

MMUSO WA BATHO BATHONG

“YOU BELONG, WE CARE”



EMFULENI LOCAL MUNICIPALITY

PREAMBLE TO THE

2007/2008 MULTI- YEAR BUDGET

1. Budget Process Overview

The 2007-2008 Multi Year Budget was compiled in accordance with the “Draft Strategic Budget Policy” which will form part of the final budget document. The Strategic Budget Policy focuses on a “zero-based budget” approach. This approach starts with the Operational Plan (that is based on objectives and deliverables from the high level business plan and IDP), and estimates the expenditures necessary to execute the plan. It was required from all departments to submit an operational plan.

There was extensive consultation with all managers of cost centers as well as their strategic managers throughout the budget process by having workshops with them or meeting them on a one-on-one basis. This consultation / training included both the Operational Plan phase and the Operating Budget Phase.

The information compiled in the 2007-2008 Multi Year Budget was obtained from sources in the best possible position to supply that information. Examples include: General Expenditure – cost center and department managers; salaries and employee-related costs – Pay Office; depreciation, external interest, provision for bad debts, insurance – Financial Control. ***In no cases at all, were amounts provided by the Budget Office.***

The Capital Budget was compiled jointly by the Project Management Unit (PMU) and the IDP office, using information supplied by the different clusters.

2. IDP Review

In terms of the Local Government: Municipal Systems Act No. 32 of 2000 (section 34) and Municipal Financial Management Act No. 56 of 2003 (section 21), municipalities must review their five year Integrated Development Plans (IDPs) annually. The review process must be guided by a process plan that should include procedures for public participation as well as inputs from performance management systems (MSA No. 32 of 2000 Section 41). The reviewed IDP must inform the budget of the municipality.

The IDP is a five year strategic development plan that is reviewed every year to comply with the provisions of Section 34 of the Local Government: Municipal Systems Act No. 32 of 2000. The Act provides that, a Municipal Council -

Must review its integrated development plan, annually in accordance with an assessment of its performance measurements in terms of Section 41, and to the extent that changing circumstances so demand, and May amend its integrated development plan in accordance with a prescribed process.

A budget time table relating to the budget was prepared and tabled to Emfuleni Council in line with s21(1)(b) of MFMA. The budget preparation process was guided by the said timetable. Below is a schedule of roles and responsibilities and an IDP/Budget time-table.

2.1 Roles and Responsibilities

INTERNAL PLAYERS	ROLE	RESPONSIBILITIES
THE COUNCIL		Approve the Process Plan and Reviewed IDP document for 2007/2008
COUNCILLORS		Link the IDP Process with the community and will organize community participation.
MAYOR		Will be responsible for the overall management , co-ordination and monitoring of the whole process
MUNICIPAL MANAGER / IDP MANAGER		Responsible for the day to day management of the planning process under consideration of time, resources, community and ensuring that involvement of all different role players, especially officials, Ensures that timeframes are being adhered to, Ensures that the planning process is horizontally and vertically aligned and complies with national and provincial requirements. Ensures that conditions for participation are being met. Ensures those outcomes are being documented.
MUNICIPAL OFFICIALS		Provide technical and expertise, input into sector plans and review and provide draft project proposal
IDP STEERING COMMITTEE		Provide terms and reference for various planning activities. Commissions research studies. Consider and comments on: Inputs from sub-committees, study teams and consultants. Inputs from provincial sectors departments & service providers. Makes contract recommendations.
IDP REPRESENTATIVE FORUM		Represents the interest of their constituents in the IDP process, Forms a structured link with the municipality. Ensure communication between all the stakeholders' representatives including municipal government. Provide an organisational mechanism for discussion, negotiation and decision making between the stakeholders including municipal government, and

