



City of Johannesburg
Medium Term Budget
2011/12 – 2013/14

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GLOSSARY OF TERMS AND ACRONYMS

ALCO	Assets and Liabilities Committee.
AIDS	Acquired Immune Deficiency Syndrome.
BBBEE	Broad Based Black Economic Empowerment.
Budget Lekgotla	A planning forum aimed at identifying key spending priorities for the City for a specific planning cycle.
Budget related policies	Policies of a municipality that affect or are affected by the budget.
BSC	Budget Steering Committee
BRT	Bus Rapid Transit, a project initiated to improve public transport within the City.
CAPEX	Capital expenditure, spending on municipal assets such as land, buildings, roads, etc.
CBD	Central Business District.
CBO	Community Based Organisations.
CIF	Capital Investment Framework
CIMS	Capital Investment Management System, a system used to prioritise capital projects in the City
CoJ	City of Johannesburg
CPI	Consumer price index.
DED	Department of Economic Development, one of the City's core departments
DFI	Direct Foreign Investment.
DMTN	Domestic Medium Term Note.
DSM	Demand Side Management.
ECA	Export Credit Agency.
EPWP	Expanded Public Works Programme.
FBE	Free Basic Electricity.
FRN	Floating Rate Note.
GAAP	Generally Accepted Accounting Practice
GAMAP	Generally Accepted Municipal Accounting Practice
GRAP	Generally Recognised Accounting Practice
GDS	Growth and Development Strategy, the City's long- term strategy for development.
GMS	Growth Management Strategy, the City's strategy for the management of growth within the City.

HSDG	Human Settlement Development Grant
FBS	Free basic services
IDP	Integrated Development Plan, a strategic document detailing the City's medium- term plan for development.
IGR	Intergovernmental relations
LED	Local economic development
MEs	Municipal entities, companies in which the City is the sole shareholder, established to provide services to residents on behalf of the City.
MBRR	Municipal Budgeting and Reporting Regulations
MFMA	Municipal Finance Management Act, Act 56 of 2003, legislation providing a framework for financial management in local government
MIG	Municipal Infrastructure Grant.
MSA	Municipal Systems Act, Act 32 of 2000
MTB	Medium Term Budget, a three year financial plan of a municipality.
NGO	Non-Governmental Organisation.
NT	National Treasury of South Africa
OPEX	Operating expenditure, spending on the day to day operational activities such as salaries and wages, repairs and maintenance, general expenses.
PPP	Public Private Partnership.
SALGA	South African Local Government Association.
SDBIP	Service Delivery and Budget Implementation Plan, a detailed plan containing quarterly performance targets and monthly budget estimates.
RUMPS	Regional Urban Management Plans.
USDG	Urban Settlement Development Grant.

LIST OF VOTES

Economic Development
Environment
Infrastructure and Services
Transportation
Community Development
Health
Office of the Executive Mayor
Speaker: Legislative Arm of Council
Finance
Revenue and Customer Relations
Corporate and Shared Services
Housing
Development Planning and Urban Management
Emergency Management Services
Johannesburg Metropolitan Police Services
Municipal Entities Accounts
City Power
Johannesburg Water
Pikitup
Johannesburg Roads Agency
Metrobus
Johannesburg City Parks
Johannesburg Zoo
Johanneburg Development Agency
Johannesburg Property Company
Joburg Market
Metro Trading Company
Johannesburg Tourism Company
Johannesburg Social and Housing Company
Joburg Theatre
Roodepoort City Theatre

Purpose

The purpose of this document is to submit the 2011/12 Medium Term Budget for approval.

The Budget has been compiled within the framework of the Municipal Financial Management Act (MFAM), Municipal Budget and Reporting Regulations (MBRR), MFMA Circular No 54 and MFMA Circular No 55. The MBRR prescribes the process, format and content of budgets of municipalities and their entities. The purpose of the Municipal Budget and Reporting Regulations is to secure sound and sustainable management of the budgeting and reporting practices of municipalities and municipal entities by establishing uniform norms and standards and other requirements for ensuring transparency, accountability and appropriate lines of responsibility in the budgeting and reporting processes. MBRR aims to improve financial and service delivery sustainability, of municipalities.

Operating Core Administration

CORE ADMINISTRATION
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08	2008/09	2009/10	Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Prov. Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000
Revenue By Source								
Property rates	3 454 195	3 409 087	4 100 075	4 769 272	4 769 272	4 979 582	5 557 214	5 862 861
Property rates - penalties & collection charges	48 071	87 850	94 116	101 229	105 186	74 376	83 004	87 569
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse	299 092	516 909	631 769	543 177	626 177	693 738	732 587	772 879
Service charges - other	131 356	90 688	157 699	193 978	191 670	203 287	214 686	226 758
Rental of facilities and equipment	25 885	119 027	70 155	259 304	158 782	61 450	66 193	73 545
Interest earned - external investments	502 362	511 123	373 828	170 146	170 146	179 844	189 915	200 360
Interest earned - outstanding debtors	15	3						
Fines	373 151	390 508	254 318	342 358	342 358	252 063	250 338	264 106
Licences and permits			917			669	707	746
Agency services	147 465	155 463	146 816	171 215	190 000	150 102	158 506	167 223
Operating grants	4 006 671	3 611 471	1 900 784	4 320 761	4 667 980	4 542 170	4 544 066	4 813 677
Other revenue	287 937	116 819	2 407 111	252 032	446 558	356 720	489 727	514 966
Gains on disposal of PPE			37 000	37 000	37 000			
Revenue	9 276 200	9 008 948	10 174 589	11 160 472	11 705 129	11 494 001	12 286 943	12 984 690
Interest income (Sweeping Account)			722 195					
Interest on loans (Core)	682 597	719 363	186 606	753 787	765 201	744 914	760 793	779 175
Internal recoveries (ME's)	149 238	184 035		219 306	371 922	510 164	531 882	463 578
Internal recoveries (Core)	145 743	183 331	199 928	341 176	341 176	342 659	377 699	401 867
Internal capital grants (Mig)								
Operating grants & Subsidies from (COJ)								
Total Internal Transfers	977 578	1 086 729	1 108 729	1 314 269	1 478 299	1 597 737	1 670 374	1 644 620
Total Revenue	10 253 779	10 095 677	11 283 317	12 474 741	13 183 428	13 091 738	13 957 317	14 629 310
Expenditure By Type								
Employee related costs	2 244 293	2 879 433	3 406 847	3 637 779	3 734 907	3 952 603	4 246 211	4 477 715
Remuneration of councillors	62 337	68 657	74 439	83 953	83 953	97 880	104 536	110 286
Debt impairment	167 051	751 428	376 681	465 085	545 647	539 153	552 796	541 570
Depreciation & asset impairment	337 076	369 343	684 652	911 734	883 435	955 063	1 116 483	1 000 279
Repairs and maintenance	91 313	110 600	82 483	124 677	130 483	129 915	105 083	116 763
Finance charges	729 181	1 061 683	1 468 548	1 398 727	1 426 764	1 504 141	1 523 545	1 607 340
Bulk purchases								
Contracted services	1 000 171	1 045 821	1 065 212	1 160 424	1 298 789	958 642	1 088 208	1 134 265
Grants and subsidies	1 434 351	364 421	181 739	123 953	136 597	45 354	41 568	43 853
Other expenditure	1 146 352	1 456 149	1 551 725	1 869 300	2 100 550	1 900 439	1 905 676	2 084 348
Contributions to/(from) provisions	(266)	(954)	124 816	(95 643)	(95 643)	(98 512)	(101 467)	(107 048)
Loss on disposal of PPE	622	1 070	38 789					
Expenditure	7 212 481	8 107 650	9 055 941	9 679 989	10 245 482	9 984 678	10 582 639	11 009 371
Interest (Sweeping Account)								
Interest on shareholders loans								
Interest on mirror conduit loans								
Internal charges (ME's)	425 696	401 978	256 077	291 512	270 574	97 953	165 741	230 665
Internal charges (Core)	145 723	147 969	168 494	341 176	341 176	342 659	377 699	401 867
Operating grants & subsidies to ME's	1 838 437	2 117 496	2 125 495	2 296 704	2 316 704	2 417 043	2 534 663	2 674 630
Total Internal Transfers	2 409 856	2 667 443	2 550 067	2 929 392	2 928 454	2 857 655	3 078 103	3 307 162
Total Expenditure	9 622 338	10 775 093	11 606 007	12 609 381	13 173 936	12 842 333	13 660 742	14 316 533
Surplus/(Deficit) before capital grants	631 441	(679 416)	(322 690)	(134 640)	9 492	249 405	296 575	312 777
Transfers recognised								
Capital grants	135 503	520 537	2 574 295	815 186	1 491 248	1 906 313	2 453 310	2 569 929
Capital contributions						31 345	28 500	29 200
Surplus/(Deficit)	766 944	(158 878)	2 251 605	680 546	1 500 740	2 187 063	2 778 385	2 911 906
Taxation								
Surplus/(Deficit) for the year	766 944	(158 878)	2 251 605	680 546	1 500 740	2 187 063	2 778 385	2 911 906

ECONOMIC DEVELOPMENT
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08	2008/09	2009/10	Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Prov. Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000
Revenue By Source								
Property rates								
Property rates - penalties & collection charges								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse								
Service charges - other								
Rental of facilities and equipment								
Interest earned - external investments								
Interest earned - outstanding debtors								
Fines								
Licences and permits								
Agency services								
Operating grants			28 052	29 049	115 605	55 532		
Other revenue		177	34		24			
Gains on disposal of PPE								
Revenue		177	28 086	29 049	115 629	55 532		
Interest income (Sweeping Account)								
Interest on loans (Core)								
Internal recoveries (ME's)								
Internal recoveries (Core)								
Internal capital grants (Mig)								
Operating grants & Subsidies from (COJ)								
Total Internal Transfers								
Total Revenue		177	28 086	29 049	115 629	55 532		
Expenditure By Type								
Employee related costs	15 467	28 794	53 661	32 467	36 423	49 256	53 137	56 060
Remuneration of councillors								
Debt impairment	31							
Depreciation & asset impairment	573	888	1 672	4 384	4 384	1 365	1 880	2 296
Repairs and maintenance	1 252	391	12 925	882	40 596	7 555	1 023	1 100
Finance charges			1 019					
Bulk purchases								
Contracted services	48 077	46 525	40 055	21 477	34 690	6 604	123	694
Grants and subsidies	9 879	26 288	11 999	64 049	68 040	21 353	20 855	22 002
Other expenditure	5 558	7 736	8 803	15 199	40 881	48 999	16 118	17 125
Contributions to/(from) provisions								
Loss on disposal of PPE	5	33	11					
Expenditure	80 842	110 654	130 145	138 458	225 014	135 132	93 136	99 277
Interest (Sweeping Account)								
Interest on shareholders loans								
Interest on mirror conduit loans								
Internal charges (ME's)				100	100	105	111	117
Internal charges (Core)	982	177	207	659	659	774	810	853
Operating grants & subsidies to ME's		30 000	2 500					
Total Internal Transfers	982	30 177	2 707	759	759	879	921	970
Total Expenditure	81 824	140 831	132 853	139 217	225 773	136 011	94 057	100 247
Surplus/(Deficit) before capital grants	(81 824)	(140 654)	(104 766)	(110 168)	(110 144)	(80 479)	(94 057)	(100 247)
Transfers recognised								
Capital grants				150 236	70 278	6 141		
Capital contributions								
Surplus/(Deficit)	(81 824)	(140 654)	(104 766)	40 068	(39 866)	(74 338)	(94 057)	(100 247)
Taxation								
Surplus/(Deficit) for the year	(81 824)	(140 654)	(104 766)	40 068	(39 866)	(74 338)	(94 057)	(100 247)

ENVIRONMENT
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08	2008/09	2009/10	Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Prov. Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000
Revenue By Source								
Property rates								
Property rates - penalties & collection charges								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse								
Service charges - other								
Rental of facilities and equipment								
Interest earned - external investments								
Interest earned - outstanding debtors								
Fines	178	3						
Licences and permits								
Agency services								
Operating grants	1 704	6 571	6 435	3 000	16 066	500	1 500	1 600
Other revenue	34	30	848		1 341			
Gains on disposal of PPE								
Revenue	1 916	6 604	7 283	3 000	17 407	500	1 500	1 600
Interest Income (Sweeping Account)								
Interest on loans (Core)								
Internal recoveries (ME's)								
Internal recoveries (Core)								
Internal capital grants (Mig)								
Operating grants & Subsidies from (COJ)								
Total Internal Transfers								
Total Revenue	1 916	6 604	7 283	3 000	17 407	500	1 500	1 600
Expenditure By Type								
Employee related costs	19 870	25 474	30 968	32 412	32 412	34 892	38 181	40 281
Remuneration of councillors								
Debt Impairment								
Depreciation & asset impairment	587	1 127	2 134	1 823	1 823	1 740	1 693	1 680
Repairs and maintenance	343	84	359	495	270	291	313	336
Finance charges			448					
Bulk purchases								
Contracted services	8 147	15 004	11 548	5 891	20 523	1 343	2 343	2 488
Grants and subsidies								
Other expenditure	6 007	5 137	4 144	4 350	4 350	6 042	6 268	6 613
Contributions to/(from) provisions			(167)					
Loss on disposal of PPE	17	173	49					
Expenditure	34 971	46 999	49 483	44 971	59 378	44 308	48 798	51 398
Interest (Sweeping Account)								
Interest on shareholders loans								
Interest on mirror conduit loans								
Internal charges (ME's)								
Internal charges (Core)	282	2 151	335	807	807	1 675	1 740	1 834
Operating grants & subsidies to ME's								
Total Internal Transfers	282	2 151	335	807	807	1 675	1 740	1 834
Total Expenditure	35 253	49 150	49 817	45 778	60 185	45 983	50 538	53 232
Surplus/(Deficit) before capital grants	(33 337)	(42 546)	(42 534)	(42 778)	(42 778)	(45 483)	(49 038)	(51 632)
Transfers recognised								
Capital grants					750	1 229		
Capital contributions								
Surplus/(Deficit)	(33 337)	(42 546)	(42 534)	(42 778)	(42 028)	(44 254)	(49 038)	(51 632)
Taxation								
Surplus/(Deficit) for the year	(33 337)	(42 546)	(42 534)	(42 778)	(42 028)	(44 254)	(49 038)	(51 632)

INFRASTRUCTURE AND SERVICES
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08	2008/09	2009/10	Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Prov. Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14
R thousand	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000
Revenue By Source								
Property rates								
Property rates - penalties & collection charges								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse								
Service charges - other								
Rental of facilities and equipment								
Interest earned - external investments								
Interest earned - outstanding debtors								
Fines								
Licences and permits								
Agency services								
Operating grants						10 000	12 000	
Other revenue	10 545	202	(588)			37 000	37 000	37 000
Gains on disposal of PPE			37 000	37 000	37 000			
Revenue	10 545	202	36 412	37 000	37 000	47 000	49 000	37 000
Interest income (Sweeping Account)								
Interest on loans (Core)								
Internal recoveries (ME's)								
Internal recoveries (Core)								
Internal capital grants (Mig)								
Operating grants & Subsidies from (COJ)								
Total Internal Transfers								
Total Revenue	10 545	202	36 412	37 000	37 000	47 000	49 000	37 000
Expenditure By Type								
Employee related costs	12 536	12 609	16 267	19 786	19 786	19 851	21 484	22 721
Remuneration of councillors								
Debt impairment								
Depreciation & asset impairment	152	186	549	324	324	220	216	207
Repairs and maintenance	38	1	9	282	12			
Finance charges	3		232					
Bulk purchases								
Contracted services	5 888	8 415	2 021	5 309	5 309	12 931	15 130	4 039
Grants and subsidies								
Other expenditure	4 116	6 277	5 241	7 306	7 576	2 907	3 004	3 170
Contributions to/(from) provisions			(21)					
Loss on disposal of PPE	6	13	3					
Expenditure	22 739	27 501	24 301	33 007	33 007	35 909	39 834	30 137
Interest (Sweeping Account)								
Interest on shareholders loans								
Interest on mirror conduit loans								
Internal charges (ME's)			20					
Internal charges (Core)	932	326	40	240	240	251	274	288
Operating grants & subsidies to ME's								
Total Internal Transfers	932	326	61	240	240	251	274	288
Total Expenditure	23 671	27 827	24 361	33 247	33 247	36 160	40 108	30 425
Surplus/(Deficit) before capital grants	(13 128)	(27 625)	12 051	3 753	3 753	10 840	8 892	6 575
Transfers recognised								
Capital grants								
Capital contributions								
Surplus/(Deficit)	(13 128)	(27 625)	12 051	3 753	3 753	10 840	8 892	6 575
Taxation								
Surplus/(Deficit) for the year	(13 128)	(27 625)	12 051	3 753	3 753	10 840	8 892	6 575

TRANSPORTATION
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08	2008/09	2009/10	Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Prov. Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000
Revenue By Source								
Property rates								
Property rates - penalties & collection charges								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse								
Service charges - other								
Rental of facilities and equipment								
Interest earned - external investments								
Interest earned - outstanding debtors								
Fines								
Licences and permits								
Agency services								
Operating grants	3 556	3 864	182 954	506	235 866	427		
Other revenue	21	453	30 273	212 960	54 787	112 130	234 678	248 759
Gains on disposal of PPE								
Revenue	3 577	4 317	213 227	213 466	290 653	112 557	234 678	248 759
Interest Income (Sweeping Account)			374					
Interest on loans (Core)								
Internal recoveries (ME's)								
Internal recoveries (Core)								
Internal capital grants (Mig)								
Operating grants & Subsidies from (COJ)								
Total Internal Transfers			374					
Total Revenue	3 577	4 317	213 601	213 466	290 653	112 557	234 678	248 759
Expenditure By Type								
Employee related costs	16 671	21 522	31 073	38 784	34 485	36 325	39 187	41 344
Remuneration of councillors								
Debt Impairment								
Depreciation & asset impairment	134	277	44 355	127 850	127 850	137 634	223 327	239 581
Repairs and maintenance	1 237	2 855	7 721	35 413	6 691	7 206	7 754	8 336
Finance charges			30 978		28 000			
Bulk purchases								
Contracted services	6 108	28 660	168 207	238 702	331 311	178 088	288 030	305 001
Grants and subsidies								
Other expenditure	7 740	10 954	9 665	30 401	20 000	30 241	32 583	34 415
Contributions to/(from) provisions			(79)					
Loss on disposal of PPE			35					
Expenditure	31 890	64 268	291 955	471 150	548 337	389 494	590 881	628 677
Interest (Sweeping Account)								
Interest on shareholders loans								
Interest on mirror conduit loans								
Internal charges (ME's)								
Internal charges (Core)	194	288	144	814	814	1 048	1 108	1 167
Operating grants & subsidies to ME's								
Total Internal Transfers	194	288	144	814	814	1 048	1 108	1 167
Total Expenditure	32 084	64 556	292 099	471 964	549 151	390 542	591 989	629 844
Surplus/(Deficit) before capital grants	(28 507)	(60 239)	(78 498)	(258 498)	(258 498)	(277 985)	(357 311)	(381 085)
Transfers recognised								
Capital grants			1 439 450		702 000	1 025 544	1 530 000	1 530 000
Capital contributions								
Surplus/(Deficit)	(28 507)	(60 239)	1 360 951	(258 498)	443 502	747 559	1 172 689	1 148 915
Taxation								
Surplus/(Deficit) for the year	(28 507)	(60 239)	1 360 951	(258 498)	443 502	747 559	1 172 689	1 148 915

COMMUNITY DEVELOPMENT
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08	2008/09	2009/10	Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Prov. Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000
Revenue By Source								
Property rates								
Property rates - penalties & collection charges			16					
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse								
Service charges - other	3 106	3 418	3 237	2 899	2 899	3 065	3 236	3 415
Rental of facilities and equipment	3 399	3 579	3 504	2 310	2 310	2 442	2 579	2 722
Interest earned - external investments								
Interest earned - outstanding debtors								
Fines	774	716	473	801	801	846	893	942
Licences and permits								
Agency services								
Operating grants	5 846	14 608	11 751	9 420	10 475	38 340	10 600	10 600
Other revenue	8 312	8 495	6 575	9 096	9 799	9 612	10 149	10 704
Gains on disposal of PPE								
Revenue	21 437	30 816	25 556	24 526	26 284	54 305	27 457	28 383
Interest income (Sweeping Account)								
Interest on loans (Core)								
Internal recoveries (ME's)								
Internal recoveries (Core)								
Internal capital grants (Mig)								
Operating grants & Subsidies from (COJ)								
Total Internal Transfers								
Total Revenue	21 437	30 816	25 556	24 526	26 284	54 305	27 457	28 383
Expenditure By Type								
Employee related costs	269 892	311 848	347 523	394 304	387 414	402 740	434 470	458 367
Remuneration of councillors								
Debt Impairment								
Depreciation & asset impairment	29 662	33 844	67 119	63 828	63 828	188 728	199 935	218 445
Repairs and maintenance	29 316	44 507	23 560	25 317	25 292	42 742	29 308	31 507
Finance charges		3	5 011		27			
Bulk purchases								
Contracted services	11 988	27 186	18 382	20 286	21 326	19 130	20 198	21 309
Grants and subsidies	8 803	10 549	6 303	5 211	6 356	6 718	7 094	7 483
Other expenditure	117 739	149 505	120 482	145 914	133 706	155 388	153 087	162 588
Contributions to/(from) provisions	(266)	(954)	(1 715)					
Loss on disposal of PPE	105	123	405					
Expenditure	467 239	576 611	587 071	654 860	637 949	815 446	844 092	899 699
Interest (Sweeping Account)								
Interest on shareholders loans								
Interest on mirror conduit loans								
Internal charges (ME's)	62	322	316	771	716	811	858	906
Internal charges (Core)	11 189	13 872	21 154	21 671	21 671	23 750	25 913	27 502
Operating grants & subsidies to ME's								
Total Internal Transfers	11 251	14 194	21 470	22 442	22 387	24 561	26 771	28 408
Total Expenditure	478 490	590 805	608 541	677 302	660 336	840 007	870 863	928 107
Surplus/(Deficit) before capital grants	(457 053)	(559 989)	(582 985)	(652 776)	(634 052)	(785 702)	(843 406)	(899 724)
Transfers recognised								
Capital grants	5 621	199 812	17 384	50 081	63 845	30 000	40 000	41 000
Capital contributions						2 845		
Surplus/(Deficit)	(451 432)	(360 177)	(565 601)	(602 695)	(570 207)	(752 857)	(803 406)	(858 724)
Taxation								
Surplus/(Deficit) for the year	(451 432)	(360 177)	(565 601)	(602 695)	(570 207)	(752 857)	(803 406)	(858 724)

HEALTH
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08	2008/09	2009/10	Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Prov. Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000
Revenue By Source								
Property rates								
Property rates - penalties & collection charges								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse								
Service charges - other								
Rental of facilities and equipment								
Interest earned - external investments								
Interest earned - outstanding debtors								
Fines	1 068	1 244	62	582	582			
Licences and permits			917			669	707	746
Agency services								
Operating grants	56 210	75 957	80 967	87 030	86 687	130 717	109 040	115 917
Other revenue	869	3 267	2 328	2 742	3 011	5 500	5 809	6 128
Gains on disposal of PPE								
Revenue	58 147	80 468	84 274	90 354	90 280	136 886	115 556	122 791
Interest income (Sweeping Account)								
Interest on loans (Core)			88					
Internal recoveries (ME's)	5	6						
Internal recoveries (Core)	326	251	143	294	294	311	328	346
Internal capital grants (Mig)								
Operating grants & Subsidies from (COJ)								
Total Internal Transfers	331	257	231	294	294	311	328	346
Total Revenue	58 478	80 725	84 505	90 648	90 574	137 197	115 884	123 137
Expenditure By Type								
Employee related costs	238 366	304 297	335 971	392 105	391 838	425 725	447 076	471 599
Remuneration of councillors								
Debt Impairment		344						
Depreciation & asset impairment	5 346	6 429	12 690	8 218	8 218	7 307	6 264	6 859
Repairs and maintenance	10 125	7 706	1 863	2 203	2 424	2 611	2 809	3 020
Finance charges			1 517					
Bulk purchases								
Contracted services	9 294	11 902	10 280	12 163	11 557	11 557	11 594	12 231
Grants and subsidies	3 957	4 159	4 405	4 663	4 663	4 929	5 205	5 491
Other expenditure	39 948	34 485	31 313	35 558	33 331	69 346	50 497	54 196
Contributions to/(from) provisions			(335)					
Loss on disposal of PPE	57	322	166					
Expenditure	307 093	369 644	397 871	454 910	452 031	521 475	523 445	553 396
Interest (Sweeping Account)								
Interest on shareholders loans								
Interest on mirror conduit loans								
Internal charges (ME's)	24	10 973						
Internal charges (Core)	7 608		12 280	22 794	22 794	22 611	24 668	26 152
Operating grants & subsidies to ME's								
Total Internal Transfers	7 632	10 973	12 280	22 794	22 794	22 611	24 668	26 152
Total Expenditure	314 725	380 617	410 151	477 704	474 825	544 086	548 113	579 548
Surplus/(Deficit) before capital grants	(256 247)	(299 892)	(325 646)	(387 056)	(384 251)	(406 889)	(432 229)	(456 411)
Transfers recognised								
Capital grants	27		348	6 500	12 000	15 000	20 000	20 500
Capital contributions								
Surplus/(Deficit)	(256 220)	(299 892)	(325 299)	(380 556)	(372 251)	(391 889)	(412 229)	(435 911)
Taxation								
Surplus/(Deficit) for the year	(256 220)	(299 892)	(325 299)	(380 556)	(372 251)	(391 889)	(412 229)	(435 911)

OFFICE OF THE EXECUTIVE MAYOR
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08	2008/09	2009/10	Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Prov. Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000
Revenue By Source								
Property rates								
Property rates - penalties & collection charges								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse								
Service charges - other								
Rental of facilities and equipment								
Interest earned - external investments								
Interest earned - outstanding debtors								
Fines								
Licences and permits								
Agency services								
Operating grants	1 138 060	20 777	83 410	64 000	74 325			
Other revenue	119 005	30 205	68 851	8 114	39 716	13 220	13 960	14 728
Gains on disposal of PPE								
Revenue	1 257 065	50 982	152 261	72 114	114 041	13 220	13 960	14 728
Interest income (Sweeping Account)								
Interest on loans (Core)			89 243					
Internal recoveries (ME's)	61 766	92 047		74 572	76 572	82 862	85 409	90 259
Internal recoveries (Core)	33 074	38 842	17 076	47 513	47 513	42 938	59 447	62 718
Internal capital grants (Mig)								
Operating grants & Subsidies from (COJ)								
Total Internal Transfers	94 840	130 889	106 320	122 085	124 085	125 800	144 856	152 977
Total Revenue	1 351 905	181 871	258 581	194 199	238 126	139 020	158 816	167 705
Expenditure By Type								
Employee related costs	99 590	114 250	133 661	146 234	151 432	145 194	156 703	165 376
Remuneration of councillors	713	672	865	810	810	999	1 067	1 126
Debt impairment		71	38					
Depreciation & asset impairment	24 050	34 609	88 575	154 561	152 061	22 915	19 557	9 527
Repairs and maintenance	843	1 832	1 758	1 815	4 131	4 375	4 707	5 060
Finance charges			16 616					
Bulk purchases								
Contracted services	289 710	303 153	345 644	354 100	375 316	282 698	285 844	301 579
Grants and subsidies	1 238 060	1 228	1 268					
Other expenditure	178 766	241 153	388 345	253 960	281 161	221 361	239 125	252 673
Contributions to/(from) provisions			(25)					
Loss on disposal of PPE	5	30	80					
Expenditure	1 831 737	696 998	976 825	911 480	964 911	677 542	707 003	735 341
Interest (Sweeping Account)								
Interest on shareholders loans								
Interest on mirror conduit loans								
Internal charges (ME's)								
Internal charges (Core)	13 406	21 021	11 588	40 956	40 956	35 446	46 686	49 371
Operating grants & subsidies to ME's								
Total Internal Transfers	13 406	21 021	11 588	40 956	40 956	35 446	46 686	49 371
Total Expenditure	1 845 143	718 019	988 413	952 436	1 005 867	712 988	753 689	784 712
Surplus/(Deficit) before capital grants	(493 238)	(536 148)	(729 832)	(758 237)	(767 741)	(573 968)	(594 873)	(617 007)
Transfers recognised								
Capital grants			808 440					
Capital contributions								
Surplus/(Deficit)	(493 238)	(536 148)	78 608	(758 237)	(767 741)	(573 968)	(594 873)	(617 007)
Taxation								
Surplus/(Deficit) for the year	(493 238)	(536 148)	78 608	(758 237)	(767 741)	(573 968)	(594 873)	(617 007)

SPEAKER: LEGISLATIVE ARM OF COUNCIL
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08	2008/09	2009/10	Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Prov. Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000
R thousand								
Revenue By Source								
Property rates								
Property rates - penalties & collection charges								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse								
Service charges - other								
Rental of facilities and equipment								
Interest earned - external Investments								
Interest earned - outstanding debtors								
Fines								
Licences and permits								
Agency services								
Operating grants								
Other revenue		418	19			85		
Gains on disposal of PPE								
Revenue		418	19			85		
Interest income (Sweeping Account)								
Interest on loans (Core)								
Internal recoveries (ME's)								
Internal recoveries (Core)								
Internal capital grants (Mig)								
Operating grants & Subsidies from (COJ)								
Total Internal Transfers								
Total Revenue		418	19			85		
Expenditure By Type								
Employee related costs	28 062	45 307	58 353	55 818	62 980	68 712	74 126	78 203
Remuneration of councillors	61 624	67 985	73 574	83 143	83 143	96 881	103 469	109 160
Debt impairment		(2)						
Depreciation & asset impairment	9 451	10 283	11 091	14 065	14 065	2 146	2 124	2 155
Repairs and maintenance	440	16	1 201	1 478	1 178	1 672	1 799	1 934
Finance charges			1 384					
Bulk purchases								
Contracted services	1 657	1 564	5 039	2 000	2 000	4 705	5 209	5 554
Grants and subsidies								
Other expenditure	25 324	29 134	34 525	56 766	49 904	38 053	38 951	36 906
Contributions to/(from) provisions			(283)					
Loss on disposal of PPE	11		46					
Expenditure	126 569	154 287	184 931	213 270	213 270	212 169	225 678	233 912
Interest (Sweeping Account)								
Interest on shareholders loans								
Interest on mirror conduit loans								
Internal charges (ME's)								
Internal charges (Core)	2 839	8 307	11 926	20 341	20 341	19 533	20 617	21 861
Operating grants & subsidies to ME's								
Total Internal Transfers	2 839	8 307	11 926	20 341	20 341	19 533	20 617	21 861
Total Expenditure	129 408	162 594	196 857	233 611	233 611	231 702	246 295	255 773
Surplus/(Deficit) before capital grants	(129 408)	(162 176)	(196 839)	(233 611)	(233 611)	(231 617)	(246 295)	(255 773)
Transfers recognised								
Capital grants								
Capital contributions								
Surplus/(Deficit)	(129 408)	(162 176)	(196 839)	(233 611)	(233 611)	(231 617)	(246 295)	(255 773)
Taxation								
Surplus/(Deficit) for the year	(129 408)	(162 176)	(196 839)	(233 611)	(233 611)	(231 617)	(246 295)	(255 773)

FINANCE
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08	2008/09	2009/10	Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Prov. Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000
R thousand								
Revenue By Source								
Property rates	3 454 195	3 409 087	4 090 298	4 769 272	4 769 272	4 979 582	5 557 214	5 862 861
Property rates - penalties & collection charges	48 071	87 850	93 175	101 229	101 229	74 376	83 004	87 569
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse	299 092	516 909	631 769	543 177	626 177	693 738	732 587	772 879
Service charges - other	64 771	34 573	103 649	112 255	112 255	118 654	125 299	132 190
Rental of facilities and equipment								
Interest earned - external investments	502 362	511 123	373 777	170 146	170 146	179 844	189 915	200 360
Interest earned - outstanding debtors								
Fines								
Licences and permits								
Agency services								
Operating grants	2 565 146	3 087 275	1 270 802	3 995 546	3 995 546	4 190 998	4 313 198	4 592 832
Other revenue	93 300	30 344	2 273 541	1 048	1 048	1 900	2 006	2 114
Gains on disposal of PPE								
Revenue	7 026 937	7 677 161	8 837 011	9 692 673	9 775 673	10 239 092	11 003 223	11 650 805
Interest income (Sweeping Account)			721 821					
Interest on loans (Core)	682 597	719 363		753 787	765 201	744 914	760 793	779 175
Internal recoveries (ME's)								
Internal recoveries (Core)								
Internal capital grants (Mig)								
Operating grants & Subsidies from (COJ)								
Total Internal Transfers	682 597	719 363	721 821	753 787	765 201	744 914	760 793	779 175
Total Revenue	7 709 534	8 396 524	9 558 831	10 446 460	10 540 874	10 984 008	11 764 016	12 429 980
Expenditure By Type								
Employee related costs	94 898	91 733	184 385	140 478	142 222	143 871	155 478	164 249
Remuneration of councillors								
Debt Impairment	151 682	604 311	306 161	444 587	526 399	519 622	532 062	519 673
Depreciation & asset impairment	26 486	25 345	22 690	5 875	5 875	2 127	1 700	1 665
Repairs and maintenance	6 416	1 938	1 246	1 944	2 077	2 237	2 407	2 588
Finance charges	729 178	1 061 680	1 376 727	1 398 727	1 398 727	1 504 141	1 523 545	1 607 340
Bulk purchases								
Contracted services	58 000	54 632	41 588	34 286	32 952	34 773	32 935	34 746
Grants and subsidies								
Other expenditure	52 566	33 812	112 892	272 072	270 881	159 039	139 778	148 354
Contributions to/(from) provisions			(87 780)	(95 643)	(95 643)	(98 512)	(101 467)	(107 048)
Loss on disposal of PPE	32	75	256					
Expenditure	1 119 258	1 873 526	1 958 165	2 202 326	2 283 490	2 267 298	2 286 438	2 371 567
Interest (Sweeping Account)								
Interest on shareholders loans								
Interest on mirror conduit loans								
Internal charges (ME's)	378 004	363 505	251 879	286 527	265 569	92 685	160 174	224 792
Internal charges (Core)	21 984	21 993	13 017	23 707	23 707	26 312	30 264	32 663
Operating grants & subsidies to ME's	1 838 437	2 087 496	2 122 995	2 296 704	2 316 704	2 417 043	2 534 663	2 674 630
Total Internal Transfers	2 238 425	2 472 994	2 387 892	2 606 938	2 605 980	2 536 040	2 725 101	2 932 085
Total Expenditure	3 357 683	4 348 520	4 346 057	4 809 264	4 889 470	4 803 338	5 011 539	5 303 652
Surplus/(Deficit) before capital grants	4 351 851	4 050 004	5 212 774	5 637 196	5 651 404	6 180 668	6 752 477	7 126 328
Transfers recognised								
Capital grants	114 363	173 301	157 778	225 031	211 129	2 225		
Capital contributions								
Surplus/(Deficit)	4 466 214	4 223 305	5 370 552	5 862 227	5 862 533	6 182 893	6 752 477	7 126 328
Taxation								
Surplus/(Deficit) for the year	4 466 214	4 223 305	5 370 552	5 862 227	5 862 533	6 182 893	6 752 477	7 126 328

REVENUE CUSTOMER RELATION MANAGEMENT
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08	2008/09	2009/10	Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Prov. Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000
R thousand								
Revenue By Source								
Property rates								
Property rates - penalties & collection charges			22					
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse								
Service charges - other			4 460	4 200	3 592	4 000	4 224	4 456
Rental of facilities and equipment								
Interest earned - external Investments								
Interest earned - outstanding debtors								
Fines								
Licences and permits								
Agency services								
Operating grants	1 357	4 282						
Other revenue	331	7 880	7 095	11 967	312 567	118 983	125 646	132 557
Gains on disposal of PPE								
Revenue	1 688	12 162	11 577	16 167	316 159	122 983	129 870	137 013
Interest income (Sweeping Account)								
Interest on loans (Core)			73 322					
Internal recoveries (ME's)	69 361	70 449		112 836	263 452	397 752	413 257	338 278
Internal recoveries (Core)								
Internal capital grants (Mig)								
Operating grants & Subsidies from (COJ)								
Total Internal Transfers	69 361	70 449	73 322	112 836	263 452	397 752	413 257	338 278
Total Revenue	71 050	82 611	84 900	129 003	579 611	520 735	543 127	475 291
Expenditure By Type								
Employee related costs	167 688	185 875	217 011	266 482	395 044	420 327	448 909	473 599
Remuneration of councillors								
Debt impairment	66	59	14	10	10	12	12	12
Depreciation & asset impairment	16 263	23 578	83 710	95 653	95 653	222 652	202 793	3 501
Repairs and maintenance	2 526	4 836	1 406	4 350	4 350	2 685	2 883	3 091
Finance charges			6 776					
Bulk purchases								
Contracted services	19 118	27 638	21 829	22 209	26 844	13 986	24 156	25 868
Grants and subsidies								
Other expenditure	161 256	180 566	271 298	219 479	427 609	231 038	221 486	233 324
Contributions to/(from) provisions			(181)					
Loss on disposal of PPE	66	19	650					
Expenditure	366 983	422 571	602 511	608 183	949 510	890 700	900 239	739 395
Interest (Sweeping Account)								
Interest on shareholders loans								
Interest on mirror conduit loans								
Internal charges (ME's)			54		55			
Internal charges (Core)	16 674	19 259	12 856	23 082	23 082	37 886	40 878	44 093
Operating grants & subsidies to ME's								
Total Internal Transfers	16 674	19 259	12 910	23 082	23 137	37 886	40 878	44 093
Total Expenditure	383 657	441 830	615 421	631 265	972 647	928 586	941 117	783 488
Surplus/(Deficit) before capital grants	(312 607)	(359 219)	(530 522)	(502 262)	(393 036)	(407 851)	(397 990)	(308 197)
Transfers recognised								
Capital grants								
Capital contributions								
Surplus/(Deficit)	(312 607)	(359 219)	(530 522)	(502 262)	(393 036)	(407 851)	(397 990)	(308 197)
Taxation								
Surplus/(Deficit) for the year	(312 607)	(359 219)	(530 522)	(502 262)	(393 036)	(407 851)	(397 990)	(308 197)

CORPORATE AND SHARED SERVICES
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08	2008/09	2009/10	Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Prov. Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000
Revenue By Source								
Property rates								
Property rates - penalties & collection charges								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse								
Service charges - other								
Rental of facilities and equipment	57	151	216	1 003	1 003	510	539	569
Interest earned - external investments			0					
Interest earned - outstanding debtors	15	3						
Fines								
Licences and permits								
Agency services								
Operating grants								
Other revenue	34 807	22 238	5 800	2 069	16 069	9 188	9 311	9 438
Gains on disposal of PPE								
Revenue	34 879	22 392	6 016	3 072	17 072	9 698	9 850	10 007
Interest income (Sweeping Account)								
Interest on loans (Core)			15 922					
Internal recoveries (ME's)	11 258	12 430		19 056	19 056	20 242	21 605	22 792
Internal recoveries (Core)	110 624	143 006	181 423	289 646	289 646	298 343	316 800	337 617
Internal capital grants (Mig)								
Operating grants & Subsidies from (COJ)								
Total Internal Transfers	121 882	155 436	197 345	308 702	308 702	318 585	338 405	360 409
Total Revenue	156 761	177 828	203 361	311 774	325 774	328 283	348 255	370 416
Expenditure By Type								
Employee related costs	178 359	191 174	233 827	241 263	231 523	232 566	257 800	272 673
Remuneration of councillors								
Debt impairment								
Depreciation & asset impairment	9 424	9 284	15 674	10 456	10 456	3 516	3 232	3 267
Repairs and maintenance	10 963	13 430	8 337	11 540	10 846	9 681	10 417	11 198
Finance charges			5 886					
Bulk purchases								
Contracted services	21 649	23 383	21 667	22 486	23 287	21 000	21 651	22 645
Grants and subsidies								
Other expenditure	205 348	376 617	114 643	139 257	160 909	153 161	160 920	169 041
Contributions to/(from) provisions			223 412					
Loss on disposal of PPE		36	60					
Expenditure	425 743	613 924	623 506	425 002	437 021	419 924	454 020	478 824
Interest (Sweeping Account)								
Interest on shareholders loans								
Interest on mirror conduit loans								
Internal charges (ME's)	282	469	656	767	787	832	878	926
Internal charges (Core)	16 697	17 530	24 930	53 521	53 521	47 957	50 351	53 208
Operating grants & subsidies to ME's								
Total Internal Transfers	16 979	17 999	25 587	54 288	54 308	48 789	51 229	54 134
Total Expenditure	442 722	631 923	649 092	479 290	491 329	468 713	505 249	532 958
Surplus/(Deficit) before capital grants	(285 961)	(454 095)	(445 732)	(167 516)	(165 555)	(140 430)	(156 994)	(162 542)
Transfers recognised								
Capital grants								
Capital contributions								
Surplus/(Deficit)	(285 961)	(454 095)	(445 732)	(167 516)	(165 555)	(140 430)	(156 994)	(162 542)
Taxation								
Surplus/(Deficit) for the year	(285 961)	(454 095)	(445 732)	(167 516)	(165 555)	(140 430)	(156 994)	(162 542)

HOUSING
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08	2008/09	2009/10	Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Prov. Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000
Revenue By Source								
Property rates								
Property rates - penalties & collection charges			160		3 957			
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse								
Service charges - other								
Rental of facilities and equipment	22 429	115 297	40 877	15 803	15 004	20 042	21 415	22 593
Interest earned - external investments								
Interest earned - outstanding debtors								
Fines								
Licences and permits								
Agency services								
Operating grants	151 409	308 824	157 663	50 000	50 000	8 772		
Other revenue	239	449	207					
Gains on disposal of PPE								
Revenue	174 077	424 570	198 908	65 803	68 961	28 814	21 415	22 593
Interest income (Sweeping Account)								
Interest on loans (Core)			4 285					
Internal recoveries (ME's)	2 435	5 390		7 457	7 457	5 331	5 629	5 938
Internal recoveries (Core)	1 145	634	480	3 107	3 107	416	440	464
Internal capital grants (Mig)								
Operating grants & Subsidies from (COJ)								
Total Internal Transfers	3 580	6 024	4 765	10 564	10 564	5 747	6 069	6 402
Total Revenue	177 657	430 594	203 673	76 367	79 525	34 561	27 484	28 995
Expenditure By Type								
Employee related costs	97 866	115 388	132 385	137 997	137 997	148 361	159 981	168 780
Remuneration of councillors								
Debt impairment	11 966	131 918	31 877	7 902	7 902	8 353	8 925	9 416
Depreciation & asset impairment	44 651	49 973	60 852	93 529	93 529	60 181	88 699	107 402
Repairs and maintenance	6 384	14 807	7 329	10 579	7 839	12 829	9 085	9 766
Finance charges			2 422		10			
Bulk purchases								
Contracted services	23 743	25 145	10 580	5 461	7 261	7 291	7 701	8 124
Grants and subsidies	173 652	321 293	157 762	50 000	57 508	12 322	8 380	8 841
Other expenditure	72 431	69 781	61 558	88 953	82 458	77 286	84 156	89 026
Contributions to/(from) provisions			(454)					
Loss on disposal of PPE	24	49	101					
Expenditure	430 717	728 354	464 412	394 421	394 504	326 623	366 927	401 355
Interest (Sweeping Account)								
Interest on shareholders loans								
Interest on mirror conduit loans								
Internal charges (ME's)			529	475	475	502	530	559
Internal charges (Core)	12 026	14 532	8 472	14 273	14 273	15 232	16 508	17 505
Operating grants & subsidies to ME's								
Total Internal Transfers	12 026	14 532	9 001	14 748	14 748	15 734	17 038	18 064
Total Expenditure	442 743	742 886	473 413	409 169	409 252	342 357	383 965	419 419
Surplus/(Deficit) before capital grants	(265 086)	(312 292)	(269 741)	(332 802)	(329 727)	(307 796)	(358 481)	(390 424)
Transfers recognised								
Capital grants	15 492	144 641	1 274	144 677	154 677	491 324	595 260	714 459
Capital contributions								
Surplus/(Deficit)	(249 594)	(167 651)	(268 467)	(188 125)	(175 050)	183 528	238 779	324 035
Taxation								
Surplus/(Deficit) for the year	(249 594)	(167 651)	(268 467)	(188 125)	(175 050)	183 528	238 779	324 035

DEVELOPMENT PLANNING AND URBAN MANAGEMENT
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08	2008/09	2009/10	Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Prov. Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000
Revenue By Source								
Property rates			157					
Property rates - penalties & collection charges								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse								
Service charges - other	44 654	36 117	31 485	36 120	32 420	34 708	36 654	38 671
Rental of facilities and equipment								
Interest earned - external investments								
Interest earned - outstanding debtors								
Fines								
Licences and permits								
Agency services								
Operating grants	18 470	15 800	832			12 829	5 000	
Other revenue	2 919	3 798	3 631		1 660	1 250	1 320	1 393
Gains on disposal of PPE								
Revenue	66 043	55 715	36 106	36 120	34 080	48 787	42 974	40 064
Interest income (Sweeping Account)								
Interest on loans (Core)			3 746					
Internal recoveries (ME's)	4 413	3 713		5 385	5 385	3 977	5 982	6 311
Internal recoveries (Core)	574	598	805	616	616	651	684	722
Internal capital grants (Mig)								
Operating grants & Subsidies from (COJ)								
Total Internal Transfers	4 987	4 311	4 551	6 001	6 001	4 628	6 666	7 033
Total Revenue	71 030	60 028	40 656	42 121	40 081	53 415	49 640	47 097
Expenditure By Type								
Employee related costs	207 266	255 290	280 168	301 249	299 149	310 162	334 599	353 003
Remuneration of councillors								
Debt impairment	(481)	1 680	1 408	4 423	4 423	4 675	4 937	5 209
Depreciation & asset impairment	42 601	43 006	68 788	84 990	84 990	91 833	103 386	114 722
Repairs and maintenance	5 102	2 936	998	1 897	3 877	8 505	2 341	2 517
Finance charges			2 373					
Bulk purchases								
Contracted services	31 433	19 982	19 130	39 218	33 613	19 100	18 402	14 405
Grants and subsidies		904	2	30	30	32	34	36
Other expenditure	57 475	60 124	36 170	50 342	52 247	49 174	50 842	53 756
Contributions to/(from) provisions			(1 346)					
Loss on disposal of PPE	118	42	150					
Expenditure	343 514	383 964	407 841	482 149	478 329	483 481	514 541	543 648
Interest (Sweeping Account)								
Interest on shareholders loans								
Interest on mirror conduit loans								
Internal charges (ME's)	46 249	25 301	184					
Internal charges (Core)	12 631	876	32 941	65 331	65 331	62 651	66 258	70 568
Operating grants & subsidies to ME's								
Total Internal Transfers	58 880	26 177	33 125	65 331	65 331	62 651	66 258	70 568
Total Expenditure	402 394	410 141	440 966	547 480	543 660	546 132	580 799	614 216
Surplus/(Deficit) before capital grants	(331 364)	(350 115)	(400 310)	(505 359)	(503 579)	(492 717)	(531 159)	(567 119)
Transfers recognised								
Capital grants			145 175	133 387	149 908	68 772	60 000	50 000
Capital contributions						5 000	5 000	5 100
Surplus/(Deficit)	(331 364)	(350 115)	(255 135)	(371 972)	(353 671)	(418 945)	(466 159)	(512 019)
Taxation								
Surplus/(Deficit) for the year	(331 364)	(350 115)	(255 135)	(371 972)	(353 671)	(418 945)	(466 159)	(512 019)

