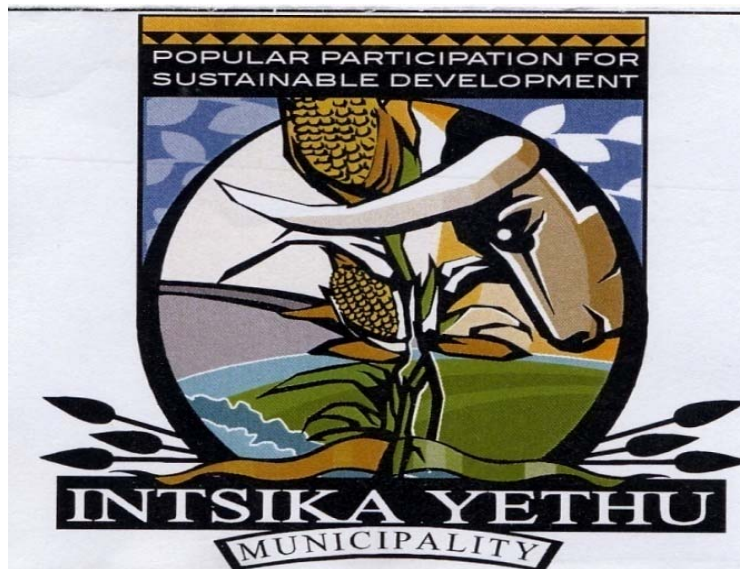


INTSIKA YETHU MUNICIPALITY

EC 135



SCHEDULE A

FINAL BUDGET 2013/14

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Draft Budget, Tariff Structure and IDP:-

Final Budget 2013/14:- The final budget was presented by CFO in the Council with the Schedule A spreadsheet

RESOLUTION:-

- ✚ The final budget of **R202,220** was tabled
- ✚ Adoption of Final IDP 2012/2016: It was presented by the Mayor that the IDP was presented to the Council for Adoption and the processes were followed i.e (Presentation to the Community Members). IDP was assessed by the Department of Local Government
- ✚ Tabling of Draft Budget 2013/2014: it was presented by the Mayor. The summary of the budget was presented by the Mayor with the total of R 202,220 both operational and capital budgets. Provincial Treasury office was there at the Council meeting to witness the tabling of the budget as per the Treasury pre-requisite (Schedule A template). The legal requirement that causes to make the budget was stated as follows: MFM Act 56 of 2003, Division of Revenue Bill 1 of 2012, MCA 32 of 2000 and Local Government: Municipal Property Rates Acts 6 of 2004.
- ✚ Draft Tariff Structure for 2013/2014: it was tabled as well.

The following tables were presented in the Council

- ✚ EC135 Intsika Yethu - Table A1 Budget Summary
- ✚ EC135 Intsika Yethu - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)
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EXECUTIVE SUMMARY

The development of the budget is informed by the key service delivery priorities as reflected in the IDP and the need to maintain the municipality's financial sustainability.

Intsika Yethu Municipality was guided by the National Treasury's MFMA Circulars 66 which gives guidance on the preparation of 2013/14 Medium budgets and MTREF; it is in addition to MFMA budget Circular 67 that implies to municipalities in drafting their tabled budget.

The IDP as the strategic document and the budget must enable the achievements of the IDP objectives. In order for the budget to be realistic and credible it should be aligned with the municipal IDP.

During the preparation of budget, the municipality has taken cognizance of with regards to the following challenges:

- ✚ Low revenue base
- ✚ Infrastructure backlogs that hinders the prioritization of projects
- ✚ Due to limited budget that the municipality has, the council has taken a resolution that there will be no prioritized posts as well the projects that will be done are the MIG funded projects for the financial year 2013/14

The capital budget consists of new projects in the Infrastructure directorate that will be funded from Municipal Infrastructure Grant (MIG) and another fraction will be funded from the municipal coffers but 99% of the projects will be funded under MIG.

The operating budget which is by far the sensible component of the budget includes LED projects, Community services, Corporate services, Finance and Technical services expenditure budget. The municipality has conducted road shows for draft budget in all wards in order for stakeholders to submit their inputs.

Below is the revenue that the municipality is anticipating to receive including the grants allocation from National Treasury;

Equitable share

The municipality will receive **R99, 780,000.00** as equitable share excluding MIG, FMG and MSIG.

MIG

A sum of **R35, 042,000.00** will be received by the municipality as MIG

Other Grants

MSIG

A sum of **R890, 000** as Municipal Systems Improvement Grant has been allocated to the municipality.

FMG

A sum of **R1, 550,000.00** will be received by the municipality. In the portion of this grant there is a budget for Senior Managers who have not completed their CPMD course and also there is a resolution that will be implemented in the financial year 2013/14 that assistant managers should attend the Competency Levels Programme as required by the MFM Act and the gazette. The remaining amount will be implemented for the MFM Act, Improvement of Financial Management System, training of 5 Interns and their stipend. There is also **R30m** that the municipality is anticipating to get from Chris Hani District Municipality for Water Services Department.

Own Revenue

Property Rates Receipts

The municipality has budgeted to raise **R4, 8 million** through property rates for the financial year.

Services

Refuse Receipts

The municipality has budgeted **R 600, 000.00** as an anticipated amount to be received

OTHER SERVICE CHARGES

Traffic Fines

The municipality has budgeted to collect **R1, 500, 000.00** from the Licensing and Registration Section for the financial year.

OTHER INCOME

Interest from Investment

Through the preparation of the Projected Cash Flow, the municipality is able to project Surplus cash available for investment to earn interest as well as in the grants that will be received. Interest received is budgeted at an estimated amount of **R200, 000.00**, Interest in defaulting debtors is **R250, 000.00**, and for Agency fees is **R3, 9m**

There is **R11m** grant from National Treasury for electrification; this grant is going to be transferred straight to the Municipality not to Eskom and it has been adjusted downwards in this financial year, the municipality will also receive the Incentive from Public Works (EPWP) amounting to **R1m** and also VAT for **R10m** that will be collected through payments (output) made by the municipality to the service provider.

Rent Received

The municipality has a number of properties and land that is leased to business and other organizations, they pay rent on monthly basis and there is also a municipal building around Cofimvaba (ERF 99) that has also been leased to the Municipal Managers and they are paying monthly rental that enhances the municipal revenue base.

The total rent to be collected is **R690, 000.00** in the financial year 2013/14

Below is list of the rented offices/land:

Name of the lessee

- ANC Constituency Office
- Masibonisane Women's Project
- Doctor Mandile
- SADTU
- Department of Public Works
- Alliance Property Group
- United National Breweries

In view of the aforementioned, the following table is a consolidated overview of the proposed 2013/15 Medium-term Revenue and Expenditure Framework:

Consolidated Overview of the 2013/15 MTREF

R thousand	Budget Year 2013/14	Budget Year + 1 2014/15	Budget Year + 2 2015/16
Total Operating Revenue	155,071	202,220	213,611
Total Operating Expenditure			172'924
<i>(Surplus)/Deficit for the year</i>			
Total Capital Expenditure		35,042	37,109
			39,076

Total operating revenue has grown by 5 per cent for the 2013/14 financial year when compared to the 2012/13 Budget. For the other outer year, operational revenue will increase by 4 per cent

Operating Revenue Framework

For Intsika Yethu Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the Municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 95 per cent annual collection rate for property rates and other key service charges;
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

The following table is a summary of the 2013/14 MTREF (classified by main revenue source):

Summary of revenue classified by main revenue source

EC135 Intsika Yethu - Supporting Table SA25 Consolidated budgeted monthly revenue and expenditure

Description	Ref	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 Source																
Property rates		404	404	404	404	404	404	404	404	404	404	404	404	4,850	5,097	5,347
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		50	50	50	50	50	50	50	50	50	50	50	600	631	661	
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		58	58	58	58	58	58	58	58	58	58	58	690	725	761	
Interest earned - external investments		17	17	17	17	17	17	17	17	17	17	17	200	210	220	
Interest earned - outstanding debtors		21	21	21	21	21	21	21	21	21	21	21	250	263	276	
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines		125	125	125	125	125	125	125	125	125	125	125	1,500	1,577	1,654	
Licences and permits		27	27	27	27	27	27	27	27	27	27	27	302	600	631	
Agency services		275	275	275	275	275	275	275	275	275	275	275	3,300	3,468	3,638	
Transfers recognised - operational		45,631	-	-	-	43,241	-	-	-	43,241	-	-	-	132,113	138,851	145,654
Other revenue		914	914	914	914	914	914	914	914	914	914	914	10,968	11,527	12,092	
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		47,521	1,890	1,890	1,890	45,131	1,890	1,890	1,890	45,131	1,890	1,890	2,165	155,071	162,979	170,965
Expenditure By Type																
Employee related costs		6,138	6,138	6,138	6,138	6,138	6,138	6,138	6,138	6,138	6,138	6,138	6,149	73,667	77,424	81,217
Remuneration of councillors		1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,116	13,326	14,006	14,692
Debt impairment		-	-	-	-	-	500	-	-	-	-	-	-	500	526	551
Depreciation & asset impairment		-	-	-	-	-	-	-	-	-	-	3,700	-	3,700	3,889	4,079
Finance charges		21	21	21	21	21	21	21	21	21	21	21	21	250	263	276
Bulk purchases		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services		38	38	38	38	38	38	38	38	38	38	38	38	450	473	496
Transfers and grants		250	250	250	250	250	250	250	250	250	250	250	3,000	3,153	3,307	
Other expenditure		5,015	5,015	5,015	5,015	5,015	5,015	5,015	5,015	5,015	5,015	5,015	60,178	63,247	66,346	
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		12,571	12,571	12,571	12,571	12,571	13,071	12,571	12,571	12,571	12,571	16,271	12,588	155,071	162,980	170,966
Surplus/(Deficit)																
Transfers recognised - capital		34,950	(10,681)	(10,681)	(10,681)	32,560	(10,681)	(11,181)	(10,681)	32,560	(10,681)	(14,381)	(10,423)	(0)	(0)	(0)
Contributions recognised - capital		1,009	1,009	1,009	1,009	1,009	1,009	1,009	1,009	1,009	1,009	1,009	1,009	12,107	12,724	13,348
Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		35,959	(9,672)	(9,672)	(9,672)	33,569	(9,672)	(10,172)	(9,672)	42,330	(9,672)	(4,611)	(9,414)	47,149	49,553	51,981
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	35,959	(9,672)	(9,672)	(9,672)	33,569	(9,672)	(10,172)	(9,672)	42,330	(9,672)	(4,611)	(9,414)	47,149	49,553	51,981

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.

Operating Transfers and Grant Receipts

EC135 Intsika Yethu - Supporting Table SA21 Transfers and grants made by the municipality

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 Transfers to other municipalities <i>Equitable Share: MIG; MSIG; CHDM; LG-SETA; EPWP</i>	1										
Total Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Entities/Other External Mechanisms <i>Equitable Share: MIG; MSIG; CHDM; LG-SETA; EPWP</i>	2										
Total Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Cash Transfers to other Organs of State <i>Equitable Share: MIG; MSIG; CHDM; LG-SETA; EPWP</i>	3										
Total Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Organisations <i>Free basic services</i>	4				6,000	(2,000)			3,000	3,153	3,307
Total Cash Transfers To Organisations		-	-	-	6,000	(2,000)	-	-	3,000	3,153	3,307
Cash Transfers to Groups of Individuals <i>Equitable Share: MIG; MSIG; CHDM; LG-SETA; EPWP</i>	5										
Total Cash Transfers To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
TOTAL CASH TRANSFERS AND GRANTS	6	-	-	-	6,000	(2,000)	-	-	3,000	3,153	3,307
Non-Cash Transfers to other municipalities <i>Insert description</i>	1										
Total Non-Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to Entities/Other External Mechanisms <i>Equitable Share: MIG; MSIG; CHDM; LG-SETA; EPWP</i>	2										
Total Non-Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to other Organs of State <i>Equitable Share: MIG; MSIG; CHDM; LG-SETA; EPWP</i>	3										
Total Non-Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Non-Cash Grants to Organisations <i>Equitable Share: MIG; MSIG; CHDM; LG-SETA; EPWP</i>	4										
Total Non-Cash Grants To Organisations		-	-	-	-	-	-	-	-	-	-
Groups of Individuals <i>Equitable Share: MIG; MSIG; CHDM; LG-SETA; EPWP</i>	5										
Total Non-Cash Grants To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
TOTAL NON-CASH TRANSFERS AND GRANTS		-	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS	6	-	-	-	6,000	(2,000)	-	-	3,000	3,153	3,307

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the Municipality.

Property Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

The following stipulations in the Property Rates Policy are highlighted:

- The rate-able property concerned must be occupied only by the applicant and his/her spouse, if any, and by dependants without income;
- The applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, proof of certification by a Medical Officer of Health, also proof of the annual income from a social pension;
- The applicant's account must be paid in full, or if not, an arrangement to pay the debt should be in place; and
- The property must be categorized as residential.

The categories of rate-able properties for purposes of levying rates and the proposed rates for the 2013/14 financial year based on a 5 per cent increase from 1 July 2013 is contained below:

Comparison of proposed rates to levied for the 2012/13 financial year

Category	Current Tariff (1 July 2012)	Proposed tariff (from 1 July 2013)
	c	c
Government	0,012	0,012
Business	0,008	0,008
Residential	0,004	0,004
Farming/ Agriculture	-	-
Street Lighting	-	-
A demand charge per month per Kw	5.97	6.27

Sale of Water and Impact of Tariff Increases

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

A tariff increase of 5,1 per cent from 1 July 2013 for water is proposed.