	Monitor the performance of the planning and implementation process.
Sedibeng District Municipality (including PIMS Centre)	<p>Providing methodological/ technical guidance to the IDP process; Facilitation of planning workshops; Documentation of outcomes of planning activities; Special studies or other product related contributions; Support to organised and unorganised groups and communities to more effectively engage in and contribute to the IDP process; and Ensure the IDP is aligned with provincial and national department's budget</p>
Ward Committees	<p>The Ward Committee is where representative participation in the IDP process really takes place. These forums will be the formal communication channel between the community and Council; representation on the forums must be as inclusive as possible.</p> <p>The role of the Ward Committee is to: Identify the critical issues facing its area; Provide a mechanism for discussion, negotiation and decision-marking between the stakeholders, including municipal government; Form a structure links between the IDP Representative Forum and the community of each area; and Monitor the performance of the planning and implementation process concerning its area.</p>

2.2 Budget/IDP Time Table

TASK/ACTION	RESPONSIBLE PERSON	PARTICIPANTS	TIME SCHEDULE
Reviewing objectives and sub-strategies	Municipal Manager	Strategic Workshop (Executive Mayor; Speaker, Chief Whip; MMC's; senior officials [post level 1-3])	15/11/2006
Review projects, add new projects. Review and align budget allocation	Municipal Manager	Strategic Workshop (Executive Mayor; Speaker, Chief Whip; MMC's; senior officials [post level 1-3])	16/11/2006
Presentation of the Strategies and Projects Phases	IDP Manager	IDP Steering Committee Business People Sector Departments Councilors IDP Rep forum	23 – 30 /11/2006
Integration of projects, plans and programmes	All Managers	All officials	10/01/2007 to 02/02/2007
Preparation of final Operational Plans	Budget Office Manager	Senior Management	10/01/2007 to 09/02/2007
Preparation of draft Capital Budget	PMU Manager	Strategic Managers	10/01/2007 to 09/02/2007
Prioritisation of projects	All Managers	Officials and Stakeholders	05/02/2007 to 09/02/2007
Preparation of draft consolidated Budget	Budget Office Manager	Budget Office	09/02/2007 to 20/02/2007
Presentation of the draft IDP2007/2008	MM/IDP Manager	IDP Steering Committee	23/02/2007
Presentation of draft consolidated Budget	Chief Financial Officer	Senior Management Mayoral Committee Budget Office	19 to 28/02/2007
Presentation of the draft IDP 2007/2008	IDP Manager MM Mayor	Business People Councilors IDP Rep Forum	06 to 16/03/2007

TASK/ACTION	RESPONSIBLE PERSON	PARTICIPANTS	TIME SCHEDULE
Approval of draft IDP and consolidated Budget	Executive Mayor	Council	29/03/2007
Commenting on the draft IDP and Budget	Executive Mayor	All Stakeholders	02/04/2007 to 22/04/2007
Incorporation and responding	Executive Mayor/MM/ IDP Manager/CFO	IDP Office	23/04/2007 to 23/05/2007
Approval of the final IDP and consolidated Budget	Executive Mayor	Council	24/05/2007
Submit Final IDP to the MEC for commenting purposes	MM/IDP Manager	IDP Office	28/05/2007 to 08/06/2006

2.3 Stakeholders

Stakeholders who attended the IDP Steering Committee meetings and Representative Forum Meetings were from the following denominations:

<ul style="list-style-type: none"> ▪ Eskom ▪ Ward Committee members and CDWs ▪ Mittal Steel ▪ Chamber of Commerce ▪ DBSA ▪ Wesbank ▪ African Bank ▪ Councillors - Emfuleni ▪ Senior Officials - Emfuleni ▪ Sedibeng District Municipality 		<ul style="list-style-type: none"> ▪ Taxi Associations ▪ Members of Public ▪ Organized and unorganized business structures <p>NGO's</p> <ul style="list-style-type: none"> ▪ PIMS Centre ▪ Union SAMWU ▪ Union IMATU ▪ Different Government Departments
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3. Budget Executive Summary

The 2006/07 of Emfuleni Local Municipality was prepared by Deloitte & Touche and this is the first Budget to be prepared in-house (other than the 2006/07 adjustment budget) since Project Consolidate.

