

NXUBA MUNICIPALITY



DRAFT BUDGET 2013/2014

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LEGISLATIVE FRAMEWORK

MFMA section 16(1) states-The council of a municipality must for each financial year approve an annual budget for the municipality before the start of the financial year.

The budget policy of the municipality states that 90 days before the start of a budget year a draft budget must be tabled in a municipal council.

Section 17 annual budget of a municipality must be a schedule in the prescribed format- (d) setting out estimated revenue and expenditure by vote for the current year and actual revenue and expenditure by vote for the financial year proceeding the current year.

(2)Annual budget must be generally the divided into a capital and an operating budget in accordance with international best practice, as may be prescribed.

Municipal budget circular 2013/14

The municipal budgeting circular issued by National treasury highlights the local government priority areas as follows:

- Provision of basic services
- Job creation
- Exploring labor intensive programs
- Eliminate under spending in capital projects
- Cutting expenditure on non-priority areas

Inflation forecasts for the MTREF:

2013/14	-5.5%
2014/15	-5.1%
2015/16	-4.9%

EXECUTIVE SUMMARY

REVENUE

GRANT ALLOCATIONS 2013/2014

Equitable share	R 22 307 000
Municipal Infrastructure grant	R 11 136 000
Municipal systems improvement grant	R 890 000
Finance management grant	R 1 650 000
Expanded public works program	R 1 000 000
Integrated national electrification grant	R 1 620 000
TOTAL	R 38 603 000

The grant allocations above are as per the Division of Revenue bill 2013. Equitable share, FMG and MSIG has increased from the 2012/13 financial year. MIG has decreased compared to the current year. EPWP has remained the same from the previous year, in the 2013/14 financial year the municipality will receive a grant called National integrated electrification grant which was not received in the prior years.

The draft budget for 2013/14 shows a deficit of R1,2 million which is the amount that needs to be adjusted; this is caused by the capital projects and the income to fund them. The decrease in MIG funds requires council to review the projects budgeted for in the year 2013/14.

OWN REVENUE

The projected own revenue is 34% of the total revenue, comprising of revenue from electricity, rental of facilities, refuse and property rates. Depreciation and provision from bad debts are funded by revenue from accumulated surplus. MFMA states that that expenditure of an annual budget may only be funded from cash backed accumulated funds from previous years surpluses not committed for other purposes.

Below are the major sources of revenue of the municipality.

Revenue type	Projected revenue
Property rates	R2,421,268.00
Refuse removal	R 1,675,627.00

EXPENDITURE

PERSONNEL COSTS AND COUNCILLORS ALLOWANCE

Employee related costs are based on the Salary and Wage collective agreement for the period 1 July 2012 to 30 June 2015. The agreement provides for a wage increase based on the average CPI for the period. National treasury therefore advised municipalities to increase salaries and wages by 6.95 % for the 2013/2014 financial year. Personnel costs constitute 24% of the total budget. Personnel expenses have been increased by 9.45 % which is 6.95% +2.5% for the 2013/14 financial year. 13 new posts have been budgeted for. Councilor's allowances have been increased by the 6.95%

REPAIRS AND MAINTENANCE

Repairs and maintenance constitute 2.3% of the total budget. A lot of funds have been budgeted for repairs and maintenance of electricity, roads, streets and streetlights.

GENERAL EXPENSES

General expenses constitute 25% of the total budget and bulk purchases constitute 21.9% of the budget. Bulk purchases have been increased from the current year's budget by 14.4% as per NERSA.

CAPITAL EXPENSES

Capital expenditure is funded by MIG and own revenue. Most of the capital expenses are projects. The municipality is unable to have a large budget allocated to capital expenses.

