

NKONKOB E MUNICIPALITY (EC127) BUDGET DOCUMENT

MTREF 2012-2015



Table of Contents

1. Part

Annexure A

1.1 Mayor's Report.....	3
1.2 Council Resolution.....	4
1.3 Executive summary.....	6
1.4 Summary Budget (Excel).....	8

2. Part

Annexure B

Schedule A.....	10
A -Tables	10 - 33
SA-Tables.....	34 - 64
Attached as Appendix – Tariffs.....	65 – 73
Quality certificate.....	74

Budget locking Verification certificate.....75

ANNEXURE - A

Part 1 –Annual Budget

1.1 Mayor’s Report

In his Budget speech to Parliament 22 February 2012, the Minister of Finance said “Our new story, our period of transition, is about building modern infrastructure, a vibrant economy, a decent quality of life for all, reduced poverty, decent employment opportunities.” In the past four years, the world economy has gone through its deepest recession in over 70 years. Global environment remains highly uncertain, while there are signs of revival in the US economy, much of Europe is in recession and significant financial risks cloud the global economic outlook. The minister further alluded to the fact that “An expansion on infrastructure investment is one of the central priorities of the 2012 Budget. Total spending will reach R 1.1 trillion next year”.

Nkonkobe Municipality’s Mayor in his 2011 Budget speech said, “There is a need to identify poverty stricken areas in the jurisdiction of Nkonkobe and declare them as such and devote our attention to that with a view to ameliorate the situation. It is no fair if the few of us drive fancy cars while communities are starving. We must do something in fighting poverty. Working together we can defeat poverty”.

He also alluded to the fact that the municipality is engulfed in challenges that require intervention for all involved, these include:

- Low revenue base that leads to grants dependence which is impacting negatively to speedy service delivery.
- Long outstanding debtors with huge balances still outstanding.
- Valuation roll that negatively impact our billing.
- Insufficient grants allocated to the municipality to address backlogs in service delivery.

In the Annual Report for the financial year 2011 the municipality made tremendous strides in settling debts that relate to Development Bank of South Africa and Wesbank and now is buying assets on cash basis. The municipality prides itself to be a municipality that is financially viable wherein revenue collections have sky rocketed from R 800,000 per month to more than R 3 million. The municipality has successfully build community halls and other infrastructure projects from its own generated revenue. We have also established a technical unit in order to enhance service delivery and minimize tenders wherein projects will be done in-house through this unit.

The municipality has also moved from a disclaimer to a qualified report. This is a tremendous report for a municipality who have been receiving disclaimer since its establishment. He further commended the Councilors, Audit committee, Internal Audit unit and managers led by municipal manager for this achievement.

Vision 2030

The municipality in trying to link its budget to the priorities as set out in the National government vision 2030 has budgeted an amount of R 3 million to fund its Expanded Public Works Program so as to create job opportunities, over and above this amount the program will be linked to other infrastructure projects such as MIG and Internally funded capital projects which totals to R 44,9m. R 8,9m is budgeted to repair the infrastructure of the municipality. A further R 3,4m is put aside to cater for the development of Tourism, Local economic development, Cricket and other sporting codes in the jurisdiction of the municipality.

1.2 Council Resolutions

On 30 March 2012 the Council of Nkonkobe Municipality met in the Council Chambers of the municipality in Alice to table the Draft Annual Budget for the financial year 2012/13. The Council approved and adopted the following resolutions:

1. The Council of Nkonkobe Municipality acting in terms of Chapter 4 of the Municipal Finance Management Act,(Act 56 of 2003) approves and adopts the draft budget as it tabled subject to Section 23 (1) – (4)
 - 1.1 The annual budget of the municipality for the financial year 2012/13 and the multi-year and single-year capital appropriations as set out in the following tables:
 - 1.1.1 Budgeted Financial Performance(revenue and expenditure by standard classification) attached as A2 of Annexure A;
 - 1.1.2 Budgeted Financial Performance(revenue and expenditure by municipal vote) attached as A3 of Annexure A;

MBRR Nkonkobe Municipality EC 127 2012-13

- 1.1.3 Budgeted Financial Performance(revenue by source and expenditure by type) attached as A4 of Annexure A ;
 - 1.1.4 Multi -year and single-year capital appropriations by municipal vote and standard classification and associated funding by source contained in A5 CAPEX.
 - 1.2 The financial position, cash flow budget, cash backed reserve/ accumulated surplus, asset Management and basic service delivery targets are approved as set out in the following tables:
 - 1.2.1 Budgeted Financial Position as contained in table A6;
 - 1.2.2 Budgeted Cash Flows as contained in Table A7;
 - 1.2.3 Cash backed reserves and accumulated surplus reconciliation as contained in table A8;
 - 1.2.4 Asset management as contained in Table A9
 - 1.2.5 Basic service delivery measurement as contained in Table A10
2. The Council of Nkonkobe Municipality acting in terms of Section 75A of the Local Government: Municipal Systems Act(Act 32 of 2000) approves with effect from 1 July 2012:
 - 2.1 Tariffs for property rates- set out in Annexure B
 - 2.2 Tariffs for electricity(Fort Beaufort)- set out in Annexure B
 - 2.3 Tariffs for solid waste services- set out in Annexure B
3. The Council of Nkonkobe Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves tariffs for other services as set out in Annexure B.
4. To give proper effect to the municipality's annual budget, the Council of Nkonkobe Municipality approves;
 - 4.1 The cash backing is implemented through the utilization of a portion of the revenue generated from property rates to ensure that all capital reserves and provisions, unspent long term loans and unspent conditional grants are cashed backed as required in terms of the municipality's funding and reserves policy as prescribed by section 8 of the Municipal budget and Reporting Regulations;
 - 4.2 That the municipality be permitted to enter into long-term loans for the funding of the capital programmes in respect of the 2011/12 financial year limited to an amount of R1 billion per financial year of the MTREF in terms of Section 46 of the Municipal Finance Management Act.
 - 4.3 That the Municipal Manager be authorized to sign all necessary agreements and documents to give effect to the above lending programme.

1.3 Executive Summary

The application of sound financial management principles for the compilation of the municipality's financial plan is essential and critical to ensure that the municipality remains viable and that the municipality services are provided sustainable, economically and equitable to all communities.

The municipalities business and service delivery priorities were reviewed as part of this year's planning and budget process. Wherein mission and vision, was changed to address the challenges currently facing the municipality. Appropriate funds were transferred from low to high priority programmes so as to maintain a sound financial stewardship.

The municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers including the amount owed by Department of Public Works, Amatole District municipality and businesses and households.

National Treasury's MFMA Circular 51, 54 and 55 were used to guide the compilation of the 2012/13 MTREF.

The main challenges experienced during the compilation of the 2012/13 MTREF can be summarized as follows:

- The ongoing difficulties in the national and local economy;
- Aging and poorly maintained roads and electricity infrastructure;
- The need to reprioritize projects and expenditure within the available funds given the unlimited nature of needs and limited funding available to the municipality;
- The increased cost of bulk water and electricity (due to tariff increase from Amatole District Municipality and Eskom), which is placing upward pressure on service tariffs to residents;
- Wage increases for municipal staff that continue to exceed consumer inflation as well as the need to fill vacancies;
- Availability of affordable capital borrowing to finance capital projects to enhance service delivery

The following budget principles and guidelines directly informed the compilation of the 2012/13 MTREF:

MBRR Nkonkobe Municipality EC 127 2012-13

- The 2011/12 Adjustment Budget priorities and targets, as well as the base line allocations contained in the Adjustment Budget were adopted as the upper limits for the baselines for the 2012/13 annual budget;
- Tariff and property rate increases should be linked to CPI and be in line with Municipal property Rates Act
- Increase is based on percentage of collection in the current year (Section 18 of the MFMA);
- Budget must be Cash Funded meaning only realistically anticipated revenues should be committed;
- Guided by MFMA Act 56 of 2003, section 16 to 24 and MFMA circulars: 12;42;48;51;54;55 and 58;
- Also guided by Property rates Act, Municipal structures and systems Act (no 117 of 1998 and no 32 of 2000 respectively);
- Annual Division of Revenue Act;
- Municipal Budget and Reporting Regulations(Government Gazette 32141);
- Municipal Fiscal Powers and Functions Act(No 12 of 2007);
- Local Government Capital Asset Management Guideline;
- The budget was prepared on the Incremental/ line item budgeting method for all existing priorities and Zero- based budgeting method on all new priorities.

1.4

Summary (Excel)

MBRR Nkonkobe Municipality EC 127 2012-13



	2012/2013	2013/2014	2014/2015
EXPENDITURE			
Salaries and Wages	54,364,246.00	57,626,101.00	61,662,668.00
Remuneration for councillors	12,785,909.00	13,553,064.00	14,501,778.00
EPWP	4,000,000.00	4,240,000.00	4,536,800.00
Repairs and Maintenance	8,000,000.00	8,480,000.00	9,073,000.00
General expenses and other	73,923,550.00	78,358,964.00	83,841,951.00
Capital Expenditure	45,149,250.00	47,858,205.00	51,206,159.00
TOTAL EXPENDITURE	198,222,955.00	210,116,334.00	224,822,356.00
INCOME			
Rent of Facility and Equipment	-382,404.00	-405,348.00	-433,722.00
Interest earned-EXT Investment	-1,655,000.00	-1,754,300.00	-1,877,101.00
Other income	-56,522,801.00	-58,868,131.00	-62,635,389.00
SUB-TOTAL	-58,560,205.00	-61,027,779.00	-64,946,212.00
GRANTS AND SUBSIDIES:			
OPERATING			
Equitable share	-86,351,000.00	-92,780,000.00	-100,812,000.00
FMG Funding	-1,500,000.00	-1,500,000.00	-1,750,000.00
MSIG Funding	-800,000.00	-870,000.00	-950,000.00
EPWP	-1,181,000.00	-1,251,860.00	-1,339,490.00
Subsidies	-3,365,750.00	-3,567,695.00	-3,818,495.00

MBRR Nkonkobe Municipality EC 127 2012-13

	TOTAL: GRANTS OPERATING	-93,197,750.00	-99,969,555.00	-108,669,985.00
	<i>GRANTS, CAPITAL & OTHER FUNDING</i>			
	MIG Funding	-26,315,000.00	-27,760,000.00	-29,846,473.00
	Internal Capital Contribution	-20,150,000.00	-21,359,000.00	-22,852,010.00
	Total Capital Funding	-46,465,000.00	-49,119,000.00	-51,206,159.00
	<i>TOTAL FUNDING</i>	-198,222,955.00	-210,116,334.00	-224,822,356.00

MBRR Nkonkobe Municipality EC 127 2012-13

PART B

Annexure B

EC127 Nkonkobe - Table A1 Budget Summary

Description	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Financial Performance										
Property rates	9,669	10,099	15,633	11,700	13,000	13,000	13,000	22,391	22,782	23,009
Service charges	18,531	15,768	15,023	36,130	41,150	41,150	41,150	36,926	39,142	41,881
Investment revenue	6,068	50	-	-	-	-	-	1,655	1,754	1,877
Transfers recognised - operational	-	-	-	-	-	-	-	93,198	99,970	108,670
Other own revenue	8,359	42,935	45,234	16,460	11,365	10,365	10,365	17,738	19,699	20,006
Total Revenue (excluding capital transfers and contributions)	42,627	68,852	75,890	64,290	65,515	64,515	64,515	171,908	183,346	195,443
Employee costs	55,442	36,514	43,865	53,526	53,951	53,951	53,951	57,303	61,940	66,882
Remuneration of councillors	-	-	-	-	-	-	-	12,786	13,553	14,502
Depreciation & asset impairment	728	1,680	-	-	-	-	-	-	-	-
Finance charges	-	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	9,560	14,462	-	20,000	22,000	22,000	22,000	23,100	24,486	26,200
Transfers and grants	-	290	937	600	600	600	600	630	668	715
Other expenditure	16,826	75,406	51,837	52,210	55,834	54,834	54,834	57,939	61,340	64,293
Total Expenditure	82,557	128,351	96,639	126,336	132,385	131,385	131,385	151,758	161,987	172,591
Surplus/(Deficit)	(39,930)	(59,499)	(20,749)	(62,046)	(66,870)	(66,870)	(66,870)	20,150	21,359	22,852
Transfers recognised - capital	-	-	-	-	-	-	-	24,999	26,499	28,354
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(39,930)	(59,499)	(20,749)	(62,046)	(66,870)	(66,870)	(66,870)	45,149	47,858	51,206
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(39,930)	(59,499)	(20,749)	(62,046)	(66,870)	(66,870)	(66,870)	45,149	47,858	51,206

MBRR Nkonkobe Municipality EC 127 2012-13

<u>Capital expenditure & funds sources</u>										
Capital expenditure	1,407	679	24,952	42,408	43,489	43,489	51,679	45,149	47,858	51,208
Transfers recognised - capital	8,056	19,075	18,037	20,608	20,608	20,608	20,608	24,999	26,499	28,354
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	5,612	21,800	22,921	22,921	22,921	20,150	21,359	22,852
Total sources of capital funds	8,056	19,075	23,649	42,408	43,529	43,529	43,529	45,149	47,858	51,206
<u>Financial position</u>										
Total current assets	41,140	44,462	30,733	58,455	58,455	58,455	58,455	10,114	9,114	7,114
Total non current assets	-	21,327	46,067	63,735	63,735	63,735	63,735	124,314	172,173	223,379
Total current liabilities	56,927	22,328	21,436	9,208	9,208	9,208	9,208	13,807	14,307	14,557
Total non current liabilities	1,819	14,878	16,300	-	-	-	-	16,300	16,300	16,300
Community wealth/Equity	2,552	-	-	-	-	-	-	104,322	150,680	199,636
<u>Cash flows</u>										
Net cash from (used) operating	2,316	9,571	19,859	37,108	42,408	40,908	40,908	45,149	48,710	53,595
Net cash from (used) investing	-	-	(24,740)	(37,108)	(42,408)	(40,908)	(40,908)	(45,149)	(47,858)	(51,206)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	2,316	11,886	7,005	0	(0)	(0)	0	-	852	3,241
<u>Cash backing/surplus reconciliation</u>										
Cash and investments available	17,750	9,171	2,559	33,261	33,261	33,261	33,261	2,753	2,753	2,753
Application of cash and investments	17,873	2,362	5,691	(16,123)	(20,441)	(16,049)	(16,049)	6,873	8,245	10,129
Balance - surplus (shortfall)	(123)	6,808	(3,133)	49,384	53,702	49,310	49,310	(4,120)	(5,492)	(7,376)
<u>Asset management</u>										
Asset register summary (WDV)	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	728	1,680	-	-	-	-	-	-	-	-
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	3,684	6,046	7,416	7,450	7,338	7,338	8,000	8,000	8,480	9,074
<u>Free services</u>										
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the Nkonkobe Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasize the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
 - b. Capital expenditure is balanced by capital funding sources, of which
 - i. Transfers recognized is reflected on the Financial Performance Budget;
 - ii. Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget.
4. The Cash backing/surplus reconciliation shows that in previous financial years the municipality was not paying much attention to managing this aspect of its finances, and consequently many of its obligations are not cash-backed. This place the municipality in a very vulnerable financial position, as the recent slow-down in revenue collections highlighted. .
5. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs.

