

OVERSTRAND MUNICIPALITY



ANNUAL BUDGET REPORT

2006/07

Compiled by:

R.F. Butler

DIRECTOR OF FINANCE

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PART 2

MAYORAL BUDGET SPEECH

MAYOR'S BUDGET SPEECH AT THE SPECIAL COUNCIL MEETING ON 31 MAY 2006

Speaker, Deputy Executive Mayor, Councillors, the Municipal Manager members of the press and public, officials.

Today is the beginning of the second five year budget cycle of the Overstrand Municipality. After five years of transformation we can now look at the future and plan for the next cycle and the years following upon that. We should now focus on the future and take hands with all the residents of our wonderful and special Overstrand, with all that it has to offer. We are surrounded by our beautiful environment and biosphere, our coastline with the best whale and shark watching opportunities as well as our emerging agriculture and wine industry. It is an area just waiting to be developed as one of the best emerging brand marketing tourism areas in the world. We have an enormous potential that needs to be very well managed so as to integrate development and the conservation of our world class natural resources.

The budget 2006/07 has been compiled with a strong focus on service delivery and infrastructure investment with the aim to achieve our strategic goals of:

- Promotion of local economic development and tourism
- Provision of municipal services
- Creation of a safe and healthy environment
- Management and conservation of the natural environment
- Provision of democratic and accountable governance

When we analyse the Social Economic profile we are able to observe the magnitude of this municipality. It is no longer just a service management organization but has become an instrumental tool of government to implement policies and take responsibility for

service delivery. The Overstrand is the second largest municipality in the Overberg and has contributed **31% of the OVERBERG GDP (1.02bn)**

The Main Contributors to the economy are:

- Wholesale and retail 24%
- Finance and business 22%
- Manufacturing 17%
- Agriculture 6%
- Real Estate Development and the Building Industry, on which we have no statistics, although we know that building plans to the worth of R850 million were approved last year

Impact of the Population on our Municipality. The increasing population is the main focus in planning for the future. Unfortunately we plan on underestimated figures and we urgently need updated statistics. The municipal manager has already requested support in this regard. The current available statistics reflect the most important aspects on our population as:

- Population in 2001, 58320 with a population projected by 2010, of 80451. (These figures are underestimated)
- HIV/Aids deaths 2005 - 897; the figure is estimated to increase to 1168 by 2010
- Unemployment rate of 27%. It is higher than the district rate of 18.6%
- The 19% of people over 14 who are illiterate

When we evaluate our strategic goals it is evident that the biggest challenges are:

- To enhance the economy and tourism for the sake of sustainable development so as to be able to create jobs
- to provide infrastructure for the future needs and inter alia to catch up with the backlog of the past and accommodate accelerating needs of the future;
- to address severe shortages in the fields of health services and education.

On Provincial level a great effort is required to improve our resources in these regards to meet the needs of the future.

LOW COST HOUSING

Overstrand was very fortunate to be awarded extra money by the Provincial Minister for Local Government and Housing, to make an impact on our long housing waiting-list.

These projects will be vigorously pursued and will have an effect on our budget as municipal services for these areas will have to be provided.

Of serious concern to me is the fact that these low-cost housing developments are established with little regard for their socio-economic impact. I have stated publicly and will continue to do so that other aspects of government infrastructure like among others, schools, clinics and police stations, should be developed simultaneously with the provision of housing.

The financial shortfall in providing the structures should also be addressed as a matter of urgency.

The provision of houses. We urgently need to provide services for the rapid increasing population – the rate of which has been of 43% over the past five years. It might be an unachievable goal, especially bearing in mind that only limited resources and land are available.

I must point out the following dangers:

- To provide houses without providing other services like schools and medical services, is only increasing the possibility of disaster.
- The growing intolerance by local residents towards the influx of the migrating population who are putting more pressure on the needs of society.
- The increasing mortality rate due to HIV/AIDS and TB which is also creating a greater need for cemeteries and a serious problem of orphans who are to be cared for by eg. grandparents or even older children who are not able to give them any sustainable support for a good quality of life. Social services need to be addressed urgently

- The more poverty occurs the less chance we have to get substantial investment in our infrastructure and initiatives to create jobs through local economic development and tourism so that we can earn revenue to fund our needs.
- The urgent need to step in and to create new opportunities to enable the fishing community which lost its quotas to survive and not to become another poverty-stricken segment of our community. These impacts are felt on schools, churches and families. Poaching as a means of provision is the only alternative at this stage. Drug abuse and crime are the ultimate result.

Om hierdie doelwitte te bereik is daar in hierdie kapitaalbegroting gefokus op die skep en instandhouding van infrastruktuur, gekoppel aan werkskepping. Om die spanderingsvloei te verbeter is daar ook voorgestel dat gebeurlikheidsfondse geskep word om sodoende vir onvoorsiene gebeurlikhede voorsiening te maak.

Met die opstel van die voorgestelde begroting is daar met die nuwe wykskomitees saamgewerk om met die opstel van die prioriteite, insette te lewer.

Daar sal ook van bestuurders verwag word om doelwit-gedrewe kontantvloei programme daar te stel om te verseker dat enige moontlike besparings vroegtydig sigbaar kan raak.

Om hierdie begroting in perspektief te plaas, is dit noodsaaklik dat daar gekyk moet word na die toekomstige behoeftes. Die behoefte aan elektrisiteit het die afgelope jare met 23% gestyg en die aan water met 27%. Daar is ook in ag geneem dat die getal mense gedurende vakansie seisoene meer as verdubbel.

Die voorgestelde begroting is dus gefokus om onder meer hierdie behoeftes aan te spreek. Daar word op die oomblik gewerk aan studies om op 'n holistiese manier na die tekortkoming van die infrastruktuur naamlik paaie, water, riool en afvalbestuur te kyk. Overstrand is 'n leier op die gebied van afvalbestuur en ons moet die bestuur gelukwens met die prestasies wat in die skoonste dorp kompetisies behaal is.

Om die doelgerigtheid van die Raad te bespoedig is daar in die voorgestelde begroting R8.7M voorsiening in die gebeurlikheidsfondse voorsiening gemaak om deur middel van besigheidsplanne verder momentum aan infrastruktuur en onvoorsiene gebeurlikhede te gee.

Operasionele Inkomste Begroting. Die voorgestelde inkomste vir 2006/07 is R344.56M wat 'n verhoging van 32.7% beteken. Hierdie bedrag sluit die inkomste van die Staat, en Agentskap- dienste ten bedrae van R 41.04M, sowel as inkomste van R35M uit die gholfbaanontwikkeling in. (Dit is nie die finale inkomste uit die gholfbaan nie) Die inkomste soos gereflekteer, uitgesluit die eksterne befondsing, reflekteer 'n verhoging van 13.7%.

Die besigheidsheffing bly op 15% soos met die Sakesektor ooreengekom. 'n Beplanningskomitee is gevestig om die toekomstige heffing te bepaal binne 'n model waarvolgens bepaalde doelwitte geformaliseer gaan word om die behoeftes van die sakegemeenskap inklusief aan te spreek, om daarvolgens die heffing te bepaal. 'n Gesonde verhouding is gevestig en dit is on-onderhandelbaar dat samewerking inklusief moet wees.

Kapitaalbegroting. Die kapitaalbegroting toon 'n groei van 63%. Dit word hoofsaaklik befonds uit opgehoopte reserwes en lenings. Die totale befondsing uit die ad-hoc begroting beloop R23,04M. Ons opregte dank word aan die verskillende vlakke van Regering opgedra vir die ondersteuning wat ons ontvang het, en gaan ontvang.

IDP Linkage. The bases of the budget are the link to the IDP. The allocation to the strategic goals for the next financial year will be:

- Management and conservation of the natural environment: R8,793,810M
- Maintenance of a Safe Environment: R14,075,697M
- Promotion of Tourism and Economic Development: R6,740,028M
- Provision of Democratic and Accountable Governance: R62,230,680M
- Municipal Services: R305,266,072M

Considering the increases in the capital and operational budget, it is commendable that council could **restrict the increase in rates to only 4.5%. This reflects a decrease of 1% on the previous budget**

Poverty. Overstrand has in the past supplemented the equitable share received from Government to fund free basic municipal services to the poor from own funds.

We are in the fortunate position this year that, because we have determined who will receive these grants, as well as the fact that the grant was increased substantially, that the equitable share received will cover free services to the poor from own funds.

A new policy which also quantifies these free services will be adopted by Council before implementation of the budget. The free basic services to the poor will be as follows:

A subsidy of:

- 100% of the basic levy for electricity for one service point per month; plus
- 100% of the basic levy for water 1 residential unit equivalent (RUE) per month; plus
- 100% of the basic levy for sewerage per month for one service point; plus
- 100% of the basic levy for refuse removal for one service point per month.
- 6 kl of water to all households
- 50 kWh of electricity.

It is a concern that employment opportunities, through the reduced granting of quotas for fishing, are being lost. The influx not reflected by outdated census figures leads to further acceleration of the unemployment problems. This budgeted amount may therefore eventually prove not sufficient to grant full relief to the poor.

PROVISION FOR CAPITAL PROJECTS IN PREVIOUSLY DISADVANTAGED AREAS (PDA)

The capital Budget also reflects the council's focus areas to speed up infrastructure in PDA and therefore provision is made for the following:

- Sport and recreation- Rm1,022,950
- Electricity- R 750,000
- Housing-R19,890.000
- Property services-R 1,315,000
- Roads-R 3,845.000
- Sewerage-R 3,700.000
- Stormwater-R 4,108.195
- Water-R1,336.659
- **Total-R 35,967.804**

It is also proposed that an additional Rm1,3 be transferred from the OS4 project 1575,a Ward 1&2, to the Ward 5 and 6 budgets. This is possible due to a saving that was made after the documents were already prepared

The government's goals for the provision of water, electricity and the replacement of the bucket system are also addressed within this budget

JOB CREATION

Although job creation is not one of the functions of a municipality, we as a local government can do a lot indirectly to promote local employment. We believe that the ability to provide for your family is very important in supporting the dignity of our people. What are some of the things we are doing at the moment?

Tender preference

Overstrand, unlike others, has in the past determined that local employment should be the most important single factor in allocating tender preference. However, we feel that this preference should also take into account how long a person has been resident in Overstrand. We will start with a process to audit local employment with regard to tenders awarded.

Local Labour Promotion Project (LLPP)

This project was implemented in-house just over a year ago. This has brought a number of previously unemployed people into the mainstream of the employment

market again. At the same time, a percentage of the wages is used to pay their municipal accounts. This had a very positive effect on debt management, but I believe this can be increased tremendously if all municipal projects are evaluated for use of this concept – even low-cost housing projects. I am therefore not surprised that the highest award was given by the Impumulelo Trust for this Overstrand initiative.

Post of Manager Local Economic Development. Mr Kobus Arendse, the implementer of the LLPP concept, was yesterday appointed in the new post of Manager Economic Development. He will ensure that this initiative, and all other job creation projects, are properly managed. I strongly believe that local economic development should not only be talk, but should be put in practice and that is what this post will achieve.

MEDIUM TERM CHALLENGES

- **Loss of income arising from RED.** Concerning the establishment of the Regional Electricity Distributor (RED) project. Clarity has not yet been established on the financial impact of the RED project on municipalities. As electricity is our main source of income, this is clearly a major concern
- **Backlog in Infrastructure.** The current backlog is more than R300M. We are facing major challenges in this regard if the current influx of jobless people into our region is an ongoing phenomenon. We must acknowledge that we need more external funding and an increase in our staff numbers to manage the future needs. Assuming all the new households are indigent households, we need an extra R10M annually.
- **Funding of the Capital Budget.** The sustainable funding of the Capital budget needs to be well managed. The main sources will be the funding from the Capital Replacement Budget, Loans and grants from other sources as well as the sustainable development of critical opportunities that could secure a long term income for the municipality. The increase of the capital budget with 63% to a amount of Rm106,49 shows that council is serious to address infrastructure backlogs in the Overstrand.

- **Unfunded Mandates.** The government is placing more and more responsibilities on municipalities which make it difficult to manage because of legislation and funding. We need to address all these issues to ensure that proper service delivery can be provided. I refer to schools, social services, libraries and security services. Nature conservation is an important aspect of our area, but the lack of funding is an impediment to the effective management thereof

FIVE YEAR STRATEGIC VISION

If we are indeed serious about facing the future and its challenges, we need to apply our minds to and manage the future. The 2010 World Cup is an opportunity that we should not ignore. As we want to be a world class tourist destination, we need to make strategic decisions now and convert them into plans and drive these to results. The development aspects that need to be addressed are:

- ✓ The Station site in Hermanus
- ✓ Grotto Beach development
- ✓ Schulphoek development
- ✓ Desalination project
- ✓ The future of De Mond Caravan Park and the other caravan parks in Onrus and Kleinmond
- ✓ Gearing's Point and Fick's Pool development and the entire development of the Hermanus CBD, including the relief road, taxi rank and the parking areas.
- ✓ The future of the Sport village. The Junior Council and the public are desperately in need of swimming pools and we must also address the need for more sport facilities in our different areas
- ✓ The Harbour project in Kleinmond
- ✓ The establishment of the LED Implementing Agency
- ✓ The integrated tourism and LED strategy to identify and market the Overstrand as a brand. The window of opportunity is open, but will not remain open if we are not prepared to exploit every challenge in a coordinated manner
- ✓ The challenge of providing housing and infrastructure
- ✓ The achievement of Blue Flag status for the beach at Hawston

OTHER STRATEGIC IMPERATIVES

- ✓ The approval of the Spatial Development Framework
- ✓ The IDP for the next five years
- ✓ A communication strategy to enhance our communication and marketing of the Overstrand
- ✓ Upgrading our 24 hour emergency response service to the public. The past power failures and the future predicted ones make it a high priority to timeously inform residents about emergencies
- ✓ An integrated Risk Management and Disaster relief plan in cooperation with the Overberg District Municipality, bearing in mind the disastrous veld fires that took place in February 2006.
- ✓ Addressing the problem of crime and the ongoing degeneration of society's moral bases, which lead to drug and alcohol abuse with the resulting impact on women and children
- ✓ A long term sustainable solution to address the baboon problem

THE STRATEGIC PRIORITIES OF THE GOVERNMENT REGARDING LOCAL GOVERNMENT

It is also appropriate that one takes cognizance of the three strategic priorities of the State with regard to local Government in the next three years.

- Mainstreaming hands-on support to local Government to improve municipal governments performance and accountability
- Addressing the structure and governance arrangements of the State in order to better strengthen, support and monitor local government
- Refining and strengthening the policy, regulatory and fiscal environment for local government and giving greater attention to enforcement measures

My opregte dank aan al die Raadslede en wykskomitees vir hulle insette in die begroting. Besondere dank en waardering vir die harde werk van die Munisipale Bestuurder Adv Koekemoer, die Direkteur Finansies, Mnr Roland Butler en 'n spesiale dank aan die amptenare van die Finansies Departement wat vir baie ure oortyd aan die samestelling van die begroting gewerk het.

Ons het 'n baie aktiewe gemeenskap wat met baie ondersteunende funksies in die samelewing besig is om met projekte waardevolle werk te doen. Ek dink byvoorbeeld aan opvoeding, natuurbewaring en armoedeverligting. My opregte dank ook aan daardie organisasies wat hulle dienste vrywillig aanbied en ek sal poog om op gepaste maniere erkenning en ondersteuning aan hulle te gee.

Tydens die bekendmaking van die voorgestelde salarisverhogings het die reaksie van die publiek weereens bevestig dat hulle die gemeenskap se belange op die hart dra. Dit is egter jammer dat algemene kommentaar, soms deur individue, met groot venyn gepaard gegaan het. Ek is van mening dat goeie en akkurate gesprekvoering en kommunikasie die beste oplossing is vir meningsverskille .

Ek doen 'n beroep op ons gemeenskap, organisasies en mede-raadslede om saam te trek aan die wa vir die volgende 5 jaar ten einde Overstrand te vestig as die uitnemendste korrupsievrye diensleweringorganisasie waarop ons almal trots kan wees.

Speaker,

I have pleasure in proposing the adoption of the 2006/07 budget.

Theo Beyleveldt

OVERSTRAND EXECUTIVE MAYOR

PART 3

BUDGET-RELATED RESOLUTIONS

In terms of Section 16(2) and 24(1) of the MFMA, the following aspects must be adhered to by all Municipal Councils.

Draft resolutions must be included with the budget documentation tabled to full Council.

- At least 90 days before the start of the budget year for consultation; and
- At least 30 days before the start of the budget year for consideration of approval.

A preliminary Draft Budget for 2006/07 was submitted to Council during February 2006, before the Local Government Elections, for information purposes.

Thereafter, the Draft Budget together with further inputs and amendments served before the newly-elected Council for consultations during a Council meeting held on the 26th of April 2006.

The Final Budget for 2006/07 will be tabled before Council for approval on 31 May 2006. Furthermore, the draft resolutions as required by the MFMA, are also included as part of the Budget item report.

All budget-related policies are in the process of finalisation and will be approved by Council before 30 June 2006 for implementation 1 July 2006.

PART 4

DEVELOPMENTAL CONTEXT AND FINANCIAL VIABILITY

4.1 Social Economic Profiling

The Overstrand Municipality is the second largest municipality in Overberg in terms of economic activity and population numbers. In 2004, the Municipality contributed 31% (1,02 billion) of total Overberg GDP. The economy has been growing at an annual average rate of 2,91% between 1995 and 2004. The largest contributors to the economic output of the Overstrand Municipality in 2004 were wholesale and retail trade (24%), Finance and business services (22%), and manufacturing (17%). The agricultural sector contributed only 6% of total GDP.

Hermanus, functions as an administrative centre for the Overstrand municipal area. The town's economic base is anchored in tourism and recreation (whales in Walker bay) activities, fishing, aquaculture and agriculture (wine production). The town also has high growth potential contributed by regional vitality, economic growth and to a lesser extent transport and communication services. Resources (natural and human) are a major challenge for the town's future development.

Population in Overstrand amounted to 58 322¹ people in 2001, the second largest in the district and Overstrand's population has been growing at 4% faster than the district's (2,5%) population between 2001 and 2006. The Municipality's population is projected to increase to 80 451 people by 2010.

The unemployment rate in Overstrand (27,1%) is higher than the district rate of 18,6% signalling the importance of job creation in the Municipality. The Municipality's high income poverty is also high, about 11,56% of households had no income in 2001.

Other challenges include a high percentage (19%) of people over 14 who are illiterate (less than grade 7) and number of HIV/AIDS deaths which are projected to increase from 897 in 2005 to 1 168 by 2010. The nurse patient ratio (37) exceeds the national average of 34 (see table below for more information).

However, it should be highlighted that above-mentioned population numbers are under-estimated. A request has been made by the Municipal Manager to the Provincial Administration to assist the Municipality in updating these projections.

1.1 Demand for Municipal Services

The total municipal operational expenditure budget has increased by some 75% over the last five years as shown in Table 1 below.

Table 1: Overstrand operational expenditure budget 2001/02 to 2005/06. Figures in R million.

	<i>01/02</i>	<i>02/03</i>	<i>03/04</i>	<i>04/05</i>	<i>05/06</i>
Operating expenditure budget	146	165	187	221	256
Budget Growth from previous year	13%	13%	13%	18%	16%

Above-mentioned growth has taken place in the context of a growing local population and increasing consumption of municipal services. Table 2 shows a major increase in electricity and water sales for the past five years.

Table 2: Statistical information relating to recent local economic growth

	<i>2001</i>	<i>2002</i>	<i>2003</i>	<i>2004</i>	<i>2005</i>	<i>Growth over period</i>
Units (kWh) electricity sold	123,345	116,657	140,852	145,643	152,062	23%
Units (Kl) water sold	4,676,846	4,335,548	5,028,876	5,359,400	5,949,078	27%

The average increase in electricity and water sales are 4,6% and 5,4% respectively.

Cognisance should be taken that there is a major variance in the services sales during “in-season” periods compared to “out of season” periods due to the fact that Overstrand is a well known tourism area. The population is almost doubled during in-season (holiday) periods.

1.2 Capital Projects and Services Needs

The Municipality has a large backlog both in investing in new and upgrading existing bulk infrastructure. The estimated capital investment required in total is in the order of some R450 million.

The growth in local population (including the higher in-season population) has been 43% over the last five years. It is anticipated to grow over the medium term by more than 5% annually. This puts pressure on both the capital and operational budgets. The construction costs in the area are increasing between 15% and 25% annually. Forth flowing from the above-mentioned demand for urgent capital services, the Executive Mayoral Committee decided to increase the capital budget for 2006/07 substantially. However, Council’s current financial position is sound and the additional capital cost will not result in a further increase of rates and tariffs.

The capital budget funded by Council (from the operational budget or by external borrowing) has increased by 38% over the last four years. The ad-hoc capital budget represents those capital projects that are funded from external sources – primarily grants from other spheres of government for roads, housing and electricity infrastructure. Many of the grants anticipated in the previous original budgets did, however, not materialise during these financial years.

The latter scenario has contributed to a further delay in the implementation process of the IDP capital programme.

However, during 2004 National Treasury requested Council to adjust its 2004/05 ad-hoc capital budget to reflect the grants that it actually has secured from external funding sources, rather than the amounts it is seeking grant funding for. All capital grants from Central and Provincial Government are secured for the new financial year.

The following capital investment needs are regarded as a high priority:

- Upgrade and extension of water networks
- Roads and stormwater
- Upgrade and extension of electricity network
- Housing and related infrastructure services
- Upgrade of sewerage networks

Further details are available in point 6.2 of this report regarding above-mentioned priorities. This information also underlines the Council's pro-activeness and commitment to address the needs of the community in terms of the Integrated Development Plan.

4.4 Financial Health

4.4.1 Assessments on the 2003/04 & 2004/05 Annual Financial Statements

The purpose of this section is to analyse and interpret financial information of the municipality in order to assess the financial position, performance and cash flow position of a municipality. The ratios utilised will be classified to determine the municipality's performance in the areas of Revenue Management, Expenditure Management, Asset Management and Liability Management (REAL). Overstrand is classified as a high capacity Municipality. The Municipality prepared their financials based on GAMAP/GRAP principles.

4.4.2 **Revenue Management**

▪ **Level of reliance on Government Grants**

Purpose: The purpose of this ratio is to determine what percentage of the Municipality's revenue is made up of government grants, to determine level of reliance on government funding by the Municipality.

Formula: Grants & Subsidies/Total Revenue

These figures are found in Annexure A: Summary 2006/07 Budget and MTFF.

Estimates 2006/07		
Govt Grants & Subsidies	Total Revenue	%
15,330,880	344,563,030	4,4

Analysis and Interpretation

- The general norm for Grants and Subsidies is 4% of Total Revenue.
- A percentage of more than 10% implies that the Municipality is dependent on Grants and Subsidies.
- The capital grants which is part of the disclosure in terms of GRAP, has not been brought into consideration due to the fact that housing development is not a function of Local Authorities. The relevant amount of R23,049 million is shown as a contra figure under the headings: Government Grants: Capital and Appropriations: Capital Grants.
- However, the operating grants and equitable share for 2006/07 represents only 4,4% of the total operating revenue of R344,563,030.
- The percentage of 4,4% is close to the norm for grants and subsidies, which implies that the Municipality is not totally dependant on grants and subsidies.

4.4.3 **Expenditure Management**

▪ **Personnel cost to total expenditure**

Purpose: The purpose of this ratio is to indicate what percentage of total expenditure is attributable to personnel costs.

Formula: Salaries, wages and allowances/Total Expenditure

These figures are indicated in Annexure A.

Amended Budget 2005/06			Estimates 2006/07		
Personnel Costs	Total Operating Expenditure	%	Personnel Costs	Total Operating Expenditure	%
90,621,887	256,277,690	35	101,039,480	280,602,290	36

Analysis and Interpretation

- The norm for this ratio is 35-38% of total expenditure.
- This ratio indicates that the municipality is within the norm.

▪ **Interest as a percentage of total expenditure**

Purpose: This ratio indicates the percentage of total expenditure that is attributable to interest cost.

Formula: Total interest paid/Total expenditure

These figures are indicated in Annexure A.

Current Budget 2005/06			Estimates 2006/07		
Interest	Operating Expenditure	%	Interest	Operating Expenditure	%
R	R		R	R	
9,077,690	256,277,690	3,5	7,604,840	280,602,290	2,7

Analysis and Interpretation

- The norm for this ratio is that interest costs should not exceed 5% of operating expenditure.
- The ratio decreased by 0,8 percentage points primarily due to the R7 019 805 decrease in long-term liabilities in the 2004/2005 financial year.

The Municipality remains within the norm.

▪ **Repairs and Maintenance/Total operating expenditure**

Purpose: The purpose of this ratio is to determine whether municipalities are spending adequate amounts on repairs and maintenance of PPE.

Formula: Repairs and Maintenance/Total operating expenditure

These figures are indicated in Annexure A.

Current Budget 2005/06			Estimates 2006/07		
Repairs and Maintenance	Total operating expenditure	%	Repairs and Maintenance	Total operating expenditure	%
24,992,490	256,277,690	9,7	28,265,000	280,602,290	10,1

Analysis and Interpretation

- The norm for this ratio is that Repairs and Maintenance should total at least 10% of total operating expenditure.
- The ratio increased by 0,4 in percentage points as compared to the current financial year.
- The municipality is within the expenditure norm.

4.4.4 **Asset Management**

▪ **Acquisition of PPE – Actual vs. Budget**

Purpose: The purpose of this ratio is to identify per class of asset whether a Municipality has a variance of more than 5% when actual and budgeted PPE acquisitions are compared.

Formula:
$$\frac{\text{Actual Acquisition of PPE} - \text{Budget Acquisition of PPE}}{\text{Budgeted PPE Acquisition}}$$

These figures are found on Appendix C

Year 2004/05			
Actual	Budget	Variance	Variance
R	R	R	%
36,388,894	36,459,533	70,639	0.19%

Analysis and Interpretation

- The norm for this ratio is that the deviation for each line item between actual and budget should not exceed 5%.
- The municipality is within the norm.
- The municipality has complied with GRAP principles and reasons are given for significant variances in Property, Plant and Equipment in Appendix E(2), attached to the Annual Financial Statements.

Recommendation

That management should maintain the norm.

▪ **Debtors collection period**

Purpose: The purpose of this ratio is to calculate the debtors' collection period of the Municipality by comparing the year-end balance of certain debtors with the revenue earned from those debtors during the financial year.

Formula: Consumer debtors before deducting provision for bad debts/ Service revenue *365

These figures are found on Appendix D (2), Notes to AFS and Statement of Financial Performance.

Year 2004/05			Year 2003/04		
Consumer Debtors	Service Revenue	Collection Period (days)	Consumer Debtors	Service Revenue	Collection Period (days)
38,544,696	202,713,504	69.40	47, 964,508	180,338,697	97.08

Analysis and Interpretation

- The norm is 42 days and will be used as the basis of interpretation.
- Although the collection period decreased by 27.68 days, as compared to previous year, it is still outside the norm.

Corrective measures

The management of this Municipality has started a process to improve the debtor collection rate.

4.4.5 Debt Management

▪ **Acid test ratio**

Purpose: The purpose of this ratio still needs to be developed for GRAP AFS. A Municipality with a high ratio than other Municipalities or with an exceptional increase in the ratio from one year to the next may indicate too high levels of stockholding.

Formula: Current assets less inventory/Current Liabilities

These figures are found on the face of the Statement of Financial Position.

Year 2004/05			Year 2003/04		
Current Assets less Inventory	Current Liabilities	Ratio	Current Assets less Inventory	Current Liabilities	Ratio
117,592,161	80,925,825	1.45: 1	92,104,055	69,368,854	1.33: 1

Analysis and Interpretation

- The norm for this ratio is 1.5:1, i.e. the Current Assets less Inventory must exceed the Current Liabilities by 150%.
- Although the ratio improved, compared to the previous financial year, it is still slightly below the norm.

The Municipality should operate within the norm.

▪ **Total Liability/Total Assets**

Purpose: This ratio gives an indication of the level to which the assets of the Municipality have already been utilised in the past, to take or incur debt.

Formula: Total Liabilities/Total assets

These figures are found on the face of the Statement of Financial Position.

Year 2004/05			Year 2003/04		
Total Liabilities	Total Assets	Ratio	Total Liabilities	Total Assets	Ratio
170,820,605	422,783,811	40.40%	160,655,864	372,982,700	43.07%

Analysis and Interpretation

- The norm for this ratio is for Total Liabilities not to exceed 57% of Total Assets.
- The ratio decreased by 2,67 percentage points as compared to the previous financial year, which represents an increase in the net asset position of the Municipality.

The Municipality should maintain the norm.

▪ **Net Cash Flow from Operations compared to total debt of the Municipality**

Purpose: The purpose of this ratio is to measure the ability of a Municipality to generate cash flow from operations that is then available to pay off debt of the Municipality.

Formula: Net cash inflow from operating activities less investing activities/ Total liabilities

The cash flow figures appear on the Cash Flow Statement and the liabilities figure appears on the Balance Sheet.

Year 2004/05		
Cash Inflow R	Total Liabilities R	%
272,278	170,820,605	-0.16

Analysis and interpretation

- The provincial average of 5% was established for the 2004/05 financial years.
- The municipality utilised more than its cash inflow from operational activities to invest in call deposits and fixed assets.
- Comparatives were not furnished due to GRAP conversion.

The management of this Municipality should maintain its cash flow management.

Conclusion

Based on the above financial analysis and interpretations, it is clear that the Municipality has the financial viability to ensure the delivery of sustainable and affordable services in terms of the IDP and Annual Budget for 2006/07.

PART 5

BUDGET 2006/07

1.1 Overview of IDP/Budget Process

This part of the report gives a brief overview of the 2006/07 IDP/Budget process undertaken to date and the key milestones that were achieved together with certain shortcomings that were experienced.

5.1.1 Corporate strategic planning

- Council received a detailed timetable in August 2005 on the new IDP/Budget process for the 2006/07 cycle.
- Certain inputs from the Director of Finance regarding budget reform and available financial resources have been incorporated in the Mayoral Speech.
- The new process started with a strategic review of priorities that included workshops with Councillors and Management. This exercise culminated in the Mayoral Speech presented to the Mayoral Committee on 31st August 2005. This speech was circulated to Ward Committees, the Evaluation Committee and OMAF during last year.

5.1.2 Business planning

Business planning input forms were sent out by the Budget office to the various departments and ward committees for completion.

However, the overall co-operation by the various stakeholders were not satisfactory due to certain aspects such as:

- a result of the unforeseeable organisational changes.
- the unexpected resignation of senior employees that have played an important role in the IDP/Budget process.
- Recess of Council from 6 December 2005 to 1 March 2006.
- the planning of the Local Government Elections on 1 March 2006 which also had an impact on the completion of the draft budget.

5.1.3 Public and stakeholder participation

- Guidance from the Mayoral Speech on likely size of the capital budget and the priorities identified for 2006/07 were available for information.
- Ward Committees and Managers were asked to identify new projects and/or put forward existing projects on the IDP.
- The Evaluation Committee was involved in the prioritising process. Valuable inputs were received from members of this committee.

A preliminary draft budget for 2006/07, outlining at a high level some of the key proposals relating to the operational and capital budgets, was submitted to Council during February 2006 for information purposes.

Thereafter, the Draft Budget together with further inputs and amendments served before the newly-elected Council for consultations during a Council meeting held on the 26th of April 2006.

The Final Budget for 2006/07 will be tabled before Council for approval on 31 May 2006. Furthermore, the draft resolutions as required by the MFMA, are also included as part of the Budget item report.

1.2 Executive Summary

National Treasury issued the following two circulars regarding the budget for 2006/07:

- MFMA Circular No. 19: Budget Process 2006/07 – 15 August 2005
- MFMA Circular No. 28: Budget Content and Format 2006/07 MTREF - 12 December 2005

The guidelines, as set out in these budget circulars, were brought into consideration during the compilation process of the budget.

The Service Delivery and Budget Implementation Plan (SDBIP) will be finalised after approval of the final budget and submitted to the Executive Mayor before 30 June 2006 for approval.

