SCHEDULE A

ANNUAL BUDGET AND SUPPORTING DOCUMENTATION OF RAMOTSHERE MOILOA LOCAL MUNICIPALITY

ANNUAL BUDGET OF

RAMOTSHERE MOILOA LOCAL MUNICIPALITY

2026/27 TO 2028/29

MEDIUM TERM REVENUE AND EXPENDITURE FORECASTS

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Abbreviations and Acronyms

AMR	Automated Meter Reading
ASGISA	Accelerated and Shared Growth Initiative
BPC	Budget Planning Committee
CBD	Central Business District
CFO	Chief Financial Officer
CM	Municipality Manager
CPI	Consumer Price Index
CRRF	Capital Replacement Reserve Fund
DBSA	Development Bank of South Africa
DoRA	Division of Revenue Act
DWA	Department of Water Affairs
EE	Employment Equity
EEDSM	Energy Efficiency Demand Side Management
EM	Executive Mayor
FBS	Free basic services
GAMAP	Generally Accepted Municipal Accounting Practice
GDP	Gross domestic product
GDS	Gauteng Growth and Development Strategy
GFS	Government Financial Statistics
GRAP	General Recognised Accounting Practice
HR	Human Resources
HSRC	Human Science Research Council
IDP	Integrated Development Strategy
IT	Information Technology
kℓ	kilolitre
km	kilometre
KPA	Key Performance Area
KPI	Key Performance Indicator
kWh	kilowatt
ℓ	litre
LED	Local Economic Development
MEC	Member of the Executive Committee
MFMA	Municipal Financial Management Act
	Programme
MIG	Municipal Infrastructure Grant
MMC	Member of Mayoral Committee
MPRA	Municipal Properties Rates Act
MSA	Municipal Systems Act
MTEF	Medium-term Expenditure Framework
MTREF	Medium-term Revenue and Expenditure Framework
NERSA	National Electricity Regulator South Africa
NGO	Non-Governmental organisations
NKPIs	National Key Performance Indicators
OHS	Occupational Health and Safety
OP	Operational Plan
PBO	Public Benefit Organisations
PHC	Provincial Health Care

PMS	Performance Management System
PPE	Property Plant and Equipment
PPP	Public Private Partnership
PTIS	Public Transport Infrastructure System
RG	Restructuring Grant
RSC	Regional Services Council
SALGA	South African Local Government Association
SAPS	South African Police Service
SDBIP	Service Delivery Budget Implementation Plan
SMME	Small Micro and Medium Enterprises

Part 1 – Annual Budget

1.1 The Mayor's Report

Honourable Speaker of Council, Cllr. P. Letshufi; Honourable Chairperson of the Municipal Public Accounts Committee, Cllr. Gasealahwe; Members of the Mayoral Committee; Councillors present; Senior Managers of the Municipality;All protocol observed.

1.2. Budget Speech: 2026/27 MTREF

Honourable Speaker,

The proposed budget of Ramotshere Moiloa Local Municipality for the 2026/27 financial year amounts to **R602,810,541**, comprising:

- **R530,649,541** for Operating Expenditure; and
- **R72,161,000** for Capital Expenditure.

The slow growth in municipal revenue continues to pose a significant challenge. This decline is largely attributable to limited economic development within the municipality, which negatively affects the municipality's revenue base. Furthermore, escalated by transgressions of by-laws by residents through illegal connections, failure to adhere to policies relating to registrations after sales of properties, illegal connections and other illegal activities.

It is therefore imperative for the municipality to intensify efforts aimed at attracting investment into our jurisdiction. Sustainable investment and economic development will stimulate growth, create employment opportunities, and broaden the municipal revenue base required to fund critical service delivery programmes. The implementation of the land audit report is quite pivotal at this stage if we are serious about growing the town and its economy. Council resolved in March 2026 to alienate the land adjacent to the Klein Marico dam for high end development in order to boost the revenue base and to improve the outlook of Zeerust town.

The lack of revenue growth continues to adversely affect the implementation of much-needed capital projects intended to improve the lives of our residents and ratepayers.

Honourable Speaker,

The Capital Budget is primarily funded through the Municipal Infrastructure Grant (MIG). These allocations are directed towards addressing service delivery backlogs as identified in Council's adopted Integrated Development Plan (IDP). Madam speaker, the delays in completion of Kloof street road put the municipality on a very bad footing as these delays compromised out efforts to bring services to our people. We have influx of complaints from businesspeople and property owners affected by these delays. In a long run we may find ourselves in litigations due to revenue losses suffered by these complainants. Projects management of the municipality needs to be capacitated to ensure that all projects are completed within schedule and budgets.

Council should, however, note that the prevailing economic conditions both nationally and globally continue to place severe constraints on municipalities. Limited economic growth, insufficient funding from the national fiscus, and declining private sector investment make it increasingly difficult to fully implement all priorities contained in the IDP.

This reality requires municipalities to be innovative and proactive in identifying alternative sources of funding through strategic partnerships with the private sector, development agencies, and international stakeholders.

In this regard, the administration has already embarked on initiatives aimed at attracting potential investors into the municipality. These efforts seek to transform the economic outlook of the area through development initiatives that will stimulate economic activity, create jobs, and strengthen the municipality's revenue base.

Honourable Speaker,

The municipality has budgeted for a collection rate of **85%** for the 2026/27 financial year. While this represents an improvement, it remains below the **90% benchmark** set by National Treasury. It should be noted that the average collection rate during the second quarter of the 2025/26 financial year stood at 80%.

The municipality's approval by National Treasury to participate in the Smart Meter Programme has already begun to yield positive results in improving revenue collection and strengthening billing accuracy.

I wish to commend management for prioritising debt collection initiatives and implementing cost-containment measures aimed at improving expenditure management and overall financial sustainability.

Honourable Speaker,

The municipality is currently in its third and final year of participation in the Eskom Debt Relief Programme. National Treasury has finalised the write-off of the second one-third portion of the municipality's Eskom debt, amounting to approximately **R29 million**, from the total debt of **R87.9 million**.

As at April 2026, the outstanding Eskom debt stood at **R29 million**, after the of the approved write-off amount by National Treasury. It is worth noting that Ramotshere Moiloa municipality is the only municipality in the province that had successfully participated and met all the compliance requirements of this Treasury and Eskom initiative. We should give an applause for that great achievement. By end of November 2026, the municipality will be debt free of Eskom and may be able to explore other financing mechanisms.

This intervention provides much-needed financial relief and demonstrates the importance of fiscal discipline and compliance with the conditions of the Debt Relief Programme.

2 Executive Summary

The application of sound financial management principles in the compilation of the Municipality's financial plan remains essential in ensuring that the municipality remains financially viable and capable of delivering services sustainably, economically, and equitably to all communities.

The Municipality utilised the relevant National Treasury MFMA Circulars to guide the preparation of the 2026/27 Medium-Term Revenue and Expenditure Framework (MTREF).

The main challenges experienced during the compilation of the 2026/27 MTREF can be summarised as follows:

- Ageing and poorly maintained water, roads, and electricity infrastructure;
- Vandalism of infrastructure by community members
- Continuous tariff increases which are becoming increasingly unaffordable to consumers;
- Weak economic growth, placing pressure on the ability of consumers to pay for municipal services;
- Slower growth in transfers and grants from national government;
- Wage increases for municipal employees that continue to exceed inflation, coupled with the need to fill critical vacancies;
- The impact of low collection rates, tampering and breaches of electricity meters, as well as high electricity and water distribution losses.

In view of the aforementioned challenges, the following table presents a consolidated overview of the proposed 2026/27 Medium-Term Revenue and Expenditure Framework.

3 Recommendations

I therefore recommend that Council approves and adopts the following resolutions:

4 1.1 Council Resolutions

See attached resolutions: XXXXXXXX

5 1.2 Executive Summary

That Council approves the proposed 2026/27 MTREF as tabled including budget related policies and tariffs as proposed.

Table 1 Consolidated Overview of the 2026/27 MTREF

	Financial Year 2025/2026		MTREF 2026/2027 - 2028/2029		
DESCRIPTION	FINAL BUDGET 2025/2026	ADJUSTED BUDGET	BUDGET 2026/2027	BUDGET 2027/2028	BUDGET 2028/2029
Total Revenue	546 613 515	551 025 940	560 319 496	564 611 369	584 514 977
Operating Expenditure	498 636 878	496 616 716	530 649 541	526 761 333	549 084 444
Surplus/(Deficit)	**47 976 637**	**54 409 224**	**29 669 955**	**37 850 036**	**35 430 533**
Capital Expenditure	51 300 000	58 122 609	72 161 000	75 754 834	76 154 990
Total Budget	**549 936 878**	**554 739 325**	**602 810 541**	**602 516 167**	**625 239 434**

The proposed 2026/27 MTREF reflects moderate growth in both revenue and expenditure over the medium term. Total revenue is projected to increase from **R551million** in the 2025/26 adjusted budget to **R560.3 million** in 2026/27, with further growth projected over the outer years of the MTREF.

Operating expenditure increases to **R530.6 million** in 2026/27 mainly due to rising operational costs, bulk purchases, employee-related costs, and the continued need to maintain service delivery obligations.

The municipality is projecting a budget surplus of **R29.7 million** for the 2026/27 financial year, which is expected to improve over the MTREF period, strengthening the municipality's financial sustainability position.

Capital expenditure increases significantly from **R58.1 million** in the 2025/26 adjusted budget to **R72.2 million** in 2026/27, mainly driven by infrastructure investment funded through grants, particularly the Municipal Infrastructure Grant (MIG).

The total budget for 2026/27 amounts to **R602.8 million**, with steady growth projected over the MTREF period, reflecting the municipality's commitment to maintaining service delivery and investing in infrastructure development despite prevailing financial constraints.

Table 2 MBRR Table A1 - Budget Summary

NW385 Ramotshere Moiloa - Table A1 Budget Summary										
Description	**2022/23**	**2023/24**	**2024/25**	**Current Year 2025/26**				**2026/27 Medium Term Revenue & Expenditure Framework**		
R thousands	**Audited Outcome**	**Audited Outcome**	**Audited Outcome**	**Original Budget**	**Adjusted Budget**	**Full Year Forecast**	**Pre-audit outcome**	**Budget Year 2026/27**	**Budget Year +1 2027/28**	**Budget Year +2 2028/29**
Financial Performance										
Property rates	–	63 097	78 614	72 808	73 895	73 895	58 834	71 928	74 302	78 504
Service charges	–	103 672	129 784	145 260	145 343	145 343	90 578	156 037	152 450	157 328
Investment revenue	–	516	3 545	4 184	6 755	6 755	2 308	8 839	9 131	9 423
Transfer and subsidies - Operational	–	235 745	249 973	250 608	250 876	250 876	187 282	247 363	253 264	261 394
Other own revenue	–	31 352	45 298	30 565	30 969	30 969	6 325	22 683	22 160	22 869
Total Revenue (excluding capital transfers and contributions)	–	434 381	507 213	503 426	507 838	507 838	345 326	506 851	511 306	529 518
Employee costs	–	160 582	172 760	176 663	181 048	181 048	127 569	200 723	186 241	199 046
Remuneration of councillors	–	16 766	15 096	15 308	15 308	15 308	10 197	15 174	15 741	16 343
Depreciation, amortisation and impairment	–	35 121	33 132	30 392	30 392	30 392	18 836	30 437	31 515	32 523
Interest, Dividends and Rent on Land	–	(1 030)	9 640	3 049	3 049	3 049	(5 249)	–	–	–
Inventory consumed and bulk purchases	–	96 356	110 453	105 900	105 785	105 785	64 532	117 250	121 601	124 521
Transfers and subsidies	–	712	–	–	–	–	–	–	–	–
Other expenditure	–	321 626	180 470	167 325	161 035	161 035	68 617	167 066	171 663	176 651
Total Expenditure	–	630 134	521 549	498 637	496 617	496 617	284 502	530 650	526 761	549 084
Surplus/(Deficit)	–	(195 753)	(14 337)	4 789	11 221	11 221	60 825	(23 799)	(15 455)	(19 566)
Transfers and subsidies - capital (monetary allocations)	–	48 163	54 087	43 188	43 188	43 188	17 933	53 469	53 305	54 997
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	–	(147 591)	39 750	47 977	54 409	54 409	78 757	29 670	37 850	35 431
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	–	(147 591)	39 750	47 977	54 409	54 409	78 757	29 670	37 850	35 431
Capital expenditure & funds sources										
Capital expenditure	–	(430)	(1 453)	51 300	58 123	58 123	21 292	72 161	75 755	76 155
Transfers recognised - capital	–	–	–	37 700	37 700	37 700	19 459	49 913	50 617	52 237
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	–	(451)	–	13 600	20 423	20 423	4 813	22 248	25 138	23 918
Total sources of capital funds	–	(451)	–	51 300	58 123	58 123	24 272	72 161	75 755	76 155
Financial position										
Total current assets	24 474	173 890	160 879	741 723	739 694	739 694	146 751	1 836	7 670	6 028
Total non current assets	–	714 713	729 714	757 328	764 151	764 151	733 628	41 724	44 240	43 632
Total current liabilities	–	272 000	228 361	270 956	269 219	269 219	139 391	5 131	5 301	5 470
Total non current liabilities	–	88 849	100 963	41 587	41 686	41 686	100 962	–	–	–
Community wealth/Equity	24 474	527 359	420 310	1 186 508	1 192 940	1 192 940	526 346	38 429	46 609	44 190
Cash flows										
Net cash from (used) operating	–	2 094	792 629	69 887	74 627	74 627	1 291 830	129 420	117 918	128 869
Net cash from (used) investing	–	–	–	(65 419)	(73 937)	(73 937)	(14)	(82 985)	(87 118)	(87 578)
Net cash from (used) financing	–	–	–	(359)	(359)	(359)	169	–	–	–
Cash/cash equivalents at the year end	–	15 834	806 369	19 343	15 565	15 565	1 305 725	55 194	85 994	127 285
Cash backing/surplus reconciliation										
Cash and investments available	–	15 834	806 369	19 343	15 565	15 565	1 305 725	55 194	85 994	127 285
Application of cash and investments	–	188 693	141 044	(1 639)	(4 236)	(4 236)	26 187	50 834	24 400	39 890
Balance - surplus (shortfall)	–	(172 859)	665 324	20 983	19 801	19 801	1 279 538	4 360	61 594	87 395
Asset management										
Asset register summary (WDV)	–	680 812	697 594	757 328	764 151	764 151		41 724	44 240	44 159
Depreciation	–	35 121	33 132	30 392	30 392	30 392		30 437	31 515	32 523
Renewal and Upgrading of Existing Assets	–	–	–	450	217	217		28 100	29 003	29 931
Repairs and Maintenance	–	4 858	3 700	13 191	8 401	8 401		7 846	8 084	8 343
Free services										
Cost of Free Basic Services provided	–	–	–	–	–	–		–	–	–
Revenue cost of free services provided	–	(6 251)	(129)	(6 760)	(6 760)	(6 760)		(2 313)	(2 958)	(2 751)
Households below minimum service level										
Water:	–	–	–	–	–	–		–	–	–
Sanitation/sewerage:	647	–	–	–	–	–		–	–	–
Energy:	–	–	–	–	–	–		–	–	–
Refuse:	–	–	–	–	–	–		–	–	–

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).

