

MEDIUM TERM REVENUE AND  
EXPENDITURE FRAMEWORK  
2012/2013 TO 2014/2015



**NXUBA MUNICIPALITY**

EC 128

ANNUAL BUDGET OF

# **NXUBA MUNICIPALITY**

2012/13 TO 2014/15  
MEDIUM TERM REVENUE AND  
EXPENDITURE FORECASTS

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# Part 1 – Annual Budget

## 1.1 Mayor's Report

The Mayor's report (formerly Mayor's budget speech) will be presented by the Mayor to Council during the final budget.

### 1.1.1 Council Resolutions

1. *The Council of Nxuba Local Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:*
  - 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) as contained in **Table A2** ;*
    - 1.1.2. *Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in **Table A3** ;*
    - 1.1.3. *Budgeted Financial Performance (revenue by source and expenditure by type) as contained in **Table A4** ; and*
    - 1.1.4. *Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in **Table A5**.*
  - 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** ; and*
2. *The Council of Nxuba Local Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2012 the tariffs as set out in Appendix B that includes tariffs for other services (sundry).*

## 1.2 Executive Summary

FINAL BUDGET SUMMARY 2012/13	Salaries , wages and allowances	General expenses	Capital Charges	Repairs and main- tenance	Contrib. to capital outlay	GROSS EXPENDITURE	INCOME FROM GRANTS - OPERATING	INCOME FROM GRANTS - CAPITAL	INCOME OTHER	INCOME SERVICE CHARGES	INCOME FOREGONE	GROSS INCOME
<b>DEPARTMENTS</b>												
<b>EXECUTIVE AND COUNCIL</b>												
Council General Expenses	1 362 600	80 000				1 442 600	-1 342 600					(1 342 600)
Office of the Speaker	605 030	910 000			-	1 515 030	-1 458 254					(1 458 254)
Office of the Municipal Manager	992 786	1 360 000		59 000		2 411 786	-2 411 786					(2 411 786)
	<b>2 960 417</b>	<b>2 350 000</b>		<b>59 000</b>	<b>-</b>	<b>5 369 417</b>	<b>-5 212 640</b>		<b>-</b>	<b>-</b>		<b>(5 212 640)</b>
<b>ADMINISTRATION AND FINANCE</b>												
Corporate services	2 286 227	1 201 100		10 000	0	3 497 327	-3 176 745		-120 581	0		(3 297 326)
Human Resources	607 962	1 663 000		-		2 270 962	-2 426 481					(2 426 481)
	<b>2 894 189</b>	<b>2 864 100</b>		<b>10 000</b>	<b>-</b>	<b>5 768 289</b>	<b>-5 603 226</b>		<b>(120 581)</b>	<b>-</b>		<b>(5 723 807)</b>
<b>FINANCE</b>												
Budget and Treasury office	3 002 089	4 029 460		-	-	7 031 549	-2 300 000		(751 300)	(3 104 031)		(6 155 331)
Information Technology	202 777	260 000		219 000	-	681 777	-681 777					(681 777)
	<b>3 204 866</b>	<b>4 289 460</b>		<b>219 000</b>	<b>-</b>	<b>7 713 326</b>	<b>-2 981 777</b>		<b>(751 300)</b>	<b>(3 104 031)</b>		<b>(6 837 108)</b>
<b>PLANNING AND DEVELOPMENT</b>												
Local Economic Development	557 373	500 000		30 000		1 087 373	-593 433					(593 433)
Integrated Development plan	163 774	200 000		20 000		383 774	-383 774					(383 774)
Building Control	267 447	131 500		115 000	-	513 947	-462 675		-51 272	0		(513 947)
Land Use	198 246	530 000		-	-	728 246	-433 246					(433 246)
	<b>1 186 839</b>	<b>1 361 500</b>		<b>165 000</b>	<b>-</b>	<b>2 713 339</b>	<b>-1 873 127</b>		<b>(51 272)</b>	<b>-</b>		<b>(1 924 399)</b>
<b>COMMUNITY AND SOCIAL SERVICES</b>												
Libraries	761 688	129 030		-	-	890 718	-522 000					(522 000)
	<b>761 688</b>	<b>129 030</b>		<b>-</b>	<b>-</b>	<b>890 718</b>	<b>-522 000</b>					<b>(522 000)</b>
<b>PUBLIC SAFETY</b>												
Traffic control	1 045 301	980 000		35 000	-	2 060 301	0		(2 125 000)	-		(2 125 000)
	<b>1 045 301</b>	<b>980 000</b>		<b>35 000</b>	<b>-</b>	<b>2 060 301</b>	<b>0</b>		<b>(2 125 000)</b>	<b>-</b>		<b>(2 125 000)</b>
<b>HOUSING</b>												
Housing	235 230	18 000		-	-	253 230	-253 230					(253 230)
	<b>235 230</b>	<b>18 000</b>		<b>-</b>	<b>-</b>	<b>253 230</b>	<b>-253 230</b>		<b>-</b>	<b>-</b>		<b>(253 230)</b>
<b>TECHNICAL AND INFRASTRUCTURAL SERVICES</b>												
Technical Services Manager	452 044	205 600		0	0	657 644						
Roads and stormwater	4 364 520	1 500 600	89 340	300 000	11 142 550	17 397 010	-1 000 000	(11 142 550)				(12 142 550)
Project Management Unit	468 780	117 670				586 450	-586 450					(586 450)
Electricity	1 125 663	18 779 422		450 000	-	20 355 084	-3 096 000		(168 000)	(24 192 434)	3 048 000	(24 408 434)
Refuse and Cleansing	1 934 004	360 500		45 000	-	2 339 504	-3 217 440		-	(3 351 254)		(6 568 694)
Parks, Gardens & Cemeteries	1 325 551	31 000		25 000	-	1 381 551	-1 181 551					(1 181 551)
	<b>9 670 562</b>	<b>20 994 792</b>	<b>89 340</b>	<b>820 000</b>	<b>11 142 550</b>	<b>42 717 243</b>	<b>-9 081 441</b>	<b>-11 142 550</b>	<b>(168 000)</b>	<b>(27 543 688)</b>	<b>3 048 000</b>	<b>(44 887 678)</b>
<b>TOTAL</b>	<b>21 959 090</b>	<b>32 986 882</b>	<b>89 340</b>	<b>1 308 000</b>	<b>11 142 550</b>	<b>67 485 862</b>	<b>-25 527 440</b>	<b>-11 142 550</b>	<b>(3 216 153)</b>	<b>(30 647 719)</b>	<b>3 048 000</b>	<b>(67 485 862)</b>

## **General**

The purpose of the 2012/13 medium-term budget is to comply with the Municipal Finance Management Act (No.56 of 2003) and is a financial plan to enable the municipality to achieve its vision and mission through the IDP which informs the Nxuba Municipality's five-year programme and community/stakeholder inputs.

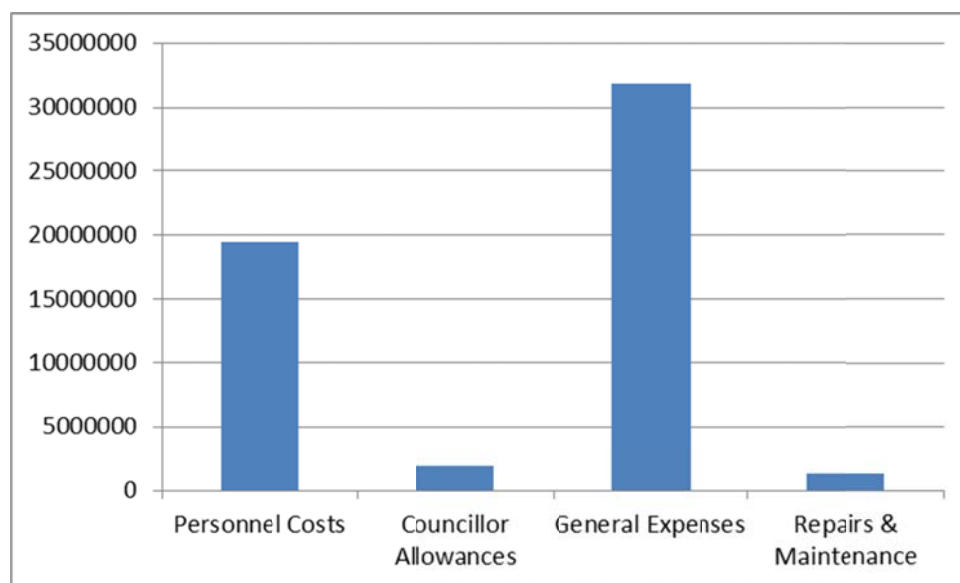
The 2012/13 MTREF was drafted in context of a reviving economy, whilst still acknowledging the lingering effects of the economic downturn of the past couple of years.

The tabling of the 2012/2013 budget was a statement of our commitment to the people, proposing a total budget of R67,485 million, comprising R11, 143 million for capital and R 56,342 million operating budget.