EMERGENCY MANAGEMENT SERVICES
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08	2008/09	2009/10	Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Prov. Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000
R thousand								
Revenue By Source								
Property rates								
Property rates - penalties & collection charges			63					
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse								
Service charges - other	15 244	13 483	12 853	10 851	12 851	12 520	13 234	14 225
Rental of facilities and equipment								
Interest earned - external investments								
Interest earned - outstanding debtors								
Fines								
Licences and permits								
Agency services								
Operating grants	64 633	73 513	77 918	82 210	83 410	88 312	92 728	92 728
Other revenue	13 015	7 012	3 250	972	3 472	1 030	1 089	1 350
Gains on disposal of PPE								
Revenue	92 892	94 008	94 084	94 033	99 733	101 862	107 051	108 303
Interest income (Sweeping Account)								
Interest on loans (Core)								
Internal recoveries (ME's)								
Internal recoveries (Core)								
Internal capital grants (Mig)								
Operating grants & Subsidies from (COJ)								
Total Internal Transfers								
Total Revenue	92 892	94 008	94 084	94 033	99 733	101 862	107 051	108 303
Expenditure By Type								
Employee related costs	270 269	359 838	396 789	399 136	372 938	424 681	453 559	475 505
Remuneration of councillors								
Debt Impairment	7 500	9 464	8 338	6 266	5 016	4 485	4 741	5 025
Depreciation & asset impairment	3 554	4 564	9 192	5 120	5 120	4 118	3 889	3 559
Repairs and maintenance	9 702	6 909	5 098	9 785	12 285	13 231	14 237	15 305
Finance charges			3 430					
Bulk purchases								
Contracted services	91 158	108 800	107 235	96 510	94 110	99 648	98 958	104 923
Grants and subsidies								
Other expenditure	25 851	32 396	32 842	29 861	29 861	31 308	32 193	31 914
Contributions to/(from) provisions			(857)					
Loss on disposal of PPE	45	56	104					
Expenditure	408 079	522 027	562 172	546 678	519 330	577 671	607 577	636 231
Interest (Sweeping Account)								
Interest on shareholders loans								
Interest on mirror conduit loans								
Internal charges (ME's)		17	592					
Internal charges (Core)	7 329	6 003	7 445	12 172	12 172	12 390	12 961	14 829
Operating grants & subsidies to ME's								
Total Internal Transfers	7 329	6 020	8 037	12 172	12 172	12 390	12 961	14 829
Total Expenditure	415 408	528 047	570 209	558 850	531 502	590 061	620 538	651 060
Surplus/(Deficit) before capital grants	(322 516)	(434 039)	(476 125)	(464 817)	(431 769)	(488 199)	(513 487)	(542 757)
Transfers recognised								
Capital grants						14 584		
Capital contributions								
Surplus/(Deficit)	(322 516)	(434 039)	(476 125)	(464 817)	(431 769)	(473 615)	(513 487)	(542 757)
Taxation								
Surplus/(Deficit) for the year	(322 516)	(434 039)	(476 125)	(464 817)	(431 769)	(473 615)	(513 487)	(542 757)

JOHANNESBURG METROPOLITAN POLICE DEPARTMENT
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08	2008/09	2009/10	Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Prov. Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000
Revenue By Source								
Property rates								
Property rates - penalties & collection charges			10					
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse								
Service charges - other	3 581	3 097	2 015	27 653	27 653	30 340	32 039	33 801
Rental of facilities and equipment								
Interest earned - external Investments			52					
Interest earned - outstanding debtors								
Fines	371 131	388 545	253 782	340 975	340 975	251 217	249 445	263 164
Licences and permits								
Agency services	147 465	155 463	146 816	171 215	140 000	150 102	158 506	167 223
Operating grants	280					5 743		
Other revenue	4 540	1 851	2 312	962	962	1 019	1 076	1 135
Gains on disposal of PPE								
Revenue	526 997	548 956	404 987	540 805	509 590	438 421	441 066	465 323
Interest income (Sweeping Account)								
Interest on loans (Core)								
Internal recoveries (ME's)								
Internal recoveries (Core)								
Internal capital grants (Mig)								
Operating grants & Subsidies from (COJ)								
Total Internal Transfers								
Total Revenue	526 997	548 956	404 987	540 805	509 590	438 421	441 066	465 323
Expenditure By Type								
Employee related costs	527 493	816 034	954 805	1 039 264	1 039 264	1 089 940	1 171 521	1 235 955
Remuneration of councillors								
Debt impairment	(3 713)	3 583	22 260	1 150	1 150	1 216	1 284	1 355
Depreciation & asset impairment	7 931	9 804	14 485	8 607	8 607	6 651	6 275	4 503
Repairs and maintenance	6 626	8 352	7 476	8 375	8 375	9 037	9 722	10 451
Finance charges			9 901					
Bulk purchases								
Contracted services	374 201	343 832	215 059	277 233	277 233	244 048	254 308	268 944
Grants and subsidies								
Other expenditure	155 783	177 697	181 733	175 010	175 010	170 061	179 859	189 154
Contributions to/(from) provisions			(5 352)					
Loss on disposal of PPE	131	99	49					
Expenditure	1 068 452	1 359 401	1 400 415	1 509 639	1 509 639	1 520 953	1 622 969	1 710 362
Interest (Sweeping Account)								
Interest on shareholders loans								
Interest on mirror conduit loans								
Internal charges (ME's)	1 075	1 391	1 847	2 872	2 872	3 018	3 190	3 365
Internal charges (Core)	16 394	21 634	13 511	30 808	30 808	25 143	28 663	29 473
Operating grants & subsidies to ME's								
Total Internal Transfers	17 469	23 025	15 357	33 680	33 680	28 161	31 853	32 838
Total Expenditure	1 085 921	1 382 426	1 415 772	1 543 319	1 543 319	1 549 114	1 654 822	1 743 200
Surplus/(Deficit) before capital grants	(558 924)	(833 470)	(1 010 784)	(1 002 514)	(1 033 729)	(1 110 693)	(1 213 756)	(1 277 877)
Transfers recognised								
Capital grants			1					
Capital contributions								
Surplus/(Deficit)	(558 924)	(833 470)	(1 010 784)	(1 002 514)	(1 033 729)	(1 110 693)	(1 213 756)	(1 277 877)
Taxation								
Surplus/(Deficit) for the year	(558 924)	(833 470)	(1 010 784)	(1 002 514)	(1 033 729)	(1 110 693)	(1 213 756)	(1 277 877)

MUNICIPAL ENTITIES ACCOUNTS
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08	2008/09	2009/10	Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Prov. Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000
Revenue By Source								
Property rates			9 776					
Property rates - penalties & collection charges			513					
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse								
Service charges - other								
Rental of facilities and equipment			25 558	240 188	140 465	38 456	41 660	47 661
Interest earned - external investments								
Interest earned - outstanding debtors								
Fines								
Licences and permits								
Agency services					50 000			
Operating grants								
Other revenue			2 936	2 102	2 102	45 803	47 683	49 660
Gains on disposal of PPE								
Revenue			38 783	242 290	192 567	84 259	89 343	97 321
Interest income (Sweeping Account)								
Interest on loans (Core)								
Internal recoveries (ME's)								
Internal recoveries (Core)								
Internal capital grants (Mig)								
Operating grants & Subsidies from (COJ)								
Total Internal Transfers								
Total Revenue			38 783	242 290	192 567	84 259	89 343	97 321
Expenditure By Type								
Employee related costs								
Remuneration of councillors								
Debt impairment			6 587	747	747	790	835	880
Depreciation & asset impairment	116 211	116 146	181 086	232 451	206 652	201 930	251 513	280 910
Repairs and maintenance			1 197	8 322	240	5 258	6 278	10 554
Finance charges			3 827					
Bulk purchases								
Contracted services			26 948	3 093	1 457	1 540	1 626	1 715
Grants and subsidies								
Other expenditure	30 444	40 775	138 071	344 872	330 666	457 035	496 809	602 093
Contributions to/(from) provisions								
Loss on disposal of PPE			36 622					
Expenditure	146 655	156 921	394 338	589 485	539 762	666 553	757 061	896 152
Interest (Sweeping Account)								
Interest on shareholders loans								
Interest on mirror conduit loans								
Internal charges (ME's)								
Internal charges (Core)	4 556		(2 354)	10 000	10 000	10 000	10 000	10 500
Operating grants & subsidies to ME's								
Total Internal Transfers	4 556		(2 354)	10 000	10 000	10 000	10 000	10 500
Total Expenditure	151 211	156 921	391 984	599 485	549 762	676 553	767 061	906 652
Surplus/(Deficit) before capital grants	(151 211)	(156 921)	(353 201)	(357 195)	(357 195)	(592 294)	(677 718)	(809 331)
Transfers recognised								
Capital grants		2 783	4 446	105 274	126 661	251 494	208 050	213 970
Capital contributions						23 500	23 500	24 100
Surplus/(Deficit)	(151 211)	(154 138)	(348 755)	(251 921)	(230 534)	(317 300)	(446 168)	(571 261)
Taxation								
Surplus/(Deficit) for the year	(151 211)	(154 138)	(348 755)	(251 921)	(230 534)	(317 300)	(446 168)	(571 261)

Operating Municipal Entities

MUNICIPAL ENTITIES
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08	2008/09	2009/10	Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000
Revenue By Source								
Property rates								
Property rates - penalties & collection charges								
Service charges - electricity revenue	4 164 828	5 511 363	7 383 802	8 858 538	8 858 946	11 386 442	13 663 668	16 656 499
Service charges - water revenue	3 472 382	3 704 886	4 014 820	4 676 840	4 677 095	5 302 905	5 605 809	5 870 380
Service charges - sanitation revenue								
Service charges - refuse	194 755	176 182	150 298	158 199	146 960	155 336	164 043	173 062
Service charges - other	66 628	174 842	156 349	358 071	133 105	149 513	157 271	165 924
Rental of facilities and equipment	69 189	83 860	93 231	113 770	109 536	129 435	138 380	146 092
Interest earned - external investments	11 362	13 337	11 631	5 605	5 627	3 545	3 523	3 662
Interest earned - outstanding debtors	23 317	46 811	39 548	35 017	35 141	35 850	53 955	64 520
Fines								
Licences and permits								
Agency services	190 473	269 129	244 948	236 866	325 123	276 559	282 226	297 933
Operating grants	27 394	18 173	19 941			29 869		
Other revenue	611 405	919 298	1 326 172	705 496	433 741	407 831	487 409	513 139
Gains on disposal of PPE	720	156	1 522					
Revenue	8 832 453	10 918 037	13 442 262	15 148 402	14 725 274	17 877 286	20 556 284	23 891 211
Interest income (Sweeping Account)	149 613	99 021	63 507	78 725	54 322	92 476	159 952	224 558
Interest on loans (Core)								
Internal recoveries (ME's)	6 303	6 210	4 565	5 158	5 123	5 477	5 789	6 107
Internal recoveries (Core)								
Internal capital grants (Mig)		15 848	28 990	207 629	211 129			
Operating grants & Subsidies from (COJ)	1 821 120	2 043 983	2 102 014	2 296 704	2 316 704	2 417 043	2 534 663	2 674 630
Total Internal Transfers	1 977 036	2 165 062	2 199 076	2 588 216	2 587 278	2 514 996	2 700 404	2 905 295
Total Revenue	10 809 489	13 083 099	15 641 338	17 736 618	17 312 552	20 392 282	23 256 688	26 796 506
Expenditure By Type								
Employee related costs	2 047 181	2 307 070	2 544 642	2 751 961	2 723 513	2 915 524	3 109 226	3 294 227
Remuneration of councillors								
Debt Impairment	551 557	746 998	1 210 193	764 521	1 083 475	1 184 292	1 145 641	1 167 919
Depreciation & asset impairment	366 108	423 934	500 990	547 948	544 992	634 948	719 662	785 599
Repairs and maintenance	317 169	321 832	370 573	418 549	416 121	464 540	492 264	530 516
Finance charges	83 359	73 297	50 906	31 980	31 883	19 411	15 118	12 966
Bulk purchases	4 349 369	5 449 394	6 238 083	8 535 038	8 585 038	10 727 279	12 816 728	14 781 456
Contracted services	997 194	1 367 376	1 681 689	1 280 136	1 212 742	1 253 510	1 283 215	1 353 326
Grants and subsidies								
Other expenditure	1 042 608	1 297 788	1 374 308	1 146 195	1 107 017	1 074 312	1 175 345	1 273 784
Contributions to/(from) provisions	(3 724)	(5 175)	16 715	8 306	9 783	7 635	8 155	8 603
Loss on disposal of PPE	2 050	3 099	478	225	450	353	106	151
Expenditure	9 752 872	11 985 612	13 988 577	15 484 859	15 715 014	18 281 804	20 765 460	23 208 547
Interest (Sweeping Account)	2 168	3 692	4 529	1 350	1 350			
Interest on shareholders loans	208 667	204 430	194 581	184 719	184 719	175 352	165 021	155 172
Interest on mirror conduit loans	407 401	433 705	465 570	567 718	579 132	569 562	595 772	624 003
Internal charges (ME's)	83 050	179 009	162 736	219 306	371 922	510 164	531 882	463 578
Internal charges (Core)								
Operating grants & subsidies to ME's								
Total Internal Transfers	701 286	820 836	827 416	973 093	1 137 123	1 255 078	1 292 675	1 242 753
Total Expenditure	10 454 158	12 806 448	14 815 993	16 457 952	16 852 137	19 536 882	22 058 135	24 451 300
Surplus/(Deficit) before capital grants	355 331	276 651	825 345	1 278 666	460 415	855 400	1 198 553	2 345 206
Transfers recognised								
Capital grants					97 000	352 716	394 000	413 600
Capital contributions					388 065	411 065	440 065	414 585
Surplus/(Deficit)	355 331	276 651	825 345	1 278 666	945 480	1 619 181	2 032 618	3 173 371
Taxation	13 984	23 528	143 033	130 394	59 698	295 486	286 499	303 128
Surplus/(Deficit) for the year	341 347	253 123	682 312	1 148 272	885 782	1 323 695	1 746 119	2 870 243

CITY POWER
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08			2008/09			Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14	R 000		
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000		
Revenue By Source											
Property rates											
Property rates - penalties & collection charges											
Service charges - electricity revenue	4 164 040	5 510 304	7 382 207	8 858 538	8 858 538	11 386 011	13 663 213	16 655 894			
Service charges - water revenue											
Service charges - sanitation revenue											
Service charges - refuse											
Service charges - other				230 000							
Rental of facilities and equipment	1 799	1 438	1 965	1 527	1 527	1 614	1 679	1 746			
Interest earned - external investments											
Interest earned - outstanding debtors	21 167	45 001	37 320	34 867	34 856	35 700	53 805	64 370			
Fines											
Licences and permits											
Agency services											
Operating grants											
Other revenue	162 198	345 929	710 875	290 828	133 736	141 359	195 621	204 276			
Gains on disposal of PPE											
Revenue	4 349 204	5 902 672	8 132 367	9 415 760	9 028 657	11 564 685	13 914 318	16 926 286			
Interest income (Sweeping Account)	56 307	40 524	37 325	30 514	30 514	72 164	138 382	201 797			
Interest on loans (Core)											
Internal recoveries (ME's)											
Internal recoveries (Core)											
Internal capital grants (Mig)				54 516	54 516						
Operating grants & Subsidies from (COJ)											
Total Internal Transfers	56 307	40 524	37 325	85 030	85 030	72 164	138 382	201 797			
Total Revenue	4 405 511	5 943 196	8 169 692	9 500 790	9 113 687	11 636 849	14 052 700	17 128 083			
Expenditure By Type											
Employee related costs	444 270	536 866	621 850	633 866	633 866	700 002	741 959	795 449			
Remuneration of councillors											
Debt Impairment	111 770	282 869	426 879	260 159	450 000	520 150	508 278	618 435			
Depreciation & asset impairment	127 106	116 953	196 287	224 554	224 554	266 880	331 392	379 034			
Repairs and maintenance	209 273	202 930	252 577	305 994	305 994	339 556	365 701	394 592			
Finance charges											
Bulk purchases	2 795 652	3 752 533	4 416 241	6 420 441	6 420 441	8 256 687	10 235 348	12 100 975			
Contracted services	204 302	200 805	559 618	192 397	194 094	186 188	188 423	195 897			
Grants and subsidies											
Other expenditure	194 601	228 777	152 884	172 882	126 677	111 391	180 354	225 400			
Contributions to/(from) provisions											
Loss on disposal of PPE											
Expenditure	4 086 974	5 321 733	6 626 336	8 210 293	8 355 626	10 380 854	12 551 455	14 709 782			
Interest (Sweeping Account)											
Interest on shareholders loans	109 904	109 617	109 617	109 617	109 617	109 921	109 617	109 617			
Interest on mirror conduit loans	232 527	269 070	258 568	299 579	299 579	274 464	273 975	271 072			
Internal charges (ME's)	24 617	28 410	56 590	77 589	159 183	182 460	188 405	168 402			
Internal charges (Core)											
Operating grants & subsidies to ME's											
Total Internal Transfers	367 048	407 097	424 775	486 785	568 379	566 845	571 997	549 091			
Total Expenditure	4 454 022	5 728 830	7 051 111	8 697 078	8 924 005	10 947 699	13 123 452	15 258 873			
Surplus/(Deficit) before capital grants	(48 511)	214 366	1 118 581	803 712	189 882	689 150	929 248	1 869 210			
Transfers recognised											
Capital grants					97 000	120 452	130 000	143 000			
Capital contributions					388 065	391 065	420 065	394 065			
Surplus/(Deficit)	(48 511)	214 366	1 118 581	803 712	674 747	1 200 667	1 479 313	2 406 275			
Taxation			117 292	109 493	37 846	283 365	274 838	290 313			
Surplus/(Deficit) for the year	(48 511)	214 366	1 001 289	694 219	636 901	917 302	1 204 475	2 115 962			

JOHANNESBURG WATER
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08			2008/09		Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14		
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000		
R thousand										
Revenue By Source										
Property rates										
Property rates - penalties & collection charges										
Service charges - electricity revenue										
Service charges - water revenue	3 472 382	3 704 756	4 014 588	4 676 840	4 676 840	5 302 636	5 605 524	5 870 080		
Service charges - sanitation revenue										
Service charges - refuse										
Service charges - other										
Rental of facilities and equipment										
Interest earned - external investments		191								
Interest earned - outstanding debtors										
Fines										
Licences and permits										
Agency services										
Operating grants										
Other revenue	235 390	289 810	263 403	82 742	48 631					
Gains on disposal of PPE										
Revenue	3 707 772	3 994 757	4 277 991	4 759 582	4 725 471	5 302 636	5 605 524	5 870 080		
Interest income (Sweeping Account)										
Interest on loans (Core)										
Internal recoveries (ME's)										
Internal recoveries (Core)										
Internal capital grants (Mig)				129 113	129 113					
Operating grants & Subsidies from (COJ)										
Total Internal Transfers				129 113	129 113					
Total Revenue	3 707 772	3 994 757	4 277 991	4 888 695	4 854 584	5 302 636	5 605 524	5 870 080		
Expenditure By Type										
Employee related costs	459 658	537 303	590 625	611 410	596 410	634 580	677 731	715 006		
Remuneration of councillors										
Debt impairment	421 945	495 481	620 302	482 535	608 926	637 058	608 651	519 054		
Depreciation & asset impairment	130 612	146 507	164 880	201 168	196 168	240 692	255 238	266 907		
Repairs and maintenance	7 127	7 731	9 178	9 262	7 762	8 461	9 104	9 787		
Finance charges	37 430	37 913	21 242	19 991	19 991	15 139	12 820	10 541		
Bulk purchases	1 519 604	1 663 707	1 779 677	2 084 842	2 134 842	2 439 141	2 548 168	2 645 442		
Contracted services	301 287	389 483	266 591	338 615	323 308	304 739	322 868	341 671		
Grants and subsidies										
Other expenditure	233 708	287 147	329 965	396 115	397 762	348 818	366 234	387 147		
Contributions to/(from) provisions										
Loss on disposal of PPE										
Expenditure	3 111 371	3 565 272	3 782 460	4 143 938	4 285 169	4 628 628	4 800 814	4 895 555		
Interest (Sweeping Account)										
Interest on shareholders loans	98 763	94 813	84 964	75 102	75 102	65 431	55 404	45 555		
Interest on mirror conduit loans	119 769	120 348	161 450	177 386	177 386	201 331	225 051	251 429		
Internal charges (ME's)	50 886	52 314	53 054	106 767	166 927	278 760	291 193	241 834		
Internal charges (Core)										
Operating grants & subsidies to ME's										
Total Internal Transfers	269 418	267 475	299 468	359 255	419 415	545 522	571 648	538 818		
Total Expenditure	3 380 789	3 832 747	4 081 928	4 503 193	4 704 584	5 174 150	5 372 462	5 434 373		
Surplus/(Deficit) before capital grants	326 983	162 010	196 063	385 502	150 000	128 486	233 062	435 707		
Transfers recognised										
Capital grants						198 264	220 000	225 500		
Capital contributions						20 000	20 000	20 500		
Surplus/(Deficit)	326 983	162 010	196 063	385 502	150 000	346 750	473 062	681 707		
Taxation										
Surplus/(Deficit) for the year	326 983	162 010	196 063	385 502	150 000	346 750	473 062	681 707		

PIKITUP
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08			2008/09		Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14		
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000		
R thousand										
Revenue By Source										
Property rates										
Property rates - penalties & collection charges										
Service charges - electricity revenue										
Service charges - water revenue										
Service charges - sanitation revenue										
Service charges - refuse	194 755	176 182	150 298	158 199	146 960	155 336	164 043	173 062		
Service charges - other		101 361	86 007	62 668	62 668	66 240	69 942	73 792		
Rental of facilities and equipment										
Interest earned - external investments										
Interest earned - outstanding debtors										
Fines										
Licences and permits										
Agency services										
Operating grants						878				
Other revenue	1 750	7 652	11 199	5 176	10 040	9 410	10 346	11 380		
Gains on disposal of PPE										
Revenue	196 505	285 195	227 504	226 043	219 668	231 864	244 331	258 234		
Interest income (Sweeping Account)	45 962	22 530	8 370	16 095	5 000	5 500	6 050	6 383		
Interest on loans (Core)										
Internal recoveries (ME's)										
Internal recoveries (Core)										
Internal capital grants (Mig)		15 848	28 990	24 000	27 500					
Operating grants & Subsidies from (COJ)	678 494	790 046	837 153	925 110	925 110	976 356	1 007 749	1 063 101		
Total Internal Transfers	724 456	828 424	874 513	965 205	957 610	981 856	1 013 799	1 069 484		
Total Revenue	920 961	1 113 619	1 102 017	1 191 248	1 177 278	1 213 720	1 258 130	1 327 718		
Expenditure By Type										
Employee related costs	344 705	339 509	371 697	425 387	418 975	443 687	474 947	502 381		
Remuneration of councillors										
Debt Impairment	13 628	(37 731)	150 575	13 906	13 905	14 699	15 522	16 374		
Depreciation & asset impairment	31 119	49 818	49 237	42 293	43 187	45 649	48 251	50 953		
Repairs and maintenance	8 687	15 719	17 227	5 692	5 782	8 735	9 408	10 123		
Finance charges										
Bulk purchases										
Contracted services	297 679	522 512	598 481	530 721	508 088	533 660	535 261	564 718		
Grants and subsidies										
Other expenditure	100 737	130 378	241 127	75 354	68 579	81 378	84 923	90 017		
Contributions to/(from) provisions	(3 724)	(5 175)	16 715	7 487	8 964	7 635	8 155	8 603		
Loss on disposal of PPE	1 505									
Expenditure	794 336	1 015 030	1 445 059	1 100 840	1 067 480	1 135 443	1 176 467	1 243 169		
Interest (Sweeping Account)										
Interest on shareholders loans										
Interest on mirror conduit loans	32 051	16 433	15 622	54 682	66 096	57 262	59 414	62 682		
Internal charges (ME's)		89 535	44 643	11 726	16 202	21 015	22 249	21 867		
Internal charges (Core)										
Operating grants & subsidies to ME's										
Total Internal Transfers	32 051	105 968	60 265	66 408	82 298	78 277	81 663	84 549		
Total Expenditure	826 387	1 120 998	1 505 324	1 167 248	1 149 778	1 213 720	1 258 130	1 327 718		
Surplus/(Deficit) before capital grants	94 574	(7 379)	(403 307)	24 000	27 500					
Transfers recognised										
Capital grants						34 000	44 000	45 100		
Capital contributions										
Surplus/(Deficit)	94 574	(7 379)	(403 307)	24 000	27 500	34 000	44 000	45 100		
Taxation										
Surplus/(Deficit) for the year	94 574	(7 379)	(403 307)	24 000	27 500	34 000	44 000	45 100		

JOHANNESBURG ROADS AGENCY
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08			2008/09		Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14		
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000		
R thousand										
Revenue By Source										
Property rates										
Property rates - penalties & collection charges										
Service charges - electricity revenue										
Service charges - water revenue										
Service charges - sanitation revenue										
Service charges - refuse										
Service charges - other										
Rental of facilities and equipment										
Interest earned - external investments										
Interest earned - outstanding debtors										
Fines										
Licences and permits										
Agency services										
Operating grants						6 316				
Other revenue	68 316	51 198	83 553	53 741	53 741	56 804	59 985	63 284		
Gains on disposal of PPE										
Revenue	68 316	51 198	83 553	53 741	53 741	63 120	59 985	63 284		
Interest income (Sweeping Account)	17 236	14 259		15 726						
Interest on loans (Core)										
Internal recoveries (ME's)										
Internal recoveries (Core)										
Internal capital grants (Mig)										
Operating grants & Subsidies from (COJ)	371 316	404 003	405 230	429 693	439 693	460 300	490 019	517 215		
Total Internal Transfers	388 552	418 262	405 230	445 419	439 693	460 300	490 019	517 215		
Total Revenue	456 868	469 460	488 783	499 160	493 434	523 420	550 004	580 499		
Expenditure By Type										
Employee related costs	211 043	251 175	242 689	279 096	276 670	296 958	317 151	334 594		
Remuneration of councillors										
Debt Impairment										
Depreciation & asset impairment	3 706	31 047	12 764	5 080	5 080	5 380	5 686	5 999		
Repairs and maintenance	9 330	9 865	6 644	8 039	13 469	14 974	9 316	10 015		
Finance charges										
Bulk purchases										
Contracted services	102 548	152 825	154 556	117 001	68 327	89 082	94 071	99 245		
Grants and subsidies										
Other expenditure	104 540	85 377	161 197	83 528	102 108	103 541	109 357	115 534		
Contributions to/(from) provisions										
Loss on disposal of PPE										
Expenditure	431 167	530 289	577 850	492 744	465 654	509 935	535 581	565 387		
Interest (Sweeping Account)										
Interest on shareholders loans										
Interest on mirror conduit loans	3 189	1 205	6 276	532	532	4 928	5 204	5 490		
Internal charges (ME's)				5 884	9 069	8 557	9 219	9 622		
Internal charges (Core)										
Operating grants & subsidies to ME's										
Total Internal Transfers	3 189	1 205	6 276	6 416	9 601	13 485	14 423	15 112		
Total Expenditure	434 356	531 494	584 126	499 160	475 255	523 420	550 004	580 499		
Surplus/(Deficit) before capital grants	22 512	(62 034)	(95 343)		18 179					
Transfers recognised										
Capital grants										
Capital contributions										
Surplus/(Deficit)	22 512	(62 034)	(95 343)		18 179					
Taxation	8 766	7 258								
Surplus/(Deficit) for the year	13 746	(69 292)	(95 343)		18 179					

METROBUS
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08			2008/09		Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14		
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000		
R thousand										
Revenue By Source										
Property rates										
Property rates - penalties & collection charges										
Service charges - electricity revenue										
Service charges - water revenue										
Service charges - sanitation revenue										
Service charges - refuse										
Service charges - other										
Rental of facilities and equipment										
Interest earned - external investments										
Interest earned - outstanding debtors										
Fines										
Licences and permits										
Agency services										
Operating grants										
Other revenue	111 768	114 166	126 494	121 960	123 554	131 968	139 490	147 441		
Gains on disposal of PPE			1 522							
Revenue	111 768	114 166	128 016	121 960	123 554	131 968	139 490	147 441		
Interest income (Sweeping Account)	3 768	2 949	876	716	716	758	801	847		
Interest on loans (Core)										
Internal recoveries (ME's)										
Internal recoveries (Core)										
Internal capital grants (Mig)										
Operating grants & Subsidies from (COJ)	258 343	265 498	284 497	291 841	291 841	299 919	318 104	336 735		
Total Internal Transfers	262 111	268 447	285 373	292 557	292 557	300 677	318 905	337 582		
Total Revenue	373 879	382 613	413 389	414 517	416 111	432 645	458 395	485 023		
Expenditure By Type										
Employee related costs	137 747	150 315	187 049	190 379	193 165	209 409	223 649	235 950		
Remuneration of councillors										
Debt impairment	133	416	747							
Depreciation & asset impairment	44 271	49 061	44 389	40 764	42 609	42 165	43 175	45 550		
Repairs and maintenance	50 438	51 728	55 970	46 046	46 046	54 360	57 415	61 721		
Finance charges	39 051	32 406	26 730	9 852	9 852	2 116				
Bulk purchases										
Contracted services	5 532	5 490	7 794	4 873	5 883	19 294	20 003	20 922		
Grants and subsidies										
Other expenditure	160 809	169 790	152 985	109 389	102 141	91 472	101 589	107 818		
Contributions to/(from) provisions										
Loss on disposal of PPE	262	2 471								
Expenditure	438 243	461 677	475 664	401 303	399 696	418 816	445 831	471 961		
Interest (Sweeping Account)										
Interest on shareholders loans										
Interest on mirror conduit loans				11 000	11 000	8 124	6 681	7 048		
Internal charges (ME's)				2 214	5 415	5 705	5 883	6 014		
Internal charges (Core)										
Operating grants & subsidies to ME's										
Total Internal Transfers				13 214	16 415	13 829	12 564	13 062		
Total Expenditure	438 243	461 677	475 664	414 517	416 111	432 645	458 395	485 023		
Surplus/(Deficit) before capital grants	(64 364)	(79 064)	(62 275)							
Transfers recognised										
Capital grants										
Capital contributions										
Surplus/(Deficit)	(64 364)	(79 064)	(62 275)							
Taxation										
Surplus/(Deficit) for the year	(64 364)	(79 064)	(62 275)							

CITY PARKS
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08			2008/09		Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14		
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000		
R thousand										
Revenue By Source										
Property rates										
Property rates - penalties & collection charges										
Service charges - electricity revenue										
Service charges - water revenue										
Service charges - sanitation revenue										
Service charges - refuse										
Service charges - other	57 818	62 707	78 690	53 975	53 975	66 405	70 124	73 981		
Rental of facilities and equipment	1 217	1 411	2 188	1 440	1 440	2 075	2 191	2 310		
Interest earned - external investments			134							
Interest earned - outstanding debtors										
Fines										
Licences and permits										
Agency services										
Operating grants						7 195				
Other revenue	2 134	3 555	3 009	2 634	2 634	2 364	2 496	2 635		
Gains on disposal of PPE	712	128								
Revenue	61 881	67 801	84 021	58 049	58 049	78 039	74 811	78 926		
Interest income (Sweeping Account)	20 256	17 420	13 990	14 812	14 812	13 267	14 000	14 770		
Interest on loans (Core)										
Internal recoveries (ME's)	6 303	6 210	4 565	617	617	689	728	767		
Internal recoveries (Core)										
Internal capital grants (Mig)										
Operating grants & Subsidies from (COJ)	364 145	423 771	425 047	459 596	469 596	475 682	508 735	536 741		
Total Internal Transfers	390 704	447 401	443 602	475 025	485 025	489 638	523 463	552 278		
Total Revenue	452 585	515 202	527 823	533 074	543 074	567 877	598 274	631 204		
Expenditure By Type										
Employee related costs	273 038	289 128	297 464	314 600	314 600	341 957	365 210	385 297		
Remuneration of councillors										
Debt Impairment										
Depreciation & asset Impairment	5 784	9 427	9 949	10 349	10 349	8 473	8 948	9 440		
Repairs and maintenance	17 050	16 757	13 050	17 960	17 960	19 343	20 813	22 374		
Finance charges		79	9							
Bulk purchases	34 113	33 154	42 165	29 755	29 755	31 451	33 212	35 039		
Contracted services	43 500	50 707	45 681	54 183	64 183	49 711	52 495	55 382		
Grants and subsidies										
Other expenditure	76 074	105 143	101 351	97 130	97 130	109 068	108 239	113 887		
Contributions to/(from) provisions										
Loss on disposal of PPE			160							
Expenditure	449 559	504 395	509 829	523 977	533 977	560 003	588 917	621 419		
Interest (Sweeping Account)										
Interest on shareholders loans										
Interest on mirror conduit loans										
Internal charges (ME's)	7 152	8 147	7 040	9 097	9 097	7 674	9 357	9 785		
Internal charges (Core)										
Operating grants & subsidies to ME's										
Total Internal Transfers	7 152	8 147	7 040	9 097	9 097	7 674	9 357	9 785		
Total Expenditure	456 711	512 542	516 869	533 074	543 074	567 877	598 274	631 204		
Surplus/(Deficit) before capital grants	(4 126)	2 660	10 754							
Transfers recognised										
Capital grants										
Capital contributions										
Surplus/(Deficit)	(4 126)	2 660	10 754							
Taxation										
Surplus/(Deficit) for the year	(4 126)	2 660	10 754							

ZOO
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08			2008/09			Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14			
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000			
R thousand											
Revenue By Source											
Property rates											
Property rates - penalties & collection charges											
Service charges - electricity revenue											
Service charges - water revenue											
Service charges - sanitation revenue											
Service charges - refuse											
Service charges - other	8 810	10 774	11 652	11 428	16 462	16 868	17 205	18 151			
Rental of facilities and equipment	3 526	3 129	2 556	3 770	1 730	1 765	1 818	1 872			
Interest earned - external investments											
Interest earned - outstanding debtors											
Fines											
Licences and permits											
Agency services											
Operating grants						282					
Other revenue	3 448	4 769	4 507	3 699	3 470	3 529	3 120	3 338			
Gains on disposal of PPE											
Revenue	15 784	18 672	18 715	18 897	21 662	22 444	22 143	23 361			
Interest income (Sweeping Account)	274	541	452	610	237	615	368	388			
Interest on loans (Core)											
Internal recoveries (ME's)											
Internal recoveries (Core)											
Internal capital grants (Mig)											
Operating grants & Subsidies from (COJ)	35 878	34 714	36 779	40 370	40 370	42 293	46 540	49 164			
Total Internal Transfers	36 152	35 255	37 231	40 980	40 607	42 908	46 908	49 552			
Total Revenue	51 936	53 927	55 946	59 877	62 269	65 352	69 051	72 913			
Expenditure By Type											
Employee related costs	28 101	31 094	39 984	38 368	39 415	41 938	44 790	47 253			
Remuneration of councillors											
Debt impairment	84	(41)	35								
Depreciation & asset impairment	1 407	1 299	1 059	938	1 623	1 716	1 812	1 912			
Repairs and maintenance	2 059	1 775	1 805	2 166	1 861	2 004	2 156	2 318			
Finance charges		1 124	636								
Bulk purchases											
Contracted services	3 632	2 932	4 432	2 116	5 175	5 197	5 488	5 791			
Grants and subsidies											
Other expenditure	16 332	14 933	13 789	15 559	12 665	13 219	14 256	15 024			
Contributions to/(from) provisions											
Loss on disposal of PPE					300	253		40			
Expenditure	51 615	53 116	61 740	59 147	61 039	64 327	68 502	72 338			
Interest (Sweeping Account)											
Interest on shareholders loans											
Interest on mirror conduit loans											
Internal charges (ME's)				730	730	525	549	575			
Internal charges (Core)											
Operating grants & subsidies to ME's											
Total Internal Transfers				730	730	525	549	575			
Total Expenditure	51 615	53 116	61 740	59 877	61 769	64 852	69 051	72 913			
Surplus/(Deficit) before capital grants	321	811	(5 794)		500	500					
Transfers recognised											
Capital grants											
Capital contributions											
Surplus/(Deficit)	321	811	(5 794)		500	500					
Taxation											
Surplus/(Deficit) for the year	321	811	(5 794)		500	500					

JOHANNESBURG DEVELOPMENT AGENCY
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08			2008/09		Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14		
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000		
Revenue By Source										
Property rates										
Property rates - penalties & collection charges										
Service charges - electricity revenue										
Service charges - water revenue										
Service charges - sanitation revenue										
Service charges - refuse										
Service charges - other										
Rental of facilities and equipment										
Interest earned - external investments										
Interest earned - outstanding debtors										
Fines										
Licences and permits										
Agency services	28 437	61 054	44 710	32 111	30 755	30 827	33 859	36 452		
Operating grants										
Other revenue	895	1 149	2 009	979	880	950	1 100	1 250		
Gains on disposal of PPE	1	28								
Revenue	29 333	62 231	46 719	33 090	31 635	31 777	34 959	37 702		
Interest income (Sweeping Account)	5 200	127	2 319		3 000					
Interest on loans (Core)										
Internal recoveries (ME's)										
Internal recoveries (Core)										
Internal capital grants (Mlg)										
Operating grants & Subsidies from (COJ)	29 227	29 924	20 450	21 637	21 637	22 866	22 677	23 651		
Total Internal Transfers	34 427	30 051	22 769	21 637	24 637	22 866	22 677	23 651		
Total Revenue	63 760	92 282	69 488	54 727	56 272	54 643	57 636	61 353		
Expenditure By Type										
Employee related costs	21 604	26 653	24 341	30 335	26 669	27 607	29 484	31 106		
Remuneration of councillors										
Debt Impairment										
Depreciation & asset impairment	767	941	1 324	1 084	1 084	1 340	1 204	1 270		
Repairs and maintenance	301	748	1 402	800	800	816	878	944		
Finance charges										
Bulk purchases										
Contracted services	1 044	2 899	2 381	935	1 405	1 427	1 432	1 510		
Grants and subsidies										
Other expenditure	32 547	46 612	29 648	19 105	20 921	21 794	23 455	25 280		
Contributions to/(from) provisions										
Loss on disposal of PPE	78		20	225	150	100	106	111		
Expenditure	56 341	77 853	59 116	52 484	51 029	53 084	56 559	60 221		
Interest (Sweeping Account)	27	3 692	4 392	1 000	1 000					
Interest on shareholders loans										
Interest on mirror conduit loans										
Internal charges (ME's)				1 243	1 243	1 559	1 077	1 132		
Internal charges (Core)										
Operating grants & subsidies to ME's										
Total Internal Transfers	27	3 692	4 392	2 243	2 243	1 559	1 077	1 132		
Total Expenditure	56 368	81 545	63 508	54 727	53 272	54 643	57 636	61 353		
Surplus/(Deficit) before capital grants	7 392	10 737	5 980		3 000					
Transfers recognised										
Capital grants										
Capital contributions										
Surplus/(Deficit)	7 392	10 737	5 980		3 000					
Taxation			4 687							
Surplus/(Deficit) for the year	7 392	10 737	1 293		3 000					

JOHANNESBURG PROPERTY COMPANY
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08			2008/09			Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14			
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000			
R thousand											
Revenue By Source											
Property rates											
Property rates - penalties & collection charges											
Service charges - electricity revenue											
Service charges - water revenue											
Service charges - sanitation revenue											
Service charges - refuse											
Service charges - other											
Rental of facilities and equipment											
Interest earned - external investments	253	24	8	7	7	8	8	9			
Interest earned - outstanding debtors	1 289	1 441	2 086								
Fines											
Licences and permits											
Agency services	18 683	40 687	18 664	22 638	106 413	50 387	41 305	43 049			
Operating grants						3 509					
Other revenue	5 415	14 713	68 699	115 614	31 839	39 635	53 152	56 002			
Gains on disposal of PPE											
Revenue	25 640	56 865	89 457	138 259	138 259	93 539	94 465	99 060			
Interest income (Sweeping Account)											
Interest on loans (Core)											
Internal recoveries (ME's)											
Internal recoveries (Core)											
Internal capital grants (Mig)											
Operating grants & Subsidies from (COJ)	11 130	10 516	537								
Total Internal Transfers	11 130	10 516	537								
Total Revenue	36 770	67 381	89 994	138 259	138 259	93 539	94 465	99 060			
Expenditure By Type											
Employee related costs	26 643	31 778	37 653	75 480	76 142	59 153	63 175	66 650			
Remuneration of councillors											
Debt impairment											
Depreciation & asset impairment	858	1 247	1 191	1 210	1 419	1 500	1 584	1 671			
Repairs and maintenance											
Finance charges	247	382	314	370	370	391	413	436			
Bulk purchases											
Contracted services											
Grants and subsidies											
Other expenditure	10 413	16 469	16 157	22 177	21 306	25 332	21 359	22 539			
Contributions to/(from) provisions											
Loss on disposal of PPE	21	385	350								
Expenditure	38 182	50 261	55 665	99 237	99 237	86 376	86 531	91 296			
Interest (Sweeping Account)			137								
Interest on shareholders loans											
Interest on mirror conduit loans											
Internal charges (ME's)	395	603	624	850	850	1 095	1 235	1 300			
Internal charges (Core)											
Operating grants & subsidies to ME's											
Total Internal Transfers	395	603	761	850	850	1 095	1 235	1 300			
Total Expenditure	38 577	50 864	56 426	100 087	100 087	87 471	87 766	92 596			
Surplus/(Deficit) before capital grants	(1 807)	16 517	33 568	38 172	38 172	6 068	6 699	6 464			
Transfers recognised											
Capital grants											
Capital contributions											
Surplus/(Deficit)	(1 807)	16 517	33 568	38 172	38 172	6 068	6 699	6 464			
Taxation	(2 098)	4 310	11 484	11 070	11 070	1 760	1 617	1 531			
Surplus/(Deficit) for the year	291	12 207	22 084	27 102	27 102	4 308	5 082	4 933			

JOBURG MARKET
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08			2008/09		Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14		
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000		
Revenue By Source										
Property rates										
Property rates - penalties & collection charges										
Service charges - electricity revenue										
Service charges - water revenue										
Service charges - sanitation revenue										
Service charges - refuse										
Service charges - other										
Rental of facilities and equipment	25 644	29 812	32 728	35 779	36 290	42 534	47 364	51 644		
Interest earned - external investments	2 409	2 799	2 766	2 030	1 752	2 200	2 100	2 100		
Interest earned - outstanding debtors	861	369	142	150	285	150	150	150		
Fines										
Licences and permits										
Agency services	141 179	163 018	179 690	180 967	187 055	194 394	206 057	217 372		
Operating grants						7 600				
Other revenue	4 384	6 043	7 115	4 705	4 683	4 924	5 219	5 532		
Gains on disposal of PPE										
Revenue	174 477	202 041	222 441	223 631	230 065	251 802	260 890	276 798		
Interest income (Sweeping Account)										
Interest on loans (Core)										
Internal recoveries (ME's)										
Internal recoveries (Core)										
Internal capital grants (Mig)										
Operating grants & Subsidies from (COJ)										
Total Internal Transfers										
Total Revenue	174 477	202 041	222 441	223 631	230 065	251 802	260 890	276 798		
Expenditure By Type										
Employee related costs	56 766	57 871	68 354	76 005	73 509	79 781	85 207	89 893		
Remuneration of councillors										
Debt Impairment										
Depreciation & asset impairment	12 511	11 734	12 399	14 090	13 038	14 945	15 796	15 998		
Repairs and maintenance	4 382	5 525	6 347	6 493	6 493	6 993	7 522	8 089		
Finance charges	6 631		73							
Bulk purchases										
Contracted services	15 784	13 700	16 514	16 279	21 238	28 164	22 116	23 333		
Grants and subsidies										
Other expenditure	38 148	51 741	54 421	57 505	60 640	66 308	74 277	78 187		
Contributions to/(from) provisions										
Loss on disposal of PPE	184	243	(52)							
Expenditure	134 407	140 814	158 056	170 372	174 918	196 191	204 918	215 500		
Interest (Sweeping Account)										
Interest on shareholders loans										
Interest on mirror conduit loans	19 865	26 649	23 654	24 539	24 539	23 453	25 447	26 282		
Internal charges (ME's)				1 440	1 440	1 338	1 381	1 641		
Internal charges (Core)										
Operating grants & subsidies to ME's										
Total Internal Transfers	19 865	26 649	23 654	25 979	25 979	24 791	26 828	27 923		
Total Expenditure	154 272	167 463	181 710	196 351	200 897	220 982	231 746	243 423		
Surplus/(Deficit) before capital grants	20 205	34 578	40 731	27 280	29 168	30 820	29 144	33 375		
Transfers recognised										
Capital grants										
Capital contributions										
Surplus/(Deficit)	20 205	34 578	40 731	27 280	29 168	30 820	29 144	33 375		
Taxation	7 118	12 760	12 393	9 831	10 428	9 985	9 644	10 634		
Surplus/(Deficit) for the year	13 087	21 818	28 338	17 449	18 740	20 835	19 500	22 541		

METRO TRADING COMPANY
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08			2008/09		Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14		
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000		
R thousand										
Revenue By Source										
Property rates										
Property rates - penalties & collection charges										
Service charges - electricity revenue	788	1 059	1 143							
Service charges - water revenue										
Service charges - sanitation revenue										
Service charges - refuse										
Service charges - other										
Rental of facilities and equipment	10 073	10 826	9 860	15 475	15 475	15 750	15 930	15 187		
Interest earned - external investments	5 542	5 415	3 253	1 828	1 828					
Interest earned - outstanding debtors										
Fines										
Licences and permits										
Agency services										
Operating grants										
Other revenue	1 253	729	1 031					1 500		
Gains on disposal of PPE										
Revenue	17 656	18 029	15 287	17 303	17 303	15 750	15 930	16 687		
Interest income (Sweeping Account)										
Interest on loans (Core)										
Internal recoveries (ME's)										
Internal recoveries (Core)										
Internal capital grants (Mig)										
Operating grants & Subsidies from (COJ)	35 972	40 135	48 059	45 293	45 293	51 775	53 984	57 293		
Total Internal Transfers	35 972	40 135	48 059	45 293	45 293	51 775	53 984	57 293		
Total Revenue	53 628	58 164	63 346	62 596	62 596	67 525	69 914	73 980		
Expenditure By Type										
Employee related costs	7 941	9 284	11 313	13 264	13 264	14 113	15 073	15 902		
Remuneration of councillors										
Debt impairment	2 913	1 342	4 858	2 140	2 140	2 750	2 900	3 200		
Depreciation & asset impairment	932	1 229	1 179	1 194	1 194	1 263	1 336	1 409		
Repairs and maintenance			1 365	1 460	1 460	1 572	1 691	1 618		
Finance charges										
Bulk purchases										
Contracted services	19 770	24 386	24 091	16 999	16 999	29 286	34 225	37 647		
Grants and subsidies										
Other expenditure	22 697	22 957	20 012	26 875	26 875	17 978	14 172	13 459		
Contributions to/(from) provisions										
Loss on disposal of PPE										
Expenditure	54 253	59 198	62 818	61 932	61 932	66 962	69 397	73 435		
Interest (Sweeping Account)										
Interest on shareholders loans										
Interest on mirror conduit loans										
Internal charges (ME's)			785	664	664	563	517	545		
Internal charges (Core)										
Operating grants & subsidies to ME's										
Total Internal Transfers			785	664	664	563	517	545		
Total Expenditure	54 253	59 198	63 603	62 596	62 596	67 525	69 914	73 980		
Surplus/(Deficit) before capital grants	(625)	(1 034)	(257)							
Transfers recognised										
Capital grants										
Capital contributions										
Surplus/(Deficit)	(625)	(1 034)	(257)							
Taxation										
Surplus/(Deficit) for the year	(625)	(1 034)	(257)							

JOHANNESBURG TOURISM COMPANY
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08			2008/09		Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14		
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000		
R thousand										
Revenue By Source										
Property rates										
Property rates - penalties & collection charges										
Service charges - electricity revenue										
Service charges - water revenue										
Service charges - sanitation revenue										
Service charges - refuse										
Service charges - other										
Rental of facilities and equipment										
Interest earned - external investments										
Interest earned - outstanding debtors										
Fines										
Licences and permits										
Agency services										
Operating grants						4 089				
Other revenue	933	62 245	17 139	250	250	264	279	294		
Gains on disposal of PPE										
Revenue	933	62 245	17 139	250	250	4 353	279	294		
Interest income (Sweeping Account)	473	236	76			125	298	314		
Interest on loans (Core)										
Internal recoveries (ME's)										
Internal recoveries (Core)										
Internal capital grants (Mig)										
Operating grants & Subsidies from (COJ)	17 758	22 475	24 105	31 616	31 616	33 417	32 939	34 681		
Total Internal Transfers	18 231	22 711	24 181	31 616	31 616	33 542	33 237	34 995		
Total Revenue	19 164	84 956	41 320	31 866	31 866	37 895	33 516	35 289		
Expenditure By Type										
Employee related costs	7 720	8 548	9 164	12 060	11 825	12 832	13 705	14 459		
Remuneration of councillors										
Debt impairment										
Depreciation & asset impairment	846	999	2 935	1 163	1 009	1 163	1 345	1 345		
Repairs and maintenance	96	120	78	144	144	155	167	180		
Finance charges										
Bulk purchases										
Contracted services	16	124	68			86	86	91		
Grants and subsidies										
Other expenditure	8 978	88 373	32 834	17 247	13 876	23 598	18 151	19 149		
Contributions to/(from) provisions				819	819					
Loss on disposal of PPE										
Expenditure	17 656	98 164	45 079	31 433	27 673	37 834	33 454	35 224		
Interest (Sweeping Account)				350	350					
Interest on shareholders loans										
Interest on mirror conduit loans										
Internal charges (ME's)				83	83	61	62	65		
Internal charges (Core)										
Operating grants & subsidies to ME's										
Total Internal Transfers				433	433	61	62	65		
Total Expenditure	17 656	98 164	45 079	31 866	28 106	37 895	33 516	35 289		
Surplus/(Deficit) before capital grants	1 508	(13 208)	(3 759)		3 760					
Transfers recognised										
Capital grants										
Capital contributions										
Surplus/(Deficit)	1 508	(13 208)	(3 759)		3 760					
Taxation										
Surplus/(Deficit) for the year	1 508	(13 208)	(3 759)		3 760					