2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding

compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.

3. Financial management reforms emphasize the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:

    a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF

    b. Capital expenditure is balanced by capital funding sources, of which

        i. Transfers recognized is reflected on the Financial Performance Budget;

        ii. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget

        iii. Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.

4. The cash backing and surplus reconciliation indicates that, in prior financial years, insufficient attention was given to ensuring that the municipality's financial obligations were adequately cash-backed. As a result, certain obligations remain unfunded by available cash resources, exposing the municipality to financial risk, particularly in the context of slower revenue collection levels.

    In response to this challenge, Council has taken a deliberate policy decision to progressively improve the cash backing of all material obligations in line with the approved Funding and Reserves Policy. Although full compliance cannot be achieved within a single financial year, the 2026/27 MTREF reflects gradual improvements in the municipality's cash-backed reserves position and overall financial sustainability.

1.4 Operating Revenue Framework

5.1 Table 3 Summary of revenue classified by main revenue source.

NW385 Ramotshere Moiloa - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue											
Exchange Revenue											
Service charges - Electricity	2	-	79 529	102 054	110 762	110 762	110 762	70 973	118 793	113 740	117 379
Service charges - Water	2	-	11 484	13 065	21 059	21 142	21 142	9 482	17 628	18 210	18 793
Service charges - Waste Water Management	2	-	255	3 603	3 663	3 663	3 663	2 502	5 855	5 980	6 172
Service charges - Waste Management	2	-	12 403	11 061	9 775	9 775	9 775	7 621	13 762	14 520	14 985
Sale of Goods and Rendering of Services	2	-	652	6 798	963	1 339	1 339	3 648	794	743	767
Agency services	2	-	-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	2	-	-	-	-	-	-	-	-	-	-
Interest earned from Current and Non Current Assets	2	-	516	3 545	4 184	6 755	6 755	2 308	8 839	9 131	9 423
Dividends	2	-	3 672	-	-	-	-	-	-	-	-
Rent on Land	2	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	2	-	(15)	108	1 371	1 382	1 382	13	500	-	-
Licence and permits	2	-	-	45	-	-	-	13	-	-	-
Special rating levies	2	-	-	-	-	-	-	-	-	-	-
Construction Contract Revenue	2	-	-	-	-	-	-	-	-	-	-
Development Charges	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	-	(2 358)	704	10 500	10 500	10 500	475	8 704	8 781	9 061
Non-Exchange Revenue											
Property rates	2	-	63 097	78 614	72 808	73 895	73 895	58 834	71 928	74 302	78 504
Surcharges and Taxes	2	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	2	-	3 392	6 183	5 871	5 872	5 872	1 102	6 090	6 067	6 261
Licences or permits	2	-	3 015	2 462	6 360	6 375	6 375	1 075	6 595	6 570	6 780
Transfer and subsidies - Operational	2	-	235 745	249 973	250 608	250 876	250 876	187 282	247 363	253 264	261 394
Interest	2	-	1 461	113	5 500	5 500	5 500	-	-	-	-
Fuel Levy	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Fixed and Intangible Assets	2	-	860	(146)	-	-	-	-	-	-	-
Other Gains	2	-	20 674	29 030	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		-	**434 381**	**507 213**	**503 426**	**507 838**	**507 838**	**345 326**	**506 851**	**511 306**	**529 518**

The revenue projections are mainly based on the MFMA circular 132 of 05 December 2026, the projections are informed by consumer price index (CPI) 2025/26 (3.7%), 2026/27(3.3%) and 2027/28(3.2%)

6 Operational Revenue Projections and Commentary

Other operational revenue projections are as follows:

Traffic fines are projected based on an average issuance of 6,518 tickets, amounting to approximately R6 million, with an assumed collection rate of 75%. This remains subject to enforcement efficiency and collection effectiveness.

Sale of land, administered through the Planning and Development Unit, is projected to generate approximately R3 million over the Medium-Term Revenue and Expenditure Framework (MTREF). This projection is informed by the successful tabling of the land audit report and resolution of Council:

- That strategic land parcels along the N4 corridor be disposed of to potential developers through a public request for proposals process, targeting high-end development within the town; and
- That available municipal-owned farms be leased to interested parties in order to generate sustainable revenue for the municipality.

Building plan approvals are expected to increase in line with anticipated development activity referenced above, as development applications are submitted to the municipality for approval. In addition, the municipality intends to undertake a property audit of existing buildings to identify transgressions and unauthorised developments, including illegal tuckshops, backyard dwellings, and additional residential units constructed without municipal approval.

The municipality is required to strengthen investment in spatial and economic development initiatives to enhance long-term revenue generation. Reliance on inflationary adjustments to existing revenue streams is not sustainable, as it places additional pressure on ratepayers who are already burdened by elevated property valuations reflected in the valuation roll. Growth in the property base through new developments will result in increased property rates revenue, as well as additional service charge income once properties are fully serviced. It is therefore critical that the Planning Department prioritises this objective within its Service Delivery and Budget Implementation Plan (SDBIP).

In terms of electricity tariffs, the **National Energy Regulator of South Africa (NERSA)** remains the approving authority for tariff adjustments. The approved electricity tariff increase of 9.1% has been applied in line with NERSA guidance.

Service charges reflect a year-on-year increase of 3.7%, largely driven by electricity tariffs. The implementation of smart meters is beginning to yield positive results, although at a limited scale, particularly in relation to prepaid electricity sales observed over the first six months of the current financial year.

However, growth in other service charges, particularly water, remains constrained due to significant non-revenue water losses. The municipality is required to intensify efforts to investigate and address infrastructure inefficiencies contributing to these losses. In particular, many informal settlements continue to experience uncontrolled and unmetered water usage. The Auditor-General has, over the past three years, consistently raised concerns regarding distribution losses, which remain a recurring audit finding.

Municipal Own Revenue, comprising income from rental of facilities, fines and penalties, sale of stands, and related sources, continues to underperform. This reflects suboptimal utilisation of municipal assets as revenue-generating investments. Although the land audit report has been presented across various governance structures, it has not yet translated into tangible revenue outcomes for the municipality. There remains a critical need to accelerate land development and investment attraction to stimulate economic activity and expand the rates base. Sustainable service delivery is dependent on unlocking such investments, and decisive implementation is required to move beyond planning into execution.

1.5 Operating Expenditure Framework

6.1 Table 4 Summary of expenditure classified by source

NW385 Ramotshere Moiloa - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Expenditure											
Employee related costs	2	-	160 582	172 760	176 663	181 048	181 048	127 569	200 723	186 241	199 046
Remuneration of councillors	2	-	16 766	15 096	15 308	15 308	15 308	10 197	15 174	15 741	16 343
Bulk purchases - electricity	2	-	91 831	98 721	100 000	100 015	100 015	58 275	109 600	113 217	116 952
Inventory consumed	2,8	-	4 526	11 731	5 900	5 770	5 770	6 256	7 650	8 384	7 569
Debt impairment	2,3	-	194 059	7 308	41 000	41 000	41 000	-	67 538	69 767	71 999
Depreciation, amortisation and impairment	2	-	35 121	33 132	30 392	30 392	30 392	18 836	30 437	31 515	32 523
Interest, Dividends and Rent on Land	2	-	(1 030)	9 640	3 049	3 049	3 049	(5 249)	-	-	-
Contracted services	2	-	54 687	61 415	75 560	75 318	75 318	52 230	57 999	59 892	61 808
Transfers and subsidies	2	-	712	-	-	-	-	-	-	-	-
Irrecoverable debts written off	2	-	25 656	60 146	-	-	-	-	-	-	-
Operational costs	2	-	47 223	51 600	50 765	44 717	44 717	16 387	41 529	42 005	42 844
Disposal of Fixed and Intangible Assets	2	-	-	-	-	-	-	-	-	-	-
Other Losses	2	-	-	-	-	-	-	-	-	-	-
Total Expenditure		-	**630 134**	**521 549**	**498 637**	**496 617**	**496 617**	**284 502**	**530 650**	**526 761**	**549 084**
Surplus/(Deficit)		–	**(195 753)**	**(14 337)**	**4 789**	**11 221**	**11 221**	**60 825**	**(23 799)**	**(15 455)**	**(19 566)**
Transfers and subsidies - capital (monetary allocations)	6	-	48 163	54 087	43 188	43 188	43 188	17 933	53 469	53 305	54 997
Transfers and subsidies - capital (in-kind)	6	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		–	**(147 591)**	**39 750**	**47 977**	**54 409**	**54 409**	**78 757**	**29 670**	**37 850**	**35 431**
Income Tax		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		–	**(147 591)**	**39 750**	**47 977**	**54 409**	**54 409**	**78 757**	**29 670**	**37 850**	**35 431**
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		–	**(147 591)**	**39 750**	**47 977**	**54 409**	**54 409**	**78 757**	**29 670**	**37 850**	**35 431**
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	–	**(147 591)**	**39 750**	**47 977**	**54 409**	**54 409**	**78 757**	**29 670**	**37 850**	**35 431**

The expenditure projections are mainly based on the MFMA circular 132 of 05 December 2026, the projections are informed by consumer price index (CPI) 2026/27 (3.7%), 2027/28(3.3%) and 2028/29(3.2%)

Employee-related costs are projected at 7.0%. MFMA Circular 129 is not prescriptive in this regard; therefore, the provision remains at the municipality's discretion, taking into account applicable collective agreements. It should be noted that the municipality is still awaiting the revised organogram from COGTA. The provision set above CPI is intended to cushion the municipality once the new structure is approved and implemented. Any resulting adjustments will be addressed in the adjustment budget, should the need arise.

Debt impairment is calculated at 15% of the municipality's uncollectable debt reflected in the debtors' book.

Finance charges show minimal increases due to the Eskom Debt Relief programme, which has provided relief on interest charges arising from non-payment of Eskom accounts.

Repairs and maintenance are benchmarked at 8% of Property, Plant and Equipment (PPE) and investment property values.

Infrastructure South Africa (ISA) has entered into agreements with the municipality to support upgrades in water services, electricity supply, and public lighting. This intervention is expected to assist in reducing infrastructure backlogs and address aging assets.

Budget allocations are based on actual and historical expenditure trends. Particular attention should be given to the consumable stores vote, as the infrastructure department sources most repairs and maintenance materials for water and electricity operations through this vote.

An amount of at least R7.65 million has been allocated for repairs and maintenance of municipal infrastructure. This provision is reflected across inventory and stores items as well as repairs and maintenance line items relating to water, electricity, sanitation networks, roads, and municipal buildings.

Bulk electricity purchases have been budgeted at R109.6 million for the 2026/27 financial year. This is aligned with the approved 9.1% tariff increase by NERSA.

Contracted services amount to R58 million, primarily comprising outsourced services. Key components include:

- Security and guarding services: R18.50 million
- Valuation roll: R5 million
- Financial system support and AFS compilation: R16.50 million
- Records management: R3 million
- Legal services: R2.5 million

Other expenditure totals R40.88 million and includes items such as printing and stationery, subsistence and travel, entertainment allowances, and accommodation. Some of these costs are operational in nature; however, due to mSCOA classification, they are reflected under this line item rather than repairs and maintenance.

Table 5 Operating Transfers and Grant Receipts

	Financial Year 2025/2026		MTREF 2026/2027-2028-2029		
Grants	**Original Budget**	**Adjustment Budget**	**2026/2027**	**2027/2028**	**2028/2029**
Transfers	**293 795 863**	**294 064 051**	**298 065 900**	**297 572 000**	**315 828 000**
Finance Management grant	2 300 000	2 300 000	2 400 000	2 500 000	2 600 000
Expanded Public Works Programme	1 754 000	1 754 000	1 915 000	-	-
Equitable Share	244 280 997	244 280 997	240 282 000	239 224 000	255 611 000
Municipal Infrastructure Grant	45 460 866	45 460 866	52 555 900	50 862 000	52 405 000
Dept. Sport Arts and Culture	-	-	-	-	
Intergrated National Electrification Programme	-	-	913 000	4 986 000	5 212 000
Water Grant NMMDM	-	-	-	-	-
LG-Seta	-	268 188	-	-	-

Total grants and transfers totals R 298 million in the 2026/27 financial year and steadily decrease of R4 million from 2025/2026 budget year. The above table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term.