The 2012-2015 multi-term budget posed many challenges and obstacles which had to be addressed and accommodated by the limited financial and other resources. The tabling of draft budget was as a journey towards consultation processes with communities.

## **Operating Budget**

### **Expenditure**



### ***Employee Related Costs: R19, 991 million***

Employee related costs have been increased by 7%. In terms of the Collective Agreement on Wages and Salaries signed by the Local Government National Bargaining Council, salaries increases for 2012/13 financial year will be based on the average inflation rate plus 2%.

The average increase in the consumer price index for the last financial year was estimated at 4%, hence an increase of 9% is still considered adequate, also considering the fact that some of the vacant posts may be delayed to be filled in the 2012/13 financial year.

Salaries budget will therefore be increased from R15, 501 million to R19, 991.

**Councillor Remuneration: R1, 967 million**

Expenditure of Councillor Allowances is expected to increase from R1, 890 million to R1, 967 million. Provision was made for an increase of 6 % in allowances.

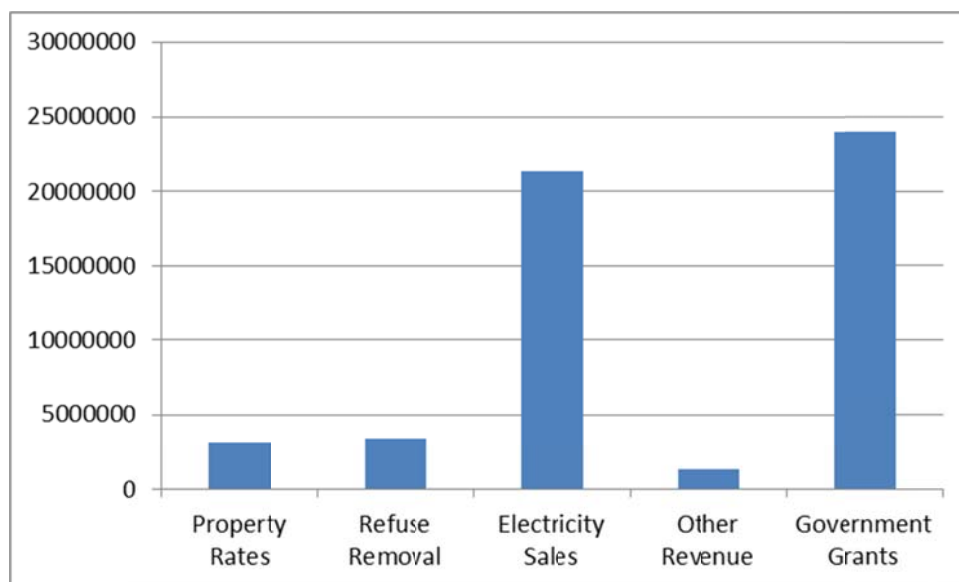
**Repairs and Maintenance: R1, 308 million**

Expenditure on repairs and maintenance is expected to decrease from R1, 332 million to R1, 308 million from the 2011/12 adjusted budget.

**General Expenses: R32, 987 million**

General expenses are expected to increase from R22, 062 million to R32, 987 million. This represents an increase of R10 ,925 million. This is mainly due to the increase announced by Eskom for the bulk electricity purchases

**Revenue**



The revenue is generated from services and grants. The Municipality has an average increase of 5, 4% on the tariffs except for electricity that shows an increase of 11,03%.

The revenue is projected to be received as follows:

- The Property Rates revenue is projected to stand at R3, 104 million.
- The Refuse removal is projected to stand at R3,351 million
- The Electrical Sales is projected to stand at R 24,192 million
- All other revenue is projected to stand at R3,216 million

Total grant allocations to fund operating budget are expected to be R25, 527 million.

## **Capital Budget**

The capital budget is only funded from the Municipal Infrastructure Grant (MIG) due to the affordability of the budget and the lack of cash backed internal funds.

The capital budget reflects as R11, 143 million for 2013/2014 as to the R12, 056 million for the 2011/2012 adjusted budget.

The following capital projects will be undertaken:

<b>1</b>	<b>Traffic department testing center</b>	<b>-</b>	<b>R 2 000 000</b>
<b>2</b>	<b>Fencing of cemeteries</b>	<b>-</b>	<b>R 392 000</b>
<b>3</b>	<b>Goodwin Park Hall</b>	<b>-</b>	<b>R 1 800 000</b>
<b>4</b>	<b>Red Township Access road</b>	<b>-</b>	<b>R 1 950 000</b>
<b>5</b>	<b>Re-gravelling of Bedford streets</b>	<b>-</b>	<b>R 1 500 550</b>
<b>6</b>	<b>Re-gravelling of Red and Bezville streets-</b>		<b>R 500 000</b>
<b>7</b>	<b>Adelaide streets</b>	<b>-</b>	<b>R 1 000 000</b>
<b>8</b>	<b>Bedford town streets surfacing</b>	<b>-</b>	<b>R 2 000 000</b>





**TABLE A2**

EC128 Nxuba - 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
<b>R thousand</b>	<b>1</b>									
<b>Revenue - Standard</b>										
<i>Governance and administration</i>		7 027	15 835	12 259	19 082	19 296	19 296	17 774	18 664	19 792
Executive and council		3 976	10 899	1 613	1 809	1 809	1 809	5 213	5 489	5 758
Budget and treasury office		3 051	4 937	8 165	13 408	13 621	13 621	6 155	6 430	6 959
Corporate services		-	-	2 480	3 865	3 865	3 865	6 406	6 745	7 076
<i>Community and public safety</i>		1 817	244	4 458	1 566	2 166	2 166	4 082	4 270	4 532
Community and social services		10	244	1 407	380	980	980	1 704	1 766	1 905
Sport and recreation		-	-	267	-	-	-	-	-	-
Public safety		-	-	1 264	1 036	1 036	1 036	2 125	2 238	2 347
Housing		483	-	161	150	150	150	253	267	280
Health		1 325	-	1 359	-	-	-	-	-	-
<i>Economic and environmental services</i>		1 576	-	4 203	11 107	11 107	11 107	14 653	14 393	15 208
Planning and development		113	-	2 257	1 438	1 438	1 438	1 924	2 020	2 120
Road transport		1 463	-	1 947	9 669	9 669	9 669	12 729	12 373	13 088
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		10 383	8 843	26 425	23 786	23 841	23 841	30 977	32 967	35 120
Electricity		7 172	7 394	16 982	18 720	18 775	18 775	24 408	26 228	28 215
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		3 211	1 449	9 443	5 066	5 066	5 066	6 569	6 739	6 905
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Standard</b>	<b>2</b>	<b>20 803</b>	<b>24 923</b>	<b>47 345</b>	<b>55 541</b>	<b>56 409</b>	<b>56 409</b>	<b>67 486</b>	<b>70 294</b>	<b>74 653</b>
<b>Expenditure - Standard</b>										
<i>Governance and administration</i>		9 059	18 057	18 637	14 519	14 135	14 135	18 851	19 798	20 982
Executive and council		5 647	13 991	9 320	3 480	2 812	2 812	5 369	5 654	5 931
Budget and treasury office		3 411	4 066	5 981	7 434	7 312	7 312	7 032	7 352	7 926
Corporate services		-	-	3 336	3 605	4 011	4 011	6 450	6 792	7 125
<i>Community and public safety</i>		2 598	1 468	4 078	3 597	3 434	3 434	4 586	4 820	5 056
Community and social services		448	551	989	985	974	974	2 272	2 384	2 501
Sport and recreation		473	917	846	1 070	894	894	-	-	-
Public safety		-	-	805	1 342	1 357	1 357	2 060	2 169	2 276
Housing		-	-	213	201	210	210	253	267	280
Health		1 677	-	1 226	-	-	-	-	-	-
<i>Economic and environmental services</i>		2 284	-	6 389	6 309	5 709	5 709	9 554	10 062	11 152
Planning and development		91	-	2 416	1 660	1 440	1 440	2 713	2 856	2 996
Road transport		2 193	-	3 973	4 648	4 269	4 269	6 841	7 206	8 156
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		8 724	10 571	16 089	18 261	21 075	21 075	23 352	23 859	25 029
Electricity		7 525	9 041	14 434	14 414	17 456	17 456	21 013	21 434	22 484
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		1 199	1 530	1 655	3 847	3 619	3 619	2 340	2 426	2 544
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Standard</b>	<b>3</b>	<b>22 664</b>	<b>30 096</b>	<b>45 193</b>	<b>42 686</b>	<b>44 353</b>	<b>44 353</b>	<b>56 343</b>	<b>58 540</b>	<b>62 219</b>
<b>Surplus/(Deficit) for the year</b>		<b>(1 861)</b>	<b>(5 174)</b>	<b>2 152</b>	<b>12 854</b>	<b>12 056</b>	<b>12 056</b>	<b>11 143</b>	<b>11 754</b>	<b>12 434</b>

