



Dr. Beyers Naudé
MUNICIPALITY | MUNISIPALITEIT | UMASIPALA
rising together for development

DRAFT BUDGET

MTREF 2020/21 to 2022/23

FUNDED BUDGET

- ▶ The municipal budget is currently in an operating surplus of 62million
- ▶ The total budget is in a Surplus of 7million
- ▶ With the above mention achievements the municipality will be in a better position to address long outstanding creditors.

	Annual BUDGET 20/21	
Revenue	-	503 566 056
Ependiture		441 293 513
(Surplus)/Deficit	-	62 272 544
Capital		54 839 250
(Surplus)/Deficit	-	7 433 294

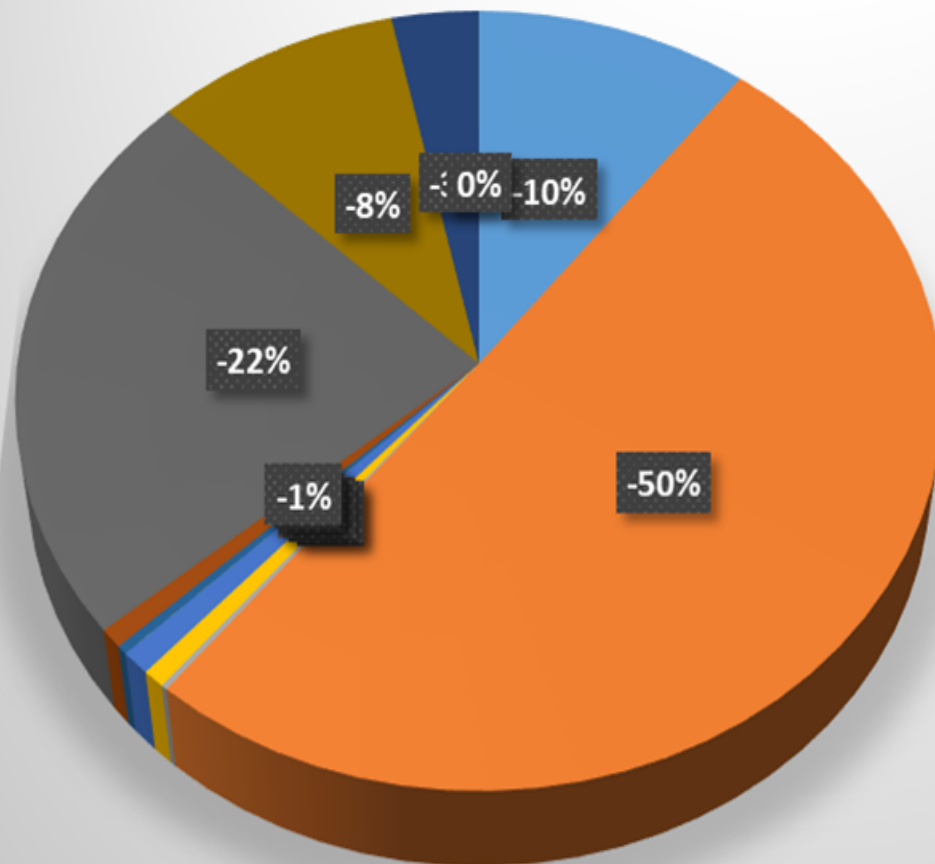
Revenue Increases

- ▶ The municipality is implementing a general increase of 8% to all tariffs
- ▶ Draft revenue from Rates is based on new valuations with a slight increase in tariff - uniform tariffs implemented per category for all towns
- ▶ Water tariff - According to cost reflective tariff calculation a baseline tariff of R8.91, a 66 cents increase from the previous financial year to be introduced as tariff for first step tariff. Other step tariffs adjusted accordingly.
- ▶ Drought tariff for water still active.
- ▶ Electricity increased by 9% pending outcome of tariff investigation
- ▶ Refuse - According to cost reflective tariff calculation a baseline tariff of R128.28 to be introduced, an increase of R9.50 from previous financial year.
- ▶ Sewerage tariff will increase to R124.99 from R115.72 an increase of R9.26 from previous financial year

