA, further states that the municipality may fund the expenditures from:

- Realistically anticipated revenues to be collected. (This will include all the Grants to be received by the municipality, Donations, Transfers, and Own Revenue Collection).
- Cash-backed accumulated funds from previous years' surpluses not committed for other purposes;
- Borrowed funds, but only for the capital budget

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

The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Cost containment circular 82 was considered in the preparation of budget. Key areas where savings were realized were on telephone and internet usage, printing, workshops, travelling , accommodation, and catering. The economy is still volatile and the South African economy is having a slow growth.

And so we must intensify our efforts to address economic constraints, improve our growth performance, create work opportunities and broaden economic participation. We need to achieve these goals if our National Development Plan is to be realised.

The Municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers.

National Treasury's MFMA Circular No. 64, 66 ,67,70, 72, 74 and 75,80,81,82,82,84,85,86,89,91 and 94 were used to guide the compilation of the budget 2019/20 annual budget and MTREF.The planning of the budget involved consideration of all factors, which had far reaching implications on the annual budget of the municipality.

The 2019/20 - 2021/22 budget and medium-term revenue and expenditure framework was prepared on the basis of the following priorities, guidelines and assumptions:

1. National priorities

The national government's main priorities for the medium-term is services and social infrastructure development and job creation and therefore the focus and priorities of all spheres of government should be geared towards the achievement of this priorities.

As we prepare our next five year integrated development plan we need to ensure that our plans and budgets are redirected towards the achievements of these priorities. We need to continue to explore opportunities to mainstream labour intensive approaches to delivering services, and more particularly to participate fully in the Extended Public Works Programme.

The municipality should not just employ more people without any reference to the level of staffing required to deliver effective services, and what is financially sustainable over the medium term.

The municipality ought to focus on maximizing its contribution to job creation by:

- (a) Ensuring that service delivery and capital projects use labour intensive methods wherever appropriate;
- (b) Ensuring that service providers use labour intensive approaches;
- (c) Supporting labour intensive Local Economic Development projects;
- (d) Participating fully in the Extended Public Works Programme; and
- (e) Implementing interns programmes to provide young people with on-the-job training.

The municipality should also play a critical role in creating an enabling environment for investments and other activities that lead to job creation.

Projected Revenue

Description R000	Budget 2018/19	Revised Budget 2018/19	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Own Funding revenue	377 054 000,89	378 054 000,89	390 641 560,06	410 143 474,93	430 657 728,98
Transfers recognised - Operational	137 271 850,00	137 419 479,95	156 352 300,00	167 723 900,00	181 422 200,00
Transfers recognised - Capital	29 865 150,00	31 059 005,77	37 424 700,00	41 475 100,00	44 225 800,00
Total Revenue	544 191 000,89	546 532 486,61	584 418 560,06	619 342 474,93	656 305 728,98

The total projected revenue for budget year 2019/20 is R584,4 million. The budgeted financing activities breakdown are as follows:

- Own generated revenue amount to R390,6 million.
- Operational transfers grants as per DoRA is R156,3 million
- And capital transfers grants of R37,4 million

Operational Budget

R thousands	Budget 2018/19	Revised Budget 2018/19	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Expenditure By Type					
Employee related costs	149 973	148 280	158 214	168 736	179 957
Remuneration of councillors	16 684	17 684	18 868	20 123	21 461
Debt impairment	38 602	38 602	33 338	33 348	33 357
Depreciation & asset impairment	71 633	71 633	75 358	79 427	83 717
Finance charges	745	545	575	606	639
Bulk purchases	96 000	96 000	100 992	106 446	112 194
Contracted services	48 511	48 786	51 140	52 665	55 431
Other expenditure	92 174	92 940	97 707	101 780	107 276
Total Expenditure	514 322	514 469	536 194	563 131	594 031
Surplus	4	1 004	10 800	14 736	18 049

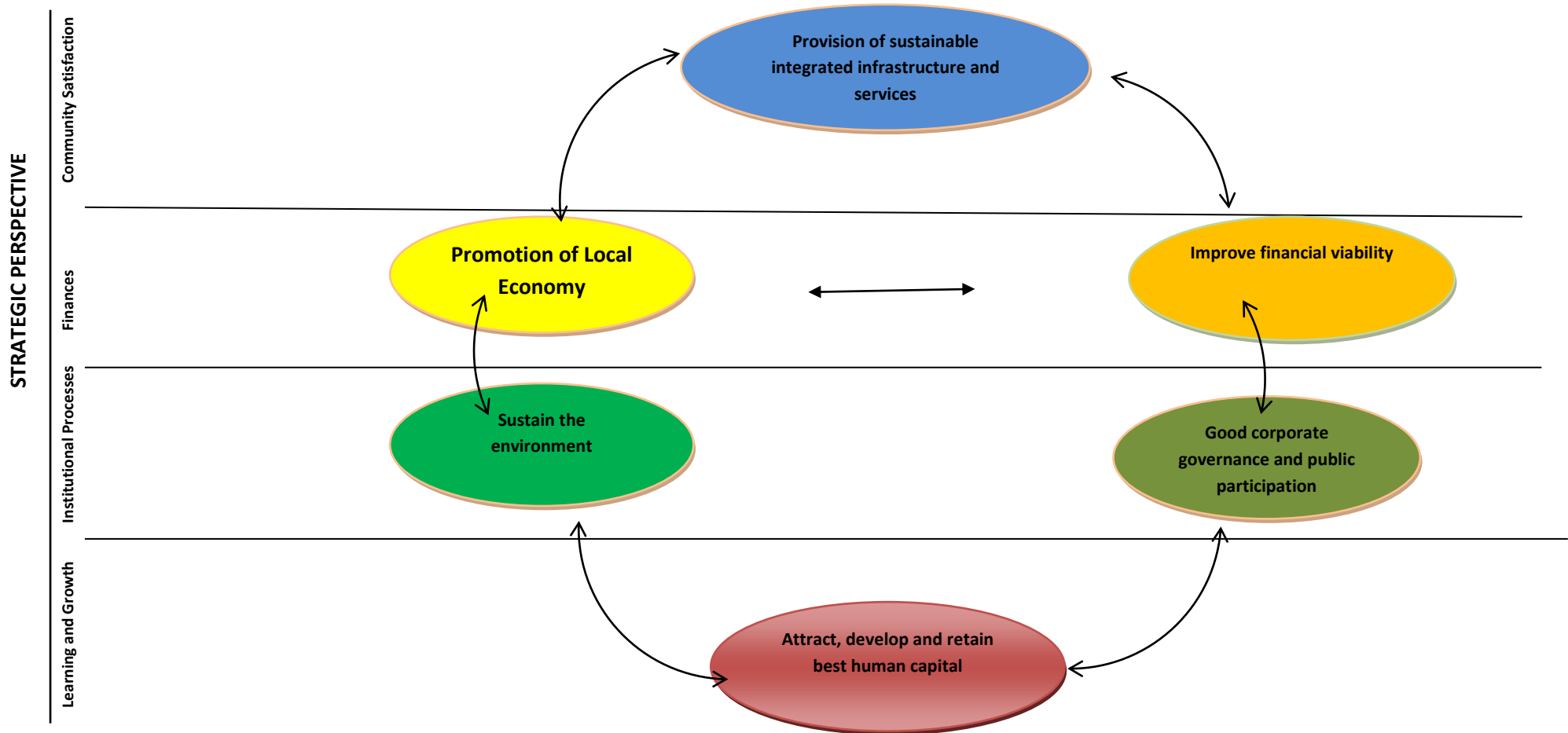
Total expenditure for the 2019/20 financial year amount to R536,1 million and a surplus of R10,8 million is anticipated. When compared to the 2018/19 Adjustments Budget, total operating expenditure has increased by 4.2 per cent in the 2019/20 budget and increased by 4.7% and 5,2% per cent for each of the respective outer years of the MTREF.

Capital Budget

Capital Budget	Original Budget 2018/19	Adjustment Budget 2018/19	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Municipal Infrastructure Grants	29 865 000,00	44 865 000,00	30 424 700,00	31 975 100,00	34 203 800,00
Intergrated National Electricity Programme	1 194 000,00	6 194 000,00	7 000 000,00	9 500 000,00	10 022 000,00
Intrnally Funded Projects	10 052 000,00	10 052 000,00	10 800 000,00	0	0
TOTAL	41 111 000,00	61 111 000,00	48 224 700,00	41 475 100,00	44 225 800,00

The capital budget for amounts to R48,2 million for 2019/20 financial year.

PROVISION OF QUALITY SERVICES FOR COMMUNITY WELL-BEING AND TOURISM DEVELOPMENT
THE HOME OF MARULA AND WILDLIFE TOURIM



4. ANNUAL BUDGET TABLES

ANNUAL BUDGET 2019/20

Ba-Phalaborwa Municipality (LIM334)

4.1. BUDGET SUMMARY

LIM334 Ba-Phalaborwa - 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	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousands										
Financial Performance										
Property rates	68 106	89 202 967	106 413 632	132 629	132 629	132 629	132 629	139 526	147 060	155 002
Service charges	107 901	96 911 099	118 357 171	149 778	149 778	149 778	149 778	159 710	170 345	181 692
Investment revenue	638	518 238	2 071 406	1 093	2 093	2 093	2 093	2 202	2 321	2 446
Transfers recognised - operational	112 388	116 502 507	128 786 355	137 272	137 419	137 419	137 419	156 352	167 724	181 422
Other own revenue	168 425	26 275 291	41 216 934	93 554	93 554	93 554	93 554	89 204	90 417	91 518
	457 458	329 410 102	396 845 498	514 326	515 473	515 473	515 473	546 994	577 867	612 080
Total Revenue (excluding capital transfers and contributions)										
Employee costs	118 246	122 185 716	135 383 488	149 973	148 280	148 280	148 280	158 214	168 736	179 957
Remuneration of councillors	13 243	12 737 754	14 364 900	16 684	17 684	17 684	17 684	18 868	20 123	21 461
Depreciation & asset impairment	62 987	101 523 692	71 669 355	71 633	71 633	71 633	71 633	75 358	79 427	83 717
Finance charges	1 215	9 790 243	16 221 723	745	545	545	545	575	606	639
Materials and bulk purchases	74 560	81 354 073	75 016 186	96 000	96 000	96 000	96 000	100 992	106 446	112 194
Transfers and grants	-	-	-	-	-	-	-	-	-	-
Other expenditure	166 457	330 339 799	262 619 365	179 287	180 328	180 328	180 328	182 185	187 793	196 064
Total Expenditure	436 709	657 931 277	575 275 017	514 322	514 469	514 469	514 469	536 194	563 131	594 031
Surplus/(Deficit)	20 748	(328 521 175)	(178 429 519)	4	1 004	1 004	1 004	10 800	14 736	18 049
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	55 499	29 782 133	48 207 144	29 865	51 059	51 059	51 059	37 425	41 475	44 226
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-
	76 247	(298 739 042)	(130 222 375)	29 869	52 063	52 063	52 063	48 225	56 212	62 274
Surplus/(Deficit) after capital transfers & contributions	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	76 247	(298 739 042)	(130 222 375)	29 869	52 063	52 063	52 063	48 225	56 212	62 274
Capital expenditure & funds sources										
Capital expenditure	52 368	38 643	60 696	39 917	61 111	61 111	61 111	48 225	41 475	44 226
Transfers recognised - capital	40 425	29 100	57 826	29 865	51 059	51 059	51 059	37 425	41 475	44 226
Borrowing	-	2 595	-	-	-	-	-	-	-	-
Internally generated funds	11 943	6 948	2 869	10 052	10 052	10 052	10 052	10 800	-	-

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Total sources of capital funds	52 368	38 643	60 696	39 917	61 111	61 111	61 111	48 225	41 475	44 226
Financial position										
Total current assets	579 071	441 852 309	390 061 261	633 789	633 789	633 789	633 789	791 503	833 749	878 771
Total non current assets	922 054	897 774 711	894 962 913	2 117 679	1 789 144	821 610	821 610	900 897	903 559	905 703
Total current liabilities	387 245	280 692 092	287 517 730	103 777	103 777	103 777	103 777	107 231	112 519	113 632
Total non current liabilities	59 656	257 533 999	246 929 080	232 175	232 175	232 175	232 175	288 769	302 797	317 582
Community wealth/Equity	1 056 093	802 681 593	751 536 852	1 119 447	1 119 447	1 119 447	1 119 447	1 296 399	1 321 992	1 353 260
Cash flows										
Net cash from (used) operating	68 206	53 956 861	58 634 688	59 486	82 027	82 027	82 027	57 845	63 700	244 938
Net cash from (used) investing	(52 368)	(39 116 986)	(52 475 601)	(39 917)	(61 111)	(61 111)	(61 111)	(48 225)	(41 475)	(44 226)
Net cash from (used) financing	(8 015)	(8 871 165)	(15 386 384)	-	-	-	-	(10 000)	(11 000)	(12 000)
Cash/cash equivalents at the year end	11 069	17 037 782	7 810 485	21 468	28 729	28 729	28 729	28 349	39 573	228 286
Cash backing/surplus reconciliation										
Cash and investments available	11 069	17 045 265	7 818 295	6 068	6 068	6 068	6 068	18 543	19 050	20 078
Application of cash and investments	295 413	185 696 120	258 540 252	(2 887)	(2 887)	(2 887)	(2 887)	(101 508)	(86 544)	(278 327)
Balance - surplus (shortfall)	(284 344)	(168 650 855)	(250 721 957)	8 955	8 955	8 955	8 955	120 052	105 593	298 406
Asset management										
Asset register summary (WDV)	842 154	862 528	895 812	821 610	821 610	821 610	821 610	944 037	995 015	1 048 746
Depreciation	62 987	100 228	-	71 633	71 633	71 633	71 633	75 358	79 398	83 654
Renewal and Upgrading of Existing Assets	-	-	-	6 000	6 000	6 000	6 000	13 334	5 189	607
Repairs and Maintenance	3 204	-	-	21 084	21 084	21 084	21 084	22 222	23 444	-
Free services										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-
Households below minimum service level										
Water:	0	0	0	0	0	0	0	0	0	0
Sanitation/sewerage:	6	6	6	6	6	6	6	6	6	6
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	21	-	-	21	21	21	21	21	21	21

NOTES

- Total Revenue excluding capital transfers and contributions is estimated at R546.9 million for 2019/20 financial year, R577.8 million and R612.1 million for the year 2020/21 and 2021/22 respectively.

- Total Expenditure is estimated at R536.1 million for 2019/20 financial year
- A municipal operating budget shows a surplus of R 10.8 million after capital transfers & contributions for 2019/20 financial year
- Total Capital budget for the financial year 2019/20 is estimated to be R48.2 million, which comprises of R37,4 million from Capital transfers Grants and R 10,8 million funded internally.

4.2. BUDGETED FINANCIAL PERFORMANCE

LIM334 Ba-Phalaborwa - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1									
Revenue - Functional										
Governance and administration		328 449	261 345	250 912	327 059	328 059	328 059	349 061	369 209	390 923
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		328 449	261 345	250 912	327 059	328 059	328 059	349 061	369 209	390 923
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		9 297	15 469	8 055	16 159	16 159	16 159	16 999	17 917	18 884
Community and social services		6 092	-	282	309	309	309	325	343	361
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		3 205	15 469	7 773	15 850	15 850	15 850	16 674	17 574	18 523
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		54 729	-	9 377	33 393	48 393	48 393	3 752	2 746	2 921
Planning and development		2 361	-	1 703	66	66	66	69	73	77
Road transport		52 368	-	7 673	33 327	48 327	48 327	3 683	2 673	2 844
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		120 481	108 144	128 072	167 581	173 922	173 922	177 182	187 817	199 164
Energy sources		102 514	95 066	110 230	142 482	148 824	148 824	151 719	161 271	171 475
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		17 967	13 078	17 842	25 098	25 098	25 098	25 463	26 547	27 689
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	512 957	384 959	396 416	544 191	566 532	566 532	546 994	577 689	611 892
Expenditure - Functional	-									
Governance and administration		193 926	512 452	268 334	195 117	195 117	195 117	199 796	209 430	219 652
Executive and council		46 833	13 160	34 268	37 145	37 145	37 145	55 932	59 376	63 035
Finance and administration		147 094	499 293	219 200	140 423	140 423	140 423	141 754	147 806	154 223
Internal audit		-	-	14 865	17 549	17 549	17 549	2 110	2 247	2 394
Community and public safety		38 565	-	49 455	73 494	73 994	73 994	77 580	82 364	87 445
Community and social services		29 891	-	6 427	9 023	9 023	9 023	8 763	9 320	9 911
Sport and recreation		-	-	23 997	36 868	37 368	37 368	39 453	41 899	44 498

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Public safety		8 674	-	19 030	27 602	27 602	27 602	29 364	31 145	33 036
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		62 430	-	31 016	108 153	107 653	107 653	114 834	119 063	125 910
Planning and development		11 381	-	10 264	16 827	16 827	16 827	17 032	16 894	17 915
Road transport		51 049	-	20 752	91 326	90 826	90 826	97 802	102 169	107 995
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		141 788	81 354	103 713	137 558	137 706	137 706	143 984	151 401	159 228
Energy sources		137 097	81 354	95 623	129 187	129 335	129 335	134 752	142 169	149 996
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		4 691	-	8 089	8 371	8 371	8 371	9 232	9 232	9 232
Other	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	436 709	593 806	452 517	514 322	514 469	514 469	536 194	562 257	592 234
Surplus/(Deficit) for the year		76 247	(208 848)	(56 102)	29 869	52 063	52 063	10 800	15 433	19 658

NOTES

- Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification.
- Total Revenue by Standard Classification amount to R546.9 million for the financial year 2019/20 and total operating expenditure by Standard Classification is estimated at R536.1 million.
- It must be noted that the Total Revenue on this table includes capital revenues (Transfers recognised - capital)
- The estimated municipality surplus is R10.8 million for the financial year 2019/20.

4.3. BUDGETED FINANCIAL PERFORMANCE BY MUNICIPAL VOTE

LIM334 Ba-Phalaborwa - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue by Vote	1									
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury Department		327 917	261 001	249 326	326 377	327 377	327 377	348 344	368 453	390 126
Vote 3 - Corporate Services		533	345	1 586	682	682	682	717	756	797
Vote 4 - Community and Social Services		27 264	28 547	25 897	41 257	41 257	41 257	42 462	44 463	46 573
Vote 5 - Planning and Development		2 361	-	1 703	66	66	66	69	73	77
Vote 6 - Technical Services Department		154 883	95 066	117 903	175 810	197 151	197 151	155 402	163 944	174 319
Total Revenue by Vote	2	512 957	384 959	396 416	544 191	566 532	566 532	546 994	577 689	611 892
Expenditure by Vote to be appropriated	1									
Vote 1 - Executive and Council		46 833	13 160	49 313	54 694	54 694	54 694	58 042	61 623	65 428
Vote 2 - Budget and Treasury Department		108 315	499 293	169 398	91 670	91 670	91 670	89 523	92 882	96 443
Vote 3 - Corporate Services		38 779	-	49 805	48 753	48 753	48 753	52 231	54 924	57 780
Vote 4 - Community and Social Services		43 256	-	51 976	81 864	82 364	104 312	86 812	92 115	97 744
Vote 5 - Planning and Development		11 381	-	10 264	16 827	16 827	16 827	17 032	16 894	17 915
Vote 6 - Technical Services Department		188 146	81 354	121 761	220 513	220 161	220 161	232 553	244 338	257 991
Total Expenditure by Vote	2	436 709	593 806	452 517	514 322	514 469	536 416	536 194	562 776	593 302
Surplus/(Deficit) for the year	2	76 247	(208 848)	(56 101)	29 869	52 063	30 116	10 800	14 913	18 590

- Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote.
- Total Revenue by Municipal Vote is R546.9 million for the year 2019/20 and total Expenditure by Vote is estimated to be R536.9 million
- The estimated expenditure by vote per department is allocated in the table above and the biggest one being technical department as service delivery department.
- And as a results, a municipality surplus amount to R10.8 million for 2019/20 financial year.

4.4. BUDGETED MUNICIPAL PERFORMANCE REVENUE AND EXPENDITURE

LIM334 Ba-Phalaborwa - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1										
Revenue By Source											
Property rates	2	68 106	89 202 967	106 413 632	132 629	132 629	132 629	132 629	139 526	147 060	155 002
Service charges - electricity revenue	2	94 111	87 170 562	103 550 323	130 699	130 699	130 699	130 699	139 639	149 190	159 395
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	13 789	9 740 537	14 806 848	19 079	19 079	19 079	19 079	20 071	21 155	22 297
Rental of facilities and equipment		354	354 119	656 329	527	527	527	527	554	584	615
Interest earned - external investments		638	518 238	2 071 406	1 093	2 093	2 093	2 093	2 202	2 321	2 446
Interest earned - outstanding debtors		32 559	4 198 005	24 094 118	75 334	75 334	75 334	75 334	70 034	70 034	70 034
Dividends received			-								
Fines, penalties and forfeits		3 360	3 397 471	2 941 693	474	474	474	474	499	526	554
Licences and permits		3 525	2 417 209	2 644 777	12 475	12 475	12 475	12 475	13 124	13 833	14 580
Agency services		5 676	14 501 107	4 767 436	2 844	2 844	2 844	2 844	2 992	3 154	3 324
Transfers and subsidies		112 388	116 502 507	128 786 355	137 272	137 419	137 419	137 419	156 352	167 724	181 422
Other revenue	2	122 950	1 407 380	3 707 290	1 899	1 899	1 899	1 899	2 000	2 287	2 410
Gains on disposal of PPE				2 405 291							
Total Revenue (excluding capital transfers and contributions)		457 458	329 410 102	396 845 498	514 326	515 473	515 473	515 473	546 994	577 867	612 080
Expenditure By Type											
Employee related costs	2	118 246	122 185 716	135 383 488	149 973	148 280	148 280	148 280	158 214	168 736	179 957
Remuneration of councillors		13 243	12 737 754	14 364 900	16 684	17 684	17 684	17 684	18 868	20 123	21 461
Debt impairment	3	66 032	230 168 325	159 392 945	38 602	38 602	38 602	38 602	33 338	33 348	33 357
Depreciation & asset impairment	2	62 987	101 523 692	71 669 355	71 633	71 633	71 633	71 633	75 358	79 427	83 717
Finance charges		1 215	9 790 243	16 221 723	745	545	545	545	575	606	639
Bulk purchases	2	74 560	81 354 073	75 016 186	96 000	96 000	96 000	96 000	100 992	106 446	112 194
Other materials	8										
Contracted services		30 487	30 460 135	24 292 163	48 511	48 786	48 786	48 786	51 140	52 665	55 431

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Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Other expenditure	4, 5	69 939	68 808 946	78 721 666	92 174	92 940	92 940	92 940	97 707	101 780	107 276
Loss on disposal of PPE			902 393	212 591							
Total Expenditure		436 709	657 931 277	575 275 017	514 322	514 469	514 469	514 469	536 194	563 131	594 031
Surplus/(Deficit)		20 748	(328 521 175)	(178 429 519)	4	1 004	1 004	1 004	10 800	14 736	18 049
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		55 499	29 782 133	48 207 144	29 865	51 059	51 059	51 059	37 425	41 475	44 226
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)											
Surplus/(Deficit) after capital transfers & contributions		76 247	(298 739 042)	(130 222 375)	29 869	52 063	52 063	52 063	48 225	56 212	62 274
Taxation											
Surplus/(Deficit) after taxation		76 247	(298 739 042)	(130 222 375)	29 869	52 063	52 063	52 063	48 225	56 212	62 274
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		76 247	(298 739 042)	(130 222 375)	29 869	52 063	52 063	52 063	48 225	56 212	62 274
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		76 247	(298 739 042)	(130 222 375)	29 869	52 063	52 063	52 063	48 225	56 212	62 274

Notes

- Total Revenue (excluding capital transfers and contributions) is R546.9 million for 2019/20 financial year and escalates to R577.8 million for 2019/20 financial year and R612.1 million for 2020/21 financial year.
- Revenue to be generated from property rate is estimated at R139.5 million in 2019/20 financial year of which the property valuation roll was considered.
- Services charges relating to electricity is R139.6 million which is in line with NERSA regulated tariff increase.
- Transfers recognised - operating grants includes the local government equitable share which shows an increase for the two outer years.
- Total operational expenditure is estimated to be R536.1 million for 2019/20.

