

ELIAS MOTSOALEDI

LOCAL MUNICIPALITY



BUDGET 2009/2010

BUDGET 2009/2010

29 MAY 2009

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2. **MAYORAL BUDGET SPEECH**

3. BUDGET RELATED RESOLUTIONS

1. Council resolves that the annual budget of the Municipality for the financial year 2009/10 and indicative figures for the two projected outer years 2010/11 and 2011/12 be approved as set-out in the following schedules:
 - 1.1 Operating revenue by source reflected in schedule 1(Page 6);
 - 1.2 Operating expenditure by vote and per category reflected in Schedule 2 and 2a (Page 7-8)
 - 1.3 Capital expenditure by vote (Page 9)
 - 1.4 Capital funding by source reflected in schedule 4 (Page 10)

2. Council resolves that property rates reflected on page 25 be approved for the budget year 2009/10.

- 3 Council resolves that the following tariffs and charges reflected on the listed pages be are approved for the budget 2009/10 financial year.
 - 3.1.1.1 Electricity (Page 23)
 - 3.1.1.2 Water (Page 24)
 - 3.1.1.3 Refuse removal (Page24)
 - 3.1.1.4 Sewerage (Page25)
 - 3.1.1.5 Basic charges (Page 25)
 - 3.1.1.6 Sundry tariffs (Pages 26)

4. Council resolves that the measurable performance objective for revenue source as per Cash flow reflected on page 31 be approved for draft budget 2009/10

5. Council resolves that measurable performance objective for each vote (department) reflected from page 32 are approved for the draft budget year 2009/10

6. Council resolve to adopt the amended Integrated Development Plan (IDP)reflected in Annexure 2

7. Council resolve that amended Property Rate Policy reflected in Annexure 3 be approved for budget year 2009/10

8. Council resolve that the reviewed Draft Bylaw for Property Rate reflected in Annexure 4 be adopted for public participation.

9. Council resolve that the SDBIP reflected in page of the IDP in annexure 3 be noted with the budget for the subsequent approval by the Mayor

4. EXECUTIVE SUMMARY

Elias Motsoaledi local municipality's 2009/10 draft idp and budget have been developed to comply with the provisions of various legislation and polices of national and provincial government.

This draft idp and budget was prepared in a very challenging situation because of the global economic crisis. This will affect individuals, business sectors, government in particular municipality and community at large. The food price increase, the CPIX, and pressure on inflation, has make every individual to priorities payment of services and needs according to the affordability, which also impacted on the growth of debts for services rendered council.

The economic growth has scale down, which resulted in many working group people losing their job through retrenchment. This has been evident in our municipality, as the largest job creation is the mining sector. The Elias Motsoaledi Municipal area is largely inhabited by those caught within the second economy. The above mention issues, projects challenges that the council will encounter in the 2009/2010 budget year.

Access to basic services like water and sanitation is concentrated around semi-urban areas while rural and farm areas are still lagging behind in this

The past financial year have served as a foundation for transforming the municipal administration and progression towards achieving our strategic objectives. They represented teething stages of our growth. This reflected our struggle to merely comply with legislative requirements to being a strategic, developmental local government.

The municipal political leadership and senior managers held one day strategic planning workshop in March 2009 at Loskop Dam. The strategic planning workshop endeavored to outline key strategic objectives aimed at fulfilling the requirements of a developmental local government. The information gathered during the strategic planning session confirmed a number of mayoral priorities, strategic objective and was aligned to overall government programmed of action.

The Council has ensured that the budget reflects the strategic outcomes embodied in the IDP and related strategic policies. The strategic alignment between National, Provincial and District priorities was also a central factor during the IDP review and budget process.

The MFMA stipulate that an annual budget may only be funded from realistic revenue to be collected and cash back accumulated funds from previous financial years' surplus not being committed. It further stipulates that the revenue projections in the budget must be realistic, taking into account:

- ❖ projected revenue for the current year based on the collection level
- ❖ actual revenue collected in the previous financial years

Base on the above requirements of funding of a budget, the 2009/10 budget has taken into consideration the past performance pertaining to each revenue per revenue source and the expenditure.

The projected revenue includes only allocations confirmed and the allocation as per Division of Revenue Act. The total revenue from grants and subsidies for operating and capital budget is R105,069,000 .

Conditional grants

- Municipal infrastructure grant:-
Operational allocation for PMU operational costs R 1, 081, 350
Capital allocation for infrastructure development, R20 545 650
Total MIG allocation
- Municipal System Improvement Grant: R735, 000

- Local government Financial Management Grant:-R 750, 000

- National Electricity Grant(not on the bill but confirmed) R3,200,000

Unconditional grants

- Equitable Share: R78,757,000

| | 2009/10 | 2010/11 | 2011/12 |
|--------------------------|-------------------|------------------|------------------|
| Revenue | | | |
| Total revenue | R230,073 | R215,539 | R231,000 |
| | | | |
| Expenditure | | | |
| Operating budget | R147,832 | R153,548 | R165,298 |
| Capital budget | R82,214 | R61,961 | R65,701 |
| Total expenditure | R 230, 046 | R 215,509 | R 230,999 |
| (Surplus)/deficit | (27) | (30) | (1) |

5. BUDGET SCHEDULES

Schedule 1 - Revenue by Source

| Schedule 1 | Preceding Year 2007/08 | Current Year 2008/09 | Medium Term Revenue and Expenditure Framework | | |
|---|---------------------------------|--------------------------------|---|------------------------|------------------------|
| | | | Budget Year 2009/10 | Budget Year 2010/11 | Budget Year 2011/12 |
| Revenue by Source | Unaudited Actual R' 000 A | Approved Budget R' 000 B | Budget R' 000 E | Budget R' 000 F | Budget R' 000 G |
| <u>Operating Revenue by Source</u> | | | | | |
| Property rates | 5 894 | 8 000 | 9 040 | 9 854 | 10 741 |
| Property rates - Penalties Collection Charges | 0 | 0 | 0 | 0 | 0 |
| Service Charges - electricity revenue from tariff Billing | 15 162 | 19 341 | 29 642 | 31 222 | 31 222 |
| Service Charges - water revenue from tariff Billing | 3 715 | 5 640 | 5 041 | 5 220 | 5 527 |
| Service Charges - sanitation revenue from tariff billing | 1 212 | 1 420 | 1 513 | 1 597 | 1 693 |
| Service Charges - refuse removal from tariff billing | 1 517 | 1 792 | 2 013 | 2 115 | 2 029 |
| Service Charges - other | 47 601 | 54 908 | 56 813 | 19 669 | 28 633 |
| Regional Service Levies | | 0 | 0 | 0 | 0 |
| Rental of facilities and equipment | 522 | 520 | 551 | 584 | 619 |
| Interest earned - External Investments | 3 917 | 3 741 | 4 100 | 4 346 | 4 606 |
| Interest earned - Outstanding debtors | 238 | 438 | 443 | 469 | 497 |
| Fines | 1 735 | 2 500 | 771 | 817 | 866 |
| Licenses and Permits | 11 175 | 20 000 | 14 294 | 15 152 | 16 061 |
| Government Grants & Subsidies | 59 174 | 73 391 | 105 852 | 124 494 | 128 506 |
| Total Revenue by Source | 151 862 | 191 691 | 230 073 | 215 539 | 231 000 |

NOTE:

Revenue for prior years (government Grants and subsidies) were reduced with the indirect grants from DWAF and Seckhukune District to ensure a credible budget with only realistically anticipated revenue indicators

Schedule 2 - Operating Expenditure by vote

| Schedule 1 | Preceding Year 2007/08 | Current Year 2008/09 | | | Medium Term Revenue and Expenditure Framework | | |
|-------------------------------|---------------------------------|--------------------------------|--------------------------------|-----------------------------------|---|---|---|
| | Unaudited Actual R' 000 A | Approved Budget R' 000 B | Adjusted Budget R' 000 C | Full Year Forecast R' 000 D | Budget Year 2009/10 Budget R' 000 E | Budget Year 2010/11 Budget R' 000 F | Budget Year 2011/12 Budget R' 000 G |
| Operating Expenditure by Vote | | | | | | | |
| Mayor | 1 211 | 1 628 | 1 688 | 1 688 | 3 118 | 3 528 | 3 978 |
| Speaker | 359 | 1 003 | 943 | 943 | 1 848 | 1 844 | 1 962 |
| Municipal Manager | 1 886 | 3 330 | 3 330 | 3 330 | 4 233 | 4 308 | 4 614 |
| Finance | 6 607 | 8 057 | 7 057 | 7 057 | 20 657 | 17 296 | 18 763 |
| Strategic Management | 1 976 | 3 113 | 5 693 | 5 693 | 3 897 | 4 163 | 4 446 |
| Social Services Department | 21 725 | 36 173 | 30 052 | 30 052 | 43 142 | 47 299 | 50 634 |
| Infrastructure | 21 572 | 35 996 | 38 992 | 38 992 | 46 077 | 48 478 | 52 334 |
| Corporate Services | 5 748 | 10 135 | 10 135 | 10 135 | 13 159 | 14 017 | 14 965 |
| Council (General) | 9 644 | 9 735 | 10 755 | 10 755 | 11 701 | 12 615 | 13 602 |
| Operating Expenditure by Vote | 70 728 | 109 170 | 108 645 | 108 645 | 147 832 | 153 548 | 165 298 |

Schedule 2(a) - Operating Expenditure by vote

| Schedule 2(a) Operating Expenditure by Type | Preceding Year 2007/08 | Current Year 2008/09 | | | Medium Term Revenue and Expenditure Framework | | |
|--|---------------------------------|--------------------------------|--------------------------------|-----------------------------------|---|---|--|
| | Unaudited Actual R' 000 A | Approved Budget R' 000 B | Adjusted Budget R' 000 C | Full Year Forecast R' 000 D | Budget Year 2009/10 Budget R' 000 E | Budget Year 2010/11 Budget R' 000 F | Budget Year 20011/12 Budget R' 000 G |
| <u>Operating Expenditure by Type</u> | | | | | | | |
| Employee Related Cost | 27 662 | 36 446 | 35 512 | 35 512 | 51 393 | 55 234 | 59 648 |
| Remuneration of Councillors | 9 137 | 8 876 | 9 896 | 9 896 | 10 630 | 11 480 | 12 398 |
| Bad Debts | 0 | 0 | 0 | 0 | 2 594 | 2 749 | 2 914 |
| Collection Cost | 0 | 0 | 0 | 0 | 1 250 | 1 725 | 1 725 |
| Depreciation | 0 | 0 | 0 | 0 | 1 000 | 337 | 337 |
| Repairs and Maintenance | 3 159 | 7 136 | 7 136 | 7 136 | 10 361 | 11 680 | 13 119 |
| Interest paid | 0 | 0 | 0 | 0 | | | |
| Bulk Purchases - Electricity | 8 189 | 16 281 | 19 277 | 19 277 | 21 243 | 22 557 | 23 911 |
| Bulk Purchases - Water | 273 | 734 | 734 | 734 | 1 347 | 1 428 | 1 513 |
| Contracted Services | 1 542 | 2 191 | 2 191 | 2 191 | 4 058 | 5 148 | 5 457 |
| Grants & Subsidies Paid | 0 | 0 | 0 | 0 | 2 000 | 0 | 0 |
| Audit Fees | 224 | 400 | 400 | 400 | 1 200 | 1 300 | 1 378 |
| Bank Charges | 8 | 30 | 30 | 30 | 70 | 74 | 79 |
| General Expenses | 20 534 | 37 076 | 33 469 | 33 469 | 40 686 | 39 836 | 42 819 |
| <u>Operating Expenditure by Vote</u> | <u>70 728</u> | <u>109 170</u> | <u>108 645</u> | <u>108 645</u> | <u>147 832</u> | <u>153 548</u> | <u>165 298</u> |

Schedule 3 - Capital Expenditure by vote

| Schedule 3 Capital Expenditure by Vote | Preceding Year 2007/08 | Current Year 2008/09 | | | Medium Term Revenue and Expenditure Framework | | |
|---|---------------------------------|--------------------------------|--------------------------------|-----------------------------------|---|------------------------|------------------------|
| | Unaudited Actual R' 000 A | Approved Budget R' 000 B | Adjusted Budget R' 000 C | Full Year Forecast R' 000 D | Budget Year 2009/10 | Budget Year 2010/11 | Budget Year 2011/12 |
| | | | | | Budget R' 000 E | Budget R' 000 F | Budget R' 000 G |
| Mayor | 0 | 3 | 3 | 3 | 0 | | |
| Speaker | 0 | 0 | 0 | 0 | 0 | | |
| Municipal Manager | 48 | 2 120 | 2 020 | 2 120 | 0 | 50 | 20 |
| Finance | 2 422 | 3 660 | 4 960 | 3 660 | 5 290 | 7 050 | 100 |
| Strategic Management | 63 | 400 | 400 | 400 | 0 | 3 000 | 1 500 |
| Social Services Department | 682 | 1 065 | 1 465 | 1 065 | 890 | 1 150 | 63 |
| Infrastructure | 18 483 | 73 478 | 73 278 | 56 121 | 74 415 | 50 066 | 63 408 |
| Corporate Services | 715 | 1 700 | 1 700 | 1 700 | 1 620 | 675 | 630 |
| Council (General) | 0 | 0 | 0 | 0 | | | |
| Capital Expenditure by Vote | 22 413 | 82 426 | 83 826 | 65 069 | 82 215 | 61 991 | 65 721 |