**TABLE A3**

EC128 Nxuba - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

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
<b>R thousand</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - Executive and Council		3 976	10 899	1 613	1 809	1 809	1 809	5 213	5 489	5 758
Vote 2 - Budget and Treasury Office		3 051	4 937	8 165	13 408	13 621	13 621	6 837	7 148	7 712
Vote 3 - Finance and Administration		-	-	2 480	3 865	3 865	3 865	5 724	6 027	6 323
Vote 4 - Planning and Development		113	-	2 257	1 438	1 438	1 438	1 924	2 020	2 120
Vote 5 - Community and Social Services		1 325	-	600	-	600	600	522	522	600
Vote 6 - Public Safety		10	1	1 264	1 036	1 036	1 036	2 125	2 238	2 347
Vote 7 - Housing Services		-	-	161	150	150	150	253	267	280
Vote 8 - Parks and Recreation		483	-	1 074	380	380	380	1 182	1 244	1 305
Vote 9 - Waste Management		3 211	1 449	9 443	5 066	5 066	5 066	6 569	6 739	6 905
Vote 10 - Roads		479	244	1 947	9 669	9 669	9 669	12 729	12 373	13 088
Vote 11 - Electricity Department		7 525	9 041	16 982	18 720	18 775	18 775	24 408	26 228	28 215
Vote 12 - [NAME OF VOTE 12]		2 193	-	1 359	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>22 365</b>	<b>26 569</b>	<b>47 345</b>	<b>55 541</b>	<b>56 409</b>	<b>56 409</b>	<b>67 486</b>	<b>70 294</b>	<b>74 653</b>
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 1 - Executive and Council		5 647	13 991	9 320	3 480	2 812	2 812	5 369	5 654	5 931
Vote 2 - Budget and Treasury Office		3 411	4 066	5 981	7 434	7 312	7 312	7 713	8 070	8 680
Vote 3 - Finance and Administration		-	-	3 336	3 605	4 011	4 011	5 768	6 074	6 372
Vote 4 - Planning and Development		-	-	2 416	1 660	1 440	1 440	2 713	2 856	2 996
Vote 5 - Community and Social Services		1 677	-	814	985	974	974	891	938	984
Vote 6 - Public Safety		448	551	805	1 342	1 357	1 357	2 060	2 169	2 276
Vote 7 - Housing Services		-	-	213	201	210	210	253	267	280
Vote 8 - Parks and Recreation		176	-	1 020	1 070	894	894	1 382	1 446	1 517
Vote 9 - Waste Management		1 199	-	1 655	3 847	3 619	3 619	2 340	2 426	2 544
Vote 10 - Roads		473	917	3 973	4 648	4 269	4 269	6 841	7 206	8 156
Vote 11 - Electricity Department		7 525	9 041	14 434	14 414	17 456	17 456	21 013	21 434	22 484
Vote 12 - [NAME OF VOTE 12]		2 193	-	1 226	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>22 750</b>	<b>28 566</b>	<b>45 193</b>	<b>42 686</b>	<b>44 353</b>	<b>44 353</b>	<b>56 343</b>	<b>58 540</b>	<b>62 219</b>
<b>Surplus/(Deficit) for the year</b>	2	<b>(385)</b>	<b>(1 997)</b>	<b>2 152</b>	<b>12 854</b>	<b>12 056</b>	<b>12 056</b>	<b>11 143</b>	<b>11 754</b>	<b>12 434</b>

**TABLE A4****EC128 Nxuba - Table A4 Budgeted Financial Performance (revenue and expenditure)**

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
<b>R thousand</b>	1									
<b>Revenue By Source</b>										
Property rates	2	-	-	2 149	2 945	2 945	2 945	3 104	3 269	3 429
Property rates - penalties & collection charges										
Service charges - electricity revenue	2	7 172	7 394	16 982	17 040	17 095	17 095	21 144	22 265	23 356
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	3 211	882	9 443	3 180	3 180	3 180	3 351	3 351	3 351
Service charges - other										
Rental of facilities and equipment				131	96	96	96	121	127	133
Interest earned - external investments										
Interest earned - outstanding debtors										
Dividends received										
Fines				14	12	12	12	80	84	88
Licences and permits				1 070	801	801	801	1 315	1 385	1 453
Agency services				655	220	220	220	730	769	806
Transfers recognised - operational				15 237	20 867	20 867	20 867	25 527	26 269	28 531
Other revenue	2	13 477	660	1 663	711	1 525	1 525	971	1 022	1 072
Gains on disposal of PPE										
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>23 860</b>	<b>8 936</b>	<b>47 345</b>	<b>45 872</b>	<b>46 740</b>	<b>46 740</b>	<b>56 343</b>	<b>58 540</b>	<b>62 219</b>
<b>Expenditure By Type</b>										
Employee related costs	2	12 490	15 047	16 476	15 337	15 502	15 502	19 991	21 003	22 036
Remuneration of councillors				1 285	1 757	1 891	1 891	1 968	2 072	2 173
Debt impairment	3									
Depreciation & asset impairment	2	-	-	-	-	-	-	89	456	1 070
Finance charges										
Bulk purchases	2	5 886	4 122	12 787	10 815	13 284	13 284	17 816	18 761	19 680
Other materials	8									
Contracted services										
Transfers and grants								15	16	17
Other expenditure	4, 5	3 418	4 133	7 928	14 777	13 677	13 677	16 463	16 232	17 243
Loss on disposal of PPE				6 717						
<b>Total Expenditure</b>		<b>21 794</b>	<b>23 303</b>	<b>45 193</b>	<b>42 686</b>	<b>44 353</b>	<b>44 353</b>	<b>56 343</b>	<b>58 540</b>	<b>62 219</b>
<b>Surplus/(Deficit)</b>		<b>2 066</b>	<b>(14 367)</b>	<b>2 152</b>	<b>3 185</b>	<b>2 387</b>	<b>2 387</b>	<b>(0)</b>	<b>(0)</b>	<b>0</b>
Transfers recognised - capital					9 669	9 669	9 669	11 143	11 754	12 434
Contributions recognised - capital	6	-	-	-	-	-	-	-	-	-
Contributed assets										
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>2 066</b>	<b>(14 367)</b>	<b>2 152</b>	<b>12 854</b>	<b>12 056</b>	<b>12 056</b>	<b>11 143</b>	<b>11 754</b>	<b>12 434</b>
Taxation										
<b>Surplus/(Deficit) after taxation</b>		<b>2 066</b>	<b>(14 367)</b>	<b>2 152</b>	<b>12 854</b>	<b>12 056</b>	<b>12 056</b>	<b>11 143</b>	<b>11 754</b>	<b>12 434</b>
Attributable to minorities										
<b>Surplus/(Deficit) attributable to municipality</b>		<b>2 066</b>	<b>(14 367)</b>	<b>2 152</b>	<b>12 854</b>	<b>12 056</b>	<b>12 056</b>	<b>11 143</b>	<b>11 754</b>	<b>12 434</b>
Share of surplus/ (deficit) of associate	7									
<b>Surplus/(Deficit) for the year</b>		<b>2 066</b>	<b>(14 367)</b>	<b>2 152</b>	<b>12 854</b>	<b>12 056</b>	<b>12 056</b>	<b>11 143</b>	<b>11 754</b>	<b>12 434</b>

**TABLE A5**

EC128 Nxuba - 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	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>Capital expenditure - Vote</b>										
<b>Multi-year expenditure to be appropriated</b>	2									
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-
Vote 3 - Finance and Administration		-	-	-	-	-	-	-	-	-
Vote 4 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 5 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 7 - Housing Services		-	-	-	-	-	-	-	-	-
Vote 8 - Parks and Recreation		-	-	-	-	-	-	-	-	-
Vote 9 - Waste Management		-	-	-	-	-	-	-	-	-
Vote 10 - Roads		-	-	-	-	-	-	-	-	-
Vote 11 - Electricity Department		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	7	-	-	-	-	-	-	-	-	-
<b>Single-year expenditure to be appropriated</b>	2									
Vote 1 - Executive and Council		-	-	24	381	41	41	-	-	-
Vote 2 - Budget and Treasury Office		-	-	18	80	-	-	-	-	-
Vote 3 - Finance and Administration		-	-	1	-	-	-	-	-	-
Vote 4 - Planning and Development		-	-	0	56	110	110	-	-	-
Vote 5 - Community and Social Services		-	-	9	15	55	55	2 192	2 308	2 421
Vote 6 - Public Safety		-	-	20	305	55	55	2 000	2 106	2 209
Vote 7 - Housing Services		-	-	-	-	-	-	-	-	-
Vote 8 - Parks and Recreation		-	-	-	-	-	-	-	-	-
Vote 9 - Waste Management		-	-	-	860	200	200	-	-	-
Vote 10 - Roads		-	-	5 999	10 107	10 546	10 546	6 951	7 342	7 805
Vote 11 - Electricity Department		-	-	-	1 050	1 050	1 050	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	25	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		-	-	6 096	12 854	12 056	12 056	11 143	11 756	12 435
<b>Total Capital Expenditure - Vote</b>		-	-	6 096	12 854	12 056	12 056	11 143	11 756	12 435
<b>Capital Expenditure - Standard</b>										
<i>Governance and administration</i>		-	-	43	461	41	41	-	-	-
Executive and council		-	-	24	381	41	41	-	-	-
Budget and treasury office		-	-	18	80	-	-	-	-	-
Corporate services		-	-	1	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	29	320	110	110	4 192	4 414	4 630
Community and social services		-	-	9	15	55	55	2 192	2 308	2 421
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	20	305	55	55	2 000	2 106	2 209
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	6 023	10 163	10 656	10 656	6 951	7 340	7 803
Planning and development		-	-	25	56	110	110	-	-	-
Road transport		-	-	5 999	10 107	10 546	10 546	6 951	7 340	7 803
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	1 910	1 250	1 250	-	-	-
Electricity		-	-	-	1 050	1 050	1 050	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	860	200	200	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Standard</b>	3	-	-	6 096	12 854	12 056	12 056	11 143	11 754	12 434
<b>Funded by:</b>										
National Government		-	-	6 096	9 669	9 669	9 669	11 143	11 754	12 434
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	-	-	6 096	9 669	9 669	9 669	11 143	11 754	12 434
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	3 185	2 387	2 387	-	-	-
<b>Total Capital Funding</b>	7	-	-	6 096	12 854	12 056	12 056	11 143	11 754	12 434

