



**EMALAHLENI MUNICIPALITY
BUDGET STRATEGY AND
EXPENDITURE FRAMEWORK**

FOR

2010/11 – 2012/13

TABLED JUNE 28, 2010

EMALAHLENI TABLED BUDGET 2010

1. Table of Contents

No.	Section description	Page
1	Table of Contents – Listing of Schedules, Tables and Graphs	2
2	Mayoral Budget Speech	5
3	Budget Related Resolutions	6
	The Budget	
4	Executive Summary	8
5	Budget Schedules (operating and capital)	16
6	Budget Related Charts and Explanatory Notes	27
	Supporting Documentation	
7	Budget Process Overview (including consultation process and outcomes)	32
8	Alignment of Budget with Integrated Development Plan	39
9	Budget Related Policies Overview and Amendments	45
10	Budget Assumptions	47
11	Funding the Budget (including fiscal overview and sources of funding)	50
12	Disclosure on Allocations Made by the Municipality	67
13	Disclosure on Salaries, Allowances and Benefits	68
14	Monthly Cash Flows by Source	71
15	Measurable Performance Objectives (Revenue Source & Vote)	79
16	Disclosure on Implementation of MFMA & Other Legislation	82
17	Summary of Budgets/SDBIPs – departmental/functional (internal)	84
18	Summary of Budgets and SDBIPs – entities & other external mechanisms	90
19	Summary of Detailed Capital Plan	91
A	Appendix A – Rates and Tariffs	
B	Appendix B – New and Amended Policies	

EMALAHLENI TABLED BUDGET 2010

Listing of Schedules, Tables and Graphs

No.	Description	Page
	Total Revenues Summary Pie Chart	13
	Total Expenditures Summary Pie Chart	14
	Functional Organizational Chart	15
Table A1	Budget Summary	17
Table A2	Budgeted Financial Performance (revenue and expenditure by standard classification)	18
Table A3	Budgeted Financial Performance (revenue and expenditure by municipal vote)	19
Table A4	Budgeted Financial Performance (revenue and expenditure)	20
Table A5	Budgeted Capital Expenditure by Vote, standard classification and funding	21
Table A6	Budgeted Financial Position	22
Table A7	Budgeted Cash Flows	23
Table A8	Cash backed reserves/accumulated surplus reconciliation	24
Table A9	Asset Management	25
Table A10	Basic Service Delivery Measurement	26
Chart 1	Operating Revenue by Source	28
Chart 2	Operating Expenditure by GFS Function	29
Chart 3	Capital Expenditure by Vote	30
Chart 4	Capital Funding by Source	31
Table SA4	Reconciliation of IDP to Budget - Revenue	42
Table SA5	Reconciliation of IDP to Budget - Operating Expenditure	43
Table SA6	Reconciliation of IDP to Budget - Capital Expenditure	44
	Listing of Budget Assumptions	47
Table SA10	Funding Measurement	52
Table SA8	Performance Indicators and Benchmarks	53
Table SA15	Investment Particulars by Type	57

EMALAHLENI TABLED BUDGET 2010

Table SA16	Investment Particulars by Maturity	58
Table SA19	Expenditures on transfers and grant programme	61
Table SA18	Transfer and Grant Receipts	62
Table SA 20	Reconciliation of transfers, grant receipts and unspent funds	63
	Listing of Cash Carryovers	65
Table SA17	New Borrowing	66
Table SA21	Transfers and grants made by the municipality	67
Table SA23	Disclosure of Salary, Allowance and Benefits (political office bearers/councillors/senior managers)	68
Table SA22	Summary of councillor and staff benefits	69
Table SA24	Summary of Personnel Numbers	70
Table SA25	Budgeted monthly revenue and expenditure	72
Table SA26	Budgeted monthly revenue and expenditure (municipal vote)	73
Table SA27	Budgeted monthly revenue and expenditure (standard classification)	74
Table SA28	Budgeted monthly capital expenditure (municipal vote)	75
Table SA29	Budgeted monthly capital expenditure (standard classification)	76
Table SA30	Budgeted monthly cash flows	77
Table 10	Revenues by source and Vote	79
	Summary of Directorates SDBIP's	85-89
Table SA34a	Capital expenditure on new assets by asset class	91-93
Table SA35	Future financial implications of the capital budget	93
	Schedule – Conditional Grants – operating budget	94
	Capital Expenditures by Source/Ward	95-116
	Appendix A – Rates and Tariffs	
	Appendix B New and Amended Policies	

EMALAHLENI TABLED BUDGET 2010

2. Mayoral Budget Speech

To be presented with the FINAL budget presented to council for approval.

EMALAHLENI TABLED BUDGET 2010

3. Budget Related Resolutions

1. Council resolves that the annual budget of the Emalahleni Local Municipality for the financial year 2010/11; and indicative for the two projected outer years 2011/12 and 2012/13 be approved as encapsulated and set-out herein and reflected in the following tables incorporated herein:
 - 1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) **Table A2.**
 - 1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) **Table A3.**
 - 1.3. Budgeted Financial Performance (revenue and expenditure by source) **Table A4.**
 - 1.4. Budgeted Capital Expenditure by vote, standard classification and funding **Table A5.**
 - 1.5. Budgeted Financial Position **Table A6.**
 - 1.6. Budgeted Cash Flows **Table A7.**
 - 1.7. Cash Backed Reserves/accumulated surplus Reconciliation **Table A8.**
 - 1.8. Asset Management **Table A9.**
 - 1.9. Basic Service Delivery **Table A10.**
2. Council resolves that property rates and any other municipal taxes reflected in **appendix A** are imposed for the budget year.
3. Electricity tariffs be imposed at 28,9% approved by NERSA for bulk purchases with effect 01 July 2010.
4. Council resolves that tariffs and charges reflected in **appendix A** are approved for the budget year.
 - 4.1 Council resolves that the Electricity tariffs for non-indigent consumers be approved with 20% with effect 01 July 2010.
 - 4.2 Council resolves that the monthly electricity tariffs for registered indigents for the financial year be approved as follows:

First 50 Kw	Free
In excess of 50Kw	Increase of 20%

EMALAHLENI TABLED BUDGET 2010

4.3 Council resolves that the following Finance Policies and Strategies and Action plans as reviewed and reflected in Appendix B be adopted:

- i) Emalahleni Local Municipality Fraud Prevention Plan
- ii) Emalahleni Local Municipality Fraud & Anti Corruption Policy
- iii) Emalahleni Local Municipality Risk Management Strategy
- iv) Emalahleni Local Municipality Risk Management Committee Charter
- v) Emalahleni Local Municipality Disposal Policy
- vi) Emalahleni Local Municipality Asset Policy
- vii) Emalahleni Local Municipality Supply Chain Policy

5. Council resolves that the measurable performance objectives for revenue from each source reflected in **table 10** are approved for the budget year.

6. Council resolves that the measurable performance objectives for each vote reflected in **section 17** are approved for the budget year 2010/11.

7. Council resolves to adopt the amended Integrated Development Plan as submitted.

8. That the 8,48% provided for salary increases for employees is maintained.

9. That indigent income levels are set at the following:

Indigent	R 2100
----------	--------

EMALAHLENI TABLED BUDGET 2010

The Budget

4 Executive Summary

The Municipal Finance Management Act (MFMA) and the related Circulars that have been distributed by the National Treasury require that the Mayor table a three year medium term budget strategy and expenditure framework to the Emalahleni Municipal Council by the end of March for the financial year beginning July 1, 2010 and ending June 30 2013.

The tabled budget is to be taken out to the public for consultation and then with all revisions be brought back to the entire municipal council for approval before the beginning of the new financial year as required in the MFMA. This final budget to be brought back to council will incorporate any of the submissions and changes that are deemed required by the Mayor.

Most of the requirements of the MFMA concerning the budget content and documentation are in place for this budget process and were incorporated into this budget document. Major requirements of the MFMA include:

- 1) the budget must set out 'realistically anticipated revenues' for the year by each revenue source;
- 2) the budget must be generally divided between capital and operating expenditures and each must be set out by 'vote';
- 3) expenditures can only be funded by 'realistic' revenues, surplus cash carried forward and not committed to any other expenditure or borrowed funds (borrowed funds can only be used to fund capital projects).

There are many other format requirements for the budget that are too numerous to mention here, however, a complete listing can be found in section 17 of the MFMA.

The preparation of this budget document evolved the making of critical policy decisions and key strategies and policy directions that were given by the Executive Committee over the past months. A 'baseline' budgets was developed in consultation with the Executive and formed the basis for operating budget discussions. These were given to the Managers to review and revise within given guidelines. These revised baseline budgets returned by the managers then formed the basis for the draft budget that was built upon the key assumptions and decisions (*see section 10 for a discussion of budget assumptions*).

The budget and financial policies used to develop this budget are focused on making Emalahleni financially sustainable in the long run. One of the biggest

EMALAHLENI TABLED BUDGET 2010

challenges facing the municipality in the near future is maintaining an operating year end cash balance to allow for positive operating cash flows and unexpected contingencies. We must not only have sufficient cash available to pay all the creditors that we owe as required by the MFMA but also to allow for a cash reserve to even out sporadic cash flows during the operating year. We, due to our restricted revenue base and high level of poverty, are however currently not in a position to meet this goal but must continue our work toward achieving it in the medium term.

As presented the Budget for 2010/11 balances expenditure with revenues and available cash balances as required by the MFMA. This has been achieved by stringent cost cutting measures on own funded projects within the Municipality which will regrettably delay and hamper service delivery.

Operational Revenues are anticipated to reach **R 99, 260 MILLION** (including currently known grants received for operational expenditures); **operational expenditures** funded from cash carry forwards and operating revenues are proposed at **R 99, 042 MILLION**.

The Capital Budget is funded from a blend of conditional grants, limited own funds and cash carried forward from prior years. Capital expenditures for 2010/11 are estimated to total **R31, 236 Million** for a variety of projects and purchases.

In preparing the budget many issues emerged that had to be taken into account. Several assumptions were utilized to produce estimates and forecasts. In addition, many policy decisions were incorporated into this budget document. The following list attempts to give the most significant of these.

Operating Revenues

- Revenues are shown on a 'billed' (or accrual) basis where applicable. In many cases revenue billed is much higher than cash actually collected on that billing. An offsetting bad debt expense is also included to cover other services as a single amount and a separate amount to cover water & sanitation. This expense must be considered in any revenue discussion. **Allocations for bad debt** include the following amounts.

○ RATES & OTHER SERVICES	3.4 MILLION
○ WATER & SANITATION	2.5 MILLION

EMALAHLENI TABLED BUDGET 2010

- **Rates and tariffs** in most cases contain proposed increases. A detailed listing and explanation of these is included in this document (see appendix A). To summarize these recommended increases:
 - Electricity 20.0% increase
 - Rates 5.7% increase
 - Refuse Collection 5.7% increase
 - Water & Sanitation 6.0% increase
- The **Equitable Share** Allocation from the National Treasury is R51,330 Million which is an increase from the current budget of R 42,105.
- The operating budget anticipates an agency **payment from the Chris Hani District Municipality** for providing the water and sanitation service of **R22 625 624 in the Emalahleni Municipal Area.**

Operating Expenditures

- **Employee salaries** and related expenses are increased by the level indicated by correspondence from SALGA. This amount to an **8,48% increase in 2010/11**. In addition, all positions are budgeted to be filled for the entire year except where contract workers are used in the place of a vacancy. Council salaries are also budgeted to increase by 10% .The salary bill makes up **42,2 %** of the Operating budget.
- **Electricity bulk purchases** are anticipated to **increase by 28.9%** for next year.
- All costs related to our current **DBSA loan** and the repayment for water reticulation are fully funded in this budget.
- An amount of **R 750 000** has been allocated in the operating budget for normal street maintenance and repairs material
- **An amount** is included in the operating budget for the purchase of vehicles, small equipment and machinery in the sum of R2,903,000.

Capital Budget

The capital budget reflected in this document utilizes actually anticipated revenues and cash forward to fund the budgeted expenditures of **R 31,2 million**. The largest of these include the **MIG grant (R15 million)**, **Eskom grant (R5 million)**, **Chris Hani District Municipality (R3.2 million)**, **EPWP (R1.2 million)**, **Own Funds (R2.4 million)** and **Cash Carry Forwards (R3.3 million)**.

EMALAHLENI TABLED BUDGET 2010

Other items in the operating budget

Included in the appendix is a separate listing of various conditional grants/other funded items and programs included within the operating budget. Most of these items (amounting to some R2 Million) are funded by conditional grants that specify exactly what the money can be expended on.

Conclusion

The budget as presented in this document meets the requirements of the MFMA and is presented to Council for consideration and review.

As with any such endeavour, preparation of this document required the participation and time of many individuals. Appreciation and thanks are expressed to all those involved in making this possible.

The table and charts below show the percentage makeup of the revenue and expenditures for the 2010/11 EMALAHLENI Budget.

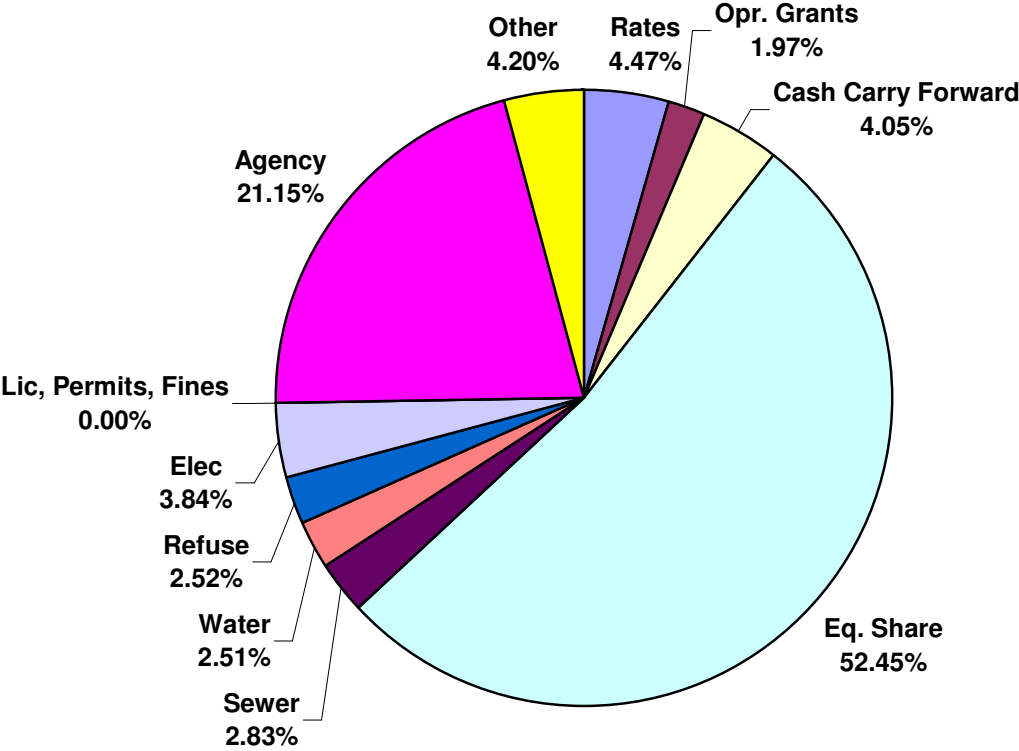
Emalahleni Tabled Budget

Executive Summary 2010/11 Tabled Budget Overview

Revenues			
Operating Budget Revenues (000's)		Capital Budget Revenues (000's)	
Assessment Rates	4,545	Municipal Infrastructure Grant (MIG)	15,978
Fines	11	Eskom Grant	5,000
Electricity Tariffs	3,905	Chris Hani District Municipality	3,243
Interest on Debtor Accounts	1,150	EPWP	1,239
Water Tariffs	2,556		
Sewer Tariffs	2,881		
Refuse Tariffs	2,565		
Government Grants and Subsidy:			
Equitable Share	51,330		
Operational Grants	<u>2,000</u>		
	53,330		
Agency Fees:			
Water and Sewer	19,383		
Libraries	<u>495</u>		
	19,878		
Gain on Sale of Assets	-		
Other Revenues	<u>6,733</u>		
	<u>97,553</u>		
Total Operating Revenues	<u>97,553</u>	Total Capital Revenues	<u>25,460</u>
Cash Carry Over from prior year (grants)	4,118	Cash Carry Over Prior Year (grants)	3,366
Total Revenue and Cash	<u><u>101,670</u></u>		<u><u>28,826</u></u>
Expenditures			
Operating Budget Expenditures (000's)		Capital Budget Expenditures (000's)	
Salaries, Wages, Allowances & related costs	43,964	Roads, Pavements, Bridges and Stormwater	17,328
Depreciation Charges	662	Electricity Reticulation	5,221
Bulk Purchases - Electricity & Water	8,090	Street Lighting	400
General Expenses	25,145	Other Infrastructure	1,714
Repairs and Maintenance	8,975	Vehicles & Plant	2,903
Repayment on Municipal Debt	74	Sportfields	50
Provision for Bad Debts:		Computer Hardware	740
Assessment Rates	3,463	Furniture & Equipment	780
Water	1,075	Buildings	670
Sewer	<u>1,478</u>	Mining	529
	6,015	Pre Schools	902
Operational Grants	6,118		
Provision for Working Capital	218		
Total Operating Budget Expenditures	<u>99,260</u>	Total Capital Expenditures	<u>31,236</u>

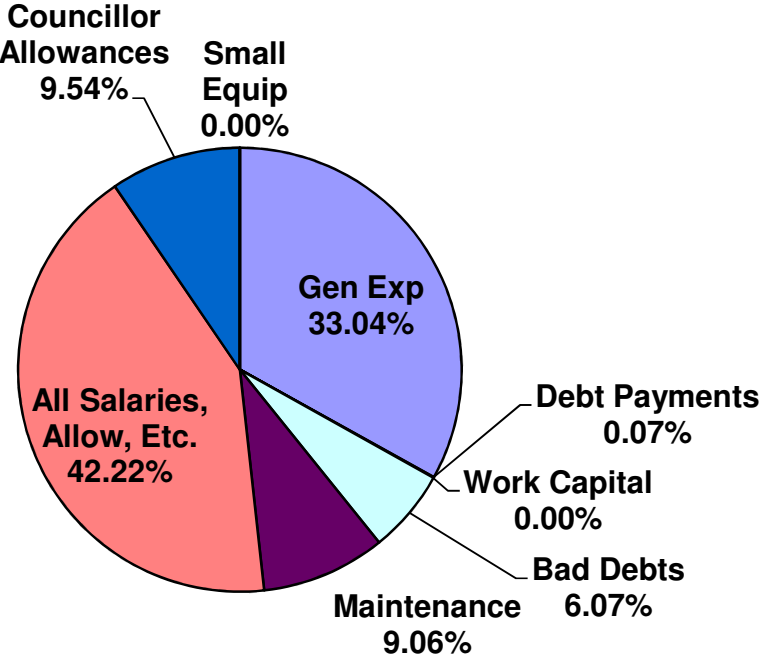
Emalahleni Tabled Budget

How the Total Operating Revenue Budget are funded (R101.6 million)

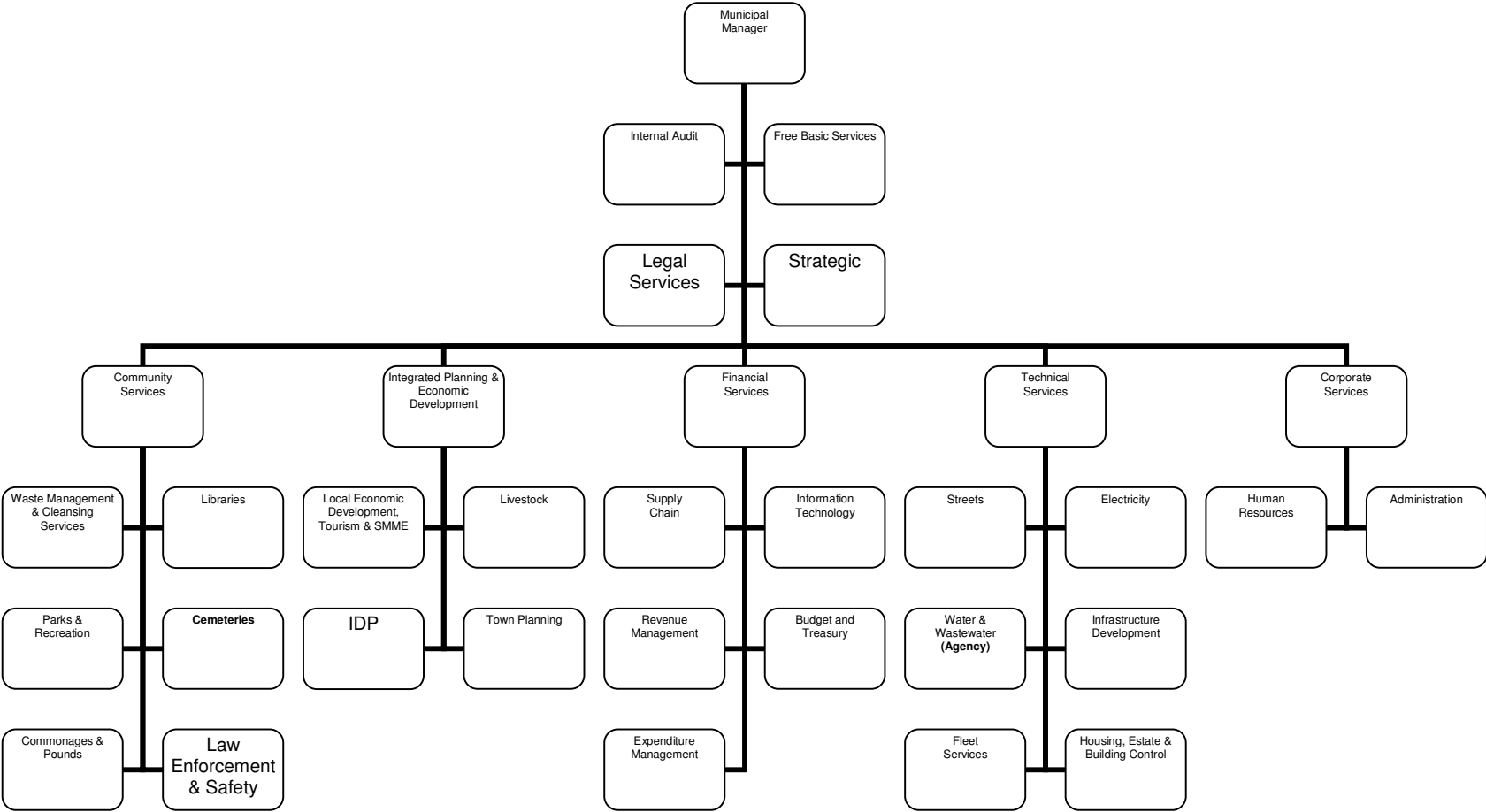


Emalahleni Tabled Budget

How the Total Budget Operating Expenditure are allocated (R99.1 million)



