

Mossel Bay Municipality

2009 / 10

Budget



TABLE OF CONTENTS

Page

1. INTRODUCTION	3
1.1. Mossel Bay Municipality Overview	3
1.2. Municipal Budget	4
2. MAYORAL SPEECH (DRAFT BUDGET)	5 - 7
3. BUDGET RELATED RESOLUTIONS	8 - 11
4. MUNICIPAL MANAGER'S QUALITY CERTIFICATE	12
5. 2009/10 BUDGET	13
5.1. Executive Summary	13 - 20
5.2. Budget Schedules	21
5.2.1. Operating Budget	21
- <i>Cash Budget</i>	21 - 23
- <i>Expenditure per Department</i>	24
- <i>Income per Department</i>	25
- <i>Total budget Per Item</i>	26 - 32
- <i>National Treasury Schedules</i>	33 - 37
5.2.2. Capital Budget	38 - 40
5.3. Budget related Charts	41 - 44
6. SUPPORTING DOCUMENTATION	45
6.1. Budget process overview	45 - 50
6.2. Alignment between budget and the IDP	51 - 53
6.3. Budget related Policies overview and amendments	54 - 55
6.4. Budget Assumptions	56 - 58
6.5. Funding the budget	59 - 64
6.6. Projected Cash Flow per month by Revenue source	65
6.7. Allocations made by Mossel Bay Municipality	66
6.8. Salaries, Allowances and benefits	67
- <i>Vacant and New Posts</i>	67 - 70
- <i>National Treasury Schedules</i>	71 - 73
6.9. Measurable performance objectives	74 - 83
7. ANNEXURES	
7.1. TARIFF LIST	Annexure A
7.2. BUDGET RELATED POLICIES	Annexure B
7.3. INTEGRATED DEVELOPMENT PLAN (IDP)	Annexure C
7.4. EFFECT OF RATES & TARIFFS ON HOUSEHOLDS	Annexure D
7.5. DETAILED CAPITAL PLAN	Annexure E

1. INTRODUCTION

1.1. Mossel Bay Municipality Overview

VISION

We strive to be a trend-setting, dynamic Municipality delivering quality services responsive to the demands and challenges of the community and our constitutional mandate, in which all stakeholders can participate in harmony and dignity.

MISSION

Mossel Bay Municipality's mission for the past present and future, is:

- * To render cost-effective and sustainable services to the entire community with diligence and empathy,
- * To create mutual trust and understanding between the municipality and the community,
- * To have a motivated and representative municipal workforce with high ethical standards, which is empowered to render optimal services to the community, and
- * To apply good and transparent corporate governance in order to promote community prosperity.

VALUES

The community is our inspiration and our workforce is our strength in the quest for community development and service delivery. We therefore value:

- * Work pride,
- * Service excellence,
- * Integrity,
- * Loyalty, and
- * Accountability.



1.2. Municipal Budget

DEFINITION OF A MUNICIPAL BUDGET

A municipal budget is generally a projection of future revenues and expenditure. A budget is used to control financial transactions and should also be used as a management and planning tool.



It is also the tool for implementing the service delivery objectives of the Municipality as set out in their Integrated Development Plan (IDP).

A municipal budget also provides for greater transparency, accountability, flexibility, and predictability within the municipality.

A Municipal budget is divided into a Capital and an Operating Budget:

- a) A capital budget is an estimate of the expenses that will be incurred during that financial year to create future benefits, and the sources of finance from which these expenses will be funded. The municipality spends money either to buy fixed assets or to add to the value of an existing fixed asset with a useful life that extends beyond one year. Fixed assets include, inter alia, land and buildings, motor vehicles, furniture, computers, office equipment and machinery.
- b) An operating budget is an estimate of the operating revenues which will accrue to the municipality through its normal service delivery and the expenditure that will be incurred through the day to day operations of the municipality over the financial year.

Example: The purchase of a photocopier is a capital expenditure and is budgeted for under the capital budget, but the maintenance and other expenses such as the paper and toner for the photocopier is budgeted for under the operating budget.

OBJECTIVE OF A MUNICIPAL BUDGET

The main objective of a municipal budget is to sensibly allocate realistically expected resources to the municipality's service delivery goals or performance objectives identified as priorities in the approved IDP.

The municipal budget is a tool through which the total level of revenue and expenditure are adequately controlled, public resources are appropriately allocated among sectors and programs, and ensure that departments operate as efficiently as possible within the municipality.

2. MAYORAL SPEECH (DRAFT BUDGET)

Mr Speaker, Aldermen, Councillors, Municipal Manager, members of the public and staff members.

It is my privilege to table this IDP, budget and other related documents for 2009/2010 and the two outer years as prescribed in terms of section 16 of the Municipal Finance Management Act.

This budget and IDP process already started in August 2008 with a proper planning of actions to be taken in this regard. One of the main objectives of Council was to have public consultative meetings in every ward to identify the needs of the communities. This process enabled Council to get a broad overview of the most important needs in the different wards. These priorities identified by the Departments culminated in the Integrated Development Plan for the next three financial years for this Municipality. Part of the annual process is, however, to reconsider the IDP where some priorities have changed since the previous financial year.

As already stated in my address when tabling the budget for the previous year, this Council is striving to reach the following objectives:

- * Ensure that every citizen of Mossel Bay shares in the services that this Municipality provides,
- * Provide cost effective and efficient services to the community as a whole,
- * Improve standard of services,
- * Provide for the maintenance of existing infrastructure,
- * Provide and plan for new infrastructure and new bulk services due to the growing needs of the town. Hereby we wish to build capacity for long-term growth,
- * Protecting the poor by subsidising various rates and tariffs from the equitable share paid by the State as well as from internal rates funds, and
- * Maintaining financial discipline ensuring thereby that the finances of this Council are kept on a sound basis.

The total budget for 2009/2010 amounts to R698 809 858. This consists of a capital budget of R150 849 420 or 21,6% of the total budget, and an operating budget of R547 960 438 or 78,4 % of the total budget.

The total budget for 2009/2010 shows an increase of R170 401 130 or 32,2% against the original budget for 2008/2009. The latter was obviously revised to a total amount of R590 359 124 due to additional sources of finance which became available during the 2008/2009 financial year.

The capital budget for 2009/2010 mainly addresses infrastructure improvements in the following services:

Corporate Services	R1,7 million
Streets and Storm water	R34,2 million
Sewerage	R17,6 million
Water	R14,4 million
Cleansing	R1,7 million
Public Safety and Rescue Services	R1,9 million
Electricity Distribution	R36,6 million
Municipal Building	R30,0 million
Community Services (Housing) Projects	R5,3 million
Sport and Recreation	R4,3 million

The detail of all these capital projects can be found in the detailed project list which is an annexure to this report.

I want to highlight to Council that an amount of R30 million has been provided for in 2009/2010 to start with the envisaged new Civic Centre. It must, however, be stressed that the erf on which the Civic Centre will be built, as well as the final cost, must still be determined. The amount for this project will also be budgeted for over 2 to 3 years. This project became necessary due to the need for more office space arising from the growth in the Municipality. The fact that departments are decentralised necessitate a Municipal building where all the Departments can be centralised thereby contributing to a more effective service delivery process in Mossel Bay.

As far as the funding of the capital budget is concerned, the Council need to seriously look at the selling of some of its properties to strengthen the cash position in the Capital Replacement Reserve Fund. Due to the size of the capital budget over the next 3 years, the CRR will be depleted unless further funds are generated as mentioned above. Another option will be to take up external loan funding which obviously put some strain on the Operational Budget through interest and redemption payments.

The Operational budget, as in previous years, focuses on the maintenance of existing infrastructure and improvement of service delivery to the community. Council also considers a clean town as a very high priority. This priority also figures in the operational budget.

The detail of the operational budget can also be seen in the budget document. Councillors are urged to peruse through these details and enquire any explanations you need from Directors.

I must however stress the fact that Council will have to exercise strict financial discipline to prevent excessive burdens placed on the community in terms of excessive tariff increases.

Council will have to consider and approve the following increases in tariffs to balance the budget for 2009/2010:

- | | | |
|---|---|--------|
| 1. Electricity tariffs | : | 19,25% |
| Electricity availability charge on vacant erven | : | 10% |

NERSA and Eskom have not yet decided on the tariff increases for 2009/2010. Provision was made for an Eskom tariff increase of 27,5%. Depending on the final increase allowed on Eskom tariffs, the above recommendation can still change.

- | | | |
|------------------|---|----|
| 2. Water tariffs | : | 8% |
|------------------|---|----|
- Domestic and all other consumers will however, pay a higher increase on excessive usages. In the case of domestic consumers, for example, the following will apply for excessive usages:

Basic fee and usage up to 45kl	:	8%
46kl – 60kl	:	10%
61kl – 80kl	:	12%
> 80kl	:	14%

- | | | |
|--------------------|---|-----|
| 3. Refuse Removals | : | 10% |
|--------------------|---|-----|

It must be mentioned that this tariff pays for the refuse removals as well as the cleansing projects in the town.

4. Sewerage tariff : 0%

The reason for this 0% increase can be seen in the Executive Report attached hereto.

5. Property Rates tariff : 15%

Due to the fact that the sewerage tariff, which is also paid by property owners, is not increased, the average percentage increase on these two tariffs will be much lower than the 15% recommended on property rates alone.

This Council always have great empathy for the poor people in our area. The following discounts and subsidies are evident of this policy of the Council:

- (a) Pensioners can under certain conditions apply for a rebate on property rates.
- (b) The first R50 000 of the valuation of residential properties will be exempted from the payment of property rates.
- (c) The subsidy to qualifying indigent households is R286,11 (VAT excluded) per month.
- (d) The subsidy for qualifying poor households is R180 (VAT exclusive) per month.
- (e) The household income limit to qualify as a poor household is raised from R3 000 to R4 000 per month.
- (f) The subsidy payable to indigents will be revisited after an audit was done of all the indigents to eliminate all cases not qualifying in terms of the definition of an indigent.

Mr Speaker, this is only a very high level summary of the budget which obviously cannot touch on all the details in the attached budget documents. I therefore again urge Councillors to peruse through these budget documents and request, if needed, explanations from all Directors.

The Council will consider all inputs received from the public and other segments on this budget document during May with final approval of the budget at the end of May.

In conclusion, I would like to thank the Municipal Manager, the Chief Financial Officer and the personnel in the Budget Office, Directors and other personnel who were involved in compiling this IDP and budget. The effort and hard work that have already gone into this have not gone unnoticed and Council would like to express our appreciation to all involved.

ALDERLADY M FERREIRA
EXECUTIVE MAYOR

3. BUDGET RELATED RESOLUTIONS

The MFMA stipulates that the Mayor must table the annual budget at a council meeting at least 90 days before the start of the budget year and the Mayor must take all reasonable steps to ensure that the municipality approves its annual budget before the start of the budget year.

The following is the resolutions which Council has taken with the approval of the 2009/10 Budget:

Resolution E28-05/2009

1. Council resolves that the Annual Budget of the Municipality for the financial year 2009/10 and indicative for the two projected outer years 2010/11 and 2011/12 together with the amendments approved at the Special Council Meeting of 31 March 2009 and 28 May 2009 respectively be approved as set out in the following schedules together with any amendments as per previous items E27-05/2009:
 - 1.1. Operating revenue by source reflected in schedule 7 (page 33),
 - 1.2. Operating expenditure by vote reflected in schedule 8 (page 34),
 - 1.3. Operating expenditure by GFS classification reflected in schedule 9 (page 35),
 - 1.4. Capital expenditure by vote reflected in schedule 12 (page 38),
 - 1.5. Capital expenditure by GFS classification reflected in schedule 13 (page 39),
 - 1.6. Capital funding by source reflected in schedule 14 (page 40),
 - 1.7. Capital detailed budget reflected in Annexure E.
2. Council resolves that property rates reflected in the 2009/10 Tariff list (Annexure A) and any other municipal tax reflected in the 2009/10 Tariff list are imposed for the budget year 2009/10.
3. Council resolves that tariffs and charges reflected in the 2009/10 Tariff list (Annexure A) be approved for the budget year 2009/10.
4. Council resolves that the measurable performance objectives for revenue from each source and for each vote reflected in 6.9 of this document (page 74 to 83) be approved for the budget year 2009/10.
5. Council resolves to adopt the amended Integrated Development Plan (IDP) reflected in Annexure C.
6. Council resolves that the amended budget related policies reflected in Annexure B are approved for the budget year 2009/10.
7. Council resolves that the filling of the vacant posts as identified by the Executive Management and as shown in section 6.8 of this document (page 67 and 68) be approved subject to the public participation process.
8. Council approves that the subsidies in respect of indigent and poor households be approved subject to the public participation process as follows:
 - Indigent households R286,11 (VAT excluded)
 - Poor households R180,00 (VAT excluded)

Resolution E27-05/2009

After discussions and questions raised on the letters received as comments on the budget, Councillor J van der Merwe proposed, seconded by Councillor PA du Plessis as follows:

1. That the proposed increase of 15 % in the rates tariff for Boggomsbaai as reflected in the draft budget be approved.
2. That the rates tariff for Vleesbaai as proposed in the draft budget be maintained.
3. That the tariffs as proposed in the draft budget be maintained with regard to the new sewerage charges on Sectional Title properties.

Hereafter further discussions followed whereafter Councillor J van der Merwe proposed, seconded by Alderman E Scheepers that the following amendments to the 2009/2010 Budget be approved:

1. That cognisance be taken that the rates on agriculture as well as public service infrastructure should not be more than 25% of the rate which is levied on residential properties in accordance with the Regulation published by the Minister of Provincial and Local Government and it be resolved that the rates tariff based on this Regulation be included in the tariff list and be implemented with effect from 1 July 2009.
2. That an investigation be done in terms of the financial implications with regard to any farm property that is used for commercial and industrial purposes and that an amendment to this rates tariff only be considered in the 2010/2011 Budget.
3. That the draft operational budget expenditure be adjusted to make provision for the increased expenditure of R159 000 with regard to the SALGA levies for 2009/2010.
4. That cognisance be taken of the proposed increase of 34% in the Eskom Electricity Tariffs and that the final increase will only be made known on 25 June 2009.

Due to this abnormal increase in Eskom's tariffs it is resolved that the concept budget for 2009/2010 be amended as follows:

- 4.1 That the expenditure with regard to electricity purchases be increased accordingly.
- 4.2 That Council increases its own electricity tariffs with 23,8%, excluding the prepaid fees of Indigent households which only increase with 15%.
- 4.3 That the Income budget of electricity sales be increased accordingly.
- 4.4 That should the final tariff approval of NERSA differ from the proposed 34% amendment, a Special Council Meeting be held as soon as possible to approve further amendments to the tariffs and budget.
5. That the amendments to the Capital Budget as proposed by the Management to make provision for R1.3 million for the upgrading of the soccer field in Extension 23 be approved.
6. That R57 000 of the MSIG Grant to fund Ward Committee activities as provided for in the operational budget be shifted to the Capital Budget to make provision for specific capital expenditures.
7. That all Council's tariffs with regard to Sport facilities as reflected in the tariff list, as a once off concession to promote sport, be reduced with 50% of the tariff as applicable in the current financial year (2008/2009) and be implemented as such with effect from 1 July 2009 for the 2009/2010 financial year. It is further resolved that the Sport Tariffs as per Annexure "J" proposed by Management be amended accordingly and implemented with effect from 1 July 2009.
8. That the Capital Budget be adjusted with an amount of R1.5 million to be donated by Provincial Government for the building of a Multipurpose Centre.

9. That the Housing Budget be increased with R200 000 to make provision for better control over squatter areas.
10. That the Housing Budget be increased with R200 000 for maintenance work to be done at Greenhaven Flats, Bergsig and Seesig Flats in D'Almeida and that this expenditure be financed with a contribution from the Housing Trust Fund.
11. **D2.1 NEW ITEM:**
That an amount of R150 000 be made available in the 2009/2010 financial year for the tarring of the gravel parking area at Ellen van Rensburg Library in Great Brak River.
12. **D2.36 SIDEWALKS SANDTHOOGTE:**
That the amount of R90 000 as budgeted for 2012/2013 be removed and that an amount of R150 000 be made available in the 2009/2010 financial year under Item D2.36 Sidewalks.
13. **D2 STREETS AND STORMWATER: IMPROVE STORMWATER: END STREET/LONG STREET**
That the amount of R2 million which was budgeted for the 2010/2011 financial year and no longer reflects on it, be listed again.
14. **D2.27 REBUILD KUSWEG KBRT:**
That the amount of R6 million budgeted over the outer years 2009/2010; 2010/2011 and 2011/2012 be budgeted as R2 million for 2009/2010 and R4 million for 2010/2011.
15. **D2.22 TAXI RANKS: D' ALMEIDA:**
That the amount of R120 000 in respect of the 2010/2011 financial year be shifted to the 2009/2010 financial year.
16. **D2.32 DRAIN ABOVE KIEWIET STREET:**
That the amount of R650 000 in respect of the 2012/2013 financial year be shifted to the 2009/2010 financial year (R500 000) and the 2010/2011 financial year (R150 000).
17. **E6.16 NEW PLAY PARKS AND D2.34 JOIN SCHOLTZ TO GQUNU:**
That the amounts budgeted for the above items be utilized for sidewalks in Ward 9 (Loop, Burg, Robben, Abraham and Hermanus Streets).
18. **E6.16 NEW PLAY PARKS:**
That the amount of R80 000 as budgeted for the play parks in Kwanonqaba be utilized for the drive circle (tarring of streets and roads – Maxham Circle).
19. **D3.22 EXPAND RAW WATER RESOURCES:**
That the amount of R5 000 000 for the financial year 2010/2011 be reduced to R1 000 000.
20. **POLICIES:**
That the Rates Policy with regard to Tax Clearance be amended to 120 days.

21. **TARIFFS:**

11.3.6 PENSIONERS SPECIAL MONTHLY RATE APPLIES UNDER THE FOLLOWING CONDITIONS ONLY:

1. That only two persons occupy the site for the duration of the stay.
2. That one of the persons occupying the site are over the age of 60 years.
3. That the occupation of the site is for a minimum of 30 days, but not exceeding 3 months.
4. That should the stay be for a period longer than 3 months a break of 1 month should be taken after the third month.
5. That this special tariff only applies to the Point Caravan Park.
6. That this special tariff does not apply to "seafront" stands.
7. That this special offer only applies to the Mid and Low season.
8. That no permanent resident status is implied or allowed.
9. That all the other rules and conditions of the resort be complied with.

4. MUNICIPAL MANAGER'S QUALITY CERTIFICATE

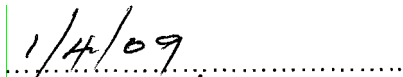
I, Dr C.P. Du Plessis, acting municipal manager of Mossel Bay Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

DR CP DU PLESSIS

ACTING MUNICIPAL MANAGER OF MOSSEL BAY MUNICIPALITY (WC043)



.....
SIGNATURE



.....
DATE

5. 2009/10 BUDGET

5.1. Executive Summary

The main objective of a municipal budget is to allocate realistically expected resources to the service delivery goals or performance objectives identified as priorities in the approved IDP.

The budget was made possible through continuous consultation with the local community, the relevant government departments and the internal departments of the Municipality to ensure that the priorities are properly aligned and addressed.

Circular 48 from National Treasury is aimed at providing guidance to municipalities on the preparation of the 2009/2010 budgets and Medium Term Revenue and Expenditure Framework (MTREF). The following aspects are some of the important issues addressed in the circular:

- * The national government's 2009 Budget is framed by five objectives that guide government's policy response to the global economic crisis over the medium term:
 1. Protect the poor: Alleviation of poverty and strengthening of social safety net,
 2. Build capacity for long-term growth: Acceleration of investment in infrastructure,
 3. Sustain employment growth: Increase public investment spending, expand labour intensive employment programmes and protect work opportunities and accelerate skills development,
 4. Maintain sustainable debt level: While public debt is set to rise, this expansion must be kept in check, and
 5. Address sectoral barriers to growth and investment.
- * National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as practically possible. For this reason National Treasury continues to require that municipalities must justify in their budget documentation all increases in excess of 6% upper boundary of the South African Reserve Bank's inflation target.
- * National Treasury has gazetted Municipal Budget and Reporting Regulations on the 23rd of January 2009 (Government Gazette 31804) for public comment. These regulations will apply to all municipalities from 1 July 2009.
- * Twenty-seven municipalities were identified that are required to prepare their budgets in accordance with the prescribed formats for the 2009/10 financial year. Those municipalities that are not among the 27 municipalities are exempted from preparing their budgets in accordance with provisions set out in Regulations 8, 9, 21, 28, 31, 33, 38, 39, 48, 54 and 56. Effectively what this means is that these municipalities are only required to comply with the 'formats' aspects of the regulations from 1 July 2010.
- * Each Division of Revenue Act (DORA) since 2005 contains a provision that all unspent conditional grant funds at the end of a financial year must revert back to the National Revenue Fund, unless the relevant receiving officer can prove to the satisfaction of the National Treasury that the unspent allocation is committed to identifiable projects.

- * In order to incentivize municipalities to spend their conditional grants funding for the purposes and within the time-periods for which it is allocated, National Treasury has decided to take certain steps to enforce the above-mentioned provision of the DORA. Some of these steps are:
 1. The municipality must inform National Treasury of any unspent conditional funds,
 2. If so, the municipality must motivate that the funds are committed to identifiable projects,
 3. National Treasury will confirm in writing whether the municipality may retain any of the unspent funds,
 4. The municipality must repay all unspent conditional allocations, in respect of which National Treasury has not given written permission to retain these funds,

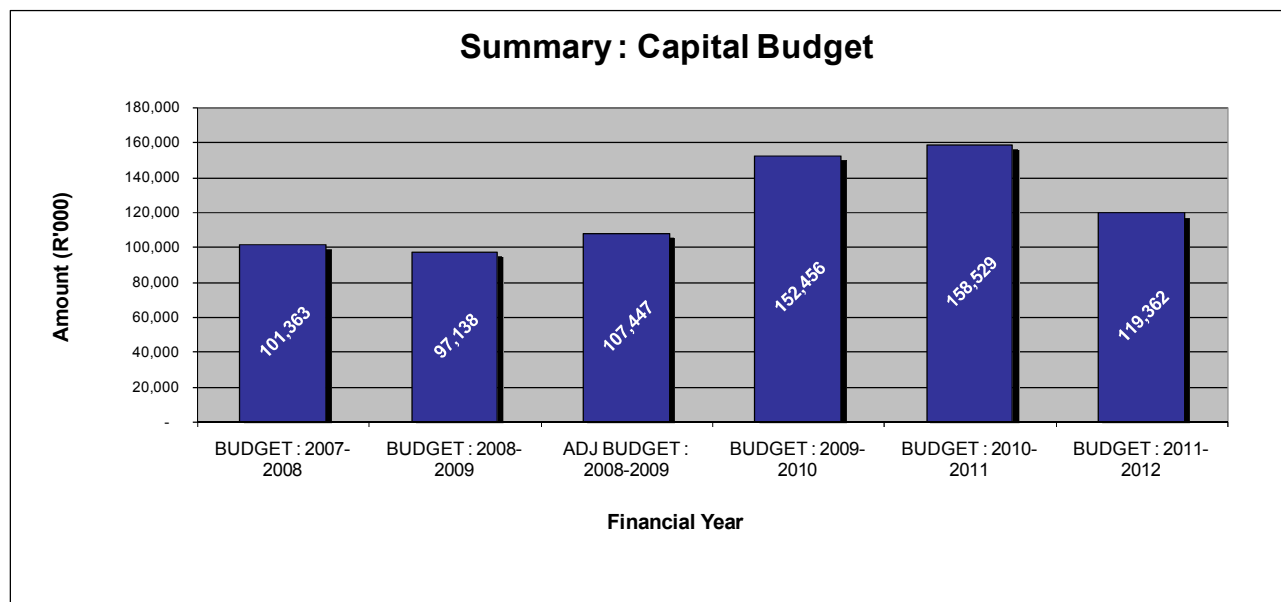
The 2009/10 budget documentation includes, amongst others the following:

- * Capital and Operating Budget,
- * Rates and Tariffs,
- * Integrated Development Plan (IDP),
- * Budget-related policies, etc.

FINANCIAL SUMMARY ON 2009/10 BUDGET

The total 2009/10 budget amounts to R707 734 375, which consist of a Capital Budget of R152 456 420 or 21,5% of the total budget and an Operating Budget of R555 277 955 or 78,5% of the total budget.

Capital Expenditure Budget:



Graph 1: Summary of Capital Budget

The total 2009/10 capital budget amounts to R152 456 420, which is 56,9% more than the previous year's original budget of R97 137 601.

The 2008/09 budget of R97 137 601 was adjusted upwards in September 2008 to an amount of R98 087 167 mainly to accommodate roll-over amounts from the previous financial year and additional funding received from the Department of Water Affairs for drought relief.

The budget was again adjusted upwards to a final budget amount of R107 447 014 during February 2009 mainly due to funding received for flood damages to the amount of R15,426 million.

If these adjustment budgets are taken into account the 2009/10 budget is 41,9% more than the 2008/09 budget.

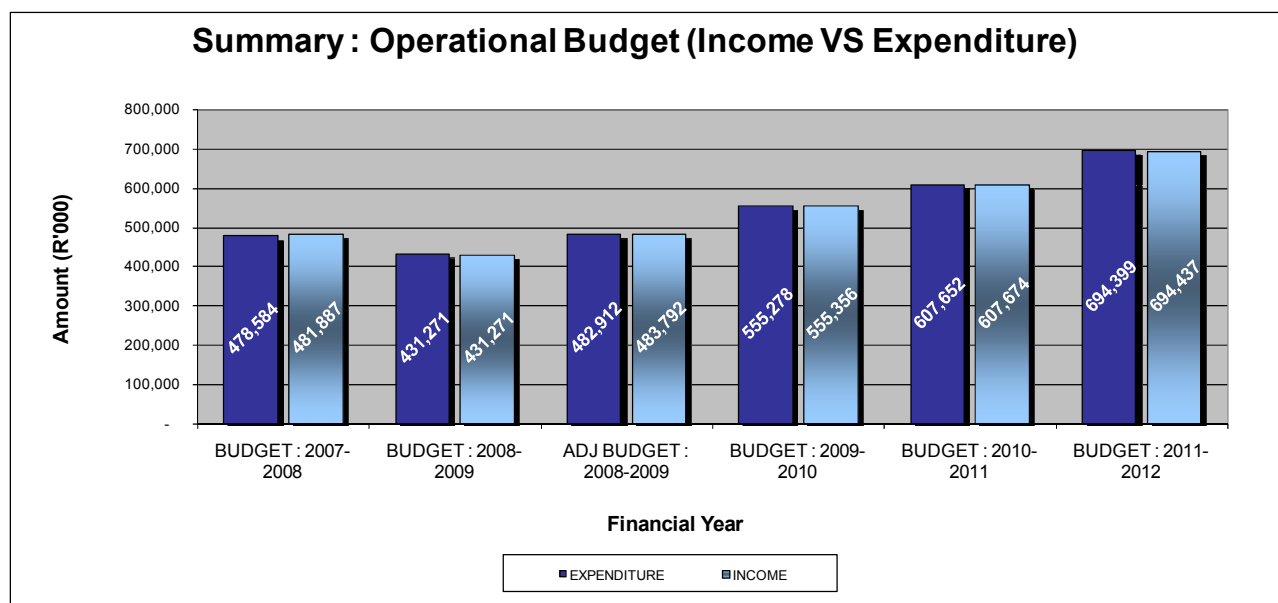
The major contributor to the increase in the budget is funding allocated from National Government in the form of the Electricity Demand Side Management Grant to the amount of R15 million and provision for a new Municipal Civic Centre.

The specific projects on the capital budget for the next 3 years can be seen on Annexure E to this document.

It is also important that Council note and considers the financing of the capital budgets. Attached to the capital budget is a summary which shows the sources for the financing of the proposed capital budget over the next three years. It is clear from this summary that the main sources of the finance will be the internal fund (Capital Replacement Reserve) as well as grants from external sources as the State and Provincial Government. This summary is also captured in section 6.5 on Funding the Budget (Page 60) of this document.

In section 6.5 of this document (page 61) is also a summary of the financial transactions of the Capital Replacement Reserve envisaged over the next three years. It is necessary to seriously consider the transactions in this main source of finance. Based on certain assumptions the funds in the C.R.R. will be depleted over the next three years. One of the most important assumptions is the proceeds which are envisaged from the sale of land. Council must endeavour to reach the targets as set out in this summary. Another avenue which must be investigated is the possibility to finance some of the capital projects with external loans. Council must however bear in mind that this option will place a further burden (interest on redemption) on the operational account.

Operating Expenditure Budget:



Graph 2: Summary of Operating Budget

The total 2009/10 operating expenditure budget amounts to R555 277 955, which is 28,8% more than the previous year's original budget of R431 271 127.

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

The increase from the 2008/09 original budget to the 2009/10 budget is largely attributed to the fact that the recording of Capital government grants differs between the two budget years. The total amount of Capital government grants of R28 513 351 was not included in the 2008/09 original budget. If this amount is added to the 2008/09 original budget, the 2009/10 budget shows an increase of 20,8%.

The 2008/09 budget of R431 271 127 was adjusted upwards in September 2008 to an amount of R453 678 683 to accommodate Eskom price increases as gazetted on the 27th of June 2008. The municipality also received funding from Petro SA for Deforestation, Cleansing and the Rehabilitation of River Mouth projects.

The budget was again adjusted upwards to a final budget amount of R482 912 110 during February 2009 mainly due to additional funding received for Housing Top structures and Equitable Share.

The information in the Operating Budget schedules are based on a total expenditure of R555 277 955. This figure however includes non-cash transactions. If the latter is deleted from the total budget it shows a total cash budget of R461 334 402. It is this expenditure figure which must be financed from cash sources as shown in the income statement.

The following table gives a breakdown per category expenditure of the cash budget for the 2009/10 financial year. It also shows the percentage which each of these categories forms of the total expenditure budget.

<i>Category of Expenditure</i>	<i>Amount</i>	<i>% of Total Expenditure Budget</i>
Employee Related Costs	R 137,790,184	29.9%
Less Employee Costs Capitalised	(R 1,276,200)	-0.3%
Remuneration Of Councillors	R 6,069,092	1.3%
Collection Costs	R 5,620,000	1.2%
General Expenses - Bulk Purchases	R 121,337,517	26.3%
General Expenses - Contracted Services	R 21,209,707	4.6%
General Expenses - Grants & Subsidies Paid	R 4,751,674	1.0%
General Expenses - Other	R 64,848,038	14.1%
Repairs & Maintenance - Municipal Assets	R 35,396,770	7.7%
Depreciation - Property, Plant & Equip	R -	0.0%
Depreciation - Leased Property Plant & Equipment	R -	0.0%
Amortisation - Intangible Assets	R -	0.0%
Interest Expense - External Borrowings	R 660,001	0.1%
Disposal Of Property, Plant & Equipment	R -	0.0%
Contributions To / From Provisions & Reserves	R 41,934,744	9.1%
Interdepartmental Charges And Recoveries	(R 26,875)	0.0%
Other Adjustments & Transfers [Appropriation]	R 23,019,750	5.0%
TOTAL	R 461,334,402	100%

You are also referred to schedule 6 on pages 26 to 32 of this document where the total income and expenditure per individual item is shown. By perusing through this schedule you will also be able to identify increases and decreases per budget item compared to the previous financial year.

