

No Documents

JOINT FINANCIAL

MEMORANDUM

MEMORANDUM

THE FINANCIAL IMPLICATIONS OF THE INCORPORATION OF THE SOUTH RAND LOCAL AREA COMMITTEE'S AREA OF JURISDICTION INTO JOHANNESBURG.

A. Introduction

1. At the sitting of the Commission on 22nd March 1967, it was agreed by the representatives of Johannesburg and the South Rand Local Area Committee that a joint memorandum on the financial implications of incorporation of the South Rand Local Area Committee's area into that of Johannesburg should be prepared by officials of the Treasury Departments of Johannesburg and the Transvaal Board for the Development of Peri-Urban Areas.
2. The representatives of the South Rand Local Area Committee indicated that the Board will also prepare a memorandum on the feasibility of the establishment of an autonomous local authority for the area presently administered by the South Rand Local Area Committee, subject to the incorporation into such a new local authority of certain additional specified areas.
3. The representative of Johannesburg undertook to furnish the Commission with an estimate of the amount which, in the event of incorporation, Johannesburg thinks it is necessary and desirable to spend in the area of the South Rand Local Area Committee in the first year after incorporation.
4. This Joint Memorandum has been prepared as a result of consultations which have taken place between officials of the Board and the Council. The estimates of income and expenditure referred to in it and in the Annexures attached are acknowledged to be bona fide and reasonable estimates; as such, they are acceptable to the officials of both the Board and of Johannesburg as the basis of this Memorandum.

Furthermore, it is recorded that these officials are in complete agreement on all the other statements and information contained in this document, which is intended to reflect the financial implications of incorporation, as far as can reasonably be foreseen, and to shorten the Commission's proceedings by eliminating much of the examination and cross-examination on financial matters.

:- It ...

It is also recorded that Johannesburg cannot, either from a legal or a practical point of view, guarantee that the various items of expenditure referred to in this Memorandum will in fact be spent in the area under consideration. Nevertheless, the Council will, in the event of incorporation, endeavour to raise the standard of services and amenities provided in the area to that which is rendered in Johannesburg as expeditiously as possible and, in addition, will ensure that existing amenities are maintained. The estimates of income and expenditure have been prepared with this end in view.

B. Estimates of Income and Expenditure for the Area of the South Rand Local Area Committee in the event of Incorporation.

1. Annexure "A" to this memorandum sets out Johannesburg's estimated revenue and capital expenditure under departmental headings, as well as the estimated income from various sources, for the first year after incorporation. In addition, it reflects estimated capital expenditure to 1985. In the estimates of revenue expenditure, account has been taken of all loan charges presently payable by the South Rand Local Area Committee, (hereinafter referred to as "the L.A.C." for the sake of brevity.)

With regard to immediate capital expenditure, no account has been taken of existing approved schemes because these will be carried on irrespective of incorporation. The amounts reflected are, therefore, for new projects only.

Furthermore, no account has been taken of the L.A.C.'s accumulated surpluses because Johannesburg has already indicated to the Commission that it would agree to these surpluses being spent in the L.A.C.'s area only, should incorporation take place.

2. The following is a detailed explanation of Annexure A:-
 - (1) Under the heading DETAILS are four sub-headings:-
 - (a) Revenue expenditure for 1st year means ordinary day-to-day running costs which are financed from ordinary income such as rates and tariff charges. It does not cover capital works.
 - (b) Income for 1st year means ordinary income, as mentioned above.

:- (c) ...

- (c) Immediate capital required means money needed immediately for capital projects such as buildings, equipment and installations. Such projects may be financed out of ordinary income or by borrowing.
- (d) Capital required up to 1985 means money needed for capital projects from the date of incorporation to 1985.

- (2) Columns 2 to 11 represent estimates for services financed primarily from rate income. Column 12(a) gives the sub-totals in respect of these services. Columns 13 to 16 represent estimates for services financed from tariff charges made by the Council; the sub-totals of these are given in Column 12(b).

The figures given in Column 1 under the heading TOTAL represent the sum of the sub-totals given in Columns 12(a) and (b).

- (3) The following facts emerge from the figures shown under Column 1:-

(a) The difference between ordinary income and Revenue Expenditure is R158,000; this shortfall will have to be borne by the Greater Johannesburg Rate Fund (i.e. the Fund built up from rates derived from the Johannesburg municipal area as extended)

(b) Immediate capital requirements will be R112,850 but up to 1985 the total required for capital projects only will be R2,600,000.

- (4) Columns 2 to 11, covering Rate Fund services, will now be explained seriatim:-

Column 2.

