

SCHEDULE 2a  OPERATING EXPENDITURE BY TYPE	Preceding Year 2004/05	Current Year 2005/06			Medium Term Revenue and Expenditure Framework		
	Pre-Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget Year 2006/07	Budget Year +1 2007/08	Budget Year +2 2008/09
					Budget R'000 E	Budget R'000 F	Budget R'000 G
EMPLOYEE RELATED COSTS	170,161	206,152	200,016	200,016	219,123	229,641	239,975
COUNCILLOR ALLOWANCES	10,077	11,344	11,344	11,344	12,881	13,499	14,107
GENERAL EXPENSES							
Bulk Purchases: Electricity	111,837	124,928	124,928	124,928	132,299	138,649	144,889
Bulk Purchases: Water	62,871	74,251	74,251	74,251	78,335	82,095	85,789
Bulk Sewer	1,769	2,000	2,000	2,000	2,060	2,159	2,256
Computer Costs	3,238	3,475	5,135	5,135	4,359	4,568	4,774
Contracted Services	3,789	3,584	6,254	6,254	9,497	9,953	10,401
Insurance Costs	2,631	3,029	2,269	2,269	3,583	3,755	3,924
Interest on External Borrowings	47,174	48,307	48,307	48,307	32,078	33,618	35,131
Vehicle Leases	7,658	8,236	8,236	8,236	12,008	12,584	13,151
Other General Expenses	49,584	53,854	40,447	40,447	46,426	48,655	50,844
REPAIRS AND MAINTENANCE							
Network	13,659	29,268	18,493	18,493	30,586	32,054	33,497
Motor Vehicles	5,404	6,016	6,479	6,479	6,209	6,507	6,800
Buildings	2,666	3,153	2,748	2,748	3,905	4,092	4,277
Other Repairs and Maintenance	3,119	4,040	3,636	3,636	5,004	5,244	5,480
DEPARTMENTAL CHARGES							
Charge Inns	72,000	79,570	84,468	84,468	84,903	88,978	92,982
Charge Outs	-78,352	-85,291	-85,240	-85,240	-83,269	-87,266	-91,193
DEPRECIATION	49,736	29,693	29,693	29,693	30,584	32,052	33,494
WORKING CAPITAL & OTHER RESERVES	44,503	49,583	52,000	52,000	52,000	54,496	56,948
<b>OPERATING EXPENDITURE BY VOTE</b>	<b>583,524</b>	<b>655,311</b>	<b>635,464</b>	<b>635,464</b>	<b>682,571</b>	<b>715,334</b>	<b>747,524</b>
Contribution to Capital Replacement Reserve (CRR)	4,276	4,646	5,000	5,000	7,496	12,314	19,564
<b>TOTAL OPERATING BUDGET</b>	<b>587,800</b>	<b>659,957</b>	<b>640,465</b>	<b>640,465</b>	<b>690,067</b>	<b>727,648</b>	<b>767,088</b>

Column Definitions:

- A. The pre-audited actuals for 2004/05 .
- B. The original budget approved by council for the 2005/06 budget year.
- C. The budget for 2005/06 budget year as adjusted by council resolution in terms of section 28 of the MFMA.
- D. An estimate of final actual figures (pre audit) for the 2005/06 budget year at the point in time of preparing the budget for the 2006/07 budget year.
- E. The amount to be appropriated for the 2006/07 budget year.
- F. The indicative projection for 2007/08

**SCHEDULE 2a - MAY 2006-07 BUDGET REPORT**