BUDGET SUMMARY

EC128 Nxuba - Table A1 Budget Summary

Description	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Financial Performance										
Property rates	2 579	2 149	2 823	3 104	3 104	3 104	-	2 421	2 545	2 669
Service charges	-	26 425	17 935	24 495	27 544	27 544	-	25 723	27 035	28 359
Investment revenue	-	-	84	-	-	-	-	-	-	-
Transfers recognised - operational	-	15 327	21 702	-	-	-	-	-	-	-
Other own revenue	-	3 533	5 840	28 744	35 903	35 903	-	51 822	42 373	35 702
Total Revenue (excluding capital transfers and contributions)	2 579	47 434	48 384	56 343	66 551	66 551	-	79 966	71 953	66 731
Employee costs	-	16 477	16 319	-	-	-	-	22 681	23 838	25 006
Remuneration of councillors	-	1 285	1 868	1 968	2 332	2 332	-	2 379	2 501	2 623
Depreciation & asset impairment	-	-	8 452	89	10 124	10 124	-	10 034	10 546	11 063
Finance charges	-	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	-	12 787	17 506	17 816	21 816	21 816	-	20 382	21 421	22 471
Transfers and grants	-	-	-	-	-	-	-	-	-	-
Other expenditure	-	28 461	9 288	15 170	22 547	22 547	-	38 354	40 310	42 285
Total Expenditure	-	59 010	53 433	35 044	56 819	56 819	-	93 831	98 616	103 448
Surplus/(Deficit)	2 579	(11 576)	(5 049)	21 299	9 732	9 732	-	(13 865)	(26 663)	(36 718)
Transfers recognised - capital	-	-	-	11 143	11 221	11 221	-	11 136	9 454	9 724
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	2 579	(11 576)	(5 049)	32 442	20 953	20 953	-	(2 729)	(17 209)	(26 994)
Share of surplus/(deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	2 579	(11 576)	(5 049)	32 442	20 953	20 953	-	(2 729)	(17 209)	(26 994)
Capital expenditure & funds sources										
Capital expenditure	-	-	-	11 143	11 221	11 222	-	12 217	12 840	13 935
Transfers recognised - capital	-	-	-	11 143	11 221	11 221	-	12 217	12 840	13 469
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-	-
Total sources of capital funds	-	-	-	11 143	11 221	11 221	-	12 217	12 840	13 469
Financial position										
Total current assets	-	-	-	-	-	-	-	-	-	-

Total non current assets	-	-	-	-	-	-	-	-	-	-
Total current liabilities	-	-	-	-	-	-	-	-	-	-
Total non current liabilities	-	-	-	-	-	-	-	-	-	-
Community wealth/Equity	-	-	-	-	-	-	-	-	-	-
Cash flows										
Net cash from (used) operating	-	-	(11 854)	11 158	1 097	1 097	-	9 490	15 363	7 175
Net cash from (used) investing	-	-	(1 519)	(11 143)	(11 221)	(11 221)	-	(12 217)	(12 840)	(13 469)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	-	-	(13 373)	16	(10 124)	(10 124)	-	(2 728)	(205)	(6 500)
Cash backing/surplus reconciliation										
Cash and investments available	-	-	-	-	-	-	-	-	-	-
Application of cash and investments	-	-	-	-	-	-	-	-	-	-
Balance - surplus (shortfall)	-	-	-	-	-	-	-	-	-	-
Asset management										
Asset register summary (WDV)	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	-	-	8 452	89	10 124	10 124	10 034	10 034	10 546	11 063
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	-	-	-	1 290	1 171	1 171	202 ²	2 202	2 314	2 428

FINANCIAL PERFORMANCE BY STANDARD

EC128 Nxuba - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue - Standard										
<i>Governance and administration</i>		15 836	12 258	22 547	17 774	26 513	26 513	27 135	28 519	29 916
Executive and council Budget and treasury office		10 899	1 613	4 513	5 213	5 213	5 213	6 314	6 636	6 961
Corporate services		4 937	8 165	13 407	6 155	14 895	14 895	13 986	14 699	15 420
<i>Community and public safety</i>		-	2 480	4 627	6 406	6 406	6 406	6 835	7 184	7 536
Community and social services		-	3 099	4 858	4 082	3 732	3 732	7 084	7 445	7 810
Sport and recreation		-	1 674	3 009	1 704	1 704	1 704	2 255	2 370	2 487
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	1 264	1 849	2 125	1 775	1 775	4 545	4 777	5 011
Health		-	161	-	253	253	253	283	298	312
<i>Economic and environmental services</i>		-	-	-	-	-	-	-	-	-
Planning and development		244	5 562	10 057	14 653	14 653	14 653	25 286	26 575	27 877
Road transport		-	2 257	3 047	1 924	1 924	1 924	1 943	2 042	2 142
Environmental protection		244	3 305	7 010	12 729	12 729	12 729	23 342	24 533	25 735
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Electricity		10 490	11 141	17 935	30 977	33 382	33 382	31 599	33 210	34 837
Water		9 041	1 698	14 010	24 408	26 814	26 814	29 514	31 019	32 539
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	1 449	9 443	3 925	6 569	6 569	6 569	2 085	2 191	2 298
Total Revenue - Standard	2	26 570	32 060	55 397	67 486	78 281	78 281	91 103	95 749	100 441
Expenditure - Standard										
<i>Governance and administration</i>		18 057	19 045	24 935	18 851	27 162	27 162	30 229	31 613	33 058
Executive and council Budget and treasury office		13 991	9 320	4 648	5 369	5 719	5 719	6 314	6 636	6 961
Corporate services		4 066	5 981	16 573	7 032	15 415	15 415	17 011	17 879	18 755
<i>Community and public safety</i>		-	3 744	3 714	6 450	6 027	6 027	6 904	7 099	7 342
Community and social services		551	3 049	5 503	4 586	4 997	4 997	5 789	5 768	6 050
Sport and recreation		-	1 835	2 476	2 272	2 141	2 141	2 555	2 370	2 486
		-	-	-	-	-	-	-	-	-