The budget is prepared on a multi-year basis, in line with the National Treasury regulation. The multi-year consists of the current year budget and the estimate/projected budget for the following two (outer) years. The current year budget (2007/08) is prepared based on the operational plans which are prepared by each cluster. The projections for the two outer years are based on the current year budget increased by projected inflation percentage as provided by National Treasury.

Municipality obtains most of its revenue from sale of water and electricity, provision of sewer and rates and taxes. Water and electricity are trading services and generate income. The two services normally must generate surpluses (profits) and these surpluses are used to finance and subsidize expenses of services which do not generate income, like road repairs and maintenance, parks services, mechanical workshops upkeep, provision of waste management service, provision of library services, public safety & fire and rescue services etc.

The budget document is divided into three sections namely:

- The consolidated budget

Consolidated budget shows a total budget per cluster and is divided into Expenditure and Income sections. Enclosed on the summary is the actual expenditure for 2005/06, current year budget (2006/07), proposed budget for 2007/08, percentage increase from 2006/07 budget year and 2007/08 budget year and projections for the two outer years. Budget growth is mainly driven by general increase in inflation, general growth in the tax, property rates, water and electricity consumption net and increase in grants.

The total 2006/07 expenditure budget was R1 465 676 778 and is growing to R1 819 677 075, representing an average growth of 24.15%. This growth was mainly driven by

increase in budgeted critical vacancies (R53,3 million), special projects (R85,9 million) and general inflation increase in salaries and general expenses.

- Consolidated votes and cost center totals

The consolidated votes and cost center totals indicate the actual expenditure for 2005/06, budget for 2006/07, proposed budget for 2007/08 and projected budget for two outer years. The total of the cost centers ties back to the total of the vote as shown in the consolidated budget summary document (referred to above).

- Capital budget

The capital budget project detail the amounts budget for to roll out capital programs from both grants and own funds. The capital budget and project to the funded all emanate from the IDP document. Only those capital project listed in the IDP documents may be prioritized and funded out of the capital fund. The current draft IDP had capital projects in excess of R500 million and this project must be prioritized and funded over a period of time.

The total proposed capital budget for 2007/08 amounts to R161 334 571 made up mainly of R64 million from Municipal Infrastructure Grant (MIG), R20 million Emfuleni (MIG) Counter Funding, R24,1 million rolled over projects, R25 million from restructuring grant and R13,5 million from own funds. An additional 60 million has been set aside for ward based operational and capital projects. A list of all capital project is annexed in table 5 to the budget document.

3.1 General Comments on the budget

In total, the operating budget for the 2007/08 financial year amounts to R1 819 667 075 which represents an increase of R353 990 297 (24.15%) above the 2006/07 approved budget. The budgets for the two outer years, namely, 2008/09 and 2009/10 budgets amounts to R1 856 805 596 and R1 971 807 831 respectively, resulting in an average increase of 2% (2008/09) and an increase of 6% (2009/10) respectively. A total of R53 291 453 has been budgeted for in 2007/8 filling critical vacancies (institutional capacity

building) and special project which are budgeted for at R85 980 292 in order to accelerate service delivery.

The 2007/8 has been aligned with the five local government KPI's with 52% of the budget allocated geared towards service delivery, 5% alleviation of poverty, 12% towards safety and security, 9% towards repairs and maintenance, 6% towards infrastructure development and 1% for financial viability and deepening democracy respectively. Emfuleni Local Municipality has budgeted revenue of R1 807 677 075 for the 2007/08 with 79% of the revenue generation from council operations and 21% from Government grant and subsidies.

3.2 Revenue in the Political Office

The amount of R282 017 782 currently located in the political offices as "income" is actually income from assessment rates. The budget office recognizes that this is incorrect, but it should be noted that this incorrect allocation is of a historical nature and it will be corrected when BCX make changes to the chart of accounts to be in line with GFS classifications. This correction can not be made before approval as Council run the risk of losing some important historical financial information. The correction will be done during 2007/08 financial year.