1.3 Operating Expenditure Budget

5.3.1 Summary

The total operational expenditure budget proposed for 2006/07 is R280,602 million compared to R256,277 million in 2005/06 and represents a 9,5% increase compared to a 16% increase of the 2005/06 budget. An analysis of the 2006/07 budget in terms of types of expenditure given in Annexure A in the Budgeted Income and Expenditure Statement is summarised in the following table:

Table 3: Increases in the 2006/07 Opex Budget compared to 2005/06 Adjusted Budget

	2005/06 Current Budget R'000	2006/07 Estimate R'000	% Increase / (Decrease)	% Compared to Total Expenditure
<u>Expenditure type</u>				
- Salaries and Wages	90,622	101,039	11,5%	36%
- General expenses	149,285	156,592	4,9%	56%
- Expenditure : agency services	12,884	5,745	-55,4%	2%
- Repairs and Maintenance	19,693	28,265	43,5%	10%
- Capital costs	29,019	36,448	25,6%	13%
	301,503	328,089	30,1%	
Less: Recharges	-45,226	-47,487	5,0%	-17%
Total Expenditure Budget	256,277	280,602	9,5%	100%
Deficit / (Surplus) before transfers	3,370	63,960		
Appropriations				
- Contr. to CRR: Income Budget	19,150	17,104		
- Contr. to CRR: Profit on asset sales	-	35,003		
- Transfer from Reserves	-15,780	-11,196		
- Capital Grants used to purchase PPE	-	23,049		
BUDGETED DEFICIT / (SURPLUS) FOR THE YEAR	NIL	NIL		

1.1.1 Explanation and discussion of major expense type

- **Salaries and Wages**

The 2006/07 budget for salaries, wages and allowances for the Municipality in total is R101,039 million which comprises 36% of the nett operation expenditure budget.

Cognisance should be taken that the percentage of 36% excludes the following aspects, which will definitely have a major impact on the decrease of the percentage of 36%:

- The labour cost of permanent staff that will be involved with the completion of capital projects, have not been brought into consideration. A 2,5% recharge cost would have a substantial effect on the percentage of salaries compared to the total expenditure.
- A portion of the total Recharges of R47,487 includes labour costs. This amount, however, has not been recharged directly against the Salaries and Wages (votes).
- The total estimates for salaries and wages also includes Councillors' remunerations.

The Executive Mayor made a request at a special budget meeting that Top Management must give consideration to the appointment of certain strategic posts such as law enforcement officers to further ensure the effectiveness and efficiency of the Administration.

The table below gives a fairer representation of the Council's total employee salaries and wages that is funded by tariffs and property rates.

Table 4: 2006/07 Salaries and Wages Budget

	Current Budget 2005/06 R	Proposed Estimates 2006/07 R	Remarks
Councillors' remuneration	2 446 730	4 768 518	Provision has been made for new increases as per Circular 19 of 2006
Council employees' salaries and wages budget from rates and tariff income	88 175 157	96 270 962	9,2% budget to budget increases
SALARIES & WAGES BUDGET	90 621 887	101 039 480	

The estimates make an assumption about the level of the 2006/07 pay award which is negotiated nationally and which has not yet been finalised.

The estimates assume a pay award of 6% plus one notch in 2006/07 and a total resultant increase of approximately 8%.

Provision has been made for restructuring of personnel and task implementation which amounts to R6,1 million and R2 million respectively. These provisions represent 9,2% which means that the budget to budget increase relates to the provision of this anticipated expenditure items. Bearing the last-mentioned in mind, it is quite clear that the savings on the provisions for salaries and wages on the current budget has been reallocated to accommodate the provision for salary increases for the 2006/07 financial year.

The total estimate figure of Councillors' remuneration includes proposed increases which are subject to approval thereof by the National Minister of Provincial and Local Government. Provision has also been made for a 6% increase for Councillors' remunerations.

Furthermore, the MFMA requires that the Budget Report contain a detailed analysis of the salaries and allowances of Councillors, the Municipal Manager and Directors. This information is given in Tables 5 and 6 respectively.

Table 5: Budgeted Councillor Salaries and Allowances for 2006/07

	No.	Salary: Upper Limits	Council's contr. to Pension / Councillor	Medical Aid / Councillor	Cell/ Telephone Allowance	Individual Salary & Allowance s	Total Salary & Allowance s
Executive Mayor	1	426,811	64,021	12,168	12,684	515,684	515,684
Deputy Executive Mayor	1	341,449	51,218	12,168	12,684	417,519	417,519
Speaker	1	341,449	51,218	12,168	12,684	417,519	417,519
Member of Mayoral Comm	2	320,108	48,016	12,168	12,684	392,976	785,952
Part-Time Councillors	14	128,043	19,206	12,168	7,920	167,337	2,342,718
TOTAL	19	1,557,860	233,679	60,840	58,656	1,911,035	4,479,392

- In addition to above-mentioned figures, provision has been made for a 6% increase.
- Councillors may structure their annual total remuneration package to include a housing allowance.
- A travelling allowance of not more than 25% of the annual total remuneration package of a Council concerned, as determined in item 5 of Circular 19 of 2006, and which allowance includes the runn and maintenance costs up to 500km per month.

Table 6: Budgeted Remuneration Packages for Top Management for 2006/07

	Salary	Perform Bonus	Council's contr. to Pension	Council's contr. to Med Aid	Council's contr. Group Ins	Office Allow.	Sundry Allow.	Travel Allow.	Total Salary & Allowances
Municipal Manager	494,723	56,398	111,313	26,333	0	17,359	15,314	124,240	845,680
Director Finance	417,354	41,201	74,162	19,759	7,120	0	4,335	138,839	702,770
Director Corporate Serv	361,195	35,585	64,053	26,333	6,149	0	4,156	122,135	619,606
Director Local Econ Dev	297,860	29,786	53,615	0	5,147	0	14,147	137,921	538,476
TOTAL	1,571,132	162,970	303,143	72,425	18,416	17,359	37,952	523,135	R 2,706,532

- The above-mentioned remuneration packages are subject to restructuring in terms of the individual contracts of employment.

• General Expenses and Repairs & Maintenance

Most items classified under these two headings have been increased from the 2005/06 adjusted budget by the estimated general rate of inflation. Various budget savings have been allocated mainly to contingency and repairs and maintenance budgets. This virement between the votes have contributed to a decrease in the General Expenses, whilst the provision for Repairs and Maintenance show a major increase.

The main exception to this is the Electricity Bulk Service Purchases Budget which in addition to inflation (6,89% notified by Eskom) has been increased by the estimated growth in the local number of households that will consume electricity (4% growth assumed for 2006/07).

• Agency Services

No provision has been made for expenditure from the Marine project due to the fact that the contract between the two government spheres will not be continued in the new financial year. Expenditure from the other two agency services, namely the Protea project and Health Services, will be ring-fenced as from 1 July 2006.

• Equitable Share: Low Income Subsidy

The low income subsidy budget (R9,7 million for 2006/07) makes provision to fully fund the Council's Indigent Policy. This means that for an indigent household (on the pre-paid system) the subsidy will be R210 per month and for a poor household, R105 per month (plus relevant % increase of tariffs for 2006/07).

(This includes residents (account holders) who are unemployed and/or receiving a social pension or income per household that is equal or less than the amount of two social pensions from government.)

A revised Indigent Policy will serve before Council on 31 May 2006 for approval.

- **Basic Services Projects Local Labour Promotion Project (LLPP)**

Provision has been made for R2,5 million to promote the LLPP. Projects such as stormwater, roads, cleaning project, etc. will be undertaken in the entire Overstrand. All Project Managers are encouraged to promote the LLPP concept and to make a contribution towards Local Economic Development. The concept entailed the delivery of services to decrease the municipal debt and was awarded a platinum trophy at the Impumelelo Innovations Awards Ceremony held in Cape Town on 10 December 2005. It should be noted that the LLPP concept is an Overstrand Municipality initiative. A new Manager's post has been approved by the Municipal Manager to enhance and promote local economic projects to speed up the process of empowering and uplifting local entrepreneurs, especially emerging businesses of PDI groups.

- **Contribution to Working Capital**

This contribution is made to a provision on the Council's Balance Sheet which funds the write-off of irrecoverable debts. The contribution (R2,5 million) is significantly reduced from the previous budget level because it has been assumed that the full implementation of the Council's Indigent Policy will reduce the level of irrecoverable debts.

- **Contributions to/from Funds**

Provisions have been made for appropriations as shown on Annexure A. These changes were made in accordance with guidelines of National Treasury and GRAP.

The 2006/07 budget proposes that a contribution is made from the operational budget to the Capital Replacement Reserve to part-finance the 2006/07 Capital Budget. A further requirement of GRAP is that provision must be made for expected profits from sale of municipal land and property. Provision has been made for an amount of R35 million for profit on the new Golf Estate development project.

1.1.2 Contingency Budgets

Several contingency budgets are being proposed for the 2006/07 budget. The corporate contingency budget vote of R1,7 million will be allocated, and utilised during the course of the year as indicated below.

Furthermore, it is proposed that the following conditional contingency budgets be allocated to Top Management as indicated below:

Table 7: Contingency Budgets

Contingency description	R'000	Remarks
1. Repairs and maintenance	3 000	Delegated powers to Director of Corporate Services – requests/ motivations should be made by the Operational Managers to utilise funds.
2. Roads (contingency: resealing)	3 700	Detailed Business plan to be completed together with SDBIP – for approval by the Executive Mayor.
3. Service delivery: DCS : DPLED	100 100	Should only be utilised for LED and basic services in PDI areas
4. Financial Management: DOF	100	Should be utilised to improve accounting systems, internal control measures.
5. Corporate contingency: MM DCS: Director Corporate and Public Services DPLED: Director Planning & Local Economic Development DOF: Director Finance MM: Municipal Manager	1 700	Should be utilised only for unforeseeable items and emergency and disaster management expenses. Furthermore, to cover costs of the risks mentioned in section 5.3.4 below.

The above-mentioned budgets (items 1 and 2) must only be used for any emergency and unforeseen repairs and maintenance costs. The contingency amounts (item 3) must only be used for basic service delivery in PDI areas and for the promotion of LED projects of PDI groups. The contingency amounts (items 1 to 5) must only be used to build capacity in

the Financial department. Council is asked to delegate the spending decisions relating to these contingency budgets to the relevant Directors and Municipal Manager. The LLPP concept should be considered and promoted during the planning process of each project to ensure optimal economic and developmental upliftment of indigent, unemployed people in our communities.

All the requirements of the MFMA (such as supply chain management and contract administration) must be adhered to, as well as the above-mentioned guidelines. The budget holders of contingency funds must report back to Council every quarter, in the performance and budget monitoring report, on any allocations made from these budgets. Any under-spends on these budgets should be viewed as being beneficial, in terms of financial performance, and it is recommended that whilst the under-spends have to be shown as a year-end surplus, the amounts should as a matter of priority be appropriated at the year end to the Capital Replacement Reserve (CRR) to fund future capital budgets.

Reasons for establishing Contingency Budgets are as follows:

- The main reason for establishing and increasing of these votes is that, in undertaking the 2006/07 budget process, it became apparent that each individual manager was often estimating for the “worst case” scenario in their budget estimates. This increases the overall operational budget beyond a level that is reasonable considering the overall risk to the Council such as fruitless and unauthorised expenditure, which does not represent value for money to the tax payers.
- Another reason for establishing the Repairs and Maintenance contingency vote is that many Managers with maintenance responsibilities do not start to spend their normal annual Repairs and Maintenance budgets until later in the financial year once they know they will have no “emergency” or unforeseen works to undertake. The establishment of a contingency should hopefully encourage them to take a less risk-adverse approach so they can start to spend the Repairs and Maintenance budgets more rationally from the start of the new financial year.

Finally, it will also ensure that all Managers follow the supply chain process and to ensure that projects are undertaken in a strategic, integrated, cost-effective and accountable manner.

5.3.4 Key Risk Areas in the 2006/07 Operational Budget

The following are the key risk areas in the budget which will need to be closely monitored over the course of the 2006/07 financial year.

- Changes in seasonal weather patterns from the norm can decrease the consumption of water and/or electricity services and whilst this is beneficial in environmental terms it does put at risk the achievement of the income budget.
- Further future power failures by Eskom supply network can result in a loss of income and other related costs (such as the hiring of generators, additional labour costs, etc.) to Council.
- A cut-back on the level of overtime payments will require active management by the Managers and Directors to keep the expenditure within the new budget.
- Proposed 2006/07 savings in the contributions to Group Life Insurance, Medical- and Pension Fund rely on the fact that in the past a “worst case” amount was budgeted for every employee. If every employee does take up these benefits then the savings will not materialise.
- Limited provision has been made in the 2006/07 budget for the implementation of Tuned Assessment of Skills and Knowledge (TASK). This is a job evaluation system which is currently being carried out for all posts in the Municipality. Current salaries will be compared to national norms for the level of job being evaluated. After evaluation, an employee will be entitled to the higher remuneration in terms of a Bargaining Council agreement.

5.4 Operating Income Budget

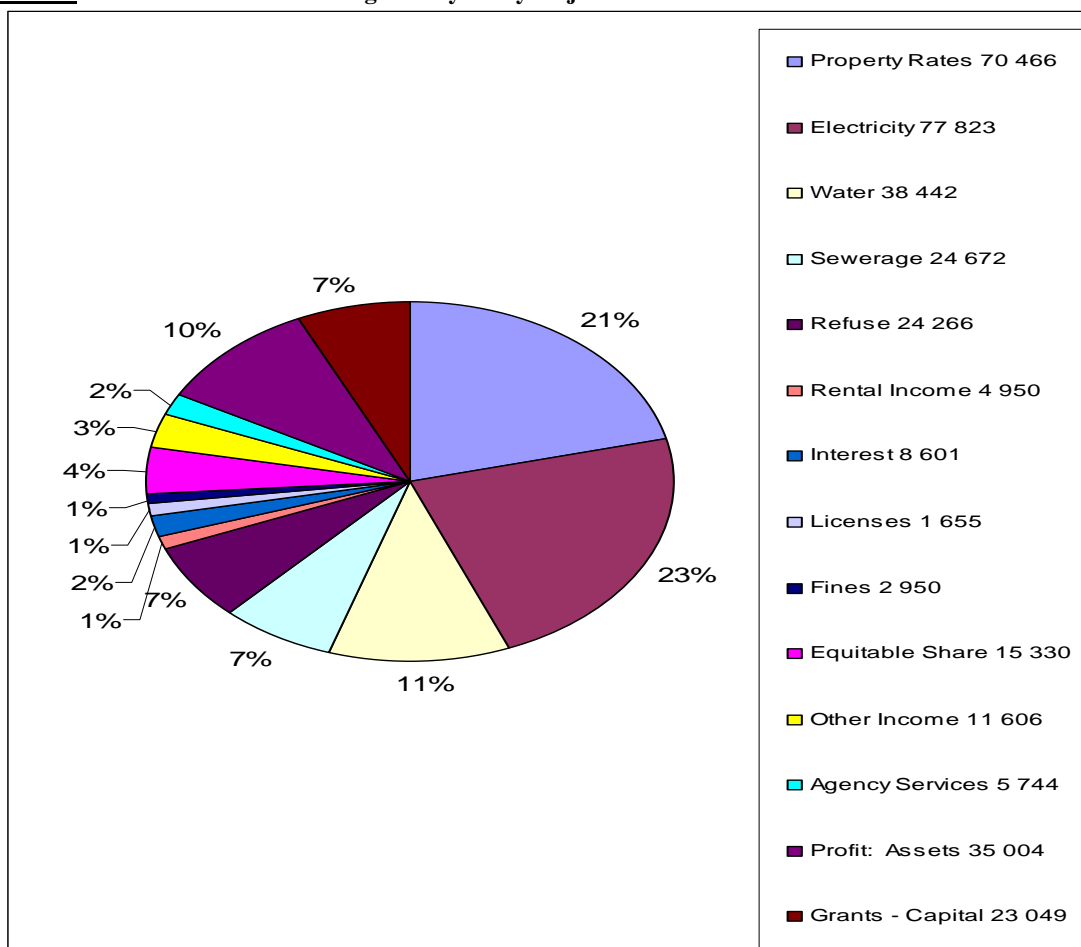
5.4.1 Summary

The total operating income budget proposed for 2006/07 is R344,563 million. This compares with R259,647 million in the 2005/06 adjusted budget and represents a 32,7% increase. An analysis of the 2006/07 budget in terms of income source is given in Annexure A.

This increase is substantially higher compared to the increase of 22% in 2005/06. The total operational income includes Capital Grants of R23 million from Government and R35 million expected provision for profit on the Golf Estate development and income from Agency Services of R5,7 million. The budget-to-budget increase of the operational income estimates (excluding above-mentioned income) is 13,7%.

The budgeted income in terms of income source is summarised in the chart below:

Chart 1: The 2005/06 Income Budget analysed by major source of income



5.4.2 Budget methodology undertaken

An incremental budgeting approach was adopted in respect of the income budget. The 2005/06 adjusted budget was increased by property, tariff rates and user fee increases proposed in this budget. It was assumed that the growth of the local economy would result in resultant increases in the use of electricity and other municipal services of 4,5% and 3% respectively.

1.1.1 Income Sources

- **Income from Property Rates**

The property rate for businesses has been set at a higher level (15% more on average). This additional percentage increase is the same as the increase for 2005/06.

The higher rate for business properties will cover the ±R819,000 contribution Council makes to the costs of tourism and economic development and R33,000 for rebates for certain qualifying B & B's and Guest Houses.

A meeting between the Executive Mayor and the business sector of Overstrand were held to discuss certain issues pertaining to tourism and economic development.

The property rate for residential properties has risen by 4,5% from the 2005/06 tariff on average.

The Council's Property Rates Policy allows discounts to residents and businesses. Under the new Property Rates Act the 2006/07 budget must show the total rates income with the cost of the discount and exemptions allowed as part of the expenditure budget. This amendment has been made in the 2006/07 draft budget.

- **Income from Tariff Services**

The tariffs for water, sewerage and refuse collection have increased on average by 5% from 2005/06 tariffs. Despite the Eskom increase of 6,89%, tariffs for electricity will increase by only 6,5%. The difference of 0,39% will be subsidised by Council from accumulated surpluses.

A basket of tariffs for 2006/07 is attached hereto as Annexure B.

- **Other Income**

This category comprises all the rest of the income received by the Municipality, primarily from user charges. The most significant individual items in this category are income from building plan fees, court fines and vehicle registration fees.

- **Grants, Subsidies and Agency Income Received**

The MFMA requires that detailed information is given with respect to all grants and subsidies received by the Municipality (summarised below).

Project descriptions	2006/07	2007/08	2008/09
National Treasury			
Equitable Share	12,213,000	14,240,000	16,302,000
Contr. to Councillor Remuneration	806,000	633,000	662,000
Financial Management Grant	500,000	500,000	500,000
Municipal Infrastructure Grant (MIG)	4,389,000	4,060,000	3,552,000
Integrated National Elec Programme	500,000	520,000	585,000
TOTAL NATIONAL	18,408,000	19,953,000	21,601,000
Provincial Grant			
Housing	16,500,000	15,890,000	8,218,000
Project Preparation Grant – Sewerage	63,000		
Main Road Subsidy	1,118,880		
Systems Improvement Grant		150,000	150,000
TOTAL PROVINCIAL	17,681,880	16,040,000	8,368,000
Provincial: Agency Services			
Working for Water (Protea Project)	5,056,751		
Health Services – Clinics	687,856		
TOTAL AGENCY SERVICES	5,744,607	0	0
TOTAL: NATIONAL and PROVINCIAL	41,834,487	35,993,000	29,969,000

Grants from Central Government comprise the Equitable Share, Financial Management Grant (which funds the costs of the MFMA Change Project). Subsidies are received from Province to part-fund the capital budget. In addition, the Municipality is fully reimbursed for the Protea project and the Health Clinics costs by Province.

- **Interest and Investment Income**

This comprises primarily of the interest income received from investing the cash in the Unappropriated Surplus, interest received on cash held in the Council's bank account and interest on debtors' arrears.

5.5 Capital Budget

5.5.1 Background of developmental needs

Forth flowing from the discussions mentioned in Part 4 of this Budget report, the following needs are highlighted:

The Municipality has a large backlog both in investing in new and upgrading existing bulk infrastructure. The estimated capital investment required in total is in the order of some R450 million.

The growth in local population (including the higher in-season population) has been 43% over the last 5 years. It is anticipated to grow over the medium term by more than 5% annually. This puts pressure on both the capital and operational budgets. The construction costs in the area are increasing by some 20%-25% annually. Forth flowing from the above-mentioned demand for urgent capital services, the Executive Mayoral Committee decided to increase the capital budget for 2006/07 substantially. However, Council's current financial position is sound and the additional capital cost will not result in an additional increase of rates and tariffs.

Further details regarding the funding of the capital budget is given in paragraph 6.7.

5.5.2 Summary

The total capital budget proposed for 2006/07 is R106,649 million. This is a 63% increase from the 2005/06 adjusted budget of R65,398 million. The capital budget votes are shown in the attached Schedules 3(a) and 4 to provide more information. The following table presents a summary of the capital votes and financing sources:

Table 8: Summary of 2006/07 Capital Votes

Sports and Recreation	1,6%	1,672,950
Electricity	17,8%	19,004,000
Fire Fighting	0,4%	390,000
Housing	18,6%	19,890,000
Information Technology	0,7%	765,000
Vehicles	2,8%	3,000,000
Roads	9,6%	10,213,000
Property Services	10,5%	11,230,000
Sewerage	11,8%	12,620,000
Solid Waste	3,7%	3,940,000
Stormwater	8,5%	9,030,195
Water	14,0%	14,893,855
TOTAL		106,649,000

Table 9: Financing of the 2006/07 Capital Budget

Capital Funding by Source	Amount R'000	Percentage
Total Government Grants and Subsidies	21,779	20%
Public Contributions and Donations	1,270	1%
Capital Replacement Reserve (CRR)	41,600	40%
External Loans	42,000	39%
	R 106,649	100%

5.5.3 Comparison of Capital Budget

The following table shows a comparison between the 2006/07 and 2005/06 Capital Budgets per category:

Table 10: Capital Budget Votes 2005/06 and 2006/07

Capital Budget	Basic Capital Replacement Reserve R'000	External Loan R'000	Ad-hoc Grants R'000	Total Budget R'000
2006/07	41,600	42,000	23,049	106,649
2005/06	24,563	21,000	19,835	65,398
DIFFERENCE	17,037	21,000	3,214	41,251
INCREASE	69%	100%	16%	63%

5.6 Sources of Funding: Operating and Capital Budget

5.6.1 Funding of Operating Budget

Each source of funding was examined with a view to its optimisation within affordability levels.

Annexure 6 of the MFMA Circular 28 provides some guidance on what should be covered under each of the following sub-headings:

- Rates, tariffs and other charges;
- Savings and efficiencies;
- Investments;
- Grant allocations;

- Contributions and donations;
- Sale of assets;
- Carry Over;
- Proposed Future Revenue Sources; and
- Borrowing.

5.6.2 Funding of Capital Budget

5.6.2.1 Council : Internal Funds

The total Council Funded Capital Budget proposed for 2006/07 is R83 million. It is intended to finance the 2006/07 Council-funded capital budget with an external loan of R42 million and by using the Capital Replacement Reserve for the remainder of the R41,6 million.

The costs to the operational budget of financing the capital budget are included in the Medium Term Financial Forecast.

The prioritising process with regard to the amount of R10 million which was put aside for the newly-elected Council, has been completed and the identified projects included in the Capital Budget.

The Executive Mayor has indicated that R8 million should be spent on urgent infrastructure needs, whilst R2 million was allocated to the new Ward committees to identify urgent capital projects in their communities.

5.6.2.2 Ad-hoc Capital Budget

The ad-hoc capital budget refers to these capital projects which will be funded from external sources, primarily grants from other spheres of government. **Only those projects which have secured the funding, and for which a definite letter from the donor organisation has been received, are included in the capital budget.**

As further funding is secured during the course of 2006/07, Council will be asked to approve the capital budget as part of the ad-hoc capital budget.

Projects for which external funding is already secured for 2006/07 is shown below:

Project descriptions	2006/07	2007/08	2008/09
Municipal Infrastructure Grant (MIG)			
Electricity: Gansbaai lighting Masakhane	310,650		
Electricity: Gansbaai lighting Eluxolweni	462,300		
Water: Kleinmond booster pump	1,036,659		
Water: Stanford reservoir & pipeline	1,311,196		
Stormwater: Zwelihle Ph 1 upgrading	1,268,195		
TOTAL MIG FUNDS	4,389,000	4,060,000	3,552,000
Provincial Grant			
Housing: Stanford (489 units)	7,335,000	9,780,000	
Housing: Kleinmond (611 units)	9,165,000	6,110,000	8,218,000
Housing: Resettlement of informal houses	390,000		
Systems Improvement Grant		150,000	150,000
TOTAL HOUSING GRANTS	16,890,000	16,040,000	8,368,000
Public Contributions – Bulk Services			
Gansbaai Multi Purpose	270,000		
Electricity: Church & CBD 3 phase electricity	1,000,000		
TOTAL PUBLIC CONTRIBUTIONS	1,270,000	0	0
Integrated National Electrification Prog			
Electricity: Hawston Housing proj connections	500,000		
TOTAL INEP	500,000	520,000	585,000
TOTAL AD-HOC CAPITAL BUDGET	23,049,000	20,620,000	12,505,000

5.6.3 2006/07 Forecast Financial Position

Table 11: Estimated Year End (2006/07) Position on the CRR

Figures in R'000s	Capital Replacement Reserve (CRR)
Estimated balance c/fwd from 2005/06	-13,553,752
Budgeted to be used in 2005/06	28,918,000
Budgeted Contribution for 2005/06	-37,150,080
Land sale proceeds – 2005/06 (actual)	-3,670,477
Estimated Balance C/Fwd	-25,456,309
Contributions for 2006/07	-17,103,904
Provision for land sale proceeds – 2006/07	-35,004,382
TOTAL ESTIMATED BALANCE 2006/07	-77,564,595

The key funds and reserves for determining the financial health of the Municipality are as follows:

- **Capital Replacement Reserve (CRR)**

The purpose of the CRR is to set aside cash to finance the capital budget either in the current financial year or in the future. The amount of cash in the CRR should reflect the Municipality's capital investment needs, its ability to borrow, the availability of government grants and the Municipality's ability to make contributions to the CRR from the Operating budget.

It is foreseen that the CRR will have an amount of R42,560,213 plus a further expected R35 million from the Golf Estate development project available which will be used to part-finance the 2006/07 Capital budget.

- **Unappropriated Surplus**

This reserve can be used to finance both capital and operational expenditure, but since it takes years to build up to a significant level, it must be used "wisely". The cash in the reserve is invested and the resultant interest income (average of R4,5 million annually) is used as a source of finance for the Operational Expenditure budget. Any use of the

Unappropriated Surplus would reduce the interest income and would necessitate a rise in property rate tariffs to compensate the shortfall.

PART 6

BUDGET ASSUMPTIONS AND LINKAGE TO IDP

6.1 IDP Linkage to Budget

6.1.1 Identification of strategic priorities/priority interventions in the IDP

The IDP identifies five strategic objectives, each of which are further broken down into programme objectives and associated with an action plan to facilitate the attainment of the objectives. Each action plan in turn has defined inputs, outputs and outcomes. These strategic and programme objectives have been aligned to the Operating- and Capital Budget to give a high-level summary of the total allocation of the Annual Budget for 2006/07.

The alignment of strategies as well as the integration of programmes between the various Directorates of Council and other spheres of government is becoming increasingly important. This will ensure optimal use of available resources, cost-effectiveness of projects and the strengthening of inter-governmental relations.

The Overstrand is indeed setting a good example by its willingness to partake in the Financial Reform Programme of National Treasury and their involvement in the Protea and Marines projects. The Municipality performs a multi-functional role in these projects, thereby enhancing the integrated objectives of government and at the same time promoting its own local objectives, such as local economic development, nature conservation, etc.

Strategic and programme objectives as per the IDP are presented in Table 12 below.

Table 12: Linkage of 2006/07 Budget to IDP

Strategic Objectives	Action Plans	Capital Expenditure	Operating Expenditure	Income
Management and Conservation of the natural environment	Environmental Conservation	0	8,793,810	6,126,690
	TOTAL	0	8,793,810	6,126,690
Creation and Maintenance of a safe and healthy environment	Traffic & Law enforcement	0	7,492,147	5,327,750
	Fire Fighting	390,000	2,737,470	0
	Disaster Management	0	649,350	0
	Plot Clearing	0	997,430	435,720
	Health	0	687,860	687,860
	Licensing & Vehicle Testing	0	1,121,440	0
	TOTAL	390,000	13,685,697	6,451,330
Promotion of Tourism and Economic Development	Economic Development	0	3,783,178	0
	Town Planning	0	2,137,850	410,330
	Tourism	0	819,000	0
	TOTAL	0	6,740,028	410,330
Provision of Democratic and Accountable Governance	Council	0	621,300	806,000
	Mayor's Office	0	767,340	0
	Municipal Manager	3,000,000	1,248,740	100
	Area Managers	0	2,601,140	965,580
	Finance	2,860,000	25,635,927	81,609,730
	Human Resources	1,505,000	584,300	630,000
	Property Services	0	5,258,386	213,000
	Administration	2,490,000	3,157,720	178,290
	IDP Office	0	190,900	0
	Infrastructure and Planning	0	11,120	0
	Building Survey	0	2,443,810	3,123,110
	TOTAL	9,855,000	42,520,683	87,525,810
Provision and Maintenance of Municipal Services	Library Services	0	4,362,638	139,610
	Building: Civic and Other	4,110,000	1,771,560	359,380
	Cemeteries	1,030,000	1,200,090	125,120
	Sport and Recreation	1,672,950	14,396,600	4,361,680
	Cleansing Services	3,940,000	28,411,836	30,751,080
	Sewerage	12,620,000	24,857,928	26,629,380
	Stormwater	9,030,195	3,242,790	0
	Streets	10,213,000	21,485,000	1,118,880
	Water	14,893,855	33,663,050	41,984,760
	Electricity	19,004,000	70,463,470	79,389,010
	Housing	19,890,000	5,007,110	1,136,580
	TOTAL	96,404,000	208,862,072	185,995,480
		106,649,000	280,602,290	286,509,640

The following section analyses the linkages between the IDP and the total and capital budget.

6.1.2 Broad Alignment to the Total Budget

The above-mentioned table shows high-level linkage of the IDP to the Operating- and Capital Budget. The allocations towards the various strategic objectives should, however, be viewed in a holistic and integrated perspective.

The following examples should be mentioned:

- **Provision for Housing**

Given the importance of housing, it is a concern that all related expenditure such as provision for basic services, infrastructure investment and an increase in subsidy of municipal services and/or local economic development should be brought into consideration as part of the planning process.

There are 10 informal settlements in the Overstrand municipal area, with electricity services lacking and poverty and unemployment at the highest levels in these areas. It has been estimated that the backlog of approximately 9,500 subsidised housing units will exist over the next 2 – 3 years.

There are clear correlations between households qualifying for low-cost subsidised housing and those households qualifying for indigent subsidies.

In 2006/07, 4,4% of the budget is allocated to the Indigent Policy. The allocation is projected to increase at an annual average rate of 9,7%, reaching R14,686 million in 2008/09. Based on its above-average growth, the Indigent Policy, therefore, appears to be prioritised in the budget as a key area of concern for the Municipality.

- **Local Economic Development**

Based on the above-mentioned facts, it is crucial for local economic development to be enhanced. It should especially be promoted amongst the previously disadvantaged groups to assist emerging entrepreneurs in benefiting from business opportunities and to ensure the fair distribution of wealth.

The Overstrand Municipality initiated the Local Labour Promotion Project (LLPP) to empower and uplift PDI groups. An amount of R2,5 million has been allocated to further promote the LLPP concept. Various other maintenance and capital projects have been

identified as potential LLPP projects, such as cleaning services, stormwater projects, roads maintenance and paving.

Forth flowing from the above, the Municipal Manager identified the need for a Manager's post to enhance and promote local economic projects in a sustainable manner.