Public safety		551	805	1 789	2 060	2 607	2 607	2 950	3 100	3 252
Housing		-	409	1 238	253	250	250	283	298	312
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		917	6 798	16 501	10 212	18 953	18 953	19 500	20 494	21 498
Planning and development		-	2 825	4 953	2 713	2 211	2 211	2 378	2 500	2 622
Road transport		917	3 973	11 548	7 499	16 742	16 742	17 121	17 995	18 876
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		9 041	16 089	21 829	22 695	26 072	26 072	26 098	27 429	28 773
Electricity		9 041	14 434	19 668	20 355	24 180	24 180	23 916	25 136	26 367
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	1 655	2 161	2 340	1 892	1 892	2 182	2 293	2 405
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	28 566	44 981	68 768	56 343	77 184	77 184	81 615	85 304	89 379
Surplus/(Deficit) for the year		(1 996)	(12 921)	(13 371)	11 143	1 097	1 097	9 488	10 445	11 062

FINANCIAL PERFORMANCE BY VOTE

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

Vote Description R thousand	R e f	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		10 899	1 613	4 513	5 213	5 213	5 213	6 314	6 636	6 961
Vote 2 - BUDGET AND TREASURY		4 937	8 165	13 407	6 155	14 895	14 895	13 986	14 699	15 420
Vote 3 - CORPORATE SERVICES		-	4 096	7 635	7 383	7 383	7 383	8 126	8 540	8 959
Vote 4 - COMMUNITY SERVICES		1 449	12 381	8 782	10 397	10 047	10 047	8 885	9 338	9 796
Vote 5 - TECHNICAL SERVICES		9 284	21 090	21 090	38 338	40 743	40 743	53 792	56 535	59 306
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	26 569	47 345	55 427	67 486	78 281	78 281	91 103	95 749	100 441
Expenditure by Vote to be appropriated	1									
Vote 1 - EXECUTIVE AND COUNCIL		13 991	9 320	4 648	5 369	5 719	5 719	6 314	6 636	6 961
Vote 2 - BUDGET AND TREASURY		4 066	5 981	16 573	7 032	15 415	15 415	17 011	17 879	18 755
Vote 3 - CORPORATE SERVICES		-	5 830	6 191	7 921	7 360	7 360	8 295	8 560	8 875
Vote 4 - COMMUNITY SERVICES		551	4 294	6 426	6 672	6 640	6 640	7 687	7 763	8 143
Vote 5 - TECHNICAL SERVICES		9 958	19 555	34 930	29 349	42 049	42 049	42 308	44 466	46 645
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
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]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	28 566	44 980	68 768	56 343	77 184	77 184	81 615	85 304	89 379
Surplus/(Deficit) for the year	2	(1 997)	2 365	(13 341)	11 143	1 097	1 097	9 488	10 445	11 062