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MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08			2008/09		Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14		
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000		
Revenue By Source										
Property rates										
Property rates - penalties & collection charges										
Service charges - electricity revenue			452		408	431	455	605		
Service charges - water revenue		130	232		255	269	285	300		
Service charges - sanitation revenue										
Service charges - refuse										
Service charges - other										
Rental of facilities and equipment	21 074	30 951	38 995	50 129	47 424	59 446	62 770	66 098		
Interest earned - external investments	662	1 717	3 685		300	317	335	353		
Interest earned - outstanding debtors										
Fines										
Licences and permits										
Agency services	2 173	4 370	1 884	1 150	900	951	1 005	1 060		
Operating grants	11 571	914	2 477							
Other revenue	552	85	936	200	26	28	29	155		
Gains on disposal of PPE	7									
Revenue	36 039	38 167	48 661	51 479	49 313	61 442	64 879	68 571		
Interest income (Sweeping Account)										
Interest on loans (Core)										
Internal recoveries (ME's)				4 541	4 506	4 788	5 061	5 340		
Internal recoveries (Core)										
Internal capital grants (Mig)										
Operating grants & Subsidies from (COJ)	12 129	15 132	11 794	17 173	17 173	17 764	16 869	16 872		
Total Internal Transfers	12 129	15 132	11 794	21 714	21 679	22 552	21 930	22 212		
Total Revenue	48 168	53 299	60 455	73 193	70 992	83 994	86 809	90 783		
Expenditure By Type										
Employee related costs	9 566	15 501	18 656	23 036	21 410	26 857	28 683	30 260		
Remuneration of councillors										
Debt Impairment	1 084	4 662	6 794	5 781	8 231	9 635	10 290	10 856		
Depreciation & asset impairment	3 665	1 074	714	1 345	970	1 025	1 094	1 155		
Repairs and maintenance	7 992	8 336	4 254	10 701	4 558	6 800	7 263	7 662		
Finance charges		1 393	1 902	1 767	1 670	1 765	1 885	1 989		
Bulk purchases										
Contracted services	1 995	803	385	5 228	3 281	4 329	4 393	4 634		
Grants and subsidies										
Other expenditure	21 122	19 419	29 999	24 501	29 684	32 688	32 263	33 211		
Contributions to/(from) provisions										
Loss on disposal of PPE										
Expenditure	45 424	51 188	62 704	72 359	69 804	83 099	85 871	89 767		
Interest (Sweeping Account)	2 141									
Interest on shareholders loans										
Interest on mirror conduit loans										
Internal charges (ME's)				834	834	519	538	566		
Internal charges (Core)										
Operating grants & subsidies to ME's										
Total Internal Transfers	2 141			834	834	519	538	566		
Total Expenditure	47 585	51 188	62 704	73 193	70 638	83 618	86 409	90 333		
Surplus/(Deficit) before capital grants	603	2 111	(2 249)		354	376	400	450		
Transfers recognised										
Capital grants										
Capital contributions										
Surplus/(Deficit)	603	2 111	(2 249)		354	376	400	450		
Taxation	(272)	362	(914)		354	376	400	450		
Surplus/(Deficit) for the year	875	1 749	(1 335)							

JOBURG THEATRE
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08			2008/09			Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14			
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000			
R thousand											
Revenue By Source											
Property rates											
Property rates - penalties & collection charges											
Service charges - electricity revenue											
Service charges - water revenue											
Service charges - sanitation revenue											
Service charges - refuse											
Service charges - other											
Rental of facilities and equipment	5 856	6 293	4 565	5 650	5 650	5 950	6 310	6 900			
Interest earned - external investments	2 497	3 191	1 785	1 740	1 740	1 020	1 080	1 200			
Interest earned - outstanding debtors											
Fines											
Licences and permits											
Agency services											
Operating grants	15 823	17 259	17 464								
Other revenue	12 201	15 860	24 290	18 536	18 536	15 090	14 981	14 373			
Gains on disposal of PPE											
Revenue	36 377	42 603	48 104	25 926	25 926	22 060	22 371	22 473			
Interest income (Sweeping Account)											
Interest on loans (Core)											
Internal recoveries (ME's)											
Internal recoveries (Core)											
Internal capital grants (Mig)											
Operating grants & Subsidies from (COJ)				25 000	25 000	26 818	26 871	28 441			
Total Internal Transfers				25 000	25 000	26 818	26 871	28 441			
Total Revenue	36 377	42 603	48 104	50 926	50 926	48 878	49 242	50 914			
Expenditure By Type											
Employee related costs	14 103	16 305	18 331	21 525	21 525	20 194	21 567	22 753			
Remuneration of councillors											
Debt Impairment											
Depreciation & asset impairment	2 249	2 301	2 326	2 344	2 344	2 367	2 391	2 523			
Repairs and maintenance	373	505	487	3 600	3 600	564	607	653			
Finance charges											
Bulk purchases											
Contracted services		669	1 034	720	720	2 304	2 311	2 439			
Grants and subsidies											
Other expenditure	17 410	27 464	33 362	22 607	22 607	23 277	22 220	22 392			
Contributions to/(from) provisions											
Loss on disposal of PPE											
Expenditure	34 135	47 244	55 540	50 796	50 796	48 706	49 096	50 760			
Interest (Sweeping Account)											
Interest on shareholders loans											
Interest on mirror conduit loans											
Internal charges (ME's)				130	130	172	146	154			
Internal charges (Core)											
Operating grants & subsidies to ME's											
Total Internal Transfers				130	130	172	146	154			
Total Expenditure	34 135	47 244	55 540	50 926	50 926	48 878	49 242	50 914			
Surplus/(Deficit) before capital grants	2 242	(4 641)	(7 436)								
Transfers recognised											
Capital grants											
Capital contributions											
Surplus/(Deficit)	2 242	(4 641)	(7 436)								
Taxation	470	(1 162)	(1 909)								
Surplus/(Deficit) for the year	1 772	(3 479)	(5 527)								

ROODEPOORT CITY THEATRE
MEDIUM TERM OPERATING BUDGET 2011/12 - 2013/14
Financial Performance (revenue and expenditure)

Description	2007/08			2008/09		Current year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Yr +1 2012/13	Budget Yr +2 2013/14		
	R 000	R 000	R 000	R 000	R 000	R 000	R 000	R 000		
Revenue By Source										
Property rates										
Property rates - penalties & collection charges										
Service charges - electricity revenue										
Service charges - water revenue										
Service charges - sanitation revenue										
Service charges - refuse										
Service charges - other										
Rental of facilities and equipment			374			301	318	335		
Interest earned - external investments										
Interest earned - outstanding debtors										
Fines										
Licences and permits										
Agency services										
Operating grants										
Other revenue	768	1 395	1 913	4 432	1 721	1 506	1 591	1 679		
Gains on disposal of PPE										
Revenue	768	1 395	2 287	4 432	1 721	1 807	1 909	2 014		
Interest income (Sweeping Account)	137	435	99	252	43	47	53	59		
Interest on loans (Core)										
Internal recoveries (ME's)										
Internal recoveries (Core)										
Internal capital grants (Mig)										
Operating grants & Subsidies from (COJ)	6 728	7 769	8 363	9 375	9 375	9 853	10 176	10 736		
Total Internal Transfers	6 865	8 204	8 462	9 627	9 418	9 900	10 229	10 795		
Total Revenue	7 633	9 599	10 749	14 059	11 139	11 707	12 138	12 809		
Expenditure By Type										
Employee related costs	4 276	5 740	5 472	7 150	6 068	6 456	6 895	7 274		
Remuneration of councillors										
Debt impairment			3		273					
Depreciation & asset impairment	275	297	357	372	364	390	410	433		
Repairs and maintenance	61	93	189	192	192	207	223	240		
Finance charges										
Bulk purchases										
Contracted services	105	41	63	69	41	43	43	46		
Grants and subsidies										
Other expenditure	4 492	3 208	4 577	6 221	4 046	4 450	4 496	4 740		
Contributions to/(from) provisions										
Loss on disposal of PPE										
Expenditure	9 209	9 378	10 661	14 004	10 984	11 546	12 067	12 733		
Interest (Sweeping Account)										
Interest on shareholders loans										
Interest on mirror conduit loans										
Internal charges (ME's)				55	55	161	71	76		
Internal charges (Core)										
Operating grants & subsidies to ME's										
Total Internal Transfers				55	55	161	71	76		
Total Expenditure	9 209	9 378	10 661	14 059	11 039	11 707	12 138	12 809		
Surplus/(Deficit) before capital grants	(1 576)	221	88		100					
Transfers recognised										
Capital grants										
Capital contributions										
Surplus/(Deficit)	(1 576)	221	88		100					
Taxation										
Surplus/(Deficit) for the year	(1 576)	221	88		100					

PART 1: ANNUAL BUDGET

1.1 Executive Summary

The 2011/12 budget is the start of the next five year term of office and it provides an opportunity to assess past performance, plan for the future and review the current expenditure and revenue baselines.

The 2011/12 medium-term budget present a spending plan of approximately R33 billion, R3.7 billion will be invested on capital infrastructure and R28.3 billion on operations.

The draft budget for 2011/12 Budget was tabled at Council during March 2011 for consultation.

After the municipal elections, a Mayoral Lekgotla was held on the 11-15 June 2011. The purpose of the Mayoral Lekgotla was to undertake a comprehensive evaluation of the services delivery and developmental challenges confronting the City so as to develop a programme of action and ensure that the budget response to the challenge.

Furthermore, there is an increasing priority for local government to respond to the medium term outcomes that have been determined for government at all levels. In particular, provision of quality services, job creation and improving the basic requirements for a functional, responsive, accountable, effective, and efficient developmental local government.

2011/12 Budget Approach

The City is currently in a process of redefining its strategic agenda and priorities for the new term of office. This process will require engagement with the various stakeholders including the community and will be finalised in the next three months. In ensuring that the budget responds to the new agenda and at the same time ensuring that the City continues to render services to the residents, the City took a view that;

- The first three months spending of the budget will focus on basic service delivery;
- The remainder of the allocation will be ringfenced to allow re-engineering of the programmes to ensure that the deliverables respond to the developmental challenges;

- The deliverables in the three months will be used to influence the remainder of the budget allocations, taking into account the medium to long term priorities for the City;
- The budget will be reviewed to ensure that resources are distributed in line with the priorities as outlined in the refined GDS and revised IDP; and
- The City will continue to operate and provide services to the residents.

Some of the 2011/12 budget guiding principles include;

- **Producing a Balanced Budget** – ensuring that the expenditure is aligned to the revenue and that the City has sufficient cash to meet its debt obligations.
- **Maintenance of surplus** – ensure that the City generate surpluses to maintain liquidity and to support the capital program and reduce the level of borrowing.
- **Sustainability** – ensure that the capital investment is within the financial capacity of the City and ensure that there is continuous investment on the infrastructure maintenance and replacement in a medium to long term period.
- Budget needs to respond to basics service delivery.
- Stabilise the balance sheet - creating cash reserves to support and improve the current ratio and future capital investment capacity.
- Stabilisation and protection of the revenue base.
- Need to produce savings to facilitate the implementation of new programmes.
- Ongoing costs should be funded with ongoing revenues- aligning continuing expenditures with continuing revenues, on a level that can be reasonably sustained and reduce reliance on one-time funding
- Review all City services and programs for operational efficiencies to improve service levels and delivery / managing the cost down.

1.2 Operating Budget Framework

The proposed operating revenue budget is approximately R29.4 billion and the operating expenditure budget is totalling R28.3 billion (excluding internal transfers) for the 2011/12 financial year. Revenue presents an increase of 11% and expenditure by 9% over the 2010/11 financial year.

The table below set out the Medium Term Revenue and Expenditure Budget for the 2011/12-2013/14 financial years.

	Adjusted Budget 2010/11 R 000	Budget 2011/12 R 000	%	Estimate 2012/13 R 000	Estimate 2013/14 R 000
Revenue	26 430 403	29 371 287	11%	32 843 227	36 875 901
Expenditure	25 960 496	28 266 482	9%	31 348 099	34 217 918
Surplus (Deficit) bt	469 907	1 104 805		1 495 128	2 657 983
Taxation	59 698	295 486		286 499	303 128
Surplus (Deficit) for the year	410 209	809 319		1 208 629	2 354 855
Capital Grants & Contributions	1 976 313	2 701 439		3 315 875	3 427 294
Surplus (Deficit) for the year including Capital Grants & Contr.	2 386 522	3 510 758		4 524 504	5 782 149

The City is budgeting for an operating surplus (excluding capital grants) of approximately R809.3 million for 2011/12. The surpluses will be applied towards restoring the City's working capital and future investment in capital.

The City's resources are not adequate to address all programmes and projects and it therefore means that Departments and Entities should do the best with the budget allocations and concentrate on addressing basic service delivery and other key IDP interventions.

In addressing the budget pressures several options were considered which include maximising revenue generation, tariff increases and curtailing down on expenditure. The challenge around the tariff increases is really ensuring that the services are affordable while maintaining financial sustainability.

1.2.1 Consolidated Operating Revenue

In 2010/11, the direct revenues were budgeted at R26.4 billion with revenue estimated to be R29.4 billion in 2011/12.

Revenue	Adjusted Budget 2010/11 R millions	Budget 2011/12 R millions	%	Estimate 2012/13 R millions	Estimate 2013/14 R millions
Property rates	4 769	4 980	4%	5 557	5 863
Electricity	8 859	11 386	29%	13 664	16 656
Water and Sewerage	4 677	5 303	13%	5 606	5 870
Refuse	773	849	10%	897	946
Rental of facilities	268	191	-29%	205	220
Interest eamed	176	183	4%	193	204
Fines	342	252	-26%	250	264
Operating grants	4 668	4 572	-2%	4 544	4 814
Other revenue	1 898	1 655	-13%	1 927	2 039
Total revenue	26 430	29 371	11%	32 843	36 876

The increase of 11% in revenue is mainly as a result of the 29% increase in electricity revenue, 13% increase in water and sewerage revenue and 10% increase in refuse revenue.

Property rates - The property rates revenue is projected to increase by 4%, made up of a proposed tariff increase of 6.7%.

Service charges electricity – The projected electricity revenue of R11.3 billion is approximately 29% increase from the 2010/11 financial year. The increase is mainly as a result of the assumed 28% NERSA/ Eskom increases.

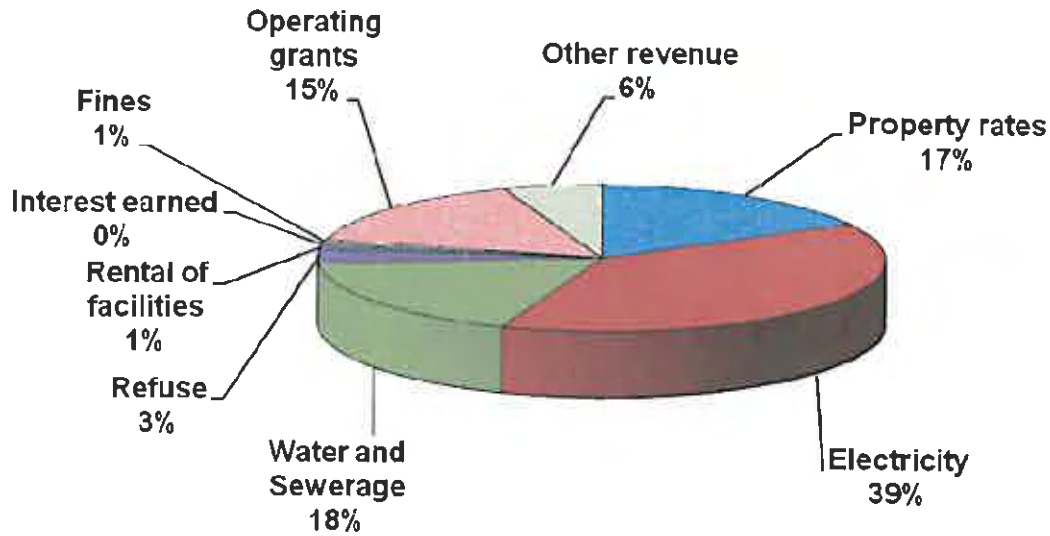
Service charges water and sewerage - Projected water and sewerage charges are estimated at R5.2 billion, approximately 13% increase from the 2010/11 financial year

Operating grants are decreasing by R96 million or -2% from the 2010/11 financial year. The decrease is mainly as a result of the decrease in the fuel levy and the Public Transport Infrastructure and System grant.

Income from fines has decreased with an amount of R90 million or -26% from the 2010/11 financial year.

Other revenue decreased by 13%. The tariff for minor services will mainly increase in line with estimated inflation of 5.7%.

Major sources of revenue



Electricity represents 39% of the total revenue (the highest) followed by water and sewerage 18%, property rates 17%, operating grants 15% and refuse 3%. The other remaining revenue amounts to 8%.

1.2.2 Consolidated Operating Expenditure

The City adopted the 2010/11 Adjusted Operating Budget of R25.9 billion, 2011/12 presents a budget of R28.3 billion or 9% increase.

Expenditure	Adjusted Budget 2010/11 R millions	Budget 2011/12 R millions	%	Estimate 2012/13 R millions	Estimate 2013/14 R millions
Employee related cost	6 458	6 868	6%	7 355	7 772
Remuneration of councillors	84	98	17%	105	110
Debt impairment	1 629	1 723	6%	1 698	1 709
Depreciation & asset impairment	1 428	1 590	11%	1 836	1 786
Finance charges	1 459	1 524	4%	1 539	1 620
Bulk purchases	8 585	10 727	25%	12 817	14 781
Contracted services	2 512	2 212	-12%	2 371	2 488
Grants and subsidies	137	45	-67%	42	44
Other expenditure	3 669	3 479	-5%	3 585	3 907
Total expenditure	25 960	28 266	9%	31 348	34 218

The increase of 9% in expenditure is mainly as a result of the increase in salaries of 6%, debt impairment 6%, depreciation 11% (due to increased capital investment in previous years) and bulk

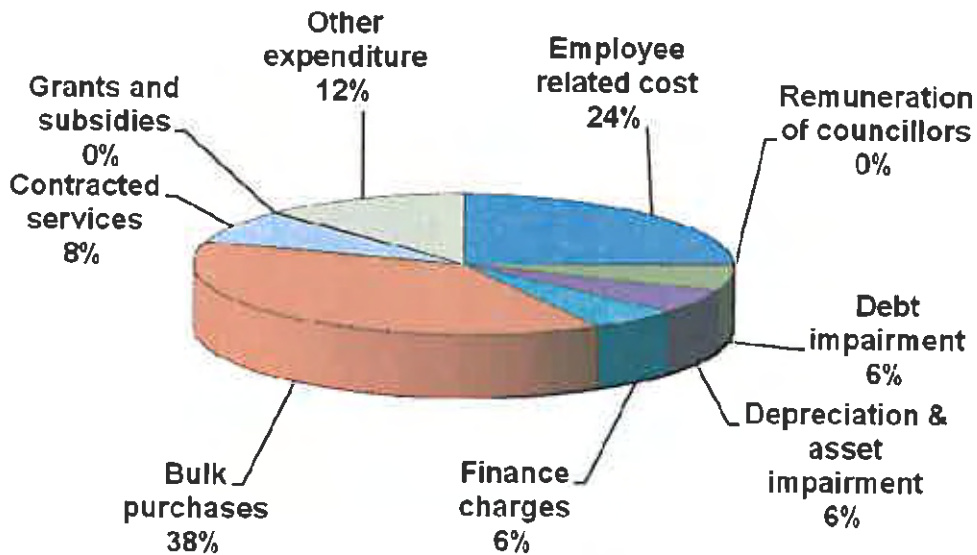
purchases 25% (Eskom and Rand Water). Grants and subsidies have decreased by 67% and it is due to the decrease in the housing top structure allocation from Province. Overall expenditure has increased by 1% if bulk purchases are excluded.

Bulk purchases - City Power has assumed an average tariff increase of 28% from Eskom and the cost of bulk purchases from Rand Water is expected to increase by average 13%.

Finance charges and depreciation is growing with an amount of R226 million or 8% over the 2010/11 financial year and it is mainly as a result of the capital investment over the medium term.

Other expenditure categories have been reduced in order to accommodate the increases in salaries, bulk purchases, debt impairment and depreciation.

Major expenditure categories



Bulk purchases represents 38% of the total expenditure (the highest) followed by employee related cost 24%, other expenditure 12%, contracted services 8% finance charges and depreciation 6% respectively.

The following budget assumptions were made:

CPI is estimated at 5.7% for 2011/12, 5.6% and 5.5% for 2012/13 and 2013/14 respectively.

Repairs and maintenance is 2% above CPI for service delivery departments/ME and no or minimal growth for non service delivery departments/ME.

Salary increases:

- 2011/12 – 6.1% (SALGA agreement - calculated based on actual CPI + 2% from Feb 2010 to Jan 2011)
- 2012/13 – 6.8% (no agreement in place)
- 2013/14 – 5.5% (no agreement in place)

Payment collection targets for property rates is 91.8%, electricity 94.9%, water and sanitation 87%, refuse removal (Pikitup) 93.4% and refuse removal Core Administration 80.1%.

Loans interest rates at 10.5% for 2011/12, 2012/13 and 2013/14.

1.3 Capital expenditure

The table below reflects the medium term capital budget over the next three years.

Funding Source	Budget 2011/12 R 000	Estimate 2012/13 R 000	Estimate 2013/14 R 000
Loan Funding	1 000 000	1 200 000	1 500 000
CRR and Cash	20 760	16 940	15 440
Grants and Public Contributions	2 701 439	3 315 875	3 427 294
Total	3 722 199	4 532 815	4 942 734

The total Capital Budget for the 2011/12 financial year amounts to R3.7 billion. Approximately R1 billion of the capital budget will be funded by the City and R2.7 billion from grants and public contributions.

The level of capital expenditure and borrowing are based on the principles of affordability, prudential indicators and sustainability (debt ratio, current ratio, operating surplus and the impact or return of the capital investment on the operating account).

Funding Sources for 2011/12

- R1 billion of capital will be funded from loans.
- R20.8 million of capital will be funded through cash.
- R1.2 billion will be funded from grants received from National (EPWP – R123.5 million and PTIS – R998 million).
- R8 million will be funded from grants received from Province.
- R439 million will be funded from other sources (R250 million for demand side management levies and R189 million mainly from public/bulk service contributions).
- R 1 billion will be funded through the new Human Settlement Development Grant (USDG). The current MIG Cities grant has been discontinued and replaced by the USDG.

The purpose of the new USDG is to supplement the capital revenues of selected large urban municipalities in order to support the national human settlements development outcome outputs and targets as contained in Outcome 8 of the National Performance and Accountable Delivery Agreements.

Specific, medium-term outputs and outcomes are identified with individual municipalities qualifying for the USDG that will focus on the infrastructure programmes which support the outputs and targets supporting sustainable human settlement development. The indicators may include, but are not limited to:

- Number of households receiving support in basic municipal services per annum over the grant period, including water and sanitation, solid waste and electricity services and bulk and connector infrastructure.
- Number of households benefiting from the infrastructure linked to housing programmes.
- Extent of integration of poor households with wealthier communities within the city.
- Identification and development of land within strategically located areas for mixed income and use residential purposes.
- Number of households with adequate shelter.
- Number of new affordable rental units delivered.
- Number of informal rental upgrades.
- Number of new sites serviced for human settlement.
- Number of hectares of municipal land released for human settlement.
- Percentage of households provided with access to basic services including water, sanitation, refuse removal and electricity.

1.4 Annual Budget Tables

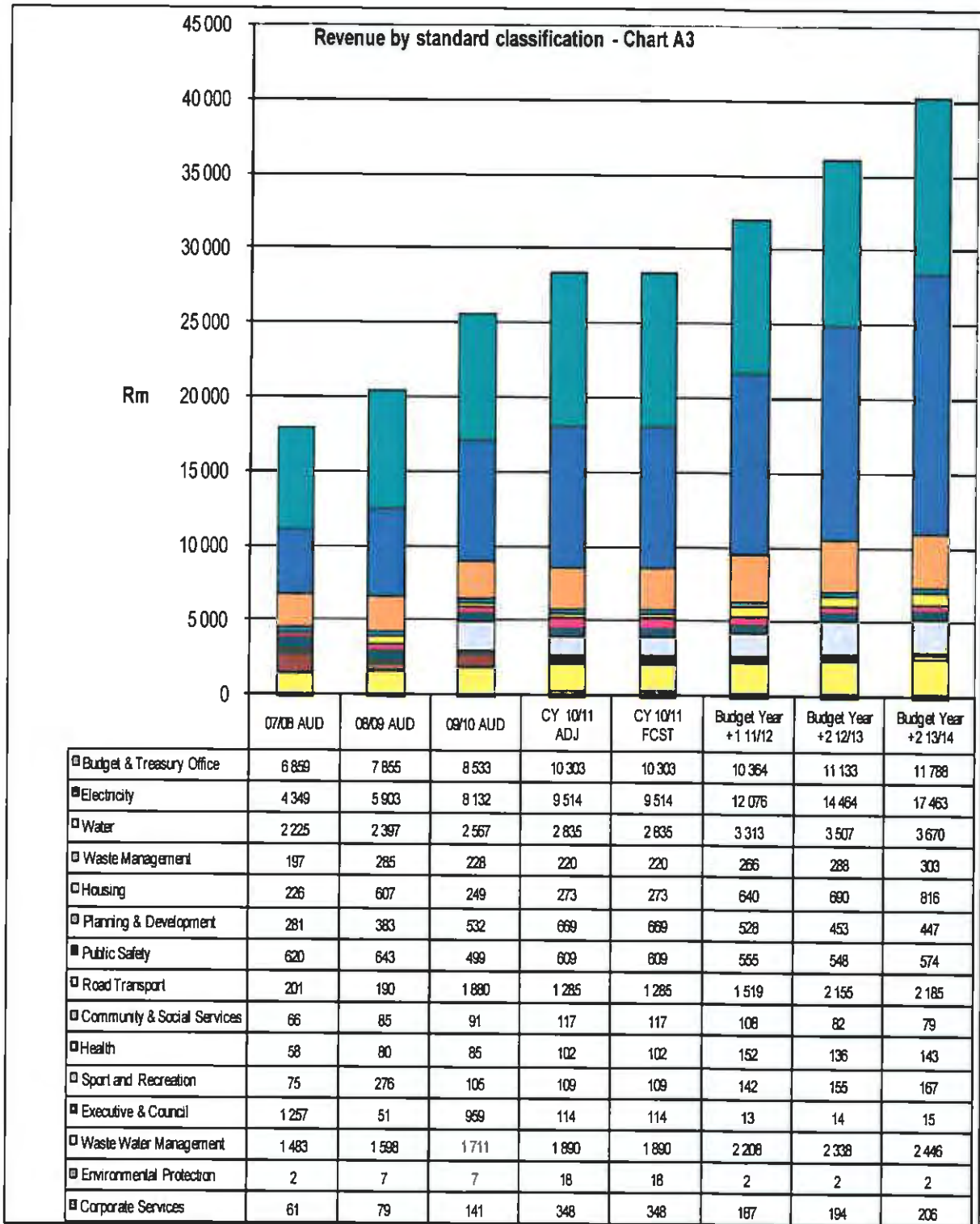
Table A1: Consolidated Budget Summary

Description	2007/8	2008/9	2009/10	Current Year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Year +12012/13	Budget Year +22013/14
R thousands								
Financial Performance								
Property rates	3 326 163	3 249 024	4 219 756	4 870 501	4 874 458	5 063 958	5 640 218	5 960 430
Service charges	7 999 804	9 808 541	12 016 711	14 788 803	14 633 953	17 891 221	20 538 064	23 865 502
Investment revenue	627 742	620 634	473 408	175 751	175 773	183 369	193 438	204 022
Transfers recognised - operational	2 865 768	3 577 442	3 869 694	4 320 761	4 667 980	4 572 039	4 544 066	4 813 677
Other own revenue	1 570 308	2 008 202	2 153 338	2 153 058	2 078 239	1 670 680	1 927 441	2 042 270
Total Revenue (excluding capital transfers and contributions)	16 369 785	19 263 843	22 722 907	26 308 874	26 430 403	29 371 287	32 843 227	36 675 901
Employee costs	4 318 764	5 101 875	5 939 750	6 389 740	6 458 420	6 868 127	7 355 437	7 771 943
Remuneration of councillors	62 337	68 657	74 439	83 953	83 953	97 880	104 536	110 286
Depreciation & asset impairment	867 921	801 458	1 221 919	1 459 682	1 428 427	1 560 011	1 836 145	1 785 878
Finance charges	971 161	1 231 503	1 662 183	1 430 707	1 458 647	1 523 552	1 538 663	1 620 306
Materials and bulk purchases	4 324 318	5 428 750	6 217 530	8 536 038	8 585 038	10 727 279	12 816 728	14 781 456
Transfers and grants	196 294	361 421	180 862	123 953	136 597	45 364	41 568	43 853
Other expenditure	5 264 474	6 799 880	7 497 229	7 141 775	7 809 414	7 414 279	7 655 022	8 104 196
Total Expenditure	16 005 269	19 793 544	22 793 912	25 164 848	25 960 496	28 266 482	31 348 099	34 217 918
Surplus/(Deficit)	364 516	(529 701)	(71 005)	1 144 026	469 907	1 104 805	1 495 128	2 657 983
Transfers recognised - capital	1 560 027	1 175 269	2 985 994	815 186	1 588 248	2 259 029	2 847 310	2 983 529
Contributions recognised - capital & contributed assets	-	901	9 198	-	388 065	442 410	468 565	443 765
Surplus/(Deficit) after capital transfers & contributions	1 964 543	646 469	2 924 187	1 969 212	2 446 220	3 806 244	4 811 003	6 085 277
Share of surplus/ (deficit) of associate	(221)	(402)	(229)	-	-	-	-	-
Surplus/(Deficit) for the year	1 964 322	646 067	2 923 958	1 969 212	2 446 220	3 806 244	4 811 003	6 085 277
Capital expenditure & funds sources								
Capital expenditure	4 878 750	5 247 353	5 303 469	3 068 761	3 827 969	3 722 199	4 532 815	4 942 734
Transfers recognised - capital	1 560 027	1 175 269	2 985 994	883 686	1 578 800	2 259 029	2 847 310	2 983 529
Public contributions & donations	82 220	90 370	244 422	206 565	274 429	442 410	468 565	443 765
Borrowing	2 126 865	2 720 554	1 993 007	1 512 000	1 512 000	1 000 000	1 200 000	1 500 000
Internally generated funds	1 079 638	1 261 160	80 046	466 510	462 741	20 760	16 940	15 440
Total sources of capital funds	4 878 750	5 247 353	5 303 469	3 068 761	3 827 969	3 722 199	4 532 815	4 942 734
Financial position								
Total current assets	5 648 835	5 813 488	4 857 072	6 677 561	5 498 446	7 986 269	9 273 347	12 003 816
Total non current assets	27 983 489	34 019 719	38 038 721	40 944 440	41 116 352	43 257 827	46 741 008	50 185 583
Total current liabilities	7 041 851	8 646 358	7 554 527	7 946 561	7 461 869	8 795 576	7 968 562	8 572 274
Total non current liabilities	9 574 821	14 271 054	15 610 995	15 129 675	16 888 865	16 673 698	17 746 467	18 793 296
Community wealth/Equity	17 015 652	16 915 795	19 730 271	24 545 766	22 264 064	25 774 822	30 299 326	34 823 829
Cash flows								
Net cash from/(used) operating	3 328 473	3 300 756	2 815 507	3 016 244	3 583 578	5 143 495	6 518 621	6 458 085
Net cash from/(used) investing	(5 683 621)	(6 525 093)	(3 911 663)	(3 222 475)	(4 424 534)	(4 829 839)	(4 418 098)	(5 552 271)
Net cash from/(used) financing	1 944 627	2 500 428	779 213	1 261 913	1 186 476	679 069	(236 493)	1 080 625
Cash/cash equivalents at the year end	1 338 459	614 550	297 607	1 829 268	643 127	1 636 863	3 439 882	5 416 321

Table A2: Consolidated Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	2007/8	2008/9	2009/10	Current Year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Revenue - Standard								
<i>Governance and administration</i>	8 176 228	7 985 772	9 632 741	10 389 606	10 764 900	10 565 101	11 340 711	12 008 934
Executive and council	1 257 055	51 400	958 650	72 114	114 041	13 305	13 980	14 728
Budget and treasury office	6 858 644	7 855 115	8 533 319	9 933 871	10 302 961	10 364 300	11 133 083	11 787 818
Corporate services	60 519	79 257	140 771	383 621	347 898	187 486	193 688	206 388
<i>Community and public safety</i>	1 045 539	1 691 909	1 028 603	1 199 062	1 210 541	1 596 437	1 610 468	1 778 367
Community and social services	66 467	84 615	90 886	61 434	116 732	107 911	81 989	78 792
Sport and recreation	75 401	276 484	105 181	143 977	109 255	142 089	155 192	167 065
Public safety	619 889	642 954	499 072	634 838	609 323	554 867	548 117	573 626
Housing	225 608	607 378	248 843	261 959	272 951	639 684	689 604	815 593
Health	58 174	80 468	84 621	96 854	102 280	151 886	135 565	143 291
<i>Economic and environmental services</i>	484 554	579 708	2 418 893	1 134 007	1 972 414	2 048 222	2 609 685	2 633 129
Planning and development	281 331	382 611	532 078	642 763	668 845	527 936	463 102	446 958
Road transport	201 317	180 483	1 879 533	488 244	1 285 412	1 518 557	2 165 083	2 184 571
Environmental protection	1 916	6 604	7 283	3 000	18 157	1 729	1 500	1 600
<i>Trading services</i>	8 253 481	10 182 624	12 637 862	14 401 385	14 458 861	17 862 966	20 588 238	23 882 765
Electricity	4 349 204	5 932 672	8 132 367	9 415 760	9 513 722	12 076 202	14 464 383	17 463 351
Water	2 224 663	2 366 854	2 566 795	2 865 749	2 835 283	3 312 540	3 507 314	3 669 648
Waste water management	1 483 109	1 597 903	1 711 196	1 903 833	1 890 188	2 208 360	2 336 210	2 446 432
Waste management	196 505	285 195	227 504	226 043	219 688	265 864	288 331	303 334
<i>Other</i>	-	-	-	-	-	-	-	-
Total Revenue - Standard	17 959 812	20 440 013	25 718 099	27 124 060	28 406 716	32 072 726	36 159 102	40 303 195
Expenditure - Standard								
<i>Governance and administration</i>	2 889 004	3 508 007	4 484 719	4 792 771	5 256 788	4 827 402	4 958 408	4 971 580
Executive and council	1 958 306	851 285	835 171	734 498	789 929	541 912	575 534	602 742
Budget and treasury office	468 871	1 988 227	2 399 727	2 810 509	3 233 000	3 157 998	3 186 677	3 110 962
Corporate services	461 827	668 495	1 259 820	1 247 764	1 234 859	1 127 482	1 195 197	1 257 876
<i>Community and public safety</i>	3 298 969	4 251 246	4 142 685	4 386 044	4 345 660	4 561 966	4 819 392	5 106 399
Community and social services	386 346	480 036	496 109	512 490	509 238	556 191	563 538	593 182
Sport and recreation	652 538	729 642	759 172	829 975	825 188	970 877	1 035 020	1 104 611
Public safety	1 476 531	1 881 428	1 932 586	2 066 317	2 028 989	2 098 624	2 220 546	2 346 593
Housing	476 461	780 496	526 947	532 352	530 234	414 799	466 843	508 617
Health	307 093	369 644	397 871	454 910	452 031	521 475	523 445	563 396
<i>Economic and environmental services</i>	1 781 020	2 147 144	2 417 363	2 551 375	2 671 137	2 743 822	3 062 736	3 303 776
Planning and development	670 278	859 615	851 146	939 177	1 016 042	1 188 482	1 220 341	1 357 229
Road transport	1 075 771	1 240 530	1 516 733	1 557 227	1 595 717	1 511 032	1 783 597	1 885 149
Environmental protection	34 971	46 999	49 483	44 971	59 378	44 308	48 798	51 398
<i>Trading services</i>	7 992 974	9 902 523	11 971 836	13 565 052	13 746 609	16 428 778	18 804 062	21 139 291
Electricity	4 086 974	5 321 733	6 743 628	8 319 786	8 393 472	10 664 219	12 826 293	15 000 095
Water	1 866 823	2 139 163	2 269 476	2 466 363	2 571 101	4 628 628	4 800 814	4 885 555
Waste water management	1 244 548	1 426 109	1 512 984	1 657 575	1 714 058	-	-	-
Waste management	794 629	1 015 518	1 445 748	1 101 328	1 067 968	1 135 931	1 176 955	1 243 641
<i>Other</i>	-	-	-	-	-	-	-	-
Total Expenditure - Standard	15 961 967	19 808 920	23 026 602	25 295 242	26 020 194	28 561 968	31 634 598	34 521 046
Surplus/(Deficit) for the year	1 997 845	631 093	2 691 497	1 828 818	2 386 522	3 510 758	4 524 504	5 782 149

Graph: Revenue by standard classification



Graph: Expenditure by standard classification

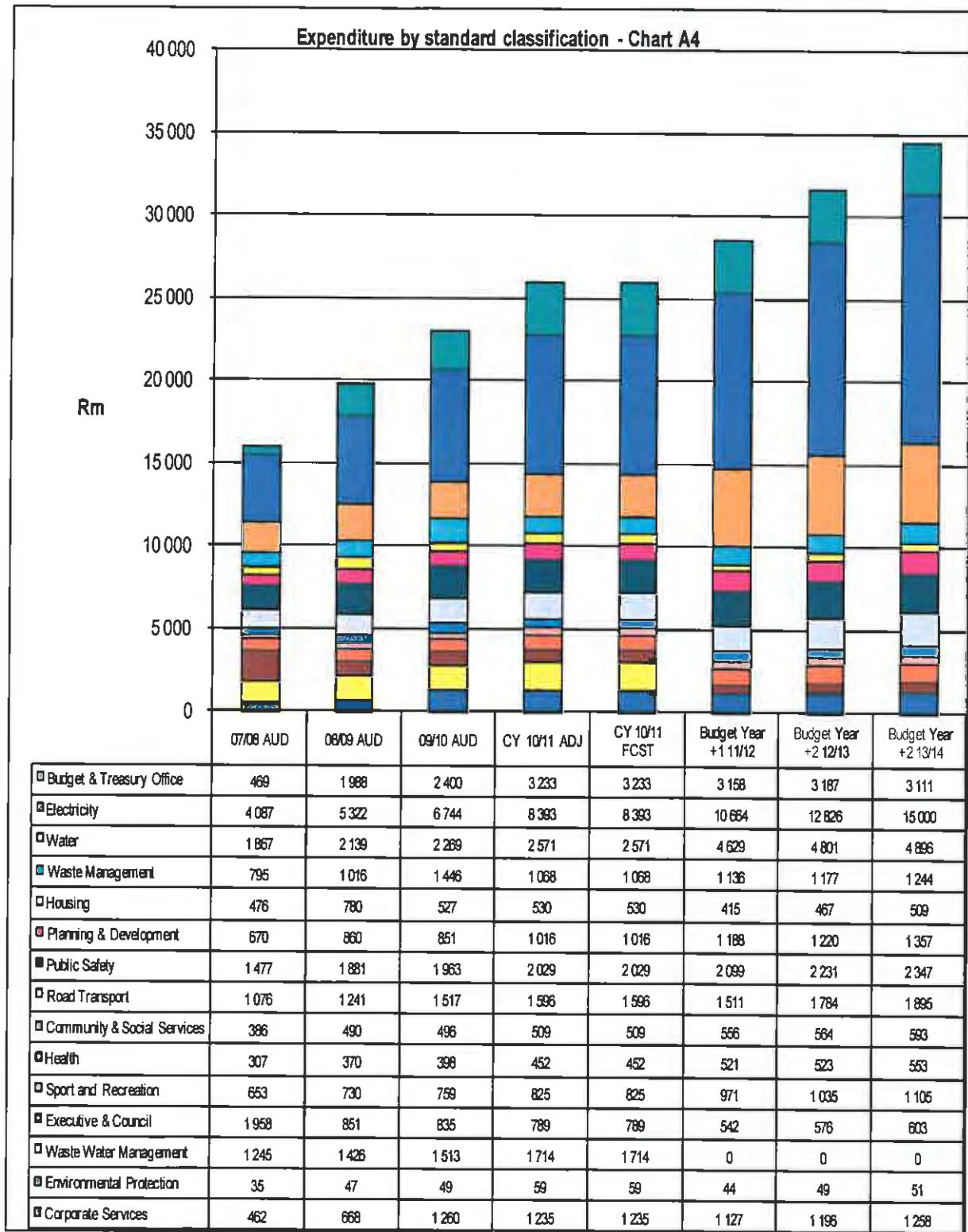


Table A3: Consolidated Financial Performance (revenue and expenditure by municipal vote)

Vote Description	2007/8	2008/9	2009/10	Current Year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Revenue by Vote								
Economic Development	–	177	28 086	179 285	185 907	61 673	–	–
Environment	1 916	6 604	7 283	3 000	18 157	1 729	1 500	1 600
Infrastructure and Services	10 545	202	36 412	37 000	37 000	47 000	49 000	37 000
Transportation	3 577	4 317	1 652 677	213 466	992 653	1 138 101	1 764 678	1 778 759
Community Development	27 058	230 628	42 940	74 607	90 129	87 150	67 457	69 383
Health	58 174	80 468	84 621	96 854	102 280	151 886	135 556	143 291
Office of the Executive Mayor	1 257 065	50 982	960 701	72 114	114 041	13 220	13 960	14 728
Speaker: Legislative Arm of Council	–	418	19	–	–	85	–	–
Finance	6 856 956	7 842 953	8 521 742	9 917 704	9 986 802	10 241 317	11 003 223	11 650 805
Revenue and Customer Relations	1 688	12 162	11 577	16 167	316 159	122 983	129 870	137 013
Corporate and Shared Services	34 879	22 392	6 016	3 072	17 072	9 698	9 850	10 007
Housing	189 569	569 211	200 182	210 480	223 638	520 138	616 675	737 052
Development Planning and Urban Management	66 043	55 715	181 280	169 507	183 988	122 559	107 974	95 164
Emergency Management Services	92 892	94 008	94 084	94 033	99 733	116 446	107 051	108 303
Johannesburg Metropolitan Police Department	526 997	548 956	404 988	540 805	509 590	438 421	441 066	465 323
Municipal Entities Accounts	–	2 783	43 229	347 564	319 228	359 253	320 893	335 391
City Power	4 349 204	5 902 672	8 132 367	9 415 760	9 513 722	12 076 202	14 464 383	17 463 351
Johannesburg Water	3 707 772	3 994 757	4 277 991	4 759 582	4 725 471	5 520 900	5 845 524	6 116 080
Pikup	196 505	285 195	227 504	226 043	219 668	265 864	288 331	303 334
Johannesburg Roads Agency	68 316	51 198	83 553	53 741	53 741	63 120	59 985	63 284
Metro bus	111 768	114 166	128 016	121 960	123 554	131 968	139 490	147 441
Johannesburg City Parks	61 881	67 801	84 021	58 049	58 049	78 039	74 811	78 926
Johannesburg Zoo	15 784	18 672	18 715	18 897	21 662	22 444	22 143	23 361
Johannesburg Development Agency	29 333	62 231	46 719	33 090	31 635	31 777	34 959	37 702
Johannesburg Property Company	25 640	56 865	89 457	138 259	138 259	93 539	94 465	99 060
Joburg Market	174 477	202 041	222 441	223 631	230 065	251 802	260 890	276 798
Metro Trading Company	17 656	18 029	15 287	17 303	17 303	15 750	15 930	16 687
Johannesburg Tourism Company	933	62 245	17 139	250	250	4 353	279	294
Johannesburg Social and Housing Company	36 039	38 167	48 661	51 479	49 313	61 442	64 879	68 571
Joburg Theatre	36 377	42 603	48 104	25 926	25 926	22 060	22 371	22 473
Roadspoor City Theatre	768	1 395	2 287	4 432	1 721	1 807	1 909	2 014
Total Revenue by Vote	17 959 812	20 440 013	25 718 099	27 124 060	28 406 716	32 072 726	36 159 102	40 303 185
Expenditure by Vote to be appropriated								
Economic Development	80 842	110 654	130 145	138 458	225 014	135 132	93 136	99 277
Environment	34 971	46 999	49 483	44 971	59 378	44 308	48 798	51 398
Infrastructure and Services	22 739	27 501	24 301	33 007	33 007	35 909	39 834	30 137
Transportation	31 890	64 268	291 955	471 150	548 337	389 494	590 881	628 617
Community Development	467 239	576 611	587 071	654 860	637 949	815 446	844 092	899 699
Health	307 093	369 644	397 871	454 910	452 031	521 475	523 445	553 396
Office of the Executive Mayor	1 831 737	696 998	976 825	911 480	964 911	677 542	707 003	735 341
Speaker: Legislative Arm of Council	126 569	154 287	184 931	213 270	213 270	212 169	225 678	233 912
Finance	101 888	1 565 656	1 797 216	2 202 326	2 283 490	2 267 298	2 286 438	2 371 567
Revenue and Customer Relations	366 983	422 571	602 511	608 183	949 510	890 700	900 239	739 395
Corporate and Shared Services	425 743	613 924	623 506	425 002	437 021	419 924	454 020	478 824
Housing	430 717	728 354	464 412	394 421	394 504	326 623	366 927	401 355
Development Planning and Urban Management	343 514	383 964	407 841	482 149	478 329	483 481	514 541	543 648
Emergency Management Services	408 079	522 027	562 172	546 678	519 330	577 671	607 577	636 231
Johannesburg Metropolitan Police Department	1 068 452	1 359 401	1 400 415	1 509 639	1 509 639	1 520 953	1 622 969	1 710 362
Municipal Entities Accounts	146 655	156 921	394 338	589 485	539 762	666 553	757 061	896 152
City Power	4 086 974	5 321 733	6 743 628	8 319 786	8 393 472	10 664 219	12 826 293	15 000 095
Johannesburg Water	3 111 371	3 565 272	3 782 460	4 143 938	4 285 169	4 628 628	4 800 814	4 895 555
Pikup	794 336	1 015 030	1 445 059	1 100 840	1 067 480	1 135 443	1 176 467	1 243 169
Johannesburg Roads Agency	439 933	537 547	577 850	492 744	465 654	509 935	535 581	565 387
Metro bus	438 243	461 677	475 664	401 303	399 696	418 816	445 831	471 961
Johannesburg City Parks	449 559	504 395	509 829	523 977	533 977	560 003	588 917	621 419
Johannesburg Zoo	51 615	53 116	61 740	59 147	61 039	64 327	68 502	72 338
Johannesburg Development Agency	56 341	77 853	63 803	52 484	51 029	53 084	56 559	60 221
Johannesburg Property Company	36 084	54 571	67 149	110 307	110 307	88 136	88 148	92 827
Joburg Market	141 525	153 574	170 449	180 203	185 346	206 176	214 562	226 334
Metro Trading Company	54 253	59 198	62 818	61 932	61 932	66 962	69 397	73 435
Johannesburg Tourism Company	17 656	98 164	45 079	31 433	27 673	37 834	33 454	35 224
Johannesburg Social and Housing Company	45 152	51 550	61 790	72 359	70 158	83 475	86 271	90 217
Joburg Theatre	34 605	46 082	53 631	50 796	50 796	48 706	49 096	50 760
Roadspoor City Theatre	9 209	9 378	10 661	14 004	10 984	11 546	12 067	12 733
Total Expenditure by Vote	15 981 987	19 808 920	23 028 602	25 289 242	26 020 194	28 561 968	31 634 598	34 521 046
Surplus/(Deficit) for the year	1 997 845	831 093	2 691 497	1 828 818	2 386 522	3 510 758	4 524 504	5 782 149

