



CAMDEBOO MUNICIPALITY



ANNUAL BUDGET 2014/2015 TO 2016/2017



TABLE OF CONTENT

PART 1 – ANNUAL BUDGET

1.1 Mayor’s Report	3
1.2 Budget Resolutions to be adopted	7
1.3 Executive Summary	8
1.4 Budget Tables	15

PART 2 – SUPPORTING DOCUMENTATION

2.1 Overview of Annual Budget Process	22
2.2 Overview of Alignment of Budget with Integrated Development Plan	25
2.3 Measurable Performance Objectives	25
2.4 Overview of Budget Related Policies	25
2.5 Overview of Budget Assumptions	26
2.6 Overview of Budget Funding	26
2.7 Expenditure on Allocations and Grant Programmes	26
2.8 Allocations and Grants made by the Municipality	27
2.9 Councillors and Board Members’ allowances and employee benefits	27
2.10 Contracts having future budgetary implications	28
2.11 Capital Expenditure	28
2.12 Municipal Manager’s Quality Certification	29

MAYOR'S REPORT



29 May 2014

Honourable Councillors,
The Municipal Manager and Officials,
Our esteemed guests,
Members of the Camdeboo Community,
Ladies and gentlemen.

I stand here to present the fourth budget of the current council's term of office at a time where our country has just returned from national and provincial elections. These elections were notable in the sense that it took place in the absence of the father of our nation, Tata Nelson Mandela. Even now that he is no longer with us, we feel compelled to live up to his high standards of statesmanship and build on the foundation that he lay.

Honourable councillors, in framing this budget, we are driven by our commitment to create a better life for all our people. In pursuing this worthy course, we are opposed by giants that sometimes make us seem like grasshoppers. These giants are lack of economic growth, unemployment, poverty and hunger, crime and abuse. However failing is not an option and we will have to work harder at realising the objectives set out in National Development Plan, Vision 2030, as well as in our own Integrated and Development Plan.

Although we are proud to mention that most of our people have access to clean drinking water, electricity, dignified housing, sanitation and waste removal services, we cannot rest until all the people living in the Camdeboo Municipality enjoy an enduring good quality of life. We will only succeed by engaging all our people, including the private sector and agricultural communities.

Honourable councillors, this budget is another step towards realising our vision of a vibrant and developmental Camdeboo, with a prosperous community living in a pleasant and healthy environment!

Economic outlook

This budget consideration happens at a time when the South African economy is under tremendous stress, where GDP is shrinking and the chances of a recession are overwhelming. This means that public sector investment becomes all the more important and local government's contribution to steady the ship cannot be under-estimated.

Although the South African economy is expected to grow at a rate of 2.7% this year and 3.5% in 2016, one needs to note the lowering of these expectations over the last week. Inflation is projected to average around 6.2% this year and 5.9% over the medium term.

Budget 2014/15

Our budget for the next three years is designed to achieve the IDP objectives in a constraint fiscal environment. These objectives are prioritised as follow:

1. Infrastructure development
2. Local Economic Development
3. Institutional Development
4. Community Development
5. Service Delivery Excellence
6. Sound Financial Management
7. Spatial Planning and Land-use Management

The municipality continues to use funds from its own reserves to sustain the level of capital spending. In conjunction with the district municipality and the Eastern Cape provincial government, the spending on local economic initiatives has also been increased.

The ability of the municipality to respond to its mandate, as well as complying with legislation, is reliant on its workforce. This requires constant up-skilling and recruitment. Additional resources were allocated to address institutional development.

The Indigent Policy has been reviewed to increase the support to social structures aimed at supporting vulnerable groups like orphans, the terminally ill and the elderly.

Infrastructure development

One of the key pillars for economic growth stimulation is investing in infrastructure development. In this regard, the building of the RDP houses has provided employment to many citizens over the last year and will continue to do so in the first half of the next financial year.

The capital budget of the municipality for 2014/15, amounting to R43.273m, funded by national transfers totalling R22.3m and own funding of R21.0m.

The most important projects to be undertaken during the next financial year are

- the upgrading of the municipal water supply (R14.4m),
- Extension of purification plant (R4.7m),
- Electrical infrastructure (R4m)
- the erection of high-mast lighting (R3m),
- construction of municipal pounds and cemeteries (R3.2m)

Local Economic Development

The role of local government is economic development is to create a conducive environment. Over the years the understanding of this mandate has matured, but more inclusive planning with the private sector is needed to make this take off and impact more significantly.

One of the major undertakings to stimulate local economic development is to build a transport hub on Goedhals Square. Plans are at an advanced stage and the budget allocates R1m to this initiative. Furthermore, the electrification of industrial sites will further help to lure investors to this area.

Institutional Development

The institution, in reviewing the organogram, has identified a shortfall in a number of critical areas and this budget initiates a process to address these. As the municipality has grown, our reliance on information technology also increased, requiring more and better qualified personnel to manage systems and programs.

Furthermore, the complexity of the legal environment also necessitated the employment of a legal practitioner on a permanent basis. While the corporate services department, including community services, administration and protection services, has served the municipality for the last six years, it has become clear that the needs of the community will be better served by distinguishing between a corporate services directorate and a community services directorate.

All these, and other institutional initiatives, are being addressed in this budget as a first step.

Allocations to departments:

This budget allocated the following funds to departments and directorates:

Executive and Council:	R13.7m
Administration Services:	R13.4m
Community Services:	R28.4m

Protection Services:	R5.2m
Financial Services:	R36.3m
Engineering Services:	R51.8m
Electrical Services:	R74.2m

Conclusion

Honourable councillors, with this budget framework, we carefully treaded between affordability for households and businesses that are under economic pressure, and the need to maintain sustainability and delivery of quality services.

Over this medium term and for the rest of our term of office, we will have to continue this balancing act of trying to respond to increasing needs with limited resources. While municipalities are struggling financially, we face the future with bridled confidence and hopeful of achieving our set goals in terms of service delivery, governance and leadership.

In closing, allow me to express my sincere gratitude to the administration and fellow councillors for their tireless efforts in the delivery of services to our people.

I hereby table the 2014/15 budget and schedules contained in the resolution for approval by Council.

I thank you all...!

Honourable Mayor Hanna Makoba

RESOLUTIONS FOR ADOPTION AND APPROVAL OF THE BUDGET

That Council hereby approves:

- 1 As its annual budget for the 2014/2015 financial year, the consolidated three-year Capital Budget, Operating Budget, Cash Flow Budget, measurable performance objectives for revenue for each source and for each vote as contained in the tabled budget document appendices;
- 2 The medium term (indicative) budgets for the 2015/2016 and 2016/2017 financial years contained in the budget document;
- 3 Amendments to the following budget-related policies:
 - 3.1 *Indigent Policy*
 - 3.2 *Rates Policy (rebates to Agricultural property owners)*
 - 3.3 *Supply Chain Management Policy*
- 4 Approval of the Budget-related policies:
 - a. *New:*
 - i. *Asset Management and Accounting Policy*
 - ii. *Inventory Management Policy*
 - iii. *Contract Management Policy*
 - b. *Policies reviewed and not amended*
- 5 That in terms of section 75(a)(1) of the Municipal Systems Act (Act 32 of 2000), read with section 17(3) of the Municipal Finance Management Act (Act 56 of 2003), the tariffs for property rates, water, electricity and other services be increased by the following percentages with effect from 1 July 2013:

Property rates	Residential: 0.607c in the R
	Business: 1.215c in the R
	Agriculture: 0.152c in the R
	Agricultural Small holdings: 0.304c in the R
	State owned: 1.215c in the R
	<i>Rebates as per the Rates Policy</i>
Water	6.2%
Electricity	7.39%
Refuse	6.2%
Sanitation	6.2%
Other small tariffs	6.2%

- 6 That the Accounting Officer comply with all legal requirements relating to the finalization of the budget, the advertising of the Council resolution with regard to the submission of the prescribed information to both National and Provincial Treasury.

BUDGET FOR 2014/2015 TO 2016/2017

This section contains an executive summary of the Camdeboo Municipality's budget followed by a more detailed explanation of its Operational and Capital components over the next three years.

1.3 EXECUTIVE SUMMARY

Although South Africa's economy has expanded over the past years, the rate of growth has steadily declined, from 2.5 per cent of GDP in 2012 to 1.8 per cent in 2013; it is however projected to increase to 2.7 per cent in 2014, and gradually increase to 3.5 per cent by 2016. This trend reflects a confluence of unfavourable global and domestic circumstances which impact on all spheres of government. Aware of these risks, government is maintaining its expenditure ceiling and no additional funds have been added to the total expenditure announced in last year's Budget. Inflation and a nominal spending ceiling will put real budgets under pressure over the medium term, requiring all spheres of government to work more efficiently.

