

***CENTRAL KAROO DISTRICT
MUNICIPALITY***



***ANNUAL BUDGET 2017/2018 AND
MTREF – Tabled 31 March 2017***

1. Glossary

Adjustments Budgets – Prescribed in section 28 of the Municipal Finance Management Act. It is the formal means by which a municipality may revise its budget during a financial year.

Allocations – Money received from Provincial and National Treasury.

Budget – The financial plan of a municipality.

Budget related policy – Policy of a municipality affecting or affected by the budget.

Capital Expenditure – Spending on municipal assets such as land, buildings and vehicles. Any capital expenditure must be reflected as an asset on a municipality's balance sheet.

Cash Flow Statement – A statement showing when actual cash will be received and spent by the Municipality, and the month end balances of cash and short term investments. Cash receipts and payments do not always coincide with budgeted revenue and expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month that the services or goods are received, even though it may not be paid in the same period.

CKDM – Central Karoo District Municipality

DORA – Division of Revenue Act. The annual piece of legislation that indicate the allocations from National Government to Local Government.

Equitable Share – A general grant paid to municipalities. It is predominantly targeted to assist with free basic services.

GDFI - Gross Domestic Fixed Investment

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates comparisons between municipalities.

IDP – Integrated Development Plan. The main strategic planning document of a municipality.

KPI – Key Performance Indicators. Measures of service output and/or outcome.

MFMA - Municipal Finance Management Act (No 53 of 2003). The principle piece of legislation relating to municipal financial management.

MTREF – Medium Term Revenue and Expenditure Framework as prescribed by the MFMA sets out indicative revenue and projected expenditure for the budget year plus two outer financial years to determine the affordability level.

Operating Expenditure – Spending on the day to day expenses of a municipality such as general expenses, salaries & wages and repairs & maintenance.

Rates – Local Government tax based on assessed valuation of a property.

TMA – Total Municipal Account

SDBIP – Service Delivery Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

Strategic Objectives – The main priorities of a municipality as set out in the IDP Budgeted spending must contribute towards achievement of these strategic objectives.

Vote – One of the main segments into which a budget is divided, usually at department level.

CHAPTER 1

MAYORAL SPEECH

Councilors, municipal manager, head of departments, guests, ladies and gentlemen, good morning to all.

The 2017 Division of Revenue Bill was used as guidance in the preparation of the budget.

Economic pressures country wide continues to impact on Central Karoo District Municipality especially considering the limited economic growth in our towns. The country's economic performance has slowed down over the last couple of years and this had a direct effect on our area.

The budget I am tabling here today was prepared in accordance with the prescripts of the Municipal Finance Management Act, (Act 56 of 2003) and complies with Generally Recognized Accounting Practice as applicable to Local Government.

The budget was compiled, taking into account the Macro-economic growth parameters and also addresses the following National key priorities and Provincial priorities including the following:

- Building the capacity of local government through the “back to basics” approach

The following underlying factors were also taken into consideration with the compilation of the 2017/2018 draft budget:

- The current socio economic circumstances of our communities and especially the high rate of unemployment
- External factors having a direct impact on the budget such as the consumer inflation rate
- The wage agreement concluded between organized labour and the South African Local Government Bargaining Council for the period 1 July 2015 to 30 June 2018

The major sources of revenue can be summarized as follows:

National grants and subsidies – R 26 861 000

Western Cape provincial grants and subsidies – R 1 040 000

Department of Transport and Public Works – R 38 970 000

DRAFT SDBIP (SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN)

The draft top level service delivery and budget implementation plan is attached herewith and is an indication of service delivery targets that is set for the 2017/2018 financial year.

ORGANOGRAM

The municipality has undergone a full revision of its organogram and the adjusted organogram was used in the preparation of the employee cost budget. The adjusted organogram will support the strategic objectives of the municipality.

IN CONCLUSION

I would like to re-iterate the importance of all parties in the budget preparation process and I will encourage all interested parties to scrutinize the draft budget and make meaningful contributions before the finalization of the budget in May 2017.