Emalahleni Tabled Budget



5 Annual Budget Tables (Operating & Capital)

These budget schedules are to be approved by resolution of Council and are contained in the following pages:

- 5.1 - Table A1 - Budget Summary**
- 5.2 - Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)**
- 5.3 - Table A3 - Budgeted Financial Performance (revenue and Expenditure by municipal vote)**
- 5.4 - Table A4 - Budgeted Financial Performance (revenue and Expenditure)**
- 5.5 - Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding**
- 5.6 - Table A6 - Budgeted Financial Position**
- 5.7 - Table A7 - Budgeted Cash Flows**
- 5.8 - Table A8 - Cash Backed reserves/accumulated surplus Reconciliation**
- 5.9 - Table A9 - Asset management**
- 5.10 - Table A10 - Basic Service Delivery**

EC136 Emalahleni (Ec) - Table A1 Budget Summary

Description	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
R thousands										
Financial Performance										
Property rates	-	2,244	1,961	1,435	4,300	4,300	4,300	4,545	4,827	5,112
Service charges	-	9,578	9,998	10,706	10,827	10,827	10,827	11,907	13,170	14,610
Investment revenue	-	4,279	3,920	2,340	2,340	2,340	2,340	2,473	2,627	2,782
Transfers recognised - operational	-	27,298	41,169	42,965	52,434	52,434	52,434	57,448	60,068	65,811
Other own revenue	-	5,244	5,274	6,862	22,894	22,894	22,894	28,663	28,643	31,759
Total Revenue (excluding capital transfers and contributions)	-	48,643	62,322	64,308	92,795	92,795	92,795	105,036	109,335	120,074
Employee costs	-	17,292	17,299	28,161	28,356	28,356	28,356	36,266	38,516	40,790
Remuneration of councillors	-	3,577	5,345	6,159	6,051	6,051	6,051	7,296	7,748	8,205
Depreciation & asset impairment	-	2,547	-	643	643	643	643	662	679	679
Finance charges	-	68	48	1,190	70	70	70	74	79	83
Materials and bulk purchases	-	3,137	4,429	5,855	6,420	6,420	6,420	8,090	10,011	12,425
Transfers and grants	-	7,096	17,557	27,076	27,076	27,076	27,076	35,354	29,747	36,006
Other expenditure	-	39,706	20,992	35,371	51,147	51,147	51,147	42,538	50,141	54,692
Total Expenditure	-	73,423	65,670	104,455	119,764	119,764	119,764	130,278	136,921	152,880
Surplus/(Deficit)	-	(24,780)	(3,348)	(40,147)	(26,969)	(26,969)	(26,969)	(25,242)	(27,586)	(32,807)
Transfers recognised - capital	-	5,949	9,604	20,314	20,314	20,314	20,314	25,460	27,787	33,126
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	(18,831)	6,256	(19,834)	(6,656)	(6,656)	(6,656)	218	201	319
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	-	(18,831)	6,256	(19,834)	(6,656)	(6,656)	(6,656)	218	201	319
Capital expenditure & funds sources										
Capital expenditure	-	7,096	17,557	27,076	27,076	27,076	27,076	31,236	29,747	36,006
Transfers recognised - capital	-	5,949	9,604	20,314	20,314	20,314	20,314	27,924	27,787	33,126
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	-	1,147	7,953	6,762	6,762	6,762	6,762	3,312	1,960	2,880
Total sources of capital funds	-	7,096	17,557	27,076	27,076	27,076	27,076	31,236	29,747	36,006
Financial position										
Total current assets	-	68,520	86,219	87,925	87,925	87,925	87,925	94,158	101,165	110,200
Total non current assets	-	50,274	74,415	101,491	101,491	101,491	101,491	129,361	131,238	165,367
Total current liabilities	-	18,334	33,252	33,252	33,252	33,252	33,252	33,252	33,252	33,252
Total non current liabilities	-	14,574	16,961	16,890	16,890	16,890	16,890	16,890	16,890	16,890
Community wealth/Equity	-	85,886	110,421	139,274	139,274	139,274	139,274	173,377	182,262	225,426
Cash flows										
Net cash from (used) operating	-	9,998	24,608	7,300	20,478	20,478	20,478	23,330	30,014	36,395
Net cash from (used) investing	-	(10,009)	(21,162)	(27,134)	(27,134)	(27,134)	(27,134)	(23,112)	(29,812)	(36,075)
Net cash from (used) financing	-	652	(72)	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	42,879	43,521	46,895	27,061	40,239	40,239	40,239	40,457	40,659	40,978
Cash backing/surplus reconciliation										
Cash and investments available	-	42,879	49,718	43,062	43,062	43,062	43,062	43,280	43,482	43,801
Application of cash and investments	-	7,273	(5,274)	(40,361)	(23,056)	(23,056)	(23,056)	(37,023)	(58,361)	(79,997)
Balance - surplus (shortfall)	-	35,607	54,991	83,423	66,118	66,118	66,118	80,303	101,842	123,798
Asset management										
Asset register summary (WDV)	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	-	2,547	-	643	643	643	662	662	679	679
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-	-	-	-	-	-
Free services										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

EC136 Emalahleni (Ec) - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
Revenue - Standard	1									
Governance and administration		–	34,469	38,194	46,820	52,210	52,210	63,335	69,555	75,858
Executive and council		–	1,567	1,861	1,942	2,378	2,378	2,360	2,153	2,261
Budget and treasury office		–	32,636	36,220	44,868	49,711	49,711	60,961	67,390	73,584
Corporate services		–	265	113	11	121	121	14	13	13
Community and public safety		–	986	6,795	2,208	4,077	4,077	3,805	3,025	3,204
Community and social services		–	211	1,849	803	1,030	1,030	1,602	743	787
Sport and recreation		–	76	170	57	238	238	252	267	283
Public safety		–	699	1,393	380	1,795	1,795	1,952	2,015	2,134
Housing		–	–	3,382	968	1,014	1,014	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		–	6,013	12,494	14,547	19,036	19,036	22,430	19,217	23,366
Planning and development		–	64	4,075	–	4,489	4,489	4,561	–	–
Road transport		–	5,949	8,418	14,547	14,547	14,547	17,869	19,217	23,366
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		–	13,124	14,443	21,046	37,786	37,786	40,927	45,324	50,772
Electricity		–	2,666	4,443	3,997	6,425	6,425	9,462	10,040	12,995
Water		–	2,974	3,251	9,202	22,259	22,259	17,744	18,823	19,922
Waste water management		–	4,010	3,578	4,381	6,404	6,404	9,372	11,657	13,743
Waste management		–	3,474	3,171	3,466	2,699	2,699	4,348	4,804	4,112
Other	4	–	–	–	–	–	–	–	–	–
Total Revenue - Standard	2	–	54,592	71,926	84,621	113,109	113,109	130,496	137,122	153,200
Expenditure - Standard										
Governance and administration		–	41,503	22,341	44,154	37,674	37,674	40,908	42,091	45,224
Executive and council		–	7,988	9,833	18,174	14,947	14,947	17,341	18,062	19,129
Budget and treasury office		–	25,812	3,208	13,588	11,265	11,265	12,351	12,520	13,682
Corporate services		–	7,704	9,300	12,393	11,462	11,462	11,216	11,510	12,412
Community and public safety		–	11,708	8,960	12,454	12,992	12,992	9,772	9,186	10,082
Community and social services		–	1,619	3,343	7,193	7,396	7,396	5,096	4,473	4,934
Sport and recreation		–	457	273	2,036	2,017	2,017	1,229	1,297	1,367
Public safety		–	254	1,314	1,423	1,720	1,720	2,450	2,357	2,660
Housing		–	9,379	4,031	1,802	1,858	1,858	997	1,058	1,121
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		–	8,013	14,528	22,285	23,997	23,997	29,352	29,229	33,752
Planning and development		–	1,058	4,876	5,112	6,736	6,736	8,162	4,766	4,964
Road transport		–	6,955	9,652	17,172	17,261	17,261	21,190	24,462	28,788
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		–	12,199	19,841	25,562	45,101	45,101	50,246	56,415	63,822
Electricity		–	6,678	7,536	11,291	12,957	12,957	18,728	20,726	25,641
Water		–	1,265	1,491	7,886	22,259	22,259	17,744	18,823	19,922
Waste water management		–	1,787	1,711	3,102	6,404	6,404	10,869	13,457	14,673
Waste management		–	2,469	9,102	3,283	3,482	3,482	2,905	3,409	3,587
Other	4	–	–	–	–	–	–	–	–	–
Total Expenditure - Standard	3	–	73,423	65,670	104,455	119,764	119,764	130,278	136,921	152,880
Surplus/(Deficit) for the year		–	(18,831)	6,256	(19,834)	(6,656)	(6,656)	218	201	319

EC136 Emalahleni (Ec) - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
Revenue by Vote	1									
EXECUTIVE AND COUNCIL		-	1,567	1,861	1,942	2,378	2,378	2,360	2,153	2,261
FINANCE AND ADMINISTRATION		-	32,901	36,333	44,879	49,831	49,831	60,975	67,402	73,597
PLANNING AND DEVELOPMENT		-	64	4,075	-	4,489	4,489	4,561	-	-
COMMUNITY AND SOCIAL SERVICES		-	211	1,849	803	1,030	1,030	1,602	743	787
PUBLIC SAFETY		-	699	1,393	380	1,795	1,795	1,952	2,015	2,134
SPORT AND RECREATION		-	76	170	57	238	238	252	267	283
WASTE WATER MANAGEMENT		-	4,010	3,578	4,381	6,404	6,404	9,372	11,657	13,743
WASTE MANAGEMENT		-	3,474	3,171	3,466	2,699	2,699	4,348	4,804	4,112
ROADS TRANSPORT		-	5,949	8,418	14,547	14,547	14,547	17,869	19,217	23,366
WATER		-	2,974	3,251	9,202	22,259	22,259	17,744	18,823	19,922
ELECTRICITY		-	2,666	4,443	3,997	6,425	6,425	9,462	10,040	12,995
HOUSING		-	-	3,382	968	1,014	1,014	-	-	-
Example 13 - Vote13		-	-	-	-	-	-	-	-	-
Example 14 - Vote14		-	-	-	-	-	-	-	-	-
Example 15 - Vote15		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	-	54,592	71,926	84,621	113,109	113,109	130,496	137,122	153,200
Expenditure by Vote to be appropriated	1									
EXECUTIVE AND COUNCIL		-	7,988	9,833	18,174	14,947	14,947	17,341	18,062	19,129
FINANCE AND ADMINISTRATION		-	33,516	12,509	25,981	22,726	22,726	23,567	24,030	26,095
PLANNING AND DEVELOPMENT		-	1,058	4,876	5,112	6,736	6,736	8,162	4,766	4,964
COMMUNITY AND SOCIAL SERVICES		-	1,619	3,343	7,193	7,396	7,396	5,096	4,473	4,934
PUBLIC SAFETY		-	254	1,314	1,423	1,720	1,720	2,450	2,357	2,660
SPORT AND RECREATION		-	457	273	2,036	2,017	2,017	1,229	1,297	1,367
WASTE WATER MANAGEMENT		-	1,787	1,711	3,102	6,404	6,404	10,869	13,457	14,673
WASTE MANAGEMENT		-	2,469	9,102	3,283	3,482	3,482	2,905	3,409	3,587
ROADS TRANSPORT		-	6,955	9,652	17,172	17,261	17,261	21,190	24,462	28,788
WATER		-	1,265	1,491	7,886	22,259	22,259	17,744	18,823	19,922
ELECTRICITY		-	6,678	7,536	11,291	12,957	12,957	18,728	20,726	25,641
HOUSING		-	9,379	4,031	1,802	1,858	1,858	997	1,058	1,121
Example 13 - Vote13		-	-	-	-	-	-	-	-	-
Example 14 - Vote14		-	-	-	-	-	-	-	-	-
Example 15 - Vote15		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	73,423	65,670	104,455	119,764	119,764	130,278	136,921	152,880
Surplus/(Deficit) for the year	2	-	(18,831)	6,256	(19,834)	(6,656)	(6,656)	218	201	319

EC136 Emalaheni (Ec) - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
R thousand	1										
Revenue By Source											
Property rates	2	-	2,244	1,961	1,435	4,300	4,300	4,300	4,545	4,827	5,112
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	-	2,511	2,838	3,472	3,256	3,256	3,256	3,905	4,683	5,617
Service charges - water revenue	2	-	2,255	2,347	2,144	2,418	2,418	2,418	2,556	2,709	2,872
Service charges - sanitation revenue	2	-	2,470	2,573	2,663	2,726	2,726	2,726	2,881	3,054	3,237
Service charges - refuse revenue	2	-	2,342	2,241	2,426	2,426	2,426	2,426	2,565	2,724	2,884
Service charges - other											
Rental of facilities and equipment			253	381	275	443	443	443	468	498	527
Interest earned - external investments			4,279	3,920	2,340	2,340	2,340	2,340	2,473	2,627	2,782
Interest earned - outstanding debtors			4,342	3,276	3,551	1,088	1,088	1,088	1,150	1,221	1,293
Dividends received											
Fines			57	1	47	10	10	10	11	11	12
Licences and permits			0	2	1	1	1	1	1	1	1
Agency services			446	1,167	2,530	19,220	19,220	19,220	21,500	24,610	27,488
Transfers recognised - operational			27,298	41,169	42,965	52,434	52,434	52,434	57,448	60,068	65,811
Other revenue	2	-	146	448	400	2,073	2,073	2,073	5,471	2,236	2,368
Gains on disposal of PPE			-	-	58	58	58	58	62	65	69
Total Revenue (excluding capital transfers and contributions)		-	48,643	62,322	64,308	92,795	92,795	92,795	105,036	109,335	120,074
Expenditure By Type											
Employee related costs	2	-	17,292	17,299	28,161	28,356	28,356	28,356	36,266	38,516	40,790
Remuneration of councillors			3,577	5,345	6,159	6,051	6,051	6,051	7,296	7,748	8,205
Debt impairment	3		19,334	(1,368)	6,000	8,378	8,378	8,378	6,015	6,806	8,716
Depreciation & asset impairment	2	-	2,547	-	643	643	643	643	662	679	679
Finance charges			68	48	1,190	70	70	70	74	79	83
Bulk purchases	2	-	3,137	4,429	5,855	6,420	6,420	6,420	8,090	10,011	12,425
Other materials	8										
Contracted services		-	733	1,719	568	949	949	949	1,823	1,936	2,050
Transfers and grants			7,096	17,557	27,076	27,076	27,076	27,076	35,354	29,747	36,006
Other expenditure	4, 5	-	19,640	20,641	28,803	41,820	41,820	41,820	34,700	41,400	43,927
Loss on disposal of PPE											
Total Expenditure		-	73,423	65,670	104,455	119,764	119,764	119,764	130,278	136,921	152,880
Surplus/(Deficit)		-	(24,780)	(3,348)	(40,147)	(26,969)	(26,969)	(26,969)	(25,242)	(27,586)	(32,807)
Transfers recognised - capital			5,949	9,604	20,314	20,314	20,314	20,314	25,460	27,787	33,126
Contributions recognised - capital	6	-	-	-	-	-	-	-	-	-	-
Contributed assets											
Surplus/(Deficit) after capital transfers & contributions		-	(18,831)	6,256	(19,834)	(6,656)	(6,656)	(6,656)	218	201	319
Taxation											
Surplus/(Deficit) after taxation		-	(18,831)	6,256	(19,834)	(6,656)	(6,656)	(6,656)	218	201	319
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		-	(18,831)	6,256	(19,834)	(6,656)	(6,656)	(6,656)	218	201	319
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		-	(18,831)	6,256	(19,834)	(6,656)	(6,656)	(6,656)	218	201	319

EC136 Emalaheni (Ec) - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-	-
FINANCE AND ADMINISTRATION		-	833	793	1,810	1,810	1,810	1,810	1,240	590	940
PLANNING AND DEVELOPMENT		-	-	-	20	20	20	20	2,098	20	20
COMMUNITY AND SOCIAL SERVICES		-	-	1,186	2,267	2,267	2,267	2,267	932	50	250
PUBLIC SAFETY		-	-	-	264	264	264	264	325	100	270
SPORT AND RECREATION		-	128	-	822	822	822	822	120	120	120
WASTE WATER MANAGEMENT		-	-	-	-	-	-	-	1,497	1,800	930
WASTE MANAGEMENT		-	-	7,160	750	750	750	750	-	350	350
ROADS TRANSPORT		-	6,135	8,418	14,667	14,667	14,667	14,667	17,448	19,337	23,486
WATER		-	-	-	4,650	4,650	4,650	4,650	1,747	1,770	1,830
ELECTRICITY		-	-	-	810	810	810	810	5,831	5,610	7,810
HOUSING		-	-	-	1,015	1,015	1,015	1,015	-	-	-
Example 13 - Vote13		-	-	-	-	-	-	-	-	-	-
Example 14 - Vote14		-	-	-	-	-	-	-	-	-	-
Example 15 - Vote15		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	7,096	17,557	27,076	27,076	27,076	27,076	31,236	29,747	36,006
Single-year expenditure to be appropriated	2										
EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-	-
FINANCE AND ADMINISTRATION		-	-	-	-	-	-	-	-	-	-
PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-	-	-	-
COMMUNITY AND SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	-
PUBLIC SAFETY		-	-	-	-	-	-	-	-	-	-
SPORT AND RECREATION		-	-	-	-	-	-	-	-	-	-
WASTE WATER MANAGEMENT		-	-	-	-	-	-	-	-	-	-
WASTE MANAGEMENT		-	-	-	-	-	-	-	-	-	-
ROADS TRANSPORT		-	-	-	-	-	-	-	-	-	-
WATER		-	-	-	-	-	-	-	-	-	-
ELECTRICITY		-	-	-	-	-	-	-	-	-	-
HOUSING		-	-	-	-	-	-	-	-	-	-
Example 13 - Vote13		-	-	-	-	-	-	-	-	-	-
Example 14 - Vote14		-	-	-	-	-	-	-	-	-	-
Example 15 - Vote15		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Vote		-	7,096	17,557	27,076	27,076	27,076	27,076	31,236	29,747	36,006
Capital Expenditure - Standard											
Governance and administration		-	833	793	1,810	1,810	1,810	1,810	1,240	590	940
Executive and council		-	-	-	-	-	-	-	-	-	-
Budget and treasury office		-	83	18	265	265	265	265	440	140	240
Corporate services		-	750	775	1,545	1,545	1,545	1,545	800	450	700
Community and public safety		-	128	1,186	4,368	4,368	4,368	4,368	1,376	270	640
Community and social services		-	-	1,186	2,267	2,267	2,267	2,267	932	50	250
Sport and recreation		-	128	-	822	822	822	822	120	120	120
Public safety		-	-	-	264	264	264	264	325	100	270
Housing		-	-	-	1,015	1,015	1,015	1,015	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		-	6,135	8,418	14,687	14,687	14,687	14,687	19,546	19,357	23,506
Planning and development		-	-	-	20	20	20	20	2,098	20	20
Road transport		-	6,135	8,418	14,667	14,667	14,667	14,667	17,448	19,337	23,486
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		-	-	7,160	6,210	6,210	6,210	6,210	9,074	9,530	10,920
Electricity		-	-	-	810	810	810	810	5,831	5,610	7,810
Water		-	-	-	4,650	4,650	4,650	4,650	1,747	1,770	1,830
Waste water management		-	-	-	-	-	-	-	1,497	1,800	930
Waste management		-	-	7,160	750	750	750	750	-	350	350
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	3	-	7,096	17,557	27,076	27,076	27,076	27,076	31,236	29,747	36,006
Funded by:											
National Government		-	5,949	9,604	14,696	14,696	14,696	14,696	22,438	24,217	30,366
Provincial Government		-	-	-	-	-	-	-	1,556	-	-
District Municipality		-	-	-	4,650	4,650	4,650	4,650	3,931	3,570	2,760
Other transfers and grants		-	-	-	968	968	968	968	-	-	-
Transfers recognised - capital	4	-	5,949	9,604	20,314	20,314	20,314	20,314	27,924	27,787	33,126
Public contributions & donations	5	-	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		-	1,147	7,953	6,762	6,762	6,762	6,762	3,312	1,960	2,880
Total Capital Funding	7	-	7,096	17,557	27,076	27,076	27,076	27,076	31,236	29,747	36,006