EXTERNAL FUNDING SOURCES

The following sources of funding were made available from National and Provincial Government for the 2009/10 financial year:

National Funding:

<i>Grant</i>	<i>CAPITAL budget funding</i>	<i>OPERATING budget funding</i>
Integrated National Electrification Programme Grant	R 3,240,000	
Municipal Infrastructure Grant	R 10,601,000	
Electricity Demand Side Management Grant	R 15,000,000	
Expanded Public Works Programme Incentive Grant	R 500,000	
Finance Management Grant		R 750,000
Municipal Systems Improvement Grant	R 57,000	R 343,000
Contribution toward Council Remuneration		R 1,140,000
Equitable Share Indigent Subs		R 24,977,000
TOTAL	R 29,398,000	R 27,210,000

Provincial Funding:

<i>Grant</i>	<i>CAPITAL budget funding</i>	<i>OPERATING budget funding</i>
Integrated Housing and Human Settlement & Development Grant	R 5,293,600	R10,440,400
Department of Social Services	R1,500,000	
Maintenance of Proclaimed Roads		R 30,000
Library Services		R 672,000
Community Development Worker Operations Support Grant		R 96,000
TOTAL	R 6,793,600	R 11,238,400

PROPOSED RATES AND TARIFFS FOR 2009/10

Electricity Tariff:

At the time of framing this budget the tariff increase from Eskom has not been decided yet. National Treasury gave some guideline figures in their MFMA Circular no.48. They advised Municipalities to budget for a guideline increase of 25%. This was only a guideline figure and was not intended to pre-empt NERSA's ruling on the 2009/2010 increase. On 27 March 2009 National Treasury requested per Annexure to Circular 48 that the Municipalities budget for a 34% increase in the purchase price of Eskom tariffs.

The budget and electricity tariff increases for 2009/2010 is based on the following:

* Eskom tariff increase	:	34%
* Municipal electricity tariff increase	:	23,8%

The budget of the Electricity Directorate shows the following income and expenditure:

Total Income	R 207 448 118
Total Expenditure	R 164 080 915
Nett Profit	<u>R 43 367 203</u>

It is thus clear that the Electricity Service will subsidise the Rates and General Services with R43,4 million in the 2009/2010 budget.

Lastly it must be stressed that the electricity tariff increase is dependent on a decision from NERSA and that the final decision in this regard is still awaited.

Water Tariffs:

It is recommended that the water tariffs be increased on a sliding scale as can be seen on the tariff list (Annexure A to this document). It is recommended that the increase of the basic water tariff and the lower levels of the tariff scale be increased by 8% but that the tariffs on the higher levels are increased at a higher percentage as shown in the tariffs schedule.

The increase for domestic consumers is recommended as follows:

Basic fee	8%
Usage:	
0 – 6KI	0%
7 – 30KI	8%
31 – 45KI	8%
46 – 60KI	10%
61 – 80KI	12%
>80KI	14%

The other water tariff scales show the same trend as above. The reason for increasing the higher tariffs with more than 8% is mainly due to the fact that the Council invested millions over the past years in an extension to its purification plants. At the same time it is envisaged that the increase in the higher tariff levels will help the Council to reduce excessive consumption in water.

The income and expenditure for the 2009/2010 of the water department can be summarised as follows:

Total Income	R 74 062 683
Total Expenditure	<u>R 56 872 421</u>
Nett Profit	<u>R 17 190 262</u>

It is thus clear that the water service, including the recommended tariff increases subsidises the Rates and General Service with R17,2 million.

Refuse Removal Tariffs:

The income from refuse removal is used to finance the refuse removal service as well as the cleaning projects in town. The service is categorised as an economic service which mean that the service is suppose to pay for itself from service fees without making a too big profit on the service.

The tariff increase recommended for the refuse removal service is 10%.

The income and expenditure of the cleansing department can be summarised as follows:

Income	R 32 790 828
Expenditure	<u>R 30 050 222</u>
Nett Profit	<u>R 2 740 606</u>

It is clear that this department which was previously run at a loss shows a small profit of R2,7 million which subsidises the Rates and General Services.

Sewerage Fees:

The sewerage service is also categorised as an economic service. This service must therefore also be financed by its own tariffs and is suppose to break even or only run on a small profit as the case is with refuse removal. This is in contradiction of a trading service where a service may show a big profit through which Rates and General Services are financed. The following is a summary of the income and expenditure budget of the sewerage services budget for 2009/2010:

Income	R 62 059 581
Expenditure	<u>R 36 466 419</u>
Nett profit	<u>R 25 593 162</u>

It is thus clear that this economic service is making excessive profits through which Rates and General Services are subsidised. The reason for this huge profit can mainly be attributed to the fact that this tariff was used to subsidise the rates tariff. The impact of this services tariff against a higher increase of property rates was previously due to various reasons more acceptable. As the income basis of the sewerage tariff is more or less the same as that of property rates, i.e. all property owners excluding a few areas where sewerage services are not connected to the network, Council need to stop any further increases in this tariff for the next few years and depend more on the rates tariff to balance its budget.

In view of the above no increase is recommended on the sewerage tariff for 2009/2010.

It is also recommended to Council that the tariff policy with regard to sewerage tariffs be amended to include sectional title units in the category of residential properties. This implies that the sewerage tariff for all residential properties, including sectional title residential units, will be levied on the same basis and tariffs. This is made possible due to the implementation of the Property Rates Act whereby property rates on sectional title units are being levied separately and individually as from 01 July 2008.

This will mean an extraordinary increase for sectional title units which were previously levied as part of a complex property based on the commercial tariff basis.

Property Rates:

Property rates are levied in terms of the Property Rates Act and the income is used to balance the operating budget. Due to the fact that no tariff increase is recommended on the sewerage tariff an additional income must be generated from the property rates tariff, the recommended increase of the property rates tariff is 15%. The increase will generate an additional R7,1 million income to balance the operational budget.

It must also be kept in mind that the first R50 000 of the valuation of residential properties is exempted at the same time. Council also approved a discount to pensioners on property rates, based on certain conditions.

Council is also requested to peruse through the tariff listing. Various tariff increases are recommended in respect of all the other tariffs. The additional income generated from these tariffs has also been recorded in the operational budget.

I also specifically want to draw your attention to paragraph 6 (page 12 of the tariff listing in Annexure A) where the new subsidies to poor and indigent households are shown. It is clear from this page that the subsidy in respect of poor households is R180 per month and the subsidy in respect of indigent households is R286,11 per month.

It is also recommended that the income limit of poor households be increased from R3 000 per month to R4 000 per month.

The total costs of these subsidies will be financed as follows:

<i>Financed from</i>	<i>Indigent Households</i>	<i>Poor Households</i>	<i>TOTAL</i>
Equitable Share	R 24,177,078	R -	R 24,177,078
Rates and Taxes	R 154,074	R 4,047,600	R 4,201,674
TOTAL	R 24,331,152	R4,047,600	R 28,378,752

It must also be made clear that the above subsidy levels can only be maintained if all the fraudulent cases can be identified and eliminated from the indigent register.

Attached hereto are some individual properties on which the proposed tariffs had been implemented. The effect on these properties can clearly be seen from the attached list.

5.2. Budget Schedules

5.2.1. Operating Budget

CASH OPERATING BUDGET : PER TYPE OF EXP / SOURCE OF INCOME

TYPE CODE	TYPE	% of total income/exp budget	NON-CASH Transactions	Departmental Costs	Transfers out (Contra)	TOTAL CASH BUDGET	% of total income/exp budget
2009/2010							
INCOME							
56	Property Rates	10.1%		167,273		(56,066,355)	12.2%
58	Penalties Imposed And Collection Charges	0.4%				(2,200,000)	0.5%
62	Service Charges	61.5%		13,057,867	13,036,328	(315,620,240)	68.4%
66	Rent of Facilities and Equipment	0.7%				(4,055,148)	0.9%
68	Interest Earned - External Investments	3.8%	510			(20,947,197)	4.5%
72	Interest Earned - Outstanding Debtors	0.1%				(551,676)	0.1%
76	Fines	0.9%				(4,779,400)	1.0%
78	Licenses and Permits	0.8%				(4,182,200)	0.9%
82	Grants & Subsidies Received - Operating	7.8%				(43,342,290)	9.4%
83	Grants & Subsidies Received - Capital	6.5%			36,191,600	-	0.0%
84	Other Revenue	5.9%	12,449,554		9,040,421	(11,342,104)	2.5%
85	Public Contr & Donated Property, Plant &	0.0%				-	0.0%
86	Gains on Disposal Of Property, Plant & E	1.8%			10,000,000	(70,000)	0.0%
OPERATING INCOME GENERATED			12,450,064	13,225,140	68,268,349	(463,156,610)	
88	Less Revenue Foregone	-0.3%				1,743,726	-0.4%
TOTAL OPERATING INCOME		100.0%	12,450,064	13,225,140	68,268,349	(461,412,884)	100.0%
EXPENDITURE							
2	Employee Related Costs	24.8%				137,790,184	29.9%
4	Less Employee Costs Capitalised	-0.2%				(1,276,200)	-0.3%
6	Less Empl Costs Alloc To Other Operating	0.0%				-	0.0%
8	Remuneration Of Councillors	1.1%				6,069,092	1.3%
10	Bad Debts	0.0%				-	0.0%
12	Collection Costs	1.0%				5,620,000	1.2%
14	General Expenses - Bulk Purchases	21.9%				121,337,517	26.3%
16	General Expenses - Contracted Services	3.8%				21,209,707	4.6%
18	General Expenses - Grants & Subsidies Pa	0.9%				4,751,674	1.0%
20	General Expenses - Other	14.4%	(68,991)	(13,825,140)	(1,490,421)	64,848,038	14.1%
22	Repairs & Maintenance - Municipal Assets	6.4%				35,396,770	7.7%
24	Depreciation - Property, Plant & Equip	1.0%	(5,464,237)			-	0.0%
26	Depreciation - Leased Property Plant & E	0.1%	(606,619)			-	0.0%
27	Amortisation - Intangible Assets	0.0%	(159,153)			-	0.0%
28	Interest Expense - External Borrowings	0.1%				660,001	0.1%
30	Disposal Of Property, Plant & Equipment	0.0%	(50,000)			-	0.0%
32	Contributions From Operating To Capital	0.0%				-	0.0%
34	Contributions To / From Provisions & Res	11.0%	(6,101,064)		(13,036,328)	41,934,744	9.1%
44	Interdepartmental Charges And Recoveries	-0.1%		600,000		(26,875)	0.0%
48	Other Adjustments & Transfers [Appropria	13.8%			(53,741,600)	23,019,750	5.0%
DIRECT OPERATING EXPENDITURE			(12,450,064)	(13,225,140)	(68,268,349)	461,334,402	
INTERNAL CHARGES							
	Admin-Internal Charges (DR)	3.3%				18,272,430	4.0%
	Admin-Internal Recovery (CR)	-3.3%				(18,272,430)	-4.0%
TOTAL OPERATING EXPENDITURE		100.0%	(12,450,064)	(13,225,140)	(68,268,349)	461,334,402	100.0%
OPERATING (SURPLUS)/DEFICIT			-	-	-	(78,482)	

Schedule 1: 2009/10 Cash Operating Budget

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

CASH OPERATING BUDGET : PER TYPE OF EXP / SOURCE OF INCOME

TYPE CODE	TYPE	% of total income/exp budget	NON-CASH Transactions	Departmental Costs	Transfers out (Contra)	TOTAL CASH BUDGET	% of total income/exp budget
2010/2011							
INCOME							
56	Property Rates	10.9%		190,691		(65,933,205)	12.6%
58	Penalties Imposed And Collection Charges	0.4%				(2,310,000)	0.4%
62	Service Charges	63.5%		14,292,447	14,079,234	(357,533,688)	68.2%
66	Rent of Facilities and Equipment	0.8%				(4,614,184)	0.9%
68	Interest Earned - External Investments	3.1%	479			(18,913,228)	3.6%
72	Interest Earned - Outstanding Debtors	0.1%				(518,625)	0.1%
76	Fines	0.9%				(5,593,942)	1.1%
78	Licenses and Permits	0.8%				(4,586,104)	0.9%
82	Grants & Subsidies Received - Operating	8.7%				(53,002,103)	10.1%
83	Grants & Subsidies Received - Capital	4.1%			24,624,120	-	0.0%
84	Other Revenue	5.5%	11,442,131		9,045,421	(12,924,567)	2.5%
85	Public Contr & Donated Property, Plant &	0.0%				-	0.0%
86	Gains on Disposal Of Property, Plant & E	1.7%			10,000,000	(84,000)	0.0%
OPERATING INCOME GENERATED			11,442,610	14,483,138	57,748,775	(526,013,647)	
88	Less Revenue Foregone	-0.3%				2,013,966	-0.4%
TOTAL OPERATING INCOME		100.0%	11,442,610	14,483,138	57,748,775	(523,999,681)	100.0%
EXPENDITURE							
2	Employee Related Costs	25.7%				155,995,955	29.8%
4	Less Employee Costs Capitalised	-0.2%				(1,276,200)	-0.2%
6	Less Empl Costs Alloc To Other Operating	0.0%				-	0.0%
8	Remuneration Of Councillors	1.1%				6,837,296	1.3%
10	Bad Debts	0.0%				-	0.0%
12	Collection Costs	1.0%				5,844,800	1.1%
14	General Expenses - Bulk Purchases	23.7%				144,000,000	27.5%
16	General Expenses - Contracted Services	3.9%				23,672,152	4.5%
18	General Expenses - Grants & Subsidies Pa	0.4%				2,508,928	0.5%
20	General Expenses - Other	14.5%	(72,432)	(15,113,138)	(1,490,421)	71,474,974	13.6%
22	Repairs & Maintenance - Municipal Assets	6.2%				37,941,112	7.2%
24	Depreciation - Property, Plant & Equip	0.7%	(4,436,435)			-	0.0%
26	Depreciation - Leased Property Plant & E	0.1%	(618,751)			-	0.0%
27	Amortisation - Intangible Assets	0.0%	(163,928)			-	0.0%
28	Interest Expense - External Borrowings	0.1%				693,001	0.1%
30	Disposal Of Property, Plant & Equipment	0.0%	(50,000)			-	0.0%
32	Contributions From Operating To Capital	0.0%				-	0.0%
34	Contributions To / From Provisions & Res	11.0%	(6,101,064)		(14,079,234)	46,651,543	8.9%
44	Interdepartmental Charges And Recoveries	-0.1%		630,000		(30,638)	0.0%
48	Other Adjustments & Transfers [Appropria	11.8%			(42,179,120)	29,664,800	5.7%
DIRECT OPERATING EXPENDITURE			(11,442,610)	(14,483,138)	(57,748,775)	523,977,724	
INTERNAL CHARGES							
	Admin-Internal Charges (DR)	3.4%				20,739,208	4.0%
	Admin-Internal Recovery (CR)	-3.4%				(20,739,208)	-4.0%
TOTAL OPERATING EXPENDITURE		100.0%	(11,442,610)	(14,483,138)	(57,748,775)	523,977,724	100.0%
OPERATING (SURPLUS)/DEFICIT			0	-	-	(21,957)	

Schedule 2: 2010/11 Cash Operating Budget

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

CASH OPERATING BUDGET : PER TYPE OF EXP / SOURCE OF INCOME

TYPE CODE	TYPE	% of total income/exp budget	NON-CASH Transactions	Departmental Costs	Transfers out (Contra)	TOTAL CASH BUDGET	% of total income/exp budget
2011/2012							
INCOME							
56	Property Rates	11.1%		213,574		(76,891,087)	12.7%
58	Penalties Imposed And Collection Charges	0.4%				(2,471,700)	0.4%
62	Service Charges	64.2%		15,503,281	15,205,573	(415,235,493)	68.4%
66	Rent of Facilities and Equipment	0.8%				(5,298,522)	0.9%
68	Interest Earned - External Investments	2.3%	441			(16,156,971)	2.7%
72	Interest Earned - Outstanding Debtors	0.1%				(497,928)	0.1%
76	Fines	1.0%				(6,975,672)	1.1%
78	Licenses and Permits	0.8%				(5,391,917)	0.9%
82	Grants & Subsidies Received - Operating	9.0%				(62,510,000)	10.3%
83	Grants & Subsidies Received - Capital	3.7%			25,607,000	-	0.0%
84	Other Revenue	5.5%	13,045,383		7,558,850	(17,524,724)	2.9%
85	Public Contr & Donated Property, Plant &	0.0%				-	0.0%
86	Gains on Disposal Of Property, Plant & E	1.5%			10,000,000	(105,000)	0.0%
OPERATING INCOME GENERATED			13,045,824	15,716,856	58,371,423	(609,059,014)	
88	Less Revenue Foregone	-0.3%				1,756,458	-0.3%
TOTAL OPERATING INCOME		100.0%	13,045,824	15,716,856	58,371,423	(607,302,556)	100.0%
EXPENDITURE							
2	Employee Related Costs	25.0%				173,814,185	28.6%
4	Less Employee Costs Capitalised	-0.2%				(1,276,200)	-0.2%
6	Less Empl Costs Alloc To Other Operating	0.0%				-	0.0%
8	Remuneration Of Councillors	1.1%				7,532,996	1.2%
10	Bad Debts	0.0%				-	0.0%
12	Collection Costs	0.9%				6,137,040	1.0%
14	General Expenses - Bulk Purchases	26.4%				183,000,000	30.1%
16	General Expenses - Contracted Services	3.8%				26,128,067	4.3%
18	General Expenses - Grants & Subsidies Pa	0.6%				4,348,401	0.7%
20	General Expenses - Other	14.1%	(77,747)	(16,384,656)	-	81,756,182	13.5%
22	Repairs & Maintenance - Municipal Assets	5.8%				40,609,744	6.7%
24	Depreciation - Property, Plant & Equip	0.9%	(5,974,998)			-	0.0%
26	Depreciation - Leased Property Plant & E	0.1%	(668,251)			-	0.0%
27	Amortisation - Intangible Assets	0.0%	(173,763)			-	0.0%
28	Interest Expense - External Borrowings	0.1%				734,581	0.1%
30	Disposal Of Property, Plant & Equipment	0.0%	(50,000)			-	0.0%
32	Contributions From Operating To Capital	0.0%				-	0.0%
34	Contributions To / From Provisions & Res	10.5%	(6,101,064)		(15,205,573)	51,921,515	8.6%
44	Interdepartmental Charges And Recoveries	-0.1%		667,800		(32,782)	0.0%
48	Other Adjustments & Transfers [Appropria	10.9%			(43,165,850)	32,591,211	5.4%
DIRECT OPERATING EXPENDITURE			(13,045,824)	(15,716,856)	(58,371,423)	607,264,940	
INTERNAL CHARGES							
	Admin-Internal Charges (DR)	3.3%				22,813,129	3.8%
	Admin-Internal Recovery (CR)	-3.3%				(22,813,129)	-3.8%
TOTAL OPERATING EXPENDITURE		100.0%	(13,045,824)	(15,716,856)	(58,371,423)	607,264,940	100.0%
OPERATING (SURPLUS)/DEFICIT			0	-	-	(37,616)	

Schedule 3: 2011/12 Cash Operating Budget

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

OPERATING BUDGET : EXPENDITURE PER DEPARTMENT

DEP CODE	DEPARTMENT	2008-09			2009-2010 BUDGET	2010-2011 BUDGET	2011-2012 BUDGET
		BUDGET	ADJUSTED BUDGET	PROJECTED Year- end Actual			
MUNICIPAL MANAGER							
100	MUNICIPAL MANAGER : ADMIN	1,161,568	2,395,993	2,395,993	1,131,552	1,260,717	1,394,734
112	COUNCIL : GENERAL EXPENSES	76,932,239	72,505,927	72,505,927	83,775,366	90,351,659	97,280,146
114	CUSTOMER CARE	1,536,489	1,172,762	1,172,762	2,107,103	2,386,115	2,655,303
124	INDUSTRIAL & TOURISM MARKETING	18,076	1,377	1,377	-	-	-
SUB-TOTAL		79,648,372	76,076,059	76,076,059	87,014,021	93,998,491	101,330,182
CORPORATE SERVICES							
200	MANAGER CORPORATE SERV : ADMIN	5,998,614	5,932,302	5,965,302	7,322,834	8,178,226	9,130,329
222	HUMAN RESOURCES	4,228,857	3,919,272	3,881,272	5,194,047	5,767,180	6,406,479
232	LIBRARIES	4,526,754	4,686,371	4,686,371	5,252,899	5,954,453	6,677,045
242	SOCIO-ECON.PLANNING/DEVELOPM.	2,925,189	2,453,068	2,458,068	4,513,295	3,498,168	3,800,483
SUB-TOTAL		17,679,414	16,991,013	16,991,013	22,283,075	23,398,028	26,014,336
FINANCIAL SERVICES							
300	MANAGER FINANCIAL SERV : ADMIN	13,430,589	11,927,885	12,057,885	13,476,499	14,802,618	16,261,061
302	ASSESSMENT RATES	-	-	-	-	-	-
322	COMPUTER CENTRE	2,350,153	2,022,110	2,022,110	2,878,013	3,088,799	3,388,232
352	PAYROLL MANAGEMENT	-	-	-	-	-	-
372	SUPPLY CHAIN MANAGEMENT	2,449,450	1,891,893	1,881,893	2,510,602	2,883,219	3,236,426
392	VALUATIONS	1,449,342	1,467,774	1,347,774	1,542,631	1,742,128	1,951,753
SUB-TOTAL		19,679,534	17,309,662	17,309,662	20,407,745	22,516,765	24,837,472
TECHNICAL SERVICES							
400	MANAGER TECHNICAL SERV : ADMIN	403,435	493,161	462,161	588,098	625,908	711,349
462	MAIN ROADS	1,788,750	889,101	889,101	37,500	-	-
464	STORMWATER DRAINAGE	3,913,932	16,883,813	17,397,813	14,412,129	16,711,431	15,561,230
468	STREETS	21,172,012	27,504,691	27,301,991	23,002,262	24,160,809	26,190,176
472	SEW : PURIF SERV - PINNACLE POINT	849,196	1,338,494	1,360,994	1,568,137	1,739,879	1,907,695
473	SEW : PURIF SERV - REGIONAL PL	5,317,237	5,792,313	5,728,613	6,242,537	6,905,434	7,565,482
474	SEW : PURIF SERV - GREAT BRAK	380,019	310,381	315,081	372,597	417,114	457,454
475	SEW : PURIF SERV - HERBERTSDAL	107,509	88,928	88,928	135,753	153,051	167,130
476	SEW : PURIF SERV - FRIEMERSHEIM	313,923	272,471	272,471	385,986	433,640	476,499
477	SEW : RETIC SERV - EXTERNAL	4,932,512	9,083,442	9,145,442	5,051,414	5,538,645	6,069,154
478	SEW : RETIC SERV - NETWORK	19,149,450	18,050,609	17,990,609	22,709,995	26,207,196	29,629,680
482	WATER : PURIF WORKS - KLEIN BRAK	16,050,820	16,131,275	16,208,775	19,049,298	21,906,857	24,859,364
483	WATER : PURIFWORKS - SANDHOOGTE	2,658,059	3,236,360	3,236,360	3,494,775	3,855,217	4,220,908
484	WATER : PURIFWORKS - GREAT BRAK	1,825,214	2,081,905	2,063,905	2,231,923	2,459,735	2,689,910
485	WATER : PURIFWORKS - FRIEMERSHEIM	363,998	368,672	368,672	389,265	432,652	475,011
486	WATER : PURIFWORKS - HERBERTSDALE	110,488	82,719	99,719	126,277	140,180	152,754
487	WATER : DISTRIBUTION SERVICES	20,775,127	22,536,502	22,289,202	23,041,482	25,022,605	28,321,420
488	WATER : EXTERNAL SERVICES	7,826,633	9,033,664	8,958,664	8,539,401	9,379,531	10,241,539
SUB-TOTAL		107,938,314	134,178,501	134,178,501	131,378,829	146,089,884	159,696,757
COMMUNITY SERVICES							
500	MANAGER COMMUNITY SERV : ADMIN	591,459	583,910	583,910	616,572	686,772	767,411
512	BEACHES	3,119,323	6,498,689	6,534,344	4,031,823	4,519,963	4,948,446
522	CARAVAN PARK :DIAS	-	-	-	-	-	-
523	CARAVAN PARK :POINT	1,561,203	1,629,935	1,599,935	1,720,323	1,903,134	2,085,793
524	CARAVAN PARK :SANTOS / BAKKE	1,766,676	1,627,911	1,614,111	1,897,762	2,071,221	2,262,128
532	CEMETERIES	813,556	559,415	587,415	853,489	938,642	1,030,245
544	CHALETS : DE BAKKE	3,137,951	3,112,447	3,126,247	3,488,448	3,874,653	4,276,804
545	CHALETS : DIASSTRAND	299,667	304,358	304,358	377,185	425,398	472,178
549	TOWN HALL & COMMUNITY HALLS	2,450,469	2,830,218	2,830,218	2,994,126	3,313,162	3,636,493
552	CLEANSING : REFUSE REMOVAL SERV	25,960,191	28,453,493	28,333,293	27,098,103	30,275,744	33,612,276
553	CLEANSING : STREET CLEANING	1,733,604	1,694,636	1,678,636	1,859,360	2,097,496	2,329,844
554	CLEANSING : TRANSFER STATIONS	1,151,073	900,783	1,036,983	1,092,759	1,230,764	1,380,110
560	FIRE BRIGADE &RESCUE SERVICES	7,919,034	8,379,278	8,373,623	9,394,953	10,478,881	11,577,872
572	HEALTH: CLINICS	-	-	-	-	-	-
573	HEALTH: COMMUNITY SERVICE	-	-	-	-	-	-
574	HEALTH: GENERAL	-	-	-	-	-	-
575	HEALTH: PRIME CARE	-	-	-	-	-	-
579	HOUSING ADMINISTRATION	10,432,760	29,256,716	29,256,716	25,369,686	24,627,373	27,061,003
581	PARKS: HARRY GIDDY PARK	-	-	-	759,104	851,181	945,162
582	PARKS & RECREATION	11,306,410	12,263,861	12,208,791	17,869,460	20,007,979	22,257,858
583	PLANTATIONS	254,392	258,560	250,560	267,644	299,855	331,471
584	PUBLIC CONVENIENCES	-	-	-	-	-	-
585	MUNICIPAL POLICE & TRAFFIC	14,161,772	13,976,485	13,976,485	15,717,155	17,451,864	19,234,127
588	SECURITY SERVICES	-	-	-	-	-	-
592	SPORT GROUNDS	2,652,276	2,756,164	2,791,234	3,356,048	3,692,346	4,060,205
SUB-TOTAL		89,311,816	115,086,859	115,086,859	118,764,000	128,746,428	142,269,425
ELECTRICITY SERVICES							
600	ELECTRICITY ADMINISTRATION	6,605,096	6,878,680	6,818,680	7,002,041	7,864,342	8,641,463
614	ELECTRICITY DISTRIBUTION	100,318,026	106,809,599	106,869,599	157,078,874	172,390,600	217,602,072
SUB-TOTAL		106,923,122	113,688,279	113,688,279	164,080,915	180,254,942	226,243,535
TOWN PLANNING & BUILDING CONTROL							
712	MUNICIPAL BUILDINGS & LAND	2,809,884	2,874,153	2,874,153	3,099,423	3,392,931	3,751,976
742	TOWN PLAN & BUILDING CONTROL	7,280,671	6,707,584	6,707,584	8,249,947	9,254,777	10,255,359
		10,090,555	9,581,737	9,581,737	11,349,370	12,647,708	14,007,336
GRAND TOTAL		431,271,127	482,912,110	482,912,110	555,277,955	607,652,247	694,399,043

Schedule 4: 2009/10 Operating Expenditure Budget (Per Department)