- (a) R43,800 will be spent on the establishment and staffing of 3 branch libraries, in hired premises, in Mondeor, Linmeyer and Kibler Park respectively.
- (b) No significant income will be derived from these libraries.

:- (c) ...

- (c) Furniture and incidental equipment for these libraries will cost R1,800.
- (d) It is planned to build and stock two Branch Libraries on land to be bought by the Council by 1985. The estimated cost of providing these libraries and making necessary and consequential alterations to the Council's Branch Headquarters is R138,000.

Column 3

The Council is the licensing authority for motor vehicles in the L.A.C.'s area.

- (a) R4,800 represents the cost of providing supplementary staff to deal with trade and dog licences.
- (b) The figure of R12,000 represents the estimated increase in revenue from dog and trade licences as well as a proportional increase in motor vehicle licence fees.
- (c) No immediate capital expenditure will be necessary.
- (d) By 1985 an additional motor vehicle (dog van) will be needed, estimated to cost R4,000

Column 4.

- (a) The figure of R33,600 is made up as to R25,100 to provide immediate fire protection on a 24 hour basis, for which the necessary equipment and vehicles are available and R8,500 to man an additional ambulance, to supplement the Council's existing fleet on a 24 hour basis.
- (b) Income estimated at R3,750 will be derived mainly from ambulance fees.
- (c) An additional ambulance, with the necessary radio and medical equipment, will cost an estimated R4,500.
- (d) A completely new fire station, to cater mainly for the L.A.C.'s area, is planned at an estimated cost

of R238,000. In addition, a fire tender, estimated at R12,000, would be purchased upon incorporation taking place. Delivery could take up to 18 months and so this figure has not been shown under (c) above.

Column 5

- (a) R7,600 represents subsidies now payable to transport operators in the area; such will be continued upon incorporation.
- (b) No additional income will accrue.
- (c) and (d) As the area develops, consideration will have to be given to the provision of additional services by the Council and/or the subsidization of extra services provided by other operators. This is likely to involve both additional capital and revenue expenditure. It is extremely difficult to forecast what this additional expenditure will be because much will depend upon the rate of development of the southern areas, exactly where and when this development takes place, and when the expenditure will have to be incurred.

Column 6

- (a) R11,400 represents in the main the cost of engaging and equipping staff to supplement the Council's traffic personnel, so that traffic control, especially on the main traffic carriers in the area, can be carried out on a 24 hour basis.
- (b) Estimated income of R1,500 is in respect of traffic fines, the bulk of which will come from users of the main roads.
- (c) R1600 capital expenditure represents the cost of purchasing additional motor cycles to supplement the Council's existing fleet.
- (d) It is expected that R13,000 will be spent up to 1985 on equipment such as vehicles, motor cycles, traffic lights, road signs and the like.

Column 7

- (a) R56,000 is the probable cost of maintaining roads, stormwater drains and sidewalks.
- (b) No income will be received. No provision is made under (c).
- (d) R525,000 is the estimated proportion of the cost of tarring existing untarred roads, providing stormwater drainage and constructing such new roads as may be necessary that will have to be borne by the Greater Johannesburg Rate Fund.

Column 8

- (a) R49,650 has been provided to cover the existing loan charges on unremunerative projects, street lighting and the increased costs to the Building Survey, Valuation and Treasury Departments.
- (b) Sundry revenue of R7,000 is made up largely of fees for building plans, inspectors and matters incidental thereto.

R135,000 is the existing assessment rate income.

Column 9

- (a) R20,000 represents the cost of maintaining existing street trees and planting additional trees, staffing and equipping a recreation centre, maintaining existing parks and road islands and keeping undeveloped park sites clean.
- (b) R500 is the income expected from rented tennis courts, etc.
- (c) R100,000 represents immediate capital required for the construction of two district swimming pools, further park development and vehicles and equipment.
- (d) It is planned to build a Regional Community Centre and to develop parks and sports facilities to an estimated cost of R250,000 up to 1985.

Column 10

- (a) A new labour bureau office will be needed for the whole of the southern areas if they are incorporated. The proportional cost, to the L.A.C.'s area, of this service as well as the cost of law enforcement and other operating expenditure, is R9,100
- (b) Income of R5,300 will be derived from labour bureau, registration, licence and services levy fees.
- (c) The proportional cost to the L.A.C.'s area of establishing and equipping the labour bureau office will be R2,950.
- (d) R305,000 will be spent on providing housing and accommodation for Bantu up to 1985 and installing the necessary ancillary services.
- (e) The expenditure under (a) to (d) above will have no effect on the financial position of the L.A.C. as no shortfall on the Bantu Revenue Account is charged to the Committee's Rate Fund. It will also have no effect on Johannesburg's Rate Fund except where the Council itself decides to debit such Fund with any shortfall.