3.3 Trading and Non Trading Services

Trading services should function on a cost recovery basis plus a mark up that must realize a surplus. The surplus realized from the trading services may be used to subsidize rates and other unfulfilled mandates. If the net effect results in a deficit, it is apparent that the tariff is not aligned to the cost of the service. The table below illustrates surpluses for electricity and sewer and a deficit for water.

Service	Income	Expenditure	Deficit/Surplus
	2006/07	2006/07	
Electricity	R538,761,000	R436,959,413	R101, 801,587
Water	R359, 549,270	R321, 105,014	R38, 444,256
Sewer	R88, 805,969	R46, 027,898	R42, 778,071
	2007/08	2007/08	
Electricity	R564, 320,553	R483, 347,834	R80,972,719
Water	R315, 216, 259	R327, 853,544	(R12,637,285)
Sewer	R155, 065, 655	R68, 244, 387	R86, 821,268

When looking at the above table, there appears to be a decrease in revenue for water. In 2006/07 revenue for water included an amount of R74, 000,000 from the equitable share which was incorrectly allocated. By removing the R74, 000,000 from revenue for water, the budgeted amount for 2006/07 is R285, 549,270. When comparing 2006/07 to 2007/08 after adjusting the figures, it is clear that there is an increase in revenue for water by approximately 10%. Although a water service is supposed to be trading at a surplus, it is trading at a loss.

3.4 Cross Subsidization

Cross subsidization across the services takes place by means of trading services surplus being utilized (mainly water and electricity) to subsidize other non income generating municipal services like roads, parks, libraries etc and to alleviate the pressure on the rates tariff increase.

Cross subsidization generated from trading services was as follows:

- Electricity R75 130 301
- Water & Sewer R57 591 609

3.5 Free Basic Services and Financial Implication

Emfuleni Local Municipality embarked on an extensive indigent's registration project in September 2006. A total of 36 000 household submitted application for registration and the capturing was completed in March 2007. The council in is the process to verify all application prior to approval. In terms of the indigent policy, the municipality provides the following free basic services to all indigent households:

- 6 kiloliter free water (all households)
- Additional 14kl of water (registered indigent households)
- 50 kWh electricity (registered indigent households)
- Free refuse removal (registered indigent households)
- Free Sewer (registered indigent households)
- Free rates and taxes (registered indigent households)

Once the verification is complete and all the 36 000 applications (households) are found to be genuine indigents, the municipality will require a total of approximately R 143 000

000 to be able to fully subsidize these households. A total amount of R77 000 000 has been provided for from equitable share to cover the indigent subsidization. The shortfall will be funded during the adjustment budget once the verification is complete and the actual amount quantified.

The following is an estimate of water and electricity subsidization:

- Water R 81 734 400
- Electricity R 13 584 000

3.6 Provision for Bad Debts

The provision for bad debts for 2007/2008 is much less in comparison to previous years. The provision for bad debt is raised in Engineering services and Mesti-A-Lekoa cost centre budgets to the total of R70 000 000. The current provision in the balance sheet is approximately R2 billion. With the establishment and functioning of the debt collection department, coupled with revenue enhancement project and the data clean up process, it is expected that this will have a positive impact and therefore the provisions have been lowered. Should the need arise for the provision to be increased; it will have to be addressed in the revised budget and surpluses generated.

3.7 Tariff Increases

Municipalities must ensure that the tariff increases rates are within inflation targets, and do not undermine the macro-economic objectives or negatively affect the investor confidence. Emfuleni in particular is cautious not to extend the rates and taxes in a manner that may impact negatively on residential, agricultural, mining and industrial sector. Municipalities are urged to ensure that national economic, tax and fiscal policy objectives are not undermined through excessive municipal rates.