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

OPERATING BUDGET : INCOME PER DEPARTMENT

DEP CODE	DEPARTMENT	2008-09			2009-2010 BUDGET	2010-2011 BUDGET	2011-2012 BUDGET
		BUDGET	ADJUSTED BUDGET	PROJECTED Year- end Actual			
MUNICIPAL MANAGER							
100	MUNICIPAL MANAGER : ADMIN	-	-	-	-	-	-
112	COUNCIL : GENERAL EXPENSES	(52,921,454)	(48,815,339)	(48,815,339)	(56,942,251)	(54,987,578)	(57,707,683)
114	CUSTOMER CARE	-	-	-	-	-	-
124	INDUSTRIAL & TOURISM MARKETING	-	-	-	-	-	-
SUB-TOTAL		(52,921,454)	(48,815,339)	(48,815,339)	(56,942,251)	(54,987,578)	(57,707,683)
CORPORATE SERVICES							
200	MANAGER CORPORATE SERV : ADMIN	(102,000)	(3,975)	(3,975)	(102,000)	(106,065)	(111,346)
222	HUMAN RESOURCES	(600,000)	(503,013)	(503,013)	(800,000)	(880,000)	(985,600)
232	LIBRARIES	(620,130)	(622,798)	(622,798)	(819,290)	(1,015,506)	(1,163,517)
242	SOCIO-ECON.PLANNING/DEVELOPM.	(200,000)	(237,882)	(237,882)	(1,700,000)	(375,000)	(395,000)
SUB-TOTAL		(1,522,130)	(1,367,668)	(1,367,668)	(3,421,290)	(2,376,571)	(2,655,463)
FINANCIAL SERVICES							
300	MANAGER FINANCIAL SERV : ADMIN	(4,641,000)	(2,503,206)	(2,503,206)	(3,411,189)	(4,093,327)	(4,663,620)
302	ASSESSMENT RATES	(49,193,898)	(47,115,255)	(47,115,255)	(56,689,902)	(66,419,930)	(77,819,903)
322	COMPUTER CENTRE	(20,000)	-	-	(15,000)	(17,100)	(18,810)
352	PAYROLL MANAGEMENT	-	-	-	-	-	-
372	SUPPLY CHAIN MANAGEMENT	(100,000)	(44,930)	(44,930)	(90,000)	(91,800)	(94,554)
392	VALUATIONS	-	-	-	-	-	-
SUB-TOTAL		(53,954,898)	(49,663,391)	(49,663,391)	(60,206,091)	(70,622,157)	(82,596,887)
TECHNICAL SERVICES							
400	MANAGER TECHNICAL SERV : ADMIN	-	-	-	-	-	-
462	MAIN ROADS	(1,431,000)	(711,281)	(711,281)	(30,000)	-	-
464	STORMWATER DRAINAGE	-	(13,591,000)	(13,591,000)	(10,601,000)	(12,355,000)	(10,607,000)
468	STREETS	(38,200)	(6,063,104)	(6,063,104)	(562,000)	(67,400)	(73,766)
472	SEW : PURIF SERV - PINNACLE POINT	-	-	-	-	-	-
473	SEW : PURIF SERV - REGIONAL PL	(2,100)	(3,104)	(3,104)	(2,067)	(2,274)	(2,478)
474	SEW : PURIF SERV - GREAT BRAK	-	-	-	-	-	-
475	SEW : PURIF SERV - HERBERTSDAL	-	-	-	-	-	-
476	SEW : PURIF SERV - FRIEMERSHEIM	-	-	-	-	-	-
477	SEW : RETIC SERV - EXTERNAL	-	(3,697,128)	(3,697,128)	(5,000)	(5,000)	(6,200)
478	SEW : RETIC SERV - NETWORK	(55,812,990)	(56,110,816)	(56,110,816)	(62,052,514)	(66,875,342)	(69,417,258)
482	WATER : PURIF WORKS - KLEIN BRAK	-	-	-	-	-	-
483	WATER : PURIFWORKS - SANDHOOGTE	(35,000)	(39,124)	(39,124)	(45,708)	(50,359)	(54,891)
484	WATER : PURIFWORKS - GREAT BRAK	-	(36)	(36)	-	-	-
485	WATER : PURIFWORKS - FRIEMERSHEIM	-	-	-	-	-	-
486	WATER : PURIFWORKS - HERBERTSDALE	-	-	-	-	-	-
487	WATER : DISTRIBUTION SERVICES	(67,643,128)	(67,429,122)	(67,429,122)	(73,784,175)	(81,884,097)	(90,214,591)
488	WATER : EXTERNAL SERVICES	(232,800)	(232,800)	(232,800)	(232,800)	(232,800)	(232,800)
SUB-TOTAL		(125,195,218)	(147,877,515)	(147,877,515)	(147,315,264)	(161,472,272)	(170,608,984)
COMMUNITY SERVICES							
500	MANAGER COMMUNITY SERV : ADMIN	-	-	-	-	-	-
512	BEACHES	(208,600)	(2,056,952)	(2,056,952)	(11,759)	(12,660)	(13,747)
522	CARAVAN PARK :DIAS	-	-	-	-	-	-
523	CARAVAN PARK :POINT	(1,597,200)	(1,913,000)	(1,913,000)	(2,119,350)	(2,330,330)	(2,794,812)
524	CARAVAN PARK :SANTOS / BAKKE	(2,302,500)	(2,750,000)	(2,750,000)	(3,002,500)	(3,302,500)	(3,963,100)
532	CEMETERIES	(82,400)	(93,882)	(93,882)	(94,500)	(107,025)	(119,941)
544	CHALETS : DE BAKKE	(2,850,000)	(2,314,832)	(2,314,832)	(2,800,000)	(3,161,000)	(3,662,480)
545	CHALETS : DIASSTRAND	-	-	-	-	-	-
549	TOWN HALL & COMMUNITY HALLS	(282,600)	(260,693)	(260,693)	(270,700)	(305,471)	(343,728)
552	CLEANSING : REFUSE REMOVAL SERV	(28,280,729)	(28,930,749)	(28,930,749)	(32,790,828)	(36,967,989)	(40,896,747)
553	CLEANSING : STREET CLEANING	-	-	-	-	-	-
554	CLEANSING : TRANSFER STATIONS	-	-	-	-	-	-
560	FIRE BRIGADE &RESCUE SERVICES	(74,500)	(42,951)	(42,951)	(76,500)	(80,000)	(85,422)
572	HEALTH: CLINICS	-	-	-	-	-	-
573	HEALTH: COMMUNITY SERVICE	-	-	-	-	-	-
574	HEALTH: GENERAL	-	-	-	-	-	-
575	HEALTH: PRIME CARE	-	-	-	-	-	-
579	HOUSING ADMINISTRATION	(8,305,536)	(26,508,926)	(26,508,926)	(25,369,686)	(24,627,373)	(27,061,003)
581	PARKS: HARRY GIDDY PARK	-	-	-	-	-	-
582	PARKS & RECREATION	(1,000)	(2,502,854)	(2,502,854)	(2,000)	(2,000)	(2,480)
583	PLANTATIONS	(12,000)	(49,355)	(49,355)	(60,000)	(69,000)	(77,280)
584	PUBLIC CONVENIENCES	-	-	-	-	-	-
585	MUNICIPAL POLICE & TRAFFIC	(9,917,795)	(8,141,646)	(8,141,646)	(8,992,000)	(10,201,450)	(12,402,694)
588	SECURITY SERVICES	-	-	-	-	-	-
592	SPORT GROUNDS	(50,600)	(109,479)	(109,479)	(67,500)	(74,200)	(82,970)
SUB-TOTAL		(53,965,460)	(75,675,319)	(75,675,319)	(75,657,323)	(81,240,998)	(91,506,403)
ELECTRICITY SERVICES							
600	ELECTRICITY ADMINISTRATION	-	-	-	-	-	-
614	ELECTRICITY DISTRIBUTION	(136,978,616)	(155,781,360)	(155,781,360)	(207,448,118)	(232,064,415)	(283,846,101)
SUB-TOTAL		(136,978,616)	(155,781,360)	(155,781,360)	(207,448,118)	(232,064,415)	(283,846,101)
TOWN PLANNING & BUILDING CONTROL							
712	MUNICIPAL BUILDINGS & LAND	(991,351)	(1,461,750)	(1,461,750)	(1,009,100)	(1,146,354)	(1,308,668)
742	TOWN PLAN & BUILDING CONTROL	(5,742,000)	(3,149,503)	(3,149,503)	(3,357,000)	(3,763,860)	(4,206,470)
		(6,733,351)	(4,611,253)	(4,611,253)	(4,366,100)	(4,910,214)	(5,515,138)
GRAND TOTAL		(431,271,127)	(483,791,845)	(483,791,845)	(555,356,437)	(607,674,204)	(694,436,659)

Schedule 5: 2009/10 Operating Income Budget (Per Department)

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

OPERATING BUDGET : PER ITEM

ITEM CODE	ITEM	2008-09			2009-2010 BUDGET	2010-2011 BUDGET	2011-2012 BUDGET
		BUDGET	ADJUSTED BUDGET	PROJECTED Year- end Actual			
2 Employee Related Costs							
10	Allowance-Acting	405,000	354,900	354,900	335,000	365,485	398,379
20	Allowance-Cashiers	23,700	32,300	32,300	24,900	26,145	29,021
30	Allowance - Entertainment	-	-	-	-	-	-
40	Allowance-Housing Subsidy	1,285,157	1,214,110	1,214,110	1,355,741	1,525,209	1,708,234
43	Allowance-Locomotion-Bus	289,728	283,040	283,040	252,912	273,904	298,555
44	Allowance-Locomotion-Claims	414,200	630,520	630,520	640,215	683,109	737,758
45	Allowance-Locomotion-Fixed	2,471,034	2,217,682	2,217,682	2,566,554	2,938,704	3,232,575
50	Allowance-Other	984,615	1,233,288	1,233,288	1,387,963	1,424,050	1,495,253
125	Bonuses	6,088,966	6,090,898	6,090,898	6,933,701	7,869,751	8,499,331
250	Contract Workers	110,000	50,000	50,000	672,000	806,400	975,744
260	Contributions-Med. Aid Fund	8,305,960	6,678,931	6,678,931	7,942,844	9,054,842	10,141,423
265	Contributions-Pension Fund	9,883,700	9,148,574	9,148,574	11,315,179	12,673,000	14,193,761
270	Contributions-Provident Fund	2,109,796	2,120,153	2,120,153	2,321,748	2,500,523	2,700,564
290	Ex Gratia Pensions	-	-	-	-	-	-
295	Executive Packages	5,777,108	6,926,851	6,926,851	6,579,908	7,389,237	8,128,160
330	Group Life Insurance	1,666,006	1,628,104	1,628,104	1,911,459	2,175,240	2,392,764
380	Leave Pay	-	-	-	-	-	-
381	Long Service Bonus	-	-	-	-	-	-
405	Overtime Pay	4,648,221	6,392,697	6,392,697	5,699,700	6,241,172	6,865,289
420	Protective Clothing & Uniforms	603,773	708,170	655,173	685,715	719,315	769,667
430	Salaries	73,860,011	69,068,214	69,161,714	83,679,628	95,394,776	106,842,149
445	Standby	487,433	684,585	684,585	681,645	762,761	854,292
460	Temporary/Casual Staff	810,900	1,957,336	1,795,504	1,149,200	1,390,532	1,626,922
465	Unemployment Insurance Fund	729,897	726,541	726,541	801,368	859,066	927,792
480	Wages	-	-	-	-	-	-
485	Workman's Compensation	746,213	748,919	748,919	852,804	922,734	996,553
SUB-TOTAL		121,701,418	118,895,813	118,774,484	137,790,184	155,995,955	173,814,185
4 Less Employee Costs Capitalised							
530	Empl Cost to Capital-Salaries	-	-	-	(1,135,400)	(1,135,400)	(1,135,400)
535	Empl Cost to Capital-Wages	-	-	-	(140,800)	(140,800)	(140,800)
SUB-TOTAL		-	-	-	(1,276,200)	(1,276,200)	(1,276,200)
6 Less Employee Costs Alloc to Other Operating							
543	Empl Cost to OperDept-Salaries	-	(16,730)	(16,730)	-	-	-
545	Empl Cost to Oper Dept-Wages	-	-	-	-	-	-
SUB-TOTAL		-	(16,730)	(16,730)	-	-	-
8 Remuneration Of Councillors							
550	Councillors Remun-Allowances	5,114,538	5,161,020	5,114,538	5,677,122	6,403,794	7,044,173
551	Council Remun-Office Allow.	-	-	-	-	-	-
552	Council Remun-Pension Fund	-	-	-	-	-	-
553	Council Remun-Travel Allow.	100,000	51,206	100,000	100,000	110,000	126,500
554	Council Remun-Telephone Allow	263,116	265,428	263,116	291,970	323,503	362,323
556	Council Remun-Housing Allow	-	-	-	-	-	-
558	Council Remun-Med. Aid Fund	-	-	-	-	-	-
SUB-TOTAL		5,477,654	5,477,654	5,477,654	6,069,092	6,837,296	7,532,996
10 Bad Debts							
560	Bad Debt	-	-	-	-	-	-
SUB-TOTAL		-	-	-	-	-	-
12 Collection Costs							
570	Collection Costs	6,350,000	4,800,000	4,800,000	5,620,000	5,844,800	6,137,040
SUB-TOTAL		6,350,000	4,800,000	4,800,000	5,620,000	5,844,800	6,137,040
14 General Expenses - Bulk Purchases							
580	Bulk Purchases-Electricity	74,432,497	82,000,000	82,000,000	111,337,517	132,000,000	169,000,000
585	Bulk Purchases-Water	8,000,000	6,482,000	8,000,000	10,000,000	12,000,000	14,000,000
SUB-TOTAL		82,432,497	88,482,000	90,000,000	121,337,517	144,000,000	183,000,000
16 General Expenses - Contracted Services							
610	Agency Paym-Account Print	460,000	338,000	320,000	400,000	452,000	497,200
611	AMR System	350,000	390,000	350,000	350,000	385,000	415,800
615	Agency Payments-Cleansing Serv	5,020,000	6,830,000	6,790,000	2,380,000	2,737,000	3,147,550
616	Agency Payment-Cut of Grass	291,200	173,700	142,000	5,313,000	5,844,300	6,311,844
620	Agency Payments-Gardening Serv	200,000	28,050	78,000	200,000	240,000	283,200
622	Agency Paym-Info Sys Maint	306,000	250,000	250,000	302,800	333,080	373,050
625	Agency Paym-Internal Auditors	779,000	779,000	779,000	681,812	770,448	862,901
626	Agency Payments-life Saving	600,000	930,345	936,000	800,000	896,000	1,003,520
630	Agency Paym-Meter Readings	748,764	651,995	651,995	950,000	1,107,700	1,251,701
635	Agency Paym-Prepaid System	2,900,000	2,659,104	2,659,104	3,469,137	3,791,767	4,098,900
640	Agency Paym-Refuse Recycling	106,000	100,000	100,000	116,600	126,278	137,643
645	Agency Paym-Refuse Removal	1,722,301	2,400,000	2,400,000	2,500,000	2,672,500	2,859,575
650	Agency Payments-Sanitation Ser	1,387,000	1,399,426	1,390,426	1,400,000	1,610,000	1,803,200
655	Agency Paym-Security Services	760,344	1,185,383	1,151,383	871,358	949,780	1,044,758
660	Agency Paym-Transport Co.	220,000	1,090,000	1,090,000	800,000	968,000	1,122,880
665	Agency Paym-Add.Valuations	450,000	520,000	400,000	450,000	521,550	604,998
666	Agency Payment-Washing Linen	80,000	40,000	40,000	50,000	55,000	61,600
690	Concessionary Fees- Indigent	127,000	261,620	261,620	175,000	211,750	247,748
SUB-TOTAL		16,507,609	20,026,623	19,789,528	21,209,707	23,672,152	26,128,067

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

OPERATING BUDGET : PER ITEM

ITEM COD E	ITEM	2008-09			2009-2010 BUDGET	2010-2011 BUDGET	2011-2012 BUDGET
		BUDGET	ADJUSTED BUDGET	PROJECTED Year- end Actual			
18 General Expenses - Grants & Subsidies Pa							
703	Grants & Donations-Public	550,000	550,000	550,000	550,000	577,500	623,700
710	Grant In Aid-Assessment Rates	-	-	-	-	-	-
713	Grant In Aid-Services	4,658,633	2,437,550	2,437,550	4,201,674	1,931,428	3,724,701
714	Sub: Benefit Discount Scheme	-	385,791	385,791	-	-	-
SUB-TOTAL		5,208,633	3,373,341	3,373,341	4,751,674	2,508,928	4,348,401
20 General Expenses - Other							
730	Advertising	579,688	779,919	723,769	755,400	815,832	889,257
735	Allowances-Adhoc Comm Members	90,000	60,000	60,000	98,000	107,800	114,268
736	Actuarial Loss	-	-	-	-	-	-
737	Animal Feed	-	15,000	25,000	60,000	63,600	68,688
740	Audit Fees-External Auditors	850,000	1,807,000	1,800,000	1,775,000	1,934,750	2,070,183
755	Bank Charges	1,400,000	1,672,468	1,672,468	1,733,860	1,907,246	2,078,898
760	Books,Magazines & Publications	6,850	-	-	6,500	7,085	7,439
764	Bursary Scheme	75,000	50,902	80,000	100,000	112,000	125,440
765	Bush & Weed Clearing	700,000	553,210	543,000	626,000	688,600	771,232
773	Community Meetings	20,000	5,000	5,000	10,000	11,600	13,340
780	Conferences & Seminars	138,900	83,010	83,460	103,000	117,420	124,465
785	Consultant Fees-Emply Equity	30,000	20,000	30,000	50,000	52,500	56,700
790	Consultant Fees-General	1,145,000	1,064,500	1,131,000	2,075,000	2,220,250	2,331,263
793	Consultant Fees-Marketing	-	-	-	-	-	-
795	Consultant Fees-Planning/IDP	-	22,000	25,000	25,000	27,500	31,625
796	Consultant Fees-Personnel	300,000	246,000	276,000	150,000	165,000	188,100
805	Contract Work-General	4,092,500	3,437,162	3,678,162	4,143,100	4,326,548	4,579,941
812	Disciplinary Costs	110,000	110,000	110,000	100,000	110,000	126,500
850	Home Ownership Education	-	36,435	36,435	25,000	25,000	25,000
865	Entertainment-Public	19,600	19,699	17,199	24,200	26,136	28,488
868	Fire-Breaks	55,000	42,000	50,000	50,000	55,000	62,150
870	Fuel & Oil	4,213,280	4,995,845	5,061,822	5,490,575	5,984,727	6,451,535
875	Festive Lights	120,000	83,000	83,000	100,000	110,000	119,900
895	Hire Charges-Television Sets	-	-	-	-	-	-
900	Hire Charges-Toilets	105,000	54,700	54,700	101,500	107,590	115,121
905	Hire Charges-Trip Meters	-	3,000	-	-	-	-
915	Hire Charges-Office Equipment	95,585	103,626	103,626	100,850	121,020	135,542
916	Housing:Top Structures	7,737,656	20,861,323	20,861,323	10,440,400	16,438,880	22,218,000
917	Impairment on Investments	-	-	-	-	-	-
918	Houses for resale-Written off	-	3,000,000	3,000,000	1,490,421	1,490,421	-
919	Housing:Top Str-Dalmeida/Kwa	-	-	-	3,800,000	-	-
920	Industrial/Tourism-Sect.21 Co.	2,389,117	2,389,117	2,389,117	2,511,776	2,762,954	3,011,619
925	Insurance Expenses	2,526,836	2,400,296	2,406,296	2,810,493	3,007,228	3,223,748
926	Insurance Excess Payments	74,800	24,292	27,112	83,100	89,748	96,030
930	Interviewing	100,000	110,000	110,000	100,000	110,000	119,900
935	Inventory Items	81,640	294,725	249,375	377,480	445,426	503,332
936	Land Surveying	-	-	-	-	-	-
940	Lease Charges-Equipment	-	-	-	-	-	-
942	Lease Charges-Vehicles	-	-	-	-	-	-
945	Legal Costs	680,000	1,367,000	1,367,000	1,000,000	1,100,000	1,199,000
950	Levy-Bargaining Council	32,177	31,605	31,605	34,869	40,099	42,906
955	Levy-D.M.:Establishment	-	-	-	-	-	-
960	Levy-D.M.:Services	-	-	-	-	-	-
970	Levy-Skills Development(SETA)	960,000	900,000	900,000	1,092,728	1,194,352	1,325,730
975	Levy-Water Research:DWAF	300,000	396,000	500,000	500,000	560,000	627,200
980	Levy-Water Catchmt Man:DWAF	400,000	300,000	300,000	500,000	550,000	643,500
983	Licence Fees-Radios	47,770	33,270	33,270	53,050	58,355	65,358
985	Licence Fees-Vehicles	275,167	262,924	262,924	297,961	321,798	350,760
986	Linen	50,000	-	50,000	40,000	42,800	45,796
990	Local Economic Development	1,000,000	850,000	850,000	950,000	1,045,000	1,097,250
995	Lost Books	48,000	25,500	25,500	39,000	42,471	46,293
1005	Materials & Stores-Chemicals	6,473,000	8,744,806	7,210,306	7,623,438	8,233,313	8,891,978
1010	Materials & Stores-General	995,230	1,565,168	1,403,539	1,299,271	1,403,213	1,529,502
1015	Materials & Stores-Med. Stock	-	-	-	-	-	-
1020	Mayor's Public Expenses	-	-	-	-	-	-
1025	Medical Tests	22,820	5,000	5,000	34,200	41,040	46,786
1035	Municipal Charges-Electricity	7,760,867	9,264,837	9,281,337	10,038,476	11,042,324	12,036,133
1040	Municipal Charges-Rates	175,000	152,888	152,888	167,273	190,691	213,574
1045	Municipal Charges-Refuse	117,534	114,683	114,683	141,386	154,111	166,440
1050	Municipal Charges-Sewerage	271,403	273,931	273,931	301,328	325,434	354,723
1055	Municipal Charges-Water	446,241	589,066	569,366	676,677	737,578	811,336
1065	Newsletters	32,730	11,639	21,639	11,805	12,867	14,412
1075	Pew feeding Scheme-Kwasiorkor	-	-	-	-	-	-
1080	Pauper Burials	8,000	5,000	5,000	6,000	6,600	7,194
1081	Personnel Job Evaluations	390,000	84,000	125,000	300,000	300,000	321,000
1085	Pest Control	357,500	123,214	133,194	235,920	252,434	275,153
1090	Photographs-Civic	13,200	7,200	8,200	8,500	9,350	10,472
1095	Postage, Rev Stamps & PO Box	1,269,550	1,216,978	1,267,228	1,713,000	1,867,170	1,997,872
1100	Printing & Stationary	948,470	1,086,450	972,900	1,030,874	1,113,344	1,213,545
1105	Public Functions	270,000	204,000	220,000	200,000	216,000	235,440
1110	Publicity	360,000	1,196,939	1,196,939	802,900	883,190	989,173
1115	Railage	-	-	-	-	-	-
1125	Refreshments	106,500	143,500	128,500	132,000	139,920	151,114
1126	Refund Deposits	-	2,350	2,350	-	-	-
1130	Refuse Bags	880,000	996,899	906,699	1,002,000	1,082,160	1,179,554
1135	Refuse Bins	11,000	10,000	10,000	20,700	22,770	24,819

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

OPERATING BUDGET : PER ITEM

ITEM CODE	ITEM	2008-09			2009-2010 BUDGET	2010-2011 BUDGET	2011-2012 BUDGET
		BUDGET	ADJUSTED BUDGET	PROJECTED Year- end Actual			
1140	Refuse Tip Site-External	1,868,148	1,938,873	1,938,873	2,200,000	2,373,800	2,492,490
1150	Relocation Expenses	80,000	150,000	150,000	125,000	143,750	168,188
1151	Relief/Charitable Expenses	20,000	52,351	52,351	80,000	88,000	98,560
1155	Rent-Accommodation	763,195	895,495	886,195	931,028	986,890	1,105,316
1156	Rental Land:Yacht Club	50,082	102,000	102,000	62,642	68,906	81,998
1166	Sanitec Toilets	-	65,000	65,000	100,000	108,000	117,720
1180	Servitudes	-	5,739	5,739	-	-	-
1200	Sport Centre Assistance	-	-	-	-	-	-
1210	Street Lighting	2,000,000	1,238,000	1,800,000	1,900,000	2,033,000	2,134,650
1211	Study Loans	-	-	-	-	-	-
1215	Subscriptions	483,144	598,826	582,946	762,603	823,611	881,264
1220	Sundries	-	70,156	70,156	96,000	100,000	104,000
1225	Survey Costs	170,000	16,302	22,202	45,000	49,500	53,460
1230	Telephones & Communication	2,046,557	1,786,868	1,798,528	2,028,300	2,188,536	2,363,619
1235	Testing of Samples-Food	-	-	-	-	-	-
1240	Testing of Samples-Water	3,000	-	-	-	-	-
1245	Training	666,878	643,098	525,000	833,000	916,300	1,026,256
1250	Transfer Fees-HSG Subs Scheme	50,000	85,000	85,000	51,875	54,988	58,287
1255	Transfer Return Fee-Deeds Offi	45,000	72,931	72,931	65,000	69,550	75,810
1260	Translation Services	215,000	104,000	130,000	165,000	179,850	190,641
1261	Transp-Comm Members to Meeting	100,000	54,000	84,000	50,000	55,000	61,600
1265	Transport-Labourers	1,835	-	-	-	-	-
1270	Travelling & Subsistence	335,759	376,987	359,487	397,140	432,088	470,976
1271	Tow-In of Vehicles	30,000	32,500	30,000	30,000	36,000	41,040
1272	Unamortised Discount on loans	-	69,934	69,934	45,703	48,445	52,321
1273	Union Representatives	90,000	100,025	100,025	118,000	134,520	150,662
1274	Unamortised Discount on Stock loans	-	4,817	4,817	23,288	23,987	25,426
1281	Ward Committees	200,000	200,000	200,000	143,000	375,000	395,000
1293	Youth Development	50,000	20,000	20,000	100,000	100,000	107,000
1295	Wreaths and Bouquets	10,500	9,500	9,500	10,000	10,300	11,021
1300	Water rural Areas	300,000	149,000	180,000	300,000	320,700	349,563
SUB-TOTAL		61,337,709	83,150,478	82,366,546	80,232,590	88,150,964	98,218,585

22 Repairs & Maintenance - Municipal Assets

1412	Beaches-Embarkments/Amenities	200,000	260,000	260,000	214,000	235,400	261,294
1415	Buildings	3,468,780	3,502,128	3,620,748	4,156,490	4,233,444	4,529,785
1425	Computer Equipment & Software	1,138,380	1,102,323	1,094,723	1,354,400	1,422,120	1,550,111
1430	Cleaning/Clearing Infrastruc.	893,100	1,584,500	1,616,000	1,390,000	1,612,400	1,725,268
1431	Deforestation	-	2,500,000	2,500,000	-	-	-
1432	Disaster Management	300,000	20,000	20,000	200,000	242,800	252,512
1435	Dumping Site	737,000	562,201	647,261	770,000	900,130	1,053,152
1440	Electricity Infrastructure	1,845,000	1,996,563	1,697,263	2,047,000	2,200,525	2,354,562
1445	Electricity Street Lighting	750,000	910,000	810,000	860,000	942,400	1,030,336
1450	Fencing	612,200	840,569	798,770	529,200	550,368	627,420
1455	Fire Hydrants & Markers	55,000	11,778	18,978	50,000	56,600	61,128
1460	Fire Extinguish-Test & Refill	39,300	33,335	36,335	38,000	40,280	43,100
1465	Grounds and Gardens	350,000	603,250	498,173	510,000	590,070	666,779
1470	Hiking Trails	50,000	-	21,137	70,000	70,000	73,500
1475	Lighting Public Areas	40,000	10,000	10,000	10,000	10,700	11,663
1480	Mapping & Survey	55,000	-	10,000	40,000	44,920	52,107
1485	Meters	514,000	515,000	499,000	520,000	592,800	640,224
1490	Office Furniture & Equipment	95,400	52,909	42,509	91,150	106,919	119,749
1500	Plant,Mach,Tools & Equipment	1,414,010	1,430,877	1,413,942	1,546,000	1,617,116	1,697,972
1505	Playground Apparatus	170,000	70,176	60,176	70,000	80,360	90,807
1507	Purification Works	191,300	334,892	315,492	13,000	14,300	15,730
1508	Pump Electrical	383,000	474,999	510,999	574,000	608,440	651,031
1510	Pumps Mechanical	850,000	908,876	915,876	950,000	988,000	1,067,040
1512	Pumpstation	300,000	290,000	300,000	340,000	363,800	396,542
1515	Pipeline Mains	446,500	541,000	541,000	570,000	615,600	664,848
1520	Railway Lines	-	-	-	-	-	-
1525	Refuse Bins	11,200	11,200	11,200	14,000	15,400	16,786
1535	Sewerage Infrastructure	500,000	530,000	500,000	500,000	540,000	577,800
1540	Streets-General Repairs	2,326,600	2,434,565	2,247,415	2,787,410	2,926,781	3,073,120
1545	Rehabilitation River Mouths	-	2,000,000	2,000,000	-	-	-
1550	Streets-Resealing	11,788,750	10,879,101	10,889,101	9,337,500	9,765,000	10,204,425
1555	Stormwater Drains	1,500,000	955,800	1,470,000	1,250,000	1,500,000	1,755,000
1560	Telecommunication	39,700	23,097	23,097	45,100	47,806	51,152
1565	Telemetric System	158,300	223,926	163,926	204,000	212,160	227,011
1570	Traffic Lights & Signs	400,000	292,461	354,961	500,000	535,000	583,150
1575	Signs & Signboards	154,810	144,301	136,301	150,300	163,827	168,742
1580	Vehicles	1,997,660	2,104,338	2,041,138	2,145,220	2,402,646	2,522,779
1585	Water Infrastructure	650,000	1,080,426	835,426	950,000	1,045,000	1,086,800
1590	Water Reservoirs & Dams	430,000	482,000	410,000	600,000	648,000	706,320
1591	Flood Damage:Cleansing-Beaches	-	-	-	-	-	-
1592	Flood Damage:Elect.Infrastruct.	-	-	-	-	-	-
1593	Flood Damage:Housing-Lett.Sche	-	-	-	-	-	-
1594	Flood Damage:Mun.Buildings	-	-	-	-	-	-
1595	Flood Damage:Road Infrastruct.	-	-	-	-	-	-
1596	Flood Damage:Sew.Infrastruct.	-	-	-	-	-	-
1597	Flood Damage:Sportfields	-	-	-	-	-	-
1598	Flood Damage:Stormwater Drains	-	-	-	-	-	-
1599	Flood Damage:S/Water-Fill Dong	-	-	-	-	-	-
1600	Flood Damage:Water Infrastruc	-	-	-	-	-	-
SUB-TOTAL		34,854,990	39,716,591	39,340,947	35,396,770	37,941,112	40,609,744