MBRR Table 6_A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

NW385 Ramotshere Moiloa - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)										
Functional Classification Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue - Functional										
Governance and administration		–	**189 828**	**247 601**	**233 251**	**237 644**	**237 644**	**324 068**	**334 277**	**346 828**
Executive and council		–	16 056	49 613	49 234	49 234	49 234	35 793	36 974	38 157
Finance and administration		–	170 840	190 252	179 148	183 541	183 541	119 234	122 683	128 463
Internal audit		–	2 932	7 736	4 869	4 869	4 869	169 041	174 620	180 207
Community and public safety		–	**32 185**	**45 396**	**46 582**	**46 583**	**46 583**	**12 805**	**12 683**	**13 089**
Community and social services		–	11 231	8 582	11 538	11 539	11 539	122	48	50
Sport and recreation		–	7 953	8 825	13 507	13 507	13 507	–	–	–
Public safety		–	12 271	27 550	19 920	19 920	19 920	12 684	12 635	13 039
Housing		–	730	438	1 617	1 617	1 617	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		–	**102 786**	**93 568**	**114 095**	**114 113**	**114 113**	**66 495**	**60 216**	**62 058**
Planning and development		–	45 919	71 453	74 157	74 175	74 175	66 495	60 216	62 058
Road transport		–	56 868	22 115	39 938	39 938	39 938	–	–	–
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		–	**156 996**	**174 881**	**152 686**	**152 686**	**152 686**	**156 950**	**157 436**	**162 540**
Energy sources		–	98 889	103 532	110 762	110 762	110 762	119 706	118 726	122 591
Water management		–	23 474	20 955	21 059	21 059	21 059	17 628	18 210	18 793
Waste water management		–	17 027	22 431	3 663	3 663	3 663	5 855	5 980	6 172
Waste management		–	17 606	27 964	17 201	17 201	17 201	13 762	14 520	14 985
Other	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	–	**481 795**	**561 446**	**546 614**	**551 026**	**551 026**	**560 319**	**564 611**	**584 515**
Expenditure - Functional										
Governance and administration		–	**409 669**	**272 947**	**217 812**	**224 167**	**224 167**	**240 613**	**239 084**	**248 376**
Executive and council		–	43 396	40 777	48 807	45 670	45 670	49 550	49 857	52 083
Finance and administration		–	358 357	220 293	164 055	173 519	173 519	184 676	182 553	189 246
Internal audit		–	7 917	11 877	4 950	4 979	4 979	6 387	6 674	7 047
Community and public safety		–	**33 282**	**39 980**	**50 560**	**46 591**	**46 591**	**60 325**	**56 657**	**59 839**
Community and social services		–	6 521	4 303	24 716	20 849	20 849	20 474	21 379	22 095
Sport and recreation		–	9 433	13 207	8 840	9 177	9 177	17 344	11 867	12 698
Public safety		–	16 997	20 909	15 434	15 548	15 548	20 718	21 516	23 022
Housing		–	331	1 561	1 570	1 018	1 018	1 790	1 895	2 024
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		–	**35 293**	**40 862**	**74 595**	**70 463**	**70 463**	**61 697**	**62 148**	**64 926**
Planning and development		–	18 424	22 962	21 723	19 309	19 309	20 983	20 030	21 061
Road transport		–	16 869	17 900	52 873	51 154	51 154	40 715	42 119	43 865
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		–	**151 494**	**173 996**	**155 669**	**155 395**	**155 395**	**168 014**	**168 872**	**175 943**
Energy sources		–	109 376	133 922	115 472	115 507	115 507	120 529	124 983	129 448
Water management		–	12 350	16 758	10 208	9 958	9 958	23 812	18 983	20 043
Waste water management		–	14 194	9 158	15 492	15 517	15 517	12 137	12 731	13 426
Waste management		–	15 574	14 158	14 497	14 414	14 414	11 536	12 175	13 027
Other	4	–	–	–	–	–	–	–	–	–
Total Expenditure - Functional	3	–	**629 738**	**527 785**	**498 637**	**496 617**	**496 617**	**530 650**	**526 761**	**549 084**
Surplus/(Deficit) for the year		–	**(147 943)**	**33 661**	**47 977**	**54 409**	**54 409**	**29 670**	**37 850**	**35 431**

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms if each of these functional areas which enables the National Treasury to compile 'whole of government' reports.

2. Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital)

3. Note that as a general principle the revenues for the Trading Services should exceed their expenditures. The table highlights that this is not the case for Electricity, Water and Waste water functions, but not the Waste management function. As already noted above, the municipality will be undertaking a detailed study of this function to explore ways of improving efficiencies and provide a basis for re-evaluating the function's tariff structure. The main issues is attributed to cost reflective tariffs not be levied to consumers due to overburdening on cost or repairs, theft of infrastructure on electricity cables which distort the natural elements of tariffs. This results in the cost of repairs, maintenance and replacement of infrastructure to be exorbitant unnecessarily. Our communities are therefore urged as well to assist in protecting of our assets and safeguarding of our infrastructure as the consequence thereof goes back to the same consequences.

4. Other functions that show a deficit between revenue and expenditure are being financed from rates revenues and other revenue sources reflected under the Corporate Services.

6.2 Capital Expenditure

Vote Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Single-year expenditure ***to be appropriated***	2										
Vote 1 - EXECUTIVE AND COUNCIL		–	–	–	100	140	140	–	100	103	107
Vote 2 - FINANCE AND ADMINISTRATION		–	(430)	35	950	1 128	1 128	169	4 770	4 913	4 538
Vote 3 - TECHNICAL SERVICES		–	–	(1 653)	42 300	51 600	51 600	20 958	57 791	55 656	57 437
Vote 4 - COMMUNITY AND SOCIAL SERVICES		–	–	165	7 950	5 254	5 254	165	9 000	14 566	13 540
Capital single-year expenditure sub-total		–	(430)	(1 453)	51 300	58 123	58 123	21 292	71 661	75 238	75 622
Total Capital Expenditure - Vote		–	(430)	(1 453)	51 300	58 123	58 123	21 292	71 661	75 238	75 622
Capital Expenditure - Functional											
Governance and administration		–	(430)	(2 965)	3 100	1 268	1 268	(2 831)	7 170	7 392	7 097
Executive and council		–	–	–	60	20	20	–	100	103	107
Finance and administration		–	(430)	(2 965)	3 000	1 128	1 128	(2 831)	7 070	7 289	6 990
Internal audit		–	–	–	40	120	120	–	–	–	–
Community and public safety		–	–	–	6 000	4 304	4 304	–	4 500	7 017	7 241
Community and social services		–	–	–	6 000	4 304	4 304	–	3 000	5 517	5 693
Sport and recreation		–	–	–	–	–	–	–	1 500	1 500	1 548
Public safety		–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–
Economic and environmental services		–	–	1 512	40 700	51 600	51 600	24 123	53 228	51 886	53 546
Planning and development		–	–	(0)	37 700	37 700	37 700	19 459	50 028	51 679	53 333
Road transport		–	–	1 512	3 000	13 900	13 900	4 665	3 200	207	213
Environmental protection		–	–	–	–	–	–	–	–	–	–
Trading services		–	–	–	1 500	950	950	–	7 263	9 461	8 271
Energy sources		–	–	–	–	–	–	–	913	–	–
Water management		–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	1 350	1 395	1 439
Waste management		–	–	–	1 500	950	950	–	5 000	8 066	6 832
Other		–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	3	–	(430)	(1 453)	51 300	58 123	58 123	21 292	72 161	75 755	76 155
Funded by:											
National Government		–	–	–	37 700	37 700	37 700	19 459	49 913	50 617	52 237
Provincial Government		–	–	–	–	–	–	–	–	–	–
District Municipality		–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	4	–	–	–	37 700	37 700	37 700	19 459	49 913	50 617	52 237
Borrowing	6	–	–	–	–	–	–	–	–	–	–
Internally generated funds		–	(451)	–	13 600	20 423	20 423	4 813	22 248	25 138	23 918
Total Capital Funding	7	–	(451)	–	51 300	58 123	58 123	24 272	72 161	75 755	76 155

Capital expenditure amount to R72,16 million, grant funded projects amount to R49,91 million from MIG and INEP. Internally funded projects equals to R22,25 million.

Ramotshere Moiloa LM has partnered with ISA to accelerate services delivery projects to the value of R1.8 billion. The focus is mainly infrastructure covering roads, water, electricity, waste management, and sanitation.

Objective of the ISA projects

Catalytic Economic Growth Infrastructure projects are designed to trigger broader economic activity and attract business.

Job Creation & Skills Development Large-scale construction projects generate immediate employment opportunities while also building long-term skills in engineering, project management, and technical trades.

Private Sector Collaboration ISA proposals emphasize partnerships with private investors to mobilize capital

Improved Service Delivery By upgrading water services, electricity supply, and public lighting.

MBRR Table7 A4 - Budgeted Financial Performance (revenue and expenditure)

NW385 Ramotshere Moiloa - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	**Ref**	**2022/23**	**2023/24**	**2024/25**	**Current Year 2025/26**				**2026/27 Medium Term Revenue & Expenditure Framework**		
R thousand	**1**	**Audited Outcome**	**Audited Outcome**	**Audited Outcome**	**Original Budget**	**Adjusted Budget**	**Full Year Forecast**	**Pre-audit outcome**	**Budget Year 2026/27**	**Budget Year +1 2027/28**	**Budget Year +2 2028/29**
Revenue											
Exchange Revenue											
Service charges - Electricity	2	-	79 529	102 054	110 762	110 762	110 762	70 973	118 793	113 740	117 379
Service charges - Water	2	-	11 484	13 065	21 059	21 142	21 142	9 482	17 628	18 210	18 793
Service charges - Waste Water Management	2	-	255	3 603	3 663	3 663	3 663	2 502	5 855	5 980	6 172
Service charges - Waste Management	2	-	12 403	11 061	9 775	9 775	9 775	7 621	13 762	14 520	14 985
Sale of Goods and Rendering of Services	2	-	652	6 798	963	1 339	1 339	3 648	794	743	767
Agency services	2	-	-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	2	-	-	-	-	-	-	-	-	-	-
Interest earned from Current and Non Current Assets	2	-	516	3 545	4 184	6 755	6 755	2 308	8 839	9 131	9 423
Dividends	2	-	3 672	-	-	-	-	-	-	-	-
Rent on Land	2	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	2	-	(15)	108	1 371	1 382	1 382	13	500	-	-
Licence and permits	2	-	-	45	-	-	-	13	-	-	-
Special rating levies	2	-	-	-	-	-	-	-	-	-	-
Construction Contract Revenue	2	-	-	-	-	-	-	-	-	-	-
Development Charges	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	-	(2 358)	704	10 500	10 500	10 500	475	8 704	8 781	9 061
Non-Exchange Revenue											
Property rates	2	-	63 097	78 614	72 808	73 895	73 895	58 834	71 928	74 302	78 504
Surcharges and Taxes	2	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	2	-	3 392	6 183	5 871	5 872	5 872	1 102	6 090	6 067	6 261
Licences or permits	2	-	3 015	2 462	6 360	6 375	6 375	1 075	6 595	6 570	6 780
Transfer and subsidies - Operational	2	-	235 745	249 973	250 608	250 876	250 876	187 282	247 363	253 264	261 394
Interest	2	-	1 461	113	5 500	5 500	5 500	-	-	-	-
Fuel Levy	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Fixed and Intangible Assets	2	-	860	(146)	-	-	-	-	-	-	-
Other Gains	2	-	20 674	29 030	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		-	**434 381**	**507 213**	**503 426**	**507 838**	**507 838**	**345 326**	**506 851**	**511 306**	**529 518**
Expenditure											
Employee related costs	2	-	160 582	172 760	176 663	181 048	181 048	127 569	200 723	186 241	199 046
Remuneration of councillors	2	-	16 766	15 096	15 308	15 308	15 308	10 197	15 174	15 741	16 343
Bulk purchases - electricity	2	-	91 831	98 721	100 000	100 015	100 015	58 275	109 600	113 217	116 952
Inventory consumed	2,8	-	4 526	11 731	5 900	5 770	5 770	6 256	7 650	8 384	7 569
Debt impairment	2,3	-	194 059	7 308	41 000	41 000	41 000	-	67 538	69 767	71 999
Depreciation, amortisation and impairment	2	-	35 121	33 132	30 392	30 392	30 392	18 836	30 437	31 515	32 523
Interest, Dividends and Rent on Land	2	-	(1 030)	9 640	3 049	3 049	3 049	(5 249)	-	-	-
Contracted services	2	-	54 687	61 415	75 560	75 318	75 318	52 230	57 999	59 892	61 808
Transfers and subsidies	2	-	712	-	-	-	-	-	-	-	-
Irrecoverable debts written off	2	-	25 656	60 146	-	-	-	-	-	-	-
Operational costs	2	-	47 223	51 600	50 765	44 717	44 717	16 387	41 529	42 005	42 844
Disposal of Fixed and Intangible Assets	2	-	-	-	-	-	-	-	-	-	-
Other Losses	2	-	-	-	-	-	-	-	-	-	-
Total Expenditure		-	**630 134**	**521 549**	**498 637**	**496 617**	**496 617**	**284 502**	**530 650**	**526 761**	**549 084**
Surplus/(Deficit)		–	**(195 753)**	**(14 337)**	**4 789**	**11 221**	**11 221**	**60 825**	**(23 799)**	**(15 455)**	**(19 566)**
Transfers and subsidies - capital (monetary allocations)	6	-	48 163	54 087	43 188	43 188	43 188	17 933	53 469	53 305	54 997
Transfers and subsidies - capital (in-kind)	6	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		–	**(147 591)**	**39 750**	**47 977**	**54 409**	**54 409**	**78 757**	**29 670**	**37 850**	**35 431**
Income Tax			-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		–	**(147 591)**	**39 750**	**47 977**	**54 409**	**54 409**	**78 757**	**29 670**	**37 850**	**35 431**
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		–	**(147 591)**	**39 750**	**47 977**	**54 409**	**54 409**	**78 757**	**29 670**	**37 850**	**35 431**
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	–	**(147 591)**	**39 750**	**47 977**	**54 409**	**54 409**	**78 757**	**29 670**	**37 850**	**35 431**