Municipalities will have to revise their spending plans and reprioritise funds to ensure key objectives are achieved and well-performing programmes are supported. Over the next three years, government as a whole will have to learn to do more with less. The efficiencies that are achieved will protect public finances and enable the country to accelerate development when economic conditions improve. Local government must ensure that efficiency gains, eradication of non-priority spending (cost containment measures) and the reprioritisation of expenditure relating to core infrastructure continue to inform the planning framework of all municipalities. Consequently, municipal revenues and cash flows are expected to remain under pressure in 2014/15 and municipalities must adopt a conservative approach when projecting their expected revenues and cash receipts.

The budget aims to contend with the continued pressures on household income due to inflation and unemployment, while seeking ways to continue pursuing the priorities set during the IDP reviews by finding more efficient ways to deliver services at the required service levels. In considering tariff increases, the level of inflation was given the highest priority. While tempted to keep tariffs low, given the economic conditions, cost pressure had to be kept in mind too.

Financing capital projects has become a nightmare and steps to utilize investments from previous financial years are under foot and will be a feature of financial planning in the medium term. The state of our roads requires substantial refurbishment to be done, while repairs and maintenance spending must ensure the health of infrastructure assets in water and sanitation, as well as electricity services.

The Budget comprises both Operating and Capital Budgets, which is a requirement of the Constitution and the Municipal Finance Management Act (Act 56 of 2003). The Capital Budget contains new and replacement assets such as roads, buildings, landfill sites, etc. The Operating Budget, which is the larger of the two, includes the provision for services like water, electricity, refuse collection, sanitation and others. These services include employment cost and bulk purchases as a major portion of the expenditure.

Operating Budget

Expenditure

The total operating budget increased from R202.198m in 2013/2014 to R222.034m in 2014/15. The overall growth of 8.0% can be attributed to the following expenditure items:

Expenditure item	2013/14 Budget R'000	2014/15 Budget R'000	Year on Year %
Employee cost	63 518	73 264	15.3%
Remuneration of councillors	3 500	3 998	14.2%
Depreciation and impairment	25 630	29 403	14.7%
Repairs and maintenance	10 894	12 867	18.1%
Material and Bulk purchases	45 465	49 129	8.1%
Other expenditure	53,191	53,373	0.3%

Table 1: Major Expense Items

Reasons for significant variances:

Employee Cost: The growth in employee cost of 15.3% includes not only the 6.79% salary increase, but also the provision for new positions.

Council remuneration: Council remuneration includes a provision for additional section 79 committee chairpersons until council resolves the matter, as well as the move from Grade 2 to Grade 3 as per the latest upper limits.

Repairs and maintenance: Besides the 6.2% inflationary increase, major maintenance work is to be undertaken on sewerage reticulation and water network in Bree Street.

Depreciation and impairment: This provides for wear and tear in use of council's assets.

The following diagram shows the year on year expenditure growth and proportions of the major budgeted expenditure items:

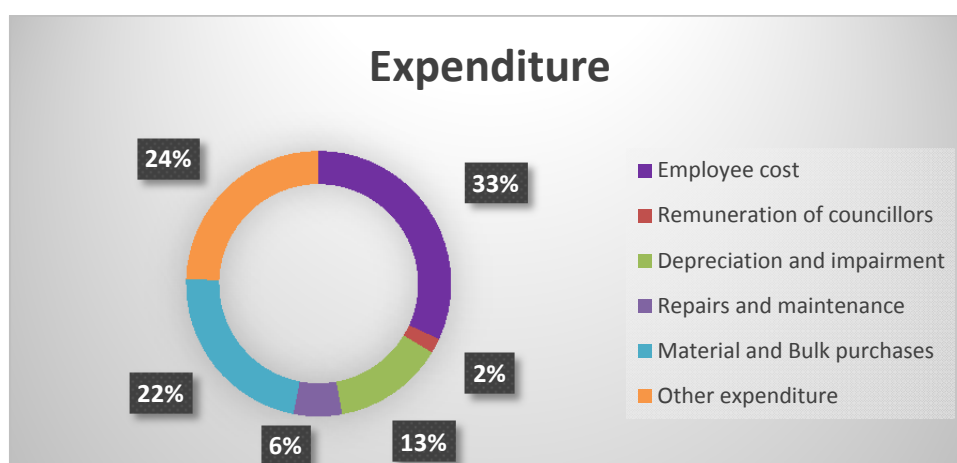
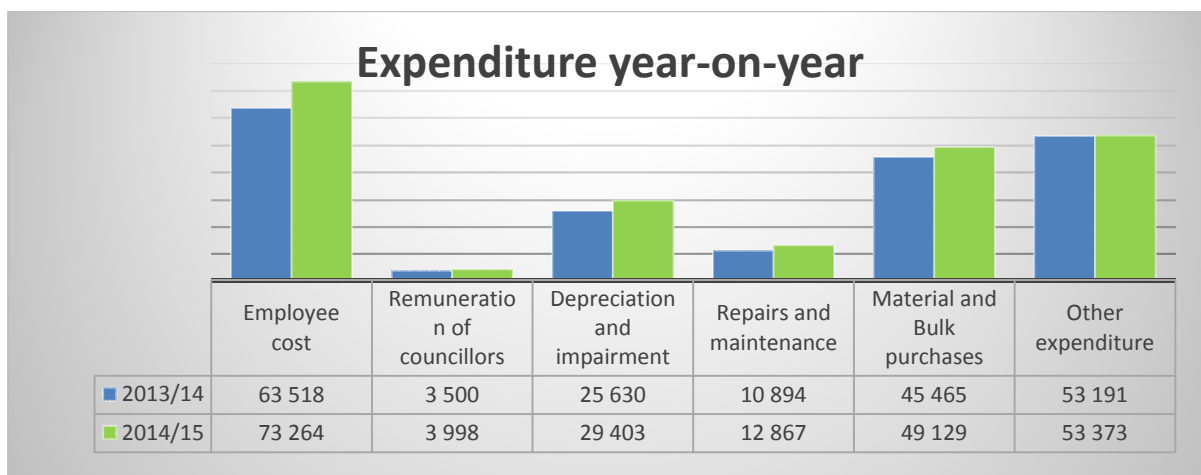


Diagram 1: Expenditure by type

Revenue

Total Operating Revenue increased from R208.335m in 2013/2014 to R227.265m in 2014/15, which represents a growth of 9.1%. Table 2 below gives a breakdown of the major sources of revenue for the budget period 1 July 2014 to 30 June 2015.

Revenue Item	Budget 2013/14	Budget 2014/15	Year on Year
	R '000	R '000	%
Property rates (incl penalties)	20 837	23 657	13.5%
Service charges – electricity revenue	71 864	78 578	9.3%
Service charges – water revenue	21 101	22 410	6.2%
Service charges – sanitation revenue	9 416	9 879	4.9%
Service charges – refuse revenue	5 222	5 545	6.2%
Service charges – other	1 267	1 326	4.7%
Rental of facilities and equipment	741	757	2.2%
Interest earned	4 211	5 182	23.1%
Transfers recognised	70 124	75 849	8.2%
Other revenue	3 552	4 082	14.9%
	208 335	227 265	9.1%

Table 2: Revenue Sources

Service tariffs/Rates

The average increases to tariffs are at the inflation rate of 6.2% although revenue in the above table also includes growth in the service. Although this is a setback in the pursuit of cost reflective tariffs, the need to consider the economic conditions and general affordability guided this direction. More efficiency will have to be realized in order to bring cost down.

Rates

The growth in the rates income relates not only to the increase in the amount in the rand, which is inflation related, but mostly to the increase in the number of properties and improvements.

Electricity

The electricity tariff increases with the NERSA guideline, which is 8.06%. The municipality will adhere to the guideline set by NERSA for this budget period.

Water

The water tariff increases by 6.2%. Although the water service produces a surplus, the compliance measures introduced by Government to ensure safe and reliable water provision continue to put pressure on the price of this scarce resource. Increased maintenance and reduction in the non-revenue water will assist to make the service more efficient.

The following diagram gives a graphic breakdown of revenue by source.

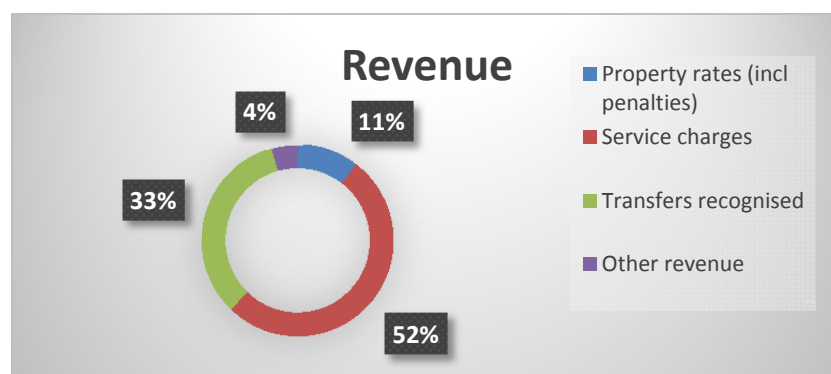


Diagram 2: Revenue by source

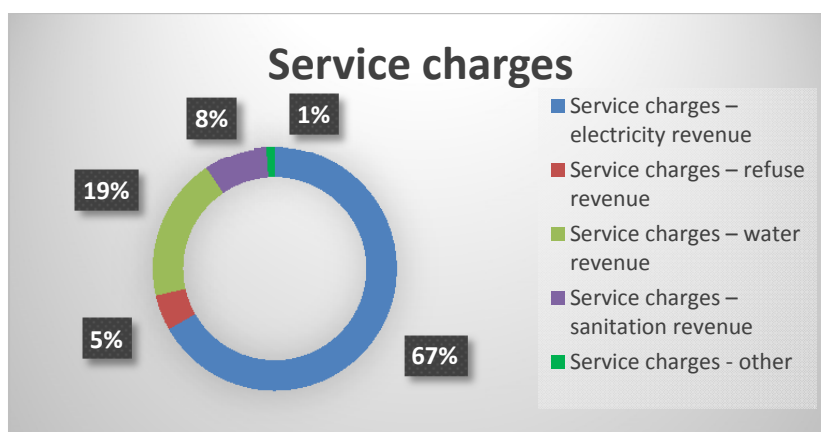


Diagram 3: Service charges by type

Capital Budget

The capital budget decreased from R47 800 225 in 2013/14 to R43 273 252 in 2014/15. This is mainly due to a decrease in external funding. The municipality has over the last few years counter-funded MIG projects. The following breakdown of the funding sources shows to what extent the municipality attempts to find the right mix of internal and external funding sources.

Funding sources	47 800 255	43 273 252
Grant funding:	26 282 000	23 258 500
Expanded Public Works Programme (EPWP)	1 000 000	1 000 000
Regional Bulk Infrastructure Grant (R BIG)	10 000 000	14 400 000
Department of Energy (DOE)	-	500 000
Financial Management Grant (FMG)	340 000	365 000
Department of Water Affairs (DWA)		1 000 000
Municipal Infrastructure Grant (MIG)	14 942 000	5 993 500
Operational Surplus:	6 137 661	4 228 875
Capital Replacement Reserve:	15 380 594	15 785 877

Table 3: Capital Funding sources

The municipality also attempted to find a balance in capital spending on the different IDP priorities and the wards, as illustrated in the following table:

Key Development areas

Local Economic Development	6 050 000
Infrastructure Development	28 809 052
Institutional Development	3 589 200
Community Development	4 825 000
	43 273 252

Table 4: IDP-Budget Linkages

1.3.1 MAIN FEATURES OF THE BUDGET

The assumptions and principles used in the development of the budget are based on the guidelines received from the National Treasury circulars 71 and 72, as well as other external bodies such as the National Electricity Regulator of South Africa (NERSA) and the South African Local Government Bargaining Council (SALGBC). The strategic focus of the Integrated Development Plan informed the Budget, taking into account the issue of affordability. These guidelines were considered appropriate to inform the development of the Budget.

Once again the population of the organogram has exerted immense pressure on the resources. Although the creation of decent jobs is a national priority, one has to consider the affordability and the higher than inflation salary increases in the economy. Couple this with the need to maintain the existing infrastructure while building new assets as well, and the resource base becomes minute in comparison to these demands.

This budget continues to search for a happy medium between cost recovery for trading services and affordability in a declining economy. Furthermore, the tremendous growth in the indigent population to almost half of the households in the municipality is a trend that will continue into the medium to longer term. This is aggravated by the varied perceptions among stakeholders of what “affordability” really is.

It is comforting to note that the general property valuation process started without the drama of the last one. Special attention was given to the concerns of agricultural property owners and, although still early days, fewer objections were received. The fact that the process of finalizing the valuation roll is on course to be implemented on 1 July 2014 is heartening. Final consultations with stakeholders are still on the cards to be completed by the end of April 2014.

The municipality introduced inclining block tariffs for water during the last financial year. This was well received by consumers and will continue to dictate more efficient water use. In spite of this, water tariffs are still very low compared to the scarcity of the resource in our country and region.

Looking after the poor has been a feature of budgets in the modern South Africa. This budget is no different. Although affordability remains a concern in the long run, the definition of a household is also under scrutiny in the Camdeboo. Council has considered a number of changes to the Indigent Policy. These and other policy changes will be submitted for approval in the final budget in May 2014.

Although the municipality has not seen major increases to its equitable share, it is encouraging to learn that the suspicions that the population has increased have been confirmed by Census 2011. These population number, now standing at just over 50 000, led to the higher grading of the municipality for the remuneration of councillors.

The budget related policies as outlined have been adhered to in the development of the budget, whilst continuous monitoring of budget performance is made possible through the Service Delivery and Budget Implementation Plan.

1.3.2 HIGH LEVEL PERFORMANCE OBJECTIVES FOR 2014/15

The more significant performance objectives, which informed the preparation of the Budget is set out in the Service Delivery and Budget Implementation Plan, of which a draft will be submitted to the mayor.

1.3.3 BUDGET STRATEGY AND ASSUMPTIONS

- a) Considering National Treasury's guideline for year-on-year increases in expenditure, which is the headline inflation rate of 6.2% for 2014, the annual increase for the 2013/14 tabled budget is limited to following:
 - The overall increase in operating expenditure be limited to 6.2%
 - The overall increase in human resource costs be restricted to the SALGBC determined agreement of average CPI percentage for the twelve month period ending January 2014, as published by Statistics South Africa, plus 1%. Treasury advised to budget for a 6.79% adjustment to be effected on 1 July 2014.
- b) Rates and tariff increases consider the inflation rate of 6.2%, as well as affordability levels. Where there is significant under-recovery of cost on economic services, such cost-reflective tariffs be phased in.
- c) The Direct Reports prepare the Operating and Capital Budgets aligned to the IDP and that this is supported by the SDBIP of the organisation.

Budget assumptions or perimeters are determined in advance of the budget process to allow the budget to support the long term financial and strategic targets.

The municipal fiscal environment is directly impacted on by a variety of macro-economic control measures. National Treasury provides guidelines on the year-on-year budget growth, while NERSA regulates the electricity tariff increases. This year the NERSA guideline for electricity tariff increases stands at 8.06% to be introduced for implementation on 1 July 2014.

Various government departments also affect municipal service delivery through the level of grants and subsidies to the municipality. Examples are the LED grant from Local Government, the electrification grant from the Department of Energy, as well as RBIG grant from the Department of Water Affairs.

The principles and priorities included in the IDP directly informed the compilation of the Budget.

1.4 BUDGET TABLES

Budget schedules to be approved by resolution of Council

EC101 Camdeboo - Table A1 Budget Summary

Description	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousands										
Financial Performance										
Property rates	14,898	14,383	16,867	20,837	20,837	-	-	23,658	25,053	26,431
Service charges	60,075	80,066	90,869	108,869	108,888	-	-	117,737	124,683	131,541
Investment revenue	2,974	2,029	2,101	2,005	2,005	-	-	2,840	3,007	3,173
Transfers recognised - operational	55,840	71,144	51,953	70,124	70,384	-	-	75,849	80,324	84,741
Other own revenue	5,225	8,886	7,705	6,501	6,505	-	-	7,180	7,604	8,022
Total Revenue (excluding capital transfers and contributions)	139,011	176,507	169,495	208,335	208,618	-	-	227,263	240,671	253,908
Employee costs	47,300	50,035	54,581	63,518	62,201	-	-	73,263	77,586	81,853
Remuneration of councillors	2,039	2,714	2,952	3,500	3,534	-	-	3,998	4,234	4,467
Depreciation & asset impairment	24,327	25,525	27,604	26,130	25,680	-	-	42,271	44,765	47,227
Finance charges	-	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	27,513	35,693	41,041	45,465	45,465	-	-	49,129	52,028	54,889
Transfers and grants	-	-	-	-	-	-	-	-	-	-
Other expenditure	34,690	50,486	51,435	63,552	70,345	-	-	54,367	57,575	60,741
Total Expenditure	135,869	164,454	177,613	202,165	207,226	-	-	223,028	236,187	249,177
Surplus/(Deficit)	3,142	12,054	(8,118)	6,170	1,393	-	-	4,234	4,484	4,731
Transfers recognised - capital	-	-	-	(33)	(33)	-	-	-	-	-
Contributions recognised - capital & contributed a	(44)	(32)	(18)	-	-	-	-	(6)	(6)	(6)
Surplus/(Deficit) after capital transfers & contributions	3,098	12,022	(8,136)	6,137	1,360	-	-	4,229	4,478	4,725
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	3,098	12,022	(8,136)	6,137	1,360	-	-	4,229	4,478	4,725
Capital expenditure & funds sources										
Capital expenditure	13,500	51,859	18,656	47,800	43,697	-	-	43,273	45,826	48,347
Transfers recognised - capital	-	-	-	26,282	21,782	-	-	22,259	23,572	24,868
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	21,518	21,915	-	-	21,015	22,255	23,479
Total sources of capital funds	-	-	-	47,800	43,697	-	-	43,273	45,826	48,347
Financial position										
Total current assets	76,733	67,763	77,506	-	-	-	-	68,558	72,602	76,596
Total non current assets	610,126	650,377	640,881	-	-	-	-	657,054	695,820	734,091
Total current liabilities	26,670	22,784	32,743	-	-	-	-	25,477	26,980	28,464
Total non current liabilities	28,013	24,708	23,131	-	-	-	-	24,750	26,210	27,652
Community wealth/Equity	632,176	670,649	662,513	-	-	-	-	675,385	715,233	754,570
Cash flows										
Net cash from (used) operating	19,298	27,695	34,737	-	-	-	34,737	20,395	21,599	22,786
Net cash from (used) investing	(25,277)	(44,946)	(18,151)	-	-	-	(18,151)	(35,433)	(37,524)	(39,588)
Net cash from (used) financing	-	89	161	-	-	-	161	178	189	199
Cash/cash equivalents at the year end	40,629	23,467	40,214	-	-	-	16,747	25,354	9,618	(6,984)
Cash backing/surplus reconciliation										
Cash and investments available	40,629	23,467	40,214	-	-	-	-	25,354	26,850	28,327
Application of cash and investments	40,052	23,603	40,190	-	-	-	-	29,584	31,330	33,053
Balance - surplus (shortfall)	577	(136)	24	-	-	-	-	(4,230)	(4,479)	(4,726)
Asset management										
Asset register summary (WDV)	5,038	223	251	-	-	-	234	234	248	261
Depreciation & asset impairment	24,327	25,525	27,604	26,130	25,680	-	42,271	42,271	44,765	47,227
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-	-	-	-	-	-
Free services										
Cost of Free Basic Services provided	-	-	-	-	-	-	11,368	11,368	11,937	12,593
Revenue cost of free services provided	-	-	-	-	-	-	13,821	13,821	14,512	15,311
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewage:	-	-	-	-	-	-	0	0	0	0
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

EC101 Camdeboo - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Revenue - Standard										
<i>Governance and administration</i>		74,805	56,986	65,172	68,742	68,746	-	74,766	79,177	83,532
Executive and council		261	3,118	2,570	1,927	1,927	-	1,973	2,089	2,204
Budget and treasury office		73,588	53,022	61,972	66,211	66,211	-	72,172	76,430	80,634
Corporate services		956	846	630	605	609	-	621	658	694
<i>Community and public safety</i>		3,878	3,962	5,314	4,182	4,191	-	6,106	6,467	6,822
Community and social services		17	73	1,817	179	181	-	1,748	1,851	1,953
Sport and recreation		55	80	68	95	95	-	71	75	80
Public safety		1,638	2,230	2,392	2,848	2,855	-	3,170	3,357	3,542
Housing		1	604	6	4	4	-	4	5	5
Health		2,167	974	1,031	1,056	1,056	-	1,113	1,179	1,244
<i>Economic and environmental services</i>		340	29,083	1,335	233	243	-	246	260	274
Planning and development		-	5,767	188	117	-	-	124	131	139
Road transport		340	23,317	1,147	115	243	-	121	129	136
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		59,678	85,856	97,252	134,722	134,982	-	145,664	154,258	162,742
Electricity		43,977	61,271	68,480	72,886	77,646	-	80,138	84,866	89,533
Water		7,453	15,948	20,101	32,229	27,729	-	36,944	39,124	41,276
Waste water management		6,419	3,022	5,782	24,387	24,387	-	23,036	24,395	25,737
Waste management		1,829	5,615	2,889	5,222	5,222	-	5,545	5,872	6,195
<i>Other</i>	4	310	622	423	456	456	-	481	509	537
Total Revenue - Standard	2	139,011	176,508	169,496	208,335	208,618	-	227,263	240,671	253,908
Expenditure - Standard										
<i>Governance and administration</i>		52,073	45,960	37,500	54,624	54,815	-	59,557	63,071	66,540
Executive and council		5,584	6,988	7,251	11,732	11,762	-	11,835	12,533	13,222
Budget and treasury office		39,321	29,887	20,940	33,098	33,051	-	36,326	38,470	40,585
Corporate services		7,167	9,084	9,308	9,794	10,002	-	11,396	12,068	12,732
<i>Community and public safety</i>		16,840	14,587	15,793	19,747	20,005	-	22,120	23,426	24,714
Community and social services		1,598	2,111	2,051	2,232	2,193	-	2,851	3,020	3,186
Sport and recreation		9,759	7,745	8,854	10,539	10,499	-	11,908	12,610	13,304
Public safety		2,865	3,407	4,003	4,685	4,498	-	5,474	5,797	6,115
Housing		-	-	(526)	550	1,096	-	-	-	-
Health		2,617	1,324	1,410	1,741	1,719	-	1,888	1,999	2,109
<i>Economic and environmental services</i>		7,051	19,434	12,987	15,914	15,671	-	17,844	18,897	19,937
Planning and development		30	1,043	1,030	922	934	-	983	1,041	1,099
Road transport		7,021	18,391	11,957	14,992	14,737	-	16,861	17,856	18,838
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		59,380	83,790	110,575	111,053	115,928	-	122,348	129,566	136,692
Electricity		37,440	49,706	60,091	67,871	72,327	-	73,946	78,308	82,615
Water		13,532	16,378	23,973	20,888	21,656	-	23,418	24,800	26,164
Waste water management		3,222	13,723	7,143	10,202	10,006	-	11,565	12,248	12,921
Waste management		5,186	3,983	19,368	12,093	11,939	-	13,418	14,210	14,992
<i>Other</i>	4	571	715	776	859	840	-	1,164	1,233	1,301
Total Expenditure - Standard	3	135,914	164,486	177,631	202,198	207,258	-	223,034	236,193	249,184
Surplus/(Deficit) for the year		3,097	12,022	(8,135)	6,138	1,360	-	4,229	4,478	4,725

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes
2. Total Revenue by standard classification must reconcile to Total Operating Revenue shown in Budgeted Financial Performance (revenue and expenditure)
3. Total Expenditure by Standard Classification must reconcile to Total Operating Expenditure shown in Budgeted Financial Performance (revenue and expenditure)
4. All amounts must be classified under a standard classification (modified GFS). The GFS function 'Other' is only for Abattoirs, Air Transport, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

EC101 Camdeboo - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Revenue by Vote										
Vote 1 - EXECUTIVE & COUNCIL	1	261	8,593	2,758	1,927	1,927	-	1,973	2,089	2,204
Vote 2 - CORPORATE SERVICES - ADMINISTRATIVE		876	919	2,331	620	626	-	2,196	2,325	2,453
Vote 3 - CORPORATE SERVICES - COMMUNITY SERVICES		4,459	5,594	4,534	6,996	6,996	-	7,388	7,824	8,254
Vote 4 - CORPORATE SERVICES - PROTECTION		1,638	2,230	2,392	2,848	2,855	-	3,170	3,357	3,542
Vote 5 - FINANCIAL SERVICES		73,587	53,022	61,972	66,211	66,211	-	72,172	76,430	80,634
Vote 6 - TECHNICAL SERVICES - ENGINEERING		14,212	44,879	27,030	56,848	52,358	-	60,226	63,780	67,287
Vote 7 - TECHNICAL SERVICES - ELECTRICAL		43,977	61,271	68,480	72,886	77,646	-	80,138	84,866	89,533
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	139,010	176,507	169,496	208,335	208,618	-	227,263	240,671	253,908
Expenditure by Vote to be appropriated										
Vote 1 - EXECUTIVE & COUNCIL	1	5,614	8,280	8,560	12,958	12,752	-	13,650	14,456	15,251
Vote 2 - CORPORATE SERVICES - ADMINISTRATIVE		8,766	10,947	11,080	11,721	11,888	-	13,415	14,206	14,988
Vote 3 - CORPORATE SERVICES - COMMUNITY SERVICES		18,132	13,767	29,883	25,783	26,093	-	28,378	30,053	31,706
Vote 4 - CORPORATE SERVICES - PROTECTION		2,865	3,407	4,003	4,405	4,498	-	5,204	5,511	5,814
Vote 5 - FINANCIAL SERVICES		39,321	29,887	20,941	33,098	33,301	-	36,326	38,470	40,585
Vote 6 - TECHNICAL SERVICES - ENGINEERING		23,775	48,492	43,073	46,082	46,399	-	51,845	54,904	57,923
Vote 7 - TECHNICAL SERVICES - ELECTRICAL		37,440	49,706	60,091	68,151	72,327	-	74,216	78,594	82,917
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	135,913	164,485	177,631	202,198	207,258	-	223,034	236,193	249,184
Surplus/(Deficit) for the year	2	3,097	12,022	(8,135)	6,138	1,360	-	4,229	4,478	4,725

References

1. Insert 'Vote': e.g. department, if different to standard classification structure
2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)
3. Assign share in 'associate' to relevant Vote

EC101 Camdeboo - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand											
Revenue By Source											
Property rates	2	14,898	14,383	16,867	19,128	19,128	-	-	21,842	23,131	24,403
Property rates - penalties & collection charges		-	-	-	1,709	1,709	-	-	1,815	1,922	2,028
Service charges - electricity revenue	2	43,692	56,207	66,234	71,864	71,864	-	-	78,578	83,214	87,791
Service charges - water revenue	2	7,441	14,503	15,155	21,101	21,101	-	-	22,410	23,732	25,037
Service charges - sanitation revenue	2	6,410	5,616	5,768	9,416	9,416	-	-	9,879	10,461	11,037
Service charges - refuse revenue	2	1,829	3,010	2,889	5,222	5,222	-	-	5,545	5,872	6,195
Service charges - other		702	730	823	1,267	1,286	-	-	1,326	1,404	1,481
Rental of facilities and equipment		523	630	623	741	745	-	-	757	802	846
Interest earned - external investments		2,974	2,029	2,101	2,005	2,005	-	-	2,840	3,007	3,173
Interest earned - outstanding debtors		2,004	2,762	3,552	2,206	2,206	-	-	2,342	2,480	2,616
Dividends received											
Fines		156	192	94	212	212	-	-	224	237	250
Licences and permits		1,330	1,565	1,824	2,168	2,168	-	-	2,508	2,656	2,802
Agency services		66					-	-	52	55	58
Transfers recognised - operational		55,840	71,144	51,953	70,124	70,384	-	-	75,849	80,324	84,741
Other revenue	2	1,146	3,658	1,612	986	986	-	-	948	1,004	1,059
Gains on disposal of PPE			78	-	188	188	-	-	350	371	391
Total Revenue (excluding capital transfers and contributions)		139,011	176,507	169,495	208,335	208,618	-	-	227,263	240,671	253,908
Expenditure By Type											
Employee related costs	2	47,300	50,035	54,581	63,518	62,201	-	-	73,263	77,586	81,853
Remuneration of councillors		2,039	2,714	2,952	3,500	3,534	-	-	3,998	4,234	4,467
Debt impairment	3	372	12,515	2,752	3,126	2,795	-	-	3,309	3,504	3,697
Depreciation & asset impairment	2	24,327	25,525	27,604	26,130	25,680	-	-	42,271	44,765	47,227
Finance charges											
Bulk purchases	2	27,513	35,693	41,041	45,465	45,465	-	-	49,129	52,028	54,889
Other materials	8										
Contracted services		962	1,509	1,516	3,140	4,933	-	-	2,001	2,119	2,235
Transfers and grants		-	-	-	-	-	-	-	-	-	-
Other expenditure	4, 5	33,356	36,462	47,125	57,286	62,618	-	-	49,057	51,951	54,809
Loss on disposal of PPE				42							
Total Expenditure		135,869	164,454	177,613	202,165	207,226	-	-	223,028	236,187	249,177
Surplus/(Deficit)											
Transfers recognised - capital		3,142	12,054	(8,118)	6,170	1,393	-	-	4,234	4,484	4,731
Contributions recognised - capital					(33)	(33)					
Contributed assets	6	(44)	(32)	(18)	-	-	-	-	(6)	(6)	(6)
Surplus/(Deficit) after capital transfers & contributions		3,098	12,022	(8,136)	6,137	1,360	-	-	4,229	4,478	4,725
Taxation											
Surplus/(Deficit) after taxation		3,098	12,022	(8,136)	6,137	1,360	-	-	4,229	4,478	4,725
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		3,098	12,022	(8,136)	6,137	1,360	-	-	4,229	4,478	4,725
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		3,098	12,022	(8,136)	6,137	1,360	-	-	4,229	4,478	4,725

References

1. Classifications are revenue sources and expenditure type
2. Detail to be provided in Table SA1
3. Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment
4. Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item: e.g. employee costs
5. Repairs & maintenance detailed in Table A9 and Table SA34c
6. Contributions are funds provided by external organisations to assist with infrastructure development: e.g. developer contributions (detail to be provided in Table SA1)
7. Equity method
8. All materials not part of 'bulk' e.g. road making materials, pipe, cable etc.

EC101 Camdeboo - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE & COUNCIL		-	-	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES - ADMINISTRATIVE		-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 4 - CORPORATE SERVICES - PROTECTION		-	-	-	-	-	-	-	-	-	-
Vote 5 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 6 - TECHNICAL SERVICES - ENGINEERING		-	-	-	-	-	-	-	-	-	-
Vote 7 - TECHNICAL SERVICES - ELECTRICAL		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE & COUNCIL		-	60	1,043	6,000	6,000	-	-	1,550	1,641	1,732
Vote 2 - CORPORATE SERVICES - ADMINISTRATIVE		-	-	-	-	-	-	-	516	546	576
Vote 3 - CORPORATE SERVICES - COMMUNITY SERVICES		2,428	26,609	5,548	11,803	12,300	-	-	6,286	6,657	7,023
Vote 4 - CORPORATE SERVICES - PROTECTION		-	3,161	-	-	-	-	-	1,071	1,134	1,196
Vote 5 - FINANCIAL SERVICES		369	521	6,035	340	340	-	-	365	387	408
Vote 6 - TECHNICAL SERVICES - ENGINEERING		9,484	15,021	6,018	28,857	24,257	-	-	25,054	26,532	27,991
Vote 7 - TECHNICAL SERVICES - ELECTRICAL		1,219	6,487	12	800	800	-	-	8,433	8,930	9,421
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		13,500	51,859	18,656	47,800	43,697	-	-	43,273	45,826	48,347
Total Capital Expenditure - Vote		13,500	51,859	18,656	47,800	43,697	-	-	43,273	45,826	48,347
Capital Expenditure - Standard											
Governance and administration		369	581	7,078	6,340	6,340	-	-	2,431	2,574	2,715
Executive and council		-	60	1,043	6,000	6,000	-	-	1,550	1,641	1,732
Budget and treasury office		369	521	6,035	340	340	-	-	365	387	408
Corporate services		-	-	-	-	-	-	-	516	546	576
Community and public safety		-	3,215	5,260	1,700	1,954	-	-	6,166	6,529	6,888
Community and social services		-	6	-	-	-	-	-	5,095	5,396	5,692
Sport and recreation		-	-	5,260	1,700	1,954	-	-	-	-	-
Public safety		-	3,161	-	-	-	-	-	1,071	1,134	1,196
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	48	-	-	-	-	-	-	-	-
Economic and environmental services		-	3,522	3,792	1,100	1,000	-	-	2,895	3,066	3,235
Planning and development		-	-	-	-	-	-	-	-	-	-
Road transport		-	3,522	3,792	1,100	1,000	-	-	2,895	3,066	3,235
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		13,131	44,541	2,526	38,660	34,403	-	-	31,782	33,657	35,508
Electricity		1,219	6,487	12	800	800	-	-	8,433	8,930	9,421
Water		3,236	11,499	2,226	17,550	13,050	-	-	15,455	16,367	17,267
Waste water management		6,247	-	-	10,103	10,346	-	-	6,704	7,099	7,489
Waste management		2,428	26,555	288	10,207	10,207	-	-	1,191	1,261	1,331
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	3	13,500	51,859	18,656	47,800	43,697	-	-	43,273	45,826	48,347
Funded by:											
National Government		-	-	-	26,282	21,782	-	-	22,259	23,572	24,868
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	-	-	-	26,282	21,782	-	-	22,259	23,572	24,868
Public contributions & donations	5	-	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	21,518	21,915	-	-	21,015	22,255	23,479
Total Capital Funding	7	-	-	-	47,800	43,697	-	-	43,273	45,826	48,347

References

- Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).
- Include capital component of PPP unitary payment. Note that capital transfers are only appropriated to municipalities for the budget year
- Capital expenditure by standard classification must reconcile to the appropriations by vote
- Must reconcile to supporting table SA20 and to Budgeted Financial Performance (revenue and expenditure)
- Must reconcile to Budgeted Financial Performance (revenue and expenditure)
- Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17
- Total Capital Funding must balance with Total Capital Expenditure
- Include any capitalised interest (MFMA section 46) as part of relevant capital budget

EC101 Camdeboo - Table A6 Budgeted Financial Position

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand											
ASSETS											
Current assets											
Cash		236	302	6,287					4,443	4,705	4,964
Call investment deposits	1	40,393	23,165	33,927	-	-	-	-	19,811	20,980	22,134
Consumer debtors	1	11,771	13,946	18,814	-	-	-	-	23,501	24,887	26,256
Other debtors		21,277	26,623	15,326					17,035	18,040	19,032
Current portion of long-term receivables		-	-	-					-	-	-
Inventory	2	3,056	3,727	3,153					2,667	2,825	2,980
Total current assets		76,733	67,763	77,506	-	-	-	-	67,458	71,438	75,367
Non current assets											
Long-term receivables		-	-	-					-	-	-
Investments		-	-	-					-	-	-
Investment property		5,038	223	212					200	212	223
Investment in Associate		-	-	-					-	-	-
Property, plant and equipment	3	605,088	647,783	638,260	-	-	-	-	654,550	693,169	731,293
Agricultural		-	-	-					-	-	-
Biological		-	-	-					-	-	-
Intangible		-	-	39					34	36	38
Other non-current assets		-	2,370	2,370					2,370	2,510	2,648
Total non current assets		610,126	650,377	640,881	-	-	-	-	657,154	695,926	734,202
TOTAL ASSETS		686,859	718,140	718,387	-	-	-	-	724,612	767,364	809,569
LIABILITIES											
Current liabilities											
Bank overdraft	1	-	-	-					-	-	-
Borrowing	4	-	-	-	-	-	-	-	-	-	-
Consumer deposits		1,377	1,466	1,627					1,806	1,912	2,018
Trade and other payables	4	22,386	18,540	23,074	-	-	-	-	18,751	19,858	20,950
Provisions		2,907	2,777	8,041					4,920	5,210	5,496
Total current liabilities		26,670	22,784	32,743	-	-	-	-	25,477	26,980	28,464
Non current liabilities											
Borrowing		26	2	-	-	-	-	-	-	-	-
Provisions		27,987	24,705	23,131	-	-	-	-	24,750	26,210	27,652
Total non current liabilities		28,013	24,708	23,131	-	-	-	-	24,750	26,210	27,652
TOTAL LIABILITIES		54,683	47,491	55,874	-	-	-	-	50,227	53,190	56,116
NET ASSETS	5	632,176	670,649	662,513	-	-	-	-	674,385	714,174	753,453
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		620,768	659,948	651,813					663,685	702,842	741,498
Reserves	4	11,408	10,700	10,700	-	-	-	-	10,700	11,332	11,955
Minorities' interests		-	-	-					-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	5	632,176	670,649	662,513	-	-	-	-	674,385	714,174	753,453

References

1. Detail to be provided in Table SA3
2. Include completed low cost housing to be transferred to beneficiaries within 12 months
3. Include 'Construction-work-in-progress' (disclosed separately in annual financial statements)
4. Detail to be provided in Table SA3. Includes reserves to be funded by statute.
5. Net assets must balance with Total Community Wealth/Equity

EC101 Camdeboo - Table A7 Budgeted Cash Flows

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		68,287	80,328	116,979				116,979	100,096	106,001	111,832
Government - operating	1	55,840	71,144	51,953				51,953	75,849	80,324	84,741
Government - capital	1										
Interest		4,978	4,791	5,653				5,653	6,997	7,410	7,817
Dividends											
Payments											
Suppliers and employees		(109,807)	(128,567)	(139,847)				(139,847)	(163,546)	(173,195)	(182,721)
Finance charges											
Transfers and Grants	1										
NET CASH FROM/(USED) OPERATING ACTIVITIES		19,298	27,695	34,737	-	-	-	34,737	19,395	20,540	21,669
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		-	185	23				23			
Decrease (Increase) in non-current debtors											
Decrease (Increase) other non-current receivables											
Decrease (Increase) in non-current investments											
Payments											
Capital assets		(25,277)	(45,132)	(18,174)				(18,174)	(35,533)	(37,630)	(39,699)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(25,277)	(44,946)	(18,151)	-	-	-	(18,151)	(35,533)	(37,630)	(39,699)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans											
Borrowing long term/refinancing											
Increase (decrease) in consumer deposits		-	89	161				161	178	189	199
Payments											
Repayment of borrowing											
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	89	161	-	-	-	161	178	189	199
NET INCREASE/ (DECREASE) IN CASH HELD		(5,979)	(17,162)	16,747	-	-	-	16,747	(15,960)	(16,901)	(17,831)
Cash/cash equivalents at the year begin:	2	46,608	40,629	23,467				-	40,214	24,254	7,353
Cash/cash equivalents at the year end:	2	40,629	23,467	40,214				16,747	24,254	7,353	(10,477)

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

PART 2 – SUPPORTING DOCUMENTATION

2.1 OVERVIEW OF THE BUDGET PROCESS

In terms of Section 53 of the Municipal Finance Management Act (Act 56 of 2003) the mayor of the municipality is required to provide political guidance over the budget process and the priorities that guide the preparation of the budget. In addition, Chapter 2 of the Municipal Budget Regulations states that the mayor must establish a budget steering committee to provide technical assistance to the mayor in discharging the responsibilities set out in section 53 of the Act.

The budget planning process leaves much to be desired. Inputs from the Budget Steering Committee were limited to the workshops held with staff and the council. The IDP process provides a good basis for the budget, but the project register is still incomplete when the budget process starts and final adjustments to projects impact the finalization of the budget.

Three budget workshops were held: One with budget drivers (directors and managers), and two workshops with councillors.

The budget process started in August 2013 and proceeded along the following timeline:



Camdeboo Municipality Schedule of Key Deadlines - IDP & Budget 2014-2015 Budget Year

<u>Date</u>	<u>Action</u>	<u>Reference</u>	<u>Responsibility</u>
August 2013	Plan & Prepare		
19	Review previous year's budget Process		Mayor & BSC
20	Table in Council Budget & IDP Time Schedule	MFMA 21(1)(b) & 53 (1)(b) MSA s34	Mayor & BSC
27	Establish/confirm Committees and consultation forums	MFMA guidance	Mayor & BSC
Sept 2013	Consult & review		
2	Publicise schedule on website	MFMA guidance	Accounting Officer
3	Implementation of IDP & Budget key deadlines	MFMA guidance	Accounting Officer
30	Review provincial & national government sector and strategic plans	MFMA Guidance	Mayor & BSC
From 1 st	Consult with community on changing needs and expectations	MSA ch4 as amended	Mayor & BSC
October 2013	Review and update		
1 - 18	Review and update budget related policies	MFMA Guidance	Accounting Officer
21 - 25	Evaluate revenue projections for next budget year, proposed rates	MFMA Guidance	Accounting Officer

	and service charges		
31	Review of potential price increases Of bulk resources (electricity)	MFMA s42	Accounting Officer
Nov 2013	Conclude & confirm		
1 –15	Engage with national & provincial Sector departments on alignment with municipal plans	MFMA Guidance	Accounting Officer
1 – 29	Conclude initial community consultation on priorities	MSA ch4	Mayor & BSC
29	Identify government allocations to municipality	MFMA Guidance	Accounting Officer
29	Commence preparation of Departmental plans & SDBIP aligned to IDP and community inputs	MFMA Guidance	Accounting Officer
Dec 2013	Draft & discuss		
3	Conclude first budget draft and Policies for council discussion	MFMA Guidance	Accounting Officer
10	Community and stakeholder consultation on inputs, financial models, impact on tariffs and charges	MSA ch4 as amended	Accounting Officer
11	Management discussion and debate on estimated plans and resources	MFMA Guidance	Accounting Officer
12	Council discussion and debate on estimated plans and resources	MFMA s53	Mayor & BSC
January 2014	Finalise		
14	Finalise inputs from bulk providers (Eskom)	MFMA Guidance	Accounting Officer
Date	Action	Reference	Responsibility
24	Finalise first draft of departmental plans and SDBIP for review against strategic priorities	MFMA Guidance	Accounting Officer
28	Finalise detailed Capital & Operational Budgets & align to IDP And draft SDBIP	MFMA Guidance	Accounting Officer
30	Report to Council on status of Budget – reinforce upcoming process on budget approval & oversight	MFMA Guidance	Mayor & BSC
31	Note the President's "State of the Nation" address for budget priorities	MFMA Guidance	Mayor & BSC
Febr 2014	Transfers and tabling		
28	Note National and provincial allocations to municipality for incorporation in the budget	MFMA Guidance	Accounting Officer
March 2014	Consult & Confirm		
20	Receive Bulk resource providers' price increases	MFMA s42	Accounting Officer
20	Incorporate transfers to and from Municipalities	MFMA s37(2)	Accounting Officer
21	Print and distribute all documents prior to meeting of budget tabling	MFMA Guidance	Accounting Officer
27	Table in Council the annual budget	MFMA s16(2); s17 & s87(3)	Mayor & BSC

	and all supporting documentation		
April 2014	Consider		
3	Submit tabled budget to Treasury and affected organs of state	MFMA s22	Accounting Officer
3	Publicise the tabled budget and supporting documentation	MFMA s22	Accounting Officer
29	Note National & Provincial Allocations to municipality for Incorporation in budget	MFMA Guidance	Accounting Officer
7 - 25	Public hearings	MFMA s23; s24 MSA ch 4 as amended	Mayor & BSC
7 - 25	Meetings with Wards:	MFMA s23	Ward Councillors
28	Confirm provincial & national budget allocations	MFMA Guidance	Accounting Officer
30	Review provincial and national Legislation for new reporting Requirements and deadlines	New	Accounting Officer
May 2014	Consider & Approve		
2	Consider views of community and Stakeholders and, if needed, revise budget and table amendments for council consideration	MFMA s23(1)&(2)	Accounting Officer Mayor & BSC
5 – 9	Assist mayor in preparing final budget documentation for approval by council	MFMA s68	Accounting Officer
9	Review any comments from National or Provincial government Or organ of state	MFMA s68	Accounting Officer
12 - 16	Print and distribute budget documentation, draft IDP and SDBIP	MFMS Guidance	Accounting Officer
29	Consider approval of the annual Budget	MFMA s24(1)	Council
<u>Date</u>	<u>Action</u>	<u>Reference</u>	<u>Responsibility</u>
29	Approve annual budget by council Resolution (including taxes, tariffs, measureable performance object's, changes to IDP and budget related policies, SDBIP and LTC's where appropriate	MFMA s16(1), s24(2) & s53(1)(c)(ii)	Council
30	Publicise approved budget and submit to Treasury	MFMA s75	Accounting Officer

2.2 PRIORITIES AND LINKAGES TO THE IDP

The Integrated Development Plan has been reviewed and the budget is based on the priorities identified by the communities. The following priorities are based on these consultative processes:

1. Infrastructure Development
2. Local Economic Development
3. Institutional Development
4. Community Development

The following table sets out the extent to which the budget is linked to the Integrated Development Plan:

Key Development areas

Local Economic Development	6 050 000
Infrastructure Development	28 809 052
Institutional Development	3 589 200
Community Development	4 825 000
	43 273 252

Table 5: IDP-Budget Linkages

2.3 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

Refer to SDBIP

2.4 OVERVIEW OF BUDGET RELATED POLICIES

The following list of budget-related policies approved by council is available at the administration department in the Town Hall, Graaff-Reinet:

- *Tariff Policy*
- *Credit Control and Customer Care Policy*
- *Indigence Policy*
- *Supply Chain Management Policy*
- *Rates Policy*
- *Investment Policy*
- *Travelling and Subsistence Policy*
- *Unauthorised, irregular, fruitless and wasteful expenditure policy*
- *Unforeseen and Unavoidable Expenditure Policy*
- *Funding and Reserves Policy*

Most of these policies were reviewed with the assistance of Operation Clean Audit in the province and will be submitted to the meeting where the budget is approved in May 2014.

2.5 OVERVIEW OF BUDGET ASSUMPTIONS

The following key assumptions underpinned the preparation of the Budget:

Revenue	2014/15	2015/16	2016/17
Water tariffs	6%	7%	6%
Sanitation tariffs	6%	7%	6%
Refuse tariff increases	7%	8%	8%
Electricity tariffs	7%	8%	8%
Revenue collection rates	80%	85%	90%
Expenditure			
Total expenditure increase allowed	7%	7%	6%
Salary increase	7%	7%	8%
Increase in repairs and maintenance	5%	5%	5%
Increase in bulk purchases electricity	8%	8%	8%

Table 5: Key Assumptions

2.6 OVERVIEW OF BUDGET FUNDING

The Operating budget is funded from revenue sources identified in *Table 2* above and further detail is contained in the budget tables. Although the Operating Budget shows a surplus of R4,2m, one has to bear in mind that all the government grants are included in the operational revenue, some of which are spent in the capital budget. The increase to the operating expenses is funded through the rates and tariff increases.

The Capital budget is funded from the sources shown in *Table 3* above. Furthermore, the municipality does not foresee the need to borrow in order to fund capital expenditure.

Increased spending on local economic development (LED) related projects are viewed as an important trend to be continued into the future.

The municipality has the following monetary investments:

Institution	Amount	Investment type	Maturity date
ABSA BANK	R 1 030 846.94	Money Market	-
ABSA BANK	R 455 905.84	Call Account	-
ABSA BANK	R 1 013 747.52	Depositor plus	-
First National Bank	R 225 102.73	Call Account	-
First National Bank	R 145 236.13	7 day interest plus	-
First National Bank	R 8 050 301.14	7 day Fixed deposit	-
Investec Bank	R25 200 744.23	Fixed deposit	June 2014

2.7 EXPENDITURE ON ALLOCATIONS AND GRANT PROGRAMMES

Grant allocations are to be spent in line with the conditions as stipulated

2.8 ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY

The municipality makes the following grants to organisations and bodies outside the sphere of government as referred to in section 67(1) of the Act:

- SPCA Graaff-Reinet R 18 000
- Local Tourism Forum (Publicity) R120 000

2.9 COUNCILLORS' ALLOWANCES AND EMPLOYEE BENEFITS

The following tables set out the allowances and employee benefits budgeted for the 2014/2015 budget year:

The municipality has the fourteen (14) councillors, consisting of one fulltime mayor, potentially four chairpersons of sec. 79 committees, of which the allowances are set out in table 6 above. Council is still to finalise how many chairpersons comply with section 79 of the Act.

	Salary	Phone Allowance	Data allowance	Total Remuneration
Mayor	580 219	20 868	3 600	604 687
4 s79 committee chairpersons	1 116 922	83 472	14 400	1 214 794
9 part time councillors	1 958 241	187 812	32 400	2 178 453
TOTAL	3 655 382	274 884	50 400	3 997 934

Table 6: Summary of Councillor Allowances

	Performance bonus	Phone Allowance	Total
Municipal Manager	164 133	21 048	103 844
Director: Finance	138 865	21 048	80 001
Director: Infrastructure	119 553	8 400	80 001
Director: Corporate Services	119 553	8 400	8 400

Table 7: Summary of Employee Benefits for MM and senior managers

	Housing	Travel Allowance	Medical	Pension	UIF	Group scheme	Bargaining C levy	Total
Municipal Employees	172,600	648,556	3,375,067	8,696,376	483,954	654,714	31,996	14,063,263

Table 8: Summary of Employee Benefits

Number of employees:

	Number
Senior managers (in terms of Sect 57)	4
Other managers	5
Technical and Professional staff	-
Other Staff members	388
Total	397

Table 9: Number of employees

2.10 CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS

There are no contracts with future budgetary implications

2.11 CAPITAL EXPENDITURE DETAILS

IDP Ref #	Development area	Ward	Responsible person	Funding Source	Total
IDP-202	TRANSPORT DEVELOPMENT - Goedhals square development and stalls	6	LED Officer	Internal	1,000,000
IDP-204	LIGHT INDUSTRY DEVELOPMENT - Brickmaking Enterprise	7	LED Officer	Internal	550,000
IDP-303	MUNICIPAL COMMONAGES - Upgrading	7	Manager : Administration	Internal	500,000
IDP-123	WASTE DISPOSAL - Rehabilitation of munniks pass	7	Manager : Community Services	MIG - Source bridging	991,052
IDP-103	BULK SERVICES : Electrification - Installation at new Low Cost Settlements	1, 3 & 5	Manager : Electrical	External DOE	500,000
IDP-106	BULK SERVICES : Water & Sewerage - Installation of bulk services at other new Settlements	4	Manager : Technical	Internal	525,000
IDP-112	WATER MAINS - Standby dam wall pump	2, 3, 4, 5, 6, 7	Manager : Technical	Internal	485,000
IDP-125	SEWERAGE SYSTEMS - Emergency Standby Pumps & Generators : Sewerage Works	2, 4, 5, 6	Manager : Technical	Internal	1,225,000
IDP-129	WASTE WATER TREATMENT WORKS - Palisade fencing	4, 5	Manager : Tech. Services	Internal	200,000
IDP-116	WATER MONITORING SYSTEMS - Telemetry	Technical	Manager : Technical	Internal	550,000
IDP-127	SEWERAGE SYSTEMS - Aberdeen : upgrading	1	Manager : PMU	External MIG	-
IDP-157	ELECTRICAL INFRASTRUCTURE - u/g cables and electrification of industrial area ext.)	4	Manager : Electrical	Internal	4,000,000
IDP-141	STREET CONSTRUCTION - Building & Tarring (new Surfacing)	1	Manager : Technical	External EPWP	1,100,000
IDP-142	STORMWATER CONSTRUCTION - New construction	All	Manager : Tech. Services	Internal	350,000
IDP-118	Upgrade emergency water supply	Technical	Manager : Technical	External RBIG	14,400,000
IDP-153	HIGH MAST LIGHTS - New, upgrade, replace	1, 3, 4, 5	Manager : Electrical	Internal	3,000,000
IDP-128	WASTE WATER TREATMENT WORKS - Graaff-Reinet : Extend Purification Plant	2	Manager : PMU	External MIG	4,733,500
IDP-154	POWERLINES - Replacement & Construction	1	Manager : Electrical	Internal	49,500
IDP-332	CATERING SUPPLIES - Crockery, Cutlery, Utensils, etc.	All	Manager : Administration	Internal	100,000
IDP-107	Trench excavation between main substation and college road	Electrical	Manager : Electrical	Internal	450,000
IDP-126	SEWERAGE SYSTEMS - Upgrading of Sewer Installations Pumpstations & Reticulations	Works	Manager : PMU	External MIG	-
IDP-335	HOT APPLIANCES - Urns, Stoves & Heaters	1, 5	Manager : Administration	Internal	35,000
IDP-336	COLD APPLIANCES - Fridges, Freezers & Fans	1, 2	Manager : Administration	Internal	30,000
IDP-344	MACHINERY - Lawn Mowers, woodchippers & slashers	All	Manager : Community Services	Internal	20,000
IDP-300	DRIVER'S LICENSE CENTRE - Reconstruction of registration offices	Traffic	Manager : Protection Services	Internal	750,000
IDP-317	Vehicle - LDV	Traffic	Manager : Protection Services	Internal	180,000
IDP-330	AIR CONDITIONERS - New	Traffic	Manager : Protection Services	Internal	10,500
IDP-331	OFFICE FURNITURE - Tables and Chairs	Traffic	Manager : Protection Services	Internal	30,000
IDP-341	TOOLS & EQUIPMENT - Fire-Fighting	Traffic	Manager : Protection Services	Internal	50,000
IDP-330	AIR CONDITIONERS - New & Replace	Administratio	Manager : Administration	Internal	37,500
IDP-408	SPORTS FACILITIES - General upgrading	5	Manager : PMU	External MIG	1,260,000
IDP-334	CLEANING APPLIANCES - Polishers & Vacuum Cleaners	Administratio	Manager : Administration	Internal	25,000
IDP-400	RECREATIONAL FACILITIES - Construction of beds Caravan Parks.	1	Manager : Administration	Internal	15,000
IDP-401	MUN. POUNDS & CEMETERIES - Construction of municipal pounds	2, 3, 4, 5, 6, 7	Manager : Protection Services	Internal	100,000
IDP-342	TOOLS & EQUIPMENT - (Miscellaneous, various Departments)	Administratio	Manager : Administration	Internal	23,000
IDP-353	ELECTRONIC SYSTEMS - Public Address Systems - Town hall	Administratio	Manager : Administration	Internal	15,000
IDP-311	Vehicle : LDV	Technical	Manager : Technical	Internal	140,000
IDP-322	Backactor TLB / Excavator/FE Loader	Technical	Manager : Technical	Internal	760,000
IDP-327	Vehicle : 3 / 4 Ton Truck	Technical	Manager : Technical	Internal	340,000
IDP-331	OFFICE FURNITURE - Tables, Chairs, Cabinets, Shelving	Technical	Manager : Technical	Internal	10,200
IDP-340	TOOLS & EQUIPMENT - Occupational Health & Safety	Technical	Manager : Technical	Internal	45,000
IDP-342	TOOLS & EQUIPMENT - (Miscellaneous, various Departments)	Technical	Manager : Technical	Internal	150,000
IDP-343	MEDICAL & LABORATORY EQUIP. - Water	Technical	Manager : Technical	Internal	20,000
IDP-343	MEDICAL & LABORATORY EQUIP. - Sanitation	Technical	Manager : Technical	Internal	20,000
IDP-324	Vehicle : Crane Truck	Electrical	Manager : Electrical	Internal	350,000
IDP-331	OFFICE FURNITURE - Tables, Chairs, Cabinets, Shelving	Electrical	Manager : Electrical	Internal	8,000
IDP-340	TOOLS & EQUIPMENT - Occupational Health & Safety	Electrical	Manager : Electrical	Internal	75,000
IDP-331	OFFICE FURNITURE - Tables, Chairs, Cabinets, Shelving	Treasury	CFO / Chief Accountant	FMG	50,000
IDP-334	CLEANING APPLIANCES - Polishers & Vacuum Cleaners	Treasury	CFO / Chief Accountant	FMG	10,000
IDP-342	TOOLS & EQUIPMENT - (Miscellaneous, various Departments)	Treasury	CFO / Chief Accountant	FMG	25,000
IDP-351	IT SOFTWARE - Computer Programmes, etc.	Treasury	CFO / Chief Accountant	FMG	250,000
IDP-353	ELECTRONIC SYSTEMS - Prepaid Electricity Vending Machines	Treasury	CFO / Chief Accountant	FMG	30,000
IDP-401	MUN. POUNDS & CEMETERIES - Construction of cemeteries sites	1, 7	Manager : Community Services	Internal	3,200,000
IDP-412	COMMUNITY HALLS & CENTRES - Palisade Fencing	1	Manager : Administration	Internal	250,000
IDP-420	SIGNAGE - Illegal Dumping & Littering	All	Manager : Community Services	Internal	200,000
IDP-420	SIGNAGE - Street Names	1, 4, 5	Manager : Protection Services	Internal	25,000
IDP-421	TRAFFIC CALMING & PEDESTRIAN SAFETY - Speedhumps	4, 5	Manager : Protection Services	Internal	25,000

2.12 MUNICIPAL MANAGER’S QUALITY CERTIFICATE

I, _____, Municipal Manager of Camdeboo Municipality, hereby certify that the Annual Budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the Regulations made under the Act, and that the Annual Budget and supporting documents are consistent with the Integrated Development Plan of the Municipality.

Print Name: _____

Municipal Manager: Camdeboo (EC101)

Signature: _____

Date: _____