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

OPERATING BUDGET : PER ITEM

ITEM COD E	ITEM	2008-09			2009-2010 BUDGET	2010-2011 BUDGET	2011-2012 BUDGET
		BUDGET	ADJUSTED BUDGET	PROJECTED Year- end Actual			
24 Depreciation - Property, Plant & Equip							
1655	Deprec.-Infrastructure Assets	-	-	-	-	-	-
1660	Deprec.-Community Assets	-	-	-	-	-	-
1670	Deprec.-Other Assets	30,435,870	33,009,103	33,009,103	105,311,718	110,050,745	118,854,805
1675	Deprec-Specialised Vehicles	-	-	-	-	-	-
1686	Depreciation Offset-CRR(Cr)	(17,996,694)	(17,615,093)	(17,615,093)	(91,520,000)	(97,011,200)	(103,801,984)
1687	Depreciation Offset-GGR(Cr)	(3,121,117)	(3,524,785)	(3,524,785)	(4,300,827)	(4,455,657)	(4,722,996)
1688	Depreciation Offset-DON.(Cr)	(6,006,396)	(5,501,604)	(5,501,604)	(4,026,654)	(4,147,454)	(4,354,826)
SUB-TOTAL		3,311,663	6,367,621	6,367,621	5,464,237	4,436,435	5,974,998
26 Depreciation - Leased Property Plant & E							
1705	Depreciation - Leased Infrastr	-	-	-	-	-	-
1730	Depreciation - Leased Other As	588,446	1,203,766	1,203,766	606,619	618,751	668,251
SUB-TOTAL		588,446	1,203,766	1,203,766	606,619	618,751	668,251
27 Amortisation - Intangible Assets							
1750	Amortisation - Intangible Asse	793,435	170,037	170,037	159,153	163,928	173,763
1755	Amortisation Offset-CRR(Cr)	-	-	-	-	-	-
1760	Amortisation Offset-GGR(Cr)	-	-	-	-	-	-
1765	Amortisation Offset-DON.(Cr)	-	-	-	-	-	-
SUB-TOTAL		793,435	170,037	170,037	159,153	163,928	173,763
28 Interest Expense - External Borrowings							
1775	Interest-External Borrowings	238,203	422,259	422,259	645,238	677,500	718,150
1780	Interest on Internal Funds	14,115	14,115	14,115	14,763	15,501	16,431
SUB-TOTAL		252,318	436,374	436,374	660,001	693,001	734,581
30 Disposal Of Property, Plant & Equipment							
1810	Loss on Disposal of P,P&E	-	420,159	420,159	50,000	50,000	50,000
SUB-TOTAL		-	420,159	420,159	50,000	50,000	50,000
32 Contributions From Operating To Capital							
1820	Fixed Assets (New Connections)	-	-	-	-	-	-
1830	Loose Assets(Plant,Mach&Equip)	-	-	-	-	-	-
SUB-TOTAL		-	-	-	-	-	-
34 Contributions To / From Provisions & Res							
1854	Alien Vegetation Provision	500,000	-	-	1,865,403	2,145,213	2,574,256
1855	Capital Replacement Reserve	27,000,000	27,350,000	27,350,000	36,200,000	39,458,000	43,009,220
1857	Bad Debt Provision	18,604,033	18,604,033	18,604,033	13,036,328	14,079,234	15,205,573
1859	External Financing Fund	-	-	-	-	-	-
1862	Illegal Dumping Provision	150,000	-	-	-	-	-
1863	Insurance Reserve	-	-	-	-	-	-
1865	Leave Gratuity Provision	880,000	880,000	880,000	1,597,405	1,789,094	2,039,567
1867	Long Service Bonus Provision	800,923	800,923	800,923	873,000	960,300	1,075,536
1870	Post Retirement Benefits	6,000,000	6,000,000	6,000,000	7,500,000	8,400,000	9,324,000
1875	Tourism Reserve	-	-	-	-	-	-
1880	Valuation Reserve Fund	-	-	-	-	-	-
SUB-TOTAL		53,934,956	53,634,956	53,634,956	61,072,136	66,831,841	73,228,152
44 Interdepartmental Charges And Recoveries							
1940	Admin-Internal Charges (DR)	15,407,601	15,407,601	15,407,601	18,272,430	20,739,208	22,813,129
1945	Admin-Internal Recovery (CR)	(15,407,601)	(15,407,601)	(15,407,601)	(18,272,430)	(20,739,208)	(22,813,129)
1950	Stores-Handling Charges	(400,000)	(600,000)	(600,000)	(600,000)	(630,000)	(667,800)
1955	Veh &Equip-Intnl Recovery (CR)	-	(10,000)	(10,000)	-	-	-
1956	Recoverable Expenditure (Cr)	(25,000)	(444,125)	(444,125)	(26,875)	(30,638)	(32,782)
SUB-TOTAL		(425,000)	(1,054,125)	(1,054,125)	(626,875)	(660,638)	(700,582)
48 Other Adjustments & Transfers [Appropria							
1973	Deprec Res X AFR-Offset Depr	-	-	-	-	-	-
1975	Deprec Res X GGR-Offset Depr	-	-	-	-	-	-
1977	Deprec Res X Don-Offset Depr	-	-	-	-	-	-
1981	Interest on Invest-Trans to CR	-	-	-	-	-	-
1983	Interest on Invest-Trans to EF	-	-	-	-	-	-
1985	Trfr Cap Grants-District Munic	-	-	-	-	-	-
1986	Trfr Cap Grants-Provincial	-	17,426,000	17,426,000	17,451,600	14,624,120	10,607,000
1987	Trfr Cap Grants-State	-	11,022,877	11,022,877	18,740,000	10,000,000	15,000,000
1988	Trfr Cap Grants-Public	-	64,474	64,474	-	-	-
1990	Trfr Cap Receipts-Pub(Connect)	3,000,000	-	-	-	-	-
1995	Trfr-Equitable Share	18,444,799	18,444,799	18,444,799	23,019,750	29,664,800	32,591,211
1996	Trfr-Transformation Funds	-	-	-	-	-	-
1997	Trfr. Ext Serv. Contr. to CRR	10,000,000	3,369,402	3,369,402	7,500,000	7,500,000	7,500,000
1998	Trfr. Land Sales To CRR	7,500,000	7,500,000	7,500,000	10,000,000	10,000,000	10,000,000
1999	Trfr. Parking Bay-Buy outs CRR	-	-	-	50,000	55,000	58,850
SUB-TOTAL		38,944,799	57,827,552	57,827,552	76,761,350	71,843,920	75,757,061

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

OPERATING BUDGET : PER ITEM

ITEM COD E	ITEM	2008-09			2009-2010 BUDGET	2010-2011 BUDGET	2011-2012 BUDGET
		BUDGET	ADJUSTED BUDGET	PROJECTED Year- end Actual			
56 Property Rates							
2005	Assessm. Rates-Agricultural	(457,461)	(570,000)	(570,000)	(693,230)	(804,147)	(924,769)
2010	Assessm. Rates-Comm/Indus.	(11,449,114)	(9,600,000)	(9,600,000)	(11,717,853)	(13,954,291)	(16,463,252)
2015	Assessm. Rates-Municipal	-	-	-	-	-	-
2020	Assessm. Rates-Residential	(38,079,264)	(36,305,687)	(36,305,687)	(43,820,045)	(51,362,958)	(59,714,140)
2025	Assessm Rates-State	-	-	-	-	-	-
2030	Building Clause	-	-	-	-	-	-
2035	Prop. Rates-Lease Agreements	-	(1,467)	(1,467)	(2,500)	(2,500)	(2,500)
SUB-TOTAL		(49,985,839)	(46,477,154)	(46,477,154)	(56,233,628)	(66,123,896)	(77,104,661)

58 Penalties Imposed And Collection Charges							
2045	Interest on Arrear Rates	(1,500,000)	(2,212,540)	(2,212,540)	(2,200,000)	(2,310,000)	(2,471,700)
SUB-TOTAL		(1,500,000)	(2,212,540)	(2,212,540)	(2,200,000)	(2,310,000)	(2,471,700)

62 Service Charges							
2060	Blocked Drains	(25,000)	(4,150)	(4,150)	(50,000)	(55,000)	(61,050)
2065	Building Plan Fees	(5,000,000)	(2,641,336)	(2,641,336)	(2,800,000)	(3,136,000)	(3,480,960)
2070	Call-Out Fees	(3,200)	(580)	(580)	(3,000)	(3,660)	(4,172)
2075	Camping Fees	(3,890,000)	(4,650,000)	(4,650,000)	(5,100,000)	(5,610,000)	(6,732,000)
2080	Cemetery Fee-Burials	(78,900)	(84,115)	(84,115)	(91,500)	(103,395)	(115,802)
2085	Cemetery Fee-Erect Tombstone	(3,500)	(2,548)	(2,548)	(3,000)	(3,630)	(4,138)
2090	Circuit Breaker-Rep/Upgrade	(6,800)	(971)	(971)	(2,000)	(2,120)	(2,290)
2095	Connection Fee-New Property	(3,600,000)	(4,025,098)	(4,025,098)	(3,700,000)	(4,107,000)	(4,599,840)
2100	Connection Fee-Recon Exist Pro	(11,000)	(4,085)	(4,085)	(11,770)	(12,476)	(12,850)
2105	Temporary Connections	(160,000)	(58,220)	(58,220)	(60,000)	(64,800)	(68,688)
2110	Dumping of Building Rubble	(30,000)	(23,692)	(23,692)	(30,000)	(33,000)	(35,970)
2115	Electr. Availability Fees	(4,455,681)	(4,635,766)	(4,635,766)	(5,194,394)	(6,056,663)	(6,995,446)
2120	Electr. Sales- Credit meters	(86,268,311)	(97,595,853)	(97,595,853)	(122,525,956)	(142,741,354)	(172,657,024)
2125	Electr. Sales-Prepaid Meters	(42,758,424)	(46,464,914)	(46,464,914)	(57,934,670)	(69,396,482)	(84,809,648)
2130	Fire Brigade Fees	(55,000)	(25,000)	(25,000)	(55,000)	(56,100)	(58,344)
2135	Gate Fees	(52,200)	(70,000)	(70,000)	(64,000)	(68,480)	(73,958)
2140	Hiring of Plants	-	(351)	(351)	-	-	-
2145	Inspection Fees	(28,200)	(10,079)	(10,079)	(25,000)	(28,500)	(32,490)
2150	Land Usage Fee-Granny Flats	(620,000)	(214,911)	(214,911)	(250,000)	(275,000)	(321,750)
2155	Land Usage Fee-Lift Restrict	(60,000)	(15,430)	(15,430)	(65,000)	(74,750)	(85,963)
2160	Land Usage Fee-Rez/Dep/Cons	-	(110,150)	(110,150)	(100,000)	(106,000)	(114,480)
2165	Land Usage Fee-Subdivisions	-	(19,843)	(19,843)	(20,000)	(20,800)	(22,672)
2170	Land Usage Fee-Zoning Cert.	(2,000)	(19,621)	(19,621)	(2,000)	(2,160)	(2,354)
2175	Lost Books-Library	(5,100)	(5,621)	(5,621)	(6,000)	(6,420)	(7,190)
2180	Membership Fees	-	-	-	-	-	-
2190	Photostatic Copies	(12,295)	(18,071)	(18,071)	(18,500)	(20,165)	(22,182)
2195	Pound Fees	(35,000)	(45,306)	(45,306)	(45,000)	(49,950)	(56,444)
2200	Refuse Removal Charges	(23,863,140)	(23,847,854)	(23,847,854)	(26,826,426)	(29,745,092)	(33,030,663)
2201	Refill Charges - Fire Exting.	-	(5,000)	(5,000)	(5,000)	(5,300)	(5,724)
2205	Special Removals	(1,000)	(9,011)	(9,011)	(5,000)	(6,000)	(7,020)
2210	Roads & Pavement-Access/Repair	(7,000)	(19,860)	(19,860)	(30,000)	(32,400)	(35,316)
2215	Sale of Magazines	-	(105)	(105)	-	-	-
2220	Sale of Prepaid Cards	-	-	-	-	-	-
2225	Sale of Prints	(65,000)	(37,286)	(37,286)	(65,000)	(74,100)	(81,510)
2230	Sale of Refuse Bags	(500)	(50)	(50)	(500)	(500)	(500)
2235	Sale of Refuse Bins	(1,000)	(4,000)	(4,000)	(1,200)	(1,452)	(1,655)
2238	sales-tender documents	(100,000)	(44,930)	(44,930)	(90,000)	(91,800)	(94,554)
2240	Sale of Trees and Ferns	(12,000)	(49,355)	(49,355)	(60,000)	(69,000)	(77,280)
2250	Search Fees	(20,000)	(62)	(62)	(1,000)	(1,120)	(1,243)
2255	Sewerage Availability Fees	(3,241,464)	(3,723,824)	(3,723,824)	(4,029,959)	(4,257,192)	(4,484,424)
2260	Sewerage Charges	(41,114,915)	(41,150,000)	(41,150,000)	(45,029,206)	(45,513,230)	(46,072,692)
2265	Sewerage Charges-Industrial	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,770,000)	(2,053,200)
2270	Testing of Meters	(6,000)	(5,958)	(5,958)	(5,000)	(6,100)	(6,588)
2275	Traffic Escorting Fees	(7,500)	(13,422)	(13,422)	(10,000)	(11,200)	(12,768)
2280	Valuation Certificates	(65,000)	(25,000)	(25,000)	(50,000)	(55,000)	(60,500)
2283	Water Availability Fees	(3,860,120)	(4,100,000)	(4,100,000)	(4,736,194)	(5,371,792)	(6,035,208)
2290	Water Charges	(57,428,709)	(54,000,000)	(54,000,000)	(61,113,160)	(66,860,186)	(73,505,796)
2291	Water Charges:Purified Water	-	(6,352)	(6,352)	-	-	-
SUB-TOTAL		(278,453,959)	(289,287,780)	(289,287,780)	(341,714,435)	(385,905,369)	(445,944,347)

66 Rent of Facilities and Equipment							
2305	Advertisements	(22,000)	(20,160)	(20,160)	(22,000)	(26,400)	(28,512)
2330	Encroachment Fees	(1,000)	(50,586)	(50,586)	(689)	(792)	(919)
2350	Hire-Comm Hall:Boggoms Bay	(3,000)	(1,166)	(1,166)	(1,500)	(1,680)	(1,898)
2355	Hire-Comm Hall:D'Almeida	(25,000)	(16,647)	(16,647)	(20,000)	(24,400)	(27,328)
2360	Hire-Comm Hall:Dana Bay	(16,000)	(9,654)	(9,654)	(13,000)	(14,950)	(16,146)
2361	Hire-Comm Hall:Friemersheim	(900)	(1,377)	(1,377)	(1,500)	(1,500)	(1,635)
2365	Hire-Comm Hall:Great Brak	(25,000)	(17,155)	(17,155)	(18,000)	(20,340)	(23,391)
2370	Hire-Comm Hall:Joe Slovo	(8,000)	(4,915)	(4,915)	(5,000)	(5,600)	(6,552)
2375	Hire-Comm Hall:Kwanonqaba	(15,000)	(16,413)	(16,413)	(17,000)	(20,060)	(21,464)
2380	Hire-Comm Hall:Little Brak	(8,000)	(8,056)	(8,056)	(8,500)	(10,455)	(10,978)
2385	Hire-Comm Hall:Rheebok	(10,500)	(16,432)	(16,432)	(17,000)	(21,250)	(22,950)
2386	Hire-Comm Hall:Sonskynvallei	(1,200)	(1,250)	(1,250)	(1,200)	(1,536)	(1,674)
2387	Hire-Indoor Sport Centre	-	(9,900)	(9,900)	(2,500)	(3,000)	(3,450)
2390	Hire-Library Hall	(35,000)	(40,000)	(40,000)	(45,000)	(58,050)	(66,177)
2395	Hire-Sportgrounds	(35,000)	(45,374)	(45,374)	(25,000)	(30,000)	(34,800)
2400	Hire-Town Hall	(90,000)	(86,501)	(86,501)	(100,000)	(114,000)	(125,400)
2405	Hire-Van Riebeeck Stadium Fac.	(13,000)	(16,416)	(16,416)	(10,000)	(11,200)	(12,320)
2410	Hire-Voortrekker Hall	(1,000)	(137)	(137)	(1,000)	(1,000)	(1,180)

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

OPERATING BUDGET : PER ITEM

ITEM CODE	ITEM	2008-09			2009-2010 BUDGET	2010-2011 BUDGET	2011-2012 BUDGET
		BUDGET	ADJUSTED BUDGET	PROJECTED Year- end Actual			
2430	Rental-Bakke Restaurant	-	-	-	-	-	-
2435	Rental-Chalets	(2,800,000)	(2,250,000)	(2,250,000)	(2,750,000)	(3,107,500)	(3,604,700)
2436	Rental -Carport Levies	(14,000)	(16,516)	(16,516)	(17,000)	(18,700)	(21,131)
2440	Rental-Comm Grounds & Other	(396,924)	(714,606)	(714,606)	(434,673)	(495,527)	(569,856)
2441	Rental Compong	(33,136)	(27,522)	(27,522)	(27,625)	(32,045)	(34,609)
2450	Rental-Hawkers Sites	(300,000)	(150,000)	(150,000)	(150,000)	(187,500)	(204,375)
2455	Rental-Houses	(42,608)	(36,762)	(36,762)	(70,722)	(77,794)	(84,796)
2460	Rental-Information Centre	-	-	-	-	-	-
2465	Rental-Letting Housing	-	-	-	-	-	-
2470	Rental-Poor Restaurant	(10,500)	(55,348)	(55,348)	(10,759)	(11,620)	(12,665)
2475	Rental-Putt-Putt Course	-	-	-	-	-	-
2480	Rental-D. Council Buildings	-	-	-	-	-	-
2484	Rental-Usage of Sidewalks	-	-	-	(10,000)	(10,000)	(10,000)
2485	Rental-Sundries	(212,837)	(326,695)	(326,695)	(212,838)	(238,379)	(271,752)
2486	Rental-Yacht Club	(50,082)	(51,676)	(51,676)	(62,642)	(68,906)	(77,864)
SUB-TOTAL		(4,169,687)	(3,991,264)	(3,991,264)	(4,055,148)	(4,614,184)	(5,298,522)

68 Interest Earned - External Investments

2500	Int. on Investm-Current Acc.	-	(2,500,000)	(2,500,000)	(1,200,000)	(1,140,000)	(1,048,800)
2505	Int. on Investm-Short Term	(20,349,947)	(20,349,947)	(20,349,947)	(19,745,169)	(17,770,652)	(15,105,054)
2510	Int. on Investm-Long Term	-	-	-	-	-	-
2514	Interest : Car loans	-	(6,220)	(6,220)	(2,028)	(2,576)	(3,116)
2515	Int. on Investm-Collateral sec	(6,220)	-	-	-	-	-
2516	Interest: Land Sales	(5,027)	-	-	-	-	-
2517	Interest on Unamortised Discount	-	(1,296)	(1,296)	(510)	(479)	(441)
SUB-TOTAL		(20,361,194)	(22,857,463)	(22,857,463)	(20,947,707)	(18,913,707)	(16,157,412)

72 Interest Earned - Outstanding Debtors

2525	Int on Outstanding Debtors	-	(4,732)	(4,732)	(4,990)	(4,741)	(4,598)
2526	Int on Outst. Housing Debtors	(510,921)	(444,062)	(444,062)	(546,686)	(513,885)	(493,329)
SUB-TOTAL		(510,921)	(448,794)	(448,794)	(551,676)	(518,625)	(497,928)

76 Fines

2545	Library Penalties	(52,300)	(41,208)	(41,208)	(54,400)	(64,192)	(69,327)
2553	Town Plan-Contravention Levy	(5,000)	(35,000)	(35,000)	(25,000)	(30,750)	(32,595)
2555	Traffic Fines	(5,800,000)	(4,000,000)	(4,000,000)	(4,700,000)	(5,499,000)	(6,873,750)
SUB-TOTAL		(5,857,300)	(4,076,208)	(4,076,208)	(4,779,400)	(5,593,942)	(6,975,672)

78 Licenses and Permits

2565	Business Licence Fees	(1,000)	(1,229)	(1,229)	(1,200)	(1,464)	(1,728)
2570	Card Licences-Applications	(371,000)	(327,401)	(327,401)	(380,000)	(418,000)	(489,060)
2575	Drivers Licence-Learner Fees	(159,000)	(140,561)	(140,561)	(160,000)	(174,400)	(190,096)
2580	Drivers Licence-Test Fees	(550,000)	(512,016)	(512,016)	(560,000)	(604,800)	(659,232)
2585	Licence Fees-Boats	(1,100)	(1,604)	(1,604)	(1,000)	(1,040)	(1,082)
2590	Motor Vehicle Registrations	(2,900,000)	(3,000,000)	(3,000,000)	(3,000,000)	(3,300,000)	(3,960,000)
2595	Public Driving Permits	(79,500)	(77,278)	(77,278)	(80,000)	(86,400)	(90,720)
2600	Roadworthy Certificates	-	-	-	-	-	-
2605	Parking Meters	-	(2,232)	(2,232)	-	-	-
2610	Parking Bays-Buy Out	-	-	-	-	-	-
SUB-TOTAL		(4,061,600)	(4,062,321)	(4,062,321)	(4,182,200)	(4,586,104)	(5,391,917)

82 Grants & Subsidies Received - Operating

2625	Subsidy-District Municipality	-	-	-	-	-	-
2626	Subsidy-Housing Trust Fund	-	-	-	(4,000,000)	-	-
2629	Subsidy-Province	-	-	-	(672,000)	(840,000)	(966,000)
2630	Subsidy-Province:Main Roads	(1,431,000)	(711,281)	(711,281)	(30,000)	-	-
2631	Subsidy:Province:Newsletters	(10,730)	(12,989)	(12,989)	(13,890)	(17,224)	(20,841)
2632	Subsidy:Prov.-Top Structures	(7,737,656)	(20,861,323)	(20,861,323)	(10,440,400)	(16,438,880)	(22,218,000)
2633	Subsidy Equitable Share	(21,177,999)	(23,589,999)	(23,589,999)	(26,117,000)	(32,888,000)	(36,077,000)
2635	Subs-State:Hlth Com.Serv.Clin.	-	-	-	-	-	-
2638	Subs-State:H/Primary Health	-	-	-	-	-	-
2639	Subs-State:H/Pew Feeding Sch.	-	-	-	-	-	-
2640	Subsidy-Other	(1,401,000)	(7,363,115)	(7,363,115)	(880,000)	(968,000)	(1,084,160)
2641	Subsidy-State:Transformation	(96,000)	-	-	(96,000)	(100,000)	(104,000)
2642	Subsidy-State:DORA	-	-	-	(1,093,000)	(1,750,000)	(2,040,000)
2645	Subsidy-State:H/Comprehensv	-	-	-	-	-	-
2650	Subsidy-State:H/Environment	-	-	-	-	-	-
SUB-TOTAL		(31,854,385)	(52,538,707)	(52,538,707)	(43,342,290)	(53,002,103)	(62,510,000)

83 Grants & Subsidies Received - Capital

2655	Capital Grants-District Mun	-	(2,828,000)	(2,828,000)	-	-	-
2660	Capital Grants-Provincial	-	(17,426,000)	(17,426,000)	(17,451,600)	(14,624,120)	(10,607,000)
2665	Capital Grants-State	-	(8,135,674)	(8,135,674)	(18,740,000)	(10,000,000)	(15,000,000)
2670	Capital Grants-Other	-	(123,677)	(123,677)	-	-	-
SUB-TOTAL		-	(28,513,351)	(28,513,351)	(36,191,600)	(24,624,120)	(25,607,000)

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

OPERATING BUDGET : PER ITEM

ITEM COD E	ITEM	2008-09			2009-2010 BUDGET	2010-2011 BUDGET	2011-2012 BUDGET
		BUDGET	ADJUSTED BUDGET	PROJECTED Year- end Actual			
84 Other Revenue							
2680	Access Provision - Bad debts	-	-	-	-	-	-
2685	Admin Costs Recovered	(67,000)	(68,497)	(68,497)	(67,000)	(73,700)	(82,544)
2686	Contr from Surplus (Non-cash)	-	-	-	(12,313,043)	(11,297,429)	(12,889,105)
2687	Collection Costs Recovered	(3,500,000)	(1,546,852)	(1,546,852)	(2,200,000)	(2,420,000)	(2,686,200)
2688	Contr.from Transfer Erven(HDF)	-	(3,000,000)	(3,000,000)	(4,688,782)	(5,030,784)	(4,013,506)
2689	Cont.from Ext. Serv (CRR)	(10,000,000)	(3,369,402)	(3,369,402)	(7,500,000)	(7,500,000)	(7,500,000)
2691	Contr. from Land Sales (CRR)	(7,500,000)	(7,500,000)	(7,500,000)	-	-	-
2692	Contribution From LGW SETA	(600,000)	-	-	-	-	-
2693	Contr from Surplus (cash)	(13,870,260)	(13,870,260)	(13,870,260)	(5,000,000)	(5,960,000)	(9,680,000)
2694	Contr. From Reserve Fund	-	-	-	-	-	-
2695	Commission-Insurance Collect	(60,000)	(61,447)	(61,447)	(67,000)	(81,740)	(87,462)
2696	Housing Rental(Hous Dev Fund)	(22,823)	(22,587)	(22,587)	(22,593)	(26,660)	(29,059)
2697	Housing Instalments(Hous Dev)	-	(12,046)	(12,046)	-	-	-
2698	Parking Bays-Buy Out(CRR)	(80,000)	-	-	(50,000)	(55,000)	(58,850)
2699	Public Contributions	-	-	-	-	-	-
2700	Fair Value Adjustment	-	-	-	-	-	-
2705	Discount on Purchases	(125,000)	-	-	-	-	-
2706	Insurance Claims	(459,800)	(502,289)	(502,289)	(368,350)	(368,350)	(456,754)
2707	Milk Powder	-	-	-	-	-	-
2708	Legal Costs	(5,000)	-	-	-	-	-
2709	Outdoor Advertising	-	-	-	(25,000)	(40,000)	(60,000)
2710	Tender Deposits Forfeited	(500)	-	-	(500)	(520)	(546)
2715	Extension Costs-Waterworks	(232,800)	(232,800)	(232,800)	(232,800)	(232,800)	(232,800)
2716	Recoverable Income	-	-	-	-	-	-
2717	Retention monies-Unclaimed	(5,000)	(20,000)	(20,000)	(5,000)	(6,000)	(7,260)
2720	Sale of Reduntant Inventory	-	(66,895)	(66,895)	-	-	-
2725	Sundries	(25,000)	(260,820)	(260,820)	(25,000)	(25,000)	(25,000)
2730	Surplus Cash	(5,000)	(5,000)	(5,000)	(5,000)	(5,875)	(6,404)
2734	Payments received:WCA	-	(89,138)	(89,138)	(8,500)	(9,520)	(10,377)
2735	Stale Cheque	(50,000)	(50,000)	(50,000)	(50,000)	(56,000)	(62,720)
2736	Unidentified Deposits	(50,000)	(15,000)	(15,000)	(50,000)	(59,000)	(63,720)
2737	X-Rays	-	-	-	-	-	-
2739	Unamortised Discount of Stock loans	-	(9,952)	(9,952)	(136,511)	(144,702)	(156,278)
2740	Unamortised Discount of Stock debtors	-	(111,774)	(111,774)	-	-	-
2741	Uncovering of meters	-	-	-	(500)	(560)	(599)
2742	Tampering with installation	-	-	-	(16,500)	(18,480)	(19,774)
2764	Payment received:WCA	-	(984)	(984)	-	-	-
SUB-TOTAL		(36,658,183)	(30,815,743)	(30,815,743)	(32,832,079)	(33,412,119)	(38,128,957)
85 Public Contr & Donated Property, Plant & Equipment							
2743	Public Contributions	-	-	-	-	-	-
SUB-TOTAL		-	-	-	-	-	-
86 Gains on Disposal Of Property, Plant & Equipment							
2755	Gain on Disposal of P,P & E	(150,000)	(84,959)	(84,959)	(70,000)	(84,000)	(105,000)
2756	Gain On Disposal of Land	-	-	-	(10,000,000)	(10,000,000)	(10,000,000)
SUB-TOTAL		(150,000)	(84,959)	(84,959)	(10,070,000)	(10,084,000)	(10,105,000)
88 Less Revenue Foregone							
2770	Rates Rebate-Pensioners 50%	-	-	-	-	-	-
2775	Rates Rebate-Pensioners 30%	-	-	-	-	-	-
2780	Rates Rebates-Sect.17(1)(H)	-	1,440,896	1,440,896	1,743,726	2,013,966	1,756,458
2785	Rates Rebates-Other	2,291,941	133,543	133,543	-	-	-
SUB-TOTAL		2,291,941	1,574,439	1,574,439	1,743,726	2,013,966	1,756,458
TOTALS							
TOTAL EXPENDITURE		431,271,127	482,912,110	482,912,110	555,277,955	607,652,247	694,399,043
TOTAL INCOME		(431,271,127)	(483,791,845)	(483,791,845)	(555,356,437)	(607,674,204)	(694,436,659)
GRAND TOTAL		-	(879,735)	(879,735)	(78,482)	(21,957)	(37,616)

Schedule 6: 2009/10 Operating Budget (Per Item)

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

OPERATING BUDGET: REVENUE BY SOURCE

REVENUE BY SOURCE	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
					Budget R'000 E	Budget R'000 F	Budget R'000 G
<u>Revenue by Source</u>							
Property rates	39,413	47,694	44,903	44,903	54,490	64,110	75,348
Penalties imposed & collection charges	2,156	1,500	2,213	2,213	2,200	2,310	2,472
Service charges - electricity	117,958	129,027	144,061	144,061	180,461	212,138	257,467
Service charges - water	48,072	57,429	54,006	54,006	61,113	66,860	73,506
Service charges - sewerage	37,233	42,615	42,650	42,650	46,529	47,283	48,126
Service charges - refuse removal	21,154	23,863	23,848	23,848	26,826	29,745	33,031
Service charges - other	25,456	25,520	24,723	24,723	26,785	29,879	33,815
Rental of facilities and equipment	3,357	4,170	3,991	3,991	4,055	4,614	5,299
Interest earned - external investments	23,718	20,361	22,857	22,857	20,948	18,914	16,157
Interest earned - outstanding debtors	522	511	449	449	552	519	498
Fines	2,758	5,857	4,076	4,076	4,779	5,594	6,976
Licenses and permits	4,257	4,062	4,062	4,062	4,182	4,586	5,392
Government grants & subsidies - Operating	32,695	31,854	52,539	52,539	43,342	53,002	62,510
Government grants & subsidies - Capital	21,004	0	28,513	28,513	36,192	24,624	25,607
Other Revenue	15,420	36,658	30,816	30,816	32,832	33,412	38,129
Gain on disposal of PPE	1,197	150	85	85	10,070	10,084	10,105
Total Revenue By Source	396,369	431,271	483,792	483,792	555,356	607,674	694,437

Schedule 7: Operating Budget – Revenue by source

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

OPERATING BUDGET: EXPENDITURE BY VOTE

OPERATING EXPENDITURE BY VOTE	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
					Budget R'000 E	Budget R'000 F	Budget R'000 G
Municipal Manager	42,034	79,648	76,076	76,076	87,014	93,998	101,330
Corporate Services	17,541	17,679	16,991	16,991	22,283	23,398	26,014
Financial Services	17,653	19,680	17,310	17,310	20,408	22,517	24,837
Technical Services	103,545	107,938	134,179	134,179	131,379	146,090	159,697
Community Services	83,459	89,312	115,087	115,087	118,764	128,746	142,269
Electro-Technical Services	80,601	106,923	113,688	113,688	164,081	180,255	226,244
Town Planning & Building control	7,750	10,091	9,582	9,582	11,349	12,648	14,007
OPERATING EXPENDITURE BY VOTE	352,584	431,271	482,912	482,912	555,278	607,652	694,399

Schedule 8: Operating Expenditure Budget by Vote

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

OPERATING BUDGET: EXPENDITURE BY GFS CLASSIFICATION

OPERATING EXPENDITURE BY GFS	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
					Budget R'000 E	Budget R'000 F	Budget R'000 G
Executive & Council	42,034	79,630	76,075	76,075	87,014	93,998	101,330
Finance & Admin	30,987	30,310	27,654	27,618	33,513	37,088	41,086
Planning & Development	9,691	13,016	12,035	12,040	15,863	16,146	17,808
Health	265	0	0	0	0	0	0
Community & Social Services	6,865	8,637	8,918	8,938	9,985	11,193	12,443
Housing	14,915	10,433	29,257	29,257	25,370	24,627	27,061
Public Safety	18,468	22,081	22,356	22,350	25,112	27,931	30,812
Sport and Recreation	19,328	23,844	28,193	28,179	33,500	37,346	41,309
Waste Management	26,992	28,845	31,049	31,049	30,050	33,604	37,322
Waste Water Management	32,227	34,964	51,820	52,300	50,879	58,106	61,834
Road Transport	25,326	22,961	28,394	28,191	23,040	24,161	26,190
Water	44,885	49,610	53,471	53,225	56,872	63,197	70,961
Electricity	80,601	106,923	113,688	113,688	164,081	180,255	226,244
Tourism	0	18	1	1	0	0	0
OPERATING EXPENDITURE BY VOTE	352,584	431,271	482,912	482,912	555,278	607,652	694,399