EC136 Emalaheni (Ec) - Table A6 Budgeted Financial Position

Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
ASSETS											
Current assets											
Cash			42,879	49,718	43,062	43,062	43,062	43,062	43,280	43,482	43,801
Call investment deposits	1	-	-	-	-	-	-	-	-	-	-
Consumer debtors	1	-	1,158	8,676	17,054	17,054	17,054	17,054	23,070	29,875	38,591
Other debtors			24,400	27,658	27,658	27,658	27,658	27,658	27,658	27,658	27,658
Current portion of long-term receivables											
Inventory	2		82	167	150	150	150	150	150	150	150
Total current assets		-	68,520	86,219	87,925	87,925	87,925	87,925	94,158	101,165	110,200
Non current assets											
Long-term receivables											
Investments											
Investment property											
Investment in Associate											
Property, plant and equipment	3	-	50,274	74,415	101,491	101,491	101,491	101,491	129,361	131,238	165,367
Agricultural											
Biological											
Intangible											
Other non-current assets											
Total non current assets		-	50,274	74,415	101,491	101,491	101,491	101,491	129,361	131,238	165,367
TOTAL ASSETS		-	118,794	160,634	189,416	189,416	189,416	189,416	223,519	232,403	275,567
LIABILITIES											
Current liabilities											
Bank overdraft	1										
Borrowing	4	-	-	-	-	-	-	-	-	-	-
Consumer deposits			38	38	38	38	38	38	38	38	38
Trade and other payables	4	-	18,046	25,871	25,871	25,871	25,871	25,871	25,871	25,871	25,871
Provisions			250	7,343	7,343	7,343	7,343	7,343	7,343	7,343	7,343
Total current liabilities		-	18,334	33,252	33,252	33,252	33,252	33,252	33,252	33,252	33,252
Non current liabilities											
Borrowing		-	330	222	-	-	-	-	-	-	-
Provisions		-	14,244	16,739	16,890	16,890	16,890	16,890	16,890	16,890	16,890
Total non current liabilities		-	14,574	16,961	16,890	16,890	16,890	16,890	16,890	16,890	16,890
TOTAL LIABILITIES		-	32,908	50,214	50,142	50,142	50,142	50,142	50,142	50,142	50,142
NET ASSETS	5	-	85,886	110,421	139,274	139,274	139,274	139,274	173,378	182,262	225,426
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)			17,862	110,421	139,274	139,274	139,274	139,274	173,377	182,262	225,426
Reserves	4	-	68,024	-	-	-	-	-	-	-	-
Minorities' interests											
TOTAL COMMUNITY WEALTH/EQUITY	5	-	85,886	110,421	139,274	139,274	139,274	139,274	173,377	182,262	225,426

EC136 Emalaheni (Ec) - Table A7 Budgeted Cash Flows

Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other			54,793	68,378	82,340	110,827	110,827	110,827	120,601	134,561	150,487
Government - operating	1										
Government - capital	1										
Interest			4,279	3,910	2,340	2,340	2,340	2,340	2,473	2,627	2,782
Dividends				10							
Payments											
Suppliers and employees			(49,022)	(46,272)	(76,189)	(92,619)	(92,619)	(92,619)	(99,670)	(107,095)	(116,791)
Finance charges			(52)	(1,418)	(1,190)	(70)	(70)	(70)	(74)	(79)	(83)
Transfers and Grants	1										
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	9,998	24,608	7,300	20,478	20,478	20,478	23,330	30,014	36,395
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			(3,099)	(3,564)	(58)	(58)	(58)	(58)	(62)	(65)	(69)
Decrease (Increase) in non-current debtors											
Decrease (increase) other non-current receivables											
Decrease (increase) in non-current investments											
Payments											
Capital assets			(6,909)	(17,598)	(27,076)	(27,076)	(27,076)	(27,076)	(23,050)	(29,747)	(36,006)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	(10,009)	(21,162)	(27,134)	(27,134)	(27,134)	(27,134)	(23,112)	(29,812)	(36,075)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans			151	(0)							
Borrowing long term/refinancing			(74)	(142)							
Increase (decrease) in consumer deposits											
Payments											
Repayment of borrowing			575	71							
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	652	(72)	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		-	642	3,373	(19,834)	(6,656)	(6,656)	(6,656)	218	201	319
Cash/cash equivalents at the year begin:	2	42,879	42,879	43,521	46,895	46,895	46,895	46,895	40,239	40,457	40,659
Cash/cash equivalents at the year end:	2	42,879	43,521	46,895	27,061	40,239	40,239	40,239	40,457	40,659	40,978

EC136 Emalahleni (Ec) - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
Cash and investments available											
Cash/cash equivalents at the year end	1	42,879	43,521	46,895	27,061	40,239	40,239	40,239	40,457	40,659	40,978
Other current investments > 90 days		(42,879)	(642)	2,823	16,001	2,823	2,823	2,823	2,823	2,823	2,823
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		-	42,879	49,718	43,062	43,062	43,062	43,062	43,280	43,482	43,801
Application of cash and investments											
Unspent conditional transfers		-	15,285	20,498	20,498	20,498	20,498	20,498	20,498	20,498	20,498
Unspent borrowing											
Statutory requirements	2										
Other working capital requirements	3	-	(8,012)	(25,772)	(60,859)	(43,554)	(43,554)	(43,554)	(57,521)	(78,859)	(100,495)
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		-	7,273	(5,274)	(40,361)	(23,056)	(23,056)	(23,056)	(37,023)	(58,361)	(79,997)
Surplus(shortfall)		-	35,607	54,991	83,423	66,118	66,118	66,118	80,303	101,842	123,798

EC136 Emlahlani (Ec) - Table A9 Asset Management

Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	–	7,096	17,557	27,076	27,076	27,076	31,236	29,747	36,006
Infrastructure - Road transport		–	5,949	8,418	14,547	14,547	14,547	17,328	19,217	23,366
Infrastructure - Electricity		–	–	–	400	400	400	5,621	5,300	7,400
Infrastructure - Water		–	–	–	–	–	–	–	–	–
Infrastructure - Sanitation		–	–	–	–	–	–	–	–	–
Infrastructure - Other		–	186	7,160	510	510	510	2,188	110	110
Infrastructure		–	6,135	15,578	15,457	15,457	15,457	25,137	24,627	30,876
Community		–	128	1,186	550	550	550	1,006	50	50
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets	6	–	833	793	11,069	11,069	11,069	5,093	5,070	5,080
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		–	–	–	–	–	–	–	–	–
Total Renewal of Existing Assets	2	–	–	–	–	–	–	–	–	–
Infrastructure - Road transport		–	–	–	–	–	–	–	–	–
Infrastructure - Electricity		–	–	–	–	–	–	–	–	–
Infrastructure - Water		–	–	–	–	–	–	–	–	–
Infrastructure - Sanitation		–	–	–	–	–	–	–	–	–
Infrastructure - Other		–	–	–	–	–	–	–	–	–
Infrastructure		–	–	–	–	–	–	–	–	–
Community		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets	6	–	–	–	–	–	–	–	–	–
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		–	–	–	–	–	–	–	–	–
Total Capital Expenditure	4	–	5,949	8,418	14,547	14,547	14,547	17,328	19,217	23,366
Infrastructure - Road transport		–	5,949	8,418	14,547	14,547	14,547	17,328	19,217	23,366
Infrastructure - Electricity		–	–	–	400	400	400	5,621	5,300	7,400
Infrastructure - Water		–	–	–	–	–	–	–	–	–
Infrastructure - Sanitation		–	–	–	–	–	–	–	–	–
Infrastructure - Other		–	186	7,160	510	510	510	2,188	110	110
Infrastructure		–	6,135	15,578	15,457	15,457	15,457	25,137	24,627	30,876
Community		–	128	1,186	550	550	550	1,006	50	50
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets		–	833	793	11,069	11,069	11,069	5,093	5,070	5,080
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		–	–	–	–	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE - Asset class	2	–	7,096	17,557	27,076	27,076	27,076	31,236	29,747	36,006
ASSET REGISTER SUMMARY - PPE (WDV)	5									
Infrastructure - Road transport										
Infrastructure - Electricity										
Infrastructure - Water										
Infrastructure - Sanitation										
Infrastructure - Other										
Infrastructure		–	–	–	–	–	–	–	–	–
Community		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets		–	–	–	–	–	–	–	–	–
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		–	–	–	–	–	–	–	–	–
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	–	–	–	–	–	–	–	–	–
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment										
Repairs and Maintenance by Asset Class										
Infrastructure - Road transport		–	2,547	–	643	643	643	662	679	679
Infrastructure - Electricity		–	–	–	–	–	–	–	–	–
Infrastructure - Water		–	–	–	–	–	–	–	–	–
Infrastructure - Sanitation		–	–	–	–	–	–	–	–	–
Infrastructure - Other		–	–	–	–	–	–	–	–	–
Infrastructure		–	–	–	–	–	–	–	–	–
Community		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets	6.7	–	–	–	–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS		–	2,547	–	643	643	643	662	679	679
% of capital exp on renewal of assets		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Renewal of Existing Assets as % of deprecn*		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M as a % of PPE		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Renewal and R&M as a % of PPE		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

EC136 Emalahleni (Ec) - Table A10 Basic service delivery measurement

Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
Household service targets (000)	1									
Water:										
Piped water inside dwelling				5	5	5	5	5	5	6
Piped water inside yard (but not in dwelling)				5	5	5	5	5	6	6
Using public tap (at least min.service level)	2			10	10	10	10	10	11	12
Other water supply (at least min.service level)	4									
<i>Minimum Service Level and Above sub-total</i>										
Using public tap (< min.service level)	3									
Other water supply (< min.service level)	4									
No water supply										
<i>Below Minimum Service Level sub-total</i>										
Total number of households	5			10	10	10	10	10	11	12
Sanitation/sewerage:										
Flush toilet (connected to sewerage)				6	6	6	6	7	7	8
Flush toilet (with septic tank)				1	1	1	1	1	1	1
Chemical toilet				6	6	6	6	6	7	7
Pit toilet (ventilated)										
Other toilet provisions (> min.service level)										
<i>Minimum Service Level and Above sub-total</i>				13	13	13	13	14	15	16
Bucket toilet										
Other toilet provisions (< min.service level)										
No toilet provisions										
<i>Below Minimum Service Level sub-total</i>										
Total number of households	5			13	13	13	13	14	15	16
Energy:										
Electricity (at least min.service level)				1	1	1	1	1	2	2
Electricity - prepaid (min.service level)				8	8	8	10	12	14	17
<i>Minimum Service Level and Above sub-total</i>				9	9	9	11	13	15	18
Electricity (< min.service level)										
Electricity - prepaid (< min. service level)										
Other energy sources										
<i>Below Minimum Service Level sub-total</i>										
Total number of households	5			9	9	9	11	13	15	18
Refuse:										
Removed at least once a week										
<i>Minimum Service Level and Above sub-total</i>				6	6	6	6	7	7	8
Removed less frequently than once a week										
Using communal refuse dump										
Using own refuse dump										
Other rubbish disposal										
No rubbish disposal										
<i>Below Minimum Service Level sub-total</i>				6	6	6	6	7	7	8
Total number of households	5			6	6	6	6	7	7	8
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)				8	8	8	8	8	9	10
Sanitation (free minimum level service)				6	6	6	6	7	7	8
Electricity/other energy (50kwh per household per month)				8	8	8	8	10	12	14
Refuse (removed at least once a week)				6	6	6	6	7	7	8
Cost of Free Basic Services provided (R'000)	8									
Water (6 kilolitres per household per month)				152	160	160	160	169	180	191
Sanitation (free sanitation service)				341	359	359	359	404	454	504
Electricity/other energy (50kwh per household per month)				200	230	230	230	264	318	381
Refuse (removed once a week)				311	327	327	327	365	410	458
Total cost of FBS provided (minimum social package)				1 004	1 076	1 076	1 076	1 202	1 361	1 534
Highest level of free service provided										
Property rates (R'000 value threshold)				15 000	15 000	15 000	15 000	15 000	15 000	15 000
Water (kilolitres per household per month)				6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)				53	56	56	56	59	63	67
Electricity (kwh per household per month)				50	50	50	50	50	50	50
Refuse (average litres per week)										
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)				375	394	394	394	417	442	469
Property rates (other exemptions, reductions and rebates)										
Water				152	160	160	160	169	180	191
Sanitation				341	359	359	359	404	454	504
Electricity/other energy				200	230	230	230	264	318	381
Refuse				311	327	327	327	365	410	458
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
Total revenue cost of free services provided (total social package)				1 379	1 469	1 469	1 469	1 620	1 803	2 002

6 Budget Related Charts and Explanatory Notes

These charts tie with the budget schedules presented above and are presented to illustrate the related numerical schedule.

6.1 - Chart 1 - Operating Revenue by Source

6.2 - Chart 2 - Operating Expenditures by GFS Function (Vote)

6.3 - Chart 3 - Capital Expenditure by Vote

6.6 - Chart 4 - Capital Budget by funding source

CHART 1 - OPERATING REVENUE BY SOURCE

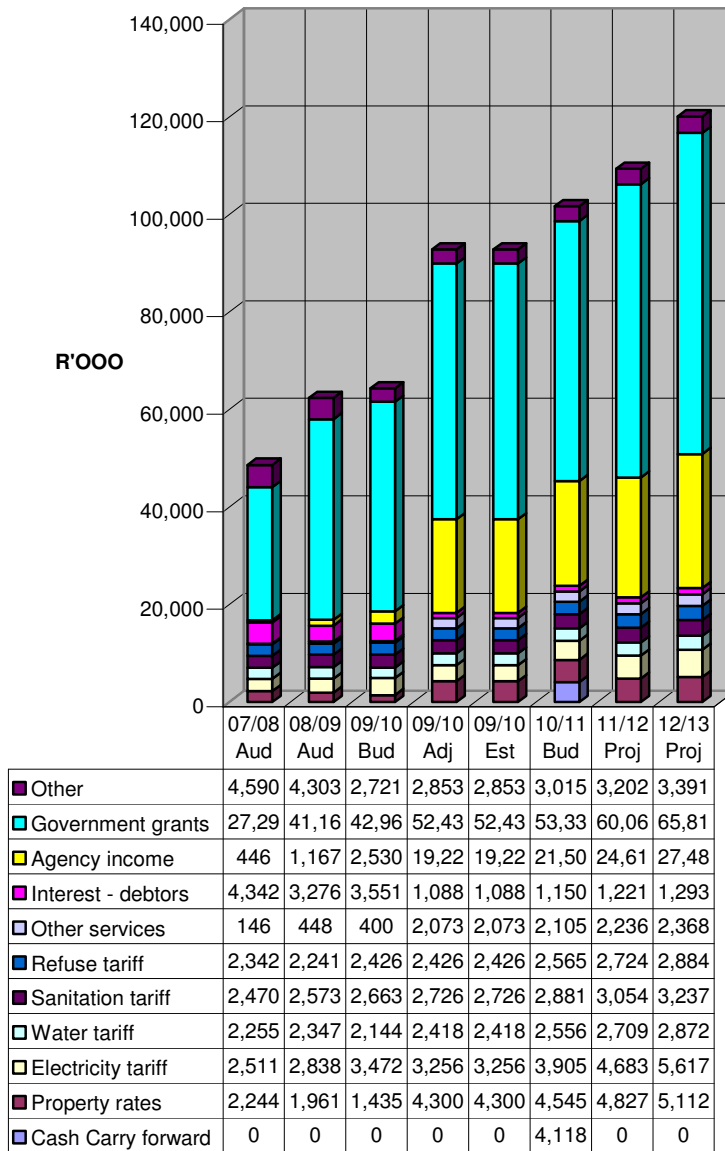
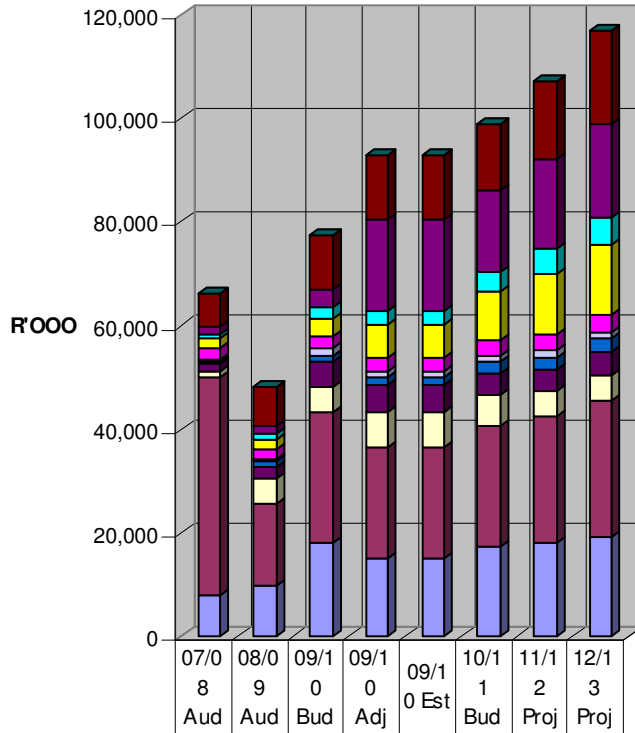
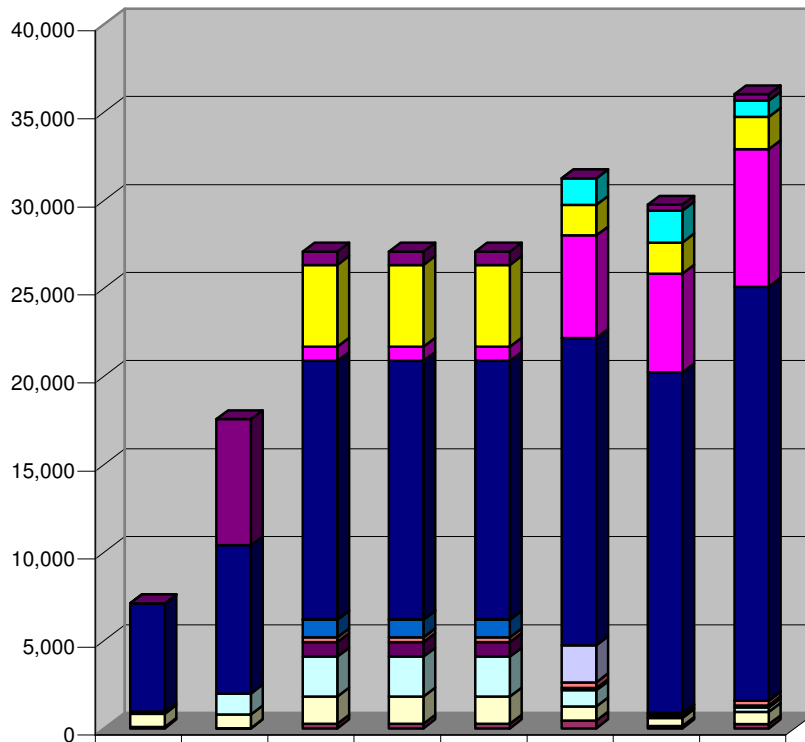


CHART 2 - OPERATING EXPENDITURE BY GFS FUNCTION



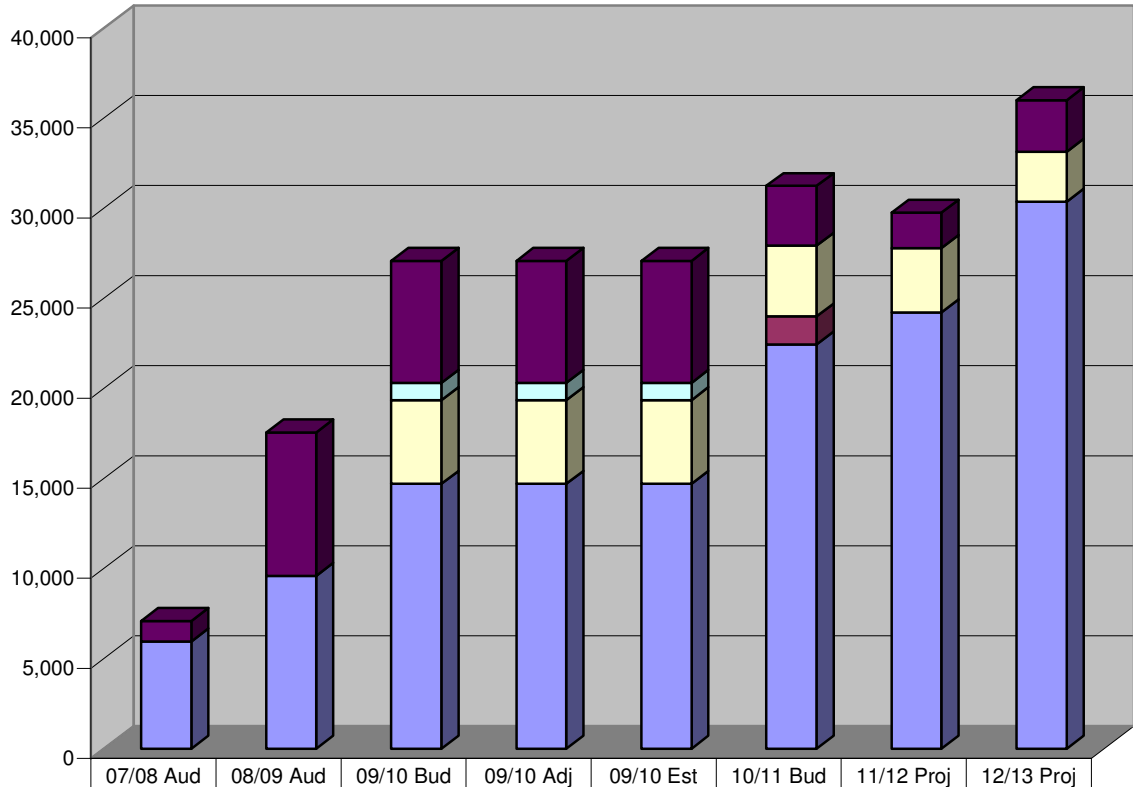
Other	0	0	0	0	0	0	0
Electricity	6,678	7,536	10,481	12,141	12,141	12,891	15,111
Water	1,265	1,491	3,236	17,601	17,601	15,991	17,051
Road Transport	820	1,234	2,505	2,594	2,594	3,742	5,125
Waste Water Management	1,787	1,711	3,102	6,404	6,404	9,372	11,651
Waste Management	2,469	1,942	2,533	2,732	2,732	2,905	3,059
Sport and Recreation	329	273	1,214	1,195	1,195	1,109	1,177
Public Safety	254	1,314	1,158	1,456	1,456	2,125	2,257
Community & Social Services	1,619	2,158	4,926	5,130	5,130	4,165	4,423
Health	0	0	0	0	0	0	0
Planning & Development	1,058	4,876	5,092	6,716	6,716	6,064	4,746
Finance & Admin	42,061	15,741	24,952	21,751	21,751	23,321	24,492
Executive & Council	7,988	9,833	18,171	14,941	14,941	17,341	18,061

CHART 3 - CAPITAL EXPENDITURE BY VOTE



	07/08 Aud	08/09 Aud	09/10 Bud	09/10 Adj	09/10 Est	10/11 Bud	11/12 Proj	12/13 Proj
Waste management	0	7,160	750	750	750	0	350	350
Waste water management	0	0	0	0	0	1,497	1,800	930
Water	0	0	4,650	4,650	4,650	1,747	1,770	1,830
Electricity	0	0	810	810	810	5,831	5,610	7,810
Road transport	6,135	8,418	14,667	14,667	14,667	17,448	19,337	23,486
Planning and development	0	0	20	20	20	2,098	20	20
Housing	0	0	1,015	1,015	1,015	0	0	0
Public safety	0	0	264	264	264	325	100	270
Sport and recreation	128	0	822	822	822	120	120	120
Community and social services	0	1,186	2,267	2,267	2,267	932	50	250
Corporate services	750	775	1,545	1,545	1,545	800	450	700
Budget and treasury office	83	18	265	265	265	440	140	240
Executive and council	0	0	0	0	0	0	0	0

CHART 4 - CAPITAL FUNDING BY SOURCE



	07/08 Aud	08/09 Aud	09/10 Bud	09/10 Adj	09/10 Est	10/11 Bud	11/12 Proj	12/13 Proj
■ Internally generated funds	1,147	7,953	6,762	6,762	6,762	3,312	1,960	2,880
□ Other transfers and grants	0	0	968	968	968	0	0	0
□ District Municipality	0	0	4,650	4,650	4,650	3,931	3,570	2,760
■ Provincial Government	0	0	0	0	0	1,556	0	0
■ National Government	5,949	9,604	14,696	14,696	14,696	22,438	24,217	30,366

Supporting Documentation

Section 17(3) of the MFMA requires certain documents must accompany the budget.