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

Proposed Water Tariffs

	2012/13	2013/14	2014/15
Metered Consumption (Domestic Consumers)			
Basic / Availability Charge	41.39	42.44	43.49
Metered Consumption (Other than Domestic Consumers)			
Basic / Availability Charge (per month)	41.39	42.44	43.49
Normal Consumption			
Domestic			
Per kiloliter consumed 0-6 kl (indigent)	0		
Per kiloliter consumed 0-6 kl	6.06	7.11	8.16
Per kiloliter consumed 7 – 10 kl	6.18	72.31	83.8
Per kiloliter consumed 11-20 kl	8.58	9.63	10.68
Per kiloliter consumed 21-30 kl	11.14	12.19	13.24
Per kiloliter consumed 31 + kl	13.97	15.02	16.07
Bulk/Commercial/Industrial Supply per kl	9.77	10.82	11.87
Other (Schools/ Non-profit organizations/Church) per kl	6.01	7.06	8.10
Tariff Bulk supply rate (builders)	9.28	10.33	11.38
New Connection (to be paid prior connection)	Material & Labour Cost + 30%		

Test Meter (Not Refundable)To be paid in advance	126.73	127.78	128.83
DEPOSITS (WATER SERVICES)			
Consumers – Domestic	358.64	359.69	360.74
Consumers – Business or Commercial	956.38	957.43	958.48
Builders	3,701.85	3,702.9	3,703.9
CHARGE FOR VISIT OF SERVICE MAN			
(a)The owner or builder requesting the installation of a connection and does not clear the position, thus making the visit of the serviceman fruitless, shall pay a fee of: This fee will also be charged when a serviceman is called out for a problem on the consumers' internal system	538.78	539.83	540.88
(b)The closing and re-opening of municipal stopcocks or valves, when requested by consumers, shall be carried out at a fee per visit of:	1,047.84	1,048.89	1,049.94
(c) A reconnection fee shall be charged for the insertion and removal of a restrictive washer during working hours and an additional charge will be levied if the restrictive washer is removed after hours, such an amount to be paid by the consumer prior to the removal of the washer	138.41	139.53	140.58
REPAIR OF METER CONNECTION OR STOPCOCK			
Connections or stopcocks damaged by the owner or builder will be replaced or repaired at a fee per connection up to 25mm diameter	1,121.23	1,122.28	1,123.33
Fee per connection greater than 25 mm	1,792.86	1793.91	1794.96
DISCONNECTION OF WATER	538.78	539.83	540.88
REMOVAL OF CONNECTION			
Moving of connection from one point to another shall be charged at actual cost When a meter has been temporarily removed at the request of the owner, the cost of replacing the meter at a later date will be	Actual cost		
Inspection of metered premises at the request of the consumer, for leakage or waste of water, per inspection, fee payable	673.48	674.53	675.58
	538.78	539.83	540.88
WATER CARTING			
7-15 kI/load	423.6	424.65	425.7
Per kilometer	9.00	9.01	902.1

Sanitation and Impact of Tariff Increases

A tariff increase of 5,1 per cent for sanitation from 1 July 2013 is proposed. This is based on the input cost assumptions related to water.

- Sanitation charges are calculated according to the percentage water discharged as indicated in the table below;
- Free sanitation (6 kI water free) will be applicable to registered indigents

The following table compares the current and proposed tariffs:

Comparison between current sanitation charges and increases

SANITATION / SEWERAGE			
	2012/13		
Water-borne Sewerage (Domestic Consumers)			
Small			
Basic / Availability Charge per month per connection (Erf 0-300m ²)	44.36	45.41	46.46
Basic / Availability Charge per month per connection (Erf 301-400m ²)	62.77	63.82	64.87
Basic / Availability Charge per month per connection (Erf 401-800m ²)	163.34	164.39	165.44
Basic / Availability Charge per month per connection (Erf 801-1200m ²)	176.34	177.39	178.44
Basic / Availability Charge per month per connection (Erf 1200>m ²)	192.13	193.18	194.23
Medium			
Flats			
Ordinary flats(Outside buildings)	109.85	110.9	111.95
Water-borne Sewerage (Commercial Consumers)			
Basic / Availability Charge per month per connection			
Pan charge per pan plus an annual area charge determined as follows: The square root of the area of the land in square meters x a rate of	119.55	120.60	121.65
	9.28	10.33	11.38
Water-borne Sewerage (Industrial Consumers)			
Basic / Availability Charge per month per connection			
Pan charge per pan plus an annual area charge determined as follows The square root of the area of the land in square meters x a rate of	125.56	126.61	127.66
	13.94	14.99	16.04
Water-borne Sewerage (Hotel's, hostels, Schools, hospitals, abattoirs & other consumers)			
Basic / Availability Charge per month per connection			
Pan charge per pan plus an annual area charge determined as follows The square root of the area of the land in square meters x a rate of	804.15	805.20	806.25
	83.52	84.57	85.62
	39.94	40.99	42.04

Water-borne Sewerage (Government departments)			
Basic / Availability Charge per month per connection	2,966.25	2967.30	2968.35
Pan charge per pan plus an annual area charge determined as follows The square root of the area of the land in square meters x a rate of	127.34	128.39	129.44
	41.79	42.84	43.89
Conservancy Tanks- Combined charge	1,959.15		
Sewer Connection			
Initial Connection In respect of properties connected to Council's drainage system for the first time, the charge due and payable by the property owner or his agent shall be: -			
100mm sewer connection	1,732.48	1,733.51	1,734.58
150mm sewer connection	2,164.44	2,165.49	2,166.54
Additional Connection(s) The "full cost" of constructing additional sewer connections(s) will be payable by the property owner or his appointed agent. Where such additional connection(s) obviates the use of the initial existing connection(s), the fee for the initial connection(s) shall be payable over and above the cost of construction the additional connection(s).			
Charge for Visit of Serviceman The Owner/Occupier requesting an inspection by a serviceman for sewerage problems or other appropriate circumstances where the Municipality is not responsible for maintaining the facility shall pay a fee including VAT			
	433.81	434.84	435.91
Other			
Sewerage Blockages	253.45	236.50	237.55
New Connections	Material & Labour Cost + 30%		
Removal of Conservancy Tank Effluent, Septic Tank Effluent and Pit Latrine			
In respect of any property with improvements which is not connected to the sewerage supply of the Council to which a Conservancy Tank Service is rendered, a charge per annum for each financial year shall become due and payable by the Registered Owner of such property on date upon which Municipal Rates are levied in terms of the Municipal Property Rates Act, No. 6 of 2004, the above charges being for a clearance of at least once every 3 weeks per 4.5 kl load or part thereof.	2,269.41	2,270.46	2,271.51
	287.97	298.02	290.07
Loads not exceeding 4,5 kl or part thereof plus kilometers if outside the CBD Kilometers	9.00	9.01	9.02

Waste Removal and Impact of Tariff Increases

A 5 per cent increase in the waste removal tariff is proposed from 1 July 2013

Operating Expenditure Framework

The Municipality's expenditure framework for the 2013/14 budget and MTREF is informed by the following:

- The asset renewal strategy and the repairs and maintenance plan;
- Balanced budget constraint (operating expenditure should not exceed operating revenue)
- The capital programme is aligned to the asset renewal strategy and backlog eradication plan;

The following table is a high level summary of the 2013/14 budget and MTREF (classified per main type of operating expenditure):

Summary of operating expenditure by standard classification item

EC135 Intsika Yethu - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)

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
Revenue By Source											
Property rates	2	1,618	3,402	3,713	4,500	350	-	-	4,850	5,097	5,347
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	628	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	1,773	-	-	-	-	-	-	-
Service charges - refuse revenue	2	273	376	498	100	213	-	-	600	631	661
Service charges - other					4,337	437					
Rental of facilities and equipment		668	428	647	300				690	725	761
Interest earned - external investments		1,553	693	860	300				200	210	220
Interest earned - outstanding debtors		91	523	373	100				250	263	276
Dividends received											
Fines		71	113	251	600				1,500	1,577	1,654
Licences and permits		668	1,257	1,320	105				600	631	661
Agency services					1,200				3,300	3,468	3,638
Transfers recognised - operational		64,084	81,469	112,496	152,026				132,113	138,851	145,654
Other revenue	2	2,608	10,333	5,738	8,761	4,827	-	-	10,968	11,527	12,092
Gains on disposal of PPE			23	2							
Total Revenue (excluding capital transfers and contributions)		71,634	98,617	128,297	172,328	5,827	-	-	155,071	162,979	170,965
Expenditure By Type											
Employee related costs	2	30,655	42,290	62,083	55,642	1,144	-	-	73,667	77,424	81,217
Remuneration of councillors		10,269	10,877	8,595	11,807	308			13,326	14,006	14,692
Debt impairment	3	2,819	7,062	1,738					500	526	551
Depreciation & asset impairment	2	-	-	36,545	-	-	-	-	3,700	3,889	4,079
Finance charges			4	525					250	263	276
Bulk purchases	2	-	352	2,871	6,000	(2,000)	-	-	-	-	-
Other materials	8	3,004	8,422	6,596	8,020						
Contracted services		113	218	430	-	-	-	-	450	473	496
Transfers and grants		-	-	-	6,000	(2,000)	-	-	3,000	3,153	3,307
Other expenditure	4, 5	24,882	32,963	78,613	50,003	(1,878)	-	-	60,178	63,247	66,346
Loss on disposal of PPE											
Total Expenditure		71,743	102,190	197,996	137,472	(4,426)	-	-	155,071	162,980	170,966
Surplus/(Deficit)		(109)	(3,573)	(69,699)	34,856	10,253	-	-	(0)	(0)	(0)
Transfers recognised - capital		17,033	17,564	25,935	31,461				35,042	36,829	38,634
Contributions recognised - capital		-	-	-	17,926				12,107	12,724	13,348
Contributed assets											
Surplus/(Deficit) after capital transfers & contributions		16,924	13,991	(43,764)	84,242	10,253	-	-	47,149	49,553	51,981
Taxation											
Surplus/(Deficit) after taxation		16,924	13,991	(43,764)	84,242	10,253	-	-	47,149	49,553	51,981
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		16,924	13,991	(43,764)	84,242	10,253	-	-	47,149	49,553	51,981
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		16,924	13,991	(43,764)	84,242	10,253	-	-	47,149	49,553	51,981

The budgeted allocation for employee related costs for the 2013/14 financial year totals R86,993 million. Based on the three year collective SALGBC agreement, salary increases have been factored into this budget at a percentage increase of 10 per cent for the 2013/14 financial year.

Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the Municipality's current infrastructure, the 2013/14 budget and MTREF provide for extensive growth in the area of asset maintenance, as informed by the asset renewal strategy and repairs and maintenance plan of the Municipality.

In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services.

Considering these cost drivers, the following table is a consolidation of all the expenditures associated with repairs and maintenance:

Operational Repairs and Maintenance

by Expenditure Item	8									
Employee related costs									-	-
Other materials									-	-
Contracted Services		113	218	430					-	-
Other Expenditure		30,706	32,963		11,950	(1,720)		7,972	8,379	8,789
Total Repairs and Maintenance Expenditure	9	30,819	33,181	430	11,950	(1,720)	-	-	7,972	8,379

During the compilation of the 2013/14 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the Municipality's infrastructure and historic deferred maintenance.

The table below provides a breakdown of the repairs and maintenance in relation to asset class:

Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality's Indigent Policy. Detail relating to free services, cost of free basis services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in Table 27 MBRR A10 (Basic Service Delivery Measurement)

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.

Capital expenditure

The following table provides a breakdown of budgeted capital expenditure by vote:

EC135 Intsika Yethu - Table A5 Consolidated Budgeted Capital Expenditure by vote, standard classification and funding

Vote 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
Capital expenditure - Vote											
Multi-year expenditure - to be appropriated	2										
Vote 1 - Exco and Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 4 - Infrastructure Planning and Development		23,675	26,028	-	9,000	7,868	-	9,841	10,343	10,850	
Vote 5 - Community Services		3,150	3,150	-	-	-	-	-	-	-	
Vote 6 - Budget and Treasury		1,776	5,181	-	-	-	-	-	-	-	
Vote 7 - Local Economic Development		-	-	-	-	-	-	-	-	-	
Vote 8 - Water Services		-	-	-	-	-	-	-	-	-	
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]		-	-	-	-	-	-	-	-	-	
Capital multi-year expenditure sub-total	7	28,601	34,358	-	9,000	7,868	-	9,841	10,343	10,850	
Single-year expenditure - to be appropriated	2										
Vote 1 - Exco and Council		-	-	-	-	-	-	-	-	-	
Vote 2 - Municipal Manager		-	-	-	-	-	-	-	-	-	
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-	
Vote 4 - Infrastructure Planning and Development		-	-	25,935	58,162	-	-	36,508	38,370	40,250	
Vote 5 - Community Services		-	-	-	2,315	168	-	350	368	386	
Vote 6 - Budget and Treasury		-	-	-	-	-	-	-	-	-	
Vote 7 - Local Economic Development		-	-	-	4,910	(400)	-	450	473	496	
Vote 8 - Water Services		-	-	-	-	-	-	-	-	-	
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]		-	-	-	-	-	-	-	-	-	
Capital single-year expenditure sub-total		-	-	25,935	65,387	(232)	-	37,308	39,210	41,132	
Total Capital Expenditure - Vote		28,601	34,358	25,935	74,387	7,636	-	47,149	49,554	51,982	
Capital Expenditure - Standard											
Governance and administration		1,776	2,401	-	-	-	-	-	-	-	
Executive and council		-	-	-	-	-	-	-	-	-	
Budget and treasury office		1,776	2,216	-	-	-	-	-	-	-	
Corporate services		-	185	-	-	-	-	-	-	-	
Community and public safety		-	-	-	2,315	168	-	350	368	386	
Community and social services		-	-	-	2,315	168	-	350	368	386	
Sport and recreation		-	-	-	-	-	-	-	-	-	
Public safety		-	-	-	-	-	-	-	-	-	
Housing		-	-	-	-	-	-	-	-	-	
Health		-	-	-	-	-	-	-	-	-	
Economic and environmental services		23,675	28,807	25,935	72,072	6,313	-	11,757	12,357	12,962	
Planning and development		23,675	28,807	-	4,910	(400)	-	450	473	496	
Road transport		-	-	25,935	67,162	6,713	-	11,307	11,884	12,466	
Environmental protection		-	-	-	-	-	-	-	-	-	
Trading services		-	-	-	-	-	-	-	-	-	
Electricity		-	-	-	-	-	-	-	-	-	
Water		-	-	-	-	-	-	-	-	-	
Waste water management		-	-	-	-	-	-	-	-	-	
Waste management		-	-	-	-	-	-	-	-	-	
Other		3,150	3,150	-	-	-	-	-	-	-	
Total Capital Expenditure - Standard	3	28,601	34,358	25,935	74,387	6,481	-	12,107	12,724	13,348	
Funded by:											
National Government		11,569	15,164	25,935	31,461	-	-	35,042	36,829	38,634	
Provincial Government		-	1,630	-	-	-	-	-	-	-	
District Municipality		-	-	-	-	-	-	-	-	-	
Other transfers and grants		17,033	17,564	-	25,000	-	-	-	-	-	
Transfers recognised - capital	4	28,601	34,358	25,935	56,461	-	-	35,042	36,829	38,634	
Public contributions & donations	5	-	-	-	-	-	-	-	-	-	
Borrowing	6	-	-	-	-	-	-	-	-	-	
Internally generated funds		-	-	-	17,926	-	-	12,107	12,724	13,348	
Total Capital Funding	7	28,601	34,358	25,935	74,387	-	-	47,149	49,554	51,982	

Annual Budget Tables - Parent Municipality

The following eighteen pages 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 2013/14 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory notes* on the facing page.

