

ANNUAL BUDGET OF  
SEKHUKHUNE DISTRICT MUNICIPALITY



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

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- At public libraries within the municipality
- At [www.sekhukhune.gov.za](http://www.sekhukhune.gov.za)

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# Part 1 – Annual Budget

## **1.1 Mayor's Report**

### **On the 2012/2013 Budget Proposal**

The Municipality receive allocations from national government in the form equitable share on annual basis, the equitable share together with other grants and our own revenue forms the basis of our budget.

As dictated by legislation, we engaged ourselves in extensive community participation program with the sole intention of soliciting community inputs for our 2012/2013 IDP/Budget processes.

We have met with traditional leaders, business and labour formations, employees of the district, mining houses and communities from our five local municipalities. The message has been very clear on what needs to be done and where.

With the limited fiscal capacity and our over reliant on grants, the municipality is faced with enormous task of ensuring that it prioritises projects and programs to be implemented in the financial year 2012/2012.

In drawing up this budget and IDP, a number of imperatives and principles guided us, key among them are

- National Treasury circular 58 which direct us to allocation more resources towards infrastructural investment and basic service delivery
- Stabilizing the municipality's finances
- Ensuring that our capital expenditure is always above operational expenses
- To meet our contractual obligations including salaries of staff
- Strengthening financial management and accountability

## **Budget allocations**

I am pleased to announce that the 2012-2013 financial year budget will amount to **R1, 2 billion** Rand with **R814 282 Million** on capital expenditure and **R 454 559 Million** on operational expenditure.

This figure represents about 24% growth from our 2011-2012 budget.

Departmental Allocations:

### **Infrastructure and Water Services**

This department is the face of service delivery within the municipality. It is responsible for rolling out service delivery projects on water, sanitation, roads etc

The department is allocated R809 348 Million which is 47% increase from the previous year allocation. This significant increase is attributed to our expansion in infrastructural projects especially bulk water projects.

### **Community Services**

Key functions include emergency services, environmental health care, and development of sport, art and culture

The department is allocated R36 148 262, 13 which represents 24% increase from the previous budget. The increase is attributed to new function of environment health which the district will be performing with effect from 1<sup>st</sup> July 2012. We welcome 24 Environmental Health Inspectors seconded by the Provincial Government. We believe their presence will add value in terms of provision of services such as approval of building plans and inspection of business premises. These services will add value to our people as well as generating the much needed revenue for the municipality.

### **Planning and Economic Development**

The department deals with functions such as promotion of local economic development and spatial planning.

The department is allocated R10 516 661,07 which represents 19% increase from the previous allocation. This increase is attributed to new projects such as development of Jane-Furse as a modern town with diverse land use establishments.

### **Budget and Treasury**

The department is charged with a responsibility of ensuring prudent financial management and viability of the Institution.

The department's allocation is R67 646 262, 39 which represents 24% increase from the previous budget. This increase is attributed to programs such as improving our financial systems geared towards operation clean audit and building internal capacity.

### **Corporate Services**

The department is tasked with human resources management and development within the municipality.

Allocation for 2012-2013 is R50 879635.71 representing 15% increase from the previous budget. The increase is attributed to programs such as Business Processing Engineering geared towards repositioning the institutions systems and capacity to deliver services.

### **Speaker's Office**

This the legislative arm of the Municipality, tasked with the responsibility of making laws, facilitating public participation and ensuring functionality of council.

The allocation for 2012-2013 financial year is R20 584 508, 51 Representing 68% increase from last year's allocation. The increase is due to relocation of some functions from Executive Mayor's office as well as establishment of speaker's office.

### **Executive Mayor's Office**

The office is responsible among other things for implementation of political decisions, social cohesions and nation building.

The departmental allocation is R18 528 220,86 representing 4% decline from last year's allocation. This is attributed to relocation of some functions to speaker's office

### **Sekhukhune Development Agency**

This is the special purpose vehicle for economic development and job creation. The agency is allocated R2 400 000 , this represents 30% increase from last year's allocation is the agency seeks to exact its presence through implementation of projects and programs.

### **Tariff Increases**

In setting up our tariffs, we have ensured that community consultations are taken into consideration. Our approach in creating tariffs is to ensure that tariffs are affordable but at the same time giving the municipality an opportunity to recover cost and be sustainable.

The need of poor and vulnerable people is also taken into consideration through our indigent policy and other government interventions.

SDM has embarked in a process of aligning the local tariffs with those of the district municipality. This process will be done on a three year cycle starting from 2011-2014.

### **Tariffs for water**

Basic charge for water decreases from R68, 50 to R34, 25 for residential users and increase from R89, 82 to R98, 80 for business use.

Consumption per kl for residential increase from R2.89 to R4, 42 and for business from R3, 33 to R5,01.

## **Tariffs for Environmental Health Services**

Approval of building plans – R70.00 per plan.

Inspection of business premises – R80.00 per inspection.

### **In conclusion**

This budget we have presented here today is clearly not sufficient to address all our historical service delivery and developmental backlogs, but it is certainly geared towards reducing the backlog and giving our people much needed basic services

In the context of prudent financial management amidst hostile global economic conditions, we will have to put extra efforts and measures in ensuring that each and every cent of this budget is used for its intended purpose

Our limited fiscal capacity also directs us to explore other forms of funding through private funding and partnerships. We will also have to strengthen our capacity and efforts in improving revenue generation.

I now table before you the 2012/2013 IDP/Budget; budget related policies and tariffs for consideration by this council.

I thank you!

## 1.2 Council Resolutions



SEKHUKHUNE  
District Municipality

Private Bag X8611 Groblersdal 0470, 3 West Street Groblersdal 0470  
Tel : (013) 262 7300, Fax: (013) 262 3688  
E-Mail : sekinfo@sekhukhune.co.za

### **CERTIFIED COUNCIL RESOLUTION**

The Council at its Ordinary Meeting held on the 29 May 2012 under:

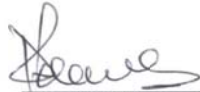
**OC 01/05/12      DRAFT INTEGRATED DEVELOPMENT PLAN (IDP)  
AND BUDGET 2012/13**

#### **Resolved**

1. That Council approves the Annual Budget and Integrated Development Plan for the financial year 2012/2013 and the two projected outer years 2013/2014 and 2014/2015 as set out in the following schedules:
  - 1.1 Operating revenue by source
  - 1.2 Operating expenditure by GFS classification
  - 1.3 Capital expenditure by GFS classification
  - 1.4 Capital funding by source reflected in Schedule 4
- 2 That Council approves the Budget Related Policies as stated below:
  - a. Asset management policy
  - b. Credit Control and Debt Collection policy
  - c. Cash and Investment policy
  - d. Budget Policy
  - e. Tariff Policy and its schedules
  - f. Indigent policy
  - g. Free Basic Water Policy
  - h. Funding and Reserves Policy
  - i. Virement Policy
  - j. Supply Chain Management Policy



- 3 That Council approves the attached applicable tariffs for the 2012/13 financial year.
- 4 That Council notes the Council resolution (OC 09/03/12) on the existing organogram for 2011/2012 to be utilised until the outcome of the business process re-engineering.
- 5 That the municipal manager submits the Integrated Development Plan and Budget to the relevant spheres of government as required by legislation.
- 6 That Council notes the 2012/13 IDP/Budget Public Participation Report.



**CERTIFIED AS TRUE RESOLUTION  
COUNCIL SECRETARY  
MABELANE T.D**

*5/06/2012*  
**DATE**



SEKHUKHUNE  
District Municipality

Private Bag X8611 Groblersdal 0470, 3 West Street Groblersdal 0470  
Tel : (013) 262 7300, Fax: (013) 262 3688  
E-Mail : sekinfo@sekhukhune.co.za

**CERTIFIED COUNCIL RESOLUTION**

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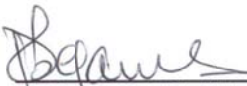
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OC 002/05/12	2012 – 2013 PLANNED SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLANS REF: SPC 05/2012
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**Resolved**

1. That Council notes the Draft 2012-2013 Planned SDBIP.

  
\_\_\_\_\_  
CERTIFIED AS TRUE RESOLUTION  
COUNCIL SECRETARY  
MABELANE T.D

5/06/2012  
DATE

### 1.3 Executive Summary

This budget is compiled in line with the Municipal Budgeting and Reporting Regulation (MBRR) notice no. 31804 of 2009.

The Municipality engaged with 1, 2 Million citizens through various forums such as Integrated Development Plan/Budget Consultations in the local municipalities, district and Mayoral engagements in order to gauge the status on the ground as well as preparing a plan and budget to address the needs of communities within the limited budget that we have.

In the 2012/2013 financial year, the district has allocated R814, 2 Million towards Capital Projects. All these projects are directed towards provision of Water and Sanitation to various communities in the district in line with the Millennium Development Goals and Vision 2014 to ensure that all households have access to basic water services. A further R454, 5 Million is allocated towards operations to ensure that basics are in place for the organisational machinery to work towards supporting service delivery. The total budget for 2012/2013 is therefore amounting to R1, 2 Billion.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2012/13 Medium-term Revenue and Expenditure Framework:

**Table 1 Consolidated Overview of the 2012/13 MTREF**

	Adjusted Budget 2011/12	Proposed Budget 2012/2013	Estimates 2013/2014	Estimates 2014/2015
Total Operating Revenue	480 754 583	454 559 600	439 567 700	479 728 200
Total Operating Expenditure	421 003 556	454 559 600	439 567 000	479 728 200
Surplus/Deficit for the Year	59 751 027	0	0	0
Total Capital Expenditure	<b>549 638 583</b>	<b>814 282 000</b>	<b>828 638 000</b>	<b>1 009 105 000</b>

### 1.4 Operating Revenue Framework

The following table is a summary of the 2012/13 MTREF (classified by main revenue source):

The proposed operating revenue amounts to R454 559 Million while operating expenditure amounts to R454 559 Million. The biggest challenge is that the district continues to rely heavily on grants allocated by National Government.

**Table 2 Summary of revenue classified by main revenue source**

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
<b>R thousand</b>	1										
<b>Revenue By Source</b>											
Property rates	2	-	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	975	30 704	(1 276)	28 900	27 705	27 705	27 705	24 360	28 356	31 772
Service charges - sanitation revenue	2	-	-	-	-	3 500	3 500	3 500	3 695	4 064	4 471
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - other											
Rental of facilities and equipment											
Interest earned - external investments		52 179	18 747	18 747	8 000	8 000	8 000	8 000	7 000	7 700	8 470
Interest earned - outstanding debtors									250	275	303
Dividends received											
Fines											
Licences and permits											
Agency services											
Transfers recognised - operational		536 469	501 802	501 802	365 772	365 525	365 525	365 525	379 195	394 729	424 645
Other revenue	2	453	1 191	28	107 483	83 855	83 855	83 855	40 060	4 444	4 889
Gains on disposal of PPE		-	624	624							
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>590 075</b>	<b>553 068</b>	<b>519 925</b>	<b>510 155</b>	<b>488 585</b>	<b>488 585</b>	<b>488 585</b>	<b>454 560</b>	<b>439 568</b>	<b>474 551</b>

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

**Table 3 Operating Transfers and Grant Receipts**

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>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
National Government:		-	-	-	378 105	377 858	377 858	379 195	398 729	429 145
Local Government Equitable Share					330 877	330 877	330 877	365 585	392 479	422 445
Water Services Operating Subsidy					28 855	29 108	29 108	7 860	-	-
Municipal Systems Improvement					790	790	790	1 000	1 000	950
Finance Management					1 250	1 250	1 250	1 250	1 250	1 250
EPWP Incentive					12 333	12 333	12 333	-	-	-
MIG Operational					4 000	3 500	3 500	3 500	4 000	4 500
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
EPWP Incentive										
<b>Total Operating Transfers and Grants</b>	5	-	-	-	378 105	377 858	377 858	379 195	398 729	429 145

## 1.5 Operating Expenditure Framework

The District expenditure framework for the 2012/13 budget and MTREF is informed by the following:

- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to the backlog eradication plan;

The following table is a high level summary of the 2012/13 budget and MTREF (classified per main type of operating expenditure):

**Table 4**

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
<b>Expenditure By Type</b>											
Employee related costs	2	106 845	143 464	201 553	186 294	189 831	189 831	189 831	198 818	209 355	219 614
Remuneration of councillors		-	-	-	-	-	-	-	7 958	8 379	8 790
Debt impairment	3	3 622	3 569	11 354	-	-	-	-	-	-	-
Depreciation & asset impairment	2	83 806	101 503	-	-	-	-	-	-	-	-
Finance charges		1 735	650	1 177	-	-	-	-	240	253	267
Bulk purchases	2	300	63 893	-	43 763	35 871	35 871	35 871	47 130	49 628	52 060
Other materials	8	-	-	-	-	-	-	-	17 080	-	-
Contracted services		-	-	-	32 923	61 583	61 583	61 584	47 386	49 897	52 342
Transfers and grants		-	-	-	-	-	-	-	-	-	-
Other expenditure	4, 5	201 816	248 065	6 976	114 677	-	-	-	135 948	138 823	136 378
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>398 124</b>	<b>561 144</b>	<b>221 060</b>	<b>377 657</b>	<b>287 285</b>	<b>287 285</b>	<b>287 286</b>	<b>454 560</b>	<b>456 336</b>	<b>469 451</b>

The budgeted allocation for employee related costs for the 2012/13 financial year totals R198 818 000, which equals 44% of the total operating expenditure. Based on the three year collective SALGBC agreement, salary increases have been factored into this budget at a % increase of 7% for the 2012/13 financial year. An annual increase of 5.3% and 4.9% has been included in the two outer years of the MTREF.

**Table 5: Operations; Repairs and Maintenance**

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
Bulk purchases	2	300	63 893	-	43 763	35 871	35 871	35 871	47 130	49 628	52 060
Other materials	8	-	-	-	-	-	-	-	17 080	-	-
Contracted services		-	-	-	32 923	61 583	61 583	61 584	47 386	49 897	52 342

The above table illustrates the Operations and Maintenance of Sekhukhune District Municipality for financial period of 2012/2013. This excludes salaries for operation and maintenance.

The Bulk purchases amounts to the value of R 47 130 200 and contracted services amounts to R47 386 000.

The Repairs and Maintenance amounts to R17 080 000; which is 3.8% of total operational expenditure. The municipality the below challenges in not meeting the required 8% Operations and maintenance is stipulated:

- Aging infrastructure which is costly to maintain.
- Poor cost recovery culture.
- Lack of deserving infrastructure legible for cost recovery and inadequate water sources to support water provision and therefore cost recovery.
- Ill-conceived resources transfer from the DWAF that is aging water and unskilled staff and inappropriate.

## **1.6 Budget Tables**

The following present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2012/13 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory notes* on the facing page.





## Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the District'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.

**Table 7 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)**

DC47 Sekhukhune - 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										
<b>Revenue - Standard</b>										
<i>Governance and administration</i>	1	590 075	553 068	806 089	10 249 040	1 006 031	1 006 031	426 040	406 637	440 744
Executive and council		975	600	806 089	1 200	2 400	2 400	2 400	-	-
Budget and treasury office		589 101	552 468	-	10 247 840	1 003 631	1 003 631	423 640	406 637	440 744
Corporate services		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	-	-	360	465	465	512	561
Community and social services		-	-	-	-	360	465	465	512	561
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	38 374	28 900	31 245	31 245	28 055	32 420	36 243
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	38 374	28 900	31 245	31 245	28 055	32 420	36 243
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Standard</b>	2	590 075	553 068	844 463	10 277 940	1 037 636	1 037 741	454 560	439 568	477 548
<b>Expenditure - Standard</b>										
<i>Governance and administration</i>		160 844	241 885	136 333	165 958	170 490	170 490	188 527	198 518	211 045
Executive and council		37 299	45 664	56 992	63 568	64 868	64 868	74 501	78 449	82 293
Budget and treasury office		113 362	183 903	45 636	55 252	56 032	56 032	65 946	69 441	72 844
Corporate services		10 182	12 318	33 705	47 138	49 590	49 590	48 080	50 628	55 908
<i>Community and public safety</i>		27 020	24 600	38 968	36 676	37 876	37 876	35 848	37 748	39 598
Community and social services		27 020	24 600	38 968	36 676	37 876	37 876	35 848	37 748	39 598
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		20 096	20 051	13 542	15 691	14 491	14 491	10 517	11 074	11 617
Planning and development		20 096	20 051	13 542	15 691	14 491	14 491	10 517	11 074	11 617
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		191 334	284 850	281 603	194 997	194 997	194 997	219 668	226 046	237 122
Electricity		-	-	-	-	-	-	-	-	-
Water		191 334	284 850	281 603	194 997	194 997	194 997	219 668	226 046	237 122
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Standard</b>	3	399 293	571 386	470 447	413 322	417 854	417 854	454 560	473 386	499 381
<b>Surplus/(Deficit) for the year</b>		190 782	(18 318)	374 016	9 864 618	619 782	619 887	(0)	(33 819)	(21 833)

**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. The modified GFS standard classification divides the municipal services into 15 functional areas. 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 recognised – capital) and so does not balance to the operating revenue shown on Table A4. Due to two grants that are not committed.

