

Metsimaholo Local Municipality



2010/2011 Medium Term Revenue and Expenditure Framework (MTREF)

Draft Budget Document

March 2010

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2. Mayoral Budget Speech

*(The Executive Mayor's Budget Speech will be delivered in Council **at the end of May 2010** after the completion of the community consultation process, and to coincide with the tabling of the budget for consideration and approval.*

The purpose of the speech will be to provide a high-level summary of the budget that draws on the executive summary and highlights key deliverables during the next three years. The speech will address certain fundamental issues, including the eradication of service delivery backlogs, commencement of new programmes and projects.)

3. Draft Budget Related Resolutions

1. Council takes cognisance of the draft annual budget of the municipality for the financial year 2010/2011 and indicative for the two projected outer years 2011/2012 and 2012/2013 as set-out in the following schedules and the public be invited to comment and thereafter it be resubmitted to Council for approval:
 - 1.1. Operating revenue by source reflected in schedule 1 and 2;
 - 1.2. Operating expenditure by vote reflected in schedule 1 and 2;
 - 1.3. The multi-year capital appropriations by vote and associated funding reflected in schedules 3 of the 2010/2011 MTREF

2. Council considered the property rates reflected on page 34 to be imposed for the budget year 2010/2011

3. Council considered the following tariffs and charges reflected to be implemented for the budget year 2010/2011
 - 3.1 Electricity (page 35 and 36)
 - 3.2 Water (page 37)
 - 3.3 Sewerage (pages 38 and 39)
 - 3.4 Cleansing - Refuse removal (page 40)
 - 3.5 Sundry tariffs (pages 41 to 59)

- 4 Council notes that the SDBIP submission and approval of the SDBIP will be dealt with in accordance with sections 69(3)(a) and 53(1)(c)(ii) of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003).

- 5 The Property Rates Policy on page 20 be amended as follows:” ***The municipality shall prepare a new valuation roll every 5(five) years and supplementary valuation rolls monthly***”

6 The Property Rates Policy on page 17 be amended to read as follows: "Sectional titles in town qualifies for a rebate of 7.5 % (seven and a half) percent for the year starting 1 July 2010 and no rebate for sectional titles in town from 1 July 2011."

4. Executive Summary

The 2010/2011 budget preparation and IDP review process were conducted mainly in line with the legislative and regulatory frameworks prescribed by the Municipal Finance Management Act (MFMA), Municipal Systems Act (MSA) and National Treasury Guidelines. The format and contents of this budget document are in accordance with the guidelines contained in *MFMA Circular 51*.

The draft budget be tabled in Council on 31 March 2009 after which an extensive **community consultation** and public participation process will be conducted from 13 April 2010 to 5 May 2010. The programme that will follow with the various public meetings held is included on page 21 of the budget document.

The **strategic alignment** between national, provincial and district service delivery priorities was also a critical factor during the IDP review and budget preparation process. Alignment between the Free State Growth and Development Strategy (PGDS), 2007-2014 and the Fezile Dabi District Municipality were important considerations and inputs during the process.

Free State PGDS (2007-2014) Priority Areas for Intervention	Fezile Dabi District Municipality Integrated Goals
<ul style="list-style-type: none"> ▪ Economic Growth, Development and Employment ▪ Justice and Crime Prevention ▪ Social and Human Development ▪ Efficient Governance and Administration 	<ul style="list-style-type: none"> ▪ Effective, sustainable accountable governance ▪ High level financial performance and management ▪ Efficient and effective service delivery ▪ Promotion of public participation and awareness ▪ Strategic economic and social role playing in the District

The Key Performance Areas of the Metsimaholo Municipality, in line with provincial and district priorities and goals are:

- Governance and Administration
- Economic and Development
- Social and Human Development
- Safety and Security

Further details on objectives and strategies are shown on pages 26-27 of the budget document.

The following are the main benefits offered to registered indigents for which a threshold of a monthly household income of R2 300.00 has been set. The threshold of a monthly household income increase to R2 400 from 1 July 2010.

- Free electricity of 50kWh per household
- 10 kiloliters of free basic water
- subsidy of R50.00 per month for assessment rates and other services not covered by FBS
- Free sanitation
- Free refuse removal

The average tariff increases (including expected growth in consumption levels and corrections in certain cases) are reflected in the table below.

Service	% tariff increase
Property rates	6
Electricity	8-30
Water	8
Sanitation	8
Refuse removal	Between 5 and 36

Further information on proposed tariff increases, including sundry tariffs, are included on pages 33 to 60.

In terms of the municipality's **financial position** own revenue constitute close to **83.4%** of the total operating revenue of the municipality, whilst government grants and subsidies contribute on approximately **16.6%** to total revenue.

A summary of the operating and capital budget proposals over the medium-term, in terms of the attached budget schedules, is provided in the table below.

	Medium Term Revenue and Expenditure Framework		
	2010/2011	2011/2012	2012/2013
	R'000	R'000	R'000
Operating revenue	596 580	549 480	548 078
Operating expenditure	554 821	754 487	858 411
Capital expenditure	357 087	421 173	282 568

It should be noted that the **Service Delivery and Budget Implementation Plan** (SDBIP) will be submitted to the Executive Mayor 14 days after the approval of the budget in accordance with section 69(3)(a) of the MFMA. The approval of the SDBIP by the Executive Mayor will be done as per the provisions of section 53(1)(c)(ii) of the MFMA, that is 28 days after the approval of the budget.

4.1 Key assumptions

- Inflation is budgeted at 5.7 % in terms of National Treasury circular No. 51
- 13% water loss
- 10% electricity loss
- 20% non payment rate
- 8% increase on Councillors allowance
- Impairment and bad debt provision at R40 million
- No additional increase in revenue from the implementation of the Property rates Act during 2008/2009 financial year
- In terms of the Salary Agreement provision is made for a 9% increase to cover the general increase as well as the notch increase of staff where applicable.

Total Expenditure		303,876	365,868	446,572	495,049	483,810	450,121	-	543,375	742,032	846,397
Surplus/(Deficit)		(68,351)	(48,613)	(136,377)	(72,249)	(96,256)	(94,206)	-	(57,169)	(312,840)	(412,689)
Transfers recognised - capital									(41,759)	(97,938)	(98,707)
Contributions recognised - capital	6	-	-	-	-	-	-	-	-	-	-
Contributed assets											
Surplus/(Deficit) after capital transfers & contributions		(68,351)	(48,613)	(136,377)	(72,249)	(96,256)	(94,206)	-	(98,929)	(410,778)	(511,395)
Taxation											
Surplus/(Deficit) after taxation		(68,351)	(48,613)	(136,377)	(72,249)	(96,256)	(94,206)	-	(98,929)	(410,778)	(511,395)
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		(68,351)	(48,613)	(136,377)	(72,249)	(96,256)	(94,206)	-	(98,929)	(410,778)	(511,395)
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		(68,351)	(48,613)	(136,377)	(72,249)	(96,256)	(94,206)	-	(98,929)	(410,778)	(511,395)

The operating grants are not included in the revenue:

2010/2011	R 98 929 000
2011/2012	R 107 832 000
2012/2013	R 102 355 000

Table A9 has more detail on repair and maintenance. The amount reflected under Expenditure: Materials refers to repair and maintenance.

Employee related cost increase by R 30.5 million or 23.5%.

Provision for Bad Debts is R40 million to accommodate the non-payment of services and to impair the debtors.

Expenditure on contracted services increase by R3.6 million or 34.8%

Repair and Maintenance increase by R14, 1 million or 67, 3%

Bulk purchase of electricity increase by R12.9 million or 15.1%

5.2 Revenue and Expenditure per Department

**FS204 Metsimaholo - Table A3 Budgeted Financial Performance
(revenue and expenditure by municipal vote)**

Vote Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10	2010/11 Medium Term Revenue & Expenditure Framework				
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
Revenue by Vote	1									
COUNCIL/MAYOR, SPEAKER & COUNCILLORS		35	30	73	-	6	-	500	-	-
MUNICIPAL MANAGER TRANSFORMATION & CORPORATE SERVICES		-	-	(509)	-	(3,030)	-	50,814	-	-
SOCIAL SERVICES INFRASTRUCTURAL SERVICES		428	591	449	351	431	953	469	348	348
FINANCE LOCAL ECONOMIC DEVELOPMENT		50,061	26,187	26,314	50,344	49,680	24,499	56,590	57,260	40,571
		175,586	249,596	251,255	318,877	320,870	214,348	347,327	370,345	366,370
		76,615	81,180	103,404	79,332	87,038	738,377	107,132	117,088	136,274
		1,074	10,123	2,067	54,559	15,009	3,420	33,749	4,439	4,515
Total Revenue by Vote	2	303,799	367,709	383,053	503,463	470,004	981,598	596,580	549,480	548,078
Expenditure by Vote to be appropriated	1									
COUNCIL/MAYOR, SPEAKER & COUNCILLORS		11,322	12,140	15,325	17,849	17,571	16,762	22,335	32,489	30,289
MUNICIPAL MANAGER TRANSFORMATION & CORPORATE SERVICES		2,287	13,599	10,858	33,057	25,786	20,357	28,647	33,142	55,146
SOCIAL SERVICES INFRASTRUCTURAL SERVICES		8,780	8,963	29,191	10,885	12,447	17,976	23,464	33,737	40,103
FINANCE LOCAL ECONOMIC DEVELOPMENT		70,168	55,223	70,571	69,256	70,472	57,306	83,912	124,366	82,236
		190,304	200,549	215,342	331,794	329,781	212,951	366,616	475,813	583,704
		28,538	67,684	97,476	22,503	18,521	23,113	12,727	30,595	45,647
		7,300	7,712	7,809	9,704	9,232	5,541	17,120	24,345	21,286
Total Expenditure by Vote	2	318,698	365,868	446,572	495,049	483,810	354,007	554,821	754,487	858,411
Surplus/(Deficit) for the year	2	(14,899)	1,841	(63,519)	8,414	(13,806)	627,591	41,759	(205,008)	(310,333)

5.3 Capital expenditure and funding.

FS204 Metsimaholo - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description R thousand	Ref	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
COUNCIL/MAYOR, SPEAKER & COUNCILLORS		-	-	-	-	-	-	-	-	-	-
MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-
TRANSFORMATION & CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-
SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	-
INFRASTRUCTURAL SERVICES		-	-	-	-	-	-	-	-	-	-
FINANCE LOCAL ECONOMIC DEVELOPMENT		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
COUNCIL/MAYOR, SPEAKER & COUNCILLORS		-	154	328	-	48	23	-	1,000	-	-
MUNICIPAL MANAGER		-	145	59	-	4,231	845	-	8,965	13,681	12,746
TRANSFORMATION & CORPORATE SERVICES		28	476	183	-	5,211	9	-	3,882	1,623	1,704
SOCIAL SERVICES		747	1,315	1,547	-	18,631	111	-	32,570	47,616	53,866
INFRASTRUCTURAL SERVICES		31,635	40,114	16,793	-	54,877	16,356	-	117,989	206,546	201,318
FINANCE LOCAL ECONOMIC DEVELOPMENT		244	8	39	-	1,156	-	-	1,216	1,465	663
Capital single-year expenditure sub-total	1	32,655	43,712	20,519	-	85,620	17,349	-	354,087	421,171	282,568
Total Capital Expenditure - Vote		32,655	43,712	20,519	-	85,620	17,349	-	354,087	421,171	282,568
Capital Expenditure - Standard											
Governance and administration		271	783	609	15,072	11,799	-	-	36,113	16,768	15,114
Executive and council					48	48			1,000		
Budget and treasury office		244	8	39	726	1,156			1,216	1,465	663
Corporate services		28	775	570	14,298	10,595			33,897	15,304	14,451
Community and public safety		180	2,810	1,676	97,835	15,488	-	-	173,463	161,274	24,163
Community and social services		147	1,259	15	17,847	10,979			16	1,501	281
Sport and recreation		13	49	91	2,231	1,751			1,752	1,396	720

