KNYSNA
Municipality Munisipaliteit uMasipala

Annexure H

NT Cost Reflective Tariff Tool 2026/2027

Draft

Medium Term

Revenue and Expenditure

Framework (MTREF)

Process Summary for Populating Cost Reflective Tariffs Analysis Tool

1. *Access Go Muni and download the following report*
"List Operating Expenditure and Income Across Functions" for the following period
1.2023/2024 Tabled Budget
2.2023/2024 Indicative Tabled Budget 2024/2025

2. *Open the Downloaded file and Replace the pre-existing file in the Folder where the Cost Reflective Tool is Placed*

3. *Open the Cost Reflective Tariff Tool and complete the Municipal Details Tab*

	Gomuni Reports Applicable	Save As	Use
1	2023/2024 Tabled Budget	MTREF Yr 1	Provides Assessment for the Draft Budget 2023-2024
2	2023/2024 Indicative Tabled Budget 2024/2025	MTREF Yr 2	Provides Assessment for MTREF Outer year 2
3	2023/2024 Indicative Tabled Budget 2025/2025	MTREF Yr 3	Provides Assessment for MTREF Outer year 3
4	A4- Budgeted Financial Performance	Summary	Reconciles the reports to the MTREF Period

For A Detailed Guide - Scroll Below

Detailed Guide

Detailed Guide

1.Download financial information

Step1	Step2	Step3	Step4	Step4	Step5
GoMuni portal	Local Government Database	MSCOA	MSCOA	Reporting	List Operating Expenditure and Income Across Functions

Sep 6 - (Sort The Data As Follows)

Dropdown List	Selection
Location Sort	Name
Location Level	Municipality
List Level	Select the required municipality
Function/Sub-function Group	All Functions
Functions	All
Select period	2023/24 Tabled Budget ;2023/24 Tabled Budget;2023/24 Tabled Budget
List Actuals	Total
Select Line Items	Select All
Level of Detail	Detail
Print Empty Form	Yes
Sort-	Rands
Sort Option	Municipality
Report Output	Excell 97 - 2003 (xls)

Select Process Request to genarate the report.

Save the file to your computer as Excell Workbook

2.Saving files and populating the tool

Gomuni Reports Applicable

	Gomuni Reports Applicable	Save As	Tariff Tool Sources	
1	2023/2024 Tabled Budget	MTREF Yr 1	MTREF Yr 1	Close and Open after replacing
2	2023/2024 Indicative Tabled Budget 2024/2025	MTREF Yr 2	MTREF Yr 2	Close and Open after replacing
3	2023/2024 Indicative Tabled Budget 2025/2026	MTREF Yr 3	MTREF Yr 3	Close and Open after replacing
4	A4- Budgeted Financial Performance	Summary	Summary	Close and Open after replacing

2.1 Populating the tool

By Saving /Replacing the Tariff Tool sources ,the Tariff tool gets updated with the Downloaded information

NB- Please ensure you refresh the Tariff Tool Sources by simply opening and closing them.This should update your excel and the Tariff Tool

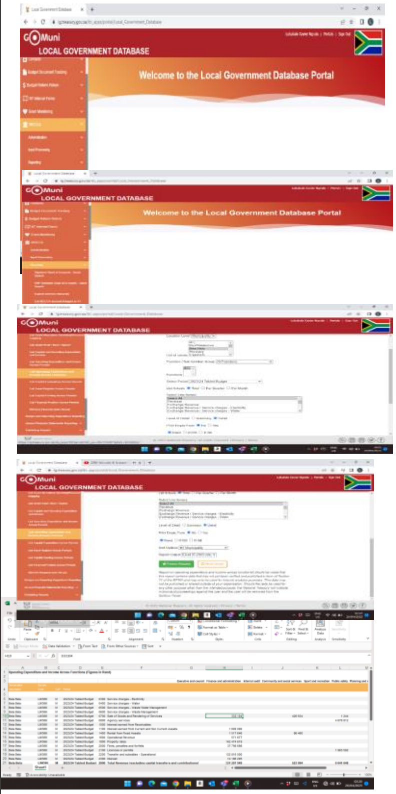
The user Must Then Open The Tariff Tool and complete Only the Municipal Details Tab !!! PART C- Municipal Details'!A1

NB - Ensure that all the fields are completed and that they are not blank - IF Part B has Blanks this will cause errors on the Outcomes

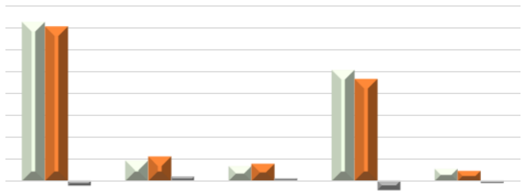
3.Analysis of the outcomes

Sheet	Link
1.Outcomes	1.Outcomes'!A1
5.Cons and detailed recon	5.Cons and detailed recon'!A1
6.Summary	6.Summary'!A1
PART D Graphs	PART D Graphs'!A1

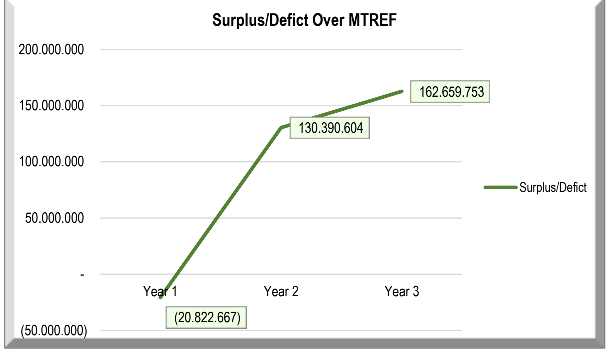
Visual Snap Shots



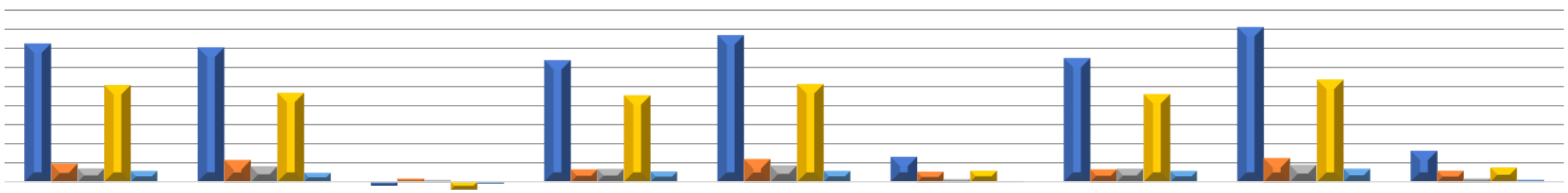
TAB Assessment



	Total	Water	Waste Water	Electricity	Solid Waste
Revenue required	725041801.575	94113915.875	68290027.825	506290570.70	56347287.175
Revenue Budgeted	704219135.0	112803280.0	79041338.0	465762477.0	46612040.0
Deficit/Surplus	-20822666.575	18689364.125	10751310.175	-40528093.70	-9735247.175



MTREF Assessment



	Rev required Yr1	Rev Budgeted Yr1	Deficit/Surplus Yr1	Rev required Yr2	Rev Budgeted Yr2	Defict Yr2	Rev required Yr3	Rev Budgeted Yr3	Defict Yr3
Total	725041801.575	704219135.0	-20822666.575	637960899.550	768351504.0	130390604.450	648224985.80	810884739.0	162659753.20
Water	94113915.875	112803280.0	18689364.125	64945463.30	118110341.0	53164877.70	65437505.80	123307194.0	57869688.20
Waste Water	68290027.825	79041338.0	10751310.175	66773188.650	82677239.0	15904050.350	67536451.40	86315036.0	18778584.60
Electricity	506290570.70	465762477.0	-40528093.70	453268391.950	511629477.0	58361085.050	459205718.20	534141173.0	74935454.80
Solid Waste	56347287.175	46612040.0	-9735247.175	52973855.650	55934447.0	2960591.350	56045310.40	67121336.0	11076025.60

Year 1 - 2025/26 Original Budget

WC

Garden Route

Knysna

WC048

Part A

Knysna

Select Budget	Financial Year
TABB	30/06/2025

Part B

Water	Sanitation	Electricity	Solid waste
0.15	0,05	0.1	0.05

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)
Expenditure	1.262.373.859	127.771.569	95.539.973	504.874.369	79.271.340	454.916.610
% of expenditure		15%	5%	10%	5%	
Surplus generated	78.393.738	19.165.735	4.776.999	50.487.437	3.963.567	-

In order for the budget to be fully funded, surpluses generated must be sufficient to at least cover anticipated deficits. If this is not the case, the user must reduce the deficits anticipated or increase the surpluses to be generated. The net surplus below is the total surpluses less the total deficits. It must be positive. If it is negative, adjust the deficits to be accepted on services or the surpluses to be generated until a positive figure is obtained.