**Table 8 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)**

DC47 Sekhukhune - 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>Revenue by Vote</b>										
Vote 1 - [EXCUTIVE COUNCIL]	1	975	600	-	-	-	-	-	-	-
Vote 2 - [MUNICIPAL MANGER]		-	-	-	-	-	-	-	-	-
Vote 3 - [CORPORATE SERVICES]		-	-	-	-	-	-	-	-	-
Vote 4 - [PLANNING AND LOCAL ECONOMIC DEVE]		-	-	-	-	-	-	-	-	-
Vote 5 - [COMMUNITY SERVICES]		-	-	-	-	360	465	465	512	561
Vote 6 - [BUDGET AND TREASURY]		589 101	552 468	806 089	659 012	638 229	638 229	426 040	406 637	440 744
Vote 7 - [INFRASTRUCTURE AND WATER SERVIC]		-	-	38 374	28 900	31 245	31 245	28 055	32 420	36 243
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
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>Total Revenue by Vote</b>	2	<b>590 075</b>	<b>553 068</b>	<b>844 463</b>	<b>687 912</b>	<b>669 834</b>	<b>669 939</b>	<b>454 560</b>	<b>439 568</b>	<b>477 548</b>
<b>Expenditure by Vote to be appropriated</b>										
Vote 1 - [EXCUTIVE COUNCIL]	1	32 572	39 456	31 002	33 603	64 868	64 868	41 513	43 713	45 855
Vote 2 - [MUNICIPAL MANGER]		4 727	6 208	27 263	29 965	31 265	31 265	32 988	34 736	36 438
Vote 3 - [CORPORATE SERVICES]		39 859	48 417	77 997	62 829	65 529	65 529	48 080	50 628	55 908
Vote 4 - [PLANNING AND LOCAL ECONOMIC DEVE]		-	-	-	-	-	-	10 517	11 074	11 617
Vote 5 - [COMMUNITY SERVICES]		27 020	24 600	25 637	36 676	37 876	37 876	35 848	37 748	39 598
Vote 6 - [BUDGET AND TREASURY]		102 035	166 109	46 914	55 252	56 032	56 032	65 946	69 441	72 844
Vote 7 - [INFRASTRUCTURE AND WATER SERVIC]		191 334	284 850	210 903	194 998	194 998	194 998	219 668	226 046	237 122
Vote 8 - [NAME OF VOTE 8]		1 746	1 746	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
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>Total Expenditure by Vote</b>	2	<b>399 293</b>	<b>571 386</b>	<b>419 716</b>	<b>413 323</b>	<b>450 568</b>	<b>450 568</b>	<b>454 560</b>	<b>473 386</b>	<b>499 382</b>
<b>Surplus/(Deficit) for the year</b>	2	<b>190 782</b>	<b>(18 318)</b>	<b>424 747</b>	<b>274 589</b>	<b>219 265</b>	<b>219 370</b>	<b>(0)</b>	<b>(33 818)</b>	<b>(21 833)</b>

## 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 District. This means it is possible to present the operating surplus or deficit of a vote.

### Table 9 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

DC47 Sekhukhune - 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	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>Revenue By Source</b>											
Property rates	2	-	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	975	30 704	(1 276)	28 900	27 705	27 705	27 705	24 360	28 356	31 772
Service charges - sanitation revenue	2	-	-	-	-	3 500	3 500	3 500	3 695	4 064	4 471
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - other		-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		-	-	-	-	-	-	-	-	-	-
Interest earned - external investments		52 179	18 747	18 747	8 000	8 000	8 000	8 000	7 000	7 700	8 470
Interest earned - outstanding debtors		-	-	-	-	-	-	-	250	275	303
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines		-	-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-	-
Transfers recognised - operational		536 469	501 802	501 802	365 772	365 525	365 525	365 525	379 195	394 729	424 645
Other revenue	2	453	1 191	28	107 483	83 855	83 855	83 855	40 060	4 444	4 889
Gains on disposal of PPE		-	624	624	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>590 075</b>	<b>553 068</b>	<b>519 925</b>	<b>510 155</b>	<b>488 585</b>	<b>488 585</b>	<b>488 585</b>	<b>454 560</b>	<b>439 568</b>	<b>474 551</b>
<b>Expenditure By Type</b>											
Employee related costs	2	106 845	143 464	201 553	186 294	189 831	189 831	189 831	198 818	209 355	219 614
Remuneration of councillors		-	-	-	-	67 355	7 653	7 653	7 958	8 379	8 790
Debt impairment	3	3 622	3 569	11 354	-	-	-	-	-	-	-
Depreciation & asset impairment	2	83 806	101 503	-	-	-	-	-	-	-	-
Finance charges		1 735	650	1 177	-	73	223	223	240	253	267
Bulk purchases	2	300	63 893	-	43 763	35 871	35 871	35 871	47 130	49 628	52 060
Other materials	8	-	-	-	-	-	-	-	17 080	-	-
Contracted services		-	-	-	32 923	61 583	61 583	61 584	47 386	49 897	52 342
Transfers and grants		-	-	-	-	-	-	-	2 400	2 527	2 651
Other expenditure	4, 5	201 816	248 065	6 976	114 677	-	-	-	133 548	138 823	136 378
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>398 124</b>	<b>561 144</b>	<b>221 060</b>	<b>377 657</b>	<b>354 713</b>	<b>295 161</b>	<b>295 162</b>	<b>454 560</b>	<b>458 863</b>	<b>472 102</b>
<b>Surplus/(Deficit)</b>											
Transfers recognised - capital		191 951	(8 076)	298 865	132 498	133 871	193 423	193 423	0	(19 296)	2 449
Contributions recognised - capital		-	-	416 395	481 229	523 129	-	-	814 282	828 638	1 009 105
Contributed assets		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>191 951</b>	<b>(8 076)</b>	<b>715 260</b>	<b>613 727</b>	<b>657 000</b>	<b>193 423</b>	<b>193 423</b>	<b>814 282</b>	<b>809 342</b>	<b>1 011 554</b>
Taxation		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>191 951</b>	<b>(8 076)</b>	<b>715 260</b>	<b>613 727</b>	<b>657 000</b>	<b>193 423</b>	<b>193 423</b>	<b>814 282</b>	<b>809 342</b>	<b>1 011 554</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>191 951</b>	<b>(8 076)</b>	<b>715 260</b>	<b>613 727</b>	<b>657 000</b>	<b>193 423</b>	<b>193 423</b>	<b>814 282</b>	<b>809 342</b>	<b>1 011 554</b>
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>		<b>191 951</b>	<b>(8 076)</b>	<b>715 260</b>	<b>613 727</b>	<b>657 000</b>	<b>193 423</b>	<b>193 423</b>	<b>814 282</b>	<b>809 342</b>	<b>1 011 554</b>

**Table 10: MBRR Table A5 – Budget Capital Expenditure by vote, standard classification and funding source**

DC47 Sekhukhune - 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
<b>Capital expenditure - Vote</b>											
<b>Multi-year expenditure to be appropriated</b>	2										
Vote 1 - [EXECUTIVE COUNCIL]		-	-	-	-	-	-	-	-	-	-
Vote 2 - [MUNICIPAL MANGER]		-	-	-	-	-	-	-	-	-	-
Vote 3 - [CORPORATE SERVICES]		869	7 700	3 000	3 000	2 000	2 000	2 000	-	-	-
Vote 4 - [PLANNING AND LOCAL ECONOMIC DEVELOPMENT]		2 100	2 100	-	-	-	-	-	-	-	-
Vote 5 - [COMMUNITY SERVICES]		-	7 200	5 000	4 000	7 401	7 401	7 401	-	-	-
Vote 6 - [BUDGET AND TREASURY]		3 812	11 232	10 992	2 850	2 062	2 062	2 062	-	-	-
Vote 7 - [INFRASTRUCTURE AND WATER SERVICES]		358 406	487 063	331 011	481 229	542 470	518 602	1 163 902	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
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	365 186	515 295	350 003	491 079	553 933	530 065	1 175 365	-	-	-
<b>Single-year expenditure to be appropriated</b>	2										
Vote 1 - [EXECUTIVE COUNCIL]		-	-	-	-	-	-	-	-	-	-
Vote 2 - [MUNICIPAL MANGER]		-	-	-	-	-	-	-	-	-	-
Vote 3 - [CORPORATE SERVICES]		-	-	-	-	-	-	2 800	2 951	3 111	
Vote 4 - [PLANNING AND LOCAL ECONOMIC DEVELOPMENT]		-	-	-	-	-	-	-	-	-	
Vote 5 - [COMMUNITY SERVICES]		-	-	-	-	-	-	300	158	167	
Vote 6 - [BUDGET AND TREASURY]		-	-	-	-	-	-	1 700	1 792	1 889	
Vote 7 - [INFRASTRUCTURE AND WATER SERVICES]		-	-	-	-	-	-	809 348	-	-	
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	
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 single-year expenditure sub-total</b>		-	-	-	-	-	-	814 148	4 901	5 166	
<b>Total Capital Expenditure - Vote</b>		365 186	515 295	350 003	491 079	553 933	530 065	1 175 365	814 148	4 901	5 166
<b>Capital Expenditure - Standard</b>											
<b>Governance and administration</b>		4 408	18 692	2 094	6 750	4 962	4 962	2 062	4 500	4 743	4 902
Executive and council		597	-	-	-	-	-	-	-	-	-
Budget and treasury office		3 812	10 992	297	2 850	2 062	2 062	2 062	1 700	1 792	1 792
Corporate services		-	7 700	1 797	3 900	2 900	2 900	2 800	2 951	3 111	
<b>Community and public safety</b>		6 353	25 518	10 443	550	350	350	350	300	158	167
Community and social services		6 353	16 168	10 443	550	350	350	350	300	158	167
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		-	8 550	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	800	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		2 370	18 100	40 243	-	-	-	-	-	-	-
Planning and development		2 370	2 100	-	-	-	-	-	-	-	-
Road transport		-	16 000	40 243	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		331 307	424 089	259 872	-	-	-	-	809 348	-	-
Electricity		72 919	173 665	4 344	-	-	-	-	-	-	-
Water		258 388	250 424	239 991	-	-	-	-	694 634	-	-
Waste water management		-	-	15 538	-	-	-	-	114 714	-	-
Waste management		-	-	-	-	-	-	-	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Standard</b>	3	344 438	486 399	312 653	7 300	5 312	5 312	2 412	814 148	4 901	5 069
<b>Funded by:</b>											
National Government		2 371 100	242 192	343 211	128 688	177 150	177 150	177 150	397 110	388 175	528 056
Provincial Government		-	66 000	8 800	352 541	352 541	352 541	352 541	417 172	440 463	481 049
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	2 371 100	308 192	352 011	481 229	529 691	529 691	529 691	814 282	828 638	1 009 105
Public contributions & donations	5	-	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		-	238 703	19 785	9 300	19 992	19 992	19 992	4 800	5 054	5 302
<b>Total Capital Funding</b>	7	2 371 100	546 895	371 796	490 529	549 683	549 683	549 683	819 082	833 692	1 014 407

**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 appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations.
3. Single-year capital expenditure has been appropriated at R814 282 million for the 2012/13 financial year.
4. The capital programme is funded from capital and provincial grants and transfer.

**Table 11 MBRR Table A6 - Budgeted Financial Position**

DC47 Sekhukhune - 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
<b>ASSETS</b>											
<b>Current assets</b>											
Cash		152 686	21 099	19 413	19 413	19 413	19 413	19 413			
Call investment deposits	1	215 916	31 814	-	-	-	-	-			
Consumer debtors	1	511	22 701	27 807	27 807	27 807	25 336	25 336	29 000	33 060	37 689
Other debtors		21 959	(2 098)	-	-	-	-	-			
Current portion of long-term receivables		-	-	-	-	-	-	-			
Inventory	2	-	3 957	2 631	2 632	2 632	2 632	2 632			
<b>Total current assets</b>		<b>391 071</b>	<b>77 473</b>	<b>49 851</b>	<b>49 852</b>	<b>49 852</b>	<b>47 381</b>	<b>47 381</b>	<b>29 000</b>	<b>33 060</b>	<b>37 689</b>
<b>Non current assets</b>											
Long-term receivables		-	-	-	-	-	-	-			
Investments		-	-	-	-	-	-	-			
Investment property		-	-	-	-	-	430 000	430 000	430 000	452 790	474 977
Investment in Associate		-	-	-	-	-	-	-			
Property, plant and equipment	3	2 773 200	3 119 366	3 007 852	3 306 096	3 306 096	3 306 096	3 306 096	4 125 178		
Agricultural		-	-	-	-	-	-	-			
Biological		-	-	-	-	-	-	-			
Intangible		-	-	-	-	-	-	-			
Other non-current assets		-	-	-	5 000	5 000	5 000	5 000			
<b>Total non current assets</b>		<b>2 773 200</b>	<b>3 119 366</b>	<b>3 007 852</b>	<b>3 311 096</b>	<b>3 311 096</b>	<b>3 741 096</b>	<b>3 741 096</b>	<b>4 555 178</b>	<b>452 790</b>	<b>474 977</b>
<b>TOTAL ASSETS</b>		<b>3 164 271</b>	<b>3 196 839</b>	<b>3 057 703</b>	<b>3 360 948</b>	<b>3 360 948</b>	<b>3 788 476</b>	<b>3 788 476</b>	<b>4 584 178</b>	<b>485 850</b>	<b>512 665</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft	1	9 427	-	-	-	-	-	-			
Borrowing	4	15 676	8 454	609	-	-	-	-			
Consumer deposits		-	-	-	-	-	-	-			
Trade and other payables	4	169 907	306 236	879 358	-	289 828	299 543	299 543	11 075	12 626	14 393
Provisions		582	7 358	21 451	-	-	-	-			
<b>Total current liabilities</b>		<b>195 593</b>	<b>322 048</b>	<b>901 418</b>	<b>-</b>	<b>289 828</b>	<b>299 543</b>	<b>299 543</b>	<b>11 075</b>	<b>12 626</b>	<b>14 393</b>
<b>Non current liabilities</b>											
Borrowing		3 369	2 748	6 758	1 126	1 126	1 126	1 126	1 126	1 126	1 126
Provisions		42 804	36 462	21 451	-	-	-	-			
<b>Total non current liabilities</b>		<b>46 172</b>	<b>39 210</b>	<b>28 210</b>	<b>1 126</b>	<b>1 126</b>	<b>1 126</b>	<b>1 126</b>	<b>1 126</b>	<b>1 126</b>	<b>1 126</b>
<b>TOTAL LIABILITIES</b>		<b>241 765</b>	<b>361 258</b>	<b>929 628</b>	<b>1 126</b>	<b>290 954</b>	<b>300 669</b>	<b>300 669</b>	<b>12 201</b>	<b>13 751</b>	<b>15 519</b>
<b>NET ASSETS</b>	5	<b>2 922 506</b>	<b>2 835 581</b>	<b>2 128 075</b>	<b>3 359 822</b>	<b>3 069 994</b>	<b>3 487 808</b>	<b>3 487 808</b>	<b>4 571 977</b>	<b>472 099</b>	<b>497 146</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated Surplus/(Deficit)		2 922 506	2 835 581	2 434 353	-	-	-	-			
Reserves	4	(0)	(0)	-	-	-	-	-			
Minorities' interests		-	-	-	-	-	-	-			
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	5	<b>2 922 506</b>	<b>2 835 581</b>	<b>2 434 353</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**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.
- This is supported by an extensive table of notes (SA3) providing a detailed analysis of the major components of a number of items, including:
  - Call investments deposits;



- Consumer debtors;
- Property, plant and equipment;
- Trade and other payables;
- Changes in net assets; and Reserves

**Table 42 MBRR Table A7 - Budgeted Cash Flow Statement**

DC47 Sekhukhune - 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
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Ratepayers and other		(21 041)	33 762	18 846	123 983	102 830	102 830	102 830	69 915	33 564	35 046
Government - operating	1	536 469	501 802	(4 629)	365 772	365 272	365 272	365 272	379 195	394 729	424 645
Government - capital	1			11 118	522 629	523 382	523 382	523 382	814 282	828 638	1 009 105
Interest		52 179	18 747	31 166	12 400	12 400	12 400	12 400	10 250	11 275	15 130
Dividends											
<b>Payments</b>											
Suppliers and employees		(103 929)	(337 729)	(372 542)	(413 249)	(417 557)	(417 557)	(417 557)	(450 720)	(475 848)	(501 783)
Finance charges		(1 735)	(650)		(73)	(223)	(223)	(223)	(240)	(253)	(267)
Transfers and Grants	1				(1 200)	(2 400)	(2 400)	(2 400)	(2 400)		
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		461 941	215 931	(316 041)	610 262	583 704	583 704	583 704	820 282	792 105	981 876
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		-	624								
Decrease (Increase) in non-current debtors											
Decrease (Increase) other non-current receivables											
Decrease (Increase) in non-current investments		(215 916)	184 102	31 814							
<b>Payments</b>											
Capital assets				(4 131)	(558 463)	(549 683)	(549 683)	(549 683)	(814 282)	-	-
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		(215 916)	184 726	27 683	(558 463)	(549 683)	(549 683)	(549 683)	(814 282)	-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans											
Borrowing long term/refinancing		19 045	-								
Increase (decrease) in consumer deposits											
<b>Payments</b>											
Repayment of borrowing			(7 842)		(1 012)	(1 162)	(1 162)		(1 200)	(1 265)	(1 333)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		19 045	(7 842)	-	(1 012)	(1 162)	(1 162)	-	(1 200)	(1 265)	(1 333)
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		265 070	392 815	(288 358)	50 787	32 859	32 859	34 021	4 800	790 840	980 543
Cash/cash equivalents at the year begin:	2		265 070	657 885	369 527			-	34 021	38 821	829 661
Cash/cash equivalents at the year end:	2	265 070	657 885	369 527	420 314	32 859	32 859	34 021	38 821	829 661	1 810 204

**Table 53 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation**

DC47 Sekhukhune - 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
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	265 070	657 885	369 527	420 314	32 859	32 859	34 021	38 821	829 661	1 810 204
Other current investments > 90 days		94 105	(604 972)	(350 114)	(400 901)	(13 446)	(13 446)	(14 608)	(38 821)	(829 661)	(1 810 204)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		359 175	52 913	19 413	19 413	19 413	19 413	19 413	-	-	-
<b>Application of cash and investments</b>											
Unspent conditional transfers		142 118	242 013	3 511	-	289 828	289 828	289 828	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	536 266	160 275	1 388 915	(25 279)	(24 851)	(12 928)	(12 928)	(18 583)	(17 252)	(17 484)
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
<b>Total Application of cash and investments:</b>		678 384	402 289	1 392 426	(25 279)	264 977	276 900	276 900	(18 583)	(17 252)	(17 484)
<b>Surplus(shortfall)</b>		(319 209)	(349 376)	(1 373 013)	44 692	(245 564)	(257 487)	(257 487)	18 583	17 252	17 484

### **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.

### **Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation**

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.