Column 11

- (a) R18,250 will cover the cost of extending the Council's existing family health, child welfare and environmental health services. All the other services rendered by the City Health Department will be available for the area but it is not expected that this will result in any significant expenditure.
- (b) Income of R4,550 represents State subsidies and part-refunds.

: (c) ...

- (c) R2,000 is the proportional share of the cost of an additional mobile health clinic to the L.A.C.'s area.
- (d) R75,000 represents the cost of erecting and equipping a Regional health Centre for the L.A.C.'s area.

5. This paragraph deals with Tariff Services, figures for which are given in Columns 13 to 16. The estimates of expenditure have been taken from the estimates prepared for the L.A.C. for the 1967/68 financial year but, in addition, account has been taken of certain developments which are taking place, e.g. the sewer reticulation of Kibler Park, which will affect both income and expenditure. Estimates of income have been based upon Johannesburg's tariffs.

In respect of Columns 13 to 15, proposed expenditure will exceed estimated income by R43,000. A further discussion of the Tariff Services is contained in Section D hereunder.

C. All the estimates given in Section B of this Memorandum have been prepared on as realistic a basis as possible on the information presently available. It may well transpire that after some experience of administering the area, the Council may find that certain items for which provision has been made in its estimates should give way to other items which have not been provided but which should take priority. Johannesburg's officials record that these estimates should, therefore, not be considered from the point of view of how and where the money will be spent but from the point of view that the Council has the financial ability to spend the amounts reflected in its estimates in the L.A.C.'s area. The Board's officials record that these estimates appear to them to be reasonable.

D. Tariff Services and Rates.

1. When giving evidence to the Commission on the 21st March 1968, Mr. H.H.S. Venter handed in, as Exhibit 9, a schedule in which the rates and tariff charges paid by residents in the L.A.C.'s area were compared with those which they would pay upon incorporation. A copy of Exhibit 9, as adjusted, is attached for easy reference as Annexure B.

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The figures shown in Annexure B for the properties selected and consumptions stated are accepted as correct by the officials of the Board and of Johannesburg. Annexure B appears to indicate the probability that the majority of owners and some residents stand to gain a direct financial advantage from incorporation. The extent of any advantage will, however, vary from township to township and from property to property, because comparisons have been made in respect of sample properties, and will be affected by varying consumption figures for water and electricity. Consumption of these commodities can be controlled by consumers in contrast with other tariffs such as sewerage and assessment rates.

2. Annexure B (Exhibit 9) remains valid as long as the rates for both Johannesburg and the L.A.C.'s area remain at their present levels and tariff charges for the services concerned remain unaltered.

There can be no certainty in regard to the future rate levels either of Johannesburg or of the L.A.C., but in this regard Johannesburg is prepared to accept as a condition of incorporation that the rates applicable to any townships which are incorporated into Johannesburg and which are lower than Johannesburg's rate at the time of incorporation be frozen for three years from the date of incorporation, such rates to be levied on the valuations applicable in those townships from time to time.

Furthermore, Johannesburg would also be prepared to accept as a condition of incorporation, although it does not consider such a condition to be necessary, that if, at the end of the three year moratorium, Johannesburg's rate level is higher than three cents in the Rand, land in the townships incorporated should, in the first year after the expiry of the moratorium be rated at 3 cents in the Rand plus one-half of the difference between 3 cents and Johannesburg's current rate. In the second year after expiry of the moratorium the full rate applicable in Johannesburg would have to be paid.

The following example will serve to illustrate what is intended, assuming that incorporation takes place in 1968.

THE FIGURES GIVEN IN THIS AND THE NEXT EXAMPLE ARE FOR ILLUSTRATION PURPOSES ONLY AND MUST NOT BE TAKEN TO MEAN THAT JOHANNESBURG'S RATE LEVELS WILL BE INCREASED AT ALL OR THAT, IF THERE IS ANY INCREASE, IT WILL BE TO THE LEVELS INDICATED.

Financial Year	Oakdene	Johannesburg
	Rate Level	Rate Level
1968/69	2.9	3.0
1969/70	2.9	3.0
1970/71	2.9	3.5
1971/72	3.25	3.5
1972/73	3.5	3.5

The position would be different if Johannesburg's rate were to be increased in the fourth year because the ratepayers would be expected to pay the full increase for that particular year, as illustrated by the following example:-

Financial Year	Oakdene	Johannesburg
	Rate Level	Rate Level
1968/69	2.9	3.00
1969/70	2.9	3.25
1970/71	2.9	3.25
1971/72	3 + .125 + .25 (3.375)	3.50
1972/73	3.50	3.50

In other words, in the fourth year the ratepayers would have to pay three cents plus one-half of the difference between three cents and the current rate applicable at the expiry of the moratorium,

:- which

which in the example would be .125 cents, plus the full increase for the 1971/72 year, which would be .25 cents. The ratepayers would thus pay a total of 3.375 cents in the Rand as against Johannesburg's 3.5 cents.