Schedule 4 - Capital Funding by source

| Schedule 4 Capital Funding by source | Preceding Year 2007/08 | Current Year 2008/09 | | | Medium Term Revenue and Expenditure Framework | | |
|--|---------------------------|---------------------------------|--------------------------------|--------------------------------|---|---|---|
| | | Unaudited Actual R' 000 A | Approved Budget R' 000 B | Adjusted Budget R' 000 C | Full Year Forecast R' 000 D | Budget Year 2009/10 Budget R' 000 E | Budget Year 2010/11 Budget R' 000 F |
| National Government | | | | | | | |
| Amount allocated / gazetted for the year | 11 094 | 16 797 | 16 797 | 16 797 | 23 746 | 24 098 | 20 688 |
| Amount carried over from previous year | | 0 | | 0 | 0 | 0 | 0 |
| Total Grant & Subsidies - National Government | 11 094 | 16 797 | 16 797 | 16 797 | 23 746 | 24 098 | 20 688 |
| Provincial Government | | | | | | | |
| Amount allocated / gazetted for the year | 2 000 | 2 000 | 2 000 | 1 500 | 0 | 0 | 0 |
| Amount carried over from previous year | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Grant & Subsidies - Provincial Government | 2 000 | 2 000 | 2 000 | 1 500 | 0 | 0 | 0 |
| District Municipality | | | | | | | |
| Amount allocated / gazetted for the year | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Amount carried over from previous year | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Grant & Subsidies - District Municipality | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Grant & Subsidies | 13 094 | 18 797 | 18 797 | 18 797 | 23 746 | 24 098 | 20 688 |
| Public Contributions & Donations | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Accumulated Surplus /Own Funds | 9 319 | 63 628 | 64 629 | 64 629 | 58 469 | 37 893 | 45 013 |
| External Loans | | 0 | | 0 | 0 | 0 | 0 |
| Total Funding of Capital Budget | 22 413 | 82 425 | 83 426 | 83 426 | 82 215 | 61 991 | 65 701 |

6. Budget related Charts

Chart 1: Revenue by Major Sources

| | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 |
|-------------------------------|---------|---------|---------|---------|---------|
| Property rates | 5 894 | 8 000 | 9 040 | 9 854 | 10 740 |
| Electricity | 15 162 | 19 341 | 29 642 | 31 222 | 31 222 |
| Water | 3 715 | 5 640 | 5 041 | 5 220 | 5 527 |
| Sanitation | 1 212 | 1 420 | 1 513 | 1 597 | 1 693 |
| Refuse | 1 517 | 1 792 | 2 013 | 2 115 | 2 029 |
| Other | 65 188 | 82 107 | 56 813 | 19 669 | 28 633 |
| Government Grants & Subsidies | 59 174 | 73 391 | 105 852 | 124 494 | 128 506 |
| | 151 862 | 191 691 | 209 914 | 194 171 | 208 350 |

REVENUE BY MAJOR SOURCE

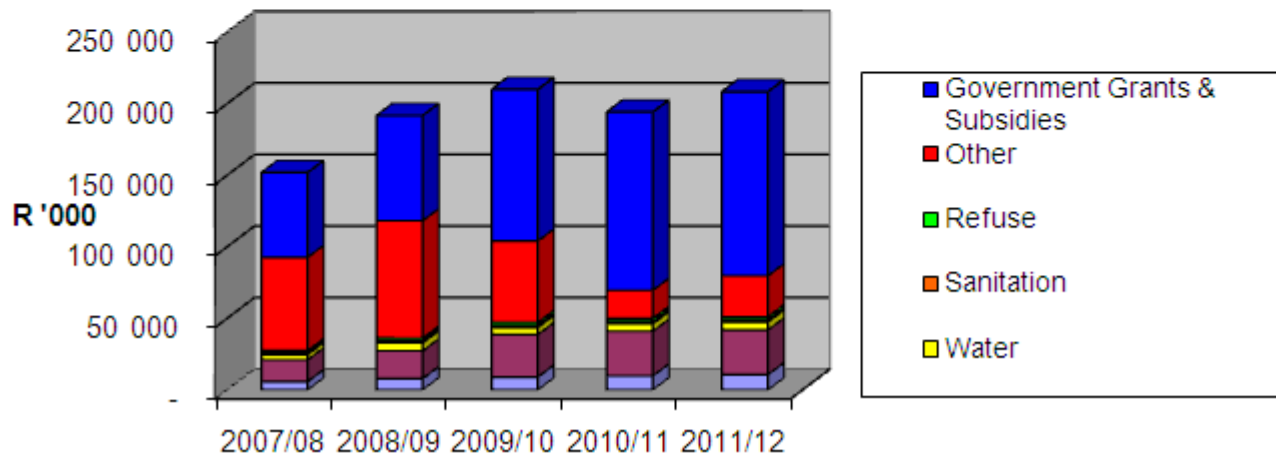


Chart 2: Revenue by Minor Sources

| | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 |
|--|---------|---------|---------|---------|---------|
| Rental of facilities and equipment | 522 | 520 | 551 | 584 | 619 |
| Interest earned - External Investments | 3 917 | 3 741 | 4 100 | 4 346 | 4 606 |
| Interest earned - Outstanding debtors | 238 | 438 | 443 | 469 | 497 |
| Fines | 1 735 | 2 500 | 771 | 817 | 866 |
| Licenses and Permits | 11 175 | 20 000 | 14 294 | 15 152 | 16 061 |
| | 17 587 | 27 199 | 20 159 | 21 368 | 22 649 |

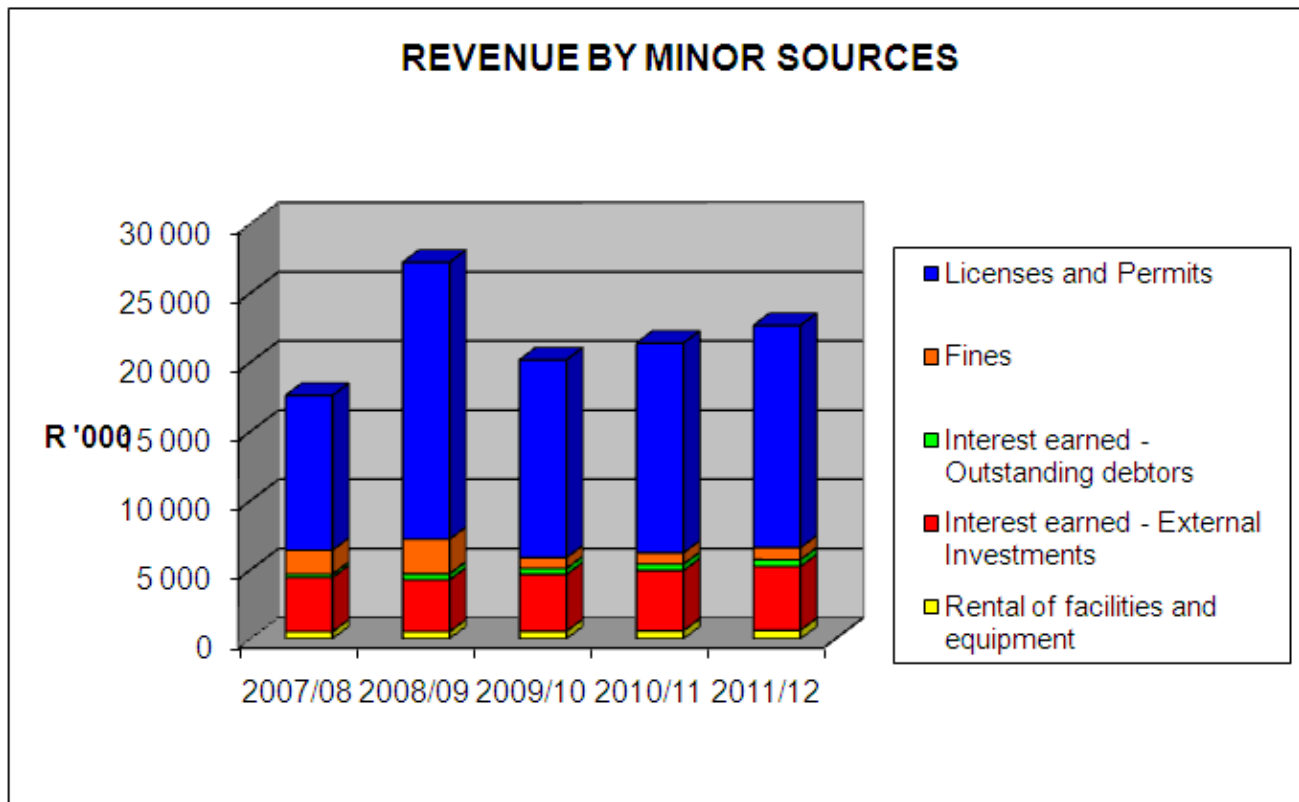


Chart 3: Operation Expenditure by Vote

| | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 |
|----------------------------|---------|---------|---------|---------|---------|
| Mayor | 1 211 | 1 628 | 3118 | 3 528 | 3 978 |
| Speaker | 359 | 1 003 | 1848 | 1 844 | 1 962 |
| Municipal Manager | 1 886 | 3 330 | 4233 | 4 308 | 4 614 |
| Finance | 6 607 | 8 057 | 20657 | 17 296 | 18 763 |
| Strategic Management | 1 976 | 3 113 | 3897 | 4 163 | 4 446 |
| Social Services Department | 21 725 | 36 173 | 43142 | 47 299 | 50 634 |
| Infrastructure | 21 572 | 35 996 | 46077 | 48 478 | 52 334 |
| Corporate Services | 5 748 | 10 135 | 13159 | 14 017 | 14 965 |
| Council (General) | 9 644 | 9 735 | 11701 | 12 615 | 13 602 |

OPERATING EXPENDITURE BY VOTE

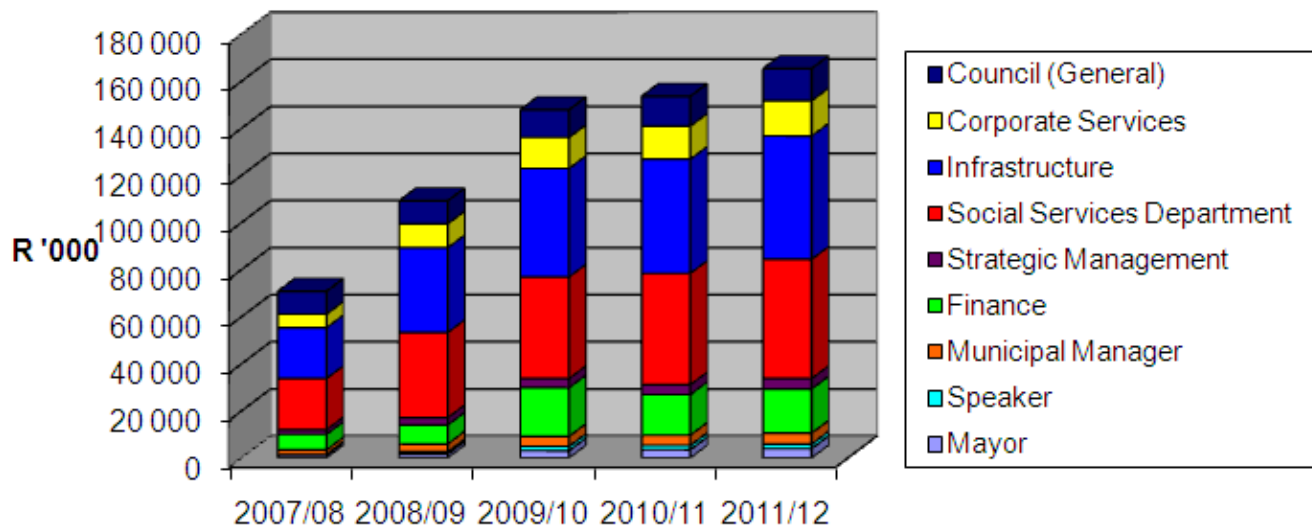


Chart 4: Operation Expenditure by Major Type

| | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 |
|------------------------------|---------|---------|---------|---------|---------|
| Employee Related Cost | 27 662 | 36 446 | 51 393 | 55 234 | 59 648 |
| Remuneration of Councillors | 9 137 | 8 876 | 10 630 | 11 480 | 12 398 |
| Repairs and Maintenance | 3 159 | 7 136 | 10 361 | 11 680 | 13 119 |
| Bulk Purchases - Electricity | 8 189 | 16 281 | 21 244 | 22 557 | 23 911 |
| Bulk Purchases - Water | 273 | 734 | 1 347 | 1 428 | 1 514 |
| Contracted Services | 1 542 | 2 191 | 4 058 | 5 148 | 5 457 |
| Communications | 0 | 1 439 | 0 | 0 | 0 |
| General Expenses | 20 534 | 34 310 | 44 766 | 41 746 | 44 310 |
| PROVISIONS | 0 | 0 | 4 032 | 4 274 | 4 941 |