MBRR Table 8 A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

NW385 Ramotshere Moiloa - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		–	18 988	57 349	54 102	54 102	54 102	204 834	211 593	218 364
Vote 2 - FINANCE AND ADMINISTRATION		–	142 504	157 933	136 261	140 654	140 654	119 234	122 683	128 463
Vote 3 - TECHNICAL SERVICES		–	249 902	232 808	238 505	238 505	238 505	198 511	193 778	199 960
Vote 4 - COMMUNITY AND SOCIAL SERVICES		–	64 978	94 092	87 432	87 433	87 433	26 567	27 203	28 074
Vote 5 - PLANNING AND DEVELOPMENT		–	5 651	19 263	30 313	30 332	30 332	11 174	9 354	9 653
Vote 6 - [NAME OF VOTE 6]		–	–	–	–	–	–	–	–	–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	–	482 022	561 446	546 614	551 026	551 026	560 319	564 611	584 515
Expenditure by Vote ***to be appropriated***	1									
Vote 1 - EXECUTIVE AND COUNCIL		–	51 313	52 654	53 757	50 649	50 649	55 937	56 530	59 130
Vote 2 - FINANCE AND ADMINISTRATION		–	317 883	197 324	147 133	160 425	160 425	169 972	167 155	173 042
Vote 3 - TECHNICAL SERVICES		–	161 584	185 937	209 175	204 433	204 433	211 200	213 677	222 409
Vote 4 - COMMUNITY AND SOCIAL SERVICES		–	81 264	69 920	70 950	65 991	65 991	72 993	69 821	73 928
Vote 5 - PLANNING AND DEVELOPMENT		–	15 495	21 949	17 622	15 119	15 119	20 548	19 578	20 575
Vote 6 - [NAME OF VOTE 6]		–	–	–	–	–	–	–	–	–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	–	627 539	527 783	498 637	496 617	496 617	530 650	526 761	549 084
Surplus/(Deficit) for the year	2	–	(145 517)	33 662	47 977	54 409	54 409	29 670	37 850	35 431

References

1. Insert 'Vote'; e.g. department, if different to functional classification structure

2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)

3. Assign share in 'associate' to relevant Vote

Explanatory notes to MBRR Table 9 A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

1. Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the Municipality. This means it is possible to present the operating surplus or deficit of a vote.
2. The following table is an analysis of the surplus or deficit for the electricity and water trading services.

MBRR Table 10 A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

Vote Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Capital Expenditure - Functional											
Governance and administration		–	(430)	(2 965)	3 100	1 268	1 268	(2 831)	7 170	7 392	7 097
Executive and council		–	–	–	60	20	20	–	100	103	107
Finance and administration		–	(430)	(2 965)	3 000	1 128	1 128	(2 831)	7 070	7 289	6 990
Internal audit		–	–	–	40	120	120	–	–	–	–
Community and public safety		–	–	–	6 000	4 304	4 304	–	4 500	7 017	7 241
Community and social services		–	–	–	6 000	4 304	4 304	–	3 000	5 517	5 693
Sport and recreation		–	–	–	–	–	–	–	1 500	1 500	1 548
Public safety		–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–
Economic and environmental services		–	–	1 512	40 700	51 600	51 600	24 123	53 228	51 886	53 546
Planning and development		–	–	(0)	37 700	37 700	37 700	19 459	50 028	51 679	53 333
Road transport		–	–	1 512	3 000	13 900	13 900	4 665	3 200	207	213
Environmental protection		–	–	–	–	–	–	–	–	–	–
Trading services		–	–	–	1 500	950	950	–	7 263	9 461	8 271
Energy sources		–	–	–	–	–	–	–	913	–	–
Water management		–	–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	1 350	1 395	1 439
Waste management		–	–	–	1 500	950	950	–	5 000	8 066	6 832
Other		–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	3	–	(430)	(1 453)	51 300	58 123	58 123	21 292	72 161	75 755	76 155
Funded by:											
National Government		–	–	–	37 700	37 700	37 700	19 459	49 913	50 617	52 237
Provincial Government		–	–	–	–	–	–	–	–	–	–
District Municipality		–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	4	–	–	–	37 700	37 700	37 700	19 459	49 913	50 617	52 237
Borrowing	6	–	–	–	–	–	–	–	–	–	–
Internally generated funds		–	(451)	–	13 600	20 423	20 423	4 813	22 248	25 138	23 918
Total Capital Funding	7	–	(451)	–	51 300	58 123	58 123	24 272	72 161	75 755	76 155

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations
3. Single-year capital expenditure is to R 72,16 million for the 2026/27 financial year and remains relatively constant over the MTREF at levels of R 75,76 million and R76,16 million respectively for the two outer years.
4. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are

indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the Municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.

5. The capital programme is funded from capital grants and transfers as well as internally generated funds

6.3 ANNUAL BUDGET TABLES – PARENT MUNICIPALITY

Table MBRR Table 11- A7 - Budgeted Cash Flow

NW385 Ramotshere Moiloa - Table A7 Budgeted Cash Flows

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		–	–	–	69 712	70 581	70 581	–	66 624	68 822	71 025
Service charges		–	–	–	135 941	136 007	136 007	–	143 891	132 981	151 272
Other revenue		–	–	–	25 064	25 468	25 468	(5)	67 797	52 113	53 397
Transfers and Subsidies - Operational	1	–	–	1 150 189	250 608	253 447	253 447	1 925 314	247 363	253 264	261 394
Transfers and Subsidies - Capital	1	–	–	–	43 188	43 188	43 188	–	53 469	53 305	54 997
Interest		–	–	–	9 684	9 684	9 684	–	4 339	4 482	4 626
Dividends		–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees		–	2 094	(357 560)	(461 260)	(460 748)	(460 748)	(633 479)	(454 063)	(447 049)	(467 842)
Finance charges		–	–	–	(3 049)	(3 000)	(3 000)	–	–	–	–
Transfers and Subsidies	1	–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		–	**2 094**	**792 629**	**69 887**	**74 627**	**74 627**	**1 291 830**	**129 420**	**117 918**	**128 869**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–
Insurance Refund - Capital		–	–	–	–	–	–	–	–	–	–
Interest on Short Term Investment (Greater then 90 days) and Long Term Investments		–	–	–	–	–	–	–	–	–	–
Payments											
Capital assets		–	–	–	(65 419)	(73 937)	(73 937)	(14)	(82 985)	(87 118)	(87 578)
Retention (Capital)		–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) INVESTING ACTIVITIES		–	–	–	**(65 419)**	**(73 937)**	**(73 937)**	**(14)**	**(82 985)**	**(87 118)**	**(87 578)**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–	–
Payments											
Repayment of borrowing		–	–	–	(359)	(359)	(359)	169	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	**(359)**	**(359)**	**(359)**	**169**	–	–	–
NET INCREASE/ (DECREASE) IN CASH HELD		–	**2 094**	**792 629**	**4 110**	**331**	**331**	**1 291 985**	**46 435**	**30 800**	**41 291**
Cash/cash equivalents at the year begin:	2	–	**13 740**	**13 740**	**15 234**	**15 234**	**15 234**	**13 740**	**8 759**	**55 194**	**85 994**
Cash/cash equivalents at the year end:	2	–	**15 834**	**806 369**	**19 343**	**15 565**	**15 565**	**1 305 725**	**55 194**	**85 994**	**127 285**

The projected cash and cash equivalents at R55.19 million. The current collective rate of 85% is being used to project the cashflow the 2026/27 budget

NW385 Ramotshere Moiloa - Table A1 Budget Summary

NW385 Ramotshere Moiloa - Table A1 Budget Summary										
Description	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Financial Performance										
Property rates	–	63 097	78 614	72 808	73 895	73 895	58 834	71 928	74 302	78 504
Service charges	–	103 672	129 784	145 260	145 343	145 343	90 578	156 037	152 450	157 328
Investment revenue	–	516	3 545	4 184	6 755	6 755	2 308	8 839	9 131	9 423
Transfer and subsidies - Operational	–	235 745	249 973	250 608	250 876	250 876	187 282	247 363	253 264	261 394
Other own revenue	–	31 352	45 298	30 565	30 969	30 969	6 325	22 683	22 160	22 869
Total Revenue (excluding capital transfers and contributions)	–	434 381	507 213	503 426	507 838	507 838	345 326	506 851	511 306	529 518
Employee costs	–	160 582	172 760	176 663	181 048	181 048	127 569	200 723	186 241	199 046
Remuneration of councillors	–	16 766	15 096	15 308	15 308	15 308	10 197	15 174	15 741	16 343
Depreciation, amortisation and impairment	–	35 121	33 132	30 392	30 392	30 392	18 836	30 437	31 515	32 523
Interest, Dividends and Rent on Land	–	(1 030)	9 640	3 049	3 049	3 049	(5 249)	–	–	–
Inventory consumed and bulk purchases	–	96 356	110 453	105 900	105 785	105 785	64 532	117 250	121 601	124 521
Transfers and subsidies	–	712	–	–	–	–	–	–	–	–
Other expenditure	–	321 626	180 470	167 325	161 035	161 035	68 617	167 066	171 663	176 651
Total Expenditure	–	630 134	521 549	498 637	496 617	496 617	284 502	530 650	526 761	549 084
Surplus/(Deficit)	–	(195 753)	(14 337)	4 789	11 221	11 221	60 825	(23 799)	(15 455)	(19 566)
Transfers and subsidies - capital (monetary allocations)	–	48 163	54 087	43 188	43 188	43 188	17 933	53 469	53 305	54 997
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	–	(147 591)	39 750	47 977	54 409	54 409	78 757	29 670	37 850	35 431
Share of Surplus/Deficit attributable to Associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	–	(147 591)	39 750	47 977	54 409	54 409	78 757	29 670	37 850	35 431
Capital expenditure & funds sources										
Capital expenditure	–	(430)	(1 453)	51 300	58 123	58 123	21 292	72 161	75 755	76 155
Transfers recognised - capital	–	–	–	37 700	37 700	37 700	19 459	49 913	50 617	52 237
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	–	(451)	–	13 600	20 423	20 423	4 813	22 248	25 138	23 918
Total sources of capital funds	–	(451)	–	51 300	58 123	58 123	24 272	72 161	75 755	76 155
Financial position										
Total current assets	24 474	173 890	160 879	741 723	739 694	739 694	146 751	1 836	7 670	6 028
Total non current assets	–	714 713	729 714	757 328	764 151	764 151	733 628	41 724	44 240	43 632
Total current liabilities	–	272 000	228 361	270 956	269 219	269 219	139 391	5 131	5 301	5 470
Total non current liabilities	–	88 849	100 963	41 587	41 686	41 686	100 962	–	–	–
Community wealth/Equity	24 474	527 359	420 310	1 186 508	1 192 940	1 192 940	526 346	38 429	46 609	44 190
Cash flows										
Net cash from (used) operating	–	2 094	792 629	69 887	74 627	74 627	1 291 830	129 420	117 918	128 869
Net cash from (used) investing	–	–	–	(65 419)	(73 937)	(73 937)	(14)	(82 985)	(87 118)	(87 578)
Net cash from (used) financing	–	–	–	(359)	(359)	(359)	169	–	–	–
Cash/cash equivalents at the year end	–	15 834	806 369	19 343	15 565	15 565	1 305 725	55 194	85 994	127 285
Cash backing/surplus reconciliation										
Cash and investments available	–	15 834	806 369	19 343	15 565	15 565	1 305 725	55 194	85 994	127 285
Application of cash and investments	–	188 693	141 044	(1 639)	(4 236)	(4 236)	26 187	50 834	24 400	39 890
Balance - surplus (shortfall)	–	(172 859)	665 324	20 983	19 801	19 801	1 279 538	4 360	61 594	87 395
Asset management										
Asset register summary (WDV)	–	680 812	697 594	757 328	764 151	764 151		41 724	44 240	44 159
Depreciation	–	35 121	33 132	30 392	30 392	30 392		30 437	31 515	32 523
Renewal and Upgrading of Existing Assets	–	–	–	450	217	217		28 100	29 003	29 931
Repairs and Maintenance	–	4 858	3 700	13 191	8 401	8 401		7 846	8 084	8 343
Free services										
Cost of Free Basic Services provided	–	–	–	–	–	–		–	–	–
Revenue cost of free services provided	–	(6 251)	(129)	(6 760)	(6 760)	(6 760)		(2 313)	(2 958)	(2 751)
Households below minimum service level										
Water:	–	–	–	–	–	–		–	–	–
Sanitation/sewerage:	647	–	–	–	–	–		–	–	–
Energy:	–	–	–	–	–	–		–	–	–
Refuse:	–	–	–	–	–	–		–	–	–