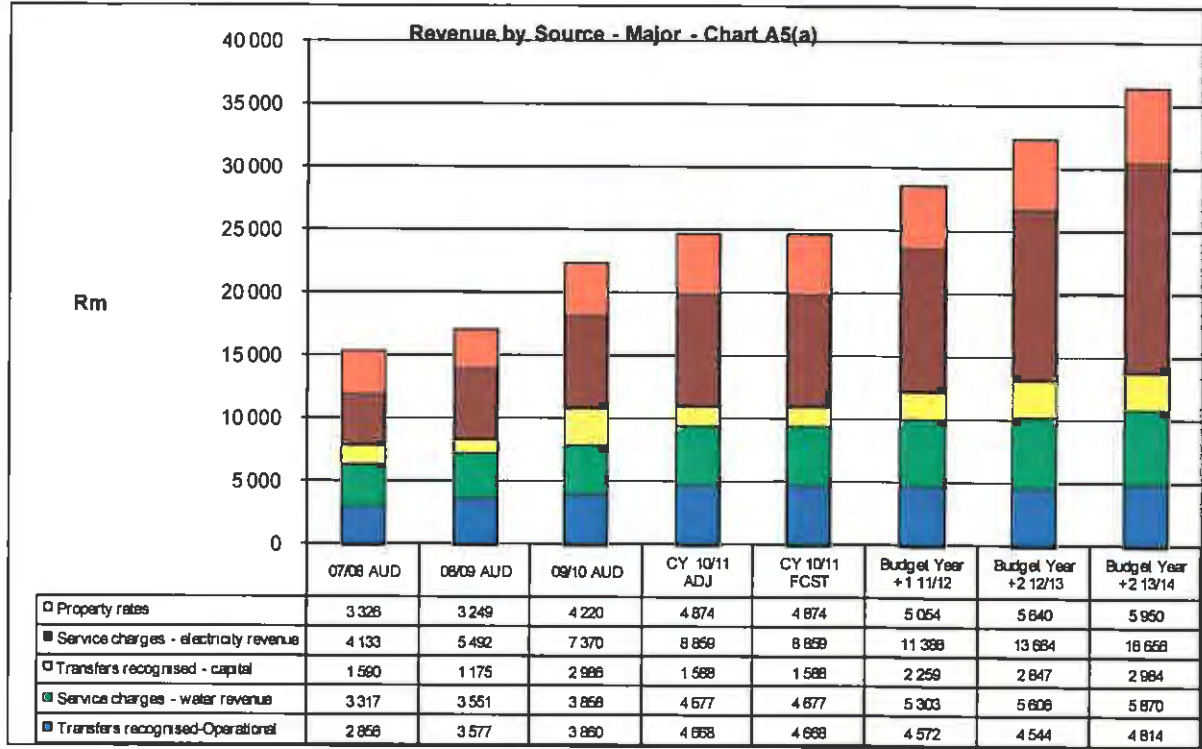
Notes:

1. Revenue includes capital transfers recognised, expenditure includes taxation and internal transfers are not included in the above revenue and expenditure amounts

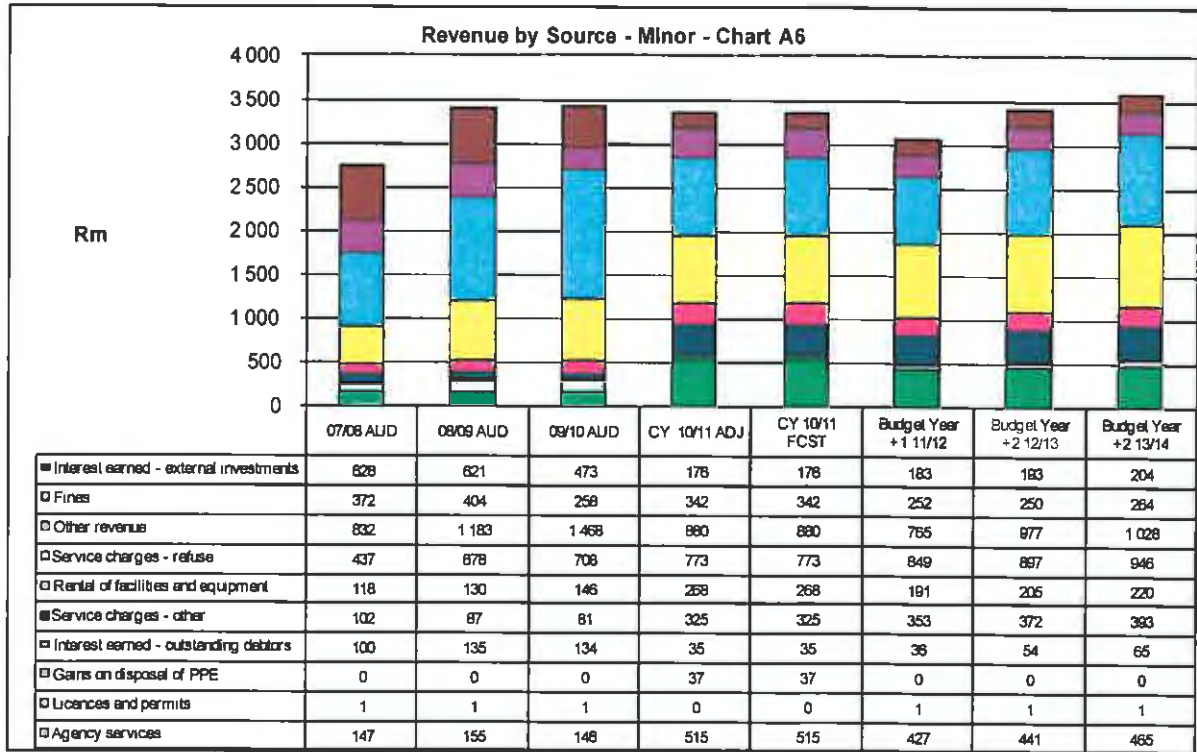
Table A4: Consolidated Budgeted Financial Performance (revenue and expenditure)

Description	2007/8	2008/9	2009/10	Current Year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Revenue By Source								
Property rates	3 326 163	3 249 024	4 219 756	4 769 272	4 769 272	4 979 582	5 557 214	5 882 861
Property rates- penalties & collection charges	-	-	-	101 229	105 186	74 376	83 004	87 569
Service charges - electricity revenue	4 133 027	5 491 978	7 369 906	8 868 538	8 858 946	11 386 442	13 663 668	16 666 499
Service charges - water revenue	2 112 070	2 246 539	2 404 584	2 806 104	2 806 257	5 302 906	5 606 809	5 670 380
Service charges - sanitation revenue	1 205 207	1 304 569	1 452 971	1 870 736	1 870 838	-	-	-
Service charges - refuse revenue	437 312	678 465	708 432	701 376	773 137	849 074	866 630	945 941
Service charges - other	102 188	86 980	80 818	562 049	324 775	362 800	371 957	362 682
Rental of facilities and equipment	117 557	129 544	146 258	373 074	268 318	190 886	204 573	219 637
Interest earned - external investments	627 742	620 634	473 408	175 751	175 773	183 389	193 438	204 022
Interest earned - outstanding debtors	100 034	134 661	133 664	35 017	35 141	35 850	53 955	64 520
Fines	371 919	403 994	257 645	342 358	342 368	252 063	250 338	264 106
Licences and permits	1 231	1 243	917	-	-	689	707	746
Agency services	147 465	155 463	146 418	408 081	515 123	426 661	440 732	465 156
Transfers recognised - operational	2 855 768	3 577 442	3 859 694	4 320 761	4 667 980	4 572 039	4 544 066	4 813 677
Other revenue	832 102	1 183 297	1 468 436	957 528	880 299	764 551	977 136	1 028 105
Gains on disposal of PPE	-	-	-	37 000	37 000	-	-	-
Total Revenue (excluding capital transfers and contributions)	16 369 785	19 263 843	22 722 907	26 308 874	26 430 403	29 371 287	32 843 227	36 875 901
Expenditure By Type								
Employee related costs	4 318 764	5 101 875	5 939 750	6 389 740	6 458 420	6 868 127	7 355 437	7 771 943
Remuneration of councillors	62 337	68 657	74 439	83 953	83 953	97 880	104 536	110 286
Debt impairment	738 800	1 517 739	1 565 857	1 229 606	1 629 122	1 723 445	1 698 437	1 709 489
Depreciation & asset impairment	867 921	801 458	1 221 919	1 459 682	1 428 427	1 590 011	1 836 145	1 785 878
Finance charges	971 161	1 231 503	1 662 183	1 430 707	1 458 647	1 523 552	1 538 653	1 620 306
Bulk purchases	4 324 318	5 428 750	6 217 530	8 535 038	8 585 038	10 727 279	12 816 728	14 781 456
Contracted services	1 605 081	2 120 087	2 486 450	2 440 560	2 511 531	2 212 182	2 371 423	2 487 591
Transfers and grants	196 294	361 421	180 862	123 953	136 597	45 354	41 568	43 853
Other expenditure	2 905 611	3 161 215	3 404 856	3 471 384	3 668 311	3 478 329	3 586 056	3 906 965
Loss on disposal of PPE	14 982	829	10 066	225	450	353	106	151
Total Expenditure	16 005 289	19 793 544	22 793 912	25 164 848	25 960 496	28 266 482	31 348 089	34 217 918
Surplus/(Deficit)	364 516	(529 701)	(71 005)	1 144 026	469 907	1 104 805	1 485 128	2 657 983
Transfers recognised - capital	1 590 027	1 175 269	2 985 994	815 186	1 588 248	2 259 029	2 847 310	2 983 529
Contributions recognised - capital	-	901	9 198	-	388 035	442 410	468 555	443 765
Surplus/(Deficit) after capital transfers & contributions	1 954 543	646 469	2 924 187	1 959 212	2 446 220	3 806 244	4 811 003	6 085 277
Taxation	(43 302)	15 376	232 650	130 394	59 698	295 486	286 499	303 128
Surplus/(Deficit) after taxation	1 997 845	631 093	2 691 497	1 828 818	2 386 522	3 510 758	4 524 504	5 782 149
Surplus/(Deficit) attributable to municipality	1 997 845	631 093	2 691 497	1 828 818	2 386 522	3 510 758	4 524 504	5 782 149
Share of surplus/(deficit) of associate	(221)	(402)	(229)					
Surplus/(Deficit) for the year	1 997 624	630 691	2 691 268	1 828 818	2 386 522	3 510 758	4 524 504	5 782 149

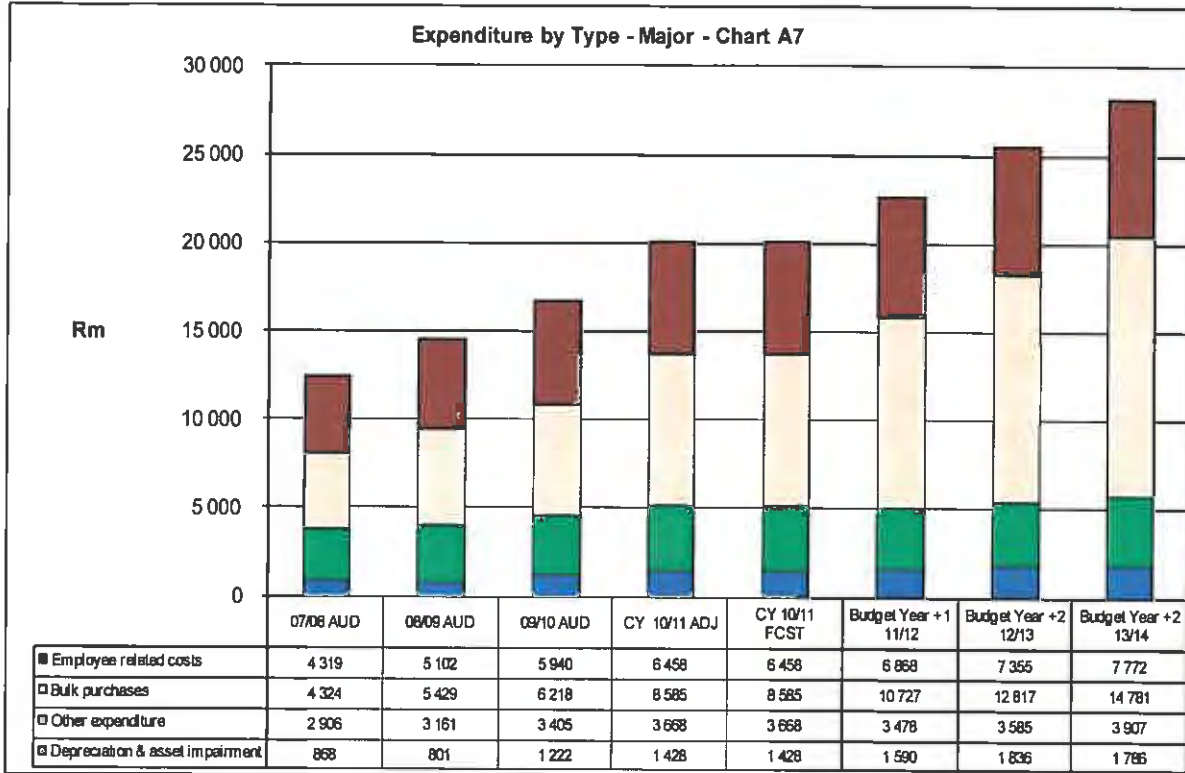
Graph: Revenue by source- Major



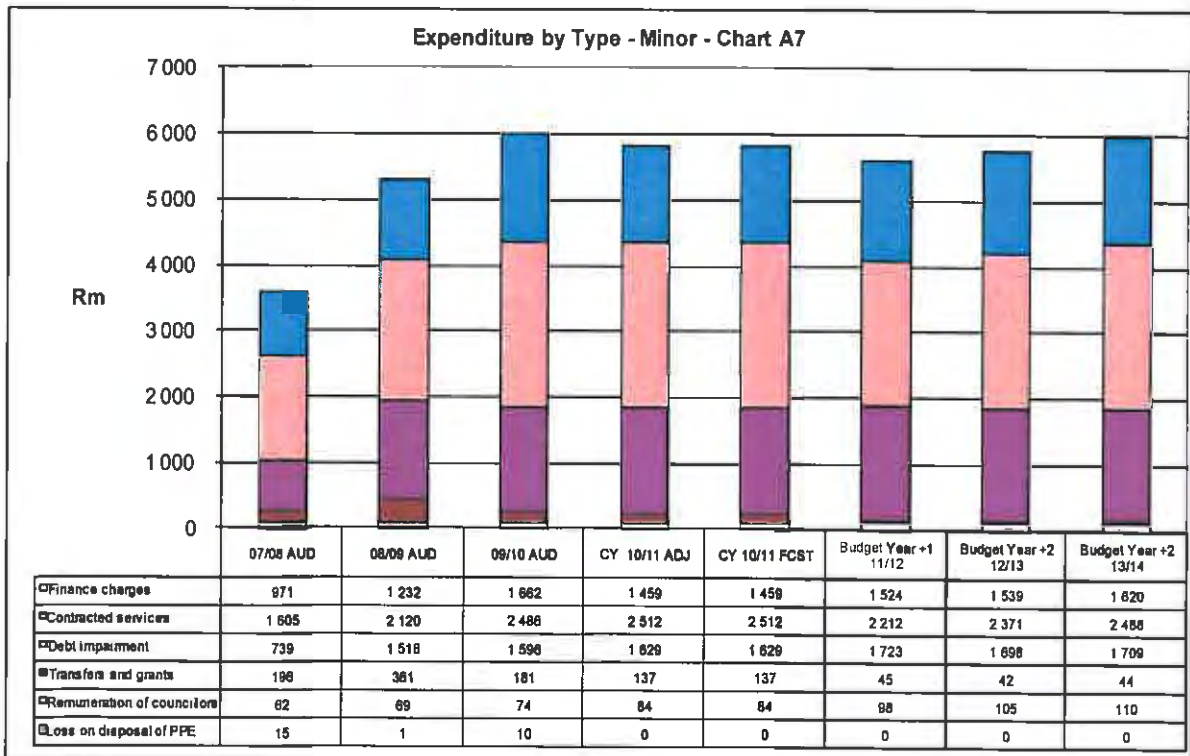
Graph: Revenue by type- Minor



Graph: Expenditure by type- Major



Graph: Expenditure by type- Minor



Medium Term Budget 2011/12– 2013/14

Table SA1: Supporting Detail to Budget Financial Performance

Description	2007/8	2008/9	2009/10	Current Year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand								
REVENUE ITEMS:								
Property rates								
Total Property Rates	3 334 757	3 690 257	4 694 854	5 306 927	5 306 927	5 548 959	6 159 045	6 498 995
less Revenue Foregone	8 594	441 233	475 098	537 655	537 655	569 377	601 831	636 134
Net Property Rates	3 326 163	3 249 024	4 219 756	4 769 272	4 769 272	4 979 582	5 557 214	5 862 861
Service charges - electricity revenue								
Total Service charges - electricity revenue	4 133 027	5 491 978	7 369 906	8 858 538	8 858 946	11 386 442	13 663 668	16 656 499
less Revenue Foregone								
Net Service charges - electricity revenue	4 133 027	5 491 978	7 369 906	8 858 538	8 858 946	11 386 442	13 663 668	16 656 499
Service charges - water revenue								
Total Service charges - water revenue	2 112 070	2 246 539	2 404 584	2 806 104	2 806 257	5 302 905	5 605 809	5 870 380
less Revenue Foregone								
Net Service charges - water revenue	2 112 070	2 246 539	2 404 584	2 806 104	2 806 257	5 302 905	5 605 809	5 870 380
Service charges - sanitation revenue								
Total Service charges - sanitation revenue	1 205 207	1 304 569	1 452 971	1 870 736	1 870 838			
less Revenue Foregone								
Net Service charges - sanitation revenue	1 205 207	1 304 569	1 452 971	1 870 736	1 870 838	-	-	-
Service charges - refuse revenue								
Total refuse removal revenue	437 312	678 465	708 432	701 376	773 137	849 074	896 630	945 941
Total landfill revenue								
less Revenue Foregone								
Net Service charges - refuse revenue	437 312	678 465	708 432	701 376	773 137	849 074	896 630	945 941
Other Revenue by source								
Fuel levy								
Other revenue	832 102	1 183 297	1 468 436	957 528	880 299	764 551	977 136	1 028 105
Total 'Other' Revenue	832 102	1 183 297	1 468 436	957 528	880 299	764 551	977 136	1 028 105
EXPENDITURE ITEMS:								
Employee related costs								
Salaries and Wages	2 614 808	3 226 011	3 967 315	4 166 914	4 179 567	4 437 521	4 739 236	5 011 671
Contributions to UIF, pensions, medical aid	588 304	643 066	779 289	890 824	876 643	930 118	993 366	1 048 001
Travel, motor car, accom; & other allowances	749 613	846 426	539 683	623 857	726 351	789 406	827 486	873 039
Housing benefits and allowances	31 371	35 838	54 288	63 200	62 278	66 077	70 570	74 452
Overtime	191 672	84 214	291 352	300 334	275 290	227 925	279 338	294 840
Performance bonus	142 995	266 331	307 823	344 612	338 291	417 079	445 441	469 940
<i>sub-total</i>	4 318 764	5 101 875	5 939 750	6 389 740	6 458 420	6 868 127	7 355 437	7 771 943
Contributions recognised - capital								
List contributions by contract	-	901	9 198	-	388 065	442 410	468 565	443 765
Total Contributions recognised - capital	-	901	9 198	-	388 065	442 410	468 565	443 765
Depreciation & asset impairment								
Depreciation of Property, Plant & Equipment	867 821	801 458	1 221 919	1 459 682	1 428 427	1 590 011	1 836 145	1 785 878
Total Depreciation & asset impairment	867 821	801 458	1 221 919	1 459 682	1 428 427	1 590 011	1 836 145	1 785 878
Bulk purchases								
Electricity Bulk Purchases	2 770 601	3 731 889	4 395 688	6 420 441	6 420 441	8 256 687	10 235 348	12 100 975
Water Bulk Purchases	1 519 604	1 663 707	1 779 677	2 084 842	2 134 842	2 439 141	2 548 168	2 645 442
Other Bulk Purchases	34 113	33 154	42 165	29 755	29 755	31 451	33 212	35 039
Total bulk purchases	4 324 318	5 428 750	6 217 530	8 535 038	8 585 038	10 727 279	12 816 728	14 781 456
Contracted services								
Other	1 605 081	2 120 097	2 486 450	2 440 560	2 511 531	2 212 152	2 371 423	2 487 591
Total contracted services	1 605 081	2 120 097	2 486 450	2 440 560	2 511 531	2 212 152	2 371 423	2 487 591
Other Expenditure By Type								
Other	2 905 611	3 161 215	3 404 856	3 471 384	3 668 311	3 478 329	3 585 056	3 906 965
Total 'Other' Expenditure	2 905 611	3 161 215	3 404 856	3 471 384	3 668 311	3 478 329	3 585 056	3 906 965

Table SA2: Consolidated Matrix Financial Performance

Description	Economic Development	Environment	Infrastructure and Services	Transportation	Community Development	Health	Office of the Executive Mayor	Speaker: Legislative Arm of Council	Finance	Revenue and Customer Relations	Corporate and Shared Services	Housing	Development Planning and Urban Management	Emergency Management Services	Johannesburg Metropolitan Police Department	Municipal Entities Accounts
R thousand																
Revenue By Source																
Property rates	-	-	-	-	-	-	-	-	4 979 582	-	-	-	-	-	-	-
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	74 376	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	693 738	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	3 065	-	-	-	118 654	4 000	-	20 042	34 708	12 520	30 340	38 456
Service charges - other	-	-	-	-	2 442	-	-	-	-	-	510	-	-	-	-	-
Rental of facilities and equipment	-	-	-	-	-	-	-	-	179 844	-	-	-	-	-	-	-
Interest earned - external investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	-	-	-	-	846	-	-	-	-	-	-	-	-	-	296 217	-
Licences and permits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	150 102	-
Other revenue	-	-	-	-	10 298	5 500	13 220	85	1 900	118 963	9 188	-	1 250	1 030	1 019	46 803
Transfers recognised - operational	-	-	-	-	9 547	102 691	-	-	4 136 742	-	-	-	-	88 312	-	-
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and	-	500	37 000	112 557	26 198	108 860	13 220	85	10 184 836	122 983	9 698	20 042	35 958	101 862	417 678	84 259
Expenditure By Type																
Employee related costs	49 754	35 750	21 052	36 692	401 807	416 916	162 252	69 406	149 324	420 327	240 566	146 829	318 295	424 681	1 096 930	-
Remuneration of councillors	-	-	-	-	-	-	999	96 891	-	-	-	-	-	-	-	-
Debt Impairment	-	-	-	-	-	-	-	-	519 622	12	-	8 353	4 675	4 485	1 216	790
Depreciation & asset impairment	1 365	1 740	220	137 634	168 728	7 307	22 915	2 146	2 127	222 652	3 516	60 181	91 833	4 118	6 651	201 930
Finance charges	-	-	-	-	-	-	-	-	1 504 141	-	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services	3 000	1 414	5 612	178 088	20 136	11 557	284 123	4 953	36 603	13 986	22 105	7 675	13 605	99 848	256 893	1 540
Transfers and grants	19 749	-	-	-	6 716	4 929	-	-	-	-	-	7 936	32	-	-	-
Other expenditure	18 246	6 651	5 154	40 191	168 721	52 740	260 906	44 172	73 600	240 498	171 304	93 026	57 834	45 861	187 855	394 728
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure	92 114	45 555	32 038	392 605	786 110	493 449	731 195	217 558	2 285 417	897 475	437 491	324 000	486 274	578 993	1 549 545	598 988
Surplus/(Deficit)	(92 114)	(45 055)	4 962	(280 048)	(759 912)	(384 589)	(717 975)	(217 473)	7 899 419	(774 492)	(427 793)	(303 958)	(450 316)	(477 131)	(1 131 867)	(514 728)
Transfers recognised - capital	286 581	-	-	998 000	30 000	15 000	-	-	358 725	-	-	177 245	60 000	-	-	183 060
Contributions recognised - capital	-	-	-	-	-	-	-	-	-	-	-	-	5 000	-	-	23 500
Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	194 467	(45 055)	4 962	717 952	(729 912)	(369 589)	(717 975)	(217 473)	8 258 144	(774 492)	(427 793)	(126 713)	(385 316)	(477 131)	(1 131 867)	(308 169)

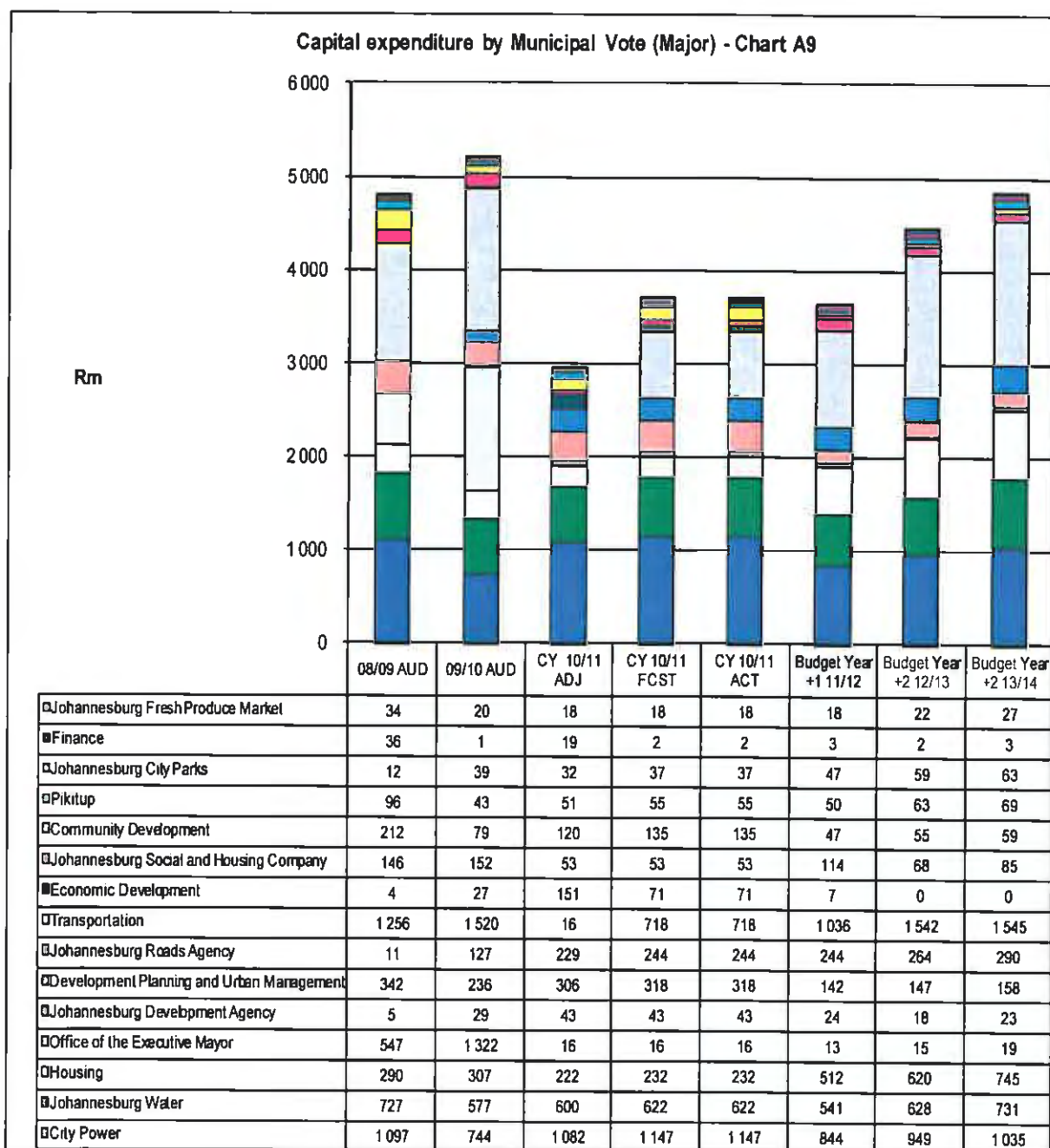
Table SA2: Consolidated Matrix Financial Performance

Description	City Power	Johannesburg Water	Piklup	Johannesburg Roads	Metrobus	Johannesburg City Parks	Johannesburg Zoo	Johannesburg Development Agency	Johannesburg Property Company	Johannesburg Fresh Produce Market	Metro Trading Company	Johannesburg Tourism Company	Johannesburg Social and Housing Company	Johannesburg Civic Theatre	Rooopooort City Theatre	Total
R thousand																
Revenue By Source																
Property rates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4 979 582
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	74 376
Service charges - electricity revenue	11 336 011	5 284 829	-	-	-	-	-	-	-	-	-	-	431	-	-	11 336 442
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	269	-	-	5 285 098
Service charges - refuse revenue	-	-	155 336	-	-	-	-	-	-	-	-	-	-	-	-	849 074
Service charges - other	-	-	66 240	-	-	59 960	16 868	-	-	-	-	-	-	-	-	346 355
Rental of facilities and equipment	1 614	-	-	-	-	2 075	1 765	-	-	42 534	15 750	-	-	5 950	301	131 439
Interest earned - external investments	-	-	-	-	-	-	-	8	-	2 200	-	-	-	1 020	-	183 072
Interest earned - outstanding debtors	35 700	-	-	-	-	-	-	-	-	150	-	-	-	-	-	35 850
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	237 063
Licences and permits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	669
Agency services	-	-	-	-	-	-	-	30 827	50 387	194 394	-	-	-	-	-	425 710
Other revenue	141 359	-	9 410	56 804	131 968	2 364	3 029	950	39 635	4 924	-	264	60 767	15 080	1 506	788 476
Transfers recognised - operational	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4 338 219
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	37 000
Total Revenue (excluding capital transfers and	11 514 685	5 284 829	230 966	56 804	131 968	64 399	21 682	31 777	90 030	244 202	15 750	264	61 467	22 060	1 807	29 048 426
Expenditure By Type																
Employees related costs	704 433	634 580	443 687	286 958	209 409	341 957	41 938	27 607	59 153	79 781	14 113	12 832	26 857	20 194	6 456	6 910 536
Remuneration of councillors	-	-	14 659	-	-	-	-	-	-	-	2 750	-	9 635	-	-	97 880
Debt impairment	520 150	682 802	45 649	5 380	42 165	8 473	1 716	1 340	1 500	14 945	1 263	1 163	1 025	2 367	390	1 769 189
Depreciation & asset impairment	266 879	231 901	-	-	-	-	-	-	-	-	-	-	1 765	-	-	1 581 219
Finance charges	-	15 139	-	-	2 116	-	-	-	391	-	-	-	-	-	-	1 523 552
Bulk purchases	6 256 687	2 410 237	-	-	-	31 451	-	-	-	-	-	-	-	-	-	10 698 375
Other materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services	198 956	340 778	533 660	93 771	20 310	52 327	5 471	1 427	-	22 046	29 286	-	4 329	2 304	43	2 265 846
Transfers and grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	39 364
Other expenditure	499 696	361 626	106 063	116 620	150 627	127 611	15 390	22 855	22 020	76 607	19 411	38 763	39 125	23 876	4 760	3 486 737
Loss on disposal of PPE	-	-	-	-	-	-	253	100	-	-	-	-	-	-	-	363
Total Expenditure	10 447 001	4 677 063	1 143 758	512 729	424 627	561 819	64 768	53 329	83 064	193 379	66 823	52 758	82 736	48 741	11 649	28 373 051
Surplus/(Deficit)	1 067 684	607 766	(912 772)	(455 925)	(292 659)	(487 420)	(43 106)	(21 552)	6 966	50 823	(51 073)	(52 494)	(21 269)	(26 681)	(9 842)	675 375
Transfers recognised - capital	134 978	194 250	34 000	-	-	-	-	-	-	-	-	-	-	-	-	2 471 839
Contributions recognised - capital	391 065	20 000	-	-	-	-	-	-	-	-	-	-	-	-	-	439 565
Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	1 593 727	822 016	(678 772)	(455 925)	(292 659)	(497 420)	(43 108)	(21 552)	6 966	50 823	(51 073)	(52 494)	(21 269)	(26 681)	(9 842)	3 586 779

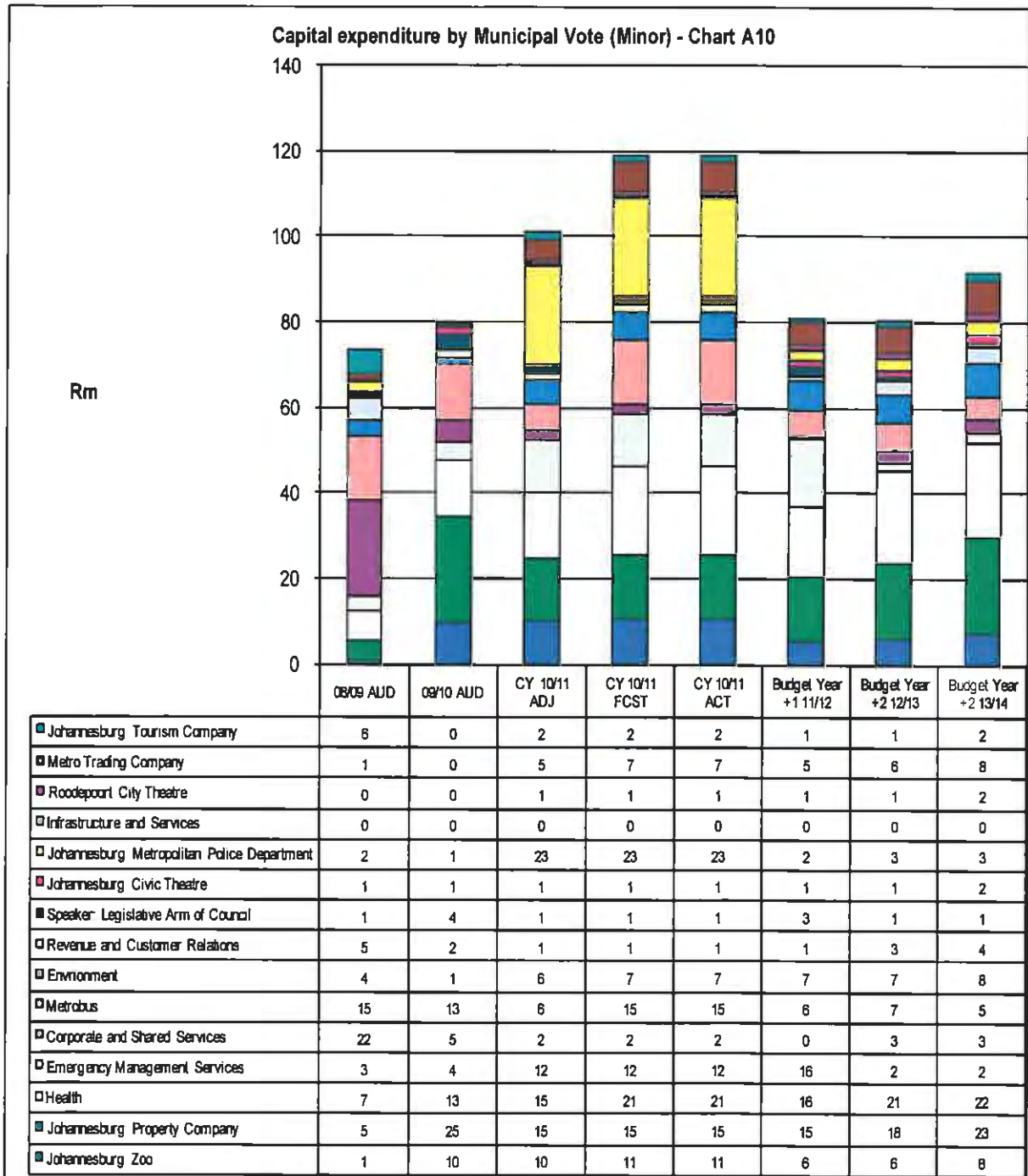
Table A5: Consolidated Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	2007/8	2008/9	2009/10	Current Year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand								
Capital expenditure - Vote								
<i>Mult-year expenditure to be appropriated</i>								
Economic Development	-	3 900	26 798	150 838	70 904	6 541	400	400
Environment	3 342	3 758	1 267	5 890	6 640	6 829	6 600	8 100
Infrastructure and Services	314	260	361	378	378	150	150	150
Transportation	478 274	1 256 021	1 520 258	15 641	717 641	1 035 944	1 542 400	1 545 400
Community Development	291 162	211 943	78 914	120 095	134 541	47 495	54 750	59 050
Health	14 539	7 125	13 002	15 130	20 899	16 400	21 400	21 900
Office of the Executive Mayor	205 524	546 877	1 322 082	16 261	16 271	12 710	15 110	18 710
Speaker, Legislative Arm of Council	6 195	859	4 137	1 205	1 205	2 850	830	830
Finance	918 602	35 589	1 441	18 952	1 550	2 675	2 250	2 750
Revenue and Customer Relations	-	4 980	1 618	1 432	1 432	1 000	3 400	4 000
Corporate and Shared Services	4 699	22 429	5 012	2 430	2 430	450	2 850	3 450
Housing	212 081	289 616	307 205	222 061	232 061	511 774	619 710	744 909
Development Planning and Urban Management	411 291	342 245	235 712	306 179	318 220	142 272	147 100	157 600
Emergency Management Services	10 127	3 058	4 441	12 127	12 127	16 234	1 850	2 250
Johannesburg Metropolitan Police Department	12 343	2 360	835	22 974	22 974	2 400	2 800	3 300
Municipal Entities Accounts	398 054	360 391	-	-	-	-	-	-
City Power	1 037 897	1 096 723	744 143	1 081 581	1 146 581	843 917	949 165	1 035 465
Johannesburg Water	743 443	727 231	577 357	600 013	621 928	541 264	627 600	730 500
Pikup	25 200	95 791	42 704	51 200	54 700	50 000	63 200	69 100
Johannesburg Roads Agency	4 572	11 156	126 531	229 174	243 561	243 818	264 000	289 700
Metrobus	12 493	15 407	13 373	6 000	15 126	6 000	6 500	5 000
Johannesburg City Parks	23 540	11 885	38 701	32 100	37 100	47 200	58 900	62 800
Johannesburg Zoo	2 680	972	9 676	10 000	10 500	5 500	6 000	7 500
Johannesburg Development Agency	2 696	4 966	29 290	42 800	42 800	23 772	18 000	22 500
Johannesburg Property Company	3 439	4 639	25 000	15 000	15 000	15 000	18 000	22 500
Joburg Market	52 852	33 730	20 000	18 000	18 000	18 000	21 600	27 000
Metro Trading Company	736	1 272	-	5 000	7 000	5 000	6 000	7 500
Johannesburg Tourism Company	739	5 747	-	1 500	1 500	1 200	1 400	1 800
Johannesburg Social and Housing Company	1 458	145 535	152 411	52 800	52 800	113 604	68 050	84 970
Joburg Theatre	249	608	1 000	1 000	1 000	1 200	1 400	1 800
Roadport City Theatre	189	280	200	1 000	1 100	1 200	1 400	1 800
Total Capital Expenditure - Vote	4 878 750	5 247 353	5 303 469	3 058 761	3 827 969	3 722 199	4 532 815	4 942 734
Capital Expenditure - Standard								
<i>Governance and administration</i>								
Executive and council	6 195	10 346	1 326 219	2 466	2 476	15 360	15 940	19 540
Budget and treasury office	918 602	40 569	3 059	20 384	2 982	3 675	5 650	6 750
Corporate services	4 699	287 068	30 012	32 430	32 430	15 450	20 850	25 950
<i>Community and public safety</i>	1 004 242	1 331 163	606 366	489 287	525 102	763 007	836 260	890 279
Community and social services	298 281	213 803	89 790	120 092	135 138	55 395	63 550	70 150
Sport and recreation	59 365	669 666	38 701	44 103	49 103	47 200	58 900	62 800
Public safety	22 470	5 418	5 276	35 101	35 101	18 634	4 650	5 550
Housing	609 587	435 151	459 616	274 861	284 861	625 378	687 760	829 879
Health	14 539	7 125	13 002	15 130	20 899	16 400	21 400	21 900
<i>Economic and environmental services</i>	1 138 158	1 678 462	1 973 590	781 400	1 441 770	1 489 926	2 014 150	2 085 150
Planning and development	496 178	390 848	312 161	519 695	451 802	191 935	188 650	209 450
Road transport	638 638	1 283 856	1 660 162	255 815	983 328	1 290 762	1 818 900	1 647 600
Environmental protection	3 342	3 758	1 267	5 890	6 640	6 829	6 600	8 100
<i>Trading services</i>	1 806 854	1 919 745	1 364 204	1 732 794	1 823 209	1 435 181	1 639 865	1 835 065
Electricity	1 038 211	1 096 723	744 143	1 081 581	1 146 581	843 917	949 165	1 035 465
Water	483 238	476 731	346 414	349 513	362 662	541 264	627 600	730 500
Waste water management	260 205	250 500	230 943	250 500	259 266	50 000	63 200	69 100
Waste management	25 200	95 791	42 704	51 200	54 700	50 000	63 200	69 100
Total Capital Expenditure - Standard	4 878 750	5 247 353	5 303 469	3 058 761	3 827 969	3 722 199	4 532 815	4 942 734
Funded by:								
National Government	130 092	473 042	2 125 324	883 686	1 572 149	2 250 969	2 839 260	2 973 559
Provincial Government	1 459 935	702 227	860 670	-	6 651	8 060	8 050	9 970
Transfers recognised - capital	1 590 027	1 175 269	2 983 894	883 686	1 578 800	2 259 029	2 847 310	2 983 529
Public contributions & donations	82 220	90 370	244 422	206 565	274 429	442 410	468 565	443 765
Borrowing	2 126 865	2 720 554	1 993 007	1 512 000	1 512 000	1 000 000	1 200 000	1 500 000
Internally generated funds	1 079 638	1 261 160	80 046	456 510	462 741	20 760	16 940	15 440
Total Capital Funding	4 878 750	5 247 353	5 303 469	3 058 761	3 827 969	3 722 199	4 532 815	4 942 734

Graph: Capital expenditure by municipal vote- Major



Graph: Capital expenditure by municipal vote- Minor



Graph: Capital expenditure by standard classification

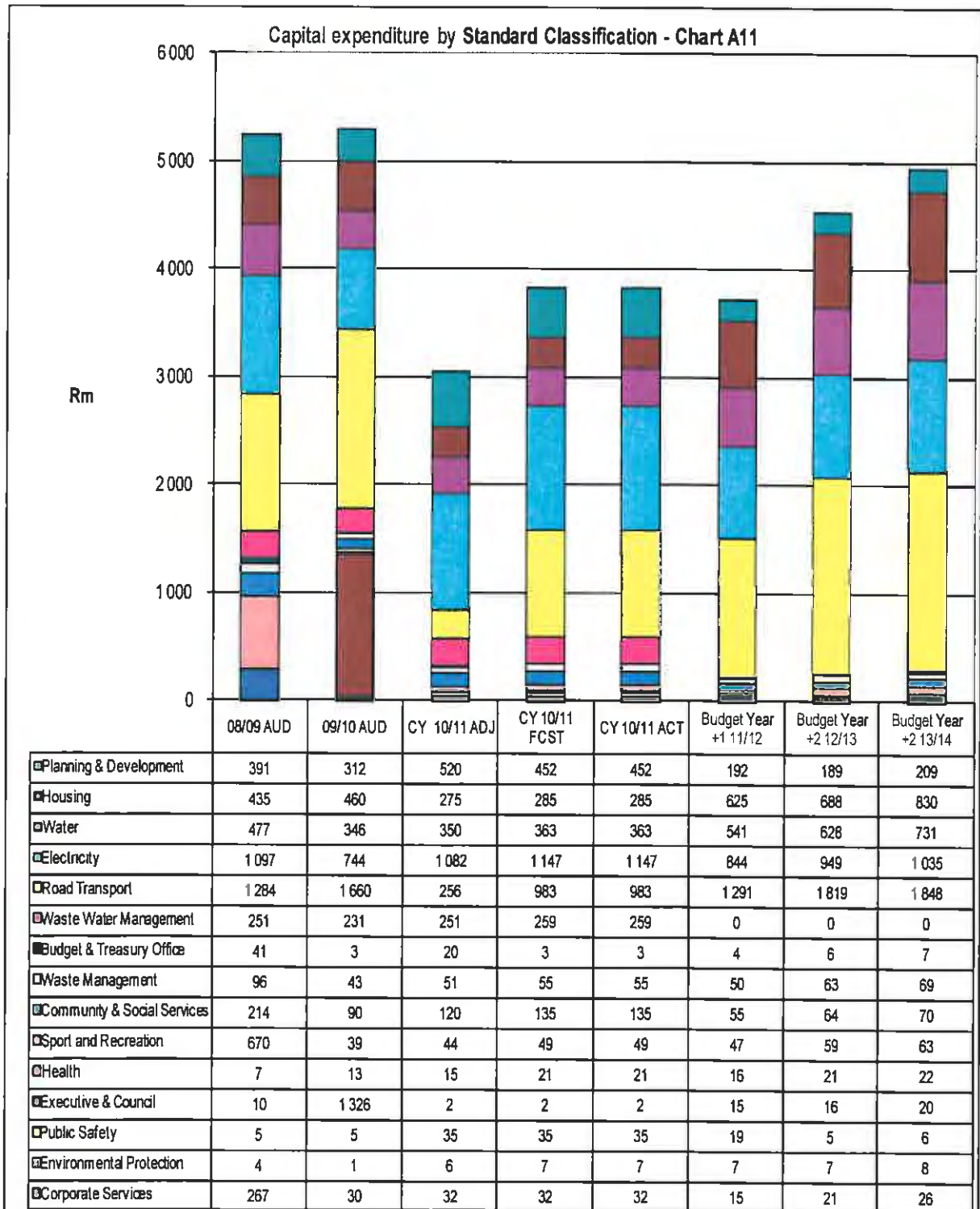


Table A6: Consolidated Budgeted Financial Position

Description	2007/8	2008/9	2009/10	Current Year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand								
ASSETS								
Current assets								
Cash	417 992	148 446	166 901	140 814	122 101	614 827	1 118 856	1 645 295
Call investment deposits	920 467	466 104	130 706	1 688 454	521 026	1 021 026	2 321 026	3 771 026
Consumer debtors	2 152 956	2 190 561	2 755 764	2 785 655	2 913 225	3 199 622	3 469 047	3 772 185
Other debtors	2 036 502	2 835 121	1 625 721	1 861 494	1 752 902	2 950 817	2 153 242	2 582 520
Current portion of long-term receivables								
Inventory	120 918	173 266	177 980	201 144	189 193	199 977	211 175	222 790
Total current assets	5 648 835	5 813 488	4 857 072	6 677 561	5 498 446	7 986 289	9 273 347	12 003 816
Non current assets								
Long-term receivables	55 966	97 114	94 939	–	107 312	113 429	119 781	126 369
Investments	1 800 008	1 783 830	1 980 558	2 913 466	2 794 890	2 944 447	3 880 654	4 307 376
Investment property	1 197 938	1 100 237	1 096 546	1 252 970	1 097 896	1 089 296	1 100 746	1 102 246
Investment in Associate	15 991	33 704	34 385	35 564	36 551	38 635	40 798	43 042
Property, plant and equipment	24 597 915	30 589 562	33 812 282	36 133 517	36 058 705	38 039 104	40 573 129	43 576 551
Biological	4 474	5 976	–	6 041	–	–	–	–
Intangible	235 864	344 352	1 013 117	345 856	1 013 670	1 015 170	1 017 720	1 021 370
Other non-current assets	75 333	94 944	6 894	257 026	7 328	7 746	8 180	8 630
Total non current assets	27 983 489	34 019 719	38 038 721	40 944 440	41 116 352	43 257 827	46 741 008	50 185 583
TOTAL ASSETS	33 632 324	39 833 207	42 895 793	47 622 002	46 614 798	51 244 096	56 014 354	62 189 399
LIABILITIES								
Current liabilities								
Borrowing	618 349	1 230 910	429 904	241 101	320 931	1 496 493	419 375	756 166
Trade and other payables	5 767 102	7 125 406	7 108 612	6 383 458	7 138 343	7 296 340	7 546 290	7 813 052
Provisions	656 400	290 042	16 011	1 312 002	2 595	2 743	2 896	3 056
Total current liabilities	7 041 851	8 646 358	7 554 527	7 946 561	7 461 869	8 795 576	7 968 562	8 572 274
Non current liabilities								
Borrowing	7 290 693	9 124 096	10 657 879	12 176 876	11 953 329	11 456 835	12 237 460	12 981 294
Provisions	2 284 128	5 146 958	4 953 116	2 952 799	4 935 537	5 216 862	5 509 007	5 812 002
Total non current liabilities	9 574 821	14 271 054	15 610 995	15 129 675	16 888 865	16 673 698	17 746 467	18 793 296
TOTAL LIABILITIES	16 616 672	22 917 412	23 165 522	23 076 235	24 350 734	25 469 274	25 715 029	27 365 570
NET ASSETS	17 015 652	16 915 795	19 730 271	24 545 766	22 264 064	25 774 822	30 299 326	34 823 829
COMMUNITY WEALTH/EQUITY								
Accumulated Surplus/(Deficit)	16 844 674	16 749 168	19 530 878	24 352 684	22 052 109	25 550 786	30 062 532	34 573 564
Reserves	170 978	166 627	199 393	193 082	211 955	224 036	236 794	250 265
TOTAL COMMUNITY WEALTH/EQUITY	17 015 652	16 915 795	19 730 271	24 545 766	22 264 064	25 774 822	30 299 326	34 823 829