Revenue

REVENUE TYPE	Annual BUDGET 2021/2022	2021/2022	2022/2023
56 - PROPERTY RATES	- 52 441 098,51	- 57 685 208,36	- 63 453 729,20
62 - SERVICE CHARGES	- 253 550 833,05	- 278 905 916,36	- 306 796 507,99
66 - RENT OF FACILITIES & EQUIPMENT	- 1 014 252,54	- 1 115 677,79	- 1 227 245,57
68 - INTEREST EARNED - EXTNL INVEST	- 3 660 336,96	- 4 026 370,66	- 4 429 007,72
70 - INTEREST EARNED - O/S DEBTORS	- 4 803 310,06	- 5 283 641,07	- 5 812 005,17
74 - FINES	- 33 858,00	- 37 243,80	- 40 968,18
76 - LICENCES & PERMITS	- 1 784 364,12	- 1 962 800,53	- 2 159 080,59
78 - INCOME FROM AGENCY SERVICES	- 3 928 796,08	- 4 321 675,69	- 4 753 843,26
80 - GRANTS & SUBS REC'D - OPERATING	- 118 034 087,00	- 126 538 595,70	- 132 951 955,27
82 - GRANTS & SUBS REC'D - CAPITAL	- 47 495 000,00	- 67 698 000,00	- 65 746 000,00
84 - OTHER REVENUE	- 16 788 940,51	- 18 467 834,56	- 20 314 618,02
94 - INTERNAL RECOVERIES	- 31 179,60	- 34 297,56	- 37 727,32
	- 503 566 056,44	- 566 077 262,08	- 607 722 688,29

Annual BUDGET 20/21



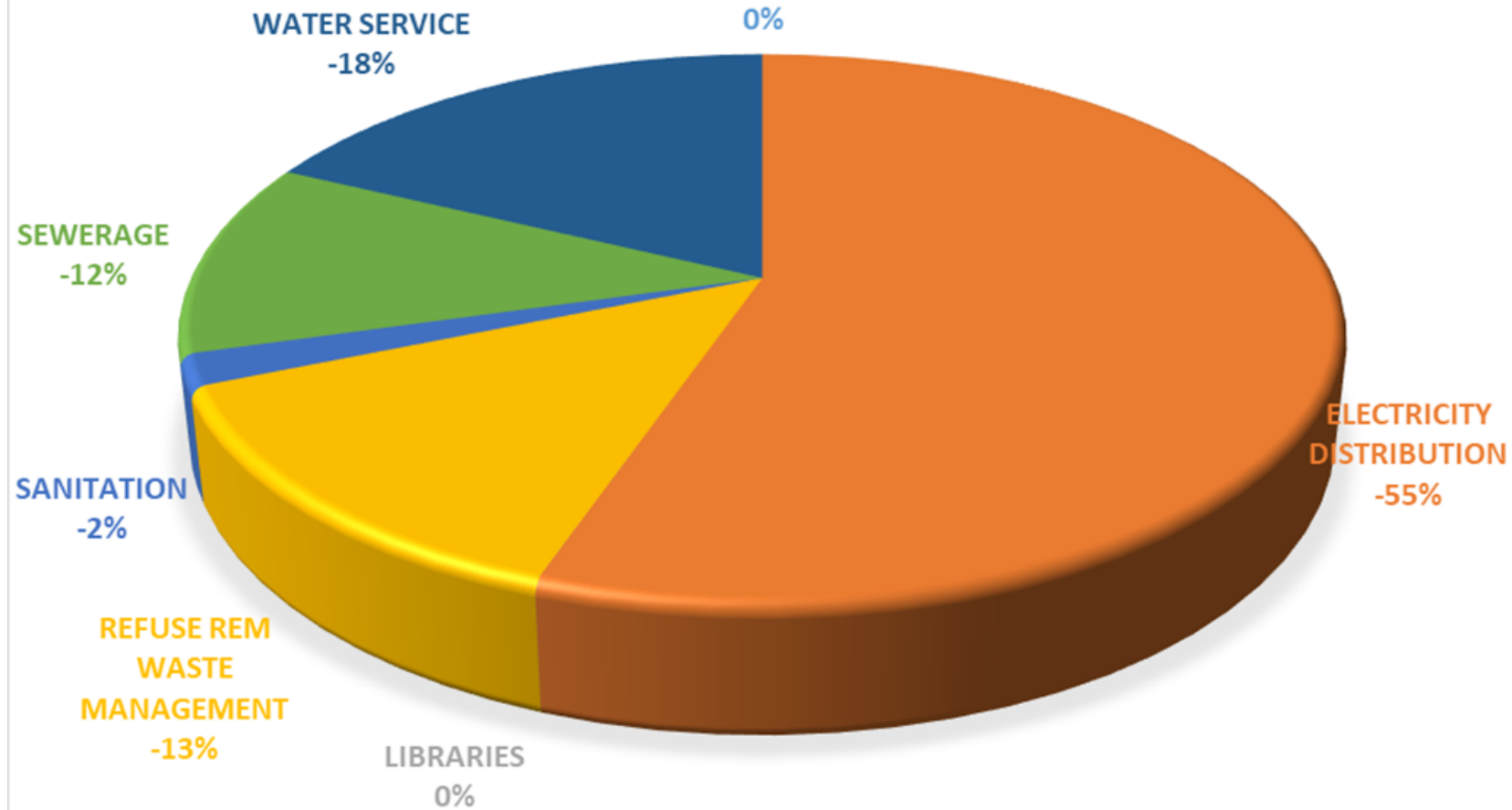
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- 74 - FINES
- 76 - LICENCES & PERMITS
- 78 - INCOME FROM AGENCY SERVICES
- 80 - GRANTS & SUBS REC'D - OPERATING
- 82 - GRANTS & SUBS REC'D - CAPITAL
- 84 - OTHER REVENUE
- 94 - INTERNAL RECOVERIES

Service Charges

REVENUE TYPE	Annual BUDGET 2	2021/2022	2022/2023
DIRECTOR : FINANCIAL SERVICES	-	-	-
ELECTRICITY DISTRIBUTION	- 140 263 105,72	- 154 289 416,30	- 169 718 357,93
LIBRARIES	- 10 800,00	- 11 880,00	- 13 068,00
REFUSE REM WASTE MANAGEMENT	- 34 093 342,31	- 37 502 676,54	- 41 252 944,19
SANITATION	- 4 667 454,36	- 5 134 199,80	- 5 647 619,78
SEWERAGE	- 29 169 824,75	- 32 086 807,23	- 35 295 487,95
WATER SERVICE	- 45 346 305,91	- 49 880 936,50	- 54 869 030,15
	- 253 550 833,05	- 278 905 916,36	- 306 796 507,99

SERVICE CHARGES 20/21

DIRECTOR :
FINANCIAL SERVICES



Grant Allocations

Grant	Allocation 2020/2021
ENVIRONMENTAL HEALTH GRANT SBDM	- 1 451 273,00
EPWP RECEIVED	- 1 186 000,00
FINANCIAL MANAGEMENT GRANT RECEIVED	- 3 000 000,00
EQUITABLE SHARE	- 96 797 000,00
SETA TRAINING	- 333 120,00
SBDM (FIRE)	- 1 992 694,00
LIBRARY	- 2 308 000,00
INEP - Eskom	- 966 000,00
MIG	- 20 495 000,00
RBIG	- 27 000 000,00
WSIG	- 10 000 000,00
Total Allocations	- 165 529 087,00

HOUSEHOLD BILLS

- ▶ What will Indigents receive?
 - ▶ Free 50 kwh electricity
 - ▶ Free 6 kl water
 - ▶ 100% free on rates
 - ▶ 100% free on sewer
 - ▶ 100% free on refuse



HOUSEHOLD BILLS

- ▶ How will this budget affect your monthly account?
- ▶ Small households:

	2019/20	2020/21
Property Rates (Value R100 000) with R15000 rebate	51.00	53-83
Electricity, Basic Levy	238.85	257-81
Electricity, Consumption (300 Units)	370.50	400.50
Electricity, Prepaid (300 Units)	450.30	487.00
Water, Basic Levy	47.72	51.03
Water, Consumption (20 Kl)	104.37	111.65
Sanitation	89.30	95.48
Refuse Removal	57.22	82.82

HOUSEHOLD BILLS

- ▶ How will this budget affect your monthly account?
- ▶ Large households:

	2019/20	2020/21
Property Rates (Value R800 000) with R15000 rebate	471.00	499.26
Electricity, Basic Levy	238.85	257.81
Electricity, Consumption (300 Units)	370.50	400.50
Electricity, Prepaid (300 Units)	450.30	487.00
Water, Basic Levy	47.72	51.03
Water, Consumption (20 KI)	104.37	111.65
Sanitation	89.30	95.48
Refuse Removal	57.22	82.82

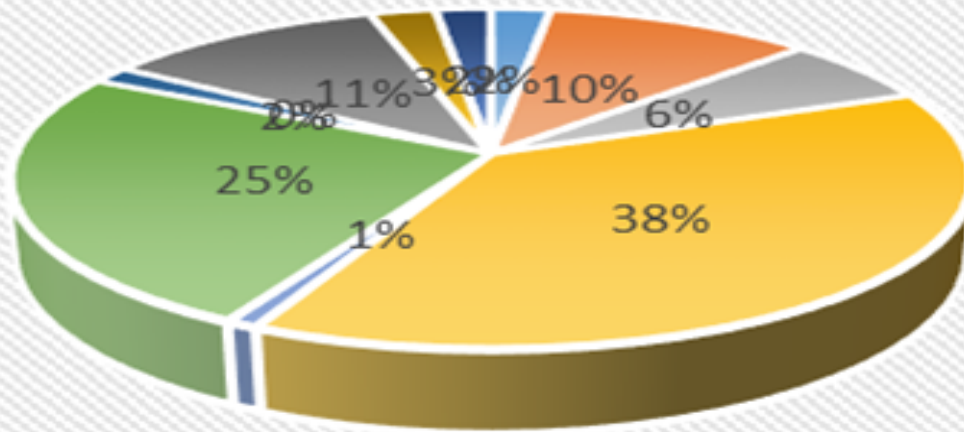
Expenditure increases

- ▶ Provision has been made to increase the following GENERAL expenditure only
 - ▶ Training courses
 - ▶ Telephones
 - ▶ Uniforms
 - ▶ Computer maintenance
 - ▶ Audit fees
 - ▶ Audit Committee fees
 - ▶ Chemicals
- ▶ Provision has been made to increase REPAIRS AND MAINTENANCE significantly from R6 million to R27 million (6% of total operating expenditure). This is due to submission of detailed R&M plans from E&P directorate.
- ▶ Provision has been made to increase BULK PURCHASES with 8%
- ▶ REMUNERATION OF COUNCILLORS to remain the same until finalisation of upper limits by COGTA.
- ▶ SALARIES TO INCREASE in line with collective agreement (6,25%)
- ▶ Security and fleet services have been provisionally catered for at contract price

Expenditure

Expenditure Type	Annual BUDGET 2	2021/2022	2022/2023
10 - Impairment of assets	10 146 111,00	11 160 722,10	12 276 794,31
14 - DEPRECIATION: MUN PROP,PLT &EQ	46 093 994,80	50 703 394,28	55 773 733,71
18 - REPAIRS AND MAINTENANCE	27 493 884,15	30 243 272,56	33 267 599,82
2 - EMPLOYEE RELATED COSTS	167 982 254,12	179 741 011,90	192 322 882,74
20 - INTEREST PAID	4 213 772,79	4 635 150,07	5 098 665,08
22 - BULK PURCHASES	109 124 916,69	114 799 412,36	125 016 560,06
24 - CONTRACTED SERVICES	6 890 000,00	7 579 000,00	8 336 900,00
26 - GRANTS & SUBS PD - UNCONDITION	30 000,00	33 000,00	36 300,00
28 - GENERAL EXPENSES - OTHER	48 681 199,35	52 214 894,29	57 379 793,72
40 - VEHICLE EXPENSES	11 173 255,39	12 290 580,93	13 519 639,02
8 - REMUNERATION OF COUNCILLORS	9 464 124,36	10 410 536,80	11 451 590,48
	441 293 512,66	473 810 975,30	514 480 458,93