▪ **Provision of Basic Services and Infrastructure Development**

Based on the rapid growth in local population (as stated in section 5.5.1), the need for basic services and infrastructure has been identified as a high priority. The 63% increase of the Capital Budget for the coming financial year underlines the commitment of Council to address the needs of the community.

▪ **Provision for Capital Projects in PDA**

One of Council's core focus areas is to speed up the process of provision of capital infrastructure investments in under-developed areas.

The following table contains more information:

Capital Budget Per Category	PDA Area	Council- funded	Ad-Hoc	TOTAL
Sports & Recreation	Masakhane		772,950	
	Mnt Plt, Zwl, Hwstn	250,000		
		250,000	772,950	1,022,950
Electricity	Fisherhaven	50,000		
	Hawston	200,000	500,000	
		250,000	500,000	750,000
Housing	Stanford		7,725,000	
	Hawston (LLPP)	3,000,000		
	Kleinmond		9,165,000	
		3,000,000	16,890,000	19,890,000
Property Services	Mount Pleasant	410,000		
	Hawston	880,000		
	Overhills	25,000		
		1,315,000	0	1,315,000

Capital Budget Per Category	PDA Area	Council- funded	Ad-Hoc	TOTAL
Roads	Kleinmond	30,000		
	Gansbaai (Bev Hills)	30,000		
	Mount Pleasant	250,000		
	Zwelihle	1,785,000		
	Hawston	1,730,000		
	Proteadorp	20,000		
		3,845,000	0	3,845,000
Sewerage	Blompark	3,700,000		
		3,700,000	0	3,700,000
Stormwater	Mount Pleasant	350,000		
	Zwelihle	150,000	1,268,195	
	Hawston	2,340,000		
		2,840,000	1,268,195	4,108,195
Water	Pearly Beach	50,000		
	Fisherhaven	250,000		
	Overhills		1,036,659	
		300,000	1,036,659	1,336,659
PDA GRAND TOTAL		15,500,000	20,467,804	35,967,804

6.1.3 Linking new non-transfer expenditure by provincial line departments and the Municipality in Overstrand

In January 2006 (Budget Circular 6 of 2006/2007 and Treasury Circular 2/2006), the Provincial Treasury requested Municipalities to list all their new expenditure or allocations, which will result in a new service, project, facility or major upgrade. The provincial Department of Education indicated they will be spending R575 000 for additional classrooms at public schools in Overstrand. Furthermore, in 2006/07 the Department of Health will spend: R6,3 million for an ambulance station in Hermanus; R2,2 million for the Stanford community health centre and R2,98 million for an upgrade to the Hermanus hospital. The Department of Transport and Public Works also plans to spend R30 million in 2006/07 and 2007/08

to upgrade and improve the C527.04 Mount Pleasant - Hermanus road. ***It will be important for the Municipality to take this into account with respect to their own expenditure plans, in order to align provincial and municipal spending plans in the area.***

6.2 Budget Assumptions

6.2.1 Revenue Assessment

6.2.1.1 Revenue Liquidity Assessment

Annexure A shows the total revenue budgeted by the Overstrand Municipality, which amounts to R344,563 million in 2006/07. This is R84,91 million or 32,7% higher than what had been budgeted for in 2005/06. Total revenue is projected to increase at an annual average of 7,9% over the MTIEF to R345,68 million in 2008/09.

Budgeted revenue for 2006/07 include R49,16 million in transfers (National and Provincial) and transfer from reserves of R11,2 million.

National and Provincial transfers increase by 134,2% from R16,21 million in 2005/06 to R37,96 million in 2006/07 and is projected to increase at an annual average of 1,1% to R16,76 million in 2008/09.

Transfers from Reserves decrease by 29% from R15,78 million in 2005/06 to R11,20 million in 2006/07 and is projected to further decrease at an annual average of 12% to R10,75 million in 2008/09.

Own revenue, derived from service charges property rates and other sources is budgeted at R280,765 million in 2006/07. This represents an increase of R33,852 million or 12% higher than the R246,913 million budgeted in 2005/06. Own sourced revenue is expected to reach R336,058 million in 2008/09.

6.2.1.2 Operating Revenue

Operating revenue for 2006/07 comprises of own revenue and other sources, including grants and subsidies.

Profit on sale of assets is the main contributor to other operating revenue R35 million in 2006/07 and this is a once off transaction over the MTIEF.

Sources of own revenue include property rates, electricity, water, sewerage, refuse removal and other revenue.

1.1.1 Cash Management Assessment

In accordance with the information supplied, the municipality should be able to meet their cash flow requirements for 2006/2007.

Comments:

It is noted that the interest on external investments is increasing by 134,53%. The assumption is made that additional funds will be available for investment during the 2006/2007 financial year.

Operating income& expenditure for the period 1 July 2006 to 30 June 2007				
Description	06/07	2005/06	Variance between 2005/06 & 2006/07	Percentage increase
Interest earned external investment	6,669,310	2,957,410	3,711,900	125,51

PART 7

MEDIUM TERM FINANCIAL FORECASTS (MTFF)

7.1 Overview of MTFF

The figures shown in this Budget Report and its Annexures for the financial years 2006/07 and 2007/08 are forecasts and not budget votes for Council approval (except for the capital votes for 2007/08 and 2008/09). The forecasts give a best estimate, as at the time of writing this Budget Report, of some of the influences and challenges that lie ahead and the Council's general intention for the budget over the medium term. The forecasts, therefore, are not set in stone and will be revisited in the 2007/08 IDP/Budget process.

As Annexure A shows, the operational budget forecasts for 2007/05 and 2008/09 are, at this point in time, in a break-even position in terms of expenditure being equal to the forecast income.

The Council's financial objective over the medium term is for increases in property rates, tariffs, for user charges to be affordable and sustainable by being in line with general price inflation. This objective is a key factor in budget decision-making.

It is likely, however, that tariffs for particular services may need to rise above inflation if significant infrastructure works are undertaken for the services in question. Such rises in the tariffs will be needed to fund the resultant operational budget costs of the capital investments.

The above-mentioned, however, does not include any possible future land sale proceeds, which could be used as a contribution to the CRR to finance capital projects. Another financing source of the capital budget is the grants from other spheres of government. The Municipality needs to increase its ability to bid for all relevant grant funding opportunities. The latter will have a favourable impact on the MTFF and will most certainly be of great help to Council to render sustainable services at affordable user charges and property rates.

6.2 Way Forward – Strategic Planning over the Medium Term

The Council's objective to keep rate and tariff increases affordable and sustainable by limiting the increases, will require some difficult budget decisions, such as:

- All services will need to be reviewed in order to assess whether the service is “core business” or whether the service is either low priority or non-statutory.
- The service levels that the Municipality will work to and can afford will need to be agreed by Council and the community and be published.
- Alternative ways of providing services need to be actively investigated. Business Process Re-engineering reviews should be undertaken to identify both more efficient and cost-effective ways of delivering services.
- A proper housing development plan should be compiled to determine total financial implication and impact of future housing projects on the operational and capital budgets. The benefits/contribution/liability of these projects towards local economic development should also be investigated.

7.3 Key Financial Challenges over the Medium Term

7.3.1 Loss of Income Arising from RED1

The MTFF at this stage does not make any allowance for the fact that the Municipality’s electricity service will be taken over by the Regional Electricity Distributor (RED1). It is currently unclear when the service will transfer and what the financial consequences will be to the Municipality. Tariff income from the electricity service currently subsidises other municipal services and the loss of such income (either wholly or partially) will have a significant financial impact on the Municipality’s budget.

7.3.2 Large Backlog in Infrastructure Investment

The Municipality has a large backlog both in investing in new and upgrading existing bulk infrastructure. The capital investment required in total is in the order of some R200 million. This challenge means the Municipality needs to maintain the capital budget at least at its current level (R27 million per annum excluding external grant funding). This, however, puts extreme pressure on the operational budget (discussed in 7.3.3 and 7.3.7 below).

7.3.3 A Growing Local Population Increasing the Demand for Municipal Services

The growth in local population (including the higher in-season population) has been 43% over the last 5 years. It is anticipated to grow over the medium term by some 3 – 5% annually. This puts pressure on both the capital and operational budgets. For the former, there is the need to fund

the supply and enlargement of infrastructure. In the latter, the pressure is increasing service delivery and this largely has meant an increase in the number of staff that needs to be employed.

1.1.1 Increase in Low-Cost Housing

Major low-cost housing developments are being initiated by the Council with central government capital funding. The projects will result in 4,355 new homes in the area over the medium term. These developments will tend to mean that service delivery budgets (and the low income subsidy budget) will need to be increased but without any compensating increase in rates and tariff income. As a preliminary estimate, the increase in the low-income subsidy budget alone, assuming all the new households are indigent households, will be some R10 million annually.

1.1.2 Unfunded Mandates

The Municipality continues to fund services for which it is not mandated and for which it receives only partial funding from the proper sphere of government. It continues to run these services because they are locally very important services.

1.1.3 Inflationary Pressures above General Price Inflation (CPIX)

All Municipalities face cost pressures above the level of general price inflation. The two biggest challenges are the staffing budget (where nationally negotiated pay awards tend to result in above-inflation pay deals) and the capital budget (where construction costs are increasing between 15-25% annually).

1.1.4 Size and Funding of Capital Budget

The size and financing of the capital budget are key strategic financial issues as they both have a direct impact on the size of the operational budget. The costs to the operational budget are the costs of any external borrowing (interest charges), the costs of depreciation (only for assets that are financed by external loan) and increased maintenance and running costs. These costs can be lowered if capital projects which benefit the operational budget are approved by Council (for example, projects that replace old equipment/infrastructure with new so as to make it cheaper to maintain).

There are essentially three main ways of financing the capital budget: from the operational budget (via a contribution to the Capital Replacement Reserve (CRR)) – this also includes proceeds from land sales), from external borrowing and from grants from other spheres of government.

The latter source of finance is restrictive because capital projects have to be in line with the priorities established by the grant-giving bodies.

The 2006/07 budget proposals make allowance for a significant proportion of the capital budget (40%) to be funded from the operational budget (via a contribution to the CRR). This contribution will need to be continued and increased over the medium term if the Council is to maintain the current size of the capital budget. The use of external borrowing needs to be limited as the costs of borrowing on an annual basis have an increasingly adverse effect on the operational budget in terms of affordability.

PART 8

(121)

PART 8

WORD OF APPRECIATION AND CONCLUSION

My appreciation and thanks goes to the Municipal Manager, Councillors and Ward Committees for their inputs and commitment during the budget process.

To my fellow Directors and Senior Management, a word of acknowledgement for their contribution towards the finalisation of this budget document.

The functioning of the budget unit is dependant on the responsible staff and I wish to express my appreciation to them for their loyalty and their efficient and willing services.

To conclude:

This is a well-balanced Budget – in order to give effect to all the challenges the Municipality faces in maintaining the set level of service delivery, it is imperative that the Municipality remains financial viable.

It is, therefore, essential that sound and prevalent financial management practices and policies are adhered to and that consumers contribute to this by paying for the services they utilise.


.....
R.F. BUTLER (AIMFO)
DIRECTOR OF FINANCE

23 MAY 2006
.....
DATE

PART 9

REFERENCES

Draft Budget document : 2006/07 : 26 April 2006

**National Treasury : MFMA Circular 28 : Budget Content and Format –
2006/07 MTREF**

Provincial Treasury : Financial Health and Draft 2006/07 Budget Assessment

Budget Project Team:

R. Butler : Director of Finance

B. King : Capital and Operational Budget Co-ordinator

L. Tait : Capital Budget Assistant

G. Willemse : Operational Budget Assistant

ADDENDUM 2

HANGKLIP/KLEINMOND
FEDERATION OF
RATEPAYERS' ASSOCIATIONS
P.O. BOX 198 BETTY'S BAY 7141 - PH (021) 761-4173 - FAX (021) 761-8925
PH (028) 272-9122

3-MAY-2006 16:58 TEL: 0283338182

HANGKLIP/KLEINMOND
FEDERASIE VAN
BELASTINGBETALERSVEREENIGINGS

Our Ref: MLS/nb

3rd MAY 2006

Councillor T. Beylerveldt
Executive Mayor
Overstrand Municipality
Telefax : (028) 313-2958

Dear Mr. Mayor,

Re: 2006/7 BUDGET : WARD 10 REQUIREMENTS

We take the liberty of addressing you personally in this matter as it was your encouraging remarks and requests that prompted our quick response detailing the needs of our Ward. For your convenience, a copy of our letter of the 11th April is enclosed. These requirements were further reinforced by Mrs. Avril Munn of the Betty's Bay Ratepayers' Association. All these requirements had the full support of our newly elected Ward Committee and this was again reinforced at our recent meeting.

Imagine our horror when viewing the recently published Draft Budget to see that there had been absolutely no change.

Referring to the list of 11th April, items 2 and 4 are of relatively small amounts and are urgently needed. With regard to the roads, you are no doubt well aware of the huge damage that was done to our roads in the disastrous floods of a year ago. Constant erosion and regular grading have further worn away the roads as no proper maintenance has been done for years. The situation will undoubtedly reach crisis proportion with the first really heavy rains of this winter. This problem cannot be ignored. The remaining items, that of water reticulation is also resulting in great ongoing cost to the Municipality as well as loss through leaks and pipe-bursts likewise this matter also requires urgent attention.

What we are asking for does not even reach what would be an equitable share of the overall available capital based on the rate income from this Ward therefore we are not asking for anything excessive.

We would appreciate your urgent attention to this matter.

Yours faithfully.

CAPT. M.L. STANTON :
CHAIRMAN

* Encl.

CC : MR. R. BUTLER - DIRECTOR OF FINANCE
CC : CILLR. L. VAN HEERDEN
CC : MRS. A. MUNN
CC : MR. J. WHITEHEAD

representing the Associations of Kleinmond, Betty's Bay, Pringle Bay, Rooi Els, BotSoc and KOBIO

HANGKLIP/KLEINMOND
FEDERATION OF
RATEPAYERS' ASSOCIATIONS

P.O. BOX 198 BETTY'S BAY 7141

Our Ref: ML8/nb

(125)

HANGKLIP/KLEINMOND
FEDERASIE VAN
BELASTINGBETALERSVEREENIGINGS

PH (021) 761-4173 - FAX (021) 761-8925
PH (028) 272-9122

11th APRIL 2006

Office of the Executive Mayor
Telefax : (028) 313-2958

ATTENTION: DESIREE ABBISON

Dear Sir,

Re: WARD 18 BUDGET REQUIREMENTS

Hangklip area has suffered a serious lack of funding for sanitation and water pipelines as well as the implementation of the very good Storm Water Plan which was approved some years ago. Our Towns' roads are also in poor condition.

Our Ward Committee prioritized our needs for the 2006/7 budget as follows :-

1. Our roads need urgent attention particularly since the deluge of April 2005. This will take several years but the initial budget amount is ; R1million.
2. Consultants to study the problem and prepare a plan for our sewerage system (with the help of our Sanitation and Water Committee which has been collecting scientific evidence of the present dangerous condition of current methods dealing with sewerage) budget amount ; R250 000.00.
3. Our ageing water pipelines are in a serious condition and regular pipe-bursts and leaks result in 50% loss of all filtered water. This item will also take some years. First stage budget amount ; R800 000.00.
4. There is serious Dune Encroachment in certain areas of Betty's Bay and Pringle Bay. A study and proposal for this needs to be urgently formulated at an estimated budget cost of R85 000.00.

The only items on the current budget are the ongoing of upgrade of the water filtration plant which must be completed in the new budget year. We understand that external funds may possibly be obtained for this item. The other item is the storm water mentioned above. This item is a first stage.

We trust that these items may be included in the budget presently being prepared.

Yours faithfully,
AVRIL NURN
ISAK VAN DER WALT
MIKE STAKEMIRE

Representing the Associations of Kleinmond, Betty's Bay, Pringle Bay, Rooi Els, BotSoc and KOBIO



REPUBLIC OF SOUTH AFRICA
HERMANUS
GEMEENSKAP-POLISIE SKRAAELFORUM
COMMUNITY POLICE LANSION FORUM

(126)

PO BOX 1000

DATE:

19 April 2006

Mr. JF Koekemoer
Overstrand Municipality,
Magnolia Street
Hermanus
7200

19 April 2006

Dear Mr. Koekemoer,

Re: Comment on Budget 2006/2007

There are two items which the Police Forum would like to have considered in the 2006/7 budget. They are:

1. Funding for a proper security fence around the sewerage farm and sporadic law enforcement officer patrols inside the fence to apprehend trespassers
2. Provision for creating a centralized twenty four hour emergency communication centre.

It would be greatly appreciated if consideration be given in the budget to these two items.

Yours sincerely,

DA DICKENS
Chairman

stille
sic

(127)

GANSBAAI

**TOURISM BUREAU
TOERISME BUREAU**

399 Gansbaai 7220

E-Mail gansbaaiinfo@telkomsa.net

www.ganger-point-peninsula.co.za



Tel 028 3841439
F 028 3840955

2 May 2006

The Area Manager Gansbaai
Overstrand Municipality

Dear Mr Myburgh

Overstrand Budget 2006/2007

The Gansbaai Tourism Bureau Committee would like to express grave concern that the amount budgeted for Tourism in the Overstrand is hopelessly inadequate. Both National and Provincial Government have, on numerous occasions, expressed the importance of Tourism and stated that it is the driving force for Local Economic development. In this light we would like to see the amount increased substantially in order to adequately meet the needs of the four Bureaux operating budgets as well as that for marketing and economic development.

Yours in tourism

G Kitley
Bureau Manager

(128)

MAY 2006
185068

3/R
cc - mm
Air Finance

81 Chiappini Street
ONRUS RIVER
7201

PH: 028 316 2487

8th May, 2006

Mr J Koekemoer
Municipal Manager
Overstrand Municipality
P O Box 20
HERMANUS
7200

Dear Sir,

SALARY INCREASES FOR MAYOR AND COUNCILLORS

It is with utter shock and dismay that we learned of the ridiculous proposed salary increases and resultant rates increases. Just because we are retired and live at the coast does not mean that we are wealthy and people who live on a fixed income are finding it more and more difficult to cope with rising costs.

Is this what we can expect in future from a DA-run administration? It is definitely not in line with promises made before the March election.

As ratepayers my husband and I have to put in writing our objection to these massive increases and we trust that it will receive due consideration.

Yours faithfully,

J P Edwards

(MRS) J P EDWARDS

H G Edwards

H G EDWARDS

The Municipal Manager
Overstrand Municipality
HERMANUS

9 May 2006

COMMENT ON THE 2006/07 OVERSTRAND BUDGET

On 21 April the Hermanus Times carried an article on the proposed budget for the ensuing year. I – and I see many others – responded, commenting on the increases suggested for elected officers. These letters were published in the HT on 28 April.

In the same issue the Municipal Manager replied to these letters. He ended his response by saying that comment on the budget will only be considered if addressed to the Municipality; as a result I have repeated my letter (below) and would appreciate it if it was brought to the attention of the Council.

In recent times there has been much comment on the radio and in the newspapers on the staggering salaries of elected municipal officers and of municipal officials.

It now seems a distinct possibility that the National Government will find ways of reining in these salaries

The Overstrand has seen a changing of the guard. It would seem that some things have not changed: we now learn that the Mayor; Deputy Mayor and Speaker; and Councillors are to receive increases in salary of 119, 111, and 73% respectively.

May we learn what is the justification/rationale for changes on these magnitudes, particularly at the start of the Council's term of office, and how these figures were determined?"

I would add comment on the Municipal Manager's response. Putting again how the proposed increased salaries for the ensuing year were actually determined, and also whether he was only writing about Councillors not holding full-time offices.

Could we therefore learn how the 2005/6 salaries were determined and under what, if any Government, determinations.

Similarly how the proposed increases have actually and specifically been determined.

Let's please have it spelt out clearly: is the Government determining these salaries, or is the Overstrand simply making hay and comparisons with vastly overpaid salaries somewhere else? How does all this relate to what our President is saying?

We now also learn (Hermanus Times, 5 May) that similar increases are proposed for the most senior Municipal officials, and the same questions are relevant to their salaries too.

It will be instructive to see whether the Council acts responsibly in this matter and its members see their role as serving the community; or whether their first concern is more personal. Additionally, if the proposed increases are ratified how would they be justified in relation to the situation in poorer parts of the community, and has any thought been given to the likely reaction of Municipal workers?

John Truswell

(Dr) John Truswell
310 Ninth Street
VOELKLIP

(131)

P.O. Box 908
Stanford 7210
16 May 2006

Mr. Jan Koekemoer
Municipal Manager
Overstrand Municipality

Dear Mr. Koekemoer

Re: Increased Rates and Salaries of Municipal Officials

As a ratepayer in Stanford, I have severe reservations about the proposed increases of salaries for Public Officials, in the light of poor service delivery in Stanford.

Our rates have doubled and service fees increased. The residents of Stanford have seen no benefit of this, in fact this Village is by far the most neglected in the Overstrand, with the highest property prices. The Overstrand Municipality has gained huge revenue from property sales, subdivisions and building fees in Stanford in the past few years.

The following services need urgent attention in Stanford:

- We have no waterbourne sewerage, we pump our drains at R80 a time, up to 3 times a month in winter, due to absent stormwater drainage.
 - Stanford's older part lies on rock and clay, making water drainage a problem after rains. There is no storm water facility, and the ground water pushes up the sewerage tanks, and bubbles raw sewerage into the leywater and openly down the streets, ending in the Klein River.
 - Our pavements are ankle breakers, and it is only a matter of time before a serious injury occurs.
 - The roads are diabolical, what with tons of building material being transported along our broken, corrugated roads full of pot holes.
 - Pavements are not cared for, and is up to individuals to keep tidy.
 - Power outages are not foreign to Stanford, as we have regular black-outs. There is no concern about the ratio of buildings going up and the capacity of electricity, water, sewerage and waste removal to service them all.
-

- Stanford's 3 top people in the Municipality do not even live or own property in Stanford. How can they run a Village and not function in it, to see it's needs first hand, and have some Village pride.
- It is infuriating to hear what they earn, only to see that they don't fight for Stanford needs, as pointed out to them by Ratepayers, Tourism and Conservation.
- I have recently been through the Boland, Large- and small Karoo, as well as the Overberg, and have noticed that there is **only 1** (one) informal settlement that looks **worse** than Stanford's, and that is in the river bed at De Doorns ! All other RDP areas look good.
- Stanford is the gateway to the fynbos tourism route, along the R43, and the excuse that Stanford's RDP area was incorrectly zoned long ago is poor, because things can be rezoned, changed, improved.
- At the same time, Stanford is proclaimed a Heritage Village, attracting tourists and property investors for the particular style and ambience of this Village. It has been rated Village No 2 in the Western Cape preserving it's Architectural Heritage, after Montagu.

About the >100% increases in salaries, I hope that your budgets for sub-economical housing and essential services (like ambulances, hospitals, clinics...) have also been allocated a >100% increase !!

According to Paul Olden from Urban Dynamics who have worked on the SDF for you, has said the the people migrating to the greater Hermanus area from the Eastern Cape alone is 46 000 per annum, and is estimated to continue for the next 3 years at least, if not more.

The need for the Municipality to address the real issues of the new South Africa should be it's top priority, and not how much it can siphon off for the top dogs !

I am all for renumerating hard work, but what we get is not worth those salaries, and I hope you and your committee do not approve these exorbitant salaries.

Sincerely, Anka Esterhuizen

Anka Esterhuizen

Copy to: Stanford Park

15/11/2011

15

(133)

21 Mitchell Street
Hemel Hempstead, Herts.
SG1 1JH

10th May 2006

To whom it may concern —
re proposed salary increases.

We would like to express the gravity of our concern at the proposed increases in salaries of councillors and municipal officials.

We are appalled at this development, especially as it comes when it does — right at the beginning of the term of office of the new Council. Surely after a year or two of proving what you have to offer and are capable of delivering would be more appropriate.

We think that it speaks a contempt for your new electorate, for the massive (and overdue) needs of the Overstrand, and — most critically — for the poor.

At a time when our country battles with so many issues — the huge (and growing) divide between haves and have-nots, very poor service delivery, officialdom at all levels of governance only concerned with self-betterment — we think that the message this proposal gives is a disastrous one to all of us — the ratepayers who pay your salaries.

How was you in the strongest possible terms to reconsider this proposal at this time.

Thank you
Christine

Christine

Christine

134

No. 2 Moore Street
P.O. Box 855
Stanford 7210
16 May 2006

Mr. Jan Koekemoer
Municipal Manager
Overstrand Municipality
Hermanus

Dear Mr. Koekemoer

Re: Proposed Increases in Rates & Salaries of Municipal Officials

As a reliable Overstrand Ratepayer for the past 9 years, I fail to see how you can justify increasing our rates or the salaries of Municipal employees as proposed.

Since acquiring property in Stanford, my rates have doubled and costs of all services have increased; understandable **if** service had improved.

However --

- The roads leading to and around my property are untarred, corrugated and potholed.
- There is **No** storm water drainage, adding to need to have our conservancy tanks pumped more often at even greater expense.
It costs me R80 a time, in winter going up to 3 times a month.
- There are times in the "old" Village when raw sewerage runs down the street, therefore increasing health risks, particularly to the children at the nearby school.
- The Municipality has made millions in the past 9 years out of subdivisions and property sales. Residents have therefore had increased traffic, dust and noise from building operations, without increasing infrastructures.
- The recent electricity cuts have affected the whole of the Western Cape, but are nothing new to Stanford residents -- we've had them for years !
- I undertake to care for verges outside my property, eg: removing rubbish, cutting grass, planting and watering trees. In 9 years the Municipality has cut the grass once. I have never seen a street cleaner on Moore Street, but I do have a street light !!

With over a 100% increases in salaries for Municipal employees, can you guarantee that a similar increase will be included in the budget for low-cost housing, or can I look forward to a 100% increase in service delivery?

Yours sincerely, Beryl Maxwell

Copies to : Stanford River Talk, Hermanus Times, Stanford Municipality

Gedraai aan 16
Kluismond

16 Mei 2006

Aan: Burgemeester, Finansiële Direkteur en ander
Ouerskand Munisipaliteit

Aangeeiding van raadslid 2005 in Ouerstroom
Herald van 15 dies verslag.

Wat is oopbaring. Skielik is die agtere burgemeester
verhef tot 'n minister, met draaiende status voorgeding
pantel en altes wat daarmee oomgaan.

Ja, ek weet so almal hier Minister Mufamadi
het die skole voorgestel het uitstekende onderwys
om diep in belasting betrek te salie te deff) maar
as die verskeie burgemeesters en sy stantale regter
die belang van hinde strek se inswoners op
die kant dra (so beweer hulle) sal hui nu by
die kopskaal begin het nie, is bitye minder
sal kadio beten afgegaan het. Wat gaan volgende
jaar gebeur, as was om verhoging teen moet
word?

As ek reg verstaan word die salarisse volgens
bevoelingsgetalle bereken. Het die amptenare al oprimie
gemaak van:

1. Hoeveel van hinde inswoners betaal b.v. belasting
m.a.w. huis eienaars ens.
2. Hoeveel is inkomste van huis eienaars, daar is
weliswaar baie met groot inkomste, maar daar
is 'n beduidende getal wat R3000 per maand en
minder verdien, hui se pensioen trekkers of wnters.
Vir verduideliking - ons was nie te lui of te
spandabing om vir afreue voorsiening te maak vir
kadi van ons was die draaiende van postelings altes

verplichte vroeë aftrede of is on oortelkig verklaar.

3. Deenshulp: belastingbetalers met inkomste van onder R1200.00 per maand kry aftslag op skening. Vraag wil ek weet hoeveel van hierdie gevalle is in die Oos-Strand getref, want baie van hier inkomste groter, besit geen skening nie.

Clanadoers om deenshulp wag tot ses maande na aankom, voordat 'n "oosverke" amptenaar die aansoek ondersoek, dan moet aansoekers elke ses maande die aansoek herny, ingeval sy of haar inkomste na R1200.00 per maand groter het.

Gedurende die aankom tot die vestiging, het veral D.A. kandidaat hoog in loon gewees, salarisse is te hoog, belasting- en tariefverhogings met ingepunt word. Hier is die heuning nou klaarblyklik het net die doringtak gebly.

Verhoog die tariefe, belastingbetalers en sakke is diep, julle is 'n bevoorregte kl, het goedbedeelde, spreke raadslede wat baie belowe, julle is 'n pragtige "skoon" omgewing, die infrastruktuur is stadig maar seker om te verval, maar wat, ons sien dit. Hier is die hoofweg na ons reitige paleis in die ko bly buite. Proef D.A. dat hierdie onvervalde kistjies nie becommang nie.

Terselfde ek sien die vorige burgemeester sy nog steeds met "Mayor i W.P.", is dit dalk sy afskeidsgevoel of is daar dalk of die munisipale agenda in blink, want hierdie model vir die huidige burgemeester. Wil seker nie dalk gesien was in 'n tweedehandse motorfiets of in 'n boordop nog te gaderde al.

(137)

Piet Retiefstraat 63
Sandbaai
HERMANUS
7200

18 Mei 2006

Die Overstrand Stadsraad
HERMANUS
7200

Menere

BUITENSPORIGE SALARIS EN TOELAE AANPASSINGS

Dit is vir my as belastingbetaler skokkend om te weet van die geweldige verhogings van amptenare en raadslede se salarisse en toelaes. Ek kan nie dink dat waar daar in die huidige opset in ons land met vele vorme van armoede en ellende sit, mens dit kan oorweeg om diesulke vorme van verhogings te kan implimenteer nie. Ek wil my ten sterkste daarteen uitspreek. Ek voel dat verhogings van dieselfde as inflasie miskien meer aanvaarbaar sou wees.

Van prestasiebonusse aan seniors of beheervoerders wil ek net sê - dus nie hulle wat die werk doen nie, maar die werkers onder hulle - hoe en deur wie word dit gemeet?

Wat van produktiwiteit? Weet julle wat dit beteken? Weet julle hoe om dit te meet? Het produktiwiteit in die laaste jaar verhoog - nee!!!! - indien wel, met hoeveel? - dit is direk gekoppel aan prestasie!

Op die oomblik wil dit vir my lyk asof die belastingbetaler se belastinggeld van die hele Overstrandgebied alles gebruik word om salarisse en toelaes te betaal - is die Munisipaliteit nie dalk in bedryfsbankrotskap nie? - ek vra net!

Ek hoop die val is verpletterend!

Die uwe

DFB LE ROUX

(138)

N. Barnard

P O Box 1192
HERMANUS
7200
21 April 2006

The Mayor
Overstrand Municipality
HERMANUS
7200

Dear Sir

Could you please consider a new tariff for Sewer.

I am living in Fisherhaven. We make use of the conservancy tanks (even not yet connected to a sewerage network). At present there are a tariff for R116.46 + Vat = R132.76 for 2 vacuum tank removals per month = 24 pumps for the year. We do not need as many pumps in summer time as in winter. Therefore I feel that the tariff should be adjusted to meet our needs.

We do not need 24 pumps a year.

Book year 2003/2004	8
Book year 2004/2005	10
Book year 2005/2006	11

Could you please consider a tariff for 12 pumps per year to accommodate the rainy winter months.

Yours faithfully


RC Canning



139

5/3/15

48

cc

Box 173

Municipal Manager STANFORD.

Overstrand 15-5-06

17 MAY 2006

185237

Dear Sir,

I consider that
REGISTERED VOTERS in the
Overstrand Municipality who are
property owners and who
are over 65 years old, should
qualify for a rebate on
rates. Overseas owners &
non permanent resident
property owners would thus
be excluded from any
benefit.

Yours faithfully,
J. W. Birch
(WYBURY BIRCH)

(Cof 60 Stanford)

140

Mr. G. Mangiagalli
PO Box 757
Gansbaai
7220

15 May 2006

The Municipal Manager
Overstrand Municipality

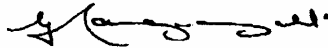
Dear Sir

Re: **Rebate – Municipal Rates & Taxes**

With regard to the aforementioned I would request that pensioners who are registered voters in the Overstrand Constituency and over the age of 65 years be considered to receive a rebate on their Rates and Taxes. I as well as many other residents in the area qualify for the above criteria.