E. 1. Indirect Financial Advantages

The statements under this heading are made by Johannesburg's officials and the Board's officials can offer no comment on them.

Because of Johannesburg's financial strength, the L.A.C.'s area will also stand to gain certain indirect financial advantages from incorporation. These are discussed below.

- (1) Johannesburg's financial strength can be deduced from the schedule headed "Capital Finance Compared with Outlay" (Annexure C attached)

From that schedule it would appear :-

- (a) that R172,101,685 or 45% of the total assets of the Council of R380,158,345 is debt free;
- (b) that 16% of the total assets are financed from the Council's Capital Development Fund.
- (c) that Capital expenditure from net borrowings amount to 39% only, of which a further 6% is financed from short-term borrowings.

:- (d) ...

- (d) The Capital Assets fully paid off represent approximately ten years' rate income based on the current valuation roll.
- (e) A large amount of assets have been written off but are in fact still in service. These represent service mains, roads, etc., and would considerably increase the 45% previously mentioned.
- (f) Because so large a proportion of assets is debt-free, loan charges are avoided in a way and on a scale that could not apply in a new town of comparable development. Annual loan charges on the present debt-free assets valued at R172,101,685 @ 7½% for 30 years (annuity basis) would equal + R14,572,000 or roughly 85% of Johannesburg's assessment rates for 1967/68. To meet such a load would involve raising the rate levy from 3c to 5½c in the Rand.
- (g) The Capital Development Fund now totals R44¼ million, and is able to sustain annual capital expenditure in the region of R5 million on repayable advances of which those to the non-remunerative rate fund services bear no interest. The importance of the fund is that it minimises calls on the money market.
- (h) From the above it is clear that Johannesburg has considerable ability to finance capital expenditure other than by raising external loans. Apart from this assets purchased from revenue amount to roughly R1 million per annum.

The significance of all this is that if a new municipality were created for the L.A.C.'s area it would not have the financial strength which Johannesburg possesses. Most assets would have to be purchased out of loan funds and this would result in an annual dead weight burden as far as loan charges are concerned, apart from such further inevitable expenditure as repairs, maintenance and other operating expenditure which goes hand in hand with capital expenditure. Experience has shown that a new municipality must finance such petty items as office machines and office furniture out of external loans. This, though not wrong in principle, adds unnecessary burdens on the rate income of the local authority.

E. 2. The Advantages which accrue to Johannesburg from its Consolidated Loans Fund.

- (1) To illustrate the advantages of the Consolidated Loans Fund let us take a proposed capital expenditure of R404,000. Loan charges on this would be :-

Redemption	R13,466
Interest (Average)	<u>9,952</u>
	<u>R23,418 per annum.</u>

If loan charges were calculated on the terms and conditions on which a loan could probably be raised by a new local authority the average loan charges would be in the region of R34,207 per annum.

E. 3. The Advantages of Johannesburg's Trading Departments.

Johannesburg's net income as estimated for 1967/68 is as follows:-

Assessment Rates	R15,887,858
Licensing Income	1,045,842
Trading Departments.....	<u>1,324,280</u>
	<u>R18,257,980</u>

The contributions made by the trading departments to the Rate Fund assist materially in keeping rates at a reasonable level.

E. 4. The Benefit of a central business and financial core.

Approximately half of Johannesburg's rate income is derived from land within one mile of the centre of the city.

The benefit of this is that the burden of rates is borne by those property owners who can shift the burden best and relieves the ordinary householders of a large burden.

Put another way this means that half of all non-remunerative expenditure is paid for by the central business district.

In contrast a new town which has no central financial and business district must impose the burden of all non-remunerative expenditure on to the ordinary householders.

Reduced to a basic example, if say the South Rand Local Area Committee's area were incorporated into Johannesburg and necessitated a certain amount of non-remunerative expenditure, then the property-owners of the South would have to bear only $\frac{6}{576}$ ths of the expenditure whereas the original ratepayers of the City would bear $\frac{570}{576}$ ths of the expenditure, $\frac{270}{576}$ ths being borne by the ratepayers within the centre mile of the City.