Public safety	20	2		2,594	2,594			11,545	13,637	14,893	
Housing		1,500	1,570	75,163	163			160,150	144,740	8,270	
Health											
Economic and environmental services	6,942	6,146	-	3,403	300	-	-	65,788	124,600	111,500	
Planning and development	1			150	150			7,265	5,500	4,000	
Road transport	6,941	6,146		3,253	150			58,523	119,100	107,500	
Environmental protection											
Trading services	25,258	33,972	18,234	58,987	58,034	-	-	63,742	116,481	129,816	
Electricity	6,078	15,425	2,366	16,366	17,532			25,921	43,604	38,440	
Water	6,642	8,131	1,818	20,154	10,927			11,581	21,392	39,878	
Waste water management	11,973	10,411	12,609	7,764	15,517			7,603	11,290	4,500	
Waste management	564	4	1,442	4,107	3,307			4,277	29,035	35,998	
Other		1		10,596	10,751			14,360	11,160	11,000	
Total Capital Expenditure - Standard	3	32,651	43,712	20,519	175,297	85,620	-	-	339,107	419,124	280,593
Funded by:											
National Government		28,297	39,871	16,951	40,835	40,458	20,012		52,696	59,771	52,228
Provincial Government					75,000				160,115	139,600	13,200
District Municipality			1,230						7,917	9,144	9,172
Other transfers and grants											
Transfers recognised - capital	4	28,297	41,101	16,951	115,835	40,458	20,012	-	220,728	208,515	74,600
Public contributions & donations	5				11,350	4,100	4,100		32,400		
Borrowing Internally generated funds	6	3,342		1,442	25,670	25,760			59,200	114,720	109,261
		1,016	2,611	626	22,803	15,302	2,503		41,759	97,938	98,707
Total Capital Funding	7	32,655	43,712	19,019	175,658	85,620	26,615	-	354,087	421,173	282,568

The Capital budget increase by R268 million (313%)

5.4 Other tables

Attached to the report are the following Tables:

Table A1: Budget summary

Table A2: Budgeted Financial Performance (standard classification)

Table A6: Budgeted Financial Position

Table A7: Budgeted Cash Flow

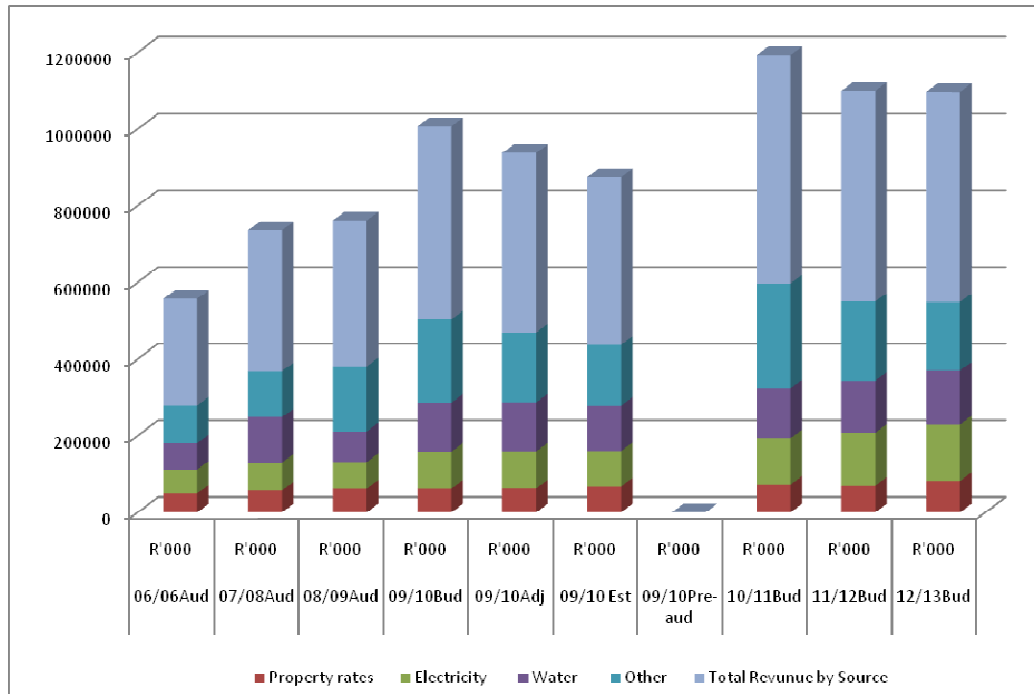
Table A8: Cash backed reserves

Table A9: Asset Management

Table A10: Basic service delivery measurement

6. Budget Related Charts

Chart 1: Revenue by Major source

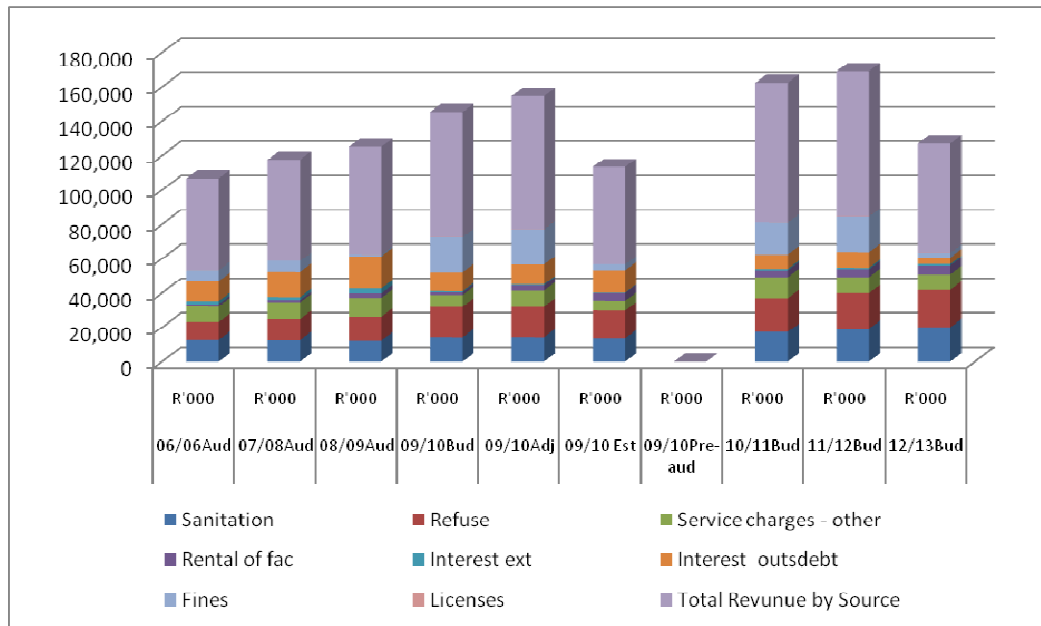


Revenue from own source represent **80.4%** of total revenue in 2010/2011 decrease slightly to **80.4%** in 2011/12. This indicates that the municipality relies more on its own sources for revenue than on government grants.

Water remains a major source of revenue for the municipality at an average of 29% over the medium term.

Electricity revenue contribute on average 29% of own revenue of the medium term period.

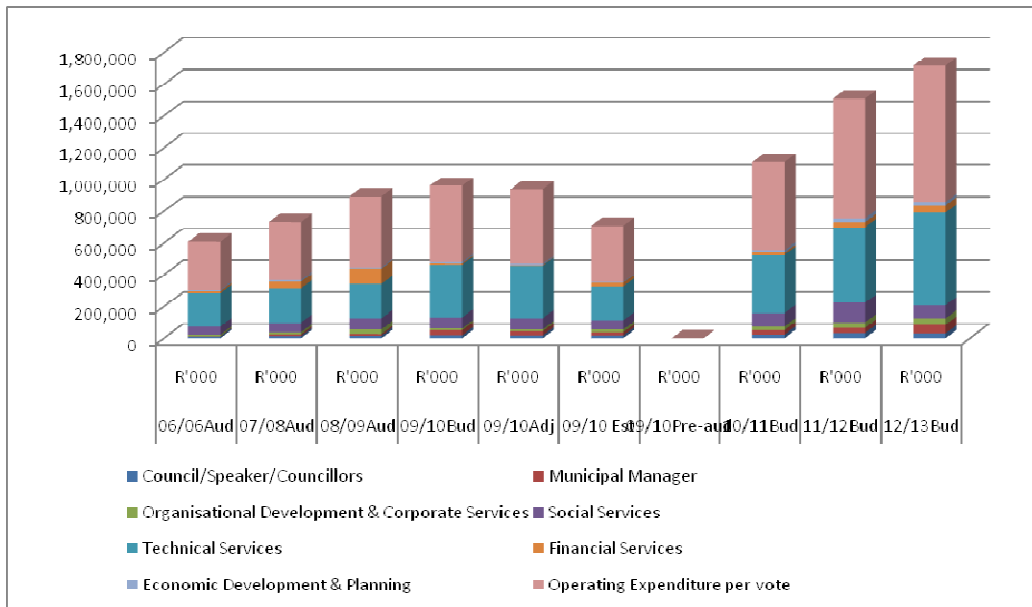
Chart 2: Revenue by Minor Source



Revenue from sanitation and refuse tariffs represents on average 6.22% of total revenue and could also be investigated as part of a revenue enhancement strategy.

Interest earned on outstanding debtors decreases from R8.5 million in 2010/11 to R3.8 million in 2012/13.

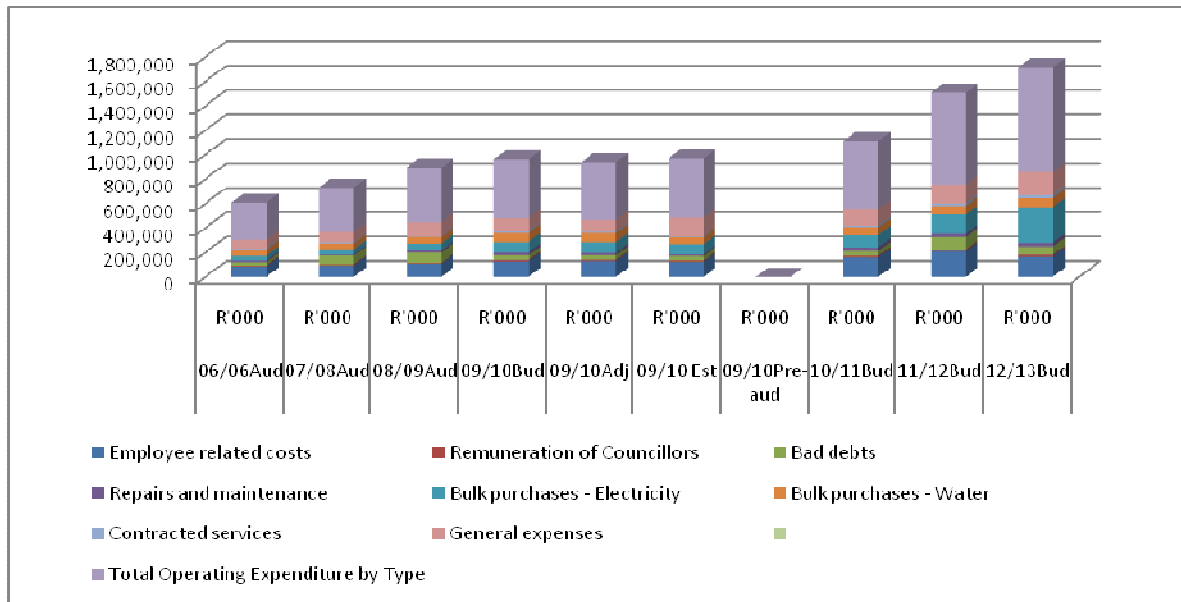
Revenue from fines decreases with from R20.6 million in 2009/10 to R18,6 million in 2010/11

Chart 3: Operating Expenditure by Vote

Operating expenditure relating to the Technical Services (Electricity, Water, Sanitation and Roads) is the biggest component at 66% in 2010/2011 and then increase to 68% in 2012/2013.