Table MBRR Table 12- A6- Table A6 Budgeted Financial Position

NW385 Ramotshere Moiloa - Table A6 Budgeted Financial Position

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
ASSETS											
Current assets											
Cash and cash equivalents	1	–	14 034	9 214	19 343	15 614	15 614	12 304	55 194	39 559	50 050
Short term Investments	2	–	–	–	–	–	–	–	–	–	–
Trade and other receivables from exchange transactions	3	–	103 433	112 667	344 895	344 892	344 892	87 464	(55 354)	(50 259)	(65 903)
Receivables from non-exchange transactions	3	24 474	32 152	32 363	309 721	309 938	309 938	43 004	5 304	5 479	7 479
Current portion of non-current receivables	4	–	–	–	–	–	–	–	–	–	–
Inventory	5	–	8 916	11 543	14 466	14 596	14 596	5 034	(7 650)	(8 384)	(7 569)
VAT Receivable	6	–	15 356	(4 908)	47 809	49 165	49 165	(3 491)	(789)	15 973	16 501
Other current assets	7	–	–	(0)	5 488	5 488	5 488	2 436	5 131	5 301	5 470
Total current assets		**24 474**	**173 890**	**160 879**	**741 723**	**739 694**	**739 694**	**146 751**	**1 836**	**7 670**	**6 028**
Non current assets											
Investments	8	–	–	–	–	–	–	–	–	–	–
Investment property	9	–	43 588	42 026	1 983	1 983	1 983	41 968	–	–	–
Property, plant and equipment	10	–	670 705	687 276	755 345	761 950	761 950	691 248	40 224	42 690	42 032
Biological assets	11	–	–	–	–	–	–	–	–	–	–
Living resources	12	–	–	–	–	–	–	–	–	–	–
Heritage assets	13	–	405	405	–	–	–	405	–	–	–
Intangible assets	14	–	15	8	–	217	217	8	1 500	1 550	1 599
Trade and other receivables from exchange transactions	15	–	–	–	–	–	–	–	–	–	–
Non-current receivables from non-exchange transactions	15	–	–	–	–	–	–	–	–	–	–
Other non-current assets	16	–	–	–	–	–	–	–	–	–	–
Total non current assets		**–**	**714 713**	**729 714**	**757 328**	**764 151**	**764 151**	**733 628**	**41 724**	**44 240**	**43 632**
TOTAL ASSETS		**24 474**	**888 603**	**890 592**	**1 499 051**	**1 503 845**	**1 503 845**	**880 379**	**43 560**	**51 910**	**49 660**
LIABILITIES											
Current liabilities											
Bank overdraft	17	–	–	–	–	–	–	–	–	–	–
Financial liabilities	18	–	408	371	(359)	(359)	(359)	202	–	–	–
Consumer deposits	19	–	1 118	1 349	3 142	3 142	3 142	1 600	–	–	–
Trade and other payables from exchange transactions	20	–	183 558	162 497	162 202	160 465	160 465	69 394	5 131	5 301	5 470
Trade and other payables from non-exchange transactions	21	–	–	35	73 730	73 730	73 730	17 572	–	–	–
Provision	22	–	5 570	5 976	18 740	18 740	18 740	5 976	–	–	–
VAT Payable	23	–	79 209	56 426	13 501	13 501	13 501	42 940	–	–	–
Other current liabilities	24	–	2 137	1 707	–	–	–	1 707	–	–	–
Total current liabilities		**–**	**272 000**	**228 361**	**270 956**	**269 219**	**269 219**	**139 391**	**5 131**	**5 301**	**5 470**
Non current liabilities											
Financial liabilities	25	–	1 088	793	1 190	1 288	1 288	792	–	–	–
Provision	26	–	41 080	46 584	40 397	40 397	40 397	46 584	–	–	–
Long term portion of trade payables	27	–	–	–	–	–	–	–	–	–	–
Other non-current liabilities	28	–	46 681	53 586	–	–	–	53 586	–	–	–
Total non current liabilities		**–**	**88 849**	**100 963**	**41 587**	**41 686**	**41 686**	**100 962**	**–**	**–**	**–**
TOTAL LIABILITIES		**–**	**360 849**	**329 323**	**312 543**	**310 905**	**310 905**	**240 353**	**5 131**	**5 301**	**5 470**
NET ASSETS		**24 474**	**527 754**	**561 269**	**1 186 508**	**1 192 940**	**1 192 940**	**640 026**	**38 429**	**46 609**	**44 190**
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	29	24 474	527 359	420 310	1 186 508	1 192 940	1 192 940	526 346	38 429	46 609	44 190
Reserves and funds	30	–	–	–	–	–	–	–	–	–	–
Other	31	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	32	**24 474**	**527 359**	**420 310**	**1 186 508**	**1 192 940**	**1 192 940**	**526 346**	**38 429**	**46 609**	**44 190**

Table MBRR Table 13 - Table A8 Cash backed reserves/accumulated surplus reconciliation

NW385 Ramotshere Moiloa - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Cash and investments available											
Cash/cash equivalents at the year end	1	–	15 834	806 369	19 343	15 565	15 565	1 305 725	55 194	85 994	127 285
Other current investments > 90 days		–	–	–	–	–	–	–	–	–	–
Non current Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		**–**	**15 834**	**806 369**	**19 343**	**15 565**	**15 565**	**1 305 725**	**55 194**	**85 994**	**127 285**
Application of cash and investments											
Unspent conditional transfers		–	–	0	18 829	18 829	18 829	17 537	–	–	–
Unspent borrowing											
Statutory requirements	2	–	(434)	(27 464)	(46 389)	(48 018)	(48 018)	(66 756)	(9 982)	(26 581)	(27 843)
Other working capital requirements	3	–	183 558	162 532	7 181	6 213	6 213	69 430	60 815	50 981	67 732
Other provisions		–	5 570	5 976	18 740	18 740	18 740	5 976	–	–	–
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	–	–	–	–	–	–	–	–	–	–
Total Application of cash and investments:		**–**	**188 693**	**141 044**	**(1 639)**	**(4 236)**	**(4 236)**	**26 187**	**50 834**	**24 400**	**39 890**
Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits		**–**	**(172 859)**	**665 324**	**20 983**	**19 801**	**19 801**	**1 279 538**	**4 360**	**61 594**	**87 395**
Creditors transferred to Debt Relief - Non-Current portion		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits		**–**	**(172 859)**	**665 324**	**20 983**	**19 801**	**19 801**	**1 279 538**	**4 360**	**61 594**	**87 395**

References

1. Must reconcile with Budgeted Cash Flows

2. For example: VAT, taxation

3. Council approval for policy required - include sufficient working capital (e.g. allowing for a % of current debtors > 90 days as uncollectable)

4. For example: sinking fund requirements for borrowing

5. Council approval required for each reserve created and basis of cash backing of reserves - Total Reserves to be backed by cash/investments excl Valuation reserve

Other working capital requirements											
Debtors		–	–	–	209 922	209 153	209 153	(1)	(55 684)	(45 680)	(62 262)
Creditors due		–	183 558	162 532	217 103	215 366	215 366	69 429	5 131	5 301	5 470
Total		–	(183 558)	(162 532)	(7 181)	(6 213)	(6 213)	(69 430)	(60 815)	(50 981)	(67 732)
Debtors collection assumptions											
Balance outstanding - debtors		24 474	135 584	145 030	654 616	654 830	654 830	130 468	(50 049)	(44 780)	(58 424)
Estimate of debtors collection rate		0,0%	0,0%	0,0%	32,1%	31,9%	31,9%	0,0%	111,3%	102,0%	106,6%
Long term investments committed											
Balance (*Insert description; eg sinking fund*)											
		–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments											
Housing Development Fund		–	–	–	–	–	–	–	–	–	–
Capital replacement		–	–	–	–	–	–	–	–	–	–
Self-insurance		–	–	–	–	–	–	–	–	–	–
Compensation for Occupational Injuries and Diseases				–	–	–	–	–	–	–	–
Employee Benefit reserve				–	–	–	–	–	–	–	–
Non-current Provisions reserve				–	–	–	–	–	–	–	–
Valuation reserve				–	–	–	–	–	–	–	–
Investment in associate account				–	–	–	–	–	–	–	–
Capitalisation				–	–	–	–	–	–	–	–
	6	–	–	–	–	–	–	–	–	–	–

Note:

Table MBRR Table 14 - Table A9 Asset Management

NW385 Ramotshere Moiloa - Table A9 Asset Management

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
CAPITAL EXPENDITURE										
Total New Assets	1	–	(430)	(1 453)	50 850	57 905	57 905	44 061	46 752	46 224
Roads Infrastructure		–	–	165	4 500	4 500	4 500	6 000	6 198	6 396
Storm water Infrastructure		–	–	(0)	33 200	33 200	33 200	19 000	19 627	20 255
Electrical Infrastructure		–	–	–	–	–	–	913	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	1 500	950	950	2 500	2 583	2 665
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	261	261	1 000	1 000	500
Infrastructure		–	–	165	39 200	38 911	38 911	29 413	29 408	29 817
Community Facilities		–	–	–	6 000	4 304	4 304	3 250	5 750	5 934
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		–	–	–	6 000	4 304	4 304	3 250	5 750	5 934
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	465	150	150	150	558	1 060	1 094
Furniture and Office Equipment		–	21	21	900	640	640	540	558	576
Machinery and Equipment		–	–	(3 000)	3 000	10 700	10 700	3 800	826	853
Transport Assets		–	–	1 347	1 600	3 200	3 200	6 500	9 151	7 951
Land		–	(451)	(451)	–	–	–	–	–	–
Total Renewal of Existing Assets	2	–	–	–	–	–	–	2 000	2 066	2 132
Solid Waste Infrastructure		–	–	–	–	–	–	2 000	2 066	2 132
Infrastructure		–	–	–	–	–	–	2 000	2 066	2 132
Total Upgrading of Existing Assets	6	–	–	–	450	217	217	26 100	26 937	27 799
Roads Infrastructure		–	–	–	–	–	–	5 000	5 165	5 330
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	450	–	–	8 600	8 884	9 168
Infrastructure		–	–	–	450	–	–	13 600	14 049	14 498
Community Facilities		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	10 750	11 080	11 435
Community Assets		–	–	–	–	–	–	10 750	11 080	11 435

NW385 Ramotshere Moiloa - Table A9 Asset Management

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	250	258	267
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	–	–	–	–	–	250	258	267
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	217	217	1 500	1 550	1 599
Intangible Assets		–	–	–	–	217	217	1 500	1 550	1 599

Total Capital Expenditure	4	–	(430)	(1 453)	51 300	58 123	58 123	72 161	75 755	76 155
Roads Infrastructure		–	–	165	4 500	4 500	4 500	11 000	11 363	11 727
Storm water Infrastructure		–	–	(0)	33 200	33 200	33 200	19 000	19 627	20 255
Electrical Infrastructure		–	–	–	450	–	–	9 513	8 884	9 168
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	1 500	950	950	4 500	4 649	4 797
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	261	261	1 000	1 000	500
Infrastructure		–	–	*165*	*39 650*	*38 911*	*38 911*	*45 013*	*45 522*	*46 447*
Community Facilities		–	–	–	6 000	4 304	4 304	3 250	5 750	5 934
Sport and Recreation Facilities		–	–	–	–	–	–	10 750	11 080	11 435
Community Assets		–	–	–	*6 000*	*4 304*	*4 304*	*14 000*	*16 830*	*17 369*
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	250	258	267
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	–	–	–	–	–	*250*	*258*	*267*
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	217	217	1 500	1 550	1 599
Intangible Assets		–	–	–	–	*217*	*217*	*1 500*	*1 550*	*1 599*
Computer Equipment		–	–	465	150	150	150	558	1 060	1 094
Furniture and Office Equipment		–	21	21	900	640	640	540	558	576
Machinery and Equipment		–	–	(3 000)	3 000	10 700	10 700	3 800	826	853
Transport Assets		–	–	1 347	1 600	3 200	3 200	6 500	9 151	7 951
Land		–	(451)	(451)	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		–	(430)	(1 453)	51 300	58 123	58 123	72 161	75 755	76 155
ASSET REGISTER SUMMARY - PPE (WDV)	5	–	680 812	697 594	757 328	764 151	764 151	41 724	44 240	44 159
Roads Infrastructure		–	(345 178)	(346 845)	(19 472)	(19 472)	(19 472)	(19 429)	(20 070)	(20 713)
Storm water Infrastructure		–	19 162	17 894	33 200	33 200	33 200	19 000	19 627	20 255
Electrical Infrastructure		–	56 989	54 515	426 748	426 298	426 298	9 513	8 884	9 168
Water Supply Infrastructure		–	799 525	831 359	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	2 000	2 066	2 132
Solid Waste Infrastructure		–	5 274	5 388	40 489	39 939	39 939	2 500	2 583	2 665
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	261	261	1 000	1 000	500
Infrastructure		–	*535 772*	*562 309*	*480 965*	*480 226*	*480 226*	*14 584*	*14 089*	*14 008*
Community Assets		–	41 162	37 650	104 583	102 888	102 888	14 000	16 830	16 830
Heritage Assets		–	405	405	–	–	–	–	–	–
Investment properties		–	**43 588**	**42 026**	**1 983**	**1 983**	**1 983**	–	–	–
Other Assets		–	12 344	13 212	146 239	146 239	146 239	250	258	258
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		–	15	8	–	217	217	1 500	1 550	1 550
Computer Equipment		–	1 770	1 555	1 945	1 945	1 945	528	955	955
Furniture and Office Equipment		–	2 135	1 964	5 197	4 937	4 937	562	581	581
Machinery and Equipment		–	5 518	829	7 708	15 408	15 408	3 800	826	826
Transport Assets		–	8 095	7 630	8 708	10 308	10 308	6 500	9 151	9 151
Land		–	30 007	30 007	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	–	680 812	697 594	757 328	764 151	764 151	41 724	44 240	44 159
EXPENDITURE OTHER ITEMS		–	39 979	36 832	43 583	38 793	38 793	38 283	39 599	40 866
Depreciation	7	–	35 121	33 132	30 392	30 392	30 392	30 437	31 515	32 523
Repairs and Maintenance by Asset Class	3	–	**4 858**	**3 700**	**13 191**	**8 401**	**8 401**	**7 846**	**8 084**	**8 343**
Roads Infrastructure		–	26	281	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	72	–	1 500	1 000	1 000	350	362	373