Schedule 9: Operating Expenditure Budget by GFS Classification

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

OPERATING BUDGET: EXPENDITURE BY TYPE

OPERATING EXPENDITURE BY TYPE	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
					Budget R'000 E	Budget R'000 F	Budget R'000 G
<u>Operating Expenditure by Type</u>							
Employee related costs	93,419	121,701	118,879	118,758	136,514	154,720	172,538
Remuneration of Councillors	4,896	5,478	5,478	5,478	6,069	6,837	7,533
Bad debts	1,499	0	0	0	0	0	0
Collection costs	5,350	6,350	4,800	4,800	5,620	5,845	6,137
Bulk purchases	57,157	82,432	88,482	90,000	121,338	144,000	183,000
Contracted services	17,295	16,508	20,027	19,790	21,210	23,672	26,128
Grants and subsidies paid	2,959	5,209	3,373	3,373	4,752	2,509	4,348
General Expenses - Other	61,802	61,338	83,150	82,367	80,233	88,151	98,219
Repairs and maintenance	30,707	34,855	39,717	39,341	35,397	37,941	40,610
Depreciation & Amortisation	34,847	4,694	7,741	7,741	6,230	5,219	6,817
Interest expense	654	252	436	436	660	693	735
Loss on Disposal of PPE	14,183	0	420	420	50	50	50
Contributions to/from Provisions & Reserves	13,405	53,935	53,635	53,635	61,072	66,832	73,228
Other Adj/Transfers & Int charges and recoveries	14,412	38,520	56,773	56,773	76,134	71,183	75,056
Total Operating Expenditure By Type	352,584	431,271	482,912	482,912	555,278	607,652	694,399

Schedule 10: Operating Expenditure Budget by Type

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

SUMMARY OF EXPENDITURE AND REVENUE BY VOTE

SUMMARY OF REV & EXP BY SDBIP VOTE	2009/10							2010/11							2011/12						
	Appropriations			Funding			Surplus / (Deficit)	Appropriations			Funding			Surplus / (Deficit)	Appropriations			Funding			Surplus / (Deficit)
	Capital R'000	Operating R'000	Total R'000	Own Source R'000	External R'000	Total R'000		Capital R'000	Operating R'000	Total R'000	Own Source R'000	External R'000	Total R'000		Capital R'000	Operating R'000	Total R'000	Own Source R'000	External R'000	Total R'000	
Municipal Manager	257	87,014	87,271	55,722	1,477	57,199	(30,072)	0	93,998	93,998	53,700	1,288	54,988	(39,011)	0	101,330	101,330	56,337	1,371	57,708	(43,622)
Corporate Services	3,219	22,283	25,502	4,915	1,725	6,640	(18,862)	0	23,398	23,398	165	2,212	2,377	(21,021)	32	26,014	26,046	216	2,471	2,687	(23,359)
Financial Services	446	20,408	20,854	59,502	1,150	60,652	39,798	200	22,517	22,717	69,247	1,575	70,822	48,105	1,893	24,837	26,730	81,045	3,445	84,490	57,759
Technical Services	65,992	131,379	197,371	182,808	30,499	213,307	15,936	64,645	146,090	210,735	188,706	37,411	226,117	15,382	67,342	159,697	227,039	199,802	38,149	237,951	10,912
Community Services	16,132	118,764	134,896	64,363	27,426	91,789	(43,107)	11,174	128,746	139,920	66,109	26,306	92,415	(47,505)	8,715	142,269	150,984	69,594	30,627	100,221	(50,763)
Electro-Technical Services	36,300	164,081	200,381	222,551	21,197	243,748	43,367	32,450	180,255	212,705	251,491	13,023	264,514	51,809	41,320	226,244	267,564	302,952	22,214	325,166	57,603
Town Planning & Building control	30,110	11,349	41,459	34,476	0	34,476	(6,983)	50,060	12,648	62,708	54,970	0	54,970	(7,737)	60	14,007	14,067	5,575	0	5,575	(8,492)
TOTAL	152,456	555,278	707,734	624,338	83,474	707,812	78	158,529	607,652	766,181	684,388	81,815	766,203	22	119,362	694,399	813,761	715,522	98,277	813,799	38

Schedule 11: Summary of Operating and Capital Budget – Revenue and Expenditure by Vote

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

5.2.2. Capital Budget

NB: Please note that the Detailed Capital Plan is attached as Annexure E to this document.

CAPITAL EXPENDITURE BY VOTE

CAPITAL EXPENDITURE BY VOTE	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
					Budget R'000 E	Budget R'000 F	Budget R'000 G
Municipal Manager	130	85	114	114	257	0	0
Corporate Services	422	731	525	525	3,219	0	32
Financial Services	2,303	1,910	1,764	1,764	446	200	1,893
Technical Services	59,993	60,790	73,289	73,289	65,992	64,645	67,342
Community Services	15,119	16,737	9,899	9,899	16,132	11,174	8,715
Electro-Technical Services	9,137	15,555	19,272	19,272	36,300	32,450	41,320
Town Planning & Building control	688	1,330	2,584	2,584	30,110	50,060	60
CAPITAL EXPENDITURE BY VOTE	87,792	97,138	107,447	107,447	152,456	158,529	119,362

Schedule 12: Capital Expenditure by Vote

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

CAPITAL EXPENDITURE BY GFS CLASSIFICATION

CAPITAL EXPENDITURE BY GFS	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
					Budget R'000 E	Budget R'000 F	Budget R'000 G
Executive & Council	130	85	114	114	257	0	0
Finance & Admin	3,410	3,999	3,817	3,817	31,934	50,200	1,893
Planning & Development	59	1,046	1,046	1,046	1,610	60	60
Health	0	0	0	0	0	0	0
Community & Social Services	1,736	1,358	1,112	1,112	1,479	1,150	2,632
Housing	9,197	9,846	3,465	3,465	5,544	2,269	0
Public Safety	936	1,745	1,507	1,507	1,910	2,600	980
Sport and Recreation	1,772	3,553	3,785	3,785	5,696	4,005	4,935
Waste Management	1,552	253	51	51	1,735	1,150	200
Waste Water Management	26,295	22,980	34,654	34,654	23,580	16,380	23,275
Road Transport	5,536	10,897	12,358	12,358	28,060	12,470	11,960
Water	28,032	25,821	26,266	26,266	14,351	35,795	32,107
Electricity	9,137	15,555	19,272	19,272	36,300	32,450	41,320
Tourism	0	0	0	0	0	0	0
CAPITAL EXPENDITURE BY VOTE	87,792	97,138	107,447	107,447	152,456	158,529	119,362

Schedule 13: Capital Expenditure by GFS Classification

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

CAPITAL FUNDING BY SOURCE

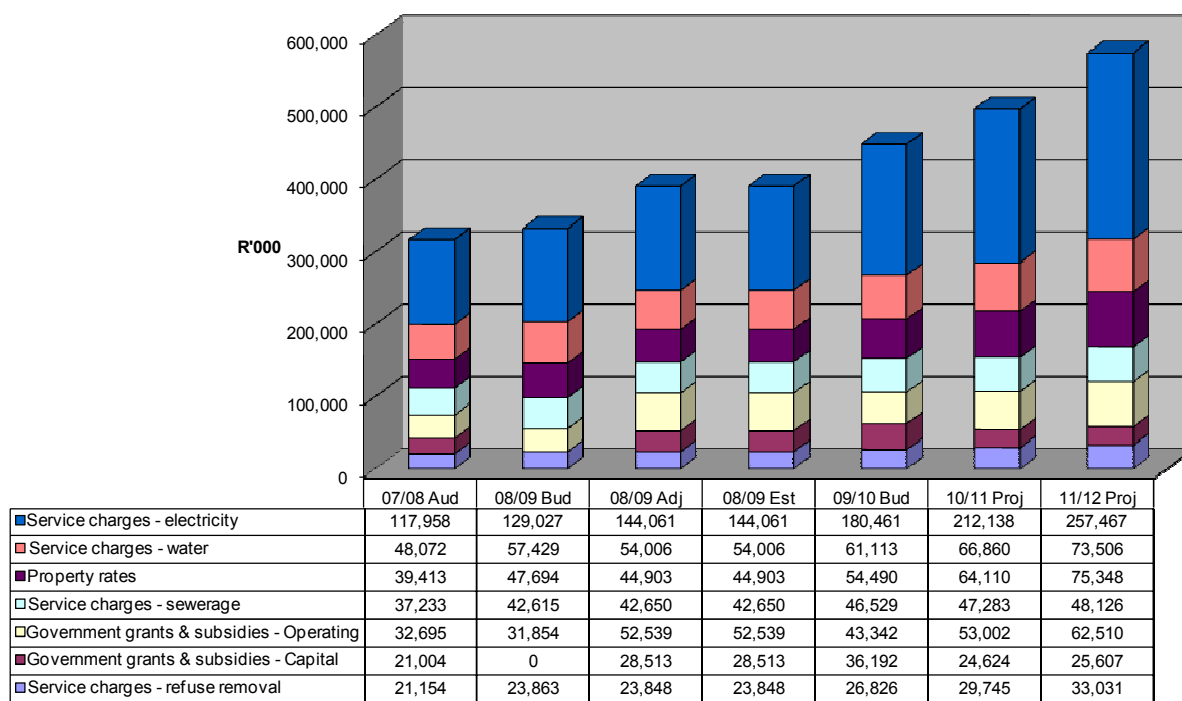
CAPITAL FUNDING BY SOURCE	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget Year 2009/10 Budget R'000 E	Budget Year +1 2010/11 Budget R'000 F	Budget Year +2 2011/12 Budget R'000 G
National Government Amounts allocated / gazetted for that year Amounts carried over from previous years	3,172	9,757	27,362	27,362	29,341	22,355	25,607
Total Grants & Subsidies - National Government	3,172	9,757	27,362	27,362	29,341	22,355	25,607
Provincial Government Amounts allocated / gazetted for that year Amounts carried over from previous years	55	4,839	5,537	5,537	6,850	2,269	-
Total Grants & Subsidies - Provincial Government	55	4,839	5,537	5,537	6,850	2,269	-
District Municipality Amounts allocated for that year Amounts carried over from previous years	123	-					
Total Grants & Subsidies - District Municipalities	123	-	-	-	-	-	-
Total Government Grants & Subsidies	3,350	14,596	32,899	32,899	36,191	24,624	25,607
Public Contributions & Donations	1	7,000	3,065	3,065	3,300	3,600	7,800
Accumulated Surplus (Own Funds)	57,734	73,941	70,029	70,029	112,325	129,715	83,594
External Loans	26,707	1,600	1,454	1,454	640	590	2,360
TOTAL FUNDING OF CAPITAL EXPENDITURE	87,792	97,138	107,447	107,447	152,456	158,529	119,361

Schedule 14: Capital Funding by Source

5.3. Budget Related Charts

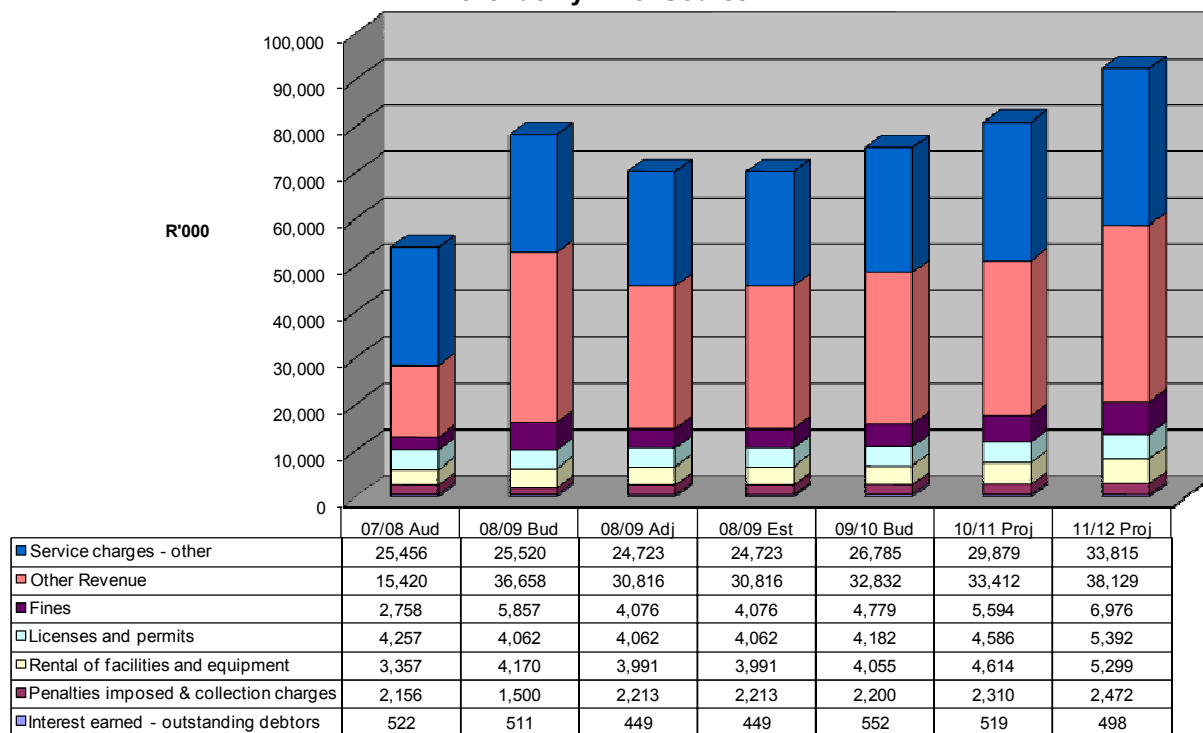
5.3.1. Operating Budget

Revenue by Major Source



Graph 3: Operating Revenue by Major Source

Revenue By Minor Source

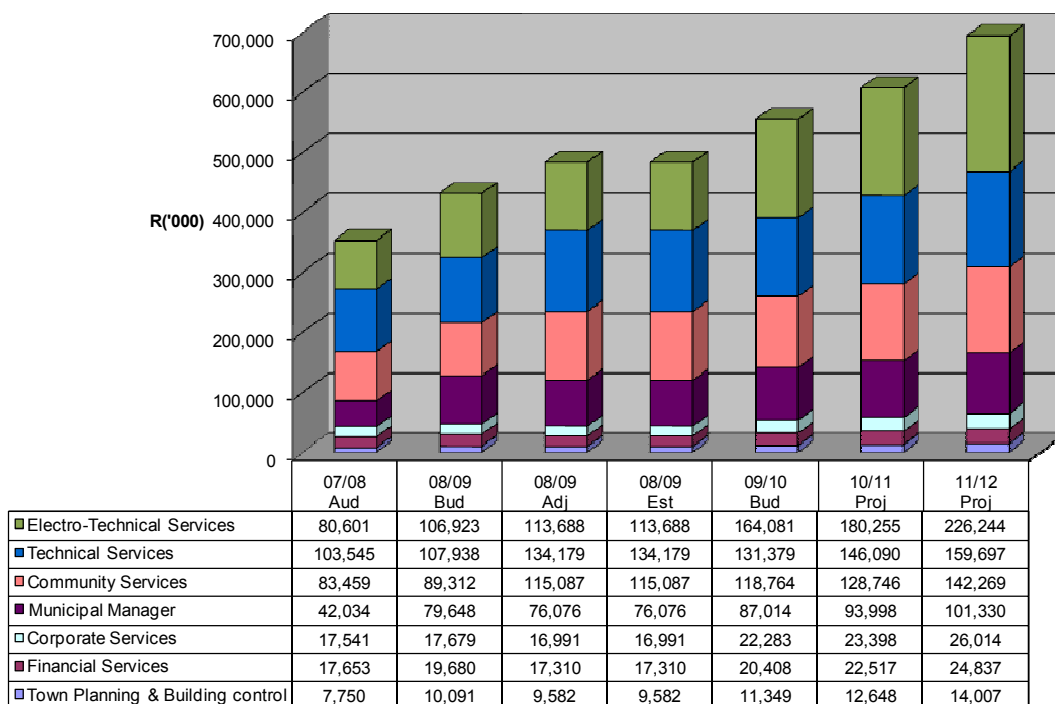


Graph 4: Operating Revenue by Minor Source

MOSSEL BAY MUNICIPALITY

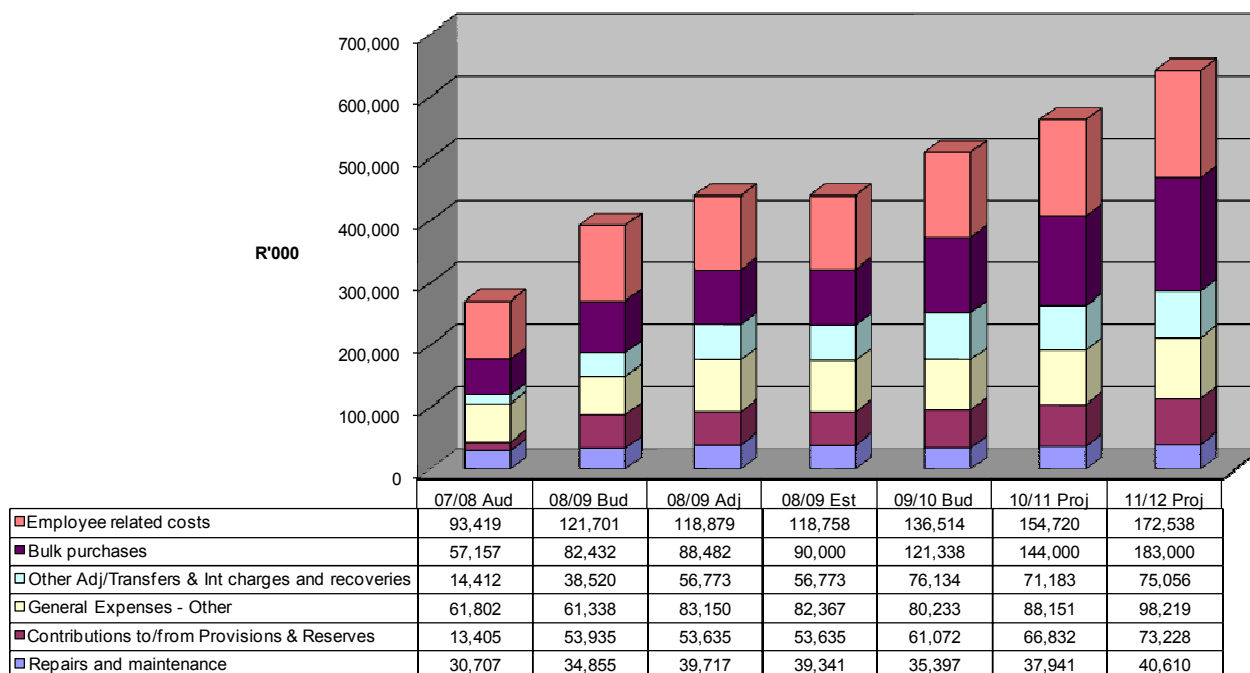
2009/10 Annual Budget

Operating Expenditure by Vote



Graph 5: Operating Revenue by Vote

Operating Expenditure by Major Type

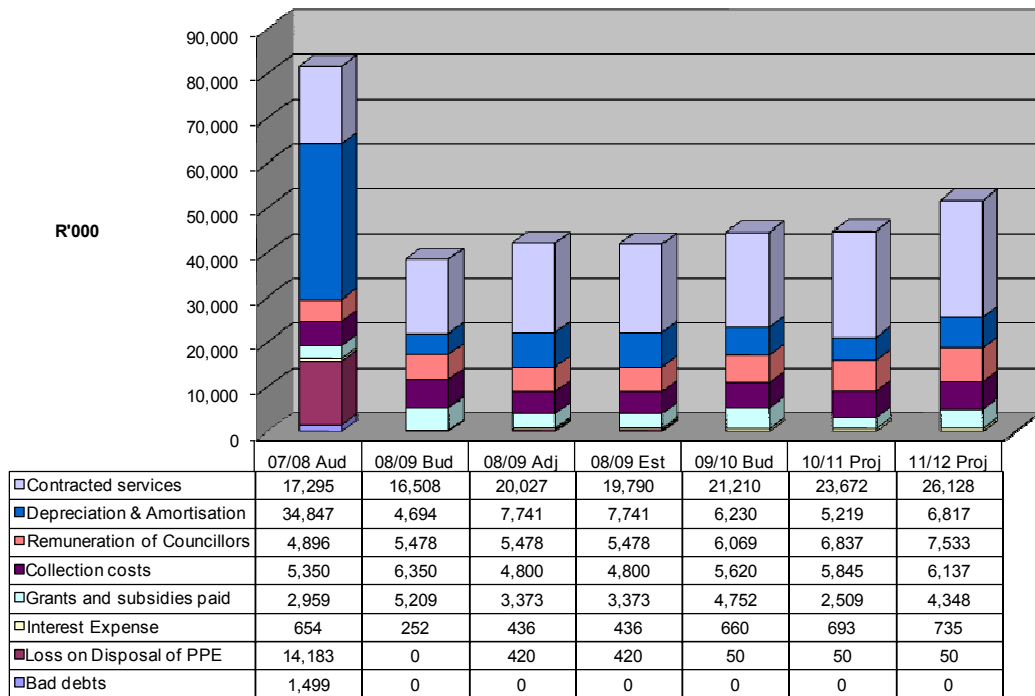


Graph 6: Operating Expenditure by Major Type

MOSSEL BAY MUNICIPALITY

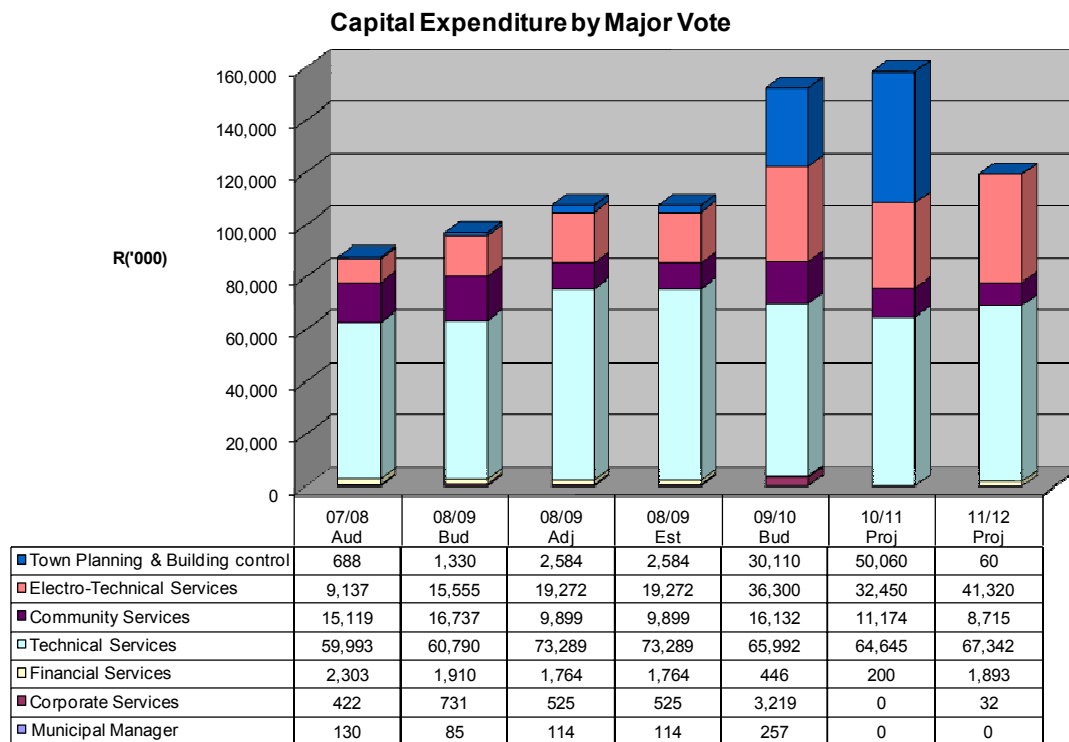
2009/10 Annual Budget

Operating Expenditure by Minor Type

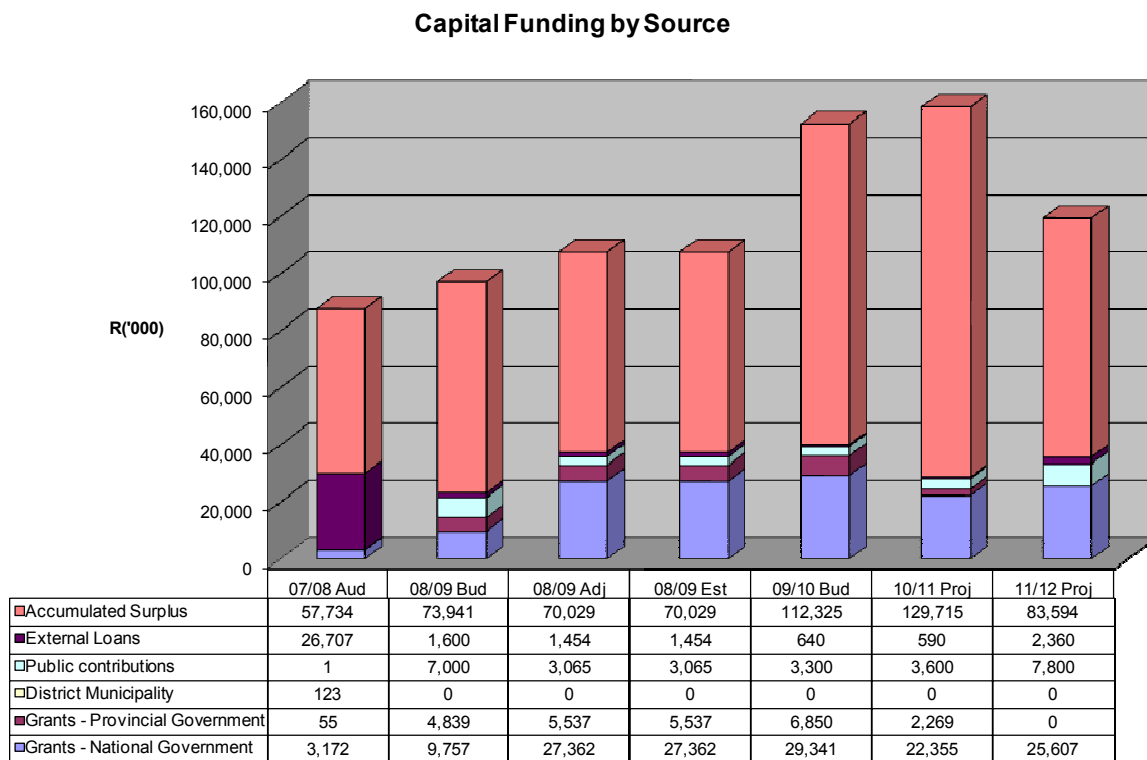


Graph 7: Operating Expenditure by Minor Type

5.3.2. Capital Budget



Graph 8: Capital Expenditure by Major Vote



Graph 9: Capital Funding by Source

6. SUPPORTING DOCUMENTATION

6.1. Budget process overview

POLITICAL OVERSIGHT OF THE BUDGET PROCESS

Section 53 (1) (a) of the MFMA (no 56 of 2003) stipulates that the Mayor of a municipality must provide general political guidance over the budget process and the priorities that must guide the preparation of a budget.

Political oversight of the budget process is necessary to ensure that the needs and priorities of the community, as set out in the IDP, are properly linked to the municipality's spending plans. The mayoral committee is one of the key elements in accomplishing the linkage between the IDP and the Budget of a municipality.

SCHEDULE OF KEY DEADLINES RELATING TO THE BUDGET PROCESS

The mayor must, according to the MFMA, co-ordinate the processes for preparing the annual budget and for reviewing the municipality's IDP and budget-related policies. The mayor therefore tabled a schedule of key deadlines with regards to the budgetary process and the review of the municipality's IDP, in council on the 29th of August 2008.