## TABLE A6

EC128 Nxuba - 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	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>ASSETS</b>										
<b>Current assets</b>										
Cash		668	699	3 000						
Call investment deposits	1	1 811	3 368	3 344	2 654	2 654	2 654	2 736	2 864	2 965
Consumer debtors	1	51 985	2 728	13 424	33 111	33 111	33 111	25 049	29 147	33 656
Other debtors		1	41	9 337				10 271	11 298	12 428
Current portion of long-term receivables		-	-	-						
Inventory	2	-	14 787	-						
<b>Total current assets</b>		<b>54 465</b>	<b>21 624</b>	<b>29 106</b>	<b>35 765</b>	<b>35 765</b>	<b>35 765</b>	<b>38 056</b>	<b>43 309</b>	<b>49 049</b>
<b>Non current assets</b>										
Long-term receivables		-	31 257							
Investments		47	39							
Investment property		360	360	360	360	360	360	360	360	360
Investment in Associate		8 326								
Property, plant and equipment	3	26 310	31 915	41 190	57 434	52 308	52 308	64 767	65 379	66 058
Agricultural										
Biological										
Intangible		4	19	19	19	19	19	19	19	19
Other non-current assets		50 699	56 759							
<b>Total non current assets</b>		<b>85 746</b>	<b>120 349</b>	<b>41 569</b>	<b>57 813</b>	<b>52 687</b>	<b>52 687</b>	<b>65 146</b>	<b>65 758</b>	<b>66 437</b>
<b>TOTAL ASSETS</b>		<b>140 211</b>	<b>141 973</b>	<b>70 674</b>	<b>93 578</b>	<b>88 452</b>	<b>88 452</b>	<b>103 202</b>	<b>109 067</b>	<b>115 487</b>
<b>LIABILITIES</b>										
<b>Current liabilities</b>										
Bank overdraft	1	2 538	610	-						
Borrowing	4	77	-	-	-	-	-	-	-	-
Consumer deposits		347	342	897						
Trade and other payables	4	32 731	10 732	15 658	8 567	6 956	6 956	26 184	20 295	14 281
Provisions		903	1 020	1 067						
<b>Total current liabilities</b>		<b>36 596</b>	<b>12 705</b>	<b>17 622</b>	<b>8 567</b>	<b>6 956</b>	<b>6 956</b>	<b>26 184</b>	<b>20 295</b>	<b>14 281</b>
<b>Non current liabilities</b>										
Borrowing		174	54	31	-	-	-	-	-	-
Provisions		1 020	903	-	-	-	-	-	-	-
<b>Total non current liabilities</b>		<b>1 194</b>	<b>957</b>	<b>31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>37 790</b>	<b>13 662</b>	<b>17 653</b>	<b>8 567</b>	<b>6 956</b>	<b>6 956</b>	<b>26 184</b>	<b>20 295</b>	<b>14 281</b>
<b>NET ASSETS</b>	5	<b>102 421</b>	<b>128 312</b>	<b>53 021</b>	<b>85 011</b>	<b>81 495</b>	<b>81 495</b>	<b>77 018</b>	<b>88 772</b>	<b>101 206</b>
<b>COMMUNITY WEALTH/EQUITY</b>										
Accumulated Surplus/(Deficit)		102 421	128 312	53 021	65 875	63 903	63 903	77 018	88 772	101 206
Reserves	4	-	-	-	-	-	-	-	-	-
Minorities' interests										
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	5	<b>102 421</b>	<b>128 312</b>	<b>53 021</b>	<b>65 875</b>	<b>63 903</b>	<b>63 903</b>	<b>77 018</b>	<b>88 772</b>	<b>101 206</b>

**TABLE A7**

EC128 Nxuba - 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	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Ratepayers and other					25 005	25 873	25 873	29 059	31 499	34 063
Government - operating	1				20 867	20 867	20 867	25 527	26 269	28 531
Government - capital	1				9 669	9 669	9 669	11 143	11 754	12 434
Interest										
Dividends										
<b>Payments</b>										
Suppliers and employees					(42 686)	(44 353)	(44 353)	(30 816)	(32 449)	(34 039)
Finance charges								-	-	-
Transfers and Grants	1							(25 527)	(26 269)	(28 531)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		-	-	-	12 854	12 056	12 056	9 386	10 804	12 457
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE										
Decrease (Increase) in non-current debtors										
Decrease (increase) other non-current receivables										
Decrease (increase) in non-current investments										
<b>Payments</b>										
Capital assets					(12 854)	(12 056)	(12 056)	(11 143)	(11 754)	(12 434)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		-	-	-	(12 854)	(12 056)	(12 056)	(11 143)	(11 754)	(12 434)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans										
Borrowing long term/refinancing										
Increase (decrease) in consumer deposits										
<b>Payments</b>										
Repayment of borrowing										
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		-	-	-	-	-	-	-	-	-
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		-	-	-	0	(0)	(0)	(1 757)	(950)	24
Cash/cash equivalents at the year begin:	2				3 000		2 736	2 736	979	30
Cash/cash equivalents at the year end:	2				3 000	(0)	2 736	979	30	53

**TABLE A8**

EC128 Nxuba - 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	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>Cash and investments available</b>										
Cash/cash equivalents at the year end	1	-	-	-	3 000	(0)	2 736	979	30	53
Other current investments > 90 days		(59)	3 457	6 344	(346)	2 655	(82)	1 757	2 834	2 912
Non current assets - Investments	1	47	39	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		(12)	3 497	6 344	2 654	2 654	2 654	2 736	2 864	2 965
<b>Application of cash and investments</b>										
Unspent conditional transfers		29 501	1 991	11 107	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-
Statutory requirements	2									
Other working capital requirements	3	3 230	8 447	4 550	(24 544)	(26 154)	(26 154)	(7 122)	(19 183)	(32 315)
Other provisions										
Long term investments committed	4	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5									
<b>Total Application of cash and investments:</b>		32 731	10 438	15 658	(24 544)	(26 154)	(26 154)	(7 122)	(19 183)	(32 315)
<b>Surplus(shortfall)</b>		(32 743)	(6 941)	(9 314)	27 198	28 808	28 808	9 858	22 047	35 281

**TABLE A9**

EC128 Nxuba - 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
<b>CAPITAL EXPENDITURE</b>										
<b>Total New Assets</b>	1	-	-	-	12 854	12 056	12 056	11 143	11 733	12 308
Infrastructure - Road transport		-	-	-	9 669	9 669	9 669	6 951	7 319	7 678
Infrastructure - Electricity		-	-	-	800	200	200	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	10 469	9 869	9 869	6 951	7 319	7 678
Community		-	-	-	-	-	-	4 192	4 414	4 630
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	2 385	2 187	2 187	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
<b>Total Renewal of Existing Assets</b>	2	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure</b>	4	-	-	-	9 669	9 669	9 669	6 951	7 319	7 678
Infrastructure - Road transport		-	-	-	800	200	200	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	10 469	9 869	9 869	6 951	7 319	7 678
Community		-	-	-	-	-	-	4 192	4 414	4 630
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	2 385	2 187	2 187	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>	2	-	-	-	12 854	12 056	12 056	11 143	11 733	12 308
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>										
Infrastructure - Road transport	5									
Infrastructure - Electricity										
Infrastructure - Water										
Infrastructure - Sanitation										
Infrastructure - Other				22 390	35 244	34 446	34 446	45 588	46 200	46 879
Infrastructure				22 390	35 244	34 446	34 446	45 588	46 200	46 879
Community										
Heritage assets										
Investment properties		360	360	360	360	360	360	360	360	360
Other assets				18 800	18 800	18 800	18 800	18 800	18 800	18 800
Agricultural Assets										
Biological assets										
Intangibles		4	19	19	19	19	19	19	19	19
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	364	379	41 569	54 423	53 625	53 625	64 767	65 379	66 058
<b>EXPENDITURE OTHER ITEMS</b>										
<b>Depreciation &amp; asset impairment</b>								89	456	1 070
<b>Repairs and Maintenance by Asset Class</b>	3			294	1 931	1 333		1 308	1 377	1 445
Infrastructure - Road transport					425	472		300	316	331
Infrastructure - Electricity					605	555		350	369	387
Infrastructure - Water										
Infrastructure - Sanitation										
Infrastructure - Other										
Infrastructure					1 030	1 027		650	684	718
Community										
Heritage assets								120	126	133
Investment properties										
Other assets	6, 7			294	901	306		538	567	594
<b>TOTAL EXPENDITURE OTHER ITEMS</b>				294	1 931	1 333		1 397	1 834	2 515
<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&amp;M as a % of PPE</i>		0.0%	0.0%	0.7%	3.4%	2.5%	0.0%	2.0%	2.1%	2.2%
<i>Renewal and R&amp;M as a % of PPE</i>		0.0%	0.0%	1.0%	4.0%	2.0%	0.0%	2.0%	2.0%	2.0%