### **Table 64 MBRR Table A9 - Asset Management**

DC47 Sekhukhune - 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>R thousand</b>										
<b>CAPITAL EXPENDITURE</b>										
<b>Total New Assets</b>	1	378 573	492 158	458 434	490 529	490 529	490 529	775 548	-	-
Infrastructure - Road transport		12 276	144 245	69 374	29 521	29 521	29 521	-	-	-
Infrastructure - Electricity		72 919	46 195	5 376	-	-	-	-	-	-
Infrastructure - Water		263 909	207 253	341 094	378 594	378 594	378 594	679 034	-	-
Infrastructure - Sanitation		2 157	44 089	26 831	73 114	73 114	73 114	91 714	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		351 261	441 782	442 675	481 229	481 229	481 229	770 748	-	-
Community		6 353	9 226	9 909	4 000	4 000	4 000	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	20 959	41 150	5 850	5 300	5 300	5 300	4 800	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
<b>Total Renewal of Existing Assets</b>	2	-	9 226	31 509	7 750	7 750	7 750	38 600	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	16 800	-	-	-	15 600	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	23 000	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	16 800	-	-	-	38 600	-	-
Community		-	9 226	9 909	4 000	4 000	4 000	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	-	-	4 800	3 750	3 750	3 750	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure</b>	4	-	9 226	31 509	7 750	7 750	7 750	38 600	-	-
Infrastructure - Road transport		12 276	144 245	69 374	29 521	29 521	29 521	-	-	-
Infrastructure - Electricity		72 919	46 195	5 376	-	-	-	-	-	-
Infrastructure - Water		263 909	207 253	357 894	378 594	378 594	378 594	694 634	-	-
Infrastructure - Sanitation		2 157	44 089	26 831	73 114	73 114	73 114	114 714	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		351 261	441 782	459 475	481 229	481 229	481 229	809 348	-	-
Community		6 353	18 452	19 818	8 000	8 000	8 000	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		20 959	41 150	10 650	9 050	9 050	9 050	4 800	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>	2	378 573	501 384	489 943	498 279	498 279	498 279	814 148	-	-
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>										
Infrastructure - Road transport	5	917 367	859 790	850 188	36 201	22 908	22 908	-	-	-
Infrastructure - Electricity		-	-	-	286	286	286	-	-	-
Infrastructure - Water		894 055	853 739	825 183	438 404	459 599	459 599	694 634	-	-
Infrastructure - Sanitation		127 055	123 334	119 634	67 580	56 177	56 177	114 714	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		1 938 477	1 836 863	1 795 005	542 471	538 970	538 970	809 348	-	-
Community		30 738	7 728	6 280	7 401	5 401	5 401	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	430 000	430 000	452 790	474 977
Other assets		780 853	1 163 261	1 504 810	8 592	5 312	5 312	4 800	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	2 750 067	3 007 852	3 306 096	558 464	549 683	979 683	1 244 148	452 790	474 977
<b>EXPENDITURE OTHER ITEMS</b>										
Depreciation & asset impairment	3	83 806	101 503	-	-	-	-	-	-	-
Repairs and Maintenance by Asset Class		-	-	-	-	-	-	17 080	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	17 080	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	17 080	-	-
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6, 7	-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE OTHER ITEMS</b>		83 806	101 503	-	-	-	-	17 080	-	-
<i>Renewal of Existing Assets as % of total capex</i>		0.0%	1.8%	6.4%	1.6%	1.6%	1.6%	4.7%	0.0%	0.0%
<i>Renewal of Existing Assets as % of deprecn"</i>		0.0%	9.1%	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%	0.0%	0.0%	0.0%	0.0%	0.4%	0.0%	0.0%
<i>Renewal and R&amp;M as a % of PPE</i>		0.0%	0.0%	1.0%	1.0%	1.0%	1.0%	4.0%	0.0%	0.0%

Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6, 7	-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE OTHER ITEMS</b>		<b>83 806</b>	<b>101 503</b>	-	-	-	-	<b>17 080</b>	-	-
<i>Renewal of Existing Assets as % of total capex</i>		0.0%	1.8%	6.4%	1.6%	1.6%	1.6%	4.7%	0.0%	0.0%
<i>Renewal of Existing Assets as % of deprecn"</i>		0.0%	9.1%	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%	0.0%	0.0%	0.0%	0.0%	0.4%	0.0%	0.0%
<i>Renewal and R&amp;M as a % of PPE</i>		0.0%	0.0%	1.0%	1.0%	1.0%	1.0%	4.0%	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 or 10% of total operating expenditure. The District does not meet any of these recommendations.
3. The district has budgeted 4.7% of total Capital budget to Asset Renewal and 3.8% of total operating expenditure to Repairs and Maintenance.
4. The district's core function is to provide water and therefore we face huge challenge in collecting money as we service large portion of rural areas that normally don't have taps inside their yard .Therefore they end up sharing street tab. The other reason is that local municipalities within the district don't honour their Service Level Agreement and the matter is now referred to the political intervention.

### Table 15 MBRR Table A10 - Basic Service Delivery Measurement

DC47 Sekhukhune - Table A10 Basic service delivery measurement

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>Household service targets</b>	1									
<b>Water:</b>										
Piped water inside dwelling		5	6	49 269	23 096	23 096	23 096			
Piped water inside yard (but not in dwelling)		32	34	84 412	16 000	16 000	16 000			
Using public tap (at least min.service level)	2	69	77	112 859	123 403	123 403	123 403			
Other water supply (at least min.service level)	4	11	14	31 200	86 340	86 340	86 340			
<i>Minimum Service Level and Above sub-total</i>		117 328	130 512	277 740	248 839	248 839	248 839	-	-	-
Using public tap (< min.service level)	3	85	92							
Other water supply (< min.service level)	4	2	3	67 214	129 755	129 755	129 755			
No water supply		6	8							
<i>Below Minimum Service Level sub-total</i>		93 146	103 086	67 214	129 755	129 755	129 755	-	-	-
<b>Total number of households</b>	5	210 474	233 598	344 954	378 594	378 594	378 594	-	-	-
<b>Sanitation/sewerage:</b>										
Flush toilet (connected to sewerage)		9	9	2 200	18 775	18 775	18 775			
Flush toilet (with septic tank)		1	2							
Chemical toilet		-	-							
Pit toilet (ventilated)		31	39							
Other toilet provisions (> min.service level)		-	-	25 771	54 339	54 339	54 339			
<i>Minimum Service Level and Above sub-total</i>		41 286	49 676	27 971	73 114	73 114	73 114	-	-	-
Bucket toilet		-	-							
Other toilet provisions (< min.service level)		120	127							
No toilet provisions		49	57							
<i>Below Minimum Service Level sub-total</i>		168 993	183 953	-	-	-	-	-	-	-
<b>Total number of households</b>	5	210 279	233 629	27 971	73 114	73 114	73 114	-	-	-
<b>Energy:</b>										
Electricity (at least min.service level)				3 785						
Electricity - prepaid (min.service level)										
<i>Minimum Service Level and Above sub-total</i>		-	-	3 785	-	-	-	-	-	-
Electricity (< min.service level)										
Electricity - prepaid (< min. service level)										
Other energy sources										
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	3 785	-	-	-	-	-	-
<b>Refuse:</b>										
Removed at least once a week										
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Removed less frequently than once a week										
Using communal refuse dump										
Using own refuse dump										
Other rubbish disposal										
No rubbish disposal										
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Households receiving Free Basic Service</b>	7									
Water (6 kilolitres per household per month)		55	55							
Sanitation (free minimum level service)		31	39							
Electricity/other energy (50kwh per household per month)										
Refuse (removed at least once a week)										
<b>Cost of Free Basic Services provided (R'000)</b>	8									
Water (6 kilolitres per household per month)		30 438	30 438	41 040	41 040	45 965	45 965	54 238	57 113	59 911
Sanitation (free sanitation service)		18 103	38 774	1 944	1 944	1 439	1 439	1 496	1 575	1 652
Electricity/other energy (50kwh per household per month)										
Refuse (removed once a week)										
<b>Total cost of FBS provided (minimum social packa</b>		48 541	69 213	42 984	42 984	47 404	47 404	55 734	58 688	61 564
<b>Highest level of free service provided</b>										
Property rates (R value threshold)										
Water (kilolitres per household per month)				9	4 612	4 492	4 492	5 442		
Sanitation (kilolitres per household per month)					196	157	157	218		
Sanitation (Rand per household per month)				7						
Electricity (kwh per household per month)										
Refuse (average litres per week)										
<b>Revenue cost of free services provided (R'000)</b>	9									
Property rates (R15 000 threshold rebate)										
Property rates (other exemptions, reductions and rebates)										
Water		30 438	30 438	41 040	41 040	45 965	45 965	54 238	57 113	59 911
Sanitation		18 103	38 774	1 944	1 944	1 439	1 439	1 496	1 575	1 652
Electricity/other energy										
Refuse										
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
<b>Total revenue cost of free services provided (total social package)</b>	6	48 541	69 212	42 984	42 984	47 404	47 404	55 734	58 688	61 563

Electricity/other energy										
Refuse										
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other	6									
Total revenue cost of free services provided (total social package)		48 541	69 212	42 984	42 984	47 404	47 404	55 734	58 688	61 563

## Part 2 – Supporting Documentation

### 1.7 Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the MMC for Finance.

The primary aims of the Budget Steering Committee are to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the District's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

#### 1.7.1 Budget Process Plan Overview

Section 21 (1) (b) of Municipal Finance Management Act of 2003 prescribes that the Mayor of a municipality must at least 10 months before the start of a financial year, table in the council a time schedule outlining key deadlines for the preparation, approval and the review of the Integrated Development Plan. Local Government Municipal Systems Act of 2000 also prescribes the process to be followed by municipality to draft its IDP.

Scheduled below is the time table for the Sekhukhune District Municipality 2012/13-2015/16 IDP Process Plan.

**Table 16 Process Plan**

<b>DATES</b>	<b>ACTIVITIES</b>	<b>MONTH</b>
09 Jun 2011	Submit approved annual budget to National and Provincial Treasury (2011/2012 Financial year)	June 2011
	Review and finalization of the IDP process plan with the guidance of the Municipal Finance Management Act and Municipal Systems Act.	
10 Jun 2011	Tabling of the 2012/13-2015/16 IDP/Budget process plan as well as framework to District Development Planning Forum (DDPF)	
30 Jun 2011	Tabling of the 2012/13-2015/16 IDP/Budget process plan as well as framework to Council for noting	
04 July 2011	Desktop analysis	July 2011
28 July 2011	1 <sup>st</sup> IDP Representative Forum on the presentation of the Process Plan and the IDP Framework	
03 Aug 2011	Desktop analysis	August 2011
20 Aug 2011	Review previous year's budget and completion of Budget evaluation checklist (2010/2011 Financial Year)	
31 Aug 2010	Preparations and submission of Annual Financial Statements Identification of community needs	
30 Sep 2011	Consolidation of the identified community needs	September 2011
06 Oct 2011	Presentation of situational analysis to the 2 <sup>nd</sup> IDP Rep Forum.	Oct 2011
10 Oct 2011	Review/development of strategic priorities review of municipal vision and mission. Determination of strategic objectives for service delivery and development for the next three years budget including review of provincial and national sector and strategic plans.	Oct 2011
20 Oct 2011	Quarterly review of 2011/12 IDP/Budget and related policies.	October 2011
09 Nov 2011	Presentation of the development strategies to the IDP Managers' Forum	November 2011
15 Nov 2011	Presentation of development strategies to the District Development Planning Forum for inputs.	
24 Nov 2011	Presentation of the development strategies to the 3 <sup>rd</sup> IDP Rep Forum	

06 Dec 2011	Consolidation of programmes/projects from sector departments.	Dec 2011
	Oversight Committee appointed by Council to consider annual report.	
27 Jan 2012	Table adjusted 2011/12 IDP/Budget	January 2012
	Determination of revenue projections, proposed rates and service charges and draft budget allocations	
	Mid-year performance review, review IDP and related policies.	
	Tabling of Annual report to the Council.	
	Submit to AG, NT,PT and provincial department responsible for local government	
15 Feb 2011	Consolidation and verification of departmental projects	February 2012
24 Feb 2012	Submission of the Draft SDA Budget	
15 Mar 2012	Submission of the draft IDP/Budget and plans for the next three years to Management, Executive Mayor, Portfolio Committees and Mayoral Committee	March 2012
	Issue notice of Council meeting to consider proposed the 2012/13-2015/16 IDP/Budget draft.	
31 Mar 2011	Tabling of Draft 2012/13-2015/16 IDP/Budget to council.	
	Make draft 2012/13-2015/16 IDP/Budget available to public, National Treasury, Provincial Treasury and other government departments.	
	Adoption of oversight report on annual report Publicize the oversight document	
05 Apr/May 2012	Community participation and stakeholders' consultation on the Draft 2012/13-2015/16 IDP/budget.	April 2012
	Consolidation and verification of the sector department projects for presentation to the 4 <sup>th</sup> IDP Rep Forum	
	Executive Mayor & IDP Steering committee consider all submissions emanating from consultative meetings of the Municipal Managers' Forum.	
	Public comments and comments from other organs of state are taken into cognisance and where the need be, amendments are effected to the IDP.	
27 May 2012	Tabling of draft 2012/13-2015/16 IDP/Budget to Council for final approval.	May 2012
30 Jun 2012	Executive Mayor signs Service Delivery Budget and Implementation Plan (SDBIP).	June 2012
	Copies of the approved IDP/Budget and SDBIP are made available to the public.	



### **1.7.2 IDP and Service Delivery and Budget Implementation Plan**

This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan included the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP, and
- The review of the performance management and monitoring processes.

The IDP has been taken into a business and financial planning process leading up to the 2012/2013 MTREF, based on the approved 2011/2012 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2012/13 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2011/12 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

### **1.8 Overview of alignment of annual budget with IDP**

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 District, 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 District 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. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the District response to these requirements.

**Table 77 IDP Strategic Objectives**

<b>2011/12 Financial Year</b>	<b>2012/13 MTREF</b>
1. The provision of quality basic services and infrastructure	1. Provision of quality basic services and infrastructure
2. Acceleration of higher and shared economic growth and development	2. Economic growth and development that leads to sustainable job creation
3. Fighting of poverty, building clean, healthy, safe and sustainable communities	3.1 Fight poverty and build clean, healthy, safe and sustainable communities
	3.2 Integrated Social Services for empowered and sustainable communities
4. Fostering participatory democracy and adherence to Batho Pele principles through a caring, accessible and accountable service	4. Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service
5. Good governance, Financial viability and institutional governance	5.1 Promote sound governance
	5.2 Ensure financial sustainability
	5.3 Optimal institutional transformation to ensure capacity to achieve set objectives

In order to ensure integrated and focused service delivery between all spheres of government it was important for the District to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities. The key performance areas can be summarised as follows against the five strategic objectives:

1. Provision of quality basic services and infrastructure which includes, amongst others:
  - Provide water;
  - Provide sanitation;
  - Provide roads and storm water;
  - Provide public transport;
  - Provide District planning services; and
  - Maintaining the infrastructure of the District.
  
2. Economic growth and development that leads to sustainable job creation by:
  - Ensuring there is a clear structural plan for the District;
  - Ensuring planning processes function in accordance with set timeframes;
  - Facilitating the use of labour intensive approaches in the delivery of services and the building of infrastructure.
  
- 3.1 Fight poverty and build clean, healthy, safe and sustainable communities:
  - Effective implementation of the Indigent Policy;
  - Working with the provincial department of health to provide primary health care services;
  - Extending waste removal services and ensuring effective city cleansing;
  - Ensuring all waste water treatment works are operating optimally;
  - Working with strategic partners such as SAPS to address crime;
  - Ensuring safe working environments by effective enforcement of building and health regulations;
  - Promote viable, sustainable communities through proper zoning; and
  - Promote environmental sustainability by protecting wetlands and key open spaces.
  
- 3.2 Integrated Social Services for empowered and sustainable communities
  - Work with provincial departments to ensure the development of community infrastructure such as schools and clinics is properly co-ordinated with the informal settlements upgrade programme
  
3. Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service by:

- Optimising effective community participation in the ward committee system; and
- Implementing Sekhukhune District Municipality in the revenue management strategy.

5.1 Promote sound governance through:

- Publishing the outcomes of all tender processes on the municipal website

5.2 Ensure financial sustainability through:

- Reviewing the use of contracted services
- Continuing to implement the infrastructure renewal strategy and the repairs and maintenance plan

5.3 Optimal institutional transformation to ensure capacity to achieve set objectives

- Review of the organizational structure to optimize the use of personnel;

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the District. The five-year programme responds to the development challenges and opportunities faced by the District by identifying the key performance areas to achieve the five the strategic objectives mentioned above.

In addition to the five-year IDP, the District undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years. This process is aimed at influencing the development path by proposing a substantial programme of public-led investment to restructure current patterns of settlement, activity and access to resources in the District so as to promote greater equity and enhanced opportunity. The strategy specifically targets future developmental opportunities in traditional dormitory settlements. It provides direction to the District's IDP, associated sectoral plans and strategies, and the allocation of resources of the District and other service delivery partners.