The approved schedule is set out below:

PROPOSED BUDGET AND IDP PROCESS

2009/2010 to 2013/2014

(WORKPLAN/TIME SCHEDULE IN TERMS OF SECTION 21 (1) (b) OF M F M A)

ACTIVITIES RELATING TO NEW BUDGET AND IDP FOR YEARS 2009/2010 - 2013/2014		REMARKS	COMPLETION DATE
JULY 2008		JULY 2008	JULY 2008
1	Assess the IDP and Budget processes followed for years 2008/2009 budget preparation and adapt the process to address deficiencies, develop improvements and ensure integrated and alignment of processes for the 2008/2009 - 2012/2013 budgets.	Assessment and evaluation of IDP process and development of improvements for the new cycle.	July 2008
AUGUST 2008		AUGUST 2008	AUGUST 2008
1	Establish forum and teams for consultation on IDP Budget preparation.	IDP Manager to recommend to Mayor	22 August 2008
2	Time Schedule to be tabled by Mayor to the Council outlining key deadlines. Council to approve time schedule and decide on dates and venues of consultation meetings with public.	Council	22 August 2008
3	Operational Budget : Salary/Wages schedules to Directors for scrutinizing and corrections	Directors	29 August 2008
4	Advertise the budget process and dates of IDP meetings as soon as possible after 22 August 2007.	Manager of IDP Process	29 August 2008
5	Finalize the logistic processes in respect of each of the I D P meetings and table a business plan to the Executive in this regard.	Manager of I D P process	29 August 2008

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

Budget and IDP process (continued)

SEPTEMBER 2008		SEPTEMBER 2008	SEPTEMBER 2008
1	Operational Budget : Salary/Wages schedules with corrections and recommendations to be returned to Finance Department.	Directorates	17 September 2008
2	Operational Budget : Income/Expenditure schedules to be supplied to Directorates.	Directorates	15 September 2008
3	Consultation meetings with community on any proposed new priorities or changes to external mechanisms for service delivery which will affect the IDP and Budget.	IDP manager, Executive Management and Councillors	1 - 30 September 2008
4	The Directors determine the future priority areas and departmental projects for the municipality to guide the budget allocations and IDP for the next 3 years.	Executive Management	1 - 30 September 2008
OCTOBER 2008		OCTOBER 2008	OCTOBER 2008
1	Obtain report from IDP Manager on needs/priorities identified in community meetings	IDP Manager	06 October 2008
2	Operational Budget : Income/Expenditure inputs and statistics to be returned to Finance department	Directorates	15 October 2008
3	Executive articulates outcomes, objectives, priorities and outputs desired for next three years and submit capital budget projects for draft IDP document.	Executive Management	17 October 2008
4	Directors start to prioritize the draft capital projects in the IDP plan for the next three years.	Executive Management	31 October 2008 to 07 November 2008
5	Based on financial statements of 2007/2008 determine the financial position of the Municipality and assess its financial capacity and available funding for next three years	Chief Financial Officer	31 October 2008
NOVEMBER 2008		NOVEMBER 2008	NOVEMBER 2008
1	Executive finalize the Draft IDP and hand over to Mayor	Municipal Manager	21 November 2008
2	Mayor tables the draft IDP document in Council	Mayor	28 November 2008
DECEMBER 2008		DECEMBER 2008	DECEMBER 2008
1	Operational Budget : Finalize Income/Expenditure estimates for next 3 financial years (including salary budget).	Finance department in conjunction with Departments	15 December 2008
JANUARY 2009		JANUARY 2009	JANUARY 2009
1	Executive discussed draft capital budget and IDP proposals with priorities and objectives set out in the medium term proposals.	Executive Management	1 - 23 January 2009
2	Executive finalize draft capital budget for 2009/2010 to 2011/2012	Executive Management	30 January 2009
3	Review tariffs and charges and determine new tariffs to balance the budget.	Executive Management	30 January 2009
4	Operational Budget : Discussions on Income and expenditure budget for next 3 years	Executive Management	30 January 2009
5	Review all budget related policies	Chief Financial Officer	30 January 2009
FEBRUARY 2009		FEBRUARY 2009	FEBRUARY 2009
1	ADJUSTMENT BUDGET : Review Capital and Operational Budgets for savings, additional funds and virements between votes.	DEPARTMENTS	15 February 2009
2	Mayoral Committee receives draft capital budget and updated IDP.	Municipal Manager	27 February 2009
3	ADJUSTMENT BUDGET : Finalise inputs on Adjustsment Budget with Finance Department.	Departments	27 February 2009
3	Municipalities receive inputs from National and Provincial Government and other bodies on factors influencing the budget.	Executive Management	27 February 2008

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

Budget and IDP process (continued)

MARCH 2009		MARCH 2009	MARCH 2009
1	Municipal Manager informs Mayoral Committee of capital budget and IDP proposals for next 3 years.	Municipal Manager and Directors	16 March 2009
2	Consultations with Mayoral Committee on Draft Capital Budget and Draft Operational Budget and IDP proposals for next 3 years.	Municipal Manager and Directors	25 March 2009
3	Mayor tables the budget related documents in Council before or on 31 March and Council debates the IDP and draft budget documents.	Mayor	31 March 2009
APRIL 2009		APRIL 2009	APRIL 2009
1	Forward Draft budget, IDP and all other related documents to National and Provincial Treasury.	Department of Finance	07 April 2009
2	Advertising and publication of draft budget and IDP during April.	Corporate Services	10 April 2009
3	Council determine community consultation process to be followed on draft budget.	Council	15 April 2009
MAY 2009		MAY 2009	MAY 2009
1	Undertake community consultation on budget and updated IDP to the end of April and during May 2009.	Manager IDP	09 May 2009
2	Receive and analyse additional inputs from Community and National and Provincial Governments.	Manager IDP	15 May 2009
3	Council discusses the feedback from community and national and provincial governments and if required revise the budget and IDP updates tabled in Council during March.	Council	22 May 2009
4	Mayor tables revised budget and IDP to Council - for approval before or on 31 May 2009.	Mayor	28 May 2009
JUNE 2009		JUNE 2009	JUNE 2009
1	Forward copy of approved budget and all other related documents to National and Provincial Government.	Department of Finance	07 June 2009
2	Submit drafts of annual performance agreements of Municipal Manager and all senior managers to Executive Mayor within 14 days after approval of budget. (Sect 69 (3))	Municipal Manager and Directors	11 June 2009
3	Submit draft SDBIP to Mayor within 14 days after approval of budget. (Sect. 69 (3))	Municipal Manager and Directors	11 June 2009
4	The Mayor approves the municipality's SDBIP within 28 days after the approval of the budget. (Sect. 53 (1) (c))	Mayor	25 June 2009
JULY 2009		JULY 2009	JULY 2009
1	The Mayor ensures that the performance agreements of officials are submitted to Council and sent to MEC in province within 14 days after approval of S.D.B.I.P. (Sect 53 (3) (b))		09 July 2009

FLOWCHART ON THE BUDGET PROCESS

There are basically three different processes in the budgeting cycle running at the same time:

1. Reporting on Previous year budget,
2. Current year budget implementation, and
3. Preparation of the new financial year's budget (including the two following financial year estimates).

1. Reporting on Previous year budget:

This is mainly done through the compilation of the Annual Financial Statements of the previous financial year, including the Auditor-General's Audit Report. Another example is the different reporting formats to National and Provincial government on the previous year's budget and financial performance.

2. Current year budget implementation:

Implementation of the budget starts once the budget has been approved. An important document in the implementation of the budget is the Service Delivery and Budget Implementation Plan (SDBIP), which sets out the service delivery targets and performance indicators for the financial year. The SDBIP must be approved within 28 days after the approval of the budget.

Another important aspect is the monitoring and reporting on the current year budget. According to Section 71 of the MFMA, the accounting officer must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant provincial treasury a statement on the state of the municipality's budget. This will enable the mayor to check if the approved budget is implemented in accordance with the SDBIP, consider revisions to the approved budget and identify any financial problems facing the municipality.

3. Preparation of the new financial year's budget:

There are six distinct steps to the preparation of the new financial year's budget:

- * Planning
Schedule key dates; establish consultation forums; review previous processes.
- * Strategic
Review IDP; internal and external consultations; set service delivery objectives for the next 3 years; consult on tariffs, indigent, credit control, free basic services, etc.; consider local, provincial and national issues; consult previous year's performance and current economic and demographic trends.
- * Preparation
Prepare revenue and expenditure projections; draft budget policies; consult and consider local, provincial and national priorities; measurement of past and current performance against the budget.
- * Tabling
Table complete proposed budget, IDP revisions and budget related policies no later than 1 April (90 days before the start of the new budget year) before council; make public the budget as soon as it has been tabled (via website, hard copies and electronic copies); consult with and consider formal local, provincial and national inputs or responses.

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

* Approving

After the Mayor has responded to recommendations and where necessary made revisions to the tabled budget, full council must meet no later than 31 May (30 days before the start of the new budget year) to consider the budget for approval. Council approves the budget and related policies before 1 July. Should the municipality fail to approve a budget before the start of the budget year, the mayor must inform the MEC for Finance immediately.

* Finalisation

Publish and approve SDBIP and annual performance agreements and indicators 28 days after the approval of the budget. A delegations policy of spending authority on budget votes is also critical for successful budget implementation and monitoring and evaluation.

CONSULTATION PROCESS

Provision is made for the community to participate in the Budget and IDP process. Public meetings were held in each of the municipal wards, with a prior consultation with ward committees to ensure that the Budget and IDP process is fair and transparent and that the views of the community are taken into account when the final documents are developed. The following public meetings took place in preparation of the 2009/10 budget and IDP document:

Ward	Venue	Date	Attendance 2009/10	Attendance 2008/09
2	Kwa-Nonqaba Community Hall(Elangeni, Khayelitsha, Asla park)	08/09/08	52	81
7	Brandwacht Community Hall Ruiterbos	15/09/08	27	83
1	Kwa-Nonqaba Community Hall	16/09/08	33	
12	Joe Slovo Community Hall	11/09/08	91	87
	Nativity Church Hall	18/09/08	16	18
3	Asla Multi Purpose Centre	09/09/08	29	70
4	Friemersheim	17/09/08	30	16
	Green Haven Library Hall		24	30
7	Boggomsbaai	18/09/08	14	
6&8	Town Hall/Heiderand	15/09/08	29	24
5	Reebok Community Hall, Reebok, P/Town Area	08/09/08	39	18
7	Herbertsdale Church Hall (Herbertsdale and Buisplaas)	09/09/08	27	73
9	D'almeida Community Hall	10/09/08	29	80
10	Hartenbos Library Hall (Hartenbos and Sonskynvallei)	11/09/08	33	40
11	Danabaai Community Hall	15/09/08	11	10
	Indoor Sport Centre (Ext 23)	17/09/08	11	12

The following common issues were raised during the above mentioned meetings held:

- * Proper street lights / Upgrading of Electricity,
- * Upgrading of roads / Streets needs to be tarred,
- * Housing projects to realise,
- * Bush clearing,
- * Sports facilities / Youth development,
- * Proper traffic signs,
- * Play parks/grounds,
- * Upgrading of sewerage networks to curb constant blockages,
- * Speed bumps,
- * Building of Multi-purpose centres and upgrading of community halls,
- * Upgrading of storm water drainage systems,
- * Graveyards,
- * Upgrading of libraries and building of more libraries.

From the above information it is clear that the IDP process went smoothly and all community meetings were successful.

All phases of the IDP were completed within the stipulated timeframes and in general attendance of all meetings was satisfactory, however:

- * Attendance of public participants remain a big challenge,
- * Another challenge is education in terms of IDP awareness, and
- * Also the financial constraint in terms of the IDP process.

AMENDMENTS TO THE INTEGRATED DEVELOPMENT PLAN (IDP)

No noteworthy amendments to the IDP took place. Mossel Bay Municipality has a 5 year plan and the only changes were the sifting of the priorities that change from one year to another. For further reference you are referred to the attached IDP document (Annexure C), which contains the alignment of the IDP with the Capital Program.

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

6.2. Alignment between Budget and the Integrated Development Plan (IDP)

RECONCILIATION OF IDP & BUDGET: OPERATING REVENUE

RECONCILIATION OF IDP & BUDGET - REV		Preceding Year	Current Year				Medium Term Revenue and Expenditure Framework		
		2007/08	2008/09				Budget Year	Budget Year +1	Budget Year +2
		Audited Actual	Approved Budget	Adjusted Budget	Full Year Forecast	Budget	Budget	Budget	
Strategic Objective	Action Plan	R'000 A	R'000 B	R'000 C	R'000 D	R'000 E	R'000 F	R'000 G	
COMMUNITY DEVELOPMENT AND HEALTH	CEMETERIES	87	82	94	94	95	107	120	
SPORT, RECREATION & CULTURE	TOWN HALL & COMMUNITY HALLS	873	283	261	261	271	305	344	
COMMUNITY DEVELOPMENT AND HEALTH	HEALTH	282	0	0	0	0	0	0	
COMMUNITY SAFETY & SECURITY	FIRE BRIGADE &RESCUE SERVICES	53	75	43	43	77	80	85	
COMMUNITY SAFETY & SECURITY	MUNICIPAL POLICE & TRAFFIC	7,133	9,918	8,142	8,142	8,992	10,201	12,403	
COMMUNITY SAFETY & SECURITY	SECURITY SERVICES	0	0	0	0	0	0	0	
ECONOMIC DEVELOPMENT & TOURISM	INDUSTRIAL & TOURISM MARKETING	0	0	0	0	0	0	0	
ECONOMIC DEVELOPMENT & TOURISM	BEACHES	11	209	2,057	2,057	12	13	14	
ECONOMIC DEVELOPMENT & TOURISM	CARAVAN PARKS	3,287	3,900	4,663	4,663	5,122	5,633	6,758	
ECONOMIC DEVELOPMENT & TOURISM	CHALETs	2,087	2,850	2,315	2,315	2,800	3,161	3,662	
GOVERNANCE & COMMUNICATION	MUNICIPAL MANAGER : ADMIN	0	0	0	0	0	0	0	
GOVERNANCE & COMMUNICATION	COUNCIL : GENERAL EXPENSES	37,326	52,921	48,815	48,815	56,942	54,988	57,708	
GOVERNANCE & COMMUNICATION	CUSTOMER CARE	0	0	0	0	0	0	0	
GOVERNANCE & COMMUNICATION	MANAGER CORPORATE SERV : ADMIN	75	102	4	4	102	106	111	
GOVERNANCE & COMMUNICATION	HUMAN RESOURCES	644	600	503	503	800	880	986	
GOVERNANCE & COMMUNICATION	LIBRARIES	453	620	623	623	819	1,016	1,164	
GOVERNANCE & COMMUNICATION	SOCIO-ECON.PLANNING/DEVELOPM.	22	200	238	238	1,700	375	395	
GOVERNANCE & COMMUNICATION	MANAGER FINANCIAL SERV : ADMIN	2,838	4,641	2,503	2,503	3,411	4,093	4,664	
GOVERNANCE & COMMUNICATION	ASSESSMENT RATES	41,569	49,194	47,115	47,115	56,690	66,420	77,820	
GOVERNANCE & COMMUNICATION	COMPUTER CENTRE	33	20	0	0	15	17	19	
GOVERNANCE & COMMUNICATION	PAYROLL MANAGEMENT	0	0	0	0	0	0	0	
GOVERNANCE & COMMUNICATION	SUPPLY CHAIN MANAGEMENT	97	100	45	45	90	92	95	
GOVERNANCE & COMMUNICATION	VALUATIONS	0	0	0	0	0	0	0	
GOVERNANCE & COMMUNICATION	MANAGER TECHNICAL SERV : ADMIN	0	0	0	0	0	0	0	
GOVERNANCE & COMMUNICATION	MANAGER COMMUNITY SERV : ADMIN	0	0	0	0	0	0	0	
INFRASTRUCTURE PROVISION	ELECTRICITY	126,821	136,979	155,781	155,781	207,448	232,064	283,846	
LAND & HOUSING	HOUSING ADMINISTRATION	12,580	8,306	26,509	26,509	25,370	24,627	27,061	
INFRASTRUCTURE PROVISION	MUNICIPAL BUILDINGS & LAND	1,296	991	1,462	1,462	1,009	1,146	1,309	
INFRASTRUCTURE PROVISION	MAIN ROADS	725	1,431	711	711	30	0	0	
INFRASTRUCTURE PROVISION	STORMWATER DRAINAGE	7,002	0	13,591	13,591	10,601	12,355	10,607	
INFRASTRUCTURE PROVISION	STREETS	567	38	6,063	6,063	562	67	74	
INFRASTRUCTURE PROVISION	SEWERAGE	50,180	55,815	59,811	59,811	62,060	66,883	69,426	
INFRASTRUCTURE PROVISION	WATER	66,255	67,911	67,701	67,701	74,063	82,167	90,502	
COMMUNITY DEVELOPMENT AND HEALTH	CLEANSING	27,557	28,281	28,931	28,931	32,791	36,968	40,897	
SPORT, RECREATION & CULTURE	PLANTATIONS	14	12	49	49	60	69	77	
SPATIAL & ENVIRONMENTAL AFFAIRS	TOWN PLAN & BUILDING CONTROL	6,220	5,742	3,150	3,150	3,357	3,764	4,206	
SPORT, RECREATION & CULTURE	PARKS: HARRY GIDDY PARK	0	0	0	0	0	0	0	
SPORT, RECREATION & CULTURE	PARKS & RECREATION	7	1	2,503	2,503	2	2	2	
SPORT, RECREATION & CULTURE	PUBLIC CONVENIENCES	0	0	0	0	0	0	0	
SPORT, RECREATION & CULTURE	SPORT GROUNDS	277	51	109	109	68	74	83	
TOTAL OPERATING REVENUE		396,369	431,271	483,792	483,792	555,356	607,674	694,437	

Schedule 15: Operating Revenue link to IDP

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

RECONCILIATION OF IDP & BUDGET: OPERATING EXPENDITURE

RECONCILIATION OF IDP & BUDGET - OPEX		Preceding Year 2007/08	Current Year 2008/09				Medium Term Revenue and Expenditure Framework		
		Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12	
						Budget R'000 E	Budget R'000 F	Budget R'000 G	
Strategic Objective	Action Plan								
COMMUNITY DEVELOPMENT AND HEALTH	CEMETERIES	441	814	559	587	853	939	1,030	
SPORT, RECREATION & CULTURE	TOWN HALL & COMMUNITY HALLS	2,529	2,450	2,830	2,830	2,994	3,313	3,636	
COMMUNITY DEVELOPMENT AND HEALTH	HEALTH	265	0	0	0	0	0	0	
COMMUNITY SAFETY & SECURITY	FIRE BRIGADE &RESCUE SERVICES	7,079	7,919	8,379	8,374	9,395	10,479	11,578	
COMMUNITY SAFETY & SECURITY	MUNICIPAL POLICE & TRAFFIC	11,389	14,162	13,976	13,976	15,717	17,452	19,234	
COMMUNITY SAFETY & SECURITY	SECURITY SERVICES	0	0	0	0	0	0	0	
ECONOMIC DEVELOPMENT & TOURISM	INDUSTRIAL & TOURISM MARKETING	0	18	1	1	0	0	0	
ECONOMIC DEVELOPMENT & TOURISM	BEACHES	2,814	3,119	6,499	6,534	4,032	4,520	4,948	
ECONOMIC DEVELOPMENT & TOURISM	CARAVAN PARKS	2,805	3,328	3,258	3,214	3,618	3,974	4,348	
ECONOMIC DEVELOPMENT & TOURISM	CHALETS	3,554	3,438	3,417	3,431	3,866	4,300	4,749	
GOVERNANCE & COMMUNICATION	MUNICIPAL MANAGER : ADMIN	1,572	1,162	2,396	2,396	1,132	1,261	1,395	
GOVERNANCE & COMMUNICATION	COUNCIL : GENERAL EXPENSES	39,069	76,932	72,506	72,506	83,775	90,352	97,280	
GOVERNANCE & COMMUNICATION	CUSTOMER CARE	1,393	1,536	1,173	1,173	2,107	2,386	2,655	
GOVERNANCE & COMMUNICATION	MANAGER CORPORATE SERV : ADMIN	8,433	5,999	5,932	5,965	7,323	8,178	9,130	
GOVERNANCE & COMMUNICATION	HUMAN RESOURCES	3,793	4,229	3,919	3,881	5,194	5,767	6,406	
GOVERNANCE & COMMUNICATION	LIBRARIES	3,373	4,527	4,686	4,686	5,253	5,954	6,677	
GOVERNANCE & COMMUNICATION	SOCIO-ECON.PLANNING/DEVELOPM.	1,941	2,925	2,453	2,458	4,513	3,498	3,800	
GOVERNANCE & COMMUNICATION	MANAGER FINANCIAL SERV : ADMIN	13,525	13,431	11,928	12,058	13,476	14,803	16,261	
GOVERNANCE & COMMUNICATION	ASSESSMENT RATES	0	0	0	0	0	0	0	
GOVERNANCE & COMMUNICATION	COMPUTER CENTRE	1,817	2,350	2,022	2,022	2,878	3,089	3,388	
GOVERNANCE & COMMUNICATION	PAYROLL MANAGEMENT	0	0	0	0	0	0	0	
GOVERNANCE & COMMUNICATION	SUPPLY CHAIN MANAGEMENT	1,060	2,449	1,892	1,882	2,511	2,883	3,236	
GOVERNANCE & COMMUNICATION	VALUATIONS	1,251	1,449	1,468	1,348	1,543	1,742	1,952	
GOVERNANCE & COMMUNICATION	MANAGER TECHNICAL SERV : ADMIN	1,107	403	493	462	588	626	711	
GOVERNANCE & COMMUNICATION	MANAGER COMMUNITY SERV : ADMIN	328	591	584	584	617	687	767	
INFRASTRUCTURE PROVISION	ELECTRICITY	80,601	106,923	113,688	113,688	164,081	180,255	226,244	
LAND & HOUSING	HOUSING ADMINISTRATION	14,915	10,433	29,257	29,257	25,370	24,627	27,061	
INFRASTRUCTURE PROVISION	MUNICIPAL BUILDINGS & LAND	3,547	2,810	2,874	2,874	3,099	3,393	3,752	
INFRASTRUCTURE PROVISION	MAIN ROADS	906	1,789	889	889	38	0	0	
INFRASTRUCTURE PROVISION	STORMWATER DRAINAGE	3,575	3,914	16,884	17,398	14,412	16,711	15,561	
INFRASTRUCTURE PROVISION	STREETS	24,420	21,172	27,505	27,302	23,002	24,161	26,190	
INFRASTRUCTURE PROVISION	SEWERAGE	28,652	31,050	34,937	34,902	36,466	41,395	46,273	
INFRASTRUCTURE PROVISION	WATER	44,885	49,610	53,471	53,225	56,872	63,197	70,961	
COMMUNITY DEVELOPMENT AND HEALTH	CLEANSING	26,992	28,845	31,049	31,049	30,050	33,604	37,322	
SPORT, RECREATION & CULTURE	PLANTATIONS	194	254	259	251	268	300	331	
SPATIAL & ENVIRONMENTAL AFFAIRS	TOWN PLAN & BUILDING CONTROL	4,203	7,281	6,708	6,708	8,250	9,255	10,255	
SPORT, RECREATION & CULTURE	PARKS: HARRY GIDDY PARK	0	0	0	0	759	851	945	
SPORT, RECREATION & CULTURE	PARKS & RECREATION	7,766	11,306	12,264	12,209	17,869	20,008	22,258	
SPORT, RECREATION & CULTURE	PUBLIC CONVENIENCES	0	0	0	0	0	0	0	
SPORT, RECREATION & CULTURE	SPORT GROUNDS	2,388	2,652	2,756	2,791	3,356	3,692	4,060	
TOTAL OPERATING EXPENDITURE		352,584	431,271	482,912	482,912	555,278	607,652	694,399	

Schedule 16: Operating Expenditure link to IDP

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

RECONCILIATION OF IDP & BUDGET: CAPITAL EXPENDITURE

RECONCILIATION OF IDP & BUDGET - CAPEX		Preceding Year 2007/08	Current Year 2008/09				Medium Term Revenue and Expenditure Framework		
		Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12	
						Budget R'000 E	Budget R'000 F	Budget R'000 G	
Strategic Objective	Action Plan								
COMMUNITY DEVELOPMENT AND HEALTH	CEMETERIES	255	360	238	238	220	370	100	
SPORT, RECREATION & CULTURE	TOWN HALL & COMMUNITY HALLS	1,433	980	855	855	1,027	780	2,500	
COMMUNITY DEVELOPMENT AND HEALTH	HEALTH	0	0	0	0	0	0	0	
COMMUNITY SAFETY & SECURITY	FIRE BRIGADE & RESCUE SERVICES	65	890	810	810	1,320	2,000	200	
COMMUNITY SAFETY & SECURITY	MUNICIPAL POLICE & TRAFFIC	846	855	697	697	590	600	780	
COMMUNITY SAFETY & SECURITY	SECURITY SERVICES	0	0	0	0	0	0	0	
ECONOMIC DEVELOPMENT & TOURISM	INDUSTRIAL & TOURISM MARKETING	0	0	0	0	0	0	0	
ECONOMIC DEVELOPMENT & TOURISM	BEACHES	236	510	453	453	1,380	1,325	975	
ECONOMIC DEVELOPMENT & TOURISM	CARAVAN PARKS	69	5	5	5	80	0	0	
ECONOMIC DEVELOPMENT & TOURISM	CHALETS	5	265	265	265	330	280	280	
GOVERNANCE & COMMUNICATION	MUNICIPAL MANAGER : ADMIN	26	27	27	27	0	0	0	
GOVERNANCE & COMMUNICATION	COUNCIL : GENERAL EXPENSES	89	40	69	69	257	0	0	
GOVERNANCE & COMMUNICATION	CUSTOMER CARE	15	18	18	18	0	0	0	
GOVERNANCE & COMMUNICATION	MANAGER CORPORATE SERV : ADMIN	218	604	469	469	1,488	0	0	
GOVERNANCE & COMMUNICATION	HUMAN RESOURCES	35	110	34	34	0	0	0	
GOVERNANCE & COMMUNICATION	LIBRARIES	74	18	21	21	232	0	32	
GOVERNANCE & COMMUNICATION	SOCIO-ECON.PLANNING/DEVELOPM.	95	0	0	0	1,500	0	0	
GOVERNANCE & COMMUNICATION	MANAGER FINANCIAL SERV : ADMIN	221	124	124	124	40	0	53	
GOVERNANCE & COMMUNICATION	ASSESSMENT RATES	1,801	0	0	0	100	0	10	
GOVERNANCE & COMMUNICATION	COMPUTER CENTRE	201	1,734	1,588	1,588	305	200	1,830	
GOVERNANCE & COMMUNICATION	PAYROLL MANAGEMENT	66	0	0	0	0	0	0	
GOVERNANCE & COMMUNICATION	SUPPLY CHAIN MANAGEMENT	14	50	50	50	0	0	0	
GOVERNANCE & COMMUNICATION	VALUATIONS	0	2	2	2	0	0	0	
GOVERNANCE & COMMUNICATION	MANAGER TECHNICAL SERV : ADMIN	130	46	11	11	0	0	0	
GOVERNANCE & COMMUNICATION	MANAGER COMMUNITY SERV : ADMIN	0	0	0	0	0	0	0	
INFRASTRUCTURE PROVISION	ELECTRICITY	9,137	15,555	19,272	19,272	36,300	32,450	41,320	
LAND & HOUSING	HOUSING ADMINISTRATION	9,197	9,846	3,465	3,465	5,543	2,269	0	
INFRASTRUCTURE PROVISION	MUNICIPAL BUILDINGS & LAND	629	1,330	1,538	1,538	30,000	50,000	0	
INFRASTRUCTURE PROVISION	MAIN ROADS	0	0	0	0	0	0	0	
INFRASTRUCTURE PROVISION	STORMWATER DRAINAGE	20,006	7,000	20,590	20,590	7,020	2,000	5,075	
INFRASTRUCTURE PROVISION	STREETS	5,536	10,897	12,358	12,358	28,061	12,470	11,960	
INFRASTRUCTURE PROVISION	SEWERAGE	6,289	15,980	14,064	14,064	16,560	14,380	18,200	
INFRASTRUCTURE PROVISION	WATER	28,032	25,821	26,266	26,266	14,351	35,795	32,107	
COMMUNITY DEVELOPMENT AND HEALTH	CLEANSING	1,552	253	51	51	1,735	1,150	200	
SPORT, RECREATION & CULTURE	PLANTATIONS	2	0	0	0	0	0	0	
SPATIAL & ENVIRONMENTAL AFFAIRS	TOWN PLAN & BUILDING CONTROL	59	1,046	1,046	1,046	110	60	60	
SPORT, RECREATION & CULTURE	PARKS & RECREATION	536	840	1,311	1,311	465	460	400	
SPORT, RECREATION & CULTURE	PUBLIC CONVENIENCES	0	0	0	0	0	0	0	
SPORT, RECREATION & CULTURE	SPORT GROUNDS	923	1,933	1,750	1,750	3,442	1,940	3,280	
TOTAL CAPITAL EXPENDITURE		87,792	97,138	107,447	107,447	152,456	158,529	119,362	

Schedule 17: Capital Expenditure link to IDP

6.3. Budget-related Policies overview and amendments

OVERVIEW OF BUDGET-RELATED POLICIES

Proper budgets are prepared in accordance with approved policies. A budget-related policy is a municipal policy affecting or affected by the annual budget of the municipality. These policies are necessary for effective financial management and the achievement of priorities and strategic goals of the community. The budget-related policies are reviewed annually during the budget preparation process.

Below is a list of the budget-related policies, including the purpose, approval date of the policy and if any amendments need to be approved by council.

Policy name	Purpose of Policy (what is included in the policy)	Last approved	Amendments to be approved (YES/NO)
Rates Policy	Prescribes uniform rates structures to give effect to its strategic objectives in terms of the IDP and Budget requirements	28/05/09	YES
Tariff Policy	Prescribes uniform tariff structures on the levying of fees for municipal services provided	28/05/09	YES
Consumer care, Indigent, Credit control and Debt collection policy	Sets a revenue collection target and outlines how the municipality will act against defaulters ; Specifies the framework for providing relief from the burden of rates and tariffs to registered or otherwise identified indigents	28/05/09	YES
Cash Management and Investments policy	Deals with interest earned on investments and with raising both short and long-term debt	28/05/09	YES
Fixed assets management policy	Includes capitalisation benchmarks, depreciation norms, and maintenance requirements		NO
Accounting policy	Includes policy on contributions to and withdrawals from funds and reserves, utilisation of unappropriated operating surpluses		NO
Supply Chain Management Policy	Demand, acquisition, disposal and logistics around the procurement of goods and services	28/05/09	YES

The above-mentioned policies that were amended and needs to be approved by Council, are attached to the budget documentation as Annexure B.

KEY AMENDMENTS TO BUDGET-RELATED POLICIES

The additions to the policies are in bold and underline whilst the deletion are in brackets on the specific policies in Annexure B.

The following highlights the key amendments to the budget-related policies:

* Customer Care, Indigent and Credit Control and Debt Collection Policy

There are some administrative charges to the policy but there are also the following changes to the policy which should be debated in more detail:

- Definition of household income
- Paragraph 44 : Arrangements not honoured
- Paragraph 20 : Replacement of credit meter
- Paragraph 31 : Bank guarantees
- Paragraph 19(7) : Child headed families
- Paragraph 23 : Disabled persons and life supporting machine
- Paragraph 11 : Tampering policy and procedures

* Rates Policy

- Paragraph 10 : Industrial incentives has been deleted from the policy
- Paragraph 13 : Rates clearance certificate

* Tariff Policy

- Paragraph 2 : Definition of "household" and "Indigent household"
- Paragraph 2 : Definition of "owner"
- Paragraph 13(4)(d) : Properties with more than one consumer
- Paragraph 13(4)(f) : Water delivery in rural areas
- Paragraph 16 : Adjustment of Services account

* Cash Management and Investment Policy

No Comment

* Supply Chain Management Policy

Municipalities are compelled to use the model SCM Policy prescribed and are not permitted to deviate from national SCM and related policies, such as the Preferential Procurement Policy Framework Act, during policy revisions.

The changes that were made to this policy therefore only include the clarification or expansion of certain practical aspects where these were not provided or were vague or insufficient in the model policy, and which will not impact on the Municipality's responsibility to carry out national policy.

This includes issues such as the definitions of the commercial value of property and the plight of the poor (definitions) and the Municipality's internal policy with regard to unsolicited bids for the sale of land (Section 37(10)). Section 36(4) was included based on practical experience at the Municipality and covers situations where it is impossible for the Municipality to follow the normal SCM procedures.

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

The policy was also updated to incorporate national policy changes, such as the increase of the tax clearance certificate limit from R15 000 to R30 000 (section 40). As the Municipality's upper limit for petty cash transactions is R200 per transaction, as opposed to the R2 000 allowed in the MFMA, SCM Regulations, Section 15 was amended to bring the SCM policy in line with municipal policy on petty cash transactions. The Accounting Officer can reduce limits prescribed in the SCM Regulations, but not increase them.