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- The employees related cost is estimated to be R158.2 million which is determined by 5.4% as per the CPI and 1,5% as per SALGA Bargaining Council.
- The Remuneration of Councillors is projected at R18.8 million which the municipality considered the Minister of COGSTA Determination of Upper Limits.
- The depreciation and impairment has been estimated at R75.3 million of which the Asset Register has been considered.

4.5. BUDGETED CAPITAL EXPENDITURE BY VOTE

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury Department		-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-	-	-	-
Vote 5 - Planning and Development		-	-	-	-	-	-	-	-	-	-
Vote 6 - Technical Services Department		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - Executive and Council		-	-	6	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury Department		-	-	1 535	-	-	-	-	-	-	-
Vote 3 - Corporate Services		2 627	6 952	478	3 350	3 350	3 350	3 350	3 350	-	-
Vote 4 - Community and Social Services		-	-	2 233	502	1 002	1 002	1 002	950	-	-
Vote 5 - Planning and Development		-	-	-	-	-	-	-	-	-	-

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Vote 6 - Technical Services Department		33 133	31 691	12 257	36 065	56 759	56 759	56 759	43 925	41 475	44 226
Capital single-year expenditure sub-total		35 760	38 643	16 508	39 917	61 111	61 111	61 111	48 225	41 475	44 226
Total Capital Expenditure - Vote		35 760	38 643	16 508	39 917	61 111	61 111	61 111	48 225	41 475	44 226
Capital Expenditure - Functional											
Governance and administration		3 096	6 952	2 774	3 350	3 350	3 350	3 350	3 350	-	-
Executive and council											
Finance and administration		3 096	6 952	2 774	3 350	3 350	3 350	3 350	3 350	-	-
Internal audit											
Community and public safety		-	-	-	502	1 002	1 002	1 002	950	-	-
Community and social services					502	1 002	1 002	1 002	950	-	-
Sport and recreation											
Public safety											
Housing											
Health											
Economic and environmental services		49 272	31 691	50 594	31 565	46 065	46 065	46 065	31 925	31 975	34 204
Planning and development											
Road transport		49 272	31 691	50 594	31 565	46 065	46 065	46 065	31 925	31 975	34 204
Environmental protection											
Trading services		-	-	7 328	4 500	10 694	10 694	10 694	12 000	9 500	10 022
Energy sources				7 328	4 500	10 694	10 694	10 694	12 000	9 500	10 022

Water management											
Waste water management											
Waste management											
Other											
Total Capital Expenditure - Functional	3	52 368	38 643	60 696	39 917	61 111	61 111	61 111	48 225	41 475	44 226
Funded by:											
National Government		40 425	29 100	57 826	29 865	51 059	51 059	51 059	37 425	41 475	44 226
Provincial Government											
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	40 425	29 100	57 826	29 865	51 059	51 059	51 059	37 425	41 475	44 226
Borrowing	6		2 595								
Internally generated funds		11 943	6 948	2 869	10 052	10 052	10 052	10 052	10 800	-	-
Total Capital Funding	7	52 368	38 643	60 696	39 917	61 111	61 111	61 111	48 225	41 475	44 226

- The Capital Projects amount to R48.2 million which are appropriated per department in the municipality.

4.6. BUDGETED FINANCIAL POSITION

LIM334 Ba-Phalaborwa - Table A6 Budgeted Financial Position

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
ASSETS											
Current assets											
Cash		3 985	17 037 782	9 036 770	1 068	1 068	1 068	1 068	9 507	9 525	10 039
Call investment deposits	1	7 084	–	–	5 000	5 000	5 000	5 000	9 037	9 525	10 039
Consumer debtors	1	99 985	25 398 089	10 449 534	152 515	152 515	152 515	152 515	420 202	442 893	466 810
Other debtors		16 300	49 204 909	35 246 581							
Current portion of long-term receivables											
Inventory	2	451 717	336 618 342	335 320 566	475 207	475 207	475 207	475 207	352 757	371 806	391 884
Total current assets		579 071	428 259 122	390 053 451	633 789	633 789	633 789	633 789	791 503	833 749	878 771
Non current assets											
Long-term receivables											
Investments											
Investment property		43 858	43 054 720	44 303 307	46 139	46 139	46 139	46 139	48 538	51 159	53 921
Investment in Associate											
Property, plant and equipment	3	878 196	861 766 778	850 657 737	773 839	773 839	773 839	773 839	850 726	850 768	850 812
Biological		1 285	263 710	104 526	281	281	281	281	105	110	116
Intangible		317	855 371	547 641	1 352	1 352	1 352	1 352	548	577	608
Other non-current assets		267	317 000	317 000					317	317	317
Total non current assets		923 923	906 257 579	895 930 211	821 610	821 610	821 610	821 610	900 233	902 931	905 775
TOTAL ASSETS		1 502 994	1 334 516 701	1 285 983 662	1 455 399	1 455 399	1 455 399	1 455 399	1 691 736	1 736 680	1 784 546
LIABILITIES											
Current liabilities											
Bank overdraft	1	–	–	1 226 285	–	–	–	–	–	–	–
Borrowing	4	–	–	–	–	–	–	–	–	–	–
Consumer deposits		2 040	4 085 207	4 124 450	3 219	3 219	3 219	3 219	4 124	4 524	4 924
Trade and other payables	4	364 307	235 343 558	282 166 995	100 558	100 558	100 558	100 558	103 107	108 394	109 508
Provisions		20 898	–	–	–	–	–	–	–	–	–
Total current liabilities		387 245	239 428 765	287 517 730	103 777	103 777	103 777	103 777	107 231	112 919	114 432

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Non current liabilities											
Borrowing		38 475	121 085 582	–	129 000	129 000	129 000	129 000	129 000	129 000	129 000
Provisions		21 182	118 202 606	246 929 080	103 175	103 175	103 175	103 175	159 769	173 797	188 582
Total non current liabilities		59 656	239 288 188	246 929 080	232 175	232 175	232 175	232 175	288 769	302 797	317 582
TOTAL LIABILITIES		446 901	478 716 953	534 446 810	335 952	335 952	335 952	335 952	396 000	415 716	432 014
NET ASSETS	5	1 056 093	855 799 748	751 536 852	1 119 447	1 119 447	1 119 447	1 119 447	1 295 736	1 320 964	1 352 532
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		1 056 093	817 727 306	713 464 410	1 119 447	1 119 447	1 119 447	1 119 447	1 295 736	1 320 964	1 352 532
Reserves	4	–	38 072 442	38 072 442	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	5	1 056 093	855 799 748	751 536 852	1 119 447	1 119 447	1 119 447	1 119 447	1 295 736	1 320 964	1 352 532

4.7. BUDGETED CASH FLOWS

LIM334 Ba-Phalaborwa - Table A7 Budgeted Cash Flows

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		68 106	47 968 238	42 816 796	107 667	107 667	107 667	107 667	57 729	47 060	155 002
Service charges		108 148	152 119 043	81 690 174	130 984	130 984	130 984	130 984	98 100	114 345	181 692
Other revenue		27 806	18 679 815	11 775 832	16 348	16 348	16 348	16 348	33 319	18 096	19 074
Government - operating	1	112 920	114 443 656	128 050 311	137 272	137 419	137 419	137 419	156 352	167 724	181 422
Government - capital	1	56 992	29 782 133	48 207 144	29 865	51 059	51 059	51 059	37 425	41 475	44 226
Interest		4 111	518 238	2 071 406	28 967	29 967	29 967	29 967	22 417	72 355	72 480
Dividends									-	-	-
Payments											
Suppliers and employees		(308 662)	(309 229 014)	(255 690 514)	(390 873)	(390 873)	(390 873)	(390 873)	(346 922)	(396 749)	(408 318)
Finance charges		(1 215)	(325 248)	(286 461)	(745)	(545)	(545)	(545)	(575)	(606)	(639)
Transfers and Grants	1								-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		68 206	53 956 861	58 634 688	59 486	82 027	82 027	82 027	57 845	63 700	244 938
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE				1 736 827					-	-	-
Decrease (Increase) in non-current debtors									-	-	-
Decrease (increase) other non-current receivables									-	-	-
Decrease (increase) in non-current investments				(63 668)					-	-	-
Payments											
Capital assets		(52 368)	(39 116 986)	(54 148 760)	(39 917)	(61 111)	(61 111)	(61 111)	(48 225)	(41 475)	(44 226)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(52 368)	(39 116 986)	(52 475 601)	(39 917)	(61 111)	(61 111)	(61 111)	(48 225)	(41 475)	(44 226)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									-	-	-
Borrowing long term/refinancing			(371 165)	(86 384)					-	-	-
Increase (decrease) in consumer deposits									-	-	-
Payments											

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Repayment of borrowing		(8 015)	(8 500 000)	(15 300 000)					(10 000)	(11 000)	(12 000)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(8 015)	(8 871 165)	(15 386 384)	-	-	-	-	(10 000)	(11 000)	(12 000)
NET INCREASE/ (DECREASE) IN CASH HELD		7 823	5 968 710	(9 227 297)	19 569	20 916	20 916	20 916	(380)	11 225	188 712
Cash/cash equivalents at the year begin:	2	3 246	11 069 072	17 037 782	1 899	7 813	7 813	7 813	28 729	28 349	39 573
Cash/cash equivalents at the year end:	2	11 069	17 037 782	7 810 485	21 468	28 729	28 729	28 729	28 349	39 573	228 286

NOTES

- The budgeted cash flow statement is the first measurement in determining if the budget is funded, It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
- Cash and cash equivalents totals R28,3 million as at the end of the 2019/20 financial year

4.8. CASH BACKED RESERVES/ACCUMULATED SURPLUSES

LIM334 Ba-Phalaborwa - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Cash and investments available											
Cash/cash equivalents at the year end	1	11 069	17 037 782	7 810 485	21 468	28 729	28 729	28 729	28 349	39 573	228 286
Other current investments > 90 days		0	7 483	7 810	(15 400)	(22 661)	(22 661)	(22 661)	(9 805)	(20 524)	(208 207)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		11 069	17 045 265	7 818 295	6 068	6 068	6 068	6 068	18 543	19 050	20 078
Application of cash and investments											
Unspent conditional transfers		-	785 867	1 341 486	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	295 413	184 910 253	257 198 766	(2 887)	(2 887)	(2 887)	(2 887)	(101 508)	(86 544)	(278 327)
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		295 413	185 696 120	258 540 252	(2 887)	(2 887)	(2 887)	(2 887)	(101 508)	(86 544)	(278 327)
Surplus(shortfall)		(284 344)	(168 650 855)	(250 721 957)	8 955	8 955	8 955	8 955	120 052	105 593	298 406

NOTES

- As part of the budgeting and planning guidelines that informed the compilation of the 2019/20 MTREF the end objective of the medium-term framework was to ensure the budget is funded as per section 18 of the MFMA.

4.9. ASSET MANAGEMENT

LIM334 Ba-Phalaborwa - Table A9 Asset Management

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
CAPITAL EXPENDITURE										
Total New Assets	1	52 368	38 643	61 151	15 386	25 136	25 136	10 506	8 592	9 163
<i>Roads Infrastructure</i>		37 142	31 691	50 594	1 500	1 000	1 000	1 067	1 138	1 214
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	-	-	-	4 802	5 121	5 461
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		15 225	-	-	-	-	-	1 974	2 105	2 245
Infrastructure		52 368	31 691	50 594	1 500	1 000	1 000	7 842	8 364	8 920
<i>Community Facilities</i>		-	-	-	-	-	-	-	-	-
<i>Sport and Recreation Facilities</i>		-	-	7 328	12 884	22 634	22 634	213	228	243
Community Assets		-	-	7 328	12 884	22 634	22 634	213	228	243
Heritage Assets		-	-	-	-	-	-	-	-	-
<i>Revenue Generating</i>		-	-	-	-	-	-	-	-	-
<i>Non-revenue Generating</i>		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
<i>Operational Buildings</i>		-	-	-	-	-	-	-	-	-
<i>Housing</i>		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	64	-	-	-	-	-	-
<i>Servitudes</i>		-	-	-	-	-	-	-	-	-
<i>Licences and Rights</i>		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	294	-	-	-	-	-	-
Furniture and Office Equipment		-	6 952	701	500	500	500	500	-	-
Machinery and Equipment		-	-	177	52	52	52	1 000	-	-
Transport Assets		-	-	1 601	450	950	950	950	-	-
Land		-	-	391	-	-	-	-	-	-

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Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	-	-	-	6 000	6 000	6 000	12 800	4 620	-
<i>Roads Infrastructure</i>		-	-	-	-	-	-	1 500	-	-
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	4 500	4 500	4 500	4 000	-	-
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	4 500	4 500	4 500	5 500	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	500	500	500	2 000	4 620	-
Community Assets		-	-	-	500	500	500	2 000	4 620	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	1 000	1 000	1 000	1 000	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	1 000	1 000	1 000	1 000	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	1 850	-	-
Furniture and Office Equipment		-	-	-	-	-	-	500	-	-
Machinery and Equipment		-	-	-	-	-	-	1 000	-	-
Transport Assets		-	-	-	-	-	-	950	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Upgrading of Existing Assets	6	-	-	-	-	-	-	534	569	607
<i>Roads Infrastructure</i>		-	-	-	-	-	-	534	569	607
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-

<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	534	569	607	
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	52 368	38 643	61 151	21 386	31 136	31 136	23 839	13 780	9 770
<i>Roads Infrastructure</i>		37 142	31 691	50 594	1 500	1 000	1 000	3 101	1 707	1 820
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	4 500	4 500	4 500	8 802	5 121	5 461
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		15 225	-	-	-	-	-	1 974	2 105	2 245
Infrastructure		52 368	31 691	50 594	6 000	5 500	5 500	13 876	8 933	9 527
Community Facilities		-	-	-	-	-	-	-	-	-

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Sport and Recreation Facilities		-	-	7 328	13 384	23 134	23 134	2 213	4 847	243
Community Assets		-	-	7 328	13 384	23 134	23 134	2 213	4 847	243
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	1 000	1 000	1 000	1 000	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	1 000	1 000	1 000	1 000	-	-
Biological or Cultivated Assets		-	-	64	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	294	-	-	-	1 850	-	-
Furniture and Office Equipment		-	6 952	701	500	500	500	1 000	-	-
Machinery and Equipment		-	-	177	52	52	52	2 000	-	-
Transport Assets		-	-	1 601	450	950	950	1 900	-	-
Land		-	-	391	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		52 368	38 643	61 151	21 386	31 136	31 136	23 839	13 780	9 770
ASSET REGISTER SUMMARY - PPE (WDV)	5	842 154	862 528	895 812	821 610	821 610	821 610	944 037	995 015	1 048 746
<i>Roads Infrastructure</i>		313 443	854 720	373 330	503 189	503 189	503 189	525 333	553 701	583 601
<i>Storm water Infrastructure</i>		92 217		17 466	12 370	12 370	12 370		-	-
<i>Electrical Infrastructure</i>				91 229	88 485	88 485	88 485	98 534	103 854	109 462
<i>Water Supply Infrastructure</i>										
<i>Sanitation Infrastructure</i>										
<i>Solid Waste Infrastructure</i>		19 867								
<i>Rail Infrastructure</i>										
<i>Coastal Infrastructure</i>										
<i>Information and Communication Infrastructure</i>										
Infrastructure		425 527	854 720	482 026	604 043	604 043	604 043	623 866	657 555	693 063
Community Assets		155 142		146 899	148 200	148 200	148 200	147 856	155 840	164 255
Heritage Assets				317	46 139	46 139	46 139	317	334	352
Investment properties				44 303				44 303	46 696	49 217

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Other Assets		261 485		7				13 185	13 897	14 647
Biological or Cultivated Assets				105	1 633	1 633	1 633	105	110	116
Intangible Assets		855	428							
Computer Equipment		6 952	965	3 779	3 779	3 779	2 815	2 967	3 128	
Furniture and Office Equipment			3 672	1 904	1 904	1 904	3 385	3 568	3 761	
Machinery and Equipment			1 434	9 915	9 915	9 915	3 221	3 395	3 578	
Transport Assets			5 360	5 964	5 964	5 964	6 310	6 651	7 010	
Land			210 296	34	34	34	98 673	104 002	109 618	
Zoo's, Marine and Non-biological Animals										
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	842 154	862 528	895 812	821 610	821 610	821 610	944 037	995 015	1 048 746
EXPENDITURE OTHER ITEMS		66 192	100 228	-	92 717	92 717	92 717	97 580	102 842	83 654
Depreciation	7	62 987	100 228	-	71 633	71 633	71 633	75 358	79 398	83 654
Repairs and Maintenance by Asset Class	3	3 204	-	-	21 084	21 084	21 084	22 222	23 444	-
<i>Roads Infrastructure</i>		1 602	-	-	6 386	6 386	6 386	6 731	7 101	-
<i>Storm water Infrastructure</i>		-	-	-	503	503	503	531	560	-
<i>Electrical Infrastructure</i>		-	-	-	6 722	6 722	6 722	7 086	7 475	-
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	25	25	25	27	28	-
Infrastructure		1 602	-	-	13 637	13 637	13 637	14 374	15 164	-
Community Facilities		-	-	-	3 744	3 744	3 744	3 946	4 163	-
Sport and Recreation Facilities		-	-	-	689	689	689	726	766	-
Community Assets		-	-	-	4 433	4 433	4 433	4 672	4 929	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	799	799	799	842	889	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	799	799	799	842	889	-
Biological or Cultivated Assets		1 285	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		317	-	-	-	-	-	-	-	-

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Intangible Assets		317	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	285	285	285	300	317	-
Furniture and Office Equipment		-	-	-	483	483	483	508	537	-
Machinery and Equipment		-	-	-	1 447	1 447	1 447	1 525	1 609	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		66 192	100 228	-	92 717	92 717	92 717	97 580	102 842	83 654
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		0,0%	0,0%	0,0%	28,1%	19,3%	19,3%	55,9%	37,7%	6,2%
<i>Renewal and upgrading of Existing Assets as % of deprecn</i>		0,0%	0,0%	0,0%	8,4%	8,4%	8,4%	17,7%	6,5%	0,7%
<i>R&M as a % of PPE</i>		0,4%	0,0%	0,0%	2,7%	2,7%	2,7%	0,0%	0,0%	0,0%
<i>Renewal and upgrading and R&M as a % of PPE</i>		0,0%	0,0%	0,0%	3,0%	3,0%	3,0%	4,0%	3,0%	0,0%

NOTES

- Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.

4.10. BASIC SERVICE DELIVERY MEASUREMENT

LIM334 Ba-Phalaborwa - Table A10 Basic service delivery measurement

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Household service targets	1									
Water:										
Piped water inside dwelling		15	15	15	15	15	15	15	15	15
Piped water inside yard (but not in dwelling)		19	19	19	19	19	19	19	19	19
Using public tap (at least min.service level)	2	3 812	3 812	3 812	3 812	3 812	3 812	3 812	3 812	3 812
Other water supply (at least min.service level)	4	413	413	413	413	413	413	413	413	413
<i>Minimum Service Level and Above sub-total</i>		4 259	4 259	4 259	4 259	4 259	4 259	4 259	4 259	4 259
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	234	234	234	234	234	234	234	234	234
No water supply		2	2	2	2	2	2	2	2	2
<i>Below Minimum Service Level sub-total</i>		236	236	236	236	236	236	236	236	236
Total number of households	5	4 495	4 495	4 495	4 495	4 495	4 495	4 495	4 495	4 495
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		16 638	16 638	16 638	16 638	16 638	16 638	16 638	16 638	16 638
Flush toilet (with septic tank)		860	860	860	860	860	860	860	860	860
Chemical toilet		424	424	424	424	424	424	424	424	424
Pit toilet (ventilated)		6 718	6 718	6 718	6 718	6 718	6 718	6 718	6 718	6 718
Other toilet provisions (> min.service level)		10 833	10 833	10 833	10 833	10 833	10 833	10 833	10 833	10 833
<i>Minimum Service Level and Above sub-total</i>		35 473	35 473	35 473	35 473	35 473	35 473	35 473	35 473	35 473
Bucket toilet		80	80	80	80	80	80	80	80	80
Other toilet provisions (< min.service level)		864	864	864	864	864	864	864	864	864
No toilet provisions		4 698	4 698	4 698	4 698	4 698	4 698	4 698	4 698	4 698
<i>Below Minimum Service Level sub-total</i>		5 642	5 642	5 642	5 642	5 642	5 642	5 642	5 642	5 642
Total number of households	5	41 115	41 115	41 115	41 115	41 115	41 115	41 115	41 115	41 115
Energy:										
Electricity (at least min.service level)		37 345	37 345	37 345	37 345	37 345	37 345	37 345	37 345	37 345
Electricity - prepaid (min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		37 345	37 345	37 345	37 345	37 345	37 345	37 345	37 345	37 345
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-

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Other energy sources		-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-
Total number of households	5	37 345	37 345	37 345	37 345	37 345	37 345	37 345	37 345
<u>Refuse:</u>									
Removed at least once a week		-	20 066	-	20 066	20 066	20 066	20 066	20 066
<i>Minimum Service Level and Above sub-total</i>		-	20 066	-	20 066	20 066	20 066	20 066	20 066
Removed less frequently than once a week		257	-	-	257	257	257	257	257
Using communal refuse dump		684	-	-	684	684	684	684	684
Using own refuse dump		17 849	-	-	17 849	17 849	17 849	17 849	17 849
Other rubbish disposal		327	-	-	327	327	327	327	327
No rubbish disposal		1 933	-	-	1 933	1 933	1 933	1 933	1 933
<i>Below Minimum Service Level sub-total</i>		21 050	-	-	21 050	21 050	21 050	21 050	21 050
Total number of households	5	21 050	20 066	-	41 116	41 116	41 116	41 116	41 116
<u>Households receiving Free Basic Service</u>	7								
Water (6 kilolitres per household per month)		-	-	-	-	-	-	-	-
Sanitation (free minimum level service)		-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		-	-	-	-	-	-	-	-
Refuse (removed at least once a week)		-	-	-	-	-	-	-	-
<u>Cost of Free Basic Services provided - Formal Settlements (R'000)</u>	8								
Water (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per indigent household per month)		-	-	-	-	-	-	-	-
Refuse (removed once a week for indigent households)		-	-	-	-	-	-	-	-
<u>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</u>		-	-	-	-	-	-	-	-
Total cost of FBS provided		-	-	-	-	-	-	-	-
<u>Highest level of free service provided per household</u>									
Property rates (R value threshold)									
Water (kilolitres per household per month)									
Sanitation (kilolitres per household per month)									
Sanitation (Rand per household per month)									
Electricity (kwh per household per month)									
Refuse (average litres per week)									
<u>Revenue cost of subsidised services provided (R'000)</u>	9								
Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)									

Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		-	-	-	-	-	-	-	-	-
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates	6									
Housing - top structure subsidies										
Other										
Total revenue cost of subsidised services provided		-	-	-	-	-	-	-	-	-

PART TWO

ANNUAL BUDGET SUPPORTING INFORMATION

5.OVERVIEW OF ANNUAL BUDGET

5.1 Schedule of key deadlines relating to budget process

1. IDP, Budget and PMS Calendar for 2018-19

The IDP, Budget, PMS and MPAC calendar presents the activities that will be undertaken by both the District Municipality and Ba-Phalaborwa Municipality during the 2019/20 financial year. The activities will culminate in the adoption of the 2019/20 IDP and Budget both Mopani District Municipality and Ba-Phalaborwa Municipality.