I thank you

CLLR N CONSTABLE

EXECUTIVE MAYOR

CHAPTER 2

COUNCIL RESOLUTION

1. That in terms of section 24 of the Municipal Finance Management Act, 56 of 2003, the Annual budget of the Central Karoo District Municipality for the financial year 2017/2018; and indicative allocations for the two projected outer years 2018/2019 and 2019/2020; and the multi-year and single year capital appropriations are approved as set-out in the following tables:
 - 1.1. Budgeted Financial Performance (revenue and expenditure by standard classification);
 - 1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote);
 - 1.3. Budgeted Financial Performance (revenue by source and expenditure by type); and
 - 1.4. Multi-year and single year capital appropriations by municipal vote and standard classification and associated funding by source.
2. That the financial position, cash flow, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are adopted as set-out in the following tables:
 - 2.1. Budgeted Financial Position;
 - 2.2 Budgeted Cash Flows;
 - 2.3 Cash backed reserves and accumulated surplus reconciliation;
 - 2.4 Asset management; and
 - 2.5 Basic service delivery measurement.
3. That in terms of section 24(2)(c)(ii) of the Municipal Finance Management Act, 56 of 2003 and sections 74 and 75A of the Local Government: Municipal Systems Act 32 of 2000 as amended, the tariffs as set out in annexure A, that were used to prepare the estimates of revenue by source, are approved with effect from 1 July 2017.
4. That in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) the tariffs for other services, as set out in Annexure A, that were used in compiling the final budget, are approved with effect from 1 July 2017.
5. That in terms of section 24(2)(c)(iii) of the Municipal Finance Management Act, 56 of 2003, the measurable performance objectives for capital and operating expenditure by vote for each year of the medium term revenue and expenditure framework as set out in Supporting Table SA7 are approved.
6. That interest may be charged on all debtors' accounts outstanding for a period of more than 30 days at the prevailing prime interest rate plus 2% charged by the Municipality's Banker.
7. That in terms of the provisions of **Section 75A** of the Municipal Systems Act, 32 of 2000, the notice of the tariff amendments be displayed on notice boards at all municipal offices, libraries, and be advertised in local newspapers.

8. That in terms of the municipal budget and reporting regulations, paragraph 7, the amendments to the budget policies, as indicated, are approved with effect 1 July 2016.
9. That in terms of section 24(2)(c)(iv) of the Municipal Finance Management Act, 56 of 2003, the final IDP for 2017/2018 – 21/22 be approved.
10. That the Service delivery targets be approved.
11. That the final documents be available for inspection and comments at the municipal offices.

CHAPTER 3

EXECUTIVE SUMMARY

PREFACE

The budget tabled here today is the MTREF (Medium Term Revenue and Expenditure Framework) for the 2017/2018, 2018/2019 and 2019/2020 financial years as legislatively prescribed in terms of section 16(2) of the Municipal Finance Management Act, Act 56 of 2003 (MFMA).

The following documents were considered in the preparation of the budget:

- The Municipal Finance Management Act, Act 56 of 2003 (MFMA)
- National treasury circular 86 as well as other prior circulars giving guidance on budget processes
- The municipal budget and reporting regulations as issued in Government gazette 32141 on 17 April 2009
- Government Gazette 37577 dated 22 April 2014: Municipal Regulations on Standard Chart of Accounts

CAPITAL BUDGET

The drafting of the IDP runs concurrent with the 2017/2018 budget process in order to update the Medium Term Expenditure Framework (MTEF). The IDP budget link is summarized in the supporting tables attached hereto.

The Medium Term Expenditure Framework should guide the municipality with regards to its funding requirements in the medium term (3 years). Provisional capital grant funding for the 2017/2018 financial year amounts to R 800 000.

	Approved Budget 2016/17	Revised Budget 2016/17	Budget 2017/2018	Budget 2018/2019	Budget 2019/2020
Administrative and Corporate Support – Furniture and equipment	230 000	262 000	30 000	31 710	33 486
Civil Defence – Machinery and equipment		1 300 000	701 754		
Grand Total	230 000	1 562 000	731 754	31 710	33 486

The aforementioned capital requirements are only indicative of the confirmed funding for the MTEF and do not include issues of priority where funding applications are in process and have not yet been confirmed.

From the MTREF it is clear that the council is once again relying on grants and subsidies for the funding of its capital requirements.

OPERATING BUDGET

EXPENDITURE

Summary of Expenditure Budget per type:

	Approved Budget 2016/17	Revised Budget 2016/17	Budget 2017/2018	Budget 2018/2019	Budget 2019/2020
Depreciation & asset impairment	254 904	254 904	691 570	730 989	771 925
Employee related costs	16 760 237	17 427 466	37 343 087	39 471 643	41 682 055
Other expenditure	56 146 509	56 124 610	25 205 313	26 642 016	28 133 969
Remuneration of councillors	3 668 014	3 498 014	3 846 385	4 065 628	4 293 304
Grand Total	76 829 664	77 304 994	67 086 355	70 910 277	74 881 252

The decrease in the operating budget amounts to R 10.218 million for the 2017/2018 financial year and represents a decrease of 13 % over the 2016/2017 adjustment budget. The decrease in budget can be ascribed to savings in projects as a result of a decrease in grant funding.