MBRR Nkonkobe Municipality EC 127 2012-13

Standard Classification Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand	1									
Revenue – Standard										
<i>Governance and administration</i>		65,116	98,979	89,057	64,862	66,386	65,886	86,788	91,995	98,435
Executive and council		3	2,033	2,279	6,250	6,250	6,250	9,250	9,805	10,491
Budget and treasury office		65,031	96,514	86,121	46,229	48,022	47,522	64,777	68,664	73,470
Corporate services		82	433	657	12,383	12,114	12,114	12,761	13,527	14,474
<i>Community and public safety</i>		1,019	3,155	4,389	8,993	9,338	9,338	3,666	3,886	4,158
Community and social services		-	-	-	8,993	9,338	9,338	3,666	3,886	4,158
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		84	100	146	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		934	3,055	4,243	-	-	-	-	-	-
<i>Economic and environmental services</i>		689	506	1,500	37,795	38,076	37,576	32,477	35,550	37,306
Planning and development		-	-	-	2,750	2,750	2,750	3,750	3,975	4,253
Road transport		689	506	1,500	35,045	35,326	34,826	28,727	31,575	33,053
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		12,379	21,885	22,135	69,180	74,200	74,200	73,976	78,415	83,899
Electricity		9,836	11,536	10,724	52,680	58,700	58,700	57,176	60,607	64,844
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		2,543	10,349	11,410	16,500	15,500	15,500	16,800	17,808	19,055
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue – Standard	2	79,203	124,526	117,080	180,830	188,000	187,000	196,907	209,845	223,797
Expenditure – Standard	-									
<i>Governance and administration</i>		34,104	45,644	54,326	67,026	66,610	65,610	74,096	78,542	84,607
Executive and council		10,006	13,625	16,679	24,911	19,839	19,839	26,656	28,256	30,234
Budget and treasury office		12,379	16,607	19,178	19,646	22,622	22,622	23,672	25,092	27,416
Corporate services		11,720	15,412	18,468	22,469	24,149	23,149	23,768	25,194	26,957
<i>Community and public safety</i>		8,228	8,360	10,287	9,407	9,437	9,437	10,371	10,993	11,759
Community and social services		2,543	2,938	3,543	5,315	5,106	5,106	5,934	6,290	6,730
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		3,300	2,843	3,522	4,092	4,331	4,331	4,437	4,704	5,029
Housing		-	-	-	-	-	-	-	-	-

MBRR Nkonkobe Municipality EC 127 2012-13

Health		2,385	2,579	3,222	-	-	-	-	-	-
<i>Economic and environmental services</i>		6,535	6,886	10,702	18,622	23,486	23,486	20,817	23,191	23,515
Planning and development		1,022	2,280	3,335	5,987	8,048	8,048	7,648	8,107	8,675
Road transport		5,513	4,606	7,368	12,635	15,438	15,438	13,169	15,083	14,841
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		29,565	22,426	41,765	43,368	44,938	44,938	46,473	49,262	52,710
Electricity		19,039	6,419	24,580	30,155	30,538	30,538	33,421	35,427	37,906
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		10,526	16,007	17,185	13,213	14,400	14,400	13,052	13,835	14,804
<i>Other</i>	4	186	0	-	-	-	-	-	-	-
Total Expenditure – Standard	3	78,619	83,316	117,080	138,423	144,471	143,471	151,758	161,987	172,591
Surplus/(Deficit) for the year		583	41,210	0	42,408	43,529	43,529	45,149	47,858	51,206

EC127 Nkonkobe - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand	1									
Revenue – Standard										
<i>Municipal governance and administration</i>		65,116	98,979	89,057	64,862	66,386	65,886	86,788	91,995	98,435
Executive and council		3	2,033	2,279	6,250	6,250	6,250	9,250	9,805	10,491
<i>Mayor and Council</i>			2,033	2,279	3,500	3,500	3,500	5,500	5,830	6,238
<i>Municipal Manager</i>		3	0		2,750	2,750	2,750	3,750	3,975	4,253
Budget and treasury office		65,031	96,514	86,121	46,229	48,022	47,522	64,777	68,664	73,470
Corporate services		82	433	657	12,383	12,114	12,114	12,761	13,527	14,474
<i>Human Resources</i>		82	433	657	12,383	12,114	12,114	12,761	13,527	14,474
<i>Other Admin</i>					-					
<i>Community and public safety</i>		1,019	3,155	4,389	8,993	9,338	9,338	3,666	3,886	4,158
Community and social services		-	-	-	8,993	9,338	9,338	3,666	3,886	4,158
<i>Libraries and Archives</i>					8,693	9,038	9,038	3,366	3,568	3,817
<i>Other Community</i>					300	300	300	300	318	340
Public safety		84	100	146	-	-	-	-	-	-
<i>Police</i>		84	100	146	-	-	-	-	-	-

MBRR Nkonkobe Municipality EC 127 2012-13

<i>Fire</i>										
<i>Civil Defence</i>										
<i>Street Lighting</i>										
<i>Other</i>										
Housing										
Health	934	3,055	4,243	-	-	-	-	-	-	
<i>Clinics</i>	934	3,055	4,243							
<i>Ambulance</i>										
<i>Other</i>										
<i>Economic and environmental services</i>	689	506	1,500	37,795	38,076	37,576	32,477	35,550	37,306	
Planning and development	-	-	-	2,750	2,750	2,750	3,750	3,975	4,253	
<i>Economic Development/Planning</i>				2,750	2,750	2,750	3,750	3,975	4,253	
Road transport	689	506	1,500	35,045	35,326	34,826	28,727	31,575	33,053	
<i>Roads</i>	1	6		32,945	33,226	32,726	26,527	29,243	30,557	
<i>Vehicle Licensing and Testing</i>	688	500	1,500	2,100	2,100	2,100	2,200	2,332	2,495	
<i>Other</i>										
Environmental protection	-	-	-	-	-	-	-	-	-	
<i>Other</i>										
<i>Trading services</i>	12,379	21,885	22,135	69,180	74,200	74,200	73,976	78,415	83,899	
Electricity	9,836	11,536	10,724	52,680	58,700	58,700	57,176	60,607	64,844	
<i>Electricity Distribution</i>										
<i>Electricity Generation</i>	9,836	11,536	10,724	52,680	58,700	58,700	57,176	60,607	64,844	
Waste management	2,543	10,349	11,410	16,500	15,500	15,500	16,800	17,808	19,055	
<i>Solid Waste</i>	2,543	10,349	11,410	16,500	15,500	15,500	16,800	17,808	19,055	
<i>Other</i>	-	-	-	-	-	-	-	-	-	
Total Revenue – Standard	2	79,203	124,526	117,080	180,830	188,000	187,000	196,907	209,845	223,797
Expenditure – Standard	-									
<i>Municipal governance and administration</i>	-	34,104	45,644	54,326	67,026	66,610	65,610	74,096	78,542	84,607
Executive and council	-	10,006	13,625	16,679	24,911	19,839	19,839	26,656	28,256	30,234
<i>Mayor and Council</i>	-	9,754	12,304	14,570	15,172	15,660	15,660	16,321	17,300	18,511
<i>Municipal Manager</i>	-	251	1,322	2,110	9,739	4,179	4,179	10,336	10,956	11,723
Budget and treasury office	-	12,379	16,607	19,178	19,646	22,622	22,622	23,672	25,092	27,416
Corporate services	-	11,720	15,412	18,468	22,469	24,149	23,149	23,768	25,194	26,957
<i>Human Resources</i>	-	9,315	12,145	14,414	18,016	19,507	18,507	19,177	20,327	21,750
<i>Other Admin</i>	-	2,405	3,267	4,054	4,453	4,642	4,642	4,591	4,866	5,207

MBRR Nkonkobe Municipality EC 127 2012-13

<i>Community and public safety</i>	-	8,228	8,360	10,287	9,407	9,437	9,437	10,371	10,993	11,759
Community and social services	-	2,543	2,938	3,543	5,315	5,106	5,106	5,934	6,290	6,730
<i>Libraries and Archives</i>	-	760	1,038	1,150	1,168	1,159	1,159	1,189	1,261	1,349
<i>Other Community</i>	-	1,783	1,900	2,394	4,147	3,947	3,947	4,744	5,029	5,381
<i>Other Social</i>	-									
Sport and recreation	-									
Public safety	-	3,300	2,843	3,522	4,092	4,331	4,331	4,437	4,704	5,029
<i>Civil Defence</i>	-	2,706	2,843	3,522	4,092	4,331	4,331	4,437	4,704	5,029
<i>Street Lighting</i>	-									
<i>Other</i>	-	594	0							
Housing	-									
Health	-	2,385	2,579	3,222	-	-	-	-	-	-
<i>Clinics</i>	-	2,385	2,579	3,222	-	-	-	-	-	-
<i>Ambulance</i>	-									
<i>Other</i>	-									
<i>Economic and environmental services</i>	-	6,535	6,886	10,702	18,622	23,486	23,486	20,817	23,191	23,515
Planning and development	-	1,022	2,280	3,335	5,987	8,048	8,048	7,648	8,107	8,675
<i>Economic Development/Planning</i>	-	1,022	2,280	3,335	5,987	8,048	8,048	7,648	8,107	8,675
Road transport	-	5,513	4,606	7,368	12,635	15,438	15,438	13,169	15,083	14,841
<i>Roads</i>	-	4,946	3,876	6,531	11,539	13,528	13,528	11,392	13,199	12,824
<i>Vehicle Licensing and Testing</i>	-	568	730	837	1,096	1,911	1,911	1,778	1,884	2,016
<i>Other</i>	-									
Environmental protection	-	-	-	-	-	-	-	-	-	-
<i>Other</i>	-									
<i>Trading services</i>	-	29,565	22,426	41,765	43,368	44,938	44,938	46,473	49,262	52,710
Electricity	-	19,039	6,419	24,580	30,155	30,538	30,538	33,421	35,427	37,906
<i>Electricity Distribution</i>	-	19,039	6,419	24,580	30,155	30,538	30,538	33,421	35,427	37,906
Water	-	-	-	-	-	-	-	-	-	-
<i>Public Toilets</i>	-									
Waste management	-	10,526	16,007	17,185	13,213	14,400	14,400	13,052	13,835	14,804
<i>Solid Waste</i>	-	10,526	16,007	17,185	13,213	14,400	14,400	13,052	13,835	14,804
<i>Other</i>	-	186	0	-	-	-	-	-	-	-
Air Transport	-									
Abattoirs	-	186	0							
Total Expenditure – Standard	3	78,619	83,316	117,080	138,423	144,471	143,471	151,758	161,987	172,591
Surplus/(Deficit) for the year		583	41,210	0	42,408	43,529	43,529	45,149	47,858	51,206

MBRR Nkonkobe Municipality EC 127 2012-13

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognized – capital) and so does not balance to the operating revenue shown on Table A4.
3. Note that as a general principle the revenues for the Trading Services should exceed their expenditures. The table highlights that this is the case for Electricity function. As already noted above, the municipality will be undertaking a detailed study of this function to explore ways of improving efficiencies and provide a basis for re-evaluating the function's tariff structure.
4. Other functions that show a deficit between revenue and expenditure are being financed from rates revenues and other revenue sources reflected.

EC127 Nkonkobe - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description R thousand	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue by Vote	1									
Vote 1 - Municipal Council		1,500	2,033	2,500	3,500	3,500	3,500	5,500	5,830	6,238
Vote 2 - Accounting Officer		3,754	6,921	6,400	14,193	14,538	14,538	10,866	11,518	12,324
Vote 3 - Budget and Treasury Office		55,944	96,514	98,081	48,224	48,022	48,022	63,461	68,393	72,448
Vote 4 - Technical Services		17,212	30,208	30,449	100,130	107,426	106,426	101,819	107,928	115,483
Vote 5 - Corporate Services		854	3,240	3,848	14,783	14,514	14,514	15,261	16,177	17,304
Total Revenue by Vote	2	79,264	138,916	141,278	180,830	188,000	187,000	196,907	209,845	223,797
Expenditure by Vote to be appropriated	1									
Vote 1 - Municipal Council		9,754	14,879	14,427	15,660	15,660	15,660	16,321	17,300	18,511
Vote 2 - Accounting Officer		3,817	15,977	14,549	16,437	16,437	16,437	21,114	29,276	30,089
Vote 3 - Budget and Treasury Office		12,379	24,159	19,259	21,872	22,622	22,622	22,585	25,622	26,393
Vote 4 - Technical Services		34,511	60,743	55,337	56,962	57,926	57,926	50,430	44,854	49,522
Vote 5 - Corporate Services		16,904	28,175	28,481	27,492	31,826	30,826	41,308	44,936	48,076
Total Expenditure by Vote	2	77,365	143,934	132,053	138,423	144,471	143,471	151,758	161,987	172,591
Surplus/(Deficit) for the year	2	1,899	(5,018)	9,226	42,408	43,529	43,529	45,149	47,858	51,206

MBRR Nkonkobe Municipality EC 127 2012-13

EC127 Nkonkobe - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue by Vote										
Vote 1 - Municipal Council	1	1,500	2,033	2,500	3,500	3,500	3,500	5,500	5,830	6,238
1.1 - Council and General Expenditure		1,500	2,033	2,500	3,500	3,500	3,500	5,500	5,830	6,238
Vote 2 - Accounting Officer		3,754	6,921	6,400	14,193	14,538	14,538	10,866	11,518	12,324
2.1 - Municipal Manager		1,500	2,688	2,500	2,750	2,750	2,750	3,750	3,975	4,253
2.2 - Strategic Planning and LED		1,500	2,976	2,500	2,750	2,750	2,750	3,750	3,975	4,253
2.3 - Library and Archives		700	1,258	1,400	8,693	9,038	9,038	3,366	3,568	3,817
2.4 - Parks and Recreation		54			-			-	-	-
Vote 3 - Budget and Treasury Office		55,944	96,514	98,081	48,224	48,022	48,022	63,461	68,393	72,448
3.1 - Financial Administration		55,944	96,514	98,081	48,224	48,022	48,022	63,461	68,393	72,448
Vote 4 - Technical Services		17,212	30,208	30,449	100,130	107,426	106,426	101,819	107,928	115,483
4.1 - Civil and Public Works		4,789	3,872	2,671	28,610	33,226	32,226	27,843	29,514	31,580
4.2 - PMU Administration										
4.3 - Electricity Distribution		9,836	14,536	15,843	55,020	58,700	58,700	57,176	60,607	64,849
4.4 - Waste Management-Solid Waste		2,587	11,800	11,936	16,500	15,500	15,500	16,800	17,808	19,055
Vote 5 - Corporate Services		854	3,240	3,848	14,783	14,514	14,514	15,261	16,177	17,304
5.1 - Human Resources and Administration		82	1,890	1,902	12,383	12,114	12,114	12,761	13,527	14,469
5.2 - Fleet Management					-			-	-	-
5.3 - Traffic Control Services		84	350	446	300	300	300	300	318	340
5.4 - Civil and Protection					-			-	-	-
5.5 - Natis and Administration		688	1,000	1,500	2,100	2,100	2,100	2,200	2,332	2,495
Total Revenue by Vote		2	79,264	138,916	141,278	180,830	188,000	187,000	196,907	209,845
Expenditure by Vote										
Vote 1 - Municipal Council	1	9,754	14,879	14,427	15,660	15,660	15,660	16,321	17,300	18,511
1.1 - Council and General Expenditure		9,754	14,879	14,427	15,660	15,660	15,660	16,321	17,300	18,511
Vote 2 - Accounting Officer		3,817	15,977	14,549	16,437	16,437	16,437	21,114	29,276	30,089
2.1 - Municipal Manager	251	3,424	4,002	4,179	4,179	4,179	6,181	13,447	13,152	