Net surplus or deficit	138.789.396	***Net surplus is positive. No further adjustment is required.***
Net surplus or deficit as % of e	11.0%	

% allocation of Gov & Admin costs as an Indirect Cost to Service-percentages for the municipality to be decided	Water	Sanitation	Electricity	Solid Wast	Other Services	Total
	15%	5%	20%	5%	55%	100%

Year 2 - 2025/26 Indicative Budget 2026/27

Part A

Knysna

Select Budget	Financial Year
TABB	30/06/2025

Part B

Water	Sanitation	Electricity	Solid waste
0	0	0	0

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)
Expenditure	1.289.452.647	118.084.508	100.335.578	503.244.993	81.149.760	486.637.807
generated as % of		0	0	0	0	
Surplus generated	-	-	-	-	-	-

In order for the budget to be fully funded, surpluses generated must be sufficient to at least cover anticipated deficits. If this is not the case, the user must reduce the deficits anticipated or increase the surpluses to be generated. The net surplus below is the total surpluses less the total deficits. It must be positive. If it is negative, adjust the deficits to be accepted on services or the surpluses to be generated until a positive figure is obtained.

Net surplus or deficit	68.994.036	***Net surplus is positive. No further adjustment is required.***
Net surplus or deficit as %	5.4%	

WC

Garden Route

Knysna

WC048

% allocation of Gov & Admin costs as an Indirect Cost to Service-percentages for the municipality to be decided	Water	Sanitation	Electricity	Solid Wast	Other Services	Total
	10%	5%	15%	5%	65%	100%

Year 3 - 2025/26 Indicative Budget 2027/28

WC

Garden Route

Knysna

WC048

Part A

Knysna

Select Budget: TABB

Financial Year: 30/06/2026

Part B

Water	Sanitation	Electricity	Solid waste
0	0	0	0

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)
Expenditure	1.326.068.236	120.851.864	102.552.035	511.264.963	85.432.170	505.967.205
as % of expenditure		0	0	0	0	
Surplus generated	-	-	-	-	-	-

In order for the budget to be fully funded, surpluses generated must be sufficient to at least cover anticipated deficits. If this is not the case, the user must reduce the deficits anticipated or increase the surpluses to be generated. The net surplus below is the total surpluses less the total deficits. It must be positive. If it is negative, adjust the deficits to be accepted on services or the surpluses to be generated until a positive figure is obtained.

Net surplus or deficit	74.092.996	*Net surplus is positive. No further adjustment is required.*
Net surplus or deficit as %	5.6%	

% allocation of Gov & Admin costs as an Indirect Cost to Service-percentages for the municipality to be decided	Water	Sanitation	Electricity	Solid Wast	Other Services	Total
	10%	5%	15%	5%	65%	100%

WC	Garden Route	Knysna	WC048

Tariff Assessments for the MTREF Period

	Assessment Status	Financial Year	Period	Item	Water	Waste Water	Electricity	Solid Waste	Total Surplus/Deficit	
Year 1	Not Cost Reflective	2025/26 Original Budget	Year1	Revenue Required by NT Tariff Tool	94.113.916	68.290.028	506.290.571	56.347.287	725.041.802	Year 1
				Revenue Budgeted	112.803.280	79.041.338	465.762.477	46.612.040	704.219.135	
				Shortfall/Excess	18.689.364	10.751.310	- 40.528.094	- 9.735.247	- 20.822.667	
	Assessment Outcome per Service				Cost Reflective	Cost Reflective	Not Cost Reflective	Not Cost Reflective	Not Cost Reflective	
Year 2	Cost Reflective	2025/26 Indicative Budget 2026/27	Year2	Revenue Required by NT Tariff Tool	64.945.463	66.773.189	453.268.392	52.973.856	637.960.900	Year 2
				Revenue Budgeted	118.110.341	82.677.239	511.629.477	55.934.447	768.351.504	
				Surplus /Deficit	53.164.878	15.904.050	58.361.085	2.960.591	130.390.604	
	Assessment Outcome per Service				Cost Reflective	Cost Reflective	Cost Reflective	Cost Reflective	Cost Reflective	
Year 3	Cost Reflective	2025/26 Indicative Budget 2027/28	Year3	Revenue Required by NT Tariff Tool	65.437.506	67.536.451	459.205.718	56.045.310	648.224.986	Year 3
				Revenue Budgeted	123.307.194	86.315.036	534.141.173	67.121.336	810.884.739	
				Surplus /Deficit	57.869.688	18.778.585	74.935.455	11.076.026	162.659.753	
	Assessment Outcome per Service				Cost Reflective	Cost Reflective	Cost Reflective	Cost Reflective	Cost Reflective	

2900 4400 4500

Year 1

Grouping	Function	Total Revenue (excluding capital transfers and	Total Expenditure	Surplus/(Deficit) for the year
1.Governance And Administrati	Executive and Council	6.031.000	35.013.631	- 28.982.631
1.Governance And Administrati	Finance and administration	407.849.835	193.554.369	214.295.466
1.Governance And Administrati	Internal audit	-	8.202.150	- 8.202.150
2.Other Services	Community and social services	14.050.424	19.043.138	- 4.992.714
2.Other Services	Environmental protection	-	4.875.455	- 4.875.455
2.Other Services	Health	-	-	-
2.Other Services	Housing	25.259.704	44.291.680	- 19.031.976
2.Other Services	Other	-	-	-
2.Other Services	Planning and development	9.257.909	46.121.801	- 36.863.892
2.Other Services	Public safety	103.532.586	134.200.189	- 30.667.603
2.Other Services	Road transport	11.551.170	48.011.758	- 36.460.588
2.Other Services	Sport and recreation	1.663.854	28.149.006	- 26.485.152
3.Trading Services	Energy sources	510.048.491	457.520.339	52.528.152
3.Trading Services	Waste management	72.303.354	67.432.832	4.870.522
3.Trading Services	Waste water management	109.871.976	83.701.465	26.170.511
3.Trading Services	Water management	162.037.752	92.256.046	69.781.706
Total Per 16 Functions		1.433.458.055	1.262.373.859	171.084.196
Total Per A4 Summary		-	-	-
Variance		1.433.458	1.262.374	171.084

2900 4400 4500

Year 2

Grouping	Function	Total Revenue (excluding capital transfers and	Total Expenditure	Surplus/(Deficit) for the year
1.Governance And Administratio	Executive and Cou	6.232.000	37.534.062	- 31.302.062
1.Governance And Administratio	Finance and admir	423.989.059	201.508.651	222.480.408
1.Governance And Administratio	Internal audit	-	6.514.429	- 6.514.429
2.Other Services	Community and so	14.288.506	21.969.847	- 7.681.341
2.Other Services	Environmental pro	-	10.362.420	- 10.362.420
2.Other Services	Health	-	-	-
2.Other Services	Housing	49.898	24.405.110	- 24.355.212
2.Other Services	Other	-	-	-
2.Other Services	Planning and deve	8.168.813	47.908.837	- 39.740.024
2.Other Services	Public safety	108.295.086	139.346.008	- 31.050.922
2.Other Services	Road transport	10.766.545	51.598.091	- 40.831.546
2.Other Services	Sport and recreatio	1.740.392	31.435.352	- 29.694.960
3.Trading Services	Energy sources	557.858.972	466.411.422	91.447.550
3.Trading Services	Waste manageme	82.861.316	68.871.903	13.989.413
3.Trading Services	Waste water mana	114.990.593	88.057.721	26.932.872
3.Trading Services	Water managemer	168.751.315	93.528.794	75.222.521

Total Per 16 Functions		1.497.992.495	1.289.452.647	208.539.848
Total Per A4 Summary		-	-	-
Variance		1.497.992	1.289.453	208.540

2900 4400 4500

Year 3

Grouping	Function	Total Revenue (excluding capital transfers and	Total Expenditure	Surplus/(Deficit) for the year
1.Governance And Administration	Executive and Cou	6.439.000	38.531.939	- 32.092.939
1.Governance And Administration	Finance and admin	442.678.616	210.169.409	232.509.207
1.Governance And Administration	Internal audit	-	6.794.609	- 6.794.609
2.Other Services	Community and so	15.273.653	22.778.602	- 7.504.949
2.Other Services	Environmental pro	-	10.810.792	- 10.810.792
2.Other Services	Health	-	-	-
2.Other Services	Housing	52.094	25.480.898	- 25.428.804
2.Other Services	Other	-	-	-
2.Other Services	Planning and deve	8.524.168	49.989.538	- 41.465.370
2.Other Services	Public safety	113.060.069	145.346.232	- 32.286.163
2.Other Services	Road transport	10.890.011	52.696.625	- 41.806.614
2.Other Services	Sport and recreatio	1.816.968	32.792.146	- 30.975.178
3.Trading Services	Energy sources	582.453.311	472.940.569	109.512.742
3.Trading Services	Waste manageme	95.259.160	72.657.372	22.601.788
3.Trading Services	Waste water mana	120.081.584	89.777.237	30.304.347
3.Trading Services	Water manageme	176.223.481	95.302.268	80.921.213
Total Per 16 Functions		1.572.752.115	1.326.068.236	246.683.879
Total Per A4 Summary		-	-	-
Variance		1.572.752	1.326.068	246.684