Table SA3: Supporting Detail to Budget Financial Position

Description	2007/8	2008/9	2009/10	Current Year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand								
ASSETS								
<u>Call investment deposits</u>								
Call deposits < 90 days	920 467	466 104	130 706	1 688 454	521 026	1 021 026	2 321 026	3 771 026
Other current investments > 90 days								
Total Call investment deposits	920 467	466 104	130 706	1 688 454	521 026	1 021 026	2 321 026	3 771 026
<u>Consumer debtors</u>								
Consumer debtors	9 430 734	8 307 394	10 524 407	11 118 396	12 281 098	14 259 024	16 192 962	18 169 636
Less: Provision for debt impairment	(7 277 778)	(6 116 843)	(7 768 643)	(8 332 741)	(9 367 873)	(11 059 402)	(12 723 915)	(14 397 451)
Total Consumer debtors	2 152 956	2 190 551	2 755 764	2 785 655	2 913 225	3 199 622	3 469 047	3 772 185
<u>Debt impairment provision</u>								
Balance at the beginning of the year	(6 538 978)	(7 277 778)	(6 116 839)	(7 131 553)	(7 736 354)	(9 335 584)	(11 027 113)	(12 691 626)
Contributions to the provision	(1 325 274)	(1 180 966)	(1 344 930)	(1 201 187)	(1 599 230)	(1 691 529)	(1 664 513)	(1 673 536)
Bad debts written off	586 474	2 341 905						
Balance at end of year	(7 277 778)	(6 116 839)	(7 461 769)	(8 332 741)	(9 335 584)	(11 027 113)	(12 691 626)	(14 385 162)
<u>Property, plant and equipment (PPE)</u>								
PPE at cost/valuation (excl. finance leases)	28 892 521	35 962 287	40 183 362	43 988 961	43 858 212	47 428 622	51 798 792	56 588 092
Less: Accumulated depreciation	4 294 606	5 402 725	6 371 080	7 856 444	7 799 507	9 389 518	11 225 663	13 011 541
Total Property, plant and equipment (PPE)	24 597 915	30 559 562	33 812 282	36 133 517	36 058 705	38 039 104	40 573 129	43 576 551
LIABILITIES								
<u>Current liabilities - Borrowing</u>								
Current portion of long-term liabilities	618 349	1 230 910	429 904	241 101	320 931	1 496 493	419 375	756 166
Total Current liabilities - Borrowing	618 349	1 230 910	429 904	241 101	320 931	1 496 493	419 375	756 166
<u>Trade and other payables</u>								
Trade and other creditors	4 777 971	6 207 159	6 112 047	6 137 007	7 079 943	7 246 340	7 496 290	7 763 052
Unspent conditional transfers	989 131	918 247	996 565	256 451	58 400	50 000	50 000	50 000
VAT								
Total Trade and other payables	5 767 102	7 125 406	7 108 612	6 393 458	7 138 343	7 296 340	7 546 290	7 813 052
<u>Non-current liabilities - Borrowing</u>								
Borrowing	7 290 693	9 124 096	10 657 879	12 176 876	11 953 329	11 456 835	12 237 460	12 981 294
Total Non-current liabilities - Borrowing	7 290 693	9 124 096	10 657 879	12 176 876	11 953 329	11 456 835	12 237 460	12 981 294
<u>Provisions - non-current</u>								
Other	2 284 128	5 146 958	4 963 116	2 952 799	4 935 537	5 216 862	5 509 007	5 612 002
Total Provisions - non-current	2 284 128	5 146 958	4 963 116	2 952 799	4 935 537	5 216 862	5 509 007	5 612 002
CHANGES IN NET ASSETS								
<u>Accumulated Surplus/(Deficit)</u>								
Surplus/(Deficit)	1 997 845	631 093	2 691 497	1 828 818	2 386 522	3 510 758	4 524 504	5 782 149
Other adjustments	14 846 829	16 118 075	16 839 361	22 523 866	19 665 587	22 040 028	25 538 029	28 791 414
Accumulated Surplus/(Deficit)	16 844 674	16 749 168	19 530 878	24 352 684	22 052 109	25 550 786	30 062 532	34 573 564
<u>Reserves</u>								
Capital replacement	104 162	85 186	83 407	93 232	112 105	118 494	125 130	132 147
Other reserves (if any)	66 816	81 441	115 986	99 850	99 850	105 542	111 664	118 118
Total Reserves	170 978	166 627	199 393	193 082	211 955	224 036	236 794	250 265
TOTAL COMMUNITY WEALTH/EQUITY	17 015 652	16 915 795	19 730 271	24 545 766	22 264 064	25 774 822	30 299 326	34 823 829

TableA7: Budgeted Cash Flows

Description	2007/8	2008/9	2009/10	Current Year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand								
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Ratepayers and other	12 029 073	14 613 360	14 946 786	20 369 541	19 250 843	22 763 772	26 280 068	28 711 279
Government - operating	2 855 768	3 577 442	3 885 395	4 320 761	4 667 980	4 572 039	4 544 066	4 813 677
Government - capital	1 590 027	1 175 289	2 960 293	883 686	1 588 248	2 259 029	2 847 310	2 983 529
Interest	627 742	755 285	607 072	210 768	210 914	219 239	247 389	268 542
Payments								
Suppliers and employees	(12 802 976)	(15 589 097)	(17 921 855)	(21 337 805)	(20 675 760)	(23 147 032)	(25 871 563)	(28 688 636)
Finance charges	(971 161)	(1 231 503)	(1 662 183)	(1 430 707)	(1 458 647)	(1 523 552)	(1 538 663)	(1 620 306)
NET CASH FROM/(USED) OPERATING ACTIVITIES	3 328 473	3 300 756	2 815 507	3 016 244	3 583 578	5 143 485	6 516 621	6 458 085
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Proceeds on disposal of PPE	11 577	93 987	83 608	36 775	36 560	(363)	(106)	(151)
Decrease (increase) in non-current debtors	(334 913)	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	(17 495)	(41 148)	2 175	(17 341)	(8 961)	(8 618)	(8 949)	(9 282)
Decrease (increase) in non-current investments	-	(181 107)	1 079 828	(305 498)	(777 274)	(1 247 568)	(34 873)	(758 388)
Payments								
Capital assets	(5 342 790)	(6 396 825)	(5 077 474)	(2 936 411)	(3 674 860)	(3 573 310)	(4 374 170)	(4 794 450)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(5 683 621)	(6 525 083)	(3 911 663)	(3 222 475)	(4 424 534)	(4 629 839)	(4 418 088)	(5 562 271)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Borrowing long term financing	2 126 865	2 720 554	1 993 007	1 512 000	1 512 000	1 000 000	1 200 000	1 500 000
Increase (decrease) in consumer deposits	(11 582)	(4 108)	29 407	-	-	-	-	-
Payments								
Repayment of borrowing	(170 646)	(216 018)	(1 243 201)	(260 087)	(325 524)	(320 931)	(1 486 433)	(419 375)
NET CASH FROM/(USED) FINANCING ACTIVITIES	1 944 637	2 500 428	779 213	1 251 913	1 186 476	679 069	(286 433)	1 080 625
NET INCREASE/ (DECREASE) IN CASH HELD	(410 521)	(723 909)	(316 943)	1 055 681	345 520	992 726	1 804 029	1 976 439
Cash/cash equivalents at the year begin:	1 748 980	1 338 459	614 550	773 587	297 607	643 127	1 635 853	3 439 882
Cash/cash equivalents at the year end:	1 338 459	614 550	297 607	1 829 268	643 127	1 635 853	3 439 882	5 416 321

Table A8: Cash Backed Reserves/ Accumulated Surplus Reconciliation

Description	2007/8	2008/9	2009/10	Current Year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Cash and investments available								
Cash/cash equivalents at the year end	1 338 459	614 550	297 607	1 829 268	643 127	1 635 853	3 439 882	5 416 321
Other current investments >90 days	-	-	-	-	-	-	-	-
Non current assets - Investments	1 800 008	1 783 830	1 980 558	2 913 466	2 794 890	2 944 447	3 880 654	4 307 376
Cash and investments available:	3 138 467	2 398 380	2 278 165	4 742 735	3 438 017	4 580 300	7 320 536	9 723 697

Table A9: Asset Management

Description	2007/8	2008/9	2009/10	Current Year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
CAPITAL EXPENDITURE								
Total New Assets	4 143 104	6 469 883	5 473 132	2 111 984	2 880 892	2 403 885	3 154 394	3 528 325
Infrastructure - Road transport	638 638	1 267 437	1 660 182	174 542	900 055	1 307 872	1 893 050	1 927 520
Infrastructure - Electricity	1 038 211	1 088 723	744 143	744 421	808 421	565 517	544 165	882 465
Infrastructure - Water	743 443	727 231	577 357	473 713	495 628	129 028	114 500	191 700
Infrastructure - Other	2 520	473 038	42 704	321 379	324 878	77 368	141 750	144 330
Infrastructure	2 445 492	3 564 429	3 024 366	1 714 055	2 520 983	2 082 585	2 693 465	2 926 075
Community	357 645	237 779	1 313 941	130 444	155 659	315 423	509 319	638 544
Other assets	1 339 966	2 667 755	1 136 825	267 485	195 050	5 857	(48 380)	(38 235)
Total Renewal of Existing Assets	-	-	-	948 777	948 777	1 318 534	1 378 421	1 416 410
Infrastructure - Road transport	-	-	-	70 851	70 651	114 362	60 450	65 180
Infrastructure - Electricity	-	-	-	337 160	337 160	275 400	405 000	373 000
Infrastructure - Water	-	-	-	126 300	126 300	41 236	513 100	538 800
Infrastructure - Other	-	-	-	58 000	58 000	13 904	98 150	118 870
Infrastructure	-	-	-	593 311	593 311	939 902	1 074 700	1 093 850
Community	-	-	-	315 242	315 242	340 318	273 641	285 515
Other assets	-	-	-	38 424	38 424	38 314	30 080	37 045
Total Capital Expenditure	638 638	1 267 437	1 660 182	245 193	870 708	1 422 034	1 953 500	1 992 700
Infrastructure - Road transport	638 638	1 267 437	1 660 182	245 193	870 708	1 422 034	1 953 500	1 992 700
Infrastructure - Electricity	1 038 211	1 088 723	744 143	1 081 581	1 146 581	843 817	949 165	1 035 485
Infrastructure - Water	743 443	727 231	577 357	600 013	621 928	54 126	527 800	730 500
Infrastructure - Other	2 520	473 038	42 704	380 379	383 879	215 272	237 900	281 200
Infrastructure	2 445 492	3 564 429	3 024 366	2 307 166	3 123 084	3 022 487	3 788 165	4 079 885
Community	357 645	237 779	1 313 941	445 686	470 901	655 741	752 860	924 059
Other assets	1 339 966	2 667 755	1 136 825	305 909	233 474	43 971	(18 310)	(1 150)
TOTAL CAPITAL EXPENDITURE - Asset class	4 143 104	6 469 883	5 473 132	3 098 781	3 827 489	3 722 189	4 933 818	4 942 734
ASSET REGISTER SUMMARY - PPE (WDV)								
Infrastructure - Road transport	1 371 413	1 808 882	3 570 024	3 688 182	4 413 675	4 656 427	4 912 531	5 182 720
Infrastructure - Electricity	2 738 089	3 813 126	4 557 289	5 078 393	5 143 393	5 428 280	5 724 725	6 038 585
Infrastructure - Water	2 343 894	3 264 161	3 841 518	4 130 615	4 152 530	4 380 919	4 621 889	4 876 072
Infrastructure - Other	-	-	-	183 273	186 773	187 046	207 883	219 317
Infrastructure	6 453 396	8 887 169	11 968 811	13 080 444	13 896 372	14 660 672	15 467 000	16 317 694
Community	316 768	351 768	375 709	590 448	615 663	649 525	885 249	722 937
Heritage assets	79 921	79 902	79 902	79 902	79 902	84 297	88 933	93 824
Investment properties	1 197 938	1 100 237	1 088 546	1 252 970	1 097 896	1 088 298	1 100 746	1 102 246
Other assets	17 747 830	21 130 743	21 387 860	22 382 723	21 468 768	22 642 861	24 330 188	26 440 345
Biological assets	4 474	5 876	-	6 041	-	-	-	-
Intangibles	235 864	344 352	1 013 117	345 856	1 013 670	1 015 170	1 017 720	1 021 370
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	26 038 181	32 010 127	35 821 945	37 738 384	38 170 271	40 181 820	42 888 845	45 898 417
EXPENDITURE OTHER ITEMS								
Depreciation & asset impairment	867 821	801 458	1 221 819	1 459 682	1 428 427	1 590 011	1 836 145	1 785 878
Repairs and Maintenance by Asset Class	407 653	428 761	448 463	1 711 142	1 791 199	1 929 121	2 075 734	2 231 414
Infrastructure - Road transport	-	-	-	480 053	486 614	524 083	563 914	606 207
Infrastructure - Electricity	188 822	181 160	225 481	293 641	294 284	316 955	341 043	366 621
Infrastructure - Water	-	-	-	281 160	277 907	299 306	322 053	346 207
Infrastructure - Sanitation	-	-	-	383 467	358 080	355 831	414 939	446 059
Infrastructure - Other	8 667	3 221	11 425	73 439	69 021	74 336	79 985	85 984
Infrastructure	195 509	184 381	238 906	1 511 760	1 485 898	1 600 370	1 721 934	1 851 079
Community	84 373	88 473	78 183	86 532	82 055	88 373	95 080	102 221
Heritage assets	-	-	-	2 305	2 305	2 482	2 671	2 871
Investment properties	-	-	-	6 030	25 529	27 495	29 584	31 803
Other assets	127 771	157 907	133 374	104 515	195 414	210 460	228 455	243 440
TOTAL EXPENDITURE OTHER ITEMS	1 275 574	1 230 219	1 870 382	3 170 824	3 219 826	3 519 132	3 911 879	4 017 282
R&M as % of PPE	1.7%	1.4%	1.3%	4.7%	5.0%	5.1%	5.1%	5.1%
Renewal and R&M as % of PPE	2.0%	1.0%	1.0%	7.0%	7.0%	8.0%	8.0%	8.0%

Table A10: Basic Service Delivery Measurement

Description	2007/8	2008/9	2009/10	Current Year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Household service targets (000)								
Water:								
Piped water inside dwelling	923 408	1 005 814	1 008 868	1 036 868	1 036 868	1 086 868	1 088 868	1 128 868
Piped water inside yard (but not in dwelling)	55 998	55 998	55 998	55 998	55 998	55 998	55 998	55 998
Using public tap (at least min. service level)	149 332	158 884	161 546	185 434	185 434	188 734	172 034	175 334
<i>Minimum Service Level and Above sub-total</i>	1 128 738	1 220 474	1 224 508	1 258 306	1 258 306	1 291 606	1 324 906	1 358 206
Other water supply (< min. service level)	37 075	32 487	29 585	25 897	25 897	22 397	19 097	15 797
No water supply	536	536	536	536	536	536	536	536
<i>Below Minimum Service Level sub-total</i>	37 611	33 003	30 121	26 233	26 215	22 833	19 633	16 333
Total number of households	1 166 347	1 293 477	1 254 829	1 284 829	1 284 811	1 314 829	1 344 829	1 374 829
Sanitation & sewerage:								
Flush toilet (connected to sewerage)	967 998	1 053 811	1 055 139	1 052 591	1 052 591	1 082 591	1 112 591	1 142 591
Chemical toilet	76 472	75 073	72 573	89 419	89 419	85 119	80 819	58 519
Pit toilet (ventilated)	58 149	65 432	67 832	71 086	71 086	75 386	79 686	83 986
Other toilet provisions (> min. service level)	7 549	7 549	7 549	7 549	7 549	7 549	7 549	7 549
<i>Minimum Service Level and Above sub-total</i>	1 110 168	1 201 865	1 203 193	1 200 645	1 200 645	1 230 645	1 280 645	1 260 645
No toilet provisions	51 855	45 971	45 971	45 371	45 371	45 371	45 371	45 371
<i>Below Minimum Service Level sub-total</i>	51 855	45 971	45 971	45 371	45 371	45 371	45 371	45 371
Total number of households	1 162 021	1 247 836	1 249 164	1 246 016	1 246 016	1 276 016	1 306 016	1 336 016
Energy:								
Electricity (at least min. service level)	217 860	212 068	226 489	239 172	239 172	251 809	269 189	287 997
Electricity - prepaid (min. service level)	94 854	109 024	117 399	123 973	123 973	130 420	137 202	144 337
<i>Minimum Service Level and Above sub-total</i>	312 714	321 092	343 888	363 145	363 145	382 229	406 391	432 334
Total number of households	312 714	321 092	343 888	363 145	363 145	382 229	406 391	432 334
Refuse:								
Removed at least once a week	885 000	898 000	911 000	915 000	915 000	931 000	980 000	1 028 000
<i>Minimum Service Level and Above sub-total</i>	885 000	898 000	911 000	915 000	915 000	931 000	980 000	1 028 000
Total number of households	885 000	898 000	911 000	915 000	915 000	931 000	980 000	1 028 000
Households receiving Free Basic Service								
Water (6 kilolitre per household per month)	1 128 738	1 220 474	1 224 508	1 258 306	1 258 306	1 291 606	1 324 906	1 358 206
Sanitation (free minimum level service)	103 170	104 255	110 815	115 815	115 815	120 815	125 815	130 815
Electricity/other energy (50kwh per household per month)	230 408	235 051	242 551	242 551	242 551	242 551	258 134	270 221
Refuse (removed at least once a week)	180 000	192 200	198 400	190 000	190 000	188 000	175 000	168 000
Cost of Free Basic Services provided (R'000)								
Water (6 kilolitre per household per month)	15 321	15 184	18 128	19 107	19 107	20 108	21 327	22 500
Sanitation (free sanitation service)	128 554	90 518	81 820	84 947	84 947	88 849	72 493	78 480
Electricity/other energy (50kwh per household per month)	80 088	91 880	108 008	124 209	242 551	101 858	265 000	288 200
Refuse (removed once a week)	28 000	54 000	82 000	75 000	24 000	86 000	72 000	78 000
Total cost of FBS provided (minimum social package)	229 961	251 382	249 758	283 263	350 605	256 503	430 820	463 181
Highest level of free service provided								
Water (kilolitre per household per month)	6	6	6	6	6	6	6	6
Electricity (kwh per household per month)	50	100	150	150	150	150	150	150
Refuse (average litre per week)	900	861	882	850	850	830	875	840
Revenue cost of free services provided (R'000)								
Property rates (R15 000 threshold rebate)								
Property rates (other exemptions, reductions and rebates)								
Water	256 297	268 502	287 740	313 827	313 827	342 891	384 321	403 792
Sanitation	41 411	43 942	59 408	76 948	76 948	93 147	113 078	138 203
Electricity/other energy	76 309	117 325	157 954	189 801	189 801	179 310	318 000	357 750
Refuse	17 000	20 800	23 600	22 800	22 800	31 200	31 500	38 300
Housing - top structure subsidies	151 409	308 824	157 863	50 000	50 000	8 772	-	-
Total revenue cost of free services provided (total social package)	542 426	759 393	686 365	633 174	633 174	655 320	846 897	838 045

1.5 Statement of Tariff Setting

Tariff-setting is a pivotal and strategic part of the compilation of any budget. The City annually reviews its tariffs to ascertain whether they are still capable of producing the required revenue envelope, taking note of the prevailing trends. This process of tariff setting takes place within the framework of the City's tariff policy. The tariff policy is premised on principles of financial sustainability, social considerations as relates to the affordability of services, economic soundness and environmental considerations.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the 6 per cent upper boundary of the South African Reserve Bank's inflation target.

While the City is committed to maintaining tariff increases within the forecasted inflation, increases above inflation are applied to some services (mainly major trading services) due to budgetary requirements aimed at sustaining service provision.

The percentage increases of both Eskom and Rand Water bulk tariffs are far beyond the mentioned inflation target. Given that these tariff increases are determined by external agencies, these tariffs are largely outside the control of the City. Discounting the impact of these price increases in lower consumer tariffs will erode the City's future financial position and viability.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity and water, petrol, diesel, chemicals, cement etc. The current challenge facing the City is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions.

For the 2011/12 financial year tariff increases for the major services were primarily driven by the following broad considerations:

- Political and social considerations;

- Move towards cost reflective tariffs over the medium term to ensure financial, and so service delivery, sustainability- cost recovery will be phased in gradually in consideration of affordability of services;
- Maintaining the City's infrastructure in good state of repair, mindful of the affordability of services;
- Producing surplus cash to maintain positive working capital position;
- Increase in bulk purchases;
- Capital investment plans;
- The need to continue the roll out of the demand side management programmes;
- The projected shortage of water resources;
- Current national electricity constraints;
- Trends in the national and local economy;
- The impact of inflation and other cost increases;
- Expanded Social Package considerations; and
- National waste minimization targets set within the Polokwane Declaration.

Within this framework the City has undertaken the tariff setting process relating to service charges as follows:

Property Rates

Property rates funds approximately 40% of the total revenue requirement of the City. Determining the effective property rate tariff is therefore an integral part of the City's budgeting process.

National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties relative to residential. The residential to business ratio is set at 2:1. The City's residential to business ratio is 1:3.5. The City is considering reviewing this ratio in order to reduce the gap to a more acceptable level.

The following stipulations in the Property Rates Policy are highlighted:

- The first R150 000 of the value of all residential property shall be exempted from rating;
- Rebates are given to residential property owners who are registered on the City's Expanded Social Package, dependent on points rating;

- Pensioner owners with gross monthly household income of less than R5 600 are given 100% rebate, while those with gross monthly income higher than R5 600 but less than R10 300 qualify for 50%;
- A 20% rebate is given to sectional title residential; and
- 100% rebate for organisations with purpose of animal protection, 20% rebate for heritage sites, 50% for primary and secondary schools, 20% for technical colleges, universities and tertiary institution facilities, 40% for private sports clubs, 50% to vacant land, 50% to property owned by organisations in terms of the Housing Development Scheme for Retired Persons Act.

Rebates are subject to conditions as detailed in the Property Rates Policy.

The categories of rateable properties for purposes of levying rates and the proposed rates for 2011/12 financial year based on a 6.7% increase from 1 July 2011 are contained below:

Proposed rates to be levied for the 2011/12 financial year

Category	Ratio 2010/2011	Tariff 2010/2011 (Cents in the Rand)	Ratio 2011/2012	Tariff 2011/2012 (Cents in the Rand)	% increase
Agricultural Holdings	1	0.004928	1	0.005258	6.7%
Business	3.5	0.017248	3.5	0.018404	6.7%
Business Sectional Title	3.5	0.017248	3.5	0.018404	6.7%
Education	0.25	0.001232	0.25	0.001314	6.7%
Public Benefit	0.25	0.001232	0.25	0.001314	6.7%
Farming land/Property used for bona fide farming	1	0.004928	0.25	0.001314	6.7%
Mining	3.5	0.017248	3.5	0.018404	6.7%
Multiple purpose	3.5	0.017248	3.5	0.018404	6.7%
Municipal Not Rateable	0	0	0	0	6.7%
Municipal Rateable	1.2	0.005914	1.2	0.006310	6.7%
Public Service Infrastructure	0	0.001232	0.25	0.001314	6.7%
Religious	0	0	0	0	6.7%
Residential	1	0.004928	1	0.005258	6.7%
Sectional Title	1	0.004928	1	0.005258	6.7%
State	1.5	0.007392	1.5	0.007887	6.7%
Vacant	4	0.019712	4	0.021033	6.7%
Residential Property with Consent Use	2	0.009856	2	0.010516	6.7%
Public service infrastructure privately owned	0.25	0.001232	0.25	0.001314	6.7%
Private open spaces	0.25	0.001232	0.25	0.001314	6.7%

Water Services and Sewerage and Sanitation Services

South Africa faces similar challenges with regard to water supply as it did with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

In addition National Treasury has urged all municipalities to ensure that water tariff structures are cost reflective by 2014.

Better maintenance of infrastructure, new dam construction and cost-reflective tariffs will ensure that the supply challenges are managed in future to ensure sustainability. Rand Water has increased its bulk tariffs with 12.1 per cent from 1 July 2011.

An average tariff increase of 14 per cent from 1 July 2011 for water is proposed. This is based on input cost assumptions of 12.1 per cent increase in the cost of bulk water (Rand Water), the cost of other inputs and a surplus generated on the water service of R53.1 million. In addition 6 kℓ water per 30-day period will again be granted free of charge to all residents.

A summary of the proposed tariffs for households (residential) and non-residential are as follows:

0 to 6kl	Free
Greater than 6 up to 10kl	6.7%
Greater than 10 up to 15kl	8.7%
Greater than 15 up to 20kl	10.7%
Greater than 20 up to 30kl	12.7%
Greater than 30 up to 40kl	14.0%
In excess of 40kl	14.5%

Institutional and commercial

Up to 200kl	14.0%
More than 200kl	15.0%
Others	14.0%

Proposed Domestic Water Tariff – Metered Areas

Kilolitres per connection per month	2010/11 Tariff (R/kl)	2011/12 Tariff (R/kl)
0-6	Free	Free
> 6-10	R4.93	R5.26
>10-15	R7.31	R7.95
>15-20	R9.59	R10.62
>20-30	R11.98	R13.50
>30-40	R12.36	R14.09
>40	R14.94	R17.11

Proposed Domestic Water Tariffs in Previously Deemed Consumption Areas fitted with Metered Connections as per the Prepayment Metering Project

Kilolitres per connection per month	2010/11 Tariff (R/kl)	2011/12 Tariff (R/kl)
0-6	Free	Free
>6-10	R3.81	R4.07
>10-15	R4.66	R5.07
>15-20	R7.95	R8.80
>20-30	R11.47	R12.93
>30-40	R11.84	R13.50
>40	R14.82	R16.97

Proposed water tariffs for indigents as part of the Expanded Social Package:

Indigent Category	Score on Prevailing COJ Poverty Index	Allocation of additional free water per person per day (litres)	Monthly allocation cap of free water per household in which at least 50% of registered social package recipients qualify for the band in question (Kilo-litres)
Band 1	1-34	25l.	10kl.
Band 2	35-70	35l.	12kl.
Band 3	70-100	50l.	15kl.

Note:

- a. Band 3 refers to individuals/ households with no formal income from either grants or employment, or incomes below the individual survival level of R645 per month
- b. Band 2 refers to individuals/ households with some formal income that nonetheless falls below the survival range threshold set by the approved index.
- c. Band 1 refers to individuals / households within the vulnerability range defined by the approved index

Proposed Institutional Water Tariffs

Kilolitres per connection per month	2010/11 Tariff (R/kl)	2011/12 Tariff (R/kl)
Consumption up to 200kl	R10.58	R12.06
Consumption exceeding 200kl	R10.72	R12.33

Proposed Industrial/Commercial Water Tariffs

Kilolitres per connection per month	2010/11 Tariff (R/kl)	2011/12 Tariff (R/kl)
Consumption up to 200kl	R14.62	R16.67
Consumption exceeding 200kl	R14.82	R17.04

Proposed Private Dwelling Domestic Sanitation Tariffs

ERF Size (m ²)	2010/11 Tariff (R/erf/month)	2011/12 Tariff (R/erf/month)
Up to and including 300m ²	R75.61	R86.20
Larger than 300m ² to 1000m ²	R147.19	R167.80
Larger than 1000m ² to 2000m ²	R222.68	R253.86
Larger than 2000m ²	R320.85	R365.77

Proposed sanitation tariffs for indigents as part of the Expanded Social Package:

Indigent Category	Score on Prevailing COJ Poverty Index	Reduction in sewerage tariff charge for applicable indigent band
Band 1	1-34	70%
Band 2	35-70	100%
Band 3	70-100	100%

Note:

- d. Band 3 refers to individuals/ households with no formal income from either grants or employment, or incomes below the individual survival level of R645 per month
- e. Band 2 refers to individuals/ households with some formal income that nonetheless falls below the survival range threshold set by the approved index.
- f. Band 1 refers to individuals / households within the vulnerability range defined by the approved index

Proposed Domestic Sanitation Tariffs in Previously Deemed Consumption Areas fitted with Prepaid Meter Connections

Kilolitres Per connection per month	2010/11 Tariff Subsidised measured (R/kl)	2011/12 Tariff Subsidised measured (R/kl)
0-6	Free	Free
>6-10	R2.13	R2.27
>10-15	R2.56	R2.78
>15-20	R4.49	R4.97
>20-30	R6.61	R7.45
>30-40	R6.82	R7.77
>40-50	R8.40	R9.62
>50	R11.12	R12.73

NB: Business customers continue to pay a 2% surcharge

The table below shows the impact of the proposed increases on households' water bills.

Monthly consumption KI	Current amount payable	Proposed amount payable	Difference
15	56.27	60.79	4.52
20	104.22	113.89	9.67
25	164.12	181.39	17.27
30	224.02	248.89	24.87
40	347.62	389.79	42.17
50	497.02	560.89	63.87

Refuse Removal Services

The setting of refuse removal services has been informed by the following considerations:

- Maintain level 4 cleanliness in the Inner-City
- Maintain level 3 cleanliness in the outer Central Business Districts (CBD's)
- Maintain the current level of cleanliness in the informal settlements to levels 2- 3
- Fund the cost of non-billable services (street & lane cleaning, area cleaning, clearing of illegal dumping spots. Garden sites and clearing of carcasses of stray animals)
- Extend services for round collected refuse to upgraded and new housing developments
- Rollout the "Separation at Source" project in phases over years– separation of re-usable and recyclable waste

The City has embarked on measures to improve business efficiency and reduce the cost of providing services to the citizens of CoJ. To this end the City has resolved to exit non-Core (non-Council) loss making commercial services starting 1 July 2011, namely:

- Bulk container business
- Safe disposal
- Incineration (medical waste) – decommissioned to date, and
- Composting

Refuse removal is charged based on property value. A tariff increase of 6.7% across all residential property values is proposed from 1 July 2011.

Domestic tariffs

Indigent households and all properties valued below the threshold of R150, 000 will continue to receive free basic services.

The following tables present the proposed tariffs, aligned to the budget indicatives of the City's Medium Term Expenditure Framework.

Proposed Tariffs

Description	2010/11 (Current)	2011/12	Rand value increase	% increase
From R150 001 to R300 000	R 73.00	R 77.89	4.89	6.7
From R300 001 to R500 000	R 85.00	R 90.70	5.70	6.7
From R500 001 to R700 000	R 97.00	R 103.50	6.50	6.7
From R700 001 to R1 500 000	R 128.00	R 136.58	8.58	6.7
More than R1 500 000	R 178.00	R 189.93	11.93	6.7

Cost of Non-billable Services

	2010/11 R' Mil	2011/12 R' Mil
Informal Settlements	R 62.40	R 87.50
Street Sweeping	R 404.30	R 498.90
Illegal Dumping	R 74.80	R 69.30
Garden Sites	R 73.30	R 88.80
Total	R 614.80	R 744.50

New tariff products

Hazardous waste

Category	No Treatment	Flammability	Alkalinity or Acidity
Sludge	R 400 per Ton/1000kg	1:1 to 4:1 - R399 + R 400 per Ton	PH above 7 or PH below 7 R 400 + R 65 per Bag (of Lime)
		1:5 to 9:1 - R 599 + R 400 per Ton	
		10:1 and above - R 699 + R 400 per Ton	
Liquid	R 650 per Ton/1000kg	1:1 to 4:1 - R399 + R 650 per Ton	PH above 7 or PH below 7 R 650 + R 65 per Bag (of Lime)
		1:5 to 9:1 - R 599 + R 650 per Ton	
		10:1 and above - R 699 + R 650 per Ton	
Solid	R 250 per Ton/1000kg	1:1 to 4:1 - R399 + R 250 per Ton	PH above 7 or PH below 7 R 250 + R 65 per Bag (of Lime)
		1:5 to 9:1 - R 599 + R 250 per Ton	
		10:1 and above - R 699 + R 250 per Ton	

Refuse other than special industrial refuse generated outside the City of Johannesburg

A new tariff is being proposed for refuse other than special industrial waste for customers residing outside the City of Johannesburg. The proposed tariff would be as follows:

- For each 500 Kg of refuse or part thereof, other than special industrial refuse R 98.59 (R65.11 plus 50%)

Non domestic customers

Business city cleaning levy

The following table shows the projected increase in the business city cleaning levy which is only levied on properties that are used for commercial or business purposes.

Business City Cleaning Levy

Property Values	Count 2010/11	Refuse Levy – 2011/12	Revenue 2010/11	Revenue 2011/12	Base Tariff 2010/11	% Change
< R 2m	39 288	R 104.57	R 46 202 688	R 49 298 268	R 98.00	6.70%
R2 mil to R5 mil	4 868	R 151.51	R 8 295 072	R 8 850 842	R 142.00	6.70%
>R5 mil to R10 mil	2 071	R 240.08	R 5 591 700	R 5 966 344	R 225.00	6.70%
>R10 mil to R30 mil	1 561	R 320.10	R 5 619 600	R 5 996 113	R 300.00	6.70%
> R30 mil	760	R 405.46	R 3 465 600	R 3 697 795	R 380.00	6.70%
Total	48 548		R 69 174 660	R 73 809 362	Average Increase	6.70%

Business services

Proposed tariff increases for business services are as follows:

- Business round collected refuse: 6.7%;
- Business putrescible waste / dailies: 6.7%;
- Animal carcass removal: It is aligned to the projected CPI of throughout the 3 year period of 6.7%; and
- Institutions (public service infrastructure): Aligned to CPI at 6.7%.

Electricity Services

NERSA has announced the revised bulk electricity pricing structure. A 26.7 per cent increase in the Eskom bulk electricity tariff to municipalities will be effective from 1 July 2011.

Considering the Eskom increases, the City is proposing an average tariff increase of 27.7% for electricity effective from 1 July 2011. A stepped tariff structure is applied. Tariff increases vary across the various tariff bands as follows:

Life line tariff

The proposed increase on this tariff is 8%, which is in line with the NERSA proposals for low consumption customers. Customers on this tariff may not be as poor as those who are on the Siyasizana programme (ESP).

Single and three phase tariff

The proposed energy increase is 16%, while the service charge increases by 13%. The reason for the low increase on the service charge is to reduce the breakeven point between the prepaid and conventional customers. This is to make prepaid cheaper than the conventional, in line with the strategy to be a prepaid City.

Prepaid

Due to the drive to bring citizens of the City of Johannesburg to prepayment metering system, the tariff increase is kept very low at 5%.

Agriculture

Proposed increase is 30%.

Business and Industrial

An increase of 31% & 29% respectively is proposed. This tariff category subsidizes the life line and portion of single phase and three phase residential customers.

Free Basic Electricity (FBE)

In line with the City's Expanded Social Package, FBE will be provided as follows:

Band	Score on Prevailing COJ Poverty Index	Allocation of additional free electricity per person per month (kilowatt hours)	Monthly allocation cap of free electricity per household in which at least 50% of registered social package recipients qualify for the band in question (Kilowatt hours)
Band 1	1-34	10	50kWh
Band 2	35-70	20	100kWh
Band 3	70-100	30	150kWh

The table below shows the impact of the proposed electricity tariffs on households:

Monthly consumption Kwh	Current amount payable	Proposed amount payable	Difference
60	39.18	42.31	3.13
200	391.64	443.34	51.70
498	566.72	646.43	79.71
700	692.32	792.14	99.82
1000	871.54	1000.04	128.50

Overall impact of tariff increases on households

Table SA14 below shows the overall impact of the tariff increases on large and small households.

Description	2007/8	2008/9	2009/10	Current Year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework			
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12 % Incr.	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Randfont									
Monthly Account for Household - 'Large' Household									
Rates and services charges:									
Property rates	424.24	454.36	495.00	554.40	554.40	6.7%	591.54	624.67	659.03
Electricity: Basic levy	121.99	146.39	226.56	274.14	274.14	12.0%	307.04	324.23	342.06
Electricity: Consumption	403.79	427.61	481.80	597.40	597.40	16.0%	683.00	651.66	698.50
Water: Basic levy	-	-	-	-	-	-	-	-	-
Water: Consumption	163.80	172.15	203.14	224.02	224.02	11.1%	248.69	262.82	277.27
Sanitation	100.55	105.68	129.00	147.19	147.19	14.0%	167.80	177.19	186.94
Refuse removal	44.48	46.75	113.00	128.00	128.00	6.7%	136.58	144.23	152.16
Other	-	-	-	-	-	-	-	-	-
sub-total	1 258.85	1 352.94	1 648.50	1 925.15	1 925.15	11.4%	2 144.65	2 384.80	2 515.96
VAT on Services	116.85	125.60	161.49	191.91	191.91	-	217.46	246.42	259.97
Total large household bill:	1 375.70	1 478.74	1 809.99	2 117.06	2 117.06	11.6%	2 362.31	2 631.22	2 775.93
% Increase/decrease		7.5%	22.4%	17.0%	-		11.6%	11.4%	5.5%
Monthly Account for Household - 'Small' Household									
Rates and services charges:									
Property rates	109.38	116.67	128.33	143.73	143.73	6.7%	153.36	161.95	170.85
Electricity: Basic levy	121.99	146.39	226.56	274.14	274.14	12.0%	307.04	324.23	342.06
Electricity: Consumption	190.41	201.64	235.95	292.58	292.58	16.0%	339.39	417.08	440.02
Water: Basic levy	-	-	-	-	-	-	-	-	-
Water: Consumption	121.80	128.01	149.94	164.12	164.12	10.9%	181.39	191.55	202.09
Sanitation	51.70	54.34	66.27	75.61	75.61	14.0%	86.20	91.02	96.02
Refuse removal	25.16	26.44	76.00	86.00	86.00	6.7%	90.70	95.78	101.05
Other	-	-	-	-	-	-	-	-	-
sub-total	620.44	673.49	883.05	1 035.18	1 035.18	11.9%	1 158.08	1 281.61	1 352.09
VAT on Services	71.55	77.95	105.66	124.80	124.80	-	140.65	156.75	165.37
Total small household bill:	691.99	751.44	988.71	1 159.98	1 159.98	12.0%	1 298.74	1 438.36	1 517.46
% Increase/decrease		8.6%	31.6%	17.3%	-		12.0%	10.8%	5.5%
Monthly Account for Household - 'Small' Household receiving free basic services									
Rates and services charges:									
Property rates	-	-	-	-	-	-	-	-	-
Electricity: Basic levy	-	-	-	-	-	-	-	-	-
Electricity: Consumption	25.68	27.20	34.07	39.18	39.18	9.0%	42.71	45.10	47.58
Water: Basic levy	-	-	-	-	-	-	-	-	-
Water: Consumption	-	-	-	-	-	-	-	-	-
Sanitation	51.70	54.34	66.27	75.61	75.61	14.0%	86.20	91.02	96.02
Refuse removal	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
sub-total	77.38	81.54	100.34	114.79	114.79	12.3%	128.91	136.12	143.60
VAT on Services	10.83	11.42	14.05	16.07	16.07	-	18.05	19.06	20.10
Total small household bill:	88.21	92.96	114.39	130.86	130.86	12.3%	146.96	155.18	163.70
% Increase/decrease		5.4%	23.1%	14.4%	-		12.3%	5.6%	5.5%

References

- 1 Use as basis 1 000m² erf, 150m³ improvements, 1 000 units electricity and 30M water.
- 2 Use as basis 300m² erf, 48m³ improvements, 498 units electricity and 25kl water.
- 3 Use as basis 300m² erf, 48m³ improvements, 60kw electricity and 6kl water (TO BE CONFIRMED).

1.6 Council Resolutions

OPERATING BUDGET

IT IS RECOMMENDED

1. That the consolidated operating revenue of R29.4 billion, operating expenditure of R28.3 billion, taxation of R295.4 million and capital grants and contributions of R2.7 billion for the City of Johannesburg for the financial year 2011/12, and the indicatives for the projected medium term period 2012/13 to 2013/14 be approved as set out in the following attachments:
 - 1.1 The consolidated operating budget for the City, Core Administration and Municipal Entities as reflected in Annexure A, B and C.
 - 1.2 The operating and revenue budget by vote for the City as reflected in Annexure D.
2. That the subsidies payable by Core Administration to the following Municipal Entities be approved: –

Vote	Budget 2011/12	Estimate 2012/13	Estimate 2013/14
	R 000	R 000	R 000
Pikitup	976 356	1 007 749	1 063 101
Johannesburg Roads Agency	460 300	490 019	517 215
Metrobus	299 919	318 104	336 735
Johannesburg City Parks	475 682	508 735	536 741
Johannesburg Zoo	42 293	46 540	49 164
Johannesburg Development Agency	22 866	22 677	23 651
Metro Trading Company	51 775	53 984	57 293
Johannesburg Tourism company	33 417	32 939	34 681
Johannesburg Social and Housing Company	17 764	16 869	16 872
Johannesburg Civic Theatre	26 818	26 871	28 441
Roodepoort City Theatre	9 853	10 176	10 736
Total subsidies to ME's	2 417 043	2 534 663	2 674 630

3. That the supporting information contained in the 2011/12 – 2013/14 Medium Term Revenue and Expenditure Budget document as required in terms of Section 17(3) of the Municipal Finance Management Act (Act 56 of 2003) be considered in conjunction with this report.

CAPITAL BUDGET

IT IS RECOMMENDED

1. That the annual capital budget of R3 722 199 000 for the year 2011/12 and the estimates for the projected outer years from 2012/13 to 2013/14 for the City of Johannesburg be considered for consultation as set out in the following schedules:
 - 1.1 Capital budget by vote for each of the Municipal Entities and Core Administration as reflected in Annexure A.
 - 1.2 Capital budget by project for each of the Municipal Entities and Core Administration as reflected in Annexure B.

TARIFFS

IT IS RECOMMENDED

It is recommended that the tariff charges for the 2011/12 budget, as tabled in the Council agenda be approved.

PART 2: SUPPORTING DOCUMENTATION

2.1 Overview of the Annual Budget Process

In terms of Section 16(2) of MFMA, the Mayor must table a draft annual budget at a Council meeting 90 days before the start of the budget year.

In terms of Section 87(1) of the Act, Municipal Entities are required to submit their draft budgets to the parent municipality not later than 150 days before the start of the entity's financial year.

Chapter two of the MBRR states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The MFMA and MBRR aim to put in place a sound financial framework and sets out timelines for budget preparations and approval. The tabling of the draft budget in March will facilitate community participation, encourage discussion with all stakeholders and provide an opportunity for feedback.

The process for 2011/12 MTB commenced with the 1st Budget Lekgotla that was held on 21- 23 October 2010. The 1st Lekgotla undertook a strategic assessment of both financial and non-financial past performance. The assessment included the performance of the past 5- year term of office, also giving indications towards the development of the next 5- year IDP. The Medium Term Budget, outlining the projected budget parameters and spending levels for the 2011/12 budgeting cycle, was presented at the Lekgotla.

This process was followed by Budget Steering Committee (BSC) meetings held on 18- 26 January 2011. The primary objectives of the BSC was to assess budget proposals presented by the departments and municipal entities to ensure that the proposed spending gives effect to the developmental objectives expressed in the City's Growth and Development Strategy and to ensure that the available resources are allocated in line with the City's priorities.

The assessment of the BSC was then presented to the 2nd Budget Lekgotla held on 15-16 February 2010. Draft MTB allocations were determined and issued to all Departments and Municipal Entities to prepare their draft budgets in line with the allocations and align IDP programmes accordingly.

The draft budget for 2011/12 Budget was tabled at Council during March 2011 for consultation.

After the municipal elections, a Mayoral Lekgotla was held on the 11-15 June 2011. The purpose of the Mayoral Lekgotla was to undertake a comprehensive evaluation of the services delivery and developmental challenges confronting the City so as to develop a programme of action and ensure that the budget response to the challenge.

Furthermore, there is an increasing priority for local government to respond to the medium term outcomes that have been determined for government at all levels. In particular, provision of quality services, job creation and improving the basic requirements for a functional, responsive, accountable, effective, and efficient developmental local government.

2011/12 Budget Approach

- The first three months spending of the budget will focus on basic service delivery.
- The remainder of the allocation will be ringfenced to allow re-engineering of the programmes to ensure that the deliverables respond to the developmental challenges.
- The deliverables in the three months will be used to influence the remainder of the budget allocations, taking into account the medium to long term priorities for the City.
- The budget will be reviewed to ensure that resources are distributed in line with the priorities as outlined in the refined GDS and revised IDP.

Key timelines for the budget process are summarized below:

Budget and tariff process 2011/12	Timeframe
Budget Lekgotla 1	21- 23 October 2010
Sector Workshops, budgeting and business planning process	October – December 2011
Budget Steering Committee meetings	18- 26 January 2011
Budget Lekgotla 2	15- 16 February 2011
Adjustment Budget 2010/11	24 February 2011
National Treasury Visit	28 February 2011
Tabling of the draft budget, tariffs and IDP at Council	24 March 2011
Stakeholder summit	27 March 2011
Objection period is 30 days	
National Treasury Visit	11 May 2011
Mayoral Lekgotla	11-15 June 2011
Approval of final IDP and Budget by Special Mayoral Committee	23 June 2011
Council approval of final Budget and IDP, and Budget Day	30 June 2011

2.2 Overview of Alignment of Annual Budget with IDP

The City's IDP contains the medium term focus areas for development. These focus areas set the agenda for resource planning and allocation over the medium term. In turn, the IDP is influenced by the Mayoral priorities, the City's long- term growth and development strategy (GDS), and the district, provincial and national plans.

The 2011/12 budget addresses the following development priority areas identified in the IDP for the new 5- year term of office:

- Stepping up the basics;
- Financial sustainability;

- Good governance;
- Urbanisation and sustainable human settlements;
- Economic development and job creation;
- Safe and sustainable natural environment; and
- Social inclusion and equity

Refer to the IDP for detailed measurable performance objectives.

2.3 Measurable performance objectives and indicators

Drinking water quality and waste water management

Name of Water Service Authority: City of Johannesburg Metropolitan Municipality.

Name of Water Service Provider: Johannesburg Water (Pty) Ltd.

The Department of Water Affairs conducts an annual performance rating of water treatment works, presenting a Blue Drop or Green Drop award respectively to potable water treatment works and waste water treatment works that meet certain criteria of excellence.

In the 2009 and 2010 assessments, City of Johannesburg and its water service provider Johannesburg Water (Pty) Ltd (JW) attained 100% and 99% rating respectively and were accordingly awarded Blue Drop status, indicating that the City's drinking water is of exceptional quality.

The City of Johannesburg and its water service provider JW have been awarded the Green Drop certification respectively for 2009, with a rating of 94%, indicating that the City's waste water treatment works meet waste treatment standards of exceptional quality. The results for the 2011 assessment are still pending.

JW has a Water Safety Plan in place and the plan was independently assessed by the International Water Association (IWA) against an international assessment model. There were no high-risk problems identified. There are no problems experienced in the management of drinking water and the water continuously complies with the *Drinking Water Standard: SANS 241*.

The 2011/12 IDP delivery agenda for JW includes the quality of service to ensure that the current high quality of drinking water and waste water treatment works is maintained. In 2009/10 99.9% was achieved against the target of 99% for drinking water quality monitoring programme. The programme on improving quality of service has been allocated about R7 million in the 2011/12 budget.