7. Budget Process Overview

INTRODUCTION

In terms of the Municipal Systems Act, Chapter 5, Part 3, a Municipal Council must review its integrated development plan annually in accordance with its performance measurements in section 41; and to the extent that changing circumstances so demand and may amend its integrated development plan in accordance with a prescribed process.

Political Oversight

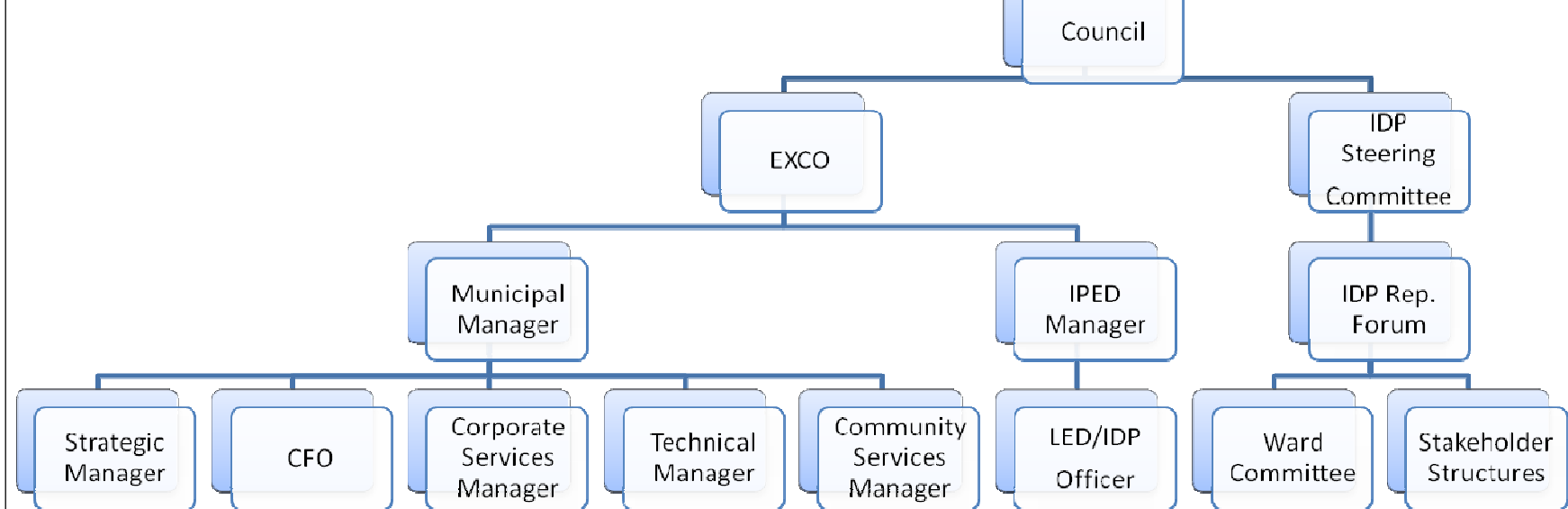
The Budget is a political document. Although most of the technical preparation of the document is performed by staff, the budget is, in accordance with the MFMA, the Mayor's document. The Mayor and the Executive committee were involved with the budget at every step.

a. DISTRIBUTION OF ROLES & RESPONSIBILITIES

ACTORS	ROLES AND RESPONSIBILITIES
<ul style="list-style-type: none">• Council	<ul style="list-style-type: none">• Consider and adopt reviewed IDP & BUDGET• Encourage public participation• Keep public informed about the contents of the IDP & BUDGET
<ul style="list-style-type: none">• IDP Co-ordinator	<ul style="list-style-type: none">• Ensure that the Process Plan and reviewed IDP & BUDGET are adopted by the Council• Manage the local municipal IDP & BUDGET by ensuring that all daily planning activities are performed within an efficient and effective consideration of available time; financial and human resources;• Encourage an inclusive participatory planning process and compliance with action programme• Facilitate the horizontal and vertical alignment of the Local IDP & BUDGET• Ensure that the planning process outcomes are properly documented• Manage service providers to the local municipal IDP & BUDGET• The IDP Manager will co-ordinate with various government departments and to ensure that all the projects, strategies and objectives of the local municipality are shared and distributed amongst government departments so that they might incorporate them in their planning process and vice versa

ACTORS	ROLES AND RESPONSIBILITIES
<ul style="list-style-type: none"> • Heads of Departments & Senior Management 	<ul style="list-style-type: none"> • Provide technical and advisory support to the IDP Manager • Perform daily planning activities including the preparation and facilitation of events; documentation of outputs and making recommendation to the IDP Manager and the Municipal Council • Interact with the relevant cluster regarding the prioritization of their individual departments projects and programmes for the following years • Provide clear terms of reference to service providers
<ul style="list-style-type: none"> • DPLG/GTZ 	<ul style="list-style-type: none"> • Provide support and guidance on IDP Review process • Assist municipalities to achieve the target dates • Interact with service providers to ensure that a quality product is provided • Assist with workshops • Project Management and Implementation Support Services • Ensure that clusters achieve integrated planning • Ensure that a uniform reporting mechanism is devised
<ul style="list-style-type: none"> • Sector Departments 	<ul style="list-style-type: none"> • Ensure the participation of Senior personnel in the IDP review process • Horizontal alignment of programmes and strategic plans within the clusters • Provide technical support and information to the planning process • Contribute relevant information to support the review process within the clusters • Incorporate district and local municipal projects into departments planning within the clusters
<ul style="list-style-type: none"> • National & Provincial governments 	<ul style="list-style-type: none"> • Monitor and evaluate the preparation and implementation process • Provide training and capacity building support to the local municipality • Co-ordinate support programmes so that overlapping does not occur • Provide technical guidance and monitor compliance with provincial policy and legal framework • Provide financial support to the IDP planning and implementation process
<ul style="list-style-type: none"> • Support providers 	<ul style="list-style-type: none"> • Provide methodological and technical guidance • Conduct in depth studies when commissioned by the Steering Committee • Ensure delivery of a product that is user friendly and tailor made for each municipality

b. INSTITUTIONAL ARRANGEMENTS FOR THE IDP & BUDGET PROCESS



c. MECHANISMS & PROCEDURES FOR COMMUNITY & STAKEHOLDER PARTICIPATION

PHASE	PARTICIPATION MECHANISM & PLANNING EVENTS
Analysis	<ul style="list-style-type: none">• Use of workshops to verify data on community priorities• Use of Ward Committees to verify data
Projects	<ul style="list-style-type: none">• Use of workshops to verify data on community priorities• Use of Ward Committees to verify data
Approval	<ul style="list-style-type: none">• Use of workshops to verify data on community priorities• Use of Ward Committees to verify data

7.5 MECHANISMS FOR ALIGNMENT

The Municipality will be responsible for ensuring smooth coordination of IDP reviews and the alignment with the district IDP Review through district clusters.

7.6 BINDING LEGISLATION

The following pieces of national and provincial legislation in conjunction with the South African institution will represent binding legislation that will guide the process.

Legal and policy Framework

- Development Facilitation Act 96 of 1995
- White paper on Local government of 1996
- Municipal Structures Act 113 of 1998
- Municipal Systems Act 32 of 2000
- Municipal Finance Management Act 56 of 2003
- Water Services Act 108 of 1997
- Transport Act
- Environment & Nature conservation Act 89 of 1989

Policy Planning Framework

1. Eastern Cape Provincial Growth & Development Plan (PGDP)
2. Eastern Cape Spatial Development Plan
3. National Spatial Development Perspective (NSDP)
4. Promotion of Rural Livelihood Programme (RULIV)
5. Rural Economic Development Zones programme (REDZ)
6. Eastern Cape Integrated Sustainable Rural Development Strategy (EC- ISRDS)

Item	Action	Responsible Agent	Role-Players	Cost	Timeframes
1. Prepare Draft Process Plan and District Framework	Formulate Process and Framework Plans and submit to IDP S.C.	IDP Manager MM	IDP S.C. IDP Manager GTZ	R 0	13 th July 2009
2. IDP Steering Committee Meeting	<ul style="list-style-type: none"> • Discuss Formulation of 2009/10 Framework and Process Plans • Approve Framework and Process Plans 	IDP Manager	IDP S.C. IDP Manager GTZ	R 0	24 th July 2009
3. Adopt Process Plans	Submit Process Plan to Council	IDP Manager	IDP S.C. IDP Manager Council	R 300	07 th August 2009
4. Appointment of Service Providers	Municipal Manager to appoint Service Provider to do research on new information and statistics. Decide on clear terms of reference	MM IDP Manager	Municipal Manager GTZ Council and Mayor	R 0????	Sept 2009
5. IDP Managers Meeting in CHDM (October and February)	District level meeting to look at progress made in different LM's and CHDM	IDP Manager	All IDP Managers	R0	09 th September 2009
6. Consultation with IDP Rep. Forum	IDP Rep Forum Meeting	MM IDP Manager	GTZ IDP Rep. Forum IDP Manager	R 3 500	09 th November 2009
7. Publication of process plan	Advertisement placed in Local Papers and Municipal flyers	MM IDP Manager	All Managers GTZ	R 3 000	28 th October 2009

Item	Action	Responsible Agent	Role-Players	Cost	Timeframes
8. Sector Departments reminded of IDP & BUDGET Formulation Process and encouraged to participate	<ul style="list-style-type: none"> District level workshop Direct consultation 	District IDP Manager	GTZ IDP Rep. Forum IDP S.C. Sector Departments Prov. IDP co-ordinators	R 0	25 th November 2009
9. IDP Steering Committee Meeting/Strategic Workshop	<ul style="list-style-type: none"> HOD's prepare and present reports on Implementation progress/areas to be considered /new information /new programmes & projects IDP SC accepts presentation to proceed to IDP Rep. Forum 	MM IDP Manager HOD's Councillors	IDP Manager HOD's Council	R 4 000	30 th November 2009
10. Sector Alignment	<ul style="list-style-type: none"> District Cluster level workshop Direct consultation 	IDP Manager	IDP Rep. Forum IDP S.C. Sector Departments Prov. IDP co-ordinators	R 0	25 th February 2010
11. Steering Committee and Rep. Forum Meetings	<ul style="list-style-type: none"> Conducting needs analysis, prioritise needs, projects, progress Guide Analysis Phase 	IDP Manager	IDP S.C. IDP Rep. Forum IDP Manager	R 6 000	27 th February 2010

Item	Action	Responsible Agent	Role-Players	Cost	Timeframes
12. Analysis	Analysis of IDP & BUDGET	L.M. D.M.	Service Providers L.M. D.M.	R 10 000	10 th November 2009
13. Financial Alignment	Project Templates to Finance Department	IDP Manager	IDP Manager CFO	R 0	03 rd December 2009
14. Steering Committee and Rep. Forum Meeting	Workshop proposed amendments and agree on changes to IDP & BUDGET	MM IDP Manager	Service Providers IDP Manager IDP S.C. IDP Rep. Forum GTZ	R 6 000	20 th January 2010
15. Public Consultation Meetings with Communities on Budget and IDP.	Organise meetings in all communities within Emalahleni Municipality	MM Mayor Councillors HOD's	Community Organisations, Political parties, Participatory Committees	R 10 000	February 2010
16. Prepare Draft IDP Document and Budget alignment	Attending to all comments received, budget alignment and formulation of draft IDPs	AO/CFO/IDP MANAGER L.M D.M	L.M D.M MM	R0.	15th March 2010
17. Table Draft IDP and Budget	Table IDP and Budget for adoption of Draft which is ready for public comments	MAYOR AO/CFO	MM	R0.	31st March 2010
18. Advertise of Draft IDP & BUDGET (1/04/10-30/04/10)	Placing of adverts for comments (21 days allowed)	MM IDP Manager IPED	IDP Manager IPED	R3 000	01st April 2010
19. Finalise IDP & BUDGET Formulation Documents	Attending to comments received and formulation of final IDP & BUDGET	IDP Manager IPED CFO	L.M D.M IPED	R2 500	14th April

Item	Action	Responsible Agent	Role-Players	Cost	Timeframes
20. Align CHDM and LM IDP&BUDGET Documents	Final alignment of CHDM and LM Formulation Documents as well as budget alignment	All IDP Managers CFO	L.M D.M IPED Depts.	R0.	29th April 2010
21. Adoption by Council	Adoption of new IDP & BUDGET	IDP Manager IPED/CFO	IDP Manager IPED Mayoral Committee	R0.	31st May 2010
22. Submission of documents to PIMSS for MEC comments	All Locals and District to send hard copy and electronic, final copies of their document to PIMSS for MEC comment	All IDP managers	L.M D.M PIMSS	R0.	31st May 2010
23. Document to Dept. H and LG for comment	All D.M and Local IDP's & BUDGET sent to MEC for comment by PIMSS	PIMMS CFO	PIMMS	R0.	01st June 2010

8. Alignment of Budget with Integrated Development Plan

Each year the IDP must be reviewed as required by the Municipal Systems Act and MFMA. It should be reviewed in terms of performance in achieving outcomes and outputs, since the current financial position and the future fiscal outlook for the municipality will have a direct bearing on delivery. The review should ensure that the plans are still within the financial capacity of EMALAHLENI. This section should give readers a good understanding of what is contained in the IDP and how that guides the allocations in the budget. The intention is not to attach the IDP as an annexure or to repeat everything in the IDP. However, it is critical that the user of the budget documentation obtains a good high-level overview of the IDP and be referred to the detailed IDP documentation.

1 VISION

"A municipality that delivers sustainable and affordable services towards socio-economic growth and development".

2 MISSION

Commitment of resources to co-ordinate and support programmes through effective partnerships and active community participation.

3 DEVELOPMENT PRIORITIES FOR 2010/11

1. SERVICE DELIVERY

- a. Water & sanitation
- b. Fencing,
- c. Roads & Storm water + bridges
- d. Electricity
- e. Safety & Security (CPFs, Satellite Police Stations, Regulation)
- f. Health (Clinics in Rural Areas + HIV/Aids)
- g. Education (Skills dev, Infrastructure)
- h. Waste Management + Refuse
- i. Housing

The tables contained in the following pages attempt to align the draft budget with the IDP.

8.2 – Table SA4 – Reconciliation of IDP strategic objectives and Budget – Revenue

8.3 – Table SA5 – Reconciliation of IDP strategic objectives and Budget – Operating Expenditure

8.4 – Table SA6 – Reconciliation of IDP strategic objectives and Budget – Capital Expenditure

EC136 Emalaheni (Ec) - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
Good Governance & Municipal Transformation	Public participation, Cooperative governance + Corruption. Youth dev, SPU			1,757	1,903	1,952	2,498	2,498	2,373	2,164	2,273
Financial Viability	Clean Audit + Improved revenue collection			32,636	36,220	44,868	49,711	49,711	60,961	67,390	73,584
Local Economic Development	Growth, Jobs, Markets, SMME's, Tourism + Partnerships			64	4,075	-	4,489	4,489	4,561	-	-
Service Delivery	Ensure that adequate services are provided			20,134	29,728	37,802	56,412	56,412	62,602	67,568	77,343
Total Revenue (excluding capital transfers and contributions)		1	-	54,592	71,926	84,621	113,109	113,109	130,496	137,122	153,200

EC136 Emalaheni (Ec) - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
R thousand											
Good Governance & Municipal Transformation	Public participation, Cooperative governance + Corruption. Youth dev, SPU			14,813	17,562	27,215	24,531	24,531	26,562	27,453	29,298
Financial Viability	Clean Audit + Improved revenue collection			25,812	3,208	13,588	11,265	11,265	12,351	12,520	13,682
Local Economic Development	Growth, Jobs, Markets, SMME's, Tourism + Partnerships			1,058	4,876	5,112	6,736	6,736	8,162	4,766	4,964
Service Delivery	Ensure that adequate services are provided			31,741	40,024	58,540	77,233	77,233	83,203	92,182	104,936
		1	-	73,423	65,670	104,455	119,764	119,764	130,278	136,921	152,880

EC136 Emalahleni (Ec) - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
Good Governance & Municipal Transformation	Public participation, Cooperative governance + Corruption. Youth dev, SPU	A			750	775	1,545	1,545	1,545	800	450	700
Financial Viability	Clean Audit + Improved revenue collection	B			83	18	265	265	265	440	140	240
Local Economic Development	Growth, Jobs, Markets, SMME's, Tourism + Partnerships	C			-	-	20	20	20	2,098	20	20
Service Delivery	Ensure that adequate services are provided	E			6,263	16,764	25,245	25,245	25,245	27,898	29,137	35,046
			1	-	7,096	17,557	27,076	27,076	27,076	31,236	29,747	36,006

9 Budget Related Policies Overview and Amendments

The **detailed policies** have been circulated and are included in the budget documentation. They will be available when the budget is tabled for consultation, tabled for consideration of approval and finally approved.

This section attempts to give a **broad overview** of the budget policy framework and highlight the amended policies to be approved by council resolution.

Budget related policies include, but are not limited to:

- Revenue related policies (tariffs, credit control, revenue collection, indigents, rates etc)
- Free basic services including levels, households benefiting and cost
- Investment of funds, reserves, borrowing and cash management
- Supply chain management policy
- Fraud Prevention and Risk Management policies
- Budget Policy,

The Council has adopted a number of budget & finance related policies over the years and reviewed all the Policies adopted by Council during the budget process. The following Finance related Policies were reviewed and no amendments made:

9.1 FINANCIAL BY LAWS & POLICIES as adopted:

- ▣ TARIFF POLICY BY LAW NO 61/GG NO 1687 16 MARCH 2007
- ▣ CREDIT CONTROL BY LAW NO 62 GG NO 1687 - 16 MARCH 2007
- ▣ INDIGENT SUPPORT BY LAW NO 63 GG NO 1687 – 16 MARCH 2007
- ▣ INDIGENT SUPPORT POLICY
- ▣ CREDIT CONTROL POLICY
- ▣ TARIFF POLICY
- ▣ BUDGET POLICY FOR THE EMALAHLENI LOCAL MUNICIPALITY
- ▣ EMALAHLENI MUNICIPALITY INVESTMENT AND CASH MANAGEMENT POLICY
- ▣ EMALAHLENI RATE POLICY
- ▣ EMALAHLENI INCENTIVE POLICY

9.2 The following policies were reviewed and are tabled for adoption:

- 9.2.1 Emalahleni Local Municipality Fraud Prevention Plan**
- 9.2.2 Emalahleni Local Municipality Fraud & Anti Corruption Policy**
- 9.2.3 Emalahleni Local Municipality Risk Management Strategy**
- 9.2.4 Emalahleni Local Municipality Risk Management Committee Charter**
- 9.2.5 Emalahleni Local Municipality Disposal Policy as amended**
- 9.2.6 Emalahleni Local Municipality Asset Management Policy as amended**
- 9.2.7 Emalahleni Local Municipality Supply Chain Policy as amended**

The MFMA required the municipality to adopt and implement a new supply chain policy and the municipality has now complied with this requirement. We have a detailed policy of council and a set of procedures to follow. The Supply Chain unit has been established within the Finance Directorate and is operating. The policy set limits for the various methods of procurement used within the municipality and delegated authority to implement the policy to the Accounting Officer as required in the MFMA.

10 Budget Assumptions

Budgets are prepared in an environment of uncertainty. To prepare meaningful budgets, assumptions need to be made about internal and external factors that could influence the budget. Documentation of the assumptions used in preparing the budget assists understanding of the information. The section provides a comprehensive summary of all the assumptions used in preparing the budget.