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
IDP			
July 2018	Preparatory Phase <ul style="list-style-type: none"> • IDP, Budget & PMS Operational Meeting (IDP Framework & Process Plan) • IDP, Budget & PMS Technical Meeting (IDP Framework & Process Plan) • IDP, Budget & PMS Steering Committee Meeting (Framework & Process Plan) • IDP, Budget & PMS Rep Forum (Framework & Process Plan) • Mayor tables IDP/Budget/PMS/MPAC 	<ul style="list-style-type: none"> • 16/07/2018 • 18/07/2018 • 20/07/2018 • 24/07/ 2018 • 31/07/2018 	31 July 2018

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	Framework & Process Plan in (Special Council)		
Budget			
	<ul style="list-style-type: none"> Establish Departmental Budget Committees (include councillors & officials). 	<ul style="list-style-type: none"> 30/07/2018 – 05/09/2018 	
PMS			
	<ul style="list-style-type: none"> Compilation of 2017/18 4th quarterly report Conclude 2019/20 annual performance agreements Submit final approved SDBIP 	<ul style="list-style-type: none"> 04/07/2018 - 20/07/2018 04/07/2018 – 27/07/2018 28/07/2018 	
MPAC			
	<ul style="list-style-type: none"> MPAC Framework and Process Plan. Consideration of SDBIP for fourth quarter. Report on SCM- disciplinary matters related to MFMA Monthly budget statements. MPAC and Audit committee Quarterly meeting/ report on functioning of AC Final Work Programme presented to Council. 	<ul style="list-style-type: none"> 06/07/2018 27/07/2018 31/07/2018 31/07/2018 27/07/2018 	
IDP			
August 2018	Analysis Phase		31 August 2018

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	<ul style="list-style-type: none"> Data collection (ward-based planning) Data analysis and interpretation Community Satisfaction Survey 	<ul style="list-style-type: none"> 01/08/2018 – 31/09/2018 01/08/2018 – 31/09/2018 01/08/2018 – 31/09/2018 	
Budget			
	<ul style="list-style-type: none"> 		
PMS			
	<ul style="list-style-type: none"> 2017/18 IDP implementation feedback: Fourth Quarter Mayoral Imbizo Make public the 2019/20 SDBIP Make public 2019/20 annual performance agreements and ensure that copies are submitted to Council and MEC:CoGHSTA Place 2019/20 annual performance agreements on the municipal website. Individual performance assessments 2017/18 Annual 	<ul style="list-style-type: none"> 01/08/2018 – 31/08/2018 15/08/2018 15/08/2018 15/08/2018 06/08/2018 – 31/08/2018 	
MPAC			
	<ul style="list-style-type: none"> Technical committee meeting. Committee meeting. MPAC District wide session 	<ul style="list-style-type: none"> 01/08/2018 13/08/2018 15-17/08/2018 	

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	<ul style="list-style-type: none"> • Monthly budget statements • Annual performance plan prepared • Performance agreements signed by MM & section 56 officials. • Annual financial statements to be submitted to AG • Declaration forms completed and updated by Cllrs and Staff. • Probing 4th quarter performance report. • Public hearing on the fourth quarter performance report. 	<ul style="list-style-type: none"> • 22-24/08/2018 • 28-31/08/2018 	
IDP			
September 2018	Analysis Phase		
	<ul style="list-style-type: none"> • Data collection (ward-based planning) • Data analysis and interpretation • Community Satisfaction Survey 	<ul style="list-style-type: none"> • 01/08/2018 – 31/09/2018 • 01/08/2018 – 31/09/2018 • 01/08/2018 – 31/09/2018 	
Budget			
	<ul style="list-style-type: none"> • Circulate budget schedules to all departments • Consolidate ANNUAL core departments business plans & budgets • Review resources frames and 	<ul style="list-style-type: none"> • 28/09/2018 – 09/10/2018 • 09/10/2018 – 12/10/2018 • 28/09/2018 – 02/11/2018 	

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	financial strategies		
PMS			
	<ul style="list-style-type: none"> Individual performance assessment report 2017/18 Annual Submission of Final 2017/18 departmental annual reports 	<ul style="list-style-type: none"> 10/09/2018 21/09/2018 	
MPAC			
	<ul style="list-style-type: none"> 4th Quarter Individual Performance Assessment Report Monthly budget statements 	<ul style="list-style-type: none"> 12/9/2018 28 /9/2018 	
IDP			
October 2018	Analysis Phase <ul style="list-style-type: none"> IDP, Budget & PMS Operational Meeting (Analysis Phase) IDP, Budget & PMS Technical Meeting (Analysis Phase) IDP, Budget & PMS Steering Meeting (Analysis Phase) IDP, Budget & PMS Rep Forum (Analysis Phase) 	<ul style="list-style-type: none"> 04/11/2018 10/11/2018 15/11/2018 18/11/2018 	
Budget			
	<ul style="list-style-type: none"> Commence preparation for the 2019/20 departmental 	<ul style="list-style-type: none"> 16-17/10/2018 	

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	operational plans and service delivery and budget implementation plan aligned to strategic priorities in IDP and inputs from other stakeholders including government and bulk service providers (and NERSA) <ul style="list-style-type: none"> • Submission of departmental adjustment budgets • Departmental budgets inputs for 2019/20 	<ul style="list-style-type: none"> • 14/12/2018 • 14/12/2018 	
PMS			
	<ul style="list-style-type: none"> • Continuation of preparations for 2017/18 annual report utilizing financial and non-financial information first reviewed as part of budget and IDP analysis • Compilation of 2019/20 first quarter institutional performance report. 	<ul style="list-style-type: none"> • 08/10/2018 – 31/10/2018 • 08/10/2018 – 31/10/2018 	
MPAC			
	<ul style="list-style-type: none"> • Consolidated AFS submitted to AG • SDBIP for first quarter consideration • Project Visit 	<ul style="list-style-type: none"> • 03/10/2018 • 12/10/2018 • 18/10/2018 	

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	<ul style="list-style-type: none"> Report on SCM/disciplinary matters related to MFMA Monthly budget statements MPAC Strategic Planning session 	<ul style="list-style-type: none"> 22/10/2018 25-26/10/2018 	
Budget			
November 2018	<ul style="list-style-type: none"> Community and stakeholder consultation process, review inputs, financial models, assess impacts on tariffs and charges and consider funding decisions including borrowing. Adjust estimates based on plans and resources. Commence consultation on the proposed tariffs. Check the tariff submission date and align. ANNUAL five year Financial Plan 	<ul style="list-style-type: none"> 06/11/2018– 30/11/2018 06/11/2018 – 30/11/2018 	
PMS			
	<ul style="list-style-type: none"> Mayoral Imbizo on first quarter performance 	<ul style="list-style-type: none"> 12/11/2018 – 16/11/2018 	
MPAC			
	<ul style="list-style-type: none"> Probe 1st Quarter Performance 	<ul style="list-style-type: none"> 13/11/2018 	

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	report. <ul style="list-style-type: none"> • Monthly budget statements • Technical Committee meeting • Public hearing on the 1st Quarter performance report. • MPAC District forum meeting 	<ul style="list-style-type: none"> • 16/11/2018 • 24/11/2018 • 29/11/2018 	
IDP			
December 2018	Strategies Phase		
	<ul style="list-style-type: none"> • Strategic Session 	<ul style="list-style-type: none"> • 03/12/2018 – 07/12/2018 	
PMS			
	<ul style="list-style-type: none"> • Finalize the ANNUAL annual report incorporating financial and non financial information on performance, audit reports and annual financial statements 	<ul style="list-style-type: none"> • 17/12/2018 	
MPAC			
	<ul style="list-style-type: none"> • Develop schedule for considering the 2016/17 Annual Report 	<ul style="list-style-type: none"> • 03 /12/2018 	
Budget			
	<ul style="list-style-type: none"> • Finalise the 2019/20 inputs from bulk resource providers (and NERSA) and agree on proposed price increase. (Align 	<ul style="list-style-type: none"> • 04/12/2018 – 11/12/2018 	

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	after submission of proposed tariffs		
IDP			
January 2019	Strategies Phase (cont)		31 January 2019
	<ul style="list-style-type: none"> • IDP, Budget & PMS Operational Meeting • IDP/Budget & PMS Technical Meeting (Strategic Plan) • IDP/Budget & PMS Steering Committee (Strategic Plan) • IDP/Budget & PMS Rep. Forum (Strategic Plan) 	<ul style="list-style-type: none"> • 07/01/2019 • 17/01/2019 • 21/01/2019 • 25/01/2019 	
Budget			
	<ul style="list-style-type: none"> • Mid-Year Performance Assessment and recommend and adjustment budget, if necessary. • Incorporate priorities from the President's State of the Nation Address, National Treasury and SALGA for further budget consideration. • Review all aspects of the 2019/20 budget including any unforeseen and unavoidable expenditure in light of need for an adjustment budget. 	<ul style="list-style-type: none"> • 25/01/2019 • 23/01/2019– 25/01/2019 • 09/01/2019 – 25/01/2019 	

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
PMS			
	<ul style="list-style-type: none"> • Compilation of 2019/20 Mid-year report • Mayor tables 2017/18 annual report to council • Make public the 2017/18 annual report and invite comments from local community, submit report to Auditor-General, Provincial Treasury & CoGHSTA • Consider monthly & mid-year reports for the period ended 31 December 2018. • Review implementation of budget and service delivery plan (SDBIP), identify problems and amend or recommend appropriate amendments. Submit report to council and make public any amendments to the SDBIP by the end of January 2018 to Council the status of next three year budget, 2016/17 annual report (including AFS & audit report) and summarizes overall findings of 2016/17 annual performance report. 	<ul style="list-style-type: none"> • 01/01/2019 – 21/01/2019 • 31/01/2019 • 31/01/2019 • 31/01/2019 • 25/01/2019 • 25/01/2019 	

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
MPAC			
	<ul style="list-style-type: none"> • MPAC and Audit committee Quarterly meeting • Mid-year report and budget of council • AFS returned from A-G Matters raised by A-G. • Report on disciplinary matters related to MFMA/Report on SCM • Monthly budget statement's • Report in functioning of AC. 	<ul style="list-style-type: none"> • 16-30/01/2019 	
IDP			
February 2019	Projects and Integration Phase <ul style="list-style-type: none"> • IDP, Budget & PMS Operational meeting (Projects prioritisation and Sector plans) • IDP, Budget & PMS Technical meeting (Projects prioritisation and Sector plans) • IDP, Budget & PMS Steering meeting (Projects prioritisation and Sector plans) • IDP, Budget & PMS Representative Forum 	<ul style="list-style-type: none"> • 06/02/2019 • 11/02/2019 • 15/02/2019 • 23/02/2019 	28 February 2019

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	(Projects prioritisation and Sector plans).		
Budget			
	<ul style="list-style-type: none"> Incorporate directives from the National budget and Provincial and National allocations to municipalities into budget. Finalise the ANNUAL 2019/20 detailed operating & capital budgets in the prescribed formats incorporating National and Provincial budget allocations, integrate and align to IDP documentation and ANNUAL SDBIP, finalise budget policies including tariff policy. Tabling and approval of an adjustments budget (if necessary) 	<ul style="list-style-type: none"> 05/02/2019 – 28/02/2019 05/03/2019 12/02/2019 28/02/2019 	
PMS			
	<ul style="list-style-type: none"> Individual Performance Assessments 2019/20 Mid-year Place 2017/18 annual report on the municipal website Mayoral Imbizo 	<ul style="list-style-type: none"> 04/02/2019 - 22/02/2019 04/02/2019 04/02/2019 – 15/02/2019 	
MPAC			

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	<ul style="list-style-type: none"> Considering the 2016/17 annual report MPAC/AG meeting Consider the 2017/18 Mid-Year Report Monthly budget statements Visit projects Public Hearing on 2017/18 Mid- Year report Visit to Scopa 	<ul style="list-style-type: none"> 08/02/2019 15/02/2019 18/02/2019 26/02/2019 28/02/2019 	
IDP			
March 2019	Approval Phase (ANNUAL IDP)		31 March 2019
	<ul style="list-style-type: none"> IDP, Budget & PMS operational meeting (ANNUAL 2019/20 IDP, Budget & PMS) IDP, Budget & PMS Technical meeting (ANNUAL 2019/20 IDP, Budget & PMS) IDP, Budget & PMS Steering meeting (ANNUAL 2019/20 IDP, Budget & PMS) IDP, Budget & PMS Representative Forum (ANNUAL 2019/20 IDP, Budget & PMS) Mayor table ANNUAL IDP, 	<ul style="list-style-type: none"> 05/03/2019 08/03/2019 (14h00) 11/03/2019 15/03/2019 28/03/2019 	

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	Budget & PMS for adoption by Council. <ul style="list-style-type: none"> • Publication of the IDP, Budget & PMS Public Participation schedule 	<ul style="list-style-type: none"> • 28/03/2019 	
Budget			
	<ul style="list-style-type: none"> • Consolidation of ANNUAL 2019/20 annual budget. • Incorporate changes in prices for bulk resources and finalise tariff proposals for all charges. • Distribute all budget documentation prior to meeting at which budget is to be tabled. • Table in Council the 2019/20 annual budget & all supporting documents. • Submit the 2019/20 approved adjustments budget to the Provincial & National Treasury & any other affected organ of state (10 days after approval.) 	<ul style="list-style-type: none"> • 05/03/2019 • 12/03/2019 • 19/03/2019 – 26/03/2019 • 29/03/2019 • 14/03/2019 	
PMS			
	<ul style="list-style-type: none"> • Compile Individual performance assessment report (2019/20 Mid -Year Quarter) 	<ul style="list-style-type: none"> • 14/03/2019 • 29/03/2019 	

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	<ul style="list-style-type: none"> • Council adopts the 2017/18 annual report with the comments of the oversight committee. • Submit ANNUAL 2019/20 SDBIP to the Mayor • Submit ANNUAL 2019/20 annual performance agreements to the Mayor 	<ul style="list-style-type: none"> • 28/03/2019 • 28/03/2019 	
MPAC			
	<ul style="list-style-type: none"> • Public hearing on the 2017/18 Annual Report • District forum meeting • Oversight report preparation • Monthly budget statements • Submit Oversight Report and Annual Report to Council 	<ul style="list-style-type: none"> • 20/03/2019 • 15/03/2019 • 25-26 /03/2019 • 29/03/2019 	
IDP			
April 2019	Approval Phase (ANNUAL IDP cont) <ul style="list-style-type: none"> • Consultations on tabled ANNUAL 2019/20 IDP, Budget & PMS 	<ul style="list-style-type: none"> • 01/04/2019 – 30/04/2019 	30 April 2019
Budget			
	<ul style="list-style-type: none"> • Make public the 2019/20 tabled annual budget & 	<ul style="list-style-type: none"> • 11/04/2018 – 25/04/2019 	

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	<p>accompanying budget documentation, invite the community to submit representations and submit to Provincial & National Treasury and other affected organs of state.</p> <ul style="list-style-type: none"> • Consultation on tabled budget, publicise and conduct public hearings and meetings within wards. 	<ul style="list-style-type: none"> • 11/04/2019 –25/04/2019 	
PMS			
	<ul style="list-style-type: none"> • Submit the 2017/18 Annual Report & Oversight Report to Provincial Treasury, CoGHSTA, AG and Legislature. • Make public the 2017/18 oversight report • Submission of third quarter departmental performance report 	<ul style="list-style-type: none"> • 11/04/2019 • 11/04/2019 • 11/04/2019 	
MPAC			
	<ul style="list-style-type: none"> • Oversight report made public • Consider the 2017/18 ANNUAL SDBIP for third quarter • Report on SCM • Report on disciplinary matters 	<ul style="list-style-type: none"> • 01-24/04/2019 	

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	related to MFMA <ul style="list-style-type: none"> • Monthly budget statements • MPAC and Audit committee Quarterly meeting 	<ul style="list-style-type: none"> • 26/04/2019 	
IDP			
May 2019	Approval Phase (Final IDP) <ul style="list-style-type: none"> • IDP, Budget & PMS Operational Teams (Analysis & integration of public comments) • IDP, Budget & PMS Technical meeting (Analysis & integration of public comments) • IDP, Budget & PMS Steering meeting (analysis & integration of public comments) • IDP, Budget & PMS Representative meeting (analysis & integration of public comments) • Mayor tables Final 2019/20 IDP, Budget & PMS for final approval/adoption 	<ul style="list-style-type: none"> • 06/05/2019 • 09/05/2019 • 13/05/2019 • 16/05/2019 • 30/05/2019 	31 May 2019
Budget			

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	<ul style="list-style-type: none"> Consider the views of the community and other stakeholders on the 2019/20 budget. Respond to submissions received & if necessary revise the budget and table amendments for council consideration. 	<ul style="list-style-type: none"> 16/05/2019– 17/05/2019 15/05/2019 – 17/05/2019 	
PMS			
	<ul style="list-style-type: none"> Approve the 2019/20 SDBIP-final date under legislation 28 July 2019 	<ul style="list-style-type: none"> 31/05/2019 	
MPAC			
	<ul style="list-style-type: none"> MPAC Technical committee meeting. MPAC District forum meeting Consider the ANNUAL IDP, Budget and PMS Consider third Quarter report Monthly budget statements Probing and public hearing on third Quarter Institutional Performance Report. 	<ul style="list-style-type: none"> 10/05/2019 24/5/2019 27/05/2019 	
IDP			
June 2019	<ul style="list-style-type: none"> Public Notice on the adoption of IDP, Budget & PMS Submission of the Final 	<ul style="list-style-type: none"> 14/06/2019 14/06/2019 	30 June 2019

Month	Activity	Time-frame	
		Ba-Phalaborwa Municipality	Mopani District Municipality
	Approved IDP to the MEC for Local Government & Housing		
Budget			
	<ul style="list-style-type: none"> Submit approved IDP/Budget to National & Provincial Treasury, CoGHSTA and District (10 working days after approval) 	<ul style="list-style-type: none"> 15/06/2019 	
MPAC			
	<ul style="list-style-type: none"> Monthly budget statements Consider the alignment of final IDP, Budget, PMS and MPAC Work Programme District forum meeting 	<ul style="list-style-type: none"> 4-7/6/2019 21/6/2019 	

6. OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH INTEGRATED DEVELOPMENT PLAN

6.1 VISION OF THE MUNICIPALITY

The vision was therefore revised as follows:

“Provision Of Quality Services For Community Well-Being And Tourism Development”

6.2 FIVE YEAR STRATEGIC FOCUS AREA

Good governance and institutional excellence: The learning and growth perspective entails skills development and capacitating of employees. Employees are the foundation of the municipality; if employees are skilled and capacitated they will improve the ways they work and both service delivery and individual performance will improve. This perspective will also include leadership, financial and management training. This objective will address NSDP priority area "Effective administration and governance structure."

Provide, maintain and upgrade municipal assets and services: The core function of the municipality is to provide access to services. Ba-Phalaborwa experiences the following challenges as mentioned under the binding constraints in the strategic alignment and which is directly linked to the NSDP and PGDS: Infrastructure development, poor maintenance plans and infrastructure development plans. If these are not addressed, the municipality will not be able to provide sustainable services to the community and investment and economic growth in the municipal area will be challenged. The infrastructure master plan such as Electricity, roads and water master plans to be developed as a matter of urgency to unlock gaps of the challenges of the infrastructure.

Environmental sustainability: PGDS strategic objective deals with environmental sustainability and climate change. A priority mentioned in the PGDS is that all municipalities have to have environmental management plans. Also mentioned are waste management plans, recycling of waste and water and alternative energy plan. Ba-Phalaborwa plays a leading role in the achievement of this objective as mentioned under NSDP and PGDS priorities.

Develop effective and sustainable stakeholder relationships and partnerships: With the small revenue base it is crucial that partnerships be formed and stakeholder relationships built to ensure cooperation and development of Ba-Phalaborwa and its community. Ba-Phalaborwa has established strategic relationships with the mines, Phalaborwa Foundation and DBSA. Stakeholder management, however, is not structured.

Facilitate local economic growth and provide for mobility and access: The best way to alleviate poverty, curb unemployment and address social problems is to ensure that there are enough jobs so that everybody in the community can earn a living. Ba-Phalaborwa has various projects and initiatives to alleviate poverty and stimulate economic growth. Ba-Phalaborwa's location has established it as developmental and economic nodes in tourism, mining, agriculture and a service node.

Become financially viable: To be sustainable, it is necessary for the municipality to increase its revenue base through expanding its collection points, partnership and investment in the area. Again, investment will only be achieved if the necessary infrastructure is provided and therefore maintenance, upgrading and replacement of infrastructure is of utmost importance for the municipality.

Ensure community well-being; Community well-being does not only have to do with provision of services, but also deals with priorities such as HIV/Aids, education, health, safety and security and literacy. Ba-Phalaborwa strives, together with its stakeholders and partnerships to achieve on all these priorities to ensure healthy and sustained community.