Social Services, which includes Refuse Removal is the second biggest component at R83.9 (15%) in 2010/2011 increasing to R124 366 million (16.5%) in 2011/2012

Expenditure relating to Councillors, which includes the Offices of the Mayor and Speaker and Council (General) accounts for R22.5 million in 2010/2011 or 4% of total expenditure; is increasing to R30.3 million or 3.5% of total operating expenditure in 2012/2013.

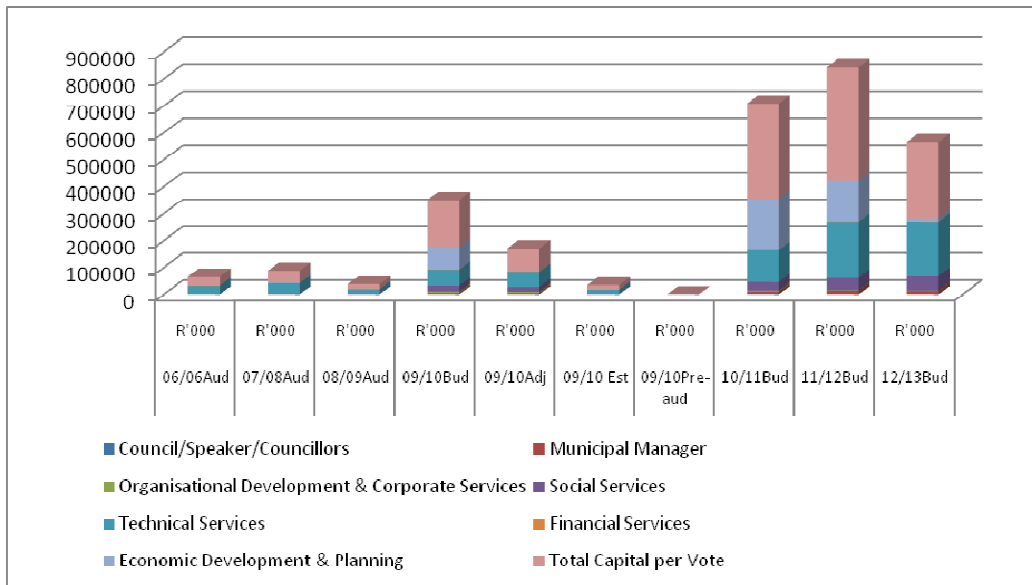
Chart 4: Operating Expenditure by Major Type

Employee related costs constitute 28, 9% of total operating expenditure in 2010/2011 decreasing to 19,5% in 2012/2013

Remuneration of Councillors increases from R10.7 million in 2010/2011 to R13 million in 2012/2013

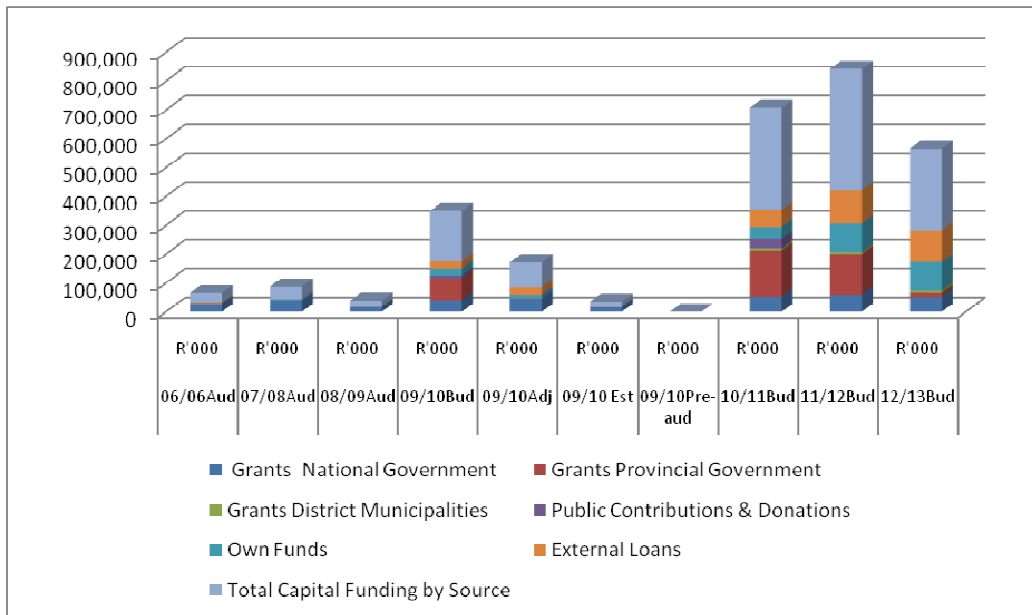
Bulk purchases of electricity amounts to R98,8 million in 2010/2011 increasing to R290,6(194%) million in 2012/13, whilst water purchases increase from R66,1 million to R77.1 million (16,6%) over the same period.

General expenditure amount to **R134** million in 2010/2011 increasing to **R189** million in 2012/2013

Chart 5: Capital Expenditure by Vote

The biggest single portion of capital expenditure is allocated to Technical Services which amounts to **R117.9** million in 2010/2011 increasing to **R201 318** million in 2012/2013

It is projected that capital expenditure will decrease over the next three years. This mainly due to delays in confirmation of funding from external sources (province and district) inadequate planning by departments of their capital projects over the medium term. This issue is continuously being addressed as part of the municipality's budget reform programme. However, the two outer years will be populated with projects during the 2010/2011 budget and IDP process.

Chart 6: Capital Expenditure Funding

The graph indicates that the municipality is reliant for funding from government grants and subsidies to sustain its capital investment and infrastructure delivery programme.

Government grants and subsidies from the National and Provincial spheres, as well as District Municipality, constitute 62.3% of the total capital funding in 2010/2011.

Loans constitute 16.7% of the total capital funding and must be financed via tariff increase.

Provision must be made in operating budget for internal funding of capital.

7. Budget Process Overview

MFMA, Chapter 4, as well as Circular **51** provide guidance on the steps in the annual budget process. Critical to the development of a credible budget are: the manner in which the strategic planning process is integrated; the input of policy directions; and consultation with the community and other stakeholders, as summarised below:

- Political oversight and management of the budget process
 - Time schedule relating to the budget process
 - Process used to integrate the review of the IDP and preparation of the budget
 - Process for tabling of budget and community consultations
- **Political oversight of the budget process**

The Council and Senior Management convened various planning sessions from December 2008 to discuss political and strategic priorities that would inform the IDP review and Budget preparation processes.

In regard to budget committees, the Portfolio Head for Finance, assisted by the various portfolio committees/heads and Mayoral Committee provided a political oversight role over the IDP review and Budget preparation processes.

Informal meetings were also convened to discuss issues pertinent to the budget and to solicit views from councillors on such matters.

The Municipal Manager and Directors provided inputs into the process at various management meetings.

Various public participation meetings with residents and ward committees on the annual revisions to IDP were held during the period October 2009 to November 2009.

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

The following time schedule of key deadlines for the preparation of the budget for the 2010/2011 medium term period was tabled in Council in August 2009 and was approved by council accordingly.

TIME TABLE FOR BUDGET PROCESS : 2010/2011

Sept. 2009	Consultation with Wards, should consider the IDP - Operating / Capital programs for three years	Ward Councillors
5-9 Oct 2009	Directors to discuss input with Portfolio and submit inputs to F/S – discuss submissions	MMC's and Directors
14 October 2009	All directors submit feedback to Finance	Directors
29 October 2009	IDP review finalized	IDP Manager
2-6 November 09	Discussion Capital Budget (Meetings)	Per Directorate
2 November 2009	Director Organizational Development and Corporate Services / Director Economic Development and Planning	
3 November 2009	Executive Mayor	
4 November 2009	Municipal Manager (IDP, Security, Audit, PMU, SCM)	
5 November 2009	Director Technical Services	
6 November 2009	Director Social Services	
13 November 2009	Management meeting	Snr Management
16 – 20 Nov. 2009	All Portfolio Committee meetings Capital Budget; Proposed tariff increase	MMC' s and Directors
22 November 2009	Directors submit feedback on Portfolio meetings, to Finance	Directors
26 November 2009	Informal meeting: Tariffs ; Capital Budget (District Council, Provincial Government included)	Councillors Directors
4 December 2009	- Operating Expenditure (2009/2010) Salary Budget - Three year Operating Budget – Submitted to F/S	Directors Directors
12 – 16 January 09	Discussions with Directors	Per Directorate
12 January 2010	Director Organizational Development and Corporate Services / Director Economic Development and Planning	

13 January 2010	Executive Mayor	
14 January 2010	Municipal Manager (IDP, Security, Audit, PMU, SCM)	
15 January 2010	Director Technical Services	
16 January 2010	Director Social Services	
27 January 2010	Operating Budget Discussion (Meeting)	Snr Management
1-5 February 2010	All Portfolio Committee meetings	MMC's
9 February 2010	All directors submit feedback on Portfolio meetings, to Finance	Directors
18 February 2010	Informal meeting Operating Budget (included DC, Provincial Government)	Councillors Directors
25 February 2010	Budget meeting - Management	Directors
1-5 March 2010	All Portfolio Committee meetings	MMC's
9 March 2010	All directors submit feedback on Portfolio meetings, to Finance	Directors
19 March 2010	Informal meeting: - Capital - Operating - Tariffs	Councillors Directors
26 March 2010	Informal meeting – Capital, Operating, Tariffs	Councillors
31 March 2010	Formal meeting - Table proposed Budget	Councillors
1 April 2010	- Report back to Wards	Councillors & Wards
3 April 2010	- Budget available to public for comments	
3 April 2010	- Submit budget to: National Treasury Provincial Government DC	CFO
10 May 2010	Mayor respond to submissions	Mayor
14 May 2010 and 21 May 2010	Informal Council : Budget	Councillors Directors
28 May 2010	Council meeting - Approval of Budget	Councillors Directors

Communication with municipal departments regarding budget preparation guidelines were communicated at budget meetings with directors and line managers. This was further augmented with formal memoranda from the chief financial officer to departments as indicated in the table below.

Meetings		Memoranda	
9 October 2009	Budget and Loss Control (Adjust dates to accommodate IDP)	13 Oct 2009 26 Jan.2010 28Jan.2010 11 Feb.2010	Capital budget guidelines
15 Feb. 2010	Budget and Loss Control Meeting		
17-19 February 2010	Bilateral with Directors		
4-5 March 2010	Bilateral with Directors		
8 March 2010	Budget and Loss Control Meeting		
18 March 2010	Bilateral with Directors and MM		
25 March 2010	Bilateral with Directors and MM and Mayco		
15 Feb. 2010	Budget and Loss Control	26 Nov 2009 28 Jan. 2010 11 Feb.2010	Staff budget guidelines
17-19 Feb.2010	Directors/Managers Bilateral		
4-5 March 2010	Bilateral with Directors		
8 March 2010	Budget and Loss Control Meeting		
18 March 2010	Bilateral with Directors and MM		
25 March 2010	Bilateral with Directors and MM and Mayco		
15 Feb.2010	Budget and Loss	26 Nov.2009	Operating budget

17-19 Feb. 2010	Control Directors/ Management Bilateral	28 Jan.2010 11 Feb 2010	guidelines
4-5 March 2010	Bilateral with Directors		
8 March 2010	Budget and Loss Control Meeting		
18 March 2010	Bilateral with Directors and MM		
25 March 2010	Bilateral with Directors and MM and Mayco		

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

The IDP Steering Committee consisting of key political office bearers and senior management ensured that issues relating to the IDP and budget preparation are managed and dealt through an integrated and holistic approach.