**Table 88 MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue**

DC47 Sekhukhune - 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
R thousand												
Access to Basic Service and Infrastructure Development	To supply water, sanitation waste, removal and roads public transport and maintain infrastructure of the district	O&M				411 870				7 860	8 277	8 682
Effective; Accountable and Clean Government	Review of Organosational structure & Improvement of capital administration	Equi				5 850				365 585	384 961	403 824
Infrastructure and Basic Service Delivery	To supply water, sanitation waste, removal and roads public transport and maintain infrastructure of the district	MIG				3 000				3 500	3 686	3 866
Governance and administration issues	Improvement of organizational staff on Financial related matter	FMG				423 923				1 250	1 316	1 381
Effective; Accountable and Clean Government	Improvement on systems used by the organisation	MSIG								1 000	1 053	1 105
Effective; Accountable and Clean Government	Review of Organosational structure to optimise use of personnel	SDM								75 365	79 359	83 248
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	-	-	844 643	-	-	-	454 560	478 651	502 105

**Table 99 MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure**

DC47 Sekhukhune - 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
R thousand												
Access to Basic Service and Infrastructure Development	To supply water, sanitation waste, removal and roads public transport and maintain infrastructure of the district	bulk/R &M/contracted								111 596	117 511	123 269
Effective; Accountable and Clean Government	Reviewing the use of contracted services; continuing to implement the Infrastructure renewal strategy & Repairs and Maintenance plan & review of the organisational structure to optimise personnel	salaries /gen exp/co uncillor s								342 964	361 141	378 837
Allocations to other priorities												
Total Expenditure			1	-	-	-	-	-	-	454 560	478 652	502 106



## **1.9 Measurable performance objectives and indicators**

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information.

The following table sets out the municipalities main performance objectives and benchmarks for the 2012/13 MTREF.

**Table 21 MBRR Table SA8 - Performance indicators and benchmarks**

DC47 Sekhukhune - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	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
<b>Borrowing Management</b>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.4%	1.5%	0.5%	0.3%	0.3%	0.5%	0.1%	0.3%	0.3%	0.3%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	3.2%	16.6%	6.5%	0.7%	1.0%	1.1%	0.2%	1.9%	3.4%	3.2%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	-0.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Safety of Capital</b>											
Gearing	Long Term Borrowing/ Funds & Reserves	#####	#####	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Liquidity</b>											
Current Ratio	Current assets/current liabilities	2.0	0.2	0.1	-	0.2	0.2	0.2	2.6	2.6	2.6
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	2.0	0.2	0.1	-	0.2	0.2	0.2	2.6	2.6	2.6
Liquidity Ratio	Monetary Assets/Current Liabilities	1.9	0.2	0.0	-	0.1	0.1	0.1	-	-	-
<b>Revenue Management</b>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		-1473.2%	105.9%	-1510.0%	90.9%	89.4%	89.4%	89.4%	102.3%	90.4%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)			-1473.2%	105.9%	-1510.0%	90.9%	89.4%	89.4%	89.4%	102.3%	90.4%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	3.8%	3.7%	5.3%	5.5%	5.7%	5.2%	5.2%	6.4%	7.5%	7.9%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<b>Creditors Management</b>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA' s 65(e))										
Creditors to Cash and Investments		77.4%	27.7%	262.2%	0.0%	0.0%	29.6%	28.6%	28.5%	1.5%	0.8%
<b>Other Indicators</b>											
Electricity Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Distribution Losses (2)	% Volume (units purchased and own source less units sold)/Total units purchased and own source										
Employee costs	Employee costs/(Total Revenue - capital revenue)	18.1%	25.9%	38.8%	36.5%	38.9%	38.9%	38.9%	43.7%	47.6%	46.3%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	16.1%	23.6%	32.5%	39.7%	42.1%	42.1%		45.8%	49.8%	48.4%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		3.8%	0.0%	0.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	14.5%	18.5%	0.2%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%
<b>IDP regulation financial viability indicators</b>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	2.0	1.6	1.4	10.6	10.6	10.6	10.7	6.0	2.7	3.0
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	2304.9%	67.1%	-2179.2%	96.2%	89.1%	81.2%	81.2%	103.4%	102.0%	104.0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	16.5	26.1	20.4	16.4	1.1	1.3	1.4	1.3	26.6	55.9



### **1.9.1 Free Basic Services: basic social services package for indigent households**

The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of the District. Only registered indigents qualify for the free basic services.

### **1.9.2 Providing clean water and managing waste water**

The District is the Water Services Authority for the entire municipality in terms of the Water Services Act, 1997 and acts as water services provider. The district's bulk water is provided directly by Lepelle Northern water and Dr S.J Moroka in the form of purified water. The District generates own water sources, such as boreholes and small dams.

### **Waste Water Treatment Works**

The main challenges faced by the District with regard to WWTW:

- The infrastructure at most of the waste water treatment works is old and insufficient to treat the increased volumes of waste water to the necessary compliance standard;
- Shortage of skilled personnel makes proper operations and maintenance difficult;
- Electrical power supply to some of the plants is often interrupted which hampers the purification processes; and
- There is a lack of proper regional catchment management, resulting in storm water entering the sewerage system.

### **1.10 Overview of budget related-policies**

The Sekhukhune District Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

#### **1.10.1 Credit control and debt collection policies**

The Policy was approved by Council on the 29<sup>th</sup> May 2012.

#### **1.10.2 Supply Chain Management Policy**

The Supply Chain Management Policy was adopted by Council in on 29 May 2012. An amended policy was also considered by Council.

### **1.10.3 Budget Policy and Virement Policy**

The Budget and Virement Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the District's system of delegations. The Budget and Virement Policy was approved by Council in 29 May 2012.

### **1.10.4 Cash Management and Investment Policy**

The Cash Management and Investment Policy were also approved by council on 29 May 2012.

### **1.10.5 Tariff Policy**

The District's tariff policies provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery. The policy was approved on 29 May 2012.

## **1.11 Overview of budget assumptions**

### **1.11.1 External factors**

Owing to the economic slowdown, financial resources are limited due to reduced payment levels by consumers. This has resulted in declining cash inflows, which has necessitated restrained expenditure to ensure that cash outflows remain within the affordability parameters of the District's finances.

### **1.11.2 Collection rate for revenue services**

The base assumption is that tariff increase will increase at a rate slightly higher than CPI over the long term. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term.

**Table 22 Proposed tariff increases over the medium-term**

SEKHUKHUNE DISTRICT MUNICIPALITY	SERVICE	2011/2012	% Increase	2012/2013	% Increase	2013/2014	% Increase	2014/2015
<b>Residential: Basic Charge</b>	WATER	68.50	-50%	34.25	10%	37.68	10%	41.44
<b>Time Managed Supply (50% Discount)</b>	WATER	34.25		17.13		18.84		20.72
<b>Business: Basic Charge</b>	WATER	89.82	10%	98.80	10%	108.68	10%	119.55
<b>Residential per kl</b>	WATER	2.89	53%	4.42	35%	5.97	19%	7.10
<b>Business per kl</b>	WATER	3.33	50%	5.01	50%	7.51	18%	8.88

**Table 103 MBRR SA15 – Detail Investment Information**

DC47 Sekhukhune - Supporting Table SA15 Investment particulars by type

Investment type	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										
<b>Parent municipality</b>										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank						430 000	430 000	430 000	455 370	477 683
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
<b>Municipality sub-total</b>	1	-	-	-	-	430 000	430 000	430 000	455 370	477 683

**Table 24 MBRR SA16 – Investment particulars by maturity**

DC47 Sekhukhune - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity Name of institution & investment ID	Ref 1	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate 3.	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Monetary value	Interest to be realised
		Yrs/Months									
<b>Parent municipality</b>											
Name of institution & investment ID											
NEDBANK		3 Months	Short term	Yes	Fixed	5.7	0	N/A	07/05/2012	40 000	518
ABSA		3 Months	Short term	Yes	Fixed	5.73	0	N/A	29/06/2012	150 000	801
STANLIB		N/A	Call Account	Yes	Variable	5.15	0	N/A	Anytime	100 000	186
ABSA		N/A	Call Account	Yes	Variable	5.15	0	N/A	Anytime	40 000	806
NEDBANK		N/A	Call Account	Yes	Variable	5.25	0	N/A	Anytime	100 000	432
Municipality sub-total										430 000	2 743
<b>Entities</b>											
Entities sub-total										-	-
<b>TOTAL INVESTMENTS AND INTEREST</b>	<b>1</b>									<b>430 000</b>	<b>2 743</b>

For the medium-term, the funding strategy has been informed directly by ensuring financial sustainability and continuity.

**Table 11 MBRR Table SA 18 - Capital transfers and grant receipts**

DC47 Sekhukhune - Supporting Table SA18 Transfers and grant receipts

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>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
National Government:		-	-	-	378 105	377 858	377 858	379 195	398 729	424 645
Local Government Equitable Share					330 877	330 877	330 877	365 585	392 479	422 445
Water Services Operating Subsidy					28 855	29 108	29 108	7 860	-	-
Municipal Systems Improvement					790	790	790	1 000	1 000	950
Finance Management					1 250	1 250	1 250	1 250	1 250	1 250
EPWP Incentive					12 333	12 333	12 333	-	-	-
MIG Operational					4 000	3 500	3 500	3 500	4 000	-
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
EPWP Incentive										
<b>Total Operating Transfers and Grants</b>	5	-	-	-	378 105	377 858	377 858	379 195	398 729	424 645
<b>Capital Transfers and Grants</b>										
National Government:		-	-	-	482 896	483 396	483 396	814 282	842 681	1 085 115
Municipal Infrastructure Grant (MIG)					340 208	340 708	340 708	414 048	440 463	481 049
Regional Bulk Infrastructure					131 000	131 000	131 000	351 534	386 311	526 084
Public Transport and Systems					1 688	1 688	1 688	1 776	-	-
ACIP					-	-	-	8 200	-	-
EPWP Incentive					-	-	-	3 124	-	-
DWA-Refurbishment					10 000	10 000	10 000	35 600	15 907	77 982
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	5	-	-	-	482 896	483 396	483 396	814 282	842 681	1 085 115
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		-	-	-	861 001	861 254	861 254	1 193 477	1 241 410	1 509 760

### 1.11.3 Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understandability for councillors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provide for as cash inflow based on actual performance. In other words the *actual collection rate* of billed revenue., and
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long term borrowing (debt).

**Table 126 MBRR Table A7 - Budget cash flow statement**

DC47 Sekhukhune - 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
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Ratepayers and other		(21 041)	33 762	18 846	123 983	102 830	102 830	102 830	69 915	33 564	35 046
Government - operating	1	536 469	501 802	(4 629)	365 772	365 272	365 272	365 272	379 195	394 729	424 645
Government - capital	1			11 118	522 629	523 382	523 382	523 382	814 282	828 638	1 009 105
Interest		52 179	18 747	31 166	12 400	12 400	12 400	12 400	10 250	11 275	15 130
Dividends											
<b>Payments</b>											
Suppliers and employees		(103 929)	(337 729)	(372 542)	(413 249)	(417 557)	(417 557)	(417 557)	(450 720)	(475 848)	(501 783)
Finance charges		(1 735)	(650)		(73)	(223)	(223)	(223)	(240)	(253)	(267)
Transfers and Grants	1				(1 200)	(2 400)	(2 400)	(2 400)	(2 400)	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>461 941</b>	<b>215 931</b>	<b>(316 041)</b>	<b>610 262</b>	<b>583 704</b>	<b>583 704</b>	<b>583 704</b>	<b>820 282</b>	<b>792 105</b>	<b>981 876</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		-	624								
Decrease (increase) in non-current debtors											
Decrease (increase) other non-current receivables											
Decrease (increase) in non-current investments		(215 916)	184 102	31 814							
<b>Payments</b>											
Capital assets				(4 131)	(558 463)	(549 683)	(549 683)	(549 683)	(814 282)	-	-
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(215 916)</b>	<b>184 726</b>	<b>27 683</b>	<b>(558 463)</b>	<b>(549 683)</b>	<b>(549 683)</b>	<b>(549 683)</b>	<b>(814 282)</b>	<b>-</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans											
Borrowing long term/refinancing		19 045	-								
Increase (decrease) in consumer deposits											
<b>Payments</b>											
Repayment of borrowing			(7 842)		(1 012)	(1 162)	(1 162)	(1 200)	(1 200)	(1 265)	(1 333)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>19 045</b>	<b>(7 842)</b>	<b>-</b>	<b>(1 012)</b>	<b>(1 162)</b>	<b>(1 162)</b>	<b>-</b>	<b>(1 200)</b>	<b>(1 265)</b>	<b>(1 333)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>265 070</b>	<b>392 815</b>	<b>(288 358)</b>	<b>50 787</b>	<b>32 859</b>	<b>32 859</b>	<b>34 021</b>	<b>4 800</b>	<b>790 840</b>	<b>980 543</b>
Cash/cash equivalents at the year begin:	2	265 070	657 885	657 885	369 527			-	34 021	38 821	829 661
Cash/cash equivalents at the year end:	2	265 070	657 885	369 527	420 314	32 859	32 859	34 021	38 821	829 661	1 810 204

The above table shows that cash and cash equivalents of the District

**Table 13 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation**

DC47 Sekhukhune - 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
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	265 070	657 885	369 527	420 314	32 859	32 859	34 021	38 821	829 661	1 810 204
Other current investments > 90 days		94 105	(604 972)	(350 114)	(400 901)	(13 446)	(13 446)	(14 608)	(38 821)	(829 661)	(1 810 204)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>359 175</b>	<b>52 913</b>	<b>19 413</b>	<b>19 413</b>	<b>19 413</b>	<b>19 413</b>	<b>19 413</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		142 118	242 013	3 511	-	289 828	289 828	289 828	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	536 266	160 275	1 388 915	(25 279)	(24 851)	(12 928)	(12 928)	(18 583)	(17 252)	(17 484)
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
<b>Total Application of cash and investments:</b>		<b>678 384</b>	<b>402 289</b>	<b>1 392 426</b>	<b>(25 279)</b>	<b>264 977</b>	<b>276 900</b>	<b>276 900</b>	<b>(18 583)</b>	<b>(17 252)</b>	<b>(17 484)</b>
<b>Surplus(shortfall)</b>		<b>(319 209)</b>	<b>(349 376)</b>	<b>(1 373 013)</b>	<b>44 692</b>	<b>(245 564)</b>	<b>(257 487)</b>	<b>(257 487)</b>	<b>18 583</b>	<b>17 252</b>	<b>17 484</b>

Unspent conditional transfers (grants) are automatically assumed to be an obligation as the municipality has received government transfers in advance of meeting the conditions. Ordinarily, unless there are special circumstances, the municipality is

obligated to return unspent conditional grant funds to the national revenue fund at the end of the financial year. In the past these have been allowed to 'roll-over' and be spent in the ordinary course of business, but this practice has been discontinued. During the 2011/12 financial year the municipality was required to supply National Treasury with a detailed analysis of the unspent grants as well as an action plan of spending the grants

**Table 28 MBRR SA10 – Funding compliance measurement**

DC47 Sekhukhune Supporting Table SA10 Funding measurement

Description	MFMA section	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
<b>Funding measures</b>												
Cash/cash equivalents at the year end - R'000	18(1)b	1	265 070	657 885	369 527	420 314	32 859	32 859	34 021	38 821	829 661	1 810 204
Cash + investments at the yr end less applications - R'000	18(1)b	2	(319 209)	(349 376)	(1 373 013)	44 692	(245 564)	(257 487)	(257 487)	18 583	17 252	17 484
Cash year end/monthly employee/supplier payments	18(1)b	3	16.5	26.1	20.4	16.4	1.1	1.3	1.4	1.3	26.6	55.9
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	191 951	(8 076)	715 260	613 727	657 000	193 423	193 423	814 282	809 342	1 011 554
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	3043.6%	(110.2%)	(2370.9%)	2.0%	(6.0%)	(6.0%)	(16.1%)	9.6%	5.8%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	(1473.2%)	105.9%	(1510.0%)	90.9%	89.4%	89.4%	89.4%	102.3%	90.4%	84.6%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	371.5%	11.6%	(889.8%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital payments % of capital expenditure	18(1)c:19	8	0.0%	0.0%	1.2%	113.7%	99.2%	103.7%	46.8%	100.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	(0.9%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	(8.3%)	35.0%	0.0%	0.0%	(8.9%)	0.0%	4.3%	14.0%	14.0%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	0.4%	0.0%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	1.8%	9.0%	1.6%	1.4%	1.5%	0.0%	4.7%	0.0%	0.0%

- *Cash/cash equivalent position*

The District's forecast cash position was discussed as part of the budgeted cash flow statement. A 'positive' cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

If the municipality's forecast cash position is negative, for any year of the medium term budget, the budget is very unlikely to meet MFMA requirements or be sustainable and could indicate a risk of non-compliance with section 45 of the MFMA which deals with the repayment of short term debt at the end of the financial year.

- *Repairs and maintenance expenditure level*

This measure must be considered important within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected.

- *Asset renewal/rehabilitation expenditure level*

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget (since MFMA Circular 28 which was issued in December 2005) is to categorise each capital project as a new

asset or a renewal/rehabilitation project. The objective is to summarise and understand the proportion of budgets being provided for new assets and also asset sustainability.