The above exercise shows that if the L.A.C.'s area became part of Johannesburg the residents of the South would only have to bear a portion of any future non-remunerative expenditure. This is based on the relationship which the total rateable valuation of the South bears to the total rateable valuations of the South and Johannesburg taken together. By contrast if a new local authority were established in the South the ordinary householders in that area would feel the pinch directly and would have to bear the full expenditure as distinct from $\frac{6}{576}$ ths of it.

E. 5. Economies resulting from existing organization

Johannesburg has an established organization and with the incorporation of additional areas will be able to cope with the additional load with the minimum of additional staff. It also has a most powerful computer and can deal with the accounting and revenue collection functions if additional areas were incorporated in it with no real difficulty.

On the other hand if a new town were created for the South there would be unnecessary duplication of staff and, expenditure.

E. 6. Comparison of Budgets

Annexures D, E & F show a summary of the estimated income and expenditure for 1967/68 of the Local Area Committees of Lenasia, South Rand, Willowdene, Klipriviersoog and the Bantu Administration

Account for the Southern areas combined with that of Johannesburg.

Line (a) of Annexure F shows the estimated combined budget for all the areas being considered for incorporation, excluding Council-owned land. Line (c) reflects Johannesburg's budget and line (d) shows the effect of combining the estimates of Johannesburg with those of all the Southern areas.

From these schedules it is evident that, taking the approved estimates of the whole of the Southern Areas for 1967/68 as a basis in the event of incorporation into Johannesburg, there will be no effect on the budget of Johannesburg. The following points are made :-

- (a) The ordinary income of all the Southern Areas represents 1.3% of such a combined Income Budget.
- (b) The ordinary expenditure of all the Southern Areas represents 1.4% of the combined Expenditure Budget.
- (c) The Capital Expenditure of all the Southern Areas represents .91% of the combined Capital Budget.

It may be appropriate to consider what would the effect be on the finances of Johannesburg if the L.A.C.'s area were to be incorporated, taking the estimates of income and expenditure as detailed in Annexure "A" to this memorandum as a basis. From Annexure "A" it will appear that Revenue Expenditure will amount to R509,600 while Income will be R351,600 leaving a shortfall to be borne by the Johannesburg Rate Fund of R158,000. This shortfall will represent .0277% in the Rand on Johannesburg's total land valuations. Johannesburg will in fact not have to increase its rates to cope with this increased expenditure because of the buoyancy of its finances. The final valuation roll will yield approximately R1,000,000 more than the amount provided in the 1967/68 Estimates which were based on the provisional valuation roll. It is thus also obvious that Johannesburg would be able to cope with the incorporation of all the Southern Areas which, on the basis of Johannesburg's original memorandum, would have resulted in a net cost of R586,380 in the first year (Refer to line (b) of Annexure F)

On the other hand, if the South Rand Local Area Committee were to spend similar amounts to those reflected in Annexure "A" in its area, the rates in the area would have to be more than doubled.

F. The facts contained in this Joint Memorandum make it quite clear that incorporation of the L.A.C.'s area into Johannesburg would be to the direct and indirect financial advantage of the inhabitants of the area.

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CITY OF JOHANNESBURG.

SUMMARISED ESTIMATE OF THE FINANCIAL IMPLICATIONS OF INCORPORATING THE AREA OF THE SOUTH RAND LOCAL AREA COMMITTEE.

Details.	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.		13.	14.	15.	16.
	12(a) + 12(b)	Library	Licens- ing	Fire	Trans- port	Traffic	Roads & Storm- water	General Admini- stration	Parks	N.E. Affairs	City Health	(a) Sub-Total Rate Fund Services 2 - 11	(b) Sub-Total Tariff Services 13 - 16	Water	Sanita- tion & Refuse	Sewer- age	Elec- tricity
	R.	R.	R.	R.	R.	R.	R.	R.	R.	R.	R.	R.	R.	R.	R.	R.	R.
A. Revenue Expenditure for 1st Year ...	509,600	43,800	4,800	33,600	7,600	11,400	56,000	49,650	20,000	9,100	18,250	254,200	255,400	56,000	64,000	105,000	30,400
B. Income for 1st Year	351,600	Nil	12,000	3,750	Nil	1,500	-	Sundry Revenue 7,000 Asses. Rate 135,000	500	5,300	4,550	169,600	182,000	51,000	62,000	69,000	-
C. Immediate Capital Required... ..	112,850	1,800	-	4,500	-	1,600	-	-	100,000	2,950	2,000	112,850	-	-	-	-	-
D. Capital Required up to 1985... ..	2,600,000	138,000	4,000	250,000	-	13,000	525,000	-	250,000	305,000	75,000	1,560,000	1,040,000	240,000	50,000	750,000	-

TABLE SHOWING A COMPARISON OF PRESENT RATES AND

TARIFFS FOR SERVICES IN VARIOUS

TOWNSHIPS WITH THOSE PAYABLE

IN JOHANNESBURG.