With the above economic fundamentals in mind, the following tariff increases are proposed for implementation effective from 01 July 2007:

- Rates and Taxes 5.5%
- Water 5.5%
- Electricity 5.6%
- Sewer tariff 5.5% (and amendment of tariff structure)
- Cemeteries 7%

- Sundry Tariffs 5%

In this submission, the Draft Strategic Budget policy document will also be tabled for approval

4 Growths in Grant Funding

The table illustrates a comparison of Grant funds: Dora table

Description	Dora 2006/07	Unused 2006/07	Dora 2007/08	Total 2007/08
MIG	R58,788,000		R65, 920,000	R65, 920,000
Equitable share	R193,117,000		R237,309,000	R237,309,000
FMG	R500, 000	R518, 000	R700, 000	R1, 218,316
Other grants	R2, 150,000	R100, 000	R5, 020,000	R5, 120,000
Health subsidies	R24, 817,380		R25, 000,000	R25, 000,000
RG	R35,000,000		R50, 000,000	R50,000,000
TOTAL	R314,372,380			R384,567,316

It should be noted that according to 2007/08 Dora the Restructuring Grant allocation should be R35, 000,000. Emfuleni Local Municipality received an amount of R50, 000, 000 in March 2007. This was the last tranche of the Restructuring Grant. At that point in time, the revised budget was finalized and loaded. Therefore, the amount of R50, 000,000 has been brought into account in the 2007/08 budget to enable the council to spend the funds.

5. Municipal Infrastructure Grant

In accordance with Dora the MIG funding allocation for Emfuleni Local Municipality is R58, 291,166 plus the SMIF funding of R5,600,000 which totals to R63, 891,166. It should be noted that the R63, 891,166 is the Dora allocated for the National financial year. In accordance with the PMU Emfuleni Local Municipality will not receive SMIF funding which leaves a total funding of R58, 291,166 which is equivalent to national financial year ending 31 March 2008.

The capital project list in the 2007/2008 capital budget amounts to R58, 291,166 less the amount of R1, 308,000 which lies in the operating budget. The Dora allocation further defines the transfers for the municipal financial year which is from 1 July 2007 to

30 June 2008 as R65, 920,000. This is the amount that is recognized as income in the budget; however the capital list received from PMU amounts to R56, 983,166 which is equal to the Dora allocation for the National financial year which ends on 31 March 2008. The amount of R65, 920,000 can only be amended in the revised budget once the Dora has been amended. The counter funding in the capital budget is also calculated on the amount of R65, 920,000.

6. Budget Related Resolutions

The Municipal Finance Management Act (MFMA) No 56 of 2003 requires the municipality to table and adopt budget resolutions. Council resolves that the draft annual budget of the Emfuleni Local Municipality for the financial year 2007/08 and the indicative two projected outer years 2008/09 and 2009/10 be approved as set out in the following schedules:

- Operating Budget by source reflected in **Table 1**
- Operating expenditure by category **Table 2**
- Capital Funding by source reflected in **Table 3**
- Capital appropriations and associated funding reflected on **Table 4 and 5**

The following resolution will be put before council for approval, namely that:

- a) Council resolve that the proposed property rates and taxes tariffs with an average increase of 5.5% be approved for implementation effective from 01 July 2007.
- b) Council resolve that the proposed electricity tariff increase of 5.6% be approved for implementation effective from 01 July 2007.
- c) Council resolve that the proposed water tariff increase of 5.5% be approved for implementation effective from 01 July 2007.
- d) Council resolve that sundry tariff increase of 5% be approved for implementation effective from 01 July 2007.

- e) Council resolve that the proposed capital contribution charge (for bulk infrastructure) increase of 5.5% be approved for implementation effective from 01 July 2007
- f) Council resolve that Cemeteries increase of 7% be approved for implementation effective from 01 July 2007.
- g) Council resolve that the Strategic budget policy document as be approved as part of the budget related policies
- h) Council resolves to adopt and implement the Integrated Development Plan
- i) Council notes the SDBIP will be prepared in line with MFMA for subsequent approval by the Mayor.