6.3 ALIGNMENT OF IDP WITH NATIONAL AND PROVINCIAL GOVERNMENT

Cluster	PERSPECTIVE	MTSF	COGTA	MTAS	LEGDP (PGDS)	OUTCOME 9	COGTA BUSINESS PLAN 2010/2011	STRATEGIC AGENDA KPA	NATIONAL DEVELOPMENT PLAN	BA-PHALABORWA
Economic	Financial	1. Speed up economic growth and transform the economy to create decent work and sustainable livelihoods.			1. Ensuring more inclusive economic growth, decent work and sustainable livelihoods	3. Implement the community work programme and cooperatives supported	1: Contribute to building a Developmental State in National, Provincial and Local Government that is efficient, effective and responsive (Enhance the municipal contribution to job creation and sustainable livelihoods through Local Economic Development)	Local Economic Development	An economy that will create more jobs An inclusive and integrated rural economy	Promotion of the local economy
Social Infrastructure	Community Satisfaction	5. Improve the health profile of society	5. Fostering Development Partnerships, Social Cohesion and community mobilisation	5. Strengthen partnerships between local government, communities and civil society	4. Access to quality education			Basic Service Delivery	Improving the quality of education, training and innovation	Integrate social development and services for sustainability
Social Infrastructure	Community Satisfaction				5. Improved health care			Basic Service Delivery	Quality health care for all	Integrate social development and services for

Cluster	PERSPECTIVE	MTSF	COGTA	MTAS	LEGDP (PGDS)	OUTCOME 9	COGTA BUSINESS PLAN 2010/2011	STRATEGIC AGENDA KPA	NATIONAL DEVELOPMENT PLAN	BA-PHALABORWA
										sustainability
Social Infrastructure	Community Satisfaction	6. Intensify the fight against crime and corruption			6. Fighting crime and corruption			Basic Service Delivery	Fighting corruption	Integrate social development and services for sustainability
Social Infrastructure	Community Satisfaction	7. Building of cohesive, caring and sustainable communities			8. Cohesive and sustained communities			Basic Service Delivery	An inclusive and integrated rural economy Transforming society and uniting the country	Integrate social development and services for sustainability
Social Infrastructure	Community Satisfaction		3. Accelerating service delivery and supporting the vulnerable		3. Rural development, food security and land reform			Basic Service Delivery	An inclusive and integrated rural economy	Provision of sustainable integrated infrastructure and services

Cluster	PERSPECTIVE	MTSF	COGTA	MTAS	LEGDP (PGDS)	OUTCOME 9	COGTA BUSINESS PLAN 2010/2011	STRATEGIC AGENDA KPA	NATIONAL DEVELOPMENT PLAN	BA-PHALABORWA
Technical Infrastructure	Institutional Processes		3. Accelerating service delivery and supporting the vulnerable			2. Improved access to basic services	3. Accelerating service delivery & supporting the vulnerable (Improve quantity & quality of municipal basic services to people in areas of access to water, sanitation, electricity, waste management, roads & disaster management)	Basic Service Delivery	Improving infrastructure	Provision of sustainable integrated infrastructure and services
Technical Infrastructure	Institutional Processes	2. Massive programmes to build economic and social infrastructure		1. Ensure that municipalities meet the basic needs of communities		1. Implement a differentiated approach to municipal financing, planning and support (Outcome 2 and 3)	1: Contribute to building a Developmental State in National, Provincial and Local Government (Implement a differentiated approach to municipal financing, planning and support)	Basic Service Delivery	Reforming public service Improving infrastructure	Provision of sustainable integrated infrastructure and services
Technical Infrastructure	Institutional Processes		3. Accelerating service delivery		2. Provision of economic and social infrastructure			Basic Service Delivery	Improving infrastructure	Provision of sustainable integrated

Cluster	PERSPECTIVE	MTSF	COGTA	MTAS	LEGDP (PGDS)	OUTCOME 9	COGTA BUSINESS PLAN 2010/2011	STRATEGIC AGENDA KPA	NATIONAL DEVELOPMENT PLAN	BA-PHALABORWA
			and supporting the vulnerable							d infrastructure and services
Technical Infrastructure	Institutional Processes	3. Comprehensive rural development strategy linked to land and agrarian reform and food security						Basic Service Delivery	Improving infrastructure An inclusive and integrated rural economy	Provision of sustainable integrated infrastructure and services
Technical Infrastructure	Institutional Processes	9. Sustainable resource management and use			9. Sustainable resource management and use			Basic Service Delivery	Transition to a low-carbon economy	Sustain the environment
Governance and Administration	Institutional Processes					6: Improved municipal financial and administrative capacity	2: Strengthen Accountability and Clean Government (Develop a coherent and cohesive system of governance and a more equitable intergovernmental fiscal system)	Municipal Financial Viability and Management	Reforming the public service	Improve financial viability
Governance and Administration	Institutional Processes		4. Improving the Developmental Capability of the Institution			5. Deepened democracy through a refined ward committee model	3: Accelerating Service Delivery and supporting the Vulnerable (Deepen	Good Governance and Public Participation	Reforming the public service	Good Corporate governance and Public Participation

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Cluster	PERSPECTIVE	MTSF	COGTA	MTAS	LEGDP (PGDS)	OUTCOME 9	COGTA BUSINESS PLAN 2010/2011	STRATEGIC AGENDA KPA	NATIONAL DEVELOPMENT PLAN	BA-PHALABORWA
			on of Traditional Leadership.				democracy through a refined ward committee model)			
Governance and Administration	Institutional Processes	3. Comprehensive rural development strategy linked to land and agrarian reform and food security			3. Rural development, food security and land reform	4. Actions supportive of human settlement outcomes	1: Contribute to building a Developmental State in National, Provincial and Local Government that is efficient, effective and responsive (Ensure the development and adoption of reliable and credible integrated Development Plans)	Municipal Transformation and Organisational Development	Reversing the spatial effect of apartheid	Facilitate sustainable development
Governance and Administration	Institutional Processes	10. Building of a developmental state including improving of public services and strengthening democratic institutions	1. Building the Developmental State in Provincial and Local Government that is efficient, effective and responsive	2. Build clean, responsive and accountable local government	10. A developmental state including improvement of public services	7. Single Window of coordination	1: Contribute to building a Developmental State in National, Provincial and Local Government (Create a single window of coordination for the support, monitoring and intervention	Good Governance and Public Participation	Reforming the public service	Good Corporate governance and Public Participation

Cluster	PERSPECTIVE	MTSF	COGTA	MTAS	LEGDP (PGDS)	OUTCOME 9	COGTA BUSINESS PLAN 2010/2011	STRATEGIC AGENDA KPA	NATIONAL DEVELOPMENT PLAN	BA-PHALABORWA
							in municipalities)			
Governance and Administration	Institutional Processes		2. Strengthen Accountability and Clean Government	3. Improve functionality, performance and professionalism in municipalities	9. Sustainable resource management and use	6. Improved administrative capacity	1: Contribute to building a Developmental State in National, Provincial and Local Government (Develop and strengthen a politically and administratively stable system of municipalities)	Good Governance and Public Participation	Reforming the public service	Good Corporate governance and Public Participation
Governance and Administration	Institutional Processes						2: Strengthen Accountability and Clean Government (Build and strengthen the administrative, institutional and financial capabilities of municipalities)	Good Governance and Public Participation Municipal Transformation and Organisational Development	Reforming the public service	Attract, develop and retain best human capital

Cluster	PERSPECTIVE	MTSF	COGTA	MTAS	LEGDP (PGDS)	OUTCOME 9	COGTA BUSINESS PLAN 2010/2011	STRATEGIC AGENDA KPA	NATIONAL DEVELOPMENT PLAN	BA-PHALABORWA
Governance and Administration	Institutional Processes						2: Strengthen Accountability and Clean Government (Develop a coherent and cohesive system of governance and a more equitable intergovernmental fiscal system)	Good Governance and Public Participation	Reforming the public service	Good Corporate governance and Public Participation
Governance and Administration	Institutional Processes						2: Strengthen Accountability and Clean Government (Restore the institutional integrity of municipalities)	Municipal Transformation and Organisational Development	Reforming the public service	Attract, develop and retain best human capital
Governance and Administration	Institutional Processes			4.Improve national and provincial policy, support and oversight to local government					Reforming the public service	Good Corporate governance and Public Participation

Cluster	PERSPECTIVE	MTSF	COGTA	MTAS	LEGDP (PGDS)	OUTCOME 9	COGTA BUSINESS PLAN 2010/2011	STRATEGIC AGENDA KPA	NATIONAL DEVELOPMENT PLAN	BA-PHALABORWA
Governance and Administration	Institutional Processes	6. Intensify the fight against crime and corruption			6. Fighting crime and corruption		2: Strengthen Accountability and Clean Government (Uproot fraud, corruption, nepotism and all forms of maladministration affecting local government)	Good Governance and Public Participation	Fighting corruption	Advance good corporate governance
Governance and Administration	Institutional Processes	8. Pursuing African advancement and enhanced international cooperation			8. Creation of a better Africa and a better world				Reforming the public service	Advance good corporate governance
Governance and Administration	Learning and Growth	4. Strengthening of skills and human resource base						Municipal Transformation and Organisational Development	Reforming the public service	Attract, develop and retain best human capital

7. MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

7.1 Key Financial Indicators and ratios

LIM334 Ba-Phalaborwa - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<u>Borrowing Management</u>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	2,1%	1,9%	0,0%	0,1%	-135,5%	0,1%	0,1%	2,0%	2,1%	2,1%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	2,7%	4,7%	0,0%	0,2%	-20,0%	0,1%	0,1%	2,7%	2,8%	2,9%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	0,0%	359,1%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	1,5	1,6	1,4	6,1	-	6,1	6,1	7,3	7,6	7,9
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1,5	1,6	1,4	6,1	-	6,1	6,1	7,3	7,6	7,9
Liquidity Ratio	Monetary Assets/Current Liabilities	0,0	0,1	0,0	0,1	-	0,1	0,1	0,1	0,1	0,1
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12		100,1%	100,0%	35,2%	84,5%	0,0%	84,5%	84,5%	52,1%	50,9%

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	Mths Billing										
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		100,1%	100,0%	62,5%	84,5%	0,0%	84,5%	84,5%	52,1%	50,9%	100,0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	25,4%	24801,8%	9968,2%	29,7%	0,0%	29,6%	29,6%	76820,3%	76642,7%	76266,1%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA's 65(e))										
Creditors to Cash and Investments		3291,2%	1619787,1%	3444588,3%	468,4%	0,0%	350,0%	350,0%	363707,6%	273906,7%	47969,6%
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW)										
	Total Cost of Losses (Rand '000)										
Water Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated										
	Total Volume Losses (kℓ)										
Employee costs	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Employee costs	Employee costs/(Total Revenue - capital revenue)	25,8%	33,8%	33,2%	29,2%	-147,5%	28,8%	28,8%	28,9%	29,2%	29,4%

Remuneration	Total remuneration/(Total Revenue - capital revenue)	29,5%	0,0%	34,5%	32,4%	-60,4%	32,2%		32,0%	32,3%	32,4%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0,7%	0,0%	0,0%	4,1%	0,0%	4,1%		4,1%	4,1%	0,0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	14,0%	28,3%	15,0%	14,1%	-17,4%	14,0%	14,0%	13,9%	13,8%	13,8%
<u>IDP regulation financial viability indicators</u>											
i. Debt coverage	-(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	30,1	116,8	9,7	377,1	377,1	377,1	11,7	4,7	4,9	5,1
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	65,9%	44313,7%	20448,6%	53,9%	0,0%	53,9%	53,9%	140165,7%	139279,4%	138392,3%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	0,4	0,5	0,3	0,7	(279,6)	0,9	0,9	0,9	1,2	6,3

7.2 Measurable Performance Objectives and Indicators

LIM334 Ba-Phalaborwa - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	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
Vote 1 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
<i>Tambo Street Paving Phase 2</i>					5 117	4 278	4 278	500	21 000	
Tshelang Gape to R71 Upgrading of Street					5 415	11 204	11 204	R 8 001 098.26	-	
Sub-function 2 - (name)										
<i>Benfarm Street Paving</i>	Kilometres				6 149	6 449	6 449		-	
Construction of Selwane Sports Complex					12 684	22 434	22 434	R 14 611 299.58	-	
Sub-function 3 - (name)										
<i>Installation of Remote control in Sub-station</i>	MV				3 000	3 000	3 000	4 000	-	
PURCHASE OF TRACTOR					1 000	-	-	1 000	-	
Function 2 - (name)										
Sub-function 1 - (name)										
<i>Upgrading of Chamber & Activity Hall</i>	rands				1 000	1 000	1 000	1 000	-	
Office Furniture and Equipment					500	500	500	500	-	
Sub-function 2 - (name)										
UPGRADING OF ICT INFRASTRUCTURE	Rands				1 850	1 850	1 850	1 850	-	
Sub-function 3 - (name)										
Mashishimale sports complex	Number				450	950	950	950	-	
Namakgale Stadium	Kilometres				-	-	-	R 4 423 601.74	-	
	Kilometres				500	500	500	2 889	11 001	

8. OVERVIEW OF BUDGET-RELATED POLICIES

The following policies has been reviewed and adopted with this budget for implementation as from July 2019

Tariff Policy

- The Tariff Policy was reviewed in line with relevant legislation and adopted with this budget for implementation as from July 2019

Property Rates Policy

- A policy in line with Local Government: Municipal Property Rates Act, Act No. 6 of 2004 was reviewed to take into consideration requirements of Gazette to ensure the implementation of the new property rates act and is adopted with this budget for implementation.

Budget Policy

- A budget policy in line with relevant legislation was reviewed and is adopted with this budget for implementation as from July 2019.

Asset Management Policy

- A policy in line with relevant legislation is reviewed and adopted with this annual budget for implementation as July 2019.

Supply chain management policy

- The supply chain management policy in line with relevant legislation was reviewed and is adopted with this budget for implementation as from July 2019.

Indigent Household Consumer Policy

- The Indigent and household Consumer policy in line with relevant legislation was reviewed and is adopted with this budget for implementation as from July 2019. The approved indigent register will be in force as from 1st July 2019.

Credit Control, Debt Collection and Consumer Care Policy

- Credit Control and Debt Collection Policy of the municipality was reviewed to take into account relevant legislation and developments in court findings and orders during the year. The policy also covers Consumer Care principles. The policy is adopted with this budget for implementation from July 2019

Investment Policy

- The municipality was reviewing an Investment Policy to ensure proper cash management and investment in line with relevant legislation and the policy and is adopted with this budget for implementation. The policy will be implemented after adopting procedure manuals for implementation from July 2019.

Virement Policy

- Virement policy was reviewed by the municipality in line with legislation to ensure that the process of this policy is implemented, to enable budget managers to amend budgets in the light of experience or to reflect anticipated changes.

Petty Cash Policy

- The municipality reviewed the petty cash policy in line with relevant legislation and policy so that it may be able to improve the efficiency of departmental operations especially for purchases of minor items.

Bad Debt Write Off

- Bad debt write off policy was reviewed by the municipality in line with legislation and policy to ensure that the whole credit control and debt collection process have been followed in terms of trying to obtain payment due to council by customer, taking into account developments of legislation governing financial management in local government as well as accounting standards.

Deposit Policy

- Deposit policy reviewed in order for municipality council in line with legislation to amend any clause, stipulation or tariff embodied in the policy in the interest of the parties concerned.

Fleet Management Policy

- Municipality reviewed this policy in line with legislation to regulate the use of official Municipal vehicles and to ensure that they are used in a safe and efficient manner in order to minimize accidents and abuse of vehicles.

Electricity Supply by-laws

- Electricity supply by-laws was reviewed by the municipality in line with legislation so that only the service provider shall supply or contract for the supply of electricity within the jurisdiction of the Service Authority.

Land Use by-laws

- Municipality reviewed the policy in line with legislation so that there is no intrusion over municipal property, or property which the Council has control over or other property in respect of which a servitude or other property right has been registered in favour of the Council.

Subsistence and Traveling Policy

- This policy was reviewed in line with legislation by municipality to sets out the basis for the payment of a subsistence and travel allowance for the purposes of such official who travel from time to time to establish and maintain links and relationships with other municipalities, government bodies, and other parties, institutions and organizations operating in the sphere of local government so that they can broaden their knowledge and understanding.

Inventory management Policy

The policy aims to achieve the following objectives which are to:-

- Provide guidelines that employees of the Municipality must follow in the management and control of inventory, including safeguarding and disposal of inventory.
- Procure inventory in line with the established procurement principles contained in the Municipality's Supply Chain Management Policy. Eliminate any potential misuse of inventory and possible theft
- To lay down procedures and processes for the procurement management and control over inventory (stock) items in accordance with all relevant regulations and legislations and other policies and directives.

The envisaged outcome is an efficient and effective control and inventory management tool for the Municipality.

9. OVERVIEW OF BUDGET ASSUMPTIONS

External factors

The following factors were taken consideration and assumption when compiling 2019/20 budget to ensure that the budget is meaningful and easy to understand during the calculation of estimated revenues and expenditures:

- Division of Revenue Bill, 2019
- Domestic outlook
- Population growth
- Risks to the global outlook
- National target in new growth path to create jobs over the next decade
- Sound macroeconomic policy enables the Country to fund social and economic priorities
- Anticipated salary increases
- Demand for services provision on free basic services
- Rates - Tariffs, charges and timing of revenue collection
- Sustainability - Consumer affordability to services municipal services
- Interest rate

Internal factors

KEY FINANCIAL TARGETS

The following assumptions were considered on compilation of 2019/20 budget on revenues: The multi - year budget is underpinned by the following key financial target assumptions:

- Increasing/ maximizing revenue collection on outstanding debtors

- Full implementation of credit control policy and intensifying debt collection
- Revision of cemetery tariffs and other minor sources of income such as building plans
- Improvement on billing system by means of ensuring correctness of meter readings
- Customer education
- Improvement on public participation
- Tariff increase ,
- Macro Growth factor indicator
- Capital Charges
- Total expenditure increases allowed
- Increase in repairs and maintenance.

There are several sources of information gathered during the compilation of 2019/20 budget:

- Ba-Phalaborwa Intergrated Development Plan
- mSCOA circulars
- Treasury circulars 94,91,89,86,85,82,75, 74, 72, 70, 67,66, 59, 58, 55, 54, 51 and 48
- Statistics SA guidelines on economic indicators
- Financial management system and departmental budget inputs submitted
- Consumer/ Customers surveys on services

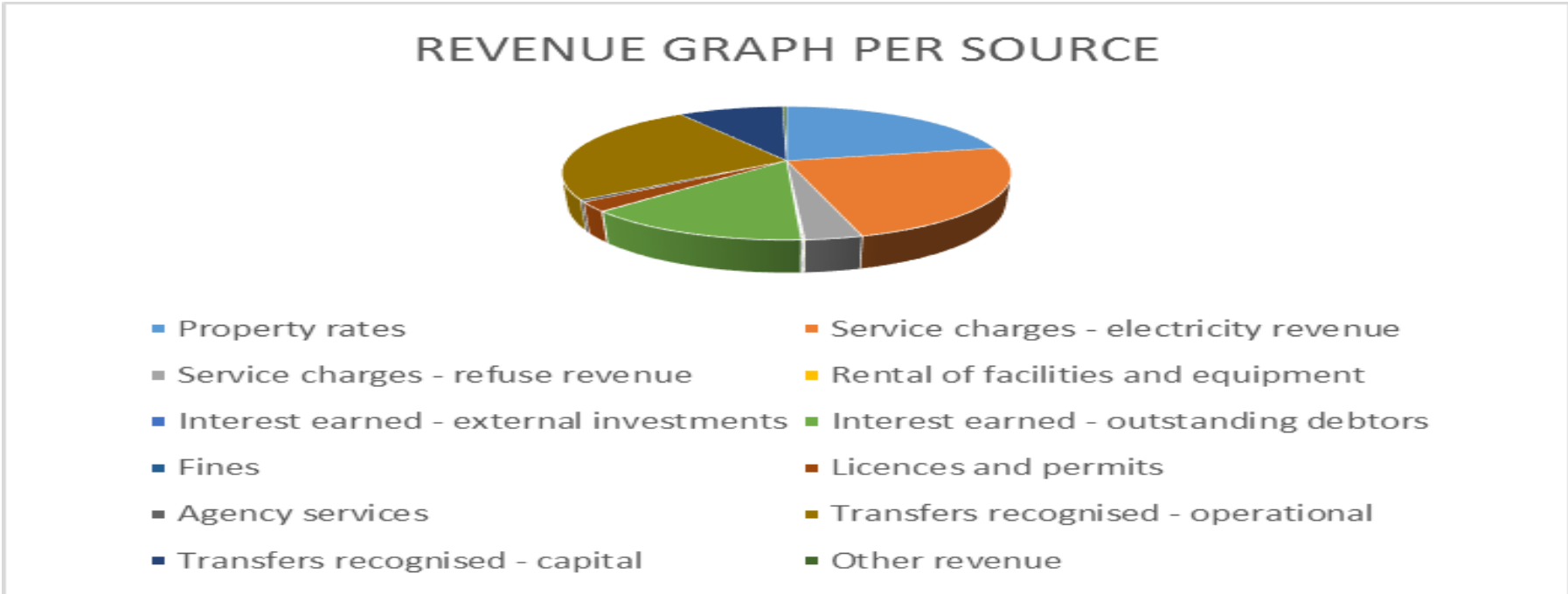
10. OVERVIEW OF BUDGET FUNDING

10.1 REVENUE AND FINANCING ACTIVITIES

R thousands	Budget 2018/19	Revised Budget 2018/19	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue By Source					
Property rates	132 629	132 629	139 526	147 060	155 002
Service charges - electricity revenue	130 699	130 699	139 639	149 190	159 395
Service charges - refuse revenue	19 079	19 079	20 071	21 155	22 297
Rental of facilities and equipment	527	527	554	584	615
Interest earned - external investments	1 093	2 093	2 202	2 321	2 446
Interest earned - outstanding debtors	75 334	75 334	70 034	70 034	70 034
Fines	474	474	499	526	554
Licences and permits	12 475	12 475	13 124	13 833	14 580
Agency services	2 844	2 844	2 992	3 154	3 324
Transfers recognised - operational	137 272	137 419	156 352	167 724	181 422
Transfers recognised - capital	–	–	–	–	–
Other revenue	1 899	1 899	2 000	2 287	2 410
Total Revenue	514 326	515 473	546 994	577 867	612 080

- The table above illustrate the summaries of revenue and financing activities. The estimated revenue is at R546,9 million excluding capital grants
- Equitable share allocation as per Division of Revenue 2019
- Highlights of operational grants as per Division of Revenue

Graphically Revenur per source:



10.2.1 Grants and subsidies as per Division of Revenue 2019

LIM334 Ba-Phalaborwa - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
RECEIPTS:	1, 2									
-										
Operating Transfers and Grants										
National Government:		88 490	113 286	123 537	137 272	137 419	137 419	156 352	167 724	181 422
Local Government Equitable Share		83 256	110 235	120 392	132 485	132 485	132 485	150 929	162 929	176 246
Finance Management		1 600	1 810	2 145	2 215	2 215	2 215	2 680	3 112	3 376
EPWP Incentive		1 212	1 000	1 000	1 000	1 000	1 000	1 142		
Operating Grant: MIG (5% of MIG Grants for PMU)		1 488		-	1 572	1 572	1 572	1 601	1 683	1 800
Energy Efficiency and Demand Management					-	148	148			
Municipal Systems Improvement		934								
Other transfers/grants [insert description]			241							
Provincial Government:		-	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Operating Transfers and Grants	5	88 490	113 286	123 537	137 272	137 419	137 419	156 352	167 724	181 422
Capital Transfers and Grants										
National Government:		37 279	30 568	-	29 865	51 059	51 059	37 425	41 475	44 226

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Municipal Infrastructure Grant (MIG) INEP		28 279 9 000	30 568		29 865	44 865 6 194	44 865 6 194	30 425 7 000	31 975 9 500	34 204 10 022
Other capital transfers/grants [insert desc]										
Provincial Government: Other capital transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality: [insert description]		-	-	-	-	-	-	-	-	-
Other grant providers: [insert description]		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	37 279	30 568	-	29 865	51 059	51 059	37 425	41 475	44 226
TOTAL RECEIPTS OF TRANSFERS & GRANTS		125 769	143 854	123 537	167 137	188 478	188 478	193 777	209 199	225 648

- Equitable share has increased from 2018 Division of Revenue - R132,5 million to R150,9 million in 2019
- Financial Management grant also increased from 2019 Division of Revenue - R2.2 million to R2.6 million
- Municipal Infrastructure grant as per Division of Revenue is R32. million in 2019.
- Expanded public works Grant of R1.1 million as per Division of Revenue 2019
- Intergrated National Electrification Programme Grant is R7 million in 2019

Allocation of Expenditure per standard item

R thousands	Budget 2018/19	Revised Budget 2018/19	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<u>Expenditure By Type</u>					
Employee related costs	149 973	148 280	158 214	168 736	179 957
Remuneration of councillors	16 684	17 684	18 868	20 123	21 461
Debt impairment	38 602	38 602	33 338	33 348	33 357
Depreciation & asset impairment	71 633	71 633	75 358	79 427	83 717
Finance charges	745	545	575	606	639
Bulk purchases	96 000	96 000	100 992	106 446	112 194
Contracted services	48 511	48 786	51 140	52 665	55 431
Other expenditure	92 174	92 940	97 707	101 780	107 276
Total Expenditure	514 322	514 469	536 194	563 131	594 031
Surplus	4	1 004	10 800	14 736	18 049

- The estimated operational expenditure as per standard item is R536,1 million for the financial year 2019/20
- Included on the expenditure per standard item is the depreciation and impairment of assets at an estimated value of R108,6 million
- Employee related costs for entire staff members exclusive of councillors is estimated at R158,2 million in 2019/20 financial year

Summary of operating expenditure by standard classification item

Employee Related Costs

- The budgeted allocation for employee related costs for the 2019/20 financial year totals R158,2 million which equals 28 per cent of the total operating expenditure. Salary increases have been factored into this budget at a percentage increase of 7.1 per cent for the 2019/20 financial year as per latest circular 94.