Your consideration in this matter will be much appreciated and trust that I will receive acknowledgement of my letter within 14 days.

Yours faithfully



MR. G. MANGIAGALLI

(141)

The Municipal Manager
Overstrand Municipality
PO Box 20
Hermanus

Rev & Mrs DAT Auret
47 Church Street
Westcliff
Hermanus

17 May 2006

Dear Sir

PROPOSED RATES INCREASE 2006/7

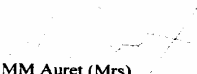
We, the undersigned, resident at 47 Church Street, Hermanus (Erf Number WC 6691) do hereby register our strong objection to the proposed increase in Property Rates for the forthcoming financial year.

We are pensioners and have to exist on a fixed pension. At the present time our monthly payments to the municipality in respect of Water, Electricity, Services and monthly Rates payment amount to an average of 38% of our monthly income.

Please be so kind as to inform us what we are to do if this monthly payment is increased further.

Yours sincerely


DAT Auret (Rev)


MM Auret (Mrs)

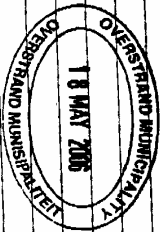
42

Mr. Mer

Ons meek besware op die hoe
beskikbaarheid op Lee
ERI 545.

Danke.

Mr. Mer. Swagland
Spencer



(143)

M E M O R A N D U M

e-mail: dkearney@overstrand.gov.za
Tel.: (028) 313 8069 /Fax: (028) 313 8182

Ref./ : 5/5/1

Date/Datum: 3 May 2006

To: Nico Barnard

CC/ :

OBJECTION TO AND PROPOSAL TO AMEND 2006/07 TARIFFS

I hereby wish to propose amendments to the 2006/07 Tariffs as follows:

1. The Tariff Policy states that consumers should pay an amount that is generally in proportion to the usage of that particular service. The sewerage tariffs make provision for, amongst others, the following categories:

Residential – R128.95 (+ Vat = R147.00)

Shops and Offices – R31.58 (+ Vat = R36.00)

No separate tariff has been proposed for businesses that normally generate a far larger quantity of effluent than shops, offices and residential consumers, namely restaurants, butcheries, supermarkets with their own food processing section, etc. These consumers are currently being charged the same tariff as shops and offices, whereas it is obvious that they would generate even more waste water than residential households.

It is **recommended** that an **additional tariff** for Restaurants, butcheries, supermarkets with their own food processing section, other food processing industries be created and that the tariff be made equal to that of normal households, ie **R 128.95**.

2. It has been the intention to standardize the tariff for sewerage service for residential properties, irrespective of whether it is conservancy tanks to be pumped or whether the property has been connected to a sewerage network. During the fixing of the current Financial Year's tariffs, however, a small oversight occurred and the tariffs **Sew 2B1** and **Sew 2B2** were not adjusted correctly.

It is **recommended** that tariffs **Sew 2B1** and **Sew 2B2** be adjusted to be the same as tariff **Sew 1B** namely **R128.95**.

3. The tariff for connection to the small-bore sewerage network (Sew 1 L) is R2271.93 (+ Vat = R2590.00). This is for the testing of the tank for capacity and leakage as well as the actual connection.

If this tariff is broken down into components, and compared with tariffs of similar services, the following anomaly comes to light.

The tariff for a normal septic or conservancy tank pump is R 153.95.

Should the tank be filled and pumped twice before being passed the cost would be $R153.95 \times 4 = R 615.80$. The contractor who performs the actual connection to the small-bore network charges an average of R 500.00 under normal circumstances ie up to 5 meters distance from the connection point. Should one add a small admin fee, the total cost would be in the region of R1500.00, while the tariff is R 2590.00.

However, it has come to light that owners have been allowed to construct their septic tanks up to 50 meters from the actual connection point, of which the costs of the connection then by far exceed the current connection fee. This excessive cost is not collected from the owner. This implies a subsidisation of the cost by owners who comply with the particular building regulation for those who do not.

It has been proposed that the **owner** will be **responsible** to bring the sewerage connecting pipe to within the prescribed 1 meter from the connecting point in the event of the tank being built further away from the point of connection. (The notice handed to owners whose plans have been approved, has been amended accordingly.) Council's risks and costs as well as unnecessary administration will be eliminated as the contractor will only be paid for the 1 meter distance at a fixed rate. There will no longer be variable costs involved.

On the other hand, owners who cannot be connected to the sewerage network and who also construct either a **conservancy tank**, have their tank tested in an identical way to the "small-bore"- tank. However, there is currently **no charge** for the testing of a conservancy tank.

It is **recommended**:

- that the tariff **Sew 1L** for connection to the **small-bore network** be set at R1315.79 (Plus Vat = R1500.00) This service provided in this tariff will be the filling and emptying of the tank to a maximum of two occasions plus the actual connection 1 meter from the tank
- that an **additional** tariff for the testing of conservancy tanks be created and set at R 701.75 (Plus Vat = R800.00).

4. The annual sewerage fee for properties that cannot be connected to a sewerage network, and who have conservancy tanks, was equal to the fee for the other sewerage removal service. This fee is in respect of a maximum of 24 pumps per annum. However, certain businesses and guest houses in the Westcliffe area, had their tanks emptied more than the limit of 24 per annum and therefore had to pay for each additional pump. The owners of these concerns complained about the fee which they felt was excessive.

A new sewerage tariff was introduced on 1 July 2004, which was R3600.00 per annum for a service of up to 365 pumps per annum. This is 1 pump per day. This tariff has been in operation for 2 years now. A discussion with the Engineers Dept revealed that they were not happy with the tariff as the costs of the service are obviously not being recovered from the consumers, which means that the consumers on this tariff are being subsidised. At the normal rate per pump, such a service would total roughly R23 000.00.

One of the main consumers on this tariff is the Harbour Rock Grill. It is common knowledge that this is an extremely popular venue throughout the year and will therefore, generate a great deal of waste water. It is therefore also not fair to other consumers to subsidise these businesses. It is therefore imperative that this tariff be rectified and that a **two level** tariff be introduced.

It is recommended:

- that the tariff **Sew 2B3** for hotels restaurants and guest houses for a service of up to **100 pumps** per annum, irrespective of the capacity of the tank, be set at **R 5263.16** (plus Vat = R6000). Consumers are to **apply** for this tariff.
- that an **additional** tariff (**Sew 2B4**) for hotels restaurants and guest houses for a service of up to **365 pumps** per annum, irrespective of the capacity of the tank, be set at **R 17543.86** (plus Vat = R20 000) Consumers are to **apply** for this tariff.

DI Kearney
PROJECT MANAGER: FINANCE

ANNEXURE A

SUMMARY 2006/07 BUDGET AND MTFF TO 2008/09

THIS MODEL ASSUMES THAT ELECTRICITY WILL NOT BE TRANSFERRED TO RED1

	2005/06 Original Budget	2005/06 Current Budget	2005/06 Actual Projection	2006/07 Estimate	2007/08 Estimate	2008/09 Estimate
INCOME						
Property rates	-59,983,260	-60,037,230	-61,755,842	-70,466,380	-77,513,020	-87,589,720
Electricity tariffs	-68,542,360	-68,542,360	-69,857,336	-77,823,070	-86,383,610	-95,885,810
Water tariffs	-37,565,000	-37,565,000	-35,594,446	-38,442,010	-41,517,380	-44,838,770
Sewerage tariffs	-21,900,570	-21,900,570	-22,844,631	-24,672,210	-26,645,990	-28,777,670
Refuse/cleansing tariffs	-22,773,900	-22,773,900	-22,283,515	-24,266,200	-26,207,500	-28,304,100
Rental income	-4,620,390	-4,620,390	-4,715,076	-4,950,830	-5,198,380	-5,458,300
Interest earned external investment	-2,957,410	-2,957,410	-6,063,008	-6,669,310	-7,336,250	-8,069,880
Interest earned outstanding debtors	-2,551,390	-2,551,390	-1,835,009	-1,926,760	-2,023,100	-2,124,260
Dividends received	-5,000	-5,000	-5,000	-5,250	-5,520	-5,800
Licenses and Permits	-859,770	-859,770	-1,576,620	-1,655,460	-1,738,240	-1,825,160
Fines	-2,915,860	-2,915,860	-2,810,130	-2,950,640	-3,098,180	-3,253,090
Government Grants - Equitable Share	-9,969,000	-9,969,000	-9,969,000	-12,213,000	-12,823,650	-13,464,840
Government Grants - Operating	-50,000	-50,000	-50,000	-1,369,000	-1,369,000	-1,369,000
Subsidies	-6,191,960	-6,191,960	-6,191,960	-1,748,880	-1,836,330	-1,928,150
Other income	-6,027,960	-5,973,990	-6,297,916	-11,606,020	-12,302,390	-13,163,560
OPERATIONAL INCOME BUDGET	-	-	-	-	-	-
	246,913,830	246,913,830	-251,849,489	280,765,020	-305,998,540	-336,058,110
Income from agency services						
- Marine Project	-7,260,990	-7,260,990	-7,260,990	0	0	0
- Protea Project	-5,473,010	-5,473,010	-5,473,010	-5,056,760	0	0
- Health Services	0	0	0	-687,860	0	0
Government Grants & Public Donations - Capital	0	0	0	-23,049,000	-20,620,000	-12,505,000
	-12,734,000	-12,734,000	-12,734,000	-28,793,620	-20,620,000	-12,505,000
Profit on sale of Assets			-3,670,477	-35,004,390	0	0
TOTAL INCOME BUDGET	-	-	-	-	-	-
	259,647,830	259,647,830	-268,253,966	344,563,030	-326,618,540	-348,563,110
EXPENDITURE						
Salaries & Wages						
- salaries & wages	60,928,710	55,817,990	50,149,666	54,182,470	57,975,250	62,033,520
- allowances & contributions etc	33,689,990	32,357,167	31,472,356	33,958,490	36,335,590	38,879,090
- remuneration of councillors	2,446,730	2,446,730	2,446,730	4,768,518	5,102,320	5,459,490
- task implementation	0	0	0	2,000,000	2,140,000	2,289,800
- contingency (MM)	0	0	0	6,130,002	6,209,100	6,293,730
Restructuring	97,065,430	90,621,887	84,068,752	101,039,480	107,762,260	114,955,630

	2005/06 Original Budget	2005/06 Current Budget	2005/06 Actual Projection	2006/07 Estimate	2007/08 Estimate	2008/09 Estimate
General expenses						
- indigent Policy (low income subsidy)	12,000,000	12,000,000	7,257,799	9,713,000	13,987,000	14,686,350
- equitable share (LLPP Projects)	0	0	0	2,500,000	0	0
- rates rebates	481,780	481,780	481,780	544,430	615,210	695,200
- bad debts	3,500,000	3,500,000	3,500,000	2,500,000	2,500,000	2,500,000
- electricity bulk purchase	34,930,840	34,234,200	34,234,200	38,482,760	42,715,870	47,414,620
- karwyderskraal dumping site	2,954,930	2,754,930	2,288,942	3,010,000	3,037,360	3,189,270
- departmental charges	45,225,659	45,225,659	45,225,659	47,486,950	49,861,300	52,354,370
- municipal services	2,783,880	3,644,220	2,942,821	3,203,956	3,156,630	3,314,780
- private contractors/professional services	6,438,190	6,353,359	3,934,129	4,213,836	4,424,530	4,645,757
- vehicle costs	10,812,030	7,972,790	8,347,760	8,943,430	10,540,480	11,594,640
- postage & telegrams	1,502,540	1,540,040	1,495,875	1,574,900	1,696,530	1,781,360
- printing & stationery	1,048,940	1,109,129	923,436	1,076,760	1,130,600	1,187,130
- telephone	1,763,600	2,334,600	2,260,520	2,632,870	2,764,520	2,902,750
- equipment rentals	1,017,050	1,363,661	1,180,636	1,400,700	1,470,740	1,544,280
- squatter control	750,000	773,000	1,062,377	1,069,380	1,133,550	893,270
- tourism & economic development	780,000	780,000	945,620	1,069,000	1,122,450	902,950
- insurance	1,761,320	1,761,320	2,159,167	2,646,770	2,858,520	3,087,210
- bank charges	1,075,000	735,000	792,402	832,030	810,340	850,860
- other general expenses	6,866,780	21,840,060	17,469,141	21,691,278	22,775,842	23,914,640
- contingency (Dfin)	2,000,000	881,074	881,074	100,000	100,000	100,000
- contingency (DCS)	0	0	0	100,000	100,000	100,000
- contingency (DPD)	0	0	0	100,000	100,000	100,000
- contingency (MM)						
Corporate & Service Delivery	0	0	0	1,700,000	1,700,000	1,700,000
	137,692,539	149,284,822	137,383,338	156,592,050	168,601,472	179,459,437
Expenditure from agency services						
- Marine Project	7,260,990	7,411,030	7,411,030	0	0	0
- Protea Project	5,473,010	5,473,010	5,473,010	5,056,760	0	0
- Health Services	0	0	0	687,860	0	0
TOTAL AGENCY EXPENDITURE	12,734,000	12,884,040	12,884,040	5,744,620	0	0
Repairs & Maintenance	23,992,490	19,070,610	19,083,610	21,565,000	22,643,250	23,775,420
Repairs & Maintenance Contingency	1,000,000	623,100	623,100	3,000,000	4,000,000	4,000,000
Roads (Contingency- Resealing of Roads)	0	0	0	3,700,000	0	0
	24,992,490	19,693,710	19,706,710	28,265,000	26,643,250	27,775,420
Capital costs						
- Depreciation - existing assets	19,941,200	19,941,200	19,941,200	17,834,130	17,477,110	16,488,620
- Depreciation - new assets	0	0	0	5,859,120	10,128,520	14,949,210
- External interest payments - existing	9,077,690	9,077,690	9,077,690	5,064,840	10,214,840	12,614,840

	2005/06 Original Budget	2005/06 Current Budget	2005/06 Actual Projection	2006/07 Estimate	2007/08 Estimate	2008/09 Estimate
- External interest payments - Future Loans	0	0	0	2,540,000	3,147,690	4,285,470
- Additional loan costs (R42m -R20m-R20m New external loan)	0	0	0	5,150,000	2,400,000	2,400,000
	29,018,890	29,018,890	29,018,890	36,448,090	43,368,160	50,738,140
Provision for annual growth	0	0	0	0	10,000,000	15,000,000
less recharges	-45,225,659	-45,225,659	-45,225,659	-47,486,950	-49,861,300	-52,354,370
TOTAL EXPENDITURE BUDGET	256,277,690	256,277,690	237,836,071	280,602,290	296,513,842	320,574,257
DEFICIT/(SURPLUS) - 'BEFORE TRANSFERS'	-3,370,140	-3,370,140	-30,417,895	-63,960,740	-30,104,698	-27,988,854
APPROPRIATIONS						
Contribution to Capital Replacement Reserve:						
Income Budget	19,150,080	19,150,080	37,150,080	17,103,850	20,457,288	26,236,994
Contribution to Capital Replacement Reserve:						
Profit on Property sales	0	0	3,670,477	35,004,390	0	0
Transfer from Reserves	-15,779,940	-15,779,940	-11,025,000	-11,196,500	-10,972,590	-10,753,140
Capital Grants & Donations used to purchase PPE	0	0	0	23,049,000	20,620,000	12,505,000
BUDGETED DEFICIT/(SURPLUS) FOR THE YEAR - 'BOTTOM LINE'	0	0	-622,338	0	0	0

ANNEXURE B

BASKET OF TARIFFS - SINGLE RESIDENTIAL

			Overstrand		Increase/Decrease	
			Current	Budget	Amount	%
<u>High Consumption</u>	Land	Buildings				
Rates	300000	500000	399.04	416.84	17.79	4.46
Sewer			123.00	129.15	6.15	5.00
Refuse			68.08	71.48	3.40	5.00
Electricity	1500 Kwh		451.10	480.42	29.32	6.50
Water	50 kl		228.22	239.63	11.41	5.00
VAT			121.86	128.90	7.04	5.78
TOTAL			1,391.30	1,466.42	75.12	5.40
HPP			39.90	41.68	1.78	4.46

			Overstrand		Increase/Decrease	
			Current	Budget	Amount	%
<u>Medium Consumption</u>	Land	Buildings				
Rates	100000	300000	195.71	204.44	8.73	4.46
Sewer			123.00	129.15	6.15	5.00
Refuse			68.08	71.48	3.40	5.00
Electricity	800 Kwh		278.20	296.28	18.08	6.50
Water	25 kl		94.56	99.29	4.73	5.00
VAT			78.94	83.47	4.53	5.74
TOTAL			838.49	884.11	45.62	5.44
HPP			19.57	20.44	0.87	4.46

			Overstrand		Increase/Decrease	
<u>Low Consumption</u>			Current	Budget	Amount	%
	Land	Buildings				
Rates	50000	150000	94.04	98.24	4.19	4.46
Sewer			123.00	129.15	6.15	5.00
Refuse			68.08	71.48	3.40	5.00
Electricity	600 Kwh		228.80	243.67	14.87	6.50
Water	15 kl		67.34	70.71	3.37	5.00
VAT			68.21	72.10	3.89	5.70
TOTAL			649.47	685.35	35.88	5.52
HPP			9.40	9.82	0.42	4.46

			Overstrand		Increase/Decrease	
<u>Sub-Economic Consumption</u>			Current	Budget	Amount	%
	Land	Buildings				
Rates	8000	10000	1.53	1.59	0.07	4.46
Sewer			34.70	36.44	1.74	5.00
Refuse			68.08	71.48	3.40	5.00
Electricity	350 Kwh	PP	172.97	184.21	11.24	6.50
Water	10 kl		59.44	62.41	2.97	5.00
VAT			46.93	49.64	2.71	5.77
TOTAL			383.64	405.77	22.13	5.77

			Overstrand		Increase/Decrease	
			Current	Budget	Amount	%
<u>Sub-Economic Consumption</u>						
Rates	5000	10000	-	-	-	-
Sewer			34.70	36.44	1.74	5.00
Refuse			68.08	71.48	3.40	5.00
Electricity	300 Kwh	PP	126.93	135.18	8.25	6.50
Water	8 kl		57.07	59.92	2.85	5.00
VAT			40.15	42.42	2.27	5.66
TOTAL			326.93	345.45	18.52	5.66

<u>Conservancy Tanks</u>			116.46	122.28	5.82	5.00
			(24 removals included)			
Removal			-	-	-	-
TOTAL	Conservancy Tanks Network not available		420.14	443.31	23.18	5.52

Sub-Economic Consumption

Rates	5000	10000	-	-	-	-
Sewer			34.70	36.44	1.74	5.00
Refuse			68.08	71.48	3.40	5.00
Electricity	150 Kwh		63.47	67.59	4.13	6.50
Water	6 kl		54.65	57.38	2.73	5.00
VAT			30.93	32.60	1.68	5.43
TOTAL			251.82	265.50	13.68	5.43

<u>Conservancy Tanks</u>			116.46	122.28	5.82	5.00
			(24 removals included)			
Removal			13.90	14.00	0.10	0.72
TOTAL	Conservancy Tanks Network not available		345.03	363.36	18.34	5.31

			Overstrand		Increase/Decrease	
			Current	Budget	Amount	%
<u>Bussiness - Large</u>	Land	Buildings				
Rates	6E+06	7150000	7,594.17	7,938.67	344.50	4.54
Sewer			369.00	387.45	18.45	5.00
Refuse		30	5,377.50	5,646.38	268.88	5.00
Electricity	125000 Kwh + 290 Kva		34,699.50	36,954.97	2,255.47	6.50
Water	460 kl		1,762.34	1,850.46	88.12	5.00
VAT			5,909.17	6,277.49	368.33	6.23
TOTAL			55,711.67	59,055.41	3,343.74	6.00
HPP			759.42	793.87	34.45	4.54

			Overstrand		Increase/Decrease	
			Current	Budget	Amount	%
<u>Business - Medium</u>	Land	Buildings				
Rates	120000	1080000	701.00	732.80	31.80	4.54
Sewer			123.00	129.15	6.15	5.00
Refuse		1	179.25	188.21	8.96	5.00
Electricity	14000 Kwh		4,707.75	5,013.75	306.00	6.50
Water	40 kl		165.72	174.01	8.29	5.00
VAT			724.60	770.72	46.12	6.36
TOTAL			6,601.32	7,008.64	407.32	6.17
HPP			70.10	73.28	3.18	4.54

Vacant Erven**Valuation High**

Rates	180000
Sewer	Availability
Refuse	Availability
Electricity	Availability
Water	Availability
VAT	
TOTAL	
HPP	

Overstrand		Increase/Decrease	
Current	Budget	Amount	%
144.88	151.34	6.46	4.46
104.42	109.64	5.22	5.00
29.24	30.70	1.46	5.00
80.07	85.28	5.20	6.50
54.65	57.38	2.73	5.00
37.57	39.62	2.05	5.45
450.83	473.95	23.13	5.13
14.49	15.13	0.65	4.46

Valuation Average

Rates	100000
Sewer	Availability
Refuse	Availability
Electricity	Availability
Water	Availability
VAT	
TOTAL	
HPP	

Overstrand		Increase/Decrease	
Current	Budget	Amount	%
43.21	45.14	1.93	4.46
104.42	109.64	5.22	5.00
29.24	30.70	1.46	5.00
80.07	85.28	5.20	6.50
54.65	57.38	2.73	5.00
37.57	39.62	2.05	5.45
349.16	367.75	18.59	5.33
4.32	4.51	0.19	4.46

Valuation Lower

Rates	40000
Sewer	Availability
Refuse	Availability
Electricity	Availability
Water	Availability
VAT	
TOTAL	

Overstrand		Increase/Decrease	
Current	Budget	Amount	%
17.79	18.59	0.79	4.46
104.42	109.64	5.22	5.00
29.24	30.70	1.46	5.00
80.07	85.28	5.20	6.50
54.65	57.38	2.73	5.00
37.57	39.62	2.05	5.45
323.74	341.20	17.46	5.39

Valuation Low

Rates	8000
Sewer	Availability
Refuse	Availability
Electricity	Availability
Water	Availability
VAT	
TOTAL	

Overstrand		Increase/Decrease	
Current	Budget	Amount	%
-	-	-	-
104.42	109.64	5.22	5.00
29.24	30.70	1.46	5.00
80.07	85.28	5.20	6.50
54.65	57.38	2.73	5.00
37.57	39.62	2.05	5.45
305.95	322.62	16.67	5.45

ANNEXURE C

**OVERSTRAND MUNICIPALITY
TARIFFS 2006/07**

Detail	Hermanus	Gansbaai	Kleinmond	Stanford	Overstrand	Vat in
RATES *					01/01/2002	
Year of General Valuation						
RATE1* Commercial Land ¹					0.007328	0.007328
RATE2* Commercial Buildings ¹ <i>¹on properties zoned or used for commercial, industrial and tourism.</i>					0.007328	0.007328
RATE3* Land					0.006372	0.006372
RATE4* Buildings					0.006372	0.006372
* <i>See attached schedule of Exemptions and Rebates applicable</i>						
RATE5 Improvement District Surcharge (HPP) on total rates payable on approved Improvement District	10%					
RATE7 Building Clause					Equals to the tariff for rates on buildings	
ST1 VALUATION						
ST1A Valuation roll on CD					R 165.00	188.10
ST1B Voters' Roll Printed (R/Page)					R 1.10	1.25
ST1C Valuation Certificate (R/certificate)					R 22.00	25.08
ST1D Clearance Certificate (R/certificate)					R 44.00	50.16
ST1E Revaluation fee					R 110.00	125.40
ST1F Deeds office registrations with sales information (R/erf)					R 5.50	6.27
ST1F Deeds office registrations with sales information (R/100 erven or part)					R 44.00	50.16
ST1G Web property search per search					R 1.70	1.94
ST1H Web property search per annum					R 368.00	419.52
SCHUS HOUSES						
ST3 Rent per month			R 315.00			359.10

Detail		Hermanus	Gansbaai	Kleinmond	Stanford	Overstrand	Vat in
CONSUMER DEPOSITS							
ST4	Domestic Single Phase (Two Part Tariff) - Electricity					R 790.00	790.00
ST5	Domestic - Water and Pre-paid Two Part Electricity with no other services levied to consumer.					R 210.00	210.00
ST6	Domestic Three Phase Conventional (Two Part Tariff)- Electricity					R 1,260.00	1,260.00
ST7	Commercial Single Phase (Two Part Tariff) - Electricity					R 1,260.00	1,260.00
ST8	Commercial - Water - Consumption < 40kl					R 210.00	210.00
ST9	Commercial Three Phase Conventional (Two Part Tariff) - Electricity					R 3,150.00	3,150.00
ST10	Commercial - Water - Consumption 40 - 100kl					R 1,785.00	1,785.00
ST11	Commercial - Water - Consumption 100 kl +					R 3,150.00	3,150.00
ST12	Bulk Users More than 100 Amp) - Electricity					R 8,925.00	8,925.00
ST13	Time of use (More than 100 Amp)					R 8,925.00	8,925.00
ST14	Domestic & Commercial Single Phase P/Paid (Two Part Tariff) - Electricity					R 200.00	200.00
ST15	Domestic & Commercial Three Phase P/Paid (Two Part Tariff) - Electricity					R 550.00	550.00
CAMPING SITES							
FRANK ROBB HUT							
ST15	In Season for up to 5 persons			R 202.00			230.28
ST16	Out of Season for up to 5 persons			R 142.00			161.88
ST17	Additional persons per person						
ST17A	In season			R 55.00			62.70
ST17B	Out of season			R 28.00			31.92
PARKING							
ST18	Parking within controlled parking areas						
ST18A	Per vehicle per day or part of a day			R 6.50			7.41
ST18B	Residents permit per year			R 23.00			26.22

Detail		Hermanus	Gansbaai	Kleinmond	Stanford	Overstrand	Vat in
BUILDING CONTROL							
ST19A	Building Plan Fees - Bigger than 30 up to 300 sq m (R/sq m)					R 8.30	9.46
ST19B	> 300 sq m (R/sq m)					R 4.30	4.90
ST20	Alterations and Additions smaller than 30 sq.m					R 250.00	285.00
ST21	Build without approved plan					Tariff + 100%	
ST22A	Plan Scrutiny Fees - < 300 sq m					R 210.00	239.40
ST22B	> 300 sq m (R/sq m)					R 1.20	1.37
ST23	Re-inspection fees					R 72.00	82.08
ST24A	Building Deposit - Recoverable Minor					R 720.00	720.00
ST24B	Building Deposit - Recoverable Other					R 1,423.00	1,423.00
ST24C	Building Sub Economic < 50 sq m					R 176.50	201.21
ST24D	Sub economic Areas only					No Deposit	
ST24E	Not Applicable to Additions						
ST24E	Building plan Search Fee					R 25.00	28.50
ST25	Plan Printing Fees						
ST25A	Per ream - Size A0					R 56.50	64.41
ST25B	Size A1					R 42.70	48.68
ST25C	Size A2					R 28.00	31.92
ST25D	Size A3					R 14.00	15.96
ST25E	Size A4					R 7.00	7.98
ST26	Photocopy - building plan						
ST26A	Size A4 per copy					R 2.60	2.96
ST26B	Size A3 per copy					R 4.00	4.56
ST26C	Site Plan Diagrams per copy per plan					R 22.00	25.08
ST26D	Copies of Town Maps		R 50.00	R 16.00			57.00 & 18.24
LAND USE PLANNING FEE (Advertising Costs Excluded)							
ST27A	Application for Consent Uses/Special Consent					R 842.00	959.88
ST27B	Application for Rezoning					R 1,695.00	1,932.30
	Application for Departure Art. 15(i)a(i)						
ST28A	Erven smaller than 500 sq m					R 243.50	277.59
ST28B	Erven more than 500 sq m					R 499.00	568.86

Detail		Hermanus	Gansbaai	Kleinmond	Stanford	Overstrand	Vat in
ST29	Application for Departure Art. 15(1)(a)(ii) Application for Subdivision					R 840.00	957.60
ST30A	- Up to 5 erven					R 840.00	957.60
ST30B	- 6 to 10 erven					R 1,134.00	1,292.76
ST30C	- More than 10 erven					R 1,554.00	1,771.56
ST31	Removal of Title Deed Restrictions					R 840.00	957.60
ST32	Regulations of Zoning schemes					R 147.00	167.58
ST33	Area Spatial Framework Report					R 357.00	406.98
ST34	Spatial Development Framework					R 357.00	406.98
RENTAL HAWKERS' STALLS & COMMUNITY HALLS							
ST35							
ST35A	Under cover stalls per sq m / month / Stall	R 38.00					43.32
ST35B	All open stalls per m ² per month / Stall	R 32.00					36.48
	Public open space erf 2366 cnr Main rd & Mussel rd - (fun fare, circus ect) per sqm per day					R 2.00	2.28
ST35B1	Deposit					R 5,000.00	5,000.00
ST35C	Daily rate	R 26.00					29.64
	Main Road Site: Traders with Overstrand consumer account per day				R 15.00		17.10
ST35D	Main Road Site: Traders without Overstrand consumer account per day				R 25.00		28.50
ST35E	Beach Front Site: Traders with Overstrand consumer account per day				R 20.00		22.80
ST35F	Beach Front Site: Traders without Overstrand consumer account per day				R 35.00		39.90
ST35G							44.46
ST35H	Zwelihle Community Hall per day	R 39.00					
ST35I	Moffat Hall - Mount Pleasant						
	Profit making functions: Monday to Friday and Sunday Daytime	R 28.00					31.92
ST35I1	Profit making functions: Monday to Friday and Sunday Evening	R 75.00					85.50
ST35I2	Profit making functions: Saturday	R 75.00					85.50
ST35I3	Social and non profitable functions: Daytime (excluding Saturday)	R 28.00					31.92
ST35I4							

Detail	Hermanus	Gansbaai	Kleinmond	Stanford	Overstrand	Vat in
ST35I5 Social and non profitable functions: Daytime Saturday	R 67.00					76.38
ST35I6 Social and non profitable functions: Evenings	R 67.00					76.38
ST35I7 Meetings	R 17.00					19.38
ST35I8 Church and Funerals	R 27.00					30.78
ST35I9 Functions after funeral	R 17.00					19.38
ST35I10 Use of kitchen	R 27.00					30.78
ST35I11 Use of kitchen crockery	R 27.00					30.78
ST35I12 Deposit	R 60.00					60.00
<i>Daytime: 7:00 - 18:00</i>						
<i>Evening: 19:00 - 24:00</i>						
ST35J Auditorium and Banqueting Hall						
ST35J1 Hire of Auditorium per Hour or part of a hour					R 131.00	149.34
ST35J2 Hire of Banqueting Hall per Hour or part of a hour					R 131.00	149.34
Hiring of Kitchen (Banqueting Hall & Auditorium) used						
ST35J3 for the serving of food only						
including in the hiring fee mentioned above as this						
facility forms an integral part of the building						
and cannot be separated there from						
ST35J4 Where use is made of the crockery					R 158.00	180.12
Where use is made of the crockery and other facilities						
ST35J5 i.e. stove, fridge					R 210.00	239.40
ST35J6 Sound Equipment (flat fee per event)					R 105.00	105.00
ST35J7 Deposit					R 525.00	525.00
ST35K Kleinmond Community						
ST35K1 Non profit making function - local			R 290.00			330.60
ST35K2 Non profit making function - non local			R 450.00			513.00
ST35K3 Profit Making function - local			R 420.00			478.80
ST35K4 Profit Making function - non local			R 630.00			718.20
ST35K5 Church bazaar - local			R 126.00			143.64
ST35K6 Church bazaar - non local			R 245.00			279.30
ST35K7 Meetings non politics - local			R 105.00			119.70
ST35K8 Meetings non politics - non local			R 200.00			228.00
ST35K9 Meetings politics - local			R 200.00			228.00