## Part 2 – SUPPORTING DOCUMENTATION

### 2.1 OVERVIEW OF THE ANNUAL BUDGET PROCESS

In terms of Section 24 of the MFMA, Council must, at least 30 days before the start of the financial year, consider the annual budget for approval. Section 53 requires the Mayor of a municipality to provide general political guidance over the budget process and the priorities that must guide the preparation of the budget.

In addition, Chapter 2 of the Municipal Budget and Reporting Regulations, gazetted on 17 April 2009, states that the Mayor of a municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

#### 2.1.1 Budget Process Overview

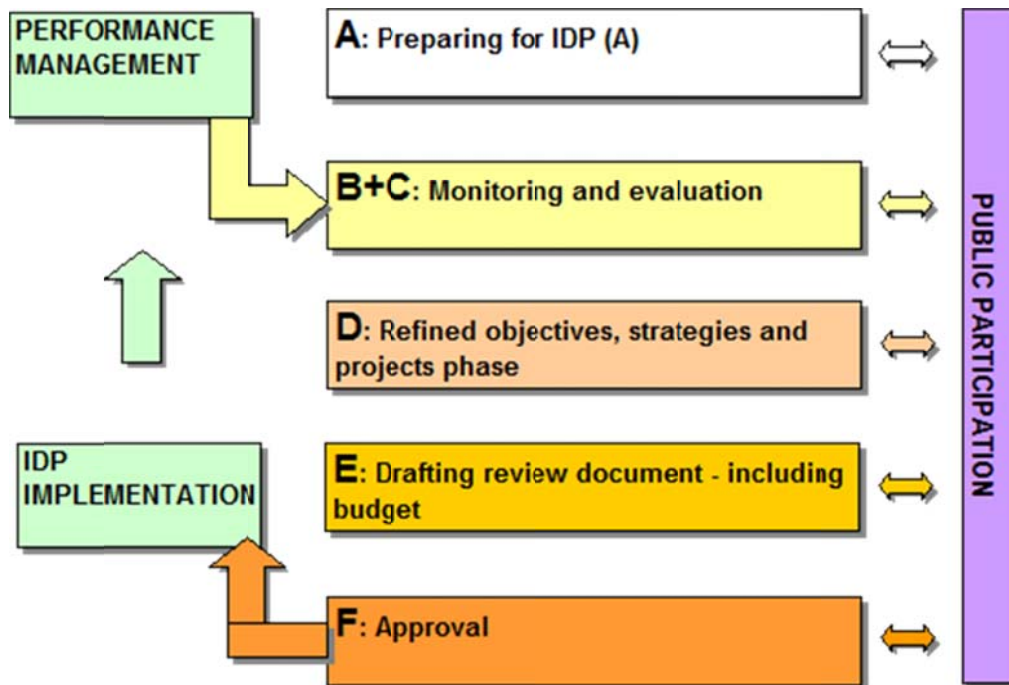
In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2011) a time schedule that sets out the process to revise the IDP and prepare the budget.

Key dates applicable to the process were:

- **August 2011** – Joint strategic planning session of the Municipal Council and Executive Management. Aim: to review past performance trends of the capital and operating budgets, the economic realities and to set the prioritisation criteria for the compilation of the 2012/13 MTREF;
- **November 2011** – Detail departmental budget proposals (capital and operating) submitted to the Budget and Treasury Office for consolidation and assessment against the financial planning guidelines;
- **3 to 7 January 2012** - Review of the financial strategy and key economic and financial planning assumptions by the Budget Steering Committee. This included financial forecasting and scenario considerations;
- **January 2012** – Multi-year budget proposals are submitted to the Budget Steering Committee for endorsement;
- **28 January 2012** - Council considers the 2011/12 Mid-year Review and Adjustments Budget;
- **February 2012** - Recommendations of the Municipal Council are communicated to the Budget Steering Committee, and on to the respective departments. The draft 2012/13 MTREF is revised accordingly;
- **25 March 2012** - Tabling in Council of the draft 2012/13 IDP and 2012/13 MTREF for public consultation;
- **April 2012** – Public consultation;
- **6 May 2012** - Closing date for written comments;
- **6 to 21 May 2012** – finalisation of the 2012/13 IDP and 2012/13 MTREF, taking into consideration comments received from the public, comments from National Treasury, and updated information from the most recent Division of Revenue Bill and financial framework; and
- **23 May 2012** - Tabling of the 2011/12 MTREF before Council for consideration and approval.

## 2.2 OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH IDP

The process reflected in the diagram below represents a continuous cycle of planning, implementation and review. Implementation commences after the Municipal Council adopts the IDP and Budget



The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents.

The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the Nxuba Municipality, issues of national and provincial importance should be reflected in the

IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the Nxuba Municipality strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance.

The Nxuba municipality has experienced challenges in terms of aligning its integrated development plan; annual budget and service delivery & budget implementation plan.

The community and other stakeholders were consulted during the review of Integrated Development Plan which informed this annual budget.

### **2.3 OVERVIEW OF BUDGET RELATED-POLICIES**

The detailed policies are not included in the budget documentation, however they are available on request to councillors and are to be made publicly available when the budget is tabled for consultation, tabled for consideration of approval and finally approved.

The purpose of budget-related and financial policies is to provide a sound environment to manage the financial affairs of the municipality. The following are key budget relating policies:

- **Tariff Policy** – the policy prescribes the procedures for calculating tariffs. This policy is required in terms of Section 74 of the Local Government Municipal Systems Act, Act 32 of 2000.
- **Indigent Support Policy** – to provide access to and regulate free basic services to all indigent households.
- **Credit Control and Debt Collection Policy** – to provide for credit and debt collection procedures and mechanisms to ensure that all consumers pay for the services that are supplied.
- **Budget Policy** – this policy set out the principles which must be followed in preparing a medium term revenue and expenditure framework budget. It further ensures that the budget reflects the strategic outcomes embodied in the IDP and related strategic policies.
- **Supply Chain Management Policy** – this policy is developed in terms of Section 111 of the Municipal Finance Management Act, Act 56 of 2003. The principles of this policy is to give effect to a fair, equitable, transparent, competitive and cost-effective system for the procuring of goods and services, disposing of goods and selecting of contractors in the provision of municipal services.
- **Cash management policy**- to ensure that there is a proper cash flow management and control.

### **2.4 OVERVIEW OF BUDGET ASSUMPTIONS**

Each year, National Treasury issues a circular to municipalities advising them of the budget parameters within which municipalities should work when preparing their budgets.

The headline CPIX forecast for 2012/13, 2013/14 and 2014/15 is 5.9%, 5.3% and 4.9% respectively. However these figures can change very fast due to external factors as recently experienced. The current estimate for 2010/11 in the MFMA Circular is 5.7%.

Budgets are prepared in an environment of uncertainty and assumptions need to be made about internal and external factors that could impact on the budget during the course of the financial year. In compiling the 2012-13 MTREF, the following pivotal issues and assumptions were taken into consideration and modelled into the budget planning process:

- Economic climate and poverty levels within the municipality will remain the same / constant for major part of the financial year given the limited economic activities with the vicinity;
- That the revenue collection will not increase / improve by more than 15% from the 2011-12 financial year;
- Cash flow projections will be strictly maintained to ensure the municipality's ability to meet its financial obligations;
- No allocations as per the 2012 annual Division of Revenue Act will be withheld / offset / paid back to the NRF.
- Operational costs will be maintained at current levels or reduced as cost containment measures and where there is material decrease in revenue collection rate, expenditure will have to be reduced at the same proportion;
- Filling of vacant posts will be prioritised taking into account the cash flow projections of the municipality.

## **2.5 OVERVIEW OF BUDGET FUNDING**

The operating budget will be funded from operational grants as well as revenue to be collected from service charges and property rates. Government grants and subsidies make 55% of the budget while 45% will be funding from own sources.