## 1.12 Expenditure on grants and reconciliations of unspent funds

**Table 2914 MBRR SA19 - Expenditure on transfers and grant programmes**

DC47 Sekhukhune - Supporting Table SA19 Expenditure on transfers and grant programme

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>EXPENDITURE:</b>										
<b>Operating expenditure of Transfers and Grants</b>										
National Government:		176 898	381 247	392 306	378 105	377 858	377 858	379 195	394 729	424 645
Local Government Equitable Share		176 450	291 429	333 285	330 877	330 877	330 877	365 585	392 479	422 445
Water Services Operating Subsidy		-	-	53 021	28 855	29 108	29 108	7 860	-	-
Municipal Systems Improvement		210	-	-	790	790	790	1 000	1 000	950
Finance Management		238	89 818	1 000	1 250	1 250	1 250	1 250	1 250	1 250
EPWP Incentive		-	-	-	12 333	12 333	12 333	-	-	-
MIG Operational		-	-	5 000	4 000	3 500	3 500	3 500	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
#REF!										
#REF!										
#REF!										
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
#REF!										
<b>Total operating expenditure of Transfers and Grants</b>		<b>176 898</b>	<b>381 247</b>	<b>392 306</b>	<b>378 105</b>	<b>377 858</b>	<b>377 858</b>	<b>379 195</b>	<b>394 729</b>	<b>424 645</b>
<b>Capital expenditure of Transfers and Grants</b>										
National Government:		221 014	96 820	343 583	482 896	483 396	483 396	814 282	826 774	1 007 133
Municipal Infrastructure Grant (MIG)		220 281	96 820	281 195	340 208	340 708	340 708	414 048	440 463	481 049
Regional Bulk Infrastructure		-	-	61 000	131 000	131 000	131 000	351 534	386 311	526 084
Public Transport and Systems		733	-	1 300	1 688	1 688	1 688	1 776	-	-
ACIP		-	-	-	-	-	-	8 200	-	-
EPWP Incentive		-	-	-	-	-	-	3 124	-	-
DWA-Refurbishment		-	-	88	10 000	10 000	10 000	35 600	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
0										
District Municipality:		-	-	-	-	-	-	-	-	-
0										
Other grant providers:		-	-	-	-	-	-	-	-	-
0										
<b>Total capital expenditure of Transfers and Grants</b>		<b>221 014</b>	<b>96 820</b>	<b>343 583</b>	<b>482 896</b>	<b>483 396</b>	<b>483 396</b>	<b>814 282</b>	<b>826 774</b>	<b>1 007 133</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>397 912</b>	<b>478 067</b>	<b>735 889</b>	<b>861 001</b>	<b>861 254</b>	<b>861 254</b>	<b>1 193 477</b>	<b>1 221 503</b>	<b>1 431 778</b>





## **1.13 Councillor and employee benefits**

### **Table 31 MBRR SA22 - Summary of councillor and staff benefits**

DC47 Sekhukhune - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	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								
<b>Councillors (Political Office Bearers plus Other)</b>	1	A	B	C	D	E	F	G	H	I
Basic Salaries and Wages			5 239	6 749	6 220	7 391	7 391	3 690	3 885	4 076
Pension and UIF Contributions			3 255	-	-	-	-	2 098	2 209	2 317
Medical Aid Contributions			27	-	-	-	-	77	81	85
Motor Vehicle Allowance			-	-	-	-	-	1 840	1 937	2 032
Cellphone Allowance			345	406	515	262	262	254	267	280
Housing Allowances			-	-	-	-	-	-	-	-
Other benefits and allowances			2 881	-	-	-	0	-	-	-
<b>Sub Total - Councillors</b>			11 746	7 155	6 735	7 653	7 653	7 958	8 379	8 790
<b>% increase</b>	4		-	(39.1%)	(5.9%)	13.6%	0.0%	4.0%	5.3%	4.9%
<b>Senior Managers of the Municipality</b>	2									
Basic Salaries and Wages		5 312	9 528	8 308	9 257	9 459	9 459	8 367	8 810	9 242
Pension and UIF Contributions								98	104	109
Medical Aid Contributions								-	-	-
Overtime								-	-	-
Performance Bonus			1 534	-	-	-	-	-	-	-
Motor Vehicle Allowance	3							-	-	-
Cellphone Allowance	3	133	229					143	151	158
Housing Allowances	3							-	-	-
Other benefits and allowances	3	1 058	303					141	148	155
Payments in lieu of leave								-	-	-
Long service awards		32						-	-	-
Post-retirement benefit obligations	6							-	-	-
<b>Sub Total - Senior Managers of Municipality</b>		6 534	11 594	8 308	9 257	9 459	9 459	8 749	9 213	9 664
<b>% increase</b>	4		77.4%	(28.3%)	11.4%	2.2%	-	(7.5%)	5.3%	4.9%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		60 506	29 799	105 367	120 533	119 870	119 870	123 710	130 267	136 650
Pension and UIF Contributions		8 336	8 952	14 688	16 687	17 188	17 188	21 514	22 654	23 764
Medical Aid Contributions		2 124	5 794	4 593	22 600	22 066	22 066	27 191	28 632	30 035
Overtime		2 549	892	589	2 840	2 840	2 840	-	-	-
Performance Bonus		-	-	-	13 229	13 012	13 012	-	-	-
Motor Vehicle Allowance	3	5 012	2 758	12 340	2 854	6 147	6 147	2 683	2 825	2 964
Cellphone Allowance	3	729	410		599	605	605	1 008	1 062	1 114
Housing Allowances	3	2 155	890	2 284	6 027	5 892	5 892	4 115	4 333	4 545
Other benefits and allowances	3	6 536	57 860	13 855				3 044	3 206	3 363
Payments in lieu of leave								6 803	7 164	7 515
Long service awards		259						-	-	-
Post-retirement benefit obligations	6							-	-	-
<b>Sub Total - Other Municipal Staff</b>		88 206	107 356	153 715	185 369	187 620	187 620	190 068	200 142	209 949
<b>% increase</b>	4		21.7%	43.2%	20.6%	1.2%	-	1.3%	5.3%	4.9%
<b>Total Parent Municipality</b>		94 741	130 696	169 178	201 361	204 732	204 732	206 775	217 734	228 403
			38.0%	29.4%	19.0%	1.7%	0.0%	1.0%	5.3%	4.9%
<b>Board Members of Entities</b>										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Board Fees										
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
<b>Sub Total - Board Members of Entities</b>		-	-	-	-	-	-	-	-	-
<b>% increase</b>	4		-	-	-	-	-	-	-	-
<b>Senior Managers of Entities</b>										
Basic Salaries and Wages					932	832	832	696	732	768
Pension and UIF Contributions								8	9	9
Medical Aid Contributions								-	-	-
Overtime								-	-	-
Performance Bonus								-	-	-
Motor Vehicle Allowance	3							-	-	-
Cellphone Allowance	3							2	2	2
Housing Allowances	3							-	-	-
Other benefits and allowances	3							9	9	10
Payments in lieu of leave								-	-	-
Long service awards								-	-	-
Post-retirement benefit obligations	6							-	-	-
<b>Sub Total - Senior Managers of Entities</b>		-	-	-	932	832	832	714	752	789
<b>% increase</b>	4		-	-	-	(10.7%)	-	(14.2%)	5.3%	4.9%

Housing Allowances	3							-	-	-
Other benefits and allowances	3							9	9	10
Payments in lieu of leave								-	-	-
Long service awards								-	-	-
Post-retirement benefit obligations	6							-	-	-
<b>Sub Total - Senior Managers of Entities</b>								<b>714</b>	<b>752</b>	<b>789</b>
% increase	4							(14.2%)	5.3%	4.9%

**Table 32 MBRR SA23 - Salaries, allowances and benefits (political office bearers/councillors/ senior managers)**

DC47 Sekhukhune - 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.
<b>Councillors</b>	3							
Speaker	4		226 525	159 445	147 497			533 467
Chief Whip			239 302	146 669	147 498			533 469
Executive Mayor			306 293	208 335	209 295			723 923
Deputy Executive Mayor								-
Executive Committee			1 423 033	1 664 730	113 040			3 200 803
Total for all other councillors			1 529 818	1 442 869	65 316			3 038 003
<b>Total Councillors</b>	8	-	3 724 971	3 622 048	682 646			8 029 665
<b>Senior Managers of the Municipality</b>	5							
Municipal Manager (MM)			1 023 103	39 574	19 200	-		1 081 877
Chief Finance Officer			858 675	23 081	12 000			893 756
								-
								-
								-
<i>List of each official with packages &gt;= senior manager</i>								
Executive Mayors Office			918 169	33 571	18 600			970 340
Strategic Management								-
M M 's Office-COO			918 169	24 596	19 200			961 965
Corporate Services			918 169	41 275	19 104			978 548
Planning & Economic Development			918 169	24 902	19 200			962 271
Technical Department			976 148	23 816	19 200			1 019 164
Community Services			918 169	34 583	19 200			971 952
M M 's Office-Chief Audit Executive			918 169	24 956	19 200			962 326
								-
								-
								-
								-
								-
								-
								-
								-
<b>Total Senior Managers of the Municipality</b>	8	-	8 366 943	270 354	164 904	-		8 802 200
<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>		-	12 091 914	3 892 402	847 550	-		16 831 865

**Table 15 MBRR SA24 – summary of personnel numbers**

DC47 Sekhukhune - 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
<b>Municipal Council and Boards of Municipal Entities</b>										
Councillors (Political Office Bearers plus Other Councillors)		39	8	31				39	8	31
Board Members of municipal entities	4	7	-	7				7	-	7
<b>Municipal employees</b>	5									
Municipal Manager and Senior Managers	3	9	-	9				10	-	10
Other Managers	7	22	6	16				32	4	28
Professionals		61	63	-	455	455	-	650	650	-
<i>Finance</i>		49	49	-				50	50	-
<i>Spatial/town planning</i>		7	7	-				13	13	-
<i>Information Technology</i>		5	7	-				5	5	-
<i>Roads</i>										
<i>Electricity</i>										
<i>Water</i>										
<i>Sanitation</i>										
<i>Refuse</i>										
<i>Other</i>					455	455	-	582	582	-
Technicians		-	-	-	-	-	-	-	-	-
<i>Finance</i>										
<i>Spatial/town planning</i>										
<i>Information Technology</i>										
<i>Roads</i>										
<i>Electricity</i>										
<i>Water</i>										
<i>Sanitation</i>										
<i>Refuse</i>										
<i>Other</i>										
Clerks (Clerical and administrative)										
Service and sales workers										
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators					344	-	344	241	241	-
Elementary Occupations										
<b>TOTAL PERSONNEL NUMBERS</b>		<b>138</b>	<b>77</b>	<b>63</b>	<b>799</b>	<b>455</b>	<b>344</b>	<b>979</b>	<b>903</b>	<b>76</b>
% increase					479.0%	490.9%	446.0%	22.5%	98.5%	(77.9%)
<b>Total municipal employees headcount</b>	6									
Finance personnel headcount	8				52	47	5	57	50	7
Human Resources personnel headcount	8				21	16	5	58	57	1

**1.14 Monthly targets for revenue, expenditure and cash flow**

**Table 164 MBRR SA25 - Budgeted monthly revenue and expenditure**

DC47 Sekhukhune - 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																
Property rates - penalties & collection charges																
Service charges - electricity revenue																
Service charges - water revenue		345	386	586	895	7 225	2 215	245	4 102	362	3 933	3 510	553	24 360	28 356	31 772
Service charges - sanitation revenue		201	407	318	403	204	311	223	275	381	417	307	248	3 695	4 064	4 471
Service charges - refuse revenue																
Service charges - other																
Rental of facilities and equipment																
Interest earned - external investments		202	103	188	183	478	344	583	1 166	21	583	1 893	1 256	7 000	7 700	8 470
Interest earned - outstanding debtors		18	12	14	20	15	16	11	19	25	32	29	39	250	275	303
Dividends received																
Fines																
Licences and permits																
Agency services																
Transfers recognised - operational		145 233	-	1 273	-	47 703	85 489	9 872	-	83 293	5 331	1 001	0	379 195	394 729	424 645
Other revenue			845	10 124	6 056	1 326	309	155	437	13 735	279	354	6 440	40 060	4 444	4 889
Gains on disposal of PPE																
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>146 000</b>	<b>1 754</b>	<b>12 504</b>	<b>7 558</b>	<b>56 950</b>	<b>88 684</b>	<b>11 089</b>	<b>6 000</b>	<b>97 816</b>	<b>10 576</b>	<b>7 094</b>	<b>8 536</b>	<b>454 560</b>	<b>439 568</b>	<b>474 551</b>
<b>Expenditure By Type</b>																
Employee related costs		16 835	16 467	17 467	16 037	16 050	15 075	16 453	15 702	17 630	17 643	16 463	16 996	198 818	209 355	219 614
Remuneration of councillors		637	670	663	682	663	792	605	691	565	663	659	668	7 958	8 379	8 790
Debt impairment																
Depreciation & asset impairment																
Finance charges		20	20	20	20	20	20	20	20	20	20	20	20	240	253	267
Bulk purchases		3 928	3 928	3 928	3 928	3 928	3 928	3 928	3 928	3 928	3 928	3 928	3 922	47 130	49 628	52 060
Other materials		1 423	1 423	1 423	1 423	1 423	1 423	1 423	1 423	1 423	1 423	1 423	1 427	17 080	-	-
Contracted services		3 949	3 949	3 949	3 949	3 949	3 949	3 949	3 949	3 949	3 949	3 949	3 947	47 386	49 897	52 342
Transfers and grants													2 400	2 400	2 527	2 651
Other expenditure		11 192	11 192	11 192	11 192	11 192	11 192	11 192	11 192	11 192	11 192	11 192	10 436	133 548	138 823	136 378
Loss on disposal of PPE																
<b>Total Expenditure</b>		<b>37 984</b>	<b>37 649</b>	<b>38 642</b>	<b>37 231</b>	<b>37 225</b>	<b>36 379</b>	<b>37 570</b>	<b>36 905</b>	<b>38 707</b>	<b>38 818</b>	<b>37 634</b>	<b>39 816</b>	<b>454 560</b>	<b>458 863</b>	<b>472 102</b>
<b>Surplus/(Deficit)</b>		<b>108 016</b>	<b>(35 895)</b>	<b>(26 138)</b>	<b>(29 673)</b>	<b>19 726</b>	<b>52 305</b>	<b>(26 481)</b>	<b>(30 905)</b>	<b>59 109</b>	<b>(28 243)</b>	<b>(30 539)</b>	<b>(31 280)</b>	<b>0</b>	<b>(19 296)</b>	<b>2 449</b>
Transfers recognised - capital		67 857	67 857	67 857	67 857	67 857	67 857	67 857	67 857	67 857	67 857	67 857	67 855	814 282	828 638	1 009 105
Contributions recognised - capital																
Contributed assets																
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>175 873</b>	<b>31 962</b>	<b>41 719</b>	<b>38 184</b>	<b>87 583</b>	<b>120 162</b>	<b>41 376</b>	<b>36 952</b>	<b>126 966</b>	<b>39 614</b>	<b>37 318</b>	<b>36 575</b>	<b>814 282</b>	<b>809 342</b>	<b>1 011 554</b>
Taxation																
Attributable to minorities																
Share of surplus/ (deficit) of associate																
<b>Surplus/(Deficit)</b>	1	<b>175 873</b>	<b>31 962</b>	<b>41 719</b>	<b>38 184</b>	<b>87 583</b>	<b>120 162</b>	<b>41 376</b>	<b>36 952</b>	<b>126 966</b>	<b>39 614</b>	<b>37 318</b>	<b>36 575</b>	<b>814 282</b>	<b>809 342</b>	<b>1 011 554</b>

**Table 35 MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)**

DC47 Sekhukhune - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

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 Vote</b>																
Vote 1 - [EXECUTIVE COUNCIL]																
Vote 2 - [MUNICIPAL MANGER]																
Vote 3 - [CORPORATE SERVICES]																
Vote 4 - [PLANNING AND LOCAL ECONOMIC DEVELOPMENT]																
Vote 5 - [COMMUNITY SERVICES]		39	39	39	39	39	39	39	39	39	39	39	36	465	512	561
Vote 6 - [BUDGET AND TREASURY]		35 503	35 503	35 503	35 503	35 503	35 503	35 503	35 503	35 503	35 503	35 503	35 507	426 040	406 637	440 744
Vote 7 - [INFRASTRUCTURE AND WATER SERVICES]													28 055	28 055	32 420	36 243
<b>Total Revenue by Vote</b>		<b>35 542</b>	<b>35 542</b>	<b>35 542</b>	<b>35 542</b>	<b>35 542</b>	<b>35 542</b>	<b>35 542</b>	<b>35 542</b>	<b>35 542</b>	<b>35 542</b>	<b>35 542</b>	<b>63 598</b>	<b>454 560</b>	<b>439 568</b>	<b>477 548</b>
<b>Expenditure by Vote to be appropriated</b>																
Vote 1 - [EXECUTIVE COUNCIL]		3 459	3 459	3 459	3 459	3 459	3 459	3 459	3 459	3 459	3 459	3 459	3 464	41 513	43 713	45 855
Vote 2 - [MUNICIPAL MANGER]		2 749	2 749	2 749	2 749	2 749	2 749	2 749	2 749	2 749	2 749	2 749	2 749	32 988	34 736	36 438
Vote 3 - [CORPORATE SERVICES]		4 007	4 007	4 007	4 007	4 007	4 007	4 007	4 007	4 007	4 007	4 007	4 003	48 080	50 628	55 908
Vote 4 - [PLANNING AND LOCAL ECONOMIC DEVELOPMENT]		876	876	876	876	876	876	876	876	876	876	876	876	10 517	11 074	11 617
Vote 5 - [COMMUNITY SERVICES]		2 987	2 987	2 987	2 987	2 987	2 987	2 987	2 987	2 987	2 987	2 987	2 991	35 848	37 748	39 598
Vote 6 - [BUDGET AND TREASURY]		5 496	5 496	5 496	5 496	5 496	5 496	5 496	5 496	5 496	5 496	5 496	5 490	65 946	69 441	72 844
Vote 7 - [INFRASTRUCTURE AND WATER SERVICES]		18 306	18 306	18 306	18 306	18 306	18 306	18 306	18 306	18 306	18 306	18 306	18 302	219 668	226 046	237 122
<b>Total Expenditure by Vote</b>		<b>37 880</b>	<b>37 880</b>	<b>37 880</b>	<b>37 880</b>	<b>37 880</b>	<b>37 880</b>	<b>37 880</b>	<b>37 880</b>	<b>37 880</b>	<b>37 880</b>	<b>37 880</b>	<b>37 875</b>	<b>454 560</b>	<b>473 386</b>	<b>499 382</b>
<b>Surplus/(Deficit) before assoc.</b>		<b>(2 338)</b>	<b>(2 338)</b>	<b>(2 338)</b>	<b>(2 338)</b>	<b>(2 338)</b>	<b>(2 338)</b>	<b>(2 338)</b>	<b>(2 338)</b>	<b>(2 338)</b>	<b>(2 338)</b>	<b>(2 338)</b>	<b>25 722</b>	<b>(0)</b>	<b>(33 818)</b>	<b>(21 833)</b>
Taxation																
Attributable to minorities																
Share of surplus/ (deficit) of associate																
<b>Surplus/(Deficit)</b>	1	<b>(2 338)</b>	<b>(2 338)</b>	<b>(2 338)</b>	<b>(2 338)</b>	<b>(2 338)</b>	<b>(2 338)</b>	<b>(2 338)</b>	<b>(2 338)</b>	<b>(2 338)</b>	<b>(2 338)</b>	<b>(2 338)</b>	<b>25 722</b>	<b>(0)</b>	<b>(33 818)</b>	<b>(21 833)</b>