Year 1

1.Transfers & Subsidies

	Operational grants and subsidies	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)	Governance and administration (R)	Check
2200	Equitable Share (Transfers and Subsidies)	165.381.826	36.561.898	23.765.903	36.953.203	19.804.920	20.390.435	27.905.467	-
									-
	Total grant allocation per service	165.381.826	36.561.898	23.765.903	36.953.203	19.804.920	20.390.435	27.905.467	

2.Property Rates

		Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)	Check
1800	Rates funding allocated to publicly accessed functions	362.049.268	-	-	-	-	362.049.268	-
	Total Rates Funding allocated to each se	362.049.268	-	-	-	-	362.049.268	

3.Other Income Sources

	Exchange Revenue	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)	Governance and administration (R)	Check = 0
0700	Sale of Goods and Rendering of Services	7.541.342	-	26.006	-	-	6.977.681	537.655	-
0800	Agency services	4.037.734	-	-	-	-	4.037.734	-	-
0900	Interest	-	-	-	-	-	-	-	-
1000	Interest earned from Receivables	29.324.126	9.007.144	6.703.510	7.115.153	5.713.371	4.087	780.861	-
1100	Interest earned from Current and Non Curren	4.626.054	-	-	-	-	-	4.626.054	-
1200	Dividends	-	-	-	-	-	-	-	-
1300	Rent on Land	-	-	-	-	-	-	-	-
1400	Rental from Fixed Assets	8.582.855	-	-	-	-	3.740.654	4.842.201	-
1500	Licence and permits	385.314	-	-	-	162.255	218.511	4.548	-
1550	Special rating levies	-	-	-	-	-	-	-	
1600	Operational Revenue	4.623.655	3.665.430	335.219	217.658	10.768	69.905	324.675	-
1700	Non-Exchange Revenue	-	-	-	-	-	-	-	-
1900	Surcharges and Taxes	-	-	-	-	-	-	-	-
2000	Fines, penalties and forfeits	103.207.460	-	-	-	-	103.207.983	- 523	-
2100	Licences or permits	1.456.651	-	-	-	-	1.456.651	-	-
2300	Interest	11.810.635	-	-	-	-	-	11.810.635	-
2400	Fuel Levy	-	-	-	-	-	-	-	-
2500	Operational Revenue	-	-	-	-	-	-	-	-
2600	Gains on disposal of Assets	1.000.000	-	-	-	-	-	1.000.000	-
2700	Other Gains	-	-	-	-	-	-	-	-
2800	Discontinued Operations	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
	Total	176.595.826	12.672.574	7.064.735	7.332.811	5.886.394	119.713.206	23.926.106	

4.Expenditure

	Type of expenditure	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)	Governance and administration (R)	check = 0
3100	Employee related costs	374.677.754	28.291.463	24.291.381	16.199.108	27.802.057	151.421.011	126.672.734	-
3200	Remuneration of councillors	11.925.784	-	-	-	-	-	11.925.784	-
3300	Bulk purchases - electricity	357.093.221	-	-	357.093.221	-	-	-	-
3400	Inventory consumed	46.693.594	10.016.749	21.358.856	2.309.909	4.299.487	7.448.448	1.260.145	-
3500	Debt impairment	119.548.650	7.630.117	6.347.592	21.971.964	4.323.707	53.872.120	25.403.150	-
3600	Depreciation and amortisation	68.548.010	21.967.285	7.886.782	20.333.611	2.226.705	14.096.773	2.036.854	-
3700	Interest	29.426.064	8.625.320	8.558.638	5.525.101	418.058	5.782.103	516.844	-
3800	Contracted services	152.032.410	7.370.121	9.178.168	24.766.442	6.285.344	86.424.973	18.007.362	-
3900	Transfers and subsidies	3.634.823	-	-	-	-	-	3.634.823	-
4000	Irrecoverable debts written off	9.403.903	1.551.214	2.273.066	1.750.875	982.948	-	2.845.800	-
4100	Operational costs	89.389.646	6.803.777	3.806.982	7.570.108	21.094.526	5.647.599	44.466.654	-
4200	Losses on disposal of Assets	-	-	-	-	-	-	-	-
4300	Other Losses	-	-	-	-	-	-	-	-
	Total direct costs per service	1.262.373.859	92.256.046	83.701.465	457.520.339	67.432.832	324.693.027	236.770.150	-

5.% allocation of Gov & Admin costs	1.025.603.709	15%	5%	20%	5%	55%	100%	0%
	236.770.150	35.515.523	11.838.508	47.354.030	11.838.508	130.223.583	236.770.150	-

6.Analysis of Surplus/Deficit

Knysna	Water	Waste Water	Electricity	Solid Waste	Total Deficit	
Revenue Required from the Tool	94.113.916	68.290.028	506.290.571	56.347.287	-	*From NT Tariffs Tool*
Revenue Budgeted	112.803.280	79.041.338	465.762.477	46.612.040	704.219.135	*From LGBA Scraps - Budget*
Surplus/(Deficit)	18.689.364	10.751.310	- 40.528.094	- 9.735.247	- 20.822.667	

Source: The approved 2025/26 Medium Term Revenue & Expenditure Framework information submitted to the Local Government Database and Reporting System (LGDRS).

Year 2

1.Transfers & Subsidies

Operational grants and subsidies	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)	Governance and administration (R)	Check
Equitable Share (Transfers and Subsidies)	165.885.132	37.385.462	24.923.641	38.559.375	20.769.701	18.089.218	26.157.735	-
								-
Total grant allocation per service	165.885.132	37.385.462	24.923.641	38.559.375	20.769.701	18.089.218	26.157.735	

2.Property Rates

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)	Check
Rates funding allocated to publicly accessed functions	379.082.622	-	-	-	-	379.082.622	-
Total Rates Funding allocated to (	379.082.622	-	-	-	-	379.082.622	

3.Other Income Sources

Exchange Revenue	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)	Governance and administration (R)	Check = 0
Sale of Goods and Rendering of Serv	7.888.245	-	27.203	-	-	7.298.654	562.388	-
Agency services	4.223.469	-	-	-	-	4.223.469	-	-
Interest	-	-	-	-	-	-	-	-
Interest earned from Receivables	30.673.035	9.421.472	7.011.871	7.442.450	5.976.186	4.275	816.781	-
Interest earned from Current and Nor	4.838.853	-	-	-	-	-	4.838.853	-
Dividends	-	-	-	-	-	-	-	-
Rent on Land	-	-	-	-	-	-	-	-
Rental from Fixed Assets	8.977.667	-	-	-	-	3.912.724	5.064.943	-
Licence and permits	403.038	-	-	-	169.718	228.563	4.757	-
Special rating levies	-	-	-	-	-	-	-	
Operational Revenue	4.836.345	3.834.040	350.639	227.670	11.264	73.122	339.610	-
Non-Exchange Revenue	-	-	-	-	-	-	-	-
Surcharges and Taxes	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	107.955.003	-	-	-	-	107.955.550	- 547	-
Licences or permits	1.523.658	-	-	-	-	1.523.658	-	-
Interest	12.353.924	-	-	-	-	-	12.353.924	-
Fuel Levy	-	-	-	-	-	-	-	-
Operational Revenue	-	-	-	-	-	-	-	-
Gains on disposal of Assets	1.000.000	-	-	-	-	-	1.000.000	-
Other Gains	-	-	-	-	-	-	-	-
Discontinued Operations	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Total	184.673.237	13.255.512	7.389.713	7.670.120	6.157.168	125.220.015	24.980.709	

4.Expenditure

	Type of expenditure	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)	Governance and administration (R)	check = 0
3100	Employee related costs	383.815.527	29.184.635	25.408.787	16.839.668	29.080.953	153.723.339	129.578.145	-
3200	Remuneration of councillors	12.292.370	-	-	-	-	-	12.292.370	-
3300	Bulk purchases - electricity	361.135.517	-	-	361.135.517	-	-	-	-
3400	Inventory consumed	52.636.262	10.457.486	22.326.627	2.741.078	4.923.269	10.684.247	1.503.555	-
3500	Debt impairment	126.065.156	7.733.188	6.276.301	23.907.404	5.182.731	56.350.238	26.615.294	-
3600	Depreciation and amortisation	69.124.085	22.165.550	7.864.447	20.565.161	2.152.950	14.325.601	2.050.376	-
3700	Interest	24.424.556	7.199.194	7.082.684	4.629.572	232.396	4.852.359	428.351	-
3800	Contracted services	152.332.128	7.735.748	10.969.533	26.515.097	8.256.453	80.974.339	17.880.958	-
3900	Transfers and subsidies	3.239.709	-	-	-	-	-	3.239.709	-
4000	Irrecoverable debts written off	10.878.906	1.870.485	2.740.909	2.111.240	1.185.257	-	2.971.015	-
4100	Operational costs	93.508.431	7.182.508	5.388.433	7.966.685	17.857.894	6.115.542	48.997.369	-
4200	Losses on disposal of Assets	-	-	-	-	-	-	-	-
4300	Other Losses	-	-	-	-	-	-	-	-
	Total direct costs per service	1.289.452.647	93.528.794	88.057.721	466.411.422	68.871.903	327.025.665	245.557.142	-

5.% allocation of Gov & Admin costs	1.043.895.505	10%	5%	15%	5%	65%	100%	0%
	245.557.142	24.555.714	12.277.857	36.833.571	12.277.857	159.612.142	245.557.142	-

6.Analysis of Surplus/Deficit

	Water	Waste Water	Electricity	Solid Waste	Total Deficit	
Revenue Required from the Tool	64.945.463	66.773.189	453.268.392	52.973.856	637.960.900	*From NT Tariffs Tool*
Revenue Budgeted	118.110.341	82.677.239	511.629.477	55.934.447	768.351.504	*From LGBA Scraps - Budget*
Surplus/(Deficit)	53.164.878	15.904.050	58.361.085	2.960.591	130.390.604	

Source: The approved 2025/26 Medium Term Revenue & Expenditure Framework information submitted to the Local Government Database and Reporting System (LGDRS).