Table A10: Consolidated basic service delivery measurement

Description	2007/8	2008/9	2009/10	Current Year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Household service targets (000)								
Water:								
Piped water inside dwelling	923 408	1 005 814	1 006 866	1 038 988	1 038 988	1 068 986	1 088 986	1 128 988
Piped water inside yard (but not in dwelling)	55 996	55 996	55 996	55 996	55 996	55 996	55 996	55 996
Using public tap (at least min service level)	148 332	158 864	161 548	185 434	185 434	188 734	172 034	175 334
<i>Minimum Service Level and Above sub-total</i>	1 128 736	1 220 474	1 224 508	1 258 398	1 258 398	1 291 886	1 324 986	1 358 286
Other water supply (< min service level)	37 075	32 467	29 585	26 697	25 879	22 387	19 087	15 797
No water supply	536	536	536	536	536	536	536	536
<i>Below Minimum Service Level sub-total</i>	37 611	33 003	30 121	26 233	26 215	22 933	19 633	16 333
Total number of households	1 166 347	1 253 477	1 254 629	1 284 629	1 284 611	1 314 820	1 344 620	1 374 620
Sanitation/sewage:								
Flush toilet (connected to sewerage)	967 998	1 053 811	1 055 139	1 052 591	1 052 591	1 082 591	1 112 591	1 142 591
Chemical toilet	76 472	75 073	72 573	89 419	69 419	85 119	80 819	55 519
Pit toilet (ventilated)	58 149	85 432	87 932	71 088	71 088	75 388	78 888	83 988
Other toilet provisions (> min service level)	7 549	7 549	7 549	7 549	7 549	7 549	7 549	7 549
<i>Minimum Service Level and Above sub-total</i>	1 110 168	1 201 865	1 203 193	1 200 645	1 200 645	1 230 645	1 280 645	1 290 645
No toilet provisions	51 855	45 971	45 971	45 371	45 371	45 371	45 371	45 371
<i>Below Minimum Service Level sub-total</i>	51 855	45 971	45 971	45 371	45 371	45 371	45 371	45 371
Total number of households	1 162 021	1 247 836	1 249 164	1 246 016	1 246 016	1 276 016	1 306 016	1 336 016
Energy:								
Electricity (at least min service level)	217 880	212 088	226 488	239 172	239 172	251 809	268 189	287 897
Electricity - prepaid (min service level)	94 854	109 924	117 398	123 973	123 973	130 420	137 202	144 337
<i>Minimum Service Level and Above sub-total</i>	312 734	321 992	343 886	363 145	363 145	382 029	408 391	432 334
Total number of households	312 714	321 892	343 886	363 145	363 145	382 029	408 391	432 334
Refuse:								
Removed at least once a week	885 000	896 000	911 000	915 000	915 000	931 000	980 000	1 028 000
<i>Minimum Service Level and Above sub-total</i>	885 000	896 000	911 000	915 000	915 000	931 000	980 000	1 028 000
Total number of households	885 000	896 000	911 000	915 000	915 000	931 000	980 000	1 028 000
Households receiving Free Basic Services								
Water (6 kilolitres per household per month)	1 128 736	1 220 474	1 224 508	1 258 398	1 258 398	1 291 886	1 324 986	1 358 286
Sanitation (free minimum level service)	103 170	104 255	110 815	115 815	115 815	120 815	125 815	130 815
Electricity/other energy (50kwh per household per month)	230 408	235 051	242 551	242 551	242 551	242 551	258 134	270 221
Refuse (removed at least once a week)	180 000	192 200	196 400	199 000	199 000	186 000	175 000	168 000
Cost of Free Basic Services provided (R'000)								
Water (6 kilolitres per household per month)	15 321	15 184	18 128	19 107	19 107	20 188	21 327	22 500
Sanitation (free sanitation service)	128 554	90 518	61 620	64 947	64 947	68 649	72 493	78 480
Electricity/other energy (50kwh per household per month)	80 086	91 660	108 008	124 209	242 551	101 658	285 000	286 200
Refuse (removed once a week)	28 000	54 000	82 000	75 000	24 000	88 000	72 000	78 000
Total cost of FBS provided (minimum social package)	229 961	251 362	249 756	283 263	330 605	256 503	430 820	463 181
Highest level of free services provided								
Water (kilolitres per household per month)	6	6	6	6	6	6	6	6
Electricity (kwh per household per month)	50	100	150	150	150	150	150	150
Refuse (average litres per week)	900	961	982	950	950	930	875	840
Revenue cost of free services provided (R'000)								
Property rates (R15 000 threshold rebate)								
Property rates (other exemptions, reductions and rebates)								
Water	256 287	288 502	287 740	313 627	313 627	342 891	384 321	403 792
Sanitation	41 411	43 942	59 408	76 948	76 948	93 147	113 078	138 203
Electricity/other energy	78 309	117 325	157 954	189 801	189 801	179 310	318 000	357 750
Refuse	17 000	20 800	23 600	22 800	22 800	31 200	31 500	36 300
Housing - top structure subsidies	151 409	308 824	157 683	50 000	50 000	8 772	-	-
Total revenue cost of free services provided (total social package)	542 426	759 393	686 385	633 174	633 174	655 320	846 897	938 045

Table SA 8: Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2007/8	2008/9	2009/10	Current Year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Borrowing Management									
Borrowing to Asset Ratio	Total Long-Term Borrowing/Total Assets	21.7%	22.9%	24.8%	25.6%	25.6%	22.4%	21.8%	20.9%
Credit Rating		A+	AA	AA	AA	AA			
Capital Charges to Operating Expenditure	Interest & Principal Paid/Operating Expenditure	7.1%	7.3%	12.7%	6.7%	6.9%	6.5%	9.7%	6.0%
Borrowed funding of total capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	66.3%	68.3%	96.1%	76.8%	76.6%	98.0%	98.6%	99.0%
Safety of Capital									
Debt to Equity	Loans, Creditors, Overdraft & Tax Provision/ Funds & Reserves	97.7%	135.5%	117.4%	94.0%	109.4%	98.8%	84.9%	78.6%
Liquidity									
Current Ratio	Current assets/current liabilities	0.8	0.7	0.6	0.8	0.7	0.9	1.2	1.4
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0.8	0.7	0.6	0.8	0.7	0.9	1.2	1.4
Liquidity Ratio	Monetary Assets/Current Liabilities	0.2	0.1	0.0	0.2	0.1	0.2	0.4	0.6
Revenue Management									
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		91.3%	97.6%	81.9%	81.9%	68.4%	92.6%	93.7%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	25.9%	26.6%	19.7%	17.7%	18.1%	21.3%	17.5%	17.6%
Other Indicators									
Electricity Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated	12.5%	12.4%	12.0%	12.5%	13.0%	13.0%	13.0%	13.0%
Water Distribution Losses (2)	% Volume (units purchased and own source less units sold)/Total units purchased and own source		33.6%	36.6%	34.0%	34.0%	33.0%	33.0%	0.0%
Employee costs	Employee costs/(Total Revenue - capital revenue)	26.4%	26.5%	26.1%	24.3%	24.4%	23.4%	22.4%	21.1%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	26.8%	26.8%	26.5%	24.6%	24.8%	23.7%	22.7%	21.4%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	11.2%	10.6%	12.7%	11.0%	10.9%	10.6%	10.3%	9.2%
IDP resolution financial viability indicators									
I Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	13.9	8.5	40.9	41.0	41.0	14.2	41.1	46.6
I.O.S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	36.6%	38.1%	26.7%	23.2%	23.6%	26.6%	21.3%	21.2%
II Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	1.1	0.4	0.2	1.0	0.3	0.8	1.5	2.1

2.4 Overview of Budget Related Policies

Budgeting is central to the process of prioritizing for service delivery and the management of the functions of Council. The City's budgeting process is guided and governed by relevant legislation and budget related policies.

The following are the key policies that affect or are affected by the annual budget:

Budget Management Policy

The City has developed a Budget Management Policy that provides a framework within which Directors, Managing Directors, Chief Executive Officers, Chief Financial Officers, Finance Directors and Managers can compile, control and review budgets of their respective Departments and Municipal Entities to ensure effective financial management.

This policy incorporates, amongst others, provisions for the shifting of funds within and between votes, adjustment budgets, unforeseen and unavoidable expenditure, and budget management and oversight.

Tariff Policy

The Municipal Systems Act, Act 32 of 2000, requires a municipality to have a tariff determination policy.

The City's Tariff Policy provides a broad framework within which Council can determine fair, transparent and affordable service charges that also promote sustainability of service provision. This policy is based on principles that address the social, economic and financial imperatives that the process of tariff setting should take account of. In addition to the policy, and for operational purposes, tariff setting methodologies have been developed for the various departments and entities involved in trading services. The methodologies specify the procedure that departments and municipal entities should follow in determining their tariff increases. The City revised its tariff policy in 2008.

Treasury Control Policy

The City has a Treasury Control Policy in place, which details a strategy and process of risk management that is aligned to the principles of King II and complies with all the relevant legislation, regulations and guidelines.

The City needs to manage the risks for strategic considerations such as the protection of vulnerable business units, financial and other assets of the organisation. Further, to ensure the continued financial strength of the organisation by avoiding the occurrence of unnecessary/ uncontrolled losses which could weaken the overall profitability and balance sheet structure.

The Treasury Control Policy is being revised.

Cash Management and Investment Policy

Section 13 (2) of the MFMA requires that a municipality have a policy dealing with cash management and investment.

The City's Cash Management and Investment policy is developed within the framework of the MFMA, and is contained within its Treasury Policy.

Policy on Borrowing

Chapter six (6) of the MFMA provides a framework for a policy on borrowing.

The City's Policy on Borrowing is contained within its Treasury Policy, and it ascribes to the principles outlined in the Act.

Funding and Reserves Policy

The City's Treasury Policy contains a policy on funding and reserves.

The Funding Policy is aimed at ensuring that the City procures sufficient and cost effective funding in order to achieve its capital expenditure objectives in an optimum manner. The Policy shall be adhered to in the procurement of funding for the City having due regard to the assets and liability maturity profile of the City.

Credit Control and Debt Collection Policy

The City's Credit Control and Debt Collection Policy provide the procedures and mechanisms for credit control and for the collection of debts. The primary objective of this policy is to ensure that all monies due and payable to the City in respect of rates, fees for services, surcharges on such fees, charges, tariffs, interest which has accrued on any amounts due and payable in respect of the foregoing and any collection charges are collected efficiently and promptly.

The policy was revised in 2009, and is available on the City's website.

Supply Chain Management Policy

Municipalities are required in terms of section 111 of the MFMA to have a Supply Chain Management Policy.

The City approved its Supply Chain Management Policy in 2006. This Policy was amended in 2009 in terms of the Municipal Supply Chain Management Regulations, as well as National Treasury guidelines circulated from time to time.

This policy is available on the City's website.

The Rates Policy

The first Rates Policy and General Valuation Roll in terms of the Municipal Property Rates Act (MPRA) was implemented by the City on the 01st July 2008.

The City revises its Rates Policy annually as per legislative requirements. The Policy is available on the City's website.

The Expanded Social Package Policy

The City, committed to enhance access to its services by all households, revised and expanded its Social Package Policy in 2009. This revised Policy presents significant shifts from how municipal service subsidies were administered in the City. The targeting mechanism, which is crucial in determining the performance of service subsidies, has been amended from a household based

means testing to an individually tied poverty index. This is an important step in addressing the challenge of having more than the average people in a household. The poverty index takes into account an individual's factors as well as the characteristics of the area he/ she reside in. This is in line with the logic that poverty is not only a function of income. The index covers all individuals with income levels less than R3 366 per month.

Recognizing that the degree of poverty differs across the City, the revised policy moves from giving universal level of subsidies, and presents three bands of subsidies, based on the poverty scores. Subsidies are then applied on an additive per- person basis to a household, up to a maximum cap per assistance band. With the previous policies, all indigents were provided with free 10 kl of water per household per month, 50 kWh of electricity per household per month, 100 percent rates rebates, subsidized sanitation and subsidized refuse removal. With the revised policy, the levels of subsidies are differentiated as follows:

Band 3 (70- 100 poverty score): Free 50 litres of water per person per day, up to 15 kl per month per household; 30 kWh of electricity per person per month, up to 150 kWh per household; a 100 percent rebate on owner- charged rates and services; 100 percent rebate on refuse; a transport subsidy of 15 percent; and up to R1 500 in rental subsidy.

Band 2 (35- 69 poverty score): Free 35 litres of water per person per day, up to 12 kl per household; 20 kWh of electricity per person per month, up to 100 kWh per household; a 100 percent rebate on owner- charged rates and services; 100 percent rebate on refuse; 15 percent transport subsidy; and up to R1 000 in rental subsidy.

Band 1 (1- 34 poverty score): Free 25 litres of water per person per day, up to 10 kl per household; 10 kWh of electricity per person per month, up to 50 kWh per household; 70 percent rebate on owner- charged rates and services; 70 percent rebate on refuse; and up to R750 in rental subsidy.

The revised policy aims at extending the coverage of subsidies to those who are in need, without necessarily burdening the City's fiscus. Basically, the additional given to larger households is offset by the amount no longer allocated to smaller households, even though the benefits now equalize between them.

Policies Dealing with Infrastructure Investment and Capital Projects

The capital investment is dealt with within the budgeting process and are driven by the following:

- The Growth and Development Strategy
- The Mayoral Priorities

- Key IDP Interventions
- The Spatial Development Framework
- The Growth Management Strategy
- Capital Investment Framework

The Capital Investment Framework (CIF) is the framework through which the City identifies and prioritises capital projects for implementation in the forthcoming financial year and the relevant medium term budget.

CIF is produced through two processes. The first is a series of engagements with the sector departments and associated municipal entities to identify critical capital projects, which is informed by the sector's priorities as well as the technical outcomes. The second is the production of a prioritised list of capital projects for the City that meet desired developmental and spatial outcomes of the City as defined in the GDS AND GMS.

Responsibility for coordinating CIF and prioritising projects sits with the Development Planning and Facilitation Directorate and the Budget Office. The responsibility for identifying, planning and ensuring the execution of capital projects sits with the relevant departments and municipal entities.

The objectives of CIF are to:

- Contribute towards the eradication of service delivery backlogs especially in poor marginalised areas.
- Ensure the improvement and management of existing infrastructure.
- Improve service delivery through infrastructure and services that are planned, delivered, upgraded or managed in an objective and structured manner.
- Prioritise projects and programmes through a strategic and spatially- linked information system known as the Capital Investment Management System (CIMS).
- Direct future public and private investment by aligning capital budget requirements of the departments and entities to priority areas of the City defined in the GMS and sector plans.

In order for the City to achieve its GDS objectives and to implement its IDP targets, there has to be a budget linked to the programmes. The City's capital budget is limited and is funded through loans and grants. Discussions between and within departments, and with communities, refine the priority capital projects further.

2.5 Overview budget assumptions and key indicators

Overview

After five years of strong growth, during which about two million jobs were created, the South African economy shrank by an estimated 1.8% in 2010 and about 900 000 people lost their jobs. It is expected that the recovery from this deterioration will be slow and uneven, and that growth for 2011 will be 2.3% rising to 3.6% by 2012.

The City of Johannesburg is not immune from external economic trends and was also hard hit by the recession. The City recorded a 3.6% economic growth in 2008 before drastically declining to -1.3% in 2009 and a 5.7% decline in employment. The CoJ plays a significant role in the economy by contributing about 48% and 17% to the provincial and national economies respectively. In addition, between 2007 and 2009 the City's economy grew faster than both the national and provincial economies. Based on the assumption that the City's economy grows 50% higher than the national, the CoJ's economy is forecasted to grow by 5.4% in 2011.

The City of Johannesburg socio- economic trends¹

The City's Department of Economic Development undertakes a review of the City's socio-economic trends on an annual basis.

Demographic profile

The City of Johannesburg has the highest population of all metros in South Africa. As the economic hub of the country, this trend is understandable since the availability of services and job opportunities means the City attracts not only South Africans from other parts of South Africa, but it also attracts people from other regions within the African continent and abroad. Over the years however, the population growth in the City has been declining, from 2.68% in 1997 to 0.54% in 2009. This trend augurs well for the City (in terms of service delivery) and the country and the policy of shared economic growth, suggesting that economic opportunities in other parts of South Africa may be spreading enough to reduce in- migration to the CoJ.

¹ The City's Annual Economic Review produced by the Economic Development Department is the source document of the City's socio- economic trends.

HIV profile

The City has experienced a steady and sustained increase in the number of people infected with HIV from 1996 to 2007. For an economic hub of the province as well as the country, this trend is disturbing since it spells negative consequences in terms of limited resources that must be spent to address treatment and other related issues, and the negative consequence for human resources due to potential absenteeism that may impact negatively on productivity. For 2007 alone there were more than 31 000 people infected with HIV in the City. However, the infection rate is declining, having declined from 5.48% to 1.01% from 1996 to 2007. This may be an indication that the various campaigns aimed at minimising the spread of HIV infections may be starting to bear fruit.

Employment profile

The CoJ enjoys the highest proportion of formal sector employment in the country. The CoJ's proportion of national formal sector employment has increased from 15% in 1996 to 16.8% in 2009. Despite the significantly high formal employment proportion that the City accounts for in the South African economy, growth in the CoJ's formal employment is not the fastest. The main employers in the CoJ formal sector are finance and trade sectors, having grown their share by 22.6% and 21.7% respectively in 2009.

Human development indicators

The City has made some remarkable progress on improving the standards of living of its citizens. Between 1996 and 2007 the lowest proportion of people living in poverty was recorded in the CoJ (poverty defined as the number of people living on less than one US dollar per day). The slowest growth in the proportion of people living in poverty within the City was also recorded over the same period, at 1.3%. The explanation for this could be that the relatively high rates of growth, as well as an expansion of social services make it possible for larger proportions of people to move out of poverty.

Another commonly used measure of welfare improvement or lack thereof is the Gini coefficient, which is a measure of inequality between various income strata within society. The level of income inequality has been increasing in South Africa since 1996, and the metros depict the same picture. Income inequality within the City recorded 0.62 in 1996, 0.64 in 2001 and 0.65 in 2007.

Skills and education profile

The education profile in the CoJ shows that a substantial number of people (as a proportion of those aged 15 years and above) in the City possess grade seven up to matric qualification with very few possessing post matric qualifications. This suggests that the majority of potential job seekers in the City are at least capable of meeting the basic minimum functional literacy skills required on the job. Moreover, the proportion of those with no schooling is diminishing. The fact that fewer people in the City possess post matric qualifications needs to be looked at in conjunction with the overall challenges facing the education sector in South Africa. To this end, it is concerning that drop out rates before matric appears to be on the rise. For example, between 1996 and 2007, the proportion of those with qualifications from grade 0 to grade 2 grew on average by 6.5%. This could be related to the high drop out rates that characterises the education system in the country. Of the more than 1.6 million learners who started school in 1995 in South Africa, only 560 000 sat for their matric examinations by 2007, representing a school drop out rate of about 34%.

Despite fewer people possessing post matric qualifications in the CoJ, the category of formal educational qualifications that has shown the highest increase in growth is the number of people with matric and post graduate degrees which increased on average by 6.65% from 1996 to 2007. In the same vein, the number of people with matric, certificate and a diploma and those with matric and a bachelor's degree respectively grew on average by 6.54% and 2.07%.

Economic analysis

The CoJ has the largest metro economy in terms of economic output. The CoJ's output increased in 2007 and 2008 and declined significantly in 2009 primarily as a result of the global economic meltdown. The CoJ recorded 3.6% economic growth in 2008 before drastically declining to -1.3% in 2009. Despite the decline, the CoJ's economy was still 1.5 times higher than that of the second largest metro economy. The CoJ's economy is forecasted to grow by 3.4% in 2010.

The South African economic activity is dominated by four sectors, namely finance and business services, community services, manufacturing and trade while transport, construction, electricity, water and gas and agriculture have the lowest economic contribution. In terms of growth, construction has consistently had the fastest growth relative to all economic sectors within the CoJ.

International trade plays a significant role in CoJ. The CoJ imports and exports have grown jointly with exports outperforming imports. In line with the global financial meltdown of 2009, exports and

imports declined steeply and recorded negative growth rates of respectively -20% and -17%.

Summary of budget assumptions

The following budget assumptions were made:

The CPI is estimated at 5.7%, 5.6% and 5.5% for the three financial years from 2011/12 to 2013/14.

Total expenditure growth limits for the respective financial years are estimated in accordance with the projected CPI.

Estimated salary increases:

- 2011/12 – 6.1% (SALGA agreement - calculated based on CPI + 2% from Feb 2010 to Jan 2011)

Debt impairment - The overall targets for collection levels are estimated around 93% overall for the City. Payment levels for the following revenue streams have been estimated as follows:

Payment levels	2011/12 Budget
Rates	93.1%
Electricity	97.1%
Water	89.7%
Refuse (Core)	80.1%
Refuse (Pikitup)	93.7%

Bulk purchases - City Power has assumed a tariff increase of 26.7% from Eskom and the cost of bulk purchases from Rand Water is expected to increase by 12.9%.

Repairs and maintenance minimum of 2% above expenditure growth limit over the medium term.

Other expenses must be contained or reduced to ensure that the total growth in expenditure (which includes salaries) is within the expenditure limit.

SA9: Social, economic and demographic statistics and assumptions

Description of economic indicator	Base of calculation	1996 Census	2001 Census	2007 Survey	2007R	2009	2009/10	Current Year 2010/11	2011/12 Medium Term Revenue & Expenditure Framework		
Demographics											
Population		2 639 110	3 225 812	3 888 180	3 526 168	3 577 772	3 680 661	3 748 331	3 767 166	3 765 036	3 805 121
Female aged 5- 14		206 049	235 400	230 767	-	-	-	-	-	-	-
Males aged 5- 14		202 617	232 406	233 728	-	-	-	-	-	-	-
Female aged 15- 34		519 108	661 127	727 627	-	-	-	-	-	-	-
Males aged 15- 34		553 063	708 891	764 750	-	-	-	-	-	-	-
Unemployment		-	-	-	-	-	-	-	-	-	-
Household Income (households) (1)											
None		-	196 696	130 278	-	-	-	-	-	-	-
R1 - R400		-	43 469	28 714	-	-	-	-	-	-	-
R400 - F3800		-	115 015	125 514	-	-	-	-	-	-	-
Household Demographics (000)											
Number of people in municipal area		2 639 110	3 225 812	3 888 180	3 526 168	3 577 772	3 680 661	3 748 331	3 767 166	3 765 036	3 805 121
Number of poor people in municipal area	CoJ Poverty Index	-	-	-	729 282	744 176	629 677	661 161	664 483	667 822	671 177
Number of households in municipal area		728 304	1 006 932	1 165 014	1 164 948	1 200 977	1 225 466	1 250 466	1 276 016	1 288 905	1 301 924
Number of poor households in municipal area	CoJ Poverty Index	-	-	-	588 522	574 264	236 692	251 466	256 936	259 187	261 605
Housing statistics (3)											
Formal		561 666	779 889	880 572	-	-	-	-	-	-	-
Informal		166 638	212 211	284 445	-	-	-	-	-	-	-
Total number of households		717 315	992 100	1 167 017	1 164 948	1 164 948	1 164 948	1 164 948	1 164 948	1 164 948	1 164 948
Dwellings provided by municipality (4)		-	-	-	20 275	22 000	28 600	11 100	-	-	-
Total new housing dwellings		-	-	-	20 275	22 000	28 600	11 100	-	-	-
Economic (6)											
Inflation/inflation outlook (CPI)					5.1%	6.2%	6.8%	6.3%	5.7%	5.6%	5.9%
Interest rate - borrowing					12.4%	11.0%	12.0%	11.0%	10.5%	10.5%	10.5%
Interest rate - investment					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Remuneration increases					6.9%	8.3%	11.0%	8.5%	6.1%	6.8%	5.9%
Collection rates (7)											
Property tax/service charges					96.0%	92.0%	94.0%	92.8%	92.0%	92.4%	92.7%

2.6 Overview of Budget Funding

Review of past performance

Operating expenditure

The overall financial performance results for the 2009/10 financial year reflect an operating surplus of R2.9 billion.

A summarised of an un-audited statement of financial performance is as follows:

	Adjusted Budget 2009/10 R'000	Prov. Result 2009/10 R'000
Income	25 435 991	25 718 099
Expenditure	22 513 150	22 793 912
Operating Surplus before taxation	2 922 844	2 924 187
Less taxation	146 787	232 690
Operating Surplus/(Deficit) after tax	2 776 057	2 691 497

Revenue variance analysis

- Property rates and Services are under budget as a result of migration of data to the new billing system.
- Fines and Licenses are under budget as result of the challenges experienced with the implementation of the AARTO system.
- Grants and Subsidies Received relates to capital grants and is over budget as a result of the accounting treatment whereby capital grants are only recognized once the asset has been capitalized.

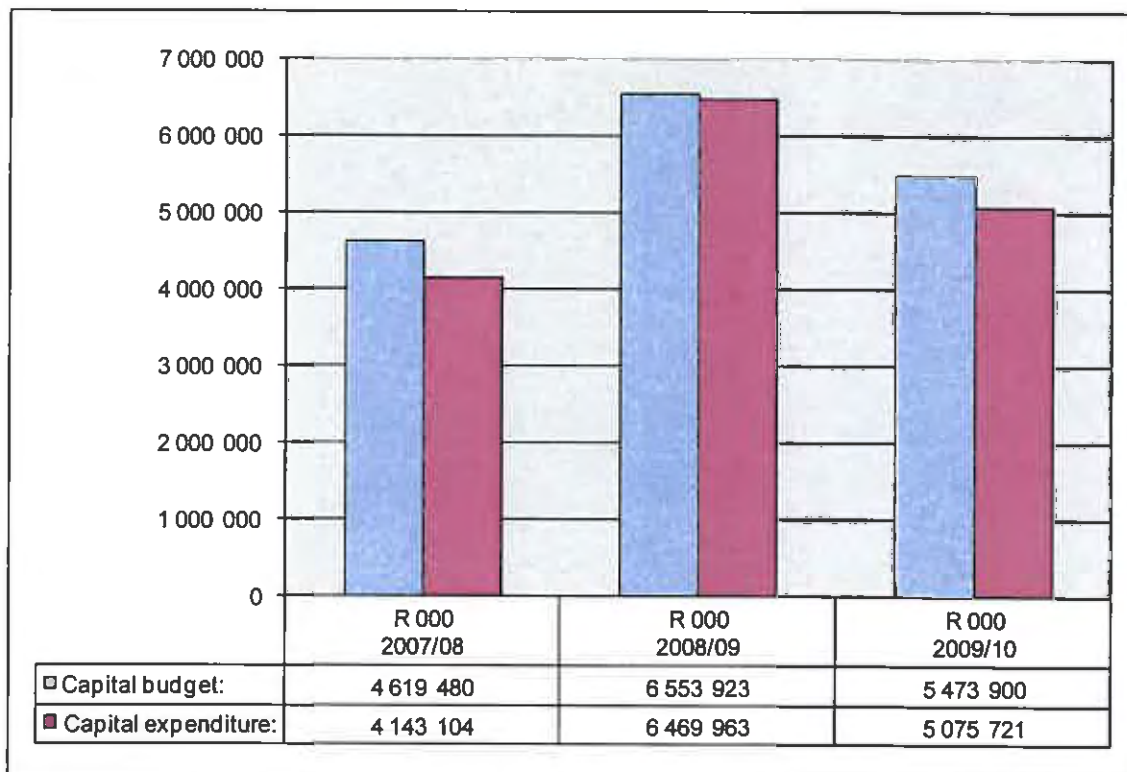
Expenditure variance analysis

- Employee Related cost are under budget as a result of vacant positions not filled.
- Bad Debts are over budget as a result of an increase in the arrear debtor's balance.
- Depreciation is under budget as a result of assets under construction still to be capitalised.
- General Expenses are over budget as a result of pension fund contributions made emanating from the actuarial process.

- Interest Expense is over budget as a result of interest paid on short term facilities.
- Bulk Purchases are under budget as a result of forecasted electricity units purchased being less than budget and due to the decrease in demand from customers.

Capital Expenditure

The graph below demonstrates the City's capital spending against the budget over the last three financial years.



Long term financial overview

The key objective of the Financial Plan remains the achievement of financial sustainability in the medium to long term whilst still achieving the City's objectives as detailed in the IDP.

The Financial Plan is based on the following key objectives:

- **Balanced Budget** – ensuring that the expenditure is aligned to the revenue and that the City has sufficient cash to meet its debt obligations.

- **Maintenance of surplus** – ensure that the City generate surpluses to ensure that the liquidity is maintained and to support the capital program.
- **Sustainability** – ensure that the capital investment is within the financial capacity of the City and ensure that there is continuous investment on the infrastructure maintenance and replacement in a medium to long term period.

The financial plan provides a prudent and sustainable financial framework within which the City will develop its annual budget. The demand for capital expenditure for the medium term budget is enormous in terms of housing backlogs, service delivery, infrastructure development, maintenance of infrastructure etc.

The capacity to finance capital through external loans, is measured by the debt to revenue ratio, current ratio and the ability to afford annual capital interest and redemption payments.

Level of capital spending

The appropriate levels of capital expenditure and borrowing is based on the principles of affordability, prudence and sustainability (debt ratio's and the impact or return of the capital investment on the operating budget)

Prudential Indicators

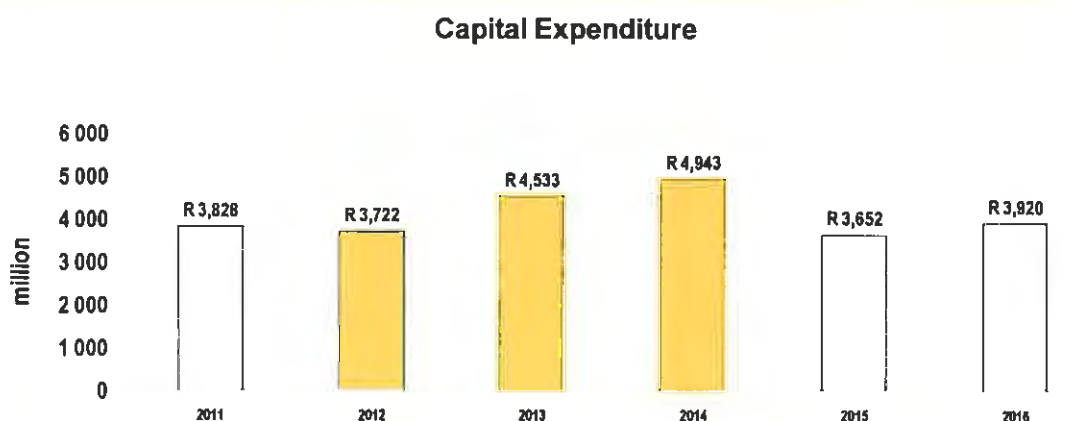
- Debt to equity
- Debt to revenue
- Liquidity (Current Ratio)
- Operating surplus

In determining the level of borrowing and projecting the financial position of the City one should always have the Credit Rating of the City in mind.

Capital investment programme

The Capital expenditure for 2011/12 will be approximately R3.7 billion, R4.5 billion for 2012/13 and R4.9 billion for 2013/14.

The graph below shows the 5-year projection of the capital investment programme (CIP).



The financial plan projects a capital spending of approximately R11.4 billion over a period of three years.

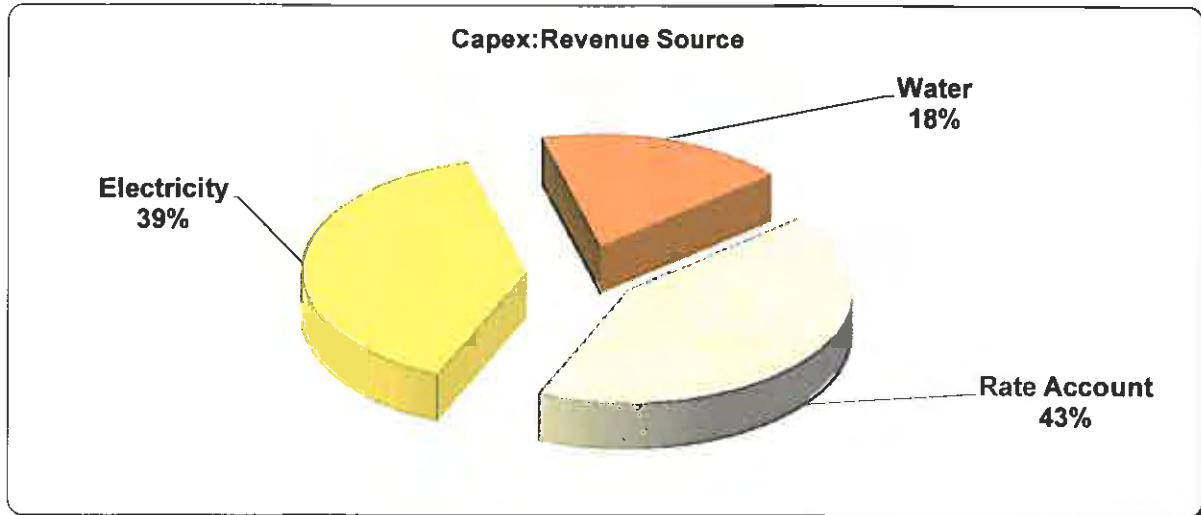
Funding sources

The table below reflects the projected capital per funding source for the next five years

Budget	2011 R m	2012 R m	2013 R m	2014 R m	2015 R m	2016 R m
Loan	1 512	1 000	1 200	1 500	1 800	2 000
Cash	463	21	17	15	17	18
Loan and Surplus	1 975	1 021	1 217	1 515	1 817	2 018
Grants and Donations	1 853	2 701	3 316	3 427	1 835	1 902
Total	3 828	3 722	4 533	4 943	3 652	3 920

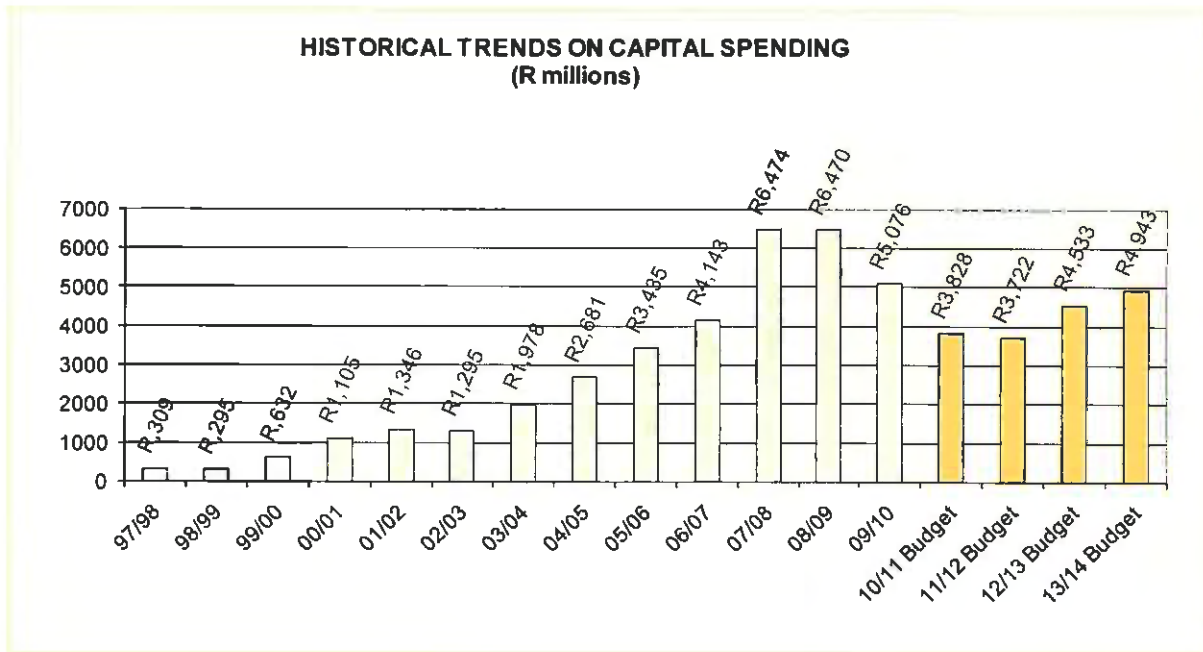
The capital will be funded from a combination of loans, surplus cash and grants and donations. In 2010/11 financial year, approximately 52% (R1.5 billion) will be financed from loans, 16% (R457 million) from cash resources and 32% (R935 million) from grants and donations.

The following revenue streams support City's capital level of funding;



- Electricity revenue support of electricity infrastructure investment and accounts for 39%
- Water Revenue support the water infrastructure investment and accounts for 18%
- The Rate Account supports all the remainder of the City's infrastructure accounting for 43% of the City capital portion.

The graph below demonstrates the history of capital spending



The City's capital spending has seen a growth of more than 100% over the past five years and it has peaking around the 2010 Soccer World Cup.

Measures of financial performance

- Current ratio shall not be less than 1
- Debt to revenue shall be between 50% - 43%
- Interest as a percentage of operating expenditure remains below 7%
- Salaries to operating not to be more than 30%
- Cost coverage ratio should cover at least one month.

The table below reflects the projected ratio's of the City over the next ten years.

Budget	2010	2011	2012	2013	2014
Current Ratio	0.64	0.73	0.83	1.00	1.31
Debt / Revenue	53%	51%	48%	42%	43%
Interest / Operating	7.3%	6.2%	5.6%	4.8%	4.6%
Salaries to Operating	26%	25%	24%	24%	23%

Current ratio

- Current ratio measures the ability of the City to pay its current liabilities out of the current assets. The industry usually looks for a ratio of 2:1, however the acceptable current ratio is 1:1 for municipalities.
- The current ratio is below 1:1, the current ratio is expected to increase over the medium term and will fall within the benchmark of 1:1 in 2012/13 and remains up in the outer years.
- The ratio needs to be given utmost attention and the city will have to create cash through the operating account (minimise costs) to maintain liquidity.

Debt to revenue ratio

- Debt to revenue ratio, measures the percentage of revenue, committed to long-term debt.
- The debt to revenue ratio as reflected in the above table shows that the City has reached its limit of 50%. The ratio is expected to improve over the medium term to levels of 43%.

Interest as percentage of operating expenditure

- The ratio as reflected in the above table shows that the City has reached its limit of 7%. The ratio is expected to improve over the medium term to below 5%.

Salaries ratio

- Employee costs totaled 25% of the total expenditure for the 2011/12 financial year. This ratio is maintained within the limit of 30 %.

Ratio analysis

The financial position of the City is projected to improve over the medium term, with most of the ratios expected to fall within the set benchmarks.

Funding arrangements and strategies

The City's medium term budget over the next three years to finance new municipal infrastructure, refurbishment and upgrading of existing infrastructure will require various sources of funding instruments in order to optimize its capital structure, achieve competitive pricing and maintain or upgrade its recently confirmed rating of AA- from Fitch ratings.

The City will be financing a range of assets from bulk water and electricity infrastructure and upgrading roads. The characteristics of the underlying assets include social and economic use, revenue generating abilities and country of origin will be assessed in order to structure funding according to COJ's asset profile. Long, medium and short term funding structures are investigated below:

As an AA- rated entity and a reputable bond issuer with a strong credit curve, COJ has a wide range of financial instruments available to it to achieve its financial and strategic objectives within its governing legislative framework.

The debt to be raised to fund the medium term capital budget will be determined by a balance of market conditions and financial risk management imperatives, in particular, liquidity and interest rate risk.

To ensure that external borrowing is raised at cost effective levels the City of Jhb has a number of option to utilise towards the raising of external long term borrowing for the financing of capex that include but not limited to issuance of bonds under the DMTN, raising bilateral loans and syndicated loans. The issuance bonds and existence of the City's yield curve enables the City to provide accurate valuations of the entire loan book as per the requirements of the accounting standards.

The funding from the Development Funding institutions will continue to be utilised for the diversification and optimisation of the overall cost of borrowing. Due to sum of these DFI's targeting development in specific areas such as the previously disadvantaged areas, the funding tends to be concessionary relative to bonds and bilateral loans. Although the process for DFI tend to be much longer relative to bonds it normally proves worthwhile if the funding is concessionary.

Another funding mechanism that will be explored in greater detail going forward is the Export Credit Agency financing. The funding tends to be concessionary relative the bilateral loans and bonds due

to the mandate given to the ECA to finance exports. Due to the abolishment of REDS for the distribution of electricity the City will look at the cost effectiveness of ECA's for the rehabilitation of the of the electricity infrastructure and other capex projects

The following table depicts the sources of funding available to COJ:

Funding Source	Features	Benefits	Current Usage /Relevance	Costs	Indicative Pricing
DMTN	A DMTN comprises of unsecured promissory notes that are issued through a programme with one or more appointed participants.	It is an umbrella under which various types of securities can be issued. It sets a standard documentation framework in place, governing all future issued. Potential tenor advantages compared to banking loans. Broader investor participation (fund managers, pension funds institutional investors, banks, conduits and local development finance institutions). Enhance credit profile (commitment to capital markets, and building credit curve). public disclosure requirements stricter than bank market.	Registered R13 billion 5 year DMTN	BESA listing fees Lead Management fees Road show expenses Legal costs/Audit or General costs	Government benchmark + a credit spread
Commercial Paper	Commercial paper is a short-term, unsecured debt note issued by corporations and foreign governments to finance short-term needs.	Commercial paper is issued with tenures ranging from one to twelve months. Favorable pricing as term funding spreads widen. To be issued to meet short-term liquidity requirements, while waiting for anticipated income. To be repaid within financial year	Can be used to prefund, while waiting for grant money or finalising long term loan	BESA listing fees Lead Management fees Road show expenses Legal costs/Audit or General costs	3-month Jibar+30-100bps
Floating Rate Note (FRNs)	Floating rate notes (FRNs) are <u>bonds</u> that have a variable <u>coupon</u> , equal to a <u>money market reference rate</u> , like <u>JIBAR</u> plus a spread.	Issuer always pays a market related interest rate. Interest rate exposure.	None. Will be used to diversify funding source and increase floating component of liabilities.	BESA listing fees Lead Management fees Road show expenses Legal costs/Audit or General costs	3-month Jibar + credit spread

Medium Term Budget 2011/12– 2013/14

DFI and multilateral Loans	Bilateral loans involve one borrower and one lender (usually a bank or financial institution) where a long-term loan is provided to the borrower. Bilateral loans vary in structures, tenors, benchmarks (prime, Jibar linked, CPI linked etc.).	Their structures can be tailor made to fit the underlying asset profile of the borrower, in contrast to bonds where structures are tailored to suit investor appetite and demand.	Untapped, there's investor appetite for COJ exposure.	Jibar or Prime + margin Commitment fees on un-utilised amount)	Fixed or Floating
Short Term GBFs	Short-to medium term funding	Bridging finance at competitive rates	Assist in short-term borrowings as bridging finance	Interest margin: Jibar or prime +margin Commitment fees Instruction fees	Jibar+ 120bps
Bilateral Loans	Bilateral loans involve one borrower and one lender (usually a bank or financial institution) where a long-term loan is provided to the borrower. Bilateral loans vary in structures, tenors, benchmarks (prime, Jibar linked, CPI linked ect.).	Their structures can be tailor made to fit the underlying asset profile of the borrower, in contrast to bonds where structures are tailored to suit investor appetite and demand.	Untapped, there's investor appetite for COJ exposure.	Jibar or Prime + margin Commitment fees on un-utilised amount)	Jibar+ 200-300bps

<p>Project Finance</p>	<p>Project finance is the <u>financing</u> of long-term <u>infrastructure</u> and industrial projects where project <u>debt</u> and <u>equity</u> are used to finance the project, and debt is repaid using the cashflow generated by operation of the project, rather than the general assets or creditworthiness of the project sponsors.</p>	<p>Because of this structure, the debt is said to be "non-recourse" to the project sponsors. A <u>special purpose entity</u> is created for each project, thereby shielding other assets owned by a project sponsor from the detrimental effects of a project failure. As a special purpose entity, the project company has no assets other than the project</p>	<p>City Power and Joburg Water projects that have strong revenue projections.</p>	<p>To be investigated for strong revenue generating projects.</p>	
<p>PPPs</p>	<p>A PPP is a project driven by a public sector institution and a private party. An example of PPP would be a hospital building financed and constructed by a private developer and then leased to the hospital health department. The developer then acts as landlord, providing housekeeping and other non medical services while the hospital itself provides medical services.</p>	<p>The private party assumes substantial financial, technical and operational risk in the design, financing, building and operation of a project. PPP's also develop skills, create jobs and promote BEE participation.</p>	<p>City Power and Joburg Water projects that have strong identifiable revenue projections.</p>	<p>The cost of funding decreases compared to when the project is entirely public sector driven and the costs are shared by the funders.</p>	

Medium Term Budget 2011/12– 2013/14

Grants	Grants funding is free funding provided for projects with usually high development impact.	The benefits of using grant funding is that the funding is provided free of charge with no repayment expected from the recipient. Municipal Infrastructure Grants are allocated to municipalities including COJ from National Treasury to fund service delivery.	Project that have strong developmental impact and focused on the poor.	Usually no costs are involved; however some institutions may fund feasibility study and request that the grant be repayable on project implementation.	N/A
Export Credit Agencies (ECAs)	ECAs, are institutions which act as finance companies for private domestic entities who conduct business abroad.	ECAs provide government-backed loans, guarantees and insurance (Trade Credit Insurance) covering both <u>commercial</u> and <u>political risk</u> . Acts as risk mitigation. Provides importer with longer dated tenors. Promotes international trade and economic development.	Rea Vaya-Bus Rapid Transport (BRT). Procurement of asset abroad.	Funding Costs: Interest margin, ECA premium. Commitment fee Management Fee Other fees: -Legal fees -ECA Agency Fee -Structuring fee & others.	