On the recommendation of the Municipality's internal auditors, Section 2 (assignment of responsibilities if the Accounting Officer is unable to perform his/her SCM functions) and Sections 39 and 43 (Contract Management and Performance Management respectively) were changed, as the model policy addressed these insufficiently.

6.4. Budget Assumptions

Certain broad assumptions are made to establish a basic foundation for building the following year's budget. These assumptions provide a framework for setting priorities, determining service levels and allocating limited financial resources. This section provides a summary of the assumptions used in preparing the budget for the 2009/10 MTREF period.

EXTERNAL FACTORS

There is already a trend to a slowdown in growth of demand for residential property and consumer demand. There is also a dip in new property developments. If the interest rates stay as is and income growth slows down, together with a rise in unemployment, it could have an effect on the payment percentages of service accounts and a bigger demand for free basic services.

If the business sector remains under severe pressure it will also contribute to higher unemployment. A joint effort by Mossel Bay Municipality and PETRO SA have contributed substantially to job creation and training in semi and unskilled categories by way of cleaning and deforestation projects.

According to the current market reports it is however expected that interest rates can be cut with 350% to 400bp for the full year. This will be dependent on global and domestic economic developments and can have a positive outcome on job creation and financial viability.

GENERAL INFLATION OUTLOOK

In the National Budget Speech of 2009 the headline CPI inflation is estimated as follows:

	2009/10	2010/11	2011/12
CPI inflation	5.4%	5.1%	4.6%

The municipality has made provision for a general inflation on operating general expenses of 7% for the 2009/10 MTREF period.

CREDIT RATING OUTLOOK

No credit rating was done by any credit rating company, but the financial position of the municipality and management of our financial affairs are sound. A good rating can be expected that will favour Council if they want any bids from the open market for funding of infrastructure assets. Credit rating can be asked at a later stage.

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

INTEREST RATES FOR BORROWING AND INVESTMENTS

The municipality still investigates the possibility of taking up external loans for funding of some of its projects.

Investments made with various financial institutions are strictly in compliance with the Municipal Finance Management Act and the municipality's Cash Management and Investments Policy. The average rate of return on investments for the 2008/09 year is 12,3%, and is estimated to be 9,8% for the 2009/10 financial year. This was calculated by estimating that the Reserve Bank will reduce the repo rate by 100bps to 9,5% during March 2009. If it happens that the rate drops further during the 2009/10 financial year, it could affect the return on investments negatively. The budget allows for a return of 0,84% above the average rate of 9,8%.

RATES, TARIFFS, CHARGES AND TIMING OF COLLECTION

The following table shows the average increases in rates and tariff charges over the 2009/10 MTREF period:

	2009/10	2010/11	2011/12
Property Rates	15%	15%	15%
Electricity	23,8%	19,25%	19,25%
Water	8%	7%	7%
Sewerage	0%	0%	0%
Refuse	10%	10%	10%

The projected increase in the electricity tariff will depend on the increase in Eskom tariffs as approved by NERSA.

The cash flow in section 6.6 (page 65) of this document indicates when these rates and tariffs are projected to be collected.

The billing of the Property Rates is done on an annual basis during the month of July. All other tariff charges are billed on a monthly basis.

COLLECTION RATES FOR EACH REVENUE SOURCE AND CUSTOMER TYPE

The average collection rate is the cash collected from consumers expressed as a percentage of the amount billed and is currently 90,5%.

The average monthly collection rate for 2008/09 and the projections for the 2009/10 year are as follows:

	2008/09	2009/10
Property Rates (Average % of Monthly and Annual payments)	101,4%	101,4%
Electricity – Domestic consumers	99,8%	99,8%
Water	95,7%	95,7%
Sewerage (Average % of Monthly and Annual payments)	101,4%	101,4%
Refuse	95,7%	95,7%

As a result of negotiations with government departments, a higher collection rate is experienced. Good progress has also been made with the collection of old outstanding debts.

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

PRICE MOVEMENTS ON SPECIFICS

Purchase of bulk electricity from Eskom is budgeted to amount to R111 337 517 in the 2009/10 financial year, which is an estimated increase of 34%. Estimated growth for the 2010/11 year is 19% and 28% for the 2011/12 year.

The projected increase in bulk water purchases is estimated at 25% to a budget of R10 million in the 2009/10 financial year. Estimated growth for the 2010/11 year is 24% and 27% for the 2011/12 year.

AVERAGE SALARY INCREASES

The personnel budget is calculated by reviewing the individual posts that is currently filled in the municipal organogram, as well as previous years' expenditure on the salary budget. Provision is also made for the filling of vacant posts during the 2009/10 financial year.

The following table indicates the average increase in personnel wages and salaries and councillor allowances for the 2009/10 MTREF:

	2009/10	2010/11	2011/12
Councillor allowances	11%	13%	10%
Senior managers	13%	12%	10%
Other personnel	13%	14%	12%

INDUSTRIAL RELATIONS CLIMATE AND CAPACITY BUILDING

The rendering of cost-effective and sustainable services to the entire community with diligence and empathy, is one of the municipality's mission statements. In order to render this effective and efficient service the municipality is committed to invest in the staff of the municipality.

The municipality has therefore made available an amount of R833 000 for training in the 2009/10 budget, which is an increase of 59% from the previous financial year. Budgets to the amount of R916 300 and R1026 256 has been made available for the 2010/11 and 2011/12 years respectively.

CHANGING DEMAND CHARACTERISTICS (DEMAND FOR SERVICES AND FREE OR SUBSIDISED BASIC SERVICES)

Mossel Bay has been growing rapidly in the past two years in terms of business activities as well as in terms of population. However, in the property market, there was a drop in the building of new houses and developments as a result of the current economic climate experienced worldwide.

As sub-economic houses are currently being built in the Mossel Bay area, it will have an impact on service delivery and the demand for free basic services. The total number of houses to be built is as follows:

Wolwedans	677
Elangeni	327
Asizani/Izinyoka	1200 (including infrastructure)
Powertown	150
Friemersheim	220
Tarka	80

Mossel Bay also experienced an increasing demand for free basic services due to the annual revisit of poor households.

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

The new middle income housing projects in D'almeida, Kwa-Nonqaba and Heiderand will also contribute to higher demand for service delivery and free basic services. The total houses to be built is 2 000 units consisting of a combination of flats, town houses and houses.

ABILITY OF MUNICIPALITY TO SPEND AND DELIVER ON PROGRAMS

Capital project expenditure has improved from 77,4% in 2006/07 to 86,6% of the 2007/08 capital budget. The capital spending is closely monitored by ways of monthly cash flows and monthly reporting to Council on capital expenditure. The projected capital spending for the 2008/09 financial year is 92%.

It is anticipated that 98% of the operating budget will be spent in the 2008/09 financial year.

6.5. Funding the Budget

Section 18(1) of the MFMA states that an annual budget may only be funded from:

- * Realistically anticipated revenue to be collected,
- * Cash backed accumulated funds from previous years' surpluses not committed for other purposes, and
- * Borrowed funds, but only for the capital budget referred to in section 17(2).

Achievement of this requirement effectively means that Council must approve a balanced, credible and sustainable budget.

A Credible budget is a budget that:

- * Funds only activities consistent with the revised IDP and vice versa ensuring the IDP is realistically achievable given the financial constraints of the municipality,
- * Is achievable in terms of agreed service delivery and performance targets,
- * Contains revenue and expenditure projections that are consistent with current and past performance,
- * Does not jeopardise the financial viability of the municipality, and
- * Provides managers with appropriate levels of delegation sufficient to meet their financial management responsibilities.

A Sustainable budget is a budget which reflects sufficient revenue and adequate corporate stability in order to fund and deliver on service delivery and performance targets.

FISCAL OVERVIEW

The following table shows the municipality's performance on the 2006/07 and the 2007/08 budgets:

BUDGET	2006/07			2007/08		
	Budget R'000	Actual R'000	% perform	Budget R'000	Actual R'000	% perform
Operating Revenue	R380,513	R376,172	98.9%	R481,887	R459,682	95.4%
Operating Expenditure	R379,845	R356,765	93.9%	R478,584	R466,092	97.4%
Capital Expenditure	R103,837	R80,326	77.4%	R101,363	R87,792	86.6%

The above table shows that the municipality collected 98,9% of its budgeted Revenue in the 2006/07 financial year and 82,3% during the 2007/08 financial year.

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

An amount of R63 312 476 was budgeted for in the 2007/08 financial for Contribution from Accumulated surplus for a transfer to the Capital Replacement Reserve. This transaction was not transferred through the Statement of Financial Performance but through the Statement of Changes in Net Assets. Therefore, if this transaction is taken into account, the revenue performance for the 2007/08 year is actually 94,7%.

The Operating Expenditure budget of 2007/08 also included this transaction for a transfer to the Capital Replacement Reserve from the Accumulated Surplus, as well as a further R25 million for transfers to the Capital Replacement Reserve from Land Sales and External funds. If these transactions are taken into account, the expenditure performance for the 2007/08 operating budget is actually 92,1%.

The above table also shows that the operating expenditure budget is fully funded by the operating revenues, which include municipal revenues from rates and tariffs and grants and subsidies from national and provincial government.

The capital expenditure budget is mainly funded by own internal funds and grants and subsidies from national and provincial government.

The municipality prepared it's 2007/08 Annual Financial Statements in accordance with the applicable GRAP standards and received an unqualified opinion from the Auditor-General.

FUNDING OF OPERATING AND CAPITAL EXPENDITURE

Operating Budget:

The table below identifies the sources of funding for the 2009/10 operating budget:

<i>Source of Funding</i>	<i>Amount</i>	<i>% of Total Budget</i>
Property Rates (less revenue forgone)	R 54,322,629	11.8%
Penalties Imposed And Collection Charges	R 2,200,000	0.5%
Service Charges	R 315,620,240	68.4%
Rent of Facilities and Equipment	R 4,055,148	0.9%
Interest Earned - External Investments	R 20,947,197	4.5%
Fines, Licenses and Permits	R 8,961,600	1.9%
Grants & Subsidies Received - Operating	R 43,342,290	9.4%
Other Revenue	R 11,963,780	2.6%
TOTAL	R 461,412,884	100%

Capital Budget:

The table below identifies the sources of funding for the 2009/10 capital budget:

<i>Source of Funding</i>	<i>Amount</i>	<i>% of Total Budget</i>
Capital Replacement Reserve (Internal)	R 112,324,820	73.7%
Municipal Infrastructure Grant	R 10,601,000	7.0%
Municipal Systems Improvement Grant	R57 000	0.0%
Local Government and Housing	R 5 293 600	3.5%
Recoverable Developer	R 3 300 000	2.2%
Department of Mineral & Energy	R 18 240 000	12.0%
Department of Social Services	R1 500 000	1.0%
Expanded Public Works Programme	R 500 000	0.3%
External Loans	R 590 000	0.4%

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

The 2009/10 capital budget is mainly funded from internal funds. The following tables show the breakdown of the Capital Replacement Reserve of the municipality for the 2009/10 MTREF period:

CAPITAL REPLACEMENT RESERVE

BALANCE AS AT 30 JUNE 2008: R 101,854,884

2008/09	
CONTRIBUTIONS:	
- Revenue	R 27,350,000
- Land Sales	R 5,000,000
- Bulk Contributions	R 3,369,402
- Ad Hoc Contributions	R 40,645,116
FINANCING PROJECTED CAPITAL EXPENDITURE	(R 74,029,149)

BALANCE AS AT 30 JUNE 2009: R 104,190,253

2009/10	
CONTRIBUTIONS:	
- Revenue	R 36,200,000
- Land Sales	R 1,000,000
- Bulk Contributions	R 7,500,000
FINANCING CAPITAL BUDGET	(R 112,324,820)

BALANCE AS AT 30 JUNE 2010: R 36,565,433

2010/11	
CONTRIBUTIONS:	
- Revenue	R 39,458,000
- Land Sales	R 26,000,000
- Bulk Contributions	R 7,500,000
FINANCING CAPITAL BUDGET	(R 129,685,000)

BALANCE AS AT 30 JUNE 2011: (R 20,161,567)

2011/12	
CONTRIBUTIONS:	
- Revenue	R 43,009,220
- Land Sales (including municipal civic centre and other office blocks, i.e. Great Brak, Hartenbos, George Weg, Marsh Street)	R 45,000,000
- Bulk Contributions	R 7,500,000
FINANCING CAPITAL BUDGET	(R 85,594,500)

BALANCE AS AT 30 JUNE 2012: (R 10,246,847)

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

SOURCES OF FUNDING

6.5.1. Rates, tariffs and other charges

Please refer to attached Annexure A with the total Rates, Tariffs and other sundry charges for the 2009/10 financial year.

6.5.2. New Borrowing

NEW BORROWING	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget Year 2009/10 E	Budget Year +1 2010/11 F	Budget Year +2 2011/12 G
LEASES	0	1600	1600	1600	640	590	2360
NEW BORROWING	0	1600	1600	1600	640	590	2360

Schedule 18: New Borrowing

6.5.3. Investments

INVESTMENTS BY TYPE

INVESTMENT PARTICULARS BY TYPE	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget Year 2009/10 E	Budget Year +1 2010/11 F	Budget Year +2 2011/12 G
Investment Type							
Securities - National Government							
Listed Corporate Bonds							
Deposits - Banks	196,000	207,000	207,000	207,000	211,000	215,000	209,000
Deposits - Public Investment Commissioners							
Deposits - Corporation for Public Deposits							
Bankers Acceptance Certificates							
Negotiable Certificate of Deposit - Banks							
Guaranteed Endowment Policies (sinking funds)							
Repurchase Agreements - Banks							
Municipal Bonds							
TOTAL INVESTMENTS	196,000	207,000	207,000	207,000	211,000	215,000	209,000

Schedule 19: Investment summary

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

INVESTMENTS BY MATURITY

INVESTMENT PARTICULARS BY MATURITY	Period of Investment	Type of Investment	Expiry date of Investment	Monetary Value R'000	Interest to be Realised R'000
Name of Institution / Investment ID					
<u>Absa Bank</u>					
2067899155	364	Fixed deposit	17.04.2009	4,000	503
2068225727	359	Fixed deposit	09.07.2009	5,000	664
2065520526	342	Fixed deposit	23.07.2009	10,000	1,279
2068386309	361	Fixed deposit	21.08.2009	10,000	1,256
2066353716	361	Fixed deposit	11.09.2009	5,000	633
2067433519	363	Fixed deposit	15.10.2009	3,000	368
2068685587	357	Fixed deposit	13.11.2009	3,000	333
2067714094	313	Fixed deposit	23.12.2009	10,000	733
				50,000	5,769
<u>First National Bank</u>					
71190959861	334	Fixed deposit	23.06.2009	2,000	240
71193610270	342	Fixed deposit	23.07.2009	10,000	1,279
71200914599	363	Fixed deposit	15.10.2009	5,000	659
71214040405	282	Fixed deposit	19.11.2009	3,000	202
71214790183/488451	361	Fixed deposit	12.02.2010	15,000	1,286
				35,000	3,666
<u>Nedbank</u>					
03/7881005807/000070	336	Fixed deposit	22.05.2009	6,000	751
03/7881005807/000071	363	Fixed deposit	23.06.2009	10,000	1,362
03/7881005807/000072	361	Fixed deposit	21.08.2009	10,000	1,260
03/7881005807/000073	361	Fixed deposit	11.09.2009	3,000	381
03/7881005807/000074	360	Fixed deposit	08.09.2009	5,000	610
03/7881005807/000075	356	Fixed deposit	15.10.2009	10,000	1,285
03/7881005807/000076	360	Fixed deposit	06.11.2009	10,000	1,198
03/7881005807/000077	357	Fixed deposit	13.11.2009	10,000	1,112
03/7881005807/000079	346	Fixed deposit	15.01.2010	10,000	909
03/7881005807/000080	285	Fixed deposit	25.11.2009	10,000	672
				84,000	9,540
<u>Standard Bank</u>					
088728862/028	364	Fixed deposit	17.04.2009	15,000	1,900
088728862/029	357	Fixed deposit	15.05.2009	10,000	1,306
088728862/030	334	Fixed deposit	23.06.2009	10,000	1,208
088736598/031	311	Fixed deposit	18.12.2009	10,000	741
088736598/032	360	Fixed deposit	04.03.2010	10,000	868
				55,000	6,023
GRAND TOTAL				224,000	24,998

Schedule 20: Detail of investments

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

6.5.4. Grant allocations

	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
					Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
GOVERNMENT GRANTS & SUBSIDIES - ALLOCATIONS ¹	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget R'000 E	Budget R'000 F	Budget R'000 G
<u>National Grant Allocations²</u>							
1. Sanitation							
2. Intergrated National Elec. Programme		-	415	415	3,240	-	10,000
3. Municipal Infrastructure Grant		7,477	26,946	26,946	10,601	12,355	10,607
4. Finance Management Grant	500	500	500	500	750	1,000	1,250
5. Equitable Share	17,057	20,233	22,645	22,645	24,977	31,688	34,805
6. Contribution: Councillors Remuneration	902	945	945	945	1,140	1,200	1,272
7. Municipal Systems Improvement Grant	-	400	438	438	400	750	790
8. Drought Relief Grant	2,500	-	2,828	2,828	-	-	-
9. Electricity demand side management grant	-	-	-	-	15,000	10,000	5,000
10. Expanded public works programme incentive grant	-	-	-	-	500	-	-
Sub Total - National Grant Allocations	20,959	29,555	54,717	54,717	56,608	56,993	63,724
<u>Provincial Grant Allocations²</u>							
1. Intergrated Housing & Human Settlement	16,643	12,577	23,570	23,570	15,734	18,708	22,218
2. Local Government Project Preparation Grant	-	-	-	-	-	-	-
3. Spatial Planning	125	-	-	-	-	-	-
4. Mobile Strategies	-	-	-	-	-	-	-
5. CDW Operational Support Grant	-	96	-	-	96	100	104
6. Library Services	311	501	501	501	672	840	966
7. Department of Social Services - Multi-purpose centre	-	-	-	-	1,500	-	-
8. Maintenance of proclaimed roads	725	1,431	711	711	30	-	-
Sub Total - Provincial Grant Allocations	17,079	14,605	24,782	24,782	18,032	19,648	23,288
<u>Municipal Grant Allocations³</u>							
1. Infrastructure Grant		-					
Sub Total - Municipal Grant Allocations	-	-	-	-	-	-	-
TOTAL GRANT ALLOCATIONS	38,038	44,160	79,499	79,499	74,640	76,641	87,012

Schedule 21: Government grants and subsidies

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

6.6. Projected Cash Flow per month by Revenue Source

MONTHLY CASH FLOWS	Budget July 2009 R'000	Budget August 2009 R'000	Budget September 2009 R'000	Budget October 2009 R'000	Budget November 2009 R'000	Budget December 2009 R'000	Budget January 2010 R'000	Budget February 2010 R'000	Budget March 2010 R'000	Budget April 2010 R'000	Budget May 2010 R'000	Budget June 2010 R'000	Budget Full Year 2009/10 R'000	Budget Full Year 2010/11 R'000	Budget Full Year 2011/12 R'000
Cash Operating Receipts by Source															
Property rates	10,686	7,208	7,752	5,051	1,945	3,648	3,542	3,400	3,220	3,116	2,392	2,364	54,323	63,919	75,135
Penalties imposed & collection charges	165	160	169	206	196	202	191	208	180	200	190	132	2,200	2,310	2,472
Service charges - electricity	13,721	14,445	13,921	13,783	12,936	15,291	14,562	13,321	14,228	14,067	14,669	13,536	168,481	199,018	243,248
Service charges - water	4,464	5,244	4,144	4,742	4,439	6,008	2,484	6,696	5,790	5,575	5,752	1,185	56,522	61,895	68,129
Service charges - sewerage	6,107	6,248	4,601	5,111	1,852	3,598	911	3,337	3,150	3,218	2,224	2,021	42,379	42,801	43,282
Service charges - refuse removal	1,975	1,986	1,998	2,007	2,039	2,035	2,039	2,169	2,183	2,191	2,588	1,199	24,407	27,131	30,208
Service charges - other	10,218	814	2,144	452	4,695	1,044	875	491	1,788	94	421	796	23,830	26,688	30,369
Rental of facilities and equipment	248	656	610	217	292	269	291	304	391	332	236	207	4,055	4,614	5,299
Interest earned - external investments	1,137	1,065	1,094	1,306	1,269	818	1,231	1,866	407	2,472	1,592	6,690	20,947	18,913	16,157
Interest earned - outstanding debtors	49	49	49	48	48	48	47	42	42	43	43	43	552	519	498
Fines	279	6	818	273	272	633	341	434	639	453	481	151	4,779	5,594	6,976
Licenses and permits	285	359	342	173	508	328	256	459	364	217	289	622	4,182	4,586	5,392
Government grants & subsidies - Operating	79	188	2,181	64	238	4,604	9,086	427	51	194	6,719	19,511	43,342	53,002	62,510
Government grants & subsidies - Capital	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Revenue	241	234	289	299	306	199	184	242	254	285	269	8,539	11,342	12,925	17,525
Gain on disposal of PPE	0	0	0	15	0	10	0	2	23	0	0	20	70	84	105
Cash Operating Receipts by Source	49,636	38,663	40,112	33,747	31,035	38,735	36,039	33,397	32,710	32,458	37,864	57,016	461,413	524,000	607,303
Other Cash Receipts by Source															
New Loans Raised	53	53	53	53	53	53	53	53	53	53	53	53	640	590	2,360
Capital Grants and Subsidies / Pub contributions						11,847						27,644	39,492	28,224	33,407
Other Capital contributions			28,081			28,081			28,081			28,081	112,325	129,715	83,595
Total Cash Receipts by Source	49,689	38,717	68,246	33,800	31,088	78,717	36,092	33,451	60,845	32,511	37,918	112,795	613,869	682,529	726,664
Cash Operating Payments by Type															
Employee related costs	9,304	9,608	9,679	11,119	10,101	13,249	11,367	10,993	10,823	11,333	12,297	16,642	136,514	154,720	172,538
Remuneration of Councillors	322	608	412	412	412	412	743	446	711	470	474	647	6,069	6,837	7,533
Bad debts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Collection costs	20	447	408	337	462	349	391	682	603	630	662	629	5,620	5,845	6,137
Bulk purchases	9	15,811	18,012	8,637	9,454	8,637	12,278	9,581	8,317	9,776	10,669	10,157	121,338	144,000	183,000
Contracted services	551	1,099	1,001	1,544	1,624	2,269	4,783	1,622	1,856	1,294	2,016	1,550	21,210	23,672	26,128
Grants and subsidies paid	446	426	402	421	382	391	394	378	374	432	383	323	4,752	2,509	4,348
General Expenses - Other	2,876	3,282	5,343	4,926	4,434	3,312	6,202	6,581	3,581	3,066	5,400	15,844	64,848	71,475	81,756
Repairs and maintenance	1,117	1,333	4,081	2,017	2,028	4,420	3,455	2,933	4,122	2,390	3,986	3,516	35,397	37,941	40,610
Depreciation & Amortisation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest expense	0	0	0	0	0	51	4	139	0	0	45	421	660	693	735
Loss on Disposal of PPE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Contributions to/from Provisions & Reserves	0	0	137	0	0	0	0	0	0	0	0	41,798	41,935	46,652	51,922
Other Adj/Transfers & Int charges and recoveries	1,762	1,886	1,796	1,918	1,827	1,841	2,070	1,929	2,009	2,016	1,931	2,009	22,993	29,634	32,558
Cash Operating Payments by Type	16,406	34,501	41,269	31,330	30,723	34,932	41,687	35,284	32,396	31,407	37,864	93,535	461,334	523,978	607,265
Other Cash Payments by Type															
Capital Expenditure	1,590	2,371	16,977	6,084	13,726	19,737	18,973	17,906	16,210	6,948	23,163	8,773	152,456	158,529	119,362
Etc (list each source)															
Total Cash Payments by Type	17,996	36,872	58,246	37,414	44,449	54,668	60,660	53,190	48,607	38,355	61,026	102,308	613,791	682,507	726,626
NET INCREASE / (DECREASE) IN CASH & INVESTMENTS	31,693	1,845	10,000	-3,613	-13,360	24,049	-24,568	-19,740	12,238	-5,844	-23,108	10,487	78	22	38

Schedule 22: Cash Flow per month for 2008/09

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

6.7. Allocations made by the Municipality

GRANT ALLOCATIONS	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget Year 2009/10 Budget R'000 E	Budget Year +1 2010/11 Budget R'000 F	Budget Year +2 2011/12 Budget R'000 G
<u>Allocations to Other Municipalities¹</u>							
1.							
2.							
3.							
etc							
TOTAL ALLOCATIONS TO MUNICIPALITIES							
<u>Allocations to Entities & Other External Mechanisms²</u>							
1.							
2.							
3.							
etc							
TOTAL ALLOCATIONS TO ENTITIES ETC							
<u>Allocations to Other Organs of State³</u>							
1.							
2.							
3.							
etc							
TOTAL ALLOCATIONS TO OTHER ORGANS OF STATE							
<u>Allocations to Other Organisations⁴</u>							
1. Industrial & Tourism (Section 21 Co.)	2185	2389	2389	2389	2512	2763	3012
2.							
3.							
etc							
TOTAL ALLOCATIONS TO OTHER ORGANISATIONS	2185	2389	2389	2389	2512	2763	3012

Schedule 23: Allocations made by Municipality

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

6.8. Salaries, Allowances and Benefits

VACANT POSTS TO BE FILLED (INCLUDED IN BUDGET)

VACANT POSTS 09/10 SALARIES M1			
VOTE NO.	Post Level	Vacant Position	Annual Salary Package (Council Contribution incl.)
		MUNICIPAL MANAGER	
11114	7	Supervisor - Customer Care	R 238,158.02
11114	9	Snr Clerk : Customer Care x 3	R 582,399.24
TOTAL			R 820,557.26
DIRECTORATE : CORPORATE SERVICES			
12200	3	Legal Advisor	R 448,167.94
12212	13	Security Officer	R 108,094.40
12222	6	Personnel Officer	R 261,013.48
12222	5	Senior Admin - Human Resources	R 292,920.40
12232025	9	Librarian	R 194,133.08
12242	3	Manager : Socio Economic Development	R 448,167.94
TOTAL			R 1,752,497.24
DIRECTORATE : FINANCIAL SERVICES			
13300	11	Clerk : Income	R 134,307.17
13372	6	Admin Officer : Logistics	R 261,013.48
13372	3	Head : SCM	R 448,167.94
TOTAL			R 843,488.59
DIRECTORATE : CIVIL SERVICES			
144400	4	Senior Technician	R 321,217.24
14400	6	Admin Officer	R 261,013.48
14464/8	10	Carpenter - Streets and Stormwater	R 155,972.39
TOTAL			R 738,203.11
DIRECTORATE : COMMUNITY SERVICES			
15552	8	Foreman : Sanitation	R 217,447.36
15552	11	Lorry Driver	R 134,307.17
15582	7	Superintendent : Parks & Recreation Officer	R 238,158.02
TOTAL			R 589,912.55
DIRECTORATE : TOWN AND URBAN PLANNING			
14442	9	Secretary	R 194,133.08
14442	7	Assistant Town Planner (P Vorster)	R 238,158.02
TOTAL			R 432,291.10
DIRECTORATE : ELECTRO-TECHNICAL SERVICES			
16614	7	Electrician (Pumps)	R 238,158.02
TOTAL			R 238,158.02
GRAND TOTAL			R 5,415,107.87

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

VACANT POSTS 09/10 SALARIES M2 (WAGES)			
Vote No.	Post Level	Vacant Post	Annual Salary
			(Including Council Contribution)
<u>DIRECTORATE FINANCIAL SERVICES</u>			
13300	18	General Worker	R 82,296.66
TOTAL			R 82,296.66
<u>DIRECTORATE CIVIL SERVICES</u>			
14464/8	14	Skilled Worker	R 98,117.88
14464/8	16	Skilled Worker	R 88,884.63
14464/8	18	General Worker	R 82,296.78
14468	15	Tractor Driver	R 77,651.95
TOTAL			R 346,951.24
<u>DIRECTORATE COMMUNITY SERVICES</u>			
15512	18	General Worker	R 82,296.66
15544	15	Skilled Workman - Chalets	R 92,740.38
15582	17	Operator	R 85,408.92
TOTAL			R 260,445.96
GRAND TOTAL			R 689,693.86

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

NEW POSTS (NOT INCLUDED IN BUDGET)

NEW POSTS : SALARIES 2009/10 (M1)			
VOTE NO.	NEW POST	POST LEVEL	ANNUAL SALARY (INCL. COUNCIL CONTRIBUTION)
DIRECTORATE : CORPORATE SERVICES			
12200	Translators x 4	8	R 869,789.44
12222	Admin Officer - Clocking System	6	R 261,013.48
12222	Senior Clerk - Human Resources	9	R 194,133.08
12222	Training Officer	5	R 292,920.40
TOTAL			R 1,617,856.40
DIRECTORATE : FINANCIAL SERVICES			
13300	Head Cashier	8	R 217,447.36
13300	Assistant Accountants x 2 - Taxes & Debt Collections	7	R 476,316.04
13372	Clerk - SCM	10	R 155,972.27
TOTAL			R 849,735.67
DIRECTORATE : CIVIL SERVICES			
14468	Driver (Water Truck)	11	R 134,307.17
14472	Learner Process Control x 2 (Pinnacle P)	13	R 216,188.80
14473	Laboratory Assistant (Regional Sewerage)	8	R 217,447.36
14478	Foreman (Sewerage)	8	R 217,447.36
14482	Learner Process Control (Klein Brak W)	13	R 108,094.40
14483	Assistant Water Purification	8	R 217,447.36
14488	Foreman	7	R 238,158.02
14488	Pipe Layer	10	R 155,972.27
TOTAL			R 1,505,062.74
DIRECTORATE : COMMUNITY SERVICES			
15560	Secretary - Fire Department	10	R 155,972.27
15560	Trainee Fire Fighters x 27	12	R 3,224,801.16
TOTAL			R 3,380,773.43
GRAND TOTAL			R 7,353,428.24

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

NEW POSTS : SALARIES 2009/10 (M2)			
VOTE NO.	NEW POST	POST	ANNUAL SALARY
		LEVEL	(INCL. COUNCIL CONTRIBUTION)
DIRECTORATE : COMMUNITY SERVICES			
15592	Operators x 5 (Sport grounds)	17	R 427,044.60
15549	Handyman - Town Hall	15	R 77,651.95
15583	Labourer (Plantation)	18	R 82,296.66
15549	Labourer (Town Hall) x 2	18	R 164,593.32
TOTAL			R 751,586.53
DIRECTORATE : CIVIL SERVICES			
14468	Labourers x 4 (Lorries - Streets)	18	R 329,186.64
14468	Labourers x 2 (Carpenter)	18	R 164,593.32
14468	Operators x 2 (Tarring team)	17	R 170,817.84
14468	Operators x 5 (Bricklaying team)	17	R 427,044.60
14468	Labourers x 6 (GBR Tarring team)	18	R 493,779.96
14468	Operator x 1 (Tarring team)	17	R 85,408.92
14468	Operator x 2 (Bricklaying team)	17	R 170,817.84
14468	Labourer x 1 (Bricklaying team)	18	R 82,296.66
14468	Labourer x 1 (Carpenter)	18	R 82,296.66
14472	Labourer (Pinnacle Point)	18	R 82,296.66
14478	Labourers x 2 (Sewerage)	18	R 164,593.32
14478	Operator (Raking system) Sewerage	15	R 77,651.95
14487	Labourers x 3 (Waterworks)	18	R 246,889.98
14488	Operators x 2 (pompe du Plooy)	17	R 170,817.84
TOTAL			R 2,748,492.19
GRAND TOTAL			R 3,500,078.72