FINANCIAL PERFORMANCE BY SOURCE AND TYPE

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

Description	R e f	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue By Source											
Property rates	2	2 579	2 149	2 823	3 104	3 104	3 104	-	2 421	2 545	2 669
Service charges - electricity revenue	2	-	16 982	14 010	21 144	24 192	24 192	-	24 047	25 274	26 512
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	9 443	3 925	3 351	3 351	3 351	-	1 676	1 761	1 847
Rental of facilities and equipment			131	113							
Interest earned - external investments				84							
Interest earned - outstanding debtors				2 043							
Dividends received											
Fines			14	115							
Licences and permits			1 070	1 733							
Agency services			655								
Transfers recognised - operational			15 327	21 702							
Other revenue	2	-	1 663	1 836	28 744	35 903	35 903	-	51 822	42 373	35 702
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)		2 579	47 434	48 384	56 343	66 551	66 551	-	79 966	71 953	66 731
Expenditure By Type											
Employee related costs	2	-	16 477	16 319	-	-	-	-	22 681	23 838	25 006
Remuneration of councillors			1 285	1 868	1 968	2 332	2 332		2 379	2 501	2 623
Debt impairment	3		13 816								
Depreciation & asset impairment	2	-	-	8 452	89	10 124	10 124	-	10 034	10 546	11 063
Finance charges											
Bulk purchases	2 4	-	12 787	17 506	17 816	21 816	21 816	-	20 382	21 421	22 471
Other expenditure	5	-	7 928	9 288	15 170	22 547	22 547	-	38 354	40 310	42 285
Loss on disposal of PPE			6 717								
Total Expenditure		-	59 010	53 433	35 044	56 819	56 819	-	93 831	98 616	103 448
Surplus/(Deficit)											
Surplus/(Deficit)		2 579	(11 576)	(5 049)	21 299	9 732	9 732	-	(13 865)	(26 663)	(36 718)
Transfers recognised - capital					11 143	11 221	11 221		11 136	9 454	9 724
Contributions recognised - capital	6	-	-	-	-	-	-	-	-	-	-
Contributed assets											
Surplus/(Deficit) after capital transfers & contributions		2 579	(11 576)	(5 049)	32 442	20 953	20 953	-	(2 729)	(17 209)	(26 994)
Taxation											
Surplus/(Deficit) after taxation		2 579	(11 576)	(5 049)	32 442	20 953	20 953	-	(2 729)	(17 209)	(26 994)
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		2 579	(11 576)	(5 049)	32 442	20 953	20 953	-	(2 729)	(17 209)	(26 994)
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		2 579	(11 576)	(5 049)	32 442	20 953	20 953	-	(2 729)	(17 209)	(26 994)

CAPITAL EXPENDITURE

EC128 Nxuba - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description R thousand	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-	-
Vote 2 - BUDGET AND TREASURY		-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 4 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 5 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	32	32	-	-	-	-
Vote 2 - BUDGET AND TREASURY		-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	47	47	-	423	444	466
Vote 4 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 5 - TECHNICAL SERVICES		-	-	-	11	11	11	-	11	12	13
Capital single-year expenditure sub-total		-	-	-	143	143	143	-	794	396	003
Total Capital Expenditure - Vote		-	-	-	143	221	221	-	217	840	469
Capital Expenditure - Standard											
<i>Governance and administration</i>		-	-	-	-	79	79	-	423	444	466
Executive and council											
Budget and treasury office						32	32				
Corporate services						47	47		423	444	466
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	-
Waste management											
<i>Other</i>					11	11	11		11	12	13
Total Capital Expenditure - Standard	3	-	-	-	143	221	222	-	217	840	935
Funded by:											
National Government					143	143	143		217	840	469
Provincial Government											
District Municipality											
Other transfers and grants						79	79				
Transfers recognised - capital	4	-	-	-	143	221	221	-	217	840	469
Total Capital Funding	7	-	-	-	143	221	221	-	217	840	469

FINANCIAL POSITION

EC128 Nxuba - Table A6 Budgeted Financial Position

Description	R ef	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
ASSETS											
Current assets											
Cash		699	3,000	983	983	983	983		1,037	1,090	1,144
Call investment deposits	1	3,368	3,344	1,701	-	-	-	-	-	-	-
Current portion of long-term receivables		-	-	12,591	12,591	12,591	12,591		13,283	13,961	14,645
Inventory	2		14,787	300	300	300	300		316	332	349
Total current assets		4,067	21,132	15,574	13,874	13,874	13,874	-	14,637	15,383	16,137
Non current assets											
Long-term receivables		31,257									
Investments			39								
Investment property		360	360	19,332	19,332	19,332	19,332		20,395	21,435	22,485
Investment in Associate Property, plant and equipment	3			203,355	203,355	203,355	203,355		214,539	225,481	236,529
Intangible		19	19	33	33	33	33		35	37	39
Total non current assets		31,635	418	222,720	222,720	222,720	222,720	-	234,969	246,953	259,053
TOTAL ASSETS		35,703	21,550	238,294	236,593	236,593	236,593	-	249,606	262,336	275,190
LIABILITIES											
Current liabilities											
Bank overdraft	1	610	-	-	-	-	-				
Borrowing	4	-	-	-	-	-	-		-	-	-
Consumer deposits		347	897	361	361	361	361		380	400	419
Trade and other payables	4	-	-	23,127	23,127	23,127	23,127		24,400	25,644	26,900
Provisions		1,020	1,067	2,102	2,102	2,102	2,102		2,209	2,322	2,436
Total current liabilities		1,978	1,964	25,590	25,590	25,590	25,590	-	26,989	28,366	29,755
Non current liabilities											
Borrowing		54	31	-	-	-	-		-	-	-
Total non current liabilities		54	31	-	-	-	-	-	-	-	-
TOTAL LIABILITIES		2,032	1,995	25,590	25,590	25,590	25,590	-	26,989	28,366	29,755
NET ASSETS	5	33,671	19,555	212,704	211,003	211,003	211,003	-	222,617	233,970	245,435
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		128,312	53,021	212,704	212,704	212,704	212,704		224,403	235,847	247,404
TOTAL COMMUNITY WEALTH/EQUITY	5	128,312	53,021	212,704	212,704	212,704	212,704	-	224,403	235,847	247,404