The funding for capital budget will be from Municipal Infrastructure Grant as well as internally generated funds. Municipal Infrastructure Grant will fund 100% of the capital budget.

The funding sources are as follows:

2012/2013

### **National & Provincial Government**

-Municipal Infrastructure Grant	R 11,729 000
-Equitable Shares	R 20,983 000
-Finance Management Grant	R 1,500,000
-Municipal System Management Grant	R 800,000
-EPWP Incentive	R 1,000,000
-Other Grants	R 658,000

**Own Revenue R 30 816 000**

The Nxuba Municipality is very grant dependant because of the limited revenue base at its disposal.

## 2.6 COUNCILLOR AND EMPLOYEE BENEFITS

The following table SA23 outlines the benefits.

**TABLE SA23**

EC128 Nxuba - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum	No.		1.				2.
<b>Councillors</b>	3						
Speaker	4	466 013		139 017			605 030
Chief Whip							-
Executive Mayor							-
Deputy Executive Mayor							-
Executive Committee							-
Total for all other councillors		956 529		406 071			1 362 600
<b>Total Councillors</b>	8	1 422 542	-	545 088			1 967 630
<b>Senior Managers of the Municipality</b>	5						
Municipal Manager (MM)		354 317	6 805	260 233			621 355
Chief Finance Officer		213 566		266 957			480 523
Corporate Service Manager		203 484	6 811	219 114			429 409
Technical Service Manager		214 916	1 701	235 427			452 044
							-
							-
<i>List of each official with packages &gt;= senior manager</i>							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
<b>Total Senior Managers of the Municipality</b>	8	986 283	15 317	981 731	-		1 983 331
<b>A Heading for Each Entity</b>	6,7						
List each member of board by designation							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
<b>Total for municipal entities</b>	8	-	-	-	-		-
<b>TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION</b>		-	2 408 825	15 317	1 526 819	-	3 950 961

## 2.7 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW

EC128 Nxuba - Supporting Table SA25 Budgeted monthly revenue and expenditure

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
<b>Revenue By Source</b>																
Property rates		259	259	259	259	259	259	259	259	259	259	259	259	3 104	3 269	3 429
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		1 762	1 776	1 776	1 776	1 776	1 776	1 776	1 776	1 776	1 776	1 776	1 622	21 144	22 265	23 356
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		279	279	279	279	279	279	279	279	279	279	279	279	3 351	3 351	3 351
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		10	10	10	10	10	10	10	10	10	10	10	10	121	127	133
Interest earned - external investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines		7	7	7	7	7	7	7	7	7	7	7	7	80	84	88
Licences and permits		110	98	98	98	98	98	98	98	98	98	98	222	1 315	1 385	1 453
Agency services		61	61	61	61	61	61	61	61	61	61	61	61	730	769	806
Transfers recognised - operational		2 127	2 127	2 127	2 127	2 127	2 127	2 127	2 127	2 127	2 127	2 127	2 127	25 527	26 269	28 531
Other revenue		81	81	81	81	81	81	81	81	81	81	81	81	971	1 022	1 072
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>4 695</b>	<b>4 698</b>	<b>4 698</b>	<b>4 698</b>	<b>4 698</b>	<b>4 698</b>	<b>4 698</b>	<b>4 698</b>	<b>4 698</b>	<b>4 698</b>	<b>4 668</b>	<b>56 343</b>	<b>58 540</b>	<b>62 219</b>	
<b>Expenditure By Type</b>																
Employee related costs		1 666	1 666	1 666	1 666	1 666	1 666	1 666	1 666	1 666	1 666	1 666	1 666	19 991	21 003	22 036
Remuneration of councillors		164	164	164	164	164	164	164	164	164	164	164	164	1 968	2 072	2 173
Debt impairment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment		7	-	-	-	-	-	-	-	-	-	-	82	89	456	1 070
Finance charges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases		1 485	1 485	1 485	1 485	1 485	1 485	1 485	1 485	1 485	1 485	1 485	1 485	17 816	18 761	19 680
Other materials		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants		1	-	-	-	-	-	-	-	-	-	-	14	15	16	17
Other expenditure		1 372	1 286	1 286	1 286	1 286	1 286	1 286	1 286	1 286	1 286	2 233	16 463	16 232	17 243	
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>4 695</b>	<b>4 600</b>	<b>4 600</b>	<b>4 600</b>	<b>4 600</b>	<b>4 600</b>	<b>4 600</b>	<b>4 600</b>	<b>4 600</b>	<b>4 600</b>	<b>5 643</b>	<b>56 343</b>	<b>58 540</b>	<b>62 219</b>	
<b>Surplus/(Deficit)</b>		<b>(0)</b>	<b>98</b>	<b>98</b>	<b>98</b>	<b>98</b>	<b>98</b>	<b>98</b>	<b>98</b>	<b>98</b>	<b>98</b>	<b>(975)</b>	<b>(0)</b>	<b>(0)</b>	<b>0</b>	
Transfers recognised - capital		929	929	929	929	929	929	929	929	929	929	929	11 143	11 754	12 434	
Contributions recognised - capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>929</b>	<b>1 026</b>	<b>1 026</b>	<b>1 026</b>	<b>1 026</b>	<b>1 026</b>	<b>1 026</b>	<b>1 026</b>	<b>1 026</b>	<b>1 026</b>	<b>(47)</b>	<b>11 143</b>	<b>11 754</b>	<b>12 434</b>	
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>929</b>	<b>1 026</b>	<b>1 026</b>	<b>1 026</b>	<b>1 026</b>	<b>1 026</b>	<b>1 026</b>	<b>1 026</b>	<b>1 026</b>	<b>1 026</b>	<b>(47)</b>	<b>11 143</b>	<b>11 754</b>	<b>12 434</b>	

## **2.8 LEGISLATION COMPLIANCE STATUS**

New budget regulations were published in Gazette nr. 32141 on 17 April 2009. The object of these regulations is to secure sound and sustainable management of the budgeting and reporting practices of municipalities by establishing uniform norms and standards and other requirements for ensuring transparency, accountability and appropriate lines of responsibility in the budgeting and reporting process. The 2012/2013 budgets for all municipalities needs to comply with these regulations.

The Nxuba Municipality is faced with the challenge that the finance department must manually convert all information into the new prescribed formats as per the regulation.

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

1. Budget and Treasury Office  
The Budget and Treasury Office has been established in accordance with the MFMA
2. Audit Committee  
An Audit Committee has been established and is fully functional.
3. Annual Report  
Annual report is compiled in terms of the MFMA and National Treasury requirements

**2.9 MUNICIPAL MANAGER’S QUALITY CERTIFICATE**

I ....., Acting municipal manager of Nxuba Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name \_\_\_\_\_

Municipal manager of Nxuba Municipality (EC128)

Signature \_\_\_\_\_

Date \_\_\_\_\_



## PART 3 - APPENDICES

### **3.1 APPENDIX A – CAPITAL BUDGET**

#### **Capital Budget**

The capital budget is only funded from the Municipal Infrastructure Grant (MIG) due to the affordability of the budget and the lack of cash backed internal funds.

The capital budget reflects as R11, 143 million for 2013/2014 as to the R12, 056 million for the 2011/2012 adjusted budget.

The following capital projects will be undertaken:

<b>1. Traffic department testing center</b>	<b>-</b>	<b>R 2 000 000</b>
<b>2. Fencing of cemeteries</b>	<b>-</b>	<b>R 392 000</b>
<b>3. Goodwin Park Hall</b>	<b>-</b>	<b>R 1 800 000</b>
<b>4. Red Township Access road</b>	<b>-</b>	<b>R 1 950 000</b>
<b>5. Re-gravelling of Bedford streets</b>	<b>-</b>	<b>R 1 500 550</b>
<b>6. Re-gravelling of Red and Bezville streets-</b>		<b>R 500 000</b>
<b>7. Adelaide streets</b>	<b>-</b>	<b>R 1 000 000</b>
<b>8. Bedford town streets surfacing</b>	<b>-</b>	<b>R 2 000 000</b>