7. Budget Schedules and Charts

The budget schedules to be approved by Council are:

- Operating Budget by source reflected in **Table 1**
- Operating expenditure by category **Table 2**
- Capital Funding by source reflected in **Table 3**
- Capital appropriations and associated funding reflected on **Table 4 and 5**

8. Budget related Policy Overview

The budget is prepared within the context of the approved Council polices and legislative framework as promulgated by National Parliament. The following policies informed the budget compilation process, and implementation thereof:

- Credit Control and Debt Collection and customer care policy
- Writing of irrecoverable debt policy
- Indigent policy
- Supply Chain Management policy
- Draft Strategic Budget policy
- Revenue Enhancement Strategy

Legislative Framework

- Preferential Procurement Policy Framework Act, no 5 of 2000
- Broad Based Black Economic Empowerment Act, no 53, 3003
- Construction Industry Development Board Act, no 30 of 2000.
- Municipal Finance Management Act 56 of 2003
- Municipal Systems Act
- Local Government: Municipal Public Private Partnerships Regulation
- Local Government MFMA: Supply Chain Regulations
- Local Government MFMA: Municipal Investment regulations

9. Budget Assumptions

The 2007/08 budget was prepared on the assumption that there will be no significant changes to council priorities as contained in the Bakgatla strategic document. That the council will continue to investing in infrastructural development programmes to attain the local government key performance areas and attaining national development objectives of extending basic services to all.

9.1 Key Parameters

The following indicative key drivers were provided by National Treasury and given to different clusters for use in compiling the budget from the base year of 2006/07 for operating expenditure.

Description	2006/07	2007/08	2008/09	2009/10
CPIX		5.1%	4.3%	4.5%
Economic Growth/GDP		4.4%	4.8%	5.3%
Average Fuel Price				
Petrol per litre		R7.50	R7.00	R7.00
Diesel per litre		R7.00	R6.50	R6.50
Salary/Wage Increments	6%	6.35%	6%	6%
Average Collection Rate	70%	80%	80%	80%
Intergovernmental grants:				
Equitable Share	156 953 960	237 309 000	276 775 000	361 436 000

In addition to the above, the following other variables were taken into account:

- Overall salary budget must not exceed 30% of total expenditure
- Repairs and maintenance of capital assets must not be less than 6%
- A sufficient provision is required for doubtful debts

10. Alignment of Budget and IDP

In line with chapter 5 of the Municipal Systems Act (Act 32 of 200), Emfuleni realizes that the Integrated Development Plan is a strategic document guiding the municipal planning management, development, decision making, also considering the inputs of external stakeholders including the members of the public. Emfuleni also realizes that Intergovernmental relations (with other spheres of government) are fundamental to the achievement of its service delivery objective. A detailed table included in the IDP document gives a detailed comparison on national priorities, developmental goals of Province, Sedibeng DM and Emfuleni Local Municipality. The table also highlights the Key Performance Area (KPI) of Emfuleni Local Municipality.

11. Interest on Borrowing

Emfuleni Local Municipality has in intention of approaching the capital market to raised capital in the short term. However, the municipality has significant services delivery backlogs, and in addressing these capital backlogs, may have to consider the capital market in the medium to long term.

12. Budget funding

The municipality has historically funded the bulk of its operating and capital expenditure out of internal funds. Emfuleni has significantly recovered from financial strain and has displayed sound financial position.

13. Financial Challenges

- To improve revenue collection to exceed 80%
- To develop and implement a sound revenue collection strategy
- To improve accuracy of the billing database
- Making adequate annual provision for bad debt

15 Service Delivery and Budget Implementation Plan (SDBIP)

Section 69 of MFMA requires the Accounting Officer to submit to the Mayor a Service Delivery and Budget Implementation Plan within 14 days after approval of the budget. In line with section 69, the Municipal Manager will submit a draft SDBIP to the Executive Mayor within 14 days after approval of the budget. The Executive mayor must within 14 days approve the draft SDBIP.