MBRR Nkonkobe Municipality EC 127 2012-13

2.2 - Strategic Planning and LED		1,022	7,895	6,987	7,849	7,849	7,849	10,148	10,757	11,510
2.3 - Library and Archives		760	1,400	1,258	1,159	1,159	1,159	1,189	1,261	1,349
2.4 - Parks and Recreation		1,783	3,259	2,301	3,250	3,250	3,250	3,595	3,811	4,078
Vote 3 - Budget and Treasury Office		12,379	24,159	19,259	21,872	22,622	22,622	22,585	25,622	26,393
3.1 - Financial Administration		12,379	24,159	19,259	21,872	22,622	22,622	22,585	25,622	26,393
Vote 4 - Technical Services		34,511	60,743	55,337	56,962	57,926	57,926	50,430	44,854	49,522
4.1 - Civil and Public Works		4,946	14,857	13,268	14,135	14,135	14,135	15,132	15,049	17,600
4.3 - Electricity Distribution		19,039	29,879	29,504	29,363	30,327	30,327	21,060	13,850	14,850
4.4 - Waste Management-Solid Waste		10,526	16,007	12,565	13,464	13,464	13,464	14,239	15,955	17,072
Vote 5 - Corporate Services		16,904	28,175	28,481	27,492	31,826	30,826	41,308	44,936	48,076
5.1 - Human Resources and Administration		10,633	18,975	18,700	15,443	19,777	18,777	26,593	29,337	31,391
5.2 - Fleet Management		2,405	3,267	3,541	4,642	4,642	4,642	6,591	6,986	7,475
5.3 - Traffic Control Services		593	1,056	1,100	1,159	1,159	1,159	1,909	2,024	2,166
5.4 - Civil and Protection		2,706	3,088	3,500	4,331	4,331	4,331	4,437	4,704	5,033
5.5 - Natis and Administration		568	1,789	1,640	1,917	1,917	1,917	1,778	1,884	2,011
Total Expenditure by Vote	2	77,365	143,934	132,053	138,423	144,471	143,471	151,758	161,987	172,591
Surplus/(Deficit) for the year	2	1,899	(5,018)	9,226	42,408	43,529	43,529	45,149	47,858	51,206

Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

1. Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the Nkonkobe Municipality. This means it is possible to present the operating surplus or deficit of a vote.

MBRR Nkonkobe Municipality EC 127 2012-13

EC127 Nkonkobe - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	R ef	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand	1										
Revenue By Source											
Property rates	2	9,669	10,099	15,633	11,700	13,000	13,000	13,000	22,391	22,782	23,009
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	9,836	10,641	9,231	29,130	35,150	35,150	35,150	30,626	32,464	34,736
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	2,543	4,727	5,791	7,000	6,000	6,000	6,000	6,300	6,678	7,145
Service charges – other		6,151	400								
Rental of facilities and equipment		0	117		344	364	364	364	482	405	434
Interest earned - external investments		6,068	50						1,655	1,754	1,877

MBRR Nkonkobe Municipality EC 127 2012-13

Interest earned - outstanding debtors									10,200	10,812	11,569
Dividends received											
Fines		84	100						300	318	340
Licences and permits		688	500						2,200	2,332	2,495
Agency services		934	3,055								
Transfers recognised - operational									93,198	99,970	108,670
Other revenue	2	6,653	39,163	45,234	16,116	11,001	10,001	10,001	4,556	5,831	5,167
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)		42,627	68,852	75,890	64,290	65,515	64,515	64,515	171,908	183,346	195,443
<u>Expenditure By Type</u>	-										
Employee related costs	2	55,442	36,514	43,865	53,526	53,951	53,951	53,951	57,303	61,940	66,882
Remuneration of councillors									12,786	13,553	14,502
Debt impairment	3										
Depreciation & asset impairment	2	728	1,680	-	-	-	-	-	-	-	-
Finance charges											
Bulk purchases	2	9,560	14,462	-	20,000	22,000	22,000	22,000	23,100	24,486	26,200
Other materials	8								-		
Contracted services		72	179	174	200	200	200	200	210	223	238
Transfers and grants		-	290	937	600	600	600	600	630	668	715
Other expenditure	4,5	16,755	75,226	51,663	52,010	55,634	54,634	54,634	57,729	61,118	64,

MBRR Nkonkobe Municipality EC 127 2012-13

Loss on disposal of PPE											055
Total Expenditure		82,557	128,351	96,639	126,336	132,385	131,385	131,385	151,758	161,987	172,591
Surplus/(Deficit)		(39,930)	(59,499)	(20,749)	(62,046)	(66,870)	(66,870)	(66,870)	20,150	21,359	22,852
Transfers recognised - capital									24,999	26,499	28,354
Contributions recognised - capital	6	-	-	-	-	-	-	-	-	-	-
Contributed assets											
Surplus/(Deficit) after capital transfers & contributions		(39,930)	(59,499)	(20,749)	(62,046)	(66,870)	(66,870)	(66,870)	45,149	47,858	51,206
Taxation											
Surplus/(Deficit) after taxation		(39,930)	(59,499)	(20,749)	(62,046)	(66,870)	(66,870)	(66,870)	45,149	47,858	51,206
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		(39,930)	(59,499)	(20,749)	(62,046)	(66,870)	(66,870)	(66,870)	45,149	47,858	51,206
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		(39,930)	(59,499)	(20,749)	(62,046)	(66,870)	(66,870)	(66,870)	45,149	47,858	51,206

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

1. Total revenue is R171 in 2011/12 and escalates to R19.3 billion by 2013/14. This represents a year-on-year increase of 12.5 per cent for the 2012/13 financial year and 13.5 per cent for the 2013/14 financial year.
2. Revenue to be generated from property rates is R 22 390 745.00 in the 2012/2013 financial year and increases to R 22 782 150.00 by 2013/14. It remains relatively constant over the medium-term and tariff increases have been factored in at 12per cent, for each of the respective financial years of the MTREF.

MBRR Nkonkobe Municipality EC 127 2012-13

3. Services charges relating to electricity and refuse removal constitutes the biggest component of the revenue basket of the municipality totalling R 36 926 000.00 for the 2012/13 financial year and increasing to R39 141 560.00 by 2013/14.
4. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. It needs to be noted that in real terms the grants receipts from national government are growing rapidly over the MTREF.
5. Bulk purchases have significantly increased over the 2011/2012 to 2012/13 period escalating from R20 000 000.00 to R23 100 000.00. These increases can be attributed to the substantial increase in the cost of bulk electricity from Eskom.
6. Employee related costs and bulk purchases are the main cost drivers within the municipality and alternative operational gains and efficiencies will have to be identified to lessen the impact of wage and bulk tariff increases in future years.

EC127 Nkonkobe - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand	1										
<u>Capital expenditure - Vote</u>											
<u>Multi-year expenditure to be appropriated</u>	2										
Vote 1 - Municipal Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Accounting Officer		-	-	1,748	-	-	-	-	8,990	9,530	10,197
Vote 3 - Budget and Treasury Office		-	-	270	-	-	-	-	-	-	-
Vote 4 - Technical Services		-	-	20,313	20,608	20,608	20,608	20,608	16,009	16,969	18,157
Vote 5 - Corporate Services		-	-	3,082	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	25,413	20,608	20,608	20,608	20,608	24,999	26,499	28,354
<u>Single-year expenditure to be appropriated</u>	2										
Vote 1 - Municipal Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Accounting Officer		-	-	1,748	3,190	2,230	2,230	2,230	5,650	5,989	6,406
Vote 3 - Budget and Treasury Office		-	-	270	190	200	200	200	500	530	567

MBRR Nkonkobe Municipality EC 127 2012-13

Vote 4 - Technical Services		-	-	20,313	2,990	4,551	4,551	4,551	3,500	3,710	3,970
Vote 5 - Corporate Services		-	-	3,082	15,430	15,940	15,940	15,940	10,500	11,130	11,909
Capital single-year expenditure sub-total		-	-	25,413	21,800	22,921	22,921	22,921	20,150	21,359	22,852
Total Capital Expenditure - Vote		-	-	50,827	42,408	43,529	43,529	43,529	45,149	47,858	51,206
Capital Expenditure - Standard											
<i>Governance and administration</i>		1,407	679	1,524	15,620	16,100	16,100	16,100	13,350	14,151	15,142
Executive and council				174	60	70	70	70	2,350	2,491	2,665
Budget and treasury office		1,407	679	270	190	200	200	200	500	530	567
Corporate services				1,080	15,370	15,830	15,830	15,830	10,500	11,130	11,909
<i>Community and public safety</i>		-	-	3,042	640	910	910	9,100	800	848	907
Community and social services				3,042	640	910	910	9,100	800	848	907
Sport and recreation											
<i>Economic and environmental services</i>		-	-	18,847	23,238	21,948	21,948	21,948	27,499	29,149	31,190
Planning and development				74	2,550	1,320	1,320	1,320	2,500	2,650	2,836
Road transport				18,773	20,688	20,628	20,628	20,628	24,999	26,499	28,354
Environmental protection											
<i>Trading services</i>		-	-	1,540	2,910	4,531	4,531	4,531	3,500	3,710	3,970
Electricity				2	10	2,631	2,631	2,631	1,500	1,590	1,701
Waste management				1,538	2,900	1,900	1,900	1,900	2,000	2,120	2,268
<i>Other</i>											
Total Capital Expenditure - Standard	3	1,407	679	24,952	42,408	43,489	43,489	51,679	45,149	47,858	51,208
Funded by:											
National Government		8,056	19,075	18,037	20,608	20,608	20,608	20,608	24,999	26,499	28,354
District Municipality											

MBRR Nkonkobe Municipality EC 127 2012-13

Transfers recognised - capital	4	8,056	19,075	18,037	20,608	20,608	20,608	20,608	24,999	26,499	28,354
Internally generated funds				5,612	21,800	22,921	22,921	22,921	20,150	21,359	22,852
Total Capital Funding	7	8,056	19,075	23,649	42,408	43,529	43,529	43,529	45,149	47,858	51,206

EC127 Nkonkobe - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Capital expenditure - Municipal Vote	2										
Multi-year expenditure appropriation											
Vote 1 - Municipal Council		-	-	-	-	-	-	-	-	-	-
1.1 - Council and General Expenditure									-	-	-
Vote 2 - Accounting Officer		-	-	1,748	-	-	-	-	8,990	9,530	10,197
2.1 - Municipal Manager				174					-	-	-
2.2 - Strategic Planning and LED				74					6,800	7,208	7,713
2.3 - Library and Archives									-	-	-
2.4 - Parks and Recreation				1,501					2,190	2,322	2,484
Vote 3 - Budget and Treasury Office		-	-	270	-	-	-	-	-	-	-
3.1 - Financial Administration				270					-	-	-
Vote 4 - Technical Services		-	-	20,313	20,608	20,608	20,608	20,608	16,009	16,969	18,157
4.1 - Civil and Public Works				18,773	20,608	20,608	20,608	20,608	16,009	16,969	18,157
4.2 - PMU Administration									-	-	-
4.3 - Electricity Distribution				2					-	-	-
4.4 - Waste Management-Solid Waste				1,538					-	-	-
Vote 5 - Corporate Services		-	-	3,082	-	-	-	-	-	-	-
5.1 - Human Resources and Administration				1,080					-	-	-
5.2 - Fleet Management				1,865					-	-	-
5.3 - Traffic Control Services				53					-	-	-
5.4 - Civil and Protection									-	-	-

MBRR Nkonkobe Municipality EC 127 2012-13

Capital multi-year expenditure sub-total		-	-	25,413	20,608	20,608	20,608	20,608	24,999	26,499	28,354
<u>Capital expenditure - Municipal Vote</u>											
<u>Single-year expenditure appropriation</u>	2										
Vote 1 - Municipal Council		-	-	-	-	-	-	-	-	-	-
1.1 - Council and General Expenditure											
Vote 2 - Accounting Officer		-	-	1,748	3,190	2,230	2,230	2,230	5,650	5,989	6,406
Municipal Manager				174					2,350	2,491	2,665
Strategic and Planning				74	2,550	1,320	1,320	1,320	2,500	2,650	2,836
2.3 - Library and Archives											
2.4 - Parks and Recreation				1,501	640	910	910	910	800	848	905
Vote 3 - Budget and Treasury Office		-	-	270	190	200	200	200	500	530	567
Financial Administration				270	190	200	200	200	500	530	567
Vote 4 - Technical Services		-	-	20,313	2,990	4,551	4,551	4,551	3,500	3,710	3,970
Civil and Public Works				18,773	80	20	20	20			
Electricity				2	10	2,631	2,631	2,631	1,500	1,590	1,701
Waste Management				1,538	2,900	1,900	1,900	1,900	2,000	2,120	2,268
4.4 - Waste Management-Solid Waste											
Vote 5 - Corporate Services		-	-	3,082	15,430	15,940	15,940	15,940	10,500	11,130	11,909
Human Resources and administration				1,080	9,530	9,990	9,990	9,990	8,500	9,010	9,641
Fleet Management				1,865	5,900	5,950	5,950	5,950	2,000	2,120	2,268
Traffic Control Services				53							
Civil and Protection Services											
Natis and Administration				84							
Capital single-year expenditure sub-total		-	-	25,413	21,800	22,921	22,921	22,921	20,150	21,359	22,852
Total Capital Expenditure		-	-	50,827	42,408	43,529	43,529	43,529	45,149	47,858	51,206

Explanatory Notes to Table A5 – Budgeted Capital Expenditure by vote, standard classification and funding source.