Budget Assumptions Table 2010/11				
	Estimated 2009/10	Estimated 2010/11	Estimated 2011/12	Estimated 2012/13
1) General Inflation Factor	5.4%	5.7%	6.2%	5.9%
2) Interest Rates:				
Borrowing	14.5%	12.0%	12.0%	12.0%
Investing	7.0%	6.0%	6.0%	6.0%
3) Increases - Rates and Tariffs:				
Growth Factor	0.0%	0.0%	0.0%	0.0%
Rates	5.4%	5.7%	6.2%	5.9%
Electricity	31.3%	20.0%	20.0%	20.0%
Refuse	5.4%	5.7%	6.2%	5.9%
Water	5.0%	6.0%	6.0%	6.0%
Sanitation	5.0%	6.0%	6.0%	6.0%
4) Tax Base Growth	0.0%	0.0%	0.0%	0.0%
5) Billing Collection Rates:				
Rates	23.0%	23.0%	23.0%	23.0%
Electricity	70.0%	75.0%	80.0%	90.0%
Refuse	23.0%	30.0%	40.0%	50.0%
Water	23.0%	30.0%	40.0%	50.0%
Sanitation	23.0%	30.0%	40.0%	50.0%
Debtor Interest	0.0%	0.0%	0.0%	0.0%
6) Bulk Electricity Purchases				
Growth Factor	0.0%	0.0%	0.0%	0.0%
Bulk Cost Increases	31.3%	28.9%	25.8%	25.9%

General inflation outlook and its impact on the municipal activities

General inflationary pressure is expected to remain in the moderate range as per the National Treasury forecasts. We have used the guidelines as per circular 48 and 51 from National Treasury for the next three years when preparing this medium term budget

Interest rates for borrowing and investment of funds

Based on historical trends and current market analysis we have used 14.5% as the base interest rate on any loans that we anticipate taking out over the medium term estimate but no such loan is envisaged in the current budget. Investment income is calculated using a 6% rate for cash invested.

Rates, tariffs, charges and timing of revenue collection

The Municipality has finalised and adopted the new valuations on property within the municipality. Rates are set to increase by 5.7%.

The Municipality must implement and conduct a costing study to assist the municipality in determining the 'total' direct and indirect cost of delivering the various services to the community from which a new costing model must be developed to distribute the indirect or 'administrative' costs incurred by the municipality. This new costing model must then be utilised to in the proposed tariffs for the municipality this year.

Refuse charges are set to increase 5.7% this year. This service is run at a loss and this result in this service not breaking even.

Electrical service is dependent on bulk electric purchases from ESKOM. As a result of the 28.9% increase in the cost of bulk electricity, the tariffs charged to customers will increase this year by 20% as set by NERSA. Indigent customers will be subsidized as follows:

0 – 50kw	free
51kw upwards	20% Increase

The municipality performs the water and sanitation services under an agency contract with the Chris Hani District Municipality. The district must approve all tariff increases relating to the water and sanitation function. A recommendation was made to the Chris Hani District municipality to increase the water and sanitation tariff with 6% as well. Given the history discussed above, no increases have been included for the outer years of this budget.

Growth or decline in tax base of the municipality

The municipality has continued to experience challenges in implementing the valuation of property within the municipality.

Until the new valuation roll is fully functional and all the properties are correctly identified and allocated to the actual owner against whom the rates may be levied the Municipality will struggle with a limited revenue base.

Collection rates for each revenue source and customer type
(for more detail see section 15 – revenue by source and vote)

Collection of billed services continues to be problematic in many areas of the municipality. These lower collection rates continue to put upward pressure on service tariffs and will require a conscience effort and an action plan to address in the future.

Collection rates for services that are billed to the community are usually very different than the amount actually billed for a particular service. This is the result of many different factors including consumer attitude, ability to pay and other issues. The municipality has implemented an action plan to utilise internal resources to improve the collection of the various billed services through a collection plan but this must be reviewed and a plan of action adopted to increase the collection rate.

In addition, the finance policies were reviewed and an additional suite of policies addressing Risk Management and Fraud Prevention have been added.

Price movements on specifics e.g. bulk purchases of water and electricity, fuel etc

We have budgeted for a bulk price increase in 10/11 of 28.9% for purchases of bulk electricity for distribution and resale at 20%, as determined by NERSA, as per circular no. 48 and Circular 51. For the medium term we have projected 20% for 2011/12 and 20% for 2012/13 respectively.

Average salary increases

After inclusion of the councillor allowances, salaries and related expenses make up in excess of 40% of the operating budget. This salary related expenses are increased each year by bargaining agreements controlled by SALGA.

Salaries for municipal workers are projected to increase steadily over the medium term budget forecast. For 2010/11 salaries are projected to increase 8,48%, for 11/12 - 6.0%, and for 12/13 a projected 6.0% increase.

11 Funding the Budget

Fiscal Overview

Emalahleni Municipality has set in motion a process to work toward the reform of its financial position and reporting systems to promote sustainability and conformance to the requirements of the MFMA.

Sustainability can mean many different things but at its core is the idea of financial stability and the ability to financially meet the obligations and commitments that are required to deliver the services within the community.

The MFMA requires many things from the municipality in this respect. Some of these items include:

- 1) Payment of all creditors within 30 days;
- 2) using only realistically expected actual revenues and non-committed cash surpluses to fund the budget;
- 3) ensuring that all required reserve funds are 'cash backed'.

Primarily from a cash point of view, Emalahleni, as a low capacity rural municipality, has faced serious financial difficulties over the past few years. Many local municipalities in South Africa are facing the same difficulties. The reasons for the situation are not simple and neither are the solutions.

Over the past years the municipality has been required to make adjustments to accommodate staff, deal with a high staff turnover, meet service delivery from a limited revenue base and faced with a large population most of whom are unemployed who simply do not have the income to pay the rates and tariffs required.

These conditions have resulted in overall low collection rates for services billed, growing pressure on salaries to become a greater and greater portion of the operating budget and finally, cash strapped bank accounts.

The Municipality has over the past few years struggled to achieve a balanced budget and has had to severely cut back on own funded projects with the resultant delay in service delivery so as to ensure that the prescripts of the MFMA are complied with.

Through the application of prudent budgeting and adherence to strict fiscal responsibility the Municipality has managed to achieve a balanced budget without having to access its accumulated cash reserve.

However the municipality must review its revenue collection base and strengthen its credit control and debt collection efforts. An evaluation of every aspect of its operation must be conducted to ensure that we are conducting our business in an effective and efficient manner to the benefit of the community we serve.

The Municipality must reinforce its commitment to prudent financial management of its resources and ensure that all services rendered are covered by related income and

that any and all agency related services rendered must be fully funded and have no negative financial consequence to the budget and the municipality.

Probably of most important will be our commitment to change and to adapt to the change in our conduct of our financial affairs to ensure that we are able to utilise our limited revenue resources to maximum effect, identify new sources of funding and aggressively pursue these and to accept that we cannot continue to conduct our affairs as we have in the past.

We must rise to the challenge and face the challenge head on to ensure the continued growth and financial stability of the Municipality.

Funded versus a Balanced budget: Table SA 10

The implementation of the MFMA changes the prospective of the budget from a 'funds' prospective where the emphasis is on balancing funds going out to funds coming in to a more dynamic accounting prospective.

This new prospective requires us to analysis the budget from several viewpoints to ensure that the budget is indeed balanced in accordance with the MFMA. The MFMA requires in section 18 that the budget be funded using only 'realistically' anticipated revenues to be collected and cash backed accumulated funds that are not committed to other purposes. Borrowed funds can only be used to fund capital budget items in accordance with MFMA requirements.

Although we show revenues on an accrual basis we must ensure that revenues used to fund the budget are realistically anticipated to be collected.

To be credible the budget must be consistent with the IDP and be achievable in terms of service delivery and performance targets. Credible budgets have realistic revenue and expenditure projections and the implementation of it improves the financial viability of the municipality.

The municipality has followed these principles and the directions put forth in NT circulars 41 and 42 concerning both the budget process and funding of a municipal budget.

We have made full disclosure on all revenues using accrual methods and all cash that is available has been shown where it is legally committed to be spent.

Cash flow for the 2010/11 budget year reflects that cash receipts for the year will be sufficient to place a small surplus into working operating capital.

EC136 Emalahleni (Ec) Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	42,879	43,521	46,895	27,061	40,239	40,239	40,239	40,457	40,659	40,978
Cash + investments at the yr end less applications - R'000	18(1)b	2	-	35,607	54,991	83,423	66,118	66,118	66,118	80,303	101,842	123,798
Cash year end/monthly employee/supplier payments	18(1)b	3	-	10.2	12.5	4.3	6.2	6.2	6.2	5.1	5.1	4.5
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	-	(18,831)	6,256	(19,834)	(6,656)	(6,656)	(6,656)	218	201	319
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(6.0%)	(4.8%)	(4.5%)	18.6%	(6.0%)	(6.0%)	2.8%	3.4%	3.6%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	0.0%	143.1%	276.4%	346.4%	244.9%	244.9%	245%	241.6%	258.0%	255.8%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	0.0%	160.1%	(11.1%)	48.3%	53.8%	53.8%	53.8%	35.6%	36.8%	43.0%
Capital payments % of capital expenditure	18(1)c;19	8	0.0%	97.4%	100.2%	100.0%	100.0%	100.0%	100.0%	73.8%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	(6.5%)	(1.8%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	0.0%	42.2%	23.1%	0.0%	0.0%	0.0%	13.5%	13.4%	15.1%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	0.0%	#NAME?	3.0%	4.3%	5.7%	5.7%	5.7%	6.9%	9.5%	8.0%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

11.2 – Financial Indicators – Table SA 8

The municipality must implement a process to develop effective performance indicators able to be both meaningful and useful for detecting financial problems and trends that need to be investigated and addressed.

This process and the indicators are not available at this time but will be made public once finalized.

EC136 Emalahleni (Ec) - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2006/7	2007/8	2008/9	Current Year 2009/10				2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
Borrowing Management											
Borrowing to Asset Ratio	Total Long-Term Borrowing/Total Assets	0.0%	0.3%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.0%	-0.7%	0.0%	1.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	6.7%	-1.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital											
Debt to Equity	Loans, Creditors, Overdraft & Tax Provision/ Funds & Reserves	0.0%	38.3%	45.5%	36.0%	36.0%	36.0%	36.0%	28.9%	27.5%	22.2%
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity											
Current Ratio	Current assets/current liabilities	-	3.7	2.6	2.6	2.6	2.6	2.6	2.8	3.0	3.3
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	-	3.7	2.6	2.6	2.6	2.6	2.6	2.8	3.0	3.3
Liquidity Ratio	Monetary Assets/Current Liabilities	-	2.3	1.5	1.3	1.3	1.3	1.3	1.3	1.3	1.3
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	430.6%	489.9%	489.9%	489.9%	489.9%	300.6%	274.7%	296.7%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	0.0%	52.5%	58.3%	69.5%	48.2%	48.2%	48.2%	48.3%	52.6%	55.2%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))										
Funding of Provisions											
Provisions not funded - %	Unfunded Provs./Total Provisions										
Other Indicators											
Electricity Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Distribution Losses (2)	% Volume (units purchased and own source less units sold)/Total units purchased and own source										
Employee costs	Employee costs/(Total Revenue - capital revenue)	0.0%	35.5%	27.8%	43.8%	30.6%	30.6%	30.6%	34.5%	35.2%	34.0%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	0.0%	41.8%	36.0%	52.0%	36.2%	36.2%	36.2%	39.9%	40.7%	39.3%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	0.0%	5.4%	0.1%	2.9%	0.8%	0.8%	0.8%	0.7%	0.7%	0.6%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	-	5.6	9.0	9.1	9.1	9.1	16.3	18.1	17.7	19.5
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	0.0%	211.7%	294.5%	360.1%	287.2%	287.2%	287.2%	299.8%	311.1%	327.2%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	-	10.2	12.5	4.3	6.2	6.2	6.2	5.1	5.1	4.5

Sources of Funding

11.3 - Rates, tariffs and other charges

The detailed listings of all of the proposed tariffs and rates for the 2010/11 financial year are contained in **appendix A**. In this section we will highlight only the major changes proposed. We will concentrate on the four major tariffs of the municipality along with the property rates.

These five revenue sources will account for an almost R16,2 million in billed revenue for the municipality in 2010/11 and will account for an estimated R10,4 million in actual cash collection. The breakdown is as follows:

Item	Billed (000's)	Cash (000's)
• Property Rates	4,545	1,082
• Electricity	3,905	3,905
• Water	2,556	1,481
• Wastewater	2,881	1,403
• Refuse Collection	2,565	2,565
• Total	<u>16,252</u>	<u>10,437</u>

Property Rates

The Municipality is in the process of finalising our Valuation Roll as attended to by the appointed supplier and in addressing the various issues arising from the new roll including the identification of a number of erven still registered in the name of the State but occupied by private individuals.

The municipality has faced a vacuum as the vast majority of its rateable property portfolio was levied on old evaluations and or no payment was received on rateable property which must be addressed.

It is critical to the municipality that the implementation of the general valuation for the municipality be reviewed and refined, the state ownership of land be resolved as a matter of urgency to ensure a certain broadened revenue base.

As shown in appendix A levied rates are proposed to be increased **by 5.7%** this budget year.

Electricity Tariffs

The second largest revenue source for the municipality is the electricity tariff (R3.9 million next year). It is also the source of the single largest expenditure – bulk electricity purchases (budgeted at R7.2 million next year).

The vast majority of domestic users of the municipal electrical distribution system are using a 'pre-paid' meter system. Using this system the municipality is able to collect the tariff charge 'up front' and eliminate all bad debts associated with these customers. This is the reason that the collection rate from the electricity tariff is so high compared to other tariffs that are billed in the conventional way.

The initial tariff increase put forth in the budget for electricity is **20%**.

Water and Wastewater Tariffs

Emalahleni delivers water and wastewater services in the capacity of an agent of the Chris Hani District Municipality. As such, the budget and any tariff increases are to be done in consultation with the district.

As of this time we are requesting a **6%** increase in both water and sanitation rates.

Currently the wastewater tariffs are billed to customers with water borne sewer connections based on the number of sewer connection points. Households are assumed and only charged for one connection point while commercial and industrial users are billed for the actual number of points that they have. Wastewater is an annual charge and may be paid annually or in monthly instalments if the rates and taxes of the relevant erf are also paid in monthly instalments.

Water is billed monthly based on usage with higher usage resulting in a higher charge. An availability charge is payable on all property where a connection to the water network is possible but not utilized.

All current/proposed water and wastewater tariffs are listed in appendix A.

Refuse Collection

Refuse collection tariffs are 'use based' fees that are based on factors such as the category of the customer and the number of removals required.

For 2010/11 a **5.7%** increase in refuse tariffs across the board is scheduled.

The listing of proposed refuse tariffs is included in appendix A.

11.4 - Savings and efficiencies

The budget must be fully funded and be able to fund the required reserves with cash per the MFMA. To meet this goal the municipality will need to continue to find savings and operating efficiencies in municipal operations. Currently the municipality has to place constraints on the expenditure accounts in certain areas of operation. The municipality also has plans to investigate the elimination of certain areas and operations that are not core functions of the municipality.

Other areas of operations being examined include; the implementation of the credit control and debt collection policy of the municipality; and addressing a major issue concerning a tremendous amount of extremely old and very difficult to collect debtors on the active billing system. The old hard to collect accounts in this billing system need to be purged and 'cleaned' to a separate collection system that is then contracted out to the private sector for processing. This will allow the limited staff to focus on more current debtors; those with a higher likelihood of collection.

11.5 - Investments – cash backed accumulated surplus

This section documents particulars of existing investments and predicted levels of investments based on future strategies. The portfolio of investments should also be compliant with the MFMA, regulations and investment framework.

The following tables are included to show details concerning the municipality's investments.

11.6 - Table SA15 – Investments Particulars by Type

11.7 - Table SA16 – Investments Particulars by Maturity

EC136 Emalahleni (Ec) - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
R thousand										
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		38 258	35 375	37 203	35 000	35 000	35 000	35 000	35 000	35 000
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	38 258	35 375	37 203	35 000	35 000	35 000	35 000	35 000	35 000
Entities										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		38 258	35 375	37 203	35 000	35 000	35 000	35 000	35 000	35 000

EC136 Emalahleni (Ec) - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Expiry date of investment	Monetary value	Interest to be realised
Name of institution & investment ID	1	Yrs/Months			Rand thousand	
<u>Parent municipality</u>						
		1 month	32 days	01 August 2010	35 000	2 100
Municipality sub-total					35 000	2 100
<u>Entities</u>						
Entities sub-total					-	-
TOTAL INVESTMENTS AND INTEREST	1				35 000	2 100

11.8 - Grant allocations

The following is a listing of grants included within the budget and a brief description of each.

MUNICIPAL INFRASTRUCTURE GRANT

This fund is allocated to municipalities to supplement municipal capital budgets to eradicate backlogs in municipal infrastructure, as well as the rehabilitation and renewal of municipal infrastructure. Conditions to the grant is to prioritise residential infrastructure for water, sanitation, refuse removal, street lighting, solid waste, connector and bulk infrastructure, and other municipal infrastructure like roads in line with the MIG policy framework. Municipalities must adhere to the labour intensive construction method and must report to DPLG in terms of the Division of Revenue Act on progress.

NATIONAL ELECTRIFICATION PROGRAMME

This fund is allocated to municipalities to provide capital subsidies to address the electrification backlog of permanently occupied residential dwellings, the installation of bulk infrastructure and rehabilitation of electrification infrastructure.

Conditions include that the amounts must be accounted for through regular reporting, all benefits must be passed to end users, ring fence the electricity function, safely operate and maintain the infrastructure and also adhere to the labour intensive construction method.

MUNICIPAL SYSTEM IMPROVEMENT PROGRAMME

This grant is allocated to assist municipalities in building in-house capacity to perform their functions and stabilise institutional and governance system as required in the Local Government Municipal Systems Act of 2000.

Conditions include that a activity plan must be submitted in the prescribed format with detail budgets and timeframes. Submission of monthly expenditure reports in accordance of the Division of the Revenue Act.

LOCAL GOVERNMENT FINANCIAL MANAGEMENT GRANT

This grant is allocated to promote and support reforms to financial management and the implementation of the Municipal Finance Management Act.

Conditions include submission of council resolution striving to achieve multi-year budgets, accounting and reporting reforms. The employment of a skilled chief financial officer and promotion of internship programme in financial management and ongoing review, revision and submission of implementation plans to address weaknesses in financial management.

11.9 -Table SA 18 - Transfers and grant receipts

Table SA 19 - Expenditure on transfers and grant programme

Table SA 20 - Reconciliation of transfers, grant receipts and unspent Funds

The table on the following page gives a detail listing of the allocations that the municipality anticipates receiving.

EC136 Emalahleni (Ec) - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
EXPENDITURE:										
Operating expenditure of Transfers and Grants										
National Government:		-	25,519	31,271	42,184	43,840	43,840	53,330	60,068	65,810
Equitable share			24,535	30,036	40,449	42,105	42,105	51,330	57,778	63,510
Finance Management			250	500	1,000	1,000	1,000	1,250	1,500	1,500
Municipal Systems Improvement			734	735	735	735	735	750	790	800
Provincial Government:		-	-	-	-	-	-	-	-	-
Health subsidy										
Housing										
Sports and Recreation										
District Municipality:		-	-	-	-	-	-	-	-	-
<i>Water and Sanitation Provider</i>										
Total operating expenditure of Transfers and Grants:		-	25,519	31,271	42,184	43,840	43,840	53,330	60,068	65,810
Capital expenditure of Transfers and Grants										
National Government:		-	-	10,082	14,547	23,474	23,474	22,217	24,217	30,366
Municipal Infrastructure (MIG)				10,082	13,817	22,744	22,744	15,978	19,217	23,366
Public Works					730	730	730	1,239		
Intergrated National Electrification Program								5,000	5,000	7,000
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
<i>Water and Sanitation Provider</i>										
Other grant providers:		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		-	-	10,082	14,547	23,474	23,474	22,217	24,217	30,366
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	25,519	41,353	56,731	67,314	67,314	75,547	84,285	96,176

EC136 Emalahleni (Ec) - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		-	25,519	31,271	42,184	43,840	43,840	53,330	60,068	65,810
Equitable share			24,535	30,036	40,449	42,105	42,105	51,330	57,778	63,510
Finance Management			250	500	1,000	1,000	1,000	1,250	1,500	1,500
Municipal Systems Improvement			734	735	735	735	735	750	790	800
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	-	25,519	31,271	42,184	43,840	43,840	53,330	60,068	65,810
Capital Transfers and Grants										
National Government:		-	-	10,082	14,547	23,474	23,474	22,217	24,217	30,366
Municipal Infrastructure (MIG)			-	10,082	13,817	22,744	22,744	15,978	19,217	23,366
Public Works			-	-	730	730	730	1,239	-	-
Intergrated National Electrification Program			-	-	-	-	-	5,000	5,000	7,000
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]			-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	-	-	10,082	14,547	23,474	23,474	22,217	24,217	30,366
TOTAL RECEIPTS OF TRANSFERS & GRANTS		-	25,519	41,353	56,731	67,314	67,314	75,547	84,285	96,176

EC136 Emalahleni (Ec) - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year				2,928	2,442	2,442	2,442	1,225		
Current year receipts			984	1,235	1,735	1,735	1,735	2,000	2,290	2,300
Conditions met - transferred to revenue		-	984	4,163	4,177	4,177	4,177	3,225	2,290	2,300
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year			12,476	2,156	2,186	2,186	2,186	511		
Current year receipts			41,860							
Conditions met - transferred to revenue		-	54,336	2,156	2,186	2,186	2,186	511	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year				1,629	2,636	2,636	2,636	2,342		
Current year receipts										
Conditions met - transferred to revenue		-	-	1,629	2,636	2,636	2,636	2,342	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		-	55,320	7,948	8,999	8,999	8,999	6,078	2,290	2,300
Total operating transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year			1,837	4,621	11,397	11,397	11,397	221		
Current year receipts			10,082		14,547	23,474	23,474	22,217	24,217	30,366
Conditions met - transferred to revenue		-	11,919	4,621	25,944	34,871	34,871	22,438	24,217	30,366
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year				3,951	1,773	1,773	1,773	1,556		
Current year receipts										
Conditions met - transferred to revenue		-	-	3,951	1,773	1,773	1,773	1,556	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year				-	5	5	5	688		
Current year receipts								3,243	3,570	2,760
Conditions met - transferred to revenue		-	-	-	5	5	5	3,931	3,570	2,760
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		-	11,919	8,572	27,721	36,648	36,648	27,924	27,787	33,126
Total capital transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		-	67,239	16,520	36,720	45,648	45,648	34,002	30,077	35,426
TOTAL TRANSFERS AND GRANTS - CTBM		-	-	-	-	-	-	-	-	-

11.10 - Contributions and donations

Municipalities must budget for anticipated contributions and or donations. These could be in the form of cash or in kind. An example of an in kind contribution is infrastructure assets donated to the municipality free of charge by a developer as part of a residential development scheme. Municipalities must consider the financial and service delivery consequences of receiving contributions and donations. For example, the receipt of an infrastructure asset will require ongoing repairs and maintenance of the asset to maintain agreed service levels and standards. The revenue implications should also be considered. In the above example of a new residential development there should also be new rates and taxes on the new residential properties. Whether the new rates and taxes etc are set at levels sufficient to cover the ongoing costs of the new infrastructure is a policy decision for the council.