Year 3

0

1.Transfers & Subsidies

	Operational grants and subsidies	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)	Governance and administration (R)	Check
2200	Equitable Share (Transfers and Subsidies)	173.350.262	39.077.533	26.051.688	40.304.533	21.709.740	18.887.261	27.319.507	-
									-
	Total grant allocation per service	173.350.262	39.077.533	26.051.688	40.304.533	21.709.740	18.887.261	27.319.507	

2.Property Rates

		Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)	Check
1800	Rates funding allocated to publicly accessed functions	395.762.256	-	-	-	-	395.762.256	-
	Total Rates Funding allocated to each	395.762.256	-	-	-	-	395.762.256	

3.Other Income Sources

	Exchange Revenue	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)	Governance and administration (R)	Check = 0
0700	Sale of Goods and Rendering of Services	8.235.328	-	28.399	-	-	7.619.796	587.133	-
0800	Agency services	4.409.302	-	-	-	-	4.409.302	-	-
0900	Interest	-	-	-	-	-	-	-	-
1000	Interest earned from Receivables	32.022.649	9.836.017	7.320.393	7.769.918	6.239.139	4.463	852.719	-
1100	Interest earned from Current and Non Cu	5.051.762	-	-	-	-	-	5.051.762	-
1200	Dividends	-	-	-	-	-	-	-	-
1300	Rent on Land	-	-	-	-	-	-	-	-
1400	Rental from Fixed Assets	9.372.685	-	-	-	-	4.084.884	5.287.801	-
1500	Licence and permits	420.771	-	-	-	177.186	238.619	4.966	-
1550	Special rating levies	-	-	-	-	-	7.777.777	-	
1600	Operational Revenue	5.049.142	4.002.737	366.068	237.687	11.759	76.338	354.553	-
1700	Non-Exchange Revenue	-	-	-	-	-	-	-	-
1900	Surcharges and Taxes	-	-	-	-	-	-	-	-
2000	Fines, penalties and forfeits	112.705.024	-	-	-	-	112.705.595	- 571	-
2100	Licences or permits	1.590.698	-	-	-	-	1.590.698	-	-
2300	Interest	12.897.497	-	-	-	-	-	12.897.497	-
2400	Fuel Levy	-	-	-	-	-	-	-	-
2500	Operational Revenue	-	-	-	-	-	-	-	-
2600	Gains on disposal of Assets	1.000.000	-	-	-	-	-	1.000.000	-
2700	Other Gains	-	-	-	-	-	-	-	-
2800	Discontinued Operations	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
	Total	192.754.858	13.838.754	7.714.860	8.007.605	6.428.084	138.507.472	26.035.860	

4.Expenditure

	Type of expenditure	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)	Governance and administration (R)	check = 0
3100	Employee related costs	400.346.649	30.825.210	26.526.777	17.580.612	30.360.511	160.461.116	134.592.423	-
3200	Remuneration of councillors	12.806.795	-	-	-	-	-	12.806.795	-
3300	Bulk purchases - electricity	365.223.571	-	-	365.223.571	-	-	-	-
3400	Inventory consumed	54.952.278	10.917.615	23.308.998	2.861.686	5.139.891	11.154.356	1.569.732	-
3500	Debt impairment	132.605.430	8.073.450	6.552.458	24.959.331	6.404.175	58.829.649	27.786.367	-
3600	Depreciation and amortisation	69.039.684	22.210.346	7.870.955	20.603.088	2.107.186	14.302.297	1.945.812	-
3700	Interest	18.979.161	5.716.702	5.427.622	3.436.151	95.738	3.966.163	336.785	-
3800	Contracted services	159.041.562	8.076.121	11.452.193	27.681.759	8.619.738	84.544.254	18.667.497	-
3900	Transfers and subsidies	3.448.315	-	-	-	-	-	3.448.315	-
4000	Irrecoverable debts written off	11.357.579	1.952.786	2.861.509	2.204.135	1.237.409	-	3.101.740	-
4100	Operational costs	98.267.212	7.530.038	5.776.725	8.390.236	18.692.724	6.636.998	51.240.491	-
4200	Losses on disposal of Assets	-	-	-	-	-	-	-	-
4300	Other Losses	-	-	-	-	-	-	-	-
	Total direct costs per service	1.326.068.236	95.302.268	89.777.237	472.940.569	72.657.372	339.894.833	255.495.957	-

5.% allocation of Gov & Admin costs	1.070.572.279	10%	5%	15%	5%	65%	100%	0%
	255.495.957	25.549.596	12.774.798	38.324.394	12.774.798	166.072.372	255.495.957	-

6.Analysis of Surplus/Deficit

	Water	Waste Water	Electricity	Solid Waste	Total Deficit	
Revenue Required from the Tool	65.437.506	67.536.451	459.205.718	56.045.310	648.224.986	*From NT Tariffs Tool*
Revenue Budgeted	123.307.194	86.315.036	534.141.173	67.121.336	810.884.739	*From LGBA Scraps - Budget*
Surplus/(Deficit)	57.869.688	18.778.585	74.935.455	11.076.026	162.659.753	

Source: The approved 2025/26 Medium Term Revenue & Expenditure Framework information submitted to the Local Government Database and Reporting System (LGDRS).

national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

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Go to sheet

On this sheet, the user must enter data on non-tariff revenues anticipated in the year for which tariffs are being set and allocate these between the services.

OPERATING GRANTS AND SUBSIDIES

User must enter the name of each individual operating grant and the amount that is anticipated to be received ***in the year for which the tariffs are being set****. The user must then enter the amont to be allocated to each service. There is a check to the right of the table that the amounts allocated to the services all add up to the total. Make sure that this check is zero.*

Operational grants and subsidies	Total	Water	Sanitation	Electricity	Solid waste	Other services	Governance	check = 0
Equitable Share	165.381.826	36.561.898	23.765.903	36.953.203	19.804.920	20.390.435	27.905.467	-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
Total grant allocation per service	**165.381.826**	**36.561.898**	**23.765.903**	**36.953.203**	**19.804.920**	**20.390.435**	**27.905.467**	-

PROPERTY RATES

Property rates are typically used to pay for services that are publicly accessed. This means that property rates are typically allocated to 'other' services. However, property rates might be allocated to a trading service if a portion of that trading service is publicly accessed. This may be the case for the street lighting component of electricity, for example. The user must enter the anticipated property rates revenue ***in the year for which tariffs are being set****, and then allocate this revenue between the services in the table below. As a default, allocate all property rates revenue to 'other' services. There is a check to the right of the table that the amounts allocated to the services all add up to the total. Make sure that this check is zero.*

	Total	Water	Sanitation	Electricity	Solid waste	Other services	check = 0
Rates funding allocated to publicly accessed functions	362.049.268	-	-	-	-	362.049.268	-
Total Rates Funding allocated to each service	**362.049.268**	**-**	**-**	**-**	**-**	**362.049.268**	

OTHER INCOME SOURCES

User must enter the amount of other income sources anticipated to be received ***in the year for which the tariffs are being set****, and then allocate these between the service in the yellow highlighted cells. There is a check to the right of the table that the amounts allocated to the services all add up to the total. Make sure that this check is zero.*

	Total	Water	Sanitation	Electricity	Solid waste	Other services	Governance	check = 0
Exchange Revenue								-
Sale of Goods and Rendering of Services	7.541.342	-	26.006	-	-	6.977.681	537.655	-
Agency services	4.037.734	-	-	-	-	4.037.734	-	-
Interest	-	-	-	-	-	-	-	-
Interest earned from Receivables	29.324.126	9.007.144	6.703.510	7.115.153	5.713.371	4.087	780.861	-
Interest earned from Current and Non Current Assets	4.626.054	-	-	-	-	-	4.626.054	-
Dividends	-	-	-	-	-	-	-	-
Rent on Land	-	-	-	-	-	-	-	-
Rental from Fixed Assets	8.582.855	-	-	-	-	3.740.654	4.842.201	-
Licence and permits	385.314	-	-	-	162.255	218.511	4.548	-
Operational Revenue	4.623.655	3.665.430	335.219	217.658	10.768	69.905	324.675	
Non-Exchange Revenue	-	-	-	-	-	-	-	
Surcharges and Taxes	-	-	-	-	-	-	-	
Fines, penalties and forfeits	103.207.460	-	-	-	-	103.207.983	- 523	
Licences or permits	1.456.651	-	-	-	-	1.456.651	-	
Interest	11.810.635	-	-	-	-	-	11.810.635	
Fuel Levy	-	-	-	-	-	-	-	
Operational Revenue	-	-	-	-	-	-	-	
Gains on disposal of Assets	1.000.000	-	-	-	-	-	1.000.000	
Other Gains	-	-	-	-	-	-	-	
Discontinued Operations	-	-	-	-	-	-	-	
								-
								-
Total	**176.595.826**	**12.672.574**	**7.064.735**	**7.332.811**	**5.886.394**	**119.713.206**	**23.926.106**	-