**Table 176 MBRR SA27 - Budgeted monthly revenue and expenditure (standard classification)**

DC47 Sekhukhune - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)

Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
		July	August	Sep.	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 - Standard</b>																
<i>Governance and administration</i>		35 503	35 503	35 503	35 503	35 503	35 503	35 503	35 503	35 503	35 503	35 503	35 507	426 040	406 637	440 744
Executive and council		200	200	200	200	200	200	200	200	200	200	200	200	2 400	-	-
Budget and treasury office		35 303	35 303	35 303	35 303	35 303	35 303	35 303	35 303	35 303	35 303	35 303	35 307	423 640	406 637	440 744
Corporate services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		39	39	39	39	39	39	39	39	39	39	39	36	465	512	561
Community and social services		39	39	39	39	39	39	39	39	39	39	39	36	465	512	561
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		2 238	2 238	2 238	2 238	2 238	2 238	2 238	2 238	2 238	2 238	2 238	3 437	28 055	32 420	36 243
Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water		2 238	2 238	2 238	2 238	2 238	2 238	2 238	2 238	2 238	2 238	2 238	3 437	28 055	32 420	36 243
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Standard</b>		37 780	37 780	37 780	37 780	37 780	37 780	37 780	37 780	37 780	37 780	37 780	38 980	454 560	439 568	477 548
<b>Expenditure - Standard</b>																
<i>Governance and administration</i>		15 711	15 711	15 711	15 711	15 711	15 711	15 711	15 711	15 711	15 711	15 711	15 701	188 527	198 518	211 045
Executive and council		6 208	6 208	6 208	6 208	6 208	6 208	6 208	6 208	6 208	6 208	6 208	6 208	74 501	78 449	82 293
Budget and treasury office		5 496	5 496	5 496	5 496	5 496	5 496	5 496	5 496	5 496	5 496	5 496	5 490	65 946	69 441	72 844
Corporate services		4 007	4 007	4 007	4 007	4 007	4 007	4 007	4 007	4 007	4 007	4 007	4 003	48 080	50 628	55 908
<i>Community and public safety</i>		2 987	2 987	2 987	2 987	2 987	2 987	2 987	2 987	2 987	2 987	2 987	2 991	35 848	37 748	39 598
Community and social services		2 987	2 987	2 987	2 987	2 987	2 987	2 987	2 987	2 987	2 987	2 987	2 991	35 848	37 748	39 598
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		876	876	876	876	876	876	876	876	876	876	876	876	10 517	11 074	11 617
Planning and development		876	876	876	876	876	876	876	876	876	876	876	876	10 517	11 074	11 617
Road transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		18 306	18 306	18 306	18 306	18 306	18 306	18 306	18 306	18 306	18 306	18 306	18 302	219 668	226 046	237 122
Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water		18 306	18 306	18 306	18 306	18 306	18 306	18 306	18 306	18 306	18 306	18 306	18 302	219 668	226 046	237 122
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Standard</b>		37 881	37 881	37 881	37 881	37 881	37 881	37 881	37 881	37 881	37 881	37 881	37 871	454 560	473 386	499 381
Surplus/(Deficit) before assoc.		(101)	(101)	(101)	(101)	(101)	(101)	(101)	(101)	(101)	(101)	(101)	1 109	(0)	(33 819)	(21 833)
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	1	(101)	(101)	(101)	(101)	(101)	(101)	(101)	(101)	(101)	(101)	(101)	1 109	(0)	(33 819)	(21 833)



**Table 188 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)**

DC47 Sekhukhune - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

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	
<b>Multi-year expenditure to be appropriated</b>	1																
Vote 1 - [EXECUTIVE COUNCIL]														-	-	-	-
Vote 2 - [MUNICIPAL MANGER]														-	-	-	-
Vote 3 - [CORPORATE SERVICES]														-	-	-	-
Vote 4 - [PLANNING AND LOCAL ECONOMIC DEVELOPMENT]														-	-	-	-
Vote 5 - [COMMUNITY SERVICES]														-	-	-	-
Vote 6 - [BUDGET AND TREASURY]														-	-	-	-
Vote 7 - [INFRASTRUCTURE AND WATER SERVICES]														-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Single-year expenditure to be appropriated</b>																	
Vote 1 - [EXECUTIVE COUNCIL]														-	-	-	-
Vote 2 - [MUNICIPAL MANGER]														-	-	-	-
Vote 3 - [CORPORATE SERVICES]			402	233	105	202	360	180	101	306	332	286	293	2 800	2 951	3 111	
Vote 4 - [PLANNING AND LOCAL ECONOMIC DEVELOPMENT]														-	-	-	-
Vote 5 - [COMMUNITY SERVICES]			30	30	36	35	9	-	42	20	27	33	38	300	158	167	
Vote 6 - [BUDGET AND TREASURY]			152	142	101	202	50	170	153	80	70	366	214	1 700	1 792	1 889	
Vote 7 - [INFRASTRUCTURE AND WATER SERVICES]		51 676	51 596	54 376	67 141	99 434	99 893	63 816	60 666	77 298	54 566	67 425	61 461	809 348	-	-	
<b>Capital single-year expenditure sub-total</b>	2	51 676	52 180	54 781	67 383	99 873	100 312	64 166	60 962	77 704	54 995	68 110	62 006	814 148	4 901	5 166	
<b>Total Capital Expenditure</b>	2	51 676	52 180	54 781	67 383	99 873	100 312	64 166	60 962	77 704	54 995	68 110	62 006	814 148	4 901	5 166	

**Table 198 MBRR SA29 - Budgeted monthly capital expenditure (standard classification)**

DC47 Sekhukhune - 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	
<b>Capital Expenditure - Standard</b>	1																
<i>Governance and administration</i>		-	554	375	206	404	410	350	254	386	402	652	507	4 500	4 743	4 902	
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Budget and treasury office		-	152	142	101	202	50	170	153	80	70	366	214	1 700	1 792	1 792	
Corporate services		-	402	233	105	202	360	180	101	306	332	286	293	2 800	2 951	3 111	
<i>Community and public safety</i>		-	30	36	35	9	-	42	20	27	33	29	39	300	158	167	
Community and social services		-	30	36	35	9	-	42	20	27	33	29	39	300	158	167	
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<i>Economic and environmental services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Road transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<i>Trading services</i>		51 676	51 956	54 376	67 149	99 434	99 893	63 816	60 666	77 298	54 566	67 425	61 094	809 348	-	-	
Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Water		51 676	51 256	52 096	51 226	84 943	89 432	52 855	50 870	62 452	41 527	57 886	48 416	694 634	-	-	
Waste water management		-	700	2 280	15 924	14 491	10 461	10 961	9 795	14 845	13 039	9 539	12 678	114 714	-	-	
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Capital Expenditure - Standard</b>	2	51 676	52 540	54 787	67 390	99 847	100 303	64 208	60 940	77 711	55 001	68 106	61 640	814 148	4 901	5 069	

**Table 209 MBRR SA30 - Budgeted monthly cash flow**

DC47 Sekhukhune - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	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>R thousand</b>															
<b>Cash Receipts By Source</b>													1		
Property rates															
Property rates - penalties & collection charges															
Service charges - electricity revenue															
Service charges - water revenue	345	386	586	895	7 225	2 215	245	4 102	362	3 933	3 510	553	24 360	28 356	31 772
Service charges - sanitation revenue	201	407	318	403	204	311	223	275	381	417	307	248	3 695	4 064	4 471
Service charges - refuse revenue															
Service charges - other															
Rental of facilities and equipment															
Interest earned - external investments	202	103	188	183	478	344	583	1 166	21	583	1 893	1 256	7 000	7 700	8 470
Interest earned - outstanding debtors	18	12	14	20	15	16	11	19	25	32	29	39	250	275	3 030
Dividends received															
Fines															
Licences and permits															
Agency services															
Transfer receipts - operational	145 233	-	1 273	-	47 703	85 489	9 872	-	83 293	5 331	1 001	0	379 195	394 729	424 645
Other revenue	-	845	10 124	6 056	1 326	309	155	437	13 735	279	354	6 439	40 660	42 183	44 250
<b>Cash Receipts by Source</b>	<b>146 000</b>	<b>1 754</b>	<b>12 504</b>	<b>7 558</b>	<b>56 950</b>	<b>88 684</b>	<b>11 089</b>	<b>6 000</b>	<b>97 816</b>	<b>10 576</b>	<b>7 094</b>	<b>8 536</b>	<b>454 560</b>	<b>477 307</b>	<b>516 638</b>
<b>Other Cash Flows by Source</b>															
Transfer receipts - capital	67 857	67 857	67 857	67 857	67 857	67 857	67 857	67 857	67 857	67 857	67 857	67 855	814 282	828 638	1 009 105
Contributions recognised - capital & Contributed	-	-	500	801	450	550	600	750	150	350	200	449	4 800	5 054	5 302
Proceeds on disposal of PPE															
Short term loans															
Borrowing long term/refinancing															
Increase (decrease) in consumer deposits															
Decrease (increase) in non-current debtors															
Decrease (increase) other non-current receivables															
Decrease (increase) in non-current investments															
<b>Total Cash Receipts by Source</b>	<b>213 857</b>	<b>69 611</b>	<b>80 861</b>	<b>76 216</b>	<b>125 257</b>	<b>157 091</b>	<b>79 546</b>	<b>74 607</b>	<b>165 823</b>	<b>78 783</b>	<b>75 151</b>	<b>76 840</b>	<b>1 273 642</b>	<b>1 310 999</b>	<b>1 531 045</b>
<b>Cash Payments by Type</b>															
Employee related costs	16 835	16 467	17 467	16 037	16 050	15 075	16 453	15 702	17 630	17 643	16 463	16 996	198 818		
Remuneration of councillors	637	670	663	682	663	792	605	691	565	663	659	669	7 958		
Finance charges	20	20	20	20	20	20	20	20	20	20	20	20	240	253	267
Bulk purchases - Electricity															
Bulk purchases - Water & Sewer	3 928	3 928	3 928	3 928	3 928	3 928	3 928	3 928	3 928	3 928	3 928	3 922	47 130	49 628	52 060
Other materials	1 423	1 423	1 423	1 423	1 423	1 423	1 423	1 423	1 423	1 423	1 423	1 427	17 080		
Contracted services	3 949	3 949	3 949	3 949	3 949	3 949	3 949	3 949	3 949	3 949	3 949	3 947	47 386	49 897	52 342
Transfers and grants - other municipalities															
Transfers and grants - other															
Other expenditure	11 192	11 192	11 192	11 192	11 192	11 192	11 192	11 192	11 192	11 192	11 192	12 836	135 948	138 823	136 376
<b>Cash Payments by Type</b>	<b>37 984</b>	<b>37 649</b>	<b>38 642</b>	<b>37 231</b>	<b>37 225</b>	<b>36 379</b>	<b>37 570</b>	<b>36 905</b>	<b>38 707</b>	<b>38 818</b>	<b>37 634</b>	<b>39 817</b>	<b>454 560</b>	<b>238 601</b>	<b>241 045</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	51 676	51 956	54 376	100 867	103 923	62 316	61 831	72 248	77 298	54 556	67 425	55 677	814 148		
Repayment of borrowing															
Other Cash Flows/Payments															
<b>Total Cash Payments by Type</b>	<b>89 659</b>	<b>89 605</b>	<b>93 018</b>	<b>138 098</b>	<b>141 147</b>	<b>98 695</b>	<b>99 401</b>	<b>109 153</b>	<b>116 005</b>	<b>93 374</b>	<b>105 059</b>	<b>95 494</b>	<b>1 268 708</b>	<b>238 601</b>	<b>241 045</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>124 197</b>	<b>(19 994)</b>	<b>(12 157)</b>	<b>(61 883)</b>	<b>(15 890)</b>	<b>58 396</b>	<b>(19 855)</b>	<b>(34 546)</b>	<b>49 818</b>	<b>(14 592)</b>	<b>(29 907)</b>	<b>(18 654)</b>	<b>4 934</b>	<b>1 072 398</b>	<b>1 290 000</b>
Cash/cash equivalents at the monthly year begin:		124 197	104 203	92 047	30 164	14 274	72 670	52 815	18 269	68 087	53 495	23 588		4 934	1 077 332
Cash/cash equivalents at the monthly year end:	124 197	104 203	92 047	30 164	14 274	72 670	52 815	18 269	68 087	53 495	23 588	4 934	4 934	1 077 332	2 367 332

**1.15 Contracts having future budgetary implications**

In terms of the District's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years).

**1.16 Capital expenditure details**

The following three tables present details of the District's capital expenditure programme, firstly on new assets, then the renewal of assets and finally on the repair and maintenance of assets.

**Table 40 MBRR SA 34a - Capital expenditure on new assets by asset class**



<i>List sub-class</i>										
<b>Intangibles</b>		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other ( <i>list sub-class</i> )										
<b>Total Capital Expenditure on new assets</b>	1	378 573	492 158	458 434	490 529	490 529	490 529	775 548	-	-
<b>Specialised vehicles</b>		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										

**Table 41 MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class**

DC47 Sekhukhune - Supporting Table SA34b Capital expenditure on the renewal of existing 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
<b>R thousand</b>	1									
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		-	-	16 800	-	-	-	38 600	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges										
Storm water										
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Generation										
Transmission & Reticulation										
Street Lighting										
Infrastructure - Water		-	-	16 800	-	-	-	15 600	-	-
Dams & Reservoirs										
Water purification								3 500		
Reticulation				16 800				12 100		
Infrastructure - Sanitation		-	-	-	-	-	-	23 000	-	-
Reticulation										
Sewerage purification								23 000		
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Waste Management										
Transportation	2									
Gas	3									
Other										
<b>Community</b>		-	9 226	9 909	4 000	4 000	4 000	-	-	-
Parks & gardens										
Sportsfields & stadia										
Swimming pools										
Community halls										
Libraries										
Recreational facilities										
Fire, safety & emergency										
Security and policing										
Buses	7									
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing	8									
Other			9 226	9 909	4 000	4 000	4 000			
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-
Buildings										
Other	9									
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Housing development										
Other										
<b>Other assets</b>		-	-	4 800	3 750	3 750	3 750	-	-	-
General vehicles				1 300						
Specialised vehicles	10			-	-	-	-	-	-	-
Plant & equipment				1 500						
Computers - hardware/equipment				2 000	3 000	3 000	3 000			
Furniture and other office equipment					750	750	750			
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings										
Other Land										
Surplus Assets - (Investment or Inventory)										
Other										
<b>Agricultural assets</b>		-	-	-	-	-	-	-	-	-
List sub-class										
<b>Biological assets</b>		-	-	-	-	-	-	-	-	-
List sub-class										
<b>Intangibles</b>		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other (list sub-class)										
<b>Total Capital Expenditure on renewal of existing</b>	1	-	9 226	31 509	7 750	7 750	7 750	38 600	-	-
<b>Specialised vehicles</b>		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										
<b>Disposal of Existing Assets as % of total capex</b>		0.0%	1.0%	6.1%	1.6%	1.6%	1.6%	1.7%	0.0%	0.0%

<i>List sub-class</i>										
<b>Intangibles</b>		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other ( <i>list sub-class</i> )										
<b>Total Capital Expenditure on renewal of existing</b>	1	-	9 226	31 509	7 750	7 750	7 750	38 600	-	-
<b>Specialised vehicles</b>		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										
<i>Renewal of Existing Assets as % of total capex</i>		0.0%	1.8%	6.4%	1.6%	1.6%	1.6%	4.7%	0.0%	0.0%
<i>Renewal of Existing Assets as % of deprecn"</i>		0.0%	9.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

**Table 42 MBRR SA34c - Repairs and maintenance expenditure by asset class**





<i>List sub-class</i>										
<b>Intangibles</b>		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other ( <i>list sub-class</i> )										
<b>Total Repairs and Maintenance Expenditure</b>	1	-	-	-	-	-	-	17 080	-	-
<b>Specialised vehicles</b>		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										
<i>R&amp;M as a % of PPE</i>		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	0.0%	0.0%
<i>R&amp;M as % Operating Expenditure</i>		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.8%	0.0%	0.0%