The municipality anticipates **no contributions and or donations** for the coming budget years.

11.11 - Sale of assets

All disposals of municipal assets is controlled by requirements put forth in the MFMA and is controlled and governed by the Disposal policy as adopted by Council.

11.12 - Carry over

Provision for the carryover of cash from unfinished programs and projects from the 2009/10 financial year to the 2010/11 financial year will be included in the final budget presented for approval. These funds were allocated to a specific purpose in previous financial years but for a variety of reasons the project will not be completed by the end of the financial year.

The following table lists the anticipated cash from operational and capital grant projects that is projected to be brought forward to the new budget year.

Cash Carry Forward

DESCRIPTION OF PROJECT	ESTIMATED CASH CARRY FORWARD
Capital Grants Projects	
BENGU IRRIGATION SCHEME	1,424
CHDM PROJECTS	125,000
COAL MINING	23,480
DISASTER FUND	4,650
DISASTER FUND	50,000
ELITHENI COAL MINE	505,970
ELM PROJECTS	996,858
INDWE STORMWATER	51,364
LED	191,322
NER FUND	110,437
NER FUND	110,437
PRE-SCHOOLS	6,530
PRE-SCHOOLS	2,314
PRE-SCHOOLS	2,500
PRE-SCHOOLS	181,500
PRE-SCHOOLS	466,565
PRE-SCHOOLS	500
PRE-SCHOOLS	1,706
PRE-SCHOOLS	24,898
PRE-SCHOOLS	20,000
PRE-SCHOOLS	20,000
PRE-SCHOOLS	70,000
PRE-SCHOOLS	8,000
PRE-SCHOOLS	18,000
PRE-SCHOOLS	30,000
PRE-SCHOOLS	2,000
PRE-SCHOOLS	27,000
PRE-SCHOOLS	20,000
PRIM PROD SORGHUM	100,000
QOBOSHANE BRIDGE	30,000
TSHATSHU IRRIGATION	133,976
UPGRADE SERVICES	26,859
UPGRADE STREETS	2,634
TOTAL CAPITAL GRANTS	3,365,924
Operating Grants Projects	
CLEAN UP CAMPAIGN	22,381
EPWP	451,009
HIV/AIDS	111,172
IDP	239,760
IEC	213,466
IMBIZO	121,566
INTEGRATION OF CDW PLAN	35,000
LAND USE	150,000
LAYOUT PLAN	20,815
LED	1,066,101
LED STRATEGY	55,415
LIVESTOCK MARKETING COST	397,631
MASSIVE FOOD	327,844
MSIG	10,556
MSIG	66,505
MSIG	29,213
MSIG	278,399
MSIG	250,000
MSIG	138,898
MSIG	40,000
PROMOTE LOCAL TOURSIM	20,098
SETA	2,194
TOWN ESTABLISHMENT	6,748
TOWN SCHEME PLANNING	62,760
TRANSITIONAL GRANT	273
TOTAL OPERATING GRANTS	4,117,804
GRAND TOTAL ALL GRANTS	7,483,728

11.13 - Proposed Future Revenue Sources

Each year when preparing the budget, thought should be given to proposed future revenue sources that could be introduced. This section will highlight these, their potential impact on future budgets and any potential issues.

The largest single potential revenue source for the municipality is the collection of billed tariffs and rates. In addition, the effective implementation and roll out of the valuation of property within the municipality is critical to its financial future.

Both of these items will be given top priority in the coming financial year in hopes of development strategies and plans to implement improvements in the future.

11.14 - Borrowing

The Emalahleni Municipality has not made provision for borrowing in the current Budget.

11.15 - TABLE SA17 - New Borrowing

The table below indicates that no anticipated payments to borrowings will be made for the year.

EC136 Emalahleni (Ec) - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
R thousand										
Parent municipality										
Long-Term Loans (annuity/reducing balance)		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock										
Instalment Credit										
Financial Leases				330	222	222	222	115	8	-
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	-	-	330	222	222	222	115	8	-
Entities										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Borrowing	1	-	-	330	222	222	222	115	8	-

12. - Table SA 21 - Disclosure on Allocations Made by the Municipality

The municipality currently does not make any allocations to other municipalities so this table is not included.

EC136 Emalahleni (Ec) - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
R thousand										
<u>Transfers to other municipalities</u>										
TOTAL TRANSFERS TO MUNICIPALITIES:		-	-	-	-	-	-	-	-	-
<u>Transfers to Entities/Other External Mechanisms</u>										
TOTAL TRANSFERS TO ENTITIES/EMS'		-	-	-	-	-	-	-	-	-
<u>Transfers to other Organs of State</u>										
TOTAL TRANSFERS TO OTHER ORGANS OF STATE:		-	-	-	-	-	-	-	-	-
<u>Grants to Organisations/ Groups of Individuals</u>										
TOTAL GRANTS TO ORGANISATIONS/GROUPS OF INDIVIDUALS:		-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS	5	-	-	-	-	-	-	-	-	-

13 Disclosure on Salaries, Allowances and Benefits

The tables on the following pages give the required listings of salaries, Allowances, and personnel as required by the MFMA.

13.1 - TABLE SA23 - Salaries, Allowances and Benefits (Political Office bearers/councillors/senior managers)

13.2 - TABLE SA22 - Summary of councillor and staff benefits

13.3 - TABLE SA24 - Summary of Personnel Numbers

EC136 Emalahleni (Ec) - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No. 10	Salary	Contrib. 1.	Allowances	Performance Bonuses	In-kind benefits 2.	Total Package 3.
Rand per annum								
Councillors	4							
Speaker	5	1	311 358	67 397	128 101			506 856
Chief Whip								-
Executive Mayor		1	389 200	79 884	155 852			624 936
Deputy Executive Mayor								-
Executive Committee		5	802 720	216 010	339 515			1 358 245
Total for all other councillors		33	3 386 040	1 049 133	1 516 497			5 951 670
Total Councillors	9	40	4 889 318	1 412 424	2 139 965			8 441 707
Senior Managers of the Municipality	6							
Municipal Manager (MM)			511 868	125 943	153 600	114 912		906 323
Chief Finance Officer			434 111	94 784	120 000	100 022		748 917
Manager - Corporate & Human Resources			434 111	103 148	84 000	100 022		721 281
Manager - Technical Services			434 111	95 144	156 000	100 022		785 277
Manager - Community Services			434 111	95 144	156 000	100 022		785 277
Manager - Strategic			434 111	95 144	156 000	100 022		785 277
Manager - IPED			434 111	95 144	156 000	100 022		785 277
Total Senior Managers of the Municipality	9	-	3 116 534	704 449	981 600	715 044	-	5 517 627
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION		40	8 005 852	2 116 873	3 121 565	715 044	-	13 959 334

EC136 Emalahleni (Ec) - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Salary			3,053	4,182	4,421	4,261	4,261	4,889	5,192	5,499
Pension Contributions			506	582	703	703	703	784	833	882
Medical Aid Contributions			-	1,077	639	691	691	622	661	700
Motor vehicle allowance			1,083	1,176	1,562	1,562	1,562	1,743	1,851	1,960
Cell phone allowance			383	327	397	397	397	397	422	446
Housing allowance								-	-	-
Other benefits or allowances			196	43	44	44	44	6	6	7
In-kind benefits										
Sub Total - Councillors										
% increase	4	-	5,222	7,387	7,766	7,658	7,658	8,442	8,965	9,494
			-	41.5%	5.1%	(1.4%)	-	10.2%	6.2%	5.9%
Senior Managers of the Municipality	2									
Salary			2,528	2,177	2,808	3,110	3,110	3,091	3,283	3,476
Pension Contributions			154	293	506	560	560	556	591	626
Medical Aid Contributions			69	78	102	102	102	102	108	115
Motor vehicle allowance			737	678	634	634	634	570	605	641
Cell phone allowance			79	72	88	88	88	88	93	99
Housing allowance					38	74	74	324	344	364
Performance Bonus			197	253	512	578	578	715	759	804
Other benefits or allowances			194	61	108	127	127	74	78	83
In-kind benefits										
Sub Total - Senior Managers of Municipality										
% increase	4	-	3,958	3,612	4,796	5,274	5,274	5,520	5,862	6,208
			-	(8.7%)	32.8%	10.0%	-	4.7%	6.2%	5.9%
Other Municipal Staff										
Basic Salaries and Wages			7,109	8,718	14,154	13,868	13,868	20,223	21,477	22,744
Pension Contributions			1,131	1,288	2,545	2,493	2,493	3,026	3,214	3,404
Medical Aid Contributions			1,212	465	1,380	1,216	1,216	1,581	1,679	1,778
Motor vehicle allowance			107	(1)	138	142	142	255	270	286
Cell phone allowance			42	45	89	116	116	89	95	100
Housing allowance			8	154	1,017	876	876	1,061	1,127	1,193
Overtime			625	647	101	491	491	237	252	266
Performance Bonus								-	-	-
13th Cheque			802	541	1,169	1,154	1,154	1,477	1,569	1,661
Other benefits or allowances			131	190	297	262	262	33	37	41
In-kind benefits										
Sub Total - Other Municipal Staff										
% increase	4	-	11,165	12,049	20,890	20,618	20,618	27,982	29,719	31,474
			-	7.9%	73.4%	(1.3%)	-	35.7%	6.2%	5.9%
Total Parent Municipality										
			-	20,345	23,048	33,451	33,551	33,551	41,944	44,546
			-	13.3%	45.1%	0.3%	-	25.0%	6.2%	5.9%
TOTAL SALARY, ALLOWANCES & BENEFITS										
			-	20,345	23,048	33,451	33,551	33,551	41,944	44,546
% increase	4		-	13.3%	45.1%	0.3%	-	25.0%	6.2%	5.9%
TOTAL MANAGERS AND STAFF	5									
			-	15,123	15,661	25,686	25,893	25,893	33,502	35,581
			-	15,123	15,661	25,686	25,893	25,893	33,502	37,682

EC136 Emalaheni (Ec) - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2008/9			Current Year 2009/10			Budget Year 2010/11		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		31			31			31		31
Board Members of municipal entities	3									
Municipal employees	4									
Municipal Manager and Senior Managers	2	7		6	7		7	7		7
Other Managers	6							6		3
Professionals		17	14	-	18	13	1	12	12	-
<i>Finance</i>		17	14		17	13		5	5	
<i>Spatial/town planning</i>								1	1	
<i>Information Technology</i>								1	1	
<i>Roads</i>					1		1			
<i>Electricity</i>								1	1	
<i>Water</i>								1	1	
<i>Sanitation</i>										
<i>Refuse</i>								3	3	
<i>Other</i>								2	2	
Technicians		74	55	-	83	55	-	6	6	-
<i>Finance</i>										
<i>Spatial/town planning</i>		2	2		2	2				
<i>Information Technology</i>		1	1		1	1				
<i>Roads</i>		12	4		14	4		1	1	
<i>Electricity</i>		3	2		3	3		3	3	
<i>Water</i>		12	7		16	8		2	2	
<i>Sanitation</i>		19	18		22	16				
<i>Refuse</i>		25	21		25	21				
<i>Other</i>										
Clerks (Clerical and administrative)		38	37		38	37		69	69	
Service and sales workers								6	6	
Skilled agricultural and fishery workers										
Craft and related trades								3	3	
Plant and Machine Operators		4	4		4	4		22	22	
Elementary Occupations		23	17		23	17		64	64	
TOTAL PERSONNEL NUMBERS		194	127	6	204	126	8	228	184	41
% increase			(34.5%)	(95.3%)	3 300.0%	2 000.0%	33.3%	2 750.0%	(19.3%)	(77.7%)
Total municipal employees headcount	5							154	154	41
Finance personnel headcount	7							22	22	
Human Resources personnel headcount	7							3	3	

- 14 Table SA 25 - Budgeted monthly revenue and expenditure**
Table SA 26 - Budgeted monthly revenue and expenditure
(Municipal Vote)
Table SA 27 - Budgeted monthly revenue and expenditure
(Standard Classification)
Table SA 28 - Budgeted monthly capital expenditure
(Municipal Vote)
Table SA 29 - Budgeted monthly capital expenditure
(Standard Classification)
Table SA 30 - Budgeted Monthly cash flow

The table on the following pages presents a monthly cash flow for the municipality over the next financial year.

EC136 Emalahleni (Ec) - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2010/11												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
Revenue By Source																
Property rates		70	114	173	100	169	68	60	45	81	80	46	3,539	4,545	4,827	5,112
Property rates - penalties & collection charges													-	-	-	-
Service charges - electricity revenue		296	301	356	349	277	311	406	258	379	287	300	383	3,905	4,683	5,617
Service charges - water revenue		140	104	130	139	106	142	138	96	155	105	97	1,205	2,556	2,709	2,872
Service charges - sanitation revenue		108	142	192	150	148	112	118	88	104	81	71	1,570	2,881	3,054	3,237
Service charges - refuse revenue		219	164	213	200	162	214	247	170	295	233	202	246	2,565	2,724	2,884
Service charges - other														-	-	-
Rental of facilities and equipment		39	39	39	39	39	39	39	39	39	39	39	39	468	498	527
Interest earned - external investments		206	206	206	206	206	206	206	206	206	206	206	206	2,473	2,627	2,782
Interest earned - outstanding debtors		96	96	96	96	96	96	96	96	96	96	96	96	1,150	1,221	1,293
Dividends received														-	-	-
Fines		1	1	1	1	1	1	1	1	1	1	1	1	11	11	12
Licences and permits		0	0	0	0	0	0	0	0	0	0	0	0	1	1	1
Agency services		2,245	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	21,500	24,610	27,488
Transfers recognised - operational		27,505	-	-	-	17,110	-	-	-	12,832	-	-	-	57,448	60,068	65,811
Other revenue		175	175	175	175	175	175	175	175	175	175	175	3,541	5,471	2,236	2,368
Gains on disposal of PPE		5	5	5	5	5	5	5	5	5	5	5	5	62	65	69
Total Revenue (excluding capital transfers and contributions)		31,106	3,098	3,337	3,211	20,245	3,121	3,242	2,930	16,119	3,059	2,988	12,581	105,036	109,335	120,074
Expenditure By Type																
Employee related costs		2,997	2,997	2,997	2,997	3,002	2,997	2,997	2,997	2,997	2,997	2,997	3,289	36,266	38,516	40,790
Remuneration of councillors		608	608	608	608	608	608	608	608	608	608	608	608	7,296	7,748	8,205
Debt impairment		-	-	-	-	-	-	-	-	-	-	-	6,015	6,015	6,806	8,716
Depreciation & asset impairment		-	-	-	-	-	-	-	-	-	-	-	662	662	679	679
Finance charges		6	6	6	6	6	6	6	6	6	6	6	6	74	79	83
Bulk purchases		985	1,023	820	554	571	546	527	553	525	556	579	850	8,090	10,011	12,425
Other materials														-	-	-
Contracted services		152	152	152	152	152	152	152	152	152	152	152	152	1,823	1,936	2,050
Transfers and grants		3,058	2,808	2,608	2,608	6,061	2,608	2,608	2,608	2,608	2,608	2,608	2,561	35,354	29,747	36,006
Other expenditure		3,142	2,466	2,597	2,597	2,597	2,597	2,597	2,597	2,597	2,597	2,597	5,719	34,700	41,400	43,927
Loss on disposal of PPE														-	-	-
Total Expenditure		10,948	10,061	9,789	9,523	12,997	9,515	9,496	9,522	9,493	9,525	9,548	19,861	130,278	136,921	152,880
Surplus/(Deficit)																
Transfers recognised - capital		20,158	(6,963)	(6,452)	(6,312)	7,247	(6,394)	(6,254)	(6,592)	6,626	(6,466)	(6,560)	(7,280)	(25,242)	(27,586)	(32,807)
Contributions recognised - capital		1,851	1,851	1,851	1,851	5,094	1,851	1,851	1,851	1,851	1,851	1,851	1,851	25,460	27,787	33,126
Contributed assets														-	-	-
Surplus/(Deficit) after capital transfers & contributions		22,009	(5,112)	(4,600)	(4,461)	12,342	(4,542)	(4,402)	(4,740)	8,477	(4,614)	(4,709)	(5,429)	218	201	319
Taxation														-	-	-
Attributable to minorities														-	-	-
Share of surplus/ (deficit) of associate														-	-	-
Surplus/(Deficit)	1	22,009	(5,112)	(4,600)	(4,461)	12,342	(4,542)	(4,402)	(4,740)	8,477	(4,614)	(4,709)	(5,429)	218	201	319

EC136 Emalahleni (Ec) - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2010/11												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
Revenue by Vote																
EXECUTIVE AND COUNCIL		2,025	-	-	-	-	-	-	-	-	-	-	335	2,360	2,153	2,261
FINANCE AND ADMINISTRATION		21,868	749	609	536	17,915	504	496	481	13,349	516	481	3,471	60,975	67,402	73,597
PLANNING AND DEVELOPMENT		2	2	2	2	2	2	2	2	2	2	2	4,542	4,561	-	-
COMMUNITY AND SOCIAL SERVICES		515	20	20	20	20	20	20	20	20	20	20	891	1,602	743	787
PUBLIC SAFETY		181	181	181	181	181	181	181	181	181	181	181	(35)	1,952	2,015	2,134
SPORT AND RECREATION		31	31	31	31	31	31	31	31	31	31	31	(89)	252	267	283
WASTE WATER MANAGEMENT		648	683	733	691	2,185	653	658	629	644	622	612	614	9,372	11,657	13,743
WASTE MANAGEMENT		241	187	235	222	184	236	269	192	317	255	224	1,787	4,348	4,804	4,112
ROADS TRANSPORT		1,444	1,444	1,444	1,444	1,454	1,444	1,444	1,444	1,444	1,444	1,444	1,976	17,869	19,217	23,366
WATER		1,261	1,224	1,250	1,259	2,972	1,262	1,258	1,217	1,275	1,225	1,217	2,325	17,744	18,823	19,922
ELECTRICITY		792	797	852	844	773	807	902	754	875	783	795	490	9,462	10,040	12,995
HOUSING		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote		29,006	5,316	5,355	5,229	25,716	5,139	5,260	4,948	18,138	5,077	5,006	16,307	130,496	137,122	153,200
Expenditure by Vote to be appropriated																
EXECUTIVE AND COUNCIL		1,445	1,414	1,414	1,414	1,419	1,414	1,414	1,414	1,414	1,414	1,414	1,749	17,341	18,062	19,129
FINANCE AND ADMINISTRATION		1,900	1,378	1,447	1,447	1,447	1,447	1,447	1,447	1,447	1,447	1,447	7,262	23,567	24,030	26,095
PLANNING AND DEVELOPMENT		298	298	298	298	298	298	298	298	298	298	298	4,879	8,162	4,766	4,964
COMMUNITY AND SOCIAL SERVICES		358	346	346	346	346	346	346	346	346	346	346	1,278	5,096	4,473	4,934
PUBLIC SAFETY		177	177	177	177	177	177	177	177	177	177	177	502	2,450	2,357	2,660
SPORT AND RECREATION		92	92	92	92	92	92	92	92	92	92	92	212	1,229	1,297	1,367
WASTE WATER MANAGEMENT		737	640	652	652	652	652	652	652	652	652	652	3,626	10,869	13,457	14,673
WASTE MANAGEMENT		251	237	237	237	237	237	237	237	237	237	237	280	2,905	3,409	3,587
ROADS TRANSPORT		267	267	267	267	267	267	267	267	267	267	267	18,257	21,190	24,462	28,788
WATER		1,592	1,142	1,192	1,192	1,192	1,192	1,192	1,192	1,192	1,192	1,192	4,278	17,744	18,823	19,922
ELECTRICITY		1,385	1,424	1,221	955	971	947	927	954	925	957	980	7,082	18,728	20,726	25,641
HOUSING		83	83	83	83	83	83	83	83	83	83	83	997	1,058	1,121	
Total Expenditure by Vote		8,587	7,500	7,428	7,162	7,183	7,153	7,134	7,161	7,132	7,163	7,187	49,488	130,278	136,921	152,880
Surplus/(Deficit) before assoc.		20,419	(2,184)	(2,073)	(1,933)	18,533	(2,015)	(1,875)	(2,212)	11,005	(2,087)	(2,181)	(33,181)	218	201	319
Taxation													-	-	-	-
Attributable to minorities													-	-	-	-
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	20,419	(2,184)	(2,073)	(1,933)	18,533	(2,015)	(1,875)	(2,212)	11,005	(2,087)	(2,181)	(33,181)	218	201	319

EC136 Emalahleni (Ec) - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)