SERVICE CHARGES NOT SET USING THIS MODEL

This tool only sets tariffs for services. There are a number of other service charges identified in mSCOA v 6.3 that are not set using this tool. The user must allocate the value of these service charges anticipated ***in the year for which the tariffs*** *are being set in the yellow highlighted cells below.*

Non-tariff revenue	Total	Water	Sanitation	Electricity	Solid waste
Water	-	-			
Connection/disconnection					
Meter reading fees					
Industrial water (non-potable)					
Availability charges					
Wastewater management	-		-		
Industrial effluent					
Treatment of effluent					
Availability charges					
Connection/reconnection					
Pump/removal of wastewater (from tanks)					
Electricity	-			-	
Appliance maintenance					
Connection/reconnection					
Joint pole usage					
Meter compliance testing					
Meter reading fees					
Notice revenues					
Temporary service plant					
Electricity distribution revenue for services					
Availability charges					
Waste management	-				-
Carrier bags					
Disposal facilities					
Refuse bags					
Waste bins					
Availability charges					
Skip					
Total non-tariff service charges	-	-	-	-	-

SUMMARY: NON-TARIFF REVENUE SOURCES

	Total	Water	Sanitation	Electricity	Solid waste	Other services	Governance	check = 0
Operating grants and subsidies	165.381.826	36.561.898	23.765.903	36.953.203	19.804.920	20.390.435	27.905.467	-
Property rates	362.049.268	-	-	-	-	362.049.268	-	-
Other income	176.595.826	12.672.574	7.064.735	7.332.811	5.886.394	119.713.206	23.926.106	-
Non-tariff service charges	-	-	-	-	-	-	-	-
Total	**704.026.920**	**49.234.472**	**30.830.638**	**44.286.014**	**25.691.314**	**502.152.909**	**51.831.573**	-

OPERATING GRANTS AND SUBSIDIES

User must enter the name of each individual operating grant and the amount that is anticipated to be received ***in the year for which the tariffs are being set*** *. The user must then enter the amont to be allocated to each service. There is a check to the right of the*

Operational grants and s	Total	Water	Sanitation	Electricity	Solid waste	Other services	Governance	check = 0
Equitable Share	165.885.132	37.385.462	24.923.641	38.559.375	20.769.701	18.089.218	26.157.735	-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
Total grant allo	**165.885.132**	**37.385.462**	**24.923.641**	**38.559.375**	**20.769.701**	**18.089.218**	**26.157.735**	-

PROPERTY RATES

Property rates are typically used to pay for services that are publicly accessed. This means that property rates are typically allocated to 'other' services. However, property rates might be allocated to a trading service if a portion of that trading service is publicly accessed. This may be the case for the street lighting component of electricity, for example. The user must enter the anticipated property rates revenue ***in the year for which tariffs are being set*** *, and then allocate this revenue between the services in the table*

	Total	Water	Sanitation	Electricity	Solid waste	Other services	check = 0
Rates funding al	379.082.622	-	-	-	-	379.082.622	-
Total Rates Fur	**379.082.622**	**-**	**-**	**-**	**-**	**379.082.622**	

OTHER INCOME SOURCES

User must enter the amount of other income sources anticipated to be received ***in the year for which the tariffs are being set*** *, and then allocate these between the service in the yellow highlighted cells. There is a check to the right of the table that the amounts*

	Total	Water	Sanitation	Electricity	Solid waste	Other services	Governance	check = 0
Exchange Revenue								-
Sale of Goods a	7.888.245	-	27.203	-	-	7.298.654	562.388	-
Agency services	4.223.469	-	-	-	-	4.223.469	-	-
Interest	-	-	-	-	-	-	-	-
Interest earned f	30.673.035	9.421.472	7.011.871	7.442.450	5.976.186	4.275	816.781	-
Interest earned f	4.838.853	-	-	-	-	-	4.838.853	-
Dividends	-	-	-	-	-	-	-	-
Rent on Land	-	-	-	-	-	-	-	-
Rental from Fixe	8.977.667	-	-	-	-	3.912.724	5.064.943	-
Licence and per	403.038	-	-	-	169.718	228.563	4.757	-
Operational Rev	4.836.345	3.834.040	350.639	227.670	11.264	73.122	339.610	
Non-Exchange	-	-	-	-	-	-	-	
Surcharges and	-	-	-	-	-	-	-	
Fines, penalties	107.955.003	-	-	-	-	107.955.550	- 547	
Licences or perr	1.523.658	-	-	-	-	1.523.658	-	
Interest	12.353.924	-	-	-	-	-	12.353.924	
Fuel Levy	-	-	-	-	-	-	-	
Operational Rev	-	-	-	-	-	-	-	
Gains on dispos	1.000.000	-	-	-	-	-	1.000.000	
Other Gains	-	-	-	-	-	-	-	
Discontinued Op	-	-	-	-	-	-	-	
								-
								-
Total	**184.673.237**	**13.255.512**	**7.389.713**	**7.670.120**	**6.157.168**	**125.220.015**	**24.980.709**	-

SERVICE CHARGES NOT SET USING THIS MODEL

This tool only sets tariffs for services. There are a number of other service charges identified in mSCOA v 6.3 that are not set using this tool. The user must allocate the value of these service

Non-tariff revenu	Total	Water	Sanitation	Electricity	Solid waste
Water	-	-			
Connec					
Meter					
Industri					
Availabi					
Wastewater mar	-		-		
Industri					
Treatm					
Availabi					
Connec					
Pump/r					
Electricity	-			-	
Appliance maintenance					
Connection/reconnection					
Joint					
Meter					
Meter					
Notice					
Tempor					
Electricity distribution revenue for services					
Availability charges					
Waste managem	-				-
Carrier					
Dispos					
Refuse					
Waste					
Availabi					
Skip					
Total non-tariff	-	-	-	-	-

SUMMARY: NON-TARIFF REVENUE SOURCES

	Total	Water	Sanitation	Electricity	Solid waste	Other services	Governance	check = 0
Operating grants	165.885.132	37.385.462	24.923.641	38.559.375	20.769.701	18.089.218	26.157.735	-
Property rates	379.082.622	-	-	-	-	379.082.622	-	-
Other income	184.673.237	13.255.512	7.389.713	7.670.120	6.157.168	125.220.015	24.980.709	-
Non-tariff service	-	-	-	-	-	-	-	-
Total	**729.640.991**	**50.640.974**	**32.313.354**	**46.229.495**	**26.926.869**	**522.391.855**	**51.138.444**	-

sheet

On this sheet, the user must enter data on non-tariff revenues anticipated in the year for which tariffs are being set and allocate these between the services.

OPERATING GRANTS AND SUBSIDIES

User must enter the name of each individual operating grant and the amount that is anticipated to be received ***in the year for which the tariffs are being set*** *. The user must then enter the amont to be allocated to each service. There is a check to the right of the*

Operational grants and s	Total	Water	Sanitation	Electricity	Solid waste	Other services	Governance	check = 0
Equitable Share	173.350.262	39.077.533	26.051.688	40.304.533	21.709.740	18.887.261	27.319.507	-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
Total grant allo	**173.350.262**	**39.077.533**	**26.051.688**	**40.304.533**	**21.709.740**	**18.887.261**	**27.319.507**	-

PROPERTY RATES

Property rates are typically used to pay for services that are publicly accessed. This means that property rates are typically allocated to 'other' services. However, property rates might be allocated to a trading service if a portion of that trading service is publicly accessed. This may be the case for the street lighting component of electricity, for example. The user must enter the anticipated property rates revenue ***in the year for which tariffs are being set*** *, and then allocate this revenue between the services in the table*

	Total	Water	Sanitation	Electricity	Solid waste	Other services	check = 0
Rates funding al	395.762.256	-	-	-	-	395.762.256	-
Total Rates Fur	**395.762.256**	**-**	**-**	**-**	**-**	**395.762.256**	

OTHER INCOME SOURCES

User must enter the amount of other income sources anticipated to be received ***in the year for which the tariffs are being set*** *, and then allocate these between the service in the yellow highlighted cells. There is a check to the right of the table that the amounts*

	Total	Water	Sanitation	Electricity	Solid waste	Other services	Governance	check = 0
Exchange Revenue								-
Sale of Goods a	8.235.328	-	28.399	-	-	7.619.796	587.133	-
Agency services	4.409.302	-	-	-	-	4.409.302	-	-
Interest	-	-	-	-	-	-	-	-
Interest earned f	32.022.649	9.836.017	7.320.393	7.769.918	6.239.139	4.463	852.719	-
Interest earned f	5.051.762	-	-	-	-	-	5.051.762	-
Dividends	-	-	-	-	-	-	-	-
Rent on Land	-	-	-	-	-	-	-	-
Rental from Fixe	9.372.685	-	-	-	-	4.084.884	5.287.801	-
Licence and per	420.771	-	-	-	177.186	238.619	4.966	-
Operational Rev	5.049.142	4.002.737	366.068	237.687	11.759	76.338	354.553	
Non-Exchange	-	-	-	-	-	-	-	
Surcharges and	-	-	-	-	-	-	-	
Fines, penalties	112.705.024	-	-	-	-	112.705.595	- 571	
Licences or perr	1.590.698	-	-	-	-	1.590.698	-	
Interest	12.897.497	-	-	-	-	-	12.897.497	
Fuel Levy	-	-	-	-	-	-	-	
Operational Rev	-	-	-	-	-	-	-	
Gains on dispos	1.000.000	-	-	-	-	-	1.000.000	
Other Gains	-	-	-	-	-	-	-	
Discontinued Op	-	-	-	-	-	-	-	
								-
								-
Total	**192.754.858**	**13.838.754**	**7.714.860**	**8.007.605**	**6.428.084**	**130.729.695**	**26.035.860**	-

SERVICE CHARGES NOT SET USING THIS MODEL

This tool only sets tariffs for services. There are a number of other service charges identified in mSCOA v 6.3 that are not set using this tool. The user must allocate the value of these service

Non-tariff revenu	Total	Water	Sanitation	Electricity	Solid waste
Water	-	-			
Connec					
Meter					
Industri					
Availabi					
Wastewater mar	-		-		
Industri					
Treatm					
Availabi					
Connec					
Pump/r					
Electricity	-			-	
Appliance maintenance					
Connection/reconnection					
Joint					
Meter					
Meter					
Notice					
Tempor					
Electricity distribution revenue for services					
Availability charges					
Waste managem	-				-
Carrier					
Dispos					
Refuse					
Waste					
Availabi					
Skip					
Total non-tariff	-	-	-	-	-

SUMMARY: NON-TARIFF REVENUE SOURCES

	Total	Water	Sanitation	Electricity	Solid waste	Other services	Governance	check = 0
Operating grants	173.350.262	39.077.533	26.051.688	40.304.533	21.709.740	18.887.261	27.319.507	-
Property rates	395.762.256	-	-	-	-	395.762.256	-	-
Other income	192.754.858	13.838.754	7.714.860	8.007.605	6.428.084	130.729.695	26.035.860	-
Non-tariff servic	-	-	-	-	-	-	-	-
Total	**761.867.376**	**52.916.287**	**33.766.548**	**48.312.138**	**28.137.824**	**545.379.212**	**53.355.367**	-

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On this sheet, the user must enter data on expenditures anticipated in the year for which tariffs are to be set, and allocate these between services.

ALLOCATING DIRECT COSTS PER FUNCTION

Enter the total anticipated expenditure ***in the year for which the tariffs are being set*** *. This expenditure must then be allocated to each service in order to calculate the total direct cost of providing that service. The expenditure types in white cells are from the MBRR classification. The user may choose to enter other expenditure types in the yellow cells in the 'Type of expenditure' column. There is a check to the right of the table that the amounts allocated to the services all add up to the total. Make*

Type of expenditure	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)	Governance and administration (R)	check = 0
Employee related costs	374.677.754	28.291.463	24.291.381	16.199.108	27.802.057	151.421.011	126.672.734	-
Remuneration of councillors	11.925.784	-	-	-	-	-	11.925.784	-
Bulk purchases - electricity	357.093.221	-	-	357.093.221	-	-	-	-
Inventory consumed	46.693.594	10.016.749	21.358.856	2.309.909	4.299.487	7.448.448	1.260.145	-
Debt impairment	119.548.650	7.630.117	6.347.592	21.971.964	4.323.707	53.872.120	25.403.150	-
Depreciation and amortisation	68.548.010	21.967.285	7.886.782	20.333.611	2.226.705	14.096.773	2.036.854	-
Interest	29.426.064	8.625.320	8.558.638	5.525.101	418.058	5.782.103	516.844	-
Contracted services	152.032.410	7.370.121	9.178.168	24.766.442	6.285.344	86.424.973	18.007.362	-
Transfers and subsidies	3.634.823	-	-	-	-	-	3.634.823	-
Irrecoverable debts written off	9.403.903	1.551.214	2.273.066	1.750.875	982.948	-	2.845.800	-
Operational costs	89.389.646	6.803.777	3.806.982	7.570.108	21.094.526	5.647.599	44.466.654	-
Losses on disposal of Assets	-	-	-	-	-	-	-	
Other Losses	-	-	-	-	-	-	-	
								-
								-
								-
Total direct costs per service	**1.262.373.859**	**92.256.046**	**83.701.465**	**457.520.339**	**67.432.832**	**324.693.027**	**236.770.150**	-

ALLOCATING GOVERNANCE AND ADMINISTRATION COSTS

The cost of supply of a service includes a portion of the governance and administration costs (overheads) of the municipality. Governance and Administration costs must thus be allocated between services in order to determine the full cost of supply of that service. Enter the % of governance and administration costs that will be allocated to each service in the grey cells below.

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)	check = 0
% allocation of Gov & Admin costs		15%	5%	20%	5%	55%	
	236.770.150	35.515.523	11.838.508	47.354.030	11.838.508	130.223.583	-

SUMMARY OF DIRECT AND INDIRECT COSTS

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)
Direct costs	**1.025.603.709**	92.256.046	83.701.465	457.520.339	67.432.832	324.693.027
Indirect costs	**236.770.150**	35.515.523	11.838.508	47.354.030	11.838.508	130.223.583
Total costs	**1.262.373.859**	**127.771.569**	**95.539.973**	**504.874.369**	**79.271.340**	**454.916.610**
% direct costs		72%	88%	91%	85%	71%
% indirect costs (overheads)		28%	12%	9%	15%	29%

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On this sheet, the user must enter data on expenditures anticipated in the year for which tariffs are to be set, and allocate these between services.

ALLOCATING DIRECT COSTS PER FUNCTION

Enter the total anticipated expenditure ***in the year for which the tariffs are being set*** *. This expenditure must then be allocated to each service in order to calculate the total direct cost of providing that service. The expenditure types in white cells are from the MBRR classification. The user may choose to enter other expenditure types in the yellow cells in the 'Type of expenditure' column. There is a check to the right of the table that the amounts allocated to the*

Type of expenditure	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)	Governance and administration (R)	check = 0
Employee related costs	383.815.527	29.184.635	25.408.787	16.839.668	29.080.953	153.723.339	129.578.145	-
Remuneration of councillors	12.292.370	-	-	-	-	-	12.292.370	-
Bulk purchases - electricity	361.135.517	-	-	361.135.517	-	-	-	-
Inventory consumed	52.636.262	10.457.486	22.326.627	2.741.078	4.923.269	10.684.247	1.503.555	-
Debt impairment	126.065.156	7.733.188	6.276.301	23.907.404	5.182.731	56.350.238	26.615.294	-
Depreciation and amortisation	69.124.085	22.165.550	7.864.447	20.565.161	2.152.950	14.325.601	2.050.376	-
Interest	24.424.556	7.199.194	7.082.684	4.629.572	232.396	4.852.359	428.351	-
Contracted services	152.332.128	7.735.748	10.969.533	26.515.097	8.256.453	80.974.339	17.880.958	-
Transfers and subsidies	3.239.709	-	-	-	-	-	3.239.709	-
Irrecoverable debts written off	10.878.906	1.870.485	2.740.909	2.111.240	1.185.257	-	2.971.015	-
Operational costs	93.508.431	7.182.508	5.388.433	7.966.685	17.857.894	6.115.542	48.997.369	-
Losses on disposal of Assets	-	-	-	-	-	-	-	
Other Losses	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	-
								-
								-
Total direct costs per service	**1.289.452.647**	**93.528.794**	**88.057.721**	**466.411.422**	**68.871.903**	**327.025.665**	**245.557.142**	-

ALLOCATING GOVERNANCE AND ADMINISTRATION COSTS

The cost of supply of a service includes a portion of the governance and administration costs (overheads) of the municipality. Governance and Administration costs must thus be allocated between services in order to determine the full cost of supply of that service. Enter the % of governance and administration costs that will be allocated to each service in the grey cells below.