**Table 43 MBRR SA35 - Future financial implications of the capital budget**

DC47 Sekhukhune - 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
<b>R thousand</b>								
<b>Capital expenditure</b>	1							
Vote 1 - [EXCUTIVE COUNCIL]		-	-	-				
Vote 2 - [MUNICIPAL MANGER]		-	-	-				
Vote 3 - [CORPORATE SERVICES]		2 800	2 951	3 111				
Vote 4 - [PLANNING AND LOCAL ECONOMIC DEVE]		-	-	-				
Vote 5 - [COMMUNITY SERVICES]		300	158	167				
Vote 6 - [BUDGET AND TREASURY]		1 700	1 792	1 889				
Vote 7 - [INFRASTRUCTURE AND WATER SERVIC]		809 348	-	-				
Vote 8 - [NAME OF VOTE 8]		-	-	-				
Vote 9 - [NAME OF VOTE 9]		-	-	-				
Vote 10 - [NAME OF VOTE 10]		-	-	-				
Vote 11 - [NAME OF VOTE 11]		-	-	-				
Vote 12 - [NAME OF VOTE 12]		-	-	-				
Vote 13 - [NAME OF VOTE 13]		-	-	-				
Vote 14 - [NAME OF VOTE 14]		-	-	-				
Vote 15 - [NAME OF VOTE 15]		-	-	-				
<i>List entity summary if applicable</i>								
<b>Total Capital Expenditure</b>		814 148	4 901	5 166	-	-	-	-
<b>Future operational costs by vote</b>	2							
Vote 1 - [EXCUTIVE COUNCIL]								
Vote 2 - [MUNICIPAL MANGER]								
Vote 3 - [CORPORATE SERVICES]								
Vote 4 - [PLANNING AND LOCAL ECONOMIC DEVELOPMENT]								
Vote 5 - [COMMUNITY SERVICES]								
Vote 6 - [BUDGET AND TREASURY]								
Vote 7 - [INFRASTRUCTURE AND WATER SERVICES]								
Vote 8 - [NAME OF VOTE 8]								
Vote 9 - [NAME OF VOTE 9]								
Vote 10 - [NAME OF VOTE 10]								
Vote 11 - [NAME OF VOTE 11]								
Vote 12 - [NAME OF VOTE 12]								
Vote 13 - [NAME OF VOTE 13]								
Vote 14 - [NAME OF VOTE 14]								
Vote 15 - [NAME OF VOTE 15]								
<i>List entity summary if applicable</i>								
<b>Total future operational costs</b>		-	-	-	-	-	-	-
<b>Future revenue by source</b>	3							
Property rates								
Property rates - penalties & collection charges								
Service charges - electricity revenue								
Service charges - w ater revenue								
Service charges - sanitation revenue								
Service charges - refuse rev enue								
Service charges - other								
Rental of facilities and equipment								
<i>List other revenues sources if applicable</i>								
<i>List entity summary if applicable</i>								
<b>Total future revenue</b>		-	-	-	-	-	-	-
<b>Net Financial Implications</b>		814 148	4 901	5 166	-	-	-	-

**Table 44 MBRR SA36 - Detailed capital budget per municipal vote**

DC47 Sekhukhune - Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code	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 Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Ward location	New or renewal		
Parent municipality: <i>List all capital projects grouped by Municipal Vote</i>																		
Sanitation		Mantekahl WWTW Refurbishment				Infrastructure - Sanitation						3 000				New		
		Penge (Upgrading of WWTW & WTW)				Infrastructure - Sanitation						7 500				Renewal		
		Reburb of Molekema Sewer Bulk line				Infrastructure - Sanitation						2 500				Renewal		
		Reburb of Dorenbos sewer pump station				Infrastructure - Sanitation						2 500				Renewal		
		Reburb of Ganskrans sewerage ponds				Infrastructure - Sanitation						2 500				Renewal		
		Reburb of Prackseer sewerage ponds				Infrastructure - Sanitation						2 500				Renewal		
		Reburb of Mapodde sewerage ponds				Infrastructure - Sanitation						2 500				Renewal		
		Mahishi Makoseng & Makomane VP				Infrastructure - Sanitation						937				New		
		Avonien / Ga Motodi Rural Sanitation				Infrastructure - Sanitation						4 010				New		
		Agel Sanitation				Infrastructure - Sanitation						900				New		
		Rampheane Sanitation				Infrastructure - Sanitation						3 543				New		
		Burgersfont WWTW (New plant)				Infrastructure - Sanitation						29 353				New		
		Rosenkall WWTW Upgrade				Infrastructure - Sanitation						6 391				New		
		Agel Sewer WWTW				Infrastructure - Sanitation						15 980				New		
		Mohale's CP Ga Phepha & Mapulaning VP				Infrastructure - Sanitation						6 900				New		
		VP sanitation for 7252 Toilets				Infrastructure - Sanitation						23 700				New		
	Water		Makobota Water Supply Phase 2				Infrastructure - Water						500				New	
			Mahlakwane Village (Steinport) BWS				Infrastructure - Water						4 700				New	
			Reburb & Upgrading of kgabau WTW				Infrastructure - Water						3 500				Renewal	
			Community water supply for Mabopane & Morokeng				Infrastructure - Water						3 400				Renewal	
		Reburb of Community water supply at Philing				Infrastructure - Water						3 000				Renewal		
		Reburb of Community water supply lines at Leolo Local				Infrastructure - Water						1 500				Renewal		
		Replacement of dedicated line to Jane Furse Hospital				Infrastructure - Water						4 200				Renewal		
		Carbonite sto 2 aaplas				Infrastructure - Water						32 220				New		
		Ga-Makana Water Supply				Infrastructure - Water						2 216				New		
		Jane Furse 25ml Command Reservoir (GHTC)				Infrastructure - Water						19 877				New		
		Sekwati water supply project phase 2 & 3				Infrastructure - Water						12 746				New		
		De Hoop Water Treatment works 12 ph 1B				Infrastructure - Water						7 909				New		
		Moochoek Internal Bulk				Infrastructure - Water						41 597				New		
		Tlalekop reticulation				Infrastructure - Water						31 960				New		
		Zandkops Village Reticulations				Infrastructure - Water						18 800				New		
		Mouke BWS Phase (Counterfunding)				Infrastructure - Water						60 000				New		
		Ga-ekwana Housing Scheme BWS				Infrastructure - Water						12 772				New		
		Oltlantspot South Regional WS Scheme phase 6				Infrastructure - Water						2 957				New		
		Nkadimeng BWS				Infrastructure - Water						201				New		
		Nebo Pletau sub project 1A - PL Jane Furse				Infrastructure - Water						15 000				New		
		Taung Reticulation				Infrastructure - Water						14 855				New		
		Mokel C (Zwemeldstroom) water Ret & Cost Recovery				Infrastructure - Water						9 289				New		
		Prackseer Water Supply				Infrastructure - Water						16 450				New		
		Grobokersdal/Luckau Water Supply				Infrastructure - Water						10 695				New		
		Makobota Water Supply				Infrastructure - Water						7 000				New		
		Mantlakwane Water Supply				Infrastructure - Water						4 700				New		
		Mouke Bulk Water Supply				Infrastructure - Water						31 471				New		
		Nebo Pletau Bulk Water Supply - Jane Furse/Mapulaning				Infrastructure - Water						22 790				New		
		Nebo Pletau Bulk Water Supply - Jane Furse to Mbehal				Infrastructure - Water						22 210				New		
		Prackseer Bulk Pipeline				Infrastructure - Water						40 000				New		
		Mouke BWS Phase 3,4,5				Infrastructure - Water						8 529				New		
		Upgrade of Mankler Plan				Infrastructure - Water						1 400				New		
		De hoop offtake				Infrastructure - Water						12 000				New		
		Mouke BWS Phase 3,4,5				Infrastructure - Water						140 900				New		
		Magnel Heights to Schoonoodr bulk pipeline				Infrastructure - Water						7 000				New		
		Schoonoodr 5ml command Reservoir				Infrastructure - Water						5 000				New		
		Ga- Makakana to Jane Furse pipeline				Infrastructure - Water						10 000				New		
		Ga Makakana WTW 36ml				Infrastructure - Water						10 000				New		
		Mankoe & Dresden pipeline				Infrastructure - Sanitation						40 000				New		
Parent Capital expenditure												889 348						
Entities: <i>List all capital projects grouped by Entity</i>																		
Entity A Water project A																		
Entity B Electricity project B																		
Entity Capital expenditure																		
Total Capital expenditure															889 348			

**Table 45 MBRR SA37 - Projects delayed from previous financial year**

DC47 Sekhukhune - Supporting Table SA37 Projects delayed from previous financial years

Municipal Vote/Capital project	Ref. 1.2	Project name	Project number	Asset Class 3	Asset Sub-Class 3	GPS co-ordinates 4	Previous target year to complete	Current Year 2011/12		2012/13 Medium Term Revenue & Expenditure Framework		
								Original Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand												
Parent municipality: <i>List all capital projects grouped by Municipal Vote</i>												
<i>Examples</i>												
<b>ROADS AND STORMWATER</b>												
		Elandsdoring Access Road (Streets)		Infrastructure - Road transport	Roads, Pavements & Bridges			1 500				
		Marishane Access Road		Infrastructure - Road transport	Roads, Pavements & Bridges			369				
		Ngqolovane Streets		Infrastructure - Road transport	Roads, Pavements & Bridges			327				
		Ngwabe Internal Roads		Infrastructure - Road transport	Roads, Pavements & Bridges			4 984				
<b>ELECTRICITY</b>												
		Electrification Cluster		Infrastructure - Electricity	Other			286				
<b>COMMUNITY ASSETS</b>												
		Ga-Nkoana Sports Complex		Community	Sports/fields & stadia			346				
		Jabulani Sewing and Welding		Community	Other			88				
		Mashibole Play point		Community	Other Buildings			66				
		Groblersdal Fire Station		Community	Fire, safety & emergency			2 900				
<b>SANITATION</b>												
		Ga-Nchabeleng Sanitation		Infrastructure - Sanitation	Waste Management			484				
		Sanitation Beneficiary Planning		Infrastructure - Sanitation	Waste Management			673				
		MIG- Apel Sewer WWTW		Infrastructure - Sanitation	Waste Management			1 600				
		MIG-Babau & Ga-manoke sanitation		Infrastructure - Sanitation	Waste Management			6 318				
		MIG- Dithabang VIP sanitation		Infrastructure - Sanitation	Waste Management			1 300				
		MIG-Apel sanitation PH 2		Infrastructure - Sanitation	Waste Management			616				
		MIG- Ramphosane sanitation		Infrastructure - Sanitation	Waste Management			300				
		MIG- Mashishi Makodesseng & Mabokom		Infrastructure - Sanitation	Waste Management			1 918				
		MIG-Phasha Mampuru VIP 1072 Units Tubas		Infrastructure - Sanitation	Waste Management			3 752				
		MIG- Nwane, Makhuduhumaga:117 Units		Infrastructure - Sanitation	Waste Management			410				
		MIG-Moleli Elias Mobsaladi:514 Units		Infrastructure - Sanitation	Waste Management			1 799				
		MIG Phokwane:Makhuduhumaga:117 Units		Infrastructure - Sanitation	Waste Management			13 136				
		MIG GA-Tala Elias Mobsaladi 185 units		Infrastructure - Sanitation	Waste Management			648				
		MIG- Mashibole Makhuduhumaga 894 units		Infrastructure - Sanitation	Waste Management			3 128				
<b>WATER</b>												
		Leeuwfontein Reti-culation Returb		Infrastructure - Water	Reti-culation			1 140				
		Steelpoort WTW		Infrastructure - Water	Water purification			1 300				
		Makobola Water Supply		Infrastructure - Water	Reti-culation			1 401				
		Morgenzon Water Supply		Infrastructure - Water	Reti-culation			200				
		Lubalele South phase 1 Regional WTW		Infrastructure - Water	Water purification			9 327				
		Flag-Boshelo Scheme		Infrastructure - Water	Water purification			5 000				
		MIG-Roosenekal WWWTW upgrade (double)		Infrastructure - Water	Water purification			466				
		MIG-Moleli B & C (Zoemakfontein) water		Infrastructure - Water	Reti-culation			1 700				
		MIG-TalikiKop reticulation		Infrastructure - Water	Reti-culation			3 200				
		MIG-Sterkfontein luckau PH6		Infrastructure - Water	Reti-culation			2 414				
		MIG- Zaaiplaas Village Reticulation(Dindelo, No		Infrastructure - Water	Reti-culation			9 000				
		Mig-Nkadimeng RWS		Infrastructure - Water	Reti-culation			12 692				
		Mig-Carbonales to Zaaiplaas		Infrastructure - Water	Reti-culation			8 331				
		MIG-DeHoop WTW 12 MLPHIB		Infrastructure - Water	Water purification			9 625				
		MIG-Gamalaka Water Supply		Infrastructure - Water	Reti-culation			4 176				
		MIG-Jane Furse/Dml Comm reservoir		Infrastructure - Water	Reti-culation			21 589				
		MIG-Nebo Plateau Water Supply		Infrastructure - Water	Reti-culation			119				
		MIG-Nebo Otterpoort south reg water Supply		Infrastructure - Water	Reti-culation			11 493				
		MIG- Sekwale Water Supply Phase 2		Infrastructure - Water	Reti-culation			4 727				
		MIG-Burgersfort WWWTW AML New Plant		Infrastructure - Water	Water purification			2 200				
		MIG-Mooihook 10ml command reservoir		Infrastructure - Water	Reti-culation			8 181				
		MIG- Tau Reticulation		Infrastructure - Water	Reti-culation			366				
		MIG-Ga nkwane housing scheme BWS		Infrastructure - Water	Reti-culation			670				
		MIG- Mooihook BWS Phase 3		Infrastructure - Water	Reti-culation			6 166				
		MIG-Praktiseer Water Supply		Infrastructure - Water	Reti-culation			9 452				
		MIG-Morgenzon Water Supply		Infrastructure - Water	Reti-culation			42				
		MIG-kebelele South Phase 1 Regional WTW		Infrastructure - Water	Water purification			6 091				
		MIG-Mabose Water Supply		Infrastructure - Water	Reti-culation			125				
		MIG- Moubse Water Supply		Infrastructure - Water	Reti-culation			38 293				
		MIG Mooihook Phase 4 Burgersfort		Infrastructure - Water	Reti-culation			10 532				
		MIG Makobola Water Supply R-O		Infrastructure - Water	Reti-culation			607				
		MIG- Steelpoort WTW R-O		Infrastructure - Water	Water purification			1 300				
		DWA-Piet Gouw's Water supply to ga masemola		Infrastructure - Water	Reti-culation			9 060				
		DWA-Flag Boshelo Package plant		Infrastructure - Water	Water purification			1 380				
		DWA-Piet Gouw's WTW R-O		Infrastructure - Water	Water purification			2 503				
		DWA- Mampuru WTW R-O		Infrastructure - Water	Water purification			2 056				
		DWA-Vergilgen WTW R-O		Infrastructure - Water	Water purification			1 671				
		RBIG-Moubse Bulk Water Supply		Infrastructure - Water	Reti-culation			5 145				
		RBIG-De hoop WTW 12MLPHIB		Infrastructure - Water	Reti-culation			10 000				
		RBIG-June Furse 10ML Comm Reservoir (PHIC)		Infrastructure - Water	Reti-culation			2 799				
		RBIG-Nebo Plateau water supply		Infrastructure - Water	Reti-culation			30 786				
		RBIG-MooihookBWS scheme		Infrastructure - Water	Reti-culation			5 110				
		RBIG-June Furse to manlanseng		Infrastructure - Water	Reti-culation			2 238				
		RBIG-MooihookBWS scheme Phase 3		Infrastructure - Water	Reti-culation			6 349				
		ACP- Flag Boshelo WCDM R-O		Infrastructure - Water	Water purification			2 425				
		ACP-Marble Hill WWWTW R-O		Infrastructure - Water	Water purification			906				
		ACP- Mokobola Water Supply		Infrastructure - Water	Reti-culation			5 200				
		EPWP-Infrastructure Projects		Infrastructure - Water	Reti-culation			12 333				
<b>CAPITAL ADMIN</b>												
		Motor Vehicle		Other Assets	General vehicles			1 292				

## 1.15 Legislation compliance status

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

1. In year reporting  
Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reports are sent to the Executive Mayor and National Treasury And other relevant sector departments (within 10 working days).
2. Internship programme  
The District is participating in the Municipal Financial Management Internship programme and has employed three interns undergoing training in various divisions of the Financial Services Department.
3. Budget and Treasury Office  
The Budget and Treasury Office has been established in accordance with the MFMA.
4. Audit Committee  
An Audit Committee has been established and is fully functional.
5. Service Delivery and Implementation Plan  
The detailed Draft SDBIP document has been noted by Council on 29<sup>th</sup> May 2012.
6. Annual Report  
Annual report is compiled in terms of the MFMA and National Treasury requirements.
7. Policies  
They have been noted and approved during the approval of 2012/2013 Annual Budget and IDP.