Remuneration of councilors

- The cost associated with the remuneration of councilors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). For the 2019/20 financial year the remuneration of councilors will amount to R18,8 million. It is equal to 3,5 per cent of the operating expenditure.

Debt impairment

- The provision of debt impairment was determined based on an current collection rate and Debt Write-off Policy of the municipality. While this expenditure is considered to be a non-cash flow item, it is informed by the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues and equals to 8 per cent of the operating expenditure.

Depreciation and asset impairment

- Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Budget appropriations in this regard total R75,3 million for the 2019/20 financial and equates to 14 per cent of the total operating expenditure. Note that the implementation of GRAP 17 accounting standard has taken into account.

Bulk Purchases

- Bulk purchases are directly informed by the purchase of electricity from Eskom. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The expenditures include distribution losses and is equal to 18,8 per cent of the operating expenditure.

Contracted Services

- In the 2019/20 financial year, this group of expenditure totals R51.1 million which equates to 9.5 percent of the total operating expenditure. For the two outer years, the projection is at R52,6 million and R55,4 million.

Other Expenditure

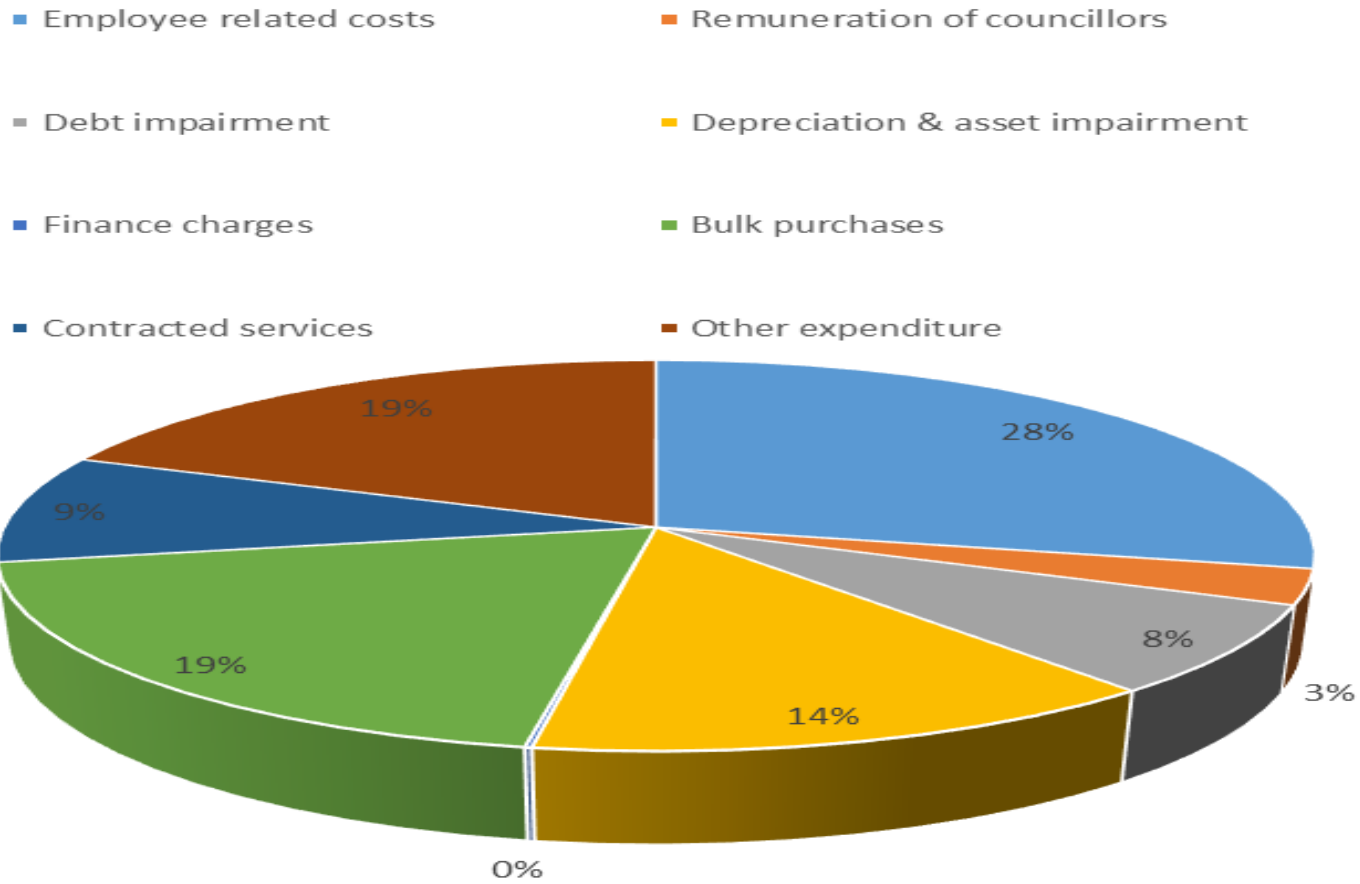
- Other expenditure comprises of various line items relating to the daily operations of the municipality, For 2019/20 financial year is estimated at R97,7 million which equates to 18.2 percent of total operational budget.

Finance Charges

- The finance charges for 2019/20 financial year is estimated to be R575 thousand which constitute 0,10 per cent of the total operating expenditure.

The following graph gives a breakdown of the main expenditure categories for the 2019/20 financial year.

OPERATIONAL BUDGET



10.2.2 ALLOCATION OF MAIN VOTE

LIM334 Ba-Phalaborwa - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue by Vote	1									
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury Department		327 917	261 001	249 326	326 377	327 377	327 377	348 344	368 453	390 126
Vote 3 - Corporate Services		533	345	1 586	682	682	682	717	756	797
Vote 4 - Community and Social Services		27 264	28 547	25 897	41 257	41 257	41 257	42 462	44 463	46 573
Vote 5 - Planning and Development		2 361	-	1 703	66	66	66	69	73	77
Vote 6 - Technical Services Department		154 883	95 066	117 903	175 810	197 151	197 151	155 402	163 944	174 319
Total Revenue by Vote	2	512 957	384 959	396 416	544 191	566 532	566 532	546 994	577 689	611 892
Expenditure by Vote to be appropriated	1									
Vote 1 - Executive and Council		46 833	13 160	49 313	54 694	54 694	54 694	58 042	61 623	65 428
Vote 2 - Budget and Treasury Department		108 315	499 293	169 398	91 670	91 670	91 670	89 523	92 882	96 443
Vote 3 - Corporate Services		38 779	-	49 805	48 753	48 753	48 753	52 231	54 924	57 780
Vote 4 - Community and Social Services		43 256	-	51 976	81 864	82 364	104 312	86 812	92 115	97 744
Vote 5 - Planning and Development		11 381	-	10 264	16 827	16 827	16 827	17 032	16 894	17 915
Vote 6 - Technical Services Department		188 146	81 354	121 761	220 513	220 161	220 161	232 553	244 338	257 991
Total Expenditure by Vote	2	436 709	593 806	452 517	514 322	514 469	536 416	536 194	562 776	593 302
Surplus/(Deficit) for the year	2	76 247	(208 848)	(56 101)	29 869	52 063	30 116	10 800	14 913	18 590

- Allocation of expenditure per main vote highlights the share per department's budget
- The directorate receiving a bigger share in terms of the main votes are Technical Services
- The least directorate receiving smaller share of budget is Planning and development

10.5 FUNDING MEASUREMENT

LIM334 Ba-Phalaborwa Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	11 069	17 037 782	7 810 485	21 468	28 729	28 729	28 729	28 349	39 573	228 286
Cash + investments at the yr end less applications - R'000	18(1)b	2	(284)	(168 667 893)	(250 729 767)	8 955	8 955	8 955	8 955	111 024 140	96 077 970	288 376 836
Cash year end/monthly employee/supplier payments	18(1)b	3	0,4	0,4	0,2	0,7	0,9	0,9	0,9	0,9	1,2	6,3
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	76 247	(298 739 042)	(130 222 375)	29 869	52 063	52 063	52 063	48 225	56 212	62 274
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	105636,9%	14,8%	(105,9%)	(6,0%)	(6,0%)	(6,0%)	(0,0%)	0,1%	0,1%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	59,2%	103,0%	51,7%	67,8%	67,8%	67,8%	67,8%	48,7%	44,0%	83,1%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	37,5%	123,7%	70,9%	13,7%	13,7%	13,7%	13,7%	11,1%	10,5%	9,9%
Capital payments % of capital expenditure	18(1)c; 19	8	146,4%	101226,6%	328016,4%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0,0%	(3889,4%)	209,1%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0,0%	0,0%	0,0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	75800,1%	(48,2%)	(99,7%)	0,0%	0,0%	0,0%	275415,9%	5,4%	5,4%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	0,4%	0,0%	0,0%	2,7%	2,7%	2,7%	2,9%	0,0%	0,0%	0,0%
Asset renewal % of capital budget	20(1)(vi)	14	0,0%	0,0%	0,0%	15,0%	9,8%	9,8%	0,0%	26,5%	11,1%	0,0%

Supporting indicators											
% incr total service charges (incl prop rates)	18(1)a		105642,9%	20,8%	(99,9%)	0,0%	0,0%	0,0%	6,0%	6,1%	6,1%
% incr Property Tax	18(1)a		130877,3%	19,3%	(99,9%)	0,0%	0,0%	0,0%	5,2%	5,4%	5,4%
% incr Service charges - electricity revenue	18(1)a		92524,9%	18,8%	(99,9%)	0,0%	0,0%	0,0%	6,8%	6,8%	6,8%
% incr Service charges - water revenue	18(1)a		0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
% incr Service charges - sanitation revenue	18(1)a		0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
% incr Service charges - refuse revenue	18(1)a		70538,6%	52,0%	(99,9%)	0,0%	0,0%	0,0%	5,2%	5,4%	5,4%
% incr in	18(1)a		0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Total billable revenue	18(1)a	176 006	186 114	224 770	282 407	282 407	282 407	282 407	299 236	317 405	336 694
Service charges		176 006	186 114	224 770	282 407	282 407	282 407	282 407	299 236	317 405	336 694
Property rates		68 106	89 202 967	106 413	132 629	132 629	132 629	132 629	139 526	147 060	155 002
Service charges - electricity revenue		94 111	87 170 562	103 550	130 699	130 699	130 699	130 699	139 639	149 190	159 395
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-
Service charges - refuse removal		13 789	9 740 537	14 806 848	19 079	19 079	19 079	19 079	20 071	21 155	22 297
Service charges - other		-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		354	354 119	656 329	527	527	527	527	554	584	615
Capital expenditure excluding capital grant funding		(4 665)	9 543	(41 319)	10 052	10 052	10 052	10 052	10 800	-	-
Cash receipts from ratepayers	18(1)a	204 060	218 767	136 282	255 000	255 000	255 000	255 000	189 148	179 502	355 767
Ratepayer & Other revenue	18(1)a	344 431	212 389	263 582	375 961	375 961	375 961	375 961	388 439	407 822	428 211
Change in consumer debtors (current and non-current)		66 855	357	446	(42 564)	(45 543)	(45 543)	(45 543)	420 049	22 690	23 916 238
		951	88 144 149	319)	600)	600)	600)	600)	860	928	
Operating and Capital Grant Revenue	18(1)a	167 887	146 284	176 993	167 137	188 478	188 478	188 478	193 777	209 199	225 648
	20(1)(vi)		640	499							
Capital expenditure - total)	35 760	38 643	16 508	39 917	61 111	61 111	61 111	48 225	41 475	44 226
Capital expenditure - renewal	20(1)(vi)	-	-	-	6 000	6 000	6 000		12 800	4 620	-
)										
Supporting benchmarks											
Growth guideline maximum		6,0%	6,0%	6,0%	6,0%	6,0%	6,0%	6,0%	6,0%	6,0%	6,0%
CPI guideline		4,3%	3,9%	4,6%	5,0%	5,0%	5,0%	5,0%	5,4%	5,6%	5,4%
DoRA operating grants total MFY											
DoRA capital grants total MFY											
Provincial operating grants											
Provincial capital grants											
District Municipality grants											
Total gazetted/advised national, provincial and district grants									-	-	-

Average annual collection rate (arrears inclusive)												
DoRA operating												
<i>List operating grants</i>												
DoRA capital												
<i>List capital grants</i>												
Trend												
Change in consumer debtors (current and non-current)			66 855	(42 564	(45 543	420 049	22 690	23 916				
			951	319)	600)	860	928	238	-	-	-	-
			88 144									
			149									
Total Operating Revenue			457 458	329 410	396 845	514 326	515 473	515 473	515 473	546 994	577 867	612 080
				102	498							
				657 931	575 275							
Total Operating Expenditure			436 709	277	017	514 322	514 469	514 469	514 469	536 194	563 131	594 031
				(328 521	(178 429							
				175)	519)							
Operating Performance Surplus/(Deficit)			20 748			4	1 004	1 004	1 004	10 800	14 736	18 049
Cash and Cash Equivalents (30 June 2012)										28 349		
Revenue												
% Increase in Total Operating Revenue				71908,9%	20,5%	(99,9%)	0,2%	0,0%	0,0%	6,1%	5,6%	5,9%
% Increase in Property Rates Revenue				130877,3%	19,3%	(99,9%)	0,0%	0,0%	0,0%	5,2%	5,4%	5,4%
% Increase in Electricity Revenue				92524,9%	18,8%	(99,9%)	0,0%	0,0%	0,0%	6,8%	6,8%	6,8%
% Increase in Property Rates & Services Charges				105642,9%	20,8%	(99,9%)	0,0%	0,0%	0,0%	6,0%	6,1%	6,1%
Expenditure												
% Increase in Total Operating Expenditure				150556,6%	(12,6%)	(99,9%)	0,0%	0,0%	0,0%	4,2%	5,0%	5,5%
% Increase in Employee Costs				103231,7%	10,8%	(99,9%)	(1,1%)	0,0%	0,0%	6,7%	6,7%	6,7%
% Increase in Electricity Bulk Purchases				109011,7%	(7,8%)	(99,9%)	0,0%	0,0%	0,0%	5,2%	5,4%	5,4%
Average Cost Per Budgeted Employee Position (Remuneration)					316316560	208875,82				240813,50		
					,7	84				08		
					388240540	450909,71				509958,57		
					,5	8				71		
Average Cost Per Councillor (Remuneration)												
R&M % of PPE			0,4%	0,0%	0,0%	2,7%	2,7%	2,7%		0,0%	0,0%	0,0%
Asset Renewal and R&M as a % of PPE			0,0%	0,0%	0,0%	3,0%	3,0%	3,0%		4,0%	3,0%	0,0%
Debt Impairment % of Total Billable Revenue			37,5%	123,7%	70,9%	13,7%	13,7%	13,7%	13,7%	11,1%	10,5%	9,9%
Capital Revenue												
Internally Funded & Other (R'000)			11 943	6 948	2 869	10 052	10 052	10 052	10 052	10 800	-	-

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Borrowing (R'000)			–	2 595	–	–	–	–	–	–	–	
Grant Funding and Other (R'000)			40 425	29 100	57 826	29 865	51 059	51 059	51 059	37 425	41 475	44 226
Internally Generated funds % of Non Grant Funding			100,0%	72,8%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	0,0%	0,0%
Borrowing % of Non Grant Funding			0,0%	27,2%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Grant Funding % of Total Funding			77,2%	75,3%	95,3%	74,8%	83,6%	83,6%	83,6%	77,6%	100,0%	100,0%
Capital Expenditure												
Total Capital Programme (R'000)			52 368	38 643	60 696	39 917	61 111	61 111	61 111	48 225	41 475	44 226
Asset Renewal			–	–	–	6 000	6 000	6 000	6 000	13 334	5 189	607
Asset Renewal % of Total Capital Expenditure			0,0%	0,0%	0,0%	15,0%	9,8%	9,8%	9,8%	27,6%	12,5%	1,4%
Cash												
Cash Receipts % of Rate Payer & Other			59,2%	103,0%	51,7%	67,8%	67,8%	67,8%	67,8%	48,7%	44,0%	83,1%
Cash Coverage Ratio			0	0	0	0	0	0	0	0	0	0
Borrowing												
Credit Rating (2009/10)										0		
Capital Charges to Operating			2,1%	2,8%	5,5%	0,1%	0,1%	0,1%	0,1%	2,0%	2,1%	2,1%
Borrowing Receipts % of Capital Expenditure			0,0%	(3889,4%)	209,1%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Reserves												
Surplus/(Deficit)			(284 344)	(168 667 893)	(250 729 767)	8 955	8 955	8 955	8 955	111 024 140	96 077 970	288 376 836
Free Services												
Free Basic Services as a % of Equitable Share			0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Free Services as a % of Operating Revenue (excl operational transfers)			0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
High Level Outcome of Funding Compliance												
Total Operating Revenue			457 458	329 410 102	396 845 498	514 326	515 473	515 473	515 473	546 994	577 867	612 080
Total Operating Expenditure			436 709	657 931 277	575 275 017	514 322	514 469	514 469	514 469	536 194	563 131	594 031
Surplus/(Deficit) Budgeted Operating Statement			20 748	#####	#####							
Surplus/(Deficit) Considering Reserves and Cash Backing			(284 344)	##	##	4	1 004	1 004	1 004	10 800	14 736	18 049
MTREF Funded (1) / Unfunded (0)			15 0	0	0	1	1	1	1	1	1	1
MTREF Funded ✓ / Unfunded ✘			15 ✘	✘	✘	✓	✓	✓	✓	✓	✓	✓

11 . EXPENDITURE ON ALLOCATIONS

Summary of Expenditure per Sub-Vote

LIM334 Ba-Phalaborwa - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue by Vote	1									
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-
1.1 - Municipal Council										
1.2 - Office of the Mayor										
1.3 - Office of the Municipal Manager										
1.4 - Strategic Planning and Performance Management										
1.4 - Strategic Planning and Performance Management										
1.5 - Internal Audit and Risk Management										
1.6 - Disaster Management										
Vote 2 - Budget and Treasury Department		327 917	261 001	249 326	326 377	327 377	327 377	348 344	368 453	390 126
2.1 - Office of the CFO										
2.2 - Financial Planning and Reporting		327 917		2 145	2 215	2 215	2 215	2 680	3 112	3 376
2.3 - Financial Control and Expenditure Management										
2.4 - Revenue and Debt Management			261 001	247 181	324 162	325 162	325 162	345 664	365 341	386 750
2.5 - Supply Chain Management and Stores										
2.6 - Asset Management										
Vote 3 - Corporate Services		533	345	1 586	682	682	682	717	756	797
3.1 - Office of the Director										
3.2 - Human Resources		533		780	155	155	155	163	172	181
3.3 - Information Technology										
3.4 - Administration			345	807	527	527	527	554	584	615

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3,5 - Legal										
3,6 -										
Vote 4 - Community and Social Services	27 264	28 547	25 897	41 257	41 257	41 257	42 462	44 463	46 573	
4.1 - Office of the Director										
4.2 - Libraries	6 092		142	148	148	148	156	164	173	
4.3 - Parks										
4.4 - Cemeteries			140	161	161	161	169	178	188	
4.5 - Traffic	3 205		2 943	300	300	300	315	332	350	
4.6 - Licensing		15 469	4 830	15 550	15 550	15 550	16 359	17 242	18 173	
4.7 - Environment Health										
4.8 - Waste Management	17 967	13 078	17 842	25 098	25 098	25 098	25 463	26 547	27 689	
Vote 5 - Planning and Development	2 361	-	1 703	66	66	66	69	73	77	
5.1 - Office of the Director										
5.2 - Economic Development	2 361									
5.3 - Town Planning			1 703	66	66	66	69	73	77	
5.4 - Strategic Planning and Performance Management										
Vote 6 - Technical Services Department	154 883	95 066	117 903	175 810	197 151	197 151	155 402	163 944	174 319	
6.1 - Office of the Director										
6.2 - Electrical Services	102 514	95 066	110 230	142 482	148 824	148 824	151 719	161 271	171 475	
6.3 - Building Section				662	662	662	699	737	777	
6.4 - Water Services					-	-				
6.5 - Waste Water Management					-	-				
6.6 - Roads and Storm Water Services	52 368		7 673	32 665	47 665	47 665	2 983	1 936	2 067	
6.7 - Project Management Unit										
6.8 - Mechanical Workshop										

Total Revenue by Vote	2	512 957	384 959	396 416	544 191	566 532	566 532	546 994	577 689	611 892
Expenditure by Vote	1									
Vote 1 - Executive and Council		46 833	13 160	49 313	54 694	54 694	54 694	58 042	61 623	65 428
1.1 - Municipal Council		46 833	13 160	14 973	16 383	16 383	16 383	17 677	18 842	20 083
1.2 - Office of the Mayor				6 341	9 724	9 724	9 724	10 317	10 931	11 581
1.3 - Office of the Municipal Manager				11 450	8 837	8 837	8 837	9 678	10 315	10 994
1.4 - Strategic Planning and Performance Management										
1.4 - Strategic Planning and Performance Management				-	17 549	17 549	17 549	18 259	19 289	20 376
1.5 - Internal Audit and Risk Management				14 865	2 200	2 200	2 200	2 110	2 247	2 394
1.6 - Disaster Management				1 685						
Vote 2 - Budget and Treasury Department		108 315	499 293	169 398	91 670	91 670	91 670	89 523	92 882	96 443
2.1 - Office of the CFO		108 315	499 293	2 032	2 579	2 579	2 579	2 737	2 915	3 104
2.2 - Financial Planning and Reporting				2 542	3 010	3 010	3 010	3 210	3 422	3 648
2.3 - Financial Control and Expenditure Management				16 616	16 850	16 850	16 850	19 552	20 666	21 844
2.4 - Revenue and Debt Management				140 735	59 169	59 169	59 169	53 339	54 528	55 787
2.5 - Supply Chain Management and Stores				4 166	6 332	6 332	6 332	6 726	7 147	7 594
2.6 - Asset Management				3 306	3 730	3 730	3 730	3 959	4 205	4 466
Vote 3 - Corporate Services		38 779	-	49 805	48 753	48 753	48 753	52 231	54 924	57 780
3.1 - Office of the Director		38 779		758	2 521	2 521	2 521	2 900	3 089	3 291
3.2 - Human Resources				15 113	17 156	17 156	17 156	18 902	19 925	21 008
3.3 - Information Technology				3 465	3 873	3 873	3 873	4 750	4 996	5 257
3.4 - Administration				23 050	17 562	17 562	17 562	18 624	19 762	20 969
3.5 - Legal				7 419	7 640	7 640	7 640	7 056	7 152	7 255
3.6 -										

Vote 4 - Community and Social Services		43 256	-	51 976	81 864	82 364	104 312	86 812	92 115	97 744
4.1 - Office of the Director		29 891		898	2 686	2 686	2 686	2 852	3 039	3 238
4.2 - Libraries				3 163	4 484	4 484	4 484	3 953	4 208	4 479
4.3 - Parks				13 429	21 947	22 447	44 395	23 635	25 048	26 546
4.4 - Cemeteries				438	1 853	1 853	1 853	1 959	2 073	2 195
4.5 - Traffic		8 674		12 220	12 283	12 283	12 283	13 261	14 114	15 023
4.6 - Licensing				5 439	15 319	15 319	15 319	16 103	17 031	18 013
4.7 - Environment Health				9 670	14 921	14 921	14 921	15 818	16 851	17 951
4.8 - Waste Management		4 691		6 718	8 371	8 371	8 371	9 232	9 751	10 300
Vote 5 - Planning and Development		11 381	-	10 264	16 827	16 827	16 827	17 032	16 894	17 915
5.1 - Office of the Director		11 381		1 690	2 033	2 033	2 033	2 166	2 307	2 457
5.2 - Economic Development				4 164	5 225	5 225	5 225	5 556	5 909	6 284
5.3 - Town Planning				2 905	6 645	6 645	6 645	6 201	5 371	5 656
5.4 - Strategic Planning and Performance Management				1 505	2 924	2 924	2 924	3 109	3 307	3 517
Vote 6 - Technical Services Department		188 146	81 354	121 761	220 513	220 161	220 161	232 553	244 338	257 991
6.1 - Office of the Director				3 141	5 213	5 213	5 213	4 859	3 961	4 222
6.2 - Electrical Services		137 097	81 354	95 623	129 187	129 335	129 335	134 752	142 169	149 996
6.3 - Building Section				9 286	24 915	24 915	24 915	26 508	28 038	29 657
6.4 - Water Services						-	-			
6.5 - Waste Water Management						-	-			
6.6 - Roads and Storm Water Services		51 049		9 932	56 814	56 314	56 314	60 262	63 598	67 120
6.7 - Project Management Unit				1 057	1 274	1 274	1 274	2 430	2 589	2 759
6.8 - Mechanical Workshop				2 722	3 110	3 110	3 110	3 743	3 982	4 237
Total Expenditure by Vote	2	436 709	593 806	452 517	514 322	514 469	536 416	536 194	562 776	593 302
Surplus/(Deficit) for the year	2	76 247	(208 848)	(56 101)	29 869	52 063	30 116	10 800	14 913	18 590

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12 ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY

In the 2019/20 MTREF no allocations will be made by the Municipality to:

- + Other municipalities;
- + Municipal Entities and other external service delivery mechanisms;
- + Any other organs of state; and
- + Any other organisation outside government

13 COUNCILLORS AND BOARD MEMBER ALLOWANCE AND EMPLOYEE BENEFITS

13.1 Summary of Councillors and Staff Benefits

LIM334 Ba-Phalaborwa - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
-	1	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		8 610		10 255	10 677	11 677	11 677	11 440	12 201	13 012
Pension and UIF Contributions				-	-	-	-			
Medical Aid Contributions				43	46	46	46	49	52	55
Motor Vehicle Allowance		2 239		3 549	3 773	3 773	3 773	4 026	4 293	4 293
Cellphone Allowance		485		957	1 017	1 017	1 017	1 085	1 157	1 234
Housing Allowances				-	-	-	-			
Other benefits and allowances		456			1 172	1 172	1 172			
Sub Total - Councillors		11 790	-	14 804	16 684	17 684	17 684	16 599	17 703	18 595
% increase	4		(100,0%)	-	12,7%	6,0%	-	(6,1%)	6,7%	5,0%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		3 516	-	4 078	3 196	3 196	3 196	3 410	3 638	3 882
Pension and UIF Contributions				11				-	-	-
Medical Aid Contributions				-				-	-	-
Overtime				-				-	-	-
Performance Bonus				-				-	-	-
Motor Vehicle Allowance	3	3 087	-	1 484	2 131	2 131	2 131	2 273	2 426	2 588
Cellphone Allowance	3			92	138	138	138	147	157	168
Housing Allowances	3			-				-	-	-
Other benefits and allowances	3			838						
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Municipality		6 603	-	6 503	5 464	5 464	5 464	5 831	6 221	6 638
% increase	4		(100,0%)	-	(16,0%)	-	-	6,7%	6,7%	6,7%

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Other Municipal Staff										
Basic Salaries and Wages		81 093		84 827	93 871	92 178	92 178	97 178	103 641	110 533
Pension and UIF Contributions		13 385		16 985	18 484	18 484	18 484	19 446	20 739	22 118
Medical Aid Contributions		3 462		5 475	5 799	5 799	5 799	6 614	7 053	7 522
Overtime		3 910		4 603	4 765	4 765	4 765	5 203	5 549	5 918
Performance Bonus		-		-	-	-	-	-	-	-
Motor Vehicle Allowance	3	9 055		12 084	14 115	14 115	14 115	14 715	15 694	16 737
Cellphone Allowance	3	739		1 313	1 475	1 475	1 475	1 689	1 801	1 921
Housing Allowances	3	696		1 062	1 124	1 124	1 124	1 193	1 272	1 357
Other benefits and allowances	3	502		7 428	7 345	7 345	7 345	8 709	9 288	9 906
Payments in lieu of leave		-		-	-	-	-	-	-	-
Long service awards		3 653		2 980	2 995	2 995	2 995	3 468	3 698	3 944
Post-retirement benefit obligations	6									
Sub Total - Other Municipal Staff		116 495	-	136 758	149 973	148 280	148 280	158 214	168 736	179 957
% increase	4		(100,0%)	-	9,7%	(1,1%)	-	6,7%	6,7%	6,7%
Total Parent Municipality		134 888	-	158 065	172 121	171 428	171 428	180 644	192 660	205 189
			(100,0%)	-	8,9%	(0,4%)	-	5,4%	6,7%	6,5%
Board Members of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Board Fees										
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Board Members of Entities		-	-	-	-	-	-	-	-	-
% increase	4		-	-	-	-	-	-	-	-

Senior Managers of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Entities		-	-	-	-	-	-	-	-	-
% increase	4		-	-	-	-	-	-	-	-
Other Staff of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Other Staff of Entities		-	-	-	-	-	-	-	-	-
% increase	4		-	-	-	-	-	-	-	-
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS		134 888	-	158 065	172 121	171 428	171 428	180 644	192 660	205 189
% increase	4		(100,0%)	-	8,9%	(0,4%)	-	5,4%	6,7%	6,5%
TOTAL MANAGERS AND STAFF	5,7	123 098	-	143 261	155 437	153 744	153 744	164 045	174 957	186 595

13.2 Disclosure of Salaries for Political Office Bearers, Councillors and Senior Managers

LIM334 Ba-Phalaborwa - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4		629 647		157 412			787 059
Chief Whip			590 296		147 574			737 870
Executive Mayor			787 061		196 765			983 826
Deputy Executive Mayor			-		-			-
Executive Committee			3 541 776		885 444			4 427 220
Total for all other councillors			5 930 900		917 294			6 848 194
Total Councillors	8	-	11 479 680	-	2 304 489			13 784 169
Senior Managers of the Municipality	5							
Municipal Manager (MM)			1 084 906		361 635			1 446 541
Chief Finance Officer			604 636		201 545			806 181
Director Corporate Services			1 037 540		345 847			1 383 386
Director Community Services			604 636		201 545			806 181
Director Planning and Development			604 636		201 545			806 181
Director Technical Services			604 636		201 545			806 181
<i>List of each official with packages >= senior manager</i>								-
								-
Total Senior Managers of the Municipality	8,10	-	4 540 988	-	1 513 663	-		6 054 651

14. MONTHLY TARGETS FOR REVENUE AND EXPENDITURE

LIM334 Ba-Phalaborwa - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue By Source	-															
Property rates		11 627	11 627	11 627	11 627	11 627	11 627	11 627	11 627	11 627	11 627	11 627	11 627	139 526	147 060	155 002
Service charges - electricity revenue		11 637	11 637	11 637	11 637	11 637	11 637	11 637	11 637	11 637	11 637	11 637	11 637	139 639	149 190	159 395
Service charges - water revenue														-	-	-
Service charges - sanitation revenue														-	-	-
Service charges - refuse revenue		1 673	1 673	1 673	1 673	1 673	1 673	1 673	1 673	1 673	1 673	1 673	1 673	20 071	21 155	22 297
Rental of facilities and equipment		46	46	46	46	46	46	46	46	46	46	46	46	554	584	615
Interest earned - external investments		184	184	184	184	184	184	184	184	184	184	184	184	2 202	2 321	2 446
Interest earned - outstanding debtors		5 836	5 836	5 836	5 836	5 836	5 836	5 836	5 836	5 836	5 836	5 836	5 836	70 034	70 034	70 034
Dividends received														-	-	-
Fines, penalties and forfeits		42	42	42	42	42	42	42	42	42	42	42	42	499	526	554
Licences and permits		1 094	1 094	1 094	1 094	1 094	1 094	1 094	1 094	1 094	1 094	1 094	1 094	13 124	13 833	14 580
Agency services		249	249	249	249	249	249	249	249	249	249	249	249	2 992	3 154	3 324
Transfers and subsidies		13 029	13 029	13 029	13 029	13 029	13 029	13 029	13 029	13 029	13 029	13 029	13 029	156 352	167 724	181 422
Other revenue		167	167	167	167	167	167	167	167	167	167	167	167	2 000	2 287	2 410
Gains on disposal of PPE														-	-	-
Total Revenue (excluding capital transfers and contributions)		45 583	45 583	45 583	45 583	45 583	45 583	45 583	45 583	45 583	45 583	45 583	45 583	546 994	577 867	612 080
Expenditure By Type	-															
Employee related costs		13 185	13 185	13 185	13 185	13 185	13 185	13 185	13 185	13 185	13 185	13 185	13 185	158 214	168 736	179 957
Remuneration of councillors		1 572	1 572	1 572	1 572	1 572	1 572	1 572	1 572	1 572	1 572	1 572	1 572	18 868	20 123	21 461
Debt impairment		2 778	2 778	2 778	2 778	2 778	2 778	2 778	2 778	2 778	2 778	2 778	2 778	33 338	33 348	33 357
Depreciation & asset impairment		6 280	6 280	6 280	6 280	6 280	6 280	6 280	6 280	6 280	6 280	6 280	6 280	75 358	79 427	83 717
Finance charges		48	48	48	48	48	48	48	48	48	48	48	48	575	606	639
Bulk purchases		8 416	8 416	8 416	8 416	8 416	8 416	8 416	8 416	8 416	8 416	8 416	8 416	100 992	106 446	112 194
Other materials														-	-	-
Contracted services		4 262	4 262	4 262	4 262	4 262	4 262	4 262	4 262	4 262	4 262	4 262	4 262	51 140	52 665	55 431
Transfers and subsidies														-	-	-
Other expenditure		8 142	8 142	8 142	8 142	8 142	8 142	8 142	8 142	8 142	8 142	8 142	8 142	97 707	101 780	107 276
Loss on disposal of PPE														-	-	-

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Total Expenditure		44 683	44 683	44 683	44 683	44 683	44 683	44 683	44 683	44 683	44 683	44 683	44 683	536 194	563 131	594 031
Surplus/(Deficit)		900	900	900	900	900	900	900	900	900	900	900	900	10 800	14 736	18 049
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		3 119	3 119	3 119	3 119	3 119	3 119	3 119	3 119	3 119	3 119	3 119	3 119	37 425	41 475	44 226
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)														-	-	-
Transfers and subsidies - capital (in-kind - all)														-	-	-
Surplus/(Deficit) after capital transfers & contributions		4 019	4 019	4 019	4 019	4 019	4 019	4 019	4 019	4 019	4 019	4 019	4 019	48 225	56 212	62 274
Taxation														-	-	-
Attributable to minorities														-	-	-
Share of surplus/ (deficit) of associate														-	-	-
Surplus/(Deficit)	1	4 019	4 019	4 019	4 019	4 019	4 019	4 019	4 019	4 019	4 019	4 019	4 019	48 225	56 212	62 274

Budgeted monthly revenue and expenditure (Standard classification)

LIM334 Ba-Phalaborwa - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	R ef	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue - Functional	-															
Governance and administration		29 088	29 088	29 088	29 088	29 088	29 088	29 088	29 088	29 088	29 088	29 088	29 088	349 061	369 209	390 923
Executive and council														-	-	-
Finance and administration		29 088	29 088	29 088	29 088	29 088	29 088	29 088	29 088	29 088	29 088	29 088	29 088	349 061	369 209	390 923
Internal audit														-	-	-
Community and public safety		1 417	1 417	1 417	1 417	1 417	1 417	1 417	1 417	1 417	1 417	1 417	1 417	16 999	17 917	18 884
Community and social services		27	27	27	27	27	27	27	27	27	27	27	27	325	343	361
Sport and recreation														-	-	-
Public safety		1 389	1 389	1 389	1 389	1 389	1 389	1 389	1 389	1 389	1 389	1 389	1 389	16 674	17 574	18 523
Housing														-	-	-
Health														-	-	-
Economic and environmental services		313	313	313	313	313	313	313	313	313	313	313	313	3 752	2 746	2 921
Planning and development		6	6	6	6	6	6	6	6	6	6	6	6	69	73	77
Road transport		307	307	307	307	307	307	307	307	307	307	307	307	3 683	2 673	2 844
Environmental protection														-	-	-
Trading services		14 765	14 765	14 765	14 765	14 765	14 765	14 765	14 765	14 765	14 765	14 765	14 765	177 182	187 817	199 164
Energy sources		12 643	12 643	12 643	12 643	12 643	12 643	12 643	12 643	12 643	12 643	12 643	12 643	151 719	161 271	171 475
Water management														-	-	-
Waste water																

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management													-	-	-	-
Waste management	2 122	2 122	2 122	2 122	2 122	2 122	2 122	2 122	2 122	2 122	2 122	2 122	2 122	25 463	26 547	27 689
<i>Other</i>													-	-	-	-
Total Revenue - Functional	45 583	45 583	45 583	45 583	45 583	45 583	45 583	45 583	45 583	45 583	45 583	45 583	45 583	546 994	577 689	611 892
<u>Expenditure - Functional</u>		58 259	58 259	58 259	58 259	58 259	58 259	58 259	58 259	58 259	58 259	58 259				
Governance and administration	14 815	14 815	14 815	14 815	14 815	14 815	14 815	14 815	14 815	14 815	14 815	14 815	36 835	199 796	209 430	219 652
Executive and council	4 411	4 411	4 411	4 411	4 411	4 411	4 411	4 411	4 411	4 411	4 411	4 411	7 413	55 932	59 376	63 035
Finance and administration	9 978	9 978	9 978	9 978	9 978	9 978	9 978	9 978	9 978	9 978	9 978	9 978	31 999	141 754	147 806	154 223
Internal audit	426	426	426	426	426	426	426	426	426	426	426	426	(2 576)	2 110	2 247	2 394
Community and public safety	6 470	6 470	6 470	6 470	6 470	6 470	6 470	6 470	6 470	6 470	6 470	6 470	6 414	77 580	82 364	87 445
Community and social services	2 048	2 048	2 048	2 048	2 048	2 048	2 048	2 048	2 048	2 048	2 048	2 048	(13 770)	8 763	9 320	9 911
Sport and recreation	1 970	1 970	1 970	1 970	1 970	1 970	1 970	1 970	1 970	1 970	1 970	1 970	17 788	39 453	41 899	44 498
Public safety	2 452	2 452	2 452	2 452	2 452	2 452	2 452	2 452	2 452	2 452	2 452	2 452	2 396	29 364	31 145	33 036
Housing													-	-	-	-
Health													-	-	-	-
Economic and environmental services	9 474	9 474	9 474	9 474	9 474	9 474	9 474	9 474	9 474	9 474	9 474	9 474	10 616	114 834	119 063	125 910
Planning and development	1 419	1 419	1 419	1 419	1 419	1 419	1 419	1 419	1 419	1 419	1 419	1 419	1 419	17 032	16 894	17 915
Road transport	8 055	8 055	8 055	8 055	8 055	8 055	8 055	8 055	8 055	8 055	8 055	8 055	9 197	97 802	102 169	107 995
Environmental protection													-	-	-	-
Trading services	11 999	11 999	11 999	11 999	11 999	11 999	11 999	11 999	11 999	11 999	11 999	11 999	11 999	143 984	151 401	159 228
Energy sources	11 229	11 229	11 229	11 229	11 229	11 229	11 229	11 229	11 229	11 229	11 229	11 229	11 229	134 752	142 169	149 996
Water management													-	-	-	-
Waste water management													-	-	-	-

Waste management		769	769	769	769	769	769	769	769	769	769	769	769	9 232	9 232	9 232
<i>Other</i>														-	-	-
Total Expenditure - Functional		42 757	42 757	42 757	42 757	42 757	42 757	42 757	42 757	42 757	42 757	42 757	42 757	65 865	536 194	592 234
Surplus/(Deficit) before assoc.		2 826	2 826	2 826	2 826	2 826	2 826	2 826	2 826	2 826	2 826	2 826	2 826	(20 282)	10 800	15 433
Share of surplus/(deficit) of associate														-	-	-
Surplus/(Deficit)	1	2 826	2 826	2 826	2 826	2 826	2 826	2 826	2 826	2 826	2 826	2 826	2 826	(20 282)	10 800	15 433

Budgeted monthly cash flow

LIM334 Ba-Phalaborwa - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 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
Cash Receipts By Source													1		
Property rates	7 914	3 686	3 487	6 815	5 468	6 079	3 830	4 143	3 444	3 114	3 804	5 944	57 729	47 060	155 002
Service charges - electricity revenue	10 839	7 721	6 595	7 245	8 661	5 294	6 687	5 827	8 240	5 803	7 763	11 876	92 550	93 190	159 395
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	538	444	443	469	431	371	496	495	400	414	476	574	5 550	21 155	22 297
Rental of facilities and equipment	28	50	36	45	56	49	17	35	20	99	81	39	554	584	615
Interest earned - external investments	102	247	176	139	100	225	197	176	165	224	198	254	2 202	2 321	2 446
Interest earned - outstanding debtors	1 128	2 983	835	1 764	3 799	1 103	918	1 780	890	1 192	2 805	1 020	20 215	70 034	70 034
Dividends received													-	-	-
Fines, penalties and forfeits	53	32	24	9	1	152	15	16	14	40	4	139	499	526	554
Licences and permits	801	1 261	790	549	1 588	541	1 140	743	708	1 621	1 340	1 042	12 124	13 833	14 580
Agency services	200	315	198	137	397	135	285	186	177	405	335	222	2 992	3 154	3 324
Transfer receipts - operational	52 117	-	-	-	-	52 117	-	-	52 117	-	-	0	156 352	167 724	181 422
Other revenue	3 168	918	677	5 523	905	813	924	835	794	1 427	399	767	17 150		
Cash Receipts by Source	76 886	17 656	13 260	22 694	21 406	66 881	14 509	14 235	66 969	14 338	17 206	21 877	367 917	419 581	609 670
Other Cash Flows by Source															
Transfer receipts - capital	12 475					12 475			12 475			(0)	37 425	41 475	44 226
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)															
Proceeds on disposal of PPE													-		
Short term loans													-		
Borrowing long term/refinancing													-		
Increase (decrease) in consumer deposits													-		

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Decrease (Increase) in non-current debtors												-			
Decrease (increase) other non-current receivables												-			
Decrease (increase) in non-current investments												-			
Total Cash Receipts by Source	89 361	17 656	13 260	22 694	21 406	79 356	14 509	14 235	79 444	14 338	17 206	21 877	405 342	461 056	653 895
Cash Payments by Type															
Employee related costs	13 185	12 185	11 185	12 185	11 185	12 185	11 185	12 185	11 185	12 185	11 185	(1 815)	128 214	138 736	139 957
Remuneration of councillors	1 572	1 272	1 172	1 372	1 172	1 572	1 272	1 572	1 372	1 172	1 572	(4 228)	10 868	20 123	21 461
Finance charges	48	48	48	48	48	48	48	48	48	48	48	48	575	606	639
Bulk purchases - Electricity	14 199	8 000	2 929	8 247	6 077	4 999	6 618	6 509	7 335	6 000	7 336	12 743	90 992	106 446	112 194
Bulk purchases - Water & Sewer												-			
Other materials												-			
Contracted services	463	4 161	3 104	3 764	4 711	4 213	2 379	6 318	2 797	3 756	2 695	779	39 140	52 665	55 431
Transfers and grants - other municipalities												-			
Transfers and grants - other												-			
Other expenditure	2 173	7 983	10 845	3 756	4 348	3 254	7 387	4 635	9 894	6 797	7 858	8 779	77 707	78 780	79 276
Cash Payments by Type	31 640	33 649	29 282	29 371	27 541	26 271	28 889	31 266	32 630	29 958	30 694	16 306	347 497	397 356	408 957
Other Cash Flows/Payments by Type															
Capital assets	4 019	4 019	4 019	4 019	4 019	4 019	4 019	4 019	4 019	4 019	4 019	4 019	48 225	41 475	44 226
Repayment of borrowing	1 700	-	-	-	1 700	1 700		-	-	1 700	1 000	2 200	10 000	11 000	12 000
Other Cash Flows/Payments												-			
Total Cash Payments by Type	37 358	37 668	33 301	33 390	33 260	31 989	32 908	35 285	36 649	35 677	35 713	22 525	405 722	449 831	465 183
NET INCREASE/(DECREASE) IN CASH HELD	52 003	(20 012)	(20 041)	(10 696)	(11 854)	47 367	(18 399)	(21 050)	42 795	(21 339)	(18 507)	(648)	(380)	11 225	188 712
Cash/cash equivalents at the month/year begin:	28 729	80 732	60 720	40 679	29 983	18 129	65 496	47 097	26 047	68 842	47 503	28 997	28 729	28 349	39 573
Cash/cash equivalents at the month/year end:	80 732	60 720	40 679	29 983	18 129	65 496	47 097	26 047	68 842	47 503	28 997	28 349	28 349	39 573	228 286

15 ANNUAL BUDGET AND SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLANS

The service delivery and budget implementation plan is tabled by the Mayor after tabling the budget and IDP within 28 working days.

16 CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS

All services to be acquired on contracts are within the MTREF budget allocation. There is no project indicative to spent multi-year and above three years.