A summary of the operating budget is attached herewith and includes all operating expenditure necessary for operating the municipality for the 2017/2018 financial year. The operating budget was based on the average inflation rate estimates of 6.4 % for 2017/2018, 5.7% for 2018/2019 and 5.6% for 2019/2020 as indicated in the MFMA Circular number 86. Where other factors impacting on the budget are known, it has been calculated as such and is included in the budget figures.

Salary and related expenditure, excluding remuneration of public office bearers, amounts to R 37.343 million or 55.6 % of the total expenditure. The salary expenditure includes the expenditure relating to the staff complement of the Roads Department.

The Roads draft budget is as follows:

<u>Maintenance</u>	17/18 allocation	18/19 allocation
Normal Maintenance	11 470 000	12 045 900
Blading	7 650 000	8 034 100
Total Maintenance	19 120 000	20 080 000
<u>Special projects (Re-gravel)</u>		
MR318 (km0-km9.4)	4 630 000	4 858 584
DR2308 (km0-km12.93)	6 370 000	6 684 489
MR582 (km0-km13)	6 400 000	6 715 970
TR58/3 Short Section 5km	2 450 000	2 570 957
Total Capital	19 850 000	20 830 000

REVENUE

The budgeted revenue (including capital grant revenue) for the 2017/2018 financial year amounts to R 78.882 million.

Summary of Revenue Budget per source:

	Approved Budget 2016/17	Revised Budget 2016/17	Budget 2017/2018	Budget 2018/2019	Budget 2019/2020
Agency services	-3 711 000	-3 711 000	-3 418 421	-3 588 596	-3 588 596
Interest earned - external investments	-500 000	-550 000	-550 000	-581 350	-613 906
Other revenue - Roads	-39 778 616	-39 024 640	-36 061 719	-37 820 745	-39 892 071
Rental of facilities and equipment	-50 000	-72 000	-72 000	-76 104	-80 366
Transfers recognised - capital		-1 300 000	-800 000		
Transfers recognised - operating	-33 020 767	-34 224 796	-27 005 150	-29 987 115	-32 994 400
Grand Total	-77 060 383	-78 882 436	-67 907 290	-72 053 910	-77 169 339

CAPITAL

Provision has been made for capital expenditure amounting to R 731 754.

	Approved Budget 2016/17	Revised Budget 2016/17	Budget 2017/2018	Budget 2018/2019	Budget 2019/2020
Furniture and Equipment	230 000	262 000	30 000	31 710	33 486
Civil Defence – Civil Defence		1 300 000	701 754		
Grand Total	230 000	1 562 000	731 754	31 710	33 486

TARIFFS

It is important to ensure the financial sustainability and economic viability of the municipality and these principles were therefore applied in the determination of the environmental health tariffs for the 2017/2018 financial year.

FINANCIAL VIABILITY AND SUSTAINABILITY

The Municipality must ensure the financial sustainability of its operations and ensure that it operates as a going concern. The budget for 2017/2018 as well as the outer 2 years are funded.

SDBIP (SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN)

The municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. A top level service delivery and budget implementation plan is included in the budget documentation. The SDBIP is indicative of service delivery targets for the 2017/2018 financial year. Emphasis is placed on the sustaining of current services and further enhancement of service delivery to all communities.

POLICY CHANGES

Management has conducted the required annual review of all budget related policies. The following policies have been reviewed:

- Credit control policy
- Cash management and investment policy
- Funding and reserve policy
- Budget policy
- Unforeseen and unavoidable expenditure policy
- Supply Chain Management policy
- Virement policy

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MUNICIPAL MANAGER

CHAPTER 4

ANNUAL BUDGET TABLES

See Annexure A

Basic service delivery standards

See Annexure B

CHAPTER 5

OVERVIEW OF THE ANNUAL BUDGET PROCESS

The entire budget process is prescribed by the Municipal Finance Management Act.

Section 21(1) (b) of the MFMA requires the mayor to table not later than 10 months before the start of the budget year a time schedule outlining the key deadlines and processes for the preparation, tabling and approval of the Annual Budget, the review of the IDP and budget related policies and any consultation process which would be part of the process.