Expenditure 20/21



- 10 - Impairment of assets
- 14 - DEPRECIATION: MUN PROP, PLT & EQ
- 18 - REPAIRS AND MAINTENANCE
- 2 - EMPLOYEE RELATED COSTS
- 20 - INTEREST PAID
- 22 - BULK PURCHASES
- 24 - CONTRACTED SERVICES

MUNICIPAL CAPITAL PROJECTS

LEDGER DESCRIPTION	REA DESCRIP	BRANCH DESCRIPTI	2020/2021	2021/2022	2022/2023	WARD	IDP	Grant
Steytlerville: New Proposed Solid Waste Site	COMMUNITY SER	REFUSE REM WASTE M	280 000,00	-	12 499 500,00	12,13	131	MIG
UPG OF BULK WATER SUPPLY AB	ENGINEERING AI	WATER SERVICE	1 300 000,00	-	-			MIG
Graaff Reinet Bulk Water Supply Scheme: Phase 2	ENGINEERING AI	WATER SERVICE	7 000 000,00	12 000 000,00	11 528 000,00	2,3,4,5,6,14	116	DWS - WSIG
Graaf-Reinet Emergency Water Supply Scheme (WSS)	ENGINEERING AI	WATER SERVICE	17 000 000,00	4 750 000,00	-	2,3,4,5,6,14	117	DWS - RBIG
Graaff Reinet Upgrading of Streets	ENGINEERING AI	PUBL WORKS: STREETS	2 700 000,00	-	-			MIG
New Projects								
Upgrading of Collie Koeberg Sport Complex	COMMUNITY SER	PARKS AND RECREATIO	3 000 000,00	6 500 000,00	4 000 000,00	2,3,4,5,6,14	201	MIG
Upgrading of Graaff Reinet Sewer Pump Stations and Reticulation	ENGINEERING AI	SEWERAGE SERVICE	8 140 109,00	8 619 230,00	12 800 000,00	2,3,4,5,6,14	122	MIG
New Bulk Water Reticulation Steel Pipeline to Willowmore	ENGINEERING AI	WATER SERVICE	4 050 141,00	4 531 370,00	5 518 489,00	8,13,9	112	MIG
Ikwezi Bulk Water Supply	ENGINEERING AI	WATER SERVICE	10 000 000,00	38 000 000,00	37 935 000,00	10,11	114	DWS - RBIG
Transformers	ENGINEERING AI	ELECTRICITY DISTRIBUTI	600 000,00	150 000,00	300 000,00	All Wards	147	Internal
Standby Generators x 2	FINANCIAL SERV	DIRECTOR : FINANCIAL S	200 000,00	-	-	Institutional	343	FMG
Server - Financial System	FINANCIAL SERV	DIRECTOR : FINANCIAL S	100 000,00	-	-	Institutional	352	FMG
High pressure storm water jetting	ENGINEERING AI	PUBLWORKS: STREETS	270 000,00	-	-	Institutional	344	Internal
Poker Vibrator x 3	ENGINEERING AI	PUBLWORKS: STREETS	9 000,00	-	-	Institutional	344	Internal
Compacters x 2	ENGINEERING AI	PUBLWORKS: STREETS	40 000,00	-	-	Institutional	344	Internal
Concrete Mixers x 3	ENGINEERING AI	PUBLWORKS: STREETS	150 000,00	-	-	Institutional	344	Internal
TOTAL			54 839 250,00	74 550 600,00	84 580 989,00			

**THANK YOU
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ENKOSI**