LIM334 Ba-Phalaborwa - Supporting Table SA33 Contracts having future budgetary implications

Description	R ef	Precedin g Years	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework			Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Total Contract Value	
				Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	
R thousand	1, 3	Total	Original Budget												
Parent Municipality: Revenue Obligation By Contract	2														
<i>Contract 1</i>														-	
<i>Contract 2</i>															-
<i>Contract 3 etc</i>															-
Total Operating Revenue Implication		-	-	-	-	-	-	-	-	-	-	-	-	-	
Expenditure Obligation By Contract	2														
<i>Contract 1</i>															-
<i>Contract 2</i>															-
<i>Contract 3 etc</i>															-
Total Operating Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-	
Capital Expenditure Obligation By Contract	2														
<i>Contract 1</i>															-
<i>Contract 2</i>															-
<i>Contract 3 etc</i>															-

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Total Capital Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Parent Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
- Entities:														
<u>Revenue Obligation By Contract</u>	2													
<i>Contract 1</i>														-
<i>Contract 2</i>														-
<i>Contract 3 etc</i>														-
Total Operating Revenue Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
<u>Expenditure Obligation By Contract</u>	2													
<i>Contract 1</i>														-
<i>Contract 2</i>														-
<i>Contract 3 etc</i>														-
Total Operating Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
<u>Capital Expenditure Obligation By Contract</u>	2													
<i>Contract 1</i>														-
<i>Contract 2</i>														-
<i>Contract 3 etc</i>														-
Total Capital Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Entity Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-

17 CAPITAL EXPENDITURE DETAILS

17.1 CAPITAL EXPENDITURE ON NEW ASSETS BY ASSET CLASS

LIM334 Ba-Phalaborwa - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1									
Capital expenditure on new assets by Asset Class/Sub-class										
-										
Infrastructure		52 368	31 691	50 594	1 500	1 000	1 000	7 842	8 364	8 920
Roads Infrastructure		37 142	31 691	50 594	1 500	1 000	1 000	1 067	1 138	1 214
<i>Roads</i>		37 142	31 691	50 594	1 500	1 000	1 000	1 067	1 138	1 214
<i>Road Structures</i>										
<i>Road Furniture</i>										
<i>Capital Spares</i>										
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
<i>Drainage Collection</i>										
<i>Storm water Conveyance</i>										
<i>Attenuation</i>										
Electrical Infrastructure		-	-	-	-	-	-	4 802	5 121	5 461
<i>Power Plants</i>										
<i>HV Substations</i>										
<i>HV Switching Station</i>										
<i>HV Transmission Conductors</i>										
<i>MV Substations</i>										
<i>MV Switching Stations</i>										
<i>MV Networks</i>										
<i>LV Networks</i>								4 802	5 121	5 461
<i>Capital Spares</i>										
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
<i>Dams and Weirs</i>										
<i>Boreholes</i>										
<i>Reservoirs</i>										

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<i>Pump Stations</i>										
<i>Water Treatment Works</i>										
<i>Bulk Mains</i>										
<i>Distribution</i>										
<i>Distribution Points</i>										
<i>PRV Stations</i>										
<i>Capital Spares</i>										
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
<i>Pump Station</i>										
<i>Reticulation</i>										
<i>Waste Water Treatment Works</i>										
<i>Outfall Sewers</i>										
<i>Toilet Facilities</i>										
<i>Capital Spares</i>										
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
<i>Landfill Sites</i>										
<i>Waste Transfer Stations</i>										
<i>Waste Processing Facilities</i>										
<i>Waste Drop-off Points</i>										
<i>Waste Separation Facilities</i>										
<i>Electricity Generation Facilities</i>										
<i>Capital Spares</i>										
Rail Infrastructure		-	-	-	-	-	-	-	-	-
<i>Rail Lines</i>										
<i>Rail Structures</i>										
<i>Rail Furniture</i>										
<i>Drainage Collection</i>										
<i>Storm water Conveyance</i>										
<i>Attenuation</i>										
<i>MV Substations</i>										
<i>LV Networks</i>										
<i>Capital Spares</i>										
Coastal Infrastructure		-	-	-	-	-	-	-	-	-

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<i>Sand Pumps</i>										
<i>Piers</i>										
<i>Revetments</i>										
<i>Promenades</i>										
<i>Capital Spares</i>										
Information and Communication Infrastructure	15 225	-	-	-	-	-	-	1 974	2 105	2 245
<i>Data Centres</i>										
<i>Core Layers</i>	3 096							1 974	2 105	2 245
<i>Distribution Layers</i>										
<i>Capital Spares</i>	12 129									
Community Assets	-	-	7 328	12 884	22 634	22 634	213	228	243	
Community Facilities	-	-	-	-	-	-	-	-	-	-
<i>Halls</i>										
<i>Centres</i>										
<i>Crèches</i>										
<i>Clinics/Care Centres</i>										
<i>Fire/Ambulance Stations</i>										
<i>Testing Stations</i>										
<i>Museums</i>										
<i>Galleries</i>										
<i>Theatres</i>										
<i>Libraries</i>										
<i>Cemeteries/Crematoria</i>										
<i>Police</i>										
<i>Parks</i>										
<i>Public Open Space</i>										
<i>Nature Reserves</i>										
<i>Public Ablution Facilities</i>										
<i>Markets</i>										
<i>Stalls</i>										
<i>Abattoirs</i>										
<i>Airports</i>										

<i>Taxi Ranks/Bus Terminals</i>										
<i>Capital Spares</i>										
Sport and Recreation Facilities	-	-	7 328	12 884	22 634	22 634	213	228	243	
<i>Indoor Facilities</i>										
<i>Outdoor Facilities</i>			7 328	12 884	22 634	22 634	213	228	243	
<i>Capital Spares</i>										
Heritage assets	-	-	-	-	-	-	-	-	-	
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
Investment properties	-	-	-	-	-	-	-	-	-	
Revenue Generating	-	-	-	-	-	-	-	-	-	
<i>Improved Property</i>										
<i>Unimproved Property</i>										
Non-revenue Generating	-	-	-	-	-	-	-	-	-	
<i>Improved Property</i>										
<i>Unimproved Property</i>										
Other assets	-	-	-	-	-	-	-	-	-	
Operational Buildings	-	-	-	-	-	-	-	-	-	
<i>Municipal Offices</i>										
<i>Pay/Enquiry Points</i>										
<i>Building Plan Offices</i>										
<i>Workshops</i>										
<i>Yards</i>										
<i>Stores</i>										
<i>Laboratories</i>										
<i>Training Centres</i>										
<i>Manufacturing Plant</i>										
<i>Depots</i>										

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Capital Spares										
Housing		-	-	-	-	-	-	-	-	-
Staff Housing										
Social Housing										
Capital Spares										
Biological or Cultivated Assets		-	-	64	-	-	-	-	-	-
Biological or Cultivated Assets				64						
Intangible Assets		-	-	-	-	-	-	-	-	-
Servitudes										
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications										
Load Settlement Software Applications										
Unspecified										
Computer Equipment		-	-	294	-	-	-	-	-	-
Computer Equipment				294						
Furniture and Office Equipment		-	6 952	701	500	500	500	500	-	-
Furniture and Office Equipment			6 952	701	500	500	500	500	-	-
Machinery and Equipment		-	-	177	52	52	52	1 000	-	-
Machinery and Equipment				177	52	52	52	1 000	-	-
Transport Assets		-	-	1 601	450	950	950	950	-	-
Transport Assets				1 601	450	950	950	950	-	-
Land		-	-	391	-	-	-	-	-	-
Land				391						
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
Total Capital Expenditure on new assets	1	52 368	38 643	61 151	15 386	25 136	25 136	10 506	8 592	9 163

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The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations.

For 2019/20 financial year the infrastructure- electricity is budgeted for R11, million and followed by the infrastructure road transport which is budgeted for R31.9 million for 2019/20 financial year. Community Assets- other is budgeted for R950 thousand for 2019/20 financial year

The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the municipality.

Funding on Capital Assets budget year 2019/20

The capital programme is funded from grants and transfers, and internally generated funds from current year surpluses. For 2019/20 financial year, MIG represent the highest funding followed by internally generated funding on the MTREF.

DETAILED CAPITAL PROGRAMMES

Description	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Selwane Sport Complex	R 14 611 299.58	R0	
Tambo phase 2	R500 000	R 21 000 000.00	
Tshelang gape to R71	R 8 001 098.26	R0	
Mashishimale sports complex	R 4 423 601.74	R0	
Namakgale stadium	R 2 888 700.42	R 11 000 750.00	
TOTAL	R30 424 700	R32 000 750	

INTERNALLY FUNDED PROJECTS	Budget Year 2019/20
Purchase of a Tractor	950 000,00
Installation of Remote Control in Substation	4 000 000,00
Constr Of Mashishimale Culverts	1 500 000,00
Purchase of Generator	1 000 000,00
Office Furniture and Equipment	500 000,00
Upgrading of Council Chamber	1 000 000,00
Upgrading of ICT Infrastructure	1 850 000,00
TOTAL	10 800 000,00

18 . LEGISLATION COMPLIANCE STATUS

The budget compilation has taken into account the following legislative documents

- Municipal Finance Management Act (MFMA), Act No.56 of 2003
- Division of Revenue of Act (DoRA) and the Bill 2017
- Budget Regulations and Circulars
- Asset Management Regulations
- Municipal systems Act, 2000
- Minimum Competency Levels of Municipal Finance Officers Regulations
- Local Government: Municipal Property Rates Act (MPRA)
- Municipal Budget and Reporting Regulations (MBRR)
- Municipal Standard Charts of Account (mSCOA)

19 OTHER SUPPORTING DOCUMENTS

19.1 Supporting details to Budgeted Financial Performance

LIM334 Ba-Phalaborwa - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
REVENUE ITEMS:											
<u>Property rates</u>											
Total Property Rates	6	68 106	89 202 967	106 413 632	132 629	132 629	132 629	132 629	139 526	147 060	155 002
<i>less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>											
Net Property Rates		68 106	89 202 967	106 413 632	132 629	132 629	132 629	132 629	139 526	147 060	155 002
<u>Service charges - electricity revenue</u>											
Total Service charges - electricity revenue	6	94 111	87 170 562	103 550 323	130 699	130 699	130 699	130 699	139 639	149 190	159 395
<i>less Revenue Foregone (in excess of 50 kwh per indigent household per month)</i>											
<i>less Cost of Free Basis Services (50 kwh per indigent household per month)</i>		-	-	-	-	-	-	-	-	-	-
Net Service charges - electricity revenue		94 111	87 170 562	103 550 323	130 699	130 699	130 699	130 699	139 639	149 190	159 395
<u>Service charges - water revenue</u>											
Total Service charges - water revenue	6										
<i>less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)</i>											
<i>less Cost of Free Basis Services (6 kilolitres per indigent household per month)</i>		-	-	-	-	-	-	-	-	-	-
Net Service charges - water revenue		-	-	-	-	-	-	-	-	-	-
<u>Service charges - sanitation revenue</u>											
Total Service charges - sanitation revenue											
<i>less Revenue Foregone (in excess of free sanitation service to indigent households)</i>											
<i>less Cost of Free Basis Services (free sanitation service to indigent households)</i>		-	-	-	-	-	-	-	-	-	-
Net Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-

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Service charges - refuse revenue	6										
Total refuse removal revenue		13 789	9 740 537	14 806 848	19 079	19 079	19 079	19 079	20 071	21 155	22 297
Total landfill revenue											
<i>less Revenue Foregone (in excess of one removal a week to indigent households)</i>											
<i>less Cost of Free Basis Services (removed once a week to indigent households)</i>											
Net Service charges - refuse revenue		13 789	9 740 537	14 806 848	19 079	19 079	19 079	19 079	20 071	21 155	22 297
Other Revenue by source											
Fuel Levy											
Other Revenue		122 699	1 407 380	3 707 290	1 899	1 899	1 899	1 899	2 000	2 287	2 410
Service Charges Other		251									
	3										
Total 'Other' Revenue	1	122 950	1 407 380	3 707 290	1 899	1 899	1 899	1 899	2 000	2 287	2 410
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	71 956	122 185 716	135 383 488	88 073	86 380	86 380	86 380	97 178	103 641	110 533
Pension and UIF Contributions		586			17 890	17 890	17 890	17 890	19 446	20 739	22 118
Medical Aid Contributions		3 536			46	46	46	46	6 614	7 053	7 522
Overtime		2 741			4 765	4 765	4 765	4 765	5 203	5 549	5 918
Performance Bonus		-									
Motor Vehicle Allowance		12 994			14 115	14 115	14 115	14 115	14 715	15 694	16 737
Cellphone Allowance		14			1 475	1 475	1 475	1 475	1 689	1 801	1 921
Housing Allowances		738			1 124	1 124	1 124	1 124	1 193	1 272	1 357
Other benefits and allowances		21 587			19 490	19 490	19 490	19 490	8 709	9 288	9 906
Payments in lieu of leave		-									
Long service awards		4 095			2 995	2 995	2 995	2 995	3 468	3 698	3 944
Post-retirement benefit obligations	4										
sub-total	5	118 246	122 185 716	135 383 488	149 973	148 280	148 280	148 280	158 214	168 736	179 957

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<u>Less: Employees costs capitalised to PPE</u>											
Total Employee related costs	1	118 246	122 185 716	135 383 488	149 973	148 280	148 280	148 280	158 214	168 736	179 957
Contributions recognised - capital											
<i>List contributions by contract</i>											
Total Contributions recognised - capital		-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		62 987	101 523 692	71 669 355	71 633	71 633	71 633	71 633	75 358	79 427	83 717
Lease amortisation											
Capital asset impairment											
Depreciation resulting from revaluation of PPE	10										
Total Depreciation & asset impairment	1	62 987	101 523 692	71 669 355	71 633	71 633	71 633	71 633	75 358	79 427	83 717
Bulk purchases											
Electricity Bulk Purchases		74 560	81 354 073	75 016 186	96 000	96 000	96 000	96 000	100 992	106 446	112 194
Water Bulk Purchases											
Total bulk purchases	1	74 560	81 354 073	75 016 186	96 000	96 000	96 000	96 000	100 992	106 446	112 194
Transfers and grants											
Cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Non-cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Total transfers and grants	1	-	-	-	-	-	-	-	-	-	-
Contracted services											
<i>List services provided by contract</i>											
SPECIALIZED AUDIT SERVICES		30 487	30 460 135	24 292 163	48 511	48 786	48 786	48 786	51 140	52 665	55 431
INSURANCE PREMIUMS											
SECURITY SERVICES											
EXTERNAL AUDIT FEES											
ASSISTANCE IN AFS											
FINANCIAL MANAGEMENT SYSTEM SUPPORT											
VAT RECOVERY AND RECONCILIATION											
ACTUARIAL VALUATION											

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DEBT COLLECTION											
METER READING											
COMMISSION ON SELLING OF PRE-PAID ELEC											
ACCESS TO ARM RECORDING SYSTEM											
UPGRADING OF GIS SYSTEM AND HARDWARE											
FILLING MANAGEMENT SYSYEM											
LEASE: OPERATING											
PROVISSION FOR LANDFILL SITES											
AGENCY: LICENSING REPAYMENT											
PROPERTY VALUATION ROLL											
REVIEW OF LUMS											
REVIEW OF SDF											
PROPERT VESTING											
sub-total	1	30 487	30 460 135	24 292 163	48 511	48 786	48 786	48 786	51 140	52 665	55 431
Allocations to organs of state:											
Electricity											
Water											
Sanitation											
Other											
Total contracted services		30 487	30 460 135	24 292 163	48 511	48 786	48 786	48 786	51 140	52 665	55 431
Other Expenditure By Type	-										
Collection costs											
Contributions to 'other' provisions											
Consultant fees											
Audit fees											
General expenses	3										
List Other Expenditure by Type		69 939	68 808 946	78 721 666	92 174	92 940	92 940	92 940	97 707	101 780	107 276

Total 'Other' Expenditure	1	69 939	68 808 946	78 721 666	92 174	92 940	92 940	92 940	97 707	101 780	107 276
Repairs and Maintenance by Expenditure Item	8										
Employee related costs											
Other materials											
Contracted Services											
Other Expenditure		13 816			21 084	21 084	21 084	21 084	98 282	102 031	107 185
Total Repairs and Maintenance Expenditure	9	13 816	-	-	21 084	21 084	21 084	21 084	98 282	102 031	107 185

b.Matrix Financial Performance

LIM334 Ba-Phalaborwa - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - Executive and Council	Vote 2 - Budget and Treasury Department	Vote 3 - Corporate Services	Vote 4 - Community and Social Services	Vote 5 - Planning and Development	Vote 6 - Technical Services Department	Vote 7 -	Vote 8 -	Vote 9 -	Vote 10 -	Vote 11 -	Vote 12 -	Vote 13 -	Vote 14 -	Vote 15 -	Total
R thousand	1																
Revenue By Source																	
Property rates			139 526														139 526
Service charges - electricity revenue							139 639										139 639
Service charges - water revenue																	-
Service charges - sanitation revenue																	-
Service charges - refuse revenue					20 067												20 067
Rental of facilities and equipment				554													554
Interest earned - external investments			2 202														2 202
Interest earned - outstanding debtors			52 562		5 392		12 080										70 034
Dividends received																	-
Fines, penalties and forfeits					468												468
Licences and permits																	-
Agency services					2 992												2 992
Other revenue			445	163	13 543	69	939										15 160
Transfers and subsidies			153 609				2 743										156 352
Gains on disposal of PPE																	-
Total Revenue (excluding capital transfers and contributions)		-	348 344	717	42 462	69	155 402	-	-	-	-	-	-	-	-	-	546 994
Expenditure By Type																	
Employee related costs		19 258	25 263	21 234	49 160	11 208	34 408		-								160 532
Remuneration of councillors		16 551															16 551
Debt impairment			33 338		8 251		67 108										108 697
Depreciation & asset impairment																	-
Finance charges																	-
Bulk purchases							100 992										100 992
Other materials																	-
Contracted services		13 148	20 041	3 380	11 304	3 267											51 140
Transfers and subsidies																	-
Other expenditure		9 085	10 880	27 617	18 098	2 557	30 046										98 282
Loss on disposal of PPE																	-

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Total Expenditure		58 042	89 523	52 231	86 812	17 032	232 553	-	-	-	-	-	-	-	-	-	536 194
Surplus/(Deficit)		(58 042)	258 821	(51 514)	(44 351)	(16 963)	(77 151)	-	-	-	-	-	-	-	-	-	10 800
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)							37 425										37 425
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)																	-
Transfers and subsidies - capital (in-kind - all)																	-
Surplus/(Deficit) after capital transfers & contributions		(58 042)	258 821	(51 514)	(44 351)	(16 963)	(39 727)	-	-	-	-	-	-	-	-	-	48 225

c.Supporting Details to Budgeted Financial Position

LIM334 Ba-Phalaborwa - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
ASSETS											
<u>Call investment deposits</u>											
Call deposits		7 084			5 000	5 000	5 000	5 000	9 037	9 525	10 039
Other current investments											
Total Call investment deposits	2	7 084	-	-	5 000	5 000	5 000	5 000	9 037	9 525	10 039
<u>Consumer debtors</u>											
Consumer debtors		99 985	79 827 747	10 449 534	152 515	152 515	152 515	152 515	420 202	442 893	466 810
<u>Less: Provision for debt impairment</u>											
Total Consumer debtors	2	99 985	79 827 747	10 449 534	152 515	152 515	152 515	152 515	420 202	442 893	466 810
<u>Debt impairment provision</u>											
Balance at the beginning of the year											
Contributions to the provision											
Bad debts written off											
Balance at end of year		-	-	-	-	-	-	-	-	-	-
<u>Property, plant and equipment (PPE)</u>											
PPE at cost/valuation (excl. finance leases)		878 196	854 719 991	850 657 737	773 839	773 839	773 839	773 839	850 726	850 768	850 812
Leases recognised as PPE											
<u>Less: Accumulated depreciation</u>											
Total Property, plant and equipment (PPE)	2	878 196	854 719 991	850 657 737	773 839	773 839	773 839	773 839	850 726	850 768	850 812
LIABILITIES											
<u>Current liabilities - Borrowing</u>											
Short term loans (other than bank overdraft)											
Current portion of long-term liabilities											
Total Current liabilities - Borrowing		-	-	-	-	-	-	-	-	-	-

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Trade and other payables											
Trade Payables	5	364 307	275 821 018	269 112 694	100 558	100 558	100 558	100 558	103 107	108 394	109 508
Other creditors				11 712 815							
Unspent conditional transfers			785 867	1 341 486							
VAT											
Total Trade and other payables	2	364 307	276 606 885	282 166 995	100 558	100 558	100 558	100 558	103 107	108 394	109 508
Non current liabilities - Borrowing											
Borrowing	4	38 475	-	-	129 000	129 000	129 000	129 000	129 000	129 000	129 000
Finance leases (including PPP asset element)			136 700 000								
Total Non current liabilities - Borrowing		38 475	136 700 000	-	129 000	129 000	129 000	129 000	129 000	129 000	129 000
Provisions - non-current											
Retirement benefits			120 833 999	43 758 000					46 033	48 519	51 139
<i>List other major provision items</i>											
Refuse landfill site rehabilitation											
Other		21 182		203 171 080	103 175	103 175	103 175	103 175	113 736	125 278	137 443
Total Provisions - non-current		21 182	120 833 999	246 929 080	103 175	103 175	103 175	103 175	159 769	173 797	188 582
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		979 846	817 727 306	658 428	1 119 447	1 119 447	1 119 447	1 119 447	1 151 510	1 199 735	1 255 947
GRAP adjustments											
Restated balance		979 846	817 727 306	658 428	1 119 447	1 119 447	1 119 447	1 119 447	1 151 510	1 199 735	1 255 947
Surplus/(Deficit)		76 247	(298 739 042)	(130 222 375)	29 869	52 063	52 063	52 063	48 225	56 212	62 274
Appropriations to Reserves											
Transfers from Reserves											
Depreciation offsets											
Other adjustments											
Accumulated Surplus/(Deficit)	1	1 056 093	518 988 264	(129 563 947)	1 149 316	1 171 510	1 171 510	1 171 510	1 199 735	1 255 947	1 318 221
Reserves											
Housing Development Fund											
Capital replacement											
Self-insurance											
Other reserves											
Revaluation			38 072 442	38 072 442							
Total Reserves	2	-	38 072 442	38 072 442	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	1 056 093	557 060 706	(91 491 505)	1 149 316	1 171 510	1 171 510	1 171 510	1 199 735	1 255 947	1 318 221

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d.The municipality has no entities.

e.Reconciliation of transfers, Grant Receipts and Unspent Funds

LIM334 Ba-Phalaborwa - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		112 388	113 972	128 606	137 272	137 419	137 419	156 352	167 724	181 422
Conditions met - transferred to revenue		112 388	113 972	128 606	137 272	137 419	137 419	156 352	167 724	181 422
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										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		112 388	113 972	128 606	137 272	137 419	137 419	156 352	167 724	181 422
Total operating transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		40 425	29 100	48 207	29 865	51 059	51 059	37 425	41 475	44 226
Conditions met - transferred to revenue		40 425	29 100	48 207	29 865	51 059	51 059	37 425	41 475	44 226
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										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		40 425	29 100	48 207	29 865	51 059	51 059	37 425	41 475	44 226
Total capital transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		152 814	143 072	176 813	167 137	188 478	188 478	193 777	209 199	225 648
TOTAL TRANSFERS AND GRANTS - CTBM		-	-	-	-	-	-	-	-	-

f. Future Financial Implications

- The municipality has no programmes above the three year budgeting cycle

g. Projects Delayed from Previous Financial Years

- No project delays from the previous financial year.