Detail	Hermanus	Gansbaai	Kleinmond	Stanford	Overstrand	Vat in
ST35K10 Meetings politics - non local			R 305.00			347.70
ST35K11 Annual tariff Organization - local			R 560.00			638.40
ST35K12 Annual tariff Organization - non local			R 925.00			1,054.50
ST35K13 Monthly tariff Organization - local			R 85.00			96.90
ST35K14 Monthly tariff Organization - non local			R 120.00			136.80
ST35K15 Church Service (normal) - local			R 85.00			96.90
ST35K16 Church Service (normal) - non local			R 152.00			173.28
ST35K17 Church Service (whole day) local			R 170.00			193.80
ST35K18 Church Service (whole day) non local			R 270.00			307.80
ST35K19 Recreation evenings (Songs & Games) local			R 105.00			119.70
ST35K20 Recreation evenings (Songs & Games) non local			R 155.00			176.70
ST35K21 Use of kitchen local			R 55.00			62.70
ST35K22 Use of kitchen non local			R 80.00			91.20
ST35K23 Use of kitchen crockery local			R 145.00			165.30
ST35K24 Use of kitchen crockery non local			R 225.00			256.50
ST35K25 Sound Equipment (flat fee per event) local			R 35.00			39.90
ST35K26 Sound Equipment (flat fee per event) non local			R 50.00			57.00
ST35K27 Deposit - Normal rental local			R 435.00			435.00
ST35K28 Deposit - Normal rental non local			R 620.00			620.00
ST35K29 Deposit - Politics local			R 570.00			570.00
ST35K30 Deposit - Politics non local			R 770.00			770.00
* 50% discount = Schools, sport clubs, service organizations Proteadorp - 50 % of Kleinmond Community Hall						
ST35L Tariffs						
ST35L1 Sound Equipment (flat fee per event) local			R 16.00			18.24
ST35L2 Sound Equipment (flat fee per event) non local			R 25.00			28.50
ST36 PLOT RENTAL CONTRACTORS CAMPS						
ST36A Camp 1 / plot (R/Day)	R 23.00					26.22
ST36B Longer than 3 month (R/Day)	R 30.00					34.20
ST36C Camp 2 / plot (R/Month)	R 265.00					302.10

Detail		Hermanus	Gansbaai	Kleinmond	Stanford	Overstrand	Vat in
ST37	FIRE BRIGADE Plot Clearing					Cost + R 53	
ST38	LIBRARY						
ST38A	Penalty per book per week					R 1.00	1.00
ST38B	Penalty per record/CD per week					R 1.00	1.00
ST38C	Penalty per video per day					R 2.00	2.00
ST38D	Lost Cards: Normal (R/card)					R 2.00	2.00
ST38E	Lost Cards: Laminated (Hermanus) (R/card)					R 15.00	15.00
ST38F	Special Requests - Per Book					R 3.00	3.00
ST38G	Special Requests - Per Book - Computerized					R 5.00	5.00
ST38H	(Hermanus and Kleinmond Libraries)						
ST38I	Subscriptions/ reader - Adults (Non residents)					R 63.00	71.82
ST38J	Subscriptions/ reader - Children (Non residents)					R 42.00	47.88
ST38K	Visitor's fee - Handling charge / item					R 2.00	2.00
ST38L	Deposit to person/s not paying rates or services					R 210.00	210.00
	Use of Internet Per 15 minutes subject to Telkom Price						
ST38M	Increases					R 9.50	9.50
ST38N	Fax - Western Cape - 1st Page					R 3.65	4.16
ST38O	Fax - Western Cape - Subsequent Pages / Page					R 3.35	3.82
ST38P	Fax - Elsewhere - 1st Page					R 4.70	5.36
ST38Q	Fax - Elsewhere - Subsequent Pages / Page					R 4.70	5.36
ST38R	Scanning of Document - Black & White					R 6.80	7.75
ST38S	Scanning of Document - Colour					R 9.40	10.72
ST38T	Copies: A4 / Page					R 0.50	0.57
ST38U	Copies: A3 / Page					R 1.00	1.14
ST38V	Hire of Library Hall (R/Hour)					R 26.00	29.64
	Hire of hall's kitchen and crockery(when available)						
ST38W	(R/Function)					R 84.00	95.76
ST38X	Deposit for crockery (when available) (R/Function)					R 168.00	168.00

Detail		Hermanus	Gansbaai	Kleinmond	Stanford	Overstrand	Vat in
ST39A	HIRE OF STORE, KITCHEN AND EQUIPMENT						
ST39A	Rent: Daily tariff				R 63.00		71.82
ST39B	Rent: Store, kitchen and equipment				R 263.00		299.82
ST39C	Rent: 18:00 till 24:00						
ST39D	Rent: 24:00 till 02:00						
ST39E	Chairs per unit						
ST39F	Tables per unit						
ST39G	Kitchen						
ST39H	Deposit				R 130.00		130.00
ST40	HIRE OF STORE EQUIPMENT FOR OUTSIDE USE						
ST40A	Chairs per unit				R 1.40		1.60
ST40B	Tables per unit				R 6.60		7.52
ST40C	Deposit				R 130.00		130.00
	DOG TAX (From 1 January 2007) Dog Tax						
ST41	<i>Ordinance, 1978</i>						
	<u>Non Social Pensioner</u>						
ST41A	First 2 sterilized dogs and bitches (R/Dog)					R 31.50	35.91
	Each additional sterilized dog/bitch - if application is						
ST41B	approved for more than 2 dogs					R 84.00	95.76
ST41C	Unsterilized dog/bitch over 6 months. (R/Dog)					R 105.00	119.70
ST41D	Breeders licence (subject to approval of premises)					R 525.00	598.50
	<u>Social Pensioner & Informal Settlements</u>						
ST41E	Sterilized male and bitch first dog only (R/Dog)					R 5.25	5.99
ST41E	Additional sterilized dog (Maximum 2)					R 21.00	23.94

Detail		Hermanus	Gansbaai	Kleinmond	Stanford	Overstrand	Vat in
ST42	CEMETERY						
	Residents:						
ST42A	<u>Plot Cost (Fixed)</u>						
ST42A1	Hermanus/Onrus					R 315.00	359.10
ST42A2	Mount Pleasant/Zwelihle/Hawston					R 189.00	215.46
ST42A3	Garden of Remembrance Fees					R 315.00	359.10
ST42A4	Gansbaai					R 84.00	95.76
ST42A5	Blompark					R 63.00	71.82
ST42A6	Stanford					R 315.00	359.10
ST42A7	Kleinmond					R 315.00	359.10
ST42B	<u>Indication of grave</u>						
	Single or double: New graves (include inspection before and after funeral)					R 222.00	253.08
ST42B2	Single or double: Existing graves					R 55.00	62.70
ST42C	<u>Digging of Grave</u>						
ST42C1	Minimum fee Single grave 6 ft					R 222.00	253.08
ST42C2	Minimum fee Double grave 6 ft					R 443.00	505.02
ST42C3	Minimum fee Single 8 ft grave for two					R 296.00	337.44
ST42C4	Fee per hour more than 3 hours					R 64.00	72.96
ST42C5	Pre Cast					Cost + 15%	
ST42D	<u>Covering of grave</u>						
ST42D1	Single grave 6 ft					R 55.00	62.70
ST42D2	Double grave 6 ft					R 111.00	126.54
ST42D3	Single 8 ft grave for two					R 61.00	69.54
ST42E	<u>Reopening of a grave</u>						
ST42E1	Single grave 6 ft not older than 1 year					R 61.00	69.54
ST42E2	Double grave 6 ft not older than 1 year					R 119.00	135.66
ST42E3	Single 8 ft grave for two not older than 1 year					R 95.00	108.30
	The tariff for opening of a grave will be applicable for the reopening of a grave older than 1 year.						

Detail		Hermanus	Gansbaai	Kleinmond	Stanford	Overstrand	Vat in
Non Residents:							
ST42F	<u>Plot Cost</u>						
ST42F1	All Tariffs					Residential Tariff X 2	
ST42G	<u>Indication of grave</u>						
ST42G1	All Tariffs					Residential Tariff X 2	
ST42H	<u>Digging of Grave</u>						
ST42H1	All Tariffs					Residential Tariff X 2	
ST42I	<u>Covering of grave</u>						
ST42I1	All Tariffs					Residential Tariff X 2	
ST42J	<u>Reopening of a grave</u>						
ST42J1	All Tariffs					Residential Tariff X 2	
ST44	BOAT LICENCE/PERMITS & LAUNCHING						
	Klein River and Bot River lagoons						
ST44A	Boat Licence/Permit (non -rip owner) / year (R/Boat)	R 78.00					88.92
ST44B	Boat Licence/Permit (riparian owner) / year (R/Boat)	R 22.00					25.08
ST44C	Boat Licence/Permit: Temporary for 3 Days (R/Boat)	R 23.00					26.22
ST44D	Maanskynbaai / year (R/Car)	R 68.00					77.52
	Kleinbaai Harbour:						
ST44E	Category B1: Shark-view operators pm		R 1,260.00				1,436.40
ST44F	: On site Parking pm		R 315.00				359.10
ST44G	Category B1: Shark-view operators pa		R 15,750.00				17,955.00
	Category B2: Shark-view operators (excl on-site parking) pm		R 1,260.00				1,436.40
ST44H	Category B2: Shark-view operators (excl on-site parking) pa		R 12,600.00				14,364.00
ST44I	Category D1: Boat-based whale-watching pm		R 1,260.00				1,436.40
ST44J	:On-site Parking		R 315.00				359.10
ST44K	Category D1: Boat-based whale-watching (inc on-site parking) pa		R 15,750.00				17,955.00
ST44L	Category D2: Boat-based whale-watching (excl on-site parking) pm		R 1,260.00				1,436.40
ST44M							

Detail	Hermanus	Gansbaai	Kleinmond	Stanford	Overstrand	Vat in
Category D2: Boat-based whale-watching (excl on-site parking) pa		R 12,600.00				14,364.00
ST44N Kelp Collectors/Salmon Farming Pm		R 1,575.00				1,795.50
ST44P Kelp Collectors/Salmon Farming Pa		R 15,750.00				17,955.00
ST44Q Kelp Collectors/Salmon Farming Per launch		R 79.00				90.06
ST44R Nature Conservation		Free				
Sport/Commercial Fishing Overstrand consumers only pa		R 252.00				287.28
ST44T Sport/Commercial Fishing non-consumers per launch		R 42.00				47.88
ST44U Passenger Boats pm		R 630.00				718.20
ST44V Passenger Boats per launch		R 52.50				59.85
ST44V1 Use of Tractor for boat-launching / month		R 100.00				114.00
ST44V2 Under-cover Stalls (Informal trading) / day		R 10.00				11.40
ST44V3 Formal Shop Rental / month		R 350.00				399.00
ST44W Boat Launching PA			R 315.00			359.10
ST44X Boat Launching per day			R 44.00			50.16
Blousloep Franskraal						
ST44Y1 Boat-launching : Annual permit (Boat club members)		R 350.00				399.00
ST44Y2 Temporary Permit: Boat club members / launch		R 10.00				11.40
ST44Y3 Temporary Permit: Boat club non-members / launch		R 20.00				22.80
Buffelsjachts						
ST44Z1 Boat-launching : Annual permit		R 350.00				399.00
ST44Z1 Temporary Permit: Buffeljachts Residents		R 10.00				11.40
ST44Z1 Temporary Permit: Boatclub Non-residents		R 20.00				22.80
Kleinriver Stanford Slipway						
ST44A1 Annual Permit > 15 HP Engine				R 350.00		399.00
ST44A2 Annual Permit < 15 HP Engine				R 80.00		91.20
Commercial -Minimum = R350.00 ; Maximum =						
ST44A3 R1000.00 / head capacity				R 40.00		45.60
ST44A4 Temporary Permit > 15 HP Engine				R 120.00		136.80

Detail	Hermanus	Gansbaai	Kleinmond	Stanford	Overstrand	Vat in
ST44A5 Temporary Permit > 15 HP Engine / Water Ski				R 150.00		171.00
ST44A5 Temporary Permit < 15 HP Engine				R 30.00		34.20
ST45 SUNDRY						
ST45A Photostat Charges - Welfare/Sporting (R/Page)					R 0.55	0.63
ST45B Private (R/Page)					R 2.60	2.96
ST45C Rental: Trestle tables - Welfare/Sporting (R/Table)					R 4.70	5.36
ST45D Private (R/Table)					R 33.60	38.30
ST45E Address Indexes (R/Page)					R 1.15	1.31
ST45F Access to Information Act(2 of 2000) - Tariffs					As Stipulated in Act	
ST45G Benches - Remembrance					R 1,890.00	2,154.60
ST45H Copies of Council Agendas and Minutes per 6 Months					R 189.00	215.46
Administration Cost - RD cheques ,Post Dated						
ST45I Checques					actual cost + R20.00	
ST45J Administration Cost - RD ACB					actual cost + R20.00	
ST45K Tender Deposit (less than 50 pages)					R 52.50	52.50
ST45L Tender Deposit (more than 50 pages)					R 262.50	262.50
ST45M Advertisement/Notices with municipal accounts		R 578.00				658.92
ST45N Placard / Poster each					R 0.65	0.74
ST45O Placards / Poster Deposit for Political Parties					R 2,000.00	2,000.00
ST46 TRAFFIC						
ST46A Removal of Vehicles per vehicle					R 465.00	530.10
ST46B Towing Charge					No Charge	
ST46C Storage Fees Minimum					R 61.00	69.54
ST46D Storage per day after 3 days					R 22.00	25.08
Impoundment of Hawkers Goods						
ST46E Per Impoundment					R 244.00	278.16
ST46F Storage Fee Minimum					R 61.00	69.54
ST46G Storage Fee per Day after 3 days					R 13.00	14.82
ST46H Removal of illegal structure per structure					R 665.00	758.10

Detail		Hermanus	Gansbaai	Kleinmond	Stanford	Overstrand	Vat in
Parking Meters							
ST46I	Per Hour Normal	R 2.60					2.60
ST46J	Friday 14:00 to Saturday 13:00	R 3.15					3.15
COMMERCIAL FILMING/PHOTOGRAPHING							
ST47A	Very Large per day or part thereof					R 7,312.00	8,335.68
ST47B	Large per day or part thereof					R 3,655.00	4,166.70
ST47C	Medium large per day or part thereof					R 1,827.00	2,082.78
ST47D	Small per day or part thereof					R 914.00	1,041.96
	Addition to Shoot					R 0.00	0.00
ST47E	Vehicles off Public Roads	Per Vehicle per day or part				R 368.00	419.52
ST47F	Animals	Per animal per day or part				R 122.00	139.08
ST47G	Environmental Control Officers Fees	Per hour or part				R 144.00	164.16
ST47H	Area required for production and catering	Per m2 per day or part				R 12.00	13.68
ST47I	Aircraft Landings	Per landing				R 609.00	694.26
ST47J	Cancellation Fee	Per Application @ Full permit Fee				15% of fee per fee	
NATURE CONSERVATION							
ST48A	Flower picking permit for commercial use					R 24.00	27.36
ST48B	Visitors fee Stony Point Nature Reserve per day			R 5.50			6.27
ST48C	Beach Rentals - Stanford's Cove / day		R 500.00				570.00
ST48D	Beach Rentals - Stanford's Cove / Refundable deposit)		R 1,000.00				1,000.00
ST48E	Beach Rentals - Stanford's Cove / Recreational Activities / month		R 500.00				570.00

**OVERSTRAND MUNICIPALITY
ELECTRICITY TARIFFS 2006/2007**

<u>Tariff Code</u>	<u>DETAILS</u>		2006/2007	vat in
E1	SINGLE PHASE : DOMESTIC & COMMERCIAL			
E1A	Two-Part Tariff: (only 60A, conventional or prepaid)			
E1A1	Basic Monthly charge	R	85.97	98.00
E1A2	Kwh Unit cost	c	26.31	29.99
E1B	One part tariff (Pre-paid meters only)			
E1B1	Economic(Based on Homelight1 60A) 60 Amp <i>(Proof of permanent residence and less than 350 Kwh average for six months) businesses, flats, sportsgrounds, churches</i>	c	52.63	60.00
E1B3	Sub - Economic(Based on Homelight1 20A) 30 Amp	c	45.06	51.37
E1B4	Indigent(Based on Homelight 2.5 A) 15 Amp Network Permitted	c	45.06	51.37
E3	THREE PHASE: COMMERCIAL & DOMESTIC			
E3A	Two-Part Tariff: (up to 60A, conventional or prepaid)			
E3A1	Basic Monthly charge	R	257.89	293.99
E3A2	Kwh Unit cost	c	33.97	38.73

Tariff Code	DETAILS		2006/2007	vat in
E3B	<u>Two-Part Tariff: (up to 100A, conventional or prepaid)</u> <i>(Network Permitted)</i>			
E3B1	Basic Monthly charge	R	514.91	587.00
E3B2	Kwh Unit cost	c	33.97	38.73
E3B3	One-Part Tariff: (up to 60A, only prepaid) <i>(Proof of permanent residence and less than 1050 Kwh average for six months) businesses, flats, sportsgrounds, churches</i>			
	Kwh Unit cost	c	58.25	66.41
E3B4	One-Part Tariff: (up to 100A, only prepaid) <i>(Proof of permanent residence and less than 1050 Kwh average for six months) businesses, flats, sportsgrounds, churches</i>			
	Kwh Unit cost	c	58.24	66.39
E4	BULK TARIFF GROUP (more than 100A)			
E4A1	kVA Charge	R	60.53	69.00
E4A2	kWh Unit charge	c	15.60	17.78
E4A3	Basic Monthly charge >100 KVA and < 500KVA	R	112.28	128.00
E4A4	Basic Monthly charge >500KVA and <1MVA	R	336.84	384.00
E4A5	Basic Monthly charge >1MVA	R	1,348.25	1,537.00

Tariff Code	DETAILS		2006/2007	vat in
E5	TIME OF USE TARIFF: Based on Eskom RURAFLEX Tariff <i>(Eskom indicates a 5.1% increase in the tariff)</i>		Eskom tariff	
E5A1	Service Charge		Eskom tariff	
E5A2	Administration charge		Eskom tariff	
E5A3	Network access charge		Eskom tariff	
E5A4	Active energy charge		Eskom tariff	
E5A5	Reactive energy charge		Eskom tariff	
E5A6	Voltage surcharge		Eskom tariff	
E5A7	Transmission surcharge		Eskom tariff	
E5B	BIRKENHEAD : (existing consumers) as per agreement			
E5B1	Nightsave Rural		Eskom tariff	
E5B2	Business rate 2		Eskom tariff	
E5B3	Home Power		Eskom tariff	
E5B4	Landrate 1		Eskom tariff	
E6	SUBSIDISED TARIFFS: Grant to be shown separately			
E7	- PUBLIC LIGHTING			
E7A1	Streetlights (metered) per month	c	33.71	38.43
E7A2	Streetlights(burning costs) per annum	R	76.32	87.00
E7A3	Streetlights(maintenance costs) per annum	R	148.25	169.01
E7A4	Telephone booths per annum	R	76.32	87.00
E7A5	Illuminated street sign boards per month	R	39.47	45.00

Tariff Code	DETAILS		2006/2007	vat in
E8	CASUAL SUPPLIES		-	
E8A1	Per connection plus disconnection	R	41.23	47.00
E8A2	Consumption per day/CB Ampere size (per amp)	R	1.43	1.63
			-	
E9	ELECTRICAL : EXTENSION FEE (Per Agreement with ESKOM)		-	
E8A1	Fisherhaven (per annum - fixed)(Eskom Agreement) 30 June 2007	R	360.00	360.00
E8A2	Vermont (per annum - fixed)(Eskom Agreement) 28/12/2006	R	674.40	674.40
E8A3	Rooi Els (per annum - to 31 Dec 2006)(Eskom Agreement)	R	1,178.38	1,178.38
E8A4	Rooi Els (per annum - From 1 Jan 2007)(Eskom Agreement)	R	1,068.02	1,068.02
E8A5	Bettiesbaai (per annum - to 31 Dec 2006)(Eskom Agreement)	R	1,087.98	1,087.98
E8A6	Bettiesbaai (per annum - From 1 Jan 2007)(Eskom Agreement)	R	1,174.88	1,174.88
E8A7	Pringlebaai (per annum - to 31 Dec 2006)(Eskom Agreement)	R	1,087.98	1,087.98
E8A8	Pringlebaai(per annum - From 1 Jan 2007)(Eskom Agreement)	R	567.76	567.76
			-	
E9	AVAILABILITY CHARGES : per Annum		-	
E9A1	Hermanus, Hangklip-Kleinmond and other areas	R	1,023.68	1,167.00
E9A2	Gansbaai (Phasing in)	R	950.00	1,083.00
E9A3	Stanford (Phasing in)	R	830.00	946.20

<u>Tariff Code</u>	<u>DETAILS</u>		2006/2007	vat in
E10	SUNDRY CHARGES		-	
E10A1	Call-out Fee - (normal working hours)	R	92.10	104.99
E10A2	Call-out Fee - (after hours)	R	218.42	249.00
E10A3	Contractor Inspection 2nd	R	92.10	104.99
E10A4	Contractor Inspection 3rd	R	184.21	210.00
E10A5	Change of Circuit Breaker - S/Phase(1/annum)	R	206.14	235.00
E10A6	Change of Circuit Breaker - 3 Phase(1/annum)	R	440.35	502.00
E10A7	Disconnection	R	82.46	94.00
E10A8	Reconnection	R	82.46	94.00
E10A9	Verification of a Meter Reading	R	68.42	78.00
E10A10	Test of Meter: S Phase (Conditionally Refundable)	R	233.33	266.00
E10A11	Test of Meter: All other Meters (Cond'y Refundable)	R	480.70	548.00
E10A12	Tariff change - change between one part and two part	R	84.21	96.00
E10A13	Damage elect meter	R	972.81	1,109.00
E10A14	Damage elect meter 3 phase	R	1,200.00	1,368.00
E10A15	Damage of Enermax meter	R	9,000.00	10,260.00
E10A16	Change from Bulk to Time of Use (with existing e/max meter) + Deposit	R	260.00	296.40

Tariff Code	DETAILS		2006/2007	vat in
E10A17	Change from Bulk to Time of Use (without existing e/max meter) + Deposit	R	10,700.00	12,198.00
E10A18	Valueless Transmission poles per meter	R	10.53	12.00
E11	CONVERT LOW COST TO STANDARD: (Up or Down)			
E11A1	15 Amps - 30 Amps(Network permitted)	R	239.47	273.00
E11A2	30 Amps - 60 Amps(Network permitted)	R	953.51	1,087.00
E11A3	Other up or down gradings per Amp	R	14.61	16.66
E12	CONVERSION OF METERS			
E12A1	Convert Conventional Meter to P/P: SP (no cable work)	R	1,011.40	1,153.00
E12A2	Convert Conventional Meter to P/P: 3P (no cable work)	R	1,899.12	2,165.00
E12A3	Convert Conventional Three Phase to Single Phase	R	412.28	470.00
E12A4	Convert P/P Single Phase to Three Phase	R	R2 800.00 +ext fee	3,192.00
E12A5	Convert P/P Three Phase to Single Phase	R	1,011.40	1,153.00
E12A6	Other Service Connections	R	Cost + 15%	
E12A7	Repositioning of Meter (excl.cable)	R	247.37	282.00
E12A8	Repositioning of Meter (incl.cable)		640.00	

Tariff Code	DETAILS		2006/2007	vat in
E13	SERVICE CONNECTIONS			
E13A1	Builders connection (plus applicable service connection tariff	R	335.70	382.70
E13A2	Single Phase (Conventional - 60A)	R	2,260.53	2,577.00
E13A3	Single Phase - (Pre-paid meters - 60A)	R	2,329.83	2,656.01
E13A4	Three Phase : (Conventional - 60A) Plus Extension fee	R	R3 823.68 + ext fee	4,338.00
E13A5	Three Phase : (Conventional - 100A) Plus Extension fee	R	R3 823.68 + ext fee	4,338.00
E13A6	Three Phase : (Pre-Paid - 60A) Plus Extension fee	R	R4 490.00 + ext fee	5,118.60
E13A7	Non Standard : Low Cost Connection 15 Amp	R	1,500.00	1,710.00
E13A8	Single Phase (Conventional 60A- Developer laid cable to boundary)	R	613.16	699.00
E13A9	Single Phase (Pre-Paid 60A-Developer laid cable to boundary)	R	777.19	886.00
E13A10	Three Phase (Conventional 60A- Developer laid cable to boundary)		R1 687.72 +ext. fee	1,924.00
E13A11	Three Phase (Pre-Paid 60A-Developer laid cable to boundary)		R2 490.35 +ext. fee	2,839.00
E14	REMEDIAL ACTION FEE (TAMPERING)		-	
E14A1	1 st Offence	R	1,099.12	1,253.00
E14A2	2 nd Offence	R	1,647.37	1,878.00
E14A3	3 rd Offence	Total disconnection/Removal of connection		

<u>Tariff Code</u>	<u>DETAILS</u>		2006/2007	vat in
E15	EXTENSION FEES			
E15A1	Secondary Cost per kVA - Include all High Voltage equipment up to Main Sub Station including dist. Transformer (only if capacity is available)	R	432.46 - -	493.00
E15A2	Primary Cost per kVA - Include all High Voltage equipment up to Main Sub Station excluding distr. Transformer	R	266.67 -	304.00
E15A3 E15A4	Buying/refund price of spare capacity (E15A1 - E15A2)) Non standard bulk connection		165.79 actual cost	189.00
E16	<u>BULK SERVICES DEVELOPMENT FEES</u> Development Contributions will be determined as set out in the Annexure in respect of Development Contribution Policy			
E17	DEPARTMENTAL (All Departments)			
E17A1	Kwh Unit cost	c	24.94	28.43
E17A2	KVA Charge	R	56.14	64.00

**OVERSTRAND MUNICIPALITY
WATER TARIFFS 2006/07**

Tariff Code	Detail		Gansbaai	Kleinmond	Stanford	Overstrand	vat included
WATER							
W1	RESIDENTIAL UNIT EQUIVALENTS (RUE) (Basic charge)						
W1A1	Basic RUE (1 RUE = 1 Basic Charge) <i>See attachment for the amount of RUE's allocated to different categories of consumers</i>					R 57.46	65.50
W1B	CONSUMPTION						
W1B1	1 - 6 kl per kl					R 0.00	0.00
W1B2	7 - 10 kl per kl					R 1.22	1.39
W1B3	11 - 15 kl per kl					R 1.62	1.85
W1B4	16 - 20 kl per kl					R 2.42	2.76
W1B5	21 - 25 kl per kl					R 3.20	3.65
W1B6	26 - 30 kl per kl					R 3.99	4.55
W1B7	31 - 40 kl per kl					R 5.36	6.11
W1B8	41 - 60 kl per kl					R 6.56	7.48
W1B10	61 - 80 kl per kl					R 7.82	8.91
W1B12	81 - 100 kl per kl					R 9.77	11.14
W1B13	101 > kl per kl					R 13.07	14.90
W1C	OTHER CONSUMERS						
W1C1	Departmental per Kl Small Holdings:					R 2.19	2.50
W1C2	Basic		R 32.59	R 32.59			37.15
W1C3	0-6 kl per kl		R 0.00	R 0.00			
W1C4	7-70 kl per kl		R 3.26	R 3.26			3.72
W1C5	> 70 kl per kl		R 10.44	R 10.45			11.90
W1C6	Fire Hoses: Basic per Month					R 78.24	89.20
W1C7	Uilenkraalsmond (Special Agreement) per kl		R 1.49				1.70
W1C8	Bulk usage (Unconnected to networks) per Kl					R 5.57	6.35

Tariff Code	Detail		Gansbaai	Kleinmond	Stanford	Overstrand	vat included
W1C9	Kidbrooke (Van Cauter 0 - 8000kl per jaar)	0.07				R 0.07	0.08
W1C10	Onrus Kleinhoewe tarief 2 (Van Cauter)	0.07				R 0.07	0.08
W1C11	Onrus Kleinhoewe tarief 4 (Ooreenkoms)	0.90				R 0.90	1.03
W2	AVAILABILITY (Not Connected to Network but can be connected)						
W2A1	Per Registered Erf per annum					R 690.00	786.60
W2A2	Per Registered Erf per month					R 57.50	65.55
W2A3	Proteadorp: single quarters and prefabricated buildings			R 10.79			12.30
W3	IRRIGATION WATER (LEIWATER) & RAW WATER						
W3A1	Use and pump water (80-90 min) per annum				R 129.21		147.30
	Pearly Beach Small Holdings: Basic		R 22.10				25.20
	Pearly Beach Small Holdings: Consumption 0- 70 kl per kl		R 1.45				1.65
	Pearly Beach Small Holdings: Consumption >70 kl per kl		R 3.68				4.20
W4	SUNDRY CHARGES						
W4A1	Testing of a Meter (Call-out Fee incl)(Conditionally refundable)					R 315.00	359.10
W4A2	Testing of a Meter (Ind/Bulk Meter)(Conditionally refundable) * <i>Minimum charge of R257.00</i>					Cost + 15%	
W4A3	Disconnection					R 78.95	90.00
W4A4	Reconnection					R 78.95	90.00
W4A5	Reconnection After Normal Working Hours					R 207.89	237.00
W4A6	Verification of a Meter Reading					R 78.95	90.00
W4A7	Final and Special Readings					R 78.95	90.00
W4A8	Call-out Fee - Normal Working Hours					R 78.95	90.00
W4A9	Call-out Fee - After Hours					R 207.89	237.00
W4A10	Registration of Borehole					R 73.51	83.80
W5	REMEDIAL ACTION FEE (TAMPERING)						
W5A1	1 st Offence					R 1,050.00	1,197.00
W5A2	2 nd Offence					R 1,580.00	1,801.20
W5A3	3 rd Offence						
				Total disconnection/Removal of connection			

Tariff Code	Detail		Gansbaai	Kleinmond	Stanford	Overstrand	vat included
W6	CONNECTION FEE						
W6A1	20 mm Connection					R 1,745.00	1,989.30
W6A2	Other Connections					Cost + 15%	
W6A3	Connections (Erf Boundary - by Developer)					R 602.02	686.30
W7	<u>BULK SERVICES DEVELOPMENT FEES</u>	-					
	Development Contributions will be determined as set out in the Annexure in respect of Development Contribution Policy						

OVERSTRAND MUNICIPALITY
REFUSE TARIFFS 2006/07

Tariff Code	Detail	Hermanus	Gansbaai	Hangklip-Kleinmond	Stanford	Overstrand	VAT INCL
REFUSE REMOVAL SERVICE							
San 1	REFUSE REMOVAL						
San 1A	Residential (All registered erven with water connection) 1 x removal per week (R/Month)					R 19.39	22.10
San 1B	Residential (All registered erven with water connection) 2 x removals per week (R/Month)					R 34.91	39.80
San 1E	Hotels, Hostels, Hospitals, Old Age Homes, Flats etc 1 x removal per week					R19.47 + (R4,91 X No. of Rooms) pm	22.20 & 5.60
San 1F	Hotels, Hostels, Hospitals, Old Age Homes, Flats etc 2 x removals per week					R34.91 + (R8,68 X No. of Rooms) pm	39.80 & 9.90
San 1G	Offices and Churches (R/Month)					R 9.74	11.10
San 1H	Shops, Cafes, Restaurants & butcheries 1 x Removal per week (R/Month)					R 38.77	44.20
San 1I	Shops, Cafes, Restaurants & butcheries 2 x Removals per week (R/Month)					R 69.82	79.60
San 1J	Shops, Cafes, Restaurants & butcheries 3 x Removals per week (R/Month)					R 108.60	123.80
San 1K	Supermarkets 1 x Removal per week (R/Month)					R 77.37	88.20
San 1L	Supermarkets 2 x Removals per week (R/Month)					R 138.60	158.00
San 1M	Supermarkets 3 x Removals per week (R/Month)					R 217.10	247.50
San 1N	Bulk Containers (240 l) (R/Month)					R 142.11	162.00
San 1O	Camphill (R/Month)					R 557.03	635.00
San 1P	Additional Removals per week (R/Month)	R 47.28	R 20.00			0	53.90 & 22.80
	Additional Removals on request Central Town (CBD) per hour					R 442.98	505.00
San 1Q	Caravan Sites, Chalets & Semi-permanent (R/Unit/Month)					R 9.74	11.10
San 1R	Departmental Consumption (Municipal Consumption per removal site per month)					R 16.67	19.00