The time schedule was tabled to the Council in September 2016, the Local Government election was only held in August 2016 and the Council was only constituted on 18 August 2016.

The consultation process involves presenting and eliciting comments from the public and meetings were held in Beaufort West, Laingsburg and Murraysburg.

The following stakeholders are identified:

- 1 community
- 2 senior management
- 3 the work force
- 4 trade unions
- 5 agricultural forums
- 6 general public and interested parties
- 7 local municipalities
- 8 national and provincial sector departments

Political oversight of the process

The schedule of key deadlines was submitted to management to monitor the progress of the process by officials against the schedule tabled by the Executive Mayor.

Consultations & advertisements

Advertisements was placed in the local newspapers circulating in the area of jurisdiction and district informing the community of the approval of the budget.

Stakeholders

The following stakeholders have been consulted:

- National Treasury
- Provincial Treasury
- B Municipalities in area
- Provincial sector departments
- Community

CHAPTER 6

ALIGNMENT OF ANNUAL BUDGET WITH INTEGRATED DEVELOPMENT PLAN

AMENDMENT AND ADJUSTMENT TO THE 2017/2018 IDP

The review process focussed on:

- ❖ Improving the **strategic nature** of the document, thereby ensuring effective use of available data, careful consideration of available resources, as well as exploring locally appropriate solutions to complex development issues.
- ❖ Increasing the usefulness of the document during **implementation** and monitoring.

The process was influenced by:

- ❖ Project progress information as provided by Heads of Departments
- ❖ An extensive data search to update the analysis chapter.
- ❖ Inputs from community based planning initiatives

The alignment of the IDP with the budget is illustrated in the A Schedule.

These allocations are to link up with the Service Delivery and Budget Implementation plan. A Service Delivery and Budget Implementation Plan has been developed and is tabled with the final budget to Council. The final SDBIP needs to be approved within 28 days after the adoption of the budget. KPA's and KPI's have been developed and strategic alignment between IDP, Budget and SDBIP is ascertain.

CHAPTER 7

MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

The SDBIP is tabled as separate document together with the budget.

CHAPTER 8

BUDGET RELATED POLICIES

The prioritization of service delivery and the management of council functions is the key to the budget. Central Karoo District municipality's budget process is guided and governed by legislation regulations and budget related policies.

Central Karoo District Municipality embarked on a process of reviewing all financial and budget related policies during the budget process for 2017/2018 financial year.

The policies in place are:

1. Credit control policy
2. Cash management and investment policy
3. Funding and reserve policy
4. Budget policy
5. Unforeseen and unavoidable expenditure policy
6. Supply chain management policy
7. Virement policy
8. Asset management policy
9. Risk management policy
10. Withdrawal of funds policy
11. Anti-corruption and fraud policy
12. Gifts to official policy
13. Tariffs policy
14. Whistle blowing policy
15. Mayoral fund policy

CHAPTER 9

BUDGET ASSUMPTIONS

The budget for the 2017/2018 financial year was drawn up with the following assumptions and principles taken into account:

- The budget is prepared in terms of the provisions of the Generally Recognised Accounting Practice framework to comply with the provisions of the MFMA GRAP implementation dates.
- The impact of the Municipal Standard Chart of Accounts was taken in to account during the budget preparation to ensure that the municipality can commence transaction on MSCOA on 1 July 2017.
- Revenue figures are based on realistic estimates of revenue to be collected.
- Actual revenue collected for the current year and realistic revenue projections were taken into account in determining the revenue for the coming year.
- The principals of economic viability and sustainability is applied in all services and where possible no cross subsidization is done between services.
- National growth parameters were used as far as possible for the determination of outer year budget amounts.
- A general salary increase of 7.4 % is used for the determination of the salaries of staff whilst CPI was used for increase in salaries for the Public office bearers
- The Municipality still relies heavily on grants and subsidies for funding of the capital requirements for the 2017/2018 financial year.
- Only funded capital projects are included in the capital estimates for the 2017/2018 financial year.
- Both the capital and operating budgets are informed by the IDP process done through a public participation process.