EC135 Intsika Yethu - Table A1 Consolidated 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
R thousands										
Financial Performance										
Property rates	1,618	3,402	3,713	4,500	350	-	-	4,850	5,097	5,347
Service charges	273	376	2,899	4,437	650	-	-	600	631	661
Investment revenue	1,553	693	860	300	-	-	-	200	210	220
Transfers recognised - operational	64,084	81,469	112,496	152,026	-	-	-	132,113	138,851	145,654
Other own revenue	4,106	12,676	8,330	11,066	4,827	-	-	17,308	18,190	19,082
Total Revenue (excluding capital transfers and contributions)	71,634	98,617	128,297	172,328	5,827	-	-	155,071	162,979	170,965
Employee costs	30,655	42,290	62,083	55,642	1,144	-	-	73,667	77,424	81,217
Remuneration of councillors	10,269	10,877	8,595	11,807	308	-	-	13,326	14,006	14,692
Depreciation & asset impairment	-	-	36,545	-	-	-	-	3,700	3,889	4,079
Finance charges	-	4	525	-	-	-	-	250	263	276
Materials and bulk purchases	3,004	8,775	9,466	14,020	(1,557)	-	-	-	-	-
Transfers and grants	-	-	-	6,000	(2,000)	-	-	3,000	3,153	3,307
Other expenditure	27,814	40,243	80,782	50,003	(1,878)	-	-	61,128	64,246	67,394
Total Expenditure	71,743	102,190	197,996	137,472	(3,983)	-	-	155,071	162,980	170,966
Surplus/(Deficit)	(109)	(3,573)	(69,699)	34,856	9,810	-	-	(0)	(0)	(0)
Transfers recognised - capital	17,033	17,564	25,935	31,461	-	-	-	35,042	36,829	38,634
Contributions recognised - capital & contributed assets	-	-	-	17,926	-	-	-	12,107	12,724	13,348
Surplus/(Deficit) after capital transfers & contributions	16,924	13,991	(43,764)	84,242	9,810	-	-	47,149	49,553	51,981
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	16,924	13,991	(43,764)	84,242	9,810	-	-	47,149	49,553	51,981
Capital expenditure & funds sources										
Capital expenditure	28,601	34,358	25,935	74,387	6,481	-	-	12,107	12,724	13,348
Transfers recognised - capital	28,601	34,358	25,935	56,461	-	-	-	35,042	36,829	38,634
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	17,926	-	-	-	12,107	12,724	13,348
Total sources of capital funds	28,601	34,358	25,935	74,387	-	-	-	47,149	49,554	51,982
Financial position										
Total current assets	40,422	29,100	33,921	-	-	-	-	-	-	-
Total non current assets	28,601	61,697	512,567	-	-	-	-	-	-	-
Total current liabilities	11,186	15,001	12,477	-	-	-	-	-	-	-
Total non current liabilities	3,524	9,343	15,928	-	-	-	-	-	-	-
Community wealth/Equity	16,040	14,014	-	-	-	-	-	-	-	-
Cash flows										
Net cash from (used) operating	29,301	14,932	152,328	67,553	350	-	-	51,258	53,872	56,512
Net cash from (used) investing	-	(34,437)	(263)	(92,487)	-	-	-	(47,149)	(49,554)	(51,982)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	29,301	9,796	161,861	(24,934)	350	-	-	4,109	8,428	12,958
Cash backing/surplus reconciliation										
Cash and investments available	27,788	12,340	15,704	-	-	-	-	-	-	-
Application of cash and investments	44,712	29,328	(5,207)	3,907	-	-	-	-	-	-
Balance - surplus (shortfall)	(16,924)	(16,988)	20,911	(3,907)	-	-	-	-	-	-
Asset management										
Asset register summary (WDV)	28,601	34,358	-	-	-	-	-	-	-	-
Depreciation & asset impairment	-	-	36,545	-	-	-	3,700	3,700	3,889	4,079
Renewal of Existing Assets	28,601	34,416	-	-	-	-	-	36,308	38,159	40,029
Repairs and Maintenance	28,601	34,416	-	11,550	-	-	7,972	7,972	8,379	8,789
Free services										
Cost of Free Basic Services provided	-	-	-	-	-	-	0	0	0	0
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-
Households below minimum service level										
Water:	-	-	-	-	-	-	13	13	14	14
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	14	14	15	16
Refuse:	-	-	-	-	-	-	39	39	41	43

Explanatory notes to MBRR Table A1 - Budget Summary

Table A1 is a budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).

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

Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.

- ✚ Note the Total Revenue on this table includes capital revenues (Transfers recognized – capital) and so does not balance to the operating revenue shown on Table A4.
- ✚ Note that as a general principle the revenues for the Trading Services should exceed their expenditures. As already noted above, the municipality will be undertaking a detailed study of this function to explore ways of improving efficiencies and provide a basis for re-evaluating the function's tariff structure.

EC135 Intsika Yethu - Table A2 Consolidated 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
R thousand	1									
Revenue - Standard										
<i>Governance and administration</i>		88,393	116,181	154,232	128,662	10,577	-	120,870	127,034	133,259
Executive and council		-	-	-	4,000	3,117	-	450	473	496
Budget and treasury office		88,393	116,181	154,232	124,662	7,460	-	120,420	126,561	132,763
Corporate services		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	-	417	146	-	3,525	3,705	3,886
Community and social services		-	-	-	417	146	-	3,525	3,705	3,886
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		273	-	-	57,586	-	-	47,825	50,264	52,727
Planning and development		273	-	-	105	-	-	35	36	38
Road transport		-	-	-	57,481	-	-	47,790	50,227	52,688
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	35,050	(7,846)	-	30,000	31,530	33,075
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	35,050	(7,846)	-	30,000	31,530	33,075
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	88,667	116,181	154,232	221,715	2,876	-	202,220	212,533	222,947
Expenditure - Standard										
<i>Governance and administration</i>		68,739	93,767	191,401	66,336	2,612	-	71,927	75,596	79,300
Executive and council		10,269	10,877	8,595	25,807	1,121	-	30,159	31,697	33,251
Budget and treasury office		27,814	40,599	120,722	28,817	-	-	27,313	28,706	30,112
Corporate services		30,655	42,290	62,083	11,713	1,491	-	14,455	15,192	15,937
<i>Community and public safety</i>		-	-	-	13,895	6,250	-	23,572	24,774	25,988
Community and social services		-	-	-	13,895	6,250	-	23,572	24,774	25,988
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		3,004	8,422	6,596	22,191	1,275	-	29,572	31,080	32,603
Planning and development		-	-	-	4,140	-	-	8,327	8,752	9,181
Road transport		3,004	8,422	6,596	18,051	1,275	-	21,245	22,328	23,422
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	35,050	(7,846)	-	30,000	31,530	33,075
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	35,050	(7,846)	-	30,000	31,530	33,075
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	71,743	102,190	197,996	137,472	2,291	-	155,071	162,980	170,966
Surplus/(Deficit) for the year		16,924	13,991	(43,764)	84,242	585	-	47,149	49,553	51,981

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

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 organizational structure of the Municipality.

The following table is an analysis of the surplus or deficit for the electricity and water trading services.

EC135 Intsika Yethu - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote 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 by Vote	1									
Vote 1 - Exco and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager		-	-	-	4,000	3,117	-	450	473	496
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Infrastructure Planning and Development		-	-	-	57,481	-	-	47,790	50,227	52,688
Vote 5 - Community Services		-	-	-	417	146	-	3,525	3,705	3,886
Vote 6 - Budget and Treasury		88,393	116,181	154,232	124,662	7,460	-	120,420	126,561	132,763
Vote 7 - Local Economic Development		273	-	-	105	-	-	35	36	38
Vote 8 - Water Services		-	-	-	35,050	(7,846)	-	30,000	31,530	33,075
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 Revenue by Vote	2	88,667	116,181	154,232	221,715	2,876	-	202,220	212,533	222,947
Expenditure by Vote to be appropriated	1									
Vote 1 - Exco and Council		10,269	10,877	8,595	17,957	550	-	19,726	20,732	21,748
Vote 2 - Municipal Manager		-	-	-	7,850	571	-	10,433	10,965	11,502
Vote 3 - Corporate Services		30,655	42,290	62,083	11,713	1,491	-	14,455	15,192	15,937
Vote 4 - Infrastructure Planning and Development		3,004	8,422	6,596	18,051	-	-	21,245	22,328	23,422
Vote 5 - Community Services		-	-	-	13,895	6,250	-	23,572	24,774	25,988
Vote 6 - Budget and Treasury		27,814	40,599	120,722	28,817	-	-	27,313	28,706	30,112
Vote 7 - Local Economic Development		-	-	-	4,140	-	-	8,327	8,752	9,181
Vote 8 - Water Services		-	-	-	35,050	-	-	30,000	31,530	33,075
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	71,743	102,190	197,996	137,472	8,862	-	155,071	162,980	170,966
Surplus/(Deficit) for the year	2	16,924	13,991	(43,764)	84,242	(5,986)	-	47,149	49,553	51,981

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

EC135 Intsika Yethu - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)

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
Revenue By Source											
Property rates	2	1,618	3,402	3,713	4,500	350	-	-	4,850	5,097	5,347
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	628	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	1,773	-	-	-	-	-	-	-
Service charges - refuse revenue	2	273	376	498	100	213	-	-	600	631	661
Service charges - other		-	-	-	4,337	437	-	-	-	-	-
Rental of facilities and equipment		668	428	647	300	-	-	-	690	725	761
Interest earned - external investments		1,553	693	860	300	-	-	-	200	210	220
Interest earned - outstanding debtors		91	523	373	100	-	-	-	250	263	276
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines		71	113	251	600	-	-	-	1,500	1,577	1,654
Licences and permits		668	1,257	1,320	105	-	-	-	600	631	661
Agency services		-	-	-	1,200	-	-	-	3,300	3,468	3,638
Transfers recognised - operational		64,084	81,469	112,496	152,026	-	-	-	132,113	138,851	145,654
Other revenue	2	2,608	10,333	5,738	8,761	4,827	-	-	10,968	11,527	12,092
Gains on disposal of PPE		-	23	2	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		71,634	98,617	128,297	172,328	5,827	-	-	155,071	162,979	170,965
Expenditure By Type											
Employee related costs	2	30,655	42,290	62,083	55,642	1,144	-	-	73,667	77,424	81,217
Remuneration of councillors		10,269	10,877	8,595	11,807	308	-	-	13,326	14,006	14,692
Debt impairment	3	2,819	7,062	1,738	-	-	-	-	500	526	551
Depreciation & asset impairment	2	-	-	36,545	-	-	-	-	3,700	3,889	4,079
Finance charges		-	4	525	-	-	-	-	250	263	276
Bulk purchases	2	-	352	2,871	6,000	(2,000)	-	-	-	-	-
Other materials	8	3,004	8,422	6,596	8,020	-	-	-	-	-	-
Contracted services		113	218	430	-	-	-	-	450	473	496
Transfers and grants		-	-	-	6,000	(2,000)	-	-	3,000	3,153	3,307
Other expenditure	4, 5	24,882	32,963	78,613	50,003	(1,878)	-	-	60,178	63,247	66,346
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Total Expenditure		71,743	102,190	197,996	137,472	(4,426)	-	-	155,071	162,980	170,966
Surplus/(Deficit)		(109)	(3,573)	(69,699)	34,856	10,253	-	-	(0)	(0)	(0)
Transfers recognised - capital		17,033	17,564	25,935	31,461	-	-	-	35,042	36,829	38,634
Contributions recognised - capital		-	-	-	17,926	-	-	-	12,107	12,724	13,348
Contributed assets		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		16,924	13,991	(43,764)	84,242	10,253	-	-	47,149	49,553	51,981
Taxation		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		16,924	13,991	(43,764)	84,242	10,253	-	-	47,149	49,553	51,981
Attributable to minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		16,924	13,991	(43,764)	84,242	10,253	-	-	47,149	49,553	51,981
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		16,924	13,991	(43,764)	84,242	10,253	-	-	47,149	49,553	51,981

MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

EC135 Intsika Yethu - Table A5 Consolidated Budgeted Capital Expenditure by vote, standard classification and funding

Vote 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
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Exco and Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 4 - Infrastructure Planning and Development		23,675	26,028	-	9,000	7,868	-	-	9,841	10,343	10,850
Vote 5 - Community Services		3,150	3,150	-	-	-	-	-	-	-	-
Vote 6 - Budget and Treasury		1,776	5,181	-	-	-	-	-	-	-	-
Vote 7 - Local Economic Development		-	-	-	-	-	-	-	-	-	-
Vote 8 - Water Services		-	-	-	-	-	-	-	-	-	-
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]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	28,601	34,358	-	9,000	7,868	-	-	9,841	10,343	10,850
Single-year expenditure to be appropriated	2										
Vote 1 - Exco and Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 4 - Infrastructure Planning and Development		-	-	25,935	58,162	-	-	-	36,508	38,370	40,250
Vote 5 - Community Services		-	-	-	2,315	168	-	-	350	368	386
Vote 6 - Budget and Treasury		-	-	-	-	-	-	-	-	-	-
Vote 7 - Local Economic Development		-	-	-	4,910	(400)	-	-	450	473	496
Vote 8 - Water Services		-	-	-	-	-	-	-	-	-	-
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]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		-	-	25,935	65,387	(232)	-	-	37,308	39,210	41,132
Total Capital Expenditure - Vote		28,601	34,358	25,935	74,387	7,636	-	-	47,149	49,554	51,982
Capital Expenditure - Standard											
Governance and administration		1,776	2,401	-	-	-	-	-	-	-	-
Executive and council		-	-	-	-	-	-	-	-	-	-
Budget and treasury office		1,776	2,216	-	-	-	-	-	-	-	-
Corporate services		-	185	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	2,315	168	-	-	350	368	386
Community and social services		-	-	-	2,315	168	-	-	350	368	386
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		23,675	28,807	25,935	72,072	6,313	-	-	11,757	12,357	12,962
Planning and development		23,675	28,807	-	4,910	(400)	-	-	450	473	496
Road transport		-	-	25,935	67,162	6,713	-	-	11,307	11,884	12,466
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-
Other		3,150	3,150	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	3	28,601	34,358	25,935	74,387	6,481	-	-	12,107	12,724	13,348
Funded by:											
National Government		11,569	15,164	25,935	31,461	-	-	-	35,042	36,829	38,634
Provincial Government		-	1,630	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		17,033	17,564	-	25,000	-	-	-	-	-	-
Transfers recognised - capital	4	28,601	34,358	25,935	56,461	-	-	-	35,042	36,829	38,634
Public contributions & donations	5	-	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	17,926	-	-	-	12,107	12,724	13,348
Total Capital Funding	7	28,601	34,358	25,935	74,387	-	-	-	47,149	49,554	51,982

The budget process

The Medium Term Revenue and Expenditure Framework (MTREF) specify a 3-year systematic expenditure and revenue plans for Intsika Yethu Municipality. The MTREF process is designed to match the overall resource envelope, estimated through 'top-down' macroeconomic and fiscal policy processes, with the bottom-up estimation of the current and medium-term cost of existing departmental plans and expenditure programmes

This process further allows the Council to :

- Strengthen and evaluate the alignment between medium and long-term plans and funding proposals
- Revise its policy priorities, macroeconomic framework and resource envelope
- Evaluate departmental plans and allocate available resources in line with policy priorities
- Obtain the required authority from Council to spend [service delivery]
- Align parameter setting with budget outcomes and resource allocations.

The purpose of the 2013/14 budget process will be the completion of a medium-term revenue and expenditure framework that share out resources in line with Council's policy priorities for the next 3 years. The chapter further explains how all this will be achieved.

Matching policy priorities and resources

Deciding and agreeing on the best allocation of scarce resources to fund Council's many social, economic and political goals is the main purpose of the budget process.

Drafting these three-year plans will guide the policy prioritisation and budgeting process for the 2013/14 MTREF.

Formulating an MTREF that has a three-year outlook will be put together by various role-players who interact at various stages of the budget process that is illustrated in diagram 1:

Formulating an MTREF differs from annual budgeting. In annual budgeting, the amount allocated to spending programmes is adjusted incrementally, with hardly any alignment to policy priorities. An MTREF provides the "linking framework" that allows expenditures to be "driven by policy priorities and disciplined by budget realities". – refer to the IDP.

Medium term policy review

The budget process starts early in the year with a review of the IDP and budget processes of the previous year, the budget parameters are set in August 2012 with the Municipal Manager and Heads of Departments.

Additional resources for funding new priorities arise from a review of the overall budget framework, including fiscal policy considerations, overall spending growth, inflation assumptions, and debt interest projections [if applicable at this stage].

The resource envelope that funds the new priorities consists of the two outer forecast years of the 2010 MTREF. This is the starting point for the new budget and planning process and is used as a basis to determine the MTREF allocation for the period 2013/14 to 2015/16.

The allocation of resources to the different clusters will be largely determined by Council's funding formula, which is reviewed during the process of developing the MTREF/Budget and will take into account the various clusters responsibilities for service delivery.

The timeline for critical budget decisions in the policy review stage of the process is outlined in table 1.

Process plan timeline

July – August	Previous IDP and budget process plan review and also table in the council timetable for preparation of coming year's annual budget
September	Parameter setting
October	Consideration of the revision of the Council's establishment plan – meeting the HR capacity needs and the cost application of such capacity [functions to be considered]
November to January	Aligning the budget to Council priorities, assess current year's budget performance, table assessment report in Council, assess current year's budget performance and submit report to mayor and municipality
February	Consolidation of budget and macro summary
March	Tabling the Draft Budget to Council and make public the draft budget and invite submissions from the community, provincial treasury and others
Before 31 May	Respond to submission and revise draft budget for coming year
31 May	Consider approval of budget for coming year and attendant resolutions
June	Final Budget will be approved and submitted to the National Treasury and other spheres of government

MTREF budget proposals

Budget Principles

Budgeting within the Medium Term Revenue and Expenditure Framework is based on a set of core principles that relate to:

- Fiscal policy and the budget framework
- Policy priorities and public expenditure
- Political oversight of the budget process
- Budgeting for service delivery

Fiscal policy and the budget framework

Medium-term spending plans of the various clusters for the period 2013/14 to 2015/16 will be prepared within the context of Council's macroeconomic and fiscal framework.

As part of a three-year rolling budget process, the budget framework is revised each year.

Additional resources for new expenditure will form part of the macroeconomic forecast. Growth in the MIG allocation is important if Council is to meet the objectives established in the IDP.

The MTREF set out in the 2013/14 budget will define the budget baseline for the 2014 MTREF. The various role-players will have to examine the fiscal implications of new spending pressures and match them to available resources.

Policy priorities and public expenditure

Strengthening the link between Council priorities and expenditure is at the core of medium-term budgeting. Expenditure allocation translates policy priorities into the delivery of services to communities, and is therefore a key tool for accomplishing Council’s goals.

Political oversight of the Budget Process

The key to strengthening the link between priorities and spending plans lies in enhancing political oversight of the budget process.

Political oversight of the budget process is essential to ensure that:

The political executive is responsible for policy and prioritization

Policy priorities are linked to cluster spending plans and the delivery of quality services

The Budget process commences with parameter, policy assessment and formulation.

Budgeting is primarily about the choices and trade-offs that Council has to make in deciding how to meet the agreed set of policy objectives through better service delivery. Political oversight of the budget process allows Council to manage the tension between competing policy priorities and fiscal realities.

Budgeting for service delivery

Strengthening the link between Council’s priorities and spending plans is not an end in itself. The goal is to improve delivery of services and ultimately the quality of life of people throughout the municipality.

Better budgeting at mentioned in the introduction leads to enhanced service delivery. In particular, integrated planning, budgeting and monitoring of service delivery performance strengthen the link between the services that departments provide and the benefits and costs of these services. It is important to emphasise the role of performance management which serve to monitor performance against measurable performance objectives that are informed by service delivery targets as captured in the various sector plans and subscribed to by the four clusters.

Measurable objectives are defined as specific, quantifiable results or outcomes that can be achieved within a foreseeable time period. They serve as a roadmap for achieving the institutions goals and define the actual impact on the municipality rather than focussing on the level of effort that is expended. They are tools to assess the effectiveness of an institutions performance and the value added to the municipality.

BUDGET PROCESS PLAN

ACTIVITIES RELATING TO NEW BUDGET FOR THE NEXT YEAR	INTEGRATED DEVELOPMENT PLAN FOR NEXT YEAR
JULY	JULY
Review the IDP and Budget processes undertaken for the previous year budget preparation, and adapt the processes to address deficiencies, develop improvements and ensure integration of processes for the “NEXT 3 YEARS” budgets. Document the updated process and circulate to Councillors and	

<p>Management for adoption.</p> <p>Establish the schedules for the next cycle – 3 year templates.</p> <p>Ensure technical systems, procedures and standardised documentation are in place.</p> <p>Review external mechanisms for possible changes to agreements impacting on next budget. An example being water service provider agreements – causing budget impacts.</p> <p>Advise Auditor General of bank accounts including type, number opening and closing balances.</p>	
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<p style="text-align: center;">ACTIVITIES RELATING TO NEW BUDGET FOR THE NEXT YEAR</p>	<p style="text-align: center;">INTEGRATED DEVELOPMENT PLAN FOR NEXT YEAR</p>
<p>AUGUST</p>	<p>1.1.1.1.1 AUGUST</p>
<p>Based on financial statements of the previous year and performance review, determine the financial position of the municipality and assess its financial capacity and potential impacts on future strategies and budgets.</p> <p>Present the budget process plan to the HOD meeting.</p> <p>The present budget process plan to Council and adopted by Council on the 27 August.</p>	

ACTIVITIES RELATING TO NEW BUDGET FOR THE NEXT YEAR	INTEGRATED DEVELOPMENT PLAN FOR NEXT YEAR
SEPTEMBER	SEPTEMBER
<p>Advertise the budget process and schedules – no later than 1 September.</p> <p>The Council to establish the future directions and priority areas for the municipality to guide the budget allocations.</p> <p>Set parameters for the next 3 years based on market trends and other information available:</p> <ul style="list-style-type: none"> ➤ Tariff increases ➤ Salary increases ➤ General expenses ➤ Repairs and Maintenance ➤ Key Changes to be reflected considering all strategies and studies (including institutional study) ➤ Develop priority areas ➤ Reflect on all factors that could potentially impact on future budgets <p>Confirm existing and set new policy priorities for next three years.</p> <p>Determine the funding / revenue envelope potentially available for next three years.</p> <p>Each Cluster Champion to submit to the finance department all funding available to the cluster for the next three years, from both National and Provincial (DoRA). This could for example include:</p> <ul style="list-style-type: none"> ➤ Infrastructure Grants (MIG/Dwaf/Cmip/Cbpwp) ➤ Recurrent Grants (FMG/MSIG/MSP) ➤ Equitable Share ➤ Other (Disaster Management/LED/HIV-aids) <p>NB – funding identified is to be as per local government financial year and not National financial year.</p>	

<p>Determine the most likely financial outlook and identify need for changes to fiscal strategies.</p> <p>Refine funding policies including tariff structures, if necessary.</p>	
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<p>ACTIVITIES RELATING TO NEW BUDGET FOR THE NEXT YEAR</p>	<p>INTEGRATED DEVELOPMENT PLAN FOR NEXT YEAR</p>
<p>OCTOBER</p>	<p>OCTOBER</p>
<p>National Regulators (e.g. NER, F&FC) review and update pricing strategies for next three years.</p> <p>National Government determines co-ordinated pricing regime for next three years.</p>	
<p>Municipalities receive other inputs from National and Provincial Government and other bodies on factors influencing the budget – reference to legislation and completed studies</p> <p>Prepare drafts for IDP and the capital and operational plans with cost and revenue estimates.</p> <p>HOD's to assess the Human Resource component of the operating budget for the next year and for the two following years and make submissions to the finance department. Submissions would include full motivations for each post and assessments must take into consideration all known studies, establishment plan [organogram] and any other future developments over the next three years that would require a provision for costing.</p> <p>The submissions on HR would then be considered by the Municipal Manager in</p>	

<p>consultation with each HOD, to be facilitated by the finance department.</p> <p>The submissions on the HR component of the budget to be provided to the HR department. The HR department would then be responsible for determining the costs associated with the submissions. This information is then be captured by the team.</p> <p>HR to also calculate required budget amount for the Leave Gratuity Fund</p> <p>Analyse current budget in anticipation of an adjustments budget for the current year.</p>	
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<p style="text-align: center;">ACTIVITIES RELATING TO NEW BUDGET FOR THE NEXT YEAR</p>	<p style="text-align: center;">INTEGRATED DEVELOPMENT PLAN FOR NEXT YEAR</p>
<p>NOVEMBER</p>	<p>NOVEMBER</p>
<p>Departments are to scientifically determine operating income/costs linked to the budget for the next three years under the budget categories:</p> <ul style="list-style-type: none"> General expenses; Repairs and maintenance; Capital outlay; Financing charges; Depreciation (in conjuction with Administration). <p>The finance department will be instrumental in determining budget figures for:</p> <ul style="list-style-type: none"> Insurance; Interest and Redemption; 	

Entertainment Allowances;

Provision for Bad Debts;

Interest earned;

Commission on Levy Collection.

These costs are to be submitted to the finance department for inclusion in a line item budget designed for **three years**, the templates will be provided by the finance department.