Tariff Code	Detail	Hermanus	Gansbaai	Hangklip-Kleinmond	Stanford	Overstrand	VAT INCL
<u>San2</u>	<u>REFUSE DISPOSAL</u>						
San 2A	Residential (All registered erven with water connection) (R/Month)					R 5.88	6.70
San 2B	Hotels, Hostels, Hospitals, Old Age Homes, Flats etc (R/Month)					R5,88 + (R1,49 x No. of Rooms)	6.70 & 1.70
San 2C	Guesthouses (R/Month)					R5.88 + (R1,49 x No. of approved rentable rooms more than three)	6.70 & 1.70
San 2D	Shops, Cafes, Restaurants & Butcheries (R/Month)					R 11.84	13.50
San 2E	Offices (R/Month)					R 2.98	3.40
San 2F	Supermarkets (R/Month)					R 23.51	26.80
San 2G	Caravan Sites, Chalets & Semi-permanent (R/Month)					R1,49 x (No. of sites)	1.70
San 2H	Bulk Containers (240 l) 1x per week (R/Month)					R 15.79	18.00
San 2I	Self Dumping Transfer Stations & Dumping Sites:						
San 2J	Private 0-1 Ton & trailer per request					No Charge	
San 2K1	Businesses up to 1 Ton & trailer per request					40.35	46.00
San 2K2	Businesses up to 3 Ton with half load per request					79.82	91.00
San 2K3	Businesses up to 3 Ton with full load per request					159.65	182.00
San 2K4	Businesses up to 3 - 5 Ton per request					320.18	365.00
San 2O	Vehicles >5 Ton (No admission to Transfer Station, only to Dumping Sites) per request					No Charge	
San 2O1	Vehicles >5 <10 Ton per request					394.74	450.00
San 2O2	Vehicles >10 Ton per request					525.44	599.00
San 2Q	Uilenkraalsmond (Agreement) p.a.					R 43,848.25	49,987.00
San 2R	Franskraal Caravan Park (Agreement) p.a.					R 6,394.74	7,290.00
San 2S	Pearly Beach Caravan Park (Agreement) p.a.					R 12,437.72	14,179.00
San 2T	Departmental Consumption (per removal site per month)					R 5.61	6.40
<u>San 3</u>	<u>BASIC FEE REFUSE SERVICES</u>					0	
San3A	All consumers who are liable for refuse removal fee.(pm)					R 30.70	35.00

Tariff Code	Detail	Hermanus	Gansbaai	Hangklip-Kleinmond	Stanford	Overstrand	VAT INCL
<u>San 4</u>	<u>AVAILABILITY FEE Refuse Service (Erven without Water Connection)</u>					0	
San 4A	All registered erven without water connection (R/Year)					R 368.42	420.00
<u>San 5</u>	<u>SUNDRIES</u>					0	
San5A	Garden Refuse per load (R/Cubic Meter)					R 21.40	24.40
San5B	Black Bags (R/Bag)					R 0.61	0.70
San5C	Replacement of Bulk Containers (R/240 l Container)					R 521.93	595.00

OVERSTRAND MUNICIPALITY
SEWERAGE TARIFFS FOR 2006/07

Tariff Code	Detail	Hermanus	Gansbaai	Hangklip-Kleinmond	Stanford	Overstrand	VAT INCL
SEWERAGE							
Sew 1	<u>Sewerage Network</u>						
Sew 1B	Household - Conventional Sewer & Small-bore (Where applicable, Small-bore tanks are generally pumped free of charge, provided that the norm is applied for consumption) (R/Month)					R 128.95	147.00
Sew 1C	Hotels, Hostels, Hospitals, Old Age Homes and Group Housing (R/Month)					R94.56 x No. of Rooms	107.80
Sew 1D	Guesthouses (Only where average monthly water consumption for the previous book year was more than 50 kl per month) The consumer may apply for the normal household tariff to be implemented.(R/Month)					R128.95 + (R21,05 x No. of approved rentable rooms more than three)	147.00 & 24.00
Sew 1E	Shops & Offices (R/Month)					R 31.58	36.00
Sew 1F	Low Cost Housing Scheme Residence (R/Month)					R 36.40	41.50
Sew 1G	Semi-Permanent Caravan Sites per Site (R/Month)					R 62.98	71.80
Sew 1H	Availability Fee (Conventional & Small-bore Sewerage) Erven which are not connected to the Network (R/Year)	R 1,315.79	R 1,315.79	R 1,315.79	R 730.70		1500.00 & 833.00
Sew 1I	Schools (R/Month)					R 88.86	101.30
Sew1J	Caravan Parks with communal ablution facilities (per bath, shower or toilet) R/ Month					R 5.57	6.35
Sew1K	Departmental (Municipality)					R 5.57	6.35
Sew1L	Sewerage Network Connection (Normal connection)					R 1,315.79	1,500.00
Sew1M	Restaurants, butcheries, supermarkets with their own food processing section, other food processing industries					R 128.95	147.00
Sew 2	<u>Conservancy Tanks & Septic Tanks</u>						
Sew 2A	Availability Fee Erven not yet connected to a sewerage network/unable to (R/Year)					R 159.65	182.00
Sew 2B1	Consumers who have a conservancy tank larger than 6 kl, who are not connected to a sewerage network, and who are unable to connect to a sewerage network (R/Month). Consumers must request removal telephonically during office hours.	R128.95 pm which includes a maximum of 2 vacuum tank removals pm					147.00

Tariff Code	Detail	Hermanus	Gansbaai	Hangklip-Kleinmond	Stanford	Overstrand	VAT INCL
Sew 2B2	Consumers who have a conservancy tank smaller than 6 kl, who are not connected to a sewerage network, and who are unable to connect to a sewerage network (R/Month). Consumers must request removal telephonically during office hours.	R128.95 pm which includes a maximum of 4 vacuum tank removals pm					147.00
Sew 2B3	Hotels, Restaurants & Guesthouses with a conservancy tank who are not connected to a sewerage network and who are unable to connect to a sewerage network, up to 100 pumps per annum. Consumers must apply for this tariff.	R5 263.16					6,000.00
Sew 2B4	Hotels, Restaurants & Guesthouses with a conservancy tank who are not connected to a sewerage network and who are unable to connect to a sewerage network, up to 365 pumps per annum. Consumers must apply for this tariff.	R17 543.86					20,000.00
Sew 2C*	Conservancy Tank Service per request (10 kl tanker) (Small-bore excluded see Sew 1B tariff)	R 153.95	R 153.95	R 81.58	R 153.95		175.50 & 93.00
Sew 2D*	Conservancy Tank Service per request (20 kl tanker)(Small-bore excluded see Sew 1B tariff)	R 307.90	R 307.90	R 163.16	R 307.90		351.00 & 186.00
Sew 2E	Conservancy Tank Service per request 5,5 kl tanker (Small-bore excluded see Sew 1B tariff)					R 84.82	96.70
Sew 2F	Conservancy Tank Service per request 6 kl tanker (Small-bore excluded see Sew 1B tariff)					R 92.37	105.30
Sew 2G	Conservancy Tank Service per request (12 kl tanker) (Small-bore excluded see Sew 1B tariff)					R 184.82	210.70
Sew 2H	After Hours 5 & 6 kl per Request					2 x Normal Tariff	
	* Kleinmond is per half removal, since home tanks are 5 kl						
Sew 2H	After Hours Businesses with Public Toilets per removal					Normal Applicable Tariff	
Sew 2I	Additional outside of proclaimed town areas / hour					R 132.28	150.80
Sew 2J	Proteadorp (single quarters) (R/Month)			R 37.37			42.60
Sew2K	Call out fee for Tank Service request but no service due to another defect					R 80.00	91.20

Tariff Code	Detail	Hermanus	Gansbaai	Hangklip-Kleinmond	Stanford	Overstrand	VAT INCL
Sew2L	Testing of the septic and conservancy tanks					R 701.75	800.00
Sew3	<u>BULK SERVICES DEVELOPMENT FEES</u>						
	Development Contributions will be determined as set out in the Annexure in respect of Development Contribution Policy						
Sew4	More than 3 pipes an additional fee per pipe			R 13.68			15.60

MUNICIPALITY/MUNISIPALITEIT
Property Rates Exemptions and Rebates
(Attachment to the Rates Tariff Schedule)

Class Tax	Type of Property	Rebate of Exemptions
General Tax: Commercial	All businesses, industries, Bed and Breakfast and Guest Houses	No exemptions Bed and Breakfast as well as Guesthouses can apply for the following rebate: 1 x lettable room : 10,2% 2 x lettable rooms : 8,9% 3 x lettable rooms : 7,6% 4 x lettable rooms : 6,3% 5 x lettable rooms : 5,0%
General Tax: Residential properties within the former municipal areas before amalgamation.	Single residential properties, Group housing, Retirement Villages, Flats, Sectional Schemes	The first R15 000 of the rateable value is exempted from property tax. Sectional Schemes may apply for the R15 000 exemption on each residential unit in the scheme. Rebate to qualifying property owners as indicated under "Other Rebate"
General Tax: Residential properties <u>outside</u> of the former municipal areas before amalgamation.	Single residential properties, Group housing, Retirement Villages, Flats, Sectional Schemes	The first R15 000 of the rateable value is exempted from property tax. Sectional Schemes may apply for the R15 000 exemption on each residential unit in the scheme. 50% of the tax applicable on residential property in urban areas. Rebate to qualifying property owners as indicated under "Other Rebate"
General Tax: Tourism and recreational resorts <u>outside</u> of the former municipal areas before amalgamation.	Hotels, Guest Houses, Cottages, Caravan parks and Holiday Resorts	50% rebate on the tax applicable on commercial property in urban areas. Bed and Breakfast as well as Guesthouses can apply for the following rebate: 1 x lettable room : 10,2% 2 x lettable rooms : 8,9% 3 x lettable rooms : 7,6% 4 x lettable rooms : 6,3% 5 x lettable rooms : 5,0%

Class Tax	Type of Property	Rebate of Exemptions
General Tax: Farming properties	Bona fide agriculture properties	No exemptions. 90% of the tax applicable on residential property in urban areas.
Other Rebates	Single residential properties, Group housing, Retirement Villages, Flats	A rebate of 40% to approved applicants, in terms of the Rating Policy, who receive a social pension from the Government. A rebate of 30% to approved applicants, in terms of the Rating Policy, who are older than 60 with a total house hold income less than R1 000 pm. A rebate of 20% to approved applicants, in terms of the Rating Policy, who are older than 60 with a total house hold income more than R1 001 pm but less than 2 x the Government approved social pension amount per month.

ANNEXURE TO WATER TARIFFS

ALLOCATION OF RUE's TO CATEGORIES OF CONSUMERS

1. **Single Residential erven**
1 RUE.
2. **Churches**
1 RUE per 1000 sq meter erf.
3. **Flats**
1 RUE per 3 units plus
1 RUE per 1000 sq m developed commonage (planted gardens ect).
4. **Caravan Parks**
1 RUE per 5 stands.
1 RUE per Community Center
5. **Townhouse developments**
1 RUE per 2 townhouse units plus
1 RUE per 10 000 sq m (ha) developed commonage (planted gardens ect).
1 RUE per Community Center
6. **Retirement Villages**
1 RUE per 2 housing units plus
1 RUE per 4 Frail care units plus
1 RUE per Kitchen plus
1 RUE per Community Center
1 RUE 10 000 sq m (ha) developed commonage (planted gardens ect).
7. **Guest houses and Hotels**
1 RUE per 5 units/bedrooms plus
1 RUE per 1000 sq m commonage.
8. **Cafè with Take-Away**
1 RUE
9. **Restaurants**
1 RUE per 50 seats.
10. **Dry Cleaners**
4 RUE's .
11. **Garages**
3 RUE's.
12. **Shops and Offices**
1 RUE per unit.
13. **Butchery**
2 RUE's per unit.

14. **Buildings with Multiple and Diverse consumers**

Total as per different categories.

15. **Dry Industry**

1 RUE per unit.

16. **Wet Industry**

RUE's negotiable between 5 and 10 RUE's depending on estimated consumption.

17. **Consumers that do not fall in one of the above categories**

Engineering & Financial Departments calculate tariffs for these consumers within the tariff's structural framework.

OVERSTRAND MUNICIPALITY
DEVELOPMENT CONTRIBUTION POLICY
(Attachment to the Tariff Schedule)

The developer will be responsible for the payment of development contributions in accordance with the relevant legislation and as determined by Council. The calculation methodology as listed below will generally be used as a guideline to determine the development contributions. The Council may deviate from this guideline in accordance with the relevant legislation particularly where large developments with significant impact on services are being processed. The developer may be required by the council to provide bulk services in lieu or in part of the payment of development contributions. The Council may revise the Development Contribution Policy at any stage.

WATER:

Standard Fee	R 10 657.50
Flats up to 2 bed rooms (R/Flat)	50% of Standard
Flats more than 2 bed rooms (R/Flat)	75% of Standard

ELECTRICITY:

Standard Fee per erf :	
Single Phase (13.8 Kva)Domestic/Commercial X Tariff E15A1	R 5 967.95
Three Phase (42 Kva) Domestic/Commercial X Tariff E15A1	R 18 163.32
Bulk Supply Rate /KVA = Tariff E15A2	R266.67 p/kva

SEWERAGE:

Standard	R 6 877.50
Flats up to 2 bedrooms (R/Flat)	50% of Standard
Flats more than 2 bedrooms (R/Flat)	50% of Standard

All excluding Value Added Tax (V.A.T.)

TARIFFS FOR RESORTS FOR THE 2006/07 FINANCIAL YEAR

ONRUS, PALMIET AND KLEINMOND CARAVAN PARKS

SEASON	A Stands	B Stands	C Stands	PERIOD
High Peak Season	R194.00	R154.00	R142.00	16/12 to 3/1 and Easter weekend
Peak Season	R142.00	R130.00	R118.00	Cape School Holidays but excluding the Winter Holiday and any long weekend
In Season	R118.00	R108.00	R98.00	1/10 to 30/4
Out of Season	R64.00	R64.00	R64.00	1/5 to 30/9

- The above tariffs include for up to 4 persons and 1 vehicle with one trailer or caravan or small boat.
- Additional persons up to a maximum of 6* = R13.00 per person per day
- Additional vehicle or small trailer or small boat to maximum of 2 units = R13.00 per unit
- Availability of electricity = R18.00 per stand per day (High& Peak Season)
- Availability of electricity = R12.00 per stand per day (In & Out Season)
- Day visitors for campers up to a maximum of 6* = R20.00 per person per day and R22.00 for a vehicle (Day visitor at Onrus = R7.00.)
- Children under 2 years are free and under 12 at half price
- Storing of caravans if suitable = R94.00 pm
- ONRUS:
 - Wooden huts – R273.00, R248.00, R153.00 and R106.00 for High, Peak, In and Out of Season respectively, for a maximum of 4 persons (Less R15 per person less than 4)
 - Semi-permanent Stands = R 6 777.75 pa plus the following:
 - Pergola with covering = R 58.00 pm
 - Water tap = R12.00 pm
 - Structure for storing purposes = R12.00 pm
 - Permanent fireplace structure = R12.00 pm
- Group bookings of more than 20 people or pensioners may get a discount of 20% on the stands but only during the In and Out of Season periods
- A 10% discounts may be granted on the stands outside High Peak Season for stays longer than 14 days and a 20% discount for stays longer than 30 days

*Special arrangements may be made with the Camp Manager to allow more people

Group	Fee
0 – 10 Persons	R 50.00
11 – 20 Persons	R100.00
>20 Persons	R200.00

Picnic Tariffs: Kleinmond, Palmiet and Kasteelkop

Vehicle	R 31.00
Adults	R 13.00
Children 4 to 12 years old	R 7.00
Year permit	R 70.00

Annexure P5 – Budget Report 2006/2007

All tariffs included Value Added Tax – where applicable

Alle tariewe sluit Belasting op Toegevoegde Waarde – Waar van toepassing

GANSBAAI CARAVAN PARK

SEASON	A Stands	B Stands	C Stands	PERIOD
High Peak Season	R118.00	R106.00 R 94.00	R81.00	16/12 to 3/1 and Easter weekend
Peak Season	R106.00	R100.00 R 94.00	R81.00	Cape School Holidays but excluding the Winter Holiday and any long weekend
In Season	R100.00	R100.00 R 88.00	R81.00	1/10 to 30/4
Out of Season	R 63.00	R50.00 R 50.00	R50.00	1/5 to 30/9

- The above tariffs include for up to 4 persons and 1 vehicle with one trailer or caravan or small boat.
- Additional persons up to a maximum of 6* = R18.00 per person per day
- Additional vehicle or small trailer or small boat = R18.00 per unit (Only applicable in High and Peak Season)
- Day visitors for campers up to a maximum of 6 = R12.00 per person per day
- Children under 2 years are free and under 12 at half price
- Semi-permanent Stands = R 3 555.00 pa
- Group bookings of more than 20 people or pensioners may get a discount of 20% on the stands but only during the In and Out of Season periods
- Special arrangements may be made with the Camp Manager to allow more people

HAWSTON CARAVAN PARK

ITEM	Out of Season*	In and Peak Season*	High Peak Season*
Camping Sites with electricity	R 58.00	R 82.00	R 110.00
Camping Sites without electricity	R 52.00	R 70.00	R 94.00
Camping Sites for functions	R 142.00	R 142.00	R 194.00
Picnic Fees : Per Vehicle	R 6.50	R 6.50	R 6.50
Adults (per person)	R 6.50	R 6.50	R 6.50
Children (per child)	R 2.00	R 2.00	R 2.00
Swimming Pool: Adults (per person)	R 4.00	R 4.00	R 4.00
Children (per child < 12)	R 1.00	R 1.00	R 1.00
Gala's and Schools	R 50.00	R 50.00	R 50.00

*Periods as indicated above.

- The above tariffs include for up to 6 persons and 1 vehicle with one trailer or caravan or small boat.
- Additional persons up to a maximum of 8* = R6,50 per person per day
- Additional vehicle or small trailer or small boat = R3.50 per unit per day
- Group bookings of more than 20 people or pensioners may get a discount of 20% on the stands but not during High Peak Season

*Special arrangements may be made with the Camp Manager to allow more people

ANNEXURE D

DRAFT CAPITAL BUDGET 2006/2007 (PER SERVICE)

Project No.		Category & Project Description	Suburb	Town	2006/2007 Council Funding	2006/2007 Ad hoc	Total	Ward
SPORT & RECREATION								
MIG 7		SPORT & REC. GANSBAAI New Sport field Lighting for Masakhane (MIG) 115 - Play ground : Beverly Hills	Masakhane	Gansbaai	0	310,650	310,650	Ward 1
		SPORT & REC. (1934) GANSBAAI New sport field	Gansbaai	Gansbaai	10,000	0	10,000	Ward 1
MIG 8		SPORT & REC. lighting for Eluxolweni (MIG)	Eluxolweni	Gansbaai	0	462,300	462,300	Ward 2
		SPORT & REC. Netball Facilities (ST)	Stanford	Stanford	70,000	0	70,000	Ward 3
		SPORT & REC. Ticket Kiosk at Rugby field (ST)	Stanford	Stanford	20,000	0	20,000	Ward 3
	1763	SPORT & REC. Upgrading of Playpark - MP	Pleasant Mount	Hermanus	50,000	0	50,000	Ward 4
	2048	SPORT & REC. Upgrading of Playpark - MP	Pleasant Mount	Hermanus	50,000	0	50,000	Ward 4
		SPORT & REC. Upgrading of playpark of 460 sites	Zwelihle	Hermanus	30,000	0	30,000	Ward 5
		SPORT & REC. Establishment of new park of 460 sites	Zwelihle	Hermanus	60,000	0	60,000	Ward 5
		SPORT & REC. Upgrading of playpark	Zwelihle	Hermanus	50,000	0	50,000	Ward 6
OS2	1079	SPORT & REC. STREETLIGHTS- ONRUS CARAVAN PARK	Onrus	Hermanus	50,000	0	50,000	Ward 7
OS2	1084	SPORT & REC. ELECTRIFICATION OF 80 SITES	Onrus	Hermanus	50,000	0	50,000	Ward 7
		SPORT & REC. Ontwikkeling van speel park	Hawston	Hermanus	10,000	0	10,000	Ward 8
OS3	1867	SPORT & REC. PARKING AREA MAIN BEACH SURFACING & LANDSCAPING	Kleinmond	Kleinmond	220,000	0	220,000	Ward 9
OS3	1519	SPORT & REC. OF PARKING KM BEACH	Kleinmond	Kleinmond	70,000	0	70,000	Ward 9
		SPORT & REC. Repair retaining wall Kleinmond main beach	Kleinmond	Kleinmond	160,000	0	160,000	Ward 9
Total					900,000	772,950	1,672,950	

Project No.	Category & Project Description		Suburb	Town	2006/2007 Council Funding	2006/2007 Ad hoc	Total	Ward
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ELECTRICITY

OS2	1179	ELECTRICITY	GENERAL COMPUTER AND TEST EQUIPMENT	Overstrand	Overstrand	35,000	0	35,000	Overstrand
OS2	1670	ELECTRICITY	INSTALLATION OF SCADA SYSTEM	Overstrand	Overstrand	100,000	0	100,000	Overstrand
		ELECTRICITY	GENERATORS FOR EMERGENCY POWER SUPPLY	Overstrand	Overstrand	2,000,000	0	2,000,000	Overstrand
		ELECTRICITY	External Loan - Bulk Services Infrastructure	Overstrand	Overstrand	2,000,000		2,000,000	Overstrand
OS1	1059	ELECTRICITY	UPGRADING OF MAIN SUPPLY (FK)	Franskraal	Gansbaai	2,400,000	0	2,400,000	Ward 1
OS4	1058	ELECTRICITY	UPGRADING OF LV NETWORK (KB)	Kleinbaai	Gansbaai	415,000	0	415,000	Ward 1
OS4	1056	ELECTRICITY	UPGRADING OF LV NETWORK (DK)	De Kelders	Gansbaai	250,000	0	250,000	Ward 2
OS4	2090	ELECTRICITY	ELECTRICITY MAIN SWITCHING STATION	Stanford	Stanford	950,000	0	950,000	Ward 3
		ELECTRICITY	ELEC INFRASTRUCTURE FOR HOUSING PROJECT (ST)	Stanford	Stanford	500,000	0	500,000	Ward 3
OS2	1178	ELECTRICITY	MV SUBSTATION METERING	Hermanus	Hermanus	30,000	0	30,000	Ward 4
OS2	1180	ELECTRICITY	NRS 048 DATA MONITORING	Hermanus	Hermanus	60,000	0	60,000	Ward 4
OS2	1846	ELECTRICITY	CABLE TEST EQUIPMENT	Not allocated	Hermanus	65,000	0	65,000	Ward 4
OS4	2027	ELECTRICITY	3 PHASE ELECTRIC - CHURCH AND CBD	Hermanus	Hermanus	1,000,000	1,000,000	2,000,000	Ward 4
OS4	1852	ELECTRICITY	UPGRADE SECTIONAL SUB	Not allocated	Hermanus	475,000	0	475,000	Ward 4
OS4	1847	ELECTRICITY	WHALE ROCK FROM INDUSTRIAL FEEDER	Hermanus	Hermanus	944,000	0	944,000	Ward 4
			FEEDER HILL STREET & KWAAIWATER	Hermanus	Hermanus	2,000,000	0	2,000,000	Ward 4
OS4	1843	ELECTRICITY	REPLACE 4 MINISUBS	Hermanus	Hermanus	1,000,000	0	1,000,000	Ward 4
OS4	1840	ELECTRICITY	REPLACE LV INFRASTRUCTURE	Hermanus	Hermanus	1,800,000	0	1,800,000	Ward 4

Project			Category & Project Description	Suburb	Town	2006/2007 Council Funding	2006/2007 Ad hoc	Total	Ward
No.									
OS4	1842	ELECTRICITY	RELOCATE OCB TO DE GOEDE STREET	Hermanus	Hermanus	150,000	0	150,000	Ward 4
OS3	1765	ELECTRICITY	STREET LIGHTING	Onrus	Hermanus	100,000	0	100,000	Ward 7
OS3	1029	ELECTRICITY	STREET LIGHTING SANDBAAI	Sandbaai	Hermanus	100,000	0	100,000	Ward 7
			REFURBISHMENT OF MINI SUBSTATION	Sandbaai	Hermanus	160,000	0	160,000	Ward 7
OS4	1003	ELECTRICITY	OVERHEAD LINE	Sandbaai	Hermanus	630,000	0	630,000	Ward 7
		ELECTRICITY	Vermont - Installer van Straatligte	Vermont	Hermanus	20,000	0	20,000	Ward 7
			Sandbaai - Installer van straatligte (Aangewys te word deur						
		ELECTRICITY	Belastingbetalersvereniging)	Sandbaai	Hermanus	70,000	0	70,000	Ward 7
	1745	ELECTRICITY	Streetlighting Fisherhaven	Fisherhaven	Hermanus	50,000	0	50,000	Ward 8
			Streetlights : Church , Harbour & Ext. 3						
	2061	ELECTRICITY	HAWSTON HOUSING PROJECT CONNECTIONS	Hawston	Hermanus	200,000	0	200,000	Ward 8
INEP		ELECTRICITY		Hawston	Hermanus	0	500,000	500,000	Ward 8
Total						17,504,000	1,500,000	19,004,000	

FIRE FIGHTING

OS2	1954	FIRE FIGHTING	SHACK ATTACK UNITS	Overstrand	Overstrand	30,000	0	30,000	Overstrand
OS2	2064	FIRE FIGHTING	RADIO'S	Overstrand	Overstrand	35,000	0	35,000	Overstrand
OS2	1955	FIRE FIGHTING	UPGRADING BUILDINGS	Overstrand	Overstrand	125,000	0	125,000	Overstrand
OS2	2063	FIRE FIGHTING	FIRE FIGHTING & RESCUE EQUIPMENT	Overstrand	Overstrand	200,000	0	200,000	Overstrand
Total						390,000	0	390,000	

Project No.	Category & Project Description			Suburb	Town	2006/2007 Council Funding	2006/2007 Ad hoc	Total	Ward
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HOUSING

OS1	1298	HOUSING	RESETTLEMENT OF INFORMAL HOUSES STANFORD (489 Units) -	Stanford	Stanford	0	390,000	390,000	Ward 3
OS5		HOUSING	SERVICES INFRASTRUCTURE HAWSTON HOUSING	Stanford	Stanford		7,335,000	7,335,000	Ward 3
OS1		HOUSING	(SERVICES) (LLPP PROJECT) KLEINMOND (611 Units) -	Hawston	Hermanus	3,000,000	0	3,000,000	Ward 8
OS5		HOUSING	SERVICES INFRASTRUCTURE	Proteadorp/KM	Kleinmond	0	9,165,000	9,165,000	Ward 9
Total						3,000,000	16,890,000	19,890,000	

INFORMATION TECHNOLOGY

OS2	1911	IT	COMPUTER EQUIPMENT	Overstrand	Overstrand	220,000	0	220,000	Overstrand
OS2	1912	IT	NEW FURNITURE	Overstrand	Overstrand	25,000	0	25,000	Overstrand
OS2	1913	IT	RADIO NETWORK	Overstrand	Overstrand	30,000	0	30,000	Overstrand
OS2	1923	IT	COMPUTER ROOM UPGRADE COMPUTERS & EQUIPMENT	Overstrand	Overstrand	40,000	0	40,000	Overstrand
OS2	2078	IT	FOR NEW APPOINTEES	Overstrand	Overstrand	200,000	0	200,000	Overstrand
OS2	2079	IT	GIS SERVER	Hermanus	Overstrand	120,000	0	120,000	Overstrand
OS2	2077	IT	NOVELL SERVER	Hermanus	Overstrand	130,000	0	130,000	Overstrand
Total						765,000	0	765,000	

VEHICLES

OS6	1962	VEHICLES	VEHICLE REPLACEMENT	Overstrand	Overstrand	3,000,000	0	3,000,000	Overstrand
Total						3,000,000	0	3,000,000	

Project		Category & Project Description		Suburb	Town	2006/2007 Council Funding	2006/2007 Ad hoc	Total	Ward
No.									
PROPERTY SERVICES									
OS1	1963	PROP. SERV.	OFFICE EXTENSION	Hermanus	Overstrand	1,900,000	0	1,900,000	Overstrand
OS2	1860	PROP. SERV.	INSULATION MAIN OFFICE	Hermanus	Overstrand	120,000	0	120,000	Overstrand
OS2	1861	PROP. SERV.	CAT WALK AUDITORIUM	Hermanus	Overstrand	75,000	0	75,000	Overstrand
		PROP. SERV.	REGIONAL CEMETERY	Overstrand	Overstrand	750,000	0	750,000	Overstrand
OS3	2020	SPORT & REC.	SLIPWAY REPAIR	Kleinbaai	Gansbaai	500,000	0	500,000	Ward 1
			83 - Administration Offices :						
		PROP. SERV.	Archives	Gansbaai	Gansbaai	75,000	0	75,000	Ward 1
		PROP. SERV.	84 - Administration : Extension of parking area	Gansbaai	Gansbaai	50,000	0	50,000	Ward 1
		PROP. SERV.	88 - Extension of Industrial Area (Money Spinner)	Gansbaai	Gansbaai	80,000	0	80,000	Ward 1
	1195	PROP. SERV.	Contribution to Multi - Purpose Centre (1195)	Gansbaai	Gansbaai	100,000	0	100,000	Ward 1
		PROP. SERV.	Contribution to Gansbaai Multi-purpose Centre			0	270,000	270,000	Ward 1
			CAST CONCRETE FLOOR IN						
OS2	1243	PROP. SERV.	VEHICLE SHED	Gansbaai	Gansbaai	30,000	0	30,000	Ward 2
			SHED FOR VEHICLE						
OS2	1498	PROP. SERV.	STORAGE	Gansbaai	Gansbaai	200,000	0	200,000	Ward 2
			Contribution to Multi - Purpose						
	1195	PROP. SERV.	Centre (1195)	Gansbaai	Gansbaai	100,000	0	100,000	Ward 2
		PROP. SERV.	Greening of Stanford (ST)	Stanford	Stanford	40,000	0	40,000	Ward 3
			RELOCATION OF MUNICIPAL						
OS3	1993	PROP. SERV.	STORE	Stanford	Stanford	2,000,000	0	2,000,000	Ward 3
		PROP. SERV.	MULTI PURPOSE CENTRE	Stanford	Stanford	500,000	0	500,000	Ward 3
			Mount						
OS3	1778	PROP. SERV.	UPGRADE MOFFAT HALL	Pleasant Mount	Hermanus	250,000	0	250,000	Ward 4
				Mount					
OS3	1778	CEMETERY	BOUNDARY WALL CEMETERY	Pleasant Mount	Hermanus	160,000	0	160,000	Ward 4
			GEARING POINT - UPGRADE						
		PROP. SERV.	FACILITIES	Hermanus	Hermanus	2,000,000	0	2,000,000	Ward 4
			Construction and upgrading of						
	1835	PROP. SERV.	cliffpaths	Hermanus	Hermanus	50,000	0	50,000	Ward 4