EC128 Nxuba - 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	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>R thousand</b>	1									
<b>Capital expenditure - Vote</b>										
<b>Multi-year expenditure to be appropriated</b>	2									
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-
Vote 3 - Finance and Administration		-	-	-	-	-	-	-	-	-
Vote 4 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 5 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 7 - Housing Services		-	-	-	-	-	-	-	-	-
Vote 8 - Parks and Recreation		-	-	-	-	-	-	-	-	-
Vote 9 - Waste Management		-	-	-	-	-	-	-	-	-
Vote 10 - Roads		-	-	-	-	-	-	-	-	-
Vote 11 - Electricity Department		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	7	-	-	-	-	-	-	-	-	-
<b>Single-year expenditure to be appropriated</b>	2									
Vote 1 - Executive and Council		-	-	24	381	41	41	-	-	-
Vote 2 - Budget and Treasury Office		-	-	18	80	-	-	-	-	-
Vote 3 - Finance and Administration		-	-	1	-	-	-	-	-	-
Vote 4 - Planning and Development		-	-	0	56	110	110	-	-	-
Vote 5 - Community and Social Services		-	-	9	15	55	55	2 192	2 308	2 421
Vote 6 - Public Safety		-	-	20	305	55	55	2 000	2 106	2 209
Vote 7 - Housing Services		-	-	-	-	-	-	-	-	-
Vote 8 - Parks and Recreation		-	-	-	-	-	-	-	-	-
Vote 9 - Waste Management		-	-	-	860	200	200	-	-	-
Vote 10 - Roads		-	-	5 999	10 107	10 546	10 546	6 951	7 342	7 805
Vote 11 - Electricity Department		-	-	-	1 050	1 050	1 050	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	25	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		-	-	6 096	12 854	12 056	12 056	11 143	11 756	12 435
<b>Total Capital Expenditure - Vote</b>		-	-	6 096	12 854	12 056	12 056	11 143	11 756	12 435
<b>Capital Expenditure - Standard</b>										
<i>Governance and administration</i>		-	-	43	461	41	41	-	-	-
Executive and council		-	-	24	381	41	41	-	-	-
Budget and treasury office		-	-	18	80	-	-	-	-	-
Corporate services		-	-	1	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	29	320	110	110	4 192	4 414	4 630
Community and social services		-	-	9	15	55	55	2 192	2 308	2 421
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	20	305	55	55	2 000	2 106	2 209
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	6 023	10 163	10 656	10 656	6 951	7 340	7 803
Planning and development		-	-	25	56	110	110	-	-	-
Road transport		-	-	5 999	10 107	10 546	10 546	6 951	7 340	7 803
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	1 910	1 250	1 250	-	-	-
Electricity		-	-	-	1 050	1 050	1 050	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	860	200	200	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Standard</b>	3	-	-	6 096	12 854	12 056	12 056	11 143	11 754	12 434
<b>Funded by:</b>										
National Government		-	-	6 096	9 669	9 669	9 669	11 143	11 754	12 434
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	-	-	6 096	9 669	9 669	9 669	11 143	11 754	12 434
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	3 185	2 387	2 387	-	-	-
<b>Total Capital Funding</b>	7	-	-	6 096	12 854	12 056	12 056	11 143	11 754	12 434

## 3.2 APPENDIX B – TARIFF LISTING

NXUBA MUNICIPALITY TARIFFS FOR 2012/2013	20.38			11.03		
	2011/12			2012/13		
	Tarriff	Vat	Total	Tarriff	Vat	Total
<b>ELECTRICITY</b>						
<b>SCALE 1 : CONVENTIONAL HOUSE HOLDS</b>						
Basic charge	31.63	4.43	36.06	33.34	4.67	38.01
10-25 ampere	3.90	0.55	4.44	4.33	0.61	4.93
26-40 ampere	4.40	0.62	5.01	4.88	0.68	5.57
41 or additional	5.51	0.77	6.28	6.12	0.86	6.97
Consumption: Block 1: 1 - 50 kWh	0.65	0.09	0.74	0.68	0.10	0.78
Block 2: 51 - 350 kWh	0.67	0.09	0.77	0.77	0.11	0.88
Block 3: 351 - 600 kWh	0.91	0.13	1.04	1.04	0.15	1.19
Block 4: > 600 kWh	1.02	0.14	1.17	1.24	0.17	1.41
<b>SCALE 2 : 0-5000 BUSINESSES USAGE</b>						
Basic charge	130.25	18.24	148.49	137.29	19.22	156.51
amperage	8.26	1.16	9.42	9.17	1.28	10.46
Consumption (Kwh)	0.97	0.14	1.11	1.08	0.15	1.23
<b>SCALE 3 : 5001-7500 BUSINESS USAGE</b>						
Basic charge	130.25	18.24	148.49	137.29	19.22	156.51
Amperage	10.46	1.46	11.93	11.62	1.63	13.24
Consumption (Kwh)	1.05	0.15	1.20	1.17	0.16	1.33
<b>SCALE 4: 7501 AND ABOVE BUSINESS USAGE</b>						
Kva	90.29	12.64	102.92	100.24	14.03	114.28
Consumption (Kwh)	0.85	0.12	0.97	0.95	0.13	1.08
<b>SCALE 5 : SCHOOLS, HOSTELS, HOSPITALS AND RETIREMENT VILLAGE</b>						
KVA (IF USAGE > 7501)	90.29	12.64	102.92	100.24	14.03	114.28
Consumption (Kwh) OR	0.85	0.12	0.97	0.95	0.13	1.08
Amperage	7.34	1.03	8.37	8.15	1.14	9.30
Consumption (Kwh)	1.05	0.15	1.19	1.16	0.16	1.32
<b>SCALE 6 : PRE-PAID ELECTRICITY</b>						
Consumption (Res):Block 1: 1 - 50 kWh	0.68	0.10	0.78	0.72	0.10	0.82
Block 2: 51 - 350 kWh	0.86	0.15	1.01	0.98	0.14	1.11
Block 3: 351 - 600 kWh	1.16	0.16	1.32	1.29	0.18	1.47
Block 4: > 600 kWh	1.22	0.16	1.38	1.32	0.18	1.50
Commercial	1.16	0.16	1.32	1.35	0.19	1.54
<b>SCALE 7: Municipal Consumption</b>						
Street light @ cost per Eskom	0.69	0.10	0.79	0.77	0.11	0.88
Consumption @ cost per Eskom	0.67	0.09	0.76	0.77	0.11	0.88
<b>ELECTRICITY SUPPLY:</b>						
Reconnection Fees - 1st disconnection & reconnection	307.02	42.98	350.00	323.60	45.30	368.90
- 2nd disconnection & reconnection	394.74	55.26	450.00	439.50	61.53	501.03
- 3rd disconnection & reconnection	614.04	85.97	700.00	681.77	95.45	777.22
Test of Metres	187.99	26.32	215.00	198.14	27.74	226.00
Special Meter Reading	74.45	10.42	85.00	78.47	10.99	90.00
New metre installation - Pre paid meter & base ( installation labour and material as per quotation)	468.13	65.54	534.00	519.76	72.77	593.00
- RDP Houses (as per NER reg)	140.79	19.71	160.50	156.32	21.88	178.20
- Conventional meters are charged as per the cost of installation						
Conversion from Conventional meter to Pre-paid	1 121.36	156.99	1 278.35	1 181.91	165.47	1 347.38
<b>DEPOSITS: Every consumer</b>						
on scale 1 pays a security in terms of section 17	1 193.28	167.06	1 360.00	1 354.37	189.61	1 544.00
on scale 6 (pre-paid) pays a security in terms of section 17	131.58	18.42	150.00	131.58	18.42	150.00
No deposit charged for RDP Houses						
Business	4 773.11	668.23	5 440.00	5 417.48	758.45	6 175.93
<b>AVAILABILITY: Payable by the owner of any stand with or without improvements, not connected to the electricity network but who can in the opinion of the Council reasonably be connected per month per erf</b>						
	31.41	4.40	35.80	35.65	4.99	40.64