NW385 Ramotshere Moiloa - Table A9 Asset Management

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Infrastructure		–	*98*	*281*	*1 500*	*1 000*	*1 000*	*350*	*362*	*373*
Community Facilities		–	127	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	173	–	–	–	–	–	–
Community Assets		–	*127*	*173*	–	–	–	–	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	98	1 441	2 900	2 300	2 300	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	*98*	*1 441*	*2 900*	*2 300*	*2 300*	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	12	–	1 500	1 100	1 100	2 000	2 066	2 132
Furniture and Office Equipment		–	79	–	45	45	45	47	48	50
Machinery and Equipment		–	288	789	2 480	1 480	1 480	3 088	3 169	3 270
Transport Assets		–	4 155	1 017	4 766	2 476	2 476	2 362	2 440	2 518
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		–	39 979	36 832	43 583	38 793	38 793	38 283	39 599	40 866
Renewal and upgrading of Existing Assets as % of total capex		*0,0%*	*0,0%*	*0,0%*	*0,9%*	*0,4%*	*0,4%*	*38,9%*	*38,3%*	*39,3%*
Renewal and upgrading of Existing Assets as % of deprecn		*0,0%*	*0,0%*	*0,0%*	*1,5%*	*0,7%*	*0,7%*	*92,3%*	*92,0%*	*92,0%*
R&M as a % of PPE & Investment Property		*0,0%*	*0,7%*	*0,5%*	*1,7%*	*1,1%*	*1,1%*	*19,5%*	*18,9%*	*19,6%*
Renewal and upgrading and R&M as a % of PPE and Investment Property		*0,0%*	*0,7%*	*0,5%*	*1,8%*	*1,1%*	*1,1%*	*89,4%*	*86,9%*	*89,8%*

Table MBRR Table 15 - Table A10 Basic service delivery measurement

NW385 Ramotshere Moiloa - Table A10 Basic service delivery measurement

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Household service targets	1									
Water:										
Piped water inside dwelling		–	–	–	–	–	–	–	–	–
Piped water inside yard (but not in dwelling)		–	–	–	–	–	–	–	–	–
Using public tap (at least min.service level)	2	–	–	–	–	–	–	–	–	–
Other water supply (at least min.service level)	4	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–
Using public tap (< min.service level)	3	–	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	4	–	–	–	–	–	–	–	–	–
No water supply		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		–	–	–	–	–	–	107	–	–
Flush toilet (with septic tank)		–	–	–	–	–	–	13	–	–
Chemical toilet		–	–	–	–	–	–	107	–	–
Pit toilet (ventilated)		–	–	–	–	–	–	–	–	–
Other toilet provisions (> min.service level)		–	–	–	–	–	–	54	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	281	–	–
Bucket toilet		–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		–	–	–	–	–	–	–	–	–
No toilet provisions		647 019	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		647 019	–	–	–	–	–	–	–	–
Total number of households	5	**647 019**	–	–	–	–	–	**281**	–	–
Energy:										
Electricity (at least min.service level)		–	–	–	–	–	–	–	–	–
Electricity - prepaid (min.service level)		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–
Electricity (< min.service level)		–	–	–	–	–	–	–	–	–
Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	–	–
Other energy sources		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–
Refuse:										
Removed at least once a week		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–
Removed less frequently than once a week		–	–	–	–	–	–	–	–	–
Using communal refuse dump		–	–	–	–	–	–	–	–	–
Using own refuse dump		–	–	–	–	–	–	–	–	–
Other rubbish disposal		–	–	–	–	–	–	–	–	–
No rubbish disposal		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–	–	–
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		–	–	–	–	–	–	–	–	–
Sanitation (free minimum level service)		–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per household per month)		–	–	–	–	–	–	–	–	–
Refuse (removed at least once a week)		–	–	–	–	–	–	–	–	–
Informal Settlements		–	–	–	–	–	–	–	–	–
Cost of Free Basic Services provided - Formal Settlements (R'000)										
Water (6 kilolitres per **indigent** household per month)		–	–	–	–	–	–	–	–	–
Sanitation (free sanitation service to **indigent households**)		–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per **indigent** household per month)		–	–	–	–	–	–	–	–	–
Refuse (removed once a week **for indigent households**)		–	–	–	–	–	–	–	–	–
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		–	–	–	–	–	–	–	–	–
Total cost of FBS provided	8	–	–	–	–	–	–	–	–	–
Highest level of free service provided per household										
Property rates (R value threshold)		–	–	–	–	–	–	107	–	–
Water (kilolitres per household per month)		–	–	–	–	–	–	13	–	–
Sanitation (kilolitres per household per month)		–	–	–	–	–	–	107	–	–
Sanitation (Rand per household per month)		–	–	–	–	–	–	–	–	–
Electricity (kwh per household per month)		–	–	–	–	–	–	54	–	–
Refuse (average litres per week)		–	–	–	–	–	–	107	–	–
Revenue cost of subsidised services provided (R'000)	9									
Property rates **(tariff adjustment)** (**impermissable values per section 17 of MPRA**)		–	–	–	–	–	–	–	–	–
Property rates exemptions, reductions and rebates **and impermissable values in excess of section 17 of MPRA)**		–	–	–	–	–	–	–	–	–
Water **(in excess of 6 kilolitres per indigent household per month)**		–	(0)	(358)	(1 554)	(1 554)	(1 554)	–	(1 402)	(1 448)
Sanitation **(in excess of free sanitation service to indigent households)**		–	(685)	–	(448)	(448)	(448)	(442)	(391)	(404)
Electricity/other energy **(in excess of 50 kwh per indigent household per month)**		–	(2 268)	(83)	(1 758)	(1 758)	(1 758)	(23)	(1 207)	(1 247)
Refuse **(in excess of one removal a week for indigent households)**		–	(3 297)	312	(3 000)	(3 000)	(3 000)	(1 847)	42	348
Municipal Housing - rental rebates		–	–	–	–	–	–	–	–	–
Housing - top structure subsidies	6	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Total revenue cost of subsidised services provided		–	**(6 251)**	**(129)**	**(6 760)**	**(6 760)**	**(6 760)**	**(2 313)**	**(2 958)**	**(2 751)**

Table 13 _Proposed tariffs

Property_rates

PROJECTED REVENUE FROM PROPERTY RATES 2026/2027						
CATEGORY	**No.**	**TARIFF**	**Market Value**	**Impermissible**	**Rebates**	**Projected Revenue**
Residential	4810	0,013749	1 846 553 000,00	72 150 000,00		25 388 257,20
Industrial	185	0,027498	119 455 000,00	-		3 284 773,59
Business and Commercial	421	0,027498	1 148 866 000,00	-		31 591 517,27
Agricultural	2140	0,003437	3 979 770 217,00	32 100 000,00		13 678 470,24
Mining	9	0,027498	20 900 000,00	-		574 708,20
PSP	303	0,003437	506 419 000,00	-		1 740 562,10
PSI	177	0,003437	9 427 000,00	-		32 400,60
PBO	9	0,013749	16 170 000,00	-	100,00%	222 321,33
Multi Use	82			-		-
Vacant	23	0,027498	1 735 000,00	-		47 709,03
POW	61	0,013749	91 550 000,00	-	100,00%	1 258 720,95
Municipal	3222	-	312 348 000,00	-	100,00%	-
Rebates	-	-	-	-		- 5 975 216,26
	11442	-	**8 053 193 217,00**	**104 250 000,00**		**71 844 224,24**

Town Planning

TOWN PLANNING SERVICES		**VAT Excl.**	**VAT Encl**
Building Plans			
	New Construction up to 80 square metres	R 392,14	R 450,96
	New construction above 80 square metres	R 392,14	R 450,96
	Alterations and extension up to 80 square metres	R 617,30	R 709,89
	Alterations and extension above 80 square metres	R 650,51	R 748,09
	Additions e.g. Carports, swimming pools, tennis courts, summer	R 1 133,66	R 1 303,70
	Resubmission fee if the above plans approval has elapsed after 12	R 1 130,17	R 1 299,70
			R 0,00
Town Planning	Application for amendment of Land Use Scheme	R 3 200,00	R 3 680,00
	Application for Consent Use	R 3 200,00	R 3 680,00
	Application for Written Consent	R 1 200,00	R 1 380,00
	Application for Subdivision of property into 5 or less portions	R 1 200,00	R 1 380,00
	Application for Subdivision of more than 5 Portions	R 3 200,00	R 3 680,00
	Application for Subdivision in terms of Act 70 of 1970	R 1 200,00	R 1 380,00
	Application for Exemption of Subdivision of land	R 1 200,00	R 1 380,00
	Application for consolidation of land	R 1 200,00	R 1 380,00
	Application of Excemption of Consolidation	R 883,05	R 1 015,51
	Application for Township Establishment	R 6 000,00	R 6 900,00
	Application for extension of boundaries of an approved township	R 3 500,00	R 4 025,00
	Application of Relaxation of Buildng Line	R 441,41	R 507,62
	Application for Removal, Amendment or Suspension of Restrictive or Obsolete Condition, Servitute or Resevation Registered against the Title of the Land	R 3 200,00	R 3 680,00
	Application for Appeal	R 3 200,00	R 3 680,00
	Application for phasing or substantial change of the township rezoning	R 3 200,00	R 3 680,00
	Application for consideration of a Site Development Plan (In terms of Clause 23 of RMLM Land Scheme,2017)	R 921,61	R 1 059,86
	Application for Amendment or Cancelation of a General Plan	R 3 200,00	R 3 680,00
	Application for permanent Closure of Public Place	R 3 200,00	R 3 680,00
	Zoning Certificate	R 92,82	R 106,74
	Regulation 38 Certificate (In terms of	R 92,82	R 106,74
	PSPLUMA Certificate	R 92,82	R 106,74
	Deeds Search	R 92,82	R 106,74
	Plan printouts per copy	R 119,78	R 137,74

FINES	**Fines & penalties for contravention of land use scheme and SPLUM**		
	Contravention of Section 58	R 5 265,00	R 6 054,75
	Contravention of Section 174(1)(b)	R 2 106,00	R 2 421,90
	Contravention of Section 174(1)(c)	R 2 106,00	R 2 421,90
	Contravention of Section 174(1)(e)	R 2 106,00	R 2 421,90
	Contravention of Section 174(1)(g)	R 2 106,00	R 2 421,90
Building Deposits			
	All prospective builders are required to pay a deposit before they		
	Residential/Domestic	R 5 471,94	R 6 292,73
	Business/ Commercial	R 10 323,98	R 11 872,58
	Industrial/Bulk	R 128 058,82	R 147 267,64
	Institutional	R 7 503,84	R 8 629,41
Business Inspection Book		R 985,33	R 1 133,13
Lost book replacement fee		R 811,23	R 932,91
Lost document search and print per copy		R 103,31	R 118,81
Issuing of zoning certificates		R 76,53	R 88,01
Issuing of clearance certificate		R 397,96	R 457,65
Issuing of valuation certificates		R 405,62	R 466,46

6.3.1 Sale of Water and Impact of Tariff Increases

South Africa faces similar challenges with regard to water supply as it did with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

Better maintenance of infrastructure and cost-reflective tariffs will ensure that the supply challenges are managed in future to ensure sustainability.

A tariff increases of 3.7 per cent from 1 July 2026 for water is proposed and 12 kℓ water per month will be granted free of charge to all residents.

A summary of the proposed tariffs for households (residential) and non-residential are as follows:

RAMOTSHERE - MOILOA LOCAL MUNICIPALITY - "NW385"

DRAFT WATER TARRIFFS FOR 2026/2027

Notice is hereby given that in terms of Section 75A of the Local Government Municipal Systems Act (Act No:32 of 2000) Ramotshere Moiloa Local Municipality passed the following fees, tariffs and charges, rates for the 2026/2027 financial year as per Council Resolution No: ...., with effect from 1st July 2026. All tariffs are VAT exclusive.