All IDP related matters having an impact on resource allocations and the budget in general are therefore handled more appropriately by the Steering Committee.

- **Process for tabling of budget and community consultations**

In terms of section 16(2) of the MFMA, the mayor must table the annual budget at least 90 days before the start of the budget year.

The following table provides a clear illustration of the types of consultations, stakeholders involved, dates on which the various consultations took place and the respective venues.



P O Box 60
SASOLBURG
1947

DRAFT BUDGET AND IDP : PUBLIC MEETINGS

Notice is hereby given in terms of Section 16 read with Section 17 of the Local Government Municipal Systems Act, 2000 (Act 32 of 2000) and Section 22 and 23 of the Local Government: Municipal Finance Management Act, (Act No. 56 of 2003) that the Metsimaholo Local Municipality invites members of the public and stakeholders to participate in the Public meetings as indicated below for the 2010/2011 Draft Budget.

Ward	Name	Date	Venue	Time
Ward 1 Ward 2 Ward 7	Clr S I Ramathesele Clr N M Mafika Clr M R Raboroko	5/05/10	Lehutso School, Zamdela	17:00
Ward 8 Ward 9	Clr L S Semonyo Clr D E Mokoena	4/05/10	Arts and Culture, Zamdela	17:00
Ward 4 Ward 3	Clr M I Mashinini Clr T L Soetsang	3/05/10	Refengkgotso Hall	17:00
Ward 5	Clr A N Radebe	22/04/10	Metsimaholo Hall	17:00
Ward 5	Clr A N Radebe	29/04/10	Oranjeville Primêre Skoolsaal	18:00
Deneysville Ward 5	Clr A N Radebe	28/04/10	Deneysville Primary School	17:00
Ward 10	Clr L S Lempe	21/04/10	Iketsetseng School	17:00
Ward 6 Ward 13	Clr M M Mtimkulu Clr J M Lelahla	20/04/10	Credo School, Zamdela	17:00
Ward 12 Ward 11	Clr M W Khonto Clr T Mabasa	19/04/10	Boiketlong Hall, Zamdela	17:00
Ward 14 Ward 18	Clr F C Coetzer Clr R J Mabefu Farmers	15/04/10	Vaalpark Primary School	18:00
Ward 15 Ward 16 Ward 17 Farmers	Clr J J Grobbelaar Vacant Clr M C van der Walt All Councillors	13/04/10	Etienne Rousseau Theatre	18:00
Businesses/ Industries	All Councillors	13/04/10	Etienne Rousseau Theatre	07:00

Summary of Community Priority Issues

The Executive Mayor considered the key issues raised where possible.

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

Free State Growth and Development Strategy

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

In the case of the Metsimaholo Local Municipality the most important (although not the only) directives in this regard are the National Spatial Development Perspective (NSDP), Free State Growth and Development Strategy (PGDS) and the Integrated Development Plan of the Fezile Dabi District Municipality.

The PGDS (2007-2014) is the strategic framework for the Free State Provincial Government that sets the tone and pace for growth and development in the province. It addresses the key and most fundamental issues of development spanning the social, economic and the political environment.

The PGDS is considered a strategic document in as far as it ties provincial policies with national policies while it spells out strategies on a sectoral level. Moreover, the PGDS also serves as guideline to provincial departments and local government/organisations when they lay out their budget allocations in the light of key growth and development priorities at

the beginning of each budgeting cycle. It is thus essential that the issues and programmes emanating from IDPs be compatible with the priority areas of the PGDS.

Free State Province identified several priority areas of intervention as part of the Provincial Growth and Development Strategy, namely:

- Economic Growth, Development and Employment
- Justice and Crime Prevention
- Social and Human Development
- Efficient Governance and Administration

Integrated Goals for the Fezile Dabi District are:

- Effective, sustainable accountable governance
- High level financial performance and management
- Efficient and effective service delivery
- Promotion of public participation and awareness
- Strategic economic and social role playing in the District

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

8. Alignment of Budget with IDP

This section provides a good understanding of what is contained in the IDP and how that guides the allocations in the budget. The budget documentation provides a good high-level overview of the IDP and reference is being made to the detailed IDP documentation.

The following information obtained from the IDP is included in the budget document for ease of reference.

VISION
<p>“Metsimaholo Municipality strives to be a leading Municipality in delivering effective, affordable and sustainable quality services to its communities”.</p>

MISSION
<p>We will achieve our vision by:</p> <ul style="list-style-type: none">• Promoting proper planning and implementation of projects and programmes• Setting standards• Being accountable• Communication• Capacity building of staff and communities• Having proper systems and processes• Ensuring a sustainable, affordable and effective service delivery.

MUNICIPAL KEY PERFORMANCE AREAS AND IDP PRIORITY ISSUES

Based on the above, the following are the Key Performance Areas (KPAs) of the Metsimaholo Local Municipality:

KEY PERFORMANCE AREAS
<p>Basic Service Delivery and Infrastructural Investment</p> <p>Municipal Transformation and Intuitional Development</p> <p>Financial Viability and Financial Management</p> <p>Local Economic Development</p> <p>Good Governance and Public Participation</p>

Following from these, and informed by inputs provided by the community during consultation processes, as well as an analysis of technical information pertaining to the area, the following Objectives or Clustered Priority Issues have been identified in the Metsimaholo Municipal Area:

<p>Governance and Administration</p> <ul style="list-style-type: none"> ▪ Monitoring ▪ Governance ▪ Performance Management and Implementation 	<p>Safety and Security</p> <ul style="list-style-type: none"> ▪ National Crime Prevention Strategy ▪ Disaster Management
<p>Economic and Investment</p> <ul style="list-style-type: none"> ▪ Local Economic Development ▪ Poverty Alleviation ▪ Acquisition of Land ▪ Housing ▪ Water Provision ▪ Sanitation Provision ▪ Streets and Storm Water 	<p>Social and Human</p> <ul style="list-style-type: none"> ▪ Improved Level of Health Services ▪ Education ▪ Youth Development ▪ Welfare Service Provision ▪ Culture Enhancement ▪ Safety and Security

- Electricity Provision
- Refuse Removal
- Cemeteries
- Telecommunication
- Public Transport
- Environment
- Land Reform

- Disaster Management
- Gender Equity
- HIV / AIDS

9. Budget Related Policies: Overview and Amendments

The following policies relating to the budget will not be changed:

- Indigent Policy
- Supply Chain Policy
- Budget Policy
- Revenue Enhancement Strategy

The Property Rates Policy on page 20 of the policy will be amended to read as follows: ***“The municipality shall prepare a new valuation roll every 5(five) years and supplementary valuation rolls monthly”***

The Property Rates Policy on page 17 be amended to read as follows:”Sectional titles in town qualifies for a rebate of 7.5 %(seven and a half) percent for the year starting 1 July 2010 and no rebate for sectional titles in town from 1 July 2011.”

The Credit control and Debt collection Policy must be reviewed. The Policy must also be scrutinizes by the legal section.

10. Fiscal Overview and Source of Funding (Tariffs)

Revenue Trends

	Medium Term Revenue and Expenditure Framework					
	2010/2011		2011/2012		2012/2013	
	R'000	%	R'000	%	R'000	%
Own revenue	497 651	83.4	441 648	80.4	445 723	81.3
Government grants	98 929	16.6	107 832	19.6	102 355	18.7
Total revenue	596 580	100	549 480	100	548 078	100

Revenue from own source represent **83.4%** of total revenue in 2010/2011 decrease slightly to **80.4%** in 2011/2012. This indicates that the municipality relies more on its own sources for revenue than on government grants.

Trends in major sources of own revenue

	Medium Term Revenue and Expenditure Framework					
	2010/2011		2011/2012		2012/2013	
	R'000	%	R'000	%	R'000	%
Property rates	72 288	14.5	69 775	15.8	81 806	18.4
Electricity	120 860	24.3	137 797	31.2	146 937	32.9
Water	130 446	26.2	135 427	30.7	140 791	31.6
Sanitation	17 310	3.5	19 286	4.4	20 138	4.5
Refuse removal	19 669	3.9	20 625	4.7	21 725	4.9
Interest	9 400	1.9	10 050	2.3	4 725	1.1
Other	127 678	25.7	48 688	10.9	29 601	6.6
	497 651	100	441 648	100	445 723	100

- Water remains a major source of revenue from services for the municipality at an average of 29.5% over the medium term.
- Property rates income at an average of **16.2%**. Electricity revenue contribute on average **29.5%** of own revenue of the medium term period.

In the preceding financial years revenue from water was negatively affected by billing problems, inconsistent meter readings and high water losses. It is expected that the following interventions already in place will positively address these issues:

- Appointment of a service provider to audit and verify meter information with the billing information.
- The establishment of a task team to focus on consumption and billing by heavy industrial consumers in the municipal area.
- The implementation of the new debt collection and credit control policy
- Implementation of Revenue Enhancement Strategy

It is further expected that the installation of more pre-paid electricity meters will also assist in more effective credit control and debt collection. Currently the number of households with pre-paid meters is 21 064 compared to 4687 households with conventional meters.

Tariff Overview

The municipality has succeeded in most of the services to maintain tariff increases within the growth limits set by National Treasury in line with the inflation target band of the Reserve Bank of between 3 and 6 per cent. However, the average increases include an allowance for growth in consumption levels and corrections in certain tariffs. The average tariff increases are reflected in the table below.

Service	% tariff increase
Property rates	6
Electricity	8-30
Water ¹	8
Sanitation	8
Refuse removal	5-36

Proposed Tariff Increases

The tables below indicate the proposed tariff increases for the main consumer services and sundry services for the 2009/10 financial year.

Assessment Rates

The option to tax private development and agricultural land are in place and enter the third year and will be taxed at 75%. A phasing in period of 2 years remain to get some properties (zoning) on equal tariffs as per regulations issued in December 2007 by DPLG.

Sasolburg/ Zamdela	2009/10	Proposed 2010/2011
Heavy Industries	0.0270	0.02862
Light Industries	0.0270	0.02862
Businesses	0.0108	0.01145
State property	0.0108	0.01145
Domestic and other – Sasolburg	0.0054	0.00572
- Zamdela	0.0054	0.00572
Deneysville/Refenggotso/ Phomolong		
Residential	0.0054	0.00572
Businesses	0.0108	0.01145
Churches	0	0
State Property	0.0108	0.01145
Refenggotso	0.0054	0.00572
Oranjeville/Metsimaholo		
Residential	0.0054	0.00572
Businesses	0.0108	0.01145
Metsimaholo : Residential	0.0054	0.00572
Metsimaholo: Businesses	0.0108	0.01145
State Property	0.0108	0.01145
<u>Farmland:</u>		
Residential	0.00136	0.00215
Businesses	0.0027	0.00429
Industries	0.0067	0.010733
Private owned towns, Body Corporate, Sectional Titles		
Mining	0.00136	0.00215
	0.0067	0.010733
Agricultural		
	0.00067	0.001073
Unregistered Erven		
	Municipal services charges equal to category of property	

The amount allocated to approve indigents for Assessment Rates is to a **maximum of R50.00 per month. For budget purposes the assumption was made that there will be 12 000 approved indigents be registered.** Additional income at 6% tariff increase of assessment rates represents R3 306 069 per annum.

Electricity

Approval must be obtained from NER for the increase between 8% and 30% in fees/tariff to finance the ring fencing of the service.