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single- year appropriation) capital expenditure by standard classification and the funding sources necessary to fund capital budget, including information on capital transfers from national governments
2. MFMA provides that a municipality may approve multi-year or single year capital budget appropriation for 2011/12 R 42m capital budget which was later adjusted to R43m. This allocation escalates to R45m in 2012/13, R47m and R51m in year 2013/12 and 2013/14 respectively. This increment is owing to the fact that implementation of some of the projects overlaps to other financial years
3. Single year capital expenditure has been appropriated at R20m for 2012/13 financial year and increase again over the MTREF to R21 359 000 and R22 852 010 respectively for the two outer years.
4. Unlike multi – year capital appropriations, single year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of tools and plant and equipment. The budget appropriations for two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the Nkonkobe Municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitment will be incurred against single year appropriations for the two outer years.
5. The Capital programme is funded from capital and provincial grants and transfers and internally generated funds from current year surpluses. For 2012/13 capital transfers totals R26 315 000 and escalates to R

MBRR Nkonkobe Municipality EC 127 2012-13

EC 127 Nkonkobe- Table A6 Budgeted Financial Position

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
ASSETS											
Current assets											
Cash		11	(3,929)	2,481	30,000	30,000	30,000	30,000			
Call investment deposits	1	18,819	13,099	77	3,261	3,261	3,261	3,261	2,753	2,753	2,753
Consumer debtors	1	908	8,029	19,796	24,993	24,993	24,993	24,993	6,796	5,796	3,796
Other debtors		21,227	22,258	6,635							
Current portion of long-term receivables			550	1,178							
Inventory	2	175	4,455	565	202	202	202	202	565	565	565
Total current assets		41,140	44,462	30,733	58,455	58,455	58,455	58,455	10,114	9,114	7,114
Non current assets											
Long-term receivables											
Property, plant and equipment	3	-	21,327	46,067	63,735	63,735	63,735	63,735	124,314	172,173	223,379
Total non current assets		-	21,327	46,067	63,735	63,735	63,735	63,735	124,314	172,173	223,379
TOTAL ASSETS		41,140	65,789	76,799	122,190	122,190	122,190	122,190	134,429	181,287	230,493
LIABILITIES											
Current liabilities											
Bank overdraft	1	1,080									
Borrowing	4	4,154	5,251	3,520	3,300	3,300	3,300	3,300	-	-	-
Consumer deposits		22,126	942	1,037		908					

MBRR Nkonkobe Municipality EC 127 2012-13

Trade and other payables	4	29,567	16,134	16,878	5,000	5,000	5,000	5,000	12,770	13,270	13,520
Provisions											
Total current liabilities		56,927	22,328	21,436	9,208	9,208	9,208	9,208	13,807	14,307	14,557
Non current liabilities											
Borrowing		1	1	-	-	-	-	-	-	-	-
Provisions		1,817	14,876	16,300	-	-	-	-	16,300	16,300	16,300
Total non current liabilities		1,819	14,878	16,300	-	-	-	-	16,300	16,300	16,300
TOTAL LIABILITIES		58,746	37,205	37,735	9,208	9,208	9,208	9,208	30,106	30,606	30,856
NET ASSETS	5	(17,606)	28,583	39,064	112,982	112,982	112,982	112,982	104,322	150,680	199,636
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)									104,322	150,680	199,636
Reserves	4	2,552	-	-	-	-	-	-	-	-	-
Minorities' interests											
TOTAL COMMUNITY WEALTH/EQUITY	5	2,552	-	-	-	-	-	-	104,322	150,680	199,636

Explanatory notes to Table A6 - Budgeted Financial Position

- Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
- This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as "accounting" Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
- Table 66 is supported by an extensive table of notes providing a detailed analysis of the major components of a number of items, including:
 - Call investments deposits;
 - Consumer debtors;

MBRR Nkonkobe Municipality EC 127 2012-13

- Property, plant and equipment;
 - Trade and other payables;
 - Provisions noncurrent;
 - Changes in net assets; and
 - Reserves
4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
 5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

EC127 Nkonkobe - Table A7 Budgeted Cash Flows

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		19,314	31,285	32,120	54,336	66,690	54,336	54,336	66,855	70,767	75,827
Government - operating	1	47,496	64,402	80,873	87,032	87,032	87,032	87,032	93,198	99,970	108,670
Government - capital	1	8,056	15,575	18,037	21,693	21,693	21,693	21,693	26,315	27,666	29,266
Interest		6,068	50	1,082	5,014	6,500	12,600	12,600	11,855	12,566	13,446
Dividends											
Payments											
Suppliers and employees		(77,247)	(101,526)	(104,356)	(130,187)	(138,657)	(133,903)	(133,903)	(152,234)	(161,368)	(172,661)
Finance charges		(1,372)	(215)	(204)	(180)	(250)	(250)	(250)	(210)	(223)	(238)
Transfers and Grants	1			(7,691)		(600)	(600)	(600)	(630)	(668)	(715)

MBRR Nkonkobe Municipality EC 127 2012-13

					(600)						
NET CASH FROM/(USED) OPERATING ACTIVITIES		2,316	9,571	19,859	37,108	42,408	40,908	40,908	45,149	48,710	53,595
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Payments											
Capital assets				(24,740)	(37,108)	(42,408)	(40,908)	(40,908)	(45,149)	(47,858)	(51,206)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	-	(24,740)	(37,108)	(42,408)	(40,908)	(40,908)	(45,149)	(47,858)	(51,206)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Repayment of borrowing											
NET INCREASE/(DECREASE) IN CASH HELD		2,316	9,571	(4,881)	0	(0)	(0)	0	-	852	2,389
Cash/cash equivalents at the year begin:	2		2,316	11,886				-		-	852
Cash/cash equivalents at the year end:	2	2,316	11,886	7,005	0	(0)	(0)	0	-	852	3,241

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. As part of the 2011/12 mid-year review and Adjustments Budget this unsustainable cash position had to be addressed as a matter of urgency and various interventions were implemented such as the reduction of expenditure allocations and rationalization of spending priorities.

MBRR Nkonkobe Municipality EC 127 2012-13

EC127 Nkonkobe - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Cash and investments available											
Cash/cash equivalents at the year end	1	2,316	11,886	7,005	0	(0)	(0)	0	-	852	3,241
Other current investments > 90 days		15,434	(2,716)	(4,447)	33,261	33,261	33,261	33,261	2,753	1,900	(488)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		17,750	9,171	2,559	33,261	33,261	33,261	33,261	2,753	2,753	2,753
Application of cash and investments											
Unspent conditional transfers		-	4,208	1,284	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	17,873	(1,846)	4,408	(16,123)	(20,441)	(16,049)	(16,049)	6,873	8,245	10,129
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		17,873	2,362	5,691	(16,123)	(20,441)	(16,049)	(16,049)	6,873	8,245	10,129
Surplus(shortfall)		(123)	6,808	(3,133)	49,384	53,702	49,310	49,310	(4,120)	(5,492)	(7,376)

Other working capital requirements

Debtors	11,694	13,772	11,187	21,123	25,441	21,049	21,049	5,897	5,025	3,391
Creditors due	29,567	11,926	15,595	5,000	5,000	5,000	5,000	12,770	13,270	13,520
Total	(17,873)	1,846	(4,408)	16,123	20,441	16,049	16,049	(6,873)	(8,245)	(10,129)

MBRR Nkonkobe Municipality EC 127 2012-13

Debtors collection assumptions

Balance outstanding - debtors	22,135	30,287	26,431	24,993	24,993	24,993	24,993	6,796	5,796	3,796
Estimate of debtors collection rate	53%	45%	42%	85%	102%	84%	84%	87%	87%	89%

EC127 Nkonkobe - Table A9 Asset Management

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
CAPITAL EXPENDITURE										
<u>Total New Assets</u>	1	679	21,327	46,067	42,408	43,529	43,529	45,149	47,858	51,206
<i>Infrastructure - Road transport</i>		-	12,776	31,157	7,740	7,871	7,871	16,009	16,969	18,157
<i>Infrastructure - Electricity</i>		-	-	-	-	2,621	2,621	-	-	-
<i>Infrastructure - Other</i>		679	-	-	-	-	-	1,500	1,590	1,701
Infrastructure		679	12,776	31,157	7,740	10,492	10,492	17,509	18,559	19,858
Community		-	-	-	20,579	20,248	20,248	14,990	15,890	17,000
Other assets	6	-	8,550	14,910	14,089	12,789	12,789	10,650	11,289	12,079
Intangibles		-	-	-	-	-	-	2,000	2,120	2,268
Intangibles		-	-	-	-	-	-	-	-	-
<u>Total Capital Expenditure</u>	4	-	12,776	31,157	7,740	7,871	7,871	16,009	16,969	18,157
<i>Infrastructure - Road transport</i>		-	-	-	-	2,621	2,621	-	-	-
<i>Infrastructure - Electricity</i>		679	-	-	-	-	-	1,500	1,590	1,701
Infrastructure		679	12,776	31,157	7,740	10,492	10,492	17,509	18,559	19,858
Community		-	-	-	20,579	20,248	20,248	14,990	15,890	17,000
Other assets		-	8,550	14,910	14,089	12,789	12,789	10,650	11,289	12,079
Intangibles		-	-	-	-	-	-	2,000	2,120	2,268
TOTAL CAPITAL EXPENDITURE - Asset class	2	679	21,327	46,067	42,408	43,529	43,529	45,149	47,858	51,206
ASSET REGISTER SUMMARY - PPE (WDV)	5									
Intangibles		-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	-	-	-	-	-	-	-	-	-

MBRR Nkonkobe Municipality EC 127 2012-13

EXPENDITURE OTHER ITEMS										
<u>Depreciation & asset impairment</u>		728	1,680	-	-	-	-	-	-	-
<u>Repairs and Maintenance by Asset Class</u>	3	3,684	6,046	7,416	7,450	7,338	7,338	8,000	8,480	9,074
<i>Infrastructure – Electricity</i>		-	-	-	1,900	1,488	1,488	1,800	1,908	2,042
<i>Infrastructure – Other</i>		-	-	-	800	1,000	1,000	400	424	454
Infrastructure		3,684	6,046	7,416	3,150	3,338	3,338	3,200	3,392	3,629
Community		-	-	-	1,800	2,300	2,300	1,300	1,378	1,474
Other assets	6, 7	-	-	-	2,500	1,700	1,700	3,500	3,710	3,970
TOTAL EXPENDITURE OTHER ITEMS		4,412	7,726	7,416	7,450	7,338	7,338	8,000	8,480	9,074
<i>Renewal of Existing Assets as % of total capex</i>		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Renewal of Existing Assets as % of deprecn"</i>		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>R&M as a % of PPE</i>		0.0%	28.3%	16.1%	11.7%	11.5%	11.5%	6.4%	4.9%	4.1%
<i>Renewal and R&M as a % of PPE</i>		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE.

EC127 Nkonkobe - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand											
REVENUE ITEMS:											
<u>Property rates</u>	6										
Total Property Rates		9,669	10,099	15,633	11,700	13,000	13,000	13,000	22,391	22,782	23,009
<i>less Revenue Foregone</i>											
Net Property Rates		9,669	10,099		11,700				22,391	22,782	23,009

MBRR Nkonkobe Municipality EC 127 2012-13

			15,633		13,000	13,000	13,000				
<u>Service charges - electricity revenue</u>	6										
Total Service charges - electricity revenue		9,836	10,641	9,231	29,130	35,150	35,150	35,150	30,626	32,464	34,736
<i>less Revenue Foregone</i>											
Net Service charges - electricity revenue		9,836	10,641	9,231	29,130	35,150	35,150	35,150	30,626	32,464	34,736
<u>Service charges - refuse revenue</u>	6										
Total refuse removal revenue		2,543	4,727	5,791	7,000	6,000	6,000	6,000	6,300	6,678	7,145
Total landfill revenue											
<i>less Revenue Foregone</i>											
Net Service charges - refuse revenue		2,543	4,727	5,791	7,000	6,000	6,000	6,000	6,300	6,678	7,145
<u>Other Revenue by source</u>											
<i>List other revenue by source</i>		6,653	39,163	31,753							
<i>Insurance fee</i>					120	250	250	250	260	276	295
<i>Med aidncontributionspaid by pensioners</i>				1,082	25	100	100	100	105	111	119
Revenue palnt unit				5,132	3,707	707	707	707	200	212	227
Skills developpment levies				433	514	514	514	514	540	572	612
Valuation certificates				2,181	-	70	70	70	74	78	83
Bad Debts recovered					3,000	8,000	8,000	8,000	3,000	3,180	3,403
Building Plans					110	110	110	110	116	122	131
Burial and cemetery					20	30	30	30	32	33	36
Commission received					20	120	120	120	126	134	143
Tender deposits					100	100	100	100	105	1,113	119
EPWP	3			4,654	8,500	1,000	-				
Total 'Other' Revenue	1	6,653	39,163	45,234	16,116	11,001	10,001	10,001	4,556	5,831	5,167

MBRR Nkonkobe Municipality EC 127 2012-13

EXPENDITURE ITEMS:											
<u>Employee related costs</u>											
Basic Salaries and Wages	2	29,656	26,180	29,320	42,149	42,373	42,373	42,373	44,699	48,580	52,587
Pension and UIF Contributions		19,060	5,665	5,227	4,443	4,443	4,443	4,443	4,666	4,946	5,292
Medical Aid Contributions					1,934	1,934	1,934	1,934	2,030	2,152	2,303
Overtime		166	821	1,335	1,520	1,520	1,520	1,520	1,596	1,692	1,810
Performance Bonus		939		1,100							
Motor Vehicle Allowance		4,414	2,366	2,226	1,900	2,000	2,000	2,000	2,100	2,226	2,382
Cellphone Allowance											
Housing Allowances		1,206	394	551	500	500	500	500	525	557	595
Other benefits and allowances				2,505					1,507	1,597	1,709
Payments in lieu of leave			1,027	1,600	1,011	1,011	1,011	1,011			
Long service awards			62		70	170	170	170	180	191	204
Post-retirement benefit obligations	4										
<i>sub-total</i>	5	55,442	36,514	43,865	53,526	53,951	53,951	53,951	57,303	61,940	66,882
<u>Less: Employees costs capitalised to PPE</u>											
Total Employee related costs	1	55,442	36,514	43,865	53,526	53,951	53,951	53,951	57,303	61,940	66,882
<u>Depreciation & asset impairment</u>											
Depreciation of Property, Plant & Equipment		728	1,680								
Lease amortization											
Capital asset impairment											
Depreciation resulting from revaluation of PPE	10										
Total Depreciation & asset impairment	1	728	1,680	-	-	-	-	-	-	-	-
<u>Bulk purchases</u>											
Electricity Bulk Purchases		9,560	14,462		20,000	22,000	22,000	22,000	23,100	24,486	26,200
Water Bulk Purchases											

MBRR Nkonkobe Municipality EC 127 2012-13

Total bulk purchases	1	9,560	14,462	-	20,000	22,000	22,000	22,000	23,100	24,486	26,200
Transfers and grants											
Cash transfers and grants		-	290	937	600	600	600	600	630	668	715
Non-cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Total transfers and grants	1	-	290	937	600	600	600	600	630	668	715
Contracted services											
<i>List services provided by contract</i>											
<i>Delyn</i>		72	179	174	200	200	200	200	210	223	238
<i>G4S</i>									105	111	119
<i>sub-total</i>	1	72	179	174	200	200	200	200	210	223	238
Total contracted services		72	179	174	200	200	200	200	210	223	238
Other Expenditure By Type											
Collection costs	-										
Contributions to 'other' provisions			7,900		1,011	1,011	1,011	1,011	1,061	1,125	1,204
Consultant fees		57	300		2,002	2,800	2,800	2,800	2,700	2,862	3,062
Audit fees		311	1,052		2,788	3,000	3,000	3,000	3,150	3,339	3,573
General expenses	3	16,386	65,974	41,920							
Other Expenditure By Type											
<i>Advertising</i>				435	500	500	500	500	525	573	613
<i>Tourism Expense</i>					800	800	800	800	600	636	681
<i>Bank charges</i>				168	180	200	200	200	210	223	238
<i>Branding</i>					100	100	100	100	105	111	119
<i>Bursaries and awards</i>				67	100	100	100	100	225	239	255
<i>CBP expenses</i>					1,000				1,050	1,113	1,191