Project		Category & Project Description		Suburb	Town	2006/2007 Council Funding	2006/2007 Ad hoc	Total	Ward
No.									
OS3	2028	PROP. SERV.	FOOTPATHS - WINDSOR TO HM PIETERSE FOUNTAIN	Hermanus	Hermanus	450,000	0	450,000	Ward 4
OS2	1475	PROP. SERV.	SINGLE QUARTER UPGRADE REFURBISH MUNICIPAL	Hermanus	Overstrand	50,000	0	50,000	Ward 4
OS2	1483	PROP. SERV.	HOUSING	Hermanus	Overstrand	50,000	0	50,000	Ward 4
		PROP. SERV.	Onrus - Omhein Rheezicht Meent met lae omheining, oprig van bord met dorpsplan	ONRUS	Hermanus	50,000	0	50,000	Ward 7
		CEMETERY	HAWSTON BOUNDARY WALL GRAVEYARD	Hawston	Hermanus	50,000	0	50,000	Ward 8
		PROP. SERV.	HAWSTON MULTI PURPOSE CENTRE	Hawston	Hermanus	750,000		750,000	Ward 8
		CEMETERY	Hawston Graveyard	Hawston	Hermanus	40,000	0	40,000	Ward 8
		PROP. SERV.	Selfbuild Store - (Ceiling & Roof)	Hawston	Hermanus	40,000	0	40,000	Ward 8
OS3	1990	PROP. SERV.	FENCING AT BAMBANANI CRECHE	Overhills	Hangklip/ Kleinmond	25,000	0	25,000	Ward 9
		PROP. SERV.	Replace repeater radio	Kleinmond	Hangklip/ Kleinmond	85,000	0	85,000	Ward 9
		CEMETERY	Begraafplaasomheining	Kleinmond	Hangklip/ Kleinmond	30,000	0	30,000	Ward 9
		PROP. SERV.	Formaliseer terrein by smouspersele	Kleinmond	Hangklip/ Kleinmond	10,000	0	10,000	Ward 9
		PROP. SERV.	Plaveisel publieke parkering - verkeerskantore	Kleinmond	Hangklip/ Kleinmond	20,000	0	20,000	Ward 9
		PROP. SERV.	Werke ter beskerming van Kusreservaat	Kleinmond	Hangklip/ Kleinmond	30,000	0	30,000	Ward 9
		PROP. SERV.	COMMUNITY HALL	Pringle Bay	Hangklip/ Kleinmond	100,000	0	100,000	Ward 10
		PROP. SERV.	Toilet facilities "CBD" in Pringlebaai	Pringle Bay	Kleinmond	200,000	0	200,000	Ward 10
Total						10,960,000	270,000	11,230,000	

Project		Category & Project Description		Suburb	Town	2006/2007 Council Funding	2006/2007 Ad hoc	Total	Ward
No.									
ROADS									
OS3	2014	ROADS	PEDESTRIAN ACCESS (SWART STR)	Kleinbaai	Gansbaai	30,000	0	30,000	Ward 1
OS3	1263	ROADS	TARRING OF STREETS	Gansbaai	Gansbaai	200,000	0	200,000	Ward 1
		ROADS	Speed Bumps : Beverly Hills	Gansbaai	Gansbaai	30,000	0	30,000	Ward 1
		ROADS	BIRKENHEAD STREETS	Gansbaai	Gansbaai	100,000	0	100,000	Ward 1
		ROADS	TARRING OF STREETS	Gansbaai	Gansbaai	100,000	0	100,000	Ward 1
OS3	1262	ROADS	RESURFACING OF STREETS	Gansbaai	Gansbaai	500,000	0	500,000	Ward 2
OS3	2010	ROADS	TARRING OF STREETS	Gansbaai	Gansbaai	200,000	0	200,000	Ward 2
			TRAFFIC CALMING MEASURES						
OS3	1267	ROADS		Gansbaai	Gansbaai	50,000	0	50,000	Ward 2
		ROADS	Speed bumps - De Kelders	De Kelders	Gansbaai	15,000	0	15,000	Ward 2
		ROADS	B'BOS - TARRING 2x STREETS	B'Bos	Gansbaai	100,000	0	100,000	Ward 2
		ROADS	TARRING OF STREETS	Gansbaai	Gansbaai	100,000	0	100,000	Ward 2
			TARRING OF MELKHOUT CIRCLE						
OS3	1916	ROADS		Stanford	Stanford	250,000	0	250,000	Ward 3
			ROAD AND PATH ACCESS TO DIE PLAAT						
		ROADS		Stanford	Stanford	250,000		250,000	Ward 3
		ROADS	Speedbumps (ST)	Stanford	Stanford	50,000		50,000	Ward 3
			Pedestrian Crossing at 10th Avenue, Voëlklip						
		ROADS		Hermanus	Hermanus	20,000		20,000	Ward 3
	1832	ROADS	Speed calming	Hermanus	Hermanus	50,000	0	50,000	Ward 4
	1690	ROADS	Kerbing Church Street	Hermanus	Hermanus	60,000	0	60,000	Ward 4
		ROADS	SIDEWALKS	Mt Pleasant	Hermanus	250,000	0	250,000	Ward 4
	1173	ROADS	Tarring of Contour & Theron str.	Hermanus	Hermanus	388,000	0	388,000	Ward 4
			Tarring & Stormwater (Industria Rd)						
	1949	ROADS		Hermanus	Hermanus	180,000	0	180,000	Ward 4
			Tarring & Stormwater (Rocklannds Road)						
	1858	ROADS		Hermanus	Hermanus	30,000	0	30,000	Ward 4
			Upgrade entrance routes & parking areas coastal walkways						
		ROADS		Hermanus	Hermanus	200,000	0	200,000	Ward 4
OS3	1837	ROADS	SIDEWALKS	Zwelihle South	Hermanus	100,000	0	100,000	Ward 5

Project			Category & Project Description	Suburb	Town	2006/2007 Council Funding	2006/2007 Ad hoc	Total	Ward
No.									
OS3	1684	ROADS	WALK WAY (STILL STREET)	Zwelihle South	Hermanus	200,000	0	200,000	Ward 5
		ROADS	Tarring of roads at Tambo Square	Zwelihle	Hermanus	300,000	0	300,000	Ward 5
		ROADS	Two speed humps at White city	Zwelihle	Hermanus	10,000	0	10,000	Ward 5
		ROADS	Paving of community hall for parking	Zwelihle	Hermanus	100,000	0	100,000	Ward 5
OS3	2074	ROADS	ROADS & STORM WATER DUMPSITE	Zwelihle North	Hermanus	600,000	0	600,000	Ward 6
		ROADS	Side walk to Lukhanyo Primary School	Zwelihle	Hermanus	50,000	0	50,000	Ward 6
		ROADS	Speed bumps (R2500 per speedbump)	Zwelihle	Hermanus	25,000	0	25,000	Ward 6
		ROADS	Tarring of roads	Zwelihle	Hermanus	200,000	0	200,000	Ward 6
		ROADS	Tarring of roads	Zwelihle	Hermanus	200,000	0	200,000	Ward 6
OS3	1130	ROADS	TARRING OF STREETS	Sandbaai	Hermanus	350,000	0	350,000	Ward 7
		ROADS	Sandbaai - Teer van Strate	Sandbaai	Hermanus	950,000	0	950,000	Ward 7
		ROADS	Ertjiesvlei - Bushalte langs Hemel-en -Aarde Pad	Ertjiesvlei	Hermanus	30,000	0	30,000	Ward 7
		ROADS	Vermont - Versper alle motor ingange na groenstroke	Vermont	Hermanus	30,000	0	30,000	Ward 7
OS3	2057	ROADS	KERBING - LIME STREET	Hawston	Hermanus	100,000	0	100,000	Ward 8
OS3	2058	ROADS	TARRING OF CUL DU SAC'S - OLD HOUSING SCHEME	Hawston	Hermanus	250,000	0	250,000	Ward 8
	1685	ROADS	Tarring of Marine Drive	Hawston	Hermanus	860,000	0	860,000	Ward 8
	1507	ROADS	Tarring of Medway	Fisherhaven	Hermanus	200,000	0	200,000	Ward 8
	1838	ROADS	Tarring of Flamingo Rd	Hawston	Hermanus	300,000	0	300,000	Ward 8
	1505	ROADS	Traffic Calming	Hawston	Hermanus	20,000	0	20,000	Ward 8
		ROADS	Tarring of roads (12th Avenue)	Kleinmond	Kleinmond	675,000	0	675,000	Ward 9
		ROADS	Sypaadjie, Skoolstraat, Proteadorp	Kleinmond	Kleinmond	20,000	0	20,000	Ward 9
		ROADS	Sypaadjie by Gemeenskapsaal	Kleinmond	Kleinmond	10,000	0	10,000	Ward 9

Project No.		Category & Project Description	Suburb	Town	2006/2007 Council Funding	2006/2007 Ad hoc	Total	Ward
	ROADS	Beplanning Hoofweg	Kleinmond	Hangklip/ Kleinmond	80,000	0	80,000	Ward 9
	ROADS	Rehabilitation of roads (phase 1)	Kleinmond	Hangklip/ Kleinmond	900,000	0	900,000	Ward 10
	ROADS	UPGRADE ROADS PHASE 1 - PB	Pringle Bay	Hangklip/ Kleinmond	500,000	0	500,000	Ward 10
Total					10,213,000	0	10,213,000	

SEWERAGE

OS4	1572	SEWERAGE	WWTW- UPGRADE EXISTING WORKS	Blompark	Gansbaai	3,700,000	0	3,700,000	Ward 1
OS4	1575	SEWERAGE	WWTW- CONSTRUCTION OF NEW WORK	Gansbaai	Gansbaai	2,000,000	0	2,000,000	Ward 1
OS4	1576	SEWERAGE	OUTFALL - IMPLEMENTATION PHASE 1 & 2	Gansbaai	Gansbaai	3,000,000	0	3,000,000	Ward 1
OS2	1553	SEWERAGE	SEWERAGE PUMP STATION, DE BRUYN STREET (ST)	Stanford	Stanford	1,400,000	0	1,400,000	Ward 3
		SEWERAGE	TELEMETRY PUMP STATIONS	Hermanus	Hermanus	320,000	0	320,000	Ward 4
		SEWERAGE	Replace 2X Sewerage Pump	Kleinmond	Kleinmond	200,000	0	200,000	Ward 9
		SEWERAGE	KLEINMOND SEWERAGE	Kleinmond	Kleinmond	2,000,000	0	2,000,000	Ward 9
					Total	12,620,000	0	12,620,000	

SOLID WASTE

OS2	1910	SOLID WASTE	SOLID WASTE: STORE FOR EQUIPMENT	Gansbaai	Gansbaai	30,000	0	30,000	Ward 1
OS4	1283		INTEGRATED WASTE MANAGEMENT						
		SOLID WASTE	IMPROVEMENT	Gansbaai	Gansbaai	3,580,000	0	3,580,000	Ward 1
	1666	SOLID WASTE	Pole mounted refuse containers	Hermanus	Hermanus	50,000	0	50,000	Ward 4
OS4	2069	SOLID WASTE	RECLAIMANT: DUMPSITE	Onrus	Hermanus	200,000	0	200,000	Ward 7

Project No.	Category & Project Description		Suburb	Town	2006/2007 Council Funding	2006/2007 Ad hoc	Total	Ward
	SOLID WASTE	CBD 240 l bins	Kleinmond	Hangklip/ Kleinmond	80,000	0	80,000	Ward 9
Total					3,940,000	0	3,940,000	

STORM WATER

OS3	1266	STORM WATER	IMPROVEMENT TO WORST STORM WATER PROBLEM	Gansbaai	Gansbaai	150,000	0	150,000	Ward 1
OS3	1266	STORM WATER	IMPROVEMENT TO WORST STORM WATER PROBLEM	Gansbaai	Gansbaai	150,000	0	150,000	Ward 2
		STORM WATER	34 - B'Bos Streets & Stormwater	B'BOS	Gansbaai	100,000	0	100,000	Ward 2
OS4	1103	STORM WATER	CONSTRUCTION OF STORM WATER SYSTEMS	Stanford	Stanford	200,000	0	200,000	Ward 3
		STORM WATER	CONSTRUCTION OF STORM WATER SYSTEMS	Stanford	Stanford	400,000	0	400,000	Ward 3
OS3	2045	STORM WATER	UNDERGROUND CUT OFF DRAIN	Mount Pleasant	Hermanus	200,000	0	200,000	Ward 4
	1111	STORM WATER	Stormwater problems	Mount Pleasant	Hermanus	150,000	0	150,000	Ward 4
OS3	2051	STORM WATER	STORM WATER UPGRADING ZWELIHLE	Zwelihle South	Hermanus	150,000	0	150,000	Ward 5
MIG		STORM WATER	FORMALIZE OF MAJOR STORM WATER (PHASE 1)	Zwelihle	Hermanus	0	1,268,195	1,268,195	Ward 5
OS3	1127	STORM WATER	STORM WATER SYSTEM	Vermont	Hermanus	600,000	0	600,000	Ward 7
	1127	STORM WATER	Stormwater (sloot tussen Onrus & Vermont)	Vermont	Hermanus	500,000	0	500,000	Ward 7
OS3	1165	STORM WATER	BOUNDARY OPEN STORM WATER TRENCH	Vermont	Hermanus	200,000	0	200,000	Ward 7
OS3	1133	STORM WATER	CONSTRUCTION STORM WATER DRAINAGE	Sandbaai	Hermanus	1,592,000	0	1,592,000	Ward 7
OS3	2041	STORM WATER	STORM WATER - GABIONS - BREAKFAST BAY	Vermont	Hermanus	30,000	0	30,000	Ward 7

Project No.		Category & Project Description		Suburb	Town	2006/2007 Council Funding	2006/2007 Ad hoc	Total	Ward
OS1	2062	STORM WATER	STORM WATER - PADDAVLEI	Hawston	Hermanus	2,340,000	0	2,340,000	Ward 8
OS3	2086	STORM WATER	STORM WATER (HANGKLIP/KLEINMOND)	Kleinmond	Hangklip/ Kleinmond	1,000,000	0	1,000,000	Ward 9
Total						7,762,000	1,268,195	9,030,195	

WATER

OS4	1895	WATER	WTW: FRANSKRAAL TREATMENT WORKS (PHASE 2)	Franskraal	Gansbaai	3,000,000	0	3,000,000	Ward 1
OS4	1637	WATER	RESOURCES: KLIPFONTEYN BORE HOLE	Kleinbaai	Gansbaai	160,000	0	160,000	Ward 1
OS4	1628	WATER	103 - Birkenhead Water Network (1619)	Birkenhead	Gansbaai	100,000	0	100,000	Ward 1
OS1 MIG 15	1595	WATER	WWTW & SUPPLY UPGRADE BULK SUPPLY: NEW RISING MAIN RESERVOIR	Pearly Beach	Gansbaai	100,000	0	100,000	Ward 2
OS1	1595	WATER	STANFORD Housing Scheme Reservoir & Pipeline	Stanford	Stanford	1,258,000	0	1,258,000	Ward 3
OS1	1595	WATER	STANFORD Housing Scheme Reservoir & Pipeline	Stanford	Stanford	0	1,311,196	1,311,196	Ward 3
OS1	1616	WATER	BOREHOLE TREATMENT MONITORING: INSTALL FLOW CONTROL VALVES	Hermanus	Hermanus	900,000	0	900,000	Ward 4
OS2	1604	WATER	CONTROL VALVES	Hermanus	Hermanus	105,000	0	105,000	Ward 4
OS2	1604	WATER	WATER PROJECT	Hermanus	Hermanus	1,600,000		1,600,000	Ward 4
OS3	1161	WATER	REPLACE OLD SECTION OF WATER NETWORK	Onrus	Hermanus	200,000	0	200,000	Ward 7
OS3	1150	WATER	REPLACE WATER NETWORK	Fisherhaven	Hermanus	250,000	0	250,000	Ward 8
OS1	1651	WATER	WTW-UPGRADE BUFFELSRIVER WORKS PHASE 1	Hangklip	Hangklip/ Kleinmond	3,773,000	0	3,773,000	Ward 9
OS4 MIG 16	1865	WATER	UPGRADING WATER PURIFICATION PLANT	Kleinmond	Hangklip/ Kleinmond	200,000	0	200,000	Ward 9
OS4 MIG 16	1964	WATER	KLEINMOND Housing Scheme Booster pump	Overhills	Hangklip/ Kleinmond	0	1,036,659	1,036,659	Ward 9

Project No.		Category & Project Description	Suburb	Town	2006/2007 Council Funding	2006/2007 Ad hoc	Total	Ward
	WATER	REPLACE WATERMAINS (BB)	Betty's Bay	Hangklip/ Kleinmond	900,000	0	900,000	Ward 10
Total					12,546,000	2,347,855	14,893,855	
GRAND TOTAL					83,600,000	23,049,000	106,649,000	

ANNEXURE E

**LIST OF CAPITAL PROJECTS TO BE ROLLED OVER FROM 2005/06 TO
2006/07**

Project No.	Project Description	
1923	COMPUTER ROOM UPGRADE - OVERSTRAND	66,000
1924	TIME & ATTENDANCE PERSONNEL SYSTEM - OVERSTRAND	148,000
1963	OFFICE EXTENTION	2,345,000
	TOYOTA 2.5 D4D 14 SEATER (DIESEL) BUS (Note 1)	233,850
1815	SIDEWALK MAIN ROAD	120,000
1172	STORMWATER & TARRING - CALCUTTA STR (Note 2)	600,000
1296	14 UNITS IN MOOIUITSIG - BETTY'S BAY	40,000
1958	435 - HOUSING UNITS - KLEINMOND	2,200,000
1983	HAWSTON 182 UNITS	7,200,000
1884	PUMPSTATION & RISING MAIN	1,000,000
1651	WTW-UPGRADE BUFFELSRIVER WORKS PHASE 1	1,000,000
		14,952,850

ANNEXURE F

BUDGET 2005/2006 REVIEW, SAVINGS & REALLOCATION OF FUNDS - MEETING 15 MAY 2006

1. SAVINGS ON 2005/2006 BUDGET

<u>Project</u>	<u>Vote</u>	<u>Description</u>	<u>Amount</u>
1379	50105003311	PEDESTRIAN SAFETY MEASURES - MAIN ROAD	-75,000
1419	50105003781	MOOI UITSIG - SPORTS GROUNDS	-100,000
1813	50105003811	FENCING SOCCER FIELD - OVERHILLS	-50,000
1777	50105003951	UPGRADE OF RENTED HOUSES	-100,000
1450	50105003871	BUSINESS/ INDUSTRIAL STANDS	-50,000
1968	50105003031	PDA PROJECT-ZWELIHLE	-45,000
1117	50105004011	VOELKLIP BEACH - SEWER TANK	-3,000
1857	50105004191	DAM SAFETY AS PER REPORTS	-3,000
1492	50105003791	REFURBISHMENT & CLOSING OF GRAND STANDS SIDES	-20,000
1113	50105003671	UPGRADING OF PARKS - HM	-70,000
1190	50105003731	SLIPWAY HARBOUR	-12,000
1518	50105003761	KM Jet Ski for life savers at Kmond beach	-20,000
1727	50105004181	HM HOSPI PUMPSTATION	-166,000
1451	50105003901	CLIFF TOP UPGRADING	-20,000
1700	50105003741	OR Lagoon pollution management - Onrus	-100,000
			-834,000

2. REALLOCATION OF 2005/2006 BUDGET

<u>Project</u>	<u>Vote</u>	<u>Description</u>	<u>Amount</u>
1135	50105003271	Mt. Pleasant - Tarring completion Hibiscus Str.	360,000
1172	50105003291	Calcutta Rd. Tarring	150,000
1129	50105003551	Stormwater -(Slood tussen Onrus & Vermont)	200,000
1805		Upgrading of Crassula Hall - Betty's Bay	36,000
		Sidewalk to Lukhanyo School	50,000
		Balance to Sidewalks	38,000
			834,000

2. REALLOCATION OF OPERATIONAL 2005/2006 BUDGET

Operational

Exp.

1010019134

Upgrade of Novell Server - Groupwise

310,000

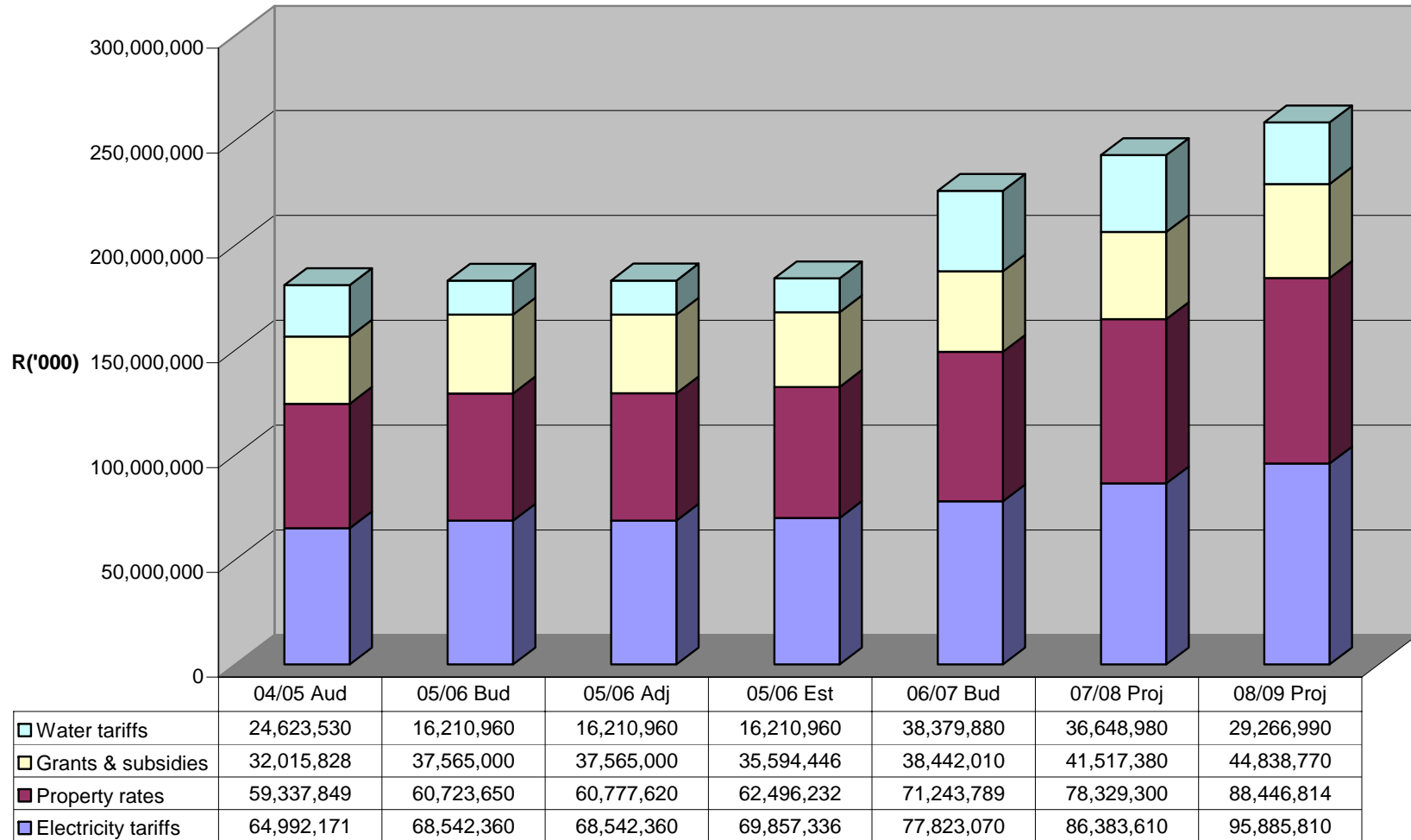
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310,000

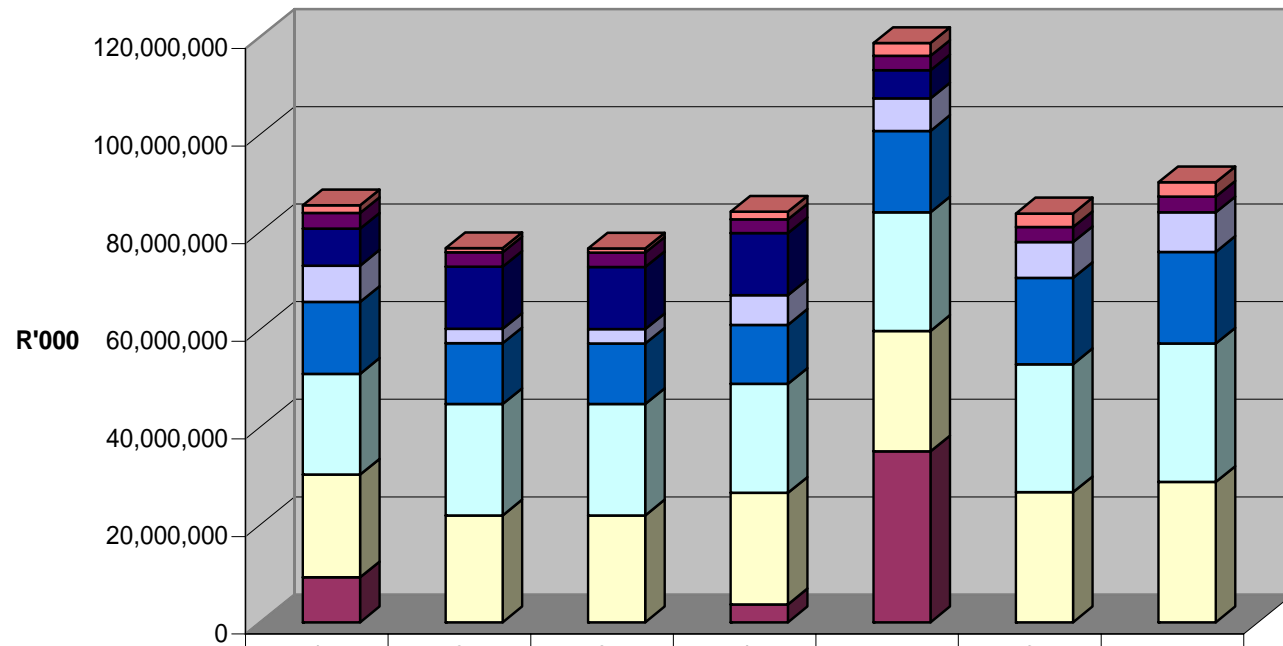
SCHEDULE 1

SCHEDULE 1 REVENUE BY SOURCE	Preceding Year	Current Year			Medium Term Revenue and Expenditure Framework		
	2004/05	2005/06			Budget Year 2006/07	Budget Year +1 2007/08	Budget Year +2 2008/09
	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>Operating Revenue by Source</u>							
Property rates	58,922,939	59,983,260	60,037,230	61,755,842	70,466,380	77,513,020	87,589,720
Property rates - penalties imposed and collection charges	414,910	740,390	740,390	740,390	777,409	816,280	857,094
Service charges - electricity revenue from tariff billings	64,992,171	68,542,360	68,542,360	69,857,336	77,823,070	86,383,610	95,885,810
Service charges - water revenue from tariff billings	32,015,828	37,565,000	37,565,000	35,594,446	38,442,010	41,517,380	44,838,770
Service charges - sanitation revenue from tariff billings	21,022,062	21,900,570	21,900,570	22,844,631	24,672,210	26,645,990	28,777,670
Service charges - refuse removal from tariff billings	20,620,456	22,773,900	22,773,900	22,283,515	24,266,200	26,207,500	28,304,100
Rental of facilities and equipment	4,725,138	4,620,390	4,620,390	4,715,076	4,951,410	5,198,980	5,458,930
Interest earned - external investments	7,430,531	2,957,410	2,957,410	6,063,008	6,669,330	7,336,250	8,069,880
Interest earned - outstanding debtors	2,278,202	2,551,390	2,551,390	1,835,009	1,926,790	2,023,130	2,124,290
Dividends received	4,535	5,000	5,000	5,000	5,250	5,520	5,800
Fines	3,219,126	2,915,860	2,915,860	2,810,130	2,950,640	3,098,180	3,253,090
Licenses and permits	1,559,011	859,770	859,770	1,576,620	2,656,060	2,788,870	2,928,320
Income for agency services	7,586,606	12,734,000	12,734,000	12,734,000	5,744,620	0	0
Government grants & subsidies- Operating	24,623,530	16,210,960	16,210,960	16,210,960	15,330,880	16,028,980	16,761,990
Government grants & subsidies- Capital	0	0	0	0	23,049,000	20,620,000	12,505,000
Other	7,729,508	5,287,570	5,233,600	5,557,526	9,827,381	10,434,850	11,202,646
Gain on Disposal of Property, Plant and Equipment	9,237,454	0	0	3,670,477	35,004,390	0	0
Total Revenue By Source	266,382,007	259,647,830	259,647,830	268,253,966	344,563,030	326,618,540	348,563,110

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



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



	1	2	3	4	5	6	7
■ Licenses and permits	1,559,011	859,770	859,770	1,576,620	2,656,060	2,788,870	2,928,320
■ Fines	3,219,126	2,915,860	2,915,860	2,810,130	2,950,640	3,098,180	3,253,090
■ Income for agency services	7,586,606	12,734,000	12,734,000	12,734,000	5,744,620	0	0
■ Interest earned - external investments	7,430,531	2,957,410	2,957,410	6,063,008	6,669,330	7,336,250	8,069,880
■ Other	14,737,383	12,464,350	12,410,380	12,112,611	16,710,831	17,662,480	18,791,666
■ Service charges - refuse removal from tariff billings	20,620,456	22,773,900	22,773,900	22,283,515	24,266,200	26,207,500	28,304,100
■ Service charges - sanitation revenue from tariff billings	21,022,062	21,900,570	21,900,570	22,844,631	24,672,210	26,645,990	28,777,670
■ Gain on Disposal of Property, Plant and Equipment	9,237,454	0	0	3,670,477	35,004,390	0	0

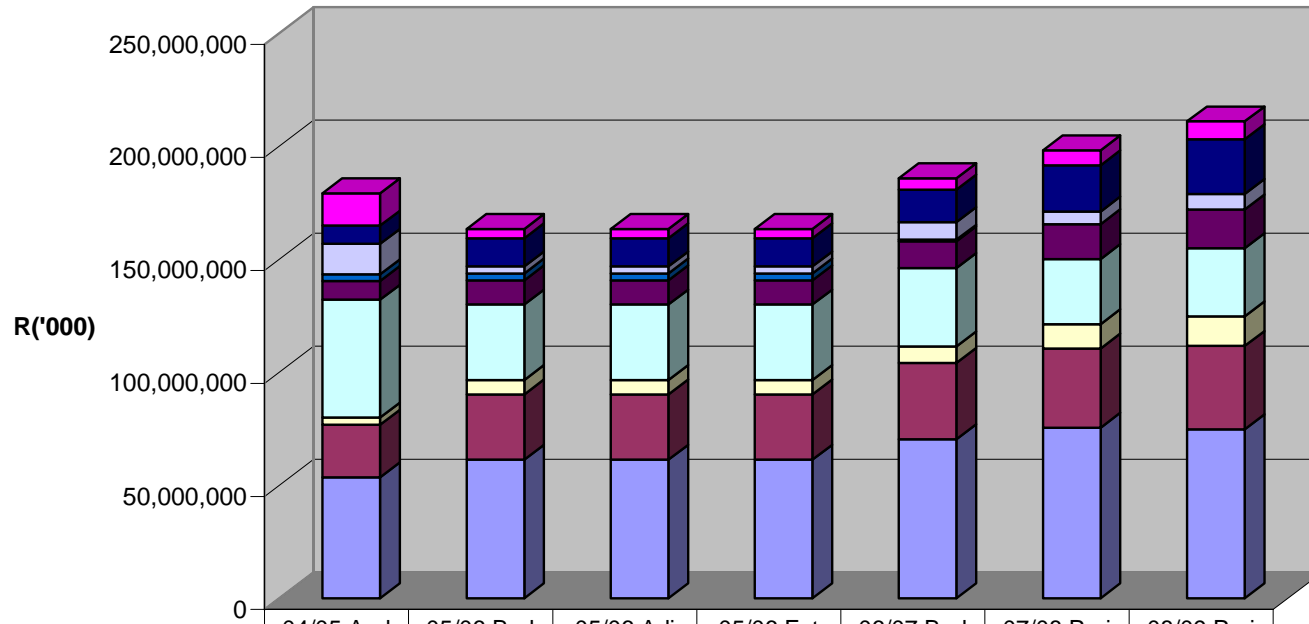
SCHEDULE 2

SCHEDULE 2 OPERATING EXPENDITURE BY VOTE	Preceding Year	Current Year			Medium Term Revenue and Expenditure Framework		
	2004/05	2005/06			Budget Year 2006/07	Budget Year +1 2007/08	Budget Year +2 2008/09
	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>Executive & Council</u>	13,500,717	3,127,987	3,127,987	3,127,987	5,238,520	4,043,406	4,386,406
Council	9,691,691	500,340	500,340	500,340	621,300	886,180	946,360
Mayor's Office	972,849	176,770	176,770	176,770	767,340	185,665	199,915
Municipal Manager	1,096,941	879,305	879,305	879,305	1,248,740	61,008	99,581
Area Managers	1,739,237	1,571,572	1,571,572	1,571,572	2,601,140	2,910,553	3,140,550
<u>Finance & Admin</u>	35,740,115	33,355,554	33,355,554	33,355,554	34,636,333	28,858,772	30,141,008
Finance	21,311,610	25,755,284	25,755,284	25,755,284	25,635,927	16,589,371	17,174,856
Human Resources	1,490,159	620,660	620,660	620,660	584,300	746,360	804,880
Property Services	7,663,447	4,931,520	4,931,520	4,931,520	5,258,386	6,773,943	7,098,768
Administration	5,274,899	2,048,090	2,048,090	2,048,090	3,157,720	4,749,098	5,062,504
<u>Planning & Development</u>	6,969,886	8,106,500	8,106,500	8,106,500	9,385,858	13,486,844	16,797,348
IDP Office	0	0	0	0	190,900	388,665	515,275
Economic Development	1,423,020	1,820,510	1,820,510	1,820,510	3,783,178	3,464,935	4,589,455
Planning	1,564,078	458,600	458,600	458,600	11,120	2,974,150	2,977,720
Town Planning	2,178,966	3,151,590	3,151,590	3,151,590	2,956,850	3,598,723	4,468,682
Building Survey	1,803,822	2,675,800	2,675,800	2,675,800	2,443,810	3,060,371	4,246,216
<u>Health</u>	2,910,709	3,051,220	3,051,220	3,051,220	687,860	0	0