CHAPTER 10

BUDGET FUNDING

FUNDING OF BUDGET EXPENDITURE

Operating expenditure to the amount of R 67 086 355 and Capital expenditure of R 731 754 is funded through the following sources:

	Approved Budget 2016/17	Revised Budget 2016/17	Budget 2017/2018	Budget 2018/2019	Budget 2019/2020
ACTUARIAL GAINS	-60 000	-100 000		-	-
BUILDING PLANS	-1 000	-1 000	-1 000	-1 057	-1 116
FIRE CAPACITY BUILDING GRANT		-1 300 000	-800 000		
SHARED SERVICES: BEAUFORT-WES	-150 000	-150 000	-150 000	-150 000	-150 000
SHARED SERVICES: LAINGSBURG	-150 000	-150 000	-150 000	-150 000	-150 000
SHARED SERVICES: PRINS ALBERT	-300 000	-300 000	-300 000	-300 000	-300 000
SUNDRY INCOME	-250 000	-250 000		-	-
DROUGHT SUPPORT		-300 000		-	-
EPWP	-1 000 000	-1 000 000	-1 095 000		
EPWP SALARY COST	-100 000	-100 000		-	-
EQUITABLE SHARE	-19 416 000	-19 416 000	-22 599 000	-28 426 000	-29 394 000
FINANCIAL SUPPORT WC	-1 450 000	-1 820 000		-	-
FMG	-900 000	-700 000	-1 250 000	-1 000 000	-1 000 000
FMG PERFORMANCE MANAGEMENT		-21 029		-	-
FMG WESTERN CAPE GRANT: MSCOA	-550 000	-		-	-
FMG: IT	-150 000	-550 000		-	-
FMG: SCM	-200 000	-550 000		-	-
PHOTO COPIES AND FAXES	-3 000	-3 000	-3 000	-3 171	-3 349
HEALTH CERTIFICATE	-11 000	-11 000	-11 000	-11 627	-12 278
RENTAL	-50 000	-72 000	-72 000	-76 104	-80 366
IDP AWARD		-200 000		-	-
COMMISSION	-16 000	-16 000	-1 000	-1 057	-1 116
LG SETA SKILLS DEVELOPMENT	-6 000 000	-6 000 000		-	-
LG SETA Admin	-450 000	-450 000		-	-
MANDATORY INCOME LG SETA	-30 000	-30 000	-30 000	-30 000	-30 000
MILK SALES	-200 000	-200 000	-200 000	-200 000	-200 000
MONSTERS: MILK & WATER	-58 640	-58 640	-58 640	-61 982	-65 453
INDEPENT DEVELOPMENT AGENCY	-665 056	-		-	-
RAMMS	-1 866 000	-1 866 000	-1 821 150	-201 115	-2 120 400
RAMMS admin cost	-223 920	-95 000	-84 079	-92 851	-97 895
INTEREST ON INVESTMENTS	-500 000	-550 000	-550 000	-581 350	-613 906
DEPARTMENT OF ROADS	-37 110 000	-37 110 000	-35 073 000	-36 819 000	-38 880 864
CHIETA		-133 000		-	-
WCFMSG ICT INTERNSHIP		-60 000		-	-
WORKING FOR WATER PROJECT	-1 488 767	-1 488 767		-	-
WC CAPACITY BUILDING		-120 000	-240 000	-360 000	-480 000
ROADS AGENCY FEE	-3 711 000	-3 711 000	-3 418 421	-3 588 596	-3 588 596
Grand Total	-77 060 383	-78 882 436	-67 907 290	-72 053 910	-77 169 339

FISCAL SUSTAINABILITY OF THE MUNICIPALITY

Budget control is exercised in order to ensure that operating expenditure does not exceed actual operating revenue received.

The credit control policy will be strictly enforced in the 2017/2018 financial year to ensure that all monies due to the municipality is collected in further contribution to the sustainable rendering of services.

FINANCIAL CHALLENGES AND CONSTRAINTS

Central Karoo District Municipality faces the following financial challenges:

- 1) Achieving financial stability in the medium term and long term
- 2) Dependence on grant funding
- 3) Managing cost
- 4) Exploring alternative revenue sources

A long term financial plan will be compiled during 2017/2018 to ensure that these challenges are addressed.

FINANCIAL RISKS

Financial risks include:

- Changes in inflation rate and other variables
- Unemployment trends
- Global financial instability

FUNDING COMPLIANCE IN TERMS OF SECTION 18 OF THE MFMA

In compliance with the requirements of Section 18 of the MFMA, the revenue budget was based on the following principles:

- Realistically anticipated revenue to be collected.
- Actual revenue of previous years was taken into account.
- Capital projects were only included if funding confirmation was received, either by means of the DORA allocations as promulgated or by means of commitment from funding institutions.