Basic Service charges for Electricity

	2009/2010	2010/2011
Sasolburg/Zamdela/Deneysville/ Oranjeville		
Schools, Churches, Halls, etc.	R96.00	R123.74
Businesses, Offices, Hotels, clubs, etc.	R96.00	R123.74
Businesses Zamdela:		
Single phase	R96.00	R123.74
Three phase	R96.00	R123.74
Four meters	R185.00	R238.47
Businesses: Deneysville/Refengkgotso Phomolong	R96.00	R123.74
Businesses : Oranjeville/Metsimaholo	R96.00	R123.74
Bulk Supply	R185.50	R 238.47

Free basic electricity of 50kWh will be given to all residents (25 000 households). An amount of R9.9m is allocated in order to make it possible. Eskom must be informed accordingly.

The current tariffs can be implemented after approval from NER is as follows:

Tariff	2009/2010	2010/2011
Domestic	R0,6632/kWh	R0.7965/kwh
Schools, Churches	R0,6125/kWh	R0.7965/kwh
Businesses	R0,6125/kWh	R0.7965/kwh
Bulk	R0,3058/kWh	R0.3533/kwh
KVA	R87,75/Kva	R95.00
kW	R95.11	R102.97

All tariff increases by Eskom will result in an equal increase of tariffs payable by electricity consumers in Metsimaholo area.

The tariff increase will result in R20 947 000 additional income. Tariff increase not yet included in revenue.

Water

Basic charges for others than households will increase:

	2009/2010	2010/2011
	R	R
Sasolburg/Zamdela		
Churches	17,93	19,36
Businesses	71,01	76,69
Light Industries	92,00	99,36
Heavy Industries	8% on 2008/09 tariff	8% on 2009/10 tariff
Deneysville		
Businesses	71,01	76,69
Oranjeville		
Co-operatives	726,30	784,41
Businesses	71,01	76,69

6kl free water will be given to all households. This will be financed from the Equitable Share. A further amount is allocated from equitable share to finance additional 4kl of water to approved indigents. An approved indigent will receive 10kl of water free. Total amount of R25.2 million is allocated from Equitable Share. 8 % increase represents R10 941 450 per annum.

Water consumption tariff

	2009/2010/	2010/2011
<i>Sasolburg/Zamdela/Deneysville/ Refenggotso/Phomolong</i>		
Domestic	R9,55/kl	R10,32/kl
Schools	R9,55/kl	R10,32/kl
State property (excl. residential properties)	R8,97/kl	R9,69/kl
Businesses	R8,97/kl	R9,69/kl
Light Industries	R8,97/kl	R9,69/kl
Heavy Industries	R10,21/kl (including levy for ring feed)	R11,03/kl
Oranjeville/Metsimaholo	R6,48/kl	R7,00/kl
Oranjeville Businesses	R6,66/kl	R7,20/kl

Guest houses are operated as businesses and are levied as businesses.

Sewerage Service

A tariff increase of 8% is proposed.

The basic charges of sewer for residents (households) will be subsidised by Council. An amount of R1 517 800 is allocated from Equitable Share for this purpose. A further amount of R6 208 200 is allocated from Equitable Share for additional sewer to all approved indigents. 8% increase represents R765 974 additional income per year.

Tariffs

Sasolburg	2009/2010	Proposed 2010/2011
Domestic - Basic	Free. (R6,92)	Free. (R7,48)
Heavy Industries Businesses	Actual cost by SCI plus 35%	Actual cost by SCI plus 35%
Additional		
(a) Sasolburg sewer	R56,16	R60,66
(b) Zamdela sewer	R56,16	R60,66
(c) Business sewer	R59,08	R63,81
(d) Flats	R4,18	R 4,52
	R56,16	R60,66
(e) 2 nd Dwelling Sasolburg	R56,16 + R56,16	R60,66+R60,66
(f) 2 nd Dwelling Vaalpark	R56,16 + R56,16	R60,66+R60,66
(g) Industries sewer	R59,08	R63,81
(h) Day schools	R19,23	R20,77
(i) Creches	R19,23	R20,77
(j) Flats sewer	R56,16	R60,66
(k) Add units flats	R33,05	R35,70
Oranjeville/Metsimaholo		
Suction tank per service	R140,00	R 315.79
<i>Basic sewer</i>		
Oranjeville Domestic	Free	Free
Metsimaholo Domestic	Free	Free
Businesses	R56,16	R60,66
<i>Additional sewer</i>		
Water borne sewer Oranjeville	R35,70	R38,56
Water borne sewer Metsimaholo	R16,96	R18,32
Deneysville		
Suction tank per service	R140,00	R 315.79
<i>Basic sewer</i>		
Deneysville Domestic	-	
Refengkgotso/Phomolong:		
Domestic	-	
Businesses	R56,16	R60,66

Water borne sewer Refenggotso/Phomolong Bucket services system	R35,70 R16,96	R38,56 R18,32
Rural areas: Suction Tank Services Areas that is not included in the disestablished towns (No Rates Payable)		
Normal working hours	R1 000.00/Service	R1 080.00/Service
After hours	R2 000.00/Service	R2 160.00/Service
Areas with discounted rates:		
Normal working hours	R1 000.00/Service	R1 080.00/Service
After hours	R2 000.00/Service	R2 160.00/Service

Guest houses are levied with business tariffs.

Cleansing Services

In order to economise the service it must be considered that the same tariff be charged where there is a service once a week.

All residents in all areas receive a service once a week. Therefore the tariff must be uniformed.

An average increase of between 5-36% is proposed. The tariff increase represent R1 550 313 additional income for the year.

Sasolburg	R 2009/2010	R 2010/2011
Dwellings/Single flats	69,12	72.58
Joint flats (one service point)	54,00	72.58
Businesses and Schools	128,81	135.25
Dumping ground:		
Industries and Contractors	60,00	63.00
Churches	69.12	72.58
Zamdela		
<i>Formal areas:</i>		
Dwellings	60,00	68,00
Flats (Tswelopele)	60,00	68,00
Businesses	90,00	94.50
Churches	60,00	68,00
Private Hostels	60,00	68,00
<i>Informal areas:</i>		
Dwellings	60,00	68.00
Informal settlement	60,00	68.00
Deneysville/Refenggotso/Phomolong		
<i>Domestic:</i>		
Deneysville	69,12	72.58
Refenggotso	50,00	68.00
<i>Businesses</i>	128,81	135.25
<i>Churches</i>	69.12	72.58
Oranjeville/Metsimaholo		
<i>Domestic:</i>		
Oranjeville	65,00	72.58
Metsimaholo	50,00	65.00
<i>Businesses</i>	90,00	115.00
<i>Churches</i>	69.12	72.58
All areas		
Approved indigents	FREE	

Guest houses operate as businesses and are levied as businesses.
An amount of R8.6 million is allocated from equitable share for the refuse service to approved indigents.

Sundry Tariffs

That the following miscellaneous tariffs (VAT excluded) be implemented from 1 July 2010.

Financial Services

	2009/2010/	2010/2011
New Consumers who moved into municipal area		
Connection fee per meter:		
- Water	R100,00	R110.00
- Electricity	R100,00	R110.00
Delivery of warning notices	R100,00	R120.00
Non-payment fees for defaulters		
- Normal reconnection fee	R200,00	R250.00
- After hours reconnection fee (additional)	R150,00	R160.00
- Reduce water supply	R180,00	R250.00
- Cut electric cable	R180,00	R250.00
- Remove electric cable	R500,00	R550.00
- Replace electric cable	R500,00	R550.00
- Final Notice Fee	R50,00	R55.00
- Dishonoured Cheques R/D	R100,00	R250.00
Illegal Connection		
Household (Water or Electricity)	R15 000,00	
Business	R30 000,00	
Illegal connection after disconnection		R3 000
Tampering(loss of units calculated for 1 year average)		To be determined
Bypass of meters(per meter)		R15 000
Clearances and Valuation		
Clearance certificates		
Normal collection	R150,00	R160,00
Registered mail	R150,00	R160,00
Valuation Roll per Town (Residential Area) or part thereof	R200,00	R220,00
Valuation electronic format	R100,00	R150.00
Valuation Objection Fee	R100,00	R200.00
Valuation Certificate	R80,00	R90.00
Address list per 500 pages or part thereof	R300,00	R400.00
Search Fees	R40,00	R45.00
Other Fees		
Testing of electricity/water meters	R220,00	R250.00
Replacement of padlock	R100,00	R150.00
Duplicate Accounts	R5,00	R6.00
Duplicate tenant's Accounts send to owners	R10,00	R12.00
Duplicate IRP 5	R5,00	R10.00
Fee for block/unblock of Prepaid electricity meters	R60,00	R65,00
Replacement of prepaid card	R40,00	R45,00
Refuse bags	Cost + 10%	Cost + 10%
Selling of wood (= LDV load)	R75.00	R90.00
Cutting of trees (per tree)	R800	R850.00

Deposits

	2009/2010	2010/2011
Flats/Town houses		
Owners/Tenants (without pre-paid meters)	R800,00	R2 500.00
Owners/Tenants (with pre-paid meter)	R1 200,00	R1 500.00
Where body corporate pay other services	0	
Houses		
(with pre-paid meters) Owners	R1 500,00	R1 750.00
(with pre-paid meters) Tenants	R1 500,00	R1 750.00
Owners (without pre-paid meters)	R3 000,00	R3 500.00
Tenants (without pre-paid meters)	R3 000,00	R3 500.00
Businesses		
<i>Civic Centre</i>		
(with pre-paid meters) Owners	R1 000,00	R1 500.00
(without pre-paid meters) Tenants based on twice monthly consumption based on the type of business	R2 000,00 min	R2 500.00 min.
<i>Light Industries</i>		
(with pre-paid meters) Owners based on twice monthly consumption based on the type of business	To be determined	To be determined
<i>Heavy Industries</i>		
based on twice monthly consumption based on the type of business	To be determined	To be determined
Government		Same as businesses

Water and Sewer connection tariffs increases

Connections to be done	2009/2010	2010/2011
Water		
15mm - 3m max	R 1 254.38	R 1 379.83
20mm - 3m max	R 1 473.68	R 1 621.06
80/20 COMBO meter	R 17 543.86	R 19 298.25
50/20 COMBO meter	R 13 684.21	R 15 052.64
40 mm	R 8 464.91	R 9 311.41
Additional for road crossing 40mm 80/20	R 9 630.00	R 10 110.00
Additional for road crossing 50/20	R 15 600.00	R 16 380.00
All other to be calculated independently (longer than 3m and larger meters)		
Water and Sewer road crossings	R6 578.94	

Electricity		
New single phase connection	R 3 614.04	R 3 794 .75
Upgrading from 60 – 80 ampere	R 4 035.09	R 2 236.85
New three phase connection up to design load	R 2 192.99	R 2 302 .64
New three phase connection larger than design load	R 694.32	R 729.04
Single phase prepaid meter	R 719.30	R 755.27
Three phase prepaid meter	R1 666.67	R1 750.00
Moving of connection	R 850.88	R 893.43
New ready board and keypad	R1 517.55	R1 593.43
Replacement of cable	R 850.88	R 893.43
Repair of cable (damaged by owner)	R 377.20	R 396.06
Temporary connection if service is available	R 578.95	R 607.90
Three phase (town houses)	R1 043.86	R1096.06
Testing of kWh meter	R 315.79	R 331.58
Testing of prepaid meter	R 201.76	R 211.85
Moving kWh meter from house to stand boundary	R 719.30	R 755.27
Damaged keypad prepaid meter	R 526.32	R 552.64
Prepaid meter and relay	R1 447.37	R1 519.74
Ripple relay	R 692.99	R 727.64
Electrical installation test (1'st free)	R 219.30	R 230.27
	R1 445.06	R1 517.32
	R 684.98	R 719.23
	R 250.00	R 262.50
Sewer		
100mm - 3m max	R 2 877.19	R 3164.92
All other to be calculated independently (longer than 3m and larger pipe diameters)		
Relocating Water meters (labour only)	R 701.75	R 771.93