Description	Ref	Budget Year 2010/11												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
Revenue - Standard																
Governance and administration		23,823	479	539	466	17,645	434	426	411	13,279	446	411	4,977	63,335	69,555	75,858
Executive and council		2,025	-	-	-	-	-	-	-	-	-	-	335	2,360	2,153	2,261
Budget and treasury office		21,797	478	538	465	17,644	433	425	410	13,278	445	410	4,637	60,961	67,390	73,584
Corporate services		1	1	1	1	1	1	1	1	1	1	1	4	14	13	13
Community and public safety		691	196	196	196	196	196	196	196	196	196	196	1,151	3,805	3,025	3,204
Community and social services		512	17	17	17	17	17	17	17	17	17	17	917	1,602	743	787
Sport and recreation		21	21	21	21	21	21	21	21	21	21	21	21	252	267	283
Public safety		158	158	158	158	158	158	158	158	158	158	158	213	1,952	2,015	2,134
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		-	-	-	-	-	-	-	-	-	-	-	22,430	22,430	19,217	23,366
Planning and development		-	-	-	-	-	-	-	-	-	-	-	4,561	4,561	-	-
Road transport		-	-	-	-	-	-	-	-	-	-	-	17,869	17,869	19,217	23,366
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		2,474	2,422	2,602	2,549	2,404	2,491	2,619	2,323	2,644	2,417	2,380	13,601	40,927	45,324	50,772
Electricity		324	329	384	377	305	339	434	286	407	315	328	5,632	9,462	10,040	12,995
Water		1,261	1,224	1,250	1,259	1,226	1,262	1,258	1,217	1,275	1,225	1,217	4,072	17,744	18,823	19,922
Waste water management		648	683	733	691	689	653	658	629	644	622	612	2,111	9,372	11,657	13,743
Waste management		241	187	235	222	184	236	269	192	317	255	224	1,787	4,348	4,804	4,112
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Standard		26,988	3,098	3,337	3,211	20,245	3,121	3,242	2,930	16,119	3,059	2,988	42,159	130,496	137,122	153,200
Expenditure - Standard																
Governance and administration		3,180	2,626	2,695	2,695	2,700	2,695	2,695	2,695	2,695	2,695	2,695	10,840	40,908	42,091	45,224
Executive and council		1,445	1,414	1,414	1,414	1,419	1,414	1,414	1,414	1,414	1,414	1,414	1,749	17,341	18,062	19,129
Budget and treasury office		591	550	620	620	620	620	620	620	620	620	620	5,632	12,351	12,520	13,682
Corporate services		1,143	661	661	661	661	661	661	661	661	661	661	3,459	11,216	11,510	12,412
Community and public safety		876	865	865	865	865	865	865	865	865	865	865	246	9,772	9,186	10,082
Community and social services		524	512	512	512	512	512	512	512	512	512	512	(551)	5,096	4,473	4,934
Sport and recreation		92	92	92	92	92	92	92	92	92	92	92	212	1,229	1,297	1,367
Public safety		177	177	177	177	177	177	177	177	177	177	177	502	2,450	2,357	2,660
Housing		83	83	83	83	83	83	83	83	83	83	83	997	1,058	1,121	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		565	565	565	565	565	565	565	565	565	565	565	23,136	29,352	29,229	33,752
Planning and development		298	298	298	298	298	298	298	298	298	298	298	4,879	8,162	4,766	4,964
Road transport		267	267	267	267	267	267	267	267	267	267	267	18,257	21,190	24,462	28,788
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		3,966	3,444	3,302	3,036	3,053	3,028	3,009	3,035	3,007	3,038	3,062	15,266	50,246	56,415	63,822
Electricity		1,385	1,424	1,221	955	971	947	927	954	925	957	980	7,082	18,728	20,726	25,641
Water		1,592	1,142	1,192	1,192	1,192	1,192	1,192	1,192	1,192	1,192	1,192	4,278	17,744	18,823	19,922
Waste water management		737	640	652	652	652	652	652	652	652	652	652	3,626	10,869	13,457	14,673
Waste management		251	237	237	237	237	237	237	237	237	237	237	280	2,905	3,409	3,587
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard		8,587	7,500	7,428	7,162	7,183	7,153	7,134	7,161	7,132	7,163	7,187	49,488	130,278	136,921	152,880
Surplus/(Deficit) before assoc.		18,401	(4,402)	(4,091)	(3,951)	13,062	(4,033)	(3,893)	(4,231)	8,987	(4,105)	(4,199)	(7,329)	218	201	319
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	18,401	(4,402)	(4,091)	(3,951)	13,062	(4,033)	(3,893)	(4,231)	8,987	(4,105)	(4,199)	(7,329)	218	201	319

EC136 Emalahleni (Ec) - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2010/11												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
Multi-year expenditure to be appropriated	1															
EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FINANCE AND ADMINISTRATION		70	270	70	70	270	70	70	70	70	70	70	70	1,240	590	940
PLANNING AND DEVELOPMENT		175	175	175	175	175	175	175	175	175	175	175	175	2,098	20	20
COMMUNITY AND SOCIAL SERVICES		78	78	78	78	78	78	78	78	78	78	78	78	932	50	250
PUBLIC SAFETY		27	27	27	27	27	27	27	27	27	27	27	27	325	100	270
SPORT AND RECREATION		10	10	10	10	10	10	10	10	10	10	10	10	120	120	120
WASTE WATER MANAGEMENT		-	-	-	-	1,497	-	-	-	-	-	-	-	1,497	1,800	930
WASTE MANAGEMENT		-	-	-	-	-	-	-	-	-	-	-	-	-	350	350
ROADS TRANSPORT		1,454	1,454	1,454	1,454	1,454	1,454	1,454	1,454	1,454	1,454	1,454	1,454	17,448	19,337	23,486
WATER		-	-	-	-	1,747	-	-	-	-	-	-	-	1,747	1,770	1,830
ELECTRICITY		486	486	486	486	486	486	486	486	486	486	486	486	5,831	5,610	7,810
HOUSING		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	2,299	2,499	2,299	2,299	5,742	2,299	2,299	2,299	2,299	2,299	2,299	2,299	31,236	29,747	36,006
Single-year expenditure to be appropriated																
EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FINANCE AND ADMINISTRATION		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
COMMUNITY AND SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PUBLIC SAFETY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SPORT AND RECREATION		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WASTE WATER MANAGEMENT		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WASTE MANAGEMENT		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ROADS TRANSPORT		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WATER		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ELECTRICITY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HOUSING		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	2	2,299	2,499	2,299	2,299	5,742	2,299	2,299	2,299	2,299	2,299	2,299	2,299	31,236	29,747	36,006

EC136 Emalahleni (Ec) - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)

Description	Ref	Budget Year 2010/11												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
Capital Expenditure - Standard	1															
Governance and administration		70	270	70	70	270	70	70	70	70	70	70	70	1,240	590	940
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Budget and treasury office		37	37	37	37	37	37	37	37	37	37	37	37	440	140	240
Corporate services		33	233	33	33	233	33	33	33	33	33	33	33	800	450	700
Community and public safety		115	115	115	115	115	115	115	115	115	115	115	115	1,376	270	640
Community and social services		78	78	78	78	78	78	78	78	78	78	78	78	932	50	250
Sport and recreation		10	10	10	10	10	10	10	10	10	10	10	10	120	120	120
Public safety		27	27	27	27	27	27	27	27	27	27	27	27	325	100	270
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		1,629	1,629	1,629	1,629	1,629	1,629	1,629	1,629	1,629	1,629	1,629	1,629	19,546	19,357	23,506
Planning and development		175	175	175	175	175	175	175	175	175	175	175	175	2,098	20	20
Road transport		1,454	1,454	1,454	1,454	1,454	1,454	1,454	1,454	1,454	1,454	1,454	1,454	17,448	19,337	23,486
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		486	486	486	486	3,729	486	486	486	486	486	486	486	9,074	9,530	10,920
Electricity		486	486	486	486	486	486	486	486	486	486	486	486	5,831	5,610	7,810
Water		-	-	-	-	1,747	-	-	-	-	-	-	-	1,747	1,770	1,830
Waste water management		-	-	-	-	1,497	-	-	-	-	-	-	-	1,497	1,800	930
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	350	350
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	2	2,299	2,499	2,299	2,299	5,742	2,299	2,299	2,299	2,299	2,299	2,299	2,299	31,236	29,747	36,006

EC134 Lukhanji - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2010/11												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
R thousand													1		
Cash Receipts By Source															
Property rates	2,544	3,261	5,147	3,154	4,736	2,790	2,320	1,892	3,051	2,968	1,943	2,890	36,697	39,265	42,014
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	6,790	6,904	8,145	7,977	6,359	7,131	9,282	5,930	8,664	6,581	6,865	8,756	89,386	111,369	138,848
Service charges - water revenue	1,267	934	1,174	1,250	952	1,280	1,240	869	1,400	945	870	1,175	13,355	14,147	14,987
Service charges - sanitation revenue	637	837	1,133	887	873	664	696	520	613	482	424	545	8,309	8,802	9,325
Service charges - refuse revenue	781	588	760	715	579	766	882	607	1,054	831	720	879	9,163	10,537	12,118
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	37	37	37	37	37	37	37	37	37	37	37	37	446	446	446
Interest earned - external investments	168	168	168	168	168	168	168	168	168	168	168	168	2,010	2,010	2,010
Interest earned - outstanding debtors	79	85	103	124	107	91	91	62	92	65	56	76	1,030	1,030	1,030
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	42	42	42	42	42	42	42	42	42	42	42	42	504	504	504
Licences and permits	397	397	397	397	397	397	397	397	397	397	397	397	4,765	4,765	4,765
Agency services	225	225	15,551	1,484	1,484	12,371	1,484	1,484	12,371	1,484	1,484	2,987	52,630	54,581	56,653
Transfer receipts - operational	38,469	258	258	258	29,227	258	258	258	21,985	258	258	1,295	93,037	103,403	113,103
Other revenue	991	991	991	991	991	991	991	991	991	991	991	991	11,889	12,014	12,146
Cash Receipts by Source	52,426	14,726	33,904	17,483	45,952	26,985	17,886	13,255	50,864	15,248	14,254	20,236	323,219	362,874	407,949
Other Cash Flows by Source															
Transfer receipts - capital	17,704	-	-	-	-	7,647	-	-	1,667	-	-	-	27,017	38,438	46,543
Contributions recognised - capital & Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	70,130	14,726	33,904	17,483	45,952	34,632	17,886	13,255	52,530	15,248	14,254	20,236	350,236	401,312	454,492
Cash Payments by Type															
Employee related costs	8,573	8,573	8,573	8,573	9,113	8,573	8,573	8,573	8,573	8,573	8,573	8,573	103,416	110,114	116,426
Remuneration of councillors	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	14,404	15,173	15,988
Collection costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	630	630	630	633	633	633	633	633	633	633	633	633	7,590	6,965	6,034
Bulk purchases - Electricity	12,183	12,697	9,996	6,459	6,679	6,350	6,096	6,445	6,067	6,483	6,793	10,390	96,638	121,486	152,867
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services	211	211	211	211	211	211	211	211	211	211	211	211	2,534	2,534	2,534
Grants and subsidies paid - other municipalities	-	792	792	792	792	792	792	792	792	792	792	792	8,714	2,290	2,300
Grants and subsidies paid - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General expenses	8,542	7,802	8,025	8,025	8,025	8,025	8,025	8,025	8,025	8,025	8,025	8,025	96,591	95,703	100,218
Cash Payments by Type	31,339	31,906	29,427	25,894	26,654	25,785	25,531	25,880	25,502	25,918	26,228	29,825	329,888	354,265	396,365
Other Cash Flows/Payments by Type															
Capital assets	5,263	5,215	5,317	3,554	3,136	2,683	1,842	1,292	983	5,178	4,332	4,491	43,286	38,438	46,543
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	36,602	37,121	34,744	29,447	29,790	28,467	27,373	27,172	26,485	31,096	30,560	34,316	373,173	392,703	442,908
NET INCREASE/(DECREASE) IN CASH HELD	33,528	(22,394)	(840)	(11,964)	16,161	6,164	(9,486)	(13,917)	26,045	(15,848)	(16,306)	(14,080)	(22,937)	8,609	11,584
Cash/cash equivalents at the month/year begin:	22,983	56,511	34,116	33,276	21,312	37,473	43,637	34,151	20,234	46,279	30,432	14,126	22,983	46	8,655
Cash/cash equivalents at the month/year end:	56,511	34,116	33,276	21,312	37,473	43,637	34,151	20,234	46,279	30,432	14,126	46	46	8,655	20,239

15 Measurable Performance Objectives (Revenue Source and Vote)

Provided in the following pages are summaries of annual measurable performance objectives for each vote. Also included is revenue by source and vote in Table 10. Annual performance objectives must be converted into quarterly targets for the Service Delivery and Budget Implementation Plan (SDBIP) and will be audited in terms of the annual performance report required by the Systems Act (refer also to chapters 2 and 5 of the annual report as per MFMA circular 11).

15.1 Table 10 – Revenues by Source and Vote

The following pages contain the listing of revenue by Source and Vote.

Emalahleni Municipality - Table 10
Operating Revenue by Source & Vote 2010/11
Performance Objectives re MFMA 17 3 b

Source	Vote	Source	Votes	Description	Notes
Property Rates		4 545 100	4.5%		
Finance		4 545 100		Assessment Rates	The two aspects to Assessment Rates include collection and expansion. Specific targets need to be set for collection in each ward and the verification of ownership and the implementation of the new valuation roll
Electricity from Tariffs		3 904 986	3.8%		
Electric Distribution		15 332		Electric Connection fees / other	This service fee is charged once off when new connection are done to properties. Payment is basic for the meter and cabling to main source.
Electric Distribution		3 884 369		Electricity Tariffs	We do calculations of tariffs on consumption and growth as well as payment trends on the service. NER gives a guideline as to what % may be increased. A full study must be undertaken to lower electricity losses.
Electric Distribution		5 285		Electricity Reconnection / Tamper Fees	This is a charge that is payable when services to the property were disconnected due to non payment or a person has tampered with that service. Encourage to debtors to settle their accounts before hand.
Water From Tariffs		2 555 826	2.5%		
Water Distribution		19 026		Water Connection Fees	This service fee is charged once off when new connection are done to properties. Payment is basic for the meter and piping to main source.
Water Distribution		2 536 800		Water Tariffs	The charge is for the usage of water. Different categories exist for the billing of this service. An 6% increase has been set to the service as the District Municipality is responsible for this function.
Sanitation From Tariffs		2 881 186	2.8%		
Sewerage Disposal		6 146		Septic Tanks	This service fee is charged when septic tanks need to be pumped out.
Sewerage Disposal		2 875 040		Sewer Tariffs	The charge is applicable to properties that has sewer connections to their property. Different categories exist for the billing of this service. An increase of 6% has been set to the service as the District Municipality is responsible for this function. S
Refuse from Tariffs		2 564 664	2.5%		
Refuse Removal		2 564 664		Refuse Removal Fees	The charge is for the removal of refuse at properties. Different categories exist for the billing of this service depending on the number of removals. The tariff increase has been set at 5.7% due to the fact that the function is not breaking even.
Grants		57 447 720	56.5%		
Allocations:		2 025 000		Equitable Share	This is covered by the Division of the Revenue Act. The municipality administers this grant to fund the supply of free basic services to the indigent and other target groups in accordance with the spirit of this grant.
Council					
Finance (rates)		49 304 916		Equitable Share	
Various Departments		2 000 000		Conditional Grants	Conditional Grants are awarded to the municipality from the national and provincial government for specific purposes. The money must be spent as required by conditions set forth in the award.
Various Departments		4 117 804		Conditional Grants : Cash Carry Forwards	Conditional Grants are awarded to the municipality from the national and provincial government for specific purposes. The money must be spent as

Emalahleni Municipality - Table 10
Operating Revenue by Source & Vote 2010/11
Performance Objectives re MFMA 17 3 b

Source	Vote	Source	Votes	Description	Notes
Property Rates		4 545 100	4.5%		
Finance		4 545 100	Assessment Rates	The two aspects to Assessment Rates include collection and expansion. Specific targets need to be set for collection in each ward and customer group. Expansion will include an increase in the actual rate of 5.7% and concluding the evaluation process in	
Electricity from Tariffs		3 904 986	3.8%		
Electric Distribution		15 332	Electric Connection fees / other	This service fee is charged once off when new connection are done to properties. Payment is basic for the meter and cabling to main source.	
Electric Distribution		3 884 369	Electricity Tariffs	We do calculations of tariffs on consumption and growth as well as payment trends on the service. NER gives a guideline as to what % may be increased. Deloitte's were requested to do a full study and presentation on this tariff as it show a huge surplus a	
Electric Distribution		5 285	Electricity Reconnection / Tamper Fees	This is a charge that is payable when services to the property were disconnected due to non payment or a person has tampered with that service. Encourage to debtors to settle their accounts before hand.	
Water From Tariffs		2 555 826	2.5%		
Water Distribution		19 026	Water Connection Fees	This service fee is charged once off when new connection are done to properties. Payment is basic for the meter and piping to main source.	
Water Distribution		2 536 800	Water Tariffs	The charge is for the usage of water. Different categories exist for the billing of this service. An 6% increase has been set to the service as the District Municipality is responsible for this function. No metering exist in Whittlesea and needs to be add	
Sanitation From Tariffs		2 881 186	2.8%		
Sewerage Disposal		6 146	Septic Tanks	This service fee is charged when septic tanks need to be pumped out.	
Sewerage Disposal		2 875 040	Sewer Tariffs	The charge is applicable to properties that has sewer connections to their property. Different categories exist for the billing of this service. An increase of 6% has been set to the service as the District Municipality is responsible for this function. S	
Refuse from Tariffs		2 564 664	2.5%		
Refuse Removal		2 564 664	Refuse Removal Fees	The charge is for the removal of refuse at properties. Different categories exist for the billing of this service depending on the number of removals. The tariff increase has been set at 5.7% due to the fact that the function is not breaking even.	
Grants		57 447 720	56.5%		
Allocations: Council		2 025 000	Equitable Share	This is covered by the Division of the Revenue Act. The municipality administers this grant to fund the supply of free basic services to the indigent and other target groups in accordance with the spirit of this grant.	

16 Disclosure on Implementation of MFMA & Other Legislation

The MFMA (Municipal Finance Management Act) became effective July 1st of 2004. Most of the requirements of the act took effect immediately; however, various delays were given to certain sections of the act based on the 'capacity' of the municipality as was determined by National Treasury. All local municipalities were classified as either a high, medium or low capacity municipality with each level given different implementation dates for the various delayed sections.

EMALAHLENI is classified as a low capacity municipality and was required to meet the implementation dates put forth for low capacity municipalities.

A MFMA implementation plan was developed to assist the municipality in implementing the required changes by the deadlines given. With only a few exceptions all sections of the MFMA were required to be implemented by Emalahleni by **July 1st of 2008**

Many of the major changes required by the act have already been implemented by the municipality. Some of these include adoption and implementation of a new supply chain policy and establishment of a supply chain unit, the establishment of a budget and treasury office within the finance directorate, the adoption of various policies and procedures including policies for cash and investments, delegations within the organization, establishment of a new audit committee, policy on unforeseen and unexpected expenditures and other administrative requirements.

The budget and how it must be designed, funded and reported on is a very big part of MFMA implementation. Requirements include funding the budget only from realistic revenue, surplus cash or borrowing (but only for capital projects). The budget must also be prepared and tabled to council much earlier than was previously required (by March 31st) and must be voted on in its final form before the end of May.

Much of the implementation of the MFMA involves new and sometimes complex budgetary and financial reporting requirements. Detailed monthly budgetary reports must be delivered to the Mayor along with quarterly performance indicators. The Mayor is required to make quarterly reports to the council on all aspects of the budgets implementation and any problems that need to be addressed. A mid year performance report is to be delivered to council along with recommendations on needed mid year adjustments that need to be made. Annual, quarterly and monthly reports are required to be delivered to National Treasury in very specific formats. All of these reporting requirements are already being met.

17 Budgets and SDBIPs – Departmental / Functional (internal)

A summary of each functional SDBIP within each directorate is provided in the following pages showing the information set out in MFMA Circular 13 under the section “Format of Departmental SDBIPs”:

- Purpose (outcomes);
- Service delivery description (outputs);
- Resources utilised (inputs);
- Inputs to detailed sector capital plans; and
- The link between performance measures in the SDBIP and performance contracts.

The summary of the Directorate SDBIP contain in the following pages gives performance targets and indicators for the 2010/11 year.

These are based on the draft SDBIP.