MBRR Nkonkobe Municipality EC 127 2012-13

				613		1,000	1,000	1,000			
<i>Clean up campaign</i>				208	500	500	500	500	400	424	454
<i>Consumable stock</i>				395	540	540	540	540	550	583	624
<i>Conversion of AFS to Grap</i>				1,297	1,000	1,200	1,200	1,200	3,010	3,191	3,414
<i>Courier/Transport services</i>				133	350	350	350	350	350	371	397
<i>Cricket Development</i>					400	400	400	400	400	424	454
<i>Accomodation expense</i>				1,484	1,842	2,500	2,500	2,500	2,000	2,120	2,268
<i>Drivers ProdibaPayments</i>				334	300	400	400	400	450	477	510
<i>Electricity bought for municipality</i>				129	150	200	200	200	250	265	284
<i>Employee wellness</i>					400	100	100	100	100	89	96
Entertainment				270	300	300	300	300	320	339	363
Events				231	400	500	500	500	500	530	567
External audit committee				62	200	200	200	200	250	265	284
Imbizo meetings				61	200	200	200	200	350	371	397
Indigent subsidy to consumers				2,982	10,000	10,000	10,000	10,000	10,000	10,600	11,342
Insurance premiums				876	798	850	850	850	850	901	964
Total 'Other' Expenditure	1	16,755	75,226	51,663	52,010	55,634	54,634	54,634	57,729	61,118	64,055
Repairs and Maintenance by Expenditure Item	8										
Other Expenditure		3,684	6,046	7,416	7,450	7,338	7,338	7,338	8,000	8,480	9,074
Total Repairs and Maintenance Expenditure	9	3,684	6,046	7,416	7,450	7,338	7,338	7,338	8,000	8,480	9,074

EC127 Nkonkobe - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

MBRR Nkonkobe Municipality EC 127 2012-13

Description	Ref	Vote 1 - Municipal Council	Vote 2 - Accounting Officer	Vote 3 - Budget and Treasury Office	Vote 4 - Technical Services	Vote 5 - Corporate Services	Vote 6 - [NAME OF VOTE 6]	Vote 7 - [NAME OF VOTE 7]	Vote 15 - [NAME OF VOTE 15]	Total
R thousand	1									
Revenue By Source										
Property rates				22,391						22,391
Property rates - penalties & collection charges										-
Service charges - electricity revenue					31,942					31,942
Service charges - refuse revenue					6,300					6,300
Service charges – other										-
Rental of facilities and equipment						482				482
Interest earned - external investments				1,655						1,655
Interest earned - outstanding debtors				10,200						10,200
Dividends received										-
Fines				300						300
Licences and permits				2,200						2,200
Agency services				3,366						3,366
Other revenue				4,555						4,555
Transfers recognised - operational				89,832						89,832
Gains on disposal of PPE										-
Total Revenue (excluding capital transfers and contributions)		-	-	134,499	38,242	482	-	-	-	173,223
Expenditure By Type										
Employee related costs			14,516	7,088	18,746	18,014				58,363
Remuneration of councillors		12,786								12,786
Bulk purchases					23,100					23,100
Other materials										-
Contracted services					105	105				210
Transfers and grants			630							630
Other expenditure		3,575	13,289	16,363	20,834	24,073				78,134
Loss on disposal of PPE										-
Total Expenditure		16,361	28,434	23,451	62,785	42,192	-	-	-	173,223
Surplus/(Deficit)		(16,361)	(28,434)	111,048	(24,543)	(41,710)	-	-	-	0
Transfers recognised – capital					24,999					24,999
Contributions recognised – capital					20,150					20,150

MBRR Nkonkobe Municipality EC 127 2012-13

Contributed assets										-
Surplus/(Deficit) after capital transfers & contributions		(16,361)	(28,434)	111,048	20,606	(41,710)	-	-	-	45,149

EC127 Nkonkobe Supporting Tab Supporting detail to 'Budgeted Fir Position'

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand											
ASSETS											
<u>Call investment deposits</u>											
Call deposits < 90 days		1,723			3,261	3,261	3,261	3,261			
Other current investments > 90 days		17,096	13,099	77					2,753	2,753	2,753
Total Call investment deposits	2	18,819	13,099	77	3,261	3,261	3,261	3,261	2,753	2,753	2,753
<u>Consumer debtors</u>											
Consumer debtors		908	8,029	19,796	34,993	34,993	34,993	34,993	6,796	5,796	3,796
<u>Less: Provision for debt impairment</u>					(10,000)	(10,000)	(10,000)	(10,000)			
Total Consumer debtors	2	908	8,029	19,796	24,993	24,993	24,993	24,993	6,796	5,796	3,796
Bad debts written off											
Balance at end of year		-	-	-	-	-	-	-	-	-	-
<u>Property, plant and equipment (PPE)</u>											
PPE at cost/valuation (excl. finance leases)			21,327	46,067	63,735	63,735	63,735	63,735	124,314	172,173	223,379
Leases recognised as PPE	3										
<u>Less: Accumulated depreciation</u>											

MBRR Nkonkobe Municipality EC 127 2012-13

Total Property, plant and equipment (PPE)	2	-	21,327	46,067	63,735	63,735	63,735	63,735	124,314	172,173	223,379
LIABILITIES											
<u>Current liabilities - Borrowing</u>											
Short term loans (other than bank overdraft)		4,154	5,251	3,520							
Current portion of long-term liabilities					3,300	3,300	3,300	3,300			
Total Current liabilities - Borrowing		4,154	5,251	3,520	3,300	3,300	3,300	3,300	-	-	-
<u>Trade and other payables</u>											
Trade and other creditors		29,567	11,926	15,595	5,000	5,000	5,000	5,000	12,770	13,270	13,520
Unspent conditional transfers			4,208	1,284							
VAT											
Total Trade and other payables	2	29,567	16,134	16,878	5,000	5,000	5,000	5,000	12,770	13,270	13,520
<u>Non current liabilities - Borrowing</u>											
Borrowing											
Finance leases (including PPP asset element)	4	1	1								
Total Non current liabilities - Borrowing		1	1	-	-	-	-	-	-	-	-
<u>Provisions - non-current</u>											
Retirement benefits									16,300	16,300	16,300
<i>List other major provision items</i>											
Refuse landfill site rehabilitation											
Other		1,817	14,876	16,300							
Total Provisions - non-current		1,817	14,876	16,300	-	-	-	-	16,300	16,300	16,300
CHANGES IN NET ASSETS											
<u>Accumulated Surplus/(Deficit)</u>											
Accumulated Surplus/(Deficit) - opening balance					65,148	65,148	65,148	65,148	57,857	102,822	148,430

MBRR Nkonkobe Municipality EC 127 2012-13

GRAP adjustments											
Restated balance		-	-	-	65,148	65,148	65,148	65,148	57,857	102,822	148,430
Surplus/(Deficit)		(39,930)	(59,499)	(20,749)	(62,046)	(66,870)	(66,870)	(66,870)	45,149	47,858	51,206
Appropriations to Reserves					(21,800)	(21,800)	(21,800)	(21,800)			
Transfers from Reserves											
Depreciation offsets											
Other adjustments					(78,145)	(78,145)	(78,145)	(78,145)	1,316		
Accumulated Surplus/(Deficit)	1	(39,930)	(59,499)	(20,749)	(96,843)	(101,667)	(101,667)	(101,667)	104,322	150,680	199,636
Reserves	-										
Housing Development Fund											
Capital replacement		2,552									
Self-insurance											
Revaluation											
Total Reserves	2	2,552	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	(37,378)	(59,499)	(20,749)	(96,843)	(101,667)	(101,667)	(101,667)	104,322	150,680	199,636

EC127 Nkonkobe - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Local Economic development	To promote development and job creation			2,254	4,234	3,900	2,750	12,500	12,500	7,116	7,543	8,071
Institutional transformation and development	To improve institutional capacity and ensure its effectiveness			3,000	4,721	5,000	6,250	6,250	6,250	9,250	9,805	10,491
Good governance and public participation	To promote good governance and public participation			854	3,240	3,848	12,383	13,400	13,400	15,281	16,198	17,332

MBRR Nkonkobe Municipality EC 127 2012-13

Service delivery and infrastructure development	To ensure efficient and effective service delivery to all communities			17,212	30,208	30,449	71,895	71,895	71,895	75,484	81,408	87,106
Financial viability	To improve financial management of the institution			55,944	96,512	98,082	46,229	41,511	41,511	64,776	68,664	73,468
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	79,264	138,915	141,279	139,507	145,556	145,556	171,907	183,617	196,468

EC127 Nkonkobe - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Local Economic development	To promote development and job creation			6,580	8,900	10,598	10,592	12,897	12,897	11,583	12,278	14,137
Institutional transformation and development	To improve institutional capacity and ensure its effectiveness			19,598	20,001	22,366	24,911	26,789	26,789	34,579	36,915	31,141
Good governance and public participation	To promote good governance and public participation			14,598	35,420	28,598	29,267	31,300	31,300	27,145	29,774	30,788
Service delivery and infrastructure development	To ensure efficient and effective service delivery to all communities			32,880	38,580	53,259	57,307	55,917	54,917	55,130	57,460	54,102
Allocations to other priorities												
Total Expenditure			1	77,365	143,934	132,053	138,422	144,471	143,471	151,758	161,988	156,620

MBRR Nkonkobe Municipality EC 127 2012-13

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EC127 Nkonkobe - Supporting Table SA21 Transfers and grants made by the municipality

Description R thousand	Re f	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<u>Cash Transfers to other municipalities</u> <i>Insert description</i>	1										
Total Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
<u>Cash Transfers to Entities/Other External Mechanisms</u> <i>Nkonkobe Economic Delopment Agency</i>	2		290	937	600	600	600	600	630	668	715
Total Cash Transfers To Entities/Ems'		-	290	937	600	600	600	600	630	668	715
Total Cash Transfers To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
TOTAL CASH TRANSFERS AND GRANTS	6	-	290	937	600	600	600	600	630	668	715
Total Non-Cash Grants To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
TOTAL NON-CASH TRANSFERS AND GRANTS		-	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS	6	-	290	937	600	600	600	600	630	668	715

MBRR Nkonkobe Municipality EC 127 2012-13

EC127 Nkonkobe - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
		A	B	C	D	E	F	G	H	I
<u>Councillors (Political Office Bearers plus Other)</u>	1									
Basic Salaries and Wages		8,477	10,086	9,957	7,897	7,897	7,897	8,386	8,890	9,512
Pension and UIF Contributions					230	230	230			
Medical Aid Contributions					500	500	500	525	557	595
Motor Vehicle Allowance					3,000	3,000	3,000	3,150	3,339	3,573
Cellphone Allowance					550	550	550	578	612	655
Housing Allowances										
Other benefits and allowances					90	90	90	147	156	166
Sub Total - Councillors		8,477	10,086	9,957	12,267	12,267	12,267	12,786	13,553	14,501
% increase	4		19.0%	(1.3%)	23.2%	-	-	4.2%	6.0%	7.0%
<u>Senior Managers of the Municipality</u>	2									
Basic Salaries and Wages		1,342	2,624	3,824	2,500	2,500	2,500	3,000	3,180	3,403
Pension and UIF Contributions										
Motor Vehicle Allowance	3				800	798	798	900	954	1,021
Cellphone Allowance	3				600	589	589	800	848	907
Housing Allowances	3				485	485	485	500	527	550
Other benefits and allowances	3									
Sub Total - Senior Managers of Municipality		1,342	2,624	3,824	4,385	4,373	4,373	5,200	5,509	5,881
% increase	4		95.5%	45.7%	14.7%	(0.3%)	-	18.9%	5.9%	6.8%

MBRR Nkonkobe Municipality EC 127 2012-13

Other Municipal Staff										
Basic Salaries and Wages		28,314	33,555		37,097	37,322	37,322	39,200	41,552	44,461
Pension and UIF Contributions					4,443	4,443	4,443	4,666	4,946	5,292
Medical Aid Contributions					1,934	1,934	1,934	2,030	2,152	2,302
Overtime					1,520	1,520	1,520	1,596	1,692	1,810
Performance Bonus					2,551	2,551	2,551	2,679	2,840	3,038
Motor Vehicle Allowance	3				1,100	1,200	1,200	1,200	1,272	1,361
Cellphone Allowance	3									
Housing Allowances	3				15	15	15	25	30	45
Other benefits and allowances	3				652	811	811	527	559	599
Payments in lieu of leave					1,167	1,011	1,011	1,061	1,125	1,204
Long service awards								180	191	204
Post-retirement benefit obligations	6									
Sub Total - Other Municipal Staff		28,314	33,555	-	50,480	50,807	50,807	53,164	56,358	60,316
% increase	4		18.5%	(100.0%)	-	0.6%	-	4.6%	6.0%	7.0%
Total Parent Municipality		38,133	46,265	13,781	67,131	67,447	67,447	71,150	75,419	80,698
			21.3%	(70.2%)	387.1%	0.5%	-	5.5%	6.0%	7.0%
Board Members of Entities										
Housing Allowances	3									
Other benefits and allowances	3	48	33	20	77	-	18	81	86	90
Board Fees		9	13	33	85	-	28	90	95	100
Payments in lieu of leave										
Sub Total - Board Members of Entities		57	46	53	162	-	46	171	180	190
% increase	4		(18.8%)	15.5%	205.7%	(100.0%)	-	273.9%	5.6%	5.4%

MBRR Nkonkobe Municipality EC 127 2012-13

Senior Managers of Entities										
Basic Salaries and Wages		563	48		664		302	717	772	829
Pension and UIF Contributions										
Motor Vehicle Allowance	3	106	8							
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Entities		668	56	-	664	-	302	717	772	829
% increase	4		(91.6%)	(100.0%)	-	(100.0%)	-	137.6%	7.6%	7.4%
Other Staff of Entities										
Basic Salaries and Wages		161	178	557	775		1,995	3,682	1,487	1,597
Pension and UIF Contributions										
Medical Aid Contributions		32	25	17						
Sub Total - Other Staff of Entities		193	203	575	775	-	1,995	3,682	1,487	1,597
% increase	4		5.3%	182.8%	34.8%	(100.0%)	-	84.6%	(59.6%)	7.4%
Total Municipal Entities		918	306	628	1,601	-	2,342	4,570	2,439	2,616
TOTAL SALARY, ALLOWANCES & BENEFITS		39,051	46,571	14,409	68,732	67,447	69,789	75,720	77,859	83,315
% increase	4		19.3%	(69.1%)	377.0%	(1.9%)	3.5%	8.5%	2.8%	7.0%
TOTAL MANAGERS AND STAFF	5	30,518	36,439	4,399	56,304	55,180	57,477	62,764	64,125	68,623