PARTICULARS OF PLANNED SAVINGS OVER THE MEDIUM TERM

The principle of value adding in all aspects of the administration and service rendering is applied and no expenditure is incurred unless value is added to the municipal administration or services. Care is taken in administrative and supply chain processes to ensure that real economic benefit flows to the municipality as a result of funds being spent.

The following expenditure items are closely monitored:

- Travelling and subsistence
- Telephone expenses.
- Overtime and standby allowances
- Workshops and conferences.
- Fuel and maintenance expenditure in respect of service delivery vehicles

CONTRIBUTIONS OR DONATIONS IN CASH OR IN-KIND

No donations are budgeted for the 2017/2018 financial year. Support to the community will be given in terms of the Mayoral Fund policy.

PARTICULARS OF THE MUNICIPALITY'S INVESTMENTS

Investments are made when funds are available in line with the Cash management and Investment policy.

PARTICULARS OF BANK OVERDRAFTS AND CREDIT FACILITIES

The municipality does not have a bank overdraft facility.

PARTICULARS OF GRANTS AND SUBSIDIES RECEIVED

The budgeted grants to be received for the 2017/2018 financial year are as follows:

DIVISION OF REVENUE ACT 2016/17				
GRANT	2016/17	2017/18	2018/19	2019/20
EQUITABLE SHARE	19 416 000,00	22 599 000,00	28 426 000,00	29 394 000,00
LOCAL GOVERNMENT FINANCIAL MANAGEMENT GRANT	1 250 000,00	1 250 000,00	1 000 000,00	1 000 000,00
RURAL ROADS ASSET MANAGEMENT SYSTEM GRANT	1 866 000,00	1 917 000,00	2 117 000,00	2 232 000,00
MUNICIPAL SYSTEMS IMPROVEMENT GRANT	-	-	3 124 000,00	-
EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT	1 000 000,00	1 095 000,00	-	-
TOTAL ALLOCATIONS AS PER DORA	23 532 000,00	26 861 000,00	34 667 000,00	32 626 000,00

WC SUPPORT GRANTS 2017/18 - 2019/20				
GRANT	2016/17	2017/18	2018/19	2019/20
WC FINANCIAL MANAGEMENT SUPPORT GRANT	2 430 000,00	-	-	-
MUNICIPAL DROUGHT SUPPORT GRANT	300 000,00	-	-	-
FIREFIGHTING CAPACITY BUILDING GRANT	1 300 000,00	800 000,00	-	-
WC FINANCIAL MANAGEMENT CAPACITY BUILDING GRANT	120 000,00	240 000,00	360 000,00	480 000,00
MUNICIPAL PERFORMANCE MANAGEMENT GRANT	21 029,00	-	-	-
INTEGRATED DEVELOPMENT PLAN GRANT	200 000,00	-	-	-
TOTAL ALLOCATIONS AS PER DORA	4 371 029,00	1 040 000,00	360 000,00	480 000,00

DEPARTMENT OF ROADS GRANTS 2017/18 - 2019/20				
GRANT	2016/17	2017/18	2018/19	2019/20
GENERAL MAINTENANCE	18 210 000,00	19 120 000,00	20 080 000	-
SPECIFIC PROJECTS	18 900 000,00	19 850 000,00	20 830 000	-
TOTAL ALLOCATIONS AS PER MOU	37 110 000,00	38 970 000,00	40 910 000	-

TOTAL INCOME	65 013 029,00	66 871 000,00	75 937 000,00	33 106 000,00
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CHAPTER 12

CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS

There are no contracts with future budgetary implications other than operational contracts such as the contract for the financial system with SEBATA.

CHAPTER 13

LEGISLATIVE COMPLIANCE

The Municipal Finance Management Act brought about uniformity, accountability and control measures to local government in terms of financial reporting and budgeting. The Act required a high level of transformation financial disciplines and planning.

New budget regulations were published in Gazette nr. 32141 on 17 April 2009. The object of these regulations is to secure sound and sustainable management of the budgeting and reporting practices of municipalities by establishing uniform norms and standards and other requirements for ensuring transparency, accountability and appropriate lines of responsibility in the budgeting and reporting process. The 2017/2018 budgets for all municipalities needs to comply with these regulations.

ANNEXURES

Annexure A – A Schedule Budget Tables

Annexure B – Schedule of Service Delivery Standards

Annexure C – Tariff listing

Annexure D – Quality certificate signed by the Municipal Manager