CASH FLOW

EC128 Nxuba - Table A7 Budgeted Cash Flows

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other				26 683	30 816	41 611	41 611		51 890	54	57
Government - operating	1			21 702	24 941	24 941	24 941		28 077	37	209
Government - capital	1			7 010	11 729	11 729	11 729		11 136	9	30
Interest											
Dividends											
Payments											
Suppliers and employees				(67 249)	(56 328)	(77 184)	(77 184)		(81 613)	(85 776)	(89 979)
Finance charges											
Transfers and Grants	1										
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	-	(11 854)	11 158	1 097	1 097	-	9 490	15 363	7 175
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE											
Decrease (Increase) in non-current debtors											
Decrease (increase) other non-current receivables											
Decrease (increase) in non-current investments											
Payments											
Capital assets				(1 519)	(11 143)	(11 221)	(11 221)		(12 217)	(12 840)	(13 469)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	-	(1 519)	(11 143)	(11 221)	(11 221)	-	(12 217)	(12 840)	(13 469)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans											
Borrowing long term/refinancing											
Increase (decrease) in consumer deposits											
Payments											
Repayment of borrowing											
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		-	-	(13 373)	16	(10 124)	(10 124)	-	(2 728)	2 522	(6 295)
Cash/cash equivalents at the year begin:	2			-						(2 728)	(205)
Cash/cash equivalents at the year end:	2	-	-	(13 373)	16	(10 124)	(10 124)	-	(2 728)	(205)	(6 500)

PART 2

SUPPORTING

TABLES

REVENUE AND EXPENDITURE BY SOURCE AND TYPE

EC128 Nxuba - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - EXECUTIVE AND COUNCIL	Vote 2 - BUDGET AND TREASURY	Vote 3 - CORPORATE SERVICES	Vote 4 - COMMUNITY SERVICES	Vote 5 - TECHNICAL SERVICES
R thousand	1					
Revenue By Source						
Property rates			2 421			
Property rates - penalties & collection charges						24 047
Service charges - electricity revenue						
Service charges - water revenue						
Service charges - sanitation revenue					1 676	
Service charges - refuse revenue						
Service charges - other						
Rental of facilities and equipment						
Interest earned - external investments						
Interest earned - outstanding debtors						
Dividends received						
Fines					50	
Licences and permits					4 030	
Agency services					115	
Other revenue			9 025	88		10 089
Transfers recognised - operational		6 314	2 540	8 038	3 014	8 520
Gains on disposal of PPE						
Total Revenue (excluding capital transfers and contributions)		6 314	13 986	8 126	8 884	42 656
Expenditure By Type	-					
Employee related costs		1 627	3 854	4 162	5 988	7 051
Remuneration of councillors		2 379				
Debt impairment						
Depreciation & asset impairment						
Finance charges						
Bulk purchases						20 382
Other materials						
Contracted services						
Transfers and grants						
Other expenditure		2 308	13 157	4 556	1 699	26 667
Loss on disposal of PPE						
Total Expenditure		6 314	17 011	8 718	7 687	54 101
Surplus/(Deficit)		0	(3 025)	(592)	1 198	(11 445)
Transfers recognised - capital						11 136
Contributions recognised - capital						
Contributed assets						
Surplus/(Deficit) after capital transfers & contributions		0	(3 025)	(592)	1 198	(309)

TRANSFERS AND GRANT RECEIPTS

EC128 Nxuba - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
RECEIPTS:	1, 2									
- <u>Operating Transfers and Grants</u>										
National Government:		19 081	-	21 702	24 331	-	24 331	27 467	36 538	29 611
Local Government Equitable Share		13 192		15 044	20 983		20 983	22 307	23 804	26 694
Finance Management					1 500		1 500	1 650	1 800	1 950
Municipal Systems Improvement					800		800	890	934	967
Integrated National Electrification Programme					48		48	1 620	10 000	-
EPWP Incentive					1 000		1 000	1 000	-	-
Other transfers/grants [insert description]		5 889		6 659						
Provincial Government:		-	-	-	610	-	610	610	610	610
Sport and Recreation					522		522	522	522	522
Local economic development					88		88	88	88	88
Total Operating Transfers and Grants	5	19 081	-	21 702	24 941	-	24 941	28 077	37 148	30 221
<u>Capital Transfers and Grants</u>										
National Government:		4 909	-	7 010	11 729	-	11 729	11 136	9 454	9 724
Municipal Infrastructure Grant (MIG)		4 909		7 010	11 729		11 729	11 136	9 454	9 724
[insert description]										
Total Capital Transfers and Grants	5	4 909	-	7 010	11 729	-	11 729	11 136	9 454	9 724
TOTAL RECEIPTS OF TRANSFERS & GRANTS		23 990	-	28 712	36 670	-	36 670	39 213	46 602	39 945

EXPENDITURE ON TRANSFERS AND GRANTS

EC128 Nxuba - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
EXPENDITURE:	1									
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		19 081	-	21 702	24 331	-	24 331	27 467	36 538	29 611
Local Government Equitable Share		13 192		15 044	20 983		20 983	22 307	23 804	26 694
Finance Management					1 500		1 500	1 650	1 800	1 950
Municipal Systems Improvement					800		800	890	934	967
Integrated National Electrification Programme					48		48	1 620	10 000	-
EPWP Incentive					1 000		1 000	1 000	-	-
Other transfers/grants [insert description]		5 889		6 659						
Provincial Government:		-	-	-	610	-	610	610	610	610
Sport and Recreation					522		522	522	522	522
Local economic development					88		88	88	88	88
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total operating expenditure of Transfers and Grants:		19 081	-	21 702	24 941	-	24 941	28 077	37 148	30 221
<u>Capital expenditure of Transfers and Grants</u>										
National Government:		4 909	-	7 010	11 729	-	11 729	11 136	9 454	9 724
Municipal Infrastructure Grant (MIG)		4 909		7 010	11 729		11 729	11 136	9 454	9 724
Total capital expenditure of Transfers and Grants		4 909	-	7 010	11 729	-	11 729	11 136	9 454	9 724
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		23 990	-	28 712	36 670	-	36 670	39 213	46 602	39 945

SALARIES, ALLOWANCES AND BENEFITS

MONTHLY REVENUE AND EXPENDITURE

EC128 Nxuba - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	R e f	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework				
		July	Aug ust	Sept.	Octo ber	Novem ber	Dece mber	Janu ary	Febr uary	Marc h	April	May	June	Budg et Year 2013/ 14	Budget Year +1 2014/15	Budget Year +2 2015/16		
Revenue By Source	-																	
Property rates		202	202	202	202	202	202	202	202	202	202	202	202	2 421	545	2	669	2
Property rates - penalties & collection charges														-	-	-	-	-
Service charges - electricity revenue		2 004	2 004	2 004	2 004	2 004	2 004	2 004	2 004	2 004	2 004	2 004	2 004	24 047	274	25	512	26
Service charges - water revenue														-	-	-	-	-
Service charges - sanitation revenue														-	-	-	-	-
Service charges - refuse revenue		140	140	140	140	140	140	140	140	140	140	140	139	1 676	761	1	847	1
Other revenue		4 319	4 319	4 319	4 319	4 319	4 319	4 319	4 319	4 319	4 319	4 319	318	51 822	42	373	35	702
Gains on disposal of PPE														-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		6 664	6 664	6 664	6 664	6 664	6 664	6 664	6 664	6 664	6 664	6 664	664	79 966	953	71	731	66
Expenditure By Type	-																	
Employee related costs		2 004	1 993	1 993	1 993	1 993	1 993	1 993	1 993	1 993	1 993	1 993	750	22 681	23	838	25	006
Remuneration of councillors		198	198	198	198	198	198	198	198	198	198	198	198	2 379	2	501	2	623
Debt impairment														-	-	-	-	-
Depreciation & asset impairment													10 034	10 034	10	546	11	063
Bulk purchases		1 699	1 699	1 699	1 699	1 699	1 699	1 699	1 699	1 699	1 699	1 699	698	20 382	21	421	22	471
Other expenditure		1 995	1 995	1 995	1 995	1 995	1 995	1 995	1 995	1 995	1 995	1 995	16 414	38 354	40	310	42	285
Loss on disposal of PPE														-	-	-	-	-
Total Expenditure		5 895	5 884	5 884	5 884	5 884	5 884	5 884	5 884	5 884	5 884	5 884	29 095	93 831	98	616	103	448
Surplus/(Deficit)		769	780	780	780	780	780	780	780	780	780	780	(22 431)	(13 865)	(26 663)	(36 718)	(36 718)	(36 718)
Transfers recognised - capital		3 712												11 136	9	454	9	724
Contributions recognised - capital							3 712							-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		4 481	780	780	780	780	4 492	780	780	4 492	780	780	(22 431)	(2 729)	(17 209)	(26 994)	(26 994)	(26 994)
Surplus/(Deficit)	1	4 481	780	780	780	780	4 492	780	780	4 492	780	780	(22 431)	(2 729)	(17 209)	(26 994)	(26 994)	(26 994)

MONTHLY REVENUE AND EXPENDITURE BY VOTE

EC128 Nxuba - Supporting Table SA26 Budgeted monthly revenue and expenditure
(municipal vote)

Description	R e f	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue by Vote	-															
Vote 1 - EXECUTIVE AND COUNCIL		2 105					2 105			2 105			(0)	6 314	636	6
Vote 2 - BUDGET AND TREASURY		1 271	1 271	1 271	1 271	1 271	1 271	1 271	1 271	1 271	1 271	1 271	-	13 986	699	14
Vote 3 - CORPORATE SERVICES		2 709					2 709			2 709			(0)	8 126	540	8
Vote 4 - COMMUNITY SERVICES		1 453	566	566	566	566	1 453	566	566	1 453	566	566	1	8 885	338	9
Vote 5 - TECHNICAL SERVICES		4 483	4 483	4 483	4 483	4 483	4 483	4 483	4 483	4 483	4 483	4 483	4 483	53 792	535	56
Vote 6 - [NAME OF VOTE 6]														-	-	-
Vote 7 - [NAME OF VOTE 7]														-	-	-
Vote 8 - [NAME OF VOTE 8]														-	-	-
Vote 9 - [NAME OF VOTE 9]														-	-	-
Total Revenue by Vote		12 021	6 320	6 320	6 320	6 320	12 021	6 320	6 320	12 021	6 320	6 320	4 483	91 103	749	95
Expenditure by Vote to be appropriated	-															
Vote 1 - EXECUTIVE AND COUNCIL		526	526	526	526	526	526	526	526	526	526	526	526	6 314	636	6
Vote 2 - BUDGET AND TREASURY		1 418	1 418	1 418	1 418	1 418	1 418	1 418	1 418	1 418	1 418	1 418	1 418	17 011	879	17
Vote 3 - CORPORATE SERVICES		691	691	691	691	691	691	691	691	691	691	691	691	8 295	560	8
Vote 4 - COMMUNITY SERVICES		641	641	641	641	641	641	641	641	641	641	641	640	7 687	763	7
Vote 5 - TECHNICAL SERVICES		3 526	3 526	3 526	3 526	3 526	3 526	3 526	3 526	3 526	3 526	3 526	3 526	42 308	466	44
Vote 6 - [NAME OF VOTE 6]														-	-	-
Vote 7 - [NAME OF VOTE 7]														-	-	-
Vote 8 - [NAME OF VOTE 8]														-	-	-
Vote 9 - [NAME OF VOTE 9]														-	-	-
Total Expenditure by Vote		6 801	6 801	6 801	6 801	6 801	6 801	6 801	6 801	6 801	6 801	6 801	6 802	81 615	304	85
Surplus/(Deficit) before assoc.		5 220	(482)	(482)	(482)	(482)	5 220	(482)	(482)	5 220	(482)	(482)	(2 319)	9 488	445	10
Taxation Attributable to minorities														-	-	-
Share of surplus/(deficit) of associate														-	-	-
Surplus/(Deficit)	1	5 220	(482)	(482)	(482)	(482)	5 220	(482)	(482)	5 220	(482)	(482)	(2 319)	9 488	445	10

CAPITAL EXPENDITURE

EC128 Nxuba - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description R thousand	R e f	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
Multi-year expenditure to be appropriated	1																
Vote 1 - EXECUTIVE AND COUNCIL														-	-	-	-
Vote 2 - BUDGET AND TREASURY														-	-	-	-
Vote 3 - CORPORATE SERVICES														-	-	-	-
Vote 4 - COMMUNITY SERVICES														-	-	-	-
Vote 5 - TECHNICAL SERVICES														-	-	-	-
Vote 15 - [NAME OF VOTE 15]														-	-	-	-
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated																	
Vote 1 - EXECUTIVE AND COUNCIL														-	-	-	-
Vote 2 - BUDGET AND TREASURY														-	-	-	-
Vote 3 - CORPORATE SERVICES		141					141					141	(0)	423	444	466	
Vote 4 - COMMUNITY SERVICES														-	-	-	-
Vote 5 - TECHNICAL SERVICES		1 072	1 072	1 072	1 072	1 072	1 072	1 072	1 072	1 072	1 072	1 072	(0)	11 794	12 396	13 003	
Capital single-year expenditure sub-total	2	1 213	1 072	1 072	1 072	1 072	1 213	1 072	1 072	1 072	1 072	1 213	(0)	12 217	12 840	13 469	
Total Capital Expenditure	2	1 213	1 072	1 072	1 072	1 072	1 213	1 072	1 072	1 072	1 072	1 213	(0)	12 217	12 840	13 469	

REPAIRS AND MAINTENANCE

EC128 Nxuba - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	R ef	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Repairs and maintenance expenditure by Asset Class/Sub-class										
-										
Infrastructure		-	-	-	650	650	650	2,000	2,102	2,205
Infrastructure - Road transport		-	-	-	300	300	300	800	841	882
<i>Roads, Pavements & Bridges</i>					300	300	300	800	841	882
<i>Storm water</i>										
Infrastructure – Electricity		-	-	-	350	350	350	1,200	1,261	1,323
<i>Generation</i>										
<i>Transmission & Reticulation</i>					350	350	350	800	841	882
<i>Street Lighting</i>					-	-	-	400	420	441
<i>Other</i>	3									
Community		-	-	-	-	-	-	-	-	-
Other										
Other assets		-	-	-	640	521	521	202	212	223
General vehicles					220	175	175	150	158	165
Specialised vehicles	1	-	-	-	-	-	-	-	-	-
Plant & equipment	0									
Computers - hardware/equipment										
Furniture and other office equipment					35	25	25	2	2	2
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings					120	100	100	50	53	55
Other Land										
Surplus Assets - (Investment or Inventory)										
Other					265	221	221			
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other (<i>list sub-class</i>)										
Total Repairs and Maintenance Expenditure	1	-	-	-	1,290	1,171	1,171	2,202	2,314	2,428

DEPRECIATION

EC128 Nxuba - Supporting Table SA34d
Depreciation by asset class

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Depreciation by Asset Class/Sub-class										
-										
Infrastructure		-	-	-	89	10,124	10,124	10,034	10,546	11,063
Infrastructure - Road transport <i>Roads, Pavements & Bridges</i> <i>Storm water</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity <i>Generation</i> <i>Transmission & Reticulation</i> <i>Street Lighting</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Water <i>Dams & Reservoirs</i> <i>Water purification</i> <i>Reticulation</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation <i>Reticulation</i> <i>Sewerage purification</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Other <i>Waste Management</i> <i>Transportation</i> <i>Gas</i>	2	-	-	-	89	10,124	10,124	10,034	10,546	11,063
<i>Other</i>	3				89	10,124	10,124	10,034	10,546	11,063
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other	9									
Computers - software & programming										
Other (<i>list sub-class</i>)										
Total Depreciation	1	-	-	-	89	10,124	10,124	10,034	10,546	11,063

QUALITY CERTIFICATE

I, _____, Municipal Manager of Nxuba
Municipality hereby certify that –

The draft budget for 2013/2014 financial year has been prepared in accordance with the
Municipal Finance Management Act and municipal budgeting reporting regulations

Print Name: _____

Municipal Manager of Nxuba Municipality (EC128)

Signature: _____

Date: _____

APPENDIX A

BUDGET

APPENDIX B

TARRIFFS