Printing price list - Technical Services

	2009/2010	2010/2011
PAPER		
A0	R 35.31	R 35.09
A1	R 17.65	R 18.42
A2	R 10.09	R 10.53
A3	R 3.04	R 3.50
A4	R 1.52	R 1.75
<u>Durester</u>		
A0	R120.05	R 127.19
A1	R 60.52	R 63.16
A2	R 33.80	R 35.09
A3	R 17.65	R 18.42
A4	R 9.58	R 10.53

<u>Film</u>		
A0	R 87.26	R 92.10
A1	R 57.50	R 61.40
A2	R 30.76	R 31.58
A3	R 15.13	R 15.79
A4		R 8.77

Social Services

(a)	D P de Villiers Stadium	2009/2010	2010/2011
	Rental of halls		
	Stadium Hall		
	Resident : meetings	R150 per hour	R180 per hour
	Non-Resident : meetings	R300 per hour	R360 per hour
	Functions	R400,00	R480,00
	Churches and schools	half price	half price
	Club complex Hall		
	Resident : meetings	R 50,00/ hour	R 60,00/ hour
	Non-Resident : meetings	R100,00/hour	R120,00/hour
	Functions	R200,00	R240,00
	Churches and schools	half price	half price
	Athletics		
	Schools sport meeting		
	Morning session 07:00 - 13:00	R660,00	R790,00
	Afternoon session 13:00 - 19:00	R660,00	R790,00
	Lights to switch on first 2 hours	R300,00	R360,00
	Then per half hour	R80,00	R95,00
	Non Residents (Free State)		
	Morning session 07:00 - 13:00	R825,00	R990,00
	Afternoon session 13:00 - 19:00	R825,00	R990,00
	Lights to switch on first 2 hours	R300,00	R360,00
	Then per half hour	R 80,00	R 95,00
	Schools in Gauteng		
	Morning session 07:00 - 13:00	R1 100,00	R1 320,00
	Afternoon session 13:00 - 19:00	R1 100,00	R1 320,00
	Lights to switch on first 2 hours	R300,00	R360,00
	Then per half hour	R80,00	R95,00
	Provincial Meetings		
	Morning session 07:00 - 13:00	R1 650,00	R1 700,00
	Afternoon session 13:00 - 19:00	R1 650,00	R1 700,00
	Lights to switch on first 2 hours	R300,00	R360,00
	Then per half hour	R 80,00	R 95,00

National Meetings		
Morning session 07:00 - 13:00	R2 200.00	R2 640.00
Afternoon session 13:00 - 19:00	R2 200.00	R2 640.00
Lights to switch on first 2 hours	R300.00	R360.00
Rental of Electronic Timing Equipment		
Electronic Timing Equipment per session	R600,00	R720,00
Training sessions		
<u>Pre-determined practice periods</u> Training at the stadium will only be allowed after payment of R250,00 per annum as well as purchase of proxy card at R37,00 per athlete training. Cards will only be sold to contributing schools/clubs/instances. Purchase card at R37.00 for student and other person.		
School Rugby, School league all rugby fields as available.	R200,00	R240,00
	R300,00	R360,00
Resident per session/season	R1 000.00	R1 200.00
Non-resident per session/season	Per day	Per day
Provincial Games	R300,00	R360,00
	R80,00	R95,00
Lights to switch on first 2 hours		
Then per half hour	R2 000.00	R2 400.00
National and International Games	R200,00	R240,00
Soccer meetings (outside stadium)	R300,00	R360,00
Resident per session/season		
Non-resident per session/season	R550,00	R660,00

		R550,00	R660,00
	Soccer meetings (inside stadium)	R300,00	R360,00
		R80,00	R95,00
	Morning session 07:00 - 13:00		
	Afternoon session 13:00 - 19:00		
	Lights to switch on first 2 hours	R600,00 p day	R720,00 p day
	Then per half hour	R200,00 pday	R240,00 pday
		R500,00 p day	R600,00 p day
	Cross Country	R200,00	R240,00
	A Field	R300,00	R360,00
	Outside Field		
	Stadium Hall		
	Dog show		
	Resident per session		
	Non-resident per session		
(b)	Sasolburg show ground		
	Cricket pitch (Not maintained)		
	Halls (Rented out by agreement)		
(c)	Sports facilities		
	Penny Heyns :		
	Adults: Season tickets	R130,00	R141,00
	: Day tickets	R 13,00	R 14,00
	Children : Season tickets	R 65,00	R 68,00
	: Day tickets	R 6,50	R 6,80
	School Galas		
	Morning session 07:00 - 13:00	R300,00	R315,00
	Afternoon session 13:00 - 19:00	R300,00	R315,00
	Lights to switch on first 2 hours	R300,00	R315,00
	Then per half hour	R80,00	R84,00
	Clubs/ Social clubs		
	Occasion	R800,00 without touch pad	R840,00 without touch pad
	Training sessions		
	Pre-determined practice periods	Training at the swimming pool will only be allowed after payment of R300 per annum as well as purchase of seasonal tickets per swimmers	Training at the swimming pool will only be allowed after payment of R315 per annum as well as purchase of seasonal tickets

	training	per swimmers training
Zamdela Swimming Pool		
: Adults : Season tickets	R70,00	R73.50
: Day tickets	R 7,00	R 7,35
: Children : Season tickets	R 40,00	R 42,00
: Day tickets	R 5.00	R 5.25
School Galas		
Morning session 07:00 - 13:00	R200,00	R210,00
Afternoon session 13:00 - 19:00	R200,00	R210,00
Lights to switch on first 2 hours	R300,00	R315,00
Then per half hour	R80,00	R84,00
Clubs/ Social clubs		
Occasion	R800,00 without touch pad	R840,00 without touch pad
Training sessions		
Pre-determined practice periods	Training at the swimming pool will only be allowed after payment of R300 per annum as well as purchase of seasonal tickets per swimmers training	Training at the swimming pool will only be allowed after payment of R300 per annum as well as purchase of seasonal tickets per swimmers training
(d) Cemeteries		
Zamdela : Adult : Resident	R250.00	R270.00
: Non Resident	R1 000.00	R1 100.00
Children : Resident	R200.00	R210.00
: Non resident	R800.00	R840.00
Deneysville:		
Refenggotso / Metsimaholo :		
: Adults : Resident	R250.00	R270.00
: Non	R1 000.00	R1 100.00
Resident		
: Children :Resident	R200.00	R240.00
: :Non	R800.00	R840.00
Resident		
Sasolburg:		
: Adults : Resident	R750.00	R790.00

	Resident : Non	R2 970,00	R3120,00
	: Children : Resident	R495,00	R520,00
	: Non	R2 070,00	R2 170,00
	Resident		
	Oranjeville:		
	: Adults : Residents	R250,00	R270,00
	: Non	R1 000,00	R1 200,00
	Residents		
	: Children : Residents	R200,00	R240,00
	: Non	R800,00	R840,00
	Residents		
	<u>Indigents</u>		
	Approved as per Metsimaholo Local Municipality policy	Free	Free
	<u>Urns in Walls of Remembrance</u> Residents	R 600,00	R 630,00
	Non Residents	R2 475,00	R2 600,00
	Placing of urn in existing grave:		
	Residents	R150,00	R160,00
	Non Residents	R165,00	R170,00
	<u>Stack Burials:</u>		
	Two coffins in one grave	Double price of one	R1 580,00
(e)	Halls		
	Zamdela/Refengkgotso/ Metsimaholo		
	Church Service and meetings		
	Morning session 07:00 - 13:00	R300,00	R360,00
	Afternoon session 13:00 - 19:00	R300,00	R360,00
	Extra hour	R100,00	R120,00
	Kitchen use	R100,00	R120,00
	Music/Jazz and others		
	Morning session 07:00 - 13:00	R550,00	R660,00
	Afternoon session 13:00 - 19:00	R550,00	R660,00
	Extra hour	R150,00	R180,00
	Kitchen use	R150,00	R180,00
	Funeral service and memorial service		
	Morning session 07:00 - 13:00	R250,00	R300,00
	Afternoon session 13:00 - 19:00	R250,00	R300,00
	Extra hour	R100,00	R120,00
	Kitchen use	R100,00	R120,00

Political meetings		
Morning session 07:00 - 13:00	R100,00	R120,00
Afternoon session 13:00 - 19:00	R100,00	R120,00
Extra hour	R50,00	R60,00
Kitchen use	R50,00	R60,00
Season 2 meetings per month	R300,00	R360,00
Government structures		
Morning session 07:00 - 13:00	R200,00	R200,00
Afternoon session 13:00 - 19:00	R200,00	R200,00
Extra hour	R50,00	R50,00
Kitchen use	R50,00	R50,00
Welfare	R300,00	R360,00
Deposit		
Music/Jazz and others	R1 000,00	R1 200,00
All other	R200,00	R240,00

(f)	Etienne Rousseau Theatre	2009/2010	2010/2011	PERIOD COVERED
	Promotion of the Arts (use of theatre for music, dance or drama) Hire of theatre by artist / group for show.	R2 500.00	R2 625.00	Per day (until 1 hour after show ends)
	For matinee	R500.00	R525.00	Same day
	Hire of theatre by local educational institution or church or charity for presentation of a show. For additional matinee.	R800.00	R1 000.00	Per day (until 1 hour after show ends)
	Hire of theatre by educational Institution or charity for an event such as a prize giving or pageant	R300.00 R1 000.00	R400.00 R1 250.00	Per day (until 1 hour after show ends)
	Hire of foyer for art exhibitions	R600.00	R850.00	Per day
	Hire of stage only e.g. dance or drama workshops	R500.00	R600.00	Per day
	Hire of foyer for function related to show / event presented in auditorium	R300.00	R500.00	Per day
	Hire of theatre non arts related activities/business Hire of theatre for meeting	R2 500.00	R2 625.00	Per morning (8:00 – 13:00), afternoon (13:00 – 18:00) or evening (17:00 – 22:00)
	Hire of foyer only for meeting or function	R1 000.00	R1 200.00	Per morning

				(8:00 – 13:00), afternoon (13:00 – 18:00) or evening (17:00 – 22:00)
	Other tariffs			
	Commission on all ticket sales	10%	10%	Category 2.3
		12,5%	12,5%	Category 1
	Commission on the sale of articles exhibited	10%	10%	Category 2.3
		12,5%	12,5%	Category 1
	Rehearsals	R50,00	R100,00	Per hour between 8:30 and 16:00
		R70,00	R100,00	Per hour between 16:00 and 22:30 and Saturdays
	Preparation/dismantling of stage, sets, sound, lighting	R45.00	R55.00	Per hour
	Hire of piano, special curtains, special effects, theatre equipment	As per schedule	As per schedule	
	Other services:	Actual cost	Actual cost	
	Piano tuning			
	Special effects			
	Newspaper advertisements			
	Dressers / Hair stylists			
	Sundays	Double cost	Double cost	
	Cleaning of theatre and grounds	Discretionary	Discretionary	
(g)	Abrahams rust recreation resort			
	Season tickets (only residents)	R440,00per annum/ motor vehicle/motor cycle/power boat R220,00/ <u>second</u> motor vehicle/motor cycle	R440,00per annum/ motor vehicle/motor cycle/power boat R220,00/ <u>second</u> motor vehicle/motor cycle	
	Pensioners (age 60 years)	R160,00 for 1 ticket per family	R80,00 for 1 ticket per family	
	Metsimaholo workers and Councillors with proof	R160,00 for 1 ticket per family	R160,00 for 1 ticket per family	
	Non-residents registered power boat / caravan owners:	R760,00 / annum per vehicle / power boat	R760,00 / annum per vehicle / power boat	
	Non-residents Second vehicle	R760	R760	
	Entrance fees (Day visitors)			
	Season ticket holders :	Free(Vehicle & 6 passengers,1	Free(Vehicle & 6	

		visit per day)	passengers, 1 visit per day)
	Other visitors	R60,00/day/ vehicle	R60,00/day/ vehicle
		R50,00/day/per son older than 6 years	R52.50/day/pe rson older than 6 years
		0-6 years R20,00	2-6 years R21,00
		R150,00/day/ power boat R300/Day/bus Motorbike not allowed /rally	R150,00/day/ power boat R315/Day/bus Motorbike not allowed /rally
	<u>Caravan and tent sites</u>		
	Season ticket holders/rallies (10-29 caravans)	R120,00 / caravan/ night	R126,00 / caravan/ night
	Pensioners/Rallies(30 and more caravans)	R100,00 / caravan /night	R105,00 / caravan /night
	Non-season ticket holders	R240,00 / caravan/ night	R252,00 / caravan/ night
	<u>Caravan and tent sites</u>	<u>without</u> power sockets/not exceed 6 people	<u>without</u> power sockets/not exceed 6 people
	Season ticket holders/rallies(10-29 caravans)	R110,00 / caravan/ night	R115.50 / caravan/ night
	Pensioners/rallies(30 and more caravans)	R80,00 / caravan / night	R84,00 / caravan / night
	Non-season ticket holders	R160,00 / caravan/ night	R230,00 / caravan/ night
	<u>Chalets</u>		
	Small type 2-bed	R500,00	R500,00
	Large type 4-bed	R600,00	R630,00
	Luxury chalets Chalet A	R800,00	R800,00
	Chalet B (with lapa)	R900,00	R900,00
	Park home 6 bed	R500,00	R500,00
	Refundable key deposit	R250,00	R262.50
	<u>Lapa</u>		
	With shelter per function	R500,00 plus entrance fee	R525,00 plus entrance fee
	Without shelter per function	R400,00 plus	R420,00 plus