Departments to consider projections on past performance and adjusted for known factors, known commitments (eg backlogs) and asset maintenance requirements.

Adjust plans to align with resources available and policy priorities.

Finalise preliminary options for IDP and budget for next three years.

Departments to submit text summaries for each cost/functional centre on what is contained in the operating budget, what are the major changes, what are the major functions of the department and, what the key objectives/measurable outputs are.

The finance department will circulate internal and external project funding balances as at 31 October to all clusters. Clusters are to assess expenditure patterns, with the Cluster Champs reporting on progress made, levels of expenditure achieved, what is expected and highlight problem areas to feed into the strategic session discussions which will take place in approximately January of the next year.

Clusters are also to reflect on any other funding, which is to be received during the remaining 7 months of the year.

The financial model is to be cleared in order to allow for future year

<p>inputs.</p> <p>Administration Office with Finance to confirm dates for Council meetings for the next calendar year in order to ensure legislative compliance</p> <p>Submit adjustments budget for current year to Council.</p>	
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<p>ACTIVITIES RELATING TO NEW BUDGET FOR THE NEXT YEAR</p>	<p>INTEGRATED DEVELOPMENT PLAN FOR NEXT YEAR</p>
<p>DECEMBER</p>	<p>DECEMBER</p>
<p>The submissions are to be consolidated by the finance department with all working papers that would have been submitted in support of the proposed operating budget.</p> <p>The finance department will keep a central file on all budget assumptions.</p> <p>Submit adjustments budget to National Treasury.</p>	

<p>ACTIVITIES RELATING TO NEW BUDGET FOR THE NEXT YEAR</p>	<p>INTEGRATED DEVELOPMENT PLAN FOR NEXT YEAR</p>
<p>JANUARY</p>	<p>JANUARY</p>
<p>Continue finalisation of detailed plans and budgets.</p>	

National and Provincial accounting officers finalise any adjustments to projected allocations for next three years. Cluster champions to be aware of this in case of changes to funding windows

Conduct and assess mid year review of current budget for impacts on budgets for next three years. Also incorporate any changes from National and Provincial governments on three-year allocations.

Review tariffs and charges and develop options for changes to be included in draft budget.

Incorporate changes in preliminary budget and IDP proposals to take account of assessment from mid-year review and consultations on tariffs.

Assessment of project balances to be done from the November review.

The finance department to determine the allocations for projects to be financed from internal funding for the next three years. The allocation to be split between Intsika Yethu Municipality as well as cluster.

A summary of all funding available is to be made available to Council and Intsika Yethu Municipality's Clusters.

Document all material changes in allocations from the previous financial year budget.

ACTIVITIES RELATING TO NEW BUDGET FOR THE NEXT YEAR	INTEGRATED DEVELOPMENT PLAN FOR NEXT YEAR
FEBRUARY	FEBRUARY
Finalise detailed draft budget in uniform formats.	

ACTIVITIES RELATING TO NEW BUDGET FOR THE NEXT YEAR	INTEGRATED DEVELOPMENT PLAN FOR NEXT YEAR
MARCH	MARCH
<p><i>Council receives budget and IDP updates.</i></p> <p>The budget presented to the Council includes a high level summary and is supported by the budget-forecasting model and reflects over a period of three years. Submit tabled budget to National Treasury.</p> <p>Forward copy of budget to National and Provincial Governments for review, both electronically and in printed format.</p> <p>Integrate and align the budget and IDP documentation.</p> <p>Finalise budget for next three years in prescribed formats.</p> <p>Council adopts budget.</p> <p><i>Mayor tables the budget in Council by 1 April. [Legislative compliance]</i></p>	

ACTIVITIES RELATING TO NEW BUDGET FOR THE NEXT YEAR	INTEGRATED DEVELOPMENT PLAN FOR NEXT YEAR
APRIL	APRIL
<p>Council debates budget and updated IDP.</p> <p>Advertise budget, inviting comments and undertake community consultation on budget.</p> <p>Receive and analyse additional inputs from community and National and Provincial Governments.</p> <p>Incorporate feedback from community and national and provincial governments, and if required revise the budget previously tabled to Council.</p> <p>Assess impacts on budget from third quarter results of the current financial year and if necessary revise the budget tabled in Council.</p>	

ACTIVITIES RELATING TO NEW BUDGET FOR THE NEXT YEAR	INTEGRATED DEVELOPMENT PLAN FOR NEXT YEAR
MAY	MAY
<p><i>Mayor tables revised budget and IDP incorporating community input in Council – no later than 31 May.</i></p> <p><i>Municipal Council approves budget and IDP by 1st June.</i></p> <p><i>[Budget for current year and notes budget projections for the two years thereafter]</i></p> <p>Complete the Annexures required by National Treasury and submit in flat file format to the National Data Base for Local Government Budgets.</p> <p>Appoint company to design and print the budget for public distribution.</p> <p>Advise National & Provincial Treasury & Auditor General of banking details</p>	

ACTIVITIES RELATING TO NEW BUDGET FOR THE NEXT YEAR	INTEGRATED DEVELOPMENT PLAN FOR NEXT YEAR
JUNE	JUNE
<p>Publish tariffs for 2012/2013 in Provincial Gazette and Local Newspapers.</p> <p>Publish budget and forward copy of approved budget to National and Provincial Government.</p> <p>Budgets are to be received from the design house and distributed</p>	

<p>internally to Councillors and Officials.</p> <p>Budgets are to be sent to the relevant National and Provincial Departments for noting.</p> <p>Publish the Budget on the Municipal website.</p> <p>Advise Auditor General of bank accounts including type, number opening and closing balances.</p>	
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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 Municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality target, monitors, assesses and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting and reporting cycle can be graphically illustrated as follows:

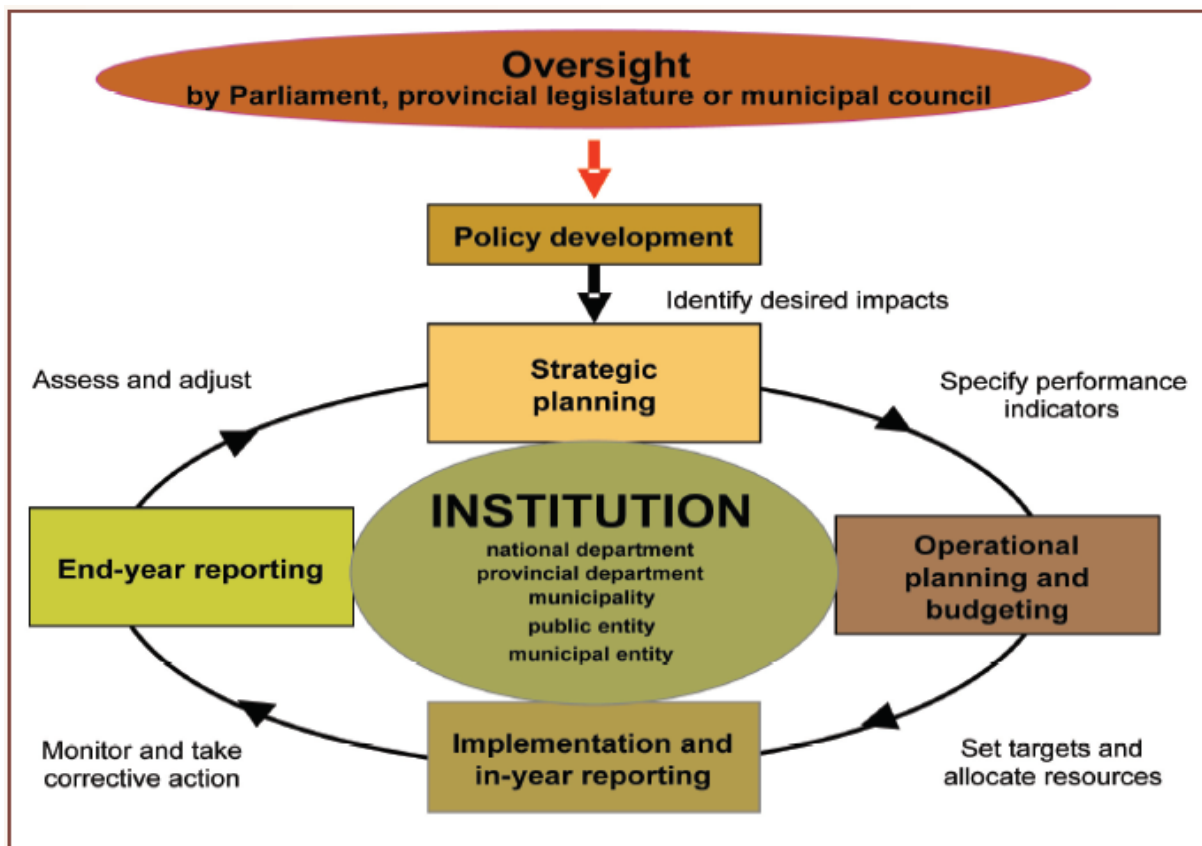
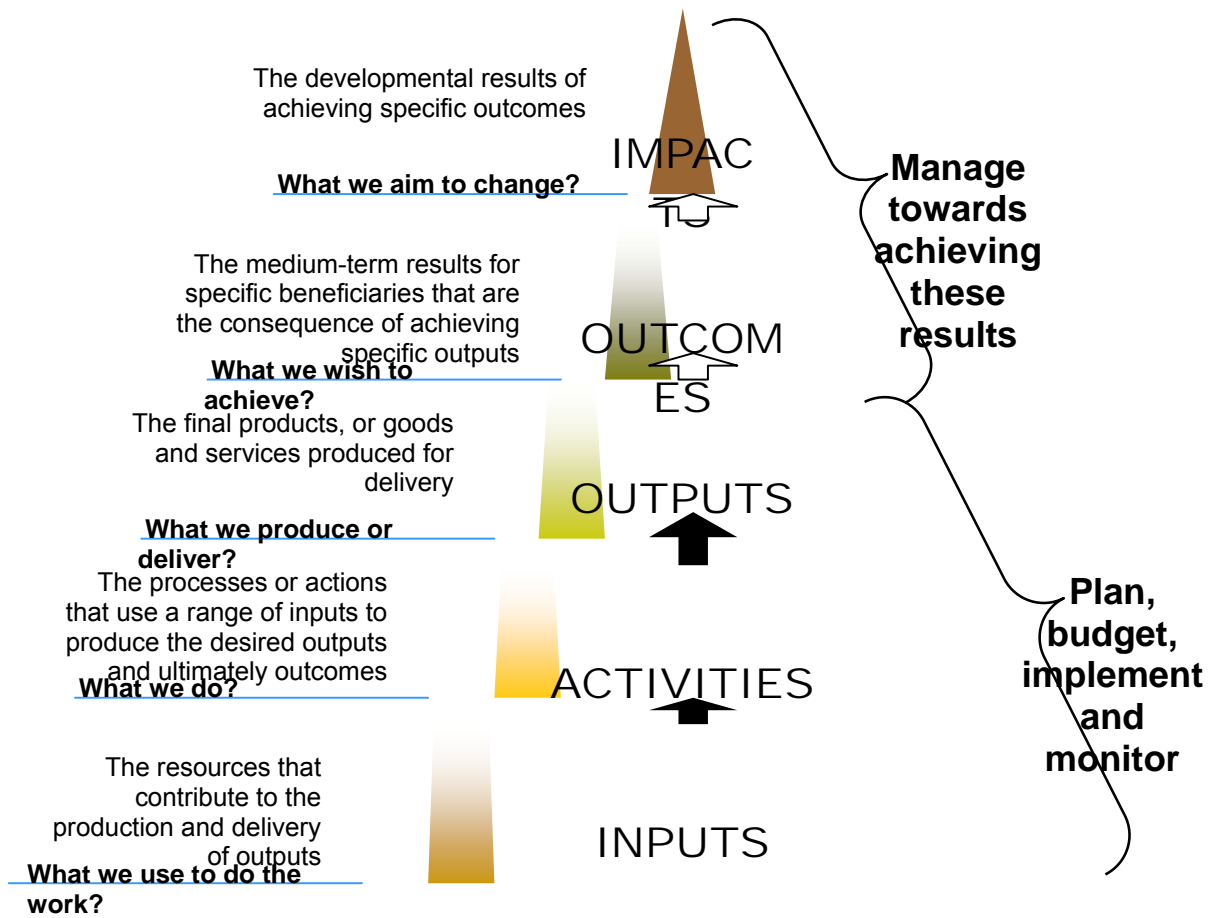


Figure 1 Planning, budgeting and reporting cycle

The performance of the Municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The Municipality therefore has adopted one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets and benchmarks);
- Monitoring (regular monitoring and checking on the progress against plan);
- Measurement (indicators of success);
- Review (identifying areas requiring change and improvement);
- Reporting (what information, to whom, from whom, how often and for what purpose); and
- Improvement (making changes where necessary).

The performance information concepts used by the Municipality in its integrated performance management system are aligned to the **Framework of Managing Programme Performance Information** issued by the National Treasury:



Definition of performance information concepts

The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.

Providing clean water and managing waste water

The Municipality is the Water Services Authority for the entire municipality in terms of the Water Services Act, 1997 and acts as water services provider.

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

The following is briefly the main challenges facing the Municipality in this regard:

- ✚ 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;

The following are some of the steps that have been taken to address these challenges:

- ✚ The Division is working in consultation with the Department of Water Affairs to address catchment management.

Overview of budget related-policies

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

The following table is a detailed analysis of the Municipality's borrowing liability.

