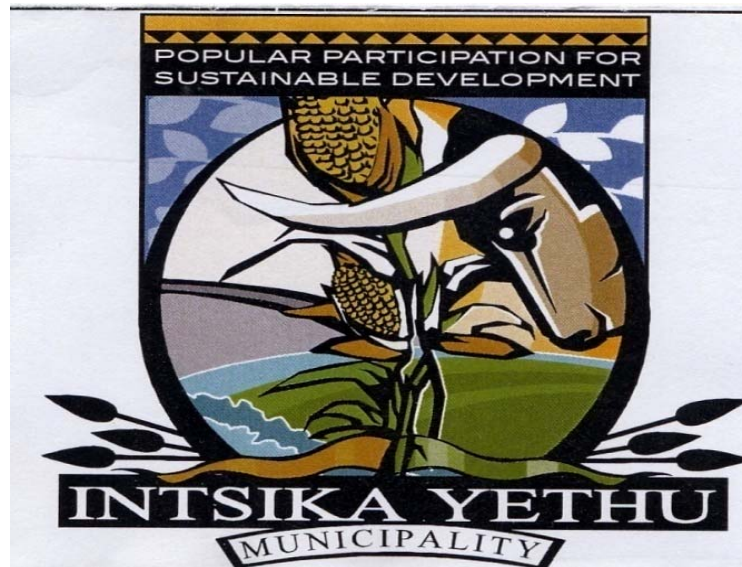


INTSIKA YETHU MUNICIPALITY

EC 135



FINAL BUDGET 2014/15

TABLE OF CONTENTS

- ✚ Council Resolution
- ✚ Executive Summary
- ✚ Operating Revenue Framework
- ✚ Summary of revenue classified by main revenue source
- ✚ Operational transfers and grant receipts
- ✚ Property Rates
- ✚ Water Tariffs
- ✚ Summary of operational expenditure by standard classification item
- ✚ Repairs and maintenance
- ✚ Free Basic Services
- ✚ Capital Expenditure
- ✚ Annual Budget Tables-Parent Municipality

- ✚ EC135 Intsika Yethu - Table A1 Budget Summary

- ✚ EC135 Intsika Yethu - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

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

- ✚ EC 135 Intsika Yethu-Table A4 Budget Financial Performance (revenue and expenditure)

- ✚ EC 135 Intsika Yethu-Table A5 Budgeted Capital Expenditure by vote, standard classification and funding
- ✚ EC 135 Intsika Yethu-Table A6 Budget Financial Position


- ✚ EC 135 Intsika Yethu-Table A7 Budget Cash Flows

- ✚ EC 135 Intsika Yethu-Table A8 Cash backed reserves/accumulated surplus reconciliation

- ✚ EC 135 Intsika Yethu-Table A9 Asset Management

- ✚ EC 135 Intsika Yethu-Table A10 Basic Service delivery measurement

BUDGET PROCESS

 Measurable Performance objectives and indicators

 Overview of budget related policies

Table SA 17-Details of borrowings

Table SA18- Capital transfers and grants receipts

Cash flow management

Table SA 7- Cash flow

Table SA 8- Cash backed reserves

Table SA 10-Expenditure transfers and grants programmes

Table SA 20- Surplus/Deficit

Table SA 22-Budgeted capital expenditure by vote, standard classification and funding source

Table SA 23-Budgeted Financial Position

Table SA 24-Budgeted Cash flow statement

Table SA 25-Budgeted Monthly revenue and expenditure

Table SA26-Asset management

Table SA 27- Budgeted monthly revenue and expenditure (standard classification)

Table SA 28-Budgeted monthly capital expenditure (municipal vote)

Table SA 29-Budgeted monthly capital expenditure

Table SA30-Budgeted monthly cash flow

Table SA 34@-Capital expenditure on new assets

Table SA 34b-Capital expenditure on the renewal of existing assets

Table 34c-Repairs and maintenance by asset class

Table SA35-Future financial implications of the capital budget

Table SA 36-Detailed capital budget per municipal vote

Table SA37-Projects delayed from previous financial year

Final Budget, Tariff Structure and IDP:-

Final Budget 2014/15:- The final budget was presented by CFO in the Council with the Schedule A spreadsheet

RESOLUTION:-

- ✚ The draft budget for Revenue is **R186 429** and Expenditure is **R 223 129**
- ✚ Tabling of 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).
- ✚ Approval of Final Budget 2014/2015: it was presented by the Mayor. The summary of the budget was presented by the Mayor with the total of **R223 129** both operational and capital expenditure budget and for Revenue with the total of **R186 429**. The legal requirements that were considered in preparation of the final budget are 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.
- ✚ Final Tariff Structure for 2014/2015: it was adopted 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)
- ✚ EC135 Intsika Yethu - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)
- ✚ EC 135 Intsika Yethu-Table A4 Budget Financial Performance (revenue and expenditure)
- ✚ EC 135 Intsika Yethu-Table A5 Budgeted Capital Expenditure by vote, standard classification and funding
- ✚ EC 135 Intsika Yethu-Table A6 Budget Financial Position

- ✚ EC 135 Intsika Yethu-Table A7 Budget Cash Flows

- ✚ EC 135 Intsika Yethu-Table A8 Cash backed reserves/accumulated surplus reconciliation

- ✚ EC 135 Intsika Yethu-Table A9 Asset Management

- ✚ EC 135 Intsika Yethu-Table A10 Basic Service delivery measurement

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 Circular 72 which gives guidance on the preparation of 2014/15 Medium budgets and MTREF; it is in addition to MFMA budget Circular 70 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 the following challenges:

- ✚ Low revenue base
- ✚ Infrastructure backlogs that hinders the prioritization of projects

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 80% 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 **R115, 999,000.00** as equitable share excluding MIG, FMG and MSIG.

MIG

A sum of **R38, 856,000.00** will be received by the municipality as MIG

Other Grants

MSIG

A sum of **R934, 000** as Municipal Systems Improvement Grant has been allocated to the municipality.

FMG

A sum of **R1, 600,000.00** 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 2014/15 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 4 Interns and their stipend.

Own Revenue

Property Rates Receipts

The municipality has added **R3m** on property rates budget so the budget for property rates is **R4, 8m**

Services

Refuse Receipts

The municipality has budgeted **R 233, 890** as an anticipated amount to be received

OTHER SERVICE CHARGES

Traffic Fines

The municipality has budgeted to collect **R250, 000.00** for traffic fines

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 **R298, 000.00**, for Agency fees is **R363, 000**

There is **R6m** 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 **R1,8** and also VAT for **R11,9m** 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 **R237, 000.00** in the financial year 2014/15

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

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 2014/15 MTREF (classified by main revenue source):

Summary of revenue classified by main revenue source

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

| Description | Ref | Budget Year 2014/15 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|--|-----|---------------------|--------|-------|---------|----------|----------|---------|----------|--------|-------|-------|-----------|---|------------------------|------------------------|
| | | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2014/15 | Budget Year +1 2015/16 | Budget Year +2 2016/17 |
| Revenue by Vote | | | | | | | | | | | | | | | | |
| Vote 1 - Exco and Council | | | | | | | | | | | | | | - | - | - |
| Vote 2 - Municipal Manager | | | | | | | | | | | | | | - | - | - |
| Vote 3 - Corporate Services | | | | | | | | | | | | | | - | - | - |
| Vote 4 - Infrastructure Planning and Development | | 4,111 | 4,111 | 4,111 | 4,111 | 4,111 | 4,111 | 4,111 | 4,111 | 4,111 | 4,111 | 4,111 | (27) | 45,195 | 48,344 | 51,003 |
| Vote 5 - Community Services | | 138 | 138 | 138 | 138 | 138 | 138 | 138 | 138 | 138 | 138 | 138 | 634 | 2,155 | 2,283 | 2,408 |
| Vote 6 - Budget and Treasury | | 43,683 | | | | 43,683 | | | | 43,683 | | | 8,012 | 139,060 | 168,757 | 178,039 |
| Vote 7 - Local Economic Development | | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | (0) | 18 | 19 | 20 |
| 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 Revenue by Vote | | 47,934 | 4,251 | 4,251 | 4,251 | 47,934 | 4,251 | 4,251 | 4,251 | 47,934 | 4,251 | 4,251 | 8,620 | 186,429 | 219,403 | 231,471 |
| Expenditure by Vote to be appropriated | | | | | | | | | | | | | | | | |
| Vote 1 - Exco and Council | | 267 | 267 | 267 | 267 | 267 | 267 | 267 | 267 | 267 | 267 | 267 | 19,145 | 22,077 | 23,379 | 24,665 |
| Vote 2 - Municipal Manager | | 133 | 133 | 133 | 133 | 133 | 133 | 133 | 133 | 133 | 133 | 133 | 12,176 | 13,642 | 14,447 | 15,241 |
| Vote 3 - Corporate Services | | 183 | 183 | 183 | 183 | 183 | 183 | 183 | 183 | 183 | 183 | 183 | 14,411 | 16,426 | 17,395 | 18,352 |
| Vote 4 - Infrastructure Planning and Development | | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 28,690 | 31,988 | 33,875 | 35,738 |
| Vote 5 - Community Services | | 283 | 283 | 283 | 283 | 283 | 283 | 283 | 283 | 283 | 283 | 283 | 14,914 | 18,029 | 19,093 | 20,143 |
| Vote 6 - Budget and Treasury | | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 61,874 | 65,172 | 69,017 | 72,813 |
| Vote 7 - Local Economic Development | | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 7,740 | 9,939 | 10,525 | 11,104 |
| 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 Expenditure by Vote | | 1,666 | 1,666 | 1,666 | 1,666 | 1,666 | 1,666 | 1,666 | 1,666 | 1,666 | 1,666 | 1,666 | 158,950 | 177,273 | 187,732 | 198,057 |
| Surplus/(Deficit) before assoc. | | 46,268 | 2,585 | 2,585 | 2,585 | 46,268 | 2,585 | 2,585 | 2,585 | 46,268 | 2,585 | 2,585 | (150,330) | 9,156 | 31,672 | 33,414 |
| Taxation | | | | | | | | | | | | | | - | - | - |
| Attributable to minorities | | | | | | | | | | | | | | - | - | - |
| Share of surplus/ (deficit) of associate | | | | | | | | | | | | | | - | - | - |
| Surplus/(Deficit) | 1 | 46,268 | 2,585 | 2,585 | 2,585 | 46,268 | 2,585 | 2,585 | 2,585 | 46,268 | 2,585 | 2,585 | (150,330) | 9,156 | 31,672 | 33,414 |

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 SA18 Transfers and grant receipts

| 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 |
| RECEIPTS: | 1, 2 | | | | | | | | | |
| Operating Transfers and Grants | | | | | | | | | | |
| National Government: | | 71,276 | - | - | - | - | - | 120,382 | 150,036 | 158,288 |
| Local Government Equitable Share | | | | | | | | | | |
| Integrated National Electrification Programme | | 1,250 | | | | | | 1,600 | 1,650 | 1,741 |
| Finance Management | | 69,276 | | | | | | 115,999 | 147,419 | 155,527 |
| Local Government Equitable Share | | 750 | | | | | | 934 | 967 | 1,020 |
| Municipal Systems Improvement | | | | | | | | 1,849 | | |
| EPWP Incentive | | | | | | | | | | |
| Other transfers/grants [insert description] | | | | | | | | | | |
| Provincial Government: | | 1,630 | - | - | - | - | - | - | - | - |
| | | | | | | | | | | |
| IEC Project | | 1,630 | | | | | | | | |
| District Municipality: | | 5,705 | - | - | - | - | - | - | - | - |
| Chris Hani District-Water Services Department | | 5,705 | | | | | | | | |
| Other grant providers: | | 2,857 | - | - | - | - | - | - | - | - |
| LGSETA | | 2,857 | | | | | | | | |
| Total Operating Transfers and Grants | 5 | 81,469 | - | - | - | - | - | 120,382 | 150,036 | 158,288 |
| Capital Transfers and Grants | | | | | | | | | | |
| National Government: | | 17,564 | - | - | - | - | - | 44,856 | 66,929 | 44,952 |
| Municipal Infrastructure Grant (MIG) | | 17,564 | | | | | | 38,856 | 40,729 | 42,452 |
| | | | | | | | | | | |
| Integrated Electrification Grant | | | | | | | | 6,000 | 26,200 | 2,500 |
| Provincial Government: | | - | - | - | - | - | - | - | - | - |
| Other capital transfers/grants [insert description] | | | | | | | | | | |
| District Municipality: | | - | - | - | - | - | - | - | - | - |
| Chris Hani District-Water Services Department | | | | | | | | | | |
| Other grant providers: | | - | - | - | - | - | - | - | - | - |
| LGSETA | | | | | | | | | | |
| Total Capital Transfers and Grants | 5 | 17,564 | - | - | - | - | - | 44,856 | 66,929 | 44,952 |
| TOTAL RECEIPTS OF TRANSFERS & GRANTS | | 99,033 | - | - | - | - | - | 165,238 | 216,965 | 203,240 |

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 2014/15 financial year

| Category | Current Tariff (1 July 2014) | Proposed tariff (from 1 July 2015) |
|----------------------------------|---------------------------------|--|
| | 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 | 6.6 | 6.9 |

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 5,9 per cent from 1 July 2014 for water is proposed.

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

Proposed Water Tariffs

| | 2013/14 | 2014/15 | |
|--|----------|---------|--------|
| Metered Consumption (Domestic Consumers) | | | |
| Basic / Availability Charge | 43.71 | 46.20 | 48.7 |
| Metered Consumption (Other than Domestic Consumers) | | | |
| Basic / Availability Charge (per month) | 43.71 | 46.20 | 48.7 |
| Normal Consumption | | | |
| Domestic | | | |
| Per kiloliter consumed 0-6 kl (indigent) | | | |
| Per kiloliter consumed 0-6 kl | 6.40 | 6.7 | 7.00 |
| Per kiloliter consumed 7 – 10 kl | 6.53 | 6.9 | 7.2 |
| Per kiloliter consumed 11-20 kl | 9.06 | 9.5 | 10.00 |
| Per kiloliter consumed 21-30 kl | 11.76 | 12.40 | 13.00 |
| Per kiloliter consumed 31 + kl | 14.75 | 15.6 | 16.4 |
| Bulk/Commercial/Industrial Supply per kl | 10.32 | 10.9 | 11.4 |
| Other (Schools/ Non-profit organizations/Church) per kl | 6.35 | 6.7 | 7.00 |
| Tariff Bulk supply rate (builders) | 9.80 | 10.3 | 10.8 |
| New Connection (to be paid prior connection) | | | |
| Test Meter (Not Refundable)To be paid in advance | 133.83 | 141.7 | 149.4 |
| DEPOSITS (WATER SERVICES) | | | |
| Consumers – Domestic | 378.72 | 401.0 | 423.0 |
| Consumers – Business or Commercial | 1009.94 | 1069.5 | 1128.3 |
| Builders | 3,909.15 | 4,139.7 | 4367.3 |
| 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 | 568.95 | 602.5 | 635.6 |
| (b)The closing and re-opening of municipal stopcocks or values, when requested | | | |

| | | | |
|--|-------------|----------|----------|
| 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 kl/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 5,9 per cent for sanitation from 1 July 2014 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 kl 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

| Water-borne Sewerage (Domestic Consumers) | | | |
|--|--------|-------|-------|
| Small | | | |
| Basic / Availability Charge per month per connection (Erf 0-300m ²) | 44.36 | 46.9 | 49.4 |
| Basic / Availability Charge per month per connection (Erf 301-400m ²) | 62.77 | 66.4 | 70.0 |
| Basic / Availability Charge per month per connection (Erf 401-800m ²) | 163.34 | 172.9 | 182.4 |
| Basic / Availability Charge per month per connection (Erf 801-1200m ²) | 176.34 | 186.7 | 196.9 |
| Basic / Availability Charge per month per connection (Erf 1200>m ²) | 192.13 | 203.4 | 214.5 |
| Medium | | | |
| Flats | | | |
| Ordinary flats(Outside buildings) | 109.85 | 116.3 | 122.6 |
| 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 | 126.6 | 133.5 |
| | 9.28 | 9.80 | 10.33 |
| Water-borne Sewerage (Industrial Consumers) | | | |
| Basic / Availability Charge per month per connection | 125.56 | 132.9 | 140.2 |
| 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 | 13.94 | 14.7 | 15.5 |
| Water-borne Sewerage (Hotel's, hostels, Schools, hospitals, abattoirs & other consumers) | | | |
| Basic / Availability Charge per month per connection | 804.15 | 851.5 | 898.3 |
| Pan charge per pan plus an annual area charge determined as follows | 83.52 | 88.4 | 93.2 |
| The square root of the area of the land in square meters x a rate of | 39.94 | 42.2 | 44.5 |

Waste Removal and Impact of Tariff Increases

A 5,9 per cent increase in the waste removal tariff is proposed from 1 July 2014

Operating Expenditure Framework

The Municipality's expenditure framework for the 2014/15 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 2014/15 budget and MTREF (classified per main type of operating expenditure):

Summary of operating expenditure by standard classification item

The budgeted allocation for employee related costs for the 2014/15 financial year totals

R77 674 Based on the three year collective SALGBC agreement, salary increases have been factored into this budget at a percentage increase of 5, 9 per cent for the 2014/15 financial year.

Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the Municipality's current infrastructure, the 2014/15 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

| | | | | | | | | | | | |
|--|----------|---|---|---|--------------|--------------|--------------|---|--------------|--------------|--------------|
| Repairs and Maintenance | 8 | | | | | | | | | | |
| Employee related costs | | | | | | | | | | - | - |
| Other materials | | | | | | | | | | | |
| Contracted Services | | | | | | | | | | | |
| Other Expenditure | | | | | 9,082 | 1,000 | 1,000 | | 6,691 | 7,086 | 7,476 |
| Total Repairs and Maintenance Expenditure | 9 | - | - | - | 9,082 | 1,000 | 1,000 | - | 6,691 | 7,086 | 7,476 |

During the compilation of the 2014/15 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.

EC135 Intsika Yethu - Table A10 Basic service delivery measurement

| Description | Ref | 2010/11 | 2011/12 | 2012/13 | Current Year 2013/14 | | | 2014/15 Medium Term Revenue & Expenditure Framework | | |
|--|-----|---------|---------|---------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Outcome | Outcome | Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2014/15 | Budget Year +1 2015/16 | Budget Year +2 2016/17 |
| Household service targets | 1 | | | | | | | | | |
| Water: | | | | | | | | | | |
| Piped water inside dwelling | | | | | | | | 1,002 | 1,061 | 1,119 |
| Piped water inside yard (but not in dwelling) | | | | | | | | 2,834 | 3,001 | 3,166 |
| Using public tap (at least min.service level) | 2 | | | | | | | 16,728 | 17,715 | 18,689 |
| Other water supply (at least min.service level) | 4 | | | | | | | 6,914 | 7,322 | 7,725 |
| <i>Minimum Service Level and Above sub-total</i> | | - | - | - | - | - | - | 27,478 | 29,099 | 30,700 |
| Using public tap (< min.service level) | 3 | | | | | | | 2,070 | 2,192 | 2,313 |
| Other water supply (< min.service level) | 4 | | | | | | | 769 | 814 | 859 |
| No water supply | | | | | | | | 10,139 | 10,737 | 11,328 |
| <i>Below Minimum Service Level sub-total</i> | | - | - | - | - | - | - | 12,978 | 13,744 | 14,500 |
| Total number of households | 5 | - | - | - | - | - | - | 40,456 | 42,843 | 45,199 |
| Sanitation/sewerage: | | | | | | | | | | |
| Flush toilet (connected to sewerage) | | | | | | | | 918 | 972 | 1,026 |
| Flush toilet (with septic tank) | | | | | | | | 373 | 395 | 417 |
| Chemical toilet | | | | | | | | 711 | 753 | 794 |
| Pit toilet (ventilated) | | | | | | | | 9,124 | | |
| Other toilet provisions (> min.service level) | | | | | | | | 1,894 | | |
| <i>Minimum Service Level and Above sub-total</i> | | - | - | - | - | - | - | 13,020 | 2,120 | 2,237 |
| Bucket toilet | | | | | | | | | | |
| Other toilet provisions (< min.service level) | | | | | | | | | | |
| No toilet provisions | | | | | | | | | | |
| <i>Below Minimum Service Level sub-total</i> | | - | - | - | - | - | - | - | - | - |
| Total number of households | 5 | - | - | - | - | - | - | 13,020 | 2,120 | 2,237 |
| Energy: | | | | | | | | | | |
| Electricity (at least min.service level) | | | | | | | | 25,988 | 27,521 | 29,035 |
| Electricity - prepaid (min.service level) | | | | | | | | | | |
| <i>Minimum Service Level and Above sub-total</i> | | - | - | - | - | - | - | 25,988 | 27,521 | 29,035 |
| Electricity (< min.service level) | | | | | | | | | | |
| Electricity - prepaid (< min. service level) | | | | | | | | 14,460 | 15,313 | 16,155 |
| Other energy sources | | | | | | | | | | |
| <i>Below Minimum Service Level sub-total</i> | | - | - | - | - | - | - | 14,460 | 15,313 | 16,155 |
| Total number of households | 5 | - | - | - | - | - | - | 40,448 | 42,834 | 45,190 |
| Refuse: | | | | | | | | | | |
| Removed at least once a week | | | | | | | | 1,151 | 1,219 | 1,286 |
| <i>Minimum Service Level and Above sub-total</i> | | - | - | - | - | - | - | 1,151 | 1,219 | 1,286 |
| Removed less frequently than once a week | | | | | | | | 173 | 183 | 193 |
| Using communal refuse dump | | | | | | | | 557 | 590 | 622 |
| Using own refuse dump | | | | | | | | 25,456 | 26,958 | 28,441 |
| Other rubbish disposal | | | | | | | | 1,215 | 1,287 | 1,357 |
| No rubbish disposal | | | | | | | | 11,896 | 12,598 | 13,291 |
| <i>Below Minimum Service Level sub-total</i> | | - | - | - | - | - | - | 39,297 | 41,616 | 43,904 |
| Total number of households | 5 | - | - | - | - | - | - | 40,448 | 42,834 | 45,190 |
| Households receiving Free Basic Service | 7 | | | | | | | | | |
| Water (6 kilolitres per household per month) | | | | | | | | 16 | 17 | 18 |
| Sanitation (free minimum level service) | | | | | | | | 16 | 17 | 18 |
| Electricity/other energy (50kwh per household per month) | | | | | | | | 5,811 | 6,154 | 6,492 |
| Refuse (removed at least once a week) | | | | | | | | 16 | 17 | 18 |
| Cost of Free Basic Services provided (R'000) | 8 | | | | | | | | | |
| Water (6 kilolitres per household per month) | | | | | | | | | | |
| Sanitation (free sanitation service) | | | | | | | | | | |
| Electricity/other energy (50kwh per household per month) | | | | | | | | | | |
| Refuse (removed once a week) | | | | | | | | | | |
| Total cost of FBS provided (minimum social packa | | - | - | - | - | - | - | - | - | - |
| Highest level of free service provided | | | | | | | | | | |
| Property rates (R value threshold) | | | | | | | | 15,000 | 15,885 | 16,759 |
| Water (kilolitres per household per month) | | | | | | | | 6 | 6 | 7 |
| Sanitation (kilolitres per household per month) | | | | | | | | 6 | 6 | 7 |
| Sanitation (Rand per household per month) | | | | | | | | 192 | 203 | 215 |
| Electricity (kwh per household per month) | | | | | | | | 50 | 53 | 56 |
| Refuse (average litres per week) | | | | | | | | 44 | 46 | 49 |
| Revenue cost of free services provided (R'000) | 9 | | | | | | | | | |
| Property rates (R15 000 threshold rebate) | | | | | | | | | | |
| Property rates (other exemptions, reductions and rebates) | | | | | | | | | | |
| Water | | | | | | | | | | |
| Sanitation | | | | | | | | | | |
| Electricity/other energy | | | | | | | | | | |
| Refuse | | | | | | | | | | |
| Municipal Housing - rental rebates | | | | | | | | | | |
| Housing - top structure subsidies | 6 | | | | | | | | | |
| Other | | | | | | | | | | |
| Total revenue cost of free services provided (total social package) | | - | - | - | - | - | - | - | - | - |

Capital expenditure

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

EC135 Intsika Yethu - 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 |
| Capital expenditure - Vote | | | | | | | | | | | |
| Multi-year expenditure to be appropriated | 2 | | | | | | | | | | |
| Vote 1 - Exco and Council | | - | - | - | - | - | - | - | - | - | - |
| Vote 2 - Municipal Manager | | - | - | - | - | - | - | - | - | - | - |
| Vote 3 - Corporale Services | | - | - | - | - | - | - | - | - | - | - |
| Vote 4 - Infrastructure Planning and Development | | - | 26,028 | - | 9,841 | 9,841 | - | - | 38,856 | 40,729 | 42,452 |
| Vote 5 - Community Services | | - | 3,150 | - | - | - | - | - | - | - | - |
| Vote 6 - Budget and Treasury | | - | 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 | - | 34,358 | - | 9,841 | 9,841 | - | - | 38,856 | 40,729 | 42,452 |
| Single-year expenditure to be appropriated | 2 | | | | | | | | | | |
| Vote 1 - Exco and Council | | - | - | - | - | - | - | - | 16 | 17 | 18 |
| Vote 2 - Municipal Manager | | - | - | - | - | - | - | - | 8 | 8 | 9 |
| Vote 3 - Corporale Services | | - | - | - | - | - | - | - | 1,292 | 1,368 | 1,443 |
| Vote 4 - Infrastructure Planning and Development | | - | - | 25,935 | 58,162 | - | - | - | 8,045 | 8,520 | 8,988 |
| Vote 5 - Community Services | | - | - | - | 2,315 | - | - | - | 1,503 | 1,592 | 1,679 |
| Vote 6 - Budget and Treasury | | - | - | - | - | - | - | - | 18 | 19 | 20 |
| Vote 7 - Local Economic Development | | - | - | - | - | - | - | - | 1,562 | 1,654 | 1,745 |
| 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 | 60,477 | - | - | - | 12,443 | 13,178 | 13,902 |
| Total Capital Expenditure - Vote | | - | 34,358 | 25,935 | 70,318 | 9,841 | - | - | 51,299 | 53,907 | 56,354 |
| Capital Expenditure - Standard | | | | | | | | | | | |
| Governance and administration | | 2,401 | - | - | - | - | - | - | 732 | 775 | 817 |
| Executive and council | | | | | | | | | 331 | 351 | 370 |
| Budget and treasury office | | 2,216 | | | | | | | 248 | 263 | 278 |
| Corporale services | | 185 | | | | | | | 152 | 161 | 170 |
| Community and public safety | | - | - | - | - | - | - | - | 235 | 249 | 262 |
| Community and social services | | | | | | | | | 235 | 249 | 262 |
| Sport and recreation | | | | | | | | | | | |
| Public safety | | | | | | | | | | | |
| Housing | | | | | | | | | | | |
| Health | | | | | | | | | | | |
| Economic and environmental services | | 28,807 | 25,935 | - | - | - | - | - | 5,423 | 5,743 | 6,059 |
| Planning and development | | 28,807 | | | | | | | 466 | 493 | 520 |
| Road transport | | | 25,935 | | | | | | 4,957 | 5,250 | 5,539 |
| Environmental protection | | | | | | | | | | | |
| Trading services | | - | - | - | - | - | - | - | - | - | - |
| Electricity | | | | | | | | | | | |
| Water | | | | | | | | | | | |
| Waste water management | | | | | | | | | | | |
| Waste management | | | | | | | | | | | |
| Other | | | | | | | | | | | |
| Total Capital Expenditure - Standard | 3 | 31,209 | 25,935 | - | - | - | - | - | 6,389 | 6,766 | 7,139 |
| Funded by: | | | | | | | | | | | |
| National Government | | 15,164 | 25,935 | | | | | | 38,856 | 40,729 | 42,452 |
| Provincial Government | | 1,630 | | | | | | | | | |
| District Municipality | | | | | | | | | | | |
| Other transfers and grants | | 17,564 | | | | | | | 6,000 | 13,178 | 13,902 |
| Transfers recognised - capital | 4 | 34,358 | 25,935 | - | - | - | - | - | 44,856 | 53,907 | 56,354 |
| Public contributions & donations | 5 | | | | | | | | | | |
| Borrowing | 6 | | | | | | | | | | |
| Internally generated funds | | | | | | | | | 6,443 | | |
| Total Capital Funding | 7 | 34,358 | 25,935 | - | - | - | - | - | 51,299 | 53,907 | 56,354 |

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 2014/15 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory notes* on the facing page.

Explanatory notes to MBRR Table A1 - Budget Summary

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).

2015 Interim - Total Budget Summary

| Description | 2014 11 | 2014 12 | 2015 01 | Current Year 2015 01 | | | | 2015 12 Budget Year 2015 01 | | |
|--------------------------------------|---------------|---------------|---------------|----------------------|--------------|-----------------|----------------|-----------------------------|------------------------|------------------------|
| | Actual Quoted | Actual Quoted | Actual Quoted | Org. Budget | Adj. Budget | % Year Forecast | Revised Quoted | Budget Year 2015 01 | Budget Year -1 2015 01 | Budget Year -2 2015 01 |
| Revenue | | | | | | | | | | |
| Revenue Performance | | | | | | | | | | |
| Income tax | - | - | - | 1 000 | - | 100% | - | 1 000 | 1 000 | 1 000 |
| Income tax - other | - | - | - | 1 000 | - | 100% | - | 1 000 | 1 000 | 1 000 |
| Transfer payments - income | 1 000 | 1 000 | - | 1 000 | 1 000 | 100% | 1 000 | 1 000 | 1 000 | 1 000 |
| Transfer payments - other | 1 000 | 1 000 | - | 1 000 | 1 000 | 100% | 1 000 | 1 000 | 1 000 | 1 000 |
| Total Revenue | 2 000 | 2 000 | - | 2 000 | 2 000 | 100% | 2 000 | 2 000 | 2 000 | 2 000 |
| Expenditure | | | | | | | | | | |
| Operating Expenditure | | | | | | | | | | |
| Employee salaries | 1 000 | 1 000 | - | 1 000 | 1 000 | 100% | 1 000 | 1 000 | 1 000 | 1 000 |
| Employee salaries - other | 1 000 | 1 000 | - | 1 000 | 1 000 | 100% | 1 000 | 1 000 | 1 000 | 1 000 |
| Transfer payments - income | - | - | - | - | - | - | - | - | - | - |
| Transfer payments - other | - | - | - | - | - | - | - | - | - | - |
| Transfer payments - income | 1 000 | 1 000 | - | 1 000 | 1 000 | 100% | 1 000 | 1 000 | 1 000 | 1 000 |
| Transfer payments - other | 1 000 | 1 000 | - | 1 000 | 1 000 | 100% | 1 000 | 1 000 | 1 000 | 1 000 |
| Total Operating Expenditure | 2 000 | 2 000 | - | 2 000 | 2 000 | 100% | 2 000 | 2 000 | 2 000 | 2 000 |
| Capital Expenditure | | | | | | | | | | |
| Capital expenditure - income | - | - | - | - | - | - | - | - | - | - |
| Capital expenditure - other | - | - | - | - | - | - | - | - | - | - |
| Total Capital Expenditure | - | - | - | - | - | - | - | - | - | - |
| Financial Position | | | | | | | | | | |
| Financial position - income | 1 000 | 1 000 | - | 1 000 | 1 000 | 100% | 1 000 | 1 000 | 1 000 | 1 000 |
| Financial position - other | 1 000 | 1 000 | - | 1 000 | 1 000 | 100% | 1 000 | 1 000 | 1 000 | 1 000 |
| Total Financial Position | 2 000 | 2 000 | - | 2 000 | 2 000 | 100% | 2 000 | 2 000 | 2 000 | 2 000 |
| Cash Flow | | | | | | | | | | |
| Cash flow - income | 1 000 | 1 000 | - | 1 000 | 1 000 | 100% | 1 000 | 1 000 | 1 000 | 1 000 |
| Cash flow - other | 1 000 | 1 000 | - | 1 000 | 1 000 | 100% | 1 000 | 1 000 | 1 000 | 1 000 |
| Total Cash Flow | 2 000 | 2 000 | - | 2 000 | 2 000 | 100% | 2 000 | 2 000 | 2 000 | 2 000 |
| MFMA Funding Compliance | | | | | | | | | | |
| MFMA funding compliance - income | 1 000 | 1 000 | - | 1 000 | 1 000 | 100% | 1 000 | 1 000 | 1 000 | 1 000 |
| MFMA funding compliance - other | 1 000 | 1 000 | - | 1 000 | 1 000 | 100% | 1 000 | 1 000 | 1 000 | 1 000 |
| Total MFMA Funding Compliance | 2 000 | 2 000 | - | 2 000 | 2 000 | 100% | 2 000 | 2 000 | 2 000 | 2 000 |

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 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 | 1 | | | | | | | | | |
| <i>Governance and administration</i> | | 116,181 | 154,232 | - | 120,870 | 117 | (184) | 139,060 | 171,774 | 181,222 |
| Executive and council | | - | - | - | 450 | - | - | 139,060 | 171,774 | 181,222 |
| Budget and treasury office | | 116,181 | 154,232 | - | 120,420 | (173) | (473) | - | - | - |
| Corporate services | | - | - | - | - | 289 | 289 | - | - | - |
| <i>Community and public safety</i> | | - | - | - | 3,525 | (300) | (300) | 2,155 | 2,283 | 2,408 |
| Community and social services | | - | - | - | 3,525 | (300) | (300) | 2,155 | 2,283 | 2,408 |
| Sport and recreation | | - | - | - | - | - | - | - | - | - |
| Public safety | | - | - | - | - | - | - | - | - | - |
| Housing | | - | - | - | - | - | - | - | - | - |
| Health | | - | - | - | - | - | - | - | - | - |
| <i>Economic and environmental services</i> | | - | - | - | 47,825 | 16,044 | 31,044 | 45,214 | 48,364 | 51,024 |
| Planning and development | | - | - | - | 35 | 6,618 | 6,618 | 18 | 19 | 20 |
| Road transport | | - | - | - | 47,790 | 9,426 | 24,426 | 45,195 | 48,344 | 51,003 |
| Environmental protection | | - | - | - | - | - | - | - | - | - |
| <i>Trading services</i> | | - | - | - | 30,000 | (1,726) | (1,726) | - | - | - |
| Electricity | | - | - | - | - | - | - | - | - | - |
| Water | | - | - | - | 30,000 | (1,726) | (1,726) | - | - | - |
| Waste water management | | - | - | - | - | - | - | - | - | - |
| Waste management | | - | - | - | - | - | - | - | - | - |
| <i>Other</i> | 4 | - | - | - | - | - | - | - | - | - |
| Total Revenue - Standard | 2 | 116,181 | 154,232 | - | 202,220 | 14,135 | 28,835 | 186,429 | 222,420 | 234,654 |
| Expenditure - Standard | | | | | | | | | | |
| <i>Governance and administration</i> | | 93,767 | 191,401 | - | 71,927 | 2,316 | 34,589 | 117,317 | 124,239 | 131,072 |
| Executive and council | | 10,877 | 8,595 | - | 30,159 | 1,139 | 2,913 | 35,719 | 37,826 | 39,907 |
| Budget and treasury office | | 40,599 | 120,722 | - | 27,313 | 797 | 31,296 | 65,172 | 69,017 | 72,813 |
| Corporate services | | 42,290 | 62,083 | - | 14,455 | 380 | 380 | 16,426 | 17,395 | 18,352 |
| <i>Community and public safety</i> | | - | - | - | 23,572 | (253) | (253) | 18,029 | 19,093 | 20,143 |
| Community and social services | | - | - | - | 23,572 | (253) | (253) | 18,029 | 19,093 | 20,143 |
| Sport and recreation | | - | - | - | - | - | - | - | - | - |
| Public safety | | - | - | - | - | - | - | - | - | - |
| Housing | | - | - | - | - | - | - | - | - | - |
| Health | | - | - | - | - | - | - | - | - | - |
| <i>Economic and environmental services</i> | | 8,422 | 6,596 | - | 29,572 | 12,997 | 12,997 | 42,926 | 45,459 | 47,959 |
| Planning and development | | - | - | - | 8,327 | 5,940 | 5,940 | 9,939 | 10,525 | 11,104 |
| Road transport | | 8,422 | 6,596 | - | 21,245 | 7,056 | 7,056 | 32,988 | 34,934 | 36,855 |
| Environmental protection | | - | - | - | - | - | - | - | - | - |
| <i>Trading services</i> | | - | - | - | 30,000 | (1,726) | (1,726) | - | - | - |
| Electricity | | - | - | - | - | - | - | - | - | - |
| Water | | - | - | - | 30,000 | (1,726) | (1,726) | - | - | - |
| Waste water management | | - | - | - | - | - | - | - | - | - |
| Waste management | | - | - | - | - | - | - | - | - | - |
| <i>Other</i> | 4 | - | - | - | - | - | - | - | - | - |
| Total Expenditure - Standard | 3 | 102,190 | 197,996 | - | 155,071 | 13,335 | 45,607 | 178,273 | 188,791 | 199,174 |
| Surplus/(Deficit) for the year | | 13,991 | (43,764) | - | 47,149 | 800 | (16,772) | 8,156 | 33,630 | 35,479 |

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.

EC135 Intsika Yethu - 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 | 1 | | | | | | | | | |
| Vote 1 - Exco and Council | | - | - | - | - | - | - | - | - | - |
| Vote 2 - Municipal Manager | | - | - | - | 450 | - | - | - | - | - |
| Vote 3 - Corporate Services | | - | - | - | - | 289 | 289 | - | - | - |
| Vote 4 - Infrastructure Planning and Development | | - | - | - | 47,790 | 9,426 | 24,426 | 45,195 | 48,344 | 51,003 |
| Vote 5 - Community Services | | - | - | - | 3,525 | (300) | (300) | 2,155 | 2,283 | 2,408 |
| Vote 6 - Budget and Treasury | | 116,181 | 154,232 | - | 120,420 | (173) | (473) | 139,060 | 168,757 | 178,039 |
| Vote 7 - Local Economic Development | | - | - | - | 35 | 6,618 | 6,618 | 18 | 19 | 20 |
| Vote 8 - Water Services | | - | - | - | 30,000 | (1,726) | (1,726) | - | - | - |
| 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 | 116,181 | 154,232 | - | 202,220 | 14,135 | 28,835 | 186,429 | 219,403 | 231,471 |
| Expenditure by Vote to be appropriated | 1 | | | | | | | | | |
| Vote 1 - Exco and Council | | 10,877 | 8,595 | - | 19,726 | 309 | 2,083 | 22,077 | 23,379 | 24,665 |
| Vote 2 - Municipal Manager | | - | - | - | 10,433 | 830 | 830 | 13,642 | 14,447 | 15,241 |
| Vote 3 - Corporate Services | | 42,290 | 62,083 | - | 14,455 | 380 | 380 | 16,426 | 17,395 | 18,352 |
| Vote 4 - Infrastructure Planning and Development | | 8,422 | 6,596 | - | 21,245 | 7,056 | 7,056 | 31,988 | 33,875 | 35,738 |
| Vote 5 - Community Services | | - | - | - | 23,572 | (253) | (253) | 18,029 | 19,093 | 20,143 |
| Vote 6 - Budget and Treasury | | 40,599 | 120,722 | - | 27,313 | 797 | 31,296 | 65,172 | 69,017 | 72,813 |
| Vote 7 - Local Economic Development | | - | - | - | 8,327 | 5,940 | 5,940 | 9,939 | 10,525 | 11,104 |
| Vote 8 - Water Services | | - | - | - | 30,000 | (1,726) | (1,726) | - | - | - |
| 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 | 102,190 | 197,996 | - | 155,071 | 13,335 | 45,607 | 177,273 | 187,732 | 198,057 |
| Surplus/(Deficit) for the year | 2 | 13,991 | (43,764) | - | 47,149 | 800 | (16,772) | 9,156 | 31,672 | 33,414 |

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

EC135 Intsika Yethu - 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 |
| Revenue By Source | | | | | | | | | | | |
| Property rates | 2 | - | - | - | 4,850 | - | 4,850 | - | 4,865 | 5,152 | 5,436 |
| Property rates - penalties & collection charges | | | | | | | | | | | |
| Service charges - electricity revenue | 2 | - | - | - | - | - | - | - | - | - | - |
| Service charges - water revenue | 2 | - | - | - | - | - | - | - | - | - | - |
| Service charges - sanitation revenue | 2 | - | - | - | - | - | - | - | - | - | - |
| Service charges - refuse revenue | 2 | - | - | - | 600 | - | 600 | - | 234 | 248 | 261 |
| Service charges - other | | | | | 213 | - | - | - | 12,542 | 13,282 | 14,013 |
| Rental of facilities and equipment | | 428 | 647 | - | 690 | - | - | - | 237 | 251 | 265 |
| Interest earned - external investments | | 693 | 860 | - | 200 | - | - | - | 299 | 316 | 334 |
| Interest earned - outstanding debtors | | 523 | 373 | - | 250 | - | - | - | - | - | - |
| Dividends received | | | | | | | | | | | |
| Fines | | 113 | 251 | - | 1,500 | (500) | (500) | - | 250 | 265 | 279 |
| Licences and permits | | 1,257 | 1,320 | - | 600 | - | - | - | 1,400 | 1,483 | 1,564 |
| Agency services | | | | | 3,000 | (173) | (173) | - | 364 | 385 | 407 |
| Transfers recognised - operational | | 81,469 | 112,496 | - | 134,993 | (1,726) | (1,726) | - | 120,382 | 198,021 | 208,912 |
| Other revenue | 2 | - | - | - | 21,088 | 7,256 | 13,680 | - | - | - | - |
| Gains on disposal of PPE | | 23 | 2 | - | | | | | | | |
| Total Revenue (excluding capital transfers and contributions) | | 84,505 | 115,948 | - | 167,984 | 4,857 | 16,731 | - | 140,573 | 219,403 | 231,471 |
| Expenditure By Type | | | | | | | | | | | |
| Employee related costs | 2 | - | - | - | 73,667 | 698 | 698 | - | 64,053 | 67,832 | 71,562 |
| Remuneration of councillors | | 10,877 | 8,595 | - | 13,326 | 909 | 909 | - | 13,622 | 14,425 | 15,219 |
| Debt impairment | 3 | 7,062 | 1,738 | - | 1,500 | - | - | - | 1,700 | 1,800 | 1,899 |
| Depreciation & asset impairment | 2 | - | - | - | 33,200 | - | 33,200 | - | 35,000 | 37,065 | 39,104 |
| Finance charges | | 4 | 525 | - | 250 | - | 250 | - | 190 | 201 | 212 |
| Bulk purchases | 2 | - | - | - | - | - | - | - | - | - | - |
| Other materials | 8 | 8,422 | 6,596 | - | - | - | - | - | 6,442 | 73,751 | 74,650 |
| Contracted services | | - | - | - | 450 | - | 450 | - | 6,231 | 6,598 | 6,961 |
| Transfers and grants | | - | - | - | - | - | - | - | - | - | - |
| Other expenditure | 4, 5 | - | - | - | 58,642 | 8,162 | 9,869 | - | 50,035 | 52,987 | 55,902 |
| Loss on disposal of PPE | | | | | | | | | | | |
| Total Expenditure | | 26,366 | 17,454 | - | 181,035 | 9,769 | 45,376 | - | 177,273 | 254,661 | 265,509 |
| Surplus/(Deficit) | | 58,139 | 98,494 | - | (13,052) | (4,912) | (28,644) | - | (36,700) | (35,257) | (34,038) |
| Transfers recognised - capital | | 17,564 | 25,935 | - | 46,042 | | 14,355 | | 44,856 | 66,929 | 67,452 |
| Contributions recognised - capital | | - | - | - | 12,107 | 3,120 | 3,120 | - | - | - | - |
| Contributed assets | | | | | | | | | | | |
| Surplus/(Deficit) after capital transfers & contributions | | 75,703 | 124,429 | - | 45,097 | (1,792) | (11,169) | - | 8,156 | 31,672 | 33,414 |
| Taxation | | | | | | | | | | | |
| Surplus/(Deficit) after taxation | | 75,703 | 124,429 | - | 45,097 | (1,792) | (11,169) | - | 8,156 | 31,672 | 33,414 |
| Attributable to minorities | | | | | | | | | | | |
| Surplus/(Deficit) attributable to municipality | | 75,703 | 124,429 | - | 45,097 | (1,792) | (11,169) | - | 8,156 | 31,672 | 33,414 |
| Share of surplus/ (deficit) of associate | 7 | | | | | | | | | | |
| Surplus/(Deficit) for the year | | 75,703 | 124,429 | - | 45,097 | (1,792) | (11,169) | - | 8,156 | 31,672 | 33,414 |

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

EC135 Intsika Yethu - 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 |
| 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 | | - | 26,028 | - | 9,841 | 9,841 | - | 38,856 | 40,729 | 42,452 | |
| Vote 5 - Community Services | | - | 3,150 | - | - | - | - | - | - | - | |
| Vote 6 - Budget and Treasury | | - | 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 | - | 34,358 | - | 9,841 | 9,841 | - | 38,856 | 40,729 | 42,452 | |
| Single-year expenditure to be appropriated | 2 | | | | | | | | | | |
| Vote 1 - Exco and Council | | - | - | - | - | - | - | 16 | 17 | 18 | |
| Vote 2 - Municipal Manager | | - | - | - | - | - | - | 8 | 8 | 9 | |
| Vote 3 - Corporate Services | | - | - | - | - | - | - | 1,292 | 1,368 | 1,443 | |
| Vote 4 - Infrastructure Planning and Development | | - | - | 25,935 | 58,162 | - | - | 8,045 | 8,520 | 8,988 | |
| Vote 5 - Community Services | | - | - | - | 2,315 | - | - | 1,503 | 1,592 | 1,679 | |
| Vote 6 - Budget and Treasury | | - | - | - | - | - | - | 18 | 19 | 20 | |
| Vote 7 - Local Economic Development | | - | - | - | - | - | - | 1,562 | 1,654 | 1,745 | |
| 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 | 60,477 | - | - | 12,443 | 13,178 | 13,902 | |
| Total Capital Expenditure - Vote | | - | 34,358 | 25,935 | 70,318 | 9,841 | - | 51,299 | 53,907 | 56,354 | |
| Capital Expenditure - Standard | | | | | | | | | | | |
| <i>Governance and administration</i> | | 2,401 | - | - | - | - | - | 732 | 775 | 817 | |
| Executive and council | | | | | | | | 331 | 351 | 370 | |
| Budget and treasury office | | 2,216 | | | | | | 248 | 263 | 278 | |
| Corporate services | | 185 | | | | | | 152 | 161 | 170 | |
| <i>Community and public safety</i> | | - | - | - | - | - | - | 235 | 249 | 262 | |
| Community and social services | | | | | | | | 235 | 249 | 262 | |
| Sport and recreation | | | | | | | | | | | |
| Public safety | | | | | | | | | | | |
| Housing | | | | | | | | | | | |
| Health | | | | | | | | | | | |
| <i>Economic and environmental services</i> | | 28,807 | 25,935 | - | - | - | - | 5,423 | 5,743 | 6,059 | |
| Planning and development | | 28,807 | | | | | | 466 | 493 | 520 | |
| Road transport | | | 25,935 | | | | | 4,957 | 5,250 | 5,539 | |
| Environmental protection | | | | | | | | | | | |
| <i>Trading services</i> | | - | - | - | - | - | - | - | - | - | |
| Electricity | | | | | | | | | | | |
| Water | | | | | | | | | | | |
| Waste water management | | | | | | | | | | | |
| Waste management | | | | | | | | | | | |
| <i>Other</i> | | | | | | | | | | | |
| Total Capital Expenditure - Standard | 3 | 31,209 | 25,935 | - | - | - | - | 6,389 | 6,766 | 7,139 | |
| Funded by: | | | | | | | | | | | |
| National Government | | 15,164 | 25,935 | | | | | 38,856 | 40,729 | 42,452 | |
| Provincial Government | | 1,630 | | | | | | | | | |
| District Municipality | | | | | | | | | | | |
| Other transfers and grants | | 17,564 | | | | | | 6,000 | 13,178 | 13,902 | |
| Transfers recognised - capital | 4 | 34,358 | 25,935 | - | - | - | - | 44,856 | 53,907 | 56,354 | |
| Public contributions & donations | 5 | | | | | | | | | | |
| Borrowing | 6 | | | | | | | | | | |
| Internally generated funds | | | | | | | | 6,443 | | | |
| Total Capital Funding | 7 | 34,358 | 25,935 | - | - | - | - | 51,299 | 53,907 | 56,354 | |

MBRR Table A7 - Budgeted Cash Flow Statement

EC135 Intsika Yethu - 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 |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Ratepayers and other | | | | | 21,905 | (673) | 21,232 | | 22,741 | 14,172 | 15,521 |
| Government - operating | 1 | | | | 134,993 | (1,726) | 133,267 | | 118,533 | 148,908 | 192,537 |
| Government - capital | 1 | | | | 30,281 | | 30,761 | | 44,856 | 66,929 | 67,452 |
| Interest | | | | | 450 | | 450 | | 299 | 316 | 334 |
| Dividends | | | | | | | | | | | |
| Payments | | | | | | | | | | | |
| Suppliers and employees | | | | | (136,568) | 10,769 | (125,799) | | (222,939) | (226,721) | (239,191) |
| Finance charges | | | | | (250) | | (250) | | (190) | (201) | (212) |
| Transfers and Grants | 1 | | | | (3,000) | | (3,000) | | | | |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | - | - | - | 47,811 | 8,371 | 56,661 | - | (36,700) | 3,403 | 36,441 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Proceeds on disposal of PPE | | | | | | | | | | | |
| Decrease (increase) in non-current debtors | | | | | | | | | | | |
| Decrease (increase) other non-current receivables | | | | | | | | | | | |
| Decrease (increase) in non-current investments | | | | | | | | | | | |
| Payments | | | | | | | | | | | |
| Capital assets | | | | | (47,149) | 4,291 | (8,957) | | | | |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | - | - | - | (47,149) | 4,291 | (8,957) | - | - | - | - |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Short term loans | | | | | | | | | | | |
| Borrowing long term/refinancing | | | | | | | | | | | |
| Increase (decrease) in consumer deposits | | | | | | | | | | | |
| Payments | | | | | | | | | | | |
| Repayment of borrowing | | | | | | | | | | | |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | | - | - | - | - | - | - | - | - | - | - |
| NET INCREASE/ (DECREASE) IN CASH HELD | | - | - | - | 662 | 12,662 | 47,704 | - | (36,700) | 3,403 | 36,441 |
| Cash/cash equivalents at the year begin: | 2 | | | | | | | | | (36,700) | (33,297) |
| Cash/cash equivalents at the year end: | 2 | | | | 662 | 12,662 | 47,704 | | (36,700) | (33,297) | 3,144 |

MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

EC135 Intsika Yethu - Table A8 Cash backed reserves/accumulated surplus reconciliation

| 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 |
| Cash and investments available | | | | | | | | | | | |
| Cash/cash equivalents at the year end | 1 | - | - | - | 662 | 12,662 | 47,704 | - | (36,700) | (33,297) | 3,144 |
| Other current investments > 90 days | | 12,340 | 15,704 | - | (662) | (12,662) | (47,704) | - | 36,700 | 33,297 | (3,144) |
| Non current assets - Investments | 1 | - | - | - | - | - | - | - | - | - | - |
| Cash and investments available: | | 12,340 | 15,704 | - | - | - | - | - | - | - | - |
| Application of cash and investments | | | | | | | | | | | |
| Unspent conditional transfers | | - | - | - | - | - | - | - | - | - | - |
| Unspent borrowing | | - | - | - | - | - | - | - | - | - | - |
| Statutory requirements | 2 | | | | | | | | | | |
| Other working capital requirements | 3 | 14,652 | 12,110 | - | - | - | - | - | - | - | - |
| Other provisions | | | | | | | | | | | |
| Long term investments committed | 4 | - | - | - | - | - | - | - | - | - | - |
| Reserves to be backed by cash/investments | 5 | | | | | | | | | | |
| Total Application of cash and investments: | | 14,652 | 12,110 | - | - | - | - | - | - | - | - |
| Surplus(shortfall) | | (2,312) | 3,594 | - | - | - | - | - | - | - | - |

EC135 Intsika Yethu - Table A9 Asset Management

| 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 |
| R thousand | | | | | | | | | | |
| CAPITAL EXPENDITURE | | | | | | | | | | |
| Total New Assets | 1 | - | 34,358 | 25,935 | 70,318 | 9,841 | - | 6,443 | 6,404 | 6,239 |
| Infrastructure - Road transport | | - | 34,358 | 25,935 | 70,318 | 9,841 | - | 723 | 766 | 808 |
| Infrastructure - Electricity | | - | - | - | - | - | - | - | - | - |
| Infrastructure - Water | | - | - | - | - | - | - | - | - | - |
| Infrastructure - Sanitation | | - | - | - | - | - | - | - | - | - |
| Infrastructure - Other | | - | - | - | - | - | - | 800 | 847 | 894 |
| Infrastructure | | - | 34,358 | 25,935 | 70,318 | 9,841 | - | 1,523 | 1,613 | 1,702 |
| Community | | - | - | - | - | - | - | 300 | 318 | 335 |
| Heritage assets | | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - |
| Other assets | 6 | - | - | - | - | - | - | 3,138 | 3,323 | 3,505 |
| Agricultural Assets | | - | - | - | - | - | - | - | - | - |
| Biological assets | | - | - | - | - | - | - | - | - | - |
| Intangibles | | - | - | - | - | - | - | 1,483 | 1,151 | 697 |
| Total Renewal of Existing Assets | 2 | - | - | - | - | - | - | 44,856 | 47,503 | 50,115 |
| Infrastructure - Road transport | | - | - | - | - | - | - | 38,856 | 41,149 | 43,412 |
| Infrastructure - Electricity | | - | - | - | - | - | - | 6,000 | 6,354 | 6,703 |
| Infrastructure - Water | | - | - | - | - | - | - | - | - | - |
| Infrastructure - Sanitation | | - | - | - | - | - | - | - | - | - |
| Infrastructure - Other | | - | - | - | - | - | - | - | - | - |
| Infrastructure | | - | - | - | - | - | - | 44,856 | 47,503 | 50,115 |
| Community | | - | - | - | - | - | - | - | - | - |
| Heritage assets | | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - |
| Other assets | 6 | - | - | - | - | - | - | - | - | - |
| Agricultural Assets | | - | - | - | - | - | - | - | - | - |
| Biological assets | | - | - | - | - | - | - | - | - | - |
| Intangibles | | - | - | - | - | - | - | - | - | - |
| Total Capital Expenditure | 4 | - | 34,358 | 25,935 | 70,318 | 9,841 | - | 39,579 | 41,914 | 44,219 |
| Infrastructure - Road transport | | - | 34,358 | 25,935 | 70,318 | 9,841 | - | 6,000 | 6,354 | 6,703 |
| Infrastructure - Electricity | | - | - | - | - | - | - | - | - | - |
| Infrastructure - Water | | - | - | - | - | - | - | - | - | - |
| Infrastructure - Sanitation | | - | - | - | - | - | - | - | - | - |
| Infrastructure - Other | | - | - | - | - | - | - | 800 | 847 | 894 |
| Infrastructure | | - | 34,358 | 25,935 | 70,318 | 9,841 | - | 46,379 | 49,115 | 51,817 |
| Community | | - | - | - | - | - | - | 300 | 318 | 335 |
| Heritage assets | | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - |
| Other assets | | - | - | - | - | - | - | 3,138 | 3,323 | 3,505 |
| Agricultural Assets | | - | - | - | - | - | - | - | - | - |
| Biological assets | | - | - | - | - | - | - | - | - | - |
| Intangibles | | - | - | - | - | - | - | 1,483 | 1,151 | 697 |
| TOTAL CAPITAL EXPENDITURE - Asset class | 2 | - | 34,358 | 25,935 | 70,318 | 9,841 | - | 51,299 | 53,907 | 56,354 |
| ASSET REGISTER SUMMARY - PPE (WDV) | | | | | | | | | | |
| Infrastructure - Road transport | 5 | | | | | | | | | |
| Infrastructure - Electricity | | | | | | | | | | |
| Infrastructure - Water | | | | | | | | | | |
| Infrastructure - Sanitation | | | | | | | | | | |
| Infrastructure - Other | | | | | | | | | | |
| Infrastructure | | 26,028 | - | - | - | - | - | - | - | - |
| Community | | 3,150 | - | - | - | - | - | - | - | - |
| Heritage assets | | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - |
| Other assets | | 5,181 | - | - | - | - | - | - | - | - |
| Agricultural Assets | | - | - | - | - | - | - | - | - | - |
| Biological assets | | - | - | - | - | - | - | - | - | - |
| Intangibles | | - | - | - | - | - | - | - | - | - |
| TOTAL ASSET REGISTER SUMMARY - PPE (WDV) | 5 | 34,358 | - | - | - | - | - | - | - | - |
| EXPENDITURE OTHER ITEMS | | | | | | | | | | |
| Depreciation & asset impairment | 3 | - | - | - | 33,200 | - | 33,200 | 35,000 | 37,065 | 39,104 |
| Repairs and Maintenance by Asset Class | | - | - | - | 9,082 | 1,000 | 1,000 | 6,691 | 7,086 | 7,476 |
| Infrastructure - Road transport | | - | - | - | 9,082 | 1,000 | 1,000 | 1,535 | 1,626 | 1,715 |
| Infrastructure - Electricity | | - | - | - | - | - | - | - | - | - |
| Infrastructure - Water | | - | - | - | - | - | - | - | - | - |
| Infrastructure - Sanitation | | - | - | - | - | - | - | - | - | - |
| Infrastructure - Other | | - | - | - | - | - | - | 2,875 | 3,045 | 3,212 |
| Infrastructure | | - | - | - | 9,082 | 1,000 | 1,000 | 4,410 | 4,670 | 4,927 |
| Community | | - | - | - | - | - | - | - | - | - |
| Heritage assets | | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - |
| Other assets | 6, 7 | - | - | - | - | - | - | 2,281 | 2,416 | 2,548 |
| TOTAL EXPENDITURE OTHER ITEMS | | - | - | - | 42,282 | 1,000 | 34,200 | 41,691 | 44,151 | 46,579 |
| <i>Renewal of Existing Assets as % of total capex</i> | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 87.4% | 88.1% | 88.9% |
| <i>Renewal of Existing Assets as % of deprecn"</i> | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 128.2% | 128.2% | 128.2% |
| <i>R&M as a % of PPE</i> | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| <i>Renewal and R&M as a % of PPE</i> | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |

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.

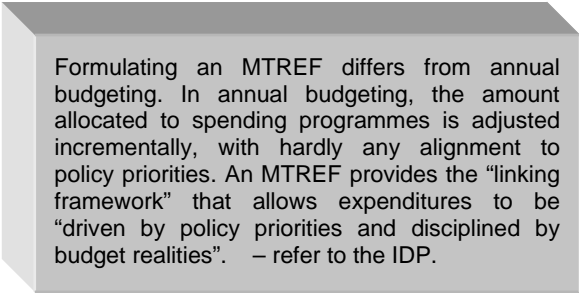
The purpose of the 2014/15 budget process will be the completion of a medium-term revenue and expenditure framework that share out resources in line with Council’s policy priorities for the next 3 years. The chapter further explains how all this will be achieved.

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 2014/15 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:

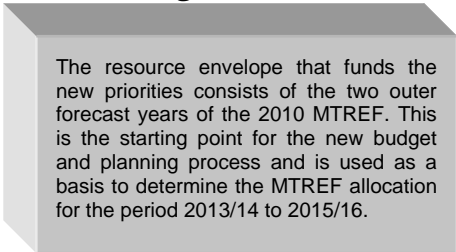


Formulating an MTREF differs from annual budgeting. In annual budgeting, the amount allocated to spending programmes is adjusted incrementally, with hardly any alignment to policy priorities. An MTREF provides the “linking framework” that allows expenditures to be “driven by policy priorities and disciplined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



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.

spending growth, inflation assumptions, and debt interest projections [if applicable at this stage].

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 2014/15 budget will define the budget baseline for the 2015 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 as 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

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.

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.

BUDGET PROCESS PLAN

| <p align="center">ACTIVITIES RELATING TO NEW BUDGET FOR THE NEXT YEAR</p> | <p align="center">INTEGRATED DEVELOPMENT PLAN FOR NEXT YEAR</p> |
|--|--|
| <p>JULY</p> | <p>JULY</p> |
| <p>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.</p> <p>Document the updated process and circulate to Councillors and 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> | |

| ACTIVITIES RELATING TO NEW BUDGET FOR THE NEXT YEAR | INTEGRATED DEVELOPMENT PLAN FOR NEXT YEAR |
|--|--|
| AUGUST | 1.1.1.1.1 AUGUST |
| <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

Confirm existing and set new policy priorities for next three years.

Determine the funding / revenue envelope potentially available for next three years.

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:

- Infrastructure Grants
(MIG/Dwaf/Cmip/Cbpwp)
- Recurrent Grants (FMG/MSIG/MSP)
- Equitable Share
- Other (Disaster Management/LED/HIV-aids)

NB - funding identified is to be as per local government financial year and not National financial year.

Determine the most likely financial outlook and identify need for changes to fiscal strategies.

Refine funding policies including tariff structures, if necessary.

| ACTIVITIES RELATING TO NEW BUDGET FOR THE NEXT YEAR | INTEGRATED DEVELOPMENT PLAN FOR NEXT YEAR |
|---|--|
| OCTOBER | OCTOBER |
| <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 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> | |
|--|--|

| <p>ACTIVITIES RELATING TO NEW BUDGET FOR THE NEXT YEAR</p> | <p>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 conjunction 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

| | |
|---|--|
| <p>strategic session discussions which will take place in approximately January of the next year.</p> <p>Clusters are also to reflect on any other funding, which is to be received during the remaining 7 months of the year.</p> <p>The financial model is to be cleared in order to allow for future year 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> | |
|---|--|

| <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> | |

| | |
|---|--|
| Submit adjustments budget to National Treasury. | |
|---|--|

| ACTIVITIES RELATING TO NEW BUDGET FOR THE NEXT YEAR | INTEGRATED DEVELOPMENT PLAN FOR NEXT YEAR |
|---|--|
| JANUARY | JANUARY |
| Continue finalisation of detailed plans and budgets. | |
| 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 | |
| <p>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.</p> <p>Review tariffs and charges and develop options for changes to be included in draft budget.</p> <p>Incorporate changes in preliminary budget and IDP proposals to take account of assessment from mid-year review and consultations on tariffs.</p> <p>Assessment of project balances to be done from the</p> | |

| | |
|---|--|
| <p>November review.</p> <p>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.</p> <p>A summary of all funding available is to be made available to Council and Intsika Yethu Municipality's Clusters.</p> <p>Document all material changes in allocations from the previous financial year budget.</p> | |
|---|--|

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

| <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>MARCH</p> | <p>MARCH</p> |
| <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>Mayor tables revised budget and IDP incorporating community input in Council – no later than 31 May.</p> <p>Municipal Council approves budget and IDP by 1st June.</p> <p>[Budget for current year and notes budget projections for the two years thereafter]</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 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> | |

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:

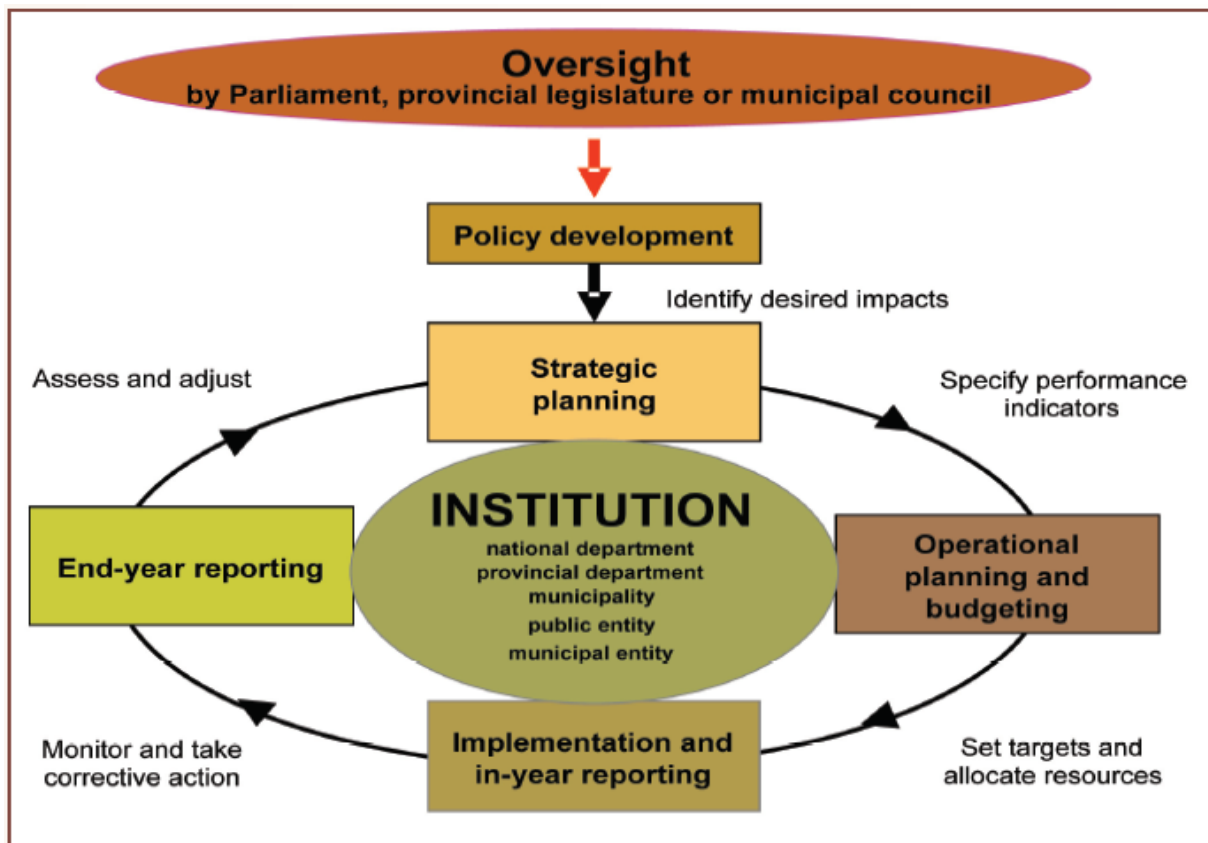


Figure 1 Planning, budgeting and reporting cycle

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 grants receipts

EC135 Intsika Yethu - Supporting Table SA18 Transfers and grant receipts

| 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 |
| RECEIPTS: | 1, 2 | | | | | | | | | |
| Operating Transfers and Grants | | | | | | | | | | |
| National Government: | | 71,276 | - | - | - | - | - | 120,382 | 150,036 | 158,288 |
| Local Government Equitable Share | | | | | | | | | | |
| Integrated National Electrification Programme | | | | | | | | | | |
| Finance Management | | 1,250 | | | | | | 1,600 | 1,650 | 1,741 |
| Local Government Equitable Share | | 69,276 | | | | | | 115,999 | 147,419 | 155,527 |
| Municipal Systems Improvement | | 750 | | | | | | 934 | 967 | 1,020 |
| EPWP Incentive | | | | | | | | 1,849 | | |
| Other transfers/grants [insert description] | | | | | | | | | | |
| Provincial Government: | | 1,630 | - | - | - | - | - | - | - | - |
| IEC Project | | 1,630 | | | | | | | | |
| District Municipality: | | 5,705 | - | - | - | - | - | - | - | - |
| Chris Hani District-Water Services Department | | 5,705 | | | | | | | | |
| Other grant providers: | | 2,857 | - | - | - | - | - | - | - | - |
| LGSETA | | 2,857 | | | | | | | | |
| Total Operating Transfers and Grants | 5 | 81,469 | - | - | - | - | - | 120,382 | 150,036 | 158,288 |
| Capital Transfers and Grants | | | | | | | | | | |
| National Government: | | 17,564 | - | - | - | - | - | 44,856 | 66,929 | 44,952 |
| Municipal Infrastructure Grant (MIG) | | 17,564 | | | | | | 38,856 | 40,729 | 42,452 |
| Integrated Electrification Grant | | | | | | | | 6,000 | 26,200 | 2,500 |
| Provincial Government: | | - | - | - | - | - | - | - | - | - |
| Other capital transfers/grants [insert description] | | | | | | | | | | |
| District Municipality: | | - | - | - | - | - | - | - | - | - |
| Chris Hani District-Water Services Department | | | | | | | | | | |
| Other grant providers: | | - | - | - | - | - | - | - | - | - |
| LGSETA | | | | | | | | | | |
| Total Capital Transfers and Grants | 5 | 17,564 | - | - | - | - | - | 44,856 | 66,929 | 44,952 |
| TOTAL RECEIPTS OF TRANSFERS & GRANTS | | 99,033 | - | - | - | - | - | 165,238 | 216,965 | 203,240 |

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
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long term borrowing (debt).

MBRR Table A7 - Budget cash flow statement

EC135 Intsika Yethu - 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 |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Ratepayers and other | | | | | 21,905 | (673) | 21,232 | | 22,741 | 14,172 | 15,521 |
| Government - operating | 1 | | | | 134,993 | (1,726) | 133,267 | | 118,533 | 148,908 | 192,537 |
| Government - capital | 1 | | | | 30,281 | | 30,761 | | 44,856 | 66,929 | 67,452 |
| Interest | | | | | 450 | | 450 | | 299 | 316 | 334 |
| Dividends | | | | | | | | | | | |
| Payments | | | | | | | | | | | |
| Suppliers and employees | | | | | (136,568) | 10,769 | (125,799) | | (222,939) | (226,721) | (239,191) |
| Finance charges | | | | | (250) | | (250) | | (190) | (201) | (212) |
| Transfers and Grants | 1 | | | | (3,000) | | (3,000) | | | | |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | - | - | - | 47,811 | 8,371 | 56,661 | - | (36,700) | 3,403 | 36,441 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Proceeds on disposal of PPE | | | | | | | | | | | |
| Decrease (increase) in non-current debtors | | | | | | | | | | | |
| Decrease (increase) other non-current receivables | | | | | | | | | | | |
| Decrease (increase) in non-current investments | | | | | | | | | | | |
| Payments | | | | | | | | | | | |
| Capital assets | | | | | (47,149) | 4,291 | (8,957) | | | | |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | - | