

75/5 **BUDGET 2018/2019**
 DATE : 22/05/2018
 AGENDA: COUNCIL MEETING: 30/05/2018

REPORT: MUNICIPAL MANAGER

1. PURPOSE

The purpose of this item is to table the Budget for the financial year 2018/2019 to be adopted and implemented from 1 July 2018.

2. BACKGROUND

It terms of section 24 of the Municipal Finance Management Act 56 of 2003, the Council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year. In order for a municipality to comply with this section, the municipal Council must at least 30 days before the start of the budget year consider approval of the annual budget. An annual budget should be approved by the adoption of resolution.

3. DISCUSSION

Attached is the Budget report outlining the budget process and highlights related to the Budget 2018/2019.

In compiling the Budget the municipality has considered its own IDP, Circular No. 89 & 91 of the MFMA and the views of the local community and the Provincial Treasury.

The municipality has focused on the following as part of the overall national priorities:

- Participating fully in the Extended Public Works Program supporting labour;
- To ensure timely delivery of capital programs (eliminate under-spending of capital budgets);
- To review all by-laws and development approval processes with a view to remove any regulatory bottlenecks to investment to job creation;
- Ensuring that service delivery and capital projects used labour intensive methods wherever appropriate and
- Implementing intern's programs to provide young people with on-the-job training.

The estimated revenue framework is based on the proposed increases in rates (implementation of new valuation roll), tariffs and other charges and at the same time reflecting an appropriate balance between the interests of poor households, other customers and surety for effective and sustainable service delivery supported by financial viability of the municipality.

The estimated expenditure framework of this Budget also emphasis on implementation of cost containment measures and elimination of non-priority spending. The

expenditure containment was also driven by the rising inflation and weaker employment growth which has impact on the ability of all municipalities to generate and collect revenue on services.

When preparing this Budget cognizance was taken of the reforms to local government framework which saw the infrastructure grant system structured to allow municipalities to use conditional grant funds to repair and refurbish existing infrastructure. Furthermore, the municipality benefitted from water grants rationalization into two grants, namely, the regional bulk infrastructure grant is to fund large bulk-water and sanitation projects, and the water services infrastructure grant is to fund construction and refurbishment of reticulation schemes and on-site services in rural municipalities.

It is also important to note that the municipality will continue to transact and implement the mSCOA regulations with version 6.2

STAKEHOLDERS CONSULTED

Management
Local Public
National and Provincial Treasury
The Provincial Department of Corporate Governance and Traditional Affairs

4. LEGAL IMPLICATIONS

Compliance with Municipal Finance Management Act 56 of 2003

5. STAFF IMPLICATIONS

As per the Organisational Structure -- Staff compliment

6. FINANCIAL IMPLICATIONS

Annual Budget for 2018/2019 financial year

7. SERVICE DELIVERY IMPLICATION

If the budget is not approved no services delivery can take place. It will hamper the entire municipality to fulfill its mandate.

8. RISKS

If the budget is not tabled, approved and amended as suggested it might lead to votes overspending, with the effect that unauthorized expenditure will occur, leading to a qualification during the audit process. The continuation of service delivery will be ceased with the inception of the budget period starting 01 July 2018.

9. ANNEXURES

Budget document for the year 2018/2019.
Service Standards

10. RECOMMENDATIONS

1. That the budget be adopted by Council.
2. That the budget be implemented from 1 July 2018.

I. Main Tables:

- (a) Table A1: Summary
- (b) Table A2: Budgeted Financial Performance (revenue and expenditure by standard classification)
- (c) Table A3: Budget Financial Performance (revenue and expenditure by vote)
- (d) Table A4: Budget Financial Performance
- (e) Table A5: Budgeted Capital Expenditure by vote, standard classification and funding
- (f) Table A6: Budgeted Financial Position
- (g) Table A7: Budgeted Financial Position
- (h) Table A10: Basic Service Delivery Measurement

II. Supporting Tables

- (a) Table SA2: Matrix Finance Performance Budget
- (b) Table SA8: Performance indicators and benchmarks
- (c) Table SA25: Budgeted monthly revenue and expenditure
- (d) Table SA26: Budgeted monthly revenue and expenditure (municipal vote)
- (e) Table SA27: Budgeted monthly revenue and expenditure (standard classification)
- (f) Table SA30: Budgeted monthly cashflow

III Supporting Policies

- (a) Investment and Cash Management Policy
- (b) Budget Policy
- (c) Credit Control and Debt collection Policy
- (d) Property Rates Policy
- (e) Tariff Policy
- (f) Supply Chain Management Policy
- (g) Indigent Policy
- (h) Virement Policy

3. That the tariff structure as reflected for the 2018/2019 be adopted and approved.
4. That the following budget related policies, namely, Investment and Cash Management Policy, Budget Policy, Credit Control and Debt Collection Policy, Property Rates

Policy, Tariff Policy, SCM policy, Virement Policy and Indigent Policy be adopted and approved.

(FOR RESOLUTION)

Minutes Council Meeting: 30 May 2018

The Executive Mayor, Cllr Nthateng Maoke presented the IDP and Budget Speech 2018/2019 as per the attached document and proposed that the Budget 2018/2019 be accepted and approved.

After the Speech by the Executive Mayor the following corrections were proposed to the Budget as follows:

- Cllr Koalane proposed that the Indigent Burial provision for indigent funerals within the townships be increased from R1 500 to R1 800 and burials at the farm areas be increased to R2 500. The proposal for these adjustment was seconded by MMC Selasi.
- Cllr Mthimkulu submitted a correction with regard to project description on page 15 of the Budget 2018/2019 which should reflect as Upgrading of the Moemaneng Sports Facility.

Cllr Bester from VF Plus indicated that the Budget 2018/2019 reflects a nice picture and with funding for various infrastructure development and service delivery though she was doubtful whether it will be achieved. She raised a concern that the IDP document was not presented in Senekal and only the budget was presented.

With regards to the outstanding amounts that are owed to the Municipality, she indicated that no collection was taking place and it cannot be impossible that R28 million of outstanding arrears will be collected in the coming financial year as envisaged. She further indicated that should revenue collection not improve there will be insufficient funding to achieve the objectives contained in the Budget.

Cllr Bester also raised a concern relating to the expenditure on salaries amounting to 44% of the total budget and indicated that the VF Plus would like to see proper Human Resource Management within the municipality and too many employees of the municipality are not performing their duties properly however nothing is done to deal with the employees. She indicated that employees must be accountable for their performance as service delivery is a key priority. She further indicated that Electricity, Water & Sanitation as well as Refuse Removal reflect a collective 11% increase which is unacceptable as users are going to be further burdened with these increases, which in turn will lead to further non-payment.

In conclusion she indicated that the budget was unrealistic and does not address the necessary needs and on that basis the **VF Plus was not in support of the Budget for 2018/2019.**

Cllr Matsau from UFC indicated that Budget and IDP as proposed is a lonely house with no direction, drafted by someone with the opinion that it was going to address the needs of the people and that was a perception not the reality. He indicated that as Cllr Bester alluded, no consultation took place and that was a clear indication that the Executive Mayor and Political Administration of this institution have distanced themselves from voters.

He also alluded that Setsoto residents will never be proud of themselves with this mediocracy placed in front of them as the Budget and IDP is not talking to each other. Cllr Matsau also indicated that during the past financial year, the Municipality experienced about 27% electricity losses of which the Executive Mayor could not come forth to mitigate this loss.

With regard to water loss, he indicated that it is a disaster and every time when concerns are raised relating to water loss experienced, the response will be that township water consumption is on a flat rate. He further indicated that this was the reason why low targets were set in order to accommodate township community not to pay for services rendered to them and stated that this was a well set strategy of ANC to mobilize communities in townships to vote for them.

Cllr Matsau further indicated that the budget was silent in terms of projects that must generate income for the municipality but it is very loud on spending. He indicated that the Executive Mayor could have raised these issues with the community during her budget speech and inform them of what led to the position the Municipality found itself in of extreme financial challenges.

He indicated that for the Executive Mayor to stand in the podium, she could have highlighted to the community present that Setsoto Municipality is not generating income but is solely dependent upon grants thus it is always a challenges when salaries are to be paid.

He reflected that all these are a clear indication that the Executive Mayor is failing the Setsoto Municipal residents. Cllr Matsau made reference to the Youth Centre and indicated that the Executive Mayor was unable to reflect in her budget how much she is going to inject to Meqheleng Youth Centre in order to get it to be operational. He further reflected that the Executive Mayor has also not expressed herself on how she was going to address the corruption looming every day in her presence in respect of fruitless & wasteful expenditure hidden under unauthorised expenditure.

Cllr Matsau further reflected that potholes are prevalent in the streets of Setsoto Municipality and no reference and/or provision was made to report how infrastructure is going to be maintained. Sewerage spillages are all over Setsoto Municipal areas under the leadership of the Executive Mayor and the opposition could have done a lot better if opportunity was afforded.

He indicated that the Executive Mayor was not informed of developments happening in the institution as she was captured. He further indicated that during the recent protest march that took place in Ficksburg, communities should not have suffered. He mentioned that the Executive Mayor cannot make reference of past consultative leaders as she is far from being one.

He further indicated that under the leadership of the Executive Mayor, a life was lost whereby a child fell in a pit hole and died, because of an unfinished project in Marquard, which was supposed to have been completed in February 2018. Cllr Matsau gave the Executive Mayor his suggestions believing that was going to bring positive inputs to her budget. He indicated she should cancel all her traveling and channel that expenditure to service delivery particularly for the formalization of Informal Settlements around Setsoto Municipality. Cllr Matsau indicated that on the basis of all issues highlighted above, the **UFC cannot support the Budget 2018/2019**.

Cllr Lipoko, from EFF, indicated that, after the Executive Mayor speech, he could not imagine that the Setsoto Municipality he had dreamt of and all his future plans, were rained away by the presentation made. He stated that all that was presented in terms of Budget 2018/2019 were not going to bring any changes to the poor of the poorest.

He indicated that he got frustrated with the Executive Mayor when she promised the community of Setsoto Municipality a clean environment, knowing for a fact that she does not know which clean environment was she alluding to, taking into consideration the status of current environment in the entire Setsoto Municipal area. He also highlighted that the Executive Mayor in her presentation talked of rural development and he got perturbed with the statement for the mere fact that the Executive Mayor was not even aware of what she was talking about.

He further indicated that even though Setsoto Municipality is having a capable Municipal Manager, the Executive Mayor is not supportive and the Municipal Managers' advices are being rendered useless. He also indicated that the increase of tariffs of between 7% to 10% was not a wise move but senseless. How can an increase be considered while the municipality is unable to collect outstanding monies for past years.

Cllr Lipoko also indicated that a clean audit will be a future dream and it will never happen in the next five years to come. He indicated that in the midst of the high unemployment rate in Setsoto Municipal area, there was no direction where Setsoto Municipality was leading to and nothing was said in the Executive Mayors Speech on how she was going to address the issue of unemployment. He indicated that as long as the Municipality continues to outsource services, there will be no job creation.

Cllr Lipoko concluded by saying that he was shocked to hear that Setsoto Municipality had received an award as he was wondering how such was achieved. He indicated that on the basis of the above issues, the **EFF was not in support the Budget 2018/2019**.

Cllr Strydom from the DA indicated that the presentation made was not a budget but a very nice political speech. He stated that the budget was not aligned to the needs of the people. Furthermore, he indicated that the financial status of this municipality was not meeting the obligations of the municipality. All debts owed to the Municipality are escalating every month and nothing is happening.

Cllr Strydom also stated that as a result of the cash flow problems, service delivery is at stand still and service providers are not paid on time. The changing of the type of Municipality has also contributed to financial situation and when it was raised in media, it was stated that the media is being misled whereas now it is a reality.

Cllr Strydom further indicated that proper consultation did not take place with the community as only finance officials were available to present the budget. He also raised a concern on the municipal service accounts whereby the billing system is not accurate and communities are expected to pay for incorrect billing. This was unacceptable.

In conclusion, Cllr Strydom advised the Executive Mayor not to run a political race at the expense of the community but to focus on rendering services to the community. Based on the above reasons, he indicated that the **DA was not in support of the Budget 2018/2019.**

MMC Selasi from the ANC commended the Executive Mayor and indicated that the budget was dealing with the challenges of the community. He indicated that the **ANC was in full support of the Budget 2018/2019** and accepted it as a progressive step towards changing the lives of the people. MMC Selasi thanked the collective efforts made to ensure that the budget seeks to address the needs of Setsoto residents. He indicated that even though the opposition is not aware that some of the projects identified in the IDP are already taking place, it is a clear indication that the budget is already receiving focus. He referred to the paving project and the second phase of addressing the Van Soelen issue.

MMC Selasi highlighted that the opposition was always against proposed development planned for communities making reference to the provision of land for a power station at Ext 11 in Ficksburg and thereafter they mobilized communities to demand electricity supply in that area. He reported that the installation of the bulk system was underway to supply electricity in extension 11 as well as extension 5 in Hlohlokwane.

MMC Selasi also stated, that unlike opposition, the ANC managed to ensure that developments are taking place in all four units of Setsoto Municipality and referred to the acquisition of white and yellow fleet as well as purchasing of new pipes.

Members were informed that the opposition mobilized individuals to stand against the bucket eradication project and that resulted in the loss of life of a minor because the service provider was chased out from site and thus the trenches were left unattended in Marquard. MMC Selasi further alluded that the ANC managed to harmonize the situation under the leadership of the Executive Mayor, Cllr Nthateng Maoke to ensure that the project continues and it was almost at completion stage.

Point of orders were called and sustained in relation to allegations and aspersions made during the speeches of the political representatives and in light of the above, the Speaker called members to order and urged them to align themselves with the Code of Conduct during deliberations or else Rule 31(2) shall apply to such a member.

The Speaker then put the **Adoption of the IDP and Budget 2018/2019** to vote and divided the house.

Votes in favor of acceptance of the IDP and Budget 2018/2019 : 18
Vote against the acceptance of the IDP and Budget 2018/2019 : 10

Members who voted against the budget were noted as Councillors from DA, UFC, EFF and VF Plus.

Thus the matter was resolved as follows:

RESOLVED:

1. That the budget be adopted by Council.
2. That the budget be implemented from 1 July 2018.

I. Main Tables:

- a) Table A1: Summar
- b) Table A2: Budgeted Financial Performance (revenue and expenditure by standard classification)
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 - (g) Indigent Policy
 - (h) Virement Policy
3. That the tariff structure as reflected for the 2018/2019 be adopted and approved.
 4. That the following budget related policies, namely, Investment and Cash Management Policy, Budget Policy, Credit Control and Debt Collection Policy, Property Rates Policy, Tariff Policy, SCM policy, Virement Policy and Indigent Policy be adopted and approved.
 5. That the contribution for Indigent Burials be increased for funerals within the township from R1 500 to R1 800 and burials at the farm areas to R2 500.
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ANNUAL BUDGET 2018/19

SETSOTO LOCAL MUNICIPALITY



2018/19 TO 2020/21
MEDIUM TERM REVENUE AND EXPENDITURE FORECASTS

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Abbreviations and Acronyms

AMR	Automated Meter Reading
ASGISA	Accelerated and Shared Growth Initiative
BPC	Budget Planning Committee
CBD	Central Business District
CFO	Chief Financial Officer
MM	Municipal Manager
CPI	Consumer Price Index
CRRF	Capital Replacement Reserve Fund
DBSA	Development Bank of South Africa
DoRA	Division of Revenue Act
DWA	Department of Water Affairs
EE	Employment Equity
EEDSM	Energy Efficiency Demand Side Management
EM	Executive Mayor
FBS	Free basic services
GAMAP	Generally Accepted Municipal Accounting Practice
GDP	Gross domestic product
GDS	Gauteng Growth and Development Strategy
GFS	Government Financial Statistics
GRAP	General Recognised Accounting Practice
HR	Human Resources
HSRC	Human Science Research Council
IDP	Integrated Development Strategy
IT	Information Technology
kℓ	kilolitre
km	kilometre
KPA	Key Performance Area
KPI	Key Performance Indicator
kWh	kilowatt
ℓ	litre
LED	Local Economic Development
MEC	Member of the Executive Committee
MFMA	Municipal Financial Management Act
MIG	Municipal Infrastructure Grant
MMC	Member of Mayoral Committee
MPRA	Municipal Properties Rates Act

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MSA	Municipal Systems Act
mSCOA	Municipal Standard Chart of Accounts
MTEF	Medium-term Expenditure Framework
MTREF	Medium-term Revenue and Expenditure Framework
NERSA	National Electricity Regulator South Africa
NGO	Non-Governmental organisations
NKPIs	National Key Performance Indicators
OHS	Occupational Health and Safety
OP	Operational Plan
PBO	Public Benefit Organisations
PHC	Provincial Health Care
PMS	Performance Management System
PPE	Property Plant and Equipment
PPP	Public Private Partnership
PTIS	Public Transport Infrastructure System
RG	Restructuring Grant
RSC	Regional Services Council
SALGA	South African Local Government Association
SAPS	South African Police Service
SDBIP	Service Delivery Budget Implementation Plan
SMME	Small Micro and Medium Enterprises

PART 1: Annual Budget

1.1 Mayor's Report

The Executive Mayors report will be handed out during the Budget meeting.