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)	check = 0
% allocation of Gov & Admin costs		10%	5%	15%	5%	65%	
	245.557.142	24.555.714	12.277.857	36.833.571	12.277.857	159.612.142	-

SUMMARY OF DIRECT AND INDIRECT COSTS

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)
Direct costs	**1.043.895.505**	93.528.794	88.057.721	466.411.422	68.871.903	327.025.665
Indirect costs	**245.557.142**	24.555.714	12.277.857	36.833.571	12.277.857	159.612.142
Total costs	**1.289.452.647**	**118.084.508**	**100.335.578**	**503.244.993**	**81.149.760**	**486.637.807**
% direct costs		79%	88%	93%	85%	67%
% indirect costs (overheads)		21%	12%	7%	15%	33%

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ALLOCATING DIRECT COSTS PER FUNCTION

Enter the total anticipated expenditure ***in the year for which the tariffs are being set*** *. This expenditure must then be allocated to each service in order to calculate the total direct cost of providing that service. The expenditure types in white cells are from the MBRR classification. The user may choose to enter other expenditure types in the yellow cells in the 'Type of expenditure' column. There is a check to the right of the table that the amounts allocated to the services all add up to the*

Type of expenditure	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)	Governance and administration (R)	check = 0
Employee related costs	400.346.649	30.825.210	26.526.777	17.580.612	30.360.511	160.461.116	134.592.423	-
Remuneration of councillors	12.806.795	-	-	-	-	-	12.806.795	-
Bulk purchases - electricity	365.223.571	-	-	365.223.571	-	-	-	-
Inventory consumed	54.952.278	10.917.615	23.308.998	2.861.686	5.139.891	11.154.356	1.569.732	-
Debt impairment	132.605.430	8.073.450	6.552.458	24.959.331	6.404.175	58.829.649	27.786.367	-
Depreciation and amortisation	69.039.684	22.210.346	7.870.955	20.603.088	2.107.186	14.302.297	1.945.812	-
Interest	18.979.161	5.716.702	5.427.622	3.436.151	95.738	3.966.163	336.785	-
Contracted services	159.041.562	8.076.121	11.452.193	27.681.759	8.619.738	84.544.254	18.667.497	-
Transfers and subsidies	3.448.315	-	-	-	-	-	3.448.315	-
Irrecoverable debts written off	11.357.579	1.952.786	2.861.509	2.204.135	1.237.409	-	3.101.740	-
Operational costs	98.267.212	7.530.038	5.776.725	8.390.236	18.692.724	6.636.998	51.240.491	-
Losses on disposal of Assets	-	-	-	-	-	-	-	
Other Losses	-	-	-	-	-	-	-	
								-
								-
								-
Total direct costs per service	**1.326.068.236**	**95.302.268**	**89.777.237**	**472.940.569**	**72.657.372**	**339.894.833**	**255.495.957**	-

ALLOCATING GOVERNANCE AND ADMINISTRATION COSTS

The cost of supply of a service includes a portion of the governance and administration costs (overheads) of the municipality. Governance and Administration costs must thus be allocated between services in order to determine the full cost of supply of that service. Enter the % of governance and administration costs that will be allocated to each service in the grey cells below.

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)	check = 0
% allocation of Gov & Admin costs		10%	5%	15%	5%	65%	
	255.495.957	25.549.596	12.774.798	38.324.394	12.774.798	166.072.372	-

SUMMARY OF DIRECT AND INDIRECT COSTS

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)
Direct costs	**1.070.572.279**	95.302.268	89.777.237	472.940.569	72.657.372	339.894.833
Indirect costs	**255.495.957**	25.549.596	12.774.798	38.324.394	12.774.798	166.072.372
Total costs	**1.326.068.236**	**120.851.864**	**102.552.035**	**511.264.963**	**85.432.170**	**505.967.205**
% direct costs		79%	88%	93%	85%	67%
% indirect costs (overheads)		21%	12%	7%	15%	33%

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This sheet shows the revenue required from tariffs and the total funding of the budget. There are no user entries. It is a report sheet only.

REVENUE REQUIRED

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)
Direct expenditure	1.025.603.709	92.256.046	83.701.465	457.520.339	67.432.832	324.693.027
Indirect expenditure	236.770.150	35.515.523	11.838.508	47.354.030	11.838.508	130.223.583
Total expenditure	**1.262.373.859**	**127.771.569**	**95.539.973**	**504.874.369**	**79.271.340**	**454.916.610**
Surplus or deficit	138.789.396	19.165.735	4.776.999	50.487.437	3.963.567	60.395.658
Total expenditure plus sur	**1.401.163.255**	**146.937.304**	**100.316.971**	**555.361.806**	**83.234.906**	**515.312.267**
Operating grants and transfe	152.824.366	36.561.898	23.765.903	36.953.203	19.804.920	35.738.442
Property rates revenue	362.049.268	-	-	-	-	362.049.268
Other income	176.595.826	16.261.490	8.261.040	12.118.032	7.082.699	132.872.564
Other non-tariff service charg	-	-	-	-	-	
Total non-tariff revenue	**691.469.460**	**52.823.388**	**32.026.943**	**49.071.235**	**26.887.619**	**530.660.274**
Revenue required from tar	**725.041.802**	**94.113.916**	**68.290.028**	**506.290.571**	**56.347.287**	
Total revenue	**1.416.511.261**	**146.937.304**	**100.316.971**	**555.361.806**	**83.234.906**	**530.660.274**

This sheet shows the revenue required from tariffs and the total funding of the budget. There are no user entries. It is a report sheet only.

REVENUE REQUIRED

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)
Direct expenditure	1.043.895.505	93.528.794	88.057.721	466.411.422	68.871.903	327.025.665
Indirect expenditure	245.557.142	24.555.714	12.277.857	36.833.571	12.277.857	159.612.142
Total expenditure	**1.289.452.647**	**118.084.508**	**100.335.578**	**503.244.993**	**81.149.760**	**486.637.807**
Surplus or deficit	68.994.036	-	-	-	-	68.994.036
Total expenditure	**1.358.446.683**	**118.084.508**	**100.335.578**	**503.244.993**	**81.149.760**	**555.631.844**
Operating grants an	156.729.925	37.385.462	24.923.641	38.559.375	20.769.701	35.091.746
Property rates rever	379.082.622	-	-	-	-	379.082.622
Other income	184.673.237	15.753.583	8.638.748	11.417.226	7.406.203	141.457.476
Other non-tariff serv	-	-	-	-	-	
Total non-tariff rev	**720.485.784**	**53.139.045**	**33.562.389**	**49.976.601**	**28.175.904**	**555.631.844**
Revenue required	**637.960.900**	**64.945.463**	**66.773.189**	**453.268.392**	**52.973.856**	
Total revenue	**1.358.446.683**	**118.084.508**	**100.335.578**	**503.244.993**	**81.149.760**	**555.631.844**

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This sheet shows the revenue required from tariffs and the total funding of the budget. There are no user entries. It is a report sheet only.

REVENUE REQUIRED

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)
Direct expenditure	1.070.572.279	95.302.268	89.777.237	472.940.569	72.657.372	339.894.833
Indirect expenditure	255.495.957	25.549.596	12.774.798	38.324.394	12.774.798	166.072.372
Total expenditure	**1.326.068.236**	**120.851.864**	**102.552.035**	**511.264.963**	**85.432.170**	**505.967.205**
Surplus or deficit	74.092.996	-	-	-	-	74.092.996
Total expenditure plu	**1.400.161.232**	**120.851.864**	**102.552.035**	**511.264.963**	**85.432.170**	**580.060.201**
Operating grants and t	163.033.283	39.077.533	26.051.688	40.304.533	21.709.740	35.889.789
Property rates revenue	395.762.256	-	-	-	-	395.762.256
Other income	191.699.707	16.336.825	8.963.895	11.754.711	7.677.119	146.967.156
Other non-tariff service	-	-	-	-	-	
Total non-tariff reven	**750.495.246**	**55.414.358**	**35.015.583**	**52.059.244**	**29.386.859**	**578.619.201**
Revenue required fro	**648.224.986**	**65.437.506**	**67.536.451**	**459.205.718**	**56.045.310**	
Total revenue	**1.398.720.232**	**120.851.864**	**102.552.035**	**511.264.963**	**85.432.170**	**578.619.201**

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On this sheet, the user must decide if deficits are to be accepted on any services. The user must then enter the surpluses to be generated on the trading services and check that these result in sufficient surplus to cross-subsidiseany deficits allowed and still generate an adequate surplus on the budget as a whole.

SUMMARY: EXPENDITURE ALLOCATED AND NON-TARIFF REVENUE RECEIVED AFTER ALLOCATION OF GOVERNANCE AND ADMINISTRATION

The table below summarises the allocation of expenditure and revenues in the previous sheets. Any non-tariff revenue allocated to the Governance and Administration function has been distributed between the services according to the allocation of the Governance and Administration expenditure between the services. There may be a gap to be filled through tariffs on 'Other services' if the property rates revenue and other non-tariff revenues are not sufficient

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)
Direct expendtiure	**1.025.603.709**	92.256.046	83.701.465	457.520.339	67.432.832	324.693.027
Indirect expenditure	**236.770.150**	35.515.523	11.838.508	47.354.030	11.838.508	130.223.583
Total expenditure	**1.262.373.859**	**127.771.569**	**95.539.973**	**504.874.369**	**79.271.340**	**454.916.610**
Non-tariff revenue allocated to service	**652.195.347**	49.234.472	30.830.638	44.286.014	25.691.314	502.152.909
Non-tariff revenue allocated to Gov & Admin	**23.926.106**	3.588.916	1.196.305	4.785.221	1.196.305	13.159.358
Total non-tariff revenue allocated	**676.121.453**	**52.823.388**	**32.026.943**	**49.071.235**	**26.887.619**	**515.312.267**
Gap to be filled through tariffs	**586.252.406**	74.948.181	63.513.029	455.803.134	52.383.720	- 60.395.658

DEFICIT TO BE ACCEPTED ON SERVICES

Municipalities should move towards ensuring that all services at least break even. However, currently municipalities operate some services at a deficit. Enter the deficit that you are willing to accept on providing a service in the grey cells below. Bear in mind that you will have to generate surpluses on other services

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)
Expenditure	**1.262.373.859**	127.771.569	95.539.973	504.874.369	79.271.340	454.916.610
Enter deficit to be accepted as % of						
Deficit generated	- **60.395.658**	-	-	-	-	- 60.395.658

SURPLUS TO BE GENERATED ON SERVICES

The Municipal Powers and Functions Act Number 12 of 2007 allows municipalities to levy a surcharge on tariffs. Enter the total surcharge that you plan to levy in the year for which tariffs are being set on each service in the table below. Make sure that you have not indicated a surplus to be generated if you have already indicated that there will be a deficit in the table above. If you do this, the cell entry will be highlighted in bold red text.

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)
Expenditure	**1.262.373.859**	127.771.569	95.539.973	504.874.369	79.271.340	454.916.610
Enter surplus to be generated as % of expenditure		15%	5%	10%	5%	
Surplus generated	**78.393.738**	19.165.735	4.776.999	50.487.437	3.963.567	-

In order for the budget to be fully funded, surpluses generated must be sufficient to at least cover anticipated deficits. If this is not the case, the user must reduce the deficits anticipated or increase the surpluses to be generated. The net surplus below is the total surpluses less the total deficits. It must be positive. If it is negative, adjust the deficits to be accepted on services or the surpluses to be generated until a positive figure is obtained.

Net surplus or deficit	**138.789.396**	*Net surplus is positive. No further adjustment is required.*
Net surplus or deficit as % of expenditure	**11.0%**	

ALLOCATION OF SURPLUS

If you are generating surpluses on some services and deficits on others, you will need to make some decisions about how the surpluses should be allocated to cross-subsidise the deficits. This must be done in the table below. The model provides a default allocation that allocates the available surplus to service in proportion to the deficit generated on a service. The user can choose to define an alternative allocation. Entries must be made in the grey cells only. This is

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)
Deficit generated	- **60.395.658**	-	-	-	-	- 60.395.658
Surplus generated	**78.393.738**	19.165.735	4.776.999	50.487.437	3.963.567	-
Default allocation of surplus to cover deficit	- **60.395.658**	-	-	-	-	- 60.395.658
Default % allocation of surplus		0%	0%	0%	0%	100%
Use default allocation?	Yes					
User defined allocation of surplus to cover c	-					
User defined % allocation of surplus						

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On this sheet, the user must decide if deficits are to be accepted on any services. The user must then enter the surpluses to be generated on the trading services and check that these result in sufficient surplus to cross-subsidiseany deficits allowed and still

SUMMARY: EXPENDITURE ALLOCATED AND NON-TARIFF REVENUE RECEIVED AFTER ALLOCATION OF GOVERNANCE AND ADMINI

The table below summarises the allocation of expenditure and revenues in the previous sheets. Any non-tariff revenue allocated to the Governance and Administration function has been distributed between the services according to the allocation of the Governance and Administration expenditure between the services. There may be a gap to be filled through

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)
Direct	**1.043.895.505**	93.528.794	88.057.721	466.411.422	68.871.903	327.025.665
Indirect	**245.557.142**	24.555.714	12.277.857	36.833.571	12.277.857	159.612.142
Total	**1.289.452.647**	**118.084.508**	**100.335.578**	**503.244.993**	**81.149.760**	**486.637.807**
Non-tariff revenu	**678.502.547**	50.640.974	32.313.354	46.229.495	26.926.869	522.391.855
Non-tariff revenu	**51.138.444**	5.113.844	2.556.922	7.670.767	2.556.922	33.239.989
Total non-tariff r	**729.640.991**	**55.754.818**	**34.870.276**	**53.900.262**	**29.483.791**	**555.631.844**
Gap to be filled	**559.811.656**	62.329.690	65.465.302	449.344.732	51.665.969	- 68.994.036

DEFICIT TO BE

Municipalities should move towards ensuring that all services at least break even. However, currently municipalities operate some services at a deficit. Enter the deficit that you are willing to accept on providing a service in the grey cells below. Bear in

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)
Expenditure	**1.289.452.647**	118.084.508	100.335.578	503.244.993	81.149.760	486.637.807
Enter deficit to						
Deficit	- **68.994.036**	-	-	-	-	- 68.994.036

SURPLUS TO BE GENERATED ON SERVICES

The Municipal

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)
Expenditure	**1.289.452.647**	118.084.508	100.335.578	503.244.993	81.149.760	486.637.807
Enter surplus to be generated as % o		0	0	0	0	
Surplus generate	**-**	-	-	-	-	-

In order for the

Net surplus or de	**68.994.036**	*Net surplus is positive. No further adjustment is required.*
Net surplus or de	**5.4%**	

ALLOCATION OF SURPLUS

If you are

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)
Deficit generated	- **68.994.036**	-	-	-	-	- 68.994.036
Surplus generate	**-**	-	-	-	-	-
Default allocation	- **68.994.036**	-	-	-	-	- 68.994.036
Default % allocation of surplus		0%	0%	0%	0%	114%
Use default alloca	Yes					
User defined allo	-					
User defined % allocation of surplus						

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Go to sheet

On this sheet, the user must decide if deficits are to be accepted on any services. The user must then enter the surpluses to be generated on the trading services and check that these result in sufficient surplus to cross-subsidiseany deficits allowed and still generate an

STRATION **SUMMARY: EXPENDITURE ALLOCATED AND NON-TARIFF REVENUE RECEIVED AFTER ALLOCATION OF GOVERNANCE AND ADMINIS**

The table below summarises the allocation of expenditure and revenues in the previous sheets. Any non-tariff revenue allocated to the Governance and Administration function has been distributed between the services according to the allocation of the Governance and Administration expenditure between the services. There may be a gap to be filled through tariffs on

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)
Direct expendtiure	**1.070.572.279**	95.302.268	89.777.237	472.940.569	72.657.372	339.894.833
Indirect expenditure	**255.495.957**	25.549.596	12.774.798	38.324.394	12.774.798	166.072.372
Total expenditure	**1.326.068.236**	**120.851.864**	**102.552.035**	**511.264.963**	**85.432.170**	**505.967.205**
Non-tariff revenue allocated to service	**708.512.009**	52.916.287	33.766.548	48.312.138	28.137.824	545.379.212
Non-tariff revenue allocated to Gov & Admin	**53.355.367**	5.335.537	2.667.768	8.003.305	2.667.768	34.680.989
Total non-tariff revenue allocated	**761.867.376**	**58.251.824**	**36.434.316**	**56.315.443**	**30.805.592**	**580.060.201**
Gap to be filled through	**564.200.860**	62.600.040	66.117.719	454.949.520	54.626.578	- 74.092.996

DEFICIT TO BE

Municipalities should move towards ensuring that all services at least break even. However, currently municipalities operate some services at a deficit. Enter the deficit that you are willing to accept on providing a service in the grey cells below. Bear in

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)
Expenditure	**1.326.068.236**	120.851.864	102.552.035	511.264.963	85.432.170	505.967.205
Enter deficit to be						
Deficit generated	- **74.092.996**	-	-	-	-	- 74.092.996

SURPLUS TO BE GENERATED ON SERVICES

The Municipal Powers and Functions Act Number 12 of 2007 allows municipalities to levy a surcharge on tariffs. Enter the total surcharge that you plan to levy in the year for which tariffs are being set on each service in the table below. Make sure that you have not indicated a surplus to be generated if you have already indicated that there will be a deficit in the table above. If you

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)
Expenditure	**1.326.068.236**	120.851.864	102.552.035	511.264.963	85.432.170	505.967.205
Enter surplus to be generated as % of expen		0	0	0	0	
Surplus generated	-	-	-	-	-	-

In order for the budget to be fully funded, surpluses generated must be sufficient to at least cover anticipated deficits. If this is not the case, the user must reduce the deficits anticipated or increase the surpluses to be generated. The net surplus below is the total surpluses less the total deficits. It must be positive. If it is negative, adjust the deficits to be accepted on services or the

Net surplus or deficit	**74.092.996**	*Net surplus is positive. No further adjustment is required.*
Net surplus or deficit as %	**5.6%**	

ALLOCATION OF SURPLUS

If you are generating surpluses on some services and deficits on others, you will need to make some decisions about how the surpluses should be allocated to cross-subsidise the deficits. This must be done in the table below. The model provides a default allocation that allocates the available surplus to service in proportion to the deficit generated on a service. The user can choose

	Total (R)	Water (R)	Sanitation (R)	Electricity (R)	Solid waste (R)	Other services (R)
Deficit generated	- **74.092.996**	-	-	-	-	- 74.092.996
Surplus generated	-	-	-	-	-	-
Default allocation of surp	- **74.092.996**	-	-	-	-	- 74.092.996
Default % allocation of surplus		0%	0%	0%	0%	123%
Use default allocation?	Yes					
User defined allocation o	-					
User defined % allocation of surplus						