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

NATIONAL TREASURY SCHEDULES

DISCLOSURE OF SALARIES, ALLOWANCES AND BENEFITS

2009/10					
	Salary Package Rand ('000) pa	Social Contributions ⁴ Rand ('000) pa	Allowances Rand ('000) pa	Performance Bonuses Rand ('000) pa	Total Package Rand ('000) pa
DISCLOSURE OF SALARIES, ALLOWANCES & BENEFITS					
<u>Councillors</u>					
Executive Mayor	571		17		588
Deputy Executive Mayor	456		18		474
Speaker	456		18		474
3 x Member of Executive Committee	1,284		53		1,337
17 x Part-time Councillor	2,910		186		3,096
plus: Locomotion Claims	100				100
Total	5,777	0	292	0	6,069
<u>Officials of the Municipality</u>					
Municipal Manager (MM)	945			132	1,077
Chief Finance Officer	880			123	1,003
Director Electrical Services	825			116	941
Director Corporate Services	763			107	870
Director Community Services	763			107	870
Director Town Planning	832			116	948
Director Technical Services	764			107	871
	5,772	0	0	808	6,580
<u>A Heading for Each Entity⁵</u>					
List each member of board by designation	n/a	n/a	n/a	n/a	n/a
Chief Executive Officer (CEO)	n/a	n/a	n/a	n/a	n/a
List each senior manager reporting to CEO by designation	n/a	n/a	n/a	n/a	n/a
TOTAL COST OF REMUNERATION TO MUNICIPALITY	11,549	0	292	808	12,649

Schedule 24: Salary, allowances and benefits for 2008/09

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

SUMMARY OF TOTAL SALARIES, WAGES AND ALLOWANCES

SUMMARY OF TOTAL SALARIES, WAGES, ALLOWANCES etc	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget Year 2009/10 Budget R'000 E	Budget Year +1 2010/11 Budget R'000 F	Budget Year +2 2011/12 Budget R'000 G
Councillors (Political Office Bearers plus Other)							
Basic Salaries	4,640	5,115	5,161	5,115	5,677	6,404	7,044
Pension Contributions							
Medical Aid Contributions							
Allowances	256	363	317	363	392	434	489
Sub Total - Councillors	4,896	5,478	5,478	5,478	6,069	6,837	7,533
Senior Managers of the Municipality (s 57 of Systems Act)							
Basic Salaries ; Pension Contributions ; Medical Aid Contributions	3,559	5,024	6,317	6,317	5,772	6,482	7,130
Allowances							
Performance Bonus	599	753	610	610	808	907	998
Sub Total - Senior Managers of Municipality	4,158	5,777	6,927	6,927	6,580	7,389	8,128
Other Municipal Staff							
Basic Salaries	57,751	73,860	69,068	69,162	83,680	95,395	106,842
Pension Contributions	8,522	11,993	11,269	11,269	13,637	15,174	16,894
Medical Aid Contributions	4,976	8,306	6,679	6,679	7,943	9,055	10,141
Allowances	4,775	5,873	5,966	5,966	6,563	7,237	7,900
Overtime	5,222	4,648	6,393	6,393	5,700	6,241	6,865
Bonus	4,647	6,089	6,091	6,091	6,934	7,870	8,499
Other	3,513	5,154	6,504	6,289	6,754	7,636	8,544
Sub Total - Other Municipal Staff	89,406	115,924	111,969	111,848	131,210	148,607	165,686
Board Members of Entities							
Basic Salaries	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Pension Contributions							
Medical Aid Contributions							
Allowances							
Board Fees							
Sub Total - Board Members of Entities							
Senior Managers of Entities							
Basic Salaries	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Pension Contributions							
Medical Aid Contributions							
Allowances							
Performance Bonus							
Sub Total - Senior Managers of Entities							
Other Staff of Entities							
Basic Salaries	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Pension Contributions							
Medical Aid Contributions							
Allowances							
Performance Bonus							
Sub Total - Other Staff of Entities							
TOTAL EMPLOYEE COSTS	98,461	127,179	124,374	124,252	143,859	162,833	181,347

Schedule 25: Summary of Employee related costs

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

SUMMARY OF PERSONNEL NUMBERS

SUMMARY OF PERSONNEL NUMBERS (Full Time Equivalent)	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
					Budget R'000 E	Budget R'000 F	Budget R'000 G
<u>Municipality</u>							
Councillors (Political Office Bearers plus Other)	23	23	23	23	23	23	23
Senior Managers including Municipal Manager (s 57 of Systems Act)	5	7	7	7	7	7	7
Other Managers	19	19	20	20	20	20	20
Technical / Professional Staff	118	118	118	118	118	120	120
Other Staff (clerical, labourers etc)	699	702	702	702	702	712	719
Sub Total - Municipality	864	869	870	870	870	882	889
<u>Entities</u>							
Board Members							
Senior Managers including CEO							
Other Managers							
Technical / Professional Staff							
Other Staff (clerical, labourers etc)							
Sub Total - Entities							
TOTAL PERSONNEL NUMBERS	864	869	870	870	870	882	889

Schedule 26: Personnel numbers

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

6.9. Measurable performance objectives

ANNUAL MEASURABLE PERFORMANCE OBJECTIVES	Unit of Measurement	Annual Target 2009/10
<u>VOTE : MUNICIPAL MANAGER</u>		
<u>Council</u>		
Monthly Council Meetings	Council meetings held	4
Special Council Meetings	Attendance of meetings at least 80%	80%
Executive Mayoral Committee Meetings	EMC meetings held	10
Community meetings	Community meetings successfully held	2
	Strategy session attended to determine municipal strategies	1
Strategic planning session and approval of annual municipal strategy	IDP approved	1
Councillor Training plan	Assessment and drafting of plan	1
Reporting of the 2007/08 performance	Annual Report approved	1
	Performance Committee appointed and trained	1
	Performance reviews completed	4
Performance Framework adherence	MM performance contract approved	1
SDBIP approval and reviews	SDBIP approved within 28 days after budget	1
	2010/11 Budget approved before the legislative deadline	1
	2009/10 Revised budget approved before the legislative deadline	1
Strategic and sustainable budgeting	No of opportunities to grow and diversify revenues and value for money expenditure with special focus on resorts	1
Effective expenditure and revenue management	Monitoring of revenue and expenditure and decisions on remedial steps if necessary	12
<u>Municipal Manager</u>		
SDBIP reporting to council	Timeous reporting to Mayor before due dates	100%
Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%
Management of external audit queries	No of audit queries completed within 30 days	100
Submission of Annual Report information	Departmental Report submitted by 20 November	1
Average lapse time between date allocated on Collaborater document flow system and date completed should not exceed 10 working days	% within 10 working days	95%
Updating and implementation of Delegation of Powers	Monitor the updating and implementation of Delegation of Powers within 1 month	95%
Verbal complaints received by the Mayor and full-time Councillors are attended to	Attent to complaints: % within 3 days	95%
Resolutions taken by the Executive Mayor comply with legislative requirements	% Support and advice within 24 hours	95%
Advise to all Councillors about legislative requirements when queries are received	% advise within 24 hours	95%
Advise the Speaker on procedures to be followed and investigations on any alleged breach of the Code of Conduct for Councillors	% Advise within 24 hours	95%
Arrange press meetings and -interviews for the Mayor	% Arrangements within 3 hours	95%
Distribution of municipal newsletters	At least 4 newsletters distributed annually	4
Regular updating of municipal web page	Review and update monthly	100%
Preparation and submission of SDBIP 2009/10	Submit SDBIP within 28 days after budget approval to mayor	1
Sustainable management of IGR over a wide spectrum in order to enhance integrated development planning	100% of attendance by applicable snr manager	10
Liaison with Leadership team on a weekly basis	Meetings with management team per month	36
Implementation of Council resolutions	Items implemented within required timeframe	95%
Development of human resources	Guidance and supoort provided to staff measured by complaints	80%
	Annual budget approved and monitoring of implementation	1
Annual municipal budget and adjustment estimates	Submit to the mayor a statement of the municipality's budget	12
Ensure proper procurement practices	No of successful appeals against municipality on the awarding of tenders.	0%

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

ANNUAL MEASURABLE PERFORMANCE OBJECTIVES	Unit of Measurement	Annual Target 2009/10
<u>VOTE : CORPORATE SERVICES</u>		
<u>Director Corporate Services</u>		
SDBIP reporting to council	Timeous reporting to MM before due dates	100%
Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%
Management of external audit queries	No of audit queries completed within 30 days	100%
Submission of Annual Report information	Departmental Report submitted by 30 November	1
Ensure proper procurement practices	No of successful appeals against municipality on the awarding of tenders.	0%
Assignments from municipal manager	Assignment implemented within required timeframes	100%
Average lapse time between date allocated on Collaborater document flow system and date completed should not exceed 10 working days	% within 10 working days	95%
Achievement of employment equity targets	% of employment equity targets of positions filled achieved	TBC
Management of external audit queries	% of audit queries completed within 30 days	100%
	Participation in directors meeting	80%
Liaison with Leadership	Meetings with management team per month	80%
Implementation of Council resolutions	Items implemented within required timeframe	100%
Development of human resources	Guidance and support provided to staff measured by complaints	70%
Skills Development	# of targeted individuals trained	15
<u>Socio Economic Development</u>		
Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%
Management of external audit queries	No of audit queries completed within 30 days	100%
Submission of Annual Report information	Departmental Report submitted by 20 November	1
Revision of Council's Ward Committee Policy	Annual review and approval finalised	1
Timely compilation and distribution of agendas for all Ward committee meetings	% distributed 7 days before meeting	95%
Initiation of Environmental Awareness Programmes	At least 2 programmes initiated	2
Ward Meetings	48 Meetings hld	60
Average lapse time between date allocated on Collaborater document flow system and date completed should not exceed 10 working days	% within 10 working days	95%
Administrative support to ward committies	Minutes prepared and distributed 7days before meeting	100%
Distribution of ward committee resolutions	% of resolutions distributed	100%
Investigate Lotto funding opportunities	Lotto opportunitoes determined	100%
<u>Change and Management Policy</u>		
Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%
Management of external audit queries	No of audit queries completed within 30 days	100%
Submission of Annual Report information	Departmental Report submitted by 20 November	1
Submission of IDP Process Plan	Process plan submitted within required timeframe	1
Revision of IDP Documents	Revised document submitted for approval	1
IDP Community Meetings Held	20 Meetings held	20
Submission of IDP	Accredible IDP approved	1
Implemation of Discrimination awareness program	Programme developed within required timeframe	100%
Implementation and monitoring Electronic Control System for PMS Reporting	Programme developed within required timeframe	100%
Average lapse time between date allocated on Collaborater document flow system and date completed should not exceed 10 working days	% within 10 working days	95%
Implementation of Council resolutions	Items implemented within required timeframe	100%

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

ANNUAL MEASURABLE PERFORMANCE OBJECTIVES	Unit of Measurement	Annual Target 2009/10
Implementation of an Electronic monitoring system to update the Employment Equity Plan on a daily basis	Implement system that must be updated within 48 hours	100%
Submission of employment equity plan	Annual submission of plan	1
The monitoring of the succession of the employment equity plan	Ongoing	1%
Support Services		
Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%
Management of external audit queries	No of audit queries completed within 30 days	100%
Submission of Annual Report information	Departmental Report submitted by 20 November	1
All Council Resolutions to be delivered to different Directorates within 5 days	% resolutions delivered within 5 days	95%
Timely compilation and distribution of Agendas for all Committee Meetings	% agendas distributed within 48 hours prior to meetings	95%
Timely compilation and distribution of Agendas for all Council Meetings	% Agendas distributed within 7 days prior to meetings	95%
Typing to be completed within 48 hours	% typing completed within 48 hours	95%
Average lapse time between date allocated on Collaborator document flow system and date completed should not exceed 10 working days	% within 10 working days	95%
Distribution of incoming post within 72 hours	% Incoming post distributed within 72 hours	95%
Human Resources		
Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%
Management of external audit queries	No of audit queries completed within 30 days	100%
Submission of Annual Report information	Departmental Report submitted by 20 November	1
Disciplinary actions to be completed within 40 days	% Disciplinary actions completed within 40 days	95%
Submission of skills development plan	Submission by 30 June each year	100%
Administration of appointments and training to selection committee members	Appointments made within three months after advertising	80%
Induction of new employees	%: Newly employed inducted	80%
Development and implementation of staff record system	% completed: record system	50%
Average lapse time between date allocated on Collaborator document flow system and date completed should not exceed 10 working days	% within 10 working days	95%
Provisioning of training to staff	Percentage of Training budget spent	100%
Submission of Quarterly Training report to LGSETA	4 reports p.a.	100%
Submission of Monthly Training report to LGSETA	12 reports p.a.	100%
Libraries		
Reduction of stock (books videos CDs etc) losses	% value of lost books	5%
Loan of items at libraries	# of items loaned at libraries as percentage of stock	20%
Growth in membership	% increase of membership per month	5%
Library exhibitions held	Exhibitions 120 per year	120
Visits of Infantsgroups to library	Visits 24 per year	24
Legal Services		
Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%
Management of external audit queries	No of audit queries completed within 30 days	100%
Submission of Annual Report information	Departmental Report submitted by 20 November	1
Revision and compilation of by-laws as instructed	% of total by-laws compiled and revised as instructed	95%
Compilation and revision of policies as instructed	% of policies compiled and revised as instructed	95%
Finalisation of contracts after the finalisation of the advertising process	% of contracts finalised within 14 days after the finalisation of the advertising process	95%

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

ANNUAL MEASURABLE PERFORMANCE OBJECTIVES	Unit of Measurement	Annual Target 2009/10
Execution of Council Resolutions	% of total relevant Council Resolutions executed within 30 days	95%
Average lapse time between date allocated on Collaborater document flow system and date completed should not exceed 10 working days	% within 10 working days	95%
Contravention for building regulations as required	% of notices for contravention for building regulations as required	95%
Attendance at meetings to assist with advice	Total amount of meetings attended to assist with advice	24
execution of administrative actions for transfer of property transactions as required	% of execution of administrative actions for transfer of property transactions as required	95%
Compilation of advertising process within required timeframes	% completion of advertising process within required timeframes	95%
Revisioning of contracts per quarter as required	% of total contracts revised per quarter as required	95%
VOTE : FINANCIAL SERVICES		
Director Financial Services		
Submission of Annual Report information	Departmental Report submitted by 30 November	1
Effective and compliant procurement practices	No of successful appeals against municipality on the awarding of tenders.	0%
Implementation of assignments from municipal manager	All assignment implemented within required timeframes	100%
Average lapse time between date allocated on Collaborater document flow system and date completed should not exceed 10 working days	% within 10 working days	95%
Achievement of employment equity targets	% of employment equity targets of positions filled achieved	TBC
Management of external audit queries	No of audit queries completed within 30 days	100%
Liaison with Leadership	Participation in diirectors meeting	80%
	Meetings with management team per month	80%
Implementation of Council resolutions	Items implemented within required timeframe	100%
Development of human resources	Guidance and support provided to staff measured by complaints	70%
Skills Development (formal training & workshops)	# of targeted individuals trained	8
Finance Section		
Submission of Annual Report information	Departmental Report submitted by 20 November	1
Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%
Management of external audit queries	No of audit queries completed within 30 days	100%
Reporting to NT and PT according to MFMA & DORA	Monthly / Quarterly reporting within required timeframes	100%
SDBIP reporting to council	Timeous monthly reporting before due date	100%
Updated asset register with monthly transactions	New Assets recorded in Asset Register	95%
Asset Survey	Annual asset count completed	100%
Closure of books and compilation of financial statements	Closing of books and compilation of financial statements completed by 31/08	100%
Budget Processes aligned with IDP processes	Budget Process plan aligned and submitted	1
Compilation of draft and final budgets	Completion of Final budgets by 31 May	100%
Completion of Adjustment Budget	Completion of Adjustment Budget within the required timeframe	1
External Audit Report to be submitted as part of annual report	Report submitted by 31 Jan	100%
Average lapse time between date allocated on Collaborater document flow system and date completed should not exceed 10 working days	% within 10 working days	95%
Updating of Insurance Portfolio	Assets recorded and values updated	100%
Bank Reconciliation	Bank recons. completed by 10th of month	100%
Workshop and implementation of budget related policies with personnel of all sections	All staff trained trained in budget policies	100%
Monthly reporting preparation to committees	Reports completed and submitted by 10th of month	95%
Management tool i.r.o. year checklist, internal audit and external audit	Report completed and submitted monthly	95%

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

ANNUAL MEASURABLE PERFORMANCE OBJECTIVES	Unit of Measurement	Annual Target 2009/10
Income Section		
Submission of Annual Report information	Departmental Report submitted by 20 November	1
Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%
Management of external audit queries	No of audit queries completed within 30 days	100%
Debit raising & account prints to be timely finalised and posted as per pre-determined annual schedule	100% of accounts posted within required timeframes	100%
Debtors payments received timeously	Payment % rate	95%
Monthly auditing of indigent records	100% of indigent audited	98%
Scrutinising of arrear accounts to ensure efficiency of debt collector	% arrear accounts individually scrutinised to ensure efficiency of debt collector	99%
Actual meter reading	meters read/total meters	98%
Reporting of unregistered or underground meters	98% faulty meters reported	98%
Correcting of accounting differences between met-value & Promun System	Correcting of 100% of all differences between met-value & Promun System	100%
Finalisation of the supplementary Valuation list	Supplementary Valuation list completely finalised, including objections and/or appeals	2
Management of Service Providers: Collections	Meetings with Service Providers: Collections	52
Management of Service Providers: Prepaid metering	Meetings with Service Providers: Prepaid metering	12
Reconciliation of Control Accounts	Monthly Reconciliation of all control accounts	100%
Average lapse time between date allocated on Collaborater document flow system and date completed should not exceed 10 working days	% within 10 working days	95%
Daily receipting	100% daily	100%
Banking of all receipts	All receipts banked within 48 hours	100%
Recording of deeds list	95% of all deeds lists	95%
Execution of credit control procedures as per approved policy	90% compliance with policy	90%
Workshop and implementation of budget related policies with personnel of all sections	All staff trained in budget policies	100%
Management tool i.r.o. year checklist, internal audit and external audit	Report completed and submitted monthly	95%
Information Technology Section		
Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%
Management of external audit queries	No of audit queries completed within 30 days	100%
Submission of Annual Report information	Departmental Report submitted by 20 November	1
Network support services: extent of network	nr. of staff on network	200
Ensure a virus free environment	Viruses Reported attended to	100%
Back-up of all systems and databases	Daily, Weekly and monthly back-up	100%
Attending to hardware, software and network problems (PC's & Mainframes)	% of problems solved within 2 working days	98%
Financial System: Updating of daily transactions	Daily updates as per schedule	100%
Debit raising and month-end procedures	Monthly procedures as per schedule	100%
Average lapse time between date allocated on Collaborater document flow system and date completed should not exceed 10 working days	% within 10 working days	95%
Software licencing audit	Annual audit	1
Network availability	98% network availability	98%
Quartely IT Steering Committee meetings	quarterly meetings held	4
Expenditure Section		
Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%
Management of external audit queries	No of audit queries completed within 30 days	100%
Submission of Annual Report information	Departmental Report submitted by 20 November	1

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

ANNUAL MEASURABLE PERFORMANCE OBJECTIVES	Unit of Measurement	Annual Target 2009/10
Timeous payment of invoices and utilisation of discounts	Payment within 30 days from date of invoice/statement	90%
Timely payment of Salaries and Wages	Payment by due date every month	98%
Timely Third-party payments	Third-party payments paid before month end	95%
Balancing of register with control accounts	Balancing within 5 working days after month end	95%
Budgeting for salaries and wages	Budget Completion by 30 November	100%
Operational Budget Reporting	Monthly & Quarterly reports	100%
Average lapse time between date allocated on Collaborater document flow system and date completed should not exceed 10 working days	% within 10 working days	95%
Vote virements	Virements recorded on Financial System	100%
Reconciliation of control votes and suspense accounts	Reconciliations completed within 5 working days after month end	100%
Management tool i.r.o. year checklist, internal audit and external audit	Report completed and submitted monthly	95%
Supply Chain Management		
Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%
Management of external audit queries	No of audit queries completed within 30 days	100%
Submission of Annual Report information	Departmental Report submitted by 20 November	1
Regular stock take	Monthly & Quarterly stocktakes	100%
Functionality of SCM Unit	SCM Unit fully established as per organigram and functional	95%
Review of SCM policy	SCM policy reviewed and updated	95%
Annual Database registrations	Annual Database registration invitation done	100%
Database availability	Database available on Internal Network	100%
Database updates - quarterly	4 updates done	4
Updating SCM procedures	SCM procedure updated	100%
Effective Bid Committee System	Effective Bid Committee System in place	100%
All SCM reporting requirements met	All SCM reporting requirements met	98%
SCM delegations	SCM delegations in place throughout the year	100%
Bid evaluation and adjudication	Bid evaluation and adjudication - No errors	98%
Availability of generic bid documents	Generic bid documents, incl CIBD, revised and available	100%
Collaborator SCM implementation and effective functioning	Collaborator SCM implemented and functioning effectively	100%
Average lapse time between date allocated on Collaborater document flow system and date completed should not exceed 10 working days	% within 10 working days	95%
Workshop and implementation of budget related policies with personnel of all sections	All staff trained in budget policies	100%
Management tool i.r.o. year checklist, internal audit and external audit	Report completed and submitted monthly	95%
VOTE : TECHNICAL SERVICES		
Director Technical Services		
SDBIP reporting to council	Timeous reporting to MM before due dates	100%
Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%
Submission of Annual Report information	Departmental Report submitted by 30 November	1
Ensure proper procurement practices	No of successful appeals against municipality on the awarding of tenders.	0%
Assignments from municipal manager	Assignment implemented within required timeframes	100%
Average lapse time between date allocated on Collaborater document flow system and date completed should not exceed 10 working days	% within 10 working days	95%
Achievement of employment equity targets	% of employment equity targets of positions filled achieved	60%

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

ANNUAL MEASURABLE PERFORMANCE OBJECTIVES	Unit of Measurement	Annual Target 2009/10
Management of audit queries	% of audit queries completed within 30 days	100%
Liaison with Leadership	Participation in directors meeting	80%
Implementation of Council resolutions	Meetings with management team per month	80%
Development of human resources	Items implemented within required timeframe	100%
Skills Development	Guidance and support provided to staff measured by complaints	70%
	# of targeted individuals trained	8
Streets and Stormwater		
Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%
Management of external audit queries	No of audit queries completed within 30 days	100%
Submission of Annual Report information	Departmental Report submitted by 20 November	1
Road maintenance	Develop and implement streets maintenance plan	1
Storm water systems maintenance plan development and implementation	Develop and implement storm water systems maintenance plan	1
Sewerage		
Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%
Management of external audit queries	No of audit queries completed within 30 days	100%
Submission of Annual Report information	Departmental Report submitted by 20 November	1
Outflow water complying with permit values	95% of test results within permit values	95%
Addressing blockages and overflows reported	95% of all blockages addressed within agreed timeframe	95%
Water		
Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%
Management of external audit queries	No of audit queries completed within 30 days	100%
Submission of Annual Report information	Departmental Report submitted by 20 November	1
Completion of water connections	80% completion of water connections within 30 days	80%
100% of water pipe bursts repaired within 24 hours	100% of water pipe bursts repaired within 24 hours	100%
Reduction in water losses	Reduction in water losses	20
Quality drinking water Class 1	Percentage drinking water Class 1	90%
Faulty meters repaired	90% of faulty meters repaired within 30 days	90%
VOTE : COMMUNITY SERVICES		
Director Community Services		
SDBIP reporting to council	Timeous reporting to MM before due dates	100%
Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%
Submission of Annual Report information	Departmental Report submitted by 30 November	1
Ensure proper procurement practices	No of successful appeals against municipality on the awarding of tenders.	0%
Assignments from municipal manager	Assignment implemented within required timeframes	100%
Average lapse time between date allocated on Collaborater document flow system and date completed should not exceed 10 working days	% within 10 working days	80%
Management of external audit queries	% of audit queries completed within 30 days	90%
Liaison with Leadership	Participation in directors meeting	80%
Implementation of Council resolutions	Meetings with management team per month	80%
	Items implemented within required timeframe	95%

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

ANNUAL MEASURABLE PERFORMANCE OBJECTIVES	Unit of Measurement	Annual Target 2009/10
<u>Community Services Admin</u>		
Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%
Management of external audit queries	No of audit queries completed within 30 days	80%
Submission of Annual Report information	Departmental Report submitted by 20 November	1
Average lapse time between date allocated on Collaborater document flow system and date completed should not exceed 10 working days	% within 10 working days	80%
Staff Meetings	Meetings with management and staff team per month	2
Compilation of Housing Strategy	Housing strategy compiled within timeframe	100%
Home owners education programme	Training of 500 new home owners	500
<u>Cemetries</u>		
Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%
Management of external audit queries	No of audit queries completed within 30 days	80%
Submission of Annual Report information	Departmental Report submitted by 20 November	1
EIA Process for new cemetery	Complete EIA Process for new cemetery	100%
Average lapse time between date allocated on Collaborater document flow system and date completed should not exceed 10 working days	% within 10 working days	80%
Staff Meetings	Meetings with management and staff team per month	2
<u>Cleansing</u>		
Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%
Management of external audit queries	No of audit queries completed within 30 days	80%
Submission of Annual Report information	Departmental Report submitted by 20 November	1
Reduction in waste to landfill site	5% reduction in waste	5%
Training of staff	4 Staff Training (sessions)	4
Extention of recycling to all areas	Extend recycling to all areas by 5%	5%
Accessibility and monitoring of sustainable waste management sites	Regular monitoring	80%
Community Education	2000 individuals sensitised	2000
Average lapse time between date allocated on Collaborater document flow system and date completed should not exceed 10 working days	% within 10 working days	80%
Staff Meetings	Meetings with management and staff team per month	2
<u>Public Safety and Rescue Services</u>		
Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%
Management of external audit queries	No of audit queries completed within 30 days	80%
Submission of Annual Report information	Departmental Report submitted by 20 November	1
Response to call-outs	95% of call outs responded to within 15 minutes	95%
Fire Prevention inspections and awareness	500 Fire Prevention inspections and awareness	300
Information or training sessions	200 individuals trained	200
Development and implementation of training program for staff	Develop and implement training program for staff	30
Training visits to MHI and high risk buildings	200 training visits to MHI and high risk buildings	200
Road Safety Training	12 of Institutions training presented	12
Staff training traffic	40 employees	40
Organised Law enforcement operations	12 Law enforcement operations	12
Speed Law enforcement	Six streets covered with speed Law enforcement per month	72

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

ANNUAL MEASURABLE PERFORMANCE OBJECTIVES	Unit of Measurement	Annual Target 2009/10
Average lapse time between date allocated on Collaborater document flow system and date completed should not exceed 10 working days	% within 10 working days	80%
Staff Meetings	Meetings with management and staff team per month	2
Sport and Recreation		
Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%
Management of external audit queries	No of audit queries completed within 30 days	80%
Submission of Annual Report information	Departmental Report submitted by 20 November	1
Development of Sport Code and establishment of sport committees	Code completed and committees established	100%
Arranging of awareness campaigns at schools and interest groups	Arrange at least 2 awareness campaigns	2
Deforestation of alien vegetation budget spent	Percentage of deforestation of alien vegetation budget spent	95%
Greening of the green areas by end 2009	% green areas completed	60%
Average lapse time between date allocated on Collaborater document flow system and date completed should not exceed 10 working days	% within 10 working days	80%
Staff Meetings	Meetings with management and staff team per month	2
VOTE : ELECTRO-TECHNICAL SERVICES		
Director Electro-Technical Services		
SDBIP reporting to council	Timeous reporting to MM before due dates	100%
Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%
Submission of Annual Report information	Departmental Report submitted by 30 November	1
Ensure proper procurement practices	No of successful appeals against municipality on the awarding of tenders.	0%
Assignments from municipal manager	Assignment implemented within required timeframes	100%
Average lapse time between date allocated on Collaborater document flow system and date completed should not exceed 10 working days	% within 10 working days	95%
Achievement of employment equity targets	% of employment equity targets of positions filled achieved	TBC
Management of audit queries	% of audit queries completed within 30 days	100%
	Participation in directors meeting	80%
Liaison with Leadership	Meetings with management team per month	80%
Implementation of Council resolutions	Items implemented within required timeframe	100%
Development of human resources	Guidance and support provided to staff measured by complaints	70%
Skills Development	# of targeted individuals trained	8
Electricity Services		
New Electricity Connections	80% of new connections completed within 21 days after date of payment	100%
Power interruptions restored in accordance with (NRS047)	95% of power interruptions restored within 3.5 hrs (NRS047)	70%
Improvement of public lighting	250 fittings replaced	250
Implementation of energy efficient program	Energy losses should not exceed 10%	10%
Percentage of planned maintenance tasks completed	70% of maintenance tasks completed	70%
Constituting safety meetings	Safety meetings constituted as per OHSA	95%
Percentage of faulty meters replaced	Percentage of faulty meters replaced (50 per month = 100)	95%
Inspection of dangerous installations	Arrange 2 inspections per month	24
Maintenance Planning	Prepare and implement plan to ensure ongoing maintenance	1

MOSSEL BAY MUNICIPALITY

2009/10 Annual Budget

ANNUAL MEASURABLE PERFORMANCE OBJECTIVES	Unit of Measurement	Annual Target 2009/10
<u>VOTE : TOWN PLANNING AND BUILDING CONTROL</u>		
<u>Town planning and Building control</u>		
Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	80%
Management of external audit queries	No of audit queries completed within 30 days	100%
Submission of Annual Report information	Departmental Report submitted by 20 November	1
Approval of building plans	90% of building plans approved/processed within 30 days	90%
Building plans scanned and processed	100% of building plans scanned and processed within 5 days	100%
Building line relaxation approvals	90% of building line relaxations approved within 30 days	90%
Zoning certificates issued	95% of zoning certificates issued within 5 working days	100%
Processes for the use applications processed	90% of land use applications processed within 120 days	90%