<b>REPLACEMENT OF MAIN CIRCUIT BREAKER:</b>						
<b>For the replacement of an existing circuit breaker with a higher or lower ampere factor circuit breaker</b>						
0-30 mps	138.80	19.43	158.23	154.11	21.58	175.69
31-60 mps	208.96	29.25	238.21	232.00	32.48	264.48
<b>3 Phase Breakers</b>						
10-30 mps	782.44	109.54	891.99	868.74	121.62	990.36
31-60 mps	1 477.95	206.91	1 684.86	1 640.97	229.74	1 870.71
60 mps and above is as per quotation						
<b>TAMPERING</b>						
1st offence	5 966.38	835.29	6 800.00	6 771.84	948.06	7 719.90
2nd offence	7 398.31	1 035.76	8 435.00	8 397.08	1 175.59	9 573.00
3rd offence	9 546.21	1 336.47	10 880.00	10 834.95	1 516.89	12 351.84
<b>REFUSE</b>						
<b>DOMESTIC AND OTHER REFUSE</b>						
Charge removal once a week - Residential and churches	55.79	7.81	63.61	58.80	8.23	67.03
<b>Business</b>						
small , government, old age homes	232.46	32.54	265.00	245.01	34.30	279.31
medium and schools	371.93	52.07	424.00	392.01	54.88	447.00
large	697.37	97.63	795.00	735.02	102.90	838.00
<b>ABANDONED AND OTHER MOTOR WRECKS:</b>						
Removal of abandoned other motorwrecks, per load	324.44	45.42	370.00	341.96	47.87	390.00
<b>BUILDING WASTE AND OTHER WASTE:</b>						
Removal of building rubble	324.44	45.42	370.00	341.96	47.87	390.00
Garden refuse per load or part thereof	194.67	27.25	221.92	205.18	28.73	233.91
<b>OTHER SERVICES</b>						
<b>RENTAL MUNICIPAL VEHICLE</b>						
Tractor per hour	467.14	65.40	532.54	492.37	68.93	561.30
TLB - business per hour	204.56	28.64	233.20	215.61	30.19	245.80
- private per hour	144.12	20.18	164.30	151.90	21.27	173.17
<b>LIBRARY FINES</b>						
Late return per day	0.57	0.08	0.65	0.60	0.08	0.68
<b>Registration fees</b>						
Adults	3.72	0.52	4.24	3.92	0.55	4.47
Children	1.86	0.26	2.12	1.96	0.27	2.23
<b>PHOTOSTATS</b>						
A4	0.79	0.11	0.91	0.83	0.12	0.95
A3	1.59	0.22	1.81	1.68	0.24	1.92
<b>CRECHE</b>						
Monthly rental	259.56	36.34	295.89	273.58	38.30	311.88
<b>BUILDING PLAN FEES</b>						
Basic fee	149.24	20.89	170.13	157.30	22.02	179.32
Plus per square metre	5.36	0.75	6.11	5.65	0.79	6.44
Building sand per cubic metre	132.37	18.53	150.90	139.52	19.53	159.05
Plastering sand per cubic metre	132.37	18.53	150.90	133.42	18.68	152.10
Concrete sand per cubic metre	132.37	18.53	150.90	139.51	19.53	159.04
<b>REZONING, CONSOLIDATION &amp; SUBDIVISIONS</b>						
Application fee	446.25	62.48	508.73	470.35	65.85	536.20
Advertising costs	519.11	72.68	591.79	547.14	76.60	623.74
Supply of Valuation Certificate per erf	201.75	28.25	230.00	212.64	29.77	243.00
Application for consent use	1 747.32	244.62	1 991.94	1 841.68	257.84	2 099.52
Application for rezoning	2 065.01	289.10	2 354.11	2 176.52	304.71	2 481.23
Application for rezoning requiring amendments of structure plan	3 838.80	537.43	4 376.23	4 046.10	566.45	4 612.55
<b>Section 15(1)(a)(ii) departures from the land use restrictions- Building line etc</b>						
Erven smaller than 250 m <sup>2</sup>	198.56	27.80	226.36	209.28	29.30	238.58
Erven smaller than 500 m <sup>2</sup>	555.96	77.84	633.80	585.98	82.04	668.02
Erven larger than 500m <sup>2</sup>	1 151.64	161.23	1 312.87	1 213.83	169.94	1 383.77
Enchroachment per square meter	132.37	18.53	150.90	139.52	19.53	159.05
<b>Subdivision</b>						
Into two portions/erven	953.08	133.43	1 086.51	1 004.55	140.64	1 145.19
Plus per additional portion/erf	92.66	12.97	105.63	97.66	13.67	111.33
Removal of Restrictions	1 370.06	191.81	1 561.86	1 444.04	202.17	1 646.21
Amendment of condition of approval s43(2) of Ord. 15 of 1985	986.17	138.06	1 124.24	1 039.42	145.52	1 184.94
<b>Approval of Architectural Design Manual, Homeowners</b>						
Constitution, Environmental Management Plan	986.17	138.06	1 124.24	1 039.42	145.52	1 184.94

<b>REPLACEMENT OF MAIN CIRCUIT BREAKER:</b>						
<b>For the replacement of an existing circuit breaker with a higher or lower ampere factor circuit breaker</b>						
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<b>Business</b>						
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large	697.37	97.63	795.00	735.02	102.90	838.00
<b>ABANDONED AND OTHER MOTOR WRECKS:</b>						
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<b>RENTAL MUNICIPAL VEHICLE</b>						
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- private per hour	144.12	20.18	164.30	151.90	21.27	173.17
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<b>BUILDING PLAN FEES</b>						
Basic fee	149.24	20.89	170.13	157.30	22.02	179.32
Plus per square metre	5.36	0.75	6.11	5.65	0.79	6.44
Building sand per cubic metre	132.37	18.53	150.90	139.52	19.53	159.05
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Application fee	446.25	62.48	508.73	470.35	65.85	536.20
Advertising costs	519.11	72.68	591.79	547.14	76.60	623.74
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Erven smaller than 500 m <sup>2</sup>	555.96	77.84	633.80	585.98	82.04	668.02
Erven larger than 500m <sup>2</sup>	1 151.64	161.23	1 312.87	1 213.83	169.94	1 383.77
Enchroachment per square meter	132.37	18.53	150.90	139.52	19.53	159.05
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Plus per additional portion/erf	92.66	12.97	105.63	97.66	13.67	111.33
Removal of Restrictitions	1 370.06	191.81	1 561.86	1 444.04	202.17	1 646.21
Amendment of condition of approval s43(2) of Ord. 15 of 1985	986.17	138.06	1 124.24	1 039.42	145.52	1 184.94
<u>Approval of Architectural Design Manual, Homeowners</u>						
Constitution, Environmental Management Plan	986.17	138.06	1 124.24	1 039.42	145.52	1 184.94

<b>SIGNAGE CONTROL</b>						
Estate agents- Show house boards (per board per annum)	2 050.51	287.07	2 337.59	2 161.24	302.57	2 463.81
Estate agents- Show house boards: removal fees(Where estate agents boards not removed within the time allowed)	198.98	27.86	226.84	209.72	29.36	239.08
Application fee for advertising signs smaller than 2 m²	397.96	55.72	453.68	419.45	58.72	478.17
Trailer signs (per board)	397.96	55.72	453.68	419.45	58.72	478.17
Removal of charges for loose portable signs						
1) First offence (per sign)	149.24	20.89	170.13	157.30	22.02	179.32
2) Second offence (per sign)	248.73	34.82	283.55	262.16	36.70	298.86
3) Third offence (per sign)	397.96	55.72	453.68	419.45	58.72	478.17
<b>MAIN SPORT COMPLEX</b>						
Deposit	455.36	63.75	519.11	455.36	63.75	520.00
Hire per day	116.81	16.35	133.16	116.81	16.35	135.00
<b>TOWN, COMMUNITY HALLS, SUPPER ROOM AND KITCHEN</b>						
Deposit Town Hall	455.36	63.75	519.11	455.36	63.75	520.00
<b>Deposit Community Hall</b>	324.44	45.42	369.87	324.44	45.42	370.00
Deposit-Supper room	132.37	18.53	150.90	132.37	18.53	150.00
Deposit- kitchen	132.37	18.53	150.90	132.37	18.53	150.00
<b>Hiring Fees - Town Hall</b>						
Entertainment/Social Gathering	455.36	63.75	520.00	455.36	63.75	520.00
Funeral/Meeting	194.67	27.25	222.00	194.67	27.25	222.00
Superroom	106.00	14.84	121.00	106.00	14.84	121.00
Kitchen	132.37	18.53	151.00	132.37	18.53	151.00
<b>Hiring Fees - Community Hall</b>						0.00
Entertainment/Social Gathering	367.30	51.42	420.00	367.30	51.42	420.00
Funeral/Meeting	131.58	18.42	150.00	131.58	18.42	150.00
<b>UTENSILS</b>						
Crockery - deposit	389.33	54.51	443.84	389.33	54.51	444.00
- hire per day	259.56	36.34	295.89	259.56	36.34	295.00
Wooden/Steel Tables - Deposit per table	139.47	19.53	159.00	139.47	19.53	159.00
- hire One Table per day	18.60	2.60	21.20	18.60	2.60	21.20
Chair - deposit per chair	9.30	1.30	10.60	9.30	1.30	10.60
- hire per Chair	4.19	0.59	4.77	4.19	0.59	4.80
<b>RATES</b>						
Cents per total Rand Value of even and improvements						
Residentials	0.0058	0.0000	0.0058	0.00610	0.0000	0.0061
Farmers	0.0057	0.0000	0.0057	0.0060	0.0000	0.0060
Businesses	0.0058	0.0000	0.0058	0.00610	0.0000	0.0061
<b>CEMETERY CHARGES</b>						
Nyarha/Lingeletu/Goodwinpark/Bezville	187.84	26.30	214.13	197.98	27.72	225.70
Bedford/Adelaide Town	371.93	52.07	424.00	392.01	54.88	446.89
Nyarha/Lingeletu/Goodwinpark/Bezville Residents buying town plots	929.82	130.18	1 060.00	980.03	137.20	1 117.23
<b>BOOKED PLOTS ONLY DECEASED PLUS ONE</b>						
For Council to dig 6ft grave	778.67	109.01	887.68	820.72	114.90	935.62
For Council to dig 9ft grave	1 168.00	163.52	1 331.52	1 231.07	172.35	1 403.42
<b>COMMONAGE</b>						
<b>GRAZING TARIFFS</b>						
Cow	6.83	0.96	7.79	7.20	1.01	8.21
Calf	2.85	0.40	3.24	3.00	0.42	3.42
Goat	2.85	0.40	3.24	3.00	0.42	3.42
Sheep	2.85	0.40	3.24	3.00	0.42	3.42



### 3.3 BUDGET ANALYSIS – COST CODES

## 3.4 APPENDIX D – SCHEDULE A WITH SUPPORTING SCHEDULES