OPERATING EXPENDITURE BY MAJOR TYPE

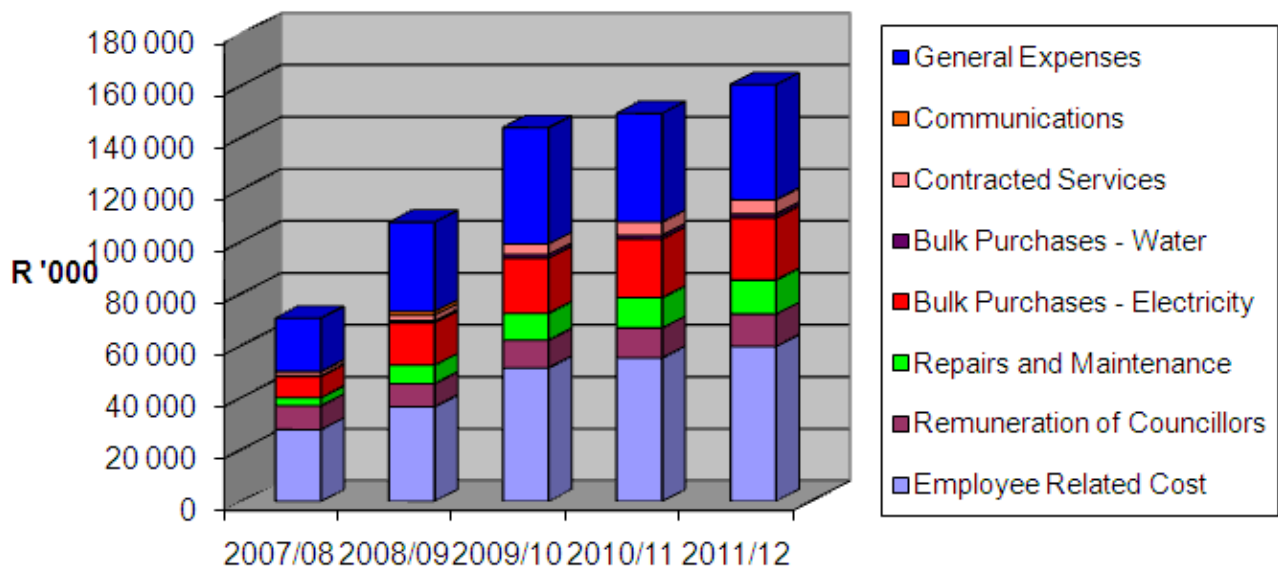


Chart 5: Capital Expenditure by Vote

| | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 |
|----------------------------|---------|---------|---------|---------|---------|
| Mayor | 0 | 3 | 0 | | |
| Speaker | 0 | 0 | 0 | | |
| Municipal Manager | 48 | 2 120 | 0 | 50 | 20 |
| Finance | 2 422 | 3 660 | 5290 | 7 050 | 100 |
| Strategic Management | 63 | 400 | 0 | 3 000 | 1 500 |
| Social Services Department | 682 | 1 065 | 890 | 1 150 | 0 |
| Infrastructure | 18 483 | 73 478 | 74415 | 50 066 | 63 452 |
| Corporate Services | 715 | 1 700 | 1620 | 675 | 630 |
| Council (General) | 0 | 0 | 0 | 0 | 0 |

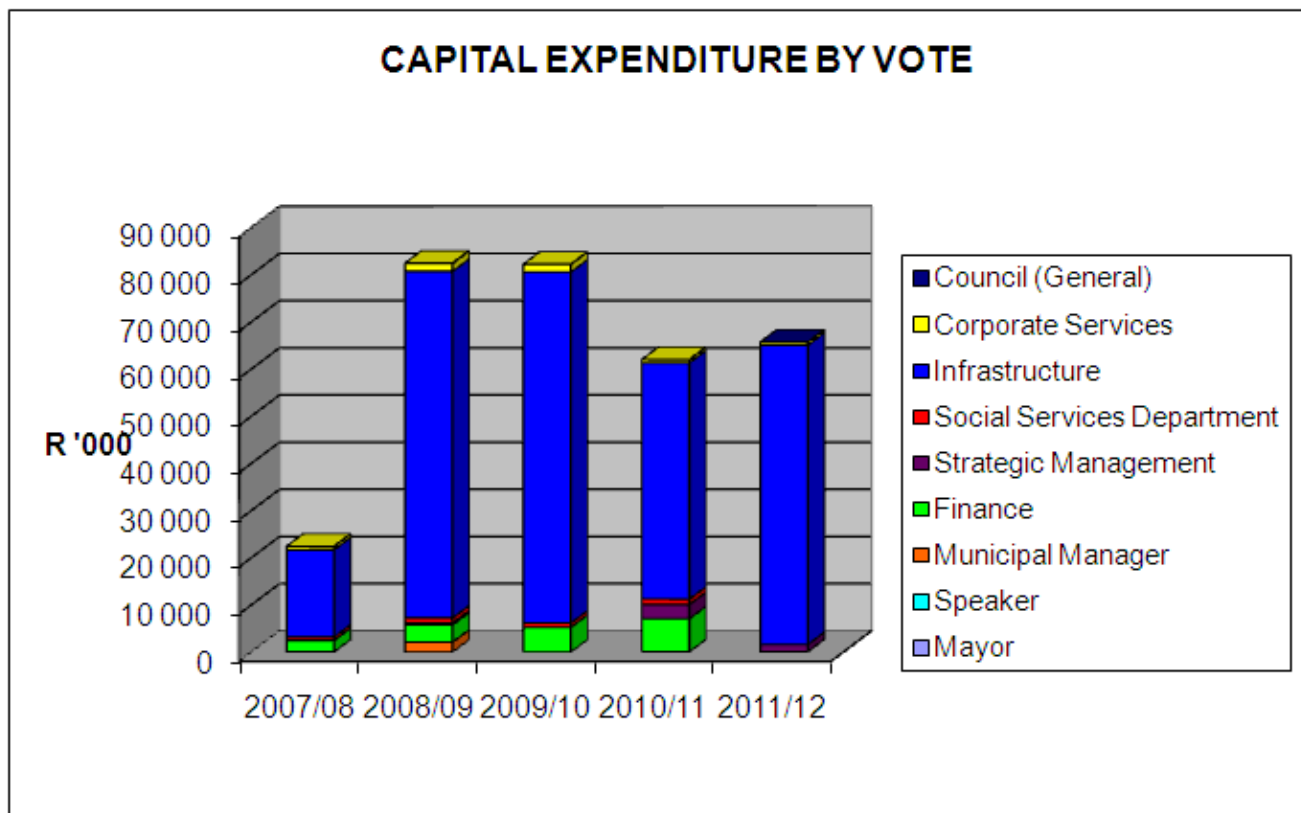
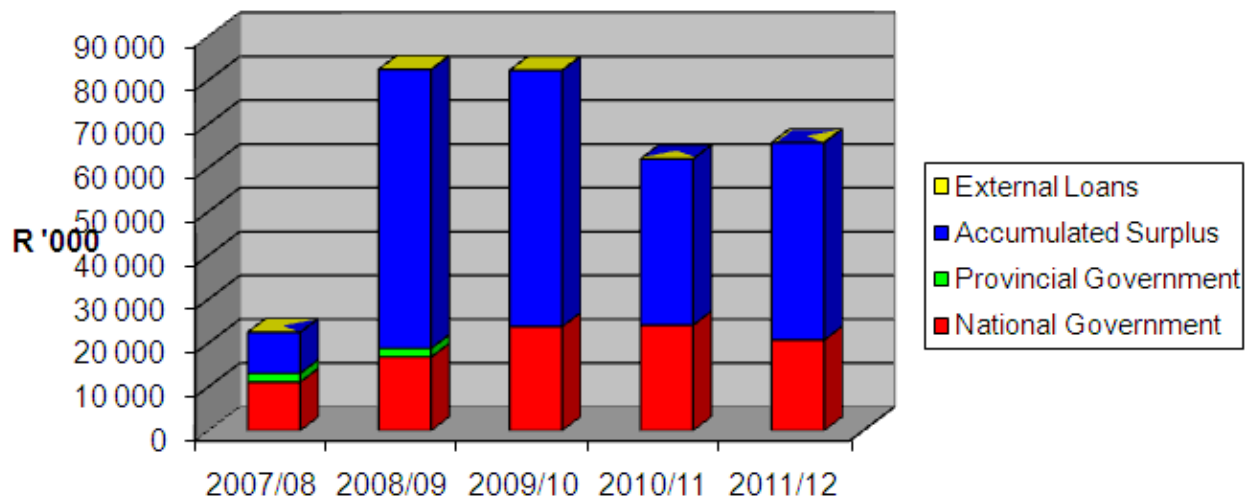


Chart 6: Capital Expenditure by Funding

CAPITAL EXPENDITURE BY SOURCE

| | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 |
|-----------------------|---------|---------|---------|---------|---------|
| National Government | 11 094 | 16 797 | 23 746 | 24 098 | 20 688 |
| Provincial Government | 2000 | 2000 | 0 | 0 | 0 |
| Accumulated Surplus | 9 319 | 63628 | 58469 | 37893 | 45013 |
| External Loans | 0 | 0 | 0 | 0 | 0 |

CAPITAL FUNDING BY SOURCE



7. BUDGET PROCESS OVERVIEW

- **Budget Process Overview**

National Treasury provides guidance on budget preparation by providing the MFMA Circulars . The 2009/10 budget is prepared in accordance with the MFMA Circular No 28. The management and executive committee had undergone the strategic session to clearly define the strategic priorities of the municipality.

Critical to the development of a credible budget are: the manner in which the strategic planning process is integrated; the input of policy directions; and consultation with the community and other stakeholders.

- **Political oversight of the budget process**

The Mayor provided the political guidance overview over the budget and priorities that guided the budget preparation. This has been done in terms of section 53(1)(a) of Municipal Finance Management Act(MFMA).

The budget preparation and IDP review process was driven by the IDP and Budget Steering Committee. This committee is chaired by the Mayor and the following persons are members:

- Mayor
- Chairperson: Infrastructure Committee
- Chairperson: Social Development Committee
- Chairperson: Finance
- Chairperson: Corporate Services
- Municipal Manager
- All heads of Departments (Directors)

The Strategic Director on behalf of the municipal Council drives the Budget and IDP Review Process, which entails the coordination of activities, meetings and the development of documents within the ambit of the steering Committee.

- **Schedule of Key Deadlines relating to budget process 21(1)(b)]**

The schedule of key deadlines for the preparation of the budget and the annual review of the IDP for the 2009/2010 medium term period was tabled in council in July 2007 and was approved by council accordingly.

- **Process for tabling and adoption of budget in council for community consultation**

Elias Motsoaledi Local Municipality 's 2009/10 Budget have been developed to comply with Circular 28 MFMA and the provision of MFMA..

The tabling of time schedule outlining key deadlines for Elias Motsoaledi Local Municipality started 10 months before the start of the budget year. The plan indicated the following:

- The preparation, tabling and approval of the Annual Budget;
- Annual Budget review on budget – related policies;
- The tabling and adoption of the reviewed IDP;
- Consultation process with the community.
- Approval of the final idp and budget

Detail plan is reflected on the IDP document on annexure 2

- **Consultation process with stake holders and outcomes**

The draft IDP/Budget was placed on the municipal website, copies were placed at all satellite office and libraries and Meshate of Magoshi

The ward committee members were utilized to facilitate community participation meetings. Dates for meetings were published in the local newspaper, community radios and municipal website . Different stakeholders will be consulted , though the timing was stressful for politicians because of the national election preparations. Nine meetings were attended by members of public on the draft idp and budget.

- **Process used to integrate the review of the IDP and preparation of the budget**

The IDP and budget preparation process started in July 2008, with the review of IDP/Budget process plan reflecting key deadline and was adopted by council in July 2008.

The IDP revision and budget process were fully integrated to obtain best results. Various meetings were held with community members, ward committees, councilors and other stakeholders.

The IDP review and Budget preparation review process was driven by IDP/ Budget Steering Committee. The committee is chaired by the Mayor and the chairperson of port folio committee , Municipal Manager and directors are members

- **Summary of Community Priority Issues (During ward based IDP forum)**

Council is committed to allocate scarce financial resources to service delivery goals determined in the IDP and policies of National Government such as free basic water, electricity and sanitation.

During public consultation meetings , communities still raised a number of issues that they considered pertinent for the development of their respective wards and areas. Below is a summary of the most pertinent community issues highlighted throughout the Elias Motsoaledi Municipal Area. The need for:

Infrastructure development needs are:

- High mast lights and maintenance
- Electricity
- Roads, their maintenance and necessary road signage
- Sanitation Facilities
- Storm water drainage
- Housing backlog and completion of RDP

Health issues

- Centres for orphans and HIV/Aids patients
- Ambulances
- Shortage of clinics
- Support for home based Care Centres

Social service needs

- Refuse removal
- Cemeteries

- Upgrading & maintenance of sport facilities
- Multipurpose Centres

- Children Day care Centres
- Old Age Centres
- Easily accessible pension payment
- Libraries
- Establishment of CPF's
- Skills Development Centres
- Community Halls

Education

- Facilitating Scholar Transport for farm learners
- Schools and libraries
- Bursaries

Local Economic development

- Poverty Alleviation Projects
- Agricultural need
- EPWP projects

All the issues highlighted above are indicative of the fact that there is a need for cross-sectoral collaboration with municipalities and provincial and national service providers.

- **Strategic alignment with National and Provincial Governments**

Limpopo Province Growth and Development Strategy

In terms of Section 24(1) of the Municipal Systems Act "The planning undertaken by a municipality must be aligned with, and complement, the development plans and strategies of other affected municipalities and other organs of state so as to give effect to the principles of co-operative government contained in Section 41 of the Constitution".

In case of the Elias Motsoaledi Local Municipality the three most important (although not the only) directives in this regard are the Limpopo Growth and Development strategy (PGDS), the

Integrated Development Plan of the Sekhukhune District Municipality, and the International Community Development Targets (Vision 2014).

The PGDS (2004-2014) is the strategic framework for the Limpopo Provincial Government that sets the tone and pace for growth and development in the province. It addressed the key and most fundamental issues of development spanning the social, economic and the political environment and was developed from the following:

- National policies and strategies
- Provincial strategies
- Local Government plans (e.g. Integrated Development Plans) and strategies

The PGDS is considered a strategic document in as far as it ties provincial policies with national policies while it spells out strategies on a sectoral level. Moreover, the PGDS also serves as guideline to provincial departments and local government/ organizations when they lay out their

budget allocations in the light of key growth and development priorities at the beginning of each budget cycle.

It is thus essential that the issues and programmes emanating from IDP' be compatible with the priority areas of the PGDS.

Limpopo province identified several priority areas of intervention as part of the Provincial Growth and Development Strategy, namely:

- **Economic Development** (i.e. investment, job creation, business and tourism development and SMME development)
- **Infrastructure Development** (i.e. urban/ rural infrastructure, housing and land reform)
- **Human Resource Development** (i.e. adequate education opportunities for all)
- **Social Infrastructure** (i.e. access to full social infrastructure)
- **Environmental Development** (i.e. protection of the environment and sustainable development)
- **Good Governance** (i.e. effective and efficient public sector management and service delivery).