MBRR Table SA 18 - Capital transfers and grant receipts

EC135 Intsika Yethu - 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									
Operating Transfers and Grants										
National Government:		58,358	71,276	-	116,976	-	-	114,310	131,347	163,266
Local Government Equitable Share										
Local Government Equitable Share		56,858	69,276		88,676			99,870	116,201	147,419
Finance Management		1,000	1,250		1,500			1,550	1,600	1,650
Municipal Systems Improvement		500	750		800			890	934	967
Integrated National Electrification Programme					25,000			11,000	11,561	12,127
EPWP Incentive					1,000			1,000	1,051	1,102
Other transfers/grants [insert description]										
Provincial Government:		-	1,630	-	-	-	-	-	-	-
IEC Project		-	1,630							
District Municipality:		4,829	5,705	-	35,050	(78,461)	-	30,000	31,530	33,075
Chris Hani District-Water Services Department		4,829	5,705		35,050	(78,461)		30,000	31,530	33,075
Other grant providers:		17,930	2,857	-	-	-	-	-	-	-
LG SETA: LED Grant		17,930	2,857							
Total Operating Transfers and Grants	5	81,117	81,469	-	152,026	(78,461)	-	144,310	162,877	196,341
Capital Transfers and Grants										
National Government:		-	17,564	-	31,461	-	-	35,042	38,883	41,631
Municipal Infrastructure Grant (MIG)			17,564		31,461			35,042	38,883	41,631
Other capital transfers/grants [insert desc]										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
Chris Hani District-Water Services Department										
Other grant providers:		-	-	-	-	-	-	-	-	-
LG SETA: LED Grant										
Total Capital Transfers and Grants	5	-	17,564	-	31,461	-	-	35,042	38,883	41,631
TOTAL RECEIPTS OF TRANSFERS & GRANTS		81,117	99,033	-	183,487	(78,461)	-	179,352	201,760	237,972

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 councilors 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

MBRR SA10 – Funding compliance measurement MBRR SA19 - Expenditure on transfers and grant programmes

EC135 Intsika Yethu - 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									
Operating expenditure of Transfers and Grants										
National Government:		58,358	71,276	-	116,976	-	-	114,310	131,347	163,266
Local Government Equitable Share					88,676			99,870	116,201	147,419
Local Government Equitable Share		56,858	69,276		1,500			1,550	1,600	1,650
Finance Management		1,000	1,250		800			890	934	967
Municipal Systems Improvement		500	750		25,000			11,000	11,561	12,127
Integrated National Electrification Programme					1,000			1,000	1,051	1,102
EPWP Incentive										
Other transfers/grants [insert description]										
Provincial Government:		-	1,630	-	-	-	-	-	-	-
IEC Project		-	1,630							
District Municipality:		4,829	5,705	-	35,050	(78,461)	-	30,000	31,530	33,075
<i>Chris Hani District-Water Services Department</i>		4,829	5,705		35,050	(78,461)		30,000	31,530	33,075
Other grant providers:		898	2,857	-	-	-	-	-	-	-
<i>LG SETA: LED Grant:</i>		898	2,857							
Total operating expenditure of Transfers and Grants:		64,084	81,469	-	152,026	(78,461)	-	144,310	162,877	196,341
Capital expenditure of Transfers and Grants										
National Government:		17,033	17,564	-	31,461	-	-	35,042	38,883	41,631
Municipal Infrastructure Grant (MIG)		17,033	17,564		31,461			35,042	38,883	41,631
Other capital transfers/grants [insert desc]										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
<i>Chris Hani District-Water Services Department</i>										
Other grant providers:		-	-	-	-	-	-	-	-	-
<i>LG SETA: LED Grant:</i>										
Total capital expenditure of Transfers and Grants		17,033	17,564	-	31,461	-	-	35,042	38,883	41,631
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		81,117	99,033	-	183,487	(78,461)	-	179,352	201,760	237,972

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

EC135 Intsika Yethu - 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.
Councillors	3							
Speaker	4							-
Chief Whip								-
Executive Mayor								-
Deputy Executive Mayor								-
Executive Committee								-
Total for all other councillors			8,386,200		3,420,968			11,807,168
Total Councillors	8	-	8,386,200	-	3,420,968			11,807,168
Senior Managers of the Municipality	5							
Municipal Manager (MM)			625,826	104,305	312,914			1,043,045
Chief Finance Officer			563,381	93,897	281,691			938,969
								-
								-
<i>List of each official with packages >= senior manager</i>								
			563,381	93,897	281,691			938,969
			563,381	93,897	281,691			938,969
			563,381	93,897	281,691			938,969
			563,381	93,897	281,691			938,969
								-
								-
								-
								-
								-
								-
Total Senior Managers of the Municipality	8,10	-	3,442,731	573,790	1,721,369	-		5,737,890
A Heading for Each Entity	6,7							
List each member of board by designation								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
Total for municipal entities	8,10	-	-	-	-	-		-
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	-	11,828,931	573,790	5,142,337	-		17,545,058

MBRR SA25 - Budgeted monthly revenue and expenditure

EC135 Intsika Yethu - Supporting Table SA25 Consolidated budgeted monthly revenue and expenditure

Description	Ref	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 Source																
Property rates		404	404	404	404	404	404	404	404	404	404	404	404	4,850	5,097	5,347
Property rates - penalties & collection charges														-	-	-
Service charges - electricity revenue														-	-	-
Service charges - water revenue														-	-	-
Service charges - sanitation revenue														-	-	-
Service charges - refuse revenue		50	50	50	50	50	50	50	50	50	50	50	50	600	631	661
Service charges - other														-	-	-
Rental of facilities and equipment		58	58	58	58	58	58	58	58	58	58	58	58	690	725	761
Interest earned - external investments		17	17	17	17	17	17	17	17	17	17	17	17	200	210	220
Interest earned - outstanding debtors		21	21	21	21	21	21	21	21	21	21	21	21	250	263	276
Dividends received														-	-	-
Fines		125	125	125	125	125	125	125	125	125	125	125	125	1,500	1,577	1,654
Licences and permits		27	27	27	27	27	27	27	27	27	27	27	27	302	600	631
Agency services		275	275	275	275	275	275	275	275	275	275	275	275	3,300	3,468	3,638
Transfers recognised - operational		45,631				43,241				43,241				132,113	138,851	145,654
Other revenue		914	914	914	914	914	914	914	914	914	914	914	914	10,968	11,527	12,092
Gains on disposal of PPE														-	-	-
Total Revenue (excluding capital transfers and contributions)		47,521	1,890	1,890	1,890	45,131	1,890	1,890	1,890	45,131	1,890	1,890	2,165	155,071	162,979	170,965
Expenditure By Type																
Employee related costs		6,138	6,138	6,138	6,138	6,138	6,138	6,138	6,138	6,138	6,138	6,138	6,149	73,667	77,424	81,217
Remuneration of councillors		1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,116	13,326	14,006	14,692
Debt impairment								500					-	500	526	551
Depreciation & asset impairment												3,700	-	3,700	3,889	4,079
Finance charges		21	21	21	21	21	21	21	21	21	21	21	21	250	263	276
Bulk purchases														-	-	-
Other materials														-	-	-
Contracted services		38	38	38	38	38	38	38	38	38	38	38	38	450	473	496
Transfers and grants		250	250	250	250	250	250	250	250	250	250	250	250	3,000	3,153	3,307
Other expenditure		5,015	5,015	5,015	5,015	5,015	5,015	5,015	5,015	5,015	5,015	5,015	5,015	60,178	63,247	66,346
Loss on disposal of PPE														-	-	-
Total Expenditure		12,571	12,571	12,571	12,571	12,571	13,071	12,571	12,571	12,571	12,571	16,271	12,588	155,071	162,980	170,966
Surplus/(Deficit)																
Transfers recognised - capital		34,950	(10,681)	(10,681)	(10,681)	32,560	(10,681)	(11,181)	(10,681)	32,560	(10,681)	(14,381)	(10,423)	(0)	(0)	(0)
Contributions recognised - capital		1,009	1,009	8,760	1,009	1,009	8,760	1,009	1,009	8,761	1,009	8,761	1,009	35,042	36,829	38,634
Contributed assets														12,107	12,724	13,348
Surplus/(Deficit) after capital transfers & contributions		35,959	(9,672)	(912)	(9,672)	33,569	(10,172)	(9,672)	(9,672)	42,330	(9,672)	(4,611)	(9,414)	47,149	49,553	51,981
Taxation														-	-	-
Attributable to minorities														-	-	-
Share of surplus/ (deficit) of associate														-	-	-
Surplus/(Deficit)	1	35,959	(9,672)	(912)	(9,672)	33,569	(10,172)	(9,672)	(9,672)	42,330	(9,672)	(4,611)	(9,414)	47,149	49,553	51,981

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

EC135 Intsika Yethu - Supporting Table SA26 Consolidated budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	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 - Exco and Council														-	-	-
Vote 2 - Municipal Manager				225				225						-	450	473
Vote 3 - Corporate Services														-	-	-
Vote 4 - Infrastructure Planning and Development		3,983	3,983	3,983	3,983	3,983	3,983	3,983	3,983	3,983	3,983	3,983	3,983	47,790	50,227	52,688
Vote 5 - Community Services		294	294	294	294	294	294	294	294	294	294	294	294	3,525	3,705	3,886
Vote 6 - Budget and Treasury		40,140				40,140				40,140				-	120,420	132,763
Vote 7 - Local Economic Development		3	3	3	3	3	3	3	3	3	3	3	3	35	36	38
Vote 8 - Water Services		2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000	31,530	33,075
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 Revenue by Vote		46,919	6,779	7,004	6,779	46,919	6,779	7,004	6,779	46,919	6,779	6,779	6,779	202,220	212,533	222,947
Expenditure by Vote to be appropriated																
Vote 1 - Exco and Council		1,644	1,644	1,644	1,644	1,644	1,644	1,644	1,644	1,644	1,644	1,644	1,644	19,726	20,732	21,748
Vote 2 - Municipal Manager		869	869	869	869	869	869	869	869	869	869	869	869	10,433	10,965	11,502
Vote 3 - Corporate Services		1,205	1,205	1,205	1,205	1,205	1,205	1,205	1,205	1,205	1,205	1,205	1,205	14,455	15,192	15,937
Vote 4 - Infrastructure Planning and Development		1,770	1,770	1,770	1,770	1,770	1,770	1,770	1,770	1,770	1,770	1,770	1,770	21,245	22,328	23,422
Vote 5 - Community Services		1,964	1,964	1,964	1,964	1,964	1,964	1,964	1,964	1,964	1,964	1,964	1,964	23,572	24,774	25,988
Vote 6 - Budget and Treasury		2,276	2,276	2,276	2,276	2,276	2,276	2,276	2,276	2,276	2,276	2,276	2,276	27,313	28,706	30,112
Vote 7 - Local Economic Development		694	694	694	694	694	694	694	694	694	694	694	694	8,327	8,752	9,181
Vote 8 - Water Services		2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000	31,530	33,075
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		12,923	12,923	12,923	12,923	12,923	12,923	12,923	12,923	12,923	12,923	12,923	12,923	155,071	162,980	170,966
Surplus/(Deficit) before assoc.		33,997	(6,143)	(5,918)	(6,143)	33,997	(6,143)	(5,918)	(6,143)	33,997	(6,143)	(6,143)	(6,144)	47,149	49,553	51,981
Taxation														-	-	-
Attributable to minorities														-	-	-
Share of surplus/ (deficit) of associate														-	-	-
Surplus/(Deficit)	1	33,997	(6,143)	(5,918)	(6,143)	33,997	(6,143)	(5,918)	(6,143)	33,997	(6,143)	(6,143)	(6,144)	47,149	49,553	51,981

EC135 Intsika Yethu - Supporting Table SA27 Consolidated budgeted monthly revenue and expenditure (standard classification)

Description	Ref	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 - Standard																
<i>Governance and administration</i>		40,178	38	38	38	40,178	38	38	38	40,178	38	38	38	120,870	127,034	133,259
Executive and council		38	38	38	38	38	38	38	38	38	38	38	38	450	473	496
Budget and treasury office		40,140				40,140				40,140				120,420	126,561	132,763
Corporate services																
<i>Community and public safety</i>		294	294	294	294	294	294	294	294	294	294	294	294	3,525	3,705	3,886
Community and social services		294	294	294	294	294	294	294	294	294	294	294	294	3,525	3,705	3,886
Sport and recreation																
Public safety																
Housing																
Health																
<i>Economic and environmental services</i>		3,985	3,985	3,985	3,985	3,985	3,985	3,985	3,985	3,985	3,985	3,985	3,985	47,825	50,264	52,727
Planning and development		3	3	3	3	3	3	3	3	3	3	3	3	35	36	38
Road transport		3,983	3,983	3,983	3,983	3,983	3,983	3,983	3,983	3,983	3,983	3,983	3,983	47,790	50,227	52,688
Environmental protection																
<i>Trading services</i>		2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000	31,530	33,075
Electricity																
Water		2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000	31,530	33,075
Waste water management																
Waste management																
<i>Other</i>																
Total Revenue - Standard		46,957	6,817	6,817	6,817	46,957	6,817	6,817	6,817	46,957	6,817	6,817	6,816	202,220	212,533	222,947
Expenditure - Standard																
<i>Governance and administration</i>		5,994	5,994	5,994	5,994	5,994	5,994	5,994	5,994	5,994	5,994	5,994	5,994	71,927	75,596	79,300
Executive and council		2,513	2,513	2,513	2,513	2,513	2,513	2,513	2,513	2,513	2,513	2,513	2,514	30,159	31,697	33,251
Budget and treasury office		2,276	2,276	2,276	2,276	2,276	2,276	2,276	2,276	2,276	2,276	2,276	2,276	27,313	28,706	30,112
Corporate services		1,205	1,205	1,205	1,205	1,205	1,205	1,205	1,205	1,205	1,205	1,205	1,205	14,455	15,192	15,937
<i>Community and public safety</i>		1,964	1,964	1,964	1,964	1,964	1,964	1,964	1,964	1,964	1,964	1,964	1,964	23,572	24,774	25,988
Community and social services		1,964	1,964	1,964	1,964	1,964	1,964	1,964	1,964	1,964	1,964	1,964	1,964	23,572	24,774	25,988
Sport and recreation																
Public safety																
Housing																
Health																
<i>Economic and environmental services</i>		2,464	2,464	2,464	2,464	2,464	2,464	2,464	2,464	2,464	2,464	2,464	2,464	29,572	31,080	32,603
Planning and development		694	694	694	694	694	694	694	694	694	694	694	694	8,327	8,752	9,181
Road transport		1,770	1,770	1,770	1,770	1,770	1,770	1,770	1,770	1,770	1,770	1,770	1,770	21,245	22,328	23,422
Environmental protection																
<i>Trading services</i>		2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000	31,530	33,075
Electricity																
Water		2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000	31,530	33,075
Waste water management																
Waste management																
<i>Other</i>																
Total Expenditure - Standard		12,923	12,923	12,923	12,923	12,923	12,923	12,923	12,923	12,923	12,923	12,923	12,923	155,071	162,980	170,966
Surplus/(Deficit) before assoc.		34,034	(6,106)	(6,106)	(6,106)	34,034	(6,106)	(6,106)	(6,106)	34,034	(6,106)	(6,106)	(6,106)	47,149	49,553	51,981
Share of surplus/ (deficit) of associate																
Surplus/(Deficit)	1	34,034	(6,106)	(6,106)	(6,106)	34,034	(6,106)	(6,106)	(6,106)	34,034	(6,106)	(6,106)	(6,106)	47,149	49,553	51,981

MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

EC135 Intsika Yethu - Supporting Table SA28 Consolidated budgeted monthly capital expenditure (municipal vote)

Description	Ref	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 - Exco and Council														-	-	-
Vote 2 - Municipal Manager														-	-	-
Vote 3 - Corporate Services														-	-	-
Vote 4 - Infrastructure Planning and Development		820	820	820	820	820	820	820	820	820	820	820	820	9,841	10,343	10,850
Vote 5 - Community Services														-	-	-
Vote 6 - Budget and Treasury														-	-	-
Vote 7 - Local Economic Development														-	-	-
Vote 8 - Water Services														-	-	-
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]														-	-	-
Capital multi-year expenditure sub-total	2	820	820	820	820	820	820	820	820	820	820	820	820	9,841	10,343	10,850
Single-year expenditure to be appropriated																
Vote 1 - Exco and Council														-	-	-
Vote 2 - Municipal Manager														-	-	-
Vote 3 - Corporate Services														-	-	-
Vote 4 - Infrastructure Planning and Development				9,127			9,127			9,127		9,127	(0)	36,508	38,370	40,250
Vote 5 - Community Services				350										350	368	386
Vote 6 - Budget and Treasury														-	-	-
Vote 7 - Local Economic Development				225				225						450	473	496
Vote 8 - Water Services														-	-	-
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]														-	-	-
Capital single-year expenditure sub-total	2	-	-	9,702	-	-	9,127	225	-	9,127	-	9,127	(0)	37,308	39,210	41,132
Total Capital Expenditure	2	820	820	10,522	820	820	9,947	1,045	820	9,947	820	9,947	820	47,149	49,554	51,982

MBRR SA29 - Budgeted monthly capital expenditure (standard classification)

EC135 Intsika Yethu - Supporting Table SA29 Consolidated budgeted monthly capital expenditure (standard classification)

Description	Ref	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
Capital Expenditure - Standard	1															
<i>Governance and administration</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Executive and council																
Budget and treasury office																
Corporate services																
<i>Community and public safety</i>		29	29	29	29	29	29	29	29	29	29	29	29	29	350	368
Community and social services		29	29	29	29	29	29	29	29	29	29	29	29	29	350	368
Sport and recreation																
Public safety																
Housing																
Health																
<i>Economic and environmental services</i>		942	942	1,167	942	942	942	1,167	942	942	942	942	942	11,757	12,357	12,962
Planning and development				225				225							450	473
Road transport		942	942	942	942	942	942	942	942	942	942	942	942	11,307	11,884	12,466
Environmental protection																
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electricity																
Water																
Waste water management																
Waste management																
<i>Other</i>																
Total Capital Expenditure - Standard	2	971	971	1,196	971	971	971	1,196	971	971	971	971	971	12,107	12,724	13,348

EC135 Intsika Yethu - Supporting Table SA30 Consolidated budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework			
	R thousand	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
Cash Receipts By Source													1			
Property rates	404	404	404	404	404	404	404	404	404	404	404	404	404	4,850	5,097	5,347
Property rates - penalties & collection charges																
Service charges - electricity revenue																
Service charges - water revenue																
Service charges - sanitation revenue																
Service charges - refuse revenue	50	50	50	50	50	50	50	50	50	50	50	50	600	725	761	
Service charges - other																
Rental of facilities and equipment	58	58	58	58	58	58	58	58	58	58	58	58	690	725	761	
Interest earned - external investments	17	17	17	17	17	17	17	17	17	17	17	17	200	210	220	
Interest earned - outstanding debtors	21	21	21	21	21	21	21	21	21	21	21	21	250	263	276	
Dividends received																
Fines	125	125	125	125	125	125	125	125	125	125	125	125	1,500	1,577	1,654	
Licences and permits	27	27	27	27	27	27	27	27	27	27	27	27	302	600	661	
Agency services	275	275	275	275	275	275	275	275	275	275	275	275	3,300	3,468	3,638	
Transfer receipts - operational	45,631					43,241				43,241				132,113	138,851	145,654
Other revenue	914	914	914	914	914	914	914	914	914	914	914	914	10,968	11,527	12,092	
Cash Receipts by Source	47,521	1,890	1,890	1,890	45,131	1,890	1,890	1,890	45,131	1,890	1,890	2,165	155,071	163,074	171,065	
Other Cash Flows by Source																
Transfer receipts - capital																
Contributions recognised - capital & Contributed assets																
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																
Total Cash Receipts by Source	47,521	1,890	1,890	1,890	45,131	1,890	1,890	1,890	45,131	1,890	1,890	2,165	155,071	163,074	171,065	
Cash Payments by Type																
Employee related costs	6,138	6,138	6,138	6,138	6,138	6,138	6,138	6,138	6,138	6,138	6,138	(13,623)	53,895	56,643	59,419	
Remuneration of councillors	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,110	1,116	13,326	14,006	14,692	
Finance charges	21	21	21	21	21	21	21	21	21	21	21	21	250	263	276	
Bulk purchases - Electricity														3,700	3,889	4,079
Bulk purchases - Water & Sewer																
Other materials																
Contracted services	38	38	38	38	38	38	38	38	38	38	38	38	450	473	496	
Transfers and grants - other municipalities																
Transfers and grants - other	250	250	250	250	250	250	250	250	250	250	250	(2,750)				
Other expenditure	5,015	5,015	5,015	5,015	5,015	5,015	5,015	5,015	5,015	5,015	5,015	5,015	60,178	63,247	66,346	
Cash Payments by Type	12,571	12,571	12,571	12,571	12,571	12,571	12,571	12,571	12,571	12,571	16,271	(10,184)	131,799	138,521	145,308	
Other Cash Flows/Payments by Type																
Capital assets																
Repayment of borrowing																
Other Cash Flows/Payments																
Total Cash Payments by Type	12,571	12,571	12,571	12,571	12,571	12,571	12,571	12,571	12,571	12,571	16,271	(10,184)	131,799	138,521	145,308	
NET INCREASE/(DECREASE) IN CASH HELD	34,950	(10,681)	(10,681)	(10,681)	32,560	(10,681)	(10,681)	(10,681)	32,560	(10,681)	(14,381)	12,349	23,272	24,553	25,756	
Cash/cash equivalents at the month/year begin:		34,950	24,269	13,588	2,907	35,467	24,786	14,106	3,425	35,985	25,304	10,923		23,272	47,825	
Cash/cash equivalents at the month/year end:	34,950	24,269	13,588	2,907	35,467	24,786	14,106	3,425	35,985	25,304	10,923	23,272	47,825	73,581		

EC135 Intsika Yethu - Supporting Table SA34b Consolidated capital expenditure on existing assets 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
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		23,675	26,028	-	-	-	-	36,308	38,159	40,029
Infrastructure - Road transport		-	-	-	-	-	-	36,308	38,159	40,029
<i>Roads, Pavements & Bridges</i>								36,308	38,159	40,029
<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		23,675	26,028	-	-	-	-	-	-	-
<i>Waste Management</i>										
<i>Transportation</i>										
<i>Gas</i>										
<i>Other</i>										
Community		3,150	3,150	-	-	-	-	-	-	-
Parks & gardens										
Sportsfields & stadia										
Swimming pools										
Community halls										
Libraries										
Recreational facilities										
Fire, safety & emergency										
Security and policing										
Buses										
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing										
Other		3,150	3,150							
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other										
Investment properties		-	-	-	-	-	-	-	-	-
Housing development										
Other										
Other assets		1,776	5,181	-	-	-	-	-	-	-
General vehicles			1,290							
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment										
Computers - hardware/equipment			185							
Furniture and other office equipment			926							
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings			2,780							
Other Land										
Surplus Assets - (Investment or Inventory)										
Other		1,776								
Agricultural assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>										
Biological assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>										
Intangibles		-	58	-	-	-	-	-	-	-
Computers - software & programming										
Other (<i>list sub-class</i>)			58							
Total Capital Expenditure on renewal of existing assets	1	28,601	34,416	-	-	-	-	36,308	38,159	40,029
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										
Renewal of Existing Assets as % of total capex		50.0%	51.0%	0.0%	0.0%	0.0%	0.0%	77.0%	77.0%	77.0%
Renewal of Existing Assets as % of deprecn*		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	981.3%	981.3%	981.3%

EC135 Intsika Yethu - Supporting Table SA34c Consolidated repairs and maintenance 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
R thousand	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		23,675	26,028	-	6,800	-	-	-	-	-
Infrastructure - Road transport		-	-	-	6,800	-	-	-	-	-
<i>Roads, Pavements & Bridges</i>					6,800					
<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		23,675	26,028	-	-	-	-	-	-	-
<i>Waste Management</i>										
<i>Transportation</i>	2									
<i>Gas</i>										
<i>Other</i>	3	23,675	26,028							
Community		3,150	3,150	-	-	-	-	-	-	-
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		3,150	3,150							
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other	9									
Investment properties		-	-	-	-	-	-	-	-	-
Housing development										
Other										
Other assets		1,776	5,181	-	4,750	-	-	7,972	8,379	8,789
General vehicles			1,290		2,600			2,000	2,102	2,205
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment										
Computers - hardware/equipment			185							
Furniture and other office equipment			926							
Abattoirs										
Markets										
Civic Land and Buildings					2,150					
Other Buildings			2,780				5,972	6,277	6,584	
Other Land										
Surplus Assets - (Investment or Inventory)										
Other		1,776								
Agricultural assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>										
Biological assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>										
Intangibles		-	58	-	-	-	-	-	-	-
Computers - software & programming										
Other (<i>list sub-class</i>)			58							
Total Repairs and Maintenance Expenditure	1	28,601	34,416	-	11,550	-	-	7,972	8,379	8,789

Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										

RAM as a % of PPE		100.0%	55.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2013/14		39.9%	33.7%	0.0%	8.4%	0.0%	0.0%	5.1%	5.1%	5.1%

R SA35 - Future financial implications of the capital budget

EC135 Intsika Yethu - Supporting Table SA35 Consolidated future financial implications of the capital budget

Vote Description	Ref	2013/14 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	Forecast 2016/17	Forecast 2017/18	Forecast 2018/19	Present value
R thousand								
Capital expenditure	1							
Vote 1 - Exco and Council		-	-	-				
Vote 2 - Municipal Manager		-	-	-				
Vote 3 - Corporate Services		-	-	-				
Vote 4 - Infrastructure Planning and Development		46,349	48,713	51,100				
Vote 5 - Community Services		350	368	386				
Vote 6 - Budget and Treasury		-	-	-				
Vote 7 - Local Economic Development		450	473	496				
Vote 8 - Water Services		-	-	-				
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>								
Total Capital Expenditure		47,149	49,554	51,982	-	-	-	-
Future operational costs by vote	2							
Vote 1 - Exco and Council								
Vote 2 - Municipal Manager								
Vote 3 - Corporate Services								
Vote 4 - Infrastructure Planning and Development								
Vote 5 - Community Services								
Vote 6 - Budget and Treasury								
Vote 7 - Local Economic Development								
Vote 8 - Water Services								
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>								
Total future operational costs		-	-	-	-	-	-	-
Future revenue by source	3							
Property rates								
Property rates - penalties & collection charges								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse revenue								
Service charges - other								
Rental of facilities and equipment								
<i>List other revenues sources if applicable</i>								
<i>List entity summary if applicable</i>								
Total future revenue		-	-	-	-	-	-	-
Net Financial Implications		47,149	49,554	51,982	-	-	-	-

MBRR SA36 - Detailed capital budget per municipal vote

EC135 Intsika Yethu - Supporting Table SA36 Consolidated detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2013/14 Medium Term Revenue & Expenditure Framework			Project information	
										Audited Outcome 2011/12	Current Year 2012/13 Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	Ward location	New or renewal
R thousand	4				6	3	3	5								
Parent municipality:																
<i>List all capital projects grouped by Municipal Vote</i>																
Skhobeni Access Road					Yes	Infrastructure - Road transport	Roads, Pavements & Bridges			2,046	1,143	1,201	1,260			Renewal
Mangukombe Access Road					Yes	Infrastructure - Road transport	Roads, Pavements & Bridges			150	2,525	2,654	2,784			Renewal
Nshingeni Access Road					Yes	Infrastructure - Road transport	Roads, Pavements & Bridges			120	3,486	3,664	3,844			Renewal
Mantanga Access Road					Yes	Infrastructure - Road transport	Roads, Pavements & Bridges				2,451	2,575	2,702			Renewal
Mission Access Road					Yes	Infrastructure - Road transport	Roads, Pavements & Bridges				2,686	2,823	2,961			Renewal
Lower Sepplan Access Road					Yes	Infrastructure - Road transport	Roads, Pavements & Bridges				2,500	2,628	2,757			Renewal
Maya Access Road					Yes	Infrastructure - Road transport	Roads, Pavements & Bridges				3,344	3,514	3,686			Renewal
Nqumakala					Yes	Infrastructure - Road transport	Roads, Pavements & Bridges				506	531	557			Renewal
leC					Yes	Community	Recreational facilities				650	683	717			New
Cofimvaba Stormwater					Yes	Infrastructure - Other	Storm water				499	524	550			Renewal
Cofimvaba Stadium					Yes	Infrastructure - Other	Sportsfields & stadia				9,841	10,343	10,850			Renewal
Tsomo Street Lights					Yes	Infrastructure - Electricity	Street Lighting				4,289	4,508	4,729			Renewal
INEP					Yes	Infrastructure - Electricity	Other				11,000	11,561	12,127			Renewal
Roads Maintenance					Yes	Infrastructure - Road transport	Roads, Pavements & Bridges				800	841	882			Renewal
Street Scapping					Yes	Infrastructure - Road transport	Roads, Pavements & Bridges				1,000	1,051	1,102			Renewal
Trailer Tractor					Yes	Other Assets	General vehicles				430	452	474			New
Parent Capital expenditure	1										47,149	49,554	51,982			
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											-	2,316	47,149	49,554	51,982	

MBRR SA37 - Projects delayed from previous financial year

EC135 Intsika Yethu - Supporting Table SA37 Consolidated projects delayed from previous financial year/s

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 Year	Current Year 2012/13		2013/14 Medium Term Revenue & Expenditure Framework		
								Original Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand												
Parent municipality: <i>List all capital projects grouped by Municipal Vote</i>				<i>Examples</i>	<i>Examples</i>							
Entities: <i>List all capital projects grouped by Municipal Entity</i>												
Entity Name <i>Project name</i>												

Legislation compliance status

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

✚ In year reporting

Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the Municipal website.

✚ Internship programme

The Municipality is participating in the Municipal Financial Management Internship programme and has employed five interns undergoing training in various divisions of the Financial Services Department. Of the five interns 2 has been appointed permanently from July 2012.

✚ Budget and Treasury Office

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

✚ Audit Committee

An Audit Committee has been established and is fully functional.

✚ Annual Report

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

✚ Budget Steering Committee has been established as well

EC135 Intaka Yethu - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Rf	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											
REVENUE ITEMS:											
Property rates											
Total Property Rates	6	1,618	3,402	3,713	4,500	350			4,850	5,097	5,347
Less Revenue Foregone											
Net Property Rates	6	1,618	3,402	3,713	4,500	350			4,850	5,097	5,347
Service charges - electricity revenue											
Total Service charges - electricity revenue											
Less Revenue Foregone											
Net Service charges - electricity revenue											
Service charges - water revenue											
Total Service charges - water revenue				628							
Less Revenue Foregone											
Net Service charges - water revenue				628							
Service charges - sanitation revenue											
Total Service charges - sanitation revenue				1,773							
Less Revenue Foregone											
Net Service charges - sanitation revenue				1,773							
Service charges - refuse revenue											
Total refuse removal revenue											
Total landfill revenue											
Less Revenue Foregone											
Net Service charges - refuse revenue											
Other Revenue by source											
SACS				8,761	4,389				10,000	10,510	11,025
Comarity									10	11	11
Service charges									25	27	22
Plant fees									150	158	165
Sports fields									5	5	6
Tender receipts									59	53	55
Business licences									35	36	38
Equipment hire											
Chair hire									698	734	770
Other											
Total 'Other' Revenue	3	2,698	10,333	5,738	8,761	4,837			10,968	11,527	12,092
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	20,754	24,777	41,831	41,349	443			53,895	56,643	59,419
Pension and UIF Contributions		1,688	2,777	2,352	4,562				8,379	8,806	9,238
Medical Aid Contributions					2,084				2,627	2,768	2,896
Overtime		384	968	1,540	150						
Performance Bonus		1,312	1,434	3,798	2,775				3,951	4,153	4,356
Motor Vehicle Allowance		327	536	1,247	1,751	604			2,286	2,319	2,432
Cellphone Allowance				514	272				314	330	346
Housing Allowances				126	340				1,435	1,508	1,582
Other benefits and allowances		3,196	7,264	4,588	279	48			760	799	838
Payments in lieu of leave			909	1,098		57					
Long service awards		119		7	100				100	105	110
Post retirement benefit obligations		2,875	3,536	4,865							
Less: Employees costs capitalised to PFPE	4	30,655	42,290	42,083	55,642	1,144			73,667	77,424	81,217
Total Employee related costs	1	30,655	42,290	42,083	55,642	1,144			73,667	77,424	81,217
Contributions recognised - capital											
Own fund				17,926					12,107	12,224	13,348
Total Contributions recognised - capital				17,926					12,107	12,224	13,348
Depreciation & asset impairment											
Depreciation of Property Plant & Equipment				36,545					3,700	3,889	4,079
Lease amortisation											
Capital asset impairment											
Depreciation resulting from revaluation of PPE											
Total Depreciation & asset impairment	10			36,545					3,700	3,889	4,079
Bulk purchases											
Electricity Bulk Purchases			352	1,747	4,888	(2,000)					
Water Bulk Purchases				1,123	2,000						
Total bulk purchases	1		352	2,871	8,000	(2,000)					
Transfers and grants											
Cash transfers and grants				6,000	(2,000)				3,000	3,153	3,307
Non-cash transfers and grants											
Total transfers and grants	1			6,000	(2,000)				3,000	3,153	3,307
Contracted services											
Road Guard Security		113	218	430					450	473	496
Total contracted services	1	113	218	430					450	473	496
Allocations to organs of state:											
Electricity											
Water											
Sanitation											
Other											
Total allocations to organs of state											
Other Expenditure By Type											
Collection costs											
Contributions to 'other' provisions					2,950	(1,550)			1,720	1,808	1,896
Consultant fees				1,939	1,000	2,500			4,500	4,730	4,961
Audit fees						102			40,308	42,364	44,440
General expenses		24,882	32,963	75,378	29,393	102			1,900	1,997	2,095
Accommodation & meals				1,294	250	200			750	788	827
Advertising fees									100	105	110
Annual audit committee					100	40					
Fuel and O/P/Rep and machinery					2,500				2,800	2,943	3,087
Vehicles				6,000	(2,000)				1,000	1,061	1,102
MAJESTIC FUND:											
Entertainment				500	(50)				100	105	110
Imbizo				200	(50)				150	158	165
Mayor's Cup				350					850	893	937
National Day Celebration				100	100				400	430	441
EPWP				1,000					2,000	2,102	2,205
Official Activities				500	(400)				200	210	220
Player Bonus				30	(20)				30	32	33
SDF				250	(100)				200	210	220
Training Arrangement				50	(50)						
SPEAKERS FUND:											
Advanced Council Training				200	(100)				250	263	276
Capacity Building				100	(50)				150	158	165
Ward Committee				2,500	(500)				2,500	2,649	2,778
MVIC				50					100	105	110
Public Participation				200	(100)				100	105	110
Moral Regeneration				100	(50)				50	53	55
Total Other Expenditure	1	24,882	32,963	78,617	50,883	(1,878)			40,718	43,247	46,356
By Expenditure Item											
Employee related costs											
Other materials											
Contracted Services		113	218	430							
Total Other Expenditure	9	30,819	33,181	430	11,950	(1,720)			7,972	8,379	8,789

2013/14

MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)

EC135 Intsika Yethu - Supporting Table SA2 Consolidated Matrix Financial Performance Budget (revenue source/expenditure type & dept.)

Description	Ref	Vote 1 - Exco and Council	Vote 2 - Municipal Manager	Vote 3 - Corporate Services	Vote 4 - Infrastructure Planning and Development	Vote 5 - Community Services	Vote 6 - Budget and Treasury	Vote 7 - Local Economic Development	Vote 8 - Water Services	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
R thousand	1																
Revenue By Source																	
Property rates							4,500										4,500
Property rates - penalties & collection charges																	-
Service charges - electricity revenue																	-
Service charges - water revenue																	-
Service charges - sanitation revenue																	-
Service charges - refuse revenue						100											100
Service charges - other						217											217
Rental of facilities and equipment																	-
Interest earned - external investments																	-
Interest earned - outstanding debtors							100										100
Dividends received																	-
Fines																	-
Licences and permits																	-
Agency services							1,200										1,200
Other revenue			4,000		26,020	100	9,961	105									40,186
Transfers recognised - operational					31,461		90,976		35,050								157,487
Gains on disposal of PPE																	-
Total Revenue (excluding capital transfers and contribution)		-	4,000	-	57,481	417	106,737	105	35,050	-	-	-	-	-	-	-	203,790
Expenditure By Type																	
Employee related costs			5,223	7,267	7,530	12,708	7,185	3,725	12,004								55,642
Remuneration of councillors		11,807															11,807
Debt impairment																	-
Depreciation & asset impairment																	-
Finance charges																	-
Bulk purchases																	-
Other materials																	-
Contracted services																	-
Transfers and grants																	-
Other expenditure		6,150	2,627	4,446	10,521	1,187	15,562	415	23,046								63,954
Loss on disposal of PPE																	-
Total Expenditure		17,957	7,850	11,713	18,051	13,895	22,747	4,140	35,050	-	-	-	-	-	-	-	131,403
Surplus/(Deficit)		(17,957)	(3,850)	(11,713)	39,430	(13,478)	83,989	(4,035)	-	-	-	-	-	-	-	-	72,387
Transfers recognised - capital					(31,461)												(31,461)
Contributions recognised - capital																	-
Contributed assets																	-
Surplus/(Deficit) after capital transfers & contributions		(17,957)	(3,850)	(11,713)	7,969	(13,478)	83,989	(4,035)	-	-	-	-	-	-	-	-	40,926

MBRR Table SA3 – Supporting detail to Statement of Financial Position

EC135 Intsika Yethu - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

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
R thousand											
ASSETS											
Call investment deposits											
Call deposits < 90 days											
Other current investments > 90 days		2,857	2,405								
Total Call investment deposits	2	2,857	2,405	-	-	-	-	-	-	-	-
Consumer debtors											
Consumer debtors		10,186	3,864	9,002							
Less: Provision for debt impairment											
Total Consumer debtors	2	10,186	3,864	9,002	-	-	-	-	-	-	-
Debt impairment provision											
Balance at the beginning of the year											
Contributions to the provision		1,148		7,147							
Bad debts written off		2,819									
Balance at end of year		3,967	-	7,147	-	-	-	-	-	-	-
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		28,601	61,697	512,567							
Leases recognised as PPE	3										
Less: Accumulated depreciation											
Total Property, plant and equipment (PPE)	2	28,601	61,697	512,567	-	-	-	-	-	-	-
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)											
Current portion of long-term liabilities		122	349	367							
Total Current liabilities - Borrowing		122	349	367	-	-	-	-	-	-	-
Trade and other payables											
Trade and other creditors		11,064	14,652	12,110							
Unspent conditional transfers											
VAT											
Total Trade and other payables	2	11,064	14,652	12,110	-	-	-	-	-	-	-
Non current liabilities - Borrowing											
Borrowing		3,524	9,343	8,781							
Finance leases (including PPP asset element)	4										
Total Non current liabilities - Borrowing		3,524	9,343	8,781	-	-	-	-	-	-	-
Provisions - non-current											
Retirement benefits											
List other major provision items											
Refuse landfill site rehabilitation											
Other				7,147							
Total Provisions - non-current		-	-	7,147	-	-	-	-	-	-	-
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		37,527	53,567	41,325							
GRAP adjustments											
Restated balance		37,527	53,567	41,325	-	-	-	-	-	-	-
Surplus/(Deficit)		16,924	13,991	(43,764)	84,242	10,253	-	-	47,149	49,553	51,981
Appropriations to Reserves		16,040	14,014	22,831							
Transfers from Reserves				450,545							
Depreciation offsets											
Other adjustments											
Accumulated Surplus/(Deficit)	1	70,491	81,572	470,938	84,242	10,253	-	-	47,149	49,553	51,981
Reserves											
Housing Development Fund											
Capital replacement											
Self-insurance											
Other reserves											
Revaluation											
Total Reserves	2	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	70,491	81,572	470,938	84,242	10,253	-	-	47,149	49,553	51,981

Total capital expenditure includes expenditure on nationally significant priorities:

Provision of basic services											
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MBRR SA32 – List of external mechanisms

EC135 Intsika Yethu - 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
Red Guard Security			Security Services	continuous	
Gestetner			Photocopying machine		120
Indwe Risk			Insurance for municipal assets		
Nashua Tsomo			Photocopying machine		28
Gestetner FIN			Photocopying machine		4
Nashua aficio (traffic)			Photocopying machine		12

INTSIKA YETHU MUNICIPALITY EC 135



Municipal manager's quality certificate

I **ZAMUXOLO SHASHA**, municipal manager of Intsika Yethu Municipality, hereby certify that the final 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 final budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name _ZAMUXOLO SHASHA_____

Municipal manager of Intsika Yethu Municipality (EC135)

Signature _____

Date _____