MBRR Nkonkobe Municipality EC 127 2012-13

EC127 Nkonkobe - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
<u>Councillors</u>	3							
Speaker	4	1	367,137		141,219			508,356
Chief Whip		1	344,191		133,570			477,761
Executive Mayor		1	458,921		190,726			649,647
Deputy Executive Mayor								-
Executive Committee		5	1,392,538		541,097			1,933,635
Total for all other councillors		33	6,543,308		2,673,293			9,216,601
Total Councillors	8	41	9,106,095	-	3,679,905			12,786,000
<u>Senior Managers of the Municipality</u>	5							
Municipal Manager (MM)		1	650,928		550,852			1,201,780
Chief Finance Officer		1	592,431		407,124			999,555
<i>List of each official with packages >= senior manager</i>								
Engineering Manager		1	592,431		407,124			999,555
Corporate Service Manager		1	592,431		407,124			999,555
Strategic and Planning Manager		1	592,431		407,124			999,555
Total Senior Managers of the Municipality	8	5	3,020,652	-	2,179,348	-		5,200,000
<u>A Heading for Each Entity</u>	6,7							

MBRR Nkonkobe Municipality EC 127 2012-13

List each member of board by designation								
Chairperson		1			15,000			15,000
Portfolio Head:Finance		1			15,000			15,000
Portfolio Head:Human Resources		1			15,000			15,000
Additional members		2			30,000			30,000
Total for municipal entities	8	5	-	-	75,000	-		75,000
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION		51	12,126,747	-	5,934,253	-		18,061,000

MBRR Nkonkobe Municipality EC 127 2012-13

EC127 Nkonkobe - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2010/11			Current Year 2011/12			Budget Year 2012/13		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Number	1,2									
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)										
Board Members of municipal entities	4	Board Members		5	Board Members		5	Board Members		5
Municipal employees	5									
Municipal Manager and Senior Managers	3	5		5	5		5	5		5
Other Managers	7	17	16	1	17	16	1	17	16	1
Professionals		-	-	-	9	7	3	10	8	2
<i>Finance</i>					5	5		5	5	
<i>Spatial/town planning</i>										
<i>Information Technology</i>					1		1	2	1	
<i>Roads</i>					2	1	1	2	1	1
<i>Electricity</i>					1	1	1	1	1	1
<i>Water</i>										
<i>Sanitation</i>										
<i>Refuse</i>										
<i>Other</i>										
Technicians		-	-	-	-	-	-	-	-	-
<i>Finance</i>										
Elementary Occupations										
TOTAL PERSONNEL NUMBERS		22	16	11	31	23	14	32	24	13
% increase					40.9%	43.8%	27.3%	3.2%	4.3%	(7.1%)
Total municipal employees headcount	6									
Finance personnel headcount	8							37	25	1

MBRR Nkonkobe Municipality EC 127 2012-13

Human Resources personnel headcount	8														
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EC127 Nkonkobe - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	R e f	Budget Year 2012/13											Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	Novemb er	Decem ber	Januar y	Februa ry	March	April	May	June	Budget Year 2012/1 3	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue By Source	-															
Property rates		198	290	542	1,065	3,505	4,742	249	295	1,616	5,402	315	4,173	22,391	22,782	23,009
Property rates - penalties & collection charges														-	-	-
Service charges - electricity revenue		1,000	1,500	1,500	1,700	2,500	1,200	2,000	2,500	3,000	4,000	2,000	7,726	30,626	32,464	34,736
Service charges - water revenue														-	-	-
Service charges - sanitation revenue														-	-	-
Service charges - refuse revenue		130	110	850	900	800	600	800	195	300	800	210	605	6,300	6,678	7,145
Service charges - other														-	-	-
Rental of facilities and equipment		5	7	13	8	15	40	6	9	20	9	10	340	482	405	434
Interest earned - external investments		138	138	138	138	138	138	138	138	138	138	138	138	1,655	1,754	1,877
Interest earned - outstanding debtors													10,200	10,200	10,812	11,569
Dividends received														-	-	-
Fines		5	9	7	4	7	11	10	5	10	9	7	216	300	318	340
Licences and permits		130	110	230	250	240	170	250	200	200	135	160	125	2,200	2,332	2,495

MBRR Nkonkobe Municipality EC 127 2012-13

Agency services												-	-	-	-
Transfers recognised - operational												93,198	93,198	99,970	108,670
Other revenue												4,556	4,556	5,831	5,167
Gains on disposal of PPE												-	-	-	-
Total Revenue (excluding capital transfers and contributions)	1,606	2,163	3,280	4,065	7,205	6,901	3,453	3,342	5,283	10,493	2,840	121,277	171,908	183,346	195,443
Expenditure By Type															
Employee related costs	4,864	4,864	4,864	4,864	4,864	4,864	4,864	4,864	4,864	4,864	4,864	3,802	57,303	61,940	66,882
Remuneration of councillors	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	12,786	13,553	14,502
Bulk purchases	2,500	3,000	2,500	1,700	1,600	1,500	1,400	1,800	2,000	2,500	2,600	-	23,100	24,486	26,200
Other materials												-	-	-	-
Contracted services	18	16	35	10	18	10	35					68	210	223	238
Transfers and grants												630	630	668	715
Other expenditure	4,041	4,041	4,041	4,041	4,041	4,041	4,041	4,041	4,041	4,041	4,041	13,282	57,729	61,118	64,055
Loss on disposal of PPE												-	-	-	-
Total Expenditure	12,488	12,986	12,505	11,680	11,588	11,480	11,405	11,770	11,970	12,470	12,570	18,848	151,758	161,987	172,591
Surplus/(Deficit)	(10,882)	(10,822)	(9,225)	(7,615)	(4,383)	(4,579)	(7,952)	(8,428)	(6,686)	(1,977)	(9,730)	102,430	20,150	21,359	22,852
Transfers recognised - capital												24,999	24,999	26,499	28,354
Contributions recognised - capital												-	-	-	-
Contributed assets												-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(10,882)	(10,822)	(9,225)	(7,615)	(4,383)	(4,579)	(7,952)	(8,428)	(6,686)	(1,977)	(9,730)	127,429	45,149	47,858	51,206
Taxation												-	-	-	-

MBRR Nkonkobe Municipality EC 127 2012-13

Attributable to minorities Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	(10,882)	(10,822)	(9,225)	(7,615)	(4,383)	(4,579)	(7,952)	(8,428)	(6,686)	(1,977)	(9,730)	127,429	45,149	47,858	51,206

EC127 Nkonkobe - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	R ef	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue by Vote	-															
Vote 1 - Municipal Council		458	458	458	458	458	458	458	458	458	458	458	458	5,500	5,830	6,238
Vote 2 - Accounting Officer		625	625	625	625	625	625	625	625	625	625	625	3,991	10,866	11,518	12,324
Vote 3 - Budget and Treasury Office		5,398	5,398	5,398	5,398	5,398	5,398	5,398	5,398	5,398	5,398	5,398	4,082	63,461	68,393	72,448
Vote 4 - Technical Services		7,085	7,085	7,085	7,085	7,085	7,085	7,085	7,085	7,085	7,085	7,085	23,885	101,819	107,928	115,483
Vote 5 - Corporate Services		10,633	10,633	10,633	10,633	10,633	10,633	10,633	10,633	10,633	10,633	10,633	(101,707)	15,261	16,177	17,304
Total Revenue by Vote		24,200	24,200	24,200	24,200	24,200	24,200	24,200	24,200	24,200	24,200	24,200	(69,290)	196,907	209,845	223,797
Expenditure by Vote to be appropriated	-															
Vote 1 - Municipal Council		1,363	1,363	1,363	1,363	1,363	1,363	1,363	1,363	1,363	1,363	1,363	1,323	16,321	17,300	18,511
Vote 2 - Accounting Officer		3,595	3,595	3,595	3,595	3,595	3,595	3,595	3,595	3,595	3,595	3,595	(18,432)	21,114	29,276	30,089
Vote 3 - Budget and Treasury Office		1,954	1,954	1,954	1,954	1,954	1,954	1,954	1,954	1,954	1,954	1,954	1,089	22,585	25,622	26,393
Vote 4 - Technical Services		7,315	7,315	7,315	7,315	7,315	7,315	7,315	7,315	7,315	7,315	7,315	(30,039)	50,430	44,854	49,522
Vote 5 - Corporate Services																

MBRR Nkonkobe Municipality EC 127 2012-13

		2,854	2,854	2,854	2,854	2,854	2,854	2,854	2,854	2,854	2,854	2,854	9,912	41,308	44,936	48,076
Total Expenditure by Vote		17,082	17,082	17,082	17,082	17,082	17,082	17,082	17,082	17,082	17,082	17,082	(36,147)	151,758	161,987	172,591
Surplus/(Deficit) before assoc.		7,117	7,117	7,117	7,117	7,117	7,117	7,117	7,117	7,117	7,117	7,117	(33,143)	45,149	47,858	51,206
Surplus/(Deficit)	1	7,117	7,117	7,117	7,117	7,117	7,117	7,117	7,117	7,117	7,117	7,117	(33,143)	45,149	47,858	51,206

EC127 Nkonkobe - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)

Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue - Standard	-															
<i>Governance and administration</i>		7,441	7,441	7,441	7,441	7,441	7,441	7,441	7,441	7,441	7,441	7,441	4,941	86,788	91,995	98,435
Executive and council		771	771	771	771	771	771	771	771	771	771	771	771	9,250	9,805	10,491
Budget and treasury office		5,398	5,398	5,398	5,398	5,398	5,398	5,398	5,398	5,398	5,398	5,398	5,398	64,777	68,664	73,470
Corporate services		1,272	1,272	1,272	1,272	1,272	1,272	1,272	1,272	1,272	1,272	1,272	(1,228)	12,761	13,527	14,474
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-	-	-	3,666	3,666	3,886	4,158
Community and social services													3,666	3,666	3,886	4,158
<i>Economic and environmental services</i>		2,913	2,913	2,913	2,913	2,913	2,913	2,913	2,913	2,913	2,913	2,913	432	32,477	35,550	37,306
Planning and development		593	593	593	593	593	593	593	593	593	593	593	(2,773)	3,750	3,975	4,253
Road transport		2,320	2,320	2,320	2,320	2,320	2,320	2,320	2,320	2,320	2,320	2,320	3,205	28,727	31,575	33,053
Environmental protection													-	-	-	-
<i>Trading services</i>		6,155	6,155	6,155	6,155	6,155	6,155	6,155	6,155	6,155	6,155	6,155	6,275	73,976	78,415	83,899
Electricity																

MBRR Nkonkobe Municipality EC 127 2012-13

	4,755	4,755	4,755	4,755	4,755	4,755	4,755	4,755	4,755	4,755	4,755	4,875	57,176	60,607	64,844
Waste management	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	16,800	17,808	19,055
<i>Other</i>												-	-	-	-
Total Revenue - Standard	16,509	16,509	16,509	16,509	16,509	16,509	16,509	16,509	16,509	16,509	16,509	15,313	196,907	209,845	223,797
		22,627	22,627	22,627	22,627	22,627	22,627	22,627	22,627	22,627	22,627				
Expenditure - Standard															
<i>Governance and administration</i>	6,476	6,476	6,476	6,476	6,476	6,476	6,476	6,476	6,476	6,476	6,476	2,855	74,096	78,542	84,607
Executive and council	2,293	2,293	2,293	2,293	2,293	2,293	2,293	2,293	2,293	2,293	2,293	1,438	26,656	28,256	30,234
Budget and treasury office	1,913	1,913	1,913	1,913	1,913	1,913	1,913	1,913	1,913	1,913	1,913	2,634	23,672	25,092	27,416
Corporate services	2,271	2,271	2,271	2,271	2,271	2,271	2,271	2,271	2,271	2,271	2,271	(1,216)	23,768	25,194	26,957
<i>Community and public safety</i>	-	-	-	-	-	-	-	-	-	-	-	10,371	10,371	10,993	11,759
Community and social services												5,934	5,934	6,290	6,730
Public safety												4,437	4,437	4,704	5,029
<i>Economic and environmental services</i>	4,390	4,390	4,390	4,390	4,390	4,390	4,390	4,390	4,390	4,390	4,390	(27,477)	20,817	23,191	23,515
Planning and development	1,244	1,244	1,244	1,244	1,244	1,244	1,244	1,244	1,244	1,244	1,244	(6,041)	7,648	8,107	8,675
Road transport	3,146	3,146	3,146	3,146	3,146	3,146	3,146	3,146	3,146	3,146	3,146	(21,436)	13,169	15,083	14,841
Environmental protection												-	-	-	-
<i>Trading services</i>	4,169	4,169	4,169	4,169	4,169	4,169	4,169	4,169	4,169	4,169	4,169	609	46,473	49,262	52,710
Electricity	2,916	2,916	2,916	2,916	2,916	2,916	2,916	2,916	2,916	2,916	2,916	1,346	33,421	35,427	37,906
Waste management	1,254	1,254	1,254	1,254	1,254	1,254	1,254	1,254	1,254	1,254	1,254	(736)	13,052	13,835	14,804
<i>Other</i>												-	-	-	-
Total Expenditure - Standard	15,036	15,036	15,036	15,036	15,036	15,036	15,036	15,036	15,036	15,036	15,036	(13,641)	151,758	161,987	172,591
Surplus/(Deficit) before assoc.	1,472	1,472	1,472	1,472	1,472	1,472	1,472	1,472	1,472	1,472	1,472	28,954	45,149	47,858	51,206

MBRR Nkonkobe Municipality EC 127 2012-13

Office		55	60	60	65	55	-	45	45	45	60	10	-	500	530	567
Vote 4 - Technical Services		167	167	167	167	167	167	167	167	167	167	167	1,667	3,500	3,710	3,970
Vote 5 - Corporate Services		875	875	875	875	875	875	875	875	875	875	875	875	10,500	11,130	11,909
Capital single-year expenditure sub-total	2	1,568	1,573	1,573	1,578	1,568	1,513	1,558	1,558	1,558	1,573	1,523	3,013	20,150	21,359	22,852
Total Capital Expenditure	2	3,672	3,677	3,677	3,682	3,672	3,617	3,662	3,662	3,662	3,677	3,627	4,858	45,149	47,858	51,206

EC127 Nkonkobe - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)

Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Capital Expenditure - Standard	1															
<i>Governance and administration</i>		1,238	1,238	1,238	1,238	1,238	1,238	1,238	1,238	1,238	1,238	1,238	(263)	13,350	14,151	15,142
Executive and council		196	196	196	196	196	196	196	196	196	196	196	196	2,350	2,491	2,665
Budget and treasury office		42	42	42	42	42	42	42	42	42	42	42	42	500	530	567
Corporate services		1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	(500)	10,500	11,130	11,909
<i>Community and public safety</i>		991	991	991	991	991	991	991	991	991	991	991	(10,100)	800	848	907
Community and social services		991	991	991	991	991	991	991	991	991	991	991	(10,100)	800	848	907
<i>Economic and environmental services</i>		1,392	1,392	1,392	1,392	1,392	1,392	1,392	1,392	1,392	1,392	1,392	12,183	27,499	29,149	31,190
Planning and development		158	158	158	158	158	158	158	158	158	158	158	758	2,500	2,650	2,836

MBRR Nkonkobe Municipality EC 127 2012-13

Road transport		1,234	1,234	1,234	1,234	1,234	1,234	1,234	1,234	1,234	1,234	1,234	11,425	24,999	26,499	28,354
Environmental protection													-	-	-	-
<i>Trading services</i>		292	292	292	292	292	292	292	292	292	292	292	292	3,500	3,710	3,970
Electricity		125	125	125	125	125	125	125	125	125	125	125	125	1,500	1,590	1,701
Waste management		167	167	167	167	167	167	167	167	167	167	167	167	2,000	2,120	2,268
<i>Other</i>													-	-	-	-
Total Capital Expenditure - Standard	2	3,912	3,912	3,912	3,912	3,912	3,912	3,912	3,912	3,912	3,912	3,912	2,112	45,149	47,858	51,208

EC127 Nkonkobe - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<u>Cash Receipts By Source</u>														1		
Property rates	200	400	600	1,200	5,000	6,000	300	400	1,620	5,400	310	961	22,391	22,782	23,009	
Property rates - penalties & collection charges													-			
Service charges - electricity revenue	1,000	1,500	1,500	1,700	2,500	1,200	3,000	4,000	3,000	2,000	5,000	4,226	30,626	32,464	34,736	
Service charges - refuse revenue	130	110	200	250	190	150	200	195	2,000	1,000	600	1,275	6,300	6,678	7,145	
Rental of facilities and equipment	5	7	13	8	15	40	6	9	18	8	9	344	482	511	547	
Interest earned - external investments	138	138	138	138	138	138	138	138	138	138	138	138	1,655	1,754	1,877	
Fines	4	7	11	10	5	7	7	8	4	10	7	220	300	318	340	
Licences and permits	250	240	170	250	200	200	180	190	185	130	155	50	2,200	2,332	2,495	

MBRR Nkonkobe Municipality EC 127 2012-13

Cash Receipts by Source	1,727	2,402	2,632	3,556	8,048	7,735	3,831	4,940	6,965	8,686	6,219	7,214	63,954	66,839	70,150
Other Cash Flows by Source															
Transfer receipts - capital	10,615				10,000				5,700			-	26,315	27,666	29,266
Total Cash Receipts by Source	12,342	2,402	2,632	3,556	18,048	7,735	3,831	4,940	12,665	8,686	6,219	7,214	90,269	94,505	99,416
Cash Payments by Type															
Employee related costs												-			
Remuneration of councillors	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	12,786	13,553	14,502
Finance charges												-			
Bulk purchases - Electricity	1,700	1,600	1,500	1,400	1,800	2,000	2,500	1,500	2,200	2,200	2,500	2,200	23,100	24,486	26,200
Contracted services	18	16	35	10	18	10	35	10	10	15	15	18	210	223	238
Transfers and grants - other					315			315				-	630	668	715
Other expenditure	4,000	4,500	4,800	3,500	3,400	5,000	4,000	3,500	3,500	3,500	4,000	4,963	48,663	51,583	55,193
Cash Payments by Type	6,783	7,181	7,400	5,975	6,598	8,075	7,600	6,390	6,775	6,780	7,580	8,246	85,389	90,512	96,848
Other Cash Flows/Payments by Type															
Capital assets												45,149	45,149	47,858	51,206
Repayment of borrowing												-			
Other Cash Flows/Payments												-			
Total Cash Payments by Type	6,783	7,181	7,400	5,975	6,598	8,075	7,600	6,390	6,775	6,780	7,580	53,396	130,538	138,370	148,054
NET INCREASE/(DECREASE) IN CASH HELD	5,558	(4,780)	(4,769)	(2,420)	11,449	(341)	(3,770)	(1,451)	5,890	1,905	(1,362)	(46,181)	(40,269)	(43,865)	(48,638)
Cash/cash equivalents at the month/year begin:		5,558	779	(3,990)	(6,409)	5,040	4,699	930	(521)	5,369	7,274	5,913	-	(40,269)	(84,134)
Cash/cash equivalents at the month/year end:	5,558	779	(3,990)	(6,409)	5,040	4,699	930	(521)	5,369	7,274	5,913	(40,269)	(40,269)	(84,134)	(132,772)

MBRR Nkonkobe Municipality EC 127 2012-13

EC127 Nkonkobe - NOT REQUIRED - municipality does not have entities

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R million										
<u>Financial Performance</u>	-									
Property rates										
Service charges										
Investment revenue								150	158	167
Transfers recognised - operational										
Other own revenue								13,171	6,600	6,600
Contributions recognised - capital & contributed assets										
Total Revenue (excluding capital transfers and contributions)		-	-	-	-	-	-	13	7	7
Employee costs								4,399	2,259	2,426
Remuneration of Board Members										
Depreciation & asset impairment								90	95	101

MBRR Nkonkobe Municipality EC 127 2012-13

Finance charges										
Materials and bulk purchases										
Transfers and grants										
Other expenditure				15,367	-	3,926	6,834	4,014	3,830	
Total Expenditure		-	-	-	15	-	4	11	6	6
Surplus/(Deficit)		-	-	-	(15)	-	(4)	2	0	0

EC127 Nkonkobe - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		679	12,776	31,157	7,740	10,492	10,492	17,509	18,559	19,858
Infrastructure - Road transport		-	12,776	31,157	7,740	7,871	7,871	16,009	16,969	18,157
<i>Roads, Pavements & Bridges</i>			12,776	31,157	7,740	7,871	7,871	16,009	16,969	18,157
<i>Storm water</i>										
Infrastructure - Electricity		-	-	-	-	2,621	2,621	-	-	-
<i>Generation</i>						2,621	2,621			
<i>Transmission & Reticulation</i>										
Infrastructure - Other		679	-	-	-	-	-	1,500	1,590	1,701

MBRR Nkonkobe Municipality EC 127 2012-13

<i>Waste Management</i>										
<i>Transportation</i>	2									
<i>Gas</i>										
<i>Other</i>	3	679					1,500	1,590	1,701	
Community		-	-	-	20,579	20,248	20,248	14,990	15,890	17,000
Parks & gardens								1,200	1,272	1,359
Sportsfields & stadia				600	900	900	1,790	1,898	2,031	
Swimming pools										
Community halls				11,554	11,554	11,554	1,500	1,590	1,701	
Libraries										
Recreational facilities										
Fire, safety & emergency				981	981	981				
Cemeteries				717	717	717	800	848	907	
Social rental housing	8									
Other				6,728	6,097	6,097	9,700	10,282	11,002	
Heritage assets		-	-	-	-	-	-	-	-	
Other										
Other assets		-	8,550	14,910	14,089	12,789	12,789	10,650	11,289	12,079
General vehicles			2,226		400	450	450	300	318	340
Specialised vehicles	10	-	-	-	-	-	-	-	-	-
Plant & equipment			2,425		7,000	6,250	6,250	1,700	1,802	1,928
Computers - hardware/equipment			269		250	300	300	350	371	397
Furniture and other office equipment			186		550	400	400	500	530	567
Civic Land and Buildings			3,444	4,288				7,000	7,420	7,939
Other Buildings					3,500	4,000	4,000			
Other				10,622	2,389	1,389	1,389	800	848	907
Agricultural assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>										
Biological assets		-	-	-	-	-	-	-	-	-

MBRR Nkonkobe Municipality EC 127 2012-13

<i>List sub-class</i>										
<u>Intangibles</u>		-	-	-	-	-	-	2,000	2,120	2,268
Computers - software & programming								2,000	2,120	2,268
Other (<i>list sub-class</i>)										
Total Capital Expenditure on new assets	1	679	21,327	46,067	42,408	43,529	43,529	45,149	47,858	51,206

EC127 Nkonkobe - Supporting Table SA35 Future financial implications of the capital budget

Vote Description	Ref	2012/13 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Forecast 2015/16	Forecast 2016/17	Forecast 2017/18	Present value
R thousand								
<u>Capital expenditure</u>	1							
Vote 1 - Municipal Council		-	-	-				
Vote 2 - Accounting Officer		14,640	15,519	16,603				
Vote 3 - Budget and Treasury Office		500	530	567				
Vote 4 - Technical Services		19,509	20,679	22,127				
<i>List entity summary if applicable</i>								
Total Capital Expenditure		45,149	47,858	51,206	-	-	-	-

MBRR Nkonkobe Municipality EC 127 2012-13

Future operational costs by vote	2							
Vote 1 - Municipal Council								
<i>List entity summary if applicable</i>								
Total future operational costs		-	-	-	-	-	-	-
Future revenue by source	3							
Property rates		22,391	22,782	23,009				
Property rates - penalties & collection charges								
Service charges - electricity revenue		30,626	32,464	34,736				
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse revenue		6,300	6,678	7,145				
Service charges - other								
Rental of facilities and equipment		482	511	547				
<i>List other revenues sources if applicable</i>								
<i>List entity summary if applicable</i>								
Total future revenue		59,799	62,435	65,437	-	-	-	-
Net Financial Implications		(14,650)	(14,577)	(14,231)	-	-	-	-

EC127 Nkonkobe - Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	ID P G o a l c o d e 2	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2012/13 Medium Term Revenue & Expenditure Framework			Project information	
										Audited Outcome 2010/11	Current Year 2011/12 Full Year	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Ward location	New or renewal
R thousand	4				6	3	3	5								

MBRR Nkonkobe Municipality EC 127 2012-13

										Forec ast					
Parent municipality: <i>List all capital projects grouped by Municipal Vote</i>															
Strategic and Planning	Chicken Abattoir			Yes	Community	Abattoirs	800			800	848	907	16		
Strategic and Planning	Multi purpose centre				Community	Other	6,000			6,000	6,360	6,805	16		
Corporate Services	Grade A testing Centre			Yes	Infrastructure - Other	Other Roads, Pavements & Bridges	1,000			1,000	1,060	1,134	20		
Engineering	Balfour Internal Street			No	Infrastructure - Road transport	Roads, Pavements & Bridges	1,080			1,180	1,251	1,338	9		
Engineering	Paving,regravelling,c alverts			No	Infrastructure - Road transport	Roads, Pavements & Bridges	5,700			5,700	6,042	6,465	20		
Strategic and Planning	Park Drivers testing Centre			No	Community Infrastructure - Other	Parks & gardens	1,000			1,000	1,060	1,134	6		
Corporate Services				No	Infrastructure - Other	Other Roads, Pavements & Bridges	1,450			1,450	1,537	1,645	4		
Engineering	Surfacing of Fort Beaufort town road			No	Infrastructure - Road transport	Sports fields & stadia	5,479			5,479	5,808	6,214	20		
Strategic and Planning	Ngqolowa Sport field			No	Community Infrastructure - Road transport	Roads, Pavements & Bridges	1,190			1,190	1,262	1,350	14		
Engineering	Paving of Debe Nek				Infrastructure - Road transport	Roads, Pavements & Bridges	1,200			1,200	1,272	1,361	19		
Parent Capital expenditure	1									24,999	26,499	28,354			

MBRR Nkonkobe Municipality EC 127 2012-13

Entities: <i>List all capital projects grouped by Entity</i>															
Entity A Water project A	1														
Entity B Electricity project B															
Entity Capital expenditure									-	-	-	-	-		
Total Capital expenditure									-	-	24,999	26,499	28,354		

Final Tarrifs



MBRR Nkonkobe Municipality EC 127 2012-13

TARIFFS FOR 2012/2013
All TARRIFFS EXCLUDE 14 %
VAT

-
-

	2011- 2012	Proposed	Proposed	Proposed	Proposed	Proposed
CATEGORY		SEYMOUR	FORT BEAUFORT	ALICE	HOGSBAC K	MIDDLEDR IFT
PROPERTY RATES & TAXES	0.071	0.0079	0.0079	0.0079	0.0079	0.0079
Residential		Seymour Town	FB Town	Alice Town	Hogsback Town	Middledrift Town
That in terms of Chapter 2 Rating under Section 8(2)(a-r) of the Municipal		Seymour Location	Bhofolo Location	Hillcrest	Victoria	Gugulethu
Property Rates Act 6 of 2004, the following rates be and are hereby assessed		Seymour RDP House	Groupfive Houses	Happy Rest		
and levied on all rateable propeties for the financial year July 2012 - June 2013			Groupfive Extension	Golf Course		
			Newtown Rdp Houses	Golf Course 2		
			Hillside	Kuntselaman zi		
			Newtown			
			Daweti			
PROPERTY RATES & TAXES						
Businesses, Government Departments, farms, Commercial Properties etc						
Businesses & Commercial Properties	0.0117	0.0131	0.0131	0.0131	0.0131	0.0131
State Owned Properties	0.0155	0.0174	0.0155	0.0155	0.0155	0.0155
State Trust Land	0.0155	0.0174	0.0155	0.0155	0.0155	0.0155

MBRR Nkonkobe Municipality EC 127 2012-13

Municipal Properties	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Public Service Infrastructure	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Vacant Sites / Land	0.0075	0.0084	0.0084	0.0084	0.0084	0.0084
Farm Properties not used for any purpose	0.0071	0.0079	0.0079	0.0079	0.0079	0.0079
Industrial Properties	0.0071	0.0079	0.0079	0.0079	0.0079	0.0079
VAPUBB	0.0071	0.0079	0.0079	0.0079	0.0079	0.0079
VARESF	0.0071	0.0079	0.0079	0.0079	0.0079	0.0079
VAGRIF	0.0071	0.0079	0.0079	0.0079	0.0079	0.0079
VAIND	0.0071	0.0079	0.0079	0.0079	0.0079	0.0079
VAAMIX	0.0071	0.0079	0.0079	0.0079	0.0079	0.0079
VAGRIS	0.0071	0.0079	0.0079	0.0079	0.0079	0.0079
FARM PROPERTIES	0.0071	0.0079	0.0079	0.0079	0.0079	0.0079
Farm Properties as defined Section 8(2) (d)(i-iv) and (8)(2)(f)(i-v)						
Farm property used for agricultural purpose and small holdings used for						
agricultural purpose						
REBATE 100% rebate off : INDIGENTS		100%Off	100%Off	100%Off	100%Off	100%Off
That in terms of Chapter 2 Rating part 2 levying of rates under Section 15(2)(a-f) of the						
Municipal Property Rates Act 6 of 2004, the following rates be and are hereby assessed						
and exempted on all rateable properties for the financial year 1 July 2012 - June 2013						
grant dependants indigent owners, owners without income, owners of residential properties with						
a market value lower than an amount determined by the municipality						