Care was taken during the Elias Motsoaledi IDP process that all actions and initiatives proposed by the municipality are in line with these Provincial Priority Areas for Intervention as highlighted above.

10. ALIGNMENT OF BUDGET WITH IDP

VISION

A better life for all through service excellence.

MISSION

The Elias Motsoaledi Local Municipality is committed to:

- ❑ Provide democratic and accountable government for local communities;
- ❑ Ensure provision of services to communities in a sustainable manner;
- ❑ Promote social and economic development;

We will achieve this by:

- ❑ Implementing a system of Integrated Development Planning based on priority needs of the community identified through community consultation processes;
- ❑ Ensuring the effective performance of all service providers in the municipal area;
- ❑ Supporting sustainable infrastructure development and maintenance, as well as service delivery, through a fair allocation of resources;
- ❑ Promoting a safe and healthy environment;
- ❑ Facilitating economic development and job creation

MUNICIPAL KEY FOCUS AREAS AND IDP PRIORITY ISSUES

Based on the above, the following are the key focus areas of the Elias Motsoaledi Local Municipality

KEY FOCUS AREAS

- Good Governance
- Financial Viability
- Community Consultation
- Infrastructure Development and Service Delivery
- Economic Development and Job Creation

KEY PRIORITY ISSUES

- Issue1: Powers, Duties and Functions
- Issue2: Organizational Restructuring and Transformation
- Issue3: Financial Management
- Issue4: Good Governance and Communication
- Issue5: Spatial Restructuring and Land Use Management
- Issue6: Land Reform and Land Administration
- Issue7: Housing
- Issue8: Health and Welfare
- Issue9: Education
- Issue 10: Culture, Sport and Recreation
- Issue 11: Safety and Security
- Issue 12: Emergency Services
-
- Issue 13: Post and Telecommunication
-
- Issue 14: Cemeteries
-
- Issue 15: Water and Sanitation
-
- Issue 16: Electricity Supply
-
- Issue 17: Waste Management
-
- Issue 18: Roads, Storm water and Transpo
-
- Issue 19: Environmental Management
-
- Issue 20: Economic Development and Job Creation

11. BUDGET RELATED POLICIES: OVERVIEW AND AMENDMENTS

Several meetings were held on consultation on the reviewed Property Rate Policy, and 30 days period was open for public comments on the draft policy. The property rate policy is submitted for approval this budget. The draft bylaw for the property rate policy is submitted to council for noting, so that process of public participation can be executed.

Council approved the Supply Chain policy and Investment policy in May 2009. The policies which could not be managed to be reviewed with the budget, such as the credit control and debt management, indigent policy, will be reviewed in the second quarter of the next budget year.

The development of budget policy is part of the deliverables as per service delivery budget implementation plan, as council was not having such policy, its first draft will be adopted in the second quarter of 2009/10 budget year.

12. BUDGET ASSUMPTION

Revenue generation remains a threat to the municipality's financial viability, due to the current economic climate. Financial viability remains a key feature of transformation in the municipal organization. The council will ensure that it explores new sources of revenue and leverage other funding mechanisms to improve its revenue.

The new valuation roll on property rates will generate the projected revenue of R9,040,000 in 2009/2010 financial year. The current increase was based on the implementation of the 1 valuation roll, in terms of the Municipal Property Rates Act.

In the current financial year, the projected tariff was R0,0067 in a rands for all table properties, and we benchmark the rate with the neighbouring municipalities, such as Marble Hall which currently charges R0,019 and Bela Bela which charges R 0,0095 on residential properties.

The price increase on electricity is projected at 25%, this will be adjusted once NERSA has announced its price increase.

The current CPI inflation is at an average of 13%, but council is implementing an increase on other services at the percentage of 6%. The challenge of an increase above the border line of 6%, is that the council will have to increase the budget on the provision of bad debts.

Growth on salary budget is caused by the budgeting of 104 additional posts (mainly general workers in Infrastructure and Social Development) to meet labour demand on the operation and maintenance sections, and an additional increase of 10% on salaries of staff and 8% on the remuneration of office bearers and Directors.

10. FUNDING THE BUDGET (INCLUDING FISCAL OVERVIEW AND

SOURCE OF FUNDING (Tariffs)

Tariff Overview

The tariffs for the budget year 2009/10 are submitted on the table below. The increase was based on the current global financial crisis as stipulated in the executive summary.

| BUDGET 2009/2010 | | | | | | |
|---|-----------------------------|--------------------------------|-----------------------------|--------------------------------|-----------------------------|--------------------------------|
| TARIFFS FOR STANDS WITH VALUATIONS | | | | | | |
| | TARIFF 2007/2008 | %INCREASE 2007/2008 | TARIFF 2008/2009 | %INCREASE 2008/2009 | TARIFF 2009/2010 | %INCREASE 2009/2010 |
| ELECTRICITY | | | | | | |
| i) Residential | | | | | | |
| Basic Charge | R 48.00 | 24.5% | R 54.82 | 14.2% | R 57.90 | 5.6% |
| Unit Charge | | | | | | |
| First 50 Units (Indigents) | Free | 0.0% | Free | 0.0% | Free | 0.0% |
| First 50 Units (Non-Indigents) | Free | 0.0% | 32.5c | 100.0% | 40.2c | 23.5% |
| 51-200 Units | 30.7c | 5.5% | 39.9c | 30.0% | 49.4c | 23.8% |
| Above 201 Units | 32.7c | 6.5% | 43.4c | 32.6% | 58.1c | 34.0% |
| Prepaid | | | | | | |
| Unit Charge | 38.5c | 6.0% | 51.0c | 32.5% | 68.34c | 34.0% |
| ii) Commercial | | | | | | |
| Basic charge | R 80.00 | 21.3% | R 92.80 | 16.0% | R 98.00 | 5.6% |
| Unit Charge | 32.9c | 6.0% | 43.6c | 32.5% | 58.4c | 34.0% |
| iii) Industrial Bulk | | | | | | |
| Basic Charge | R 188.00 | 12.1% | R 218.08 | 16.0% | R 230.25 | 5.6% |
| Unit Charge | 17.7c | 6.0% | 23.46c | 32.5% | 31.44c | 34.0% |
| Maximum Demand Charge (60-100A) | R 58.09 | 6.0% | R 71.63 | 23.3% | R 71.63 | 0.0% |
| iv) Industrial Bulk (100A - ABOVE) | | | | | | |
| Basic Charge | R 59.28 | 6.0% | R 78.60 | 32.6% | R 83.00 | 5.6% |
| Unit Charge | 32.6c | 6.0% | 23.46c | -28.0% | 31.44c | 34.0% |
| Maximum Demand Charge (60-100A) | R - | 0.0% | R 47.36 | 100.0% | R 50.00 | 5.6% |
| v) Municipal Buildings | | | | | | |
| Unit Charge | 29.7c | 6.0% | 39.4c | 32.7% | 52.79c | 34.0% |
| Reconnection after non payment | R 94.83 | 6.0% | R 111.90 | 18.0% | R 118.00 | 5.5% |
| Connection Fee | R 29.75 | 6.4% | R 35.09 | 17.9% | R 36.84 | 5.0% |
| Test of Meters | R 118.54 | 6.0% | R 135.00 | 13.9% | R 135.00 | 0.0% |
| Tempering with Electrical Meters | | | | | | |
| First offence * | R 500.00 | 100.0% | R 2 000.00 | 300.0% | R 2 000.00 | 0.0% |
| Second Offence * | R 2 000.00 | 100.0% | R 5 000.00 | 150.0% | R 5 000.00 | 0.0% |
| Third Offence | Legal action will be take. | | Legal action will be take. | | | |
| * Meter removed until Payment | | | | | | |

TARIFFS FOR STANDS WITH VALUATIONS

| TARIFF 2007/2008 | %INCREASE 2007/2008 | TARIFF 2008/2009 | %INCREASE 2008/2009 | TARIFF 2009/2010 | %INCREASE 2009/2010 |
|---------------------|------------------------|---------------------|------------------------|---------------------|------------------------|
|---------------------|------------------------|---------------------|------------------------|---------------------|------------------------|

WATER

i) Residential

Metered

| | | | | | | | | | |
|--------------|---|-------|------|---|-------|------|---|-------|------|
| Basic charge | R | 49.43 | 6.6% | R | 53.55 | 8.3% | R | 53.55 | 0.0% |
|--------------|---|-------|------|---|-------|------|---|-------|------|

Unit Charge

| First 6 Units (Indigents) | | | Free | 0.0% | Free | 0.0% |
|-------------------------------|--------|------|--------|--------|--------|------|
| First 6 Units (Non-Indigents) | Free | 0.0% | R 2.26 | 100.0% | R 2.37 | 4.6% |
| 7 to 10 Units | R 1.90 | 5.5% | R 2.91 | 34.7% | R 3.06 | 4.9% |
| 11 to 30 Units | R 1.90 | 5.5% | R 3.35 | 43.3% | R 3.52 | 4.8% |
| Above 30 units | R 2.02 | 5.9% | R 3.63 | 44.4% | R 4.00 | 9.3% |

Unmetered

| | | | | | | | | | |
|-------------------|---|---|------|---|-------|--------|---|-------|------|
| Monthly Flat Rate | R | - | 0.0% | R | 47.52 | 100.0% | R | 49.90 | 4.8% |
|-------------------|---|---|------|---|-------|--------|---|-------|------|

Pre-Paid

| | | | | | | | | | |
|--------------|---|---|------|---|---|------|---|---|------|
| Basic charge | R | - | 0.0% | R | - | 0.0% | R | - | 0.0% |
|--------------|---|---|------|---|---|------|---|---|------|

| | | | | | | | | | |
|-------------|---|---|------|---|------|--------|---|------|------|
| Unit Charge | R | - | 0.0% | R | 4.26 | 100.0% | R | 4.48 | 4.9% |
|-------------|---|---|------|---|------|--------|---|------|------|

Communal Stand Pipes (Above RDP)

| | | | | | | | | | |
|-------------------|---|---|------|---|-------|--------|---|-------|------|
| Monthly Flat Rate | R | - | 0.0% | R | 25.99 | 100.0% | R | 27.29 | 4.8% |
|-------------------|---|---|------|---|-------|--------|---|-------|------|

Communal Stand Pipes (Pre-Paid)

| | | | | | | | | | |
|---------------|---|---|------|---|------|--------|---|------|------|
| First 6 Units | R | - | 0.0% | R | 4.24 | 100.0% | R | 4.46 | 4.9% |
|---------------|---|---|------|---|------|--------|---|------|------|

| | | | | | | | | | |
|----------------|---|---|------|---|------|--------|---|------|------|
| Above 30 units | R | - | 0.0% | R | 4.53 | 100.0% | R | 4.75 | 4.6% |
|----------------|---|---|------|---|------|--------|---|------|------|

ii) Commercial/ Industry

| | | | | | | | | | |
|--------------|---|-------|------|---|-------|-------|---|-------|------|
| Basic charge | R | 49.43 | 6.6% | R | 70.21 | 29.6% | R | 73.02 | 3.8% |
|--------------|---|-------|------|---|-------|-------|---|-------|------|

| | | | | | | | | | |
|---------------|---|------|------|---|------|-------|---|------|------|
| First 6 Units | R | 2.03 | 6.2% | R | 2.60 | 21.9% | R | 2.72 | 4.4% |
|---------------|---|------|------|---|------|-------|---|------|------|

| | | | | | | | | | |
|---------------|---|------|------|---|------|-------|---|------|------|
| 7 to 30 Units | R | 2.03 | 6.2% | R | 3.24 | 37.3% | R | 3.39 | 4.4% |
|---------------|---|------|------|---|------|-------|---|------|------|

| | | | | | | | | | |
|----------------|---|------|------|---|------|-------|---|------|------|
| Above 30 units | R | 2.03 | 6.2% | R | 4.06 | 50.0% | R | 4.26 | 4.7% |
|----------------|---|------|------|---|------|-------|---|------|------|

| | | | | | | | | | |
|--------------|---|------|------|---|------|-------|---|------|------|
| Departmental | R | 1.71 | 5.5% | R | 4.26 | 59.9% | R | 4.43 | 3.8% |
|--------------|---|------|------|---|------|-------|---|------|------|

| | | | | | | | | | |
|---------------------|---|-------|------|---|-------|-------|---|-------|------|
| iii) Connection Fee | R | 29.61 | 5.5% | R | 36.40 | 22.9% | R | 37.72 | 3.6% |
|---------------------|---|-------|------|---|-------|-------|---|-------|------|

| | | | | | | | | | |
|------------------------------|---|--------|--------|---|--------|------|---|--------|------|
| iv) Water Tankers (per tank) | R | 200.00 | 100.0% | R | 200.00 | 0.0% | R | 200.00 | 0.0% |
|------------------------------|---|--------|--------|---|--------|------|---|--------|------|

REFUSE REMOVAL

| | | | | | | | | | |
|----------------------------|---|-------|------|---|-------|------|---|-------|------|
| Basic charge (Residential) | R | 41.34 | 5.7% | R | 43.94 | 6.3% | R | 46.71 | 6.3% |
|----------------------------|---|-------|------|---|-------|------|---|-------|------|

| | | | | | | | | | |
|---------------------------|---|--------|------|---|--------|------|---|--------|------|
| Basic charge (Commercial) | R | 101.00 | 5.6% | R | 107.36 | 6.3% | R | 114.13 | 6.3% |
|---------------------------|---|--------|------|---|--------|------|---|--------|------|

| | | | | | | | | | |
|-----------------------------|---|-------|------|---|-------|------|---|-------|------|
| Basic charge (Departmental) | R | 41.34 | 5.7% | R | 43.94 | 6.3% | R | 46.71 | 6.3% |
|-----------------------------|---|-------|------|---|-------|------|---|-------|------|

| | | | | | | | | | |
|---------------------|---|--------|------|---|--------|------|---|--------|------|
| Special Refuse Load | R | 110.52 | 5.0% | R | 117.48 | 6.3% | R | 124.88 | 6.3% |
|---------------------|---|--------|------|---|--------|------|---|--------|------|

SEWERAGE

| | | | | | | | | | | | |
|-----|---|-----------------------|-------|-------|------|-------|-------|------|-------|-------|------|
| i) | Basic charge (Residential) (6.3% increase to other stand sizes also) | R | 27.63 | 6.20% | R | 29.37 | 6.3% | R | 31.02 | 5.6% | |
| | Basic charge (Commercial) (6.3% increase to other stand sizes also) | R | 53.98 | 5.50% | R | 57.38 | 6.3% | R | 60.60 | 5.6% | |
| ii) | <u>Sewerage Points</u> | | | | | | | | | | |
| | Residential | | | | | | | | | | |
| | | First two Points | R | 4.45 | 6.0% | R | 4.73 | 6.3% | R | 5.00 | 5.7% |
| | | There after per point | R | 4.45 | 6.0% | R | 4.73 | 6.3% | R | 5.00 | 5.7% |
| | | Commercial | R | 17.76 | 6.0% | R | 18.88 | 6.3% | R | 19.95 | 5.7% |
| | Departmental | R | 4.19 | 6.0% | R | 4.45 | 6.3% | R | 4.70 | 5.5% | |

| | TARIFF 2007/2008 | %INCREASE 2007/2008 | TARIFF 2008/2009 | %INCREASE 2008/2009 | TARIFF 2009/2010 | %INCREASE 2009/2010 |
|---|---------------------|------------------------|---------------------|------------------------|---------------------|------------------------|
| iii) <u>Other Sewerage Tariffs</u> | | 6.4% | | 6.3% | | 6.3% |

RATES

| | | | | | | |
|--------------------|--------|------|------------|-----|----------|-----|
| Tariffs (Property) | 8.9c # | 5.0% | 0.00675c * | N/A | 0.006c * | N/A |
|--------------------|--------|------|------------|-----|----------|-----|

* Rate levied on market value of land and buildings

Levied on land value

Ratio at which property tax will be levied

| | | |
|--------------------------------------|------------|------------|
| Residential Property | 1 : 1 | 1 : 1 |
| Buiseness and commercial | 1 : 2 | 1 : 2 |
| Agricultural Property | 1 : 0,25 | 1 : 0,25 |
| Stat Owned Property | 1 : 0,25 | 1 : 0,25 |
| Public Service Inrastructure | 1 : 0,25 | 1 : 0,25 |
| Public Benefit Organization Property | 1 : 0,25 | 1 : 0,25 |
| Mining Property | 1 : 2 | 1 : 2 |
| Municipal Property | Not Levied | Not Levied |

TARIFFS FOR STANDS WITHOUT VALUATION

| | | | | | | | | | | |
|-----|----------------------------|---|-------|------|---|-------|------|---|-------|------|
| i) | Basic Charge (Residential) | R | 19.46 | 5.5% | R | 20.69 | 6.3% | R | 21.75 | 5.1% |
| | | | | | | | | | | |
| ii) | Basic Charge (Commercial) | R | 38.94 | 5.5% | R | 41.39 | 6.3% | R | 43.50 | 5.1% |

SUNDRY TARIFFS

| | | TARIFF 2008/2009 | %INCREASE 2008/2009 | TARIFF 2009/2010 | %INCREASE 2009/2010 |
|------|---|-----------------------|------------------------|---------------------|------------------------|
| i) | <u>Duplicate Accounts</u> | R 1.30 | 6.2% | R 1.35 | 4.2% |
| ii) | <u>Photo Copies</u> | | | | |
| | A4 | R 1.01 | 6.3% | R 1.05 | 4.0% |
| | A3 | R 1.68 | 6.3% | R 1.75 | 4.2% |
| | Duplicate Payslips | R 50.00 | 0.0% | R 50.00 | 0.0% |
| | Duplicate IRP 5's | R 50.00 | 100.0% | R 50.00 | 0.0% |
| iii) | <u>Parking per month</u> | R 90.36 | 6.3% | R 95.20 | 5.4% |
| iv) | <u>Building Plan Copies</u> | Paper | | | |
| | A0 | R 24.60 | 6.0% | R 26.08 | 6.0% |
| | A1 | R 16.80 | 6.1% | R 17.80 | 6.0% |
| | A2 | R 12.30 | 5.9% | R 13.04 | 6.0% |
| | A3 | R 8.40 | 6.6% | R 8.90 | 6.0% |
| | A4 | R 6.15 | 6.4% | R 6.52 | 6.0% |
| v) | <u>Building Plan Copies</u> | Sepia/Durester | | | |
| | A0 | R 65.60 | 6.3% | R 69.54 | 6.0% |
| | A1 | R 39.30 | 6.4% | R 41.66 | 6.0% |
| | A2 | R 26.40 | 6.5% | R 27.98 | 6.0% |
| | A3 | R 19.00 | 6.4% | R 20.14 | 6.0% |
| | A4 | R 13.10 | 6.2% | R 13.89 | 6.0% |
| vi) | <u>Approval of Building Plans</u> | | | | |
| | Swimming Pools per m ² | R 7.00 | - | R 7.00 | - |
| | Extensions per m ² | R 4.00 | - | R 4.00 | - |
| | House > 40m ² per m ² | R 6.00 | - | R 6.00 | - |
| | Flats per m ² | R 6.00 | - | R 6.00 | - |
| | Business per m ² | R 12.00 | - | R 12.00 | - |
| vii) | <u>Town Planning</u> | | | | |
| | Relaxation of building lines | R 100.00 | 33.3% | R 105.00 | 5.0% |
| | Approval of site Development Plan | R 150.00 | 25.0% | R 160.00 | 6.7% |
| | Subdivision of erven | R 70.00 | 40.0% | R 74.00 | 5.7% |
| | Consolidation of erven | R 50.00 | 100.0% | R 52.00 | 4.0% |
| | Consent uses/ amendment of conditions | R 300.00 | 150.0% | R 310.00 | 3.3% |
| | Consent use of certain land of buildings | R 120.00 | 0.0% | R 130.00 | 8.3% |
| | Amendment of scheme/ rezoning | R 1,200.00 | 60.0% | R 1,250.00 | 4.2% |
| | Repeal of scheme or provision or an approved scheme | R 500.00 | 25.0% | R 530.00 | 6.0% |
| | Town Establishment | R 1,250.00 | 66.7% | R 1,300.00 | 4.0% |
| | Ext of boundries of approves township | R 100.00 | 0.0% | R 105.00 | 5.0% |
| | Provision of reason of Council resolution | R 50.00 | 0.0% | R 52.00 | 4.0% |
| | Rezoning Certificate | R 50.00 | 0.0% | R 53.00 | 6.0% |

| | | | | | |
|--|--|--|-------|-------------|--------|
| viii) | <u>Certificates</u> | | | | |
| | Clearance Certificates | R 24.00 | 0.0% | R 25.00 | 4.2% |
| | Valuation Certificates | R 24.00 | 0.0% | R 25.00 | 4.2% |
| | Zoning Certificates | R 24.00 | 0.0% | R 25.00 | 4.2% |
| | Deposit Certificates | R 24.00 | 0.0% | R 25.00 | 4.2% |
| | Valuation Roll for Public | R 190.00 | 11.8% | R 200.00 | 5.3% |
| ix) | <u>Hiring</u> | | | | |
| | <i>*Stadiums</i> | | | | |
| | Deposit (Refundable) | R 400.00 | 0.0% | R 400.00 | 0.0% |
| | *Hiring | R 500.00 | 0.0% | R 500.00 | 0.0% |
| | <i>*Stadiums (for Music Festivals)</i> | | | | |
| | Deposit (Refundable) | R 10,000.00 | 0.0% | R 10,000.00 | 0.0% |
| | *Hiring | R 5,000.00 | 0.0% | R 5,000.00 | 0.0% |
| | <i>Cricket Field</i> | | | | |
| | Deposit (Refundable) | R 100.00 | 0.0% | R 100.00 | 0.0% |
| | *Hiring | R 200.00 | 0.0% | R 200.00 | 0.0% |
| | <i>Halls</i> | | | | |
| | Deposit (Refundable) | R 1,000.00 | 0.0% | R 1,000.00 | 0.0% |
| | *Hiring | R 500.00 | 0.0% | R 500.00 | 0.0% |
| | x) | <u>Renting Machinery not for Business Use</u> | | | |
| Basic Charge | | R 100.00 | 0.0% | R 600.00 | 500.0% |
| | Per Km | R 10.00 | 0.0% | R 10.00 | 0.0% |
| xi) | <u>New connections (Water/Electricity/Sewerage)</u> | | | | |
| As calculated by the Director Technical Services (Cost + 10%) | | | | | |
| xii) | <u>Issue of Council Documents/Information</u> | | | | |
| Basic Fee of R30 plus photo copy fees as in paragraph (II) of Sundry Tariffs | | | | | |
| xiii) | <u>Cemetery Fees</u> | | | | |
| | *Plot Reservation | R 460.00 | 4.5% | R 480.00 | 4.3% |
| | *Residents (In Municipal Area) | R 875.00 | 1.7% | R 890.00 | 1.7% |
| | *Increase depth to 8vt | R 1,050.00 | 5.0% | R 1,100.00 | 4.8% |
| | *Resident Children | R 625.00 | 0.0% | R 625.00 | 0.0% |
| | *Children - Non Residents | R 1,400.00 | 7.7% | R 1,450.00 | 3.6% |
| | *Non Residents (Outside Mun Bound) | R 2,100.00 | 7.7% | R 2,250.00 | 7.1% |
| | *Fees Motetema/ Hlogotlou Etc. | R 44.00 | 4.8% | R 400.00 | 809.1% |
| | * Indigent Household | R - | 0.0% | R 46.00 | 100.0% |

xiv)

Library Membership

Residents with W&E Account

Annual Fee

| | | | | | | | | |
|---|---|------|---|-------|--------|---|-------|------|
| R | - | 0.0% | R | 50.00 | 100.0% | R | 50.00 | 0.0% |
|---|---|------|---|-------|--------|---|-------|------|

Residents without W&E Account

Deposit

| | | | | | | | | |
|---|---|------|---|--------|--------|---|--------|------|
| R | - | 0.0% | R | 100.00 | 100.0% | R | 100.00 | 0.0% |
|---|---|------|---|--------|--------|---|--------|------|

Annual Fee

| | | | | | | | | |
|---|---|------|---|-------|--------|---|-------|------|
| R | - | 0.0% | R | 50.00 | 100.0% | R | 50.00 | 0.0% |
|---|---|------|---|-------|--------|---|-------|------|

Pensioners with W&E Account

Annual Fee

| | | | | | | | | |
|---|---|------|---|-------|--------|---|-------|------|
| R | - | 0.0% | R | 30.00 | 100.0% | R | 30.00 | 0.0% |
|---|---|------|---|-------|--------|---|-------|------|

Pensioners without W&E Account

Deposit

| | | | | | | | | |
|---|---|------|---|-------|--------|---|-------|------|
| R | - | 0.0% | R | 50.00 | 100.0% | R | 50.00 | 0.0% |
|---|---|------|---|-------|--------|---|-------|------|

Annual Fee

| | | | | | | | | |
|---|---|------|---|-------|--------|---|-------|------|
| R | - | 0.0% | R | 30.00 | 100.0% | R | 30.00 | 0.0% |
|---|---|------|---|-------|--------|---|-------|------|

Lost Books

Per Book

| | | | | | | | |
|---|---|------|---|--|--|--|--|
| R | - | 0.0% | Charged as per value of the book / or replacement | | | | |
|---|---|------|---|--|--|--|--|

Library Fines

Late Returns - per book per day

| | | | | | |
|---|------|--------|---|------|--------|
| R | 0.50 | 100.0% | R | 2.00 | 300.0% |
|---|------|--------|---|------|--------|

* Fees Include VAT

xv)

Fire Fighting Fees

For the first Hour or part thereof
 Subsequent hour(s) or part thereof
 Return journey per Km

| In Municipal Area | Outside Municipal Area | In Municipal Area | Outside Municipal Area |
|-------------------------|------------------------------|-------------------------|------------------------------|
| R 50-R100 | R100-R150 | R 100.00 | R 150.00 |
| R15- R50* | R50-R150 | R 50.00* | R 160.00 |
| R - | R 8.00 | R - | R 10.00 |

* Plus Materials Used (Chemicals)

Pumping of Water

For the first Hour or part thereof
 Subsequent hour(s) or part thereof
 Fire Hoses (per Length)

| | |
|----------|----------|
| R 100.00 | R 150.00 |
| R 50.00 | R 60.00 |
| R 20.00 | R 20.00 |

Protective Duties

Per fireman per hour #

| | |
|---------|---------|
| R 50.00 | R 70.00 |
|---------|---------|

After Midnight time x2

Fire Extinguishers

Used extinguishers cost plus handling cost

| | |
|---------|---------|
| R 50.00 | R 70.00 |
|---------|---------|

xvi)

Advertisement & Hordings

Application
 Per m² of Board

| | |
|----------|----------|
| R 500.00 | R 500.00 |
| R 100.00 | R 100.00 |

DEPOSITS

The Director Finance determines the deposit as required from time to time.

Currently the minimum is as follows:

Groblersdal

| | | | | |
|-------------------------------|------------|-------|------------|--------|
| Household | R 1,300.00 | 8.3% | R 1,300.00 | 0.0% |
| Flats | R 650.00 | 8.3% | R 1,300.00 | 100.0% |
| Business | R 2,500.00 | 25.0% | R 2,600.00 | 4.0% |
| Herfsakker (Only Electricity) | R 200.00 | 0.0% | R 200.00 | 0.0% |
| RDP - Water | R 300.00 | 0.0% | R 300.00 | 0.0% |
| RDP - Electricity | R 150.00 | 0.0% | R 150.00 | 0.0% |

12. DISCLOSURE ON SALARIES, ALLOWANCES AND BENEFITS

11. Disclosure on Salaries, Allowances and Benefits

| DISCLOSURE OF SALARIES, ALLOWANCES & BENEFITS | Salary | Social Contribution | Travel Allowances | Performance Bonuses | Total Packages |
|---|-------------------|---------------------|-------------------|---------------------|-------------------|
| | R (' 000) pa | R (' 000) pa | R (' 000) pa | R (' 000) pa | R (' 000) pa |
| <u>Councillors</u> | | | | | |
| List of political office bearers by designation | | | | | |
| - Mayor | 358,964 | 72,853 | 143,939 | - | 575,756 |
| - Speaker | 283,864 | 61,588 | 115,151 | - | 460,603 |
| - Member of Executive Committee | 280,774 | 42,116 | 97,255 | - | 420,145 |
| Chief Whip | 280,774 | 42,116 | 97,255 | - | 420,145 |
| Provide a total of all other councillors | 5,804,542 | 1,573,429 | 2,222,283 | - | 9,600,254 |
| <u>Officials of the Municipality</u> | | | | | |
| Municipal Manager (MM) | 507,657 | 158,344 | 90,000 | 56,700 | 812,701 |
| Chief Financial Officer | 596,843 | 1,497 | 101,500 | 52,488 | 752,328 |
| List of senior Manager reporting to MM by designation | | | | | |
| - Director Social Services | 486,039 | 1,497 | 84,000 | 42,865 | 614,401 |
| - Director Infrastructure | 486,039 | 1,497 | 84,000 | 42,865 | 614,401 |
| - Director Planning & LED | 486,039 | 1,497 | 84,000 | 42,865 | 614,401 |
| - Director Corporate Services | 486,039 | 1,497 | 84,000 | 42,865 | 614,401 |
| - Manager directly accountable to MM (Roossenekal) | 250,173 | 99,685 | 70,825 | - | 420,683 |
| List each official with packages >= senior Manager by Designation | | | | | |
| <u>A Heading for each Entity</u> | | | | | |
| List each member of board by designation | - | - | - | - | - |
| Chief Expenditure Officer (CEO) | - | - | - | - | - |
| List each senior management reporting to CEO by designation | - | - | - | - | - |
| TOTAL COST OF REMUNIRATION TO MUNICIPALITY | 10,307,747 | 2,057,616 | 3,274,208 | 280,649 | 15,920,220 |

13 . MONTHLY CASH FLOWS BY SOURCE

| MONTHLY CASH FLOWS | Budget Jul 2008 R ' 000 | Budget Aug 2008 R ' 000 | Budget Sep 2008 R ' 000 | Budget Oct 2008 R ' 000 | Budget Nov 2008 R ' 000 | Budget Dec 2008 R ' 000 | Budget Jan 2009 R ' 000 | Budget Feb 2009 R ' 000 | Budget Mar 2009 R ' 000 | Budget Apr 2009 R ' 000 | Budget May 2009 R ' 000 | Budget Jun 2009 R ' 000 | Budget 2009/10 R ' 000 | Budget 2010/11 R ' 000 | Budget 2011/12 R ' 000 |
|---|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|---------------------------|---------------------------|---------------------------|
| Operating Revenue by Source | | | | | | | | | | | | | | | |
| Property rates | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 8,400 | 8,480 | 8,988 |
| Property rates - Penalties Collection Charges | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Service Charges - electricity revenue from tariff Billing | 2,117 | 2,117 | 2,117 | 2,117 | 2,117 | 2,117 | 2,117 | 2,117 | 2,117 | 2,117 | 2,117 | 2,117 | 25,404 | 20,502 | 21,731 |
| Service Charges - water revenue from tariff Billing | 497 | 497 | 497 | 497 | 497 | 497 | 497 | 497 | 497 | 497 | 497 | 497 | 5,961 | 5,978 | 6,336 |
| Service Charges - sanitation revenue from tariff billing | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 1,505 | 1,505 | 1,596 |
| Service Charges - refuse removal from tariff billing | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 174 | 2,089 | 1,899 | 2,013 |
| Service Charges - other | 561 | 561 | 561 | 561 | 561 | 561 | 561 | 561 | 561 | 561 | 561 | 561 | 6,733 | 2,644 | 2,715 |
| Regional Service Levies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Rental of facilities and equipment | 68 | 68 | 68 | 68 | 68 | 68 | 68 | 68 | 68 | 68 | 68 | 68 | 821 | 551 | 584 |
| Interest earned - External Investments | 348 | 348 | 348 | 348 | 348 | 348 | 348 | 348 | 348 | 348 | 348 | 348 | 4,175 | 3,965 | 4,203 |
| Interest earned - Outstanding debtors | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 53 | 464 | 501 |
| Fines | 59 | 59 | 59 | 59 | 59 | 59 | 59 | 59 | 59 | 59 | 59 | 59 | 710 | 2,650 | 2,809 |
| Licenses and Permits | 1,125 | 1,125 | 1,125 | 1,125 | 1,125 | 1,125 | 1,125 | 1,125 | 1,125 | 1,125 | 1,125 | 1,125 | 13,500 | 21,201 | 22,473 |
| Government Grants & Subsidies | 0 | 19,020 | 0 | 0 | 19,020 | 0 | 0 | 19,020 | 0 | 1,125 | 0 | 19,020 | 0 | 79,279 | 85,962 |
| Total Revenue by Source | 5,779 | 25,599 | 5,779 | 5,779 | 25,599 | 5,779 | 5,779 | 25,599 | 5,779 | 5,779 | 25,599 | 5,779 | 148,630 | 159,560 | 159,901 |
| Other Cash Receipts | | | | | | | | | | | | | | | |
| Other Cash Receipts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| New Loans Received | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Receipt from old Outstanding Debtors | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Cash Receipts by Source | 5,779 | 25,599 | 5,779 | 5,779 | 25,599 | 5,779 | 5,779 | 25,599 | 5,779 | 5,779 | 25,599 | 5,779 | 148,630 | 159,560 | 159,901 |
| Cash Operating Payments By Type | | | | | | | | | | | | | | | |
| Employee Related Cost | 4305 | 4305 | 4305 | 4305 | 4305 | 4305 | 4305 | 4305 | 4305 | 4305 | 4305 | 4305 | 51,665 | 54,765 | 58,051 |
| Remuneration of Councillors | 886 | 886 | 886 | 886 | 886 | 886 | 886 | 886 | 886 | 886 | 886 | 886 | 10,634 | 11,272 | 11,948 |
| Bad Debts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Collection Cost | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Depreciation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Repairs and Maintenance | 756 | 756 | 756 | 756 | 756 | 756 | 756 | 756 | 756 | 756 | 756 | 756 | 9,072 | 9,616 | 10,193 |
| Interest paid | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Bulk Purchases - Electricity | 1673 | 1673 | 1673 | 1673 | 1673 | 1673 | 1673 | 1673 | 1673 | 1673 | 1673 | 1673 | 20,074 | 21,278 | 22,555 |
| Bulk Purchases - Water | 76 | 76 | 76 | 76 | 76 | 76 | 76 | 76 | 76 | 76 | 76 | 76 | 916 | 971 | 1,029 |
| Contracted Services | 338 | 338 | 338 | 338 | 338 | 338 | 338 | 338 | 338 | 338 | 338 | 338 | 4,056 | 4,301 | 4,560 |
| Grants & Subsidies Paid | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Advertising | 43 | 43 | 43 | 43 | 43 | 43 | 43 | 43 | 43 | 43 | 43 | 43 | 511 | 542 | 574 |
| Audit Fees | 34 | 34 | 34 | 34 | 34 | 34 | 34 | 34 | 34 | 34 | 34 | 34 | 412 | 437 | 463 |
| Bank Charges | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 70 | 74 | 79 |
| Communications | 118 | 118 | 118 | 118 | 118 | 118 | 118 | 118 | 118 | 118 | 118 | 118 | 1,414 | 1,499 | 1,589 |
| Insurance | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Legal Fees | 46 | 46 | 46 | 46 | 46 | 46 | 46 | 46 | 46 | 46 | 46 | 46 | 547 | 580 | 615 |
| Seminar / Conferences | 39 | 39 | 39 | 39 | 39 | 39 | 39 | 39 | 39 | 39 | 39 | 39 | 470 | 498 | 528 |
| Travelling & Accommodation | 39 | 39 | 39 | 39 | 39 | 39 | 39 | 39 | 39 | 39 | 39 | 39 | 471 | 499 | 529 |
| General Expenses | 4022 | 4022 | 4022 | 4022 | 4022 | 4022 | 4022 | 4022 | 4022 | 4022 | 4022 | 4022 | 48,265 | 33,930 | 36,919 |
| Total Cash Receipts by Source | 12,382 | 12,382 | 12,382 | 12,382 | 12,382 | 12,382 | 12,382 | 12,382 | 12,382 | 12,382 | 12,382 | 12,382 | 148,579 | 140,263 | 149,632 |
| Other Cash Payments by Type | | | | | | | | | | | | | | | |
| Capital Expenditure | | | | | | | | | | | | | 82,427 | 31,020 | 23013 |
| Loans Repaid | | | | | | | | | | | | | 0 | 0 | 0 |
| Total Cash Payments by Type | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 82,427 | 31,020 | 23,013 |
| Nett Increase/ (Decrease) in Cash and Investments | -6,602 | 13,217 | -6,602 | -6,602 | 13,217 | -6,602 | -6,602 | 13,217 | -6,602 | -6,602 | 13,217 | -6,602 | -82,376 | -11,723 | -12,744 |

12. Monthly Cash Flow by Source

14. MEASURABLE PERFORMANCE OBJECTIVES AND SDBIP'S

Included in this section is a summary of annual measurable performance objective for vote (department). Annual performance objectives are converted into quarterly targets for the services Delivery and Budget Implementation Plan (SDBIP) and will be audited in terms of the annual performance report required by the systems Act(refer also to chapter 2 and 5 of the annual report as per MFMA circular 11).

Department: Office of the Mayor
Vote: Executive and Council

| INDICATOR | UNIT OF MEASUREMENT | ANNUAL TARGET |
|---|---|---|
| Establish Mayoral outreach programme | Develop the programme to visiting the community. | 12 villages to be targeted |
| Capacity building of youth within municipality | Educate three highly performed needy learners | 3 bursary awarded in December |
| Youth Programme | Develop Youth Support Programme | Roll out the programme |
| Traditional leaders | Traditional leaders leading to discuss their support and capacity building programmes | Developing the programmes of meetings (4) to create healthy relationship. |
| Governance | State of the municipality address | Present the State of the Local Municipality Address in March 2010 |
| Organize meetings with the District Municipality | Develop the programme to meet the District | Roll out the four meetings programme. At least one programme per quarter |
| Improving, Monitoring & oversight of council | Getting reports from committees | Roll out the programme of 2 meetings monthly |
| Improve the function of EXCO | Regulate meetings with chairperson of committees | Roll out of the programme of one meeting per month |
| Regulate the relationship between the Mayor and the Municipal Manager | Meet the mayor regularly to avoid the information gap, at least 3 times a month | 3 meetings per months |
| Disabled support | Disabled support | Development of Programme for Disable people and implementation |
| Aged care | Programme aims at taking care of the social welfare of the aged | Aged care Programme |
| Moral regeneration | Support initiative aimed at restoring the morals of society | Established Moral regeneration programme |
| Develop the communication strategy and charter | To ensure better communication strategies with all stakeholders | 4 External news letter produced |

DEPARTMENT: OFFICE OF THE SPEAKER
VOTE: EXECUTIVE AND COUNCIL

| INDICATOR | UNIT OF MEASUREMENT | ANNUAL TARGET |
|--|---|---|
| Revitalization of ward committee | Develop the operational plan for Ward committees | To draft and implement a plan that will receive and ascertain Ward committees functionality |
| Develop gender and woman empowered programme | Gender and woman support programme | Design and roll out of the programme and implement 5 gender and woman support programme |
| Review the structure and terms of reference for portfolio committees | Align the structure with all the administration | Present the re-structuring plan that will ensure maximum performance of committees |
| Submit monthly reports about the functioning of ward committees | Functional Ward Committees | Submit 12 monthly reports |
| Junior Council | Establishment of Junior Council and meetings held | 2 meetings for Active participation of young people in the Governance system |
| Heritage celebration | Cultural event celebration held | Successful holding of the event |
| Implementation of Council Resolution | Number of Council Resolutions. | 100% |

DEPARTMENT: OFFICE OF THE MUNICIPAL MANAGER
VOTE: EXECUTIVE AND COUNCIL

| INDICATOR | UNIT OF MEASUREMENT | ANNUAL TARGET |
|---|---|--|
| Implementation of the MFMA | Ensure compliance with all statutory time requirements under MFMA | 100% Compliance with MFMA |
| Performance Management of section 57 employees | Implement PMS. Development of performance agreements. Co-ordination of PMS activities. Conduct quarterly performance reviews. | Areas of PMS implemented. Standard Performance Agreement Developed. 4 Review sessions conducted per quarter. |
| To obtain MSP/MIG funding for Capacity Building | Develop the business plan and action plan | 100% spending on Plan and programme implemented |
| To ensure implementation of the IDP | Monitor all Departments to ensure implementation of the IDP | 100% implementation of IDP |
| Submitting report to Mayor, EXCO and Council | Report being submitted in terms of the MFMA | 12 Monthly & 4 Quarterly reports submitted |
| Implementation of Council Resolution | Number of Council Resolutions. | 100% |
| Asset management | % safe guard of assets under the management of corporate services | 100% asset management |
| Audit queries | % in clearing audit and risks | 100% audit clearing and risk mitigation |