ANNEXURE "B"

Township	Stand	Valuation		Annual Rates	3c. in R.	Annual Rates	Annual Increase in Rates (a)	Annual Saving on electricity (b)	Difference between increased rates and Savings on Electricity (b) - (a) = (c)	Water		Difference (d)	Refuse Removal		Difference (e)	Vacuum Tank Services			Sewerage			Total Differences per annum.	
		R	C							R. C.	C		R. C.	R. C.		R. C.	R. C.	Min. of 3000 gal. p.m.	At Jhb. tariff	Exist-ing	Jhb	Exist-ing	Jhb
Mondeor	442	1,500	2.75	41-25	3	45-00	3-75	18-36	15-61	9-90	11-52	1-62Dr	15-00	20-00	5-00Dr	43-20	37-80	5-40	49-50	20-50	29-00\$	14-39	
Mondeor	527	2,300	2.75	63-25	3	69-00	5-75	20-48	14-73	9-90	11-52	1-62Dr	15-00	20-00	5-00Dr	62-40	54-80	7-80	49-50	20-50	29-00\$	15-91	
Mondeor	601	1,400	2.75	38-50	3	42-00	3-50	20-44	16-94	9-90	11-52	1-62Dr	15-00	20-00	5-00Dr	57-60	50-40	7-20	49-50	20-50	29-00\$	17-52	
Linmeyer	47	2,000	2.00	40-00	3	60-00	20-00	21-92	1-92	9-90	11-52	1-62Dr	15-00	20-00	5-00Dr	-	-	-	34-90	20-50	14-40	9-70	
Linmeyer	160	2,400	2.00	48-00	3	72-00	24-00	24-20	-20	9-90	11-52	1-62Dr	15-00	20-00	5-00Dr	-	-	-	37-90	20-50	17-40*	10-98	
Linmeyer	343	1,600	2.00	32-00	3	46-00	16-00	16-84	-84	9-90	11-52	1-62Dr	15-00	20-00	5-00Dr	-	-	-	34-90	20-50	14-40*	8-62	
Oakdene	Ptn 3/1/14 (9012)	1,200	2.90	34-80	3	36-00	1-20	14-80	13-60	13-50	11-52	1-98	15-00	17-50	2-50Dr	-	-	-	41-20	20-50	19-70*	32-78	
Oakdene	Ptn 14/19 (9084)	2,000	2.90	58-00	3	60-00	2-00	22-28	20-28	13-50	11-52	1-98	15-00	20-00	5-00Dr	-	-	-	41-20	20-50	19-70	36-96	
Oakdene	Ptn 16/23 (9080)	2,200	2.90	63-80	3	66-00	2-20	20-28	18-08	13-50	11-52	1-98	15-00	20-00	5-00Dr	-	-	-	41-20	20-50	19-70*	34-76	
Risana	50	1,040	2.00	20-80	3	31-20	10-40	-	10-40Dr	9-90	11-52	1-62Dr	15-00	20-00	5-00Dr	-	-	-	-	-	-	17-02Dr	
Risana	84	1,620	2.00	32-40	3	48-60	16-20	-	16-20Dr	9-90	11-52	1-62Dr	15-00	20-00	5-00Dr	-	-	-	-	-	-	22-82Dr	
Risana	103	1,215	2.00	24-30	3	36-45	12-15	-	12-15Dr	9-90	11-52	1-62Dr	15-00	20-00	5-00Dr	-	-	-	-	-	-	18-77Dr	
Aeroton	10	4,000	1.25	50-00	3	120-00	70-00	-	70-00Dr	825-00	744-00	81-00			11						11	11-00	
Aeroton	7	4,400	1.25	55-00	3	132-00	77-00	-	77-00Dr	132-00	153-60	21-60Dr			11						11	98-60Dr	
Aeroton	2	25,900	1.25	323-75	3	777-00	453-25	-	453-25Dr	825-00	744-00	81-00			11						11	372-25Dr	
Baragwanath	3	18,000	1.00	180-00	3	540-00	360-00	-	360-00Dr	660-00	624-00	36-00	82-20	219-20	137-00Dr	At Present Paying To Johannesburg					561-00Dr		
Baragwanath	4	5,000	1.00	50-00	3	150-00	100-00	-	100-00Dr														
Meredale	68	900	2.90	26-10	3	27-00	-90	-	-90Dr	12-60	11-52	1-08	15-00	20-00	5-00Dr	-	-	-	-	-	-	4-82Dr	
Meredale	82	1,100	2.90	31-90	3	33-00	1-10	-	1-10Dr	12-60	11-52	1-08	15-00	20-00	5-00Dr	-	-	-	-	-	-	5-02Dr	
Meredale	134	1,300	2.90	37-70	3	39-00	1-30	-	1-30Dr	12-60	11-52	1-08	15-00	20-00	5-00Dr	-	-	-	-	-	-	5-22Dr	
Alan Manor	Ptn 10 Cons 51	1,200	1.25	15-00	3	36-00	21-00	-	21-00Dr													21-00Dr	
Alan Manor	RE 34	5,100	1.25	63-75	3	153-00	89-25	-	89-25Dr													89-25Dr	
Alan Manor	RE 6	13,000	1.25	162-50	3	390-00	227-50	-	227-50Dr													227-50Dr	
Alan Manor	Ptn 50 of 22	12,000	1.25	150-00	3	360-00	210-00	-	210-00Dr	33-00	38-40	5-40Dr	15-00	20-00	5-00Dr	-	-	-	55-50	20-50	35-00	185-40Dr	
Kibler Park	10	1,100	2.00	22-00	3.00	33-00	11-00	-	11-00Dr	11-52	11-52	-	15-00	20-00	5-00Dr	-	-	-	55 39-50	20-50	35-00	15-00	
Kibler Park	696	1,450	2.00	29-00	3.00	43-50	14-50	-	14-50Dr	11-52	11-52	-	15-00	20-00	5-00Dr	-	-	-	55 39-50	20-50	35-00	15-50Dr	
Kibler Park	797	1,300	2.00	26-00	3.00	39-00	13-00	-	13-00Dr	11-52	11-52	-	15-00	20-00	5-00Dr	-	-	-	55 39-50	20-50	35-00	17-00	