Other supporting tables

LIM334 Ba-Phalaborwa - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand												
Sustain the environment	Environmental sustainability must receive due consideration. Ba-Phalaborwa has scarce water resources, therefore special attention should be given to the conservation and management of water resources. Due to the mining activities, water and air pollution should be monitored and assessed continuously and mitigating actions taken to ensure management of pollution. Together with this, a great challenge for the Municipality is the establishment of a new landfill site and the closure and rehabilitation of the current landfill site. The development of parks should also be addressed			27 264		25 897	41 257	41 257	41 257	42 462	77 386	114 349

	under this objective											
Improve financial viability	Weaknesses identified under this objective include financial viability, financial management, audit history, personnel budget, revenue collection and locked finances, maintenance budget, failure to maximise revenue collection. Strategies have been developed to ensure that challenges regarding financial viability are addressed.			327 917	384 959	249 326	326 377	326 377	326 377	348 344	348 344	348 344

Facilitate sustainable development	All development should be aligned to the SDF and be according to the LUMS to ensure that growth points are developed. All programmes and projects should be continuously monitored and evaluated to ensure that they contribute to the future growth and achievement of the "bigger picture" envisaged for the municipal area.			154 883		117 903	175 810	178 151	178 151	155 402	151 352	148 601
Develop tourism and grow the economy	The best way to alleviate poverty, curb unemployment and address social problems is to ensure that there are enough jobs so that everybody in the community can earn a living. Ba-Phalaborwa has various projects and initiatives to alleviate poverty and stimulate economic growth. Ba-Phalaborwa's strategic location has established it as a developmental and economic node in tourism, mining, agriculture and			2 361	-	1 703	66	66	66	69	69	69

	services. The aim with this objective is to ensure that all community members can participate and share in the growing economy. The Ba-Phalaborwa Sustainable Development Initiative will go a long way in ensuring that the poorest communities are included and benefitting through economic growth within the municipal area.											
Advance good corporate governance	To enhance unqualified institutional management, institutional processes should be improved. Cooperative governance deals with policy implementation, audit, information and communication technology, intergovernmental relations which should be improved upon and strengthen.			533		1 586	682	682	682	717	717	717

	This will lead to open and transparent decision-making and sound governance practices throughout the municipality											
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	512 957	384 959	396 416	544 191	546 532	546 532	546 994	577 867	612 080

LIM334 Ba-Phalaborwa - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand												
Integrate social development and services for sustainability	Programmes to strengthen community empowerment are HIV/Aids, Health, Education, Youth, Gender, Disability, Arts and Culture, Sports and Recreation, Libraries, Indigent Support, Traffic and Licensing, Safety and Security and Disaster management.			43 256	–	10 264	16 827	16 827	16 827	17 032	17 032	17 032
Integrate technical and social infrastructure and services for sustainability	Urgent attention needs to be paid to the provision of infrastructure and services (as per the constitutional requirements) to improve the accessibility of services to all communities within the municipal area. This will include basic services, roads, sports fields, community halls, libraries and the provision of cemeteries			144 890	593 806	121 761	220 513	220 661	220 661	232 553	232 553	232 553
Sustain the environment	Environmental sustainability must receive due consideration. Ba-Phalaborwa has scarce water resources, therefore special attention should be given to the conservation and management of water resources. Due to the mining activities, water and air pollution should be monitored and assessed			43 256	–	51 976	81 864	81 864	81 864	86 812	86 812	86 812

	continuously and mitigating actions taken to ensure management of pollution. Together with this, a great challenge for the Municipality is the establishment of a new landfill site and the closure and rehabilitation of the current landfill site. The development of parks should also be addressed under this objective											
Improve financial viability	Weaknesses identified under this objective include financial viability, financial management, audit history, personnel budget, revenue collection and locked finances, maintenance budget, failure to maximise revenue collection. Strategies have been developed to ensure that challenges regarding financial viability are addressed.			108 315		169 398	91 670	91 670	91 670	89 523	89 523	89 523
Enhance stakeholder involvement	One of the greatest challenges in municipalities is to involve the community in the activities of the municipality and ensure that the voice of the community is heard. Two programmes where this can be achieved are through public participation and ward committees. It is			46 833		49 313	54 694	54 694	54 694	58 042	58 042	58 042

	therefore crucial for the municipality to ensure that ward committees are functional and that the community's voice is heard through public participation. Customer relations management needs to be improved i.e. communication to communities and stakeholders and the customer care desk. Complaints by the community and stakeholders need to be tracked and reported back to them.											
Facilitate sustainable development	All development should be aligned to the SDF and be according to the LUMS to ensure that growth points are developed. All programmes and projects should be continuously monitored and evaluated to ensure that they contribute to the future growth and achievement of the "bigger picture" envisaged for the municipal area.											
Advance good corporate governance	To enhance unqualified institutional management, institutional processes should be improved. Cooperative governance deals with policy implementation, audit,			38 779		49 805	48 753	48 753	48 753	52 231	52 231	52 231

	information and communication technology, intergovernmental relations which should be improved upon and strengthen. This will lead to open and transparent decision-making and sound governance practices throughout the municipality											
Develop tourism and grow the economy	The best way to alleviate poverty, curb unemployment and address social problems is to ensure that there are enough jobs so that everybody in the community can earn a living. Ba-Phalaborwa has various projects and initiatives to alleviate poverty and stimulate economic growth. Ba-Phalaborwa's strategic location has established it as a developmental and economic node in tourism, mining, agriculture and services. The aim with this objective is to ensure that all community members can participate and share in the growing economy. The Ba-Phalaborwa Sustainable Development Initiative will go a long way in ensuring that the poorest communities are included and benefitting through economic growth within the municipal area.			11 381							26 937	57 837

Allocations to other priorities												
Total Expenditure			1	436 709	593 806	452 517	514 322	148	514 469	536 194	563 131	594 031

LIM334 Ba-Phalaborwa - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		88 490	113 286	123 537	137 272	137 419	137 419	156 352	167 724	181 422
Local Government Equitable Share		83 256	110 235	120 392	132 485	132 485	132 485	150 929	162 929	176 246
Finance Management		1 600	1 810	2 145	2 215	2 215	2 215	2 680	3 112	3 376
EPWP Incentive		1 212	1 000	1 000	1 000	1 000	1 000	1 142		
Operating Grant: MIG (5% of MIG Grants for PMU)		1 488		-	1 572	1 572	1 572	1 601	1 683	1 800
Energy Efficiency and Demand Management					-	148	148			
Municipal Systems Improvement		934								
Other transfers/grants [insert description]			241							
Provincial Government:		-	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Operating Transfers and Grants	5	88 490	113 286	123 537	137 272	137 419	137 419	156 352	167 724	181 422
Capital Transfers and Grants										
National Government:		37 279	30 568	-	29 865	51 059	51 059	37 425	41 475	44 226
Municipal Infrastructure Grant (MIG)		28 279	30 568		29 865	44 865	44 865	30 425	31 975	34 204
INEP		9 000				6 194	6 194	7 000	9 500	10 022

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Other capital transfers/grants [insert desc]										
Provincial Government:										
Other capital transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:										
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:										
[insert description]		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	37 279	30 568	-	29 865	51 059	51 059	37 425	41 475	44 226
TOTAL RECEIPTS OF TRANSFERS & GRANTS		125 769	143 854	123 537	167 137	188 478	188 478	193 777	209 199	225 648

LIM334 Ba-Phalaborwa - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2019/20												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand																
Revenue by Vote	-															
Vote 1 - Executive and Council													-	-	-	-
Vote 2 - Budget and Treasury Department		29 029	29 029	29 029	29 029	29 029	29 029	29 029	29 029	29 029	29 029	29 029	29 029	348 344	368 453	390 126
Vote 3 - Corporate Services		60	60	60	60	60	60	60	60	60	60	60	60	717	756	797
Vote 4 - Community and Social Services		3 538	3 538	3 538	3 538	3 538	3 538	3 538	3 538	3 538	3 538	3 538	3 538	42 462	44 463	46 573
Vote 5 - Planning and Development		6	6	6	6	6	6	6	6	6	6	6	6	69	73	77
Vote 6 - Technical Services Department		12 950	12 950	12 950	12 950	12 950	12 950	12 950	12 950	12 950	12 950	12 950	12 950	155 402	163 944	174 319
Total Revenue by Vote		45 583	45 583	45 583	45 583	45 583	45 583	45 583	45 583	45 583	45 583	45 583	45 583	546 994	577 689	611 892
Expenditure by Vote to be appropriated	-															
Vote 1 - Executive and Council		4 837	4 837	4 837	4 837	4 837	4 837	4 837	4 837	4 837	4 837	4 837	4 837	58 042	61 623	65 428
Vote 2 - Budget and Treasury Department		7 460	7 460	7 460	7 460	7 460	7 460	7 460	7 460	7 460	7 460	7 460	7 460	89 523	92 882	96 443
Vote 3 - Corporate Services		4 353	4 353	4 353	4 353	4 353	4 353	4 353	4 353	4 353	4 353	4 353	4 353	52 231	54 924	57 780
Vote 4 - Community and Social Services		7 234	7 234	7 234	7 234	7 234	7 234	7 234	7 234	7 234	7 234	7 234	7 234	86 812	92 115	97 744
Vote 5 - Planning and Development		1 419	1 419	1 419	1 419	1 419	1 419	1 419	1 419	1 419	1 419	1 419	1 419	17 032	16 894	17 915
Vote 6 - Technical Services Department		19 379	19 379	19 379	19 379	19 379	19 379	19 379	19 379	19 379	19 379	19 379	19 379	232 553	244 338	257 991
Total Expenditure by Vote		44 683	44 683	44 683	44 683	44 683	44 683	44 683	44 683	44 683	44 683	44 683	44 683	536 194	562 776	593 302
Surplus/(Deficit) before assoc.		900	900	900	900	900	900	900	900	900	900	900	900	10 800	14 913	18 590
Taxation														-	-	-
Attributable to minorities														-	-	-
Share of surplus/ (deficit) of associate														-	-	-
Surplus/(Deficit)	1	900	900	900	900	900	900	900	900	900	900	900	900	10 800	14 913	18 590

LIM334 Ba-Phalaborwa - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
-										
Infrastructure		1 602	-	-	13 637	-	13 637	14 374	15 164	-
Roads Infrastructure		1 602	-	-	6 386	-	6 386	6 731	7 101	-
<i>Roads</i>		1 602			6 386		6 386	6 731	7 101	
<i>Road Structures</i>										
<i>Road Furniture</i>										
<i>Capital Spares</i>										
Storm water Infrastructure		-	-	-	503	-	503	531	560	-
<i>Drainage Collection</i>					503		503	531	560	
<i>Storm water Conveyance</i>										
<i>Attenuation</i>										
Electrical Infrastructure		-	-	-	6 722	-	6 722	7 086	7 475	-
<i>Power Plants</i>										
<i>HV Substations</i>										
<i>HV Switching Station</i>										
<i>HV Transmission Conductors</i>										
<i>MV Substations</i>										
<i>MV Switching Stations</i>					6 722		6 722	7 086	7 475	
<i>MV Networks</i>										
<i>LV Networks</i>										
<i>Capital Spares</i>										
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
<i>Dams and Weirs</i>										
<i>Boreholes</i>										
<i>Reservoirs</i>										
<i>Pump Stations</i>										
<i>Water Treatment Works</i>										

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<i>Bulk Mains</i>										
<i>Distribution</i>										
<i>Distribution Points</i>										
<i>PRV Stations</i>										
<i>Capital Spares</i>										
Sanitation Infrastructure	-	-	-	-	-	-	-	-	-	-
<i>Pump Station</i>										
<i>Reticulation</i>										
<i>Waste Water Treatment Works</i>										
<i>Outfall Sewers</i>										
<i>Toilet Facilities</i>										
<i>Capital Spares</i>										
Solid Waste Infrastructure	-	-	-	-	-	-	-	-	-	-
<i>Landfill Sites</i>										
<i>Waste Transfer Stations</i>										
<i>Waste Processing Facilities</i>										
<i>Waste Drop-off Points</i>										
<i>Waste Separation Facilities</i>										
<i>Electricity Generation Facilities</i>										
<i>Capital Spares</i>										
Rail Infrastructure	-	-	-	-	-	-	-	-	-	-
<i>Rail Lines</i>										
<i>Rail Structures</i>										
<i>Rail Furniture</i>										
<i>Drainage Collection</i>										
<i>Storm water Conveyance</i>										
<i>Attenuation</i>										
<i>MV Substations</i>										
<i>LV Networks</i>										
<i>Capital Spares</i>										
Coastal Infrastructure	-	-	-	-	-	-	-	-	-	-
<i>Sand Pumps</i>										
<i>Piers</i>										

Revetments										
Promenades										
Capital Spares										
Information and Communication Infrastructure	-	-	-	25	-	25	27	28	-	
Data Centres										
Core Layers										
Distribution Layers										
Capital Spares				25		25	27	28		
Community Assets	-	-	-	4 433	-	4 433	4 672	4 929	-	
Community Facilities	-	-	-	3 744	-	3 744	3 946	4 163	-	
Halls				3 744		3 744	3 946	4 163		
Centres										
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations										
Testing Stations										
Museums										
Galleries										
Theatres										
Libraries										
Cemeteries/Crematoria										
Police										
Parks										
Public Open Space										
Nature Reserves										
Public Ablution Facilities										
Markets										
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares										

Sport and Recreation Facilities		-	-	-	689	-	689	726	766	-
<i>Indoor Facilities</i>										
<i>Outdoor Facilities</i>					689		689	726	766	
<i>Capital Spares</i>		1	1	1	1	1	1	1	1	1
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
<i>Improved Property</i>										
<i>Unimproved Property</i>										
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<i>Improved Property</i>										
<i>Unimproved Property</i>										
Other assets		-	-	-	799	-	799	842	889	-
Operational Buildings		-	-	-	799	-	799	842	889	-
<i>Municipal Offices</i>					799		799	842	889	
<i>Pay/Enquiry Points</i>										
<i>Building Plan Offices</i>										
<i>Workshops</i>										
<i>Yards</i>										
<i>Stores</i>										
<i>Laboratories</i>										
<i>Training Centres</i>										
<i>Manufacturing Plant</i>										
<i>Depots</i>										
<i>Capital Spares</i>										
Housing		-	-	-	-	-	-	-	-	-

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Staff Housing										
Social Housing										
Capital Spares										
Biological or Cultivated Assets		1 285	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		1 285								
Intangible Assets		317	-	-	-	-	-	-	-	-
Servitudes										
Licences and Rights		317	-	-	-	-	-	-	-	-
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications		317								
Load Settlement Software Applications										
Unspecified										
Computer Equipment		-	-	-	285	-	285	300	317	-
Computer Equipment					285		285	300	317	
Furniture and Office Equipment		-	-	-	483	-	483	508	537	-
Furniture and Office Equipment					483		483	508	537	
Machinery and Equipment		-	-	-	1 447	-	1 447	1 525	1 609	-
Machinery and Equipment					1 447		1 447	1 525	1 609	
Transport Assets		-	-	-	-	-	-	-	-	-
Transport Assets										
Land		-	-	-	-	-	-	-	-	-
Land										
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
Total Repairs and Maintenance Expenditure	1	3 204	-	-	21 084	-	21 084	22 222	23 444	-
R&M as a % of PPE		0,4%	0,0%	0,0%	2,7%	0,0%	2,7%	2,9%	0,0%	0,0%
R&M as % Operating Expenditure		0,7%	0,0%	0,0%	4,1%	0,0%	4,1%	4,3%	4,4%	0,0%

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LIM334 Ba-Phalaborwa - Supporting Table SA34d Depreciation by asset class

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1									
Depreciation by Asset Class/Sub-class										
-										
Infrastructure		62 987	100 228	-	50 321	-	50 321	52 938	55 796	58 809
Roads Infrastructure		62 987	100 228	-	37 392	-	37 392	46 278	48 777	51 411
<i>Roads</i>		62 987	100 228		37 392		37 392	46 278	48 777	51 411
<i>Road Structures</i>										
<i>Road Furniture</i>										
<i>Capital Spares</i>										
Storm water Infrastructure		-	-	-	6 599	-	6 599	-	-	-
<i>Drainage Collection</i>					6 599		6 599	-	-	-
<i>Storm water Conveyance</i>										
<i>Attenuation</i>										
Electrical Infrastructure		-	-	-	6 330	-	6 330	6 660	7 019	7 398
<i>Power Plants</i>										
<i>HV Substations</i>										
<i>HV Switching Station</i>										
<i>HV Transmission Conductors</i>										
<i>MV Substations</i>					6 330		6 330	6 660	7 019	7 398
<i>MV Switching Stations</i>										
<i>MV Networks</i>										
<i>LV Networks</i>										
<i>Capital Spares</i>										
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
<i>Dams and Weirs</i>										
<i>Boreholes</i>										
<i>Reservoirs</i>										

<i>Pump Stations</i>										
<i>Water Treatment Works</i>										
<i>Bulk Mains</i>										
<i>Distribution</i>										
<i>Distribution Points</i>										
<i>PRV Stations</i>										
<i>Capital Spares</i>										
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
<i>Pump Station</i>										
<i>Reticulation</i>										
<i>Waste Water Treatment Works</i>										
<i>Outfall Sewers</i>										
<i>Toilet Facilities</i>										
<i>Capital Spares</i>										
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
<i>Landfill Sites</i>										
<i>Waste Transfer Stations</i>										
<i>Waste Processing Facilities</i>										
<i>Waste Drop-off Points</i>										
<i>Waste Separation Facilities</i>										
<i>Electricity Generation Facilities</i>										
<i>Capital Spares</i>										
Rail Infrastructure		-	-	-	-	-	-	-	-	-
<i>Rail Lines</i>										
<i>Rail Structures</i>										
<i>Rail Furniture</i>										
<i>Drainage Collection</i>										
<i>Storm water Conveyance</i>										
<i>Attenuation</i>										
<i>MV Substations</i>										
<i>LV Networks</i>										
<i>Capital Spares</i>										
Coastal Infrastructure		-	-	-	-	-	-	-	-	-

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<i>Sand Pumps</i>										
<i>Piers</i>										
<i>Revetments</i>										
<i>Promenades</i>										
<i>Capital Spares</i>										
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-	-
<i>Data Centres</i>										
<i>Core Layers</i>										
<i>Distribution Layers</i>										
<i>Capital Spares</i>										
Community Assets	-	-	-	7 843	-	7 843	8 251	8 696	9 166	
Community Facilities	-	-	-	7 843	-	7 843	8 251	8 696	9 166	
<i>Halls</i>				7 843		7 843	8 251	8 696	9 166	
<i>Centres</i>										
<i>Crèches</i>										
<i>Clinics/Care Centres</i>										
<i>Fire/Ambulance Stations</i>										
<i>Testing Stations</i>										
<i>Museums</i>										
<i>Galleries</i>										
<i>Theatres</i>										
<i>Libraries</i>										
<i>Cemeteries/Crematoria</i>										
<i>Police</i>										
<i>Parks</i>										
<i>Public Open Space</i>										
<i>Nature Reserves</i>										
<i>Public Ablution Facilities</i>										
<i>Markets</i>										
<i>Stalls</i>										
<i>Abattoirs</i>										
<i>Airports</i>										

<i>Taxi Ranks/Bus Terminals</i>										
<i>Capital Spares</i>										
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
<i>Indoor Facilities</i>										
<i>Outdoor Facilities</i>										
<i>Capital Spares</i>										
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
<i>Improved Property</i>										
<i>Unimproved Property</i>										
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<i>Improved Property</i>										
<i>Unimproved Property</i>										
Other assets		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
<i>Municipal Offices</i>										
<i>Pay/Enquiry Points</i>										
<i>Building Plan Offices</i>										
<i>Workshops</i>										
<i>Yards</i>										
<i>Stores</i>										
<i>Laboratories</i>										
<i>Training Centres</i>										
<i>Manufacturing Plant</i>										
<i>Depots</i>										

ANNUAL BUDGET 2019/20

Capital Spares										
Housing		-	-	-	-	-	-	-	-	-
Staff Housing										
Social Housing										
Capital Spares										
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets										
Intangible Assets		-	-	-	-	-	-	-	-	-
Servitudes										
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications										
Load Settlement Software Applications										
Unspecified										
Computer Equipment		-	-	-	1 347	-	1 347	1 417	1 490	1 568
Computer Equipment					1 347		1 347	1 417	1 490	1 568
Furniture and Office Equipment		-	-	-	1 347	-	1 347	1 417	1 490	1 568
Furniture and Office Equipment					1 347		1 347	1 417	1 490	1 568
Machinery and Equipment		-	-	-	10 776	-	10 776	11 336	11 925	12 543
Machinery and Equipment					10 776		10 776	11 336	11 925	12 543
Transport Assets		-	-	-	-	-	-	-	-	-
Transport Assets										
Land		-	-	-	-	-	-	-	-	-
Land										
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
Total Depreciation	1	62 987	100 228	-	71 633	-	71 633	75 358	79 398	83 654

ANNUAL BUDGET 2019/20

LIM334 Ba-Phalaborwa - Supporting Table SA35 Future financial implications of the capital budget

Vote Description	Ref	2019/20 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Present value
R thousand								
Capital expenditure	1							
Vote 1 - Executive and Council		-	-	-				
Vote 2 - Budget and Treasury Department		-	-	-				
Vote 3 - Corporate Services		3 350	-	-				
Vote 4 - Community and Social Services		950	-	-				
Vote 5 - Planning and Development		-	-	-				
Vote 6 - Technical Services Department		43 925	41 475	44 226				
<i>List entity summary if applicable</i>								
Total Capital Expenditure		48 225	41 475	44 226	-	-	-	-
Future operational costs by vote	2							
Vote 1 - Executive and Council								
Vote 2 - Budget and Treasury Department								
Vote 3 - Corporate Services								
Vote 4 - Community and Social Services								
Vote 5 - Planning and Development								
Vote 6 - Technical Services Department								
<i>List entity summary if applicable</i>								
Total future operational costs		-	-	-	-	-	-	-
Future revenue by source	3							
Property rates								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse revenue								
Rental of facilities and equipment								
<i>List other revenues sources if applicable</i>								
<i>List entity summary if applicable</i>								
Total future revenue		-	-	-	-	-	-	-
Net Financial Implications		48 225	41 475	44 226	-	-	-	-

LIM334 Ba-Phalaborwa - Supporting Table SA36 Detailed capital budget

R thousand	Function	Project Description	Project Number	Type	MTSF Service Outcome	IU DF	Own Strategic Objectives	Asset Class	Ass Sub - Class	Ward Location	GPS Longitude	GPS Latitude	2019/20 Medium Term Revenue & Expenditure Framework				
													Audited Outcome 2017/18	Current Year 2018/19 Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
	Parent municipality: <i>List all capital projects grouped by Function</i>																
	Technical Services	Topville to Score Street Paving											492		-		
	Technical Services	Mashishimale Sports Complex											15 591	200	4 424		
	Technical Services	Installation of Remote control in Substation												3 000	4 000		
	Community Service	Procurement of hand held alcohol testers											-	40	-		
	Community Service	Purchase of Electronic Portable Cameras											-	12	-		
	Corporates Services	Upgrading of Chamber & Activity Hall											-	1 000	1 000		
	Corporates Services	Office Furniture and Equipment											996	500	500		
	Corporates Services	Upgrade of ICT infrastructure												1 850	1 850		
	Technical Services	Construction of Culverts(Designs and Specification)											-	1 500	1 500		
	Community Service	Purchase of Tractor											-	950	950		
	Technical Services	Upgrading of Benfarm streets											4 516	6 149	-		
	Technical Services	Selwane Sports Complex											5 970	12 684	14 611		
	Technical Services	Tambo street Paving											6 592	5 117	500	21 000	
	Technical Services	Paving Tshelang Gape to R71											6 045	5 415	8 001		
	Technical Services	Namakgale stadium												500	2 889	11 001	
	Technical Services	Electrification of Hectorville and Kurhula Extension											7 806				
	Parent Capital expenditure												48 007	38 917	40 225	32 001	-
	Entities: <i>List all capital projects grouped by Entity</i>																

ANNUAL BUDGET 2019/20

Entity A Water project A																			
Entity B Electricity project B																			
Entity Capital expenditure												-	-	-	-	-			
Total Capital expenditure												48 007	38 917	40 225	32 001	-			

Summary of capital programmes per source

Description	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Selwane Sport Complex	R 14 611 299.58	R0	
Tambo phase 2	R500 000	R 21 000 000.00	
Tshelang gape to R71	R 8 001 098.26	R0	
Mashishimale sports complex	R 4 423 601.74	R0	
Namakgale stadium	R 2 888 700.42	R 11 000 750.00	
TOTAL	R30 424 700	R32 000 750	

INTERNALLY FUNDED PROJECTS	Budget Year 2019/20
Purchase of a Tractor	950 000,00
Installation of Remote Control in Substation	4 000 000,00
Constr Of Mashishimale Culverts	1 500 000,00
Purchase of Generator	1 000 000,00
Office Furniture and Equipment	500 000,00
Upgrading of Council Chamber	1 000 000,00
Upgrading of ICT Infrastructure	1 850 000,00
TOTAL	10 800 000,00

INEP PROJECTS

Description	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Electrification of 400 Households	7 000 000	R9 500 000	R10 022 000

Capital Budget 2019/20

Capital Budget	Original Budget 2018/19	Adjustment Budget 2018/19	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Municipal Infrastructure Grants	29 865 000,00	44 865 000,00	30 424 700,00	31 975 100,00	34 203 800,00
Intergrated National Electricity Programme	1 194 000,00	6 194 000,00	7 000 000,00	9 500 000,00	10 022 000,00
Intrnally Funded Projects	10 052 000,00	10 052 000,00	10 800 000,00	0	0
TOTAL	41 111 000,00	61 111 000,00	48 224 700,00	41 475 100,00	44 225 800,00

- The estimated capital programme expenditure for the financial year 2019/20 amounts to R48,2 million.

MUNICIPAL MANAGER'S QUALITY CERTIFICATION

QUALITY CERTIFICATE

I **Maite Irene Moakamela**, Municipal manager of **BA-PHALABORWA MUNICIPALITY**, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and regulations made under the act, and that the annual budget and supporting documents made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name: **Moakamela MI**

Municipal Manager: **Ba-Phalaborwa Municipality (LIM334)**

Signature: _____

Date: _____