SERVICE TYPE	DETAILED DESCRIPTION		FINANCIAL YEAR 2025/2026	2026/2027
WATER SERVICES				
Consumption				
Residential/Domestic - *(per kl)*				
	0-12 Free Basic Water - Registered indigents		R 0,00	R 0,00
	0-15		R 8,47	R 8,79
	OVER 15.1 - 30		R 9,52	R 9,88
	OVER 30.1 - 45		R 10,58	R 10,98
	OVER 45.1 - 60		R 11,68	R 12,11
	OVER 60.1		R 12,70	R 13,17
Industrial/Bulk - *(per kl)*				
	0-300		R 14,43	R 14,96
	OVER 301 - 600		R 16,95	R 17,57
	OVER 601		R 19,47	R 20,19
Businesses/Commercial *(per kl)*				
	0-300		R 14,43	R 14,96
	OVER 301-600		R 17,38	R 18,03
	OVER 601		R 20,13	R 20,88
Government (per kl)				
	0-300		R 7,88	R 8,18
	OVER 301-600		R 9,65	R 10,01
	OVER 601		R 10,94	R 11,35
Prepaid meters *(per kl)*	Not yet applicable			
Water Connections				
Connection size payable with application				
	Pipe not exceeding 24 metres in length			
		15mm	R 2 730,48	R 2 831,51
		20mm	R 3 836,35	R 3 978,29
		25mm	R 5 647,96	R 5 856,93
		40-80mm (deposit of R300 is payable before service is rendered) balance immediately thereafter	Cost plus 15%	Cost plus 15%
		100-150mm(Deposit of R300 is payable before service is rendered) balance immediately thereafter	Cost plus 15%	Cost plus 15%
	Pipe exceeding 24 metres in length			
		Any size	Cost plus 15%	Cost plus 15%
Final service invoice would be issued after completion. Deposit equivalent to 40% of estimated cost is payable when application is lodge				
NO CONNECTION WORK WILL START WITHOUT PRIOR SUBMISSION OF COMPLETED APPLICATION FORMS				
Re-connection fees for water cut-offs			R 5 642,51	R 5 851,28
Funerals - Water Tankers	2500*kl*		R 1 058,64	R 1 097,81
	5000*kl*		R 2 117,31	R 2 195,65

6.3.2 Sale of Electricity and Impact of Tariff Increases

Registered indigents will again be granted 50 kWh per month free of charge. The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. NERSA has approved 9.1% increase on bulk electricity purchases, and the municipality has as well implemented the equivalent percentage increase on electricity sales

Circular 129 of the MFMA has urged that municipalities use the approved tariff increases approved by the regulator of 3.7 per cent for 2026/27

The inadequate electricity bulk capital Municipality and the impact on service delivery and development remains a challenge for the Municipality The approved budget for the Electricity Division can only be utilised for certain committed upgrade projects and to strengthen critical infrastructure (e.g. substations without back-up supply).

ELECTRICAL SERVICES	Deduction of arrears from amount tendered for purchasing of prepaid electrcity - 60/40% split where 40% of the amount tendered will go towards the arrear debt			
	New Connections			
		DMRE (2021-2022)		
		20A Urban	R 19 741,64	R 20 472,08
		20A Rural	R 18 115,16	R 18 785,42
	Conversion to prepaid(three phase)		R 5 008,36	R 5 193,66
	Conversion to prepaid(single phase)		R 3 204,72	R 3 323,29

6.3.3 Sanitation and Impact of Tariff Increases

A tariff increase of 3.7 per cent for sanitation from 1 July 2026 is proposed. This is based on the input cost assumptions related to water. The following factors also contribute to the proposed tariff increase:

SERVICE TYPE	DETAILED DESCRIPTION	FINANCIAL YEAR 2025/2026	2026/2027
SANITATIONS SERVICES			
Disposal of chemical toilets - per kilolitre		R 176,61	R 183,14
Sewage tariffs			
	Residential/Domestic - basic	R 22,29	R 23,11
	Residential/Domestic - (first point)	R 21,83	R 22,64
	Residential/Domestic - (next point)	R 11,99	R 12,43
	Government - basic	R 25,72	R 26,67
	Government - per point	R 29,93	R 31,04
	Businesses/Commercial - basic	R 25,72	R 26,67
	Businesses/Commercial - point	R 28,86	R 29,93
Suction tariffs - per kilolitre			
0 - 10kl		R 127,96	R 132,69
11 - 20kl		R 64,45	R 66,83
21 - 30kl		R 43,12	R 44,71
22 - 40kl		R 32,40	R 33,60
41 - 50kl		R 25,96	R 26,92
51 - 60kl		R 21,65	R 22,45
61 - 70kl		R 18,58	R 19,26
71 - 80kl		R 16,22	R 16,82
81 - 90kl		R 14,53	R 15,06
91 - 100kl		R 14,05	R 14,57
The tariff levied for sewer charges is based on the number of service points per, property per category.			
Additional sewarage connection installed by council			
	Cleaning sewerage blockages and assisting private institutions with	R 10 383,29	R 10 767,47
	Office hours: per half an hour or part thereof	R 966,18	R 1 001,93
	After hours: per half an hour or part thereof	R 1 216,83	R 1 261,86

6.3.4 Waste Removal and Impact of Tariff Increases

A 3.7 per cent increase in the waste removal tariff is proposed from 1 July 2026. Any increase higher than 5.9 per cent would be counter-productive and will result in affordability challenges for individual rates payers raising the risk associated with bad debt.

REFUSE REMOVAL SERVICES			
Monthly levies payable			
BUSINESS	Business 1X Week	R 432,07	R 448,05
	Business 2X Week	R 667,61	R 692,31
	Business 3X Week	R 1 454,74	R 1 508,57
	Business 3X Week	R 1 861,50	R 1 930,38
	Bulk Removal 1X Week	R 972,08	R 1 008,05
	Bulk Removal 3X Week	R 1 419,15	R 1 471,66
GOVERNMENT	Bulk Removal 1X Week	R 1 018,83	R 1 056,53
	Bin 1X Week	R 189,05	R 196,04
	MILITARY BASE	R 1 027,13	R 1 065,14
RESIDENTIAL	Bin 1X Week	R 151,66	R 157,27
	Bin 2X Week	R 171,14	R 177,48

6.3.5 Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality's Indigent Policy. The target is to register 5 000 or more indigent households during the 2026/27 financial year, this process is reviewed annually.

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act

Municipal Buildings

PUBLIC AMENITIES				
Rental of Sites and Camps				
		Per day	R 529,33	R 548,91
		per month	R 14 196,44	R 14 721,70
Town Halls				
	Zeerust and Lehurutshe Civic Centre			
		Normal days	R 5 266,74	R 5 461,61
		Public holidays	R 4 494,42	R 4 660,71
	Groot Marico Hall		R 639,18	R 662,83
	Ikageleng Hall		R 661,49	R 685,97
	Shalimar Park Hall		R 1 119,27	R 1 160,68
Refundable deposit payable				
	Zeerust and Lehurutshe Civic Centre		R 4 574,56	R 4 743,82
	Groot Marico Hall		R 2 546,11	R 2 640,32
	Ikageleng Hall		R 2 662,38	R 2 760,89
	Shalimar Park Hall		R 2 433,68	R 2 523,73

Library Services

LIBRARY SERVICES			
Registration fees			
	Children	Free	Free
	Adults	Free	Free
Lost materials (books, magazines etc.)		cost plus 15%	cost plus 15%
Overdue items/late submission - per day		R 33,29	R 34,52
Card replacement-manual - per card		R 22,38	R 23,21
Card replacement-electronic- per card		R 31,70	R 32,87
Reference information internet(A4) - per copy		R 2,12	R 2,20
Reference information internet(A3) - per copy		R 4,29	R 4,45
Additional items(e.g. extra books) -per item		R 4,29	R 4,45
Library photocopies(A4 each) - per copy		R 3,20	R 3,32
Library photocopies(A3 each) - per copy		R 3,80	R 3,94

Municipal Works

PUBLIC WORKS		
Re-instatement of road crossings	R 4 446,32	R 4 610,84
Construction of new curb entrances	R 4 446,32	R 4 610,84
Cutting of grasses at school premises and play grounds- minimum charge'	R 4 234,59	R 4 391,27
Cutting of grasses at private and open places of premises - per square meter	R 467,40	R 484,69

Cemetery / Burial Services

COMMUNITY SERVICES				
Burial Fees				
	Municipal residents			
		Children under 12 years and stillborn babies	R 379,52	R 393,56
		over 12 years	R 1 058,64	R 1 097,81
Reserved Plots/graves	Municipal residents		R 0,00	R 0,00
		Single	R 2 011,43	R 2 085,86
		Double	R 3 387,67	R 3 513,01
	Non-residents			
		Single	R 2 117,31	R 2 195,65
		Double	R 3 811,14	R 3 952,15
Exumation of graves				
	Municipal residents			
		Children under 12 years and stillborn babies	R 739,06	R 766,41
		over 12 years	R 1 058,64	R 1 097,81
	Non-residents			
		Children under 12 years and stillborn babies	R 958,77	R 994,25
		over 12 years	R 1 649,89	R 1 710,93
Memorial Walls				
	Municipal residents		R 423,47	R 439,13
	Non-residents		R 846,92	R 878,26
Extension of graves			R 846,92	R 878,26
Burial on Saturdays, Sundays and Public Holidays			R 1 058,64	R 1 097,81
Burial before or after hours - during the week			R 1 270,39	R 1 317,39
Cleaning of Private Stands		For an 800 square metres stand (for developed and vacant stands)	R 3 078,13	R 3 192,02
		R3.50 per square metres		

7 Part 2 – Supporting Documentation

7.1 Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition, Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Portfolio Chairpersons, Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the Mayor

The primary aims of the Budget Steering Committee is to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices,

- that there is proper alignment between the policy and service delivery priorities set out in the Municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;

- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and

- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

7.1.1 IDP and Service Delivery and Budget Implementation Plan

The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the fourth revision cycle included the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP, and
- The review of the performance management and monitoring processes.

The IDP has been taken into a business and financial planning process leading up to the 2026/27 MTREF, based on the approved 2025/26 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2026/27 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2025/26 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

7.1.2 Financial Modelling and Key Planning Drivers

As part of the compilation of the 2026/27 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2026/27 MTREF:

- Municipality growth
- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate and trends (i.e inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- Cash Flow Management Strategy
- Debtor payment levels
- Investment possibilities
- The need for tariff increases versus the ability of the community to pay for services;
- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 126, 112,115 and 129 has been taken into consideration in the planning and prioritisation process.

7.1.3 Community Consultation

The draft 2026/27 MTREF as tabled before Council in March 2026 for community consultation was published on the municipality's website, and hard copies will be made available at customer care offices, municipal notice boards and various libraries.

All documents in the appropriate format (electronic and printed) to be provided to National Treasury, and other national and provincial departments in accordance with section 23 of the MFMA, to provide an opportunity for them to make inputs.

Ward Committees will be utilised to facilitate the community consultation process in April 2026. The applicable dates and venues will be published in all the local newspapers and on the municipal website. Individual sessions will be scheduled with organised business to further ensure transparency and interaction. Other stakeholders involved in the consultation includes churches, non-governmental institutions and community-based organisations.

7.2 Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five-year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP.

The following table highlights the IDP's six strategic objectives or key performance areas for the 2026/27 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 21 IDP Strategic Objectives

KPA	KPA Description
KPA 1	TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT
KPA 2	GOOD GOVERNANCE
KPA 3	LOCAL ECONOMIC DEVELOPMENT
KPA 4	FINANCIAL VIABILITY
KPA 5	BASIC SERVICE DELIVERY AND INFRASTRUCTURE
KPA 6	MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT

In order to ensure integrated and focused service delivery between all spheres of government it was important for the Municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities.

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the Municipality. The five-year programme responds to the development challenges and opportunities faced by the Ramotshere Moiloa Local Municipality by identifying the key performance areas to achieve the five the strategic objectives mentioned above.

In addition to the five-year IDP, the Municipality undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years. This process is aimed at influencing the development path by proposing a substantial programme of public-led investment to restructure current patterns of settlement, activity and access to resources in the Municipality so as to promote greater equity and enhanced opportunity. The strategy specifically targets future developmental opportunities in traditional dormitory settlements. It provides direction to the Municipality's IDP, associated sectoral plans and strategies, and the allocation of resources of the Municipality and other service delivery partners.

7.3 Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the Municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assesses and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting and reporting cycle can be graphically illustrated as follows:

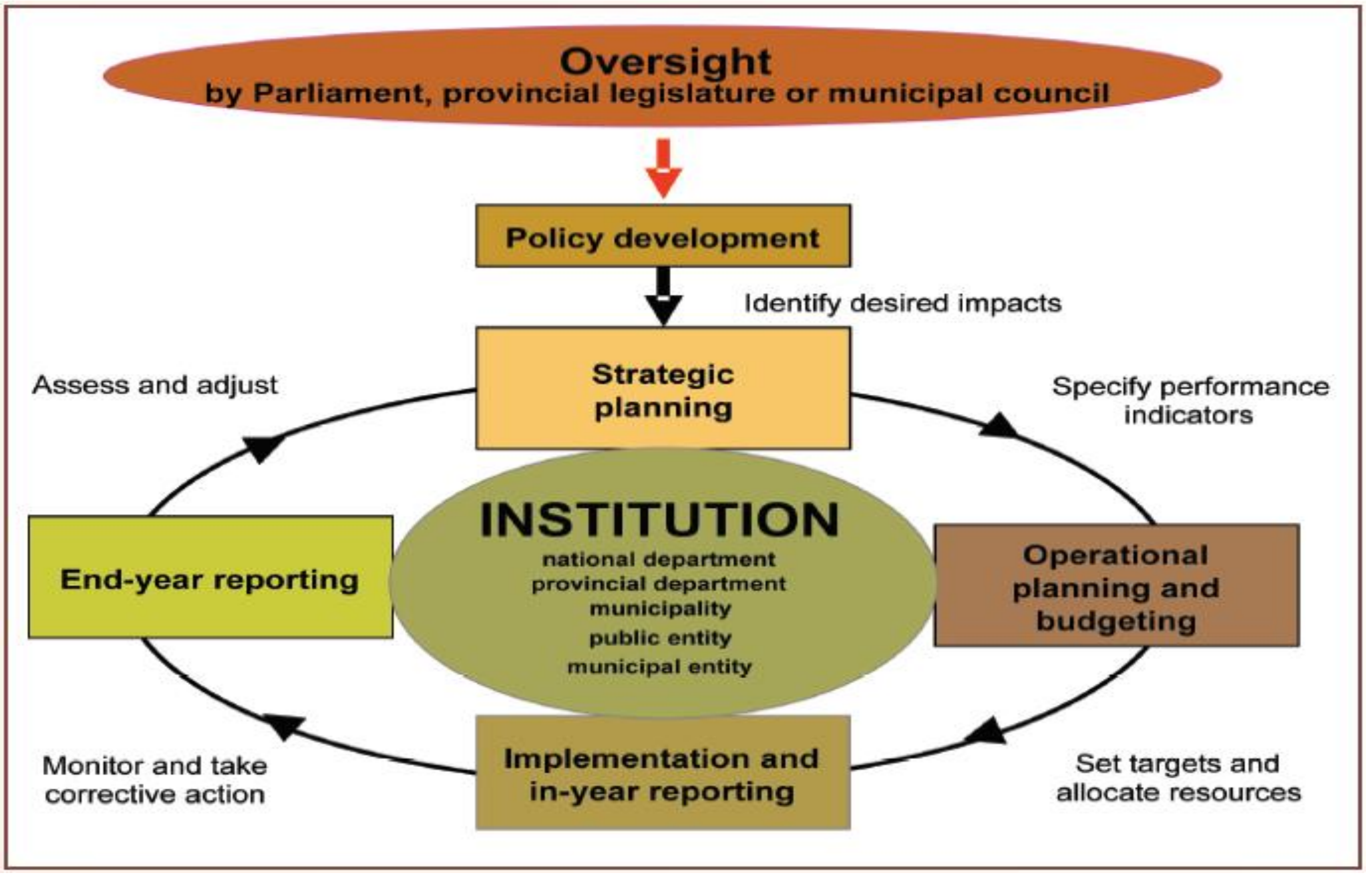

Figure 1 Planning, budgeting and reporting cycle

The performance of the Municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The Municipality therefore has adopted one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets and benchmarks);
- Monitoring (regular monitoring and checking on the progress against plan);
- Measurement (indicators of success);
- Review (identifying areas requiring change and improvement);
- Reporting (what information, to whom, from whom, how often and for what purpose); and

- Improvement (making changes where necessary).

The performance information concepts used by the Municipality in its integrated performance management system are aligned to the ***Framework of Managing Programme Performance Information*** issued by the National Treasury:

7.3.1 Performance indicators and benchmarks

Borrowing Management

Capital expenditure in local government can be funded by capital grants, own-source revenue and long-term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. As with all other municipalities, Ramotshere Moiloa Local Municipality's borrowing strategy is primarily informed by the affordability of debt repayments. Ramotshere Moiloa Local Municipality's creditworthiness does not allow it to borrow funds to fund capital expenditure.

7.3.2 Free Basic Services: basic social services package for indigent households

The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of the Municipality. With the exception of water, only registered indigents qualify for the free basic services.

For the 2025/26 financial year 8251 registered indigents have been provided for in the MTREF 2026/27 budget. This is due to the proper capturing of indigents on the municipality's indigent database. In terms of the Municipality's indigent policy registered households are entitled to 6kℓ of free water, 50 kwh of electricity, 6kℓ sanitation as well as a discount on their property rates.

Note that the number of households in informal areas that receive free services and the cost of these services (e.g. the provision of water through standpipes, water tankers, etc) are not taken into account in the table noted above. These are directly supplied and serviced by the district municipality. The municipality does not have the water services authority license; it is held with the district municipality.

7.4 Overview of budget related-policies

SUMMARY OF POLICIES

1. Budget Policy
2. Virement Policy
3. Property Rates Policy
4. Supply Chain Management Policy
5. PPE Policy
6. Inventory Management Policy
7. Unauthorised, Irregular, Fruitless and Wasteful Expenditure Management Policy
8. Insurance Policy
9. Tariff Policy-reviewed
10. Borrowings, Fund and Reserve Policy
11. Payment to Creditors, Councillors and Employees Policy
12. Debt impairment Policy
13. Long Term Financial Planning Policy
14. Liquidity Policy
15. Investment and Cash Management Policy
16. Indigent Policy
17. Credit Control and Debt Collection Policy
18. Assets Management Policy
19. Loss Control Policy
20. Telephone Usage Policy

21. Unclaimed Deposits Policy

22. Distribution Losses Policy

23. Travel and Subsistence Allowance Policy

24. Tariff By-law

25. Rates By-law

26. Cost Containment Policy

27. Reduction strategy on Unauthorised, Irregular and Fruitless & Wasteful (UIF&W) Expenditure

7.5 Overview of budget assumptions

7.5.1 External factors

Owing to the economic slowdown, financial resources are limited due to reduced payment levels by consumers. This has resulted in declining cash inflows, which has necessitated restrained expenditure to ensure that cash outflows remain within the affordability parameters of the Municipality's finances.

7.5.2 Collection rate for revenue services

The base assumption is that tariff and rating increases will increase at a rate slightly higher that CPI over the long term. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term.

The rate of revenue collection is currently expressed as a percentage (85 per cent) of annual billings. Cash flow is assumed to be 85 per cent of billings, plus an increased collection of arrear debt from the revised collection and credit control policy. The performance of arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.

7.5.3 Growth or decline in tax base of the municipality

Debtors revenue is assumed to increase at a rate that is influenced by the consumer debtors collection rate, tariff/rate pricing, real growth rate of the Municipality, household formation growth rate and the poor household change rate.

Household formation is the key factor in measuring municipal revenue and expenditure growth, as servicing ‘households’ is a greater municipal service factor than servicing individuals. Household formation rates are assumed to convert to household dwellings. In addition the change in the number of poor households influences the net revenue benefit derived from household formation growth, as it assumes that the same costs incurred for servicing the household exist, but that no consumer revenue is derived as the ‘poor household’ limits consumption to the level of free basic services.

7.5.4 Salary increases

The collective agreement regarding salaries/wages came into operation on 1 July 2024 and shall remain in force until 30 June 2029. The percentage increase for year (2026/27) is projected at 7% and according to Circular 4 of 2026 the increase is proposed to be 4.75%.

7.5.5 Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and in this regard various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Creating jobs;
- Enhancing education and skill development;
- Improving Health services;
- Rural development and agriculture; and
- Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

- Achievement of an 80 per cent annual collection rate for consumer revenue;
- National Treasury guidelines;
- Electricity tariff increases within the National Electricity Regulator of South Africa (NERSA) approval;
- Achievement of full cost recovery of specific user charges;

- Determining tariff escalation rate by establishing/calculating revenue requirements;
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA), and
- The ability to extend new services and obtain cost recovery levels.

The above principles guide the annual increase in the tariffs charged to the consumers and the ratepayers aligned to the economic forecasts

7.6 OVERVIEW OF BUDGET FUNDING

The municipality has budgeted for all grants as gazetted in the Division of Revenue Act, 2018 gazette No.254086 of 6 February 2026 as well as indications received from MFMA Circular No. 132 Municipal Finance Management Act No. 56 for the 2026/2027 financial year.

The grants are budgeted for as expenditure items in either the operating or capital budget depending on the conditions of the grant.

The following tables related to expenditure on grants are provided at the end of this document:

- MBRR SA19 – Expenditure on transfers and grant programmes

- MBRR SA 20 – Reconciliation between of transfers, grant receipts and unspent funds

2.7 Annual budgets and SDBIPs – internal departments

The SDBIP's for the different departments will in terms of section 53(1)(c)(ii) of the MFMA be tabled and approved by the Mayor within 28 days after the approval of the annual budget

7.8 Contracts having future budgetary implications

In terms of the Municipality's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments from the Financial Management Division of the Treasury Department.

7.9 Capital expenditure details

The following two tables present details of the Municipality's capital expenditure programme, firstly on new assets, and on the repair and maintenance of assets.

Table SA29

NW385 Ramotshere Moiloa - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Capital Expenditure - Functional	1															
Governance and administration		598	598	598	598	598	598	598	598	598	598	598	598	7 170	7 392	7 097
Executive and council		8	8	8	8	8	8	8	8	8	8	8	8	100	103	107
Finance and administration		589	589	589	589	589	589	589	589	589	589	589	589	7 070	7 289	6 990
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		375	375	375	375	375	375	375	375	375	375	375	375	4 500	7 017	7 241
Community and social services		250	250	250	250	250	250	250	250	250	250	250	250	3 000	5 517	5 693
Sport and recreation		125	125	125	125	125	125	125	125	125	125	125	125	1 500	1 500	1 548
Public safety		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		4 436	4 436	4 436	4 436	4 436	4 436	4 436	4 436	4 436	4 436	4 436	4 436	53 228	51 886	53 546
Planning and development		4 169	4 169	4 169	4 169	4 169	4 169	4 169	4 169	4 169	4 169	4 169	4 169	50 028	51 679	53 333
Road transport		267	267	267	267	267	267	267	267	267	267	267	267	3 200	207	213
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		605	605	605	605	605	605	605	605	605	605	605	605	7 263	9 461	8 271
Energy sources		76	76	76	76	76	76	76	76	76	76	76	76	913	–	–
Water management		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Waste water management		113	113	113	113	113	113	113	113	113	113	113	113	1 350	1 395	1 439
Waste management		417	417	417	417	417	417	417	417	417	417	417	417	5 000	8 066	6 832
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	2	6 013	6 013	6 013	6 013	6 013	6 013	6 013	6 013	6 013	6 013	6 013	6 013	72 161	75 755	76 155
Funded by:																
National Government		4 159	4 159	4 159	4 159	4 159	4 159	4 159	4 159	4 159	4 159	4 159	4 159	49 913	50 617	52 237
Provincial Government		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
District Municipality		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital		4 159	4 159	4 159	4 159	4 159	4 159	4 159	4 159	4 159	4 159	4 159	4 159	49 913	50 617	52 237
Borrowing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Internally generated funds		1 854	1 854	1 854	1 854	1 854	1 854	1 854	1 854	1 854	1 854	1 854	1 854	22 248	25 138	23 918
Total Capital Funding		6 013	6 013	6 013	6 013	6 013	6 013	6 013	6 013	6 013	6 013	6 013	6 013	72 161	75 755	76 155

Table SA34c

NW385 Ramotshere Moiloa - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		–	98	281	1 500	1 000	1 000	350	362	373
Roads Infrastructure		–	26	281	–	–	–	–	–	–
Roads		–	–	–	–	–	–	–	–	–
Road Structures		–	–	–	–	–	–	–	–	–
Road Furniture		–	26	281	–	–	–	–	–	–
Electrical Infrastructure		–	72	–	1 500	1 000	1 000	350	362	373
LV Networks		–	1	–	1 500	1 000	1 000	350	362	373
Community Assets		–	127	173	–	–	–	–	–	–
Community Facilities		–	127	–	–	–	–	–	–	–
Halls		–	125	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	173	–	–	–	–	–	–
Indoor Facilities		–	–	–	–	–	–	–	–	–
Outdoor Facilities		–	–	173	–	–	–	–	–	–
Other assets		–	98	1 441	2 900	2 300	2 300	–	–	–
Operational Buildings		–	98	1 441	2 900	2 300	2 300	–	–	–

Building Plan Offices		–	98	1 441	2 900	2 300	2 300	–	–	–

Table SA34c..continues

NW385 Ramotshere Moiloa - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Computer Equipment		–	12	–	1 500	1 100	1 100	2 000	2 066	2 132
Computer Equipment		–	12	–	1 500	1 100	1 100	2 000	2 066	2 132
Furniture and Office Equipment		–	79	–	45	45	45	47	48	50
Furniture and Office Equipment		–	79	–	45	45	45	47	48	50
Machinery and Equipment		–	288	789	2 480	1 480	1 480	3 088	3 169	3 270
Machinery and Equipment		–	288	789	2 480	1 480	1 480	3 088	3 169	3 270
Transport Assets		–	4 155	1 017	4 766	2 476	2 476	2 362	2 440	2 518
Transport Assets		–	4 155	1 017	4 766	2 476	2 476	2 362	2 440	2 518
Total Repairs and Maintenance Expenditure	1	–	**4 858**	**3 700**	**13 191**	**8 401**	**8 401**	**7 846**	**8 084**	**8 343**
R&M as a % of PPE & Investment Property		*0,0%*	*0,7%*	*0,5%*	*1,7%*	*1,1%*	*1,1%*	*19,5%*	*18,9%*	*19,6%*
R&M as % Operating Expenditure		*0,0%*	*0,8%*	*0,7%*	*2,6%*	*1,7%*	*1,7%*	*2,8%*	*1,5%*	*2,8%*

7.10 Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting

Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the Municipality's website.

2. Internship programme

The Municipality is participating in the Municipal Financial Management Internship programme and has employed six interns undergoing training in various divisions of the Financial Services Department.

3. Budget and Treasury Office

The Budget and Treasury Office has been established in accordance with the MFMA.

4. Audit Committee

An Audit Committee has been established and is fully functional.

5. Service Delivery and Implementation Plan

The detail SDBIP document is at a draft stage and will be finalised after approval of the 2026/27 MTREF in June 2026 directly aligned and informed by the 2026/27 MTREF.

6. Annual Report

Annual report is compiled in terms of the MFMA and National Treasury requirements.

7. Policies

All financial related policies are reviewed on an annual basis or whenever the need arises and submitted with the budget for adoption by council.

9. Risk Management

A Risk Committee has been established and is functional

7.11 Municipal manager's quality certificate

I …………………………………, Municipal Manager of Ramotshere Moiloa Local Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name **LEKGETHO ISAAC MOKGATLHE**

Municipal Manager of Ramotshere Moiloa Local Municipality (NW 385)

Signature ____

Date ______________________________