(h)	Hall	entrance fee R400,00	entrance fee R500,00
	Rental of resort for event		R400.00
	Deposit for event		R100 000 R20 000
	<u>Moses Kotane Stadium Athletics</u>		
	In-house school sport		
	Morning	R250.00	R262.50
	Afternoon	R250.00	R262.50
	Lights to switch on first 2 hours	R200.00	R210.00
	Then per half hour	R80.00	R84.00
	Practice session	R100.00/school/season	R105.00/school/season
	Soccer:		
	Schools	R200.00/school/season	R210.00/school/season
	Other soccer games	15% of entrance fee minimum of	15% of entrance fee minimum of
	Morning	R250.00	R262.50
	Afternoon	R250.00	R262.50
	Evening	R250.00	R262.50
Lights to switch on first 2 hours	R200.00	R210.00	
Then per half hour	R80.00	R84.00	
Practice inside stadium	R150.00/hour	R157.50/hour	
Coaching development team and soccer clinics	R80.00 per occasion	R84.00 per occasion	
Practice outside fields	R150.00/season twice weekly	R157.50/season twice weekly	
Schools	R120.00/season twice weekly	R126.00/season twice weekly	
Social games	R150.00 per occasion	R157.50 per occasion	
Other facilities			
Netball/Basketball and Tennis			
Morning session	R80.00	R84.00	
Afternoon session	R80.00	R84.00	
Stadium Hall			
Sport clubs and cultural groups (by pre-arrangement)	R80.00	R84.00	
Non sporting events Inside the stadium			
Entrance income	15%	15%	
Refundable Damage fee	R1 500.00	R1 575.00	
	15% of entrance fee minimum of	15% of entrance fee minimum of	

		2009/2010	2010/2011
(i)	Fire and Rescue		
I	<u>Extinguishing of fires (excluding grass-bush and rubbish fires)</u>		
(a)	Call out fee		
	Industrial Fire (High Risk)	R1 000.00	R1050.00
	Industrial Fire (Low Risk)	R500.00	R525.00
	Residential	R250.00	R262.50
	Institutions	R250.00	R262.50
	Public Assembly	R250.00	R262.50
	Commercial	R250.00	R262.50
	Storage	R250.00	R262.50
	Shack or Informal housing (Flat rate) all costs included	R50.00	R52.50
	Heavy Motor Vehicle Fire	R250.00	R262.50
	Motor Vehicle, Motor Bike, trailer with content	R100.00	R105.00
	Lamp or Electrical Poles (Council property excluded)	R100.00	R105.00
	Transformers (Council property excluded)	R250.00	R262.50
(b)	Personnel		
	Per Senior Officer	R130.00	R136.50
	Per Officer	R110.00	R115.50
	Per Senior Fireman	R100.00	R105.00
	Per Fireman	R80.00	R84.00
	(Times to be calculated from the time that the personnel left the Station until the fire has been reported as extinguished).		
(c)	Vehicles		
	Per vehicle or per fire pump per hour or part thereof calculated from the time that the vehicle has left the Station until the fire has been reported extinguished.	R367.38	R385.75
(d)	Material used		
	Real cost of the fire extinguishing material used including VAT and as certified by the Chief Fire Officer plus 20%.		
II	<u>Grass, bush and rubbish fires</u>		
(a)	Rubbish Fires	R250.00	R262.50
	Bales of feed or Hay stack (up to 50 cubic meters)	R500.00	R525.00
	Bales of feed or Hay stack (more than 50 cubic meters)	R1 000.00	R1 050.00
(b)	Personnel		
	Per Senior Officer	R88.00	R92.40
	Per officer	R110.00	R115.50
	Per Senior Fireman	R100.00	R105.00
	Per Fireman (Times to be calculated from the time that the personnel left the Station until the fire has been reported as extinguished)	R80.00	R84.00
(c)	Vehicles		
	Per vehicle or per fire pump per hour or part thereof calculated from the time that the vehicle has left the Station until the fire has been reported extinguished.	R367.38	R385.75

(d)	Material used Real cost of the fire extinguishing material used including VAT and as certified by the Chief Fire Officer plus 20%.		
III	<u><i>Special services (Dangerous goods etc).</i></u>		
(a)	Call out Fee	R1 000.00	R1 050.00
(b)	Personnel		
	Per Senior Officer	R160.00	R168.00
	Per officer	R200.00	R210.00
	Per Senior Fireman	R180.00	R189.00
	Per Fireman	R140.00	R147.00
(c)	Vehicles Where the services of a Fire Pump is needed (per hour or part thereof calculated from the time the vehicle left the station until the service is reported to be completed.	R700.00	R735.00
	Per kilometre (Travelled to and from the time of pump per hour)	R6.00	R6.30
	Per portable pump (Real working time of pump per hour)	R100.00	R105.00
	Per Fire Hose (per hour of part thereof)	R20.00	R21.00
	Per ladder used per call	R100.00	R105.00
	Real cost (VAT) inclusive for consumable material used plus 20% as certified by the Chief Fire Officer.		
	For the protection or rescue of life, no fees to be charged.		
IV	<u><i>Protection services (Standby Services)</i></u> Where the presence of the Fire Department is compulsory with Fire pump and crew, the company responsible for the situation will be liable for the account.		
(a)	Call out Fee	R1 000.00	R1 050.00
(b)	Personnel		
	Per Senior Officer	R260.00	R273.00
	Per officer	R220.00	R231.00
	Per Senior Fireman	R200.00	R210.00
	Per Fireman	R160.00	R168.00
(c)	Vehicles Where the services of a Fire Pump is needed (per hour or part thereof calculated from the time the vehicle left the station until the service is reported to be completed.	R700.00	R735.00
	Per kilometre (Travelled to and from the incident per utility vehicle)	R6,00	R6.30
	Per portable pump (Real working time of pump per hour)	R100.00	R105.00
	Per Fire Hose (per hour of part thereof)	R20.00	R21.00
	Per ladder used per call	R100.00	R105.00

	Real cost (VAT) inclusive for consumable material used plus 20% as certified by the Chief Fire Officer.		
V	<u>Filling of swimming pools and water tanks</u> Hydrants must be within 90m from swimming or tank basic levy	R500.00	R525.00
	Per Fire Hose per hour period or part thereof	R20.00	R21.00
	Per Officer	R220.00	R231.00
	Per Senior Fireman	R200.00	R210.00
	Per Fireman	R160.00	R168.00
	Per kilometre (calculated to and from the address per utility vehicle)	R6.00	R6.30
	If a fire truck is required per hour or part thereof	R700.00	R735.00
	The cost of the water as per ruling levy on residences on Sundays and Public holidays.	(Double the normal tariffs)	(Double the normal tariffs)

VI	<u>Other Services</u>		
(a)	Attendance of Fireman in terms of section 14 of the standard by-laws relating to Fire Brigade Services: Per entertainment, recreation meeting or other event provided that in the case of any variety entertainment or stage show conducted on schools premises or in a public hall in aid of school funds, no charges shall be charged for the attendance of a Fireman.	R200.00	R210.00
	Per Officer	R220.00	R231.00
	Per Senior Fireman	R200.00	R210.00
	Per Fireman	R160.00	R168.00
(b)	Pumping of water from property:		
1	Light pump with a capacity of up to 1125 l/min per hour or part thereof	R700.00	R735.00
2	Medium pump with a capacity of up to 2250 l/min per hour or part thereof	R700.00	R735.00
3	Heavy pump with a capacity of up to 4500 l/min per hour or part thereof	R700.00	R735.00
	Per Officer	R220.00	R231.00
	Per Senior Fireman	R200.00	R210.00
	Per Fireman	R100.00	R105.00
(c)	Using Compressor per hour or part thereof	R55.00	R57.75
	Per Officer	R220.00	R231.00
	Per Senior Fireman	R200.00	R210.00
	Per Fireman	R160.00	R168.00
(d)	Emergency Rescue unit per hour or part thereof		
	Per Officer	R220.00	R231.00
	Per Senior Fireman	R200.00	R210.00

	Per Fireman	R160.00	R168.00
(e)	Any other duty not mentioned under item VI per hour or part thereto		
	Where the services of a Fire pump is needed (per hour or part thereof calculated from the time the vehicle left the station until the service is reported to be completed).	R700.00	R735.00
	Per kilometre (Travelled to and from the incident per utility vehicle)	R6.00	R6.30
(f)	Firebreaks per hour or part thereof		
	Where the services of a Fire pump is needed (per hour or part thereof calculated from the time the vehicle left the station until the service is reported to be completed).	R500.00 R367.38	R525.00 R385.75
	Per Officer	R220.00	R231.00
	Per Senior Fireman	R200.00	R210.00
	Per Fireman	R160.00	R168.00
	Per Officer	R220.00	R231.00
	Per Senior Fireman	R200.00	R210.00
	Per Fireman	R160.00	R168.00

J	Traffic Services	2009/2010	2010/2011
	<u><i>Abnormal loads escorts and excavations</i></u>		
	Per Officer (Per hour or part thereof)	R100.00	R105.00
	Per Officer Overtime (Per hour or part thereof)	R220.00	R231.00
(a)	Sport Meetings		
	Per Officer (Per hour or part thereof)	R150.00	R157.50
	Per Officer Overtime (Per hour or part thereof)	R225.00	R236.25
(b)	Impounded Vehicles		
	Hitching of vehicles	R450.00	R472.50
	Towing of the vehicle	R300.00	R315.00
	Tracing of the owner	R750.00	R787.50
	Storage Fees (Per day excluding first and last day)	R200.00	R210.00

