

# BUDGET 2008/2009

# SETSOTO MUNICIPALITY

## DRAFT BUDGET 2008/2009

DESCRIPTION	ACTUAL	BUDGET	PROJECTED	%	PROJECTED	PROJECTED
	2006/2007	2007/2008	2008/2009	(B-A)/A	2009/2010	2010/2011
<b>A</b>						
<b>EXPENDITURE</b>						
SALARIES & ALLOWANCES	(62,188,642.00)	(66,603,792.61)	(73,854,285.00)	10.59%	(76,960,724.40)	(80,808,760.62)
GENERAL EXPENDITURE	(54,097,468.41)	(60,100,164.00)	(74,448,876.00)	23.87%	(72,745,645.36)	(76,382,927.63)
REPAIR & MAINTENANCE	(6,572,119.35)	(11,184,000.00)	(15,984,027.00)	50.97%	(17,516,886.45)	(18,392,730.77)
CAPITAL CHARGES	(13,722,559.85)	(16,995,454.29)	(24,548,192.17)	53.47%	(25,460,601.78)	(26,733,631.87)
CONTRIBUTION TO CAPITAL	(860,738.38)	(131,304,000.00)	(30,547,000.00)	-76.74%	(25,518,150.00)	(28,794,057.50)
	(8,600,000.00)	(8,507,261.00)	(12,000,000.00)	41.06%	(12,800,000.00)	(13,230,000.00)
<b>SUB-TOTAL</b>	<b>(148,041,827.99)</b>	<b>(293,694,671.90)</b>	<b>(332,092,380.18)</b>	<b>-20.98%</b>	<b>(330,802,007.99)</b>	<b>(342,342,108.39)</b>
LESS: CHARGED OUT	3,178,174.30	6,985,035.00	10,366,592.83	48.41%	10,884,922.47	11,429,168.59
<b>TOTAL</b>	<b>(144,863,353.69)</b>	<b>(286,709,636.90)</b>	<b>(321,725,787.35)</b>	<b>-22.67%</b>	<b>(319,917,085.52)</b>	<b>(330,912,939.80)</b>
<b>B</b>						
<b>INCOME</b>						
ASSESSMENT RATES	20,494,439.01	22,315,979.16	23,422,278.12	4.96%	24,593,392.02	25,823,061.63
GRANTS & DONATIONS	106,276,882.04	184,538,000.00	110,653,000.01	-40.04%	186,346,225.01	203,506,186.26
LEVES: USER CHARGES	59,567,312.87	59,896,972.21	62,061,130.93	3.61%	65,164,187.47	68,422,396.85
OTHER	15,233,811.67	12,986,525.00	25,588,092.83	97.04%	26,685,322.47	28,019,588.59
<b>TOTAL</b>	<b>201,572,446.59</b>	<b>279,737,476.37</b>	<b>221,724,501.88</b>	<b>-20.74%</b>	<b>302,789,126.97</b>	<b>325,771,233.32</b>
<b>SURPLUS / (DEFICIT)</b>	<b>58,709,091.90</b>	<b>(16,972,160.53)</b>	<b>8,714.53</b>		<b>82,872,041.45</b>	<b>94,858,293.53</b>



OPERATING INCOME & EXPENDITURE BY FUNCTIONAL CLASSIFICATION (Summary Report)

LINE	DETAIL SUMMARY	AUDITED ACTUAL		ORIGINAL BUDGET		ACTUAL		REVISED BUDGET		PROJECTED BUDGET		% VARIANCE ORIGINAL BUDGET YEAR 1 to YEAR 0	PROJECTED FORECAST	PROJECTED FORECAST
		PREVIOUS YEAR	CURRENT YEAR	2007/2008	2007/2008	2007/2008	2007/2008	2007/2008	2008/2008	2008/2008	2008/2010			
1	OPERATING INCOME	206,176,413	293,707,546	138,926,740	317,738,624	23,081,096	20,981	318,674,049	337,200,402					
2	EXPENSIVE	206,176,413	293,707,546	138,926,740	317,738,624	23,081,096	20,981	318,674,049	337,200,402					
3	PERSONNEL SALARIES	108,276,892	184,638,000	63,734,868	208,208,338	1,036,838	1,036,838	186,348,228	203,506,185					
4	PERSONNEL SALARIES - OTHER	3,832,446	2,342,250	1,561,377	2,092,190	1,967,603	1,967,603	1,878,450	1,972,973					
5	PERSONNEL SALARIES - OTHER	2,445,644	0	0	0	0	0	0	0					
6	PERSONNEL SALARIES - OTHER	0	0	0	0	0	0	0	0					
7	PERSONNEL SALARIES - OTHER	0	0	0	0	0	0	0	0					
8	PERSONNEL SALARIES - OTHER	0	0	0	0	0	0	0	0					
9	PERSONNEL SALARIES - OTHER	0	0	0	0	0	0	0	0					
10	PERSONNEL SALARIES - OTHER	0	0	0	0	0	0	0	0					
11	PERSONNEL SALARIES - OTHER	0	0	0	0	0	0	0	0					
12	PERSONNEL SALARIES - OTHER	0	0	0	0	0	0	0	0					
13	PERSONNEL SALARIES - OTHER	0	0	0	0	0	0	0	0					
14	PERSONNEL SALARIES - OTHER	0	0	0	0	0	0	0	0					
15	PERSONNEL SALARIES - OTHER	0	0	0	0	0	0	0	0					
16	PERSONNEL SALARIES - OTHER	0	0	0	0	0	0	0	0					
17	PERSONNEL SALARIES - OTHER	0	0	0	0	0	0	0	0					
18	PERSONNEL SALARIES - OTHER	0	0	0	0	0	0	0	0					
19	PERSONNEL SALARIES - OTHER	0	0	0	0	0	0	0	0					
20	PERSONNEL SALARIES - OTHER	0	0	0	0	0	0	0	0					
21	PERSONNEL SALARIES - OTHER	0	0	0	0	0	0	0	0					
22	PERSONNEL SALARIES - OTHER	0	0	0	0	0	0	0	0					
23	PERSONNEL SALARIES - OTHER	0	0	0	0	0	0	0	0					
24	PERSONNEL SALARIES - OTHER	0	0	0	0	0	0	0	0					
25	TOTAL OPERATING INCOME	206,176,413	293,707,546	138,926,740	317,738,624	23,081,096	20,981	318,674,049	337,200,402					
26	EXPENSES RELATED TO SETSOTO SALARIES	147,232,692	148,180,664	37,632,606	65,205,353	96,620,961	96,620,961	10,227,081	10,227,081					
27	EXPENSES RELATED TO SETSOTO SALARIES	7,950,324	110,151,533	6,024,061	18,119,831	1,205,504	1,205,504	0	0					
28	EXPENSES RELATED TO SETSOTO SALARIES	0	0	0	0	0	0	0	0					
29	EXPENSES RELATED TO SETSOTO SALARIES	0	0	0	0	0	0	0	0					
30	EXPENSES RELATED TO SETSOTO SALARIES	0	0	0	0	0	0	0	0					
31	EXPENSES RELATED TO SETSOTO SALARIES	0	0	0	0	0	0	0	0					
32	EXPENSES RELATED TO SETSOTO SALARIES	0	0	0	0	0	0	0	0					
33	EXPENSES RELATED TO SETSOTO SALARIES	0	0	0	0	0	0	0	0					
34	EXPENSES RELATED TO SETSOTO SALARIES	0	0	0	0	0	0	0	0					
35	EXPENSES RELATED TO SETSOTO SALARIES	0	0	0	0	0	0	0	0					
36	EXPENSES RELATED TO SETSOTO SALARIES	0	0	0	0	0	0	0	0					
37	EXPENSES RELATED TO SETSOTO SALARIES	0	0	0	0	0	0	0	0					
38	EXPENSES RELATED TO SETSOTO SALARIES	0	0	0	0	0	0	0	0					
39	EXPENSES RELATED TO SETSOTO SALARIES	0	0	0	0	0	0	0	0					
40	EXPENSES RELATED TO SETSOTO SALARIES	0	0	0	0	0	0	0	0					
41	EXPENSES RELATED TO SETSOTO SALARIES	0	0	0	0	0	0	0	0					
42	EXPENSES RELATED TO SETSOTO SALARIES	0	0	0	0	0	0	0	0					
43	EXPENSES RELATED TO SETSOTO SALARIES	0	0	0	0	0	0	0	0					
44	EXPENSES RELATED TO SETSOTO SALARIES	0	0	0	0	0	0	0	0					



F2.1 - HIGH LEVEL BUDGET SUMMARY FOR COUNCIL ADOPTION



Function	Appropriations			Funding		Surplus / (Deficit)	
	Capital	Operating	Total	Own Source	External		Total
Executive & Council	(990,000)	(36,973,804)	(37,963,804)	213,000	17,189,024	17,402,024	(20,561,780)
Finance & Admin	(840,000)	(25,806,979)	(26,646,979)	47,073,871	990,000	48,063,871	21,806,892
Planning and Development	0	0	0	0	0	0	0
Health	0	(185,500)	(185,500)	19,000	164,500	180,500	(5,000)
Community & Social Services	(1,350,000)	(7,630,458)	(8,980,458)	486,000	3,181,660	3,647,660	(5,332,798)
Housing	0	(3,248,890)	(3,248,890)	55,000	0	55,000	(3,193,890)
Public Safety	(1,104,000)	(4,418,071)	(5,522,071)	150,000	0	150,000	(5,372,071)
Sport & Recreation	(282,000)	(8,115,064)	(8,377,064)	87,000	0	87,000	(8,310,064)
Environmental Health	0	(32,000)	(32,000)	0	0	0	(32,000)
Waste Management	(6,906,000)	(39,011,486)	(39,917,486)	23,674,468	22,209,877	45,884,345	5,966,860
Road Transport	(1,400,000)	(24,849,892)	(26,249,892)	18,000	15,730,000	15,748,000	(10,503,892)
Water	(15,205,000)	(25,541,863)	(40,746,863)	18,136,993	46,197,939	64,333,932	23,587,068
Electricity	(2,490,000)	(30,183,231)	(32,673,231)	31,570,763	5,000,000	36,570,763	3,897,531
Other	0	(1,738,343)	(1,738,343)	0	0	0	(1,738,343)
<b>TOTAL</b>	<b>(30,547,000)</b>	<b>(201,535,380)</b>	<b>(232,082,380)</b>	<b>121,438,095</b>	<b>110,653,000</b>	<b>232,091,095</b>	<b>8,715</b>

F2.1 - HIGH LEVEL BUDGET SUMMARY FOR COUNCIL ADOPTION



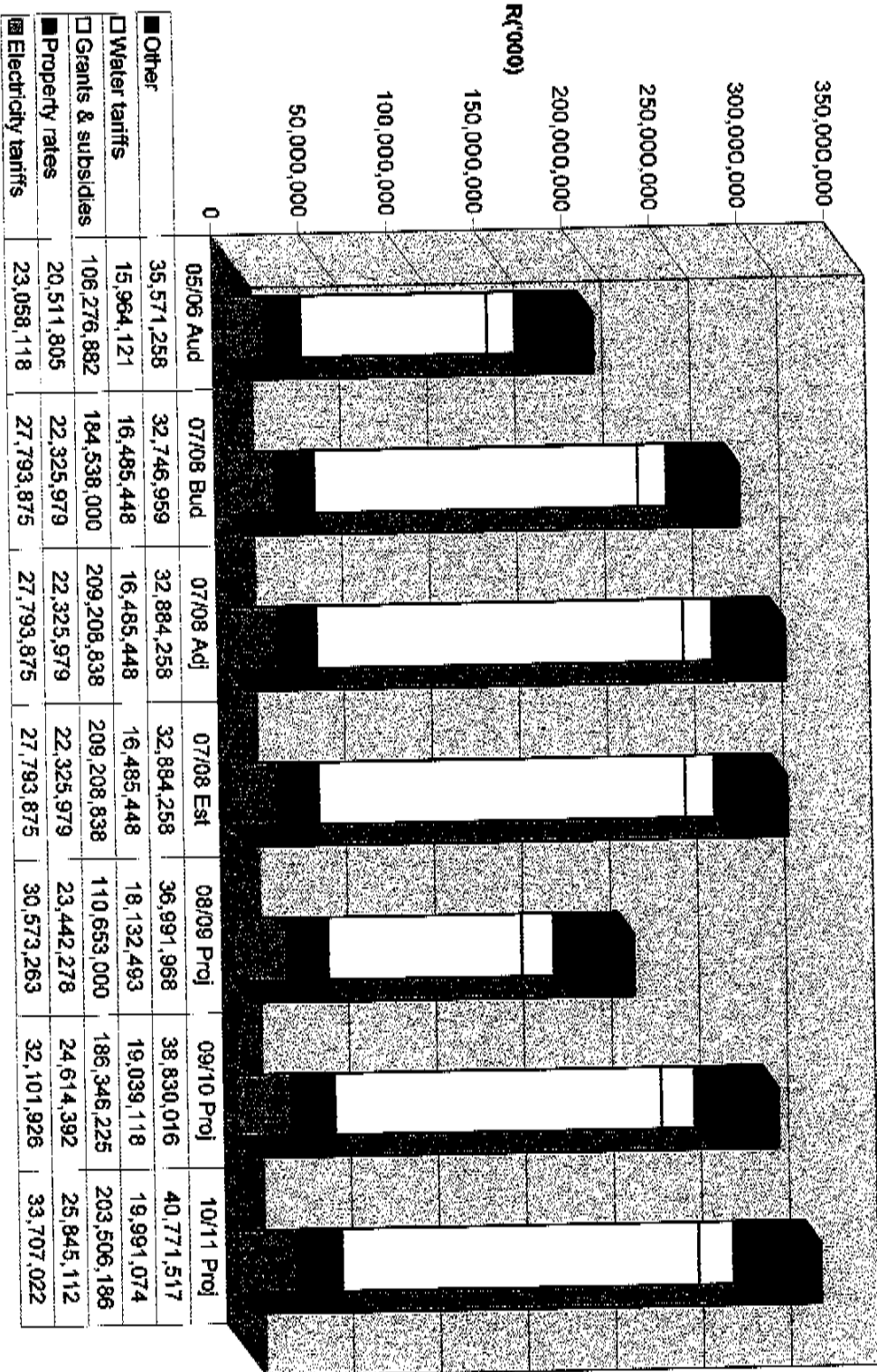
Function	2008/09			Funding		Surplus / (Deficit)
	Capital	Operating	Total	Own Source	External	
Executive & Council						
Operating	(990,000)	(36,573,804)	(37,563,804)	213,000	17,189,024	(17,402,024)
Capital	(990,000)	(36,573,804)	(37,563,804)	213,000	17,189,024	(17,402,024)
Finance & Admin						
Operating	(840,000)	(25,606,979)	(26,446,979)	47,073,871	980,000	48,053,871
Capital	(840,000)	(25,606,979)	(26,446,979)	47,073,871	980,000	48,053,871
Planning and Development						
Operating	0	0	0	0	0	0
Capital	0	0	0	0	0	0
Health						
Operating	0	(185,500)	(185,500)	16,000	164,500	(5,000)
Capital	0	(185,500)	(185,500)	16,000	164,500	(5,000)
Community & Social Services						
Operating	(1,350,000)	(7,630,459)	(8,980,459)	465,000	3,181,650	(3,547,660)
Capital	(1,350,000)	(7,630,459)	(8,980,459)	465,000	3,181,650	(3,547,660)
Housing						
Operating	0	(3,248,890)	(3,248,890)	55,000	0	(3,193,890)
Capital	0	(3,248,890)	(3,248,890)	55,000	0	(3,193,890)
Public Safety						
Operating	(1,104,000)	(4,418,071)	(5,522,071)	150,000	0	(5,372,071)
Capital	(1,104,000)	(4,418,071)	(5,522,071)	150,000	0	(5,372,071)
Sport & Recreation						
Operating	(252,000)	(8,115,064)	(8,377,064)	67,000	0	(8,310,064)
Capital	(252,000)	(8,115,064)	(8,377,064)	67,000	0	(8,310,064)
Environmental Health						
Operating	0	(32,000)	(32,000)	0	0	(32,000)
Capital	0	(32,000)	(32,000)	0	0	(32,000)
Waste Management						
Operating	(6,906,000)	(33,011,486)	(39,917,486)	23,674,458	22,208,877	45,884,345
Capital	(6,906,000)	(33,011,486)	(39,917,486)	23,674,458	22,208,877	45,884,345
Road Transport						
Operating	(1,400,000)	(24,849,592)	(26,249,592)	16,000	(5,730,000)	(10,503,892)
Capital	(1,400,000)	(24,849,592)	(26,249,592)	16,000	(5,730,000)	(10,503,892)
Water						
Operating	(15,205,000)	(25,541,863)	(40,746,863)	18,135,993	46,197,939	64,333,932
Capital	(15,205,000)	(25,541,863)	(40,746,863)	18,135,993	46,197,939	64,333,932
Electricity						
Operating	(2,490,000)	(30,183,231)	(32,673,231)	31,570,763	5,000,000	36,570,763
Capital	(2,490,000)	(30,183,231)	(32,673,231)	31,570,763	5,000,000	36,570,763
Other						
Operating	0	(1,738,343)	(1,738,343)	0	0	(1,738,343)
Capital	0	(1,738,343)	(1,738,343)	0	0	(1,738,343)
<b>TOTAL</b>	<b>(30,547,000)</b>	<b>(201,835,380)</b>	<b>(232,082,380)</b>	<b>(121,438,095)</b>	<b>(110,583,000)</b>	<b>(232,091,055)</b>



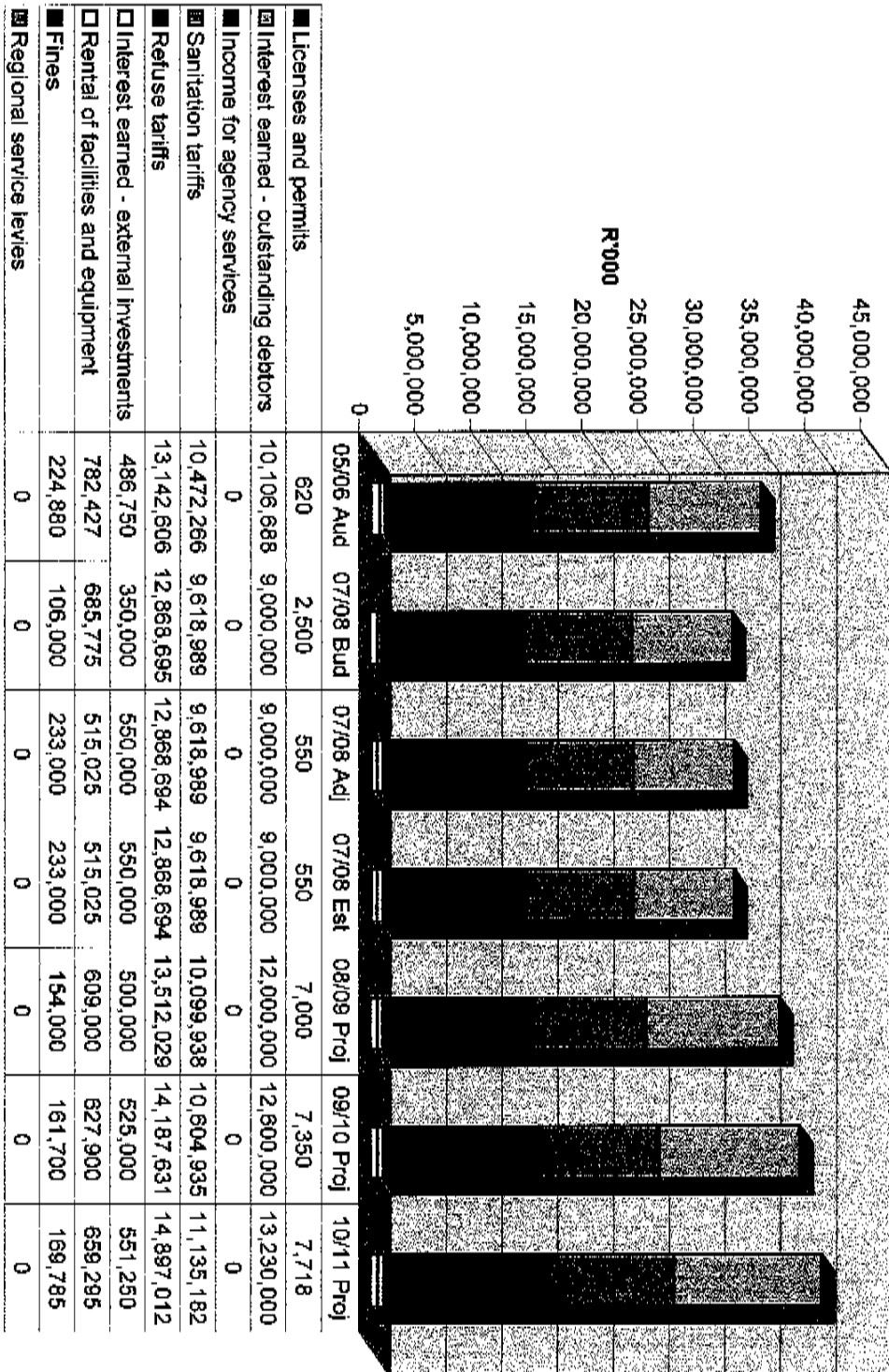


Revenue By Source	Preceding Year 2006/06		Current Year 2007/06				Medium Term Revenue and Expenditure Framework	
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget R'000 E	Budget R'000 F	Budget R'000 G	
					Budget Year 2008/09	Budget Year +1 2009/10	Budget Year +2 2010/11	
Property rates	20,511,805	22,325,979	22,325,979	22,325,979	23,442,278	24,614,392	26,845,112	
Property charges - penalties imposed and collection charges	0	0	0	0	0	0	0	
Service charges - electricity revenue from tariff billings	23,058,118	27,793,875	27,793,875	27,793,875	30,578,263	32,101,926	33,707,022	
Service charges - water revenue from tariff billings	15,964,121	16,485,448	16,485,448	16,485,448	18,132,483	19,039,118	19,991,074	
Service charges - sanitation revenue from tariff billings	10,472,286	9,818,989	9,818,989	9,818,989	10,099,938	10,804,936	11,135,182	
Service charges - refuse removal from tariff billings	13,142,806	12,858,985	12,858,984	12,858,984	13,512,029	14,187,831	14,897,012	
Service charges - other	108,377	115,000	98,000	98,000	110,000	145,500	121,275	
Regional Service Levies - Turnover	0	0	0	0	0	0	0	
Regional Service Levies - remuneration	0	0	0	0	0	0	0	
Rental of facilities and equipment	792,427	695,775	515,025	515,025	609,000	627,900	659,295	
Interest earned - external investments	489,750	390,000	550,000	550,000	800,000	525,000	551,250	
Interest earned - outstanding debtors	10,106,888	9,000,000	9,000,000	9,000,000	12,000,000	12,600,000	13,290,000	
Dividends received	0	0	0	0	0	0	0	
Fines	224,880	106,000	293,000	233,000	154,000	181,700	169,785	
Licenses and permits	620	2,500	550	550	7,000	7,350	7,718	
Income for agency services	0	0	0	0	0	0	0	
Government grants & subsidies	106,276,882	184,538,000	209,208,839	208,208,838	110,653,000	186,348,225	203,506,188	
Public contributions & donated or contributed PPE	0	0	0	0	0	0	0	
Gain on disposal of property plant and equipment	246,644	0	0	0	0	0	0	
<b>Total Revenue By Source</b>	<b>201,382,194</b>	<b>283,990,261</b>	<b>308,698,398</b>	<b>309,888,388</b>	<b>219,793,002</b>	<b>300,831,877</b>	<b>323,820,911</b>	

Revenue by Major Source (see next chart for break down of other)

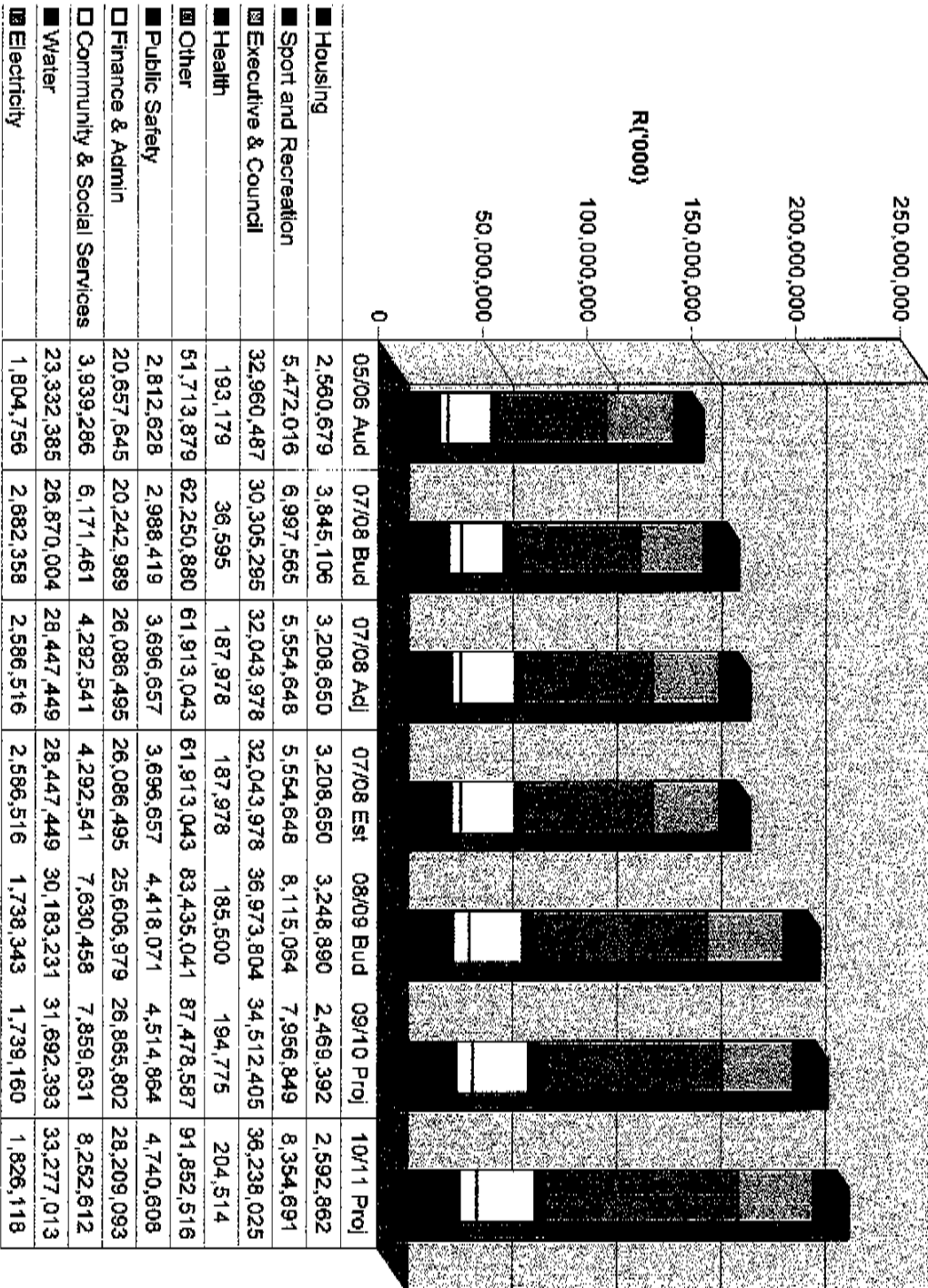


Revenue By Minor Source (break down of other from previous chart)

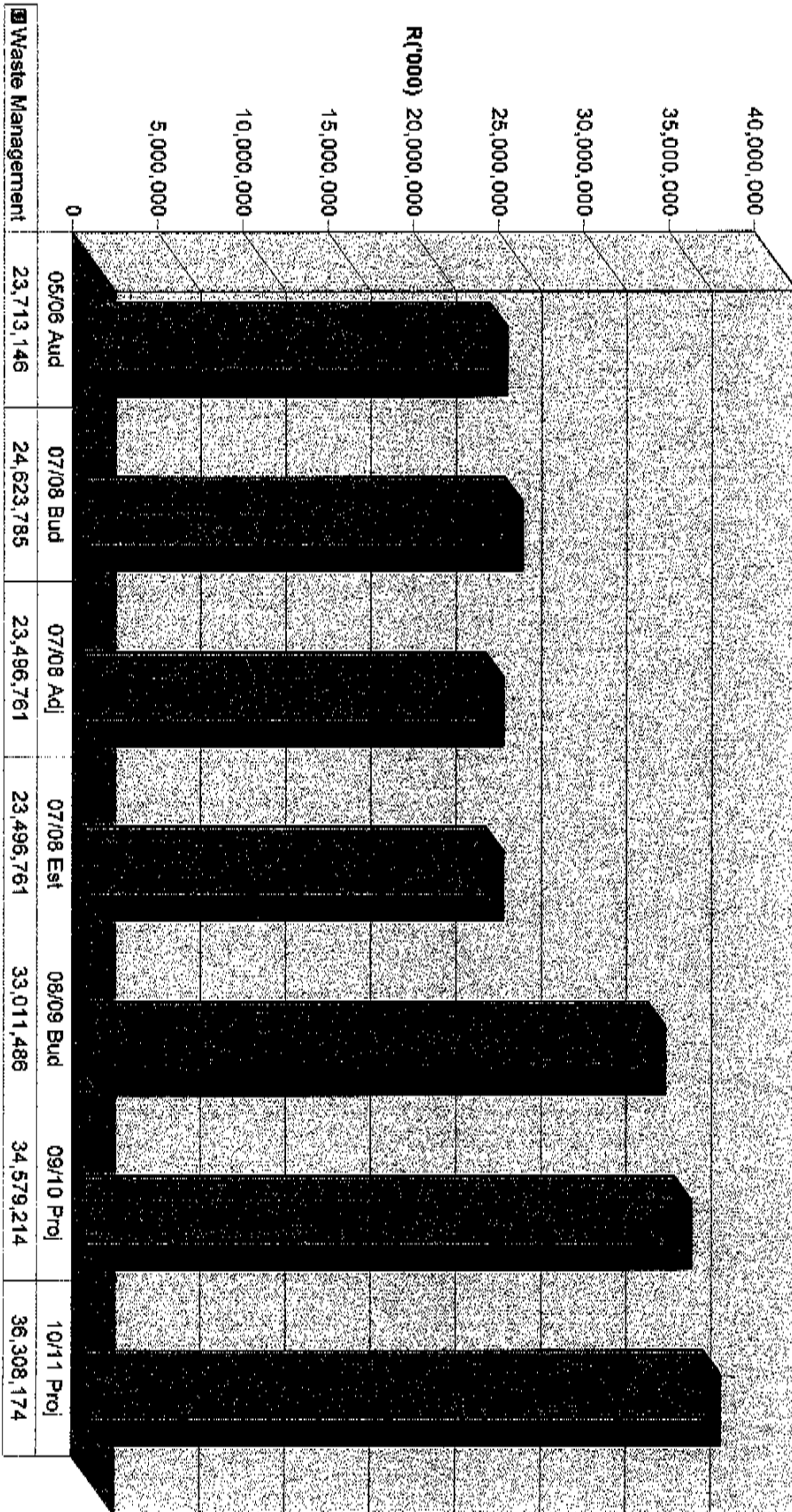


OPERATING EXPENDITURE BY VOTE	Preceding Year 2006/06		Current Year 2007/08					Medium Term Revenue and Expenditure Framework		
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget Year 2008/09 Budget R'000 E	Budget Year +1 2009/10 Budget R'000 F	Budget Year +2 2010/11 Budget R'000 G			
Executive & Council	32,980,487	30,305,295	32,043,978	32,043,978	36,973,804	34,512,405	36,238,025			
Finance & Admin	20,657,846	20,242,989	26,086,495	26,086,495	26,606,979	26,886,902	23,209,093			
Planning & Development	0	0	0	0	0	0	0			
Health	193,179	38,595	187,878	187,878	185,500	194,775	204,514			
Community & Social Services	3,939,296	6,171,481	4,292,541	4,292,541	7,630,458	7,859,631	8,262,612			
Housing	2,660,679	3,184,106	3,203,690	3,203,690	3,248,990	2,469,292	2,592,862			
Public Safety	2,812,628	2,988,419	3,696,857	3,696,857	4,418,071	4,514,964	4,740,628			
Sport and Recreation	5,472,016	6,997,565	5,554,648	5,554,648	8,115,064	7,958,549	8,364,891			
Environmental Health	1,902,822	3,238	0	0	32,000	33,830	36,280			
Waste Management	23,713,146	24,623,785	23,496,781	23,496,781	33,011,486	34,579,214	36,308,174			
Road Transport	10,826,077	15,506,202	14,193,563	14,193,563	24,849,692	26,073,276	27,376,940			
Water	15,271,834	22,118,655	24,222,729	24,222,729	25,541,863	26,752,487	28,132,121			
Electricity	23,332,385	26,870,004	28,447,449	28,447,449	30,183,231	31,682,983	33,277,073			
Other	1,804,795	2,682,358	2,686,516	2,686,516	4,736,343	1,739,180	1,826,118			
<b>OPERATING EXPENDITURE BY VOTE</b>	<b>145,446,939</b>	<b>182,390,872</b>	<b>189,017,945</b>	<b>189,017,945</b>	<b>201,636,380</b>	<b>205,283,958</b>	<b>215,648,051</b>			

Operating Expenditure by Major Vote (see next chart for breakdown of other)

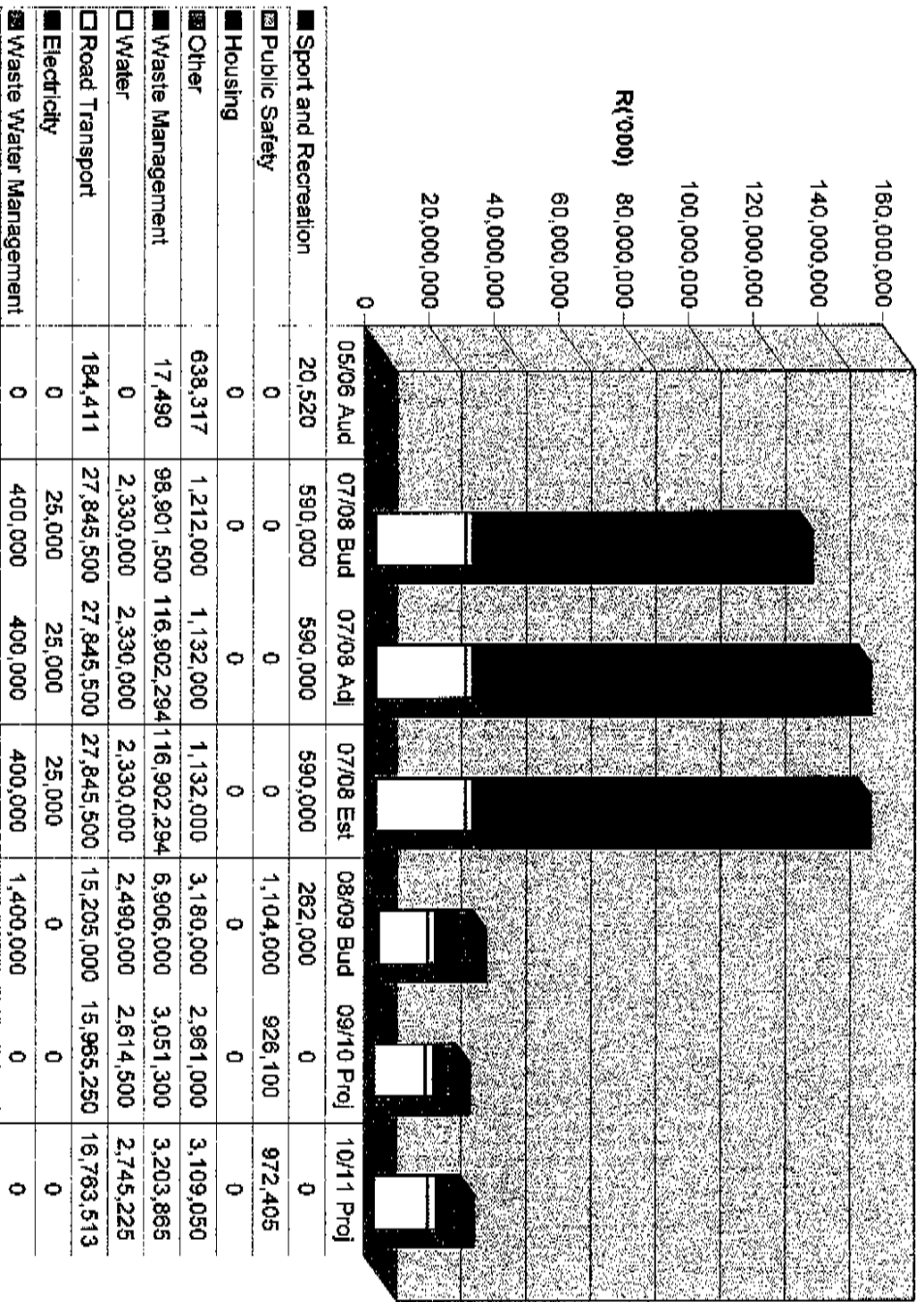


Operating Expenditure by Minor Vote (breakdown of other from previous chart)



CAPITAL EXPENDITURE BY VOTE	Preceding Year 2006/05		Current Year 2007/08				Medium Term Revenue and Expenditure Framework Budget Year +1		Budget Year +2
	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		
Executive & Council	379,386	150,000	150,000	150,000	990,000	1,039,500	1,091,475		
Finance & Admin	119,104	950,000	970,000	970,000	340,000	872,000	705,600		
Planning & Development	0	0	0	0	0	0	0		
Health	0	0	0	0	0	0	0		
Community & Social Services	139,828	112,000	12,000	12,000	1,350,000	1,249,500	1,311,975		
Housing	0	0	0	0	0	0	0		
Public Safety	0	0	0	0	1,104,000	928,100	872,405		
Sport and Recreation	20,520	590,000	590,000	590,000	262,000	0	0		
Environmental Health	0	0	0	0	0	0	0		
Waste Management	17,490	98,901,500	116,902,294	116,902,294	6,906,000	3,051,300	3,203,985		
Road Transport	0	400,000	400,000	400,000	1,400,000	0	0		
Water	184,411	27,845,500	27,845,500	27,845,500	15,205,000	15,985,250	16,763,513		
Electricity	0	2,330,000	2,330,000	2,330,000	2,490,000	2,614,500	2,745,225		
Other	0	25,000	25,000	25,000	0	0	0		
<b>CAPITAL EXPENDITURE BY VOTE</b>	<b>880,738</b>	<b>131,304,000</b>	<b>149,224,784</b>	<b>149,224,784</b>	<b>30,547,000</b>	<b>25,619,150</b>	<b>29,794,088</b>		

Capital Expenditure by Major Vote (see next chart for breakdown of other)













Grants - Conditional  
 Loans  
 Other  
**TOTAL**

**MUNICIPAL MANAGER**

MUNICIPAL MANAGER	FURNITURE AND EQUIPMENT	Income	Withdrawal
MUNICIPAL MANAGER		Income	Implementation of PMS
MUNICIPAL MANAGER		Grants - Conditional	Approval of IDP/PP
MUNICIPAL MANAGER		Grants - Other	Community participation
MUNICIPAL MANAGER		Grants - Conditional	Approval of IDP
MUNICIPAL MANAGER		Grants - Other	
		Sub-Total	
Source Of Funding	Income	52,000	420,400
	Grants - Conditional		175,000
	Loans		52,000
	Other		353,000
<b>TOTAL</b>			710,000

**COUSCIL**

COUNCIL GENERAL EXPENDITURE	FURNITURE AND EQUIPMENT	Income	Sub-Total
COUNCIL GENERAL EXPENDITURE		Income	100,000.00
		Sub-Total	50,000.00
Source Of Funding	Income		
	Grants - Conditional		
	Loans		
	Other		
<b>TOTAL</b>			

**TOTAL CAPITAL PROJECTS** : 148,039,062.00 : \$3,516,000 : 202,809,500 : 94,300,000