

Revenue Collections to be extended to other areas with an average of 6% increase in rates and taxes.

Ephraim Mogale Local Municipality views in a serious light the aspects of revenue collection which will contribute immensely in funding more internal projects. 54% of its revenue in the municipality comes from various grants obtained from both national and provincial government.

Realizing the revenue collection challenges, the municipality will in the next financial year extend its revenue collection base to include areas such as Leeuwfontein and Elandskraal. This was revealed by the Mayor Cllr Yvonne Mmakola during the budget speech delivered in Moomane Village in Ward 13 on the 30 May 2013. At the moment the municipality collects revenue from Marble Hall town as the growth point and depend mostly on the grants received from other spheres of government to assist in funding internal projects. According to the Mayor, the extension of the revenue collection to other areas will assist the municipality in improving financial base and the provision of services to our communities.

“At present, the municipality’s main source of revenue remains the government grants which consist of 55.46% with municipality’s own source of revenue standing at 44.54% for the financial year 2013/2014. The major source of revenue remains Electricity and service charges at an average of 54% of own revenue over the medium term. During 2013/2014 financial year the property rate, refuse removal and sundry will all increase by 6% respectively, which is the growth limits set by the National Treasury, in line with inflation targets of the Reserve Bank. The electricity tariffs will increase by 7%, which is in line with the NERSA guideline.

The budget for 2013/2014 financial year is R202 526 189.43 with a total expenditure of R233 814 679.60 which will consist of R14 237m from the property rates, R48 691m from Service charges,

R80 589m from Government Operation Grants, R31 727m from Government Capital, R4 520 from Investment Revenue and R22 762m from other revenue sources. This is an increase of 11.81% from total revenue of the previous financial of 2012/2013. Hon. Speaker, we believe that this amount will enable the municipality to fund all operational and capital expenditure projects we have planned for the coming financial year.

The municipality’s salary bill remains within the limit of the law of not more than 35% of our total operational budget allocation including the 6.9% annual increase. The municipality has allocated R44 991m for employees related costs and R10 297m for Councillors allowances and Interns during the 2013/2014 financial year. The municipality has also budgeted for the 14th cheque as a result of the pending Arbitration Awards on the Wage Curve dispute currently at SALGA Bargaining Council.

[\(Please link this to Budget speech\)](#)