DIVISION	R 2009/10	R 2010/11
Economic Development		
NO tariffs recommended		

Leases - General: - Rental arrangements as agreed per contract	Contractual	Contractual
Containers at Zamdela Taxi Rank	R100.00 p.m.	R105.00 p.m.
Housing and Property Management Services		
Leases - General: - Rental arrangements as agreed per contract	Contractual	Contractual
<u>Thembaletu Hostel (141 x 101,02 m² units)</u>		
Block A - 24 x units (shower & bath)	R975.00 p.m.	R1`000.00 p.m.
Block B - 18 x units (shower & bath)	.R975.00 p.m.	R1`000.00 p.m.
Block C - 24 x units (shower)	.R885.00 p.m.	R900.00 p.m.
Block D - 18 x units (shower)	.R885.00 p.m.	R900.00 p.m.
Block E - 30 x units (shower)	.R885.00 p.m.	R900.00 p.m.
Block F - 9 x units (shower)	.R885.00 p.m.	R900.00 p.m.
Block F - 18 x units (shower)	.R885.00 p.m.	R900.00 p.m.
Single Units - 18 x beds (6 x flats with 3 x bedrooms)	R380.00 p.m.	R400.00 p.m.
<i>(Other)</i>		
Tuck shop / Churches (62 m ²)	R70.00 p/day	R75.00 p/day
Tuck shop / Milk depot (13 m ²)	R65 p.m.	R70.00 p.m.
Tuck shop / F Shai (22 m ²)	R145 p.m.	R150.00 p.m.
Tuck shop / M Kok (22 m ²)	R145 p.m.	R150.00 p.m.
Tuck shop / L Tau (22 m ²)	R145 p.m.	R150.00 p.m.
Tuck shop / Dry Cleaners (37 m ²)	R145 p.m.	R150.00 p.m.
Tuck shop / Hair Saloon (41 m ²)	R145 p.m.	R150.00 p.m.
Tuck shop / Upholsterer (46 m ²)	R145 p.m.	R150.00 p.m.
Tuck shop / Dressmaking (80 m ²)	R145 p.m.	R150.00 p.m.
Tuck shop / Crèche (197 m ²)	R60 p.m.	R65.00 p.m.
Tuck shop / Video Shop (207 m ²)	R165 p.m.	R170.00 p.m.
<u>HOSTELS</u>		
Hostel 1 = 377 units Hostel 2 = 330 units Hostel 3 = 389 units Hostel 4 = 112 units Phomolong = 40 units		

- Fixed Hostel Rent / Tariff of R135.00 plus water consumption @R135.00 p.m. payable by families;	R135.00 p.m. plus R135.00 p.m. water consumption	<i>Status quo to be maintained</i>
- Fixed Hostel Rent / Tariff for purposes of a maximum of 4 single persons sharing a rental unit, that each single should contribute individually and that the rental amount of R135.00 pm. plus water consumption calculated @ 135.00 p.m. be divided by the number of persons sharing / occupying the unit (example: $R135.00 + R135.00 = R270.00 \div 4 = R67.50$ p.m. / person)	R 67.50 per single person sharing (water consumption included)	<i>Status quo to be maintained</i>
ALIENATION OF LAND		
Temporary allocation of land not exceeding 21 days (such Circuses / Churches for spiritual revivals / church outreaches)	Not yet determined	R25.00 / day
Cattle owners Leases - grazing	R200.00 (Two Hundred Rand – VAT Included) per month, for each person	R210.00 (Two Hundred & Ten Rand – VAT Included) per month, for each person
Urban Planning		
Rezoning	R300.00 / application	R320.00 / application
Subdivision	R300.00 / application	R320.00 / application
Consolidation	R300.00 / application	R320.00 / application
Consent uses	R2'000.00 / application	R2'100.00 / application
Zoning Certificates	R100.00 / application	R110.00 / application
Building Plan: Approval Fee	R250.00 / application R15.00 / 10m for the first 1'000 m R13.00 / 10m for the following 1'000 m – namely 1'001 to 2'000 m R11.00 / 10m	R260.00 / application R16.00 / 10m for the first 1'000 m R14.00 / 10m for the following 1'000 m – namely 1'001 to 2'000 m R12.00 / 10m

	for the following 1'000 m – namely 2'001 m to 2'999 m	for the following 1'000 m – namely 2'001 m to 2'999 m
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Internal alterations on building plans	R250.00	R260.00
Swimming pools	R250.00	R260.00
Shade nets	R250.00	R260.00
Boundary walls	R250.00	R260.00
Permits	R250.00	R260.00
Signage	R250.00	R260.00
Inspection fee (farms / plots)	R400.00 / plan	R420.00 / plan
Building clause certificates	R250.00	R260.00
Billboards	R30.00 / m ²	R32.00 / m ²
Encroachments fees	<i>To be determined</i>	<i>To be determined</i>
Penalties	<i>To be determined</i>	<i>To be determined</i>

11. Disclosure on Salaries, Allowances and Benefits

	Salary	Social Contributions	Allowances	Performance Bonuses	Total Package
	Rand pa	Rand pa	Rand pa	Rand pa	Rand pa
<u>Disclosure of salaries, allowances & benefits</u>					
<u>Councillors</u>					
Mayor	416 260		426 050		842 310
Speaker	339 950	55 455	233 600		629 005
Members of Mayoral Committee (7)	2 127 790	161 630	1 548 700		3 838 120
Total all other Councillors	3 397 480	309 210	1 752 970		5 459 660
<u>Officials of the Municipality</u>					
Municipal Manager(MM)	791 366	87 988	239 099	100 000	1 218 453
Chief Financial Officer	634 571	9 205	237 899	80 000	961 675
List of senior manager reporting to MM by designation					
Director Social Services	455 850	186 671	137 359	80 000	859 880
Director Technical Services	579 352	59 311	153 390	80 000	872 053
Director Economic Development and Planning	750 000			80 000	830 000
Director Organisational Development and Corporate Services	610 031	32 546	239 099	80 000	961 676
TOTAL COST OF REMUNERATION TO MUNICIPALITY	10 102 650	902 016	4 968 166	500 00	16 472 832

NOTES

1. Total package must equal the total cost to the municipality.
2. Social contributions included pensions, medical aid, etc.

12. Measurable Performance Objectives and SDBIP's

This section will be completed after approval of the draft budget.

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

13. Disclosure on Implementation of MFMA

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

MFMA Implementation and Monitoring Checklist

The municipality is generally complying for the majority of the implementation priorities as per the National Treasury implementation and monitoring checklist. This checklist is updated quarterly and submitted to National Treasury.

Below is a summary of progress against the plan.

No.	Implementation priority as per NT template	Progress
1	Preparing an implementation plan	100%
2	Allocating appropriate responsibilities under the MFMA to Accounting Officer	100%
3	Establishing a top (senior) management team	100%
4	Implementing appropriate controls over municipal bank accounts and cash management	100%
5	Meeting of financial commitments	70%
6	Reporting revenue and expenditure	90%
7	Supply chain management	50%
8	Implementing reforms in relation to municipal entities and long-term contracts	100%
9	Completing financial statements and advising National Treasury	100%
10	Completing and tabling annual report	75%
11	Complying with provisions for tender committees, boards of municipal entities and in relation to forbidden activities	80%
12	Complying with provisions for internal audit and audit committees	70%
13	Complying with provisions for budgets	80%
14	Information to be placed on website	90%

MFMA returns

All MFMA and DORA returns are submitted by the municipality as required monthly, quarterly and annually.

Name of return	Submitted to
MONTHLY	
Financial Management Grant	NT/PT
Age Analysis Debtors (AD) and Creditors (AC), Cash Flow, Operating Statement Actuals (OSB)	NT/PT
Section 71 Budget Statements	PT/NT
Supply Chain Management	NT/PT
MIG returns	NT/PT
Equitable Share	NT/PT
Conditional Grants returns	NT/PT
Debt returns	PT
QUARTERLY	
MFMA Implementation and monitoring checklist	NT/PT
Municipal entities	NT/PT
Public Private Partnerships	NT/PT
Long-term contracts	NT/PT
Borrowing	NT/PT
ANNUALLY	
Budget tables return	NT/PT
Operating Statement Budget (OSB)	NT/PT

Audit units and audit committees

The internal audit function of the municipality was outsourced to an external service provider until the end of the 2005/06 financial year. There is a process currently underway to perform this function in-house. The function is performed partially due to serious staff shortages.

The municipality has an audit committee in place comprising of independent members as required by section 166 of the MFMA.

Risk management

The municipality have an updated risk management strategy and plan in place.

Implementation of SCM

The new supply chain management policy of the municipality, in line with the MFMA and national treasury prescripts, was adopted by council in July 2005.

All bid committees as required by the SCM regulations are in place and the bid adjudication is chaired by the chief financial officer and operates within delegated powers.

Effectiveness of audit steering committees

The audit steering committees is an ad-hoc committee established during the planning and execution of the annual audit. The committee usually comprise of officials of the municipality and the Auditor-General team performing the audit.

Reduction of short-term debt

This regulation is not applicable to the municipality as overdraft facilities are managed within the context of section 45 of the MFMA relating to short-term debt.

Tabling of section 71 reports

Section 71 reports are submitted to the mayor and also forwarded to provincial treasury on a monthly basis. Further the reports are forward to the Municipal Manager and MMC Finance.

Delegations

All delegations are in place and council approved the generic financial delegations in November 2006.

Performance agreements

The new performance agreements for 2010/2011 will be finalised after the SDBIP has been approved.

Implementation of GRAP/GAMAP

The key challenges for implementation of GRAP/GAMAP requirements are the following:

- Asset Register. Full compliance to IAS and GRAP not achieved, to be compliant 1 June 2011.
- Impairment of assets not yet done - 30 June 2011
- Investment property guidelines not yet implemented - 30 June 2011
- Employee benefits not fully captured. 30 June 2010 (Medical Aid and Pension).
- Unbundling of PPE as per guidelines 30 June 2011.
- Not all stands are transferred in terms of housing scheme - needs to be sorted out for inventories 30 June 2011
- All lease information not yet available for asset register 30 June 2011
- Long term loans and Debtors impaired.

- Billing information to be updated to accurate information for statements.
- Debtors and creditors to be discounted/fair valued. Insufficient information is available on system to make this possible 30 June 2010

Cost implications

Cost implications have been investigated and the following major costs need to be incurred.

1	Asset Register - Fully GRAP compliant	R2, 5 million	
2	Debtors fair value	R1 million	
3	Long-term debtors and creditors	Included in 2	
4	Revenue	Included in 2	
5	Accounting standards – Sundry	Included in 2	
6	Accurate Billing information	R2 million	Data Clean partly financed by FDDM

Development of accounting policies

Several accounting policies have been developed to ensure the requirements of Circular 36 are complied with.

The further development of accounting policies will be guided with exemptions as agreed with National Treasury on an annual basis.

Inventories - unsold water

The inventories of unsold water are available from the Technical Section responsible. The water in stock” is ± 45 mega litre and recorded daily. The reservoirs and pipes will be subject to stock taking on 30 June 2009. The detail of water losses need to be investigated to see if these stock levels needs to be impaired for the resale value of the water. The information is in the process to be updated.

Asset register

The Asset register was previously compiled by several companies. The most important fact is that the compliance requirements of an itemised asset register for moveable assets by 1 July 2007 was complied with by the municipality in May 2009. The compliance of moveable to GAMAP and IAS Standards was funding by the District Council in 30 June 2009. The physical asset count will be performed and communicated by the external service provider. The unbundling of PPE as well as impairment and investment property guidelines will need to be addressed in 2010/2011.

The REDS (finalised) process will finalise a major component of the GRAP requirements.

14. Summary of Detailed Capital Plan

	2010/11	2011/12	2012/13
	R'000	R'000	R'000
Council/Speaker/Councillors	1 000		
Municipal Manager	8 965	13 681	12 746
Organisational Development & Corporate Service	3 822	1 623	1 705
Social Services	32 570	47 616	53 866
Technical Services	117 989	206 546	201 318
Streets and Storm water	58 523	119 100	107 500
Sewerage	7 603	11 290	4 500
Water supply	11 581	21 392	39 878
Electricity supply	25 921	43 604	38 440
Mechanical Workshop	383	160	0
Buildings	49	1 000	1 000
Administration	13 929	10 000	10 000
Financial Services	1 216	1 465	663
Economic Planning and Development	188 465	150 240	12 270
TOTAL	354 087	421 171	282 5672

See Annexure A for detailed capital plan