Table 1: Revenue by Source

OPERATIONAL BUDGET 2007/2008: REVENUE BY SOURCE

Description	Budget 2006/07	Budget 2007/08	Forecast 2008/09	Forecast 2009/10
Rates and Taxes				
Assessment Rates	R 218,558,549	R 239,675,914	R 248,738,287	R 259,931,510
Electricity Basic & General	R 447,602,900	R 474,459,078	R 474,459,078	R 474,459,078
Refuse Removal General & Special	R 64,637,800	R 64,637,787	R 67,869,771	R 71,263,260
Sewer Basic & General	R 77,059,249	R 152,814,855	R 160,455,598	R 168,478,378
Water Basic & General	R 246,738,090	R 299,583,193	R 314,562,353	R 330,290,470
Rates and Taxes	R 1,054,596,588	R 1,231,170,827	R 1,266,085,087	R 1,304,422,696

Other Revenue				
Tariff Charges	R 25,216,600	R 23,264,900	R 24,132,345	R 25,042,443
Tariff Charges Other	R 70,583,368	R 74,206,850	R 74,360,257	R 74,470,489
Government Grants & Subsidies	R 314,372,380	R 384,567,316	R 383,011,000	R 457,751,000
Fines	R 9,521,749	R 15,012,905	R 15,013,458	R 15,014,062
Interest & Penalties	R 100,154,723	R 59,455,971	R 61,352,568	R 61,352,568
Rent Facilities & Equipment	R 4,511,123	R 5,006,827	R 5,018,727	R 5,034,102
Other Income	R 14,243,915	R 26,991,478	R 27,832,154	R 28,720,471
Total Other Revenue	R 538,603,858	R 588,506,247	R 590,720,509	R 667,385,135

Emfuleni Total Revenue	R 1,593,200,446	R 1,819,677,074	R 1,856,805,596	R 1,971,807,831
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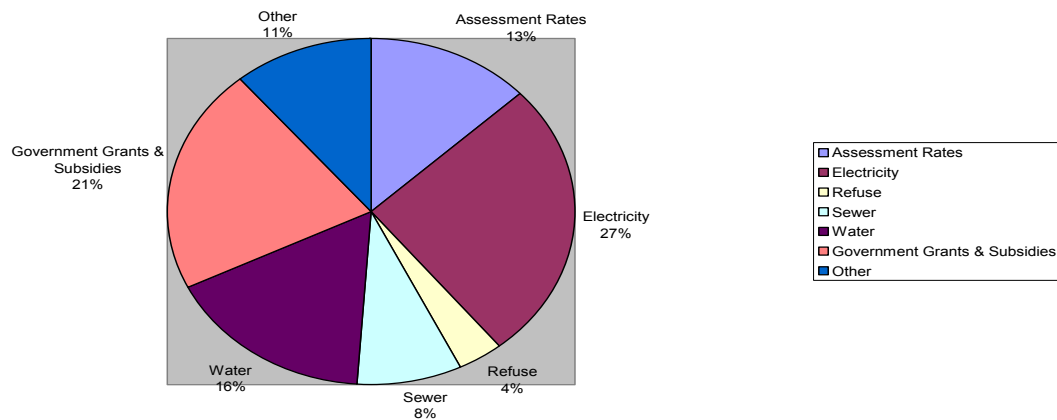


Table 2: Expenditure by Category

OPERATIONAL BUDGET 2007/2008:EXPENDITURE BY CATEGORY:

Description	Budget 2006/07	Budget 2007/08	Forecast 2008/09	Forecast 2009/010
Salaries & Allowances	R 398,269,037	R 438,596,890	R 469,013,410	R 500,622,508
General Expenditure	R 797,832,520	R 1,053,981,695	R 982,735,147	R 994,302,808
Repairs & Maintenance	R 129,583,148	R 125,252,565	R 134,269,596	R 139,568,748
Depreciation	R 55,183,551	R 32,821,997	R 32,821,996	R 32,821,996
Other	R 134,199,472	R 207,291,093	R 90,875,608	R 105,881,112
Less: amounts charged out	-R 47,133,490	-R 38,267,165	R -41,038,004	R -42,300,567
Total	R 1,467,934,238	R 1,819,677,075	R 1,668,677,753	R 1,730,896,605