Key Priority Area (KPA)	Sub-result areas	Objective	Supporting Strategies	Project to be implemented	Source of budget / Vote No	KPI	Baseline	Target	BUDGET 2010/11	Expenditure Projections by quarters				Responsible Manager	
										Sep'10	Dec'10	Mar'11	Jun'11		
Local Economic Development	Local Economic Development	To monitor, manage and conserve the environment	By facilitating implementation of programmes by DEAT and DEDEA	Implement Bathembu cultural calabash project	DEAT	Business plan drafted and implemented fully	Nil	Project implemented according to business plan	R 12,000,000					IPED	
				Western Thembuland Cultural Village	DEAT	Business plan drafted and implemented fully	Nil	Project implemented according to business plan	R 10,000,000					IPED	
			By developing an investment framework for attracting new partnerships and resources for Economic development	Xonxa Dam development project	DEAT	Progress implementation based on BP milestones	Nil	Co-operative launched and registered to manage project implementation	R 3,100,000						IPED
				Dairy Project	DEAET	Diary project launched with management structure appointed	Nil	Registered legal entity to manage the initiative and business plan implemented accordingly	R500 000						IPED
	Agriculture & Rural development	To promote and support agrarian transformation	By facilitating implementation of projects by Department of Agric + Rural Dev	Support of mushroom project	DEAET	Progress implementation based on BP milestones	Nil	Project implemented according to business plan	R 500 000						IPED
				Implement CASP Projects	Agric	Progress implementation based on BP milestones	Nil	Completion of project in accordance with BP milestones	R2,849,962						IPED
				Implement Sorgham plantation project	Agric	Progress implementation based on BP milestones	Nil	Completion of project in accordance with BP milestones	R 1,800,000						IPED
				Fencing in Zwart Water, Dubeni, Cacadu Guba Hoek (31km)	Agric	Progress implementation based on BP milestones	Nil	Completion of project in accordance with BP milestones	R 920,000						IPED
				Implement Land Care Management Project	Agric	Progress implementation based on BP milestones	Nil	Completion of project in accordance with BP milestones	R 560 000						IPED
				Implement Siyazondla Program	Agric	Progress implementation based on BP milestones	Nil	Completion of project in accordance with BP milestones	R638 330						IPED
				Implement Siyakhula Program	Agric	Progress implementation based on BP milestones	Nil	Completion of project in accordance with BP milestones	R 766 026.00						IPED
			By facilitating the revitalization of existing agricultural schemes	Lobby DM and DoA for funding of revitalization of local schemes	CHDM	Progress implementation based on BP milestones	Nil	Completion of project in accordance with BP milestones	R 0						IPED
			By constructing dipping tanks in our wards	Construction of Ngganda Dipping Tank	DoA	Progress implementation based on BP milestones	Nil	Completion of project in accordance with BP milestones	R 750 000						IPED
			By constructing shearing sheds in our wards	lobby DoA to erect shearing sheds in priority areas	DoA	Business plan developed and submitted to potential funders	Nil	BP developed and lodged with potential funder	R 0						IPED
			By fencing lands and commonages	lobby DoA to fence lands and commonages in priority areas	DoA	Business plan developed and submitted to potential funders	Nil	BP developed and lodged with potential funder	R 0						IPED
			By promoting SMME Dev.	Provide necessary support to SMME's	ELM	Amount in rands spent supporting SMMEs	Nil	R400 000	R 400 000.00						IPED
			To promote branding and organized marketing of large livestock	To build the necessary infrastructure for branding, marketing and personnel	ELM-OPEX	Marketing and branding strategy developed and implemented	Nil	Marketing and branding strategy in place and implemented	R 316 270						IPED
	To ensure that Planning and Economic Dev Dept machinery is beefed-up	To ensure that necessary machinery is in place for dept operations	To buy computers for dept	ELM-OPEX	Computers procured for the department	Nil	Computers procured in line with SCM	R20 000					IPED		
	To ensure reduction of Alien species	By mobilizing resources for removal of alien species	Implement alien plants removal	CHDM / DEAET	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R1000 000					IPED		
	Tourism	To promote local tourism development	By implementing the local tourism sector plan	lobby resources for implementing priority projects	ELM	progress implementation based on Tourism Plan milestones	Nil	Completion of projects in accordance with Tourism Plan milestones	R 400 000					IPED	
				By supporting the promotion of local arts and cultural craft development and marketing	lobby DSAC to support local producers with linkages to markets	DSRAC	Business plan developed and submitted to DSRAC for funding	Nil	Funding to the tune of R120 000 secured via the BP	R 120,000					IPED

Key Priority Area (KPA)	Sub-result areas	Objective	Supporting Strategies	Project to be implemented	Source of budget / Vote No	KPI	Baseline	Target	BUDGET 2010/11	Expenditure Projections by quarters				Responsible Manager
										Sep'10	Dec'10	Mar'11	Jun'11	
Local Economic Development	Poverty Alleviation	To ensure that 80% of households have access to clean basic water supply by 2011/12 and 90% sanitation	By liaising with the DM for the implementation of funded projects	Facilitate implementation of water supply projects by the DM	CHDM	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R 50,000,000					IPED
		To contribute to the reduction of poverty and creation of food security and livelihood initiatives	Facilitate implementation of commitments by department of social development and others	Implement food security programmes	DoSD /SASSA	Participate in project implementation teams	Nil	Integration and smooth delivery of social development initiatives achieved as measured by survey of select projects	R 0					IPED
		To support poor households with a subsidy for water & sanitation	By facilitating the DM to provide free water and sanitation services to poor households	Facilitate implementation of basic access to sanitation and water supply projects by the DM	CHDM	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R 24,798 629					IPED
Service Delivery	Water and Sanitation	To facilitate sustainable provision of water and sanitation service	By facilitating implementation of commitments by CHDM and leveraging resources with own MIG	Support rural development in the Guba Farms	DLA	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R 180,000					Technical Services
				Sanitation Project	ELM	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R1,496,500					Technical Services
				Redistribute 3565ha of land involving 13 FARMS in Indwe	DLA	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R 0					Technical Services
	Housing & Land Reform	To implement our existing housing sector plan	By facilitating rectification of bad built houses	Implement approved projects for housing rectification	Provincial Dept of Housing	Inventory of houses for rectification completed and approved	Nil	All identified units in the inventory rectified in accordance with business plans	R 44,094,165					Technical Services
				Planning survey	ELM-OPEX	Number of new ervens surveyed and serviced	Nil	200	R100 000					Technical Services
	Roads and Stormwater	To provide and maintain basic access road network and stormwater infrastructure	By utilizing MIG and also lobby DoR&T to construct and maintain access roads and stormwater infrastructure	Area wide maintenance of access roads	DoR&T	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R 12,000,000					Technical Services
				Construct and maintain approved access roads in our MIG	MIG	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R7,543 955					Technical Services
				Surfacing of proclaimed roads	DoR&T	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R 0					Technical Services
	Bridges	To ensure proper construction and provision of bridges to connect communities and facilitate economic development	By Facilitating Extended Public Works Program	Implementing EPWP Projects	ELM	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R 1,239,000					Technical Services
				Construct bridges in priority areas	DoR&T	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R 0					Technical Services
		To mobilize funds for construction of bridges	By mobilizing funds from relevant sector departments and leveraging with our MIG funds	Lobby funding for construction from other departments	DoR&T	Business plan for funding lodged with funders	Nil	BP drafted and lodged with funders	R 0					Technical Services
	Electricity	To ensure improved household and business access to electricity supply	By providing free basic electricity through discount subsidy and installation of community lights in strategic points	Provide free basic electricity to approved indigents	ES	% of poor households in the approved Indigent Register receiving free electricity subsidy	Nil	100%	R 1,500,000					Technical Services
				Maintain community street lights	ELM	Amount of money spent on community street light maintenance	Nil	R 600,000	R 600,000					Technical Services
			By lobbying Eskom for Fast-tracking rural electrification	Communicate to Eskom priority areas for rural electrification	ESKOM	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R 27,202,000					Technical Services
			To ensure that areas left behind from being electrified are attended to	Facilitate connections of in-fills	Facilitate implementation of in-fills connections project	ESKOM	number of new connections completed (Rate of R1000/connection)	Nil	462	R 462 000				
To ensure electrification of extension areas			By Lobbying for funding of existing extensions	Monitor implementation of extension connection project	Dept of Energy Resources	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R5,200,000					Technical Services
Town Planning	To ensure a proper town planning and land use management	To develop land use management systems	Monitor development of land use management systems	ELM-OPEX	Land Use Management policy adopted	Nil	Land Use Management policy developed, adopted by council and implemented	R 300 000					Technical Services	
		To facilitate land ownership	To conduct land audit	ELM-OPEX	Land ownership inventory completed	Nil	Ownership inventory conducted and verified	R300 000					Technical Services	
Municipal Public works	To implement civil works	By utilizing own machinery to implement civil works	Civil Defence	ELM-OPEX	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R23 641, 00					Technical Services	

Key Priority Area (KPA)	Sub-result areas	Objective	Supporting Strategies	Project to be implemented	Source of budget / Vote No	KPI	Baseline	Target	BUDGET 2010/11	Expenditure Projections by quarters				Responsible Manager
										Sep'10	Dec'10	Mar'11	Jun'11	
Service Delivery	Waste and Refuse collection	To provide affordable and reliable refuse and waste collection service	By developing a waste management sector plan adapting the DM Plan	Localize existing DM waste management plan	ELM & CHDM	Sector plan developed	Nil	Sector plan in place and adopted by council	0					Community Services
			By developing a licensed landfill site	Construction of licensed landfill site	ELM & CHDM	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R 2,450,000					Community Services
	Pound Management	To provide for management of stray animals	By construction of Pound for stray animals	Implement construction of Pound for stray animals	ELM	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R 270 000					
			By identifying and setting aside land for future cemeteries	Support rural and urban areas with fencing and land for burial	ELM	% of wards with fenced cemeteries	Nil	100%	R 118,000					
	Cemeteries	To provide effective cemetery service	Support with maintenance of existing cemeteries	Support with maintenance of existing cemeteries	ELM/CAPEX	Amount of money spent on maintenance of cemeteries	Nil	R149 575	R149 575					
			By managing and maintain existing municipal Sport Fields	Manage and maintain existing municipal Sport Fields	ELM	Amount of money spent on maintenance of cemeteries	Nil	R50 000 -	R50 000 -					
	Parks and Recreation	To facilitate provision of parks and recreation areas	By maintaining and managing Parks and open spaces	Child care facility	CAPEX	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R200 000					
			Maintaining of parks Caravan & Open spaces	Maintaining of parks Caravan & Open spaces	ELM	Amount of money spent on maintenance of cemeteries	Nil	R 325 000	R 325 000					
			Fencing	Fencing	ELM-OPEX	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R 382					
	Community facilities	To construct and maintain municipal infrastructure using internal resources	By managing of existing libraries	Maintain and manage our libraries	ELM	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R494 969 -					
			By maintain and manage community halls	Manage and maintain existing halls	ELM	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R 400,000					
			By mobilizing resources and supporting other departments with infrastructure creation and maintenance	Implement all municipal infrastructure creation projects using internal plant	OPEX	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R 2,000,000 -					
	Disaster management	To ensure effective response to disasters	To leverage resources for the construction of council chamber	Implement construction of council chamber	ELM-CAPEX	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R 2,000,000					
			By building capacity for firefighting resident within our municipal towns	To lobby for establishment and equipping of a localized fire fighting centre in Lady Frere	OPEX	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R 528,500.00 -					
			Disasters management Funding	Disasters management Funding	OPEX	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R 528 500					
	Education and Early childhood development	To support early childhood development	By lobbying DoE to upgrade and maintain existing educational facilities	Train finance staff on new legislation and treasury guidelines	FMG	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R 80,000					
			By facilitating and supporting establishment and operation of crèches	Conduct inventory of existing crèches(Childhood Centers)	OPEX	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R 200,000 -					
			By supporting DoSD to implement their early childhood development programmes	Facilitate delivery of committed projects	DoSD	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R -					
To facilitate sustainable household access to primary health care and facilities		By lobbying DoE to upgrade and maintain existing educational facilities	lobby DoE to improve existing infrastructure	OPEX	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R -						

Key Priority Area (KPA)	Sub-result areas	Objective	Supporting Strategies	Project to be implemented	Source of budget / Vote No	KPI	Baseline	Target	BUDGET 2010/11	Expenditure Projections by quarters				Responsible Manager			
										Sep'10	Dec'10	Mar'11	Jun'11				
Service Delivery	Health	To ensure improved household access to health services	By facilitating and lobbying DoH to upgrade existing facilities (hospitals & clinics) and improve services	lobby DoH to maintain and improve services	DOH	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R -								
	Traffic/Street security	To contribute to crime prevention and public safety	By participating in local policing forums	Participate in the local policing forums	OPEX	number of Forum monthly meetings attended	Nil	12	R -								
	Financial Management	To manage municipal financial resources and provide effective oversight and support to other sections	By building capacity to comply with LG legislation and financial controls	Lobby SAPS to introduce mobile police stations in priority crime spots	Implement GRAP and update asset register	MSIG	Complete conversions into GRAP by June 2011	Nil	GRAP compliant	R 250,000					Finance		
					Implement strict financial control measures	OPEX	Introduce measured and issue memo to all amangers	Nil	Memo to all managers issued for compliance	R 0					Finance		
					Develop and implement functional risk management plan and asset register	FMG	Progress towards completion and implementation of Risk Plan	Nil	Risk Mngement plan in place and implemented	R 200,000						Finance	
					Produce regular monthly and Quarterly financial reports (s71 MFMA)	OPEX	Timely reporting based on MFMA	Nil	Compliance with MFMA deadlines	R 0							Finance
					Issue memos for management inputs on s72 report by 31 October 2010	OPEX	Timely reporting based on MFMA	Nil	Compliance with MFMA deadlines	R 0							Finance
					To produce 2008/9 s72 report (Annual) by January 2010	OPEX	Timely reporting based on MFMA	Nil	Compliance with MFMA deadlines	R 0							Finance
					Ensure audited financial statements 09/10 by November 2010	FMG	Timely reporting based on MFMA	Nil	Compliance with MFMA deadlines	R 1,050							
	Revenue Management	To improve municipal revenue base	By implementing effective revenue management strategies	Implement existing revenue and credit control strategy	MSIG	progress implementation based on strategy milestones	Nil	Strategy fully implemented and all milestones achieved	0						Finance		
				Verify meters and repair faulty ones	MSIG	Inventory of faulty meters completed	Nil	Inventory approved and faulty meters repaired	0							Finance	
				Back-up Generator/Server Upgrade/Computers	CAPEX/ELM	Upgrades effected in line with upgrade business plan	Nil	All identified upgrades implemented	R 500 000							Finance	
				Updating of supplier database	OPEX	Revised database approved	Nil	Revised database approved and considered in procurement processes	R 0							Finance	
				Monitor and report trends via PMS scorecard and SDBIP	OPEX	report	Nil		R 0							Finance	
				Expand scope of internal audit to include PM auditing (Audit Committee)	OPEX	Revised terms for the current committee	Nil	New terms to reference for the committee approved and issued to the AC	R 0								Finance
	Organisational Development	To review existing organizational structure and align with assigned powers and functions mandate	By revising the organogram	Implement Review organogram	OPEX	% of budgeted positions actually filled	Nil	100%	R 0						Corporate Services		
				Implement WSP and training for councillors and officials	OPEX	% of officials identified for training who actually received accredited training	Nil	100%	R 350,130							Corporate Services	
	Good Governance	Ensure provision for undertaking of good labour relations, occupational health compliance and legal services to the council	Ensure continuous conducting of compliance inspections for occupational health	Customise existing CHDM plan for local application	OPEX	Sector plan developed	Nil	Sector plan in place and at least 4 quarterly inspections undertaken	R 0						Corporate Services		
				Install record management and archive system (Clocking System)	ELM	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R 300,000							Corporate Services	
		To establish a functional record and archiving system	By installing a record and archiving management system	Clocking system	ELM/OPEX	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R 150 000						Corporate Services		
Develop fleet management plan				OPEX	Plan in place	Nil	Plan developed and implemented fully	R 30,000						Corporate Services			
To effectively manage own fleet		Installation & maintenance of fleet management system	Review EEP and set equity targets and report	OPEX	% of staff who are HDI in management	Nil	80%	R 0									
			Exco Workshop on functioning of IGR	ELM	Exco workshoped on IGR	Nil	Exco workshoped on IGR	R 100,000							Office of the Municipal Manager		
To develop and transform our human capital		By reinforcing cooperative governance through the support of IGF	Review and implement communication strategy	OPEX	Communication strategy in place	Nil	Communication strategy in place and fully implemented	R 585,000									

Key Priority Area (KPA)	Sub-result areas	Objective	Supporting Strategies	Project to be implemented	Source of budget / Vote No	KPI	Baseline	Target	BUDGET 2010/11	Expenditure Projections by quarters				Responsible Manager	
										Sep'10	Dec'10	Mar'11	Jun'11		
Good Governance	Special Programmes Unit	To implement special programmes	By working with affected designated groups to implement SPU Programs	Monitor implementation of SPU programs	ELM	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R 1,150,000					Office of the Municipal Manager	
			By introducing Field Band Project?	Monitor implementation of field band project	ELM	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R400 000					Office of the Municipal Manager	
			By implementing SPU programm of action	Mayoral Cup	ELM-OPEX	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R250 000, 00						Office of the Municipal Manager
				SPU –Women Forum	ELM OPEX	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R150 000						Office of the Municipal Manager
				Youth Day		% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R250						Office of the Municipal Manager
				District World Aids day	OPEX	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R25 000						Office of the Municipal Manager
				Material Communication	OPEX-ELM	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R200 000						Office of the Municipal Manager
				Mid-Term Progress Review	ELM-OPEX	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	150 000						Office of the Municipal Manager
	Project Launch	ELM-OPEX	% Progress implementation based on Project BPs	Nil	100% of approved projects with BPs	R163 005.							Office of the Municipal Manager		
	Public participation	To ensure effective public participation in our processes of planning and decision making	By involving communities in planning and service delivery implementation	Public participation and capacitating of Ward Committees	ELM		Nil		R 1,000,000					Office of the Municipal Manager	
			By providing functional administrative support to council and its associated structures including CDWs	Provide continuous secretariat to council and its structures	OPEX		Nil		R 0						Office of the Municipal Manager
	By-laws	To develop and enforce local by-laws and policies	By identifying critical areas needing by-laws and develop them	Develop by-laws and policies and publicize	ELM		Nil		R 175,000					Office of the Municipal Manager	

18 Budgets and SDBIPs - Entities & Other External Mechanisms

The municipality has no entities.

19 Summary of Detailed Capital Plans

Detailed capital plans, aligned to national and provincial sector plans, will be contained in the SDBIP as per MFMA Circular No 13. These should be summarised and referenced here. The detailed plans must be submitted to National Treasury with the budget documentation. Capital programmes should be approved as an overall comprehensive capital budget to ensure that projects can be executed in terms of the implementation plans. The summary of the detailed capital plan should reflect:

- Information by programme and municipal ward
- The source of the funding for the capital programme

19.2 – Table SA 34a - Capital expenditure by asset category

Table SA 35 - Future financial implications of capital budget

The following pages contain the listing of capital by category.

EC136 Emalahleni (Ec) - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		–	6,135	15,578	15,457	15,457	15,457	25,137	24,627	30,876
Infrastructure - Road transport		–	5,949	8,418	14,547	14,547	14,547	17,328	19,217	23,366
<i>Roads, Pavements & Bridges</i>			5,949	8,418	14,547	14,547	14,547	17,328	19,217	23,366
<i>Storm water</i>										
Infrastructure - Electricity		–	–	–	400	400	400	5,621	5,300	7,400
<i>Generation</i>										
<i>Transmission & Reticulation</i>								5,221	5,000	7,000
<i>Street Lighting</i>					400	400	400	400	300	400
Infrastructure - Water		–	–	–	–	–	–	–	–	–
<i>Dams & Reservoirs</i>										
<i>Water purification</i>										
<i>Reticulation</i>										
Infrastructure - Sanitation		–	–	–	–	–	–	–	–	–
<i>Reticulation</i>										
<i>Sewerage purification</i>										
Infrastructure - Other		–	186	7,160	510	510	510	2,188	110	110
<i>Waste Management</i>				7,160	400	400	400	–	–	–
<i>Transportation</i>	2									
<i>Gas</i>										
<i>Other</i>	3		186	–	110	110	110	2,188	110	110
Community		–	128	1,186	550	550	550	1,006	50	50
Parks & gardens										
Sportsfields & stadia					50	50	50	50	50	50
Swimming pools										
Community halls				1,186	–	–	–	–	–	–
Libraries										
Recreational facilities			128	–	500	500	500	–	–	–
Fire, safety & emergency										
Security and policing										
Buses	7									
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing	8									
Other								956		

EC136 Emalahleni (Ec) - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2006/7	2007/8	2008/9	Current Year 2009/10			2010/11 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
R thousand	1									
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings	9									
Other										
Investment properties		-	-	-	-	-	-	-	-	-
Housing development										
Other										
Other assets		-	833	793	11,069	11,069	11,069	5,093	5,070	5,080
General vehicles	10		523	140	4,511	4,511	4,511	1,610	1,580	2,060
Specialised vehicles								947	1,150	-
Plant & equipment					350	350	350	347	750	350
Computers - hardware/equipment				83	-	1,135	1,135	740	340	500
Furniture and other office equipment				137	162	1,300	1,300	780	650	800
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings				91	491	3,773	3,773	670	600	1,370
Other Land										
Surplus Assets - (Investment or Inventory)										
Other										
Agricultural assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>										
Biological assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>										
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other (<i>list sub-class</i>)										
Total Capital Expenditure on new assets	1	-	7,096	17,557	27,076	27,076	27,076	31,236	29,747	36,006
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										

EC136 Emalahleni (Ec) - Supporting Table SA35 Future financial implications of the capital budget

Vote Description	Ref	2010/11 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13	Forecast 2013/14	Forecast 2014/15	Forecast 2015/16	Present value
R thousand								
Capital expenditure	1							
EXECUTIVE AND COUNCIL		–	–	–				
FINANCE AND ADMINISTRATION		1,240	590	940				
PLANNING AND DEVELOPMENT		2,098	20	20				
COMMUNITY AND SOCIAL SERVICES		932	50	250				
PUBLIC SAFETY		325	100	270				
SPORT AND RECREATION		120	120	120				
WASTE WATER MANAGEMENT		1,497	1,800	930				
WASTE MANAGEMENT		–	350	350				
ROADS TRANSPORT		17,448	19,337	23,486				
WATER		1,747	1,770	1,830				
ELECTRICTY		5,831	5,610	7,810				
HOUSING		–	–	–				
Total Capital Expenditure		31,236	29,747	36,006	–	–	–	–
Future operational costs by vote	2							
EXECUTIVE AND COUNCIL								
FINANCE AND ADMINISTRATION								
PLANNING AND DEVELOPMENT								
COMMUNITY AND SOCIAL SERVICES								
PUBLIC SAFETY								
SPORT AND RECREATION								
WASTE WATER MANAGEMENT								
WASTE MANAGEMENT								
ROADS TRANSPORT								
WATER								
ELECTRICTY								
HOUSING								
Total future operational costs		–	–	–	–	–	–	–
Future revenue by source	3							
Property rates								
Property rates - penalties & collection charges								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse revenue								
Service charges - other								
Rental of facilities and equipment								
List other revenues sources if applicable								
List entity summary if applicable								
Total future revenue		–	–	–	–	–	–	–
Net Financial Implications		31,236	29,747	36,006	–	–	–	–

SCHEDULE

CONDITIONAL GRANTS – OPERATING BUDGET

R 2 000 000.00

FINANCE MANAGEMENT GRANT:

R1 250 000.00

Implementation of MFMA and GAMAP/GRAP accounting standards;

Finance Interns & related costs and training of Staff .

MUNICIPAL SYSTEMS IMPROVEMENT GRANT:

R 750 000.00

Utilised as per the budget for Financing of

public participation programs

And strengthening of the Municipal systems and

enhancing the capacity of the Municipal Administration.