1.2 Executive Summary

The application of sound financial management principles for the compilation of the Municipality 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. A critical review was also undertaken of expenditures on noncore and 'nice to have' items. Key areas where savings were realized were on telephone and internet usage, printing, workshops, accommodation, and catering. Also referring to the Cost containment measures adopted by Council.

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

National Treasury's MFMA Circular No. 89 and 91 were used to guide the compilation of the 2018/19 MTREF. The mSCOA version 6.2 was also introduced with the circulars and thus the budget tables was compiled and reported in terms of the said circulars.

The main challenges experienced during the compilation of the 2018/19 MTREF can be summarised as follows:

- The on-going difficulties in the national and local economy;
- Aging and poorly maintained water, roads and electricity infrastructure;
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- The increased cost of electricity (due to tariff increases from Eskom), which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable - as there will be a point where services will no-longer be affordable;

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- Wage increases for municipal staff that continue to exceed consumer inflation (Based on the ongoing negotiations between SALGA and Trade unions), as well as the need to fill critical vacancies.
- Affordability of capital projects – original allocations had to be reduced and the operational expenditure associated with prior year's capital investments needed to be factored into the budget as part of the 2018/19 MTREF process; and

The following budget principles and guidelines directly informed the compilation of the 2018/19 MTREF:

- The 2017/18 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2018/19 annual budget;
- Intermediate service level standards were used to inform the measurable objectives.
- Tariff and property rate increases should be affordable, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of providing water and electricity. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;

1.3 Recommendation

It is recommended that Council at its meeting to be held on 30 May 2018, consider the approval of the 2018/19 budget in terms of section 24 of the MFMA. The annual budget-

- 1.1. Must be approved before the start of the budget year;
 - 1.2. Is approved by the adoption by of a Council resolution;
 - 1.3. Must be approved together with the adoption of resolutions-
 - 1.3.1 Imposing any municipal tax for the budget year;
 - 1.3.2 Setting any municipal tariffs for the budget year; and
 - 1.3.3 Approving any changes to the municipality's budget-related policies.
 - 1.4. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are considered;
2. The Council of Setsoto Local Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) should also consider approving the following for implementation;

- 2.1. the tariffs for property rates – as set out in attached tariff list,
- 2.2. the tariffs for electricity– as set out in attached tariff list,
- 2.3. the tariffs for the supply of water – as set out in attached tariff list
- 2.4. the tariffs for sanitation services – as set out in attached tariff list
- 2.5. the tariffs for solid waste services – as set out in attached tariff list

In view of the aforementioned, the following table is a consolidated overview of the proposed 2018/19 Medium-term Revenue and Expenditure Framework:

1.4 Summary of Operating Revenue and Expenditure

Total operating revenue has grown by **7.5 %** or **R31.467 million** for the 2018/19 financial year when compared to the 2017/18 Adjustment Budget. For the two outer years, operational revenue will increase by **5.4%** and **5.5%** respectively.

Total operating expenditure for the 2018/19 financial year has grown by **3.0%** or **R18.884 million** and the total amount appropriated is **R658.107 million** including depreciation of R239.167 million and which translates into a budgeted deficit of **R208.024 million**.

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FS191 Setsoto - Table A1 Budget Summary						
Description	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousands						
Financial Performance						
Property rates	43,263	53,263	42,496	50,000	52,700	55,598
Service charges	167,716	173,716	123,945	185,729	195,758	206,525
Investment revenue	6,191	3,307	2,040	6,514	6,865	7,243
Transfers recognised - operational	159,210	159,210	120,480	177,144	186,710	196,979
Other own revenue	28,153	29,122	22,151	30,697	32,355	34,134
Total Revenue (excluding capital transfers and contributions)	404,531	418,617	311,112	450,084	474,388	500,479
Employee costs	182,908	182,908	115,532	207,481	218,685	230,713
Remuneration of councillors	11,062	12,562	–	11,000	11,594	12,232
Depreciation & asset impairment	223,490	223,490	112,416	239,167	252,082	265,947
Finance charges	2,054	4,835	2,693	2,600	2,740	2,891
Materials and bulk purchases	91,566	102,332	50,277	105,276	110,961	117,064
Transfers and grants	864	1,456	17,262	650	685	723
Other expenditure	108,490	111,640	27,252	91,932	96,897	102,226
Total Expenditure	620,433	639,223	325,431	658,107	693,645	731,795
Surplus/(Deficit)	(215,901)	(220,606)	(14,320)	(208,024)	(219,257)	(231,316)
Transfers and subsidies - capital (monetary allocations) (National / P	139,676	106,262	71,354	101,466	106,945	112,827
Contributions recognised - capital & contributed assets	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(76,225)	(114,343)	57,034	(106,558)	(112,312)	(118,489)

1.5 Operating Revenue Framework

For Setsoto Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

Setsoto Local Municipality – Annual Budget & MTREF 2018/19

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

- National Treasury’s guidelines and macro-economic policy;
- Growth in the Municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 80 per cent (80%) annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality’s Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- The implementation of the new valuation roll;
- Increase ability to extend new services and recover costs;
- The municipality’s Indigent Policy and rendering of free basic services; and
- Tariff policies of the Council.

1.6 Summary of Operating Revenue by source

Table 2 – Summary of Operating Revenue by source

FS191 Setsoto - Table A1 Budget Summary						
Description	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
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Financial Performance						
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Total Revenue (excluding capital transfers and contributions)	404,531	418,617	311,112	450,084	474,388	500,479

Setsoto Local Municipality – Annual Budget & MTREF 2018/19

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Revenue generated from rates and services charges forms a significant percentage of the revenue basket for the Municipality. Rates and service charge revenues comprise **52%** of the total revenue mix. In the 2018/19 financial year, revenue from rates and services charges totalled **R235.729 million**. In the above table revenue foregone arising from discounts and rebates associated with the tariff policies of the Municipality have been taken into account for both property rates and service charges.

As from 01 July 2018, the new valuation roll will be implemented and the overall revenue from assessment rates has increased with an average of 10%. Conversely the increase will not be equally implemented based on the individual valuation and assessment. The tariff structure has been modified between different categories of properties in order to be aligned to the Municipal Property Rates Act (MPRA), MFMA circulars and other legislations governing the property rates tariffs.

Service charges on electricity have been increased with 6.84% in line with the proposed increase by the National Energy Regulation of South Africa (NERSA) while other service charges were increased with an average of 10%.

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1.7 Summary of operating expenditure by standard classification item

Table 8 Summary of operating expenditure by standard classification item

Description	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand					
Expenditure By Type					
Employee related costs	182,908	182,908	207,481	218,685	230,713
Remuneration of councillors	11,062	12,562	11,000	11,594	12,232
Debt impairment	58,014	58,014	56,000	59,024	62,270
Depreciation & asset impairment	223,490	223,490	239,167	252,082	265,947
Finance charges	2,054	4,835	2,600	2,740	2,891
Bulk purchases	64,448	66,265	67,000	70,618	74,502
Other materials	27,117	36,067	38,276	40,343	42,562
Contracted services	18,842	21,098	286	302	318
Transfers and subsidies	864	1,456	650	685	723
Other expenditure	31,633	32,528	35,646	37,571	39,637
Loss on disposal of PPE	–	–	–	–	–
Total Expenditure	620,433	639,223	658,107	693,645	731,795

The budgeted allocation for employee related costs for the 2018/19 financial year totals R207.481 million (excluding Councillors remuneration) representing a notable increase of 13% when compared to the adjustment budget for the 2017/18 financial year. Filling of critical positions in terms of the approved organisational structure were considered as well as the annual increment based on the ongoing wage negotiations. An increase in the employee related costs is budgeted at an average of 8% and the inclusion of vacant critical positions accumulated an overall increase to 13%.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the Municipality's budget.

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Provision of debt impairment for the 2018/19 financial year amounts to **R56 million**. While this expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy as well as the GRAP standards. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register. This has resulted in a significant increase in depreciation relative to previous years. The recurring audit finding from the Auditor General in terms of the depreciation was also taken into account when compiling the budget.

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital) that the municipality has with financial institutions namely DBSA, ABSA and Wesbank. However the municipality has no intention to acquire any new borrowings in the 2018-19 MTREF.

Bulk purchases are directly informed by the purchase of electricity from Eskom. An increase of 7.32 % has been approved by NERSA.

Other expenditure increased with 9.5% or R3.118 million, however the cost containment measures as outlined in the Circular 82 and adopted by the municipal Council still apply.

1.7.1 Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality Indigent Policy. The target is to register 10 000 or more indigent households during the 2018/19 financial year, a process reviewed annually.

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

1.8 Capital expenditure

The following table provides a breakdown of budgeted capital expenditure for the 2018/19 Medium Term Revenue & Expenditure Framework;

Grants	2018/19	2019/20	2020/21
Municipal Infrastructure Grant	57,782,000	47,203,000	49,750,000
Water Service Infrastructure Grant	20,000,000	25,000,000	26,375,000
Regional Bulk Infrastructure Grant	30,000,000	53,121,000	92,108,000
Intergrated National Electrification Programme Grant	682,000	3,814,000	3,200,000
Total amount allocated for 2018/19	108,464,000	129,138,000	171,433,000

The Capital budget has also taken into consideration the National priorities.

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FS191 Setsoto - Table A5 Budgeted Capital Expenditure by Function

Vote Description	2018/19 Medium Term Revenue & Expenditure Framework		
	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand			
Capital Expenditure - Functional			
<i>Governance and administration</i>	1,564	1,648	1,739
Executive and council	330	348	367
Finance and administration	1,179	1,243	1,312
Internal audit	54	57	61
<i>Community and public safety</i>	11,990	12,637	13,333
Community and social services	–	–	–
Sport and recreation	11,715	12,348	13,027
Public safety	–	–	–
Housing	275	290	306
Health	–	–	–
<i>Economic and environmental services</i>	499	526	555
Planning and development	94	100	105
Road transport	405	427	450
Environmental protection	–	–	–
<i>Trading services</i>	115,667	121,913	128,618
Energy sources	6,630	6,988	7,372
Water management	108,162	114,003	120,273
Waste water management	400	422	445
Waste management	475	501	528
<i>Other</i>	–	–	–
Total Capital Expenditure - Functional	129,720	136,725	144,245

The table below depicts the Municipal Infrastructure Grant (MIG) implementation plan for the budget year together with the two outer years.

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MIG Reference Nr	Project Description	MIG Value	Planned MIG Expenditure for 2018/2019	Planned MIG Expenditure for 2019/2020	Planned MIG Expenditure for 2020/2021
	PMU	2,889,100.00	2,889,100.00	2,360,150.00	2,487,500.00
MIG/FS0871/R,ST/11/1	Marquard/Moemaneng: Construction of 3.0 km Paved Road and Storm Water Drainage	28,232,075.46	948,730.86	-	-
MIG/FS0872/R,ST/11/1	Clocolan/Hlohlolwane: Construction of 3.0 km Paved Road and Storm Water Drainage	21,992,290.00	3,000,000.00	956,186.52	-
MIG/FS1048/CF/15/17	Senekal/Matwabeng: Construction of new indoor sports and recreational facility	17,173,664.00	858,650.00	-	-
MIG/FS1161/W/16/18	Moemaneng/Marquard: New water reticulation network for 1110 erven	12,805,848.00	640,292.40	-	-
MIG/FS1167/S/17/19	Marquard/Moemaneng: Construction of internal sewer reticulation for 1110 new sites	18,877,133.00	3,048,621.04	820,744.91	
MIG/FS1199/S/17/18	Ficksburg/Meqheleng: Conversion of 969 VIP to waterborne toilets (MIS:236000)	28,021,247.53	8,612,807.97	18,190,124.45	1,218,315.11
MIG/FS1228/CF/19/19	Ficksburg/Meqheleng: Upgrading of Stadium Facilities (MIS:274204)	3,423,420.00	1,781,540.00	-	-
MIG/FS1229/C/18/19	Meqheleng: Development of new Cemetery (MIS:274200)	7,230,522.39	6,916,151.85	314,370.54	-
MIG/FS1230/R,ST/18/19	Ficksburg/Meqheleng: Rehabilitation of 1.5 km surfaced and storm water drainage	4,104,000.00	2,540,680.00	205,200.00	-
MIG/FS1231/S/18/19	Clocolan: Upgrading of the Waste Water Treatment Works (MIS:269974)	38,418,000.00	15,602,925.88	19,331,579.31	1,670,347.83
	Marquard/Moemaneng: Upgrading of Moemaneng Sport Facility	11,500,000.00	10,942,500.00	557,500.00	
	Clocolan/Hlohlolwane: Replacement of an old 7km asbestor bulk water pipe line with	18,900,000.00	-	2,877,144.27	16,022,855.73
	Marquard/Moemaneng: Refurbishment of the Sport Facility	2,297,100.00	-	1,590,000.00	707,100.00
	Senekal/ Matwabeng: Refurbishment of the sewer pumpstations (Mechanical and	4,365,310.10	-	-	4,365,310.10
	Clocolan/Hlohlolwane: Rehabilitation of 1.5 km surfaced and storm water drainage	5,000,000.00	-	-	5,000,000.00
	Clocolan/ Hlohlolwane: Provision of the waterborne sanitation system to 400	15,528,571.23	-	-	7,778,571.23
	Clocolan/ Hlohlolwane: Upgrading of Moemaneng Sport Facility	11,500,000.00	-	-	1,510,000.00
	Installation of (30) High Mast Light in all four unit	11,300,000.00	-	-	8,990,000.00
			-		
			-		
			-		
	Total	263,558,281.71	57,782,000.00	47,203,000.00	49,750,000.00

The Regional Bulk and Infrastructure Grant (RBIG) allocation of R30 million has been allocated to the construction of the Central water treatment works in Senekal with all rising main to the new water treatment works.

The Water and Sanitation Infrastructure Grant (WSIG) allocation of R20 million has been budgeted for upgrading of 7km Sewer pipe line -Van Soelen Street.

Whilst the Integrated National Energy Grant (INEG) is earmarked for the electrification of 40 houses in the Naledi village.

1.9 Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting
Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the Municipality website.
2. Internship programme
The Municipality is participating in the Municipal Financial Management Internship programme and has employed three interns undergoing training in various divisions of the Financial Services Department.
3. Budget and Treasury Office
The Budget and Treasury Office has been established in accordance with the MFMA and it is headed by the Chief Financial Officer. The Budget steering committee was also established.
4. Audit and Risk Committees
An Audit and Risk Committees have been established and are fully functional.
5. Service Delivery and Implementation Plan
The detail SDBIP document is at a draft stage and will be finalised after approval of the 2018/19MTREF in May 2018 directly aligned and informed by the 2018/19 MTREF.
6. Annual Report

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Annual report is compiled in terms of the MFMA and National Treasury requirements.

7. MFMA Training

The MFMA training module in electronic format is presented at the Municipality internal centre and training is ongoing.

8. Policies

An amendment of the Municipal Property Rates Regulations as published in Government Notice 363 of 27 March 2009, was announced in Government Gazette 33016 on 12 March 2010. The ratios as prescribed in the Regulations have been complied with.

1.10 Funding credibility on cash flow

The following table illustrate that based on the collection rate of service charges the budget are cash funded.

Table 10 – Summary of Operating Revenue and Expenditure cash flow

Setsoto Local Municipality – Annual Budget & MTREF 2018/19

FS191 Setsoto - Table A7 Budgeted Cash Flows			
Description	2018/19 Medium Term Revenue & Expenditure Framework		
	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand			
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts			
Property rates	40,000	42,160	44,479
Service charges	148,583	156,607	165,220
Other revenue	2,129	2,805	2,959
Government - operating	177,826	186,710	196,979
Government - capital	107,782	125,324	168,233
Interest	28,393	24,573	10,573
Dividends	35	37	39
Payments			
Suppliers and employees	(359,690)	(379,113)	(399,964)
Finance charges	(2,600)	(2,740)	(2,891)
Transfers and Grants	(650)	(685)	(723)
NET CASH FROM/(USED) OPERATING ACTIVITIES	141,809	155,677	184,904
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts			
Proceeds on disposal of PPE	–	–	–
Decrease (Increase) in non-current debtors	–	–	–
Decrease (increase) other non-current receivables	–	–	–
Decrease (increase) in non-current investments	–	–	–
Payments			
Capital assets	(129,720)	(136,725)	(168,233)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(129,720)	(136,725)	(168,233)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts			
Short term loans	–	–	–
Borrowing long term/refinancing	–	–	–
Increase (decrease) in consumer deposits	–	–	–
Payments			
Repayment of borrowing	(3,000)	(3,520)	(4,200)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(3,000)	(3,520)	(4,200)
NET INCREASE/ (DECREASE) IN CASH HELD	9,089	15,432	12,471
Cash/cash equivalents at the year begin:	(45,000)	(35,911)	(20,480)
Cash/cash equivalents at the year end:	(35,911)	(20,480)	(8,009)

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FS191 Setsoto - Supporting Table SA30 Budgeted monthly cash flow																
MONTHLY CASH FLOWS	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Cash Receipts By Source													1			
Property rates	3,600	2,600	3,600	3,600	1,800	3,600	3,600	3,600	3,600	2,900	3,600	3,900	40,000	42,160	44,479	
Service charges - electricity revenue	4,200	2,800	6,309	4,263	6,309	6,309	6,309	6,309	6,309	3,800	3,600	4,049	60,566	63,836	67,347	
Service charges - water revenue	3,200	2,400	2,950	2,800	2,400	2,250	4,584	4,584	4,584	4,584	4,584	5,084	44,002	46,378	48,928	
Service charges - sanitation revenue	2,085	2,085	1,800	1,085	1,085	2,100	1,800	1,085	2,200	1,085	1,985	1,621	20,016	21,097	22,257	
Service charges - refuse revenue	1,010	1,400	1,500	2,500	2,500	2,500	2,500	2,500	1,800	2,500	1,800	1,490	24,000	25,296	26,687	
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rental of facilities and equipment	58	58	58	58	58	58	58	58	58	58	58	58	697	735	775	
Interest earned - external investments	543	543	543	543	543	543	543	543	543	543	543	22	5,993	6,865	4,346	
Interest earned - outstanding debtors	1,800	2,333	1,600	2,333	2,333	1,400	2,333	2,333	1,200	2,333	1,350	1,050	22,401	17,708	6,227	
Dividends received	3	3	3	3	3	3	3	3	3	3	3	3	35	37	39	
Fines, penalties and forfeits	50	50	50	50	50	50	50	50	50	50	50	50	600	632	667	
Licences and permits	3	3	3	3	3	3	3	3	3	3	3	3	35	37	39	
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer receipts - operational	88,913	-	-	-	53,348	-	-	-	35,565	-	-	-	177,826	186,710	196,979	
Other revenue	66	66	66	66	66	66	66	66	66	66	66	66	797	1,401	1,478	
Cash Receipts by Source	105,531	14,342	18,482	17,305	70,498	18,882	21,849	21,134	55,981	17,925	17,642	17,397	396,967	412,891	420,249	
Other Cash Flows by Source																
Transfer receipts - capital	53,891	-	-	-	32,335	-	-	-	21,556	-	-	-	107,782	125,324	168,233	
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Cash Receipts by Source	159,422	14,342	18,482	17,305	102,833	18,882	21,849	21,134	77,537	17,925	17,642	17,397	504,749	538,215	588,482	
Cash Payments by Type																
Employee related costs	18,207	18,207	18,207	18,207	18,207	18,207	18,207	18,207	18,207	18,207	18,207	7,207	207,481	218,685	230,713	
Remuneration of councillors	917	917	917	917	917	917	917	917	917	917	917	917	11,000	11,594	12,232	
Finance charges	108	108	320	108	108	540	108	108	320	108	108	556	2,600	2,740	2,891	
Bulk purchases - Electricity	5,583	5,583	5,583	5,583	5,583	5,583	5,583	5,583	5,583	5,583	5,583	5,583	67,000	70,618	74,502	
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other materials	3,190	3,190	3,190	3,190	3,190	3,190	3,190	3,190	3,190	3,190	3,190	3,190	38,276	40,343	42,562	
Contracted services	24	24	24	24	24	24	24	24	24	24	24	24	286	302	318	
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	685	723	
Transfers and grants - other	54	54	54	54	54	54	54	54	54	54	54	54	650	-	-	
Other expenditure	194	194	194	194	194	194	194	194	194	194	194	33,511	35,646	37,571	39,637	
Cash Payments by Type	28,277	28,277	28,489	28,277	28,277	28,709	28,277	28,277	28,489	28,277	28,277	51,042	362,940	382,538	403,578	
Other Cash Flows/Payments by Type																
Capital assets	10,810	10,810	10,810	10,810	10,810	10,810	10,810	10,810	10,810	10,810	10,810	10,810	129,720	136,725	168,233	
Repayment of borrowing	250	250	250	250	250	250	250	250	250	250	250	250	3,000	3,520	4,200	
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Cash Payments by Type	39,337	39,337	39,549	39,337	39,337	39,769	39,337	39,337	39,549	39,337	39,337	62,102	495,660	522,784	576,011	
NET INCREASE/(DECREASE) IN CASH HELD	120,086	(24,995)	(21,066)	(22,032)	63,496	(20,886)	(17,488)	(18,203)	37,989	(21,412)	(21,695)	(44,705)	9,089	15,432	12,471	
Cash/cash equivalents at the month/year begin:	(45,000)	75,086	50,091	29,024	6,992	70,488	49,602	32,114	13,912	51,900	30,489	8,794	(45,000)	(35,911)	(20,480)	
Cash/cash equivalents at the month/year end:	75,086	50,091	29,024	6,992	70,488	49,602	32,114	13,912	51,900	30,489	8,794	(25,011)	(25,011)	(20,480)	(8,009)	

1.11 Municipal manager’s quality certificate

I, S T R Ramakarane, Municipal Manager of Setsoto Local Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name S T R RAMAKARANE _____

Municipal manager of Setsoto Municipality (FS191)

Signature _____

Date _____

Part 2 – Supporting Documentation

2.1 Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget.

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2017) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled the budget key timelines before Council meeting outlining the key activities to be undertaken with strict timeliness. The draft annual budget was tabled in Council on the 29 March 2018 and thereafter the budget was made public for the local community and other spheres of government. The mayoral budget roadshow for local community took place on the week of 23 – 26 April 2018 in all the towns and townships of the Setsoto Local Municipality. The inputs made at these consultation were also taken into consideration in finalising the annual budget.

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FS191 Setsoto - Table A1 Budget Summary

Description	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousands										
Financial Performance										
Property rates	32,147	41,090	44,239	43,263	53,263	–	42,496	50,000	52,700	55,598
Service charges	137,434	146,817	163,307	167,716	173,716	–	123,945	185,729	195,758	206,525
Investment revenue	2,458	1,934	1,973	1,860	3,307	–	2,040	6,514	6,865	7,243
Transfers recognised - operational	174,065	177,652	170,002	163,645	157,656	–	120,480	177,144	186,710	196,979
Other own revenue	33,008	23,768	29,652	32,483	29,122	–	22,151	30,697	32,355	34,134
Total Revenue (excluding capital transfers and contributions)	379,112	391,262	409,174	408,967	417,063	–	311,112	450,083	474,388	500,479
Employee costs	154,017	169,776	187,599	182,908	182,908	–	115,532	207,481	230,279	242,945
Remuneration of councillors	9,884	10,355	9,896	11,062	12,562	–	–	11,000	(0)	(0)
Depreciation & asset impairment	261,822	215,928	209,967	12,490	223,490	–	112,416	239,167	252,082	265,947
Finance charges	919	947	2,289	8,511	4,835	–	2,693	2,600	2,740	2,891
Materials and bulk purchases	53,594	53,293	68,978	64,448	102,332	–	50,277	105,276	110,961	117,064
Transfers and grants	2,607	2,501	5,618	894	1,456	–	17,262	650	685	723
Other expenditure	133,820	175,440	152,804	129,123	111,640	–	27,252	91,932	96,897	102,226
Total Expenditure	616,663	628,240	637,151	409,436	639,223	–	325,431	658,107	693,645	731,795
Surplus/(Deficit)	(237,552)	(236,978)	(227,977)	(469)	(222,159)	–	(14,320)	(208,024)	(219,257)	(231,316)
Transfers and subsidies - capital (monetary allocations)	76,531	90,084	103,396	135,241	109,851	–	71,354	101,466	106,945	112,827
Contributions recognised - capital & contributed assets	–	20,183	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(161,021)	(126,712)	(124,581)	134,772	(112,308)	–	57,034	(106,558)	(112,312)	(118,489)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(161,021)	(126,712)	(124,581)	134,772	(112,308)	–	57,034	(106,558)	(112,312)	(118,489)
Capital expenditure & funds sources										
Capital expenditure	74,539	181,160	59,019	166,241	133,755	133,481	80,361	129,720	136,725	144,245
Transfers recognised - capital	69,030	112,353	53,647	135,241	133,755	133,755	–	101,466	125,324	144,245
Public contributions & donations	–	37,268	90	–	–	–	–	–	–	–
Borrowing	–	–	–	31,000	–	–	–	–	–	–
Internally generated funds	5,509	31,540	5,282	–	–	–	–	28,254	11,401	–
Total sources of capital funds	74,539	181,160	59,019	166,241	133,755	133,755	–	129,720	136,725	144,245

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FS191 Setsoto - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	2015/16	2016/17	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand							
Revenue - Functional							
<i>Governance and administration</i>	117,426	86,572	124,256	127,372	137,412	144,832	152,798
Executive and council	34,729	17,418	45,575	45,575	49,136	51,790	54,638
Finance and administration	82,697	69,155	78,681	81,798	88,276	93,043	98,160
Internal audit	–	–	–	–	–	–	–
<i>Community and public safety</i>	3,677	6,705	1,278	1,247	1,153	1,215	1,282
Community and social services	548	579	705	705	500	527	556
Sport and recreation	50	37	58	27	48	50	53
Public safety	2,229	5,382	–	–	–	–	–
Housing	850	707	515	515	605	638	673
Health	–	–	–	–	–	–	–
<i>Economic and environmental services</i>	51,864	18,585	31,995	29,581	41,116	43,336	45,720
Planning and development	20,391	39	2,445	2,431	11,535	12,158	12,827
Road transport	31,473	18,546	29,550	27,150	29,581	31,179	32,893
Environmental protection	–	–	–	–	–	–	–
<i>Trading services</i>	325,187	394,211	386,679	366,679	371,869	391,950	413,507
Energy sources	101,163	91,259	90,786	92,786	96,954	102,189	107,810
Water management	140,306	222,349	200,091	169,091	170,199	179,390	189,256
Waste water management	37,329	34,819	49,798	49,798	54,153	57,077	60,216
Waste management	46,389	45,784	46,004	55,004	50,563	53,293	56,224
<i>Other</i>	–	–	–	–	–	–	–
Total Revenue - Functional	498,155	506,074	544,208	524,879	551,550	581,333	613,307
Expenditure - Functional							
<i>Governance and administration</i>	113,138	135,780	108,818	115,497	130,146	137,174	144,719
Executive and council	38,543	52,033	28,642	31,715	33,926	35,758	37,725
Finance and administration	70,745	80,037	76,322	79,663	85,950	90,591	95,574
Internal audit	3,849	3,710	3,853	4,119	10,270	10,825	11,420
<i>Community and public safety</i>	44,407	40,843	36,692	35,326	37,297	39,311	41,473
Community and social services	4,957	4,941	6,298	6,123	7,253	7,644	8,065
Sport and recreation	16,939	17,501	10,621	10,456	11,023	11,618	12,257
Public safety	9,573	9,686	4,118	3,996	984	1,037	1,094
Housing	12,420	8,026	15,101	14,198	17,452	18,394	19,406
Health	518	689	553	553	586	618	652
<i>Economic and environmental services</i>	229,966	214,890	262,413	264,267	286,716	302,199	318,820
Planning and development	6,774	6,687	10,523	10,006	10,051	10,594	11,177
Road transport	223,191	208,203	251,890	254,261	276,665	291,605	307,643
Environmental protection	–	–	–	–	–	–	–
<i>Trading services</i>	236,180	237,360	212,511	224,133	203,948	214,961	226,784
Energy sources	56,333	81,195	86,618	85,476	92,393	97,383	102,739
Water management	97,775	73,342	50,452	60,482	54,605	57,554	60,719
Waste water management	37,797	38,543	37,783	38,828	19,700	20,764	21,906
Waste management	44,275	44,280	37,657	39,346	37,249	39,261	41,420
<i>Other</i>	–	–	–	–	–	–	–
Total Expenditure - Functional	623,691	628,872	620,433	639,223	658,107	693,645	731,795
Surplus/(Deficit) for the year	(125,536)	(122,799)	(76,225)	(114,343)	(106,558)	(112,312)	(118,489)

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FS191 Setsoto - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)							
Vote Description	2015/16	2016/17	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand							
Revenue by Vote							
Vote 1 - Executive and council	17,928	1,493	38,631	38,631	44,853	47,276	49,876
Vote 2 - Municipal Manager	–	–	6,944	6,944	4,283	4,514	4,762
Vote 3 - Treasury	23,432	27,665	72,802	78,802	82,231	86,671	91,438
Vote 4 - Corporate Services	1,417	1,221	1,474	1,474	1,607	1,693	1,786
Vote 5 - Development Planning and Social Security	–	–	5,199	2,285	5,021	5,292	5,583
Vote 6 - Development Planning and Social Security	46,388	45,784	46,413	55,413	51,210	53,975	56,944
Vote 7 - Engineering Services	31,473	18,546	369,816	338,416	350,240	369,153	389,457
Vote 8 - Engineering Services	–	–	2,929	2,915	12,105	12,759	13,460
Total Revenue by Vote	120,639	94,711	544,208	524,879	551,550	581,333	613,307
Expenditure by Vote to be appropriated							
Vote 1 - Executive and council	30,798	44,739	22,589	25,809	21,660	22,829	24,085
Vote 2 - Municipal Manager	–	–	16,404	15,754	28,373	29,905	31,550
Vote 3 - Treasury	21,731	21,141	37,908	39,838	39,478	41,610	43,899
Vote 4 - Corporate Services	11,669	11,369	25,577	28,622	32,578	34,337	36,226
Vote 5 - Development Planning and Social Security	2,766	2,533	25,987	25,578	26,780	28,226	29,779
Vote 6 - Development Planning and Social Security	43,622	43,685	59,316	60,912	57,545	60,653	63,989
Vote 7 - Engineering Services	22,664	11,840	409,757	422,031	424,637	447,567	472,184
Vote 8 - Engineering Services	–	–	22,894	20,679	27,056	28,517	30,085
Total Expenditure by Vote	133,251	135,307	620,433	639,223	658,107	693,645	731,795
Surplus/(Deficit) for the year	(12,612)	(40,596)	(76,225)	(114,343)	(106,558)	(112,312)	(118,489)

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FS191 Setsoto - Table A4 Budgeted Financial Performance (revenue and expenditure)									
Description	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue By Source									
Property rates	32,147	41,090	44,239	43,263	53,263	42,496	50,000	52,700	55,598
Service charges - electricity revenue	64,532	63,626	62,935	66,147	68,147	44,214	75,707	79,795	84,184
Service charges - water revenue	32,983	40,326	49,379	50,813	50,813	40,395	55,002	57,972	61,161
Service charges - sanitation revenue	18,110	21,382	25,374	23,391	18,391	15,144	25,020	26,371	27,821
Service charges - refuse revenue	21,679	21,296	25,367	27,365	36,365	24,193	30,000	31,620	33,359
Service charges - other	131	187	252	–	–	–	–	–	–
Rental of facilities and equipment	1,298	1,564	1,534	749	740	831	697	735	775
Interest earned - external investments	22,451	19,134	21,498	6,191	3,307	2,040	6,514	6,865	7,243
Interest earned - outstanding debtors	–	–	–	25,630	26,630	19,200	28,001	29,513	31,136
Dividends received	32	36	40	40	40	102	35	37	39
Fines, penalties and forfeits	1,927	2,164	2,463	364	364	143	600	632	667
Licences and permits	14	100	39	31	31	132	35	37	39
Agency services	–	–	–	–	–	–	–	–	–
Transfers and subsidies	189,936	194,443	170,002	159,210	159,210	120,480	177,144	186,710	196,979
Other revenue	9,744	2,617	5,928	1,338	1,316	1,742	1,329	1,401	1,478
Gains on disposal of PPE	(88)	(3,374)	(6,497)	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	394,895	404,593	402,553	404,531	418,617	311,112	450,084	474,388	500,479
Expenditure By Type									
Employee related costs	154,017	169,776	187,599	182,908	182,908	115,532	207,481	218,685	230,713
Remuneration of councillors	9,884	10,355	9,896	11,062	12,562	–	11,000	11,594	12,232
Debt impairment	25,097	84,546	69,861	58,014	58,014	–	56,000	59,024	62,270
Depreciation & asset impairment	229,021	217,951	212,220	223,490	223,490	112,416	239,167	252,082	265,947
Finance charges	919	947	2,289	2,054	4,835	2,693	2,600	2,740	2,891
Bulk purchases	53,594	53,293	72,798	64,448	66,265	41,167	67,000	70,618	74,502
Other materials	–	–	–	27,117	36,067	9,110	38,276	40,343	42,562
Contracted services	28,235	17,224	22,731	18,842	21,098	12,405	286	302	318
Transfers and subsidies	2,607	2,501	5,618	864	1,456	17,262	650	685	723
Other expenditure	56,883	68,187	47,607	31,633	32,528	14,892	35,646	37,571	39,637
Loss on disposal of PPE	–	–	258	–	–	(45)	–	–	–
Total Expenditure	560,259	624,780	630,878	620,433	639,223	325,431	658,107	693,645	731,795
Surplus/(Deficit)	(165,364)	(220,188)	(228,325)	(215,901)	(220,606)	(14,320)	(208,024)	(219,257)	(231,316)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	59,660	73,293	103,396	139,676	106,262	71,354	101,466	106,945	112,827
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	1,000	20,183	90	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(104,704)	(126,712)	(124,839)	(76,225)	(114,343)	57,034	(106,558)	(112,312)	(118,489)
Taxation	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation	(104,704)	(126,712)	(124,839)	(76,225)	(114,343)	57,034	(106,558)	(112,312)	(118,489)
Attributable to minorities	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality	(104,704)	(126,712)	(124,839)	(76,225)	(114,343)	57,034	(106,558)	(112,312)	(118,489)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(104,704)	(126,712)	(124,839)	(76,225)	(114,343)	57,034	(106,558)	(112,312)	(118,489)

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FS191 Setsoto - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital Expenditure - Functional											
Governance and administration		673	93,098	11,501	27,000	2,519	2,245	930	1,564	1,648	1,739
Executive and council		63	62,531	3	–	1,096	822	114	330	348	367
Finance and administration		610	30,551	11,498	27,000	1,218	1,218	799	1,179	1,243	1,312
Internal audit		–	15	–	–	204	204	17	54	57	61
Community and public safety		22,205	37,268	1,684	5,700	4,260	4,260	1,379	11,990	12,637	13,333
Community and social services		3,293	37,268	1,684	4,000	350	350	220	–	–	–
Sport and recreation		18,682	–	–	1,700	2,715	2,715	22	11,715	12,348	13,027
Public safety		154	–	–	–	835	835	–	–	–	–
Housing		75	–	–	–	360	360	1,137	275	290	306
Health		–	–	–	–	–	–	–	–	–	–
Economic and environmental services		4,410	–	–	31,581	38,960	38,960	31,662	499	526	555
Planning and development		–	–	–	–	819	819	–	94	100	105
Road transport		4,410	–	–	31,581	38,141	38,141	31,662	405	427	450
Environmental protection		–	–	–	–	–	–	–	–	–	–
Trading services		47,252	50,794	45,834	101,960	88,015	88,015	46,389	115,667	121,913	128,618
Energy sources		923	5,503	6,975	6,000	12,780	12,780	4,560	6,630	6,988	7,372
Water management		16,124	23,934	38,769	42,716	45,260	45,260	27,156	108,162	114,003	120,273
Waste water management		28,909	752	–	53,244	16,560	16,560	6,624	400	422	445
Waste management		1,296	20,606	90	–	13,415	13,415	8,049	475	501	528
Other		–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	3	74,539	181,160	59,019	166,241	133,755	133,481	80,361	129,720	136,725	144,245
Funded by:											
National Government		57,095	112,353	45,744	117,597	133,755	133,755	–	101,466	125,324	144,245
Provincial Government		11,058	–	–	17,644	–	–	–	–	–	–
District Municipality		–	–	–	–	–	–	–	–	–	–
Other transfers and grants		877	–	7,903	–	–	–	–	–	–	–
Transfers recognised - capital	4	69,030	112,353	53,647	135,241	133,755	133,755	–	101,466	125,324	–
Public contributions & donations	5	–	37,268	90	–	–	–	–	–	–	–
Borrowing	6	–	–	–	31,000	–	–	–	–	–	–
Internally generated funds		5,509	31,540	5,282	–	–	–	–	28,254	11,401	–
Total Capital Funding	7	74,539	181,160	59,019	166,241	133,755	133,755	–	129,720	136,725	144,245

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FS191 Setsoto - Table A6 Budgeted Financial Position

Description	2014/15	2015/16	2016/17	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand								
ASSETS								
Current assets								
Cash	3,702	3,656	2,081	13,593	13,593	832	-	-
Call investment deposits	-	-	-	-	-	-	-	-
Consumer debtors	95,674	103,901	195,619	-	-	321,878	452,323	474,644
Other debtors	71,894	47,167	9,828	-	-	12,777	13,416	14,087
Current portion of long-term receivables	-	-	-	-	-	-	0	-
Inventory	1,811	1,887	2,420	-	-	-	-	-
Total current assets	173,080	156,610	209,949	13,593	13,593	335,487	465,739	488,730
Non current assets								
Long-term receivables	-	-	-	-	-	-	-	-
Investments	3,105	3,100	3,212	-	-	-	-	-
Investment property	71,176	74,574	68,648	-	-	-	-	-
Investment in Associate	-	-	-	-	-	-	-	-
Property, plant and equipment	3,333,722	3,210,956	3,114,843	3,426,554	3,419,554	3,116,120	3,036,725	3,214,687
Agricultural	-	-	-	-	-	-	-	-
Biological	-	-	-	-	-	-	-	-
Intangible	3,477	3,147	2,592	-	-	-	-	-
Other non-current assets	15,386	15,386	15,386	-	-	15,386	15,386	15,386
Total non current assets	3,426,866	3,307,163	3,204,682	3,426,554	3,419,554	3,131,506	3,052,111	3,230,073
TOTAL ASSETS	3,599,947	3,463,773	3,414,630	3,440,146	3,433,146	3,466,993	3,517,850	3,718,803
LIABILITIES								
Current liabilities								
Bank overdraft	-	-	-	8,524	32,080	-	-	-
Borrowing	541	618	2,251	-	-	3,000	3,200	3,400
Consumer deposits	2,429	2,521	2,513	-	-	3,000	2,950	3,200
Trade and other payables	53,730	73,631	122,186	-	-	109,945	63,208	48,150
Provisions	1,207	1,278	1,446	-	-	1,500	1,550	1,600
Total current liabilities	57,907	78,048	128,396	8,524	32,080	117,445	70,908	56,350
Non current liabilities								
Borrowing	6,284	5,667	11,303	6,000	7,800	10,500	9,900	9,100
Provisions	60,975	66,345	81,683	-	-	65,050	66,000	72,050
Total non current liabilities	67,259	72,012	92,986	6,000	7,800	75,550	75,900	81,150
TOTAL LIABILITIES	125,166	150,060	221,382	14,524	39,880	192,995	146,808	137,500
NET ASSETS	3,474,780	3,313,713	3,193,249	3,425,623	3,393,267	3,273,998	3,371,042	3,581,303
COMMUNITY WEALTH/EQUITY								
Accumulated Surplus/(Deficit)	3,474,780	3,313,713	3,193,249	3,425,623	3,393,267	3,273,998	3,371,042	3,581,303
Reserves	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	3,474,780	3,313,713	3,193,249	3,425,623	3,393,267	3,273,998	3,371,042	3,581,303

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FS191 Setsoto - Table A7 Budgeted Cash Flows											
Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		28,725	32,517	31,395	34,610	53,263	–	42,496	40,000	42,160	44,479
Service charges		158,901	110,620	107,056	134,172	173,716	–	123,945	148,583	156,607	165,220
Other revenue		12,982	26,714	10,088	6,738	2,451	–	2,848	2,129	2,805	2,959
Government - operating	1	174,065	177,652	170,002	163,645	157,656	–	120,480	177,826	186,710	196,979
Government - capital	1	76,531	90,084	103,396	117,597	109,851	–	71,354	107,782	125,324	168,233
Interest		2,458	19,134	21,498	22,365	29,938	–	21,240	28,393	24,573	10,573
Dividends		32	36	40	40	40	–	102	35	37	39
Payments											
Suppliers and employees		(381,948)	(350,946)	(354,541)	(326,965)	(429,442)	(81,732)	(106,724)	(359,690)	(379,113)	(399,964)
Finance charges		(919)	(947)	(2,289)	(8,511)	(4,835)	–	(2,693)	(2,600)	(2,740)	(2,891)
Transfers and Grants	1	(2,607)	–	–	(894)	(1,456)	–	(17,262)	(650)	(685)	(723)
NET CASH FROM/(USED) OPERATING ACTIVITIES		68,220	104,864	86,645	142,797	91,182	(81,732)	255,787	141,809	155,677	184,904
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		151	–	–	–	–	–	7,095	–	–	–
Decrease (Increase) in non-current debtors		–	–	–	–	–	–	(5,496)	–	–	–
Decrease (increase) other non-current receivables		–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		(88)	5	(146)	(1,265)	–	3,212	(29,556)	–	–	–
Payments											
Capital assets		(76,701)	(99,608)	(96,932)	(166,241)	(133,755)	–	(590,892)	(129,720)	(136,725)	(168,233)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(76,638)	(99,603)	(97,077)	(167,506)	(133,755)	3,212	(618,849)	(129,720)	(136,725)	(168,233)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	31,000	8,413	–	576	–	–	–
Increase (decrease) in consumer deposits		–	–	–	5	–	(2,513)	83	–	–	–
Payments											
Repayment of borrowing		(478)	(627)	(560)	(2,500)	–	(13,553)	–	(3,000)	(3,520)	(4,200)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(478)	(627)	(560)	28,505	8,413	(16,067)	659	(3,000)	(3,520)	(4,200)
NET INCREASE/ (DECREASE) IN CASH HELD		(8,896)	4,633	(10,992)	3,796	(34,161)	(94,587)	(362,403)	9,089	15,432	12,471
Cash/cash equivalents at the year begin:	2	12,598	3,702	8,335	(14,510)	2,081	2,081	2,081	(1,249)	7,840	23,272
Cash/cash equivalents at the year end:	2	3,702	8,335	(2,657)	(10,714)	(32,080)	(92,506)	(360,323)	7,840	23,272	35,742

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FS191 Setsoto - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	3,702	8,335	(2,657)	(10,714)	(32,080)	(92,506)	(360,323)	7,840	23,272	35,742
Other current investments > 90 days		(0)	(4,679)	4,738	15,783	3,224,549	92,506	460,981	(7,008)	(23,272)	(35,742)
Non current assets - Investments	1	3,105	3,100	3,212	-	-	-	5,262	3,254	3,300	3,350
Cash and investments available:		6,807	6,756	5,293	5,069	3,192,469	-	105,921	4,086	3,300	3,350
Application of cash and investments											
Unspent conditional transfers		807	952	11,067	-	-	-	11,067	11,067	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	(113,032)	(44,741)	(17,558)	-	-	-	(501,876)	(140,705)	(355,898)	(392,123)
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		(112,225)	(43,788)	(6,491)	-	-	-	(490,810)	(129,639)	(355,898)	(392,123)
Surplus(shortfall)		119,033	50,544	11,784	5,069	3,192,469	-	596,730	133,725	359,198	395,473

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FS191 Setsoto - Table A10 Basic service delivery measurement

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Household service targets	1									
Water:										
Piped water inside dwelling		3,655	3,655	3,655	29,567	29,567	29,567	29,567	29,567	29,567
Piped water inside yard (but not in dwelling)		9,138	9,138	9,138	–	–	–	–	–	–
Using public tap (at least min.service level)	2	7,724	8,224	8,224	8,224	–	–	–	–	–
Other water supply (at least min.service level)	4	–	–	–	–	–	–	830	830	830
<i>Minimum Service Level and Above sub-total</i>		20,517	21,017	21,017	37,791	29,567	29,567	30,397	30,397	30,397
Using public tap (< min.service level)	3	4,567	4,567	4,567	4,567	4,567	4,567	–	–	–
Other water supply (< min.service level)	4	500	–	–	–	–	–	823	823	823
No water supply		916	916	916	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		5,983	5,483	5,483	4,567	4,567	4,567	823	823	823
Total number of households	5	26,500	26,500	26,500	42,358	34,134	34,134	31,220	31,220	31,220
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		9,210	9,710	9,710	19,076	19,076	19,076	19,076	19,076	19,076
Flush toilet (with septic tank)		–	–	–	1,482	1,482	1,482	1,482	1,482	1,482
Chemical toilet		–	–	–	185	185	185	185	185	185
Pit toilet (ventilated)		–	–	–	1,562	1,562	1,562	1,562	1,562	1,562
Other toilet provisions (> min.service level)		1,316	1,316	1,316	1,316	1,316	1,316	504	504	504
<i>Minimum Service Level and Above sub-total</i>		10,526	11,026	11,026	23,621	23,621	23,621	22,809	22,809	22,809
Bucket toilet		10,526	10,526	10,526	7,841	7,841	7,841	7,841	7,841	7,841
Other toilet provisions (< min.service level)		500	–	–	373	373	373	373	373	373
No toilet provisions		3,948	3,948	3,948	1,377	1,377	1,377	1,377	1,377	1,377
<i>Below Minimum Service Level sub-total</i>		14,974	14,474	14,474	9,591	9,591	9,591	9,591	9,591	9,591
Total number of households	5	25,500	25,500	25,500	33,212	33,212	33,212	32,400	32,400	32,400
Energy:										
Electricity (at least min.service level)		4,300	4,300	4,300	4,300	4,300	4,300	4,302	4,302	4,302
Electricity - prepaid (min.service level)		20,000	20,000	20,000	20,000	20,000	20,000	30,401	30,401	30,401
<i>Minimum Service Level and Above sub-total</i>		24,300	24,300	24,300	24,300	24,300	24,300	34,703	34,703	34,703
Electricity (< min.service level)		–	–	–	–	–	–	–	–	–
Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	–	–
Other energy sources		–	–	–	–	–	–	2,685	2,685	2,685
<i>Below Minimum Service Level sub-total</i>		–	–	–	–	–	–	2,685	2,685	2,685
Total number of households	5	24,300	24,300	24,300	24,300	24,300	24,300	37,388	37,388	37,388
Refuse:										
Removed at least once a week		27,000	27,000	27,000	2,428	2,428	2,428	2,428	2,428	2,428
<i>Minimum Service Level and Above sub-total</i>		27,000	27,000	27,000	2,428	2,428	2,428	2,428	2,428	2,428
Removed less frequently than once a week		–	–	–	–	–	–	841	841	841
Using communal refuse dump		–	–	–	–	–	–	808	808	808
Using own refuse dump		–	–	–	–	–	–	10,961	10,961	10,961
Other rubbish disposal		–	–	–	–	–	–	220	220	220
No rubbish disposal		–	–	–	–	–	–	2,323	2,323	2,323
<i>Below Minimum Service Level sub-total</i>		–	–	–	–	–	–	15,153	15,153	15,153
Total number of households	5	27,000	27,000	27,000	2,428	2,428	2,428	17,581	17,581	17,581

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FS191 Setsoto - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand										
REVENUE ITEMS:										
Property rates	6									
Total Property Rates		32,147	41,090	44,239	43,263	53,263	42,496	50,000	52,700	55,598
<i>less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>		-	-	-	-	-	-	-	-	-
Net Property Rates		32,147	41,090	44,239	43,263	53,263	42,496	50,000	52,700	55,598
Service charges - electricity revenue	6									
Total Service charges - electricity revenue		64,532	63,626	62,935	66,147	68,147	44,214	75,707	79,795	84,184
<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>		-	-	-	-	-	-	0	0	0
Net Service charges - electricity revenue		64,532	63,626	62,935	66,147	68,147	44,214	75,707	79,795	84,184
Service charges - water revenue	6									
Total Service charges - water revenue		32,983	40,326	49,379	50,813	50,813	40,395	55,002	57,972	61,161
<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>		-	-	-	-	-	-	0	0	0
Net Service charges - water revenue		32,983	40,326	49,379	50,813	50,813	40,395	55,002	57,972	61,160
Service charges - sanitation revenue										
Total Service charges - sanitation revenue		18,110	21,382	25,374	23,391	18,391	15,144	25,020	26,371	27,821
<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>		-	-	-	-	-	-	0	0	0
Net Service charges - sanitation revenue		18,110	21,382	25,374	23,391	18,391	15,144	25,020	26,371	27,821
Service charges - refuse revenue	6									
Total refuse removal revenue		21,679	21,296	25,367	-	-	1	-	-	-
Total landfill revenue		-	-	-	27,365	36,365	24,192	30,000	31,620	33,359
<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>		-	-	-	-	-	-	0	0	0
Net Service charges - refuse revenue		21,679	21,296	25,367	27,365	36,365	24,193	30,000	31,620	33,359
Other Revenue by source										
<i>Fuel Levy</i>		-	-	-	-	-	-	-	-	-
<i>Other Revenue</i>		-	-	-	-	-	-	-	-	-
Other income		9,744	2,704	5,684	5,669	1,316	1,742	1,329	1,401	1,478
Total 'Other' Revenue	3	9,744	2,704	5,684	5,669	1,316	1,742	1,329	1,401	1,478

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FS191 Setsoto - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'										
Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand										
EXPENDITURE ITEMS:										
Employee related costs										
Basic Salaries and Wages	2	92,953	100,058	105,430	134,427	134,427	115,244	156,293	176,327	186,025
Pension and UIF Contributions		17,662	19,142	19,645	6,051	6,051	–	8,282	8,730	9,210
Medical Aid Contributions		13,807	15,788	12,408	11,444	11,444	288	14,652	15,443	16,293
Overtime		7,743	9,898	8,670	9,511	9,511	–	2,638	2,780	2,933
Performance Bonus		6,245	7,402	8,431	8,402	8,402	–	9,409	9,917	10,462
Motor Vehicle Allowance		10,163	11,627	11,789	9,012	9,012	–	9,822	10,352	10,922
Cellphone Allowance		557	560	546	153	153	–	175	185	195
Housing Allowances		369	459	1,580	598	598	–	411	433	457
Other benefits and allowances		–	–	–	–	–	–	–	–	–
Payments in lieu of leave		2,597	2,559	2,592	3,270	3,270	–	4,062	4,282	4,517
Long service awards		1,920	2,283	647	38	38	–	1,737	1,831	1,931
Post-retirement benefit obligations		–	–	15,862	–	–	–	–	–	–
sub-total	4	154,017	169,776	187,599	182,908	182,908	115,532	207,481	230,279	242,945
Less: Employees costs capitalised to PPE										
Total Employee related costs	1	154,017	169,776	187,599	182,908	182,908	115,532	207,481	230,279	242,945
Contributions recognised - capital										
List contributions by contract		–	20,183	–	–	–	–	–	–	–
Total Contributions recognised - capital		–	20,183	–	–	–	–	–	–	–
Depreciation & asset impairment										
Depreciation of Property, Plant & Equipment		243,123	195,476	183,657	222,817	222,817	112,080	238,462	251,339	265,162
Lease amortisation		–	1,003	1,479	673	673	336	706	744	785
Capital asset impairment		18,699	19,448	24,831	–	–	–	–	–	–
Depreciation resulting from revaluation of PPE	10	–	–	–	211,000	–	–	–	–	–
Total Depreciation & asset impairment	1	261,822	215,928	209,967	12,490	223,490	112,416	239,167	252,082	265,947
Bulk purchases										
Electricity Bulk Purchases		53,594	53,293	68,978	64,448	66,265	41,167	67,000	70,618	74,502
Water Bulk Purchases		–	–	–	–	–	–	–	–	–
Total bulk purchases	1	53,594	53,293	68,978	64,448	66,265	41,167	67,000	70,618	74,502
Transfers and grants										
Cash transfers and grants		2,607	2,501	5,618	894	1,456	17,262	650	685	723
Non-cash transfers and grants		–	–	–	–	–	–	–	–	–
Total transfers and grants	1	2,607	2,501	5,618	894	1,456	17,262	650	685	723
Contracted services										
List services provided by contract		7,582	17,224	11,473	18,392	21,098	12,405	286	302	318
sub-total	1	7,582	17,224	11,473	18,392	21,098	12,405	286	302	318
Total contracted services		7,582	17,224	11,473	18,392	21,098	12,405	286	302	318
Other Expenditure By Type										
Collection costs		19	6	613	–	2,250	904	1,000	1,054	1,112
Contributions to 'other' provisions		45	45	–	–	8	2	5	5	6
Consultant fees		4,659	–	–	–	–	–	–	–	–
Audit fees		358	552	–	–	–	–	–	–	–
General expenses	3	95,973	69,694	64,359	52,716	30,270	13,986	34,641	36,511	38,520
List Other Expenditure by Type		–	–	–	–	–	–	–	–	–
Total 'Other' Expenditure	1	101,054	70,297	64,972	52,716	32,528	14,892	35,646	37,571	39,637

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FS191 Setsoto - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)										
Description	Ref	Vote 1 - Executive and council	Vote 2 - Municipal Manager	Vote 3 - Treasury	Vote 4 - Corporate Services	Vote 5 - Development Planning and Social Security	Vote 6 - Development Planning and Social Security	Vote 7 - Engineering Services	Vote 8 - Engineering Services	Total
R thousand	1									
Revenue By Source										
Property rates		-	-	50,000	-	-	-	-	-	50,000
Service charges - electricity revenue		-	-	-	-	-	-	75,707	-	75,707
Service charges - water revenue		-	-	-	-	-	-	55,002	-	55,002
Service charges - sanitation revenue		-	-	-	-	-	-	25,020	-	25,020
Service charges - refuse revenue		-	-	-	-	-	30,000	-	-	30,000
Service charges - other		-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		-	-	-	-	697	-	-	-	697
Interest earned - external investments		-	-	6,514	-	-	-	-	-	6,514
Interest earned - outstanding debtors		-	-	28,001	-	-	-	-	-	28,001
Dividends received		-	-	35	-	-	-	-	-	35
Fines, penalties and forfeits		-	-	-	-	600	-	-	-	600
Licences and permits		-	-	-	-	35	-	-	-	35
Agency services		-	-	-	-	-	-	-	-	-
Other revenue		-	-	-	-	-	-	-	-	-
Transfers and subsidies		44,383	4,283	1,700	1,500	-	20,563	106,045	-	178,474
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		44,383	4,283	86,249	1,500	1,332	50,563	261,774	-	450,084
Expenditure By Type										
Employee related costs		4,925	18,707	26,288	21,443	18,056	35,411	68,098	14,552	207,481
Remuneration of councillors		11,000	-	-	-	-	-	-	-	11,000
Debt impairment		-	-	-	-	-	14,000	39,000	3,000	56,000
Depreciation & asset impairment		-	-	2,352	-	2,642	5,526	228,647	-	239,167
Finance charges		-	-	2,600	-	-	-	-	-	2,600
Bulk purchases		-	-	-	-	-	-	67,000	-	67,000
Other materials		-	5,050	4,500	6,321	-	1,151	21,254	-	38,276
Contracted services		-	-	-	-	-	-	286	-	286
Transfers and subsidies		650	-	-	-	-	-	-	-	650
Other expenditure		5,084	4,616	3,739	4,814	6,082	1,457	352	9,503	35,646
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Expenditure		21,660	28,373	39,478	32,578	26,780	57,545	424,637	27,056	658,107
Surplus/(Deficit)		22,723	(24,090)	46,771	(31,078)	(25,448)	(6,982)	(162,863)	(27,056)	(208,023)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	-	-	-	-	-	101,466	-	101,466
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		22,723	(24,090)	46,771	(31,078)	(25,448)	(6,982)	(61,397)	(27,056)	(106,557)

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FS191 Setsoto - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'								
Description	2014/15	2015/16	2016/17	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand								
ASSETS								
Consumer debtors								
Consumer debtors	95,674	143,184	360,739	-	-	486,997	511,347	536,914
Less: Provision for debt impairment	-	(39,284)	(165,119)	-	-	(165,119)	(59,024)	(62,270)
Total Consumer debtors	95,674	103,901	195,619	-	-	321,878	452,323	474,644
Debt impairment provision								
Balance at the beginning of the year	-	-	-	-	-	-	-	-
Contributions to the provision	(127,786)	(148,407)	(165,119)	-	-	(56,000)	(59,024)	(62,270)
Bad debts written off	-	-	-	-	-	-	-	-
Balance at end of year	(127,786)	(148,407)	(165,119)	-	-	(56,000)	(59,024)	(62,270)
Property, plant and equipment (PPE)								
PPE at cost/valuation (excl. finance leases)	3,595,543	3,426,884	3,114,843	5,278,147	5,275,147	3,112,958	3,036,449	3,214,395
Leases recognised as PPE	-	-	-	9,975	9,975	3,162	276	291
Less: Accumulated depreciation	261,822	215,928	-	1,861,568	1,865,568	-	-	-
Total Property, plant and equipment (PPE)	3,333,722	3,210,956	3,114,843	3,426,554	3,419,554	3,116,120	3,036,725	3,214,687
LIABILITIES								
Current liabilities - Borrowing								
Short term loans (other than bank overdraft)	-	-	-	-	-	-	-	-
Current portion of long-term liabilities	541	618	2,251	-	-	3,000	3,200	3,400
Total Current liabilities - Borrowing	541	618	2,251	-	-	3,000	3,200	3,400
Trade and other payables								
Trade and other creditors	52,923	71,819	111,119	-	-	98,879	63,208	48,150
Unspent conditional transfers	807	952	11,067	-	-	11,067	-	-
VAT	-	860	-	-	-	-	-	-
Total Trade and other payables	53,730	73,631	122,186	-	-	109,945	63,208	48,150
Non current liabilities - Borrowing								
Borrowing	6,284	5,667	11,303	6,000	7,800	10,500	9,900	9,100
Finance leases (including PPP asset element)	-	-	-	-	-	-	-	-
Total Non current liabilities - Borrowing	6,284	5,667	11,303	6,000	7,800	10,500	9,900	9,100
Provisions - non-current								
Retirement benefits	43,613	47,225	63,087	-	-	65,050	66,000	72,050
<i>List other major provision items</i>	-	-	-	-	-	-	-	-
Refuse landfill site rehabilitation	9,196	9,870	10,496	-	-	-	-	-
Other	8,166	9,250	8,100	-	-	-	-	-
Total Provisions - non-current	60,975	66,345	81,683	-	-	65,050	66,000	72,050
CHANGES IN NET ASSETS								
Accumulated Surplus/(Deficit)								
Accumulated Surplus/(Deficit) - opening balance	3,503,016	3,474,780	3,313,713	-	-	-	-	-
Restated balance	3,503,016	3,474,780	3,313,713	-	-	-	-	-
Surplus/(Deficit)	(104,704)	(126,712)	(124,839)	(76,225)	(114,343)	(106,558)	(112,312)	(118,489)
Appropriations to Reserves	76,387	(34,355)	1,599	-	-	-	-	-
Accumulated Surplus/(Deficit)	3,474,700	3,313,713	3,190,474	(76,225)	(114,343)	(106,558)	(112,312)	(118,489)
TOTAL COMMUNITY WEALTH/EQUITY	3,474,700	3,313,713	3,190,474	(76,225)	(114,343)	(106,558)	(112,312)	(118,489)

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FS191 Setsoto - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)											
Strategic Objective	Goal	Goal Code	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Service Delivery and Infrastructure Development	Provision of basic services		321,387	356,661	397,998	416,229	393,829	–	401,450	423,128	446,400
Local Economic Development			–	20,391	–	2,445	2,431	–	11,535	12,158	12,827
Good Governance	Public participation, and good governance		33,149	34,729	37,590	45,575	47,610	–	49,136	51,790	54,638
Financial liability	Good financial management		69,274	67,059	68,451	72,802	78,802	–	82,231	86,671	91,438
Institutional arrangements	Human resource management and development		1,463	19,011	4,579	5,879	2,996	–	6,045	6,372	6,722
Planning and social development	community development services		30,370	3,677	3,952	1,278	1,247	–	1,153	1,215	1,282
Allocations to other priorities											
Total Revenue (excluding capital transfers and contr			455,643	501,528	512,570	544,208	526,915	–	551,550	581,333	613,307

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FS191 Setsoto - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)												
Strategic Objective	Goal	Goal Code	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand												
Service Delivery and Infrastructure Development	Provision of basic services			444,056	459,741	455,884	253,404	478,394	-	480,613	506,566	534,427
Local Economic Development				-	-	-	10,523	10,006	-	10,051	10,594	11,177
Good Governance	Public participation, and good governance			50,723	57,039	44,577	32,495	35,833	-	44,196	46,583	49,145
Financial liability	Good financial management			31,173	33,125	51,255	41,458	42,223	-	45,514	47,972	50,611
Institutional arrangements	Human resource management and development			37,875	40,165	41,498	34,864	37,440	-	40,435	42,619	44,963
Planning and social development	community development services			52,837	38,170	43,937	36,692	35,326	-	37,297	39,311	41,473
Allocations to other priorities												
Total Expenditure			1	616,663	628,240	637,151	409,436	639,223	-	658,107	693,645	731,795

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FS191 Setsoto - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)									
Strategic Objective	Goal	2014/15	2015/16	2016/17	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Service Delivery and Infrastructure Development	Provision of basic services	51,662	50,794	45,834	133,541	126,156	116,072	122,340	129,069
Local Economic Development		–	–	–	–	819	94	100	105
Good Governance	Public participation, and good governance	63	62,546	3	–	1,301	384	405	424
Financial liability	Good financial management	610	30,551	11,498	27,000	1,218	1,179	1,243	1,312
Institutional arrangements	Human resource management and development								
Planning and social development	community development services	22,205	37,268	1,684	5,700	4,261	11,990	12,637	13,336
Allocations to other priorities									
Total Capital Expenditure		74,539	181,160	59,019	166,241	133,755	129,720	136,725	144,245

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FS191 Setsoto - Supporting Table SA9 Social, economic and demographic statistics and assumptions											
Description of economic indicator	Basis of calculation	2001 Census	2007 Survey	2011 Census	2014/15	2015/16	2016/17	Current Year 2017/18 Original Budget	2018/19 Medium Term Revenue & Expenditure Framework		
					Outcome	Outcome	Outcome		Outcome	Outcome	Outcome
Demographics											
Population		123			113	113	113	113	113	113	113
Females aged 5 - 14		28	28		28	28	28	28	28	28	28
Males aged 5 - 14		12	12		12	12	12	12	12	12	12
Females aged 15 - 34		59	59		59	59	59	59	59	59	59
Males aged 15 - 34		25	25		25	25	25	25	25	25	25
Unemployment											
Monthly household income (no. of households)											
No income	STATSSA	4,159	4,159	4,159	4,159	4,159	4,159	4,159	4,159	4,159	4,159
R1 - R1 600	STATSSA	2,259	2,259	2,259	2,259	2,259	2,259	2,259	2,259	2,259	2,259
R1 601 - R3 200	STATSSA	3,807	3,807	3,807	3,807	3,807	3,807	3,807	3,807	3,807	3,807
R3 201 - R6 400	STATSSA										
R6 401 - R12 800	STATSSA	8,388	8,388	8,388	8,388	8,388	8,388	8,388	8,388	8,388	8,388
R12 801 - R25 600	STATSSA	7,479	7,479	7,479	7,479	7,479	7,479	7,479	7,479	7,479	7,479
R25 601 - R51 200	STATSSA	3,301	3,301	3,301	3,301	3,301	3,301	3,301	3,301	3,301	3,301
R52 201 - R102 400	STATSSA	1,954	1,954	1,954	1,954	1,954	1,954	1,954	1,954	1,954	1,954
R102 401 - R204 800	STATSSA	1,415	1,415	1,415	1,415	1,415	1,415	1,415	1,415	1,415	1,415
R204 801 - R409 600	STATSSA										
R409 601 - R819 200	STATSSA										
> R819 200	STATSSA	573	573	573	573	573	573	573	573	573	573
Household/demographics (000)											
Number of people in municipal area						112,599	112,599	112,599	112,599	112,599	112,599
Number of poor people in municipal area						24,040	24,040	24,040	24,040	24,040	24,040
Number of households in municipal area						33,687	33,687	33,687	33,687	33,687	33,687
Number of poor households in municipal area						24,040	24,040	24,040	24,040	24,040	24,040
Definition of poor household (R per month)						2,300	2,300	2,300	2,300	2,300	2,300
Housing statistics											
Formal						19,704	19,704	19,704	19,704	19,704	19,704
Informal						13,983	13,983	13,983	13,983	13,983	13,983
Total number of households						33,687	33,687	33,687	33,687	33,687	33,687

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FS191 Setsoto Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	3,702	8,335	(2,657)	(10,714)	(32,080)	(92,506)	(360,323)	7,840	23,272	35,742
Cash + investments at the yr end less applications - R'000	18(1)b	2	119,033	50,544	11,784	5,069	3,192,469	-	596,730	133,725	359,198	395,473
Cash year end/monthly employee/supplier payments	18(1)b	3	0.2	0.3	(0.1)	(0.4)	(1.0)	81.9	(21.8)	0.3	0.7	1.0
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	(161,021)	(126,712)	(124,581)	134,772	(112,308)	-	57,034	(106,558)	(112,312)	(118,489)
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	4.8%	4.5%	(4.3%)	1.6%	(106.0%)	(6.0%)	(2.1%)	(0.6%)	(0.5%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	99.0%	80.3%	62.6%	72.1%	89.6%	0.0%	89.8%	71.6%	71.8%	71.8%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	14.8%	45.0%	33.7%	27.5%	25.6%	0.0%	0.0%	23.8%	23.8%	23.8%
Capital payments % of capital expenditure	18(1)c;19	8	0.0%	105.5%	461.4%	354.6%	100.0%	0.0%	98.2%	100.0%	100.0%	116.6%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	(35.1%)	1383661.5%	0.0%	0.1%	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.	(9.8%)	36.0%	(100.0%)	0.0%	0.0%	0.0%	0.0%	74.4%	5.1%
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	0.6%	0.1%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

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FS191 Setsoto Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Supporting indicators												
% incr total service charges (incl prop rates)	18(1)a			10.8%	10.5%	1.7%	7.6%	(100.0%)	0.0%	3.9%	5.4%	5.5%
% incr Property Tax	18(1)a			27.8%	7.7%	(2.2%)	23.1%	(100.0%)	0.0%	(6.1%)	5.4%	5.5%
% incr Service charges - electricity revenue	18(1)a			(1.4%)	(1.1%)	5.1%	3.0%	(100.0%)	0.0%	11.1%	5.4%	5.5%
% incr Service charges - water revenue	18(1)a			22.3%	22.4%	2.9%	0.0%	(100.0%)	0.0%	8.2%	5.4%	5.5%
% incr Service charges - sanitation revenue	18(1)a			18.1%	18.7%	(7.8%)	(21.4%)	(100.0%)	0.0%	36.0%	5.4%	5.5%
% incr Service charges - refuse revenue	18(1)a			(1.8%)	19.1%	7.9%	32.9%	(100.0%)	0.0%	(17.5%)	5.4%	5.5%
% incr in Service charges - other	18(1)a			42.8%	35.1%	(100.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18(1)a		169,581	187,908	207,546	210,978	226,978	-	166,441	235,729	248,458	262,123
Service charges			169,581	187,908	207,546	210,978	226,978	-	166,441	235,729	248,458	262,123
Property rates			32,147	41,090	44,239	43,263	53,263	-	42,496	50,000	52,700	55,598
Service charges - electricity revenue			64,532	63,626	62,935	66,147	68,147	-	44,214	75,707	79,795	84,184
Service charges - water revenue			32,983	40,326	49,379	50,813	50,813	-	40,395	55,002	57,972	61,160
Service charges - sanitation revenue			18,110	21,382	25,374	23,391	18,391	-	15,144	25,020	26,371	27,821
Service charges - refuse removal			21,679	21,296	25,367	27,365	36,365	-	24,193	30,000	31,620	33,359
Service charges - other			131	187	252	-	-	-	-	-	-	-
Rental of facilities and equipment			1,298	1,564	1,902	749	740	-	831	697	735	775
Capital expenditure excluding capital grant funding			(69,030)	(17,961)	(32,639)	(88,357)	1	(133,755)	601,749	28,254	11,401	-
Cash receipts from ratepayers	18(1)a		200,608	169,851	148,538	175,521	229,430	-	169,289	190,713	201,572	212,658
Ratepayer & Other revenue	18(1)a		202,557	211,640	237,158	243,422	256,060	-	188,490	266,391	280,776	296,218
Change in consumer debtors (current and non-current)			(72,863)	(16,500)	54,380	(205,448)	(205,448)	(205,448)	463,443	334,655	249,132	29,484
Operating and Capital Grant Revenue	18(1)a		250,596	267,736	273,399	298,886	267,507	-	191,834	278,610	293,655	309,806
Capital expenditure - total	20(1)(vi)		-	94,392	21,008	46,884	133,755	-	601,749	129,720	136,725	144,245
Capital expenditure - renewal	20(1)(vi)		-	-	-	-	-	-	-	-	-	-

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FS191 Setsoto Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Total Operating Revenue			379,112	391,262	409,174	408,967	417,063	–	311,112	450,083	474,388	500,479
Total Operating Expenditure			616,663	628,240	637,151	409,436	639,223	–	325,431	658,107	693,645	731,795
Operating Performance Surplus/(Deficit)			(237,552)	(236,978)	(227,977)	(469)	(222,159)	–	(14,320)	(208,024)	(219,257)	(231,316)
Cash and Cash Equivalents (30 June 2012)									7,840			
Revenue												
% Increase in Total Operating Revenue				3.2%	4.6%	(0.1%)	2.0%	(100.0%)	0.0%	7.9%	5.4%	5.5%
% Increase in Property Rates Revenue				27.8%	7.7%	(2.2%)	23.1%	(100.0%)	0.0%	(6.1%)	5.4%	5.5%
% Increase in Electricity Revenue				(1.4%)	(1.1%)	5.1%	3.0%	(100.0%)	0.0%	11.1%	5.4%	5.5%
% Increase in Property Rates & Services Charges				10.8%	10.5%	1.7%	7.6%	(100.0%)	0.0%	3.9%	5.4%	5.5%
Expenditure												
% Increase in Total Operating Expenditure				1.9%	1.4%	(35.7%)	56.1%	(100.0%)	0.0%	3.0%	5.4%	5.5%
% Increase in Employee Costs				10.2%	10.5%	(2.5%)	0.0%	(100.0%)	0.0%	13.4%	11.0%	5.5%
% Increase in Electricity Bulk Purchases				(0.6%)	29.4%	(6.6%)	2.8%	(100.0%)	0.0%	1.1%	5.4%	5.5%
Average Cost Per Budgeted Employee Position (Remuneration)					254544.3861	142451.6893				164798.4321		
Average Cost Per Councillor (Remuneration)					299890.5982	335199.6364				333333.3333		
R&M % of PPE			0.6%	0.1%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Asset Renewal and R&M as a % of PPE			1.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Debt Impairment % of Total Billable Revenue			14.8%	45.0%	33.7%	27.5%	25.6%	0.0%	0.0%	23.8%	23.8%	23.8%
Capital Revenue												
Internally Funded & Other (R'000)			5,509	68,808	5,372	–	–	–	–	28,254	11,401	–
Borrowing (R'000)			–	–	–	31,000	–	–	–	–	–	–
Grant Funding and Other (R'000)			69,030	112,353	53,647	135,241	133,755	133,755	–	101,466	125,324	144,245
Internally Generated funds % of Non Grant Funding			100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%
Borrowing % of Non Grant Funding			0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grant Funding % of Total Funding			92.6%	62.0%	90.9%	81.4%	100.0%	100.0%	0.0%	78.2%	91.7%	100.0%
Capital Expenditure												
Total Capital Programme (R'000)			74,539	181,160	59,019	166,241	133,755	133,481	80,361	129,720	136,725	144,245
Asset Renewal			–	–	–	–	–	–	–	–	–	–
Asset Renewal % of Total Capital Expenditure			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cash												
Cash Receipts % of Rate Payer & Other			99.0%	80.3%	62.6%	72.1%	89.6%	0.0%	89.8%	71.6%	71.8%	71.8%
Cash Coverage Ratio			0	0	(0)	(0)	(0)	0	(0)	0	0	0
Borrowing												
Credit Rating (2009/10)										0		
Capital Charges to Operating			0.2%	0.3%	0.4%	2.7%	0.8%	0.0%	0.8%	0.9%	0.9%	1.0%
Borrowing Receipts % of Capital Expenditure			0.0%	0.0%	0.0%	(35.1%)	1383661.5%	0.0%	0.1%	0.0%	0.0%	0.0%
Reserves												
Surplus/(Deficit)			119,033	50,544	11,784	5,069	3,192,469	–	596,730	133,725	359,198	395,473
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			379,112	391,262	409,174	408,967	417,063	–	311,112	450,083	474,388	500,479
Total Operating Expenditure			616,663	628,240	637,151	409,436	639,223	–	325,431	658,107	693,645	731,795
Surplus/(Deficit) Budgeted Operating Statement			(237,552)	(236,978)	(227,977)	(469)	(222,159)	–	(14,320)	(208,024)	(219,257)	(231,316)
Surplus/(Deficit) Considering Reserves and Cash Backing			119,033	50,544	11,784	5,069	3,192,469	–	596,730	133,725	359,198	395,473
MTREF Funded (1) / Unfunded (0)	15		1	1	1	1	1	1	1	1	1	1
MTREF Funded ✓ / Unfunded ✖	15		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

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FS191 Setsoto - Supporting Table SA11 Property rates summary									
Description	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Valuation:									
Date of valuation:									
Financial year valuation used	2014-07-01	2014-07-01	2014-07-01	2014-07-01			2018-07-01		
Municipal by-laws s6 in place? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Municipal/assistant valuer appointed? (Y/N)	No	No	No	No			No		
Municipal partnership s38 used? (Y/N)	No	No	No	No	No	No	No	No	No
No. of assistant valuers (FTE)	-	-	-	-	-	-	-	-	-
No. of data collectors (FTE)	-	-	-	-	-	-	-	-	-
No. of internal valuers (FTE)	-	-	-	-	-	-	-	-	-
No. of external valuers (FTE)	1	1	1	1	1	1	1	1	1
No. of additional valuers (FTE)	-	-	-	-	-	-	-	-	-
Valuation appeal board established? (Y/N)									
Implementation time of new valuation roll (mths)	12	12	12	12			12		
No. of properties	5	5	5	5	5	5	5	5	5
Valuation reductions:									
Valuation reductions-public infrastructure (Rm)	2	2	2	2	2	2	2	2	2
Valuation reductions-nature reserves/park (Rm)	-	-	-	-	-	-	-	-	-
Valuation reductions-mineral rights (Rm)	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)	388	388	388	388	388	388	388	388	388
Valuation reductions-public worship (Rm)	67	67	67	67	67	67	67	67	67
Valuation reductions-other (Rm)									
Total valuation reductions:	458	458	458	458	458	458	458	458	458
Total value used for rating (Rm)	5,515	5,515	5,515	5,515	5,515	5,515	5,515	5,515	5,515
Total land value (Rm)	-	-	-	-	-	-	-	-	-
Total value of improvements (Rm)	-	-	-	-	-	-	-	-	-
Total market value (Rm)	5,515	5,515	5,515	5,515	5,515	5,515	5,515	5,515	5,515
Rating:									
Residential rate used to determine rate for other categories? (Y/N)									
	Yes	Yes	Yes	Yes			Yes		
Differential rates used? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Limit on annual rate increase (s20)? (Y/N)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Special rating area used? (Y/N)	No	No	No	No			No		
Phasing-in properties s21 (number)	0	0	0	0	0	0	0	0	0

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FS191 Setsoto - Supporting Table SA12a Property rates by category (current year)																
Description	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/nts	Public benefit organs.	Mining Props.
Current Year 2017/18																
Valuation:																
No. of properties	16,745	144	693	2,525	196	13,588	99	-	-	-	-	-	-	-	105	-
No. of sectional title property values	23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of unreasonably difficult properties s7(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of supplementary valuations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplementary valuation (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of valuation roll amendments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of objections by rate-payers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers finalised	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections > 10%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimated no. of properties not valued	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Years since last valuation (select)	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Frequency of valuation (select)	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Method of valuation used (select)	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market
Base of valuation (select)	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.
Phasing-in properties s21 (number)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Combination of rating types used? (Y/N)	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Flat rate used? (Y/N)	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Is balance rated by uniform rate/variable rate?	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform
Valuation reductions:																
Valuation reductions-public infrastructure (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-mineral rights (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)	251	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-public worship (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-other (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total valuation reductions:																
Total value used for rating (Rm)	2,258	203	417	3,964	466	939	4	-	-	-	-	-	-	-	79	-
Total land value (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total value of improvements (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total market value (Rm)	2,258	203	417	3,964	466	939	4	-	-	-	-	-	-	-	79	-
Rating:																
Average rate	0.008888	0.020000	0.020000	0.002500	0.039557	-	0.005000	-	-	-	-	-	-	-	-	-
Rate revenue budget (R '000)	20,073	4,050	8,348	9,910	18,420	-	21	-	-	-	-	-	-	-	-	-
Rate revenue expected to collect (R'000)	16,059	3,240	6,678	7,928	18,420	-	16	-	-	-	-	-	-	-	-	-
Expected cash collection rate (%)	80.0%	80.0%	80.0%	80.0%	100.0%	0.0%	80.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Special rating areas (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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FS191 Setsoto - Supporting Table SA14 Household bills

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19 % incr.	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Rand/cent											
Monthly Account for Household - 'Middle Income Range'											
Rates and services charges:											
Property rates		369.90	411.00	456.67	479.50	479.50	479.50	19.0%	570.83	610.79	653.54
Electricity: Basic levy		231.30	257.00	282.70	276.63	276.63	276.63	–	276.63	295.99	316.71
Electricity: Consumption		1,118.25	1,242.50	1,366.75	1,396.50	1,396.50	1,396.50	6.1%	1,482.00	1,585.74	1,696.74
Water: Basic levy		80.47	89.41	98.36	104.65	104.65	104.65	10.0%	115.12	123.18	131.80
Water: Consumption		102.25	113.61	124.97	132.94	132.94	132.94	10.0%	146.20	156.43	167.38
Sanitation		68.04	75.60	83.16	88.48	88.48	88.48	10.0%	97.33	104.14	111.43
Refuse removal		82.39	91.55	96.70	102.89	102.89	102.89	10.0%	113.18	121.10	129.58
Other											
sub-total		2,052.60	2,280.67	2,509.31	2,581.59	2,581.59	2,581.59	8.5%	2,801.29	2,997.38	3,207.20
VAT on Services		235.58	261.75	287.37	294.29	294.29	294.29	13.7%	334.57	357.99	383.05
Total large household bill:		2,288.18	2,542.42	2,796.68	2,875.88	2,875.88	2,875.88	9.0%	3,135.86	3,355.37	3,590.24
% increase/-decrease			11.1%	10.0%	2.8%	2.8%	2.8%		9.0%	7.0%	7.0%
Monthly Account for Household - 'Affordable Range'											
Rates and services charges:											
Property rates		261.90	291.00	323.33	339.50	339.50	339.50	19.0%	404.16	432.45	462.72
Electricity: Basic levy		231.30	257.00	272.70	276.63	276.63	276.63	–	276.63	295.99	316.71
Electricity: Consumption		479.25	532.50	585.75	590.50	590.50	590.50	6.2%	627.00	670.89	717.85
Water: Basic levy		80.47	89.41	98.36	104.65	104.65	104.65	10.0%	115.12	123.18	131.80
Water: Consumption		79.32	88.13	96.94	103.14	103.14	103.14	9.9%	113.40	121.34	129.83
Sanitation		68.04	75.60	83.16	88.48	88.48	88.48	10.0%	97.33	104.14	111.43
Refuse removal		82.39	91.55	96.70	102.89	102.89	102.89	10.0%	113.18	121.10	129.58
Other											
sub-total		1,282.67	1,425.19	1,556.94	1,605.79	1,605.79	1,605.79	8.8%	1,746.82	1,869.10	1,999.93
VAT on Services		142.91	158.79	172.71	177.28	177.28	177.28	13.6%	201.40	215.50	230.58
Total small household bill:		1,425.58	1,583.98	1,729.65	1,783.07	1,783.07	1,783.07	9.3%	1,948.22	2,084.59	2,230.52
% increase/-decrease			11.1%	9.2%	3.1%	3.1%	3.1%		9.3%	7.0%	7.0%
Monthly Account for Household - 'Indigent' Household receiving free basic services											
Rates and services charges:											
Property rates		142.50	171.00	190.00	199.50	199.50	199.50	19.0%	237.50	254.13	271.91
Electricity: Basic levy		231.30	257.00	272.70	276.63	276.63	276.63	–	276.63	295.99	316.71
Electricity: Consumption		270.00	300.00	330.00	371.50	371.50	371.50	6.2%	394.50	422.12	451.66
Water: Basic levy		80.47	89.41	98.36	104.65	104.65	104.65	10.0%	115.12	123.18	131.80
Water: Consumption		56.38	62.65	68.91	73.34	73.34	73.34	9.9%	80.60	86.24	92.28
Sanitation		68.04	75.60	83.16	88.48	88.48	88.48	10.0%	97.33	104.14	111.43
Refuse removal		82.39	91.55	96.70	102.89	102.89	102.89	10.0%	113.18	121.10	129.58
Other											
sub-total		931.08	1,047.21	1,139.83	1,216.99	1,216.99	1,216.99	8.0%	1,314.86	1,406.90	1,505.38
VAT on Services		110.40	122.67	132.98	142.45	142.45	142.45	13.4%	161.60	172.92	185.02
Total small household bill:		1,041.48	1,169.88	1,272.81	1,359.44	1,359.44	1,359.44	8.6%	1,476.46	1,579.82	1,690.40
% increase/-decrease			12.3%	8.8%	6.8%	6.8%	6.8%		8.6%	7.0%	7.0%

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FS191 Setsoto - Supporting Table SA16 Investment particulars by maturity													
Investments by Maturity	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate %	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
name of institution & investment	Yrs/Months												
Parent municipality						N							
ABSA	12 months	Overdraft Security	Yes	F	5	N	N/A	30/06/2018	30	2	-	-	31
Sanlam			Yes	V		N	N/A	N/A	2,066	15	-	-	2,081
OVK		unlisted Shares	Yes	V		N	N/A	N/A	1,117	40	-	-	1,157
													-
Municipality sub-total									3,212		-	-	3,268

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FS191 Setsoto - Supporting Table SA17 Borrowing									
Borrowing - Categorised by type	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Parent municipality									
Annuity and Bullet Loans									
Long-Term Loans (non-annuity)	6,284	5,667	12,890	6,000	7,800	–			
Local registered stock									
Instalment Credit									
Financial Leases		–					10,500	9,900	9,100
PPP liabilities									
Finance Granted By Cap Equipment Supplier									
Marketable Bonds									
Non-Marketable Bonds									
Bankers Acceptances									
Financial derivatives									
Other Securities									
Municipality sub-total	6,284	5,667	12,890	6,000	7,800	–	10,500	9,900	9,100

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FS191 Setsoto - Supporting Table SA18 Transfers and grant receipts									
Description	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
RECEIPTS:									
Operating Transfers and Grants									
National Government:	170,547	171,451	168,308	167,245	167,245	167,245	177,826	196,340	210,584
Local Government Equitable Share	165,381	166,309	158,775	157,656	157,656	157,656	173,927	190,361	205,219
Finance Management	1,600	1,600	1,625	1,700	1,700	1,700	1,700	2,165	2,165
EPWP Incentive	2,632	2,042	1,908	1,889	1,889	1,889	1,517	–	–
Integrated National Electrification Programme		1,500	6,000	6,000	6,000	6,000	682	3,814	3,200
Municipal Systems Improvement	934								
Other transfers/grants [insert description]									
Provincial Government:	–	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	170,547	171,451	168,308	167,245	167,245	167,245	177,826	196,340	210,584
Capital Transfers and Grants									
National Government:	59,660	45,953	49,091	82,997	77,997	77,997	107,782	125,324	168,233
Municipal Infrastructure Grant (MIG)	59,660	45,953	49,091	47,997	47,997	47,997	57,782	47,203	49,750
Regional Bulk Infrastructure				20,000	15,000	15,000	30,000	53,121	92,108
Water Service Infrastructure Grant				15,000	15,000	15,000	20,000	25,000	26,375
Provincial Government:	–	–	–	–	–	–	–	–	–
Total Capital Transfers and Grants	59,660	45,953	49,091	82,997	77,997	77,997	107,782	125,324	168,233
TOTAL RECEIPTS OF TRANSFERS & GRANTS	230,207	217,404	217,399	250,242	245,242	245,242	285,608	321,664	378,817

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FS191 Setsoto - Supporting Table SA19 Expenditure on transfers and grant programme									
Description	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
EXPENDITURE:									
<u>Operating expenditure of Transfers and Grants</u>									
National Government:	170,547	171,451	168,308	167,245	167,245	167,245	177,826	196,340	210,584
Local Government Equitable Share	165,381	166,309	158,775	157,656	157,656	157,656	173,927	190,361	205,219
Finance Management	1,600	1,600	1,625	1,700	1,700	1,700	1,700	2,165	2,165
EPWP Incentive	2,632	2,042	1,908	1,889	1,889	1,889	1,517	-	-
Integrated National Electrification Programme	-	1,500	6,000	6,000	6,000	6,000	682	3,814	3,200
Municipal Systems Improvement	934	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]									
Total operating expenditure of Transfers and Grants:	170,547	171,451	168,308	167,245	167,245	167,245	177,826	196,340	210,584
<u>Capital expenditure of Transfers and Grants</u>									
National Government:	59,660	45,953	49,091	82,997	77,997	77,997	107,782	125,324	168,233
Municipal Infrastructure Grant (MIG)	59,660	45,953	49,091	47,997	47,997	47,997	57,782	47,203	49,750
Regional Bulk Infrastructure	-	-	-	20,000	15,000	15,000	30,000	53,121	92,108
Water Service Infrastructure Grant				15,000	15,000	15,000	20,000	25,000	26,375
Provincial Government:	-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants	59,660	45,953	49,091	82,997	77,997	77,997	107,782	125,324	168,233
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	230,207	217,404	217,399	250,242	245,242	245,242	285,608	321,664	378,817

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FS191 Setsoto - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	6,790	7,128	7,606	7,190	8,690	8,690	10,286	11,108	11,997
Pension and UIF Contributions	–	–	–	332	332	332	–	–	–
Medical Aid Contributions	–	–	–	442	442	442	–	–	–
Motor Vehicle Allowance	2,213	2,219	2,375	1,106	1,106	1,106	–	–	–
Cellphone Allowance	888	856	949	664	664	664	1,582	1,709	1,846
Housing Allowances	–	–	–	553	553	553	–	–	–
Other benefits and allowances	–	152	211	774	774	774	53	57	61
Sub Total - Councillors	9,891	10,355	11,141	11,062	12,562	12,562	11,920	12,874	13,904
% increase		4.7%	7.6%	(0.7%)	13.6%	–	(5.1%)	8.0%	8.0%
Senior Managers of the Municipality									
Basic Salaries and Wages	–	5,353	5,873	6,070	6,070	6,070	5,546	5,845	6,167
Pension and UIF Contributions	–	–	–	10	10	10	9	10	11
Medical Aid Contributions	–	–	–	–	–	–	–	–	–
Overtime	–	–	–	–	–	–	–	–	–
Performance Bonus	–	–	–	244	244	244	462	487	514
Motor Vehicle Allowance	–	334	516	505	505	505	–	–	–
Cellphone Allowance	–	–	23	–	–	–	–	–	–
Housing Allowances	–	148	160	100	100	100	–	–	–
Other benefits and allowances	–	–	482	459	459	459	623	657	693
Payments in lieu of leave	–	–	–	–	–	–	–	–	–
Long service awards	–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality	–	5,835	7,053	7,387	7,387	7,387	6,640	6,999	7,384
% increase		–	20.9%	4.7%	–	–	(10.1%)	5.4%	5.5%
Other Municipal Staff									
Basic Salaries and Wages	93,482	122,585	116,568	109,620	129,857	129,857	121,285	127,834	134,865
Pension and UIF Contributions	17,662	1,034	16,687	20,161	6,042	6,042	24,228	25,537	26,941
Medical Aid Contributions	12,646	10,981	8,850	11,444	11,444	11,444	14,652	15,443	16,293
Overtime	7,743	8,367	4,955	8,665	9,511	9,511	2,638	2,780	2,933
Performance Bonus	6,245	–	–	8,159	8,159	8,159	9,409	9,917	10,462
Motor Vehicle Allowance	10,163	9,631	8,050	10,759	8,507	8,507	13,884	14,634	15,439
Cellphone Allowance	28	560	272	579	153	153	636	671	707
Housing Allowances	369	311	356	498	498	498	411	433	457
Other benefits and allowances	1,161	–	9,180	5,498	–	–	13,009	13,712	14,466
Payments in lieu of leave	2,597	995	–	99	3,270	3,270	–	–	–
Long service awards	1,920	–	–	38	38	38	1,737	1,831	1,931
Post-retirement benefit obligations	–	–	–	–	–	–	–	–	–
Sub Total - Other Municipal Staff	154,017	154,464	164,918	175,521	177,480	177,480	201,889	212,791	224,494
% increase		0.3%	6.8%	6.4%	1.1%	–	13.8%	5.4%	5.5%
Total Parent Municipality	163,908	170,654	183,112	193,969	197,428	197,428	220,449	232,664	245,782
		4.1%	7.3%	5.9%	1.8%	–	11.7%	5.5%	5.6%
Total Municipal Entities	–	–	–	–	–	–	–	–	–
TOTAL SALARY, ALLOWANCES & BENEFITS	163,908	170,654	183,112	193,969	197,428	197,428	220,449	232,664	245,782
% increase		4.1%	7.3%	5.9%	1.8%	–	11.7%	5.5%	5.6%
TOTAL MANAGERS AND STAFF	154,017	160,299	171,972	182,908	184,867	184,867	208,529	219,790	231,878

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FS191 Setsoto - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum		1.				2.
Councillors						
Speaker	633,362	6,356	47,952			687,669
Chief Whip	297,885	3,264	47,952			349,100
Executive Mayor	803,561	8,073	47,952			859,586
Deputy Executive Mayor						–
Executive Committee	2,954,170	29,524	239,760			3,223,454
Total for all other councillors	5,596,533	5,346	1,198,800			6,800,679
Total Councillors	10,285,511	52,562	1,582,416			11,920,489
Senior Managers of the Municipality						
Municipal Manager (MM)	1,356,548	20,015	54,261	113,046		1,543,870
Chief Finance Officer	1,108,867	20,015	44,355	92,406		1,265,642
Director Corporate Services	1,108,867	20,015	44,355	92,406		1,265,642
Director Engineering Services	1,108,867	20,015	44,355	92,406		1,265,642
Director Public Safety and Social Security	862,453	20,015	344,981	71,871		1,299,320
						–
						–
Total Senior Managers of the Municipality	5,545,602	100,075	532,307	462,134		6,640,117
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	15,831,113	152,637	2,114,723	462,134		18,560,606

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FS191 Setsoto - Supporting Table SA25 Budgeted monthly revenue and expenditure															
Description	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue By Source															
Property rates	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	50,000	52,700	55,598
Service charges - electricity revenue	6,309	6,309	6,309	6,309	6,309	6,309	6,309	6,309	6,309	6,309	6,309	6,309	75,707	79,795	84,184
Service charges - water revenue	4,584	4,584	4,584	4,584	4,584	4,584	4,584	4,584	4,584	4,584	4,584	4,584	55,002	57,972	61,161
Service charges - sanitation revenue	2,085	2,085	2,085	2,085	2,085	2,085	2,085	2,085	2,085	2,085	2,085	2,085	25,020	26,371	27,821
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-	-	-	30,000	30,000	31,620	33,359
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	58	58	58	58	58	58	58	58	58	58	58	58	697	735	775
Interest earned - external investments	543	543	543	543	543	543	543	543	543	543	543	543	6,514	6,865	7,243
Interest earned - outstanding debtors	2,333	2,333	2,333	2,333	2,333	2,333	2,333	2,333	2,333	2,333	2,333	2,333	28,001	29,513	31,136
Dividends received	3	3	3	3	3	3	3	3	3	3	3	3	35	37	39
Fines, penalties and forfeits	50	50	50	50	50	50	50	50	50	50	50	50	600	632	667
Licences and permits	3	3	3	3	3	3	3	3	3	3	3	3	35	37	39
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies	14,762	14,762	14,762	14,762	14,762	14,762	14,762	14,762	14,762	14,762	14,762	14,762	177,144	186,710	196,979
Other revenue	111	111	111	111	111	111	111	111	111	111	111	111	1,329	1,401	1,478
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	35,007	35,007	35,007	35,007	35,007	35,007	35,007	35,007	35,007	35,007	35,007	65,007	450,084	474,388	500,479
Expenditure By Type															
Employee related costs	18,207	18,207	18,207	18,207	18,207	18,207	18,207	18,207	18,207	18,207	18,207	7,207	207,481	218,685	230,713
Remuneration of councillors	-	-	-	-	-	-	-	-	-	-	-	11,000	11,000	11,594	12,232
Debt impairment	4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	56,000	59,024	62,270
Depreciation & asset impairment	19,931	19,931	19,931	19,931	19,931	19,931	19,931	19,931	19,931	19,931	19,931	19,931	239,167	252,082	265,947
Finance charges	217	217	217	217	217	217	217	217	217	217	217	217	2,600	2,740	2,891
Bulk purchases	5,583	5,583	5,583	5,583	5,583	5,583	5,583	5,583	5,583	5,583	5,583	5,583	67,000	70,618	74,502
Other materials	3,190	3,190	3,190	3,190	3,190	3,190	3,190	3,190	3,190	3,190	3,190	3,190	38,276	40,343	42,562
Contracted services	24	24	24	24	24	24	24	24	24	24	24	24	286	302	318
Transfers and subsidies	54	54	54	54	54	54	54	54	54	54	54	54	650	685	723
Other expenditure	2,971	2,971	2,971	2,971	2,971	2,971	2,971	2,971	2,971	2,971	2,971	2,971	35,646	37,571	39,637
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure	54,842	54,842	54,842	54,842	54,842	54,842	54,842	54,842	54,842	54,842	54,842	54,842	658,107	693,645	731,795
Surplus/(Deficit)	(19,835)	(19,835)	(19,835)	(19,835)	(19,835)	(19,835)	(19,835)	(19,835)	(19,835)	(19,835)	(19,835)	10,165	(208,024)	(219,257)	(231,316)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	8,456	8,456	8,456	8,456	8,456	8,456	8,456	8,456	8,456	8,456	8,456	8,456	101,466	106,945	112,827
Surplus/(Deficit) after capital transfers & contributions	(11,380)	(11,380)	(11,380)	(11,380)	(11,380)	(11,380)	(11,380)	(11,380)	(11,380)	(11,380)	(11,380)	18,620	(106,558)	(112,312)	(118,489)
Surplus/(Deficit)	(11,380)	(11,380)	(11,380)	(11,380)	(11,380)	(11,380)	(11,380)	(11,380)	(11,380)	(11,380)	(11,380)	18,620	(106,558)	(112,312)	(118,489)