\$ Not included.

* Uncertain whether these properties are in fact sewered.

|| Unknown.

* Appears to be vacant.

* Estimated ^{AS PER M22/11/11} to be the same as minimum for Mondeor as service is still under construction.

ANNEXURE C

CAPITAL FINANCE COMPARED WITH OUTLAY
(AS AT 30th JUNE, 1967).

	R.	R.	R.	%.
<u>External Loan Debt:</u>				
1. Government Housing Loans... ..			34,209,581	9
2 Long-term Loans			122,133,737	32
3 Short-term Borrowings			8,228,462	2
4			<u>164,571,780</u>	<u>43</u>
5 <u>Deduct: Liquid Investments.</u>			<u>31,639,691</u>	<u>8</u>
6			132,932,089	35
7 <u>Short-term Internal Borrowings</u>			21,535,471	6
8 Trust Funds and Specific Pro- visions	8,722,621			
9 General Insurance Fund	5,230,712			
10 Tariffs Stabilisation Funds	5,008,819			
11 Maintenance of Buildings Reserve.	<u>2,573,319</u>			
12			<u>154,467,560</u>	<u>41</u>
13 <u>Deduct: Sundry Debtors</u>			<u>6,587,294</u>	<u>2</u>
14 A. <u>Capital Outlay from Net Borrowings.</u>			147,880,266	39
15 B. <u>Capital Outlay from Per- manent Pools.</u>		60,176,394)		16
16 Capital Development Fund	44,501,964			
17 Permanent Capital Reserves	<u>15,674,430</u>		232,278,079	
18 C. <u>Capital Assets Fully Paid Off.</u>		172,101,685)		45
19 Property and Permanent Works (at cost)... ..	146,842,968			
20 Other Capital Outlay	<u>25,258,717</u>			
21 <u>TOTAL CAPITAL OUTLAY:</u>			<u><u>380,158,345</u></u>	<u>100</u>

CITY TREASURER'S DEPARTMENT-JOHANNESBURG.

SUMMARY OF ESTIMATED INCOME INCLUDED IN

THE ESTIMATES FOR 1967/68.

ANNEXURE D

(SOUTHERN AREAS AND JOHANNESBURG.)