Table SA10: Funding Measurement

Description	MFMA section	2007/8	2008/9	2009/10	Current Year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Funding measures									
Cash/cash equivalents at the year end - R'000	18(1)b	1 338 459	614 550	297 607	1 829 268	643 127	1 635 853	3 439 882	5 416 321
Cash - investments at the year end less applications - R'000	18(1)b	(1 760 036)	(2 735 663)	(4 222 593)	(562 555)	(2 441 458)	846 621	946 696	3 223 590
Cash year end/monthly employee/supplier payments	18(1)b	1.1	0.4	0.2	1.0	0.3	0.8	1.5	2.1
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	1 954 543	646 469	2 924 187	1 959 212	2 446 220	3 806 244	4 811 003	6 085 277
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	N.A.	9.4%	18.3%	15.1%	(6.8%)	11.6%	8.1%	7.9%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	83.2%	92.4%	78.3%	93.0%	88.3%	86.9%	91.9%	88.2%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	6.5%	11.5%	9.7%	6.1%	8.2%	7.4%	6.4%	5.7%
Capital payments % of capital expenditure	18(1)c,19	109.5%	121.9%	95.7%	96.0%	96.0%	96.0%	96.5%	97.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	64.7%	66.8%	86.0%	69.5%	67.2%	68.3%	71.2%	76.6%
Grants % of Govt. legislated/gazetted allocations	18(1)a						100.0%	100.0%	100.0%
Long term receivables % change - inc/(decr)	18(1)a	N.A.	73.5%	(2.2%)	(100.0%)	0.0%	5.7%	5.6%	5.5%
R&M % of Property Plant & Equipment	20(1)(v)	1.7%	1.4%	1.3%	4.7%	5.0%	5.5%	5.5%	5.1%
Asset renewal % of capital budget	20(1)(v)	0.0%	0.0%	0.0%	31.0%	24.7%	35.4%	30.4%	28.7%

Table SA11: Property rates summary

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Valuation:									
Date of valuation:	1	1/2/2001	1 July 2007	1 July 2007	1 July 2007				
Financial year valuation used		36893	1 July 2007	1 July 2007	1 July 2007	0			
Municipal by-laws s6 in place? (Y/N)	2	Yes	Yes	Yes	Yes	0			
Municipal/assistant valuer appointed? (Y/N)		Yes	Yes	Yes	Yes	0			
Municipal partnership s38 used? (Y/N)		N	N	N	N	0	0	0	0
No. of assistant valuers (FTE)	3	27	27	27	27	-	-	-	-
No. of data collectors (FTE)	3	-	-	-	-	-	-	-	-
No. of internal valuers (FTE)	3	6	6	6	6	-	-	-	-
No. of external valuers (FTE)	3	-	-	-	-	-	-	-	-
No. of additional valuers (FTE)	4	-	-	-	-	-	-	-	-
Valuation appeal board established? (Y/N)		Yes	Yes	Yes	Yes	0			
Implementation time of new valuation roll (mths)		-	1 July 2008	1 July 2008	1 July 2008	-	-	-	-
No. of properties	5	-	800 000	800 000	800 000	-	-	-	-
No. of sectional title values	5	-	180 000	180 000	180 000	-	-	-	-
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-
No. of supplementary valuations		-	20 000	34 000	17 000	-	-	-	-
No. of valuation roll amendments		-	-	-	-	-	-	-	-
No. of objections by rate payers		-	22 400	-	-	-	-	-	-
No. of appeals by rate payers		-	4 000	-	-	-	-	-	-
No. of successful objections	8	-	15 000	-	-	-	-	-	-
No. of successful objections > 10%	8	-	11 000	-	-	-	-	-	-
Supplementary valuation		-	-	-	-	-	-	-	-
Public service infrastructure value (Rm)	5	-	-	-	2 696	-	-	-	-
Municipality owned property value (Rm)		-	-	-	9 042	-	-	-	-
Rating:									
Residential rate used to determine rate for other categories? (Y/N)		Yes	Yes	Yes	Yes		Yes		
Differential rates used? (Y/N)	5	Yes	Yes	Yes	Yes		Yes		
Limit on annual rate increase (s20)? (Y/N)		No	No	No	No	0	No	0	0
Special rating area used? (Y/N)		No	No	No	No		No		
Phasing-in properties s21 (number)		0	174 120	173 021	173 572	0	0	0	0
Rates policy accompanying budget? (Y/N)		No	No	Yes	Yes		Yes		
Fixed amount minimum value (R000)		20	20	150	150		150		
Non-residential prescribed ratios19? (%)		0.0%	0.0%	0.0%	25.0%		25.0%		
Rate revenue:									
Rate revenue budget (R'000)	6	3 409	3 829	4 592	5 307	5 307	5 910	6 241	6 584
Rate revenue expected to collect (R000)	6	3 116	3 668	4 225	4 935	4 829	5 142	5 554	5 926
Expected cash collection rate (%)		91.4%	95.8%	92.0%	93.0%	91.0%	87.0%	89.0%	90.0%
Special rating areas (R000)	7	-	-	-	-	-	-	-	-
Rebates, exemptions - indigent (R000)		-	-	11 901	13 329	13 329	17 021	17 975	18 963
Rebates, exemptions - pensioners (R000)		-	-	7 105	8 099	8 099	133 492	140 967	148 720
Rebates, exemptions - bon a fide farm (R000)		-	-	-	-	-	-	-	-
Rebates, exemptions - other (R000)		-	430 876	447 808	502 383	502 383	847 935	805 419	759 717
Phase-in reductions/discounts (R000)		-	-	26 799	14 999	14 999	-	-	-
Total rebates, exemptions, reductions, discs (R000)		-	430 876	483 613	538 810	538 810	998 448	964 361	927 401

Table SA12 & SA13: Property rates by category

Description	Resid.	Indust.	Bus. & Comm.	Farm prop.	State-owned	Muni prop.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State land	Section 8(2)(b) (note 1)	Protect. Areas	National Monuments	Public benefit organs.	Mining Prop.
Budget Year 2011/12																
Valuations:																
No. of properties	697 614	-	34 816	-	4 784	21 339	2 448	-	-	-	-	-	-	-	189	34
No. of sectional title properties	167 533	-	8 487	-	-	-	-	-	-	-	-	-	-	-	-	-
Years since last valuation (felect)	4	0	4	0	4	4	4	0	0	0	0	0	0	0	4	4
Frequency of valuation (felect)	4	0	4	0	4	4	4	0	0	0	0	0	0	0	4	4
Method of valuation (felect)	0	0	0	0	0	Market	Dep. Rep. ace	Market	Market	Market	0	0	0	0	Market	Market
Base of valuation (felect)	Land & impr.	0	Land & impr.	0	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	0	0	0	Land & impr.	Land & impr.	Land & impr.
Phasing-in properties s21 (number)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Combination of rating types used? (Y/N)	No	0	No	0	No	No	No	0	0	0	0	0	0	0	No	No
Flat rate used? (Y/N)	No	0	No	0	No	No	No	0	0	0	0	0	0	0	No	No
Is balance rated by uniform rates/variable rates?	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total valuation reductions:																
Total value used for rating (Rm)	480 918 264	-	157 704 385	-	12 757 942	8 988 713	2 665 857	-	-	-	-	-	-	-	466 869	193 110
Total land value (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total value of improvements (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total market value (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ratiff:																
Average rate	0.007379	-	0.018231	-	0.004558	0.006251	0.001302	-	-	-	-	-	-	-	0.001302	0.018231
Rate revenue budget (R'000)	3 548 609 514	-	2 875 124 408	-	58 147 508	56 165 746	3 471 479	-	-	-	-	-	-	-	60 808 7	3 520 612
Rate revenue expected to collect (R'000)	3 067 464 277	-	2 501 358 235	-	50 588 332	48 881 599	3 020 187	-	-	-	-	-	-	-	52 9 038	3 062 932
Expected cash collection rate (%)	87.0%	0.0%	87.0%	0.0%	87.0%	87.0%	87.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	87.0%	87.0%
Special rating areas (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - indigent (R'000)	17 021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - pensioners (R'000)	133 482	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - bona fide farm. (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - other (R'000)	847 995	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Phase-in reductions/discounts (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total rebates, exemptions, discounts, phase-in reductions (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Table SA12 & SA13: Property rates by category

Description	Real	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public services infra.	Private owned terms	Formal & Informal Settle.	Comm. Land	State rural land	Section 8(2)(h) (note 1)	Protect. Areas	National Monuments	Public benefit orgs.	Mining Progs.
Current Year 2010/11																
Valuation:																
No. of properties	486 910	-	25 162	8 119	2 830	23 505	3 467	-	-	-	-	-	-	-	198	53
No. of sectional title property values	172 716	-	8 767	-	-	-	-	-	-	-	-	-	-	-	-	-
Years since last valuation (select)	3	0	3	3	3	3	3	0	0	0	0	0	0	0	3	3
Frequency of valuation (select)	4	0	4	4	4	4	4	0	0	0	0	0	0	0	4	4
Method of valuation used (select)	Market	0	Market	Market	Market	Market	Market	0	0	0	0	0	0	0	Market	Market
Base of valuation (select)	Land & impr.	0	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	0	0	0	0	0	0	0	Land & impr.	Land & impr.
Pressing in properties s21 (number)	17 2021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Combination of rating types used? (Y/N)	No	0	No	No	No	No	No	0	0	0	0	0	0	0	No	No
Flat rate used? (Y/N)	No	0	No	No	No	No	No	0	0	0	0	0	0	0	No	No
Valuation reductions:																
Valuation reductions-R15,000 threshold (Rm)	84 120 900	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-other (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total valuation reductions:																
Total value used for rating (Rm)	434 546	-	152 716	16 410	6 820	4 141	2 688	-	-	-	-	-	-	-	467	193
Total market value (Rm)	448 254	-	152 716	16 410	6 820	9 042	2 688	-	-	-	-	-	-	-	467	193
Rating:																
Average rate	0.004928	-	0.017248	-	0.007392	0.005914	-	-	-	-	-	-	-	-	0.004928	0.017248
Rate revenue budget (R'000)	2 887 845	-	2 301 880	-	68 672	28 407	-	-	-	-	-	-	-	-	5 666	3 459
Rate revenue expected to collect (R'000)	2 689 200	-	2 136 144	-	64 655	26 361	-	-	-	-	-	-	-	-	5 258	3 219
Expected cash collection rate (%)	92.6%	0.0%	92.6%	0.0%	92.6%	92.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	92.6%	92.6%
Special rating areas (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Relates, exemptions - indigent (R'000)	13 329	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Relates, exemptions - pensioners (R'000)	8 089	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Relates, exemptions - bona fide farm. (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Relates, exemptions - other (R'000)	500 282	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Phase-in reductions/accounts (R'000)	14 959	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total rebates, exemptions, reductions, discounts (R'000)																

Table SA15: Investment particulars by type

Investment type	2007/8	2008/9	2009/10	Current Year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand								
Parent municipality								
Deposits - Bank	920 467	466 104	130 706	1 688 454	521 026	1 021 026	2 321 026	3 771 026
Guaranteed Endowment Policies (sinking)	1 800 008	1 783 830	1 980 558	2 913 466	2 794 860	2 944 447	3 880 654	4 307 376
Consolidated total:	2 720 475	2 249 934	2 111 264	4 601 920	3 315 916	3 965 473	6 201 680	8 078 402

Table SA16: Investment particulars by maturity

Investments by Maturity	Period of Investment	Type of Investment	Expiry date of Investment	Monetary value	Interest to be realised
Name of Institution & Investment ID	Yrs/Months			Rand thousand	
Parent municipality					
RMB R 100m Security Deposit		Long Term	30 Nov 14	45 384	
RMB R 100m Amortising Deposit		Long Term	30 Nov 14	47 360	
ABSA R150m		Long Term	20 Dec 12	35 019	
Standard Midrand		Long Term	30 Nov 11	20 813	
INCA & STD Bank		Long Term	30 Jun 11	2 795 871	
Call Investment		Call	Call	1 021 026	
TOTAL INVESTMENTS AND INTEREST				3 965 473	-

Table SA17: Borrowing

Borrowing - Categorized by type	2007/8	2008/9	2009/10	Current Year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand								
Parent municipality								
Long-Term Loans (annuity/reducing balance)	2 022 177	2 624 189	4 425 247	4 175 160	4 175 160	4 175 160	4 175 160	4 175 160
Local registered stock	30 000	30 000	30 000	30 000	30 000	30 000	30 000	30 000
Non-Marketable Bonds	5 856 866	7 700 817	6 632 536	8 212 817	8 069 100	8 748 169	8 451 676	9 532 301
Total Borrowing	7 909 042	10 355 006	11 087 783	12 417 977	12 274 259	12 953 329	12 656 836	13 737 460

2.7 Expenditure Allocations and Grant Programme

Table SA18: Transfers and grant receipts

GT001 City Of Johannesburg - Supporting Table SA18 Transfers and grant receipts

Description	2007/8	2008/9	2009/10	Current Year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
RECEIPTS:								
Operating Transfers and Grants								
National Government:	2 681 637	3 107 388	3 488 370	4 068 898	4 188 479	4 370 882	4 330 188	4 892 832
Local Government Equitable Share	2 876 342	3 100 873	1 270 052	1 704 848	1 704 848	1 667 581	2 134 780	2 276 247
RBC Levy Replacement	-	-	2 227 868	2 289 898	2 289 898	2 282 187	2 177 188	2 316 335
Finance Management	938	2 503	750	1 000	1 000	1 250	1 250	1 250
Municipal Systems Improvement	1 387	4 282	-	-	-	-	-	-
2010 World Cup Host City	-	-	-	84 000	74 325	-	-	-
Expanded Public Works Programme:	-	-	-	-	-	-	-	-
Economic Development	-	-	-	29 049	115 805	55 832	-	-
Health	-	-	-	-	-	28 026	-	-
City Parks	-	-	-	-	-	7 188	-	-
Community Development	-	-	-	-	-	26 793	-	-
Housing	-	-	-	-	-	8 772	-	-
Johannesburg Zoo	-	-	-	-	-	282	-	-
Johannesburg Metropolitan Police Department	-	-	-	-	-	5 743	-	-
Joburg Market	-	-	-	-	-	7 800	-	-
Johannesburg Property Company	-	-	-	-	-	3 509	-	-
Johannesburg Roads Agency	-	-	-	-	-	8 318	-	-
Johannesburg Tourism Company	-	-	-	-	-	4 089	-	-
Pickup	-	-	-	-	-	878	-	-
Development Planning and Urban Management	-	-	-	-	-	12 829	5 000	-
Urban Settlement Development Grant	-	-	-	-	-	-	-	-
Infrastructure and Services	-	-	-	-	-	10 000	12 000	-
Provincial Government:	274 131	470 084	312 648	229 166	488 435	201 080	213 888	230 846
Health subsidy	50 850	72 282	78 687	87 030	88 887	102 891	109 040	116 617
Housing Top Structures	151 409	308 824	157 883	80 000	80 000	-	-	-
Ambulance subsidy	84 833	73 513	59 063	82 210	83 410	88 312	92 728	92 728
Community Development Sport, Recreation, Arts and Culture	-	-	-	9 420	10 475	9 847	10 800	10 800
Transport	905	518	161	508	235 886	-	-	-
Finance	8 334	14 988	18 874	-	-	-	-	-
Environment	-	-	-	-	-	500	1 500	1 800
Other grant providers:	-	-	48 778	3 900	18 088	427	-	-
Environment	-	-	-	3 000	18 088	-	-	-
Johannesburg Water	-	-	8 778	-	-	-	-	-
Communication Grant	-	-	40 000	-	-	-	-	-
Transportation	-	-	-	-	-	427	-	-
Total Operating Transfers and Grants	2 858 789	3 877 442	3 886 864	4 320 781	4 687 980	4 872 039	4 864 068	4 813 877
Capital Transfers and Grants								
National Government:	130 092	473 042	2 129 324	893 888	1 872 148	2 260 888	2 839 289	3 873 888
Office of the Executive Mayor	-	17 582	232 924	-	-	-	-	-
Finance	-	-	-	17 000	26 654	-	-	-
Sub-Total	-	17 582	232 924	17 000	26 654	-	-	-
Expanded Public Works Programme:	-	-	-	-	-	-	-	-
Economic Development	-	-	25 701	150 236	65 278	8 141	-	-
Environment	-	-	-	-	-	1 229	-	-
Transportation	-	-	-	-	-	27 544	-	-
Housing	-	-	-	-	-	6 679	-	-
Development Planning and Urban Management	-	-	-	-	-	8 772	-	-
Emergency Management Services	-	-	-	-	-	14 564	-	-
City Power	-	-	-	-	-	17 470	-	-
Johannesburg Water	-	-	-	-	-	5 284	-	-
Johannesburg Roads Agency	-	-	-	-	-	9 618	-	-
Johannesburg Development Agency	-	-	-	-	-	8 772	-	-
Johannesburg Social Housing Company	-	-	-	-	-	17 544	-	-
Sub-Total	-	-	26 701	180 236	88 278	133 817	-	-
Public Transport Infrastructure and Systems Grant	-	-	-	-	-	-	-	-
Transportation	-	-	1 511 207	-	702 000	998 000	1 530 000	1 530 000
Sub-Total	-	-	1 511 207	-	702 000	998 000	1 530 000	1 530 000
Neighbourhood Development Partnership Grant	-	-	-	-	-	-	-	-
Development Planning and Urban Management	-	-	91 584	80 000	100 908	80 000	80 000	80 000
Sub-Total	-	-	91 584	80 000	100 908	80 000	80 000	80 000
Integrated National Electrification Program(Municipal)	-	-	-	-	-	-	-	-
City Power	-	-	-	55 000	67 261	30 982	50 000	80 000
Sub-Total	-	-	-	55 000	67 261	30 982	50 000	80 000
Electricity Demand Side Management Grant	-	-	-	-	-	-	-	-
City Power	-	-	-	25 000	25 000	27 000	-	-
Sub-Total	-	-	-	25 000	25 000	27 000	-	-
Urban Settlement Development Grant (Formerly known as MIG)	130 092	458 480	283 908	28 600	28 600	27 600	-	-
Community Development Core	-	-	-	-	-	-	-	-
Community Development Libraries	-	-	-	41 881	-	2 500	5 500	11 000
Community Development Human Development	-	-	-	400	-	-	1 400	6 100
Community Development Sport and Recreation	-	-	-	7 800	10 000	12 500	18 100	23 900
Community Development Arts Culture and Heritage	-	-	-	-	60 081	15 000	15 000	-
Health	-	-	-	5 500	12 000	15 000	20 000	20 500
Infrastructure and Services	-	-	-	-	-	-	-	-
Finance	-	-	-	17 402	-	2 225	-	-
Housing	-	-	-	144 877	154 877	484 743	598 280	714 458
City Power	-	-	-	54 616	54 616	45 000	80 000	83 000
Johannesburg Water	-	-	-	129 113	129 113	183 000	220 000	225 800
Pickup	-	-	-	24 000	27 500	34 000	44 000	45 100
Johannesburg Roads Agency	-	-	-	66 774	81 181	145 000	180 000	183 000
Johannesburg City Parks	-	-	-	15 000	20 000	30 000	40 000	41 000
Johannesburg Social and Housing Company	-	-	-	-	-	32 500	-	-
Development Planning and Urban Management	-	-	-	48 387	44 000	-	-	-
Metro Trading Company	-	-	-	-	2 000	-	-	-
Sub-Total	130 092	458 480	283 908	66 450	68 658	1 011 470	1 188 280	1 333 888
Provincial Government:	1 488 936	702 227	880 870	-	8 681	8 060	8 050	8 870
Community Development Libraries	-	-	-	-	901	-	-	-
Johannesburg Social Housing Company	-	-	-	-	-	8 060	8 050	9 870
Economic Development	-	-	-	-	5 000	-	-	-
Social Services and Housing	321 878	224 810	298 873	-	-	-	-	-
Environment	-	-	-	-	780	-	-	-
Soccer City 2010	1 138 060	477 417	582 097	-	-	-	-	-
TOTAL CAPITAL TRANSFERS AND GRANTS	1 690 027	1 178 288	2 989 894	893 888	1 878 800	2 289 028	2 847 310	3 883 829
TOTAL RECEIPTS OF TRANSFERS & GRANTS	4 448 789	4 782 711	6 848 688	5 204 447	6 248 780	6 931 069	7 391 378	7 797 206

Notes

- 1 R10 million and R12 million of the USDG are reflected under operating grants in the 2011/12 and 2012/13 financial years respectively
- 2 R163 million of the Expanded Public Works Programme is reflected under operating grants in the 2011/12 financial year

Table SA19: Expenditure on transfers and grant programme

GT001 City Of Johannesburg - Supporting Table SA19 Expenditure on transfers and grant programme

Description	2007/8	2008/9	2009/10	Current Year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand								
EXPENDITURE:								
Operating expenditure of Transfers and Grants								
National Government:	2 581 837	3 107 358	3 513 423	4 088 595	4 185 478	4 370 502	4 330 198	4 592 832
Local Government Equitable Share	2 579 342	3 100 373	1 270 032	1 704 648	1 704 648	1 897 561	2 134 780	2 278 247
RSC Levy Replacement	-	-	2 242 823	2 289 898	2 289 898	2 292 187	2 177 188	2 315 335
Finance Management	938	2 503	750	1 000	1 000	1 250	1 250	1 250
Municipal Systems Improvement	1 357	4 282	-	-	-	-	-	-
2010 World Cup Host City	-	-	-	84 000	74 325	-	-	-
Economic Development	-	-	-	29 049	115 805	55 532	-	-
Health	-	-	-	-	-	28 028	-	-
City Parks	-	-	-	-	-	7 195	-	-
Community Development	-	-	-	-	-	28 793	-	-
Housing	-	-	-	-	-	8 772	-	-
Johannesburg Zoo	-	-	-	-	-	282	-	-
Johannesburg Metropolitan Police Department	-	-	-	-	-	8 743	-	-
Joburg Market	-	-	-	-	-	7 500	-	-
Johannesburg Property Company	-	-	-	-	-	3 509	-	-
Johannesburg Roads Agency	-	-	-	-	-	8 318	-	-
Johannesburg Tourism Company	-	-	-	-	-	4 089	-	-
Pikitup	-	-	-	-	-	878	-	-
Development Planning and Urban Management	-	-	-	-	-	12 829	5 000	-
Urban Settlement Development Grant	-	-	-	-	-	-	-	-
Infrastructure and Services	-	-	-	-	-	10 000	12 000	-
Provincial Government:	274 131	470 084	331 373	229 186	468 438	201 050	213 888	220 843
Health subsidy	50 850	72 282	78 987	87 030	88 887	102 861	108 040	115 917
Housing Top Structures	151 409	308 824	157 883	50 000	50 000	-	-	-
Ambulance subsidy	64 633	73 913	77 918	82 210	83 410	88 312	92 728	92 728
Community Development Sport, Recreation, Arts and Culture	-	-	-	9 420	10 475	9 547	10 600	10 600
Transport	905	518	151	506	235 866	-	-	-
Finance	8 334	14 069	18 874	-	-	-	-	-
Environment	-	-	-	-	-	500	1 500	1 600
Other grant providers:	-	-	48 778	3 000	16 068	427	-	-
Environment	-	-	-	3 000	16 068	-	-	-
Johannesburg Water	-	-	8 778	-	-	-	-	-
Communication Grant	-	-	40 000	-	-	-	-	-
Transportation	-	-	-	-	-	427	-	-
Total operating expenditure of Transfers and Grants:	2 855 788	3 577 442	3 893 574	4 320 781	4 687 980	4 572 039	4 544 086	4 813 677
Capital expenditure of Transfers and Grants								
National Government:	130 092	473 042	2 125 324	883 686	1 872 149	2 250 989	2 839 260	2 973 558
Office of the Executive Mayor	-	17 582	232 924	-	-	-	-	-
Finance	-	-	-	17 000	26 654	-	-	-
Sub-Total	-	17 582	232 924	17 000	26 654	-	-	-
Expanded Public Works Programme:	-	-	25 701	150 236	85 278	8 141	-	-
Economic Development	-	-	-	-	-	1 229	-	-
Environment	-	-	-	-	-	27 544	-	-
Transportation	-	-	-	-	-	8 579	-	-
Housing	-	-	-	-	-	8 772	-	-
Development Planning and Urban Management	-	-	-	-	-	14 584	-	-
Emergency Management Services	-	-	-	-	-	17 470	-	-
City Power	-	-	-	-	-	8 264	-	-
Johannesburg Water	-	-	-	-	-	9 918	-	-
Johannesburg Roads Agency	-	-	-	-	-	8 772	-	-
Johannesburg Development Agency	-	-	-	-	-	17 544	-	-
Johannesburg Social Housing Company	-	-	-	-	-	-	-	-
Sub-Total	-	-	25 701	150 236	85 278	123 917	-	-
Public Transport Infrastructure and Systems Grant	-	-	1 511 207	-	702 000	998 000	1 530 000	1 530 000
Transportation	-	-	1 511 207	-	702 000	998 000	1 530 000	1 530 000
Sub-Total	-	-	1 511 207	-	702 000	998 000	1 530 000	1 530 000
Neighbourhood Development Partnership Grant	-	-	91 584	80 000	100 908	80 000	80 000	80 000
Development Planning and Urban Management	-	-	91 584	80 000	100 908	80 000	80 000	80 000
Sub-Total	-	-	91 584	80 000	100 908	80 000	80 000	80 000
Integrated National Electrification Program(Municipal)	-	-	-	55 000	87 281	30 982	50 000	80 000
City Power	-	-	-	55 000	87 281	30 982	50 000	80 000
Sub-Total	-	-	-	55 000	87 281	30 982	50 000	80 000
Electricity Demand Side Management Grant	-	-	-	25 000	25 000	27 000	-	-
City Power	-	-	-	25 000	25 000	27 000	-	-
Sub-Total	-	-	-	25 000	25 000	27 000	-	-
Urban Settlement Development Grant (Formerly known as MIG)	130 092	455 460	263 908	856 450	588 648	1 811 470	1 189 260	1 333 859
Community Development Core	-	-	-	-	-	-	-	-
Community Development Libraries	-	-	-	41 881	-	2 500	5 500	11 000
Community Development Human Development	-	-	-	400	-	-	1 400	8 100
Community Development Sport and Recreation	-	-	-	7 800	10 000	12 500	18 100	23 900
Community Development Arts, Culture and Heritage	-	-	-	-	50 081	15 000	15 000	-
Health	-	-	-	6 500	12 000	15 000	20 000	20 500
Infrastructure and Services	-	-	-	-	-	-	-	-
Finance	-	-	-	17 402	-	2 225	-	-
Housing	-	-	-	144 877	154 877	484 745	595 280	714 459
City Power	-	-	-	54 516	54 516	45 000	80 000	83 000
Johannesburg Water	-	-	-	129 113	129 113	193 000	220 000	225 500
Pikitup	-	-	-	24 000	27 500	34 000	44 000	45 100
Johannesburg Roads Agency	-	-	-	86 774	81 181	145 000	180 000	183 000
Johannesburg City Parks	-	-	-	15 000	20 000	30 000	40 000	41 000
Johannesburg Social and Housing Company	-	-	-	-	-	32 500	-	-
Development Planning and Urban Management	-	-	-	48 387	44 000	-	-	-
Metro Trading Company	-	-	-	-	2 000	-	-	-
Sub-Total	130 092	455 460	263 908	856 450	588 648	1 811 470	1 189 260	1 333 859
Provincial Government:	1 459 935	702 227	880 870	-	8 651	8 050	8 050	9 970
Housing	-	-	-	-	-	-	-	-
Community Development Libraries	-	-	-	-	901	-	-	-
Johannesburg Social Housing Company	-	-	-	-	-	8 050	8 050	9 970
Economic development	-	-	-	-	5 000	-	-	-
Social Services and Housing	321 875	224 810	298 673	-	-	-	-	-
Environment	-	-	-	-	750	-	-	-
Soccer City 2010	1 138 060	477 417	582 097	-	-	-	-	-
Total capital expenditure of Transfers and Grants	1 590 027	1 175 289	2 985 994	883 686	1 578 800	2 259 029	2 847 310	2 983 829
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	4 445 795	4 752 731	6 879 568	5 204 467	6 266 780	6 831 068	7 391 376	7 797 206

2.8 Table SA21: Allocations and Grants made by the Municipality

Description	2007/8	2008/9	2009/10	Current Year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand								
Transfers to Entities/Other External Mechanisms								
City Power	-	-	-	-	-	-	-	-
Johannesburg Water	-	-	-	-	-	-	-	-
Pikitup	678 494	730 046	837 153	925 110	925 110	976 356	1 007 749	1 053 101
Johannesburg Roads Agency	371 316	404 003	405 230	429 693	439 663	460 300	480 019	517 215
Metrobus	258 343	265 498	284 497	291 841	291 841	299 919	318 104	336 736
City Parks	354 145	423 771	425 047	469 596	469 596	475 682	508 735	536 741
Zoo	35 878	34 714	36 779	40 370	40 370	42 293	46 540	49 164
Johannesburg Development Agency	29 227	29 924	20 450	21 637	21 637	22 866	22 677	23 651
Johannesburg Property Company	11 130	10 516	537	-	-	-	-	-
Johannesburg Fresh Produce Market	-	-	-	-	-	-	-	-
Metro Trading Company	35 972	40 135	48 059	45 293	45 293	51 775	53 984	57 293
Johannesburg Tourism Company	17 758	22 475	24 105	31 616	31 616	33 417	32 939	34 681
Jashco	12 129	15 132	11 794	17 173	17 173	17 764	16 869	16 872
Johannesburg Civic Theatre	-	-	-	25 000	25 000	26 818	26 871	28 441
Roadport City Theatre	6 728	7 769	8 363	9 375	9 375	9 853	10 176	10 736
TOTAL TRANSFERS TO ENTITIES/EMS	1 821 120	2 043 983	2 102 014	2 296 704	2 316 704	2 417 043	2 534 653	2 674 630
Grants to Organisations/ Groups of Individuals								
Health SPCA	3 957	4 159	4 405	4 663	4 663	4 929	5 205	5 491
Comm. Dev. Sporting and Social Organisations	8 803	10 549	6 303	5 211	6 356	6 718	7 094	7 483
Economic Development	9 879	26 288	11 999	64 049	68 040	21 353	20 855	22 002
Housing Top Structures	173 652	318 293	156 885	50 000	57 508	12 322	8 380	8 841
2010 Stadiums	3	1 228	1 268	-	-	-	-	-
Development Planning and Urban Management	-	904	2	30	30	32	34	36
Finance	-	-	-	-	-	-	-	-
TOTAL GRANTS TO ORGANISATIONS/GROUPS OF INDIVIDUALS	196 294	361 421	180 862	123 953	136 587	45 354	41 568	43 853
TOTAL TRANSFERS AND GRANTS	2 017 414	2 405 404	2 282 876	2 420 657	2 453 301	2 462 397	2 576 221	2 718 483

2.9 Table SA22: Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	2007/8	2008/9	2009/10	Current Year 2010/11		2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
	A	B	C	D	E	G	H	I
Councillors (Political Office Bearers plus Other)								
Salary	52 757	58 433	54 225	62 870	62 870	75 611	80 848	85 081
Pension Contributions	9 401	9 911	7 140	8 408	8 408	8 921	9 528	10 052
Medical Aid Contributions	27	50	1 775	2 102	2 102	2 230	2 382	2 513
Motor vehicle allowance	151	263	11 299	10 573	10 573	11 218	11 981	12 640
Sub Total - Councillors	62 336	68 657	74 439	83 953	83 953	97 980	104 538	110 285
Senior Managers of the Municipality								
Salary	75 250	85 684	98 800	118 197	117 126	124 271	132 721	140 021
Pension Contributions	1 878	1 297	8 233	8 712	6 728	7 139	7 824	8 043
Medical Aid Contributions	1 100	846	2 983	3 179	3 168	3 361	3 599	3 787
Motor vehicle allowance	10 343	12 629	16 933	17 552	17 454	18 519	18 778	20 888
Housing allowance	60	59	270	268	277	293	313	331
Performance Bonus	5 862	11 782	10 537	14 447	14 110	14 971	15 989	16 888
Other benefits or allowances	904	1 686	3 187	3 334	3 424	3 833	3 880	4 093
In-kind benefits	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality	95 298	113 953	138 903	163 709	162 267	172 187	183 895	194 010
Other Municipal Staff								
Basic Salaries and Wages	1 233 919	1 652 837	1 994 488	2 319 213	2 332 587	2 477 854	2 846 312	2 803 638
Pension Contributions	177 973	178 128	241 448	288 171	292 003	309 815	330 883	349 081
Medical Aid Contributions	108 633	117 453	154 547	188 120	150 767	158 984	170 842	180 238
Motor vehicle allowance	145 031	123 883	157 705	188 473	186 887	198 286	211 748	223 394
Housing allowance	17 977	18 833	25 878	29 301	28 897	30 680	32 744	34 545
Overtime	108 439	85 889	77 342	163 828	143 328	94 985	137 301	145 119
Performance Bonus	68 507	86 604	175 877	188 142	188 887	258 688	278 257	291 452
Other benefits or allowances	70 544	116 976	104 382	119 024	249 202	250 205	258 229	258 242
Sub Total - Other Municipal Staff	2 178 839	2 672 903	2 931 565	3 474 070	3 572 818	3 780 418	4 082 316	4 283 706
Total Parent Municipality	2 334 273	2 859 513	3 144 907	3 721 732	3 818 858	4 050 483	4 350 747	4 588 001
Board Members of Entities								
Salary	4 710	5 021	7 455	7 463	9 158	9 717	10 378	10 948
Pension Contributions	-	-	-	223	331	352	378	398
Medical Aid Contributions	-	-	-	167	241	255	273	288
Motor vehicle allowance	298	323	358	480	753	799	853	900
Housing allowance	-	-	535	469	469	497	531	560
Board Fees	8 298	7 420	7 657	828	1 110	1 178	1 258	1 327
Other benefits and allowances	-	-	2 373	-	-	-	-	-
In-kind benefits	81	86	-	11 825	12 230	12 976	10 135	10 892
Sub Total - Board Members of Entities	13 365	12 830	18 378	21 553	24 292	25 774	23 802	25 111
Senior Managers of Entities								
Salary	79 808	59 389	83 346	109 805	98 134	105 161	112 334	118 512
Pension Contributions	4 141	3 856	21 552	23 798	23 348	24 772	28 458	27 912
Medical Aid Contributions	1 368	1 372	12 780	13 721	13 655	14 488	15 473	16 324
Motor vehicle allowance	4 875	5 223	5 382	6 835	6 748	7 158	7 845	8 065
Cell phone allowances	-	-	82	89	74	78	84	88
Housing allowance	13	35	12 340	13 820	13 629	14 460	15 443	16 293
Performance Bonus	6 821	7 110	16 694	21 419	20 185	21 427	22 884	24 143
Other benefits or allowances	3 039	1 580	550	583	3 184	3 388	3 819	3 819
Sub Total - Senior Managers of Entities	99 465	78 556	152 707	189 480	179 975	190 953	203 938	218 155
Other Staff of Entities								
Basic Salaries and Wages	1 221 320	1 423 320	1 783 227	1 612 435	1 621 581	1 720 498	1 837 482	1 938 554
Pension Contributions	193 641	218 837	213 841	245 734	244 356	259 262	278 892	292 121
Medical Aid Contributions	99 771	123 265	125 825	140 998	142 046	150 710	160 959	169 811
Motor vehicle allowance	83 580	99 256	118 823	121 980	119 711	127 013	135 850	143 111
Cell phone allowances	-	-	508	3 207	1 423	1 510	1 613	1 702
Housing allowance	13 322	18 812	15 165	19 523	19 007	20 187	21 538	22 723
Overtime	83 233	16 525	214 011	138 707	131 881	132 940	142 037	149 721
Performance Bonus	83 905	160 824	104 814	110 803	114 998	122 013	130 310	137 477
Other benefits or allowances	170 830	158 858	119 044	143 041	117 475	157 587	167 418	190 746
In-kind benefits	4 395	5 839	4 739	6 668	6 888	7 096	7 579	7 895
Sub Total - Other Staff of Entities	1 933 987	2 223 633	2 698 197	2 540 929	2 519 248	2 698 797	2 881 485	3 053 961
% Increase		15.0%	21.3%	(5.8%)	(0.8%)	7.1%	6.8%	6.0%
Total Municipal Entities	2 048 827	2 315 019	2 889 282	2 731 962	2 723 515	2 915 524	3 109 228	3 294 227
TOTAL SALARY, ALLOWANCES & BENEFITS	4 381 100	5 170 532	6 014 189	6 473 893	6 542 373	6 968 007	7 459 973	7 882 228
% Increase		18.0%	16.3%	7.8%	1.1%	6.4%	7.1%	5.7%
TOTAL MANAGERS AND STAFF (excluding board members)	4 305 399	5 089 045	5 921 372	6 388 187	6 434 128	6 842 353	7 331 835	7 746 831

Table SA23: Salaries, allowances and benefits (political office bearers/ councillors/ senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Salary	Contrib.	Allowances	Performance Bonuses	Total Package
Rand per annum		1.			3.
Councillors					
Speaker	708 748	102 796	18 850		830 394
Chief Whip	659 109	101 813	18 850		779 772
Executive Mayor	619 000	93 000	1 61 000		873 000
Executive Committee	7 393 040	983 882	1 88 496		8 565 418
Total for all other councillors	79 080 372	6 074 035	1 677 009		86 831 416
Total Councillors	88 460 269	7 355 526	2 064 205	-	97 880 000
Senior Managers of the Municipality					
City Manager	1 816 000	176 000	1 25 000	296 000	2 413 000
Executive Director : Economic Development	1 781 752	-	-	249 445	2 031 197
Executive Director : Environmental Management	1 500 000	-	9 000	144 000	1 653 000
Executive Director : Infrastructure and Services	1 680 000	-	-	235 000	1 915 000
Executive Director : Transportation	1 391 000	195 000	73 000	208 000	1 867 000
Executive Director : Community Development	1 634 213	-	1 45 299	148 000	1 927 512
Executive Director : Health	1 457 335	-	1 17 192	220 434	1 794 961
Executive Director : Finance (CFO)	2 118 915	58 071	79 000	172 417	2 428 403
Executive Director : Revenue and Customer Relations	1 720 624	-	17 000	150 000	1 887 624
Executive Director : Corporate and Shared Services	1 493 856	39 368	1 53 216	140 448	1 826 888
Acting Executive Director : Housing Management	1 228 000	141 000	193 000	193 000	1 755 000
Executive Director : Emergency Management Services	974 368	39 486	105 462	156 641	1 275 957
Executive Director : Police	1 332 616	-	1 23 167	186 566	1 642 349
Chief of Police	1 062 000	165 000	381 000	115 000	1 723 000
Executive Director : 2010 Planning	1 307 000	-	336 000	128 000	1 771 000
Director : Central Strategy Unit	1 011 000	136 000	1 10 000	176 000	1 433 000
Acting Chief Information Officer	833 000	318 000	1 20 000	117 000	1 388 000
Director : External Relations	755 000	25 000	47 000	116 000	943 000
Acting Executive Director : Public Liaison	1 423 000	1 000	96 000	213 000	1 733 000
Acting Executive Head : Joburg Risk Assurance Services	1 194 000	29 000	288 000	211 000	1 722 000
Director : Legal and Compliance	818 000	65 000	2 58 000	160 000	1 301 000
Total Senior Managers of the Municipality	28 531 679	1 387 925	2 776 336	3 735 951	36 431 891
A Heading for Each Entity					
Chief Executive Officer : City Power	1 703 627	277 079	1 52 136	199 314	2 332 156
Chief Executive Officer : Johannesburg Water	1 584 000	210 000	356 000	279 000	2 429 000
Chief Executive Officer : PiKitup	1 900 000	24 000	-	266 000	2 190 000
Chief Executive Officer : Johannesburg Roads Agency	1 035 000	191 000	1 27 000	51 000	1 404 000
Chief Executive Officer : Metrobus	879 838	98 140	3 42 792	184 908	1 505 678
Chief Executive Officer : Johannesburg City Parks	1 711 000	-	32 000	145 000	1 888 000
Chief Executive Officer : Johannesburg Zoo	1 123 000	114 000	176 000	175 000	1 588 000
Chief Executive Officer : Johannesburg Development Agency	1 204 342	-	-	120 434	1 324 776
Chief Executive Officer : Johannesburg Property Company	1 147 000	-	-	100 000	1 247 000
Chief Executive Officer : Johannesburg Fresh Produce Market	1 013 448	173 028	108 000	150 547	1 445 023
Chief Executive Officer : Metro Trading Company	996 120	180 000	12 000	105 576	1 293 696
Chief Executive Officer : Johannesburg Tourism Company	1 096 604	73 432	1 65 984	153 524	1 489 544
Chief Executive Officer : Johannesburg Social Housing Company	1 278 000	-	69 000	199 000	1 546 000
Chief Executive Officer : Johannesburg Civic Theatre	1 574 667	34 332	-	234 248	1 843 247
Chief Executive Officer : Roodepoort City Theatre	981 642	-	-	137 429	1 119 071
Total for municipal entities	19 228 288	1 375 011	1 540 912	2 500 980	24 645 191
TOTAL ESTIMATED COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION for 2011/12	138 220 236	10 118 462	6 381 453	6 236 931	158 957 082

2.10 Table SA25: Monthly Targets for Revenue and Expenditure and Cash Flow

Description	Budget Year 2011/12												Medium Term Revenue and Expenditure Framework		
	Budget Year 2011/12												Budget Year +1	Budget Year +2	
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2011/12	Budget Year +1	Budget Year +2
Revenue By Source															
Property rates	414 965	414 965	414 965	414 965	414 965	414 965	414 965	414 965	414 965	414 965	414 965	414 967	4 979 582	5 557 214	5 662 861
Property rates - penalties & collection charges	6 198	6 198	6 198	6 198	6 198	6 198	6 198	6 198	6 198	6 198	6 198	6 198	74 376	83 004	87 569
Service charges - electricity revenue	1 036 147	1 270 803	932 990	864 974	850 237	837 767	816 229	841 168	881 978	898 982	1 012 342	1 142 827	11 386 442	13 663 668	16 566 499
Service charges - water revenue	441 909	441 909	441 909	441 909	441 909	441 909	441 909	441 909	441 909	441 909	441 909	441 909	5 302 905	5 605 808	5 970 380
Service charges - sanitation revenue	70 697	70 697	70 697	70 697	70 697	70 697	70 697	70 697	70 697	70 697	70 697	70 697	849 074	896 630	946 941
Service charges - refuse revenue	15 346	16 823	17 436	17 464	16 046	17 215	18 465	19 109	21 187	22 091	23 720	148 106	352 800	371 957	392 682
Service charges - other	15 849	15 582	15 787	16 126	16 189	16 315	15 593	15 626	15 643	15 592	15 802	16 781	190 885	204 573	219 637
Rental of facilities and equipment	15 239	15 334	15 324	15 314	15 304	15 284	15 274	15 264	15 249	15 239	15 234	15 329	183 389	193 438	204 022
Interest earned - external investments	2 896	2 753	2 859	2 924	2 869	2 978	3 030	3 085	3 141	3 199	3 243	3 243	35 890	53 955	64 520
Interest earned - outstanding debentures	20 759	20 956	19 061	19 520	19 310	20 430	18 510	19 720	20 060	19 950	19 620	34 167	252 063	250 338	264 106
Fines	56	56	56	56	56	56	56	56	56	56	56	56	689	707	746
Licences and permits	35 991	36 620	34 978	35 665	35 311	37 195	33 971	33 099	34 591	33 184	32 355	43 701	426 661	440 732	465 156
Agency services	368 465	368 465	401 144	368 465	368 465	401 144	368 465	368 465	401 144	368 465	368 465	420 887	4 572 039	4 544 066	4 813 677
Transfers recognised - operational	59 363	59 362	59 909	62 032	65 326	67 488	63 842	64 088	64 465	66 045	66 024	66 597	764 551	977 136	1 028 105
Other revenues	2 563 681	2 740 451	2 433 536	2 336 344	2 322 972	2 349 623	2 287 193	2 313 466	2 391 337	2 376 661	2 450 595	2 825 428	29 371 287	32 843 227	36 073 901
Gains on disposal of PPE															
Total Revenue (excluding capital transfers and contributions)	2 563 681	2 740 451	2 433 536	2 336 344	2 322 972	2 349 623	2 287 193	2 313 466	2 391 337	2 376 661	2 450 595	2 825 428	29 371 287	32 843 227	36 073 901
Expenditure By Type															
Employee related costs	538 861	538 861	538 861	538 861	538 861	541 309	538 861	538 861	538 861	538 861	538 861	538 868	6 888 127	7 355 437	7 771 943
Remuneration of councillors	8 157	8 157	8 157	8 157	8 157	8 157	8 157	8 157	8 157	8 157	8 157	8 157	97 880	104 536	110 286
Debt impairment	154 995	154 800	142 465	139 984	139 446	139 991	136 205	139 142	140 681	141 301	145 436	148 399	1 723 445	1 699 437	1 709 489
Depreciation & asset impairment	132 166	131 911	132 041	132 930	133 140	132 854	132 612	132 665	132 588	133 462	133 490	129 962	1 590 011	1 636 145	1 765 878
Finance charges	126 962	126 962	126 962	126 962	126 962	126 962	126 962	126 962	126 962	126 962	126 962	126 966	1 523 952	1 538 663	1 620 306
Bulk purchases	1 205 009	1 245 318	774 829	708 849	609 110	650 999	682 847	758 197	794 710	832 019	906 051	1 559 341	10 727 279	12 816 728	14 781 456
Contracted services	177 084	176 213	176 843	178 021	186 203	179 416	188 729	191 777	189 195	188 823	189 041	188 808	2 212 152	2 371 423	2 487 591
Transfers and grants	1 988	1 993	1 988	1 988	1 988	1 988	1 988	1 988	1 988	1 988	1 988	3 977	45 354	41 568	43 853
Other expenditure	217 772	216 347	225 419	221 720	231 639	227 610	234 158	281 085	299 070	274 421	297 167	751 970	3 478 329	3 585 056	3 906 965
Losses on disposal of PPE			25			25					253	25	353	106	151
Total Expenditure	2 562 944	2 600 563	2 127 590	2 057 473	2 386 842	2 008 312	2 061 079	2 179 035	2 232 237	2 246 985	2 347 407	3 456 473	28 266 482	31 348 099	34 217 918
Surplus/(Deficit)	59 853	139 887	305 946	278 872	(63 870)	341 311	226 114	134 431	159 099	129 676	143 187	(831 046)	1 104 865	1 495 128	2 657 983
Transfers recognised - capital	100 849	144 272	347 400	184 308	139 635	114 248	106 510	153 038	182 730	185 632	180 530	419 877	2 259 029	2 847 310	2 983 529
Contributions recognised - capital	13 256	18 933	19 600	28 406	32 954	38 531	25 388	81 664	32 376	63 133	54 037	34 133	442 410	469 585	443 765
Contributed assets															
Surplus/(Deficit) after capital transfers & contributions	55 242	303 092	672 946	491 587	106 719	494 089	358 072	369 133	374 205	378 441	377 754	(177 086)	3 806 244	4 811 003	6 085 277
Taxation	1 475	1 286	839	824	822	2 182	796	376	1 005	781	535	284 566	295 486	286 499	303 128
Surplus/(Deficit)	53 766	301 806	672 106	490 763	107 898	491 907	357 276	369 758	373 200	377 660	377 219	(461 601)	3 510 758	4 524 504	5 782 149

Medium Term Budget 2011/12 – 2013/14

Table SA27: Consolidated budgeted monthly revenue and expenditure (standard classification)

R thousand	Description	Budget Year 2011/12												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14	
	Revenue - Standard																
	<i>Governance and administration</i>	864 841	864 793	864 789	864 841	864 789	864 787	864 843	864 787	864 847	864 785	1 052 142	10 565 101	11 340 711	12 008 934		
	Executive and council	1 109	1 109	1 109	1 109	1 109	1 109	1 109	1 109	1 109	1 109	1 109	13 305	13 305	14 728		
	Budget and treasury office	855 107	855 107	855 107	855 107	855 107	855 107	855 107	855 107	855 107	855 107	855 107	10 364 300	11 133 093	11 787 818		
	Corporate services	8 625	8 577	8 574	8 625	8 574	8 572	8 628	8 572	8 632	8 580	92 908	187 488	183 858	206 368		
	Community and public safety	128 853	162 833	172 030	103 512	94 540	109 841	87 178	106 220	145 130	77 806	325 764	1 598 437	1 610 448	1 778 367		
	Community and social services	8 539	9 076	11 255	11 023	14 084	14 014	5 908	8 452	10 239	10 089	(4 801)	107 911	81 989	78 782		
	Sport and recreation	2 348	2 458	2 873	3 323	3 423	4 423	5 323	6 323	7 173	9 168	8 729	142 089	155 192	167 065		
	Public safety	45 525	45 872	43 202	44 502	44 487	45 592	44 887	43 712	44 117	44 117	44 117	548 867	548 117	573 826		
	Housing	75 385	104 470	80 864	44 608	32 488	10 676	13 069	39 780	38 548	13 099	14 197	839 684	889 804	815 593		
	Health	56	56	33 935	56	56	35 135	972	972	45 052	972	33 651	151 888	135 556	143 291		
	<i>Economic and environmental services</i>	87 772	69 839	28 842	159 500	120 892	121 587	130 140	128 782	139 343	151 121	160 252	2 048 222	2 609 885	2 633 129		
	Planning and development	44 147	48 214	48 018	43 982	35 374	38 080	42 729	39 371	41 932	41 918	69 335	527 835	453 102	446 858		
	Road transport	23 583	23 583	243 583	115 476	85 476	85 476	87 389	87 389	97 389	109 262	440 748	1 518 557	2 155 063	2 164 571		
	Trading services	42	42	42	42	42	42	42	42	42	42	1 271	1 279	1 500	1 800		
	Electricity	1 525 382	1 776 252	1 444 137	1 391 269	1 385 403	1 376 248	1 327 000	1 428 442	1 427 184	1 471 782	1 719 495	17 862 966	20 598 238	23 082 765		
	Water	1 064 307	1 306 334	971 585	913 908	903 130	895 324	881 475	949 186	935 025	982 020	1 208 319	12 078 202	14 464 351	17 463 351		
	Waste water management	285 132	286 198	269 601	272 583	275 562	272 562	278 801	272 562	281 483	280 033	293 810	3 312 540	3 507 314	3 959 848		
	Waste management	18 188	178 755	179 734	181 722	183 708	184 701	178 534	181 708	187 655	188 889	195 740	2 208 360	2 338 210	2 448 432		
	Other		23 075	23 238	23 057	23 003	19 171	19 189	22 985	23 021	23 057	23 826	265 864	268 331	303 334		
	Total Revenue - Standard	2 587 848	2 873 717	2 770 598	2 519 121	2 485 824	2 472 463	2 389 153	2 516 230	2 576 805	2 595 488	3 608 753	32 072 726	36 159 102	40 303 195		
	Expenditure - Standard																
	<i>Governance and administration</i>	387 279	360 404	387 952	355 642	440 562	363 778	371 054	377 554	394 393	398 174	656 163	4 827 402	4 958 408	4 871 580		
	Executive and council	83 323	70 153	74 188	66 554	70 577	72 802	71 308	73 102	73 118	76 828	(269 959)	541 912	575 534	802 742		
	Budget and treasury office	243 104	249 149	252 182	247 508	304 108	250 125	258 144	262 820	278 443	279 714	270 401	3 157 988	3 188 677	3 110 862		
	Corporate services	40 853	41 103	41 583	41 583	56 878	40 853	41 583	41 833	41 833	41 833	655 721	1 127 482	1 196 187	1 257 876		
	Community and public safety	381 010	381 530	384 137	386 274	481 110	372 318	368 408	387 870	388 661	385 925	420 652	4 581 866	4 819 382	5 106 399		
	Community and social services	75 039	75 039	75 029	75 726	107 080	79 088	75 300	75 029	72 286	72 838	(298 818)	558 191	583 538	583 182		
	Sport and recreation	39 387	36 387	41 828	43 391	63 352	48 221	48 056	45 688	47 336	45 856	48 623	970 877	1 035 020	1 104 811		
	Public safety	172 308	172 848	172 868	172 871	187 842	172 728	172 768	172 849	172 868	172 868	172 837	2 068 824	2 230 546	2 348 593		
	Housing	33 085	33 085	33 073	33 073	44 895	33 073	33 073	33 180	33 150	33 150	39 088	414 799	408 843	508 617		
	Health	41 212	41 212	41 212	41 212	68 140	41 212	41 212	41 212	41 212	41 212	41 212	521 475	523 445	553 396		
	<i>Economic and environmental services</i>	180 277	183 455	185 508	182 259	245 523	189 827	209 302	201 817	194 407	193 542	571 979	2 743 822	3 052 736	3 303 776		
	Planning and development	72 452	75 630	77 683	77 710	118 828	75 276	81 304	73 813	71 680	72 687	32 488	1 188 482	1 220 341	1 357 229		
	Road transport	104 718	104 718	104 718	111 443	118 954	111 443	124 890	124 890	119 898	119 898	247 284	1 511 032	1 783 597	1 865 149		
	Environmental protection	3 108	3 108	3 108	3 106	9 942	3 108	3 108	3 114	3 121	3 124	3 247	44 308	48 788	51 398		
	Trading services	1 653 784	1 653 784	1 213 233	1 145 232	1 221 560	1 086 272	1 114 731	1 190 487	1 233 215	1 286 350	2 304 423	16 428 778	18 804 062	21 139 291		
	Electricity	1 184 566	1 184 566	742 119	673 401	634 441	614 046	644 584	720 323	757 785	785 219	1 840 284	10 864 219	12 828 293	15 000 095		
	Water	228 876	228 876	228 876	228 876	281 543	228 876	228 876	228 876	228 876	228 876	2 078 377	4 828 828	4 800 814	4 885 555		
	Waste water management	151 251	151 251	151 251	151 251	187 895	151 251	151 251	151 251	151 251	151 251	(1 700 201)	-	-	-		
	Waste management	91 102	91 102	92 889	93 705	117 881	94 100	92 020	92 038	97 304	94 882	88 003	1 135 931	1 178 955	1 243 841		
	Other																
	Total Expenditure - Standard	2 582 358	2 589 202	2 130 632	2 059 407	2 388 756	2 012 197	2 083 475	2 137 528	2 189 278	2 202 465	3 953 218	28 561 968	31 634 588	34 521 046		
	Surplus/Deficit	25 489	314 515	639 966	459 714	76 868	460 266	325 678	380 702	387 527	393 023	(344 464)	3 510 758	4 524 504	5 782 149		