DEPARTMENT : Budget and Treasury Office**VOTE: Budget and Treasury Office)**

| INDICATOR | UNIT OF MEASUREMENT | ANNUAL TARGET |
|---|---|---|
| Development of the Investment Policy | Ensure that there is a Policy | 100% implementation of Policy |
| Review of all finance policies inline with MFMA | Identify policies to be reviewed | Review and development of 8 financial policies |
| Increase Revenue Collection | Develop Mechanisms of Revenue Collection by implementing revenue enhancement strategy | Increase in the Revenue Collection by 10% |
| Reduce outstanding debt | % recovery of debt | 80% recovery of outstanding debt |
| Implementation of financial systems | Implementation of system and asset register | 99% accuracy on Functioning of new systems |
| Implementation of MPRA | Completed Valuation roll in all surveyed municipal area | Valuation roll implemented on all towns in terms of MPRA |
| Completion of annual financial statement | Financial statement preparation on time | AFS completed and submitted by 31 August 2009 |
| Implementation of MFMA/DORA | Ensure compliance with all requirements under MFMA/DORA | Statutory reports submitted 12 monthly and 4 quarterly |
| Report from Auditor General | Clean audit report from Auditor General | Unqualified report from Auditor General |
| Audit queries | % in clearing audit and risks | 100% audit clearing and risk mitigation |
| Supply Chain Management | Supply chain Management guidelines and department | 100% Implementation of Supply chain policy, regulation and other related legislation, and 70% BEE benefited |
| Integration of budget with idp | Intergrated IDP & Budget | IDP& Budget process plan approved in August, Draft IDP& budget in March and Final IDP & budget adopted in May |
| Asset management | Updated GRAP Asset Register Finalize the development Asset management policy | 100% updated asset register, 4 quarterly assets verification and 100% disposal of obsolete assets. Asset management policy in place by second quarter. |
| | % safe guard of assets under the management | 100% asset management |
| Free basic service | Increase spending on free basic services | 10% variance on budget for free basic services |
| Indigent administration | Monitor the compilation of indigent register | Number of indigents registers |

DEPARTMENT : IDP AND LED SERVICES
VOTE: PLANNING AND DEVELOPMENT

| INDICATOR | UNIT OF MEASUREMENT | ANNUAL TARGET |
|---|--|---|
| Asset management | % safe guard of assets under the management of corporate services | 100% asset management |
| Audit queries | % in clearing audit and risks | 100% audit clearing and risk mitigation |
| Develop the tourism plan | Policy to attracts tourists an the plan | Produced the Strategic Policy document |
| Develop the data base of business enterprise | To have the data of enterprises and other business organisations | To have the data and contracts |
| SMME's training, development and retention plan | Capitalizing our SMME'S by developing the training programme | Develop the programme and roll it out |
| Special development plan | Develop the special Development Framework to the Municipal Area | Produce the SDF for the Municipality |
| Submission of quarterly Reports | Reports to be submitted in terms of the MFMA and other legislation | All reports to be submitted in line with the legislation |
| Development of LED strategy | % implementation of LED Strategy n | 60%Implementation of LED Strategy |
| Statutory Reporting | In-year reporting. Annual report, compilation and publication | Annual report completed, published and distributed before end of January |
| Stimulate the Local Economic Development | Number of Jobs created through LED and EPWP | Number of Jobs created through LED and EPWP |
| Revitalise the IDP and LED forums | Meetings of LED and IDP | Number of Forum held |
| Identify all tourism centre's | Number of Centre's | Tourism centre's identified |
| Implementation of Council Resolution | Number of Council Resolution | 100% |
| Inter-governmental Relations | Proactive participation in all aspects of inter Government Relations | EMLM overall rating with relevant Government Department and authorities |
| Internal Audit | Establishment of annual risk and audit plan | 100% implementation of audit plan and mitigation of risks |
| System and policy Development | Development reviews and update systems, policies and procedures | Ensure that EMLM's overall rating with the District and Department authorities |
| Review of IDP document | To have 2010/2011 review | IDP& Budget process plan approved August, Draft 2010/2011 IDP & budget adopted in March and Final IDP & Budget in May |
| Develop the PMS system for the Municipality | PMS or appraisal for all employees | 4 quarterly PMS review and cascading of performance contract to Managers |
| Ensure customer care and information management | Compliance with Batho pele | Batho pele and public information act compliance |

DEPARTMENT: INFRASTRUCTURE

VOTES: ELECTRICITY, WATER, WASTE WATER & ROADS

| INDICATOR | UNIT OF MEASUREMENT | ANNUAL TARGET |
|---|---|--|
| Asset management | % safe guard of assets under the management of corporate services | 100% asset management |
| Audit queries | % in clearing audit and risks | 100% audit clearing and risk mitigation |
| <u>WATER AND SANITATION</u> | | |
| Compliance with potable water and sewerage final effluent with SANS 241 standards in EMLM | % compliance with SANS standard | 100% compliance with SANS standard on water and sewer |
| Compliance of Treatment Works with DWAF standard for Groblersdal and Roossenekal | % Compliance with DWAF standards | 100% Compliance with DWAF standard |
| Development of infrastructure investment framework | % in completion of Infrastructure Investment framework | 100% Infrastructure Investment framework completed and implemented |
| Implementation of sign water service level agreement | % in implementation of SLA | 100% implementation of SLA |
| <u>ELECTRICITY SUPPLY</u> | | |
| Implement municipal electrification plan | No of municipal areas electrified | No units electrified |
| Section 78 process finalised on electricity ring fencing | % on completion process of section 78 process | 50% completion of section 78 process |
| AD Hoc capacity upgrading | Upgrade cable line and transformers | New transformer |
| Improve human resource capacity | Employ trainees and artisans | Employ as per organogram |
| <u>ROADS, STORMWATER & TRANSPORTATION</u> | | |
| Compilation of roads master plan | Appoint a consultant to research | Compiled RMP |
| Compilation of integrated transport plan | Conduct research & compile document | Compile ITP |
| Implement upgrading, Maintenance programme | Compile monthly programmes | Monthly programmes submitted to council and 100% spending of budget on roads |
| Improve human resource capacity | Train , Appoint as per organogram | Post filled |

| | | |
|--|--|---|
| Upgrade main Taxi rank bus link | Upgrade taxi rank & levy association for using taxi rank | 100% collection on office rental and 100% on budget for the upgrade |
| Expenditure on capital projects | % on spending | 100% spending on capital projects |
| Reduce unaccounted for water and electricity | Purify, maintain and supply water and electricity | Monthly test result and reduce 100% water and electricity loss |
| Facilitate the service level agreement for electricity | Maintain our network and pay bills | Functional network |
| <u>SPATIAL RESTRUCTURING & LAND USE MANAGEMENT</u> Compile base map for a municipal area | Develop the following - SDP, LUMP, BMMA | Sector plans compiled |
| Compiled spatial development frame work | Identify nodal point | SDF compiled |
| Compile full town planning scheme | Review the current town planning | New TPS Approved |
| Land reform and land administration formulation of municipal reform strategy | Inter act with land affairs on land issues | Strategy document formulated |
| Submit business plan based on strategy | Develop strategies | Strategies approved by council |
| To ensure spending on MIG funds | Percentage funds spent | 100% spending |

DEPARTMENT: SOCIAL DEVELOPMENT

VOTES: COMMUNITY AND SOCIAL SERVICES, SPORT AND RECREATION, PUBLIC SAFETY & HEALTH

| INDICATOR | UNIT OF MEASUREMENT | ANNUAL TARGET |
|--|---|--|
| Asset management | % safe guard of assets under the management of corporate services | 100% asset management |
| Audit queries | % in clearing audit and risks | 100% audit clearing and risk mitigation |
| Formulation of Housing delivery strategy | Clear strategy on how housing development should be carried out. | As per provincial allocation i.e. 2009 – 2010 400 units |
| Successful completion of existing projects of housing | No. Completed PHP projects in the whole municipal area in conjunction with both departments | ___ Units completed on all outstanding units |
| Alignment of health and welfare needs with provincial projects | Co-operation with provincial departments of health on all their projects | Dependent on provincial projects for our municipality |
| Assist in finding suitable pension pay points | Identified sub-district offices for the SASA for building purpose SASSA | Dependent of provincial allocation of funds for building |
| Manage and maintain existing sports facilities in the municipality area | Maintained sport facilities in the municipality | Maintained and managed facilities all year round |
| Establish one informal sport field per town | Each village to have one informal sports field | Establishment of 15 informal sport field per year |
| Facilitate provincial sport, arts and culture programmes | Co-operation with provincial department in all their programmes | Facilitation of all their programmes in the municipality |
| Enforcement of municipal by laws | Compliance to municipal by laws at all the times | Compliance to by laws all year round |
| Develop disaster management plan by service provider | Presentation of the disaster management plan | Develop disaster management plan |
| Establish disaster management forum | Existence of the disaster management forum | 100% Participation in disaster management forum |
| Training of the staff and provision of emergency equipment | Number of staff trained stand on emergency equipment | Acquisition of basic equipment e.g. other relevant equipment |
| Appointment of service provider for the development of the regional cemetery feasibility | Presentation of the cemetery feasibility study by service provider | Production of the cemetery feasibility study by service provider |
| Fencing of the existing cemeteries that are not fenced | Fenced existing cemeteries that are not fenced | 100% spend on the budget for Fencing cemeteries |
| Developing intergrated waste management strategy | Development of intergrated waste management strategy by second quarter | 50% implementation of waste management strategy |
| Ensure that the time is clean at all times | Clean town | Clean town |
| Submit the monthly report about the functioning of satellite offices | Monthly report on offices | Submission of 12 reports of all satellite offices |
| Training of all officials to capacitate them | Training and induction | Development of training manual |
| Implementation of council resolution | Implemented. Number of council resolutions | Implementation of all council resolution |

| | | |
|--|---|--|
| Establishment of community policing fora in all the policing areas | Existence of community policing fora number of new fora established | 12 Established and functional community policing fora |
| Configuration of beneficiaries for free basic electricity | Configured beneficiaries for free basic electricity | Configuration of 4000 beneficiaries for free basic electricity |
| Improvement of working relations between the staff and community | Improved customer care by members of staff | Training of all staff members on customer care |

DEPARTMENT: CORPORATE SERVICES

VOTE: CORPORATE SERVICES

| INDICATOR | UNIT OF MEASUREMENT | ANNUAL TARGET |
|--|--|--|
| Management of lease contract and other service level contracts | % update of lease contracts and % compilation of SLA or contract on new services | 100% implementation of contract management |
| Asset management | % safe guard of assets under the management of corporate services | 100% asset management |
| Audit queries | % in clearing audit and risks | 100% audit clearing and risk mitigation |
| Leave administration | Leave policy | Implement new leave policy |
| Retirement fund administration | Procedures from pension fund. SALGA / Bargaining council | Implement employer and employee contribution and benefits if necessary |
| Medical Aid admin | Implement Procedures from Medical Aids and number of staff encourage to have medical aid | Implement contributions of employer and employee as in budget. 10 staff encourage to have medical aid |
| Induction of new employees | Induction policy | According to policy and plan |
| Appointment of employees | Appointment policy | 90% funded post fill According to council resolution and policy. Two months turn around time on filling vacated post |
| Implementation of HR policies | Council resolution | Training of policies for all employees. Recommend any alterations |
| Implementation of Equity of plan | Equity plan | Equity plan submitted on time as per legislative requirement, fill post as per plan |
| Update of organogram | Council Resolution | Table alteration before council. Final Resolution on organogram |
| Personnel and files update | 100% Job description compiled for all post and update of information in personnel files | 100% signed job descriptions and filed in personnel file |
| Continuous update of Work Skills Development Plan(WSDP) | WSDP in place | Updated WSDP and training of all staff according to the WSDP and competence regulation and MFMA |
| Implementation of labour Forum | Organizational Rights Agreement Job description / SALGS | 100% Labour issues resolved within the time frame |
| Implementation of Labour Relations | Policy Bargaining Council | Adhere to Policies |
| Implementation of clocking system | Procedural Manual | 100% functioning of clocking system and 100% monitoring of reports. |
| Security services | Manage the security services and safeguarding of all assets, by reducing 100% loss | 100% loss reduction. Implement 100% security measures on entrance within the building |
| Facility management | Number of report attended on maintenance of building, equipment and machinery | Five days turn around time to respond on none emergency |
| Functionality of record keeping | Implementation of archive system in terms of archive act | 100% implementation of filing in terms of Archive Act |

15. SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN

Draft Service Delivery Budget Implementation Plan is included in the IDP document..

16. DISCLOSURE ON IMPLEMENTATION OF MFMA AND OTHER LEGISLATIONS

This section provides disclosure regarding progress in implementing various related legislation including the MFMA and how this affects the budget and budget process.

In regard to the 2009/2010 budget process, the Municipality has ensured compliance with all the critical legislative deadlines and content requirements.

The review of the Draft IDP/Budget was done within the provisions of MFMA and Municipal System Act, following all the critical legislative deadlines and content requirements.

Reporting to the National Departments and Provincial in terms of Division of Revenue Act, Section 71 report of MFMA to the Mayor and in year reporting has improved drastically.

Capacity building in the terms of MFMA on finance staff and management is still receiving its attention. The Budget and Treasury Office is being established as a legislative requirement.