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FS191 Setsoto - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)														Medium Term Revenue and Expenditure Framework		
Description	Budget Year 2018/19												Budget Year			
	July	August	Sept.	October	November	December	January	February	March	April	May	June	2018/19	+1 2019/20	+2 2020/21	
Revenue by Vote																
Vote 1 - Executive and council	3,738	3,738	3,738	3,738	3,738	3,738	3,738	3,738	3,738	3,738	3,738	3,738	44,853	47,276	49,876	
Vote 2 - Municipal Manager	357	357	357	357	357	357	357	357	357	357	357	357	4,283	4,514	4,762	
Vote 3 - Treasury	6,853	6,853	6,853	6,853	6,853	6,853	6,853	6,853	6,853	6,853	6,853	6,853	82,231	86,671	91,438	
Vote 4 - Corporate Services	134	134	134	134	134	134	134	134	134	134	134	134	1,607	1,693	1,786	
Vote 5 - Development Planning and Social Security	418	418	418	418	418	418	418	418	418	418	418	418	5,021	5,292	5,583	
Vote 6 - Development Planning and Social Security	4,267	4,267	4,267	4,267	4,267	4,267	4,267	4,267	4,267	4,267	4,267	4,267	51,210	53,975	56,944	
Vote 7 - Engineering Services	29,187	29,187	29,187	29,187	29,187	29,187	29,187	29,187	29,187	29,187	29,187	29,187	350,240	369,153	389,457	
Vote 8 - Engineering Services	1,009	1,009	1,009	1,009	1,009	1,009	1,009	1,009	1,009	1,009	1,009	1,009	12,105	12,759	13,460	
Total Revenue by Vote	45,962	45,962	45,962	45,962	45,962	45,962	45,962	45,962	45,962	45,962	45,962	45,962	551,550	581,333	613,307	
Expenditure by Vote to be appropriated																
Vote 1 - Executive and council	1,805	1,805	1,805	1,805	1,805	1,805	1,805	1,805	1,805	1,805	1,805	1,805	21,660	22,829	24,085	
Vote 2 - Municipal Manager	2,364	2,364	2,364	2,364	2,364	2,364	2,364	2,364	2,364	2,364	2,364	2,364	28,373	29,905	31,550	
Vote 3 - Treasury	3,290	3,290	3,290	3,290	3,290	3,290	3,290	3,290	3,290	3,290	3,290	3,290	39,478	41,610	43,899	
Vote 4 - Corporate Services	2,715	2,715	2,715	2,715	2,715	2,715	2,715	2,715	2,715	2,715	2,715	2,715	32,578	34,337	36,226	
Vote 5 - Development Planning and Social Security	2,232	2,232	2,232	2,232	2,232	2,232	2,232	2,232	2,232	2,232	2,232	2,232	26,780	28,226	29,779	
Vote 6 - Development Planning and Social Security	4,795	4,795	4,795	4,795	4,795	4,795	4,795	4,795	4,795	4,795	4,795	4,795	57,545	60,653	63,989	
Vote 7 - Engineering Services	35,386	35,386	35,386	35,386	35,386	35,386	35,386	35,386	35,386	35,386	35,386	35,386	424,637	447,567	472,184	
Vote 8 - Engineering Services	2,255	2,255	2,255	2,255	2,255	2,255	2,255	2,255	2,255	2,255	2,255	2,255	27,056	28,517	30,085	
Total Expenditure by Vote	54,842	54,842	54,842	54,842	54,842	54,842	54,842	54,842	54,842	54,842	54,842	54,842	658,107	693,645	731,795	
Surplus/(Deficit) before assoc.	(8,880)	(8,880)	(8,880)	(8,880)	(8,880)	(8,880)	(8,880)	(8,880)	(8,880)	(8,880)	(8,880)	(8,880)	(106,558)	(112,312)	(118,489)	

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FS191 Setsoto - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)													Medium term Revenue and Expenditure		
Description	Budget Year 2018/19												Medium term Budget Year 2018/19	Forecast Budget Year +1 2019/20	Expenditure Budget Year +2 2020/21
	July	August	Sept.	October	November	December	January	February	March	April	May	June			
Revenue - Functional															
<i>Governance and administration</i>	11,451	11,451	11,451	11,451	11,451	11,451	11,451	11,451	11,451	11,451	11,451	11,451	137,412	144,832	152,798
Executive and council	4,095	4,095	4,095	4,095	4,095	4,095	4,095	4,095	4,095	4,095	4,095	4,095	49,136	51,790	54,638
Finance and administration	7,356	7,356	7,356	7,356	7,356	7,356	7,356	7,356	7,356	7,356	7,356	7,356	88,276	93,043	98,160
Internal audit	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>	96	96	96	96	96	96	96	96	96	96	96	96	1,153	1,215	1,282
Community and social services	42	42	42	42	42	42	42	42	42	42	42	42	500	527	556
Sport and recreation	4	4	4	4	4	4	4	4	4	4	4	4	48	50	53
Public safety	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Housing	50	50	50	50	50	50	50	50	50	50	50	50	605	638	673
Health	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>	3,426	3,426	3,426	3,426	3,426	3,426	3,426	3,426	3,426	3,426	3,426	3,426	41,116	43,336	45,720
Planning and development	961	961	961	961	961	961	961	961	961	961	961	961	11,535	12,158	12,827
Road transport	2,465	2,465	2,465	2,465	2,465	2,465	2,465	2,465	2,465	2,465	2,465	2,465	29,581	31,179	32,893
Environmental protection	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<i>Trading services</i>	30,989	30,989	30,989	30,989	30,989	30,989	30,989	30,989	30,989	30,989	30,989	30,989	371,869	391,950	413,507
Energy sources	8,079	8,079	8,079	8,079	8,079	8,079	8,079	8,079	8,079	8,079	8,079	8,079	96,954	102,189	107,810
Water management	14,183	14,183	14,183	14,183	14,183	14,183	14,183	14,183	14,183	14,183	14,183	14,183	170,199	179,390	189,256
Waste water management	4,513	4,513	4,513	4,513	4,513	4,513	4,513	4,513	4,513	4,513	4,513	4,513	54,153	57,077	60,216
Waste management	4,214	4,214	4,214	4,214	4,214	4,214	4,214	4,214	4,214	4,214	4,214	4,214	50,563	53,293	56,224
<i>Other</i>	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	45,962	45,962	45,962	45,962	45,962	45,962	45,962	45,962	45,962	45,962	45,962	45,962	551,550	581,333	613,307
		59,140	59,140	59,140	59,140	59,140	59,140	59,140	59,140	59,140	59,140	59,140			
Expenditure - Functional															
<i>Governance and administration</i>	10,846	10,846	10,846	10,846	10,846	10,846	10,846	10,846	10,846	10,846	10,846	10,846	130,146	137,174	144,719
Executive and council	2,827	2,827	2,827	2,827	2,827	2,827	2,827	2,827	2,827	2,827	2,827	2,827	33,926	35,758	37,725
Finance and administration	7,162	7,162	7,162	7,162	7,162	7,162	7,162	7,162	7,162	7,162	7,162	7,162	85,950	90,591	95,574
Internal audit	856	856	856	856	856	856	856	856	856	856	856	856	10,270	10,825	11,420
<i>Community and public safety</i>	3,108	3,108	3,108	3,108	3,108	3,108	3,108	3,108	3,108	3,108	3,108	3,108	37,297	39,311	41,473
Community and social services	604	604	604	604	604	604	604	604	604	604	604	604	7,253	7,644	8,065
Sport and recreation	919	919	919	919	919	919	919	919	919	919	919	919	11,023	11,618	12,257
Public safety	82	82	82	82	82	82	82	82	82	82	82	82	984	1,037	1,094
Housing	1,454	1,454	1,454	1,454	1,454	1,454	1,454	1,454	1,454	1,454	1,454	1,454	17,452	18,394	19,406
Health	49	49	49	49	49	49	49	49	49	49	49	49	586	618	652
<i>Economic and environmental services</i>	23,893	23,893	23,893	23,893	23,893	23,893	23,893	23,893	23,893	23,893	23,893	23,893	286,716	302,199	318,820
Planning and development	838	838	838	838	838	838	838	838	838	838	838	838	10,051	10,594	11,177
Road transport	23,055	23,055	23,055	23,055	23,055	23,055	23,055	23,055	23,055	23,055	23,055	23,055	276,665	291,605	307,643
Environmental protection	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<i>Trading services</i>	16,996	16,996	16,996	16,996	16,996	16,996	16,996	16,996	16,996	16,996	16,996	16,996	203,948	214,961	226,784
Energy sources	7,699	7,699	7,699	7,699	7,699	7,699	7,699	7,699	7,699	7,699	7,699	7,699	92,393	97,383	102,739
Water management	4,550	4,550	4,550	4,550	4,550	4,550	4,550	4,550	4,550	4,550	4,550	4,550	54,600	57,554	60,719
Waste water management	1,642	1,642	1,642	1,642	1,642	1,642	1,642	1,642	1,642	1,642	1,642	1,642	19,700	20,764	21,906
Waste management	3,104	3,104	3,104	3,104	3,104	3,104	3,104	3,104	3,104	3,104	3,104	3,104	37,249	39,261	41,420
<i>Other</i>	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure - Functional	54,842	54,842	54,842	54,842	54,842	54,842	54,842	54,842	54,842	54,842	54,842	54,842	658,107	693,645	731,795
Surplus/(Deficit) before assoc.	(8,880)	(8,880)	(8,880)	(8,880)	(8,880)	(8,880)	(8,880)	(8,880)	(8,880)	(8,880)	(8,880)	(8,880)	(106,558)	(112,312)	(118,489)

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FS191 Setsoto - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Single-year expenditure to be appropriated																
Vote 1 - Executive and council		60	-	30	-	-	15	-	-	60	-	-	48	213	225	237
Vote 2 - Municipal Manager		60	-	-	15	-	-	20	-	-	50	-	81	226	238	251
Vote 3 - Treasury		150	-	-	-	-	-	60	-	-	-	-	30	240	253	267
Vote 4 - Corporate Services		-	200	-	-	-	200	-	-	-	-	-	289	689	727	767
Vote 5 - Development Planning and Social Security		400	1,500	541	600	900	-	1,550	1,554	-	1,850	1,100	1,721	11,715	12,348	13,027
Vote 6 - Development Planning and Social Security		-	-	150	-	30	-	25	-	146	-	-	139	490	516	545
Vote 7 - Engineering Services		8,290	6,682	7,715	9,311	5,417	10,561	9,010	10,415	17,161	10,701	9,436	10,883	115,582	121,823	128,524
Vote 8 - Engineering Services		50	-	178	-	-	30	-	-	200	-	-	107	565	596	628
Vote 9 - Default		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Default		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Default		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Default		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Default		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Default		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Default		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2	9,010	8,382	8,614	9,926	6,347	10,806	10,665	11,968	17,567	12,601	10,536	13,298	129,720	136,725	144,245
Total Capital Expenditure	2	9,010	8,382	8,614	9,926	6,347	10,806	10,665	11,968	17,567	12,601	10,536	13,298	129,720	136,725	144,245

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FS191 Setsoto - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)															
Description	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Capital Expenditure - Functional															
Governance and administration	224	224	224	224	224	224	224	224	224	224	224	(901)	1,564	1,648	1,739
Executive and council	28	28	28	28	28	28	28	28	28	28	28	28	330	348	367
Finance and administration	197	197	197	197	197	197	197	197	197	197	197	(983)	1,179	1,243	1,312
Internal audit	-	-	-	-	-	-	-	-	-	-	-	54	54	57	61
Community and public safety	1,022	1,022	1,022	1,022	1,022	1,022	1,022	1,022	1,022	1,022	1,022	747	11,990	12,637	13,333
Community and social services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation	976	976	976	976	976	976	976	976	976	976	976	976	11,715	12,348	13,027
Public safety	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing	23	23	23	23	23	23	23	23	23	23	23	23	275	290	306
Health	23	23	23	23	23	23	23	23	23	23	23	(252)	-	-	-
Economic and environmental services	42	42	42	42	42	42	42	42	42	42	42	42	499	526	555
Planning and development	8	8	8	8	8	8	8	8	8	8	8	8	94	100	105
Road transport	34	34	34	34	34	34	34	34	34	34	34	34	405	427	450
Environmental protection	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services	9,639	9,639	9,639	9,639	9,639	9,639	9,639	9,639	9,639	9,639	9,639	9,639	115,667	121,913	128,618
Energy sources	553	553	553	553	553	553	553	553	553	553	553	553	6,630	6,988	7,372
Water management	9,014	9,014	9,014	9,014	9,014	9,014	9,014	9,014	9,014	9,014	9,014	9,014	108,162	114,003	120,273
Waste water management	33	33	33	33	33	33	33	33	33	33	33	33	400	422	445
Waste management	40	40	40	40	40	40	40	40	40	40	40	40	475	501	528
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	10,927	10,927	10,927	10,927	10,927	10,927	10,927	10,927	10,927	10,927	10,927	9,527	129,720	136,725	144,245

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FS191 Setsoto - Supporting Table SA30 Budgeted monthly cash flow															
MONTHLY CASH FLOWS	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20
Cash Receipts By Source													1		
Property rates	3,600	2,600	3,600	3,600	1,800	3,600	3,600	3,600	3,600	2,900	3,600	3,900	40,000	42,160	44,479
Service charges - electricity revenue	4,200	2,800	6,309	4,263	6,309	6,309	6,309	6,309	6,309	3,800	3,600	4,049	60,566	63,836	67,347
Service charges - water revenue	3,200	2,400	2,950	2,800	2,400	2,250	4,584	4,584	4,584	4,584	4,584	5,084	44,002	46,378	48,928
Service charges - sanitation revenue	2,085	2,085	1,800	1,085	1,085	2,100	1,800	1,085	2,200	1,085	1,985	1,621	20,016	21,097	22,257
Service charges - refuse revenue	1,010	1,400	1,500	2,500	2,500	2,500	2,500	2,500	1,800	2,500	1,800	1,490	24,000	25,296	26,687
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	58	58	58	58	58	58	58	58	58	58	58	58	697	735	775
Interest earned - external investments	543	543	543	543	543	543	543	543	543	543	543	22	5,993	6,865	4,346
Interest earned - outstanding debtors	1,800	2,333	1,600	2,333	2,333	1,400	2,333	2,333	1,200	2,333	1,350	1,050	22,401	17,708	6,227
Dividends received	3	3	3	3	3	3	3	3	3	3	3	3	35	37	39
Fines, penalties and forfeits	50	50	50	50	50	50	50	50	50	50	50	50	600	632	667
Licences and permits	3	3	3	3	3	3	3	3	3	3	3	3	35	37	39
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer receipts - operational	88,913	-	-	-	53,348	-	-	-	35,565	-	-	-	177,826	186,710	196,979
Other revenue	66	66	66	66	66	66	66	66	66	66	66	66	797	1,401	1,478
Cash Receipts by Source	105,531	14,342	18,482	17,305	70,498	18,882	21,849	21,134	55,981	17,925	17,642	17,397	396,967	412,891	420,249
Other Cash Flows by Source															
Transfer receipts - capital	53,891	-	-	-	32,335	-	-	-	21,556	-	-	-	107,782	125,324	168,233
Total Cash Receipts by Source	159,422	14,342	18,482	17,305	102,833	18,882	21,849	21,134	77,537	17,925	17,642	17,397	504,749	538,215	588,482
Cash Payments by Type															
Employee related costs	18,207	18,207	18,207	18,207	18,207	18,207	18,207	18,207	18,207	18,207	18,207	7,207	207,481	230,279	242,945
Remuneration of councillors	917	917	917	917	917	917	917	917	917	917	917	917	11,000	(0)	(0)
Finance charges	108	108	320	108	108	540	108	108	320	108	108	556	2,600	2,740	2,891
Bulk purchases - Electricity	5,583	5,583	5,583	5,583	5,583	5,583	5,583	5,583	5,583	5,583	5,583	5,583	67,000	70,618	74,502
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	3,190	3,190	3,190	3,190	3,190	3,190	3,190	3,190	3,190	3,190	3,190	3,190	38,276	40,343	42,562
Contracted services	24	24	24	24	24	24	24	24	24	24	24	24	286	302	318
Transfers and grants - other municipal	-	-	-	-	-	-	-	-	-	-	-	-	-	685	723
Transfers and grants - other	54	54	54	54	54	54	54	54	54	54	54	54	650	-	-
Other expenditure	194	194	194	194	194	194	194	194	194	194	194	33,511	35,646	37,571	39,637
Cash Payments by Type	28,277	28,277	28,489	28,277	28,277	28,709	28,277	28,277	28,489	28,277	28,277	51,042	362,940	382,538	403,578
Other Cash Flows/Payments by Type															
Capital assets	10,810	10,810	10,810	10,810	10,810	10,810	10,810	10,810	10,810	10,810	10,810	10,810	129,720	136,725	168,233
Repayment of borrowing	250	250	250	250	250	250	250	250	250	250	250	250	3,000	3,520	4,200
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	39,337	39,337	39,549	39,337	39,337	39,769	39,337	39,337	39,549	39,337	39,337	62,102	495,660	522,784	576,011
NET INCREASE/(DECREASE) IN CASH HELD	120,086	(24,995)	(21,066)	(22,032)	63,496	(20,886)	(17,488)	(18,203)	37,989	(21,412)	(21,695)	(44,705)	9,089	15,432	12,471
Cash/cash equivalents at the month/year	(1,249)	118,837	93,842	72,775	50,743	114,239	93,353	75,865	57,663	95,651	74,240	52,545	(1,249)	7,840	23,272
Cash/cash equivalents at the month/year	118,837	93,842	72,775	50,743	114,239	93,353	75,865	57,663	95,651	74,240	52,545	7,840	7,840	23,272	35,742

2.3 Overview of budget related-policies

The municipal budget related policies have been reviewed and are attached to the budget.

2.4 List of Tariffs

The municipal budget was compiled using the attached Tariff list.