MBRR Nkonkobe Municipality EC 127 2012-13

RATES CLEARANCE CERTIFICATE FEE	180.00	200.00	200.00	200.00	200.00	200.00
INSPECTION FEE	180.00	250.00	250.00	250.00	250.00	250.00
ELECTRICAL SERVICES						
Electricity cent/kwh	0.86	n/a	1.05	n/a	n/a	n/a
Electricity KVA charge	115.97	n/a	141.48	n/a	n/a	n/a
Electricity KVA unit charge	0.39	n/a	0.97	n/a	n/a	n/a
Electricity kva (EL326)	77.33		94.34			
Electricity (414)	0.66		0.8			
Electricity (EL 510)	0.59		0.71			
Elec street light E112	7.85		9.5			
Reconnection Fees on Debtors Default Fee						
Reconnection Fees on Debtors Default Fee	250.00	n/a	305.00	n/a	n/a	n/a
Reconnection Fees on Businesses Default Fee						
Reconnection Fees on Businesses Default Fee	800.00		976.00			
Reconnection Fees on Government Departments Default Fee						
Reconnection Fees on Government Departments Default Fee	1250.00		1525.00			
New Box Connection	384.70	n/a	469.33	n/a	n/a	n/a
Call outs of Council Employees						
08H00 - 17H00 per call out: week days	246.40	n/a	300.20	n/a	n/a	n/a
17H00 - 07H00	280.00	n/a	341.60	n/a	n/a	n/a
Weekends and Holidays: per call out	336.00	n/a	409.92	n/a	n/a	n/a
TAMPERING FINES						
First Offence	2500	n/a	2800.00	n/a	n/a	n/a
Second Offence	3500	n/a	3920.00	n/a	n/a	n/a
Third Offence	4500	n/a	5040.00	n/a	n/a	n/a

MBRR Nkonkobe Municipality EC 127 2012-13

RESIDENTIAL REFUSE REMOVAL PER MONTH

Fort Beaufort Town	71.5	80.08	80.08	80.08	80.08	80.08
Group Five Homes	71.5	80.08	80.08	80.08	80.08	80.08
Alice Town	71.5	80.08	80.08	80.08	80.08	80.08
Happy Rest Town	71.5	80.08	80.08	80.08	80.08	80.08
Middledrift Town	71.5	80.08	80.08	80.08	80.08	80.08
Seymour Town	71.5	80.08	80.08	80.08	80.08	80.08
Hogsback Location	71.5	80.08	80.08	80.08	80.08	80.08
Group Five Extension	71.5	80.08	80.08	80.08	80.08	80.08
FB Location	71.5	80.08	80.08	80.08	80.08	80.08
Seymour Location	71.5	80.08	80.08	80.08	80.08	80.08
Alice Location	71.5	80.08	80.08	80.08	80.08	80.08
Middledrift Location	71.5	80.08	80.08	80.08	80.08	80.08
Hillcrest Location	71.5	80.08	80.08	80.08	80.08	80.08
Ntselamanzi	71.5	80.08	80.08	80.08	80.08	80.08

DOMESTIC FLATS

Refuse Removal: per room	71.5	80.08	80.08	80.08	80.08	80.08
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BUSINESS REFUSE REMOVAL PER MONTH

ONCE WEEKLY REMOVAL

Shops Small Volume Class 1	148.50	166.32	166.32	166.32	166.32	166.32
Shops Small Volume Class 2	168.50	188.72	188.72	188.72	188.72	188.72
Shops Medium Volume	446.50	500.08	500.08	500.08	500.08	500.08
Shops Large Volume	831.52	931.30	931.30	931.30	931.30	931.30

TWICE WEEKLY REMOVAL

Shops Large Volume twice a week: charge shall be per month	1270.52	1422.98	1422.98	1422.98	1422.98	1422.98
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MBRR Nkonkobe Municipality EC 127 2012-13

Complex - NB per shop: 2 times a per week	1270.52	1422.98	1422.98	1422.98	1422.98	1422.98
Refuse: Government Departments						
Schools Small Volume Lower primamry	148.50	166.32	166.32	166.32	166.32	166.32
Schools Medium Volume Higher primamry	168.50	188.72	188.72	188.72	188.72	188.72
Schools Medium Volume Higher primamry with Hostels	446.50	500.08	500.08	500.08	500.08	500.08
Schools Large Volume High School	831.52	931.30	931.30	931.30	931.30	931.30
Schools Medium Volume High School with hostels	1270.52	1422.98	1422.98	1422.98	1422.98	1422.98
District Offices : per office	1270.52	1422.98	1422.98	1422.98	1422.98	1422.98
Garden Refuse	214.50	240.24	240.24	240.24	240.24	240.24
Removal without Notice	396.00	443.52	443.52	443.52	443.52	443.52
Dumping sites usage: weekly usage: chage shall be per month	605.00	677.60	677.60	677.60	677.60	677.60
SERVICE DEPOSITS						
Consumer Deposit: Residential	629.30	704.82	704.82	704.82	704.82	704.82
Consumer Deposit: Businessess	1675.38	1876.43	1876.43	1876.43	1876.43	1876.43
CEMETERY SERVICES						
Grave Plot	392.34	439.42	439.42	439.42	-	439.42
Grave Digging	236.82	265.24	265.24	265.24	-	265.24
HALL SERVICES (Monday - Sunday)						
TOWN HALLS						
		SEYMOUR	FORT BEAUFORT	ALICE	HOGSBAC K	MIDDLEDR IFT
FORT BEAUFORT TOWN HALL WITH KITCHEN & SUPPERROOM RENTAL FEE: NON REFUNDABLE	900.00		1008.00	-	-	-
Meetings	550.00	-	616.00	-	-	-

MBRR Nkonkobe Municipality EC 127 2012-13

Funerals	350.00	-	-	392.00	-	-	-
other event	450.00	-	-	504.00	-	-	-
Municipal / Council related events : NO PAYMENT IS REQUIRED WITH APPROVAL FROM MM'S OFFICE							
ALICE TOWN HALL RENTAL FEE: REFUNDABLE							
Meetings	550.00	-	-	-	616.00	-	-
Funerals	350.00	-	-	-	392.00	-	-
other event	450.00	-	-	-	504.00	-	-
Municipal / Council related events : NO PAYMENT IS REQUIRED WITH APPROVAL FROM MM'S OFFICE	-	-	-	-	-	-	-
MIDDLEDRIFT TOWN HALL DEPOSIT FEE: REFUNDABLE							
Meetings	550.00	-	-	-	-	-	616.00
Funerals	350.00	-	-	-	-	-	392.00
other event	450.00	-	-	-	-	-	504.00
Municipal / Council related events : NO PAYMENT IS REQUIRED WITH APPROVAL FROM MM'S OFFICE	-	-	-	-	-	-	-
SEYMOUR TOWN HALL DEPOSIT FEE: REFUNDABLE							
Meetings		616.00	-	-	-	-	-
Funerals		392.00	-	-	-	-	-
other event		504.00	-	-	-	-	-
Municipal / Council related events : NO PAYMENT IS REQUIRED WITH APPROVAL FROM MM'S OFFICE		0.00	-	-	-	-	-
LIBRARY HALL	250.00			280.00	-	-	

MBRR Nkonkobe Municipality EC 127 2012-13

						-
Municipal / Council related events : NO PAYMENT IS REQUIRED WITH APPROVAL FROM MM'S OFFICE	-	-				
SUPPER ROOM ALONE	250.00	-	280.00	-	-	-
Municipal / Council related events : NO PAYMENT IS REQUIRED WITH APPROVAL FROM MM'S OFFICE						
SEYMOUR OLD COUNCIL HALL	250.00	280.00	-	-	-	-
Municipal / Council related events : NO PAYMENT IS REQUIRED WITH APPROVAL FROM MM'S OFFICE						
COMMUNITY HALLS HIRING & DEPOSIT REFUNDABLE						
HILLSIDE		-		-	-	-
HIRING	350.00		392.00			
Municipal / Council related events : NO PAYMENT IS REQUIRED WITH APPROVAL FROM MM'S OFFICE						
NEWTOWN	-	-		-	-	-
HIRING	350.00		392.00			
Municipal / Council related events : NO PAYMENT IS REQUIRED WITH APPROVAL FROM MM'S OFFICE						
BHOFOLO	-	-		-	-	-
HIRING	350.00		392.00			
Municipal / Council related events : NO PAYMENT IS REQUIRED WITH APPROVAL FROM MM'S OFFICE			-			
NTSELAMANZI						
HIRING	350.00			392.00		
Municipal / Council related events : NO PAYMENT IS REQUIRED WITH APPROVAL FROM MM'S OFFICE						

MBRR Nkonkobe Municipality EC 127 2012-13

Per Animal	34.88	39.07	39.07	39.07	39.07	39.07
Kraal Fees per Annum	90.70	101.58	101.58	101.58	101.58	101.58
STATIONERY SERVICES						
Photostat Copies: A4	0.65	0.73	0.73	0.73	0.73	0.73
Photostat Copies: A5	2.20	2.46	2.46	2.46	2.46	2.46
Salary Advice Copy	20.00	22.40	22.40	22.40	0.00	22.40
SARS: Tax Certificate	20.00	22.40	22.40	22.40	0.00	22.40
TOWN PLANNING						
Subdivision Application	270.52	302.98	302.98	302.98	302.98	302.98
Zoning Fees - Excl Advert	222.91	249.66	249.66	249.66	249.66	249.66
BUILDING PLAN - PER X SQM TO MAXI						
Dwelling House	1891.00	2117.92	2117.92	2117.92	2117.92	2117.92
Outbuilding	1010.07	1271.13	1271.13	1271.13	1271.13	1271.13
Flats / Hotels / Townhouses / Churches	2574.00	2882.88	2882.88	2882.88	2882.88	2882.88
Shops / Schools	3055.00	3421.60	3421.60	3421.60	3421.60	3421.60
Offices	2850.00	3192.00	3192.00	3192.00	3192.00	3192.00
Factories and Warehouses	3150.00	3528.00	3528.00	3528.00	3528.00	3528.00
Building permit	176.36	197.52	197.52	197.52	197.52	197.52
Encroachments - signage	554.26	620.77	620.77	620.77	620.77	620.77
Rental Brick Fields per annum	730.62	818.29	818.29	818.29	818.29	818.29
Administration Fee Charges	73.06	81.83	81.83	81.83	81.83	81.83
Signage Control						
Banners: Main Street	250.00	280.00	480.00	480.00	480.00	280.00
Posters						
Charity events: per week	210.00	235.20	235.20	235.20	235.20	235.20
Non charity events: per week	850.00	952.00	952.00	952.00	952.00	952.00

MBRR Nkonkobe Municipality EC 127 2012-13

Total Operating revenue has increased by R11 917 060.00, for the 2012/2013 financial year compared to the 2011/2012 Adjustment Budget. It is projected at R173 223 705 in total and is broken down as follows: R 78 710 205.00 from the municipality through services and R 94 513 500 from government grants excluding the Municipal Infrastructure Grant.

Revenue generated from Assessment rates and services charges form a significant percentage of revenue for Nkonkobe Municipality.

Rates and service charges revenue are estimated at R 54 416 745 comprise at 27.45% of the total revenue budget. In the 2011/2012 financial year, rates and services were budgeted at R56 330 000.00

In order to cash fund the present budget the overall tariffs have to be increased by 12. % across the board. A comprehensive tariff analysis is also included in explaining the 12% increase to the relevant service categories and some items at zero rated budgeting to align Nkonkobe municipal tariff structure.

- Total Operating expenditure for the 2012/2013 is at R153 073 705 compared to the previous financial year's adjustment budget. It shows an increase of 2.74%. The total operating budget (expenditure) is projected at **R153,073,705** broken down as follows:
 - Personnel R 58,364,246
 - Councilor's Allowance: R 12,785,909
 - Repairs and Maintenance: R 8,000,000
 - General Expenditure: R 73,923,550

MBRR Nkonkobe Municipality EC 127 2012-13

- Personnel: The total provision for personnel is **R 58,364,246** and is projected at 10% annual increase. It makes provision for the filling of existing vacancies and additions for new posts.
- The ratio is now at **38.13%**, against the total operating budget.
- It should be understood that the ratio stated above is on budgetary terms, meaning, if the revenue anticipated materializes as per the budget projections this will remain as projected.
- This amount also includes the budgeted Contractual Employment of **R 5,100,000.00** and EPWP.
- Council Allowances projected at 10% increase based on the current expenditure trend and is calculated at **8.35%** against the total operating budget

General expenditure is as follows:

- The total provision is **R 73,923,550** that includes the agency agreements rendered by the Nkonkobe Municipality.
- The Category includes the Payment of Bulk Electricity Supply to Eskom that is budgeted at **R 23,100,000** and provision of Free Basic Services is budgeted for **R 10,000,000**. Telephone usage is also provided at an estimated amount of **R2,3m**

Provision is made at R 8 000 000.00 for all repairs and maintenance of council assets. The reason for escalation of this budget is due to the purchase of plants in the 2011/2012 budget.

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has been identified as an area in which cost savings and efficiencies can be achieved.

The capital budget of **R45 149 250.00** compared to the **R42 408 350.00** 2011/2012 capital budget. It has increased by **R2 740 900.00**

MBRR Nkonkobe Municipality EC 127 2012-13

In order to cash fund the present budget the overall tariffs have to be increased by 12% across the board. A comprehensive tariff analysis is also included in explaining the 12% increase to the relevant service categories and some items at zero rated budgeting to align Nkonkobe municipal tariff structure.

Quality Certificate

K.C. Maweli, municipal manager of Nkonkobe Municipality EC 127,
hereby certify that the A1 Schedule for 2012/13 Final Budget have been prepared in
accordance with the Municipal Finance Management Act and the regulations made under the Act,

Print Name K.C. Maweli

Municipal Manager of Nkonkobe Municipality

Signature 

Date 04-06-2012

Certification that the adopted budget for 2012/13 is correctly captured and locked on the municipality's financial management system

(as requested by National Treasury in terms of section 74 of the MFMA, with reference to paragraph 6.3 of MFMA Budget Circular 59 dated 16 March 2012)

I, KG MAMELI, in my capacity as accounting officer of the municipality, hereby certify that:

- The adopted annual budget has been captured on the municipality's financial system;
- There is 100 per cent reconciliation between the budget on the system and the budget adopted by council;
- The adopted annual budget on the municipality's financial system is locked and will not be changed as it serves as the baseline against which to monitor and measure performance; and
- The relevant budget return forms have been submitted to the local government database.

I, further certify that the municipality has in place controls to ensure that any changes to the adopted budget will be captured separately and only in accordance with:

- a virement authorised by the municipal manager, or duly delegate official, in terms of a council approved virements policy; and
- an adjustments budget approved by council.

Print Name

KHANYILE CHRISTIAN MAMELI

Municipal manager of

NKONKOBES MUNICIPALITY (EC 127)
(name and demarcation code of municipality)

Signature

[Handwritten Signature]

Date

16 July 2012

This certificate must be submitted to National Treasury by close of business 16 July 2012 at the following email address: lgdocuments@treasury.gov.za.

Also send copies to the Auditor General and the relevant provincial treasury