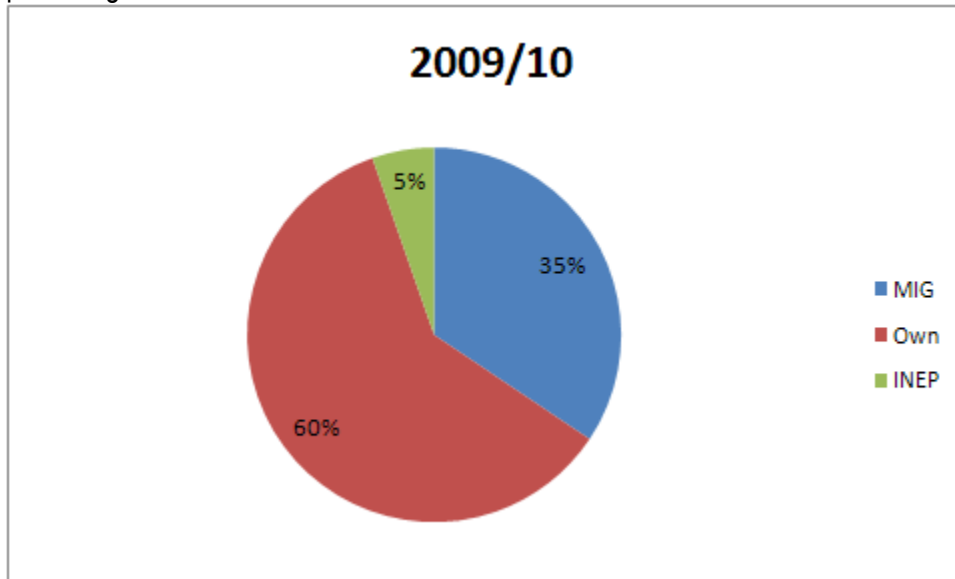
CAPITAL BUDGET FOR 2009 / 2010 PER WARD

| ITEMS | PROJECTED TO BE IMPLEMENTED IN WARD | ROLL OVER 2009/10 | 2009/10 | 2010/2011 | 2011/2012 |
|---|-------------------------------------|-------------------|-------------|-------------|--------------|
| Municipal Manager's Office | | | | | |
| Office Machinery & Equipment | Within Council | | | R 50 000 | R 20 000 |
| Budget & Treasury Office | | | | | |
| Metering Solution | Ward 13 | | R 5 000 000 | R 7 000 000 | |
| Office machinery & equipment | Within Council | | R 100 000 | R 50 000 | R 100 000 |
| Vehicles | Within Council | | R 190 000 | R - | R - |
| CORPORATE SERVICES | | | | | |
| IT Network for New Offices (Wireless) | Within Council | | R 250 000 | R 130 000 | R 50 000 |
| Purchase of Computers | Within Council | | R 200 000 | R 15 000 | R 200 000 |
| Installation of Blinds | Within Council | | R 20 000 | R 50 000 | R 30 000 |
| Security System (Cameras) | Within Council | | R 100 000 | R - | R 50 000 |
| Aircons | Within Council | | R 700 000 | R 50 000 | R 200 000 |
| Municipal furniture | Within Council | | R 350 000 | R 250 000 | R 100 000 |
| Vehicles | Within Council | | R - | R 180 000 | R - |
| INFRASTRUCTURE | | | | | |
| Mosterlus to makgopeng Phase 2 | Ward 18 | | R 7 500 000 | R 7 000 000 | R 7 000 000 |
| Ramogwerane (Phase 2) | Ward 24 | R 870 737 | R 7 300 000 | R 5 000 000 | R 10 000 000 |
| Thabakhubedu | Ward 9 & 12 | | R - | R - | |
| Phucukane access road | Ward 7 | R 1 198 550 | R - | R - | |
| Moteti B (Phase1) & 2 | Ward 1 & 2 | R 4 206 615 | R 3 000 000 | R 3 600 000 | R 4 000 000 |
| Groblersdal Roads & Streets | Ward 13 | R 3 247 466 | R 4 134 200 | R 3 000 000 | R 5 000 000 |
| Roosenekal Roads & Streets | Ward 15 | R 1 522 177 | R 1 900 000 | R 1 000 000 | R 7 043 000 |
| Motetema, Elandsdooring & Hlogolou Roads & Street | Ward 11,18 & 29 | R 3 217 842 | R - | R - | |
| Motetema patching of potholes and resealing | Ward 29 | | R 1 622 400 | R 2 000 000 | R 2 500 000 |
| Construction of road to Home Affairs offices | Ward 13 | | R 500 000 | | |
| Thabakhubedu | Ward 9 & 12 | | R 1 200 000 | R 2 500 000 | R 6 000 000 |
| Storm water drainage | All Wards | | R 500 000 | R 3 000 000 | |
| Roads Paving | All Wards | | R - | R 4 000 000 | R 11 270 000 |
| Plant and equipments | Within Council | R 2 000 000 | R 3 525 000 | R 1 550 000 | |
| Land audit system | Within Council | | R 120 000 | R - | |
| MUNICIPAL BUILDINGS | | | | | |
| Fencing municipal buildings | Within Council | | R 500 000 | R 500 000 | R 400 000 |
| Construction of mini stores-Roosenekal | Within Council | | R 200 000 | | |
| Building(extension of office and guard | Within Council | | R 400 000 | | |
| Lift construction | Within Council | R 428 628 | | | |
| COMMUNITY ASSETS | | | | | |
| Upgrade of bus terminal and taxi rank | Ward 13 | | R 2 700 000 | R - | R - |
| Water | | | | | |
| Septic tanks | Ward 13 | | R 100 000 | | |
| Mpheleng water reticulation | Ward | R 665 000 | | | |

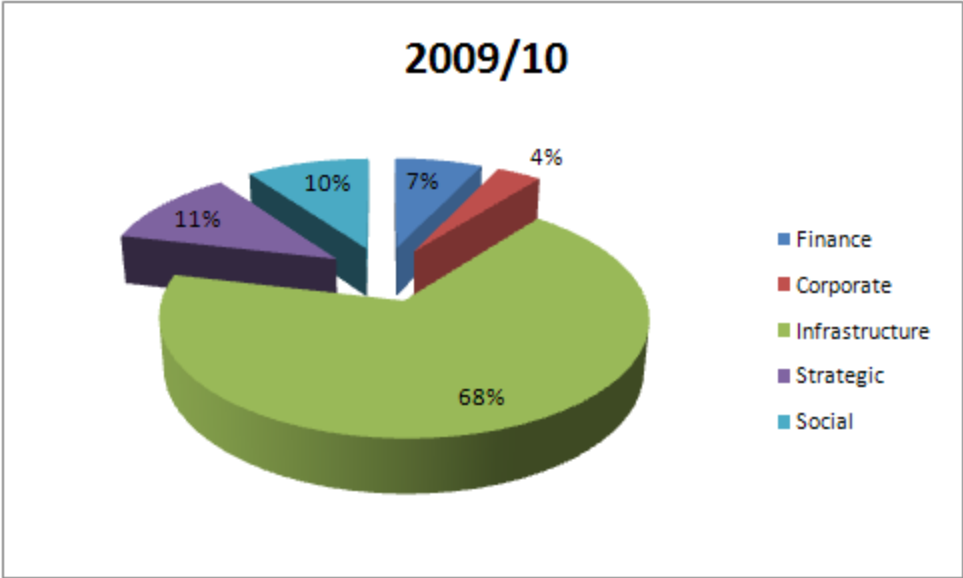
| ITEMS | PROJECTED TO BE IMPLEMENTED IN WARD | 2009/10 | 2010/2011 | 2011/2012 |
|---|-------------------------------------|---------------------|---------------------|---------------------|
| Sanitation | | | | |
| Upgrade of Network | Ward | R 5 500 000 | R 5 000 000 | R 300 000 |
| Vehicles | Within Council | R 356 000 | R 200 000 | |
| Truck(4 ton truck) | | R 500 000 | | |
| <u>ELECTRICITY</u> | | | | |
| Meter Boxes | Whole of municipal area | R 50 000 | | |
| Mini Subs 500 KVA | Ward 13 | R 750 000 | R 600 000 | |
| Cabling Main Sub-Station | Ward 13 | | R 300 000 | |
| Upgrading of the substation in Groblers | Ward 13 | | R 2 000 000 | R 3 000 000 |
| Replacement of panels | Whole of municipal area | R 1 800 000 | R 3 000 000 | R 5 000 000 |
| Installation of High Lights | Ward 15 | R 500 000 | R 1 070 000 | |
| upgrade electricity Roossenekal | Ward 15 | R 9 200 000 | | |
| New electricity connection | Ward 1 | R 3 200 000 | R 4 746 000 | R 1 938 000 |
| PLANNING & DEVELOPMENT | | | | |
| Pack House | Ward 13 | R - | R 1 000 000 | R - |
| Stalls | Ward 13 & 15 | R - | R 2 000 000 | R 1 500 000 |
| COMMUNITY & SOCIAL SERVICES | | | | |
| | | R - | R - | |
| Fencing Municipal Cemeteries | Whole of municipal area | R 400 000 | R 900 000 | |
| Street Dustbins | Whole of municipal area | R 200 000 | R 250 000 | |
| Vehicles | Within Council | R 190 000 | | |
| Lawnmowers(Kudus) | Whole of municipal area | R 100 000 | R 300 000 | |
| Hook lift truck | Within Council | R - | R 1 900 000 | |
| | | R 17 357 015 | R 64 857 600 | R 61 961 000 |
| | | | R 61 961 000 | R 65 701 000 |

17. Notes and Highlights of Capital Budget

1. Council contributed R39 million to fund capital projects for 2009/10 financial year. There is an allocation of R20 million from MIG and R 3,2 million for electricity. The growth on Mig funding is based on the success of spending the allocated funding in the previous financial years. There are projects which will not be completed at the end of June 2009, this includes roads project to the value of R16 million, R428 thousand for the construction of lift at main office and R665 thousand for the completion of Mpheleng water project.
2. The diagram below shows the different sources of funding for the capital programme over the next three years. It should be noted that there still exist some additional capacity from own funding to finance additional projects in year 2 and 3 of the capital budget.



6. The next diagrams shows the breakdown of the capital expenditure per department.



18. Budget Statement of Financial Performance

| Schedule 1 | Current Year 2008/09 | | | Medium Term Revenue and Expenditure Framework | | |
|---|-------------------------|-----------------|--------------------|---|------------------------|------------------------|
| | Approved Budget | Adjusted Budget | Full Year Forecast | Budget Year 2009/10 | Budget Year 2010/11 | Budget Year 2011/12 |
| | R' 000 B | R' 000 C | R' 000 D | Budget R' 000 E | Budget R' 000 F | Budget R' 000 G |
| Revenue by Source | | | | | | |
| Operating Revenue by Source | | | | | | |
| Property rates | 8 000 | 8 000 | 8 000 | 9 040 | 9 854 | 10 741 |
| Property rates - Penalties Collection Charges | 0 | 0 | 0 | 0 | 0 | 0 |
| Service Charges - electricity revenue from tariff Billing | 19 341 | 22 899 | 22 899 | 29 642 | 31 222 | 31 222 |
| Service Charges - water revenue from tariff Billing | 5 640 | 5 640 | 5 640 | 5 041 | 5 220 | 5 527 |
| Service Charges - sanitation revenue from tariff billing | 1 420 | 1 420 | 1 420 | 1 513 | 1 597 | 1 693 |
| Service Charges - refuse removal from tariff billing | 1 792 | 1 792 | 1 792 | 2 013 | 2 115 | 2 029 |
| Service Charges - other | 54 908 | 54 908 | 54 908 | 56 813 | 19 669 | 28 633 |
| Regional Service Levies | 0 | 0 | 0 | 0 | 0 | 0 |
| Rental of facilities and equipment | 520 | 520 | 520 | 551 | 584 | 619 |
| Interest earned - External Investments | 3 741 | 3 741 | 3 741 | 4 100 | 4 346 | 4 606 |
| Interest earned - Outstanding debtors | 438 | 438 | 438 | 443 | 469 | 497 |
| Fines | 2 500 | 2 500 | 2 500 | 771 | 817 | 866 |
| Licenses and Permits | 20 000 | 14 899 | 14 899 | 14 294 | 15 152 | 16 061 |
| Government Grants & Subsidies | 73 391 | 75 571 | 75 571 | 105 852 | 124 494 | 128 506 |
| Total Revenue by Source | 191 691 | 192 328 | 192 328 | 230 073 | 215 539 | 231 000 |
| Operating Expenditure by Type | | | | | | |
| Employee Related Cost | 36 446 | 35 512 | 35 512 | 51 393 | 55 234 | 59 648 |
| Remuneration of Councillors | 8 876 | 9 896 | 9 896 | 10 630 | 11 480 | 12 398 |
| Bad Debts | 0 | | | 2 594 | 2 749 | 2 914 |
| Collection Cost | 0 | | | 1 250 | 1 725 | 1 725 |
| Depreciation | 0 | | | | | |
| Repairs and Maintenance | 7 136 | 7 136 | 7 136 | 10 361 | 11 680 | 13 119 |
| Interest paid | 0 | | | | | |
| Bulk Purchases - Electricity | 16 281 | 19 277 | 19 277 | 21 243 | 22 557 | 23 911 |
| Bulk Purchases - Water | 734 | 734 | 734 | 1 347 | 1 428 | 1 513 |
| Contracted Services | 2 191 | 2 191 | 2 191 | 4 058 | 5 148 | 5 457 |
| Grants & Subsidies Paid | 0 | | | 2 000 | 0 | 0 |
| Advertising | 520 | | | 0 | 0 | 0 |
| Audit Fees | 400 | | | 1 200 | 1 300 | 1 378 |
| Bank Charges | 30 | | | 70 | 74 | 79 |
| Communications | 1 439 | | | | | |
| Insurance | 790 | | | | | |
| Legal Fees | 530 | | | | | |
| Seminar / Conferences | 500 | | | | | |
| Travelling & Accommodation | 426 | | | | | |
| General Expenses | 32 871 | 33 899 | 33 899 | 37 654 | 35 899 | 38 215 |
| Operating Expenditure by Vote | 109 170 | 108 645 | 108 645 | 143 800 | 149 274 | 160 357 |
| (Surplus)/Deficit | (82 521) | (83 683) | (83 683) | (86 273) | (66 265) | (70 643) |
| Transfers to Government Grant Reserves | 456 | 0 | 0 | 1 200 | 1 272 | 1 348 320 |
| Contribution to Reserves/Funds | 63 628 | 63 628 | 63 628 | 2 832 | 3 002 | -1 343 379 |
| (Surplus)/Deficit after Transfer | (18 437) | (20 055) | (20 055) | (82 241) | (61 991) | (65 702) |