## **1.16 Other supporting documents**

### **Table 46 MBRR Table SA1 - Supporting detail to budgeted financial performance**







**Table 48 MBRR Table SA3 – Supporting detail to Statement of Financial Position**

DC47 Sekhukhune - Supporting Table SA3 Supporting detail to '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
<b>R thousand</b>											
<b>ASSETS</b>											
<b>Call investment deposits</b>											
Call deposits < 90 days		-	-	-	-	-	-	-	-	-	-
Other current investments > 90 days		215 916	31 814	-	-	-	-	-	-	-	-
<b>Total Call investment deposits</b>	2	215 916	31 814	-	-	-	-	-	-	-	-
<b>Consumer debtors</b>											
Consumer debtors		511	22 701	27 807	27 807	27 807	25 336	25 336	29 000	33 060	37 689
Less: Provision for debt impairment		-	-	-	-	-	-	-	-	-	-
<b>Total Consumer debtors</b>	2	511	22 701	27 807	27 807	27 807	25 336	25 336	29 000	33 060	37 689
<b>Debt impairment provision</b>											
Balance at the beginning of the year		-	-	-	-	-	-	-	-	-	-
Contributions to the provision		-	-	-	-	-	-	-	-	-	-
Bad debts written off		-	-	-	-	-	-	-	-	-	-
<b>Balance at end of year</b>		-	-	-	-	-	-	-	-	-	-
<b>Property, plant and equipment (PPE)</b>											
PPE at cost/valuation (excl. finance leases)		4 252 984	4 700 435	4 541 331	4 904 587	4 904 587	4 904 587	4 904 587	4 125 178	-	-
Leases recognised as PPE	3	4 820	5 038	-	4 293	4 293	4 293	4 293	-	-	-
Less: Accumulated depreciation		1 484 604	1 586 107	1 533 479	1 602 784	1 602 784	1 602 784	1 602 784	-	-	-
<b>Total Property, plant and equipment (PPE)</b>	2	2 773 200	3 119 366	3 007 852	3 306 096	3 306 096	3 306 096	3 306 096	4 125 178	-	-
<b>LIABILITIES</b>											
<b>Current liabilities - Borrowing</b>											
Short term loans (other than bank overdraft)		15 676	8 454	-	-	-	-	-	-	-	-
Current portion of long-term liabilities		-	-	609	-	-	-	-	-	-	-
<b>Total Current liabilities - Borrowing</b>		15 676	8 454	609	-	-	-	-	-	-	-
<b>Trade and other payables</b>											
Trade and other creditors		205 234	182 084	969 033	-	-	9 715	9 715	11 075	12 626	14 393
Unspent conditional transfers		142 118	242 013	3 511	-	289 828	289 828	289 828	-	-	-
VAT		(177 444)	(117 862)	(93 186)	-	-	-	-	-	-	-
<b>Total Trade and other payables</b>	2	169 907	306 236	879 358	-	289 828	299 543	299 543	11 075	12 626	14 393
<b>Non current liabilities - Borrowing</b>											
Borrowing	4	-	-	5 733	1 126	1 126	1 126	1 126	1 126	1 126	1 126
Finance leases (including PPP asset element)		3 369	2 748	1 026	-	-	-	-	-	-	-
<b>Total Non current liabilities - Borrowing</b>		3 369	2 748	6 758	1 126	1 126	1 126	1 126	1 126	1 126	1 126
<b>Provisions - non-current</b>											
Retirement benefits		-	-	-	-	-	-	-	-	-	-
List other major provision items		-	-	-	-	-	-	-	-	-	-
Refuse landfill site rehabilitation		-	-	-	-	-	-	-	-	-	-
Other		42 804	36 462	21 451	-	-	-	-	-	-	-
<b>Total Provisions - non-current</b>		42 804	36 462	21 451	-	-	-	-	-	-	-
<b>CHANGES IN NET ASSETS</b>											
<b>Accumulated Surplus/(Deficit)</b>											
Accumulated Surplus/(Deficit) - opening balance		2 731 724	2 853 899	2 434 353	-	-	-	-	-	-	-
GRAP adjustments		-	-	-	-	-	-	-	-	-	-
Restated balance		2 731 724	2 853 899	2 434 353	-	-	-	-	-	-	-
Surplus/(Deficit)		191 951	(8 076)	715 260	613 727	657 000	193 423	193 423	814 282	809 342	1 011 554
Appropriations to Reserves		-	-	-	-	-	-	-	-	-	-
Transfers from Reserves		-	-	-	-	-	-	-	-	-	-
Depreciation offsets		-	-	-	-	-	-	-	-	-	-
Other adjustments		-	-	-	-	-	-	-	-	-	-
<b>Accumulated Surplus/(Deficit)</b>	1	2 923 676	2 845 823	3 149 613	613 727	657 000	193 423	193 423	814 282	809 342	1 011 554
<b>Reserves</b>											
Housing Development Fund		-	-	-	-	-	-	-	-	-	-
Capital replacement		-	-	-	-	-	-	-	-	-	-
Self-insurance		-	-	-	-	-	-	-	-	-	-
Other reserves		(0)	(0)	-	-	-	-	-	-	-	-
Revaluation		-	-	-	-	-	-	-	-	-	-
<b>Total Reserves</b>	2	(0)	(0)	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	2 923 676	2 845 823	3 149 613	613 727	657 000	193 423	193 423	814 282	809 342	1 011 554

**Table 219 MBRR Table SA9 – Social, economic and demographic statistics and assumptions**

DC47 Sekhukhune - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	1996 Census	2001 Census	2007 Survey	2008/9	2009/10	2010/11	Current Year	2012/13 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
<b>Demographics</b>												
Population		Census count / Estimate		1 025	1 090	1 058	1 069					
Females aged 5 - 14		Census count / Estimate			242							
Males aged 5 - 14		Census count / Estimate			240							
Females aged 15 - 34		Census count / Estimate			254							
Males aged 15 - 34		Census count / Estimate			172							
Unemployment		Census count / Estimate										
<b>Monthly household income (no. of households)</b>	1, 12											
No income		Census count / Estimate			21 842							
R1 - R1 600		Census count / Estimate										
R1 601 - R3 200		Census count / Estimate			17 969							
R3 201 - R6 400		Census count / Estimate										
R6 401 - R12 800		Census count / Estimate			31 484							
R12 801 - R25 600		Census count / Estimate			50 657							
R25 601 - R51 200		Census count / Estimate			45 039							
R52 201 - R102 400		Census count / Estimate			28 450							
R102 401 - R204 800		Census count / Estimate			5 681							
R204 801 - R409 600		Census count / Estimate			745							
R409 601 - R819 200		Census count / Estimate			183							
> R819 200		Census count / Estimate			308							
<b>Poverty profiles (no. of households)</b>												
< R2 060 per household per month	13				49							
Insert description	2											
<b>Household/demographics (000)</b>												
Number of people in municipal area		Census count / Community survey			1 047 670	1 058	1 069					
Number of poor people in municipal area		Census count / Community survey			451 779							
Number of households in municipal area		Census count / Community survey		204 744	217 172	233	237					
Number of poor households in municipal area		Census count / Community survey										
Definition of poor household (R per month)		Census count / Community survey										
<b>Housing statistics</b>												
Formal	3	Census count / Community survey			2 450	500	1 200	2 750				
Informal												
<b>Total number of households</b>					2 450	500	1 200	2 750				
Dwellings provided by municipally	4				2 450	500	1 200	2 750				
Dwellings provided by province/s												
Dwellings provided by private sector	5											
<b>Total new housing dwellings</b>					2 450	500	1 200	2 750				
<b>Economic</b>												
Inflation/inflation outlook (CPIX)	6											
Interest rate - borrowing												
Interest rate - investment												
Remuneration increases												
Consumption growth (electricity)												
Consumption growth (water)												
<b>Collection rates</b>	7											
Property tax/service charges												
Rental of facilities & equipment												
Interest - external investments												
Interest - debtors												
Revenue from agency services												

Detail on the provision of municipal services for A10

Total municipal services	Ref.	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework				
					Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14
<b>Household service targets (000)</b>												
<b>Water:</b>												
Piped water inside dwelling	8		149 902									
Piped water inside yard (but not in dwelling)												
Using public tap (at least min service level)	10											
Other water supply (at least min service level)												
<b>Minimum Service Level and Above sub-total</b>			149 902									
Using public tap (< min service level)	9											
Other water supply (< min service level)	10											
No water supply												
<b>Below Minimum Service Level sub-total</b>												
<b>Total number of households</b>			149 902									
<b>Sanitation/sewerage:</b>												
Flush toilet (connected to sewerage)			237 390									
Flush toilet (with septic tank)												
Chemical toilet												
Pit toilet (ventilated)												
Other toilet provisions (> min service level)												
<b>Minimum Service Level and Above sub-total</b>			237 390									
Bucket toilet												
Other toilet provisions (< min service level)												
No toilet provisions												
<b>Below Minimum Service Level sub-total</b>												
<b>Total number of households</b>			237 390									
<b>Energy:</b>												
Electricity (at least min service level)			48 065									
Electricity - prepaid (min service level)												
<b>Minimum Service Level and Above sub-total</b>			48 065									
Electricity (< min service level)												
Electricity - prepaid (< min service level)												
Other energy sources												
<b>Below Minimum Service Level sub-total</b>												
<b>Total number of households</b>			48 065									
<b>Refuse:</b>												
Removed at least once a week												
<b>Minimum Service Level and Above sub-total</b>												
Removed less frequently than once a week												
Using communal refuse dump												
Using own refuse dump												
Other rubbish disposal												
No rubbish disposal												
<b>Below Minimum Service Level sub-total</b>												
<b>Total number of households</b>												

Municipal in-house services	Ref.	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework				
					Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14
<b>Household service targets (000)</b>												
<b>Water:</b>												
Piped water inside dwelling	8											
Piped water inside yard (but not in dwelling)												
Using public tap (at least min service level)	10											
Other water supply (at least min service level)												
<b>Minimum Service Level and Above sub-total</b>												
Using public tap (< min service level)	9											
Other water supply (< min service level)	10											
No water supply												
<b>Below Minimum Service Level sub-total</b>												
<b>Total number of households</b>												
<b>Sanitation/sewerage:</b>												
Flush toilet (connected to sewerage)												
Flush toilet (with septic tank)												
Chemical toilet												
Pit toilet (ventilated)												
Other toilet provisions (> min service level)												

[Type text]

Municipal in-house services		Ref.	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
			<b>Household service targets (000)</b>								
			<b>Water:</b>								
			Piped water inside dwelling								
			Piped water inside yard (but not in dwelling)								
8			Using public tap (at least min.service level)								
10			Other water supply (at least min.service level)								
			<i>Minimum Service Level and Above sub-total</i>								
9			Using public tap (< min.service level)								
10			Other water supply (< min.service level)								
			No water supply								
			<i>Below Minimum Service Level sub-total</i>								
			Total number of households								
			<b>Sanitation/sewerage:</b>								
			Flush toilet (connected to sewerage)								
			Flush toilet (with septic tank)								
			Chemical toilet								
			Pit toilet (ventilated)								
			Other toilet provisions (> min.service level)								
			<i>Minimum Service Level and Above sub-total</i>								
			Bucket toilet								
			Other toilet provisions (< min.service level)								
			No toilet provisions								
			<i>Below Minimum Service Level sub-total</i>								
			Total number of households								
			<b>Energy:</b>								
			Electricity (at least min.service level)								
			Electricity - prepaid (min.service level)								
			<i>Minimum Service Level and Above sub-total</i>								
			Electricity (< min.service level)								
			Electricity - prepaid (< min. service level)								
			Other energy sources								
			<i>Below Minimum Service Level sub-total</i>								
			Total number of households								
			<b>Refuse:</b>								
			Removed at least once a week								
			<i>Minimum Service Level and Above sub-total</i>								
			Removed less frequently than once a week								
			Using communal refuse dump								
			Using own refuse dump								
			Other rubbish disposal								
			No rubbish disposal								
			<i>Below Minimum Service Level sub-total</i>								
			Total number of households								
Municipal entity services		Ref.	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
			<b>Household service targets (000)</b>								
			<b>Water:</b>								
			Piped water inside dwelling								
			Piped water inside yard (but not in dwelling)								
8			Using public tap (at least min.service level)								
10			Other water supply (at least min.service level)								
			<i>Minimum Service Level and Above sub-total</i>								
9			Using public tap (< min.service level)								
10			Other water supply (< min.service level)								
			No water supply								
			<i>Below Minimum Service Level sub-total</i>								
			Total number of households								
			<b>Sanitation/sewerage:</b>								
			Flush toilet (connected to sewerage)								
			Flush toilet (with septic tank)								
			Chemical toilet								
			Pit toilet (ventilated)								
			Other toilet provisions (> min.service level)								
			<i>Minimum Service Level and Above sub-total</i>								
			Bucket toilet								
			Other toilet provisions (< min.service level)								
			No toilet provisions								
			<i>Below Minimum Service Level sub-total</i>								
			Total number of households								
			<b>Energy:</b>								
			Electricity (at least min.service level)								
			Electricity - prepaid (min.service level)								
			<i>Minimum Service Level and Above sub-total</i>								
			Electricity (< min.service level)								
			Electricity - prepaid (< min. service level)								
			Other energy sources								
			<i>Below Minimum Service Level sub-total</i>								
			Total number of households								
			<b>Refuse:</b>								
			Removed at least once a week								
			<i>Minimum Service Level and Above sub-total</i>								
			Removed less frequently than once a week								
			Using communal refuse dump								
			Using own refuse dump								
			Other rubbish disposal								
			No rubbish disposal								
			<i>Below Minimum Service Level sub-total</i>								
			Total number of households								
Services provided by 'external mechanisms'		Ref.	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
			<b>Household service targets (000)</b>								
			<b>Water:</b>								
			Piped water inside dwelling								
			Piped water inside yard (but not in dwelling)								
8			Using public tap (at least min.service level)								
10			Other water supply (at least min.service level)								
			<i>Minimum Service Level and Above sub-total</i>								
9			Using public tap (< min.service level)								
10			Other water supply (< min.service level)								
			No water supply								
			<i>Below Minimum Service Level sub-total</i>								
			Total number of households								
			<b>Sanitation/sewerage:</b>								
			Flush toilet (connected to sewerage)								
			Flush toilet (with septic tank)								
			Chemical toilet								
			Pit toilet (ventilated)								
			Other toilet provisions (> min.service level)								
			<i>Minimum Service Level and Above sub-total</i>								
			Bucket toilet								
			Other toilet provisions (< min.service level)								
			No toilet provisions								
			<i>Below Minimum Service Level sub-total</i>								
			Total number of households								

Services provided by 'external mechanisms'	Ref.	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Names of service providers		<b>Household service targets (000)</b>								
		<b>Water:</b>								
		Piped water inside dwelling								
		Piped water inside yard (but not in dwelling)								
	8	Using public tap (at least min.service level)								
	10	Other water supply (at least min.service level)								
		<i>Minimum Service Level and Above sub-total</i>								
		Using public tap (< min.service level)								
	9	Other water supply (< min.service level)								
	10	No water supply								
		<i>Below Minimum Service Level sub-total</i>								
		Total number of households								
Names of service providers		<b>Sanitation/sewerage:</b>								
		Flush toilet (connected to sewerage)								
		Flush toilet (with septic tank)								
		Chemical toilet								
		Pit toilet (ventilated)								
		Other toilet provisions (> min.service level)								
		<i>Minimum Service Level and Above sub-total</i>								
		Bucket toilet								
		Other toilet provisions (< min.service level)								
		No toilet provisions								
		<i>Below Minimum Service Level sub-total</i>								
		Total number of households								
Names of service providers		<b>Energy:</b>								
		Electricity (at least min.service level)								
		Electricity - prepaid (min.service level)								
		<i>Minimum Service Level and Above sub-total</i>								
		Electricity (< min.service level)								
		Electricity - prepaid (< min. service level)								
		Other energy sources								
		<i>Below Minimum Service Level sub-total</i>								
		Total number of households								
Names of service providers		<b>Refuse:</b>								
		Removed at least once a week								
		<i>Minimum Service Level and Above sub-total</i>								
		Removed less frequently than once a week								
		Using communal refuse dump								
		Using own refuse dump								
		Other rubbish disposal								
		No rubbish disposal								
		<i>Below Minimum Service Level sub-total</i>								
		Total number of households								

**Table 22 MBRR SA32 – List of external mechanisms**

**DC47 Sekhukhune - Supporting Table SA32 List of external mechanisms**

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
		Number			R thousand
Security Services	Yrs	3	Maximum Security	30/06/2013	43 811
Cleaning	Yrs	3	Starplex 347 CC	31/03/2013	3 306
Lease f Office Machine	Yrs	5	Nashua Mpumalanga	23/03/2014	13 200
Fleet Management	Yrs	3	Fleet Africa	30/06/2014	54 150
Billing and Cost Recovery	Yrs	3	KWCRS	30/07/2012	10 674
<b>Office Rentals</b>					
14 Grobler Street	Yrs	2	Martin Augustine	31/05/2012	
991 Portion 2	Yrs	2	J.W Mdluli	30/04/2013	
37 bank Street	Yrs	3	P.J Mphela	28/02/2013	1 093
856 Mark Street	Yrs	5	Winter Night Investment CC	01/02/2013	1 102
1 Robertson Avenue	Yrs	3	JJ and MC Wentzel	30/04/2013	
26 Herford street	Yrs	5	Rusma elendomme	30/04/2014	2 446
1 Hamman Street	Yrs	3	Rusma elendomme	31/03/2014	643
6 Voortrekker street	Yrs	3	Bou vest 2316 cc	31/03/2013	-
21 Grobler Street	Yrs	2	Thaneka Consulting	28/02/2011	1 095
Jane Furse memorial	Yrs	3	St Marks Diocese	31/12/2014	30 889
Jane Furse memorial	Yrs	3	St Marks Diocese	30/11/2013	1 188
Malekerena Village	Yrs	3	SF Ndala	31/10/2013	
4 end Street	Yrs	3	Moneyline	31/07/2014	1 840
32 Market street	Yrs	1	Pioneer Foods	15/03/2012	

### 1.17 Municipal manager's quality certificate

I ....., municipal manager of Sekhukhune District 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 Sekhukhune District Municipality (DC 47)

Signature \_\_\_\_\_

Date \_\_\_\_\_