OPERATING EXPENDITURE BY VOTE	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>Community & Social Services</u>	3,247,277	6,361,479	6,361,479	6,361,479	7,334,288	10,767,264	13,111,319
Libraries	2,308,540	4,229,659	4,229,659	4,229,659	4,362,638	5,971,089	6,258,570
Civic Buildings (Community)	778,396	920,370	920,370	920,370	1,771,560	2,605,743	3,653,116
Cemeteries	160,341	1,211,450	1,211,450	1,211,450	1,200,090	2,190,432	3,199,633
<u>Housing</u>	14,238,492	4,083,740	4,083,740	4,083,740	5,007,110	6,597,285	7,881,988
<u>Public Safety</u>	8,301,092	10,701,590	10,701,590	10,701,590	11,876,397	15,406,095	17,083,056
Traffic & Law Enforcement	5,449,001	6,706,790	6,706,790	6,706,790	7,492,147	8,609,684	9,041,724
Fire Brigade	1,834,268	2,254,860	2,254,860	2,254,860	2,737,470	3,868,471	4,004,022
Civil Defense	464,203	780,590	780,590	780,590	649,350	880,560	937,520
Plot Clearing	553,620	959,350	959,350	959,350	997,430	2,047,380	3,099,790
<u>Sport and Recreation</u>	8,097,977	12,452,023	12,452,023	12,452,023	14,396,600	19,440,859	24,229,416
Beaches	1,733,746	2,386,653	2,386,653	2,386,653	2,661,500	4,809,930	6,976,109
Parks	2,200,488	3,930,180	3,930,180	3,930,180	5,026,680	5,594,579	6,877,572
Sportsgrounds	807,389	1,129,100	1,129,100	1,129,100	1,575,890	2,481,029	2,502,187
Caravan Parks	3,356,354	5,006,090	5,006,090	5,006,090	5,132,530	6,555,321	7,873,548
<u>Environmental Protection</u>	9,393,817	17,149,850	17,149,850	17,149,850	8,793,810	4,904,240	6,157,130
Nature Conservation	2,261,053	3,697,700	3,697,700	3,697,700	3,159,590	4,282,530	5,503,860
Lagoons	130,424	568,110	568,110	568,110	577,460	621,710	653,270
Marine & Protea Projects	7,002,340	12,884,040	12,884,040	12,884,040	5,056,760	0	0
<u>Refuse</u>	15,818,763	25,532,399	25,532,399	25,532,399	28,411,836	29,199,800	30,364,870
<u>Waste Water Management</u>	16,475,503	24,900,870	24,900,870	24,900,870	28,100,718	31,294,554	32,958,517
Sewerage	14,141,091	20,987,411	20,987,411	20,987,411	24,857,928	26,750,917	27,265,358
Stormwater	2,334,412	3,913,459	3,913,459	3,913,459	3,242,790	4,543,637	5,693,159

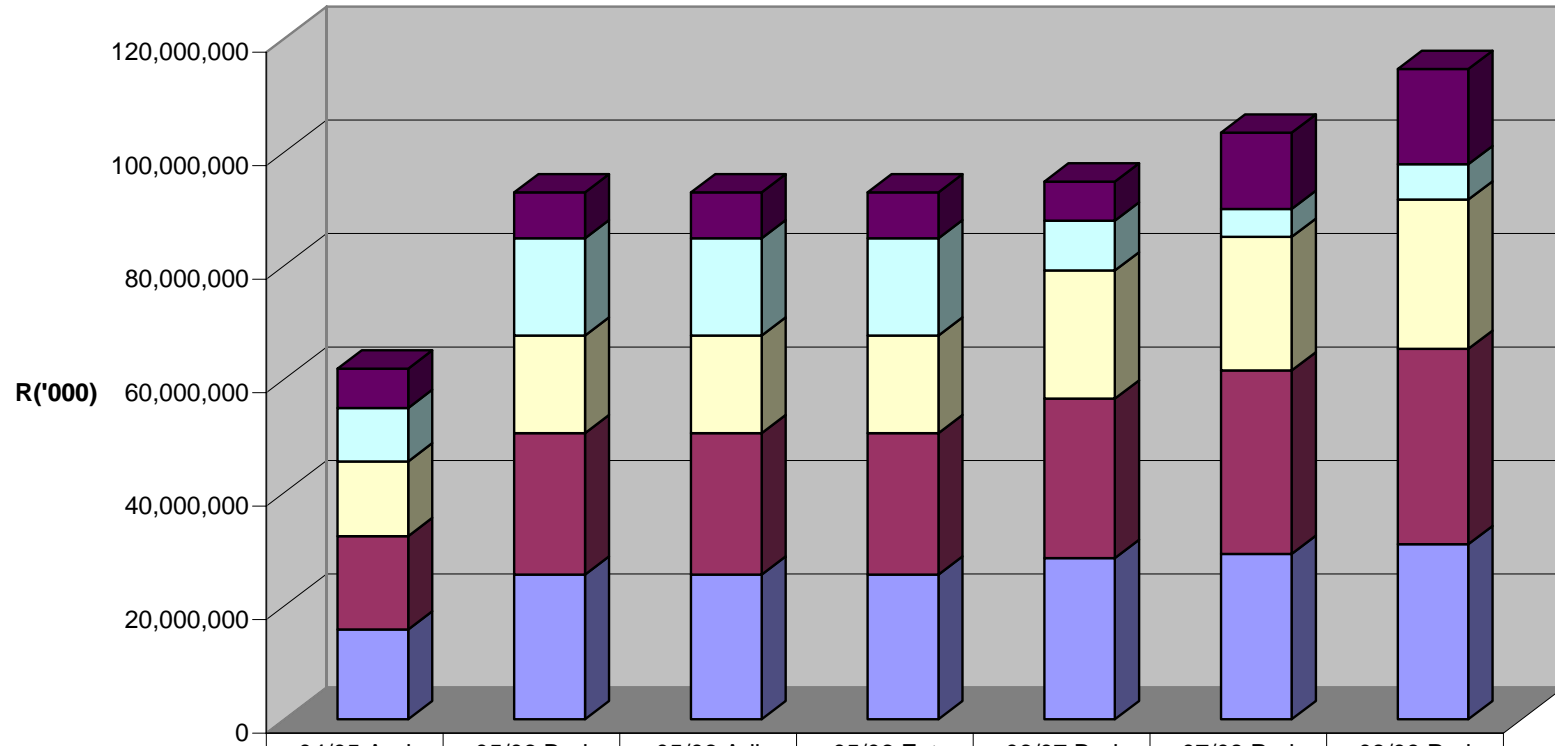
OPERATING EXPENDITURE BY VOTE	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget R'000 E	Budget R'000 F	Budget R'000 G
<u>Road Transport</u>	13,194,578	17,192,359	17,192,359	17,192,359	22,606,440	24,007,305	26,305,485
Roads	12,264,713	15,740,549	15,740,549	15,740,549	21,485,000	21,458,121	22,662,756
Licencing & vehicle testing	929,864	1,451,810	1,451,810	1,451,810	1,121,440	2,549,184	3,642,729
<u>Water</u>	23,260,392	28,947,169	28,947,169	28,947,169	33,663,050	35,043,616	36,312,828
<u>Electricity</u>	53,525,184	61,314,950	61,314,950	61,314,950	70,463,470	73,463,802	74,844,886
OPERATING EXPENDITURE BY VOTE	224,674,503	256,277,690	256,277,690	256,277,690	280,602,290	296,513,842	320,574,257

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



	04/05 Aud	05/06 Bud	05/06 Adj	05/06 Est	06/07 Bud	07/08 Proj	08/09 Proj
■ Housing	14,238,492	4,083,740	4,083,740	4,083,740	5,007,110	6,597,285	7,881,988
■ Sport and Recreation	8,097,977	12,452,023	12,452,023	12,452,023	14,396,600	20,440,859	24,229,416
■ Executive & Council	13,500,717	3,127,987	3,127,987	3,127,987	7,738,520	5,543,406	6,886,406
■ Health	2,910,709	3,051,220	3,051,220	3,051,220	687,860	0	0
■ Public Safety	8,301,092	10,701,590	10,701,590	10,701,590	11,876,397	15,406,095	17,083,056
■ Finance & Admin	52,067,563	33,355,554	33,355,554	33,355,554	34,636,333	28,858,772	30,141,008
■ Community & Social Services	3,247,277	6,361,479	6,361,479	6,361,479	7,334,288	10,767,264	13,111,319
■ Water	23,260,392	28,947,169	28,947,169	28,947,169	33,663,050	35,043,616	36,812,828
■ Electricity	53,525,184	61,314,950	61,314,950	61,314,950	70,463,470	75,463,802	74,844,886

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



	04/05 Aud	05/06 Bud	05/06 Adj	05/06 Est	06/07 Bud	07/08 Proj	08/09 Proj
■ Planning & Development	6,969,886	8,106,500	8,106,500	8,106,500	6,885,858	13,486,844	16,797,348
■ Environmental Protection	9,393,817	17,149,850	17,149,850	17,149,850	8,793,810	4,904,240	6,213,890
■ Road Transport	13,194,578	17,192,359	17,192,359	17,192,359	22,606,440	23,564,065	26,305,485
■ Waste Water Management	16,475,503	24,900,870	24,900,870	24,900,870	28,100,718	32,294,554	34,458,517
■ Waste Management	15,818,763	25,532,399	25,532,399	25,532,399	28,411,836	29,199,800	30,864,870

SCHEDULE 2(a)

SCHEDULE 2(a)	Preceding Year 2004/05	Current Year 2005/06			Medium Term Revenue and Expenditure Framework		
		Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget Year 2006/07	Budget Year +1 2007/08	Budget Year +2 2008/09
OPERATING EXPENDITURE BY GFS	Audited Actual R'000 A				Budget R'000 E	Budget R'000 F	Budget R'000 G
Executive & Council	13,500,717	3,127,987	3,127,987	3,127,987	5,238,520	4,043,406	4,386,406
Finance & Admin	35,740,115	33,355,554	33,355,554	33,355,554	34,636,333	28,858,772	30,141,008
Planning & Development	6,969,886	8,106,500	8,106,500	8,106,500	9,385,858	13,486,844	16,797,348
Health	2,910,709	3,051,220	3,051,220	3,051,220	687,860	0	0
Community & Social Services	3,247,277	6,361,479	6,361,479	6,361,479	7,334,288	10,767,264	13,111,319
Housing	14,238,492	4,083,740	4,083,740	4,083,740	5,007,110	6,597,285	7,881,988
Public Safety	8,301,092	10,701,590	10,701,590	10,701,590	11,876,397	15,406,095	17,083,056
Sport and Recreation	8,097,977	12,452,023	12,452,023	12,452,023	14,396,600	19,440,859	24,229,416
Environmental Protection	9,393,817	17,149,850	17,149,850	17,149,850	8,793,810	4,904,240	6,157,130
Waste Management	15,818,763	25,532,399	25,532,399	25,532,399	28,411,836	29,199,800	30,364,870
Waste Water Management	16,475,503	24,900,870	24,900,870	24,900,870	28,100,718	31,294,554	32,958,517
Road Transport	13,194,578	17,192,359	17,192,359	17,192,359	22,606,440	24,007,305	26,305,485
Water	23,260,392	28,947,169	28,947,169	28,947,169	33,663,050	35,043,616	36,312,828
Electricity	53,525,184	61,314,950	61,314,950	61,314,950	70,463,470	73,463,802	74,844,886
OPERATING EXPENDITURE BY VOTE	224,674,503	256,277,690	256,277,690	256,277,690	280,602,290	296,513,842	320,574,257

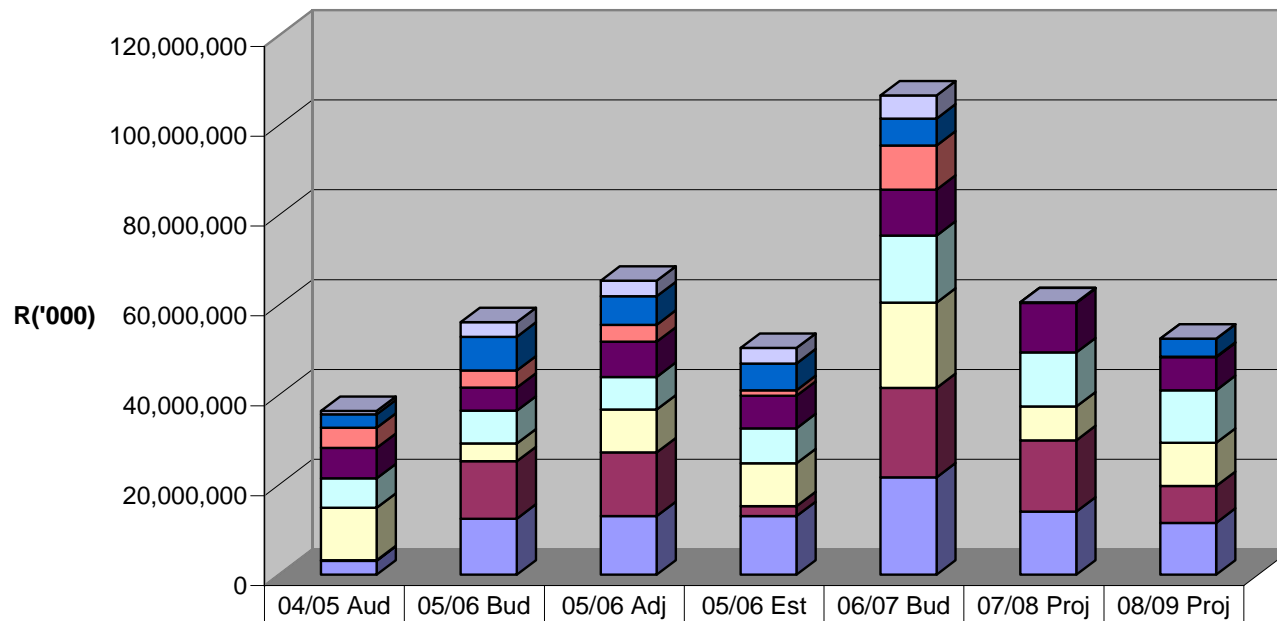
SCHEDULE 3

SCHEDULE 3 CAPITAL EXPENDITURE BY VOTE	Preceding Year	Current Year			Medium Term Revenue and Expenditure Framework		
	2004/05	2005/06			Budget Year 2006/07	Budget Year +1 2007/08	Budget Year +2 2008/09
	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>Executive & Council</u>	267,653	3,220,000	453,850	70,000	0	0	0
Council	0	3,220,000	453,850	70,000			
Mayor's office	0						
Municipal Manager	0						
Area Manager	267,653						
<u>Finance & Admin</u>	4,468,625	3,780,000	3,780,000	1,221,000	9,855,000	150,000	150,000
Finance	0	605,000	605,000	377,000	2,860,000	150,000	150,000
Property Services	4,468,625	2,855,000	2,855,000	524,000	1,505,000		
Human Resources	0	320,000	320,000	320,000			
Administration	0				5,490,000		
<u>Planning & Development</u>	61,050	250,000	320,000	320,000	0	0	0
IDP Office			70,000	70,000			
Economic Development							
Planning							
Town Planning	50,000	250,000	250,000	250,000			
Building Survey	11,050						
<u>Health</u>	49,801	70,000	0	0	0	0	0
Health	49,801	70,000	0	0			
<u>Community & Social Services</u>	727,493	3,226,000	3,448,500	3,448,500	5,140,000	0	0
Libraries	269,483		0				
Community Buildings	0	3,226,000	3,398,500	3,398,500	4,110,000		
Cemeteries	458,010		50,000	50,000	1,030,000		

CAPITAL EXPENDITURE BY VOTE	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>Housing</u>	99,672	12,812,658	14,146,152	2,219,152	19,890,000	15,890,000	8,218,000
Housing	99,672	12,812,658	14,146,152	2,219,152	19,890,000	15,890,000	8,218,000
<u>Public Safety</u>	417,332	285,000	774,940	774,940	390,000	0	0
Law Enforcement	205,241		80,575	80,575			
Fire Fighting	212,091	285,000	694,365	694,365	390,000		
Civil Defence							
Plot clearing							
<u>Sport & Recreation</u>	898,669	3,404,000	3,459,000	3,459,000	1,672,950	0	0
Beaches	4,530	0	0		450,000		
Parks	171,954	335,000	335,000	335,000	260,000		
Sports Grounds	722,185	3,069,000	3,124,000	3,124,000	912,950		
Caravan Parks	0	0	0		50,000		
<u>Environmental Protection</u>	879,283	225,000	459,998	459,998	0	0	0
Nature Conservation	879,283	225,000	459,998	459,998			
Lagoons							
Marine & Protea Projects							
<u>Waste Management</u>	439,290	75,000	860,600	860,600	3,940,000	0	4,000,000
Cleansing	439,290	75,000	860,600	860,600	3,940,000		4,000,000
<u>Waste Water Management</u>	3,080,112	12,449,000	13,021,200	13,021,200	21,650,195	14,000,000	11,500,000
Sewerage	1,071,118	2,739,000	3,311,200	3,311,200	12,620,000	8,500,000	6,500,000
Storm water	2,008,994	9,710,000	9,710,000	9,710,000	9,030,195	5,500,000	5,000,000
<u>Road Transport</u>	6,740,659	5,145,000	7,842,622	7,272,622	10,213,000	11,030,000	7,302,000
Roads	6,740,659	5,145,000	7,842,622	7,272,622	10,213,000	11,030,000	7,302,000
Licensing & vehicle testing							

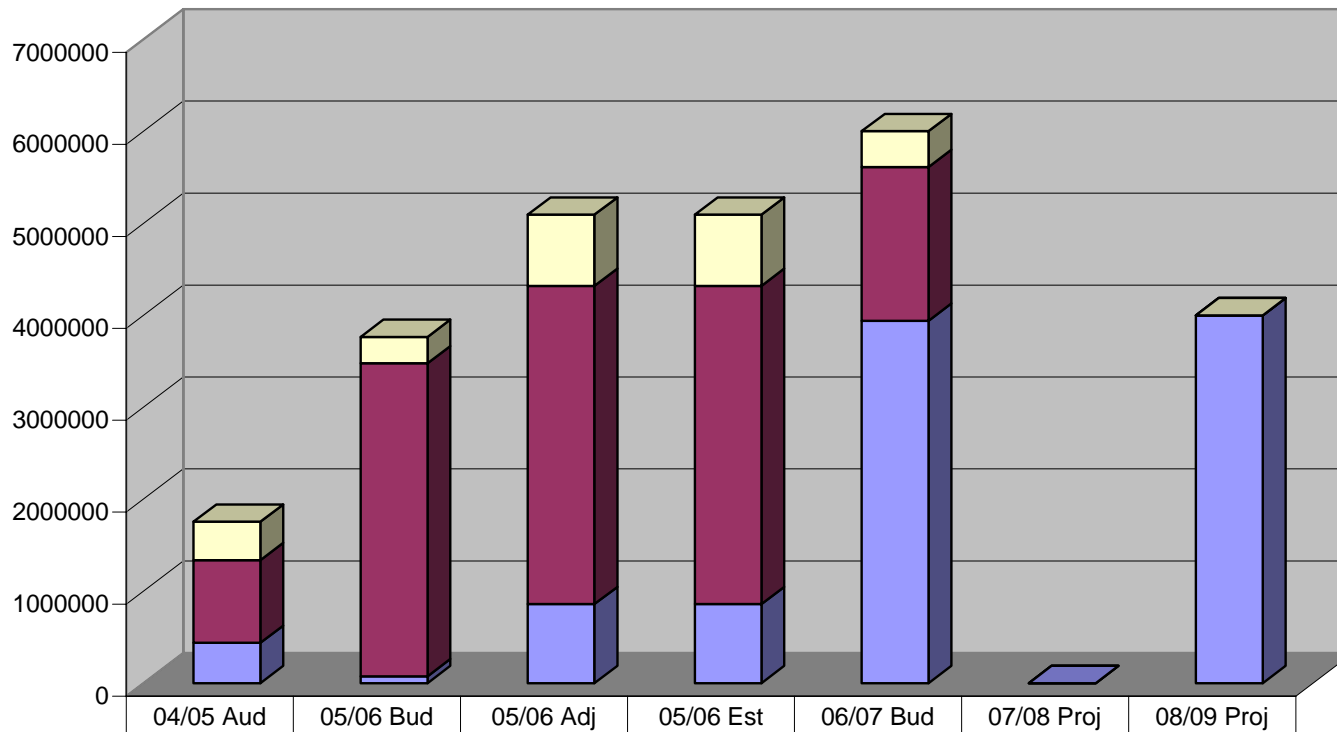
CAPITAL EXPENDITURE BY VOTE	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget R'000 E	Budget R'000 F	Budget R'000 G
<u>Water</u> Water	6,554,138 6,554,138	7,323,000 7,323,000	7,280,000 7,280,000	7,767,000 7,767,000	14,893,855 14,893,855	12,030,000 12,030,000	11,750,000 11,750,000
<u>Electricity</u> Electricity	11,705,115 11,705,115	3,905,000 3,905,000	9,552,000 9,552,000	9,552,000 9,552,000	19,004,000 19,004,000	7,520,000 7,520,000	9,585,000 9,585,000
CAPITAL EXPENDITURE BY VOTE	36,388,892	56,169,658	65,398,862	50,446,012	106,649,000	60,620,000	52,505,000

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



	04/05 Aud	05/06 Bud	05/06 Adj	05/06 Est	06/07 Bud	07/08 Proj	08/09 Proj
■							
Community & Social Services	727493	3226000	3448500	3448500	5140000	0	0
Other	3,013,078	7,529,000	6,328,388	5,944,538	6,002,950	0	4,000,000
Finance & Admin	4468625	3780000	3780000	1221000	9855000	150000	150000
Road Transport	6740659	5145000	7842622	7272622	10213000	11030000	7302000
Water	6554138	7323000	7280000	7767000	14893855	12030000	11750000
Electricity	11705115	3905000	9552000	9552000	19004000	7520000	9585000
Housing	99,672	12,812,658	14,146,152	2,219,152	19,890,000	15,890,000	8,218,000
Waste Water Management	3,080,112	12,449,000	13,021,200	13,021,200	21,650,195	14,000,000	11,500,000

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



	04/05 Aud	05/06 Bud	05/06 Adj	05/06 Est	06/07 Bud	07/08 Proj	08/09 Proj
Environmental Protection							
Executive & Council							
Planning & Development							
Public Safety	417332	285000	774940	774940	390000	0	0
Sport & Recreation	898669	3404000	3459000	3459000	1672950	0	0
Waste Management	439290	75000	860600	860600	3940000	0	4000000

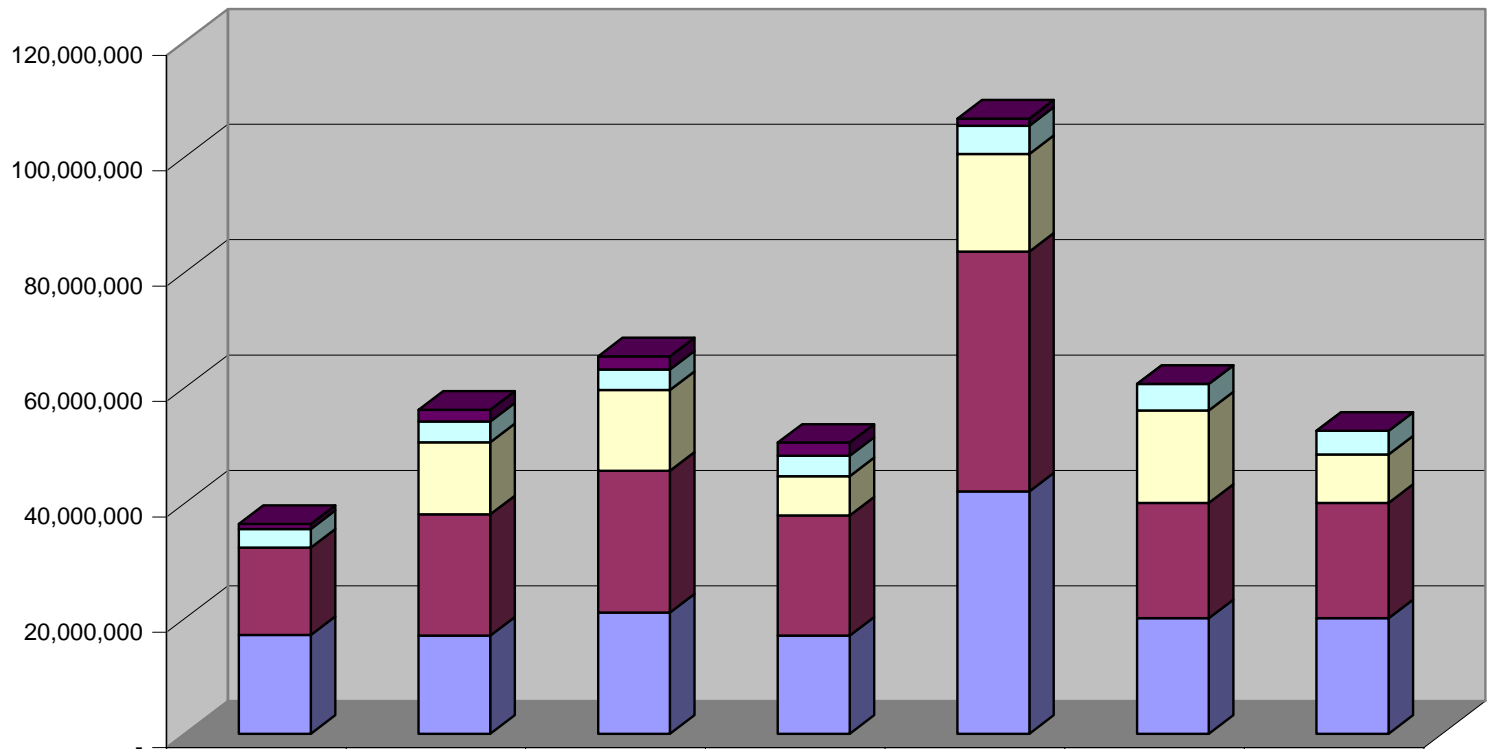
SCHEDULE 3(a)

SCHEDULE 3(a) CAPITAL EXPENDITURE BY GFS	Preceding Year	Current Year			Medium Term Revenue and Expenditure Framework		
	2004/05	2005/06			Budget Year 2006/07	Budget Year +1 2007/08	Budget Year +2 2008/09
	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	267,653	3,220,000	453,850	70,000			
Finance & Admin	4,468,625	3,780,000	3,780,000	1,221,000	9,855,000	150,000	150,000
Planning & Development	61,050	250,000	320,000	320,000			
Health	49,801	70,000	0	0			
Community & Social Services	727,493	3,226,000	3,448,500	3,448,500	5,140,000		
Housing	99,672	12,812,658	14,146,152	2,219,152	19,890,000	15,890,000	8,218,000
Public Safety	417,332	285,000	774,940	774,940	390,000		
Sport and Recreation	898,669	3,404,000	3,459,000	3,459,000	1,672,950		
Environmental Protection	879,283	225,000	459,998	459,998			
Waste Management	439,290	75,000	860,600	860,600	3,940,000		4,000,000
Waste Water Management	3,080,112	12,449,000	13,021,200	13,021,200	21,650,195	14,000,000	11,500,000
Road Transport	6,740,659	5,145,000	7,842,622	7,272,622	10,213,000	11,030,000	7,302,000
Water	6,554,138	7,323,000	7,280,000	7,767,000	14,893,855	12,030,000	11,750,000
Electricity	11,705,116	3,905,000	9,552,000	9,552,000	19,004,000	7,520,000	9,585,000
CAPITAL EXPENDITURE BY VOTE	36,388,893	56,169,658	65,398,862	50,446,012	106,649,000	60,620,000	52,505,000

SCHEDULE 4

SCHEDULE 4 CAPITAL FUNDING BY SOURCE	Preceding Year	Current Year			Medium Term Revenue and Expenditure Framework		
	2004/05	2005/06			Budget Year 2006/07	Budget Year +1 2007/08	Budget Year +2 2008/09
	Audited Actual	Approved Budget	Adjusted Budget	Full Year Forecast	Budget	Budget	Budget
	A	B	C	D	E	F	G
National Government Amounts allocated / gazetted for that year Amounts carried over from previous years	3,255,203	3,563,000	3,563,000	3,563,000	4,889,000 0	4,580,000 0	4,137,000 0
Total Grants & Subsidies - National Government	3,255,203	3,563,000	3,563,000	3,563,000	4,889,000	4,580,000	4,137,000
Provincial Government Amounts allocated / gazetted for that year Amounts carried over from previous years		12,502,658	14,016,152	6,816,152	16,500,000 390,000	16,040,000 0	8,368,000 0
Total Grants & Subsidies - Provincial Government	0	12,502,658	14,016,152	6,816,152	16,890,000	16,040,000	8,368,000
District Municipality Amounts allocated for that year Amounts carried over from previous years							
Total Grants & Subsidies - District Municipalities	0	0	0	0	0	0	0
Total Government Grants & Subsidies	3,255,203	16,065,658	17,579,152	10,379,152	21,779,000	20,620,000	12,505,000
Public Contributions & Donations	887,942	2,074,000	2,256,500	2,256,500	1,270,000		
Accumulated Surplus (Own Funds)	15,161,764	21,030,000	24,563,210	20,810,360	41,600,000	20,000,000	20,000,000
External Loans	17,083,983	17,000,000	21,000,000	17,000,000	42,000,000	20,000,000	20,000,000
TOTAL FUNDING OF CAPITAL EXPENDITURE	36,388,892	56,169,658	65,398,862	50,446,012	106,649,000	60,620,000	52,505,000

Capital Funding by Source



	04/05 Aud	05/06 Bud	05/06 Adj	05/06 Est	06/07 Bud	07/08 Proj	08/09 Proj
Public Contributions & Donations	887,942	2,074,000	2,256,500	2,256,500	1,270,000	-	-
National Government	3,255,203	3,563,000	3,563,000	3,563,000	4,889,000	4,580,000	4,137,000
Provincial Government	-	12,502,658	14,016,152	6,816,152	16,890,000	16,040,000	8,368,000
Accumulated Surplus (Own Funds)	15,161,764	21,030,000	24,563,210	20,810,360	41,600,000	20,000,000	20,000,000
External Loans	17,083,983	17,000,000	21,000,000	17,000,000	42,000,000	20,000,000	20,000,000