Table SA28: Consolidated budgeted monthly capital expenditure (municipal vote)

R thousand	Description	Budget Year 2011/12												Medium Term Revenue and Expenditure Framework				
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14		
	<i>Multi-year appropriations to be appropriated</i>																	
	Economic Development	-	-	1 022	768	768	166	768	768	768	768	768	768	768	768	6 541	400	400
	Environment	-	-	326	317	205	-	360	315	360	315	1 800	1 800	1 800	1 800	6 829	6 600	8 100
	Infrastructure and Services	-	-	67	17	66	-	-	-	-	-	-	-	-	-	150	150	150
	Transportation	360	36	220 048	90 072	60 108	60 135	60 000	70 800	70 800	70 800	81 700	92 500	239 584	1 035 944	1 542 400	1 545 400	
	Community Development	-	4 673	5 987	7 094	5 913	-	4 713	4 098	4 098	4 098	4 163	4 163	6 766	47 465	54 750	59 050	
	Health	-	-	1 656	-	-	2 866	-	11 868	11 868	11 868	-	-	-	16 400	21 400	21 300	
	Office of the Executive Mayor	-	1 473	1 483	1 483	1 483	-	1 403	1 383	1 383	1 333	1 333	1 333	1 336	12 710	15 110	18 710	
	Speaker, Legislative Arm of Council	550	1 820	120	100	-	-	60	-	-	-	-	-	-	2 660	830	830	
	Finance	-	10	20	20	60	-	50	100	100	120	-	-	2 225	2 250	2 750	2 750	
	Revenue and Customer Relations	-	100	100	100	300	-	200	200	200	200	-	-	-	1 000	3 400	4 000	
	Corporate and Shared Services	-	50	50	50	60	60	60	60	60	60	-	-	-	450	2 850	3 450	
	Housing	70 687	101 012	76 507	38 610	26 061	3 319	5 601	32 342	32 342	38 587	38 587	5 778	79 488	619 710	744 909	744 909	
	Development Planning and Urban Management	8 000	15 677	15 677	13 927	-	-	11 577	10 577	10 577	17 377	17 377	17 377	22 256	147 100	157 600	157 600	
	Emergency Management Services	-	1 758	1 958	1 958	1 808	-	1 458	1 458	1 458	1 458	1 458	1 458	1 462	16 234	1 950	2 250	
	Johannesburg Metropolitan Police Department	-	-	-	-	-	-	70	120	120	150	200	200	1 860	2 400	2 800	3 300	
	Municipal Entities Accounts																	
	City Power	25 523	36 709	49 477	158 333	54 667	58 816	48 414	58 063	58 063	85 930	85 930	80 201	72 255	949 165	1 035 465	1 035 465	
	Johannesburg Water	-	12 432	17 680	31 139	33 582	49 819	9 680	71 980	71 980	102 846	102 846	126 039	47 465	541 284	627 600	730 500	
	Pollip	-	5 556	5 556	5 556	5 556	-	5 556	5 556	5 556	5 556	5 556	5 556	5 552	50 000	63 200	69 100	
	Johannesburg Roads Agency	7 041	7 041	7 041	16 966	16 966	16 966	20 729	20 729	20 729	30 425	31 125	31 125	48 080	243 818	284 000	289 700	
	Metrobus	2 500	300	200	250	150	100	1 000	500	500	300	300	300	150	6 000	6 500	5 000	
	Johannesburg City Parks	708	708	1 193	1 677	2 677	3 972	4 646	10 846	10 846	11 007	2 658	2 658	2 662	47 200	58 900	62 800	
	Johannesburg Zoo	-	500	500	-	-	2 000	-	2 000	2 000	-	-	-	500	6 000	6 000	7 500	
	Johannesburg Development Agency	-	1 377	1 877	2 127	1 877	1 877	2 877	2 127	2 127	2 127	2 127	2 129	2 000	23 772	18 000	22 500	
	Johannesburg Property Company	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	15 000	18 000	22 500	
	Joburg Market	-	2 030	2 000	2 000	2 000	-	2 000	2 000	2 000	2 000	2 000	2 000	2 000	18 000	21 600	27 000	
	Metro Trading Company	-	500	500	500	500	-	500	500	500	500	500	500	500	5 000	6 000	7 500	
	Johannesburg Tourism Company	-	540	280	-	300	-	-	-	-	-	-	-	-	1 200	1 400	1 800	
	Johannesburg Social and Housing Company	-	-	5 171	5 757	8 928	15 114	8 342	22 308	22 308	16 700	7 928	7 928	7 500	113 604	68 050	84 970	
	Joburg Theatre	-	-	300	-	-	300	-	300	300	-	-	-	300	1 200	1 400	1 800	
	Roadport City Theatre	-	10	110	110	110	310	110	310	310	10	-	-	10	1 400	1 400	1 800	
	Total Capital Expenditure	116 689	195 532	418 156	380 181	225 455	217 071	177 527	321 476	332 346	405 995	395 050	546 808	3 722 199	4 532 815	4 942 734	4 942 734	

Table SA29: Consolidated budgeted monthly capital expenditure (standard classification)

R <th rowspan="3">thousand</th> <th rowspan="3">Description</th> <th colspan="12">Budget Year 2011/12</th> <th colspan="3">Medium Term Revenue and Expenditure Framework</th>	thousand	Description	Budget Year 2011/12												Medium Term Revenue and Expenditure Framework		
			July	Augst	Spt.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2011/12	Budget Year 2012/13	Budget Year 2013/14
			110	523	183	182	198	-	20	174	173	153	133	1591	3445	4240	5240
50	323	183	153	143	-	60	143	133	133	133	136	1530	1590	1940			
50	180	140	120	60	-	110	70	100	120	-	55	3575	560	6750			
-	110	120	120	300	-	50	270	300	120	-	1400	1540	2080	2580			
7135	10661	9342	5526	4547	2780	2037	6045	8540	7200	2245	10058	76307	85280	99279			
-	5183	697	7204	6023	2610	110	4823	688	408	4163	7576	5535	6350	70150			
708	708	118	1677	2677	3972	486	486	10646	1107	268	262	4720	5900	6200			
-	1758	198	198	188	-	168	158	1578	168	168	332	1864	468	5550			
7068	10102	8168	4137	3498	1843	1410	4948	5150	5527	1376	8698	65378	68760	82989			
-	-	188	-	-	286	-	-	1188	-	-	-	1640	2140	2190			
1790	2747	28078	12844	8300	7325	9765	9830	10316	13691	14846	31617	148526	204150	2185150			
800	1994	2098	1883	508	2043	1522	1592	15472	2272	2271	2625	19195	18860	20940			
990	787	2778	1778	7724	7720	8279	8209	9259	11295	12425	28824	12072	18890	187600			
-	-	36	37	25	-	25	30	315	184	180	167	682	660	8100			
252	5487	7273	1502	9815	10635	5804	15977	1599	19432	211796	125272	145181	163965	1135065			
252	3579	4947	1333	5467	5816	4844	11529	5803	8590	8021	7225	88397	98165	118565			
-	749	1088	1888	2165	2989	508	2345	4388	6178	75623	24495	54124	62760	73090			
-	493	702	1245	1347	1928	382	1547	2872	4113	50416	(19752)	-	-	-			
-	556	556	556	556	-	-	556	556	556	556	552	5000	6320	6910			
1599	15052	4696	3901	22425	25761	17627	30225	31138	40435	33810	57908	37219	452615	492734			

Table SA30: Consolidated budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2011/12												Medium Term Revenue and Expenditure Framework	
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2011/12	Budget Year +2013/14
	R thousand	R thousand	R thousand	R thousand	R thousand	R thousand	R thousand	R thousand	R thousand	R thousand	R thousand	R thousand	R thousand	R thousand
Cash Receipts by Source														
Property rates	383 733	383 733	383 733	383 733	383 733	383 733	383 733	383 733	383 733	383 733	383 733	383 735	4 604 790	5 177 956
Property rates - penalties & collection charges	5 732	5 732	5 732	5 732	5 732	5 732	5 732	5 732	5 732	5 732	5 732	5 732	68 778	77 338
Service charges - electricity revenue	988 815	1 212 751	899 369	825 460	811 397	799 497	778 942	802 742	841 697	857 915	966 096	1 090 621	10 866 291	13 155 390
Service charges - water revenue	410 056	410 056	410 056	410 056	410 056	410 056	410 056	410 056	410 056	410 056	410 056	410 056	4 920 670	5 240 618
Service charges - sanitation revenue	10 311	10 326	10 350	10 324	10 316	10 308	10 311	10 313	10 319	10 324	10 324	10 307	123 832	284 841
Service charges - refuse revenue	15 346	16 623	17 436	16 046	16 046	17 215	18 455	19 109	21 187	22 091	23 720	146 106	352 800	371 957
Service charges - other	15 849	15 582	15 787	16 128	16 189	16 315	15 593	15 626	15 643	15 892	15 802	16 781	190 885	204 573
Rentals of facilities and equipment	15 239	15 334	15 324	15 314	15 304	15 284	15 274	15 264	15 249	15 239	15 234	15 239	183 389	193 438
Interest earned - external investments	2 698	2 753	2 813	2 869	2 924	2 978	3 030	3 085	3 141	3 199	3 118	3 243	35 950	53 955
Interest earned - outstanding debt	20 759	20 956	19 061	19 520	19 310	20 430	18 510	19 720	20 060	19 950	19 620	34 167	252 063	250 338
Fines	56	56	56	56	56	56	56	56	56	56	56	56	669	707
Licences and permits	35 991	35 620	34 978	35 665	35 311	37 195	33 971	33 099	34 591	33 184	32 355	43 701	426 661	440 732
Agency services	368 465	368 465	368 465	368 465	368 465	368 465	368 465	368 465	368 465	368 465	368 465	420 887	4 572 039	4 541 066
Transfers received - operational	59 383	59 382	59 382	59 382	59 382	59 382	59 382	59 382	59 382	59 382	59 382	59 382	764 551	977 136
Other revenue	2 332 411	2 358 369	2 288 748	2 172 818	2 180 184	2 187 430	2 125 888	2 151 987	2 227 063	2 211 579	2 320 335	2 648 307	27 383 278	30 882 845
Cash Receipts by Source														
Other Cash Flows by Source	114 105	163 204	367 000	212 715	172 590	152 779	131 898	234 702	215 106	248 765	234 567	454 010	2 701 438	3 315 875
Transfers received - capital	-	-	(25)	-	-	(25)	-	-	(25)	-	(25)	-	(353)	(106)
Proceeds on disposal of PPE	-	-	(25)	-	-	(25)	-	-	(25)	-	(25)	-	(353)	(106)
Borrowing long term/ refinancing	(718)	(718)	(718)	(718)	(718)	(718)	(718)	(718)	(718)	(718)	(718)	(718)	(8 618)	(9 282)
Decrease (increase) other non-current receivables	(103 963)	(103 963)	(103 963)	(103 963)	(103 963)	(103 963)	(103 963)	(103 963)	(103 963)	(103 963)	(103 963)	(103 963)	(1 247 559)	(34 873)
Decrease (increase) in non-current investments	2 341 834	2 341 832	2 328 042	2 320 850	2 321 072	2 328 502	2 153 183	2 281 101	2 337 462	2 355 883	2 448 988	2 988 811	28 808 185	35 454 882
Total Cash Receipts by Source														
Cash Payments by Type														
Employee related costs	538 861	538 861	538 861	538 861	538 861	541 309	538 861	538 861	538 861	538 861	538 861	538 861	6 668 127	7 355 437
Remuneration of councillors	8 157	8 157	8 157	8 157	8 157	8 157	8 157	8 157	8 157	8 157	8 157	8 157	97 880	104 536
Interest paid	126 962	126 962	126 962	126 962	126 962	126 962	126 962	126 962	126 962	126 962	126 962	126 962	1 523 552	1 538 863
Bulk purchases - Electricity	1 000 647	1 040 903	570 308	504 063	404 325	446 683	477 001	551 821	587 784	624 593	698 086	1 351 482	8 256 687	10 235 348
Bulk purchases - Water & Sewer	203 262	203 262	203 262	203 262	203 262	203 262	203 262	203 262	203 262	203 262	203 262	203 262	2 439 141	2 548 168
Contracted services	177 084	176 213	176 843	178 021	186 203	179 416	188 729	191 777	189 195	188 823	189 041	188 808	2 212 152	2 371 423
Grants and subsidies paid - other	1 988	1 983	1 988	1 988	1 988	1 988	1 988	1 988	1 988	1 988	1 988	1 988	45 354	41 568
General expenses	217 722	216 347	225 419	221 720	231 639	227 610	234 158	281 085	299 070	274 421	297 167	751 970	3 478 329	3 585 056
Cash Payments by Type														
Other Cash Flow Payments by Type	2 274 814	2 312 889	1 851 801	1 783 033	2 112 733	1 734 387	1 787 818	1 903 814	1 855 278	1 988 058	2 083 533	3 173 481	24 821 222	27 780 188
Capital assets	116 619	195 532	418 156	388 181	225 455	217 071	177 527	321 476	332 348	405 966	385 060	397 919	3 573 310	4 374 170
Repayment of borrowing	26 744	26 744	26 744	26 744	26 744	26 744	26 744	26 744	26 744	26 744	26 744	26 744	320 931	1 496 493
Total Cash Payments by Type														
NET INCREASE (DECREASE) IN CASH HELD														
Cash held at the beginning of the month	843 127	566 914	648 831	881 172	1 972 061	1 835 201	2 892 500	2 253 797	2 282 771	2 305 861	2 260 756	2 235 396	892 726	1 804 028
Cash held at the end of the month	566 914	648 831	881 172	1 972 061	1 835 201	2 892 500	2 253 797	2 282 771	2 305 861	2 260 756	2 235 396	1 835 853	1 635 853	3 439 862
Cash held at the end of the month														

2.11 Annual budgets and SDBIPs- internal departments.

Refer to the SDBIP, which is a separate document that is approved by Council.

2.12 Legislation Compliance Status

The promulgation of the Municipal Finance Management Act (The Act) has brought in proficiency and control measures to local government in terms of budgeting, monitoring and accounting on public funds. The Act has had a profound effect on local government operations that required transformation in financial discipline and planning processes. The budget preparation for 2011/12-2013/14 complies with most of these key requirements.

The Act has created clear reporting standards for local government that conforms to international standards. In addition to providing for improved reporting by local government, the Act stipulates that new accounting and financial standards must be complied with.

Compliance with MFMA implementation requirements have been substantially adhered to through the following activities:

a) In- year reporting

The City's electronic reporting to National Treasury has also been complied with and has also improved over time. The monthly and quarterly returns to National Treasury have been submitted on time.

b) MFMA training

The City of Johannesburg, in its strides to comply with the act, has in its plan of compliance instructed departments to train all finance and non-finance officials on MFMA from 2005. This has resulted in mass training programme for officials in all sectors including the municipal entities. This massive training schedule was also boosted by the on line training provided by National treasury. Compliance on all critical elements of the Municipal Finance Management Act is enhanced due the fact that most officials are aware of the Act.

c) Accounting standards

The reform agenda set out through the Municipal Finance Management Act includes new accounting standards, which includes national standards such as Generally Recognised Accounting Practice (GRAP) and Generally Accepted Municipal Accounting Practice (GAMAP). These above mentioned accounting practices have been adhered to during the development of the budget.

The City's consolidated financial statements were prepared to comply with GAMAP since the 2004/05 financial year. The municipal entities financial statements were also prepared in line with GAAP.

d) Municipal Budget and Reporting Regulations

Budgeting in the CoJ is also done in accordance with the MFMA: Municipal Budget and Reporting Regulations promulgated in 2009. Other directives from the National Treasury, for example in the form of budget circulars, are also taken into cognizance.

e) Budget and Treasury Office

The Budget and Treasury Office has been established in accordance with the MFMA

f) Audit Committee

An Audit Committee has been established and is fully functional

5. Annual Report

Annual report is compiled in terms of the MFMA and NT requirements.

g) SDBIP

The detail SDBIP document will be approved after approval of the 2011/12 budget directly aligned and informed by the 2011/12 budget.

h) Budget Steering Committee

A Budget Steering Committee has been established in accordance with MBRR and is fully functional.

i) Alignment of budget with development priorities

There is clear linkage between the budget and the IDP. In turn, the IDP is developed from the GDS and Mayoral priorities. The City is implementing programme budgeting to ensure that the development programmes identified in the IDP are appropriately funded.

j) Public participation

In accordance with the Act, the City's draft budget is made public immediately after tabling to allow for the public to comment on it.

The budget has a strong political oversight.

2.13 Details of budgets per department and municipal entity



**NELSON MANDELA BAY
METROPOLITAN MUNICIPALITY
2011/2012 PROPERTY RATES POLICY**

Adopted by Council on: 28 June 2011

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PART 1: INTRODUCTION AND BACKGROUND

- [1] In terms of Section 229 of the Constitution of the Republic of South Africa, Act No 108 of 1996, a municipality may impose rates on property.
- [2] In terms of Section 4(1)(c) of the Local Government: Municipal Systems Act, No. 32 of 2000, a municipality has the right to finance the affairs of the municipality by imposing, *inter alia*, rates on property.
- [3] In terms of Section 2(1) of the Local Government: Municipal Property Rates Act, No. 6 of 2004 ('the Act'), a metropolitan or local municipality may levy a rate on property in its area of jurisdiction in accordance with the provisions of the said Act.
- [4] The Nelson Mandela Bay Metropolitan Municipality ('the Municipality') is one of six metropolitan municipalities in South Africa that exercise full executive and legislative authority over their respective areas of jurisdiction. The Council of the Municipality has elected to impose a rate in terms of the aforementioned legislation. Consequently, this rates policy has been developed within the parameters of the applicable legislation relating to property rates.
- [5] This Property Rates Policy ('the Policy') only applies to the rating of property valued in accordance with the Act and the applicable regulations; it does not regulate the process of property valuation and the approval of the valuation roll, which is governed by the Act.

PART 2: DEFINITIONS

- [6] In addition to the definitions provided in the Act, the following definitions apply for the purposes of the application of the Policy:

'Act' means the Local Government: Property Rates Act, No 6 of 2004 and includes the regulations made in terms of Section 83 of the Act;

'agricultural purposes' in relation to the use of a property, excludes the use of property for the purpose of eco-tourism or for the trading in or hunting of game;

'Chief Financial Officer' means the Chief Financial Officer (CFO) of the Budget and Treasury Directorate of the Municipality;

'Core family' means a couple, irrespective of gender (whether married or not), with or without children and/or the parents of either;

'Council' means the Council of the Nelson Mandela Bay Metropolitan Municipality;

'due date' means the date specified as such on a municipal account dispatched from the offices of the responsible officer for any rates payable and which is the last day allowed for the payment of such rates;

'exclusion', in relation to a municipality's rating power, means a restriction of that power as provided for in Section 17 of the Act;

'exemption', in relation to the payment of a rate, means an exemption granted by the Municipality in terms of Section 15 of the Act;

'dwelling' means a house designed to accommodate a single core family, including the normal outbuildings associated therewith;

‘farm property’ refers to property that is able to be used productively for agricultural and farming purposes, either on a full-time or a part-time basis, regardless of whether or not agriculture forms the principal source of income;

‘improved value’ means the market value of the property, less the land value of the property;

‘market value’, in relation to a property, means the value of the property determined in accordance with Section 46 of the Act;

‘metropolitan municipality’ means a municipality that has exclusive executive and legislative authority in its area, and which is described in Section 155(1) of the Constitution as a Category A municipality;

‘multiple-use property’ refers to property where there is a combination of different categories of property on the same registered property and where the market value of each is apportioned on the valuation roll; however, this excludes property included in the category of mixed-use property;

‘Municipal Systems Act’ means the Local Government: Municipal Systems Act, No 32 of 2000;

‘Municipality’ means the Nelson Mandela Bay Metropolitan Municipality;

‘owner’ means:

- a) in relation to a property referred to in paragraph (a) of the definition of ‘property’, a person in whose name ownership of the property is registered;
- b) in relation to a right referred to in paragraph (b) of the definition of ‘property’, a person in whose name the right is registered;
- c) in relation to a land tenure right referred to in paragraph (c) of the definition of ‘property’, a person in whose name the right is registered or to whom it was granted in terms of legislation; and
- d) in relation to public service infrastructure referred to in paragraph (d) of the definition of ‘property’, the organ of state that owns or controls that public service infrastructure; provided that a person mentioned below may for the purpose of the Act be regarded by a municipality as the owner of a property in the mentioned circumstances:
 - (i) a trustee in the case of a property registered in the name of the trust, excluding state trust land;
 - (ii) an executor or administrator, in the case of a property in a deceased estate;
 - (iii) a trustee or liquidator, in the case of a property in an insolvent estate or an estate in liquidation;
 - (iv) a judicial manager, in the case of a property in the estate of a legal person under judicial management;
 - (v) a curator, in the case of a property in the estate of a person under curatorship;
 - (vi) a person in whose name a usufruct or other personal servitude is registered, in the case of a property that is subject to a usufruct or other personal servitude;
 - (vii) a lessee, in the case of a property that is registered in the name of a municipality and is leased by it to the lessee;
 - (viii) a buyer, in the case of a property that has been sold by the Municipality and of which possession has been given to the buyer pending registration of ownership in the name of the buyer; or an occupier of a property that is registered in the name of the Municipality.

'property' means –

- a) immovable property situated within the boundaries of the municipality registered in the name of a person including, in the case of a sectional title scheme, a sectional title unit registered in the name of a person;
- b) a right registered against immovable property in the name of a person, excluding a mortgage bond registered against the property;
- c) a land tenure right registered in the name of a person or granted to a person in terms of legislation; or
- d) public service infrastructure;

'rate' means a municipal rate on property envisaged in Section 229(1)(a) of the Constitution;

'rateable property' means property on which a municipality may, in terms of Section 2 of the Act, levy a rate, excluding property fully excluded from the levying of rates in terms of Section 17 of the Act;

'rebate', in relation to a rate payable on a property, means a discount granted in terms of Section 15 of the Act on the amount of the rate payable on the property;

'reduction', in relation to a rate payable on a property, means the lowering in terms of Section 15 of the Act of the amount for which the property was valued and the rating of the property at that lower amount;

'smallholding' refers to property, whether improved by the construction of a dwelling or not, not large enough to support a commercially viable farming operation, but able to provide a subsistence level of output to the owner of the property.

'CATEGORIES OF PROPERTIES' MEANS THE CATEGORIES RECOGNIZED IN TERMS OF PARAGRAPH 14 AND OF THIS POLICY –

- (i) **'agricultural property'** refers to farm properties and small holdings used for agricultural purposes and farm properties not used for any purpose;
- (ii) **'business and commercial property'** refers to property on which the activity of buying, selling or trading in goods and services occurs, but excludes a property that forms part of the mixed-use property category. It includes any office or other accommodation on the same erf, the use of which is incidental to the business, but excludes the business of mining. Further includes, hostels, flats, communes, old age homes, self-catering/holiday flats, guesthouses, bed and breakfast establishments and any vacant property which is being used for storage or parking which is in line with the zoning of the property;
- (iii) **'farm property: residential'** refers to property that is farm property, but is used as residential property;
- (iv) **'farm property: business and commercial'** refers to property that is farm property, but is used as business and commercial property;
- (v) **'farm property: industrial'** refers to property that is farm property, but is used as industrial property;

- (vi) **‘industrial property’** refers to property on which a trade or manufacturing, production assembling or the processing of finished or partially finished products from raw materials or fabricated parts occurs on such a large scale that capital and labour are significantly involved;
- (vii) **‘property used for multiple purposes’** means the property is used for more than one purpose;
- (viii) **‘public benefit organisation property’** means property owned by public benefit organisations and used for any specified public benefit activity listed in item 1 (welfare and humanitarian), item 2 (health care), and item 4 (education and development) of part 1 of the Ninth Schedule to the Income Tax Act;
- (ix) **‘public service infrastructure property’** means publicly controlled infrastructure of the following kinds:
 1. national, provincial or other public roads on which goods, services or labour move across a municipal boundary;
 2. water or sewer pipes, ducts or other conduits, dams, water supply reservoirs, water treatment plants or water pumps forming part of a water or sewer scheme serving the public;
 3. power stations, power substations or power lines forming part of an electricity scheme serving the public;
 4. gas or liquid fuel plants or refineries or pipelines for gas or liquid fuels forming part of a scheme for transporting such fuels;
 5. railway lines forming part of a national railway system;
 6. communication towers, masts, exchanges or lines forming part of a communication system serving the public;
 7. runways or aprons at national or provincial airports;
 8. breakwaters, sea walls, channels, basins, quay walls, jetties, roads, railway or infrastructure used for the provision of water, lights, power, sewerage or similar services of ports, or navigational aids comprising lighthouses, radio navigational aids, buoys, beacons or any other device or system used to assist the safe and efficient navigation of vessels;
 9. any other publicly controlled infrastructure as may be prescribed; or
 10. rights of way, easements or servitudes in connection with infrastructure mentioned in paragraphs (1) to (9).
- (x) **‘residential property’** refers to:-
 1. a dwelling that is used exclusively for human habitation, but excludes hostels, flats, communes, old age homes, self-catering/holiday flats, guesthouses, bed and breakfast establishments, and any vacant land irrespective of its zoning or intended usage; or
 2. an improved property with not more than two dwellings, including any adjoining property registered in the name of the same owner and used together with such residential property as if it were one property, used exclusively for human habitation for residential purposes. (Any such grouping shall be regarded as one residential property for rates rebate or valuation reduction purposes as well as for clearance application purposes); or
 3. a unit registered in terms of the Sectional Title Act, for residential purposes, and includes any unit in the same Sectional Title Scheme registered in the name of the same owner which is used together with the residential unit as if it were one property, for example a garage, domestic worker’s quarters or storeroom. (Any such grouping shall be regarded as one residential property for rates rebate or valuation reduction purposes as well as for clearance application purposes); or

4. property owned by a share-block company and used exclusively for residential purposes, or
 5. retirement schemes and life right schemes used exclusively for residential purposes.
- (xi) **'residential property: mixed use'** refers to residential property that is used predominantly for residential purposes (51 % or more) but has significant portions of the property devoted to purposes that fall within other categories of property but excludes hostels, flats, communes, old age homes, holiday/self-catering flats, guesthouses, bed and breakfast establishments, and any vacant land irrespective of its zoning or intended usage;
 - (xii) **'smallholding property: residential'** refers to property that is a smallholding used as residential property;
 - (xiii) **'smallholding property: residential mixed use'** refers to residential property that is a smallholding used predominantly for residential purposes (51 % or more) but has significant portions of the property devoted to purposes that fall within other categories of property but excludes hostels, flats, communes, old age homes, holiday/self-catering flats, guesthouses, bed and breakfast establishments, and any vacant land irrespective of its zoning or intended usage;
 - (xiv) **'smallholding property: industrial'** property that is a smallholding used as industrial property;
 - (xv) **'smallholding property: business and commercial'** refers to property that is a smallholding used as business and commercial property;
 - (xvi) **'vacant land'** refers to unimproved land, irrespective of the category of property.

CATEGORIES RECOGNIZED IN TERMS OF PARAGRAPH 16 AND OF THIS POLICY

- (i) **'Public benefit organisations and not-for-gain institutions'** refer to institutions/organisations that are approved in terms of Section 30 of the Income Tax Act, 1962, read with the Ninth Schedule to that Act ;
- (ii) **'Indigent household'** means a household that benefits from the Municipality's Assistance to the Poor Policy;
- (iii) **'Pensioner'** refers to a person who is at least 60 years of age and is in receipt of a total monthly household income from all sources (including the income of the spouse of the owner and any occupants) does not exceed R78,720 per annum (R6,560 per month); and is not a recipient of an indigent subsidy;
- (iv) **'Disabled person'** refers to a person who is not capable of working and is the recipient of a disability grant and whose total monthly income from all sources (including the income of the spouse of the owner and any occupants) does not exceed R78,720 per annum (R6,560 per month); and who is not a recipient of an indigent subsidy;
- (v) **'Sporting bodies'** refers to organisations whose sole purpose is to use the property owned by them for sporting purposes, whether for gain or not;
- (vi) **'Municipal owned property'** refers to property that is registered in the name of the Municipality and property vested by usage in the name of the Municipality whether it is used by the Municipality itself or made available to other entities without cost or in terms of a rental agreement;

- (vii) **State-owned property** refers to property used or owned by the State other than public service infrastructure as defined in the Act;
- (viii) **‘Critical Biodiversity Area’** refers to areas defined as Critical Biodiversity Areas as defined in the Conservation Assessment and Plan that forms part of the municipal Spatial Development Framework (SDF);
- (ix) **‘Long-term protected critical biodiversity area’** refers to critical biodiversity areas which have been made subject to contractual agreements between the land owner and the municipality for a period of thirty years or in perpetuity, and entered into the title deeds of the land;
- (x) **‘Short-term protected critical biodiversity area’** refers to critical biodiversity areas which have been made subject to contractual agreements between the land owner and the municipality for a period of five years.

PART 3: GUIDING PRINCIPLES

- [7] The rating of property will be implemented impartially, fairly, equitably and without bias, and these principles also apply to the setting of criteria for exemptions, reductions, and rebates contemplated in Section 15 of the Act.
- [8] The rating of property will be implemented in a way that -
 - (a) is developmentally oriented;
 - (b) supports sustainable local government by providing a stable and buoyant revenue source within the discretionary control of the Municipality;
 - (c) supports local and socio-economic development;
 - (d) promotes simplicity, uniformity, and certainty in the property rates assessment process;
 - (e) gives due consideration to the need for simple and practical process of billing and collection of property rates;
 - (f) promotes sustainable land management, especially that which reduces the risk from natural disasters; and
 - (g) achieves national and local environmental management objectives.
- [9] In developing or amending this Policy, the Municipality commits itself to a process of community participation, as envisaged in Chapter 4 of the Municipal Systems Act. In addition to the requirements laid down in the said Act, the Municipality will engage interested parties and structures, such as ratepayer organisations, directly in the process of community participation. In addition, use will be made of established community consultation structures, such as ward committees, to ensure thorough participation with regard to the aforementioned process.

PART 4: IMPOSITION OF RATES

- [10] Rates are levied in accordance with Section 11 of the Act and are expressed as an amount in each rand of the market value of each category of property within the Municipality, as recorded in the Municipality's valuation roll and supplementary valuation rolls, and are determined together with the finalisation of the Municipality's annual budget.
- [11] The Council shall, when levying property rates for each financial year, take cognisance of the burden of rates and service charges on property owners in the various categories of property ownership.

PART 5: CATEGORIES OF PROPERTY AND OWNERS OF PROPERTY

- [12] The Council has resolved to levy different rates for different categories of property, based on the use of the property concerned, the ownership of the property concerned, and the geographical area where the property is situated.

- [13] The following categories of property are recognised:
- (a) residential property;
 - (b) residential property: mixed use;
 - (c) industrial property;

 - (d) business and commercial property;
 - (e) farm property: residential;
 - (f) farm property: business and commercial;
 - (g) farm property: industrial;
 - (h) smallholding property: residential;
 - (i) smallholding property: residential mixed use
 - (j) smallholding property: industrial;
 - (k) smallholding property: business and commercial;
 - (l) public service infrastructure property;
 - (m) public benefit organisations property;
 - (n) property used for multiple purposes;
 - (o) vacant Land;
 - (p) game parks; and
 - (q) agricultural property
- [14] In determining the categories of owners identified for the purpose of exemptions, rebates and reductions, the following criteria were utilised:
- (a) the income of the owner of the property;
 - (b) the source of income of the owner of the property;
 - (c) the employment status of the owner of the property; and
 - (d) use of the property.
- [15] The following categories of owners and the geographical area, as defined in the Act or herein, [part 6], have been identified for the purpose of exemptions, rebates and reductions:
- (a) public benefit organisations and not-for-gain institutions;
 - (b) indigent households;
 - (c) pensioners;
 - (d) disabled persons;
 - (e) sporting bodies;
 - (f) municipal owned property;
 - (g) state owned property;
 - (h) protected critical biodiversity areas;
 - (i) protected biodiversity; and
 - (j) owners of property situated within an area affected by a disaster within the meaning of the Disaster Management Act, No. 57 of 2002.
- [16] Whilst some categories of property and categories of owners are granted relief with regard to the payment of rates, no relief shall be granted in respect of the payment for rates to any category of owner of property or to owners of properties on an individual basis, and any relief granted shall only be by way of an exemption, rebate or reduction, as provided for in this Policy.

PART 6: SPECIAL RATING AREAS

- [17] The Council may by resolution from time to time determine special rating areas as envisaged in Section 22 of the Act and levy additional rates on properties in such areas for the purposes of raising funds as contemplated in the said Section and the Council may adopt a policy to regulate the implementation of such special rating areas.

PART 7: EXEMPTIONS, REBATES AND REDUCTIONS

[18] The Council has considered the following factors for the purposes of granting exemptions, rebates and reductions:

- (a) the need to accommodate indigent persons and less affluent pensioners;
- (b) the services provided to the community by public service organisations;
- (c) the environmental amenity value and reduced environmental risk; and
- (d) the private contribution to meeting municipal and national environmental management objectives and biodiversity targets.

[19] EXEMPTIONS: PUBLIC BENEFIT ORGANISATIONS, NOT-FOR-GAIN INSTITUTIONS AND LONG-TERM PROTECTED CRITICAL BIODIVERSITY AREAS

(1) In addition to the provisions made in Section 7 (2) (a) of the Act and the exclusions outlined in Section 17 of the Act, the Public Benefit Organisations and not-for-gain institutions or organisations may apply for the exemption of rates in respect of the following categories of properties owned by them:

- (a) properties used exclusively as hospitals, clinics, mental hospitals, orphanages, retirement villages, old age homes, or any other benevolent institutions, provided that any profits from the use of such properties are used entirely for the benefit of the institution and/or to charitable purposes within the Municipality;
- (b) properties belonging to not-for-gain institutions (organisations) that perform charitable work;
- (c) land used exclusively for cemeteries and crematoriums;
- (d) properties declared as Long-term Protected Critical Biodiversity Areas by contractual agreement entered into with the municipality, or the provincial biodiversity conservation authority, and which are compliant with regulations under the Biodiversity Act (Act 10 of 2004), and the Protected Areas Act (Act 57 of 2003);
- (e) properties declared in terms of the Cultural Institutions Act, No. 29 of 1969 or the Cultural Institutions Act, No. 66 of 1989;
- (f) museums, libraries, art galleries and botanical gardens registered in the name of private persons and open to the public;
- (g) properties registered in the name of a trust or trusts and/or organisations, as defined in the Social Aid Act, No. 66 of 1989, which are maintained for the welfare of war veterans and their families;
- (h) properties owned and/or used by youth organisations for the promotion and development of the youth;
- (i) properties owned, or used, by institutions or organisations, the exclusive aim of which is to protect birds, reptiles, fish and animals on a not-for-gain basis;
- (j) properties registered in the name of and used primarily as a place of public worship by a religious community, including an official residence registered in the name of that community which is occupied by an office-bearer of that community who officiates at services at that place of worship in terms of Section 17(1)(i) of the Act; and
- (k) property owned by or used by institutions/organisations whose exclusive aim is to protect biodiversity, registered in terms of Schedule 9 of the Income Tax Act, and compliant with relevant regulations under the Biodiversity Act or provincial legislation.

(2) The effective date of the exemption from rating will be the date when the Municipality approves the application for exemption, irrespective of whether the property qualified for exemption in terms of its use prior to that date.

[20] REBATES

- (1) The level of rebate granted to specific owners within each category of property situated within the service area of the Municipality will be determined annually as part of the operating budget process. Granting of rebates within a particular category of property is aimed at ensuring an equitable distribution of the property rates burden amongst the categories of property that constitute the property rates base of the Municipality.

- (2) **Indigent households**

The Council has adopted an Assistance to the Poor Policy that provides for the alleviation of the rates burden on the low income sectors of the community within the Municipality. Owners of property who qualify for the assistance provided by this Policy must make application to access the relief provided if they do not automatically receive it.

- (3) **Pensioners and disabled**

Retired and disabled persons qualify for rebates in accordance with their annual household income. To qualify for such rebate, a retired or disabled property owner must:

- (a) submit an application on the prescribed form on an annual basis;
- (b) be a natural person;
- (c) be the owner of the property which is categorised as residential;
- (d) occupy the property as his or her normal residence or where the owner is unable to occupy the property due to no fault of his/her own, the spouse or minor children may satisfy the occupancy requirement;
- (e) produce a bar-coded identity document;
- (f) - *pensioner's*: be at least 60 years of age on 1 July of the financial year concerned; or if the owner turns 60 during the year the rebate will be granted on a pro rata basis from the date on which the applicant turned 60;
- *disabled*: be in receipt of disability grant / pension and submit proof and nature of disability e.g. letter from doctor with application.
- (g) be in receipt of a total gross annual income from all sources, excluding medical aid contributions, child support / grant but including the income of the spouse of the owner and all persons normally residing on that property, not exceeding R82,660 annum (R6,888 per month);
- (h) submit pension statements, previous 3 months (or the number of months determined necessary by the Chief Financial Officer) bank statements from all bank and investment accounts of owner and spouse, and proof of gross salary of any other persons living on the property (not just rental received). All documents provided must clearly state who it is for – documents which do not reflect person's name or ID No. on will not be considered;
- (i) not be in receipt of an indigent subsidy;
- (j) provide a certified affidavit declaring any assistance from any other sources. Assistance received from family members not residing on property, will not however be included in the calculation of total household income;
- (k) provide a certified affidavit to explain any once-off monies received e.g. gifts, donations, etc; and
- (l) ensure that his/her accounts are not in arrears (or arrangements made to pay all outstanding amounts) before applying for the rebate and continue to pay the rates account in full until rebate is granted as no interest will be reversed;

Further to the above:-

- (m) a usufructuary will be regarded as the owner;
- (n) the criteria of a natural person may be waived at the sole discretion of the municipality to allow for a property owned by a trust where the total number of beneficiaries meets all of the other requirements of this policy; and provided further that the gross monthly income of all persons residing on that property be added to the gross monthly income of the beneficiaries staying on that property;
- (o) owners qualify for only one rebate per year, if financial circumstances change they can only apply for future years;

The rebate applicable to the elderly and disabled is set out in the table hereunder:

Annual Household Income	Rebate
Less than 2 annual state pensions	100%
Between two state pensions and R37,550.99	85%
Between R37,551 and R46,620.99	70%
Between R46,621 and R55,690.99	55%
Between R55,691 and R64,640.99	40%
Between R64,641 and R73,700.99	25%
Between R73,701 and R82,660	10%

(4) **Sporting bodies**

Organisations, the sole purpose of which is to use the property owned/leased by them for sporting purposes, whether for gain or not, qualify for a rebate. In this regard, it is noted that assistance offered to professional sporting organisations may differ from that afforded to amateur organisations. Any profits earned must be invested in the betterment of the organisation and not be for private gain.

Audited financial statement must be provided, if however the sporting body does not have audited financial statement reasons therefore must be provided on the club's official letterhead with the unaudited financial statement on submission of the application form.

(5) **Biodiversity Rebate**

Where important biodiversity areas or environmentally sensitive areas contained within a municipal Spatial Development Framework or Metropolitan Open Space System or municipal conservation plan exist, the owner may qualify for a rates rebate subject to the following conditions:

- (a) the owners of the land must enter into an agreement with the Municipality to conserve their land (by the protection and appropriate management thereof) for a defined period of time;
- (b) the rebate is only applicable to the area that is subject to the conservation agreement between the land owner and the municipality;
- (c) the conservation value of the property must be assessed via a set of rigorous ecological criteria (such as the municipal Spatial Development Framework or Municipal Conservation Assessment and Plan);
- (d) in the event that the conservation agreement is not adhered to by the land owner, the municipality may terminate the agreement with the owner of the land and the associated rate rebate with immediate effect; and

- (e) in the event that the conservation agreement is not adhered to by the owner of the land, the owner of the land will become liable for all the rates that would have been levied on the land as if the agreement were not in place, from the effective date of the start of the rate rebate or for the last five years, whichever is the shorter period.

(the above conditions are subject to the test cases being rolled out)

(6) **Game Parks**

In the case of properties that are used for game park/s, the owner(s) may qualify for a rebate, subject to the following conditions:

- (a) the property must be used predominantly as a game park with the sole purpose of viewing of animals by the general public at an affordable price and for encouraging tourists to the area;
 - (b) the usage of the property must be in accordance with the zoning scheme of the area;
 - (c) the owner must be registered with the South African Revenue Service and provide proof thereof with the application. If proof of registration with SARS cannot be produced due to recent ownership change, upon application, a municipal official, authorised by the Municipal Manager shall issue a certificate of compliance to the owner, after an inspection of the property has been conducted and the municipal official is satisfied that such land is used predominately as a game park;
 - (d) the owner must run educational programs for schools and not for gain institutions at a nominal fee. Proof of such activities must be submitted with the application;
 - (e) the land owner must prove that he/she has complied with the National Veld and Forest Fire Act (Act 101 of 1998) and legislation governing the control of alien invasive species; and
 - (f) property used for hunting of game shall not qualify for the rebate.
- (7) If the usage of a property changes during a financial year, the rebate applicable will be reduced *pro rata* for the balance of the financial year.
- (8) All accounts of the applicant must be up to date or arrangements must be made to pay any outstanding balances before any rebate will be granted.

[21] **REDUCTIONS**

Owners of property situated within an area affected by a disaster

Property owners within any category of property may apply for a reduction in the property value for rates purposes where the value of the property has been adversely affected by a natural disaster, as defined in terms of the Disaster Management Act, No 57 of 2002, and the property shall be re-valued as at date of such natural disaster, in accordance with the Act.

[22] **PROCESS FOR GRANTING EXEMPTIONS, REBATES AND REDUCTIONS**

- (1) Applications for exemptions and rebates will only be considered after an application on the prescribed form has been lodged with the Chief Financial Officer. Once an application is approved conditions for re-application are governed by Section 21 (4) of this policy. Applications must reach the Municipality before 30 June of the first financial year for which relief is sought, failing which the exemption or rebate will lapse and will only be re-instated once the application has been approved.

- (2) All applications must be made under oath. In addition, applications for exemptions by public benefit organisations must be accompanied by a letter from the South African Revenue Service confirming that the organisation qualifies for exemption in terms of the Income Tax Act. All other property owners seeking an exemption must submit either a letter from their auditors, or annual financial statements confirming that the applicant qualifies for an exemption.
- (3) The properties mentioned in [19](1)(j) above shall be exempt from property rates only on submission of a written affidavit on the prescribed form certifying that the use of the property is in compliance with Section 17(1)(i) of the Act. Affidavits must reach the Chief Financial Officer before 30 June of the year preceding the start of the financial year for which relief is sought.
- (4) Religious organisations only apply once for the exemption and thereafter only at the request of the CFO, (applicants could however on request be required to provide proof that the properties are still being used for religious purposes). Applications for exemptions for PBO's and not-for-gain organisations as well as rebates for sporting bodies and game parks must be resubmitted after every general valuation or at the request of the CFO and if the usage of the property changes or the conditions of the policy are amended. Applications for pensioner's rebates must however be submitted on an annual basis.
- (5) Properties for which application for exemption from the payment of rates is made must be used exclusively for the purpose that forms the basis for the application for exemption. Where this is not the case, the property will form part of the category multiple use properties and those portions not used for the purpose for which application for exemption has been made will be re-valued and property rates levied in accordance with the category/categories of property applicable.
- (6) An application for an exemption or rebate must authorise the Municipality to inspect the property at any reasonable time during the financial year to confirm compliance with the conditions of the exemption or rebate. Where access is denied, the exemption or rebate may be withheld, or withdrawn, if already effective.
- (7) Applications for a reduction in rates based on a reduction in value of a property must be made on the prescribed form within 30 days of the occurrence of the event giving rise to the reduction of the value of the property relied upon.
- (8) The onus rests on the applicant to ensure that the application form and all supporting documents are lodged timeously, and that the property concerned qualifies for the exemption, rebate, or reduction.
- (9) The effective date of an exemption or rebate shall be the date when the Municipality approves the application for exemption or rebate, irrespective of whether or not the property qualified for exemption or rebate in terms of its use prior to that date.
- (10) The Municipality reserves the right to refuse an exemption or rebate if the details supplied in the application are incomplete, incorrect, or false.

[23] In accordance with Section 15(3) of the Act, the Municipal Manager of the Municipality shall annually table in the Council of the Municipality a:

- (1) list of all exemptions, rebates and reductions granted by the Municipality during the previous financial year; and

- (2) statement reflecting the income of the Municipality foregone during the previous financial year by way of such exemptions, rebates and reductions and the exclusions referred to in Section 17 (1) (a), (e), (g), (h) and (i) of the Act.

The exemptions, rebates and reductions shall be clearly indicated on the property rates account submitted to each property owner.

PART 8: CRITERIA FOR RATING MULTIPLE USE PROPERTY

- [24] The following criteria will apply to the rating of multiple use properties within the Municipality:
- (1) apportionment of the market value of a property to the different purposes for which the property is used; and
 - (2) application of the relevant rate to each of the components of the property, based on its value.

PART 9: MUNICIPAL OWNED PROPERTY

- [25] NMBMM-owned land, being utilised by other Directorates for administrative purposes, such as electricity, water, sanitation, refuse and fresh produce market will be rateable. The Nelson Mandela Bay Stadium will, however, not be rateable.

PART 10: PROCESS FOR RATING AGRICULTURAL PROPERTY

- [26] Properties used for agricultural purposes but not categorised as property used for agricultural purposes, as mentioned in [13] above shall be revalued, categorised and rated as such only on submission of a written affidavit on the prescribed form certifying that the use of the property is in compliance with this policy and the appropriate legislation.
- [27] The Municipality reserves the right to refuse categorising a property as agricultural if the details supplied in the application are incomplete, incorrect or false. The properties of all applicants will be inspected, and revalued as per the Act on a supplementary valuation.
- [28] The effective date for rating will be in terms of the Act.

PART 11: AMOUNT DUE FOR RATES

- [29] A rate will be determined for each of the different categories of property within the Municipality in order to establish the revenue to be generated from property rates. This property rates revenue, less any rates rebates applicable to the different categories of property, will be included in the annual operating budget approved by the Council for each financial year. The rates and levels of rebate as approved by Council will be published together with the Municipality's annual budget.
- [30] Joint owners of property are jointly and severally liable for the payment of property rates.
- [31] The payment of property rates may not be deferred beyond the due date by reason of an objection to the valuation of the property concerned in the valuation roll.

The submission of an application for a rebate or exemption does not defer the liability of payment of rates beyond the due date. Any interest raised for non-payment or short payment prior to date of processing the application will be payable irrespective of whether the property/owner qualifies for the rebate/exemption or not.

PART 12: FREQUENCY OF PAYMENTS

- [32] Assessment rates are levied annually as a single amount and raised monthly on the owners account and payable as such, or may be paid annually by arrangement. In the case of an application for a certificate in terms of Section 118 of the Local Government: Municipal Systems Act, No. 32 of 2000, the full amount which remains unpaid, inclusive of all instalments, for the remaining financial year shall be payable.

PART 13: FREQUENCY OF VALUATIONS

- [33] The Municipality shall every four years prepare a new valuation roll by means of a general valuation of all rateable property within the Municipality. Supplementary valuations will be undertaken twice during each financial year. Additional supplementary valuations can be carried out at the discretion of the CFO.

PART 14: CORRECTION OF ERRORS AND OMISSIONS

- [34] If the rates levied on a particular property have been incorrectly determined because of an error in valuation or rating category, the rates shall be appropriately adjusted from the beginning of the financial year in which the incorrect valuation or rating category was brought to the attention of the Municipality. Where the rates levied on a particular property have been incorrectly determined because of false information provided by the property owner concerned or used by the owner of a property for a purpose other than a permitted use, the correct amount will be levied by the Municipality for the full financial year concerned. In addition, where the error occurred because of false information provided by the owner or as a result of the contravention of the permitted use of the property concerned, interest on the unpaid portion of the adjusted rates payable shall be levied at the maximum rate determined by the Council for the payment of overdue rates accounts.

PART 15: EFFECTIVE DATE OF THE POLICY

- [35] This Policy takes effect from the commencement of the municipal financial year in which the first valuation roll compiled in terms of the Act is implemented.

PART 16: ANNUAL REVIEW OF THE POLICY

- [36] In accordance with the Act, the Municipality will annually review and, if necessary, amend this Policy after taking into account the comments and representations of the local communities.

PART 17: LEGAL REQUIREMENTS

- [37] A person whose rights are affected by a decision of a municipal officer may appeal against that decision by giving written notice of the appeal and reasons to the Chief Financial Officer of the Municipality or, where applicable, the appeal authority referred to below, within 21 days of the date of the notification of the decision.
- [38] When the appeal is against a decision taken by:
- (a) the Chief Financial Officer, the Municipal Manager is the appeal authority;
 - (b) the Municipal Manager, the Executive Mayor is the appeal authority.
- [39] An appeal authority must commence with an appeal within six weeks and decide upon the appeal within a period of twelve weeks.