	Lenasia	South Rand	Willowdene	Klipriviersoog	Bantu Administration South	Sub Total	Johannesburg	Total
	R	R	R	R	R	R	R	R
Assessment Rates	60,038	134,696	8,361	52,178		255,273	15,887,858	16,143,131
Library						-	29,430	29,430
Licensing	350	650	130	450		1,580	1,745,805	1,747,325
Traffic						-	1,872,000	1,872,000
Fire and Ambulances		100				100	122,700	122,800
General Administration						-	663,708	663,708
Cleansing (San. & Ref.)		26,434		65,394		91,828	3,083,800	3,175,628
Parks & Cemeteries		400		2,008		2,403	374,370	376,778
City Health	875	1,155	210	20,125		22,365	680,040	702,405
Sewerage	36,053	100,982		5,470		142,505	3,786,500	3,929,005
Roads & Stormwater		7,200		3,414		10,614	-	10,614
Miscellaneous Funds						25,300	17,529,676	17,554,976
Abattoir						-	1,099,300	1,099,300
Electricity	*226,800					226,800	19,173,000	19,399,800
Gas						-	2,180,000	2,180,000
Produce						-	945,325	945,325
Transport						-	4,719,340	4,719,340
Water	35,000	45,734	5,402	58,067		144,203	5,535,514	5,679,717
Other	7,790	60,730	2,815	50,377		121,712	145,670	267,382
	366,906	378,081	16,918	257,483	25,300	1,044,688	79,574,036	80,618,724

*Cost of house connections (Electricity) of R72,000 included in expenditure per contra.

CITY TREASURER'S DEPARTMENT - JOHANNESBURG.

ANNEXURE E

SUMMARY OF EXPENDITURE INCLUDED IN THE
ESTIMATES FOR 1967/68.

(SOUTHERN AREAS AND JOHANNESBURG).

	Lenasia	South Rand	Willowdene	Klipriviers- oog	Bantu Administration South	Sub Total	Johannesburg	Total
	R	R	R	R	R	R	R	R
Salaries, Wages & Allowances	40,885	92,449	6,527	82,929	32,854	255,644	37,645,879	37,901,523
Miscellaneous Expenses	121,994	58,870	2,237	46,440	4,839	234,380	44,530,504	44,764,884
Repairs and Maintenance	40,550	90,369	2,771	30,555	-	164,245	8,340,723	8,504,968
Loan Charges	58,927	102,971	2,349	12,831	-	177,078	20,098,200	20,275,278
Sub Total	262,356	344,659	13,884	172,755	37,693	831,347	110,615,306	111,446,653
Extraordinary Expenditure	-	-	-	-	-	-	4,459,706	4,459,706
Contributions to Capital Outlay	84,200	109,280	2,608	50,460	-	246,548	1,221,620	1,468,168
Grants-in-aid							898,126	898,126
Other		37,018	909	34,226	-	72,153	-	72,153
	346,556	490,957	17,401	257,441	37,693	1,150,048	117,194,758	118,344,806
Deduct Redistributions	-	-	-	-	-	-	36,334,585	36,334,585
Total	346,556	490,957	17,401	257,441	37,693	1,150,048	80,860,173	82,010,221

CITY TREASURER'S DEPARTMENT - JOHANNESBURG.

SUMMARY OF ESTIMATES OF INCOME AND EXPENDITURE FOR YEAR ENDING 30th JUNE, 1968.

(SOUTHERN AREAS AND JOHANNESBURG).

	Income					Expenditure				
	Surplus Brought Forward 30.6.67	Ordinary Income	Deficit Carried Forward 30.6.68	Capital Funds	Total	Deficit Brought Forward 30.6.67	Ordinary Expenditure	Surplus Carried Forward 30.6.68	Capital Expenditure	Total
	R	R	R	R	R	R	R	R	R	R
Lenasia	32,014	366,906		297,840	696,760		346,556	52,364*	297,840	696,760
South Rand	217,734	378,081		89,560	685,375		490,957	104,858	89,560	685,375
Willowdene	10,486	16,918		-	27,404		17,401	10,003*	-	27,404
Alipriversoog	5,416	257,483		41,500	304,399		257,441	5,458	41,500	304,399
Bantu Administration	-	25,300	12,393	-	37,693		37,693	-	-	37,693
Total (a)	265,650	1,044,688	12,393	428,900	1,751,631		1,150,048	172,683	428,900	1,751,631
Estimated Income & Expenditure to be incurred by Johannesburg. (b)	-	1,008,794	586,380	298,900	1,894,074		1,595,174		298,900	1,894,074
Johannesburg (c)	1,328,499	79,574,036		46,676,403	127,578,938		80,860,173	42,362 ^z	46,676,403	127,578,938
(a) + (c) = (d)	1,594,149	80,618,724	12,393	47,105,303	129,330,569		82,010,221	215,045	47,105,303	129,330,569

^δ This excludes the accumulated surpluses of the Electricity, water and other undertakings.

* This includes the surpluses of the Electricity and Water undertaking for the year.

? Unknown.

^z After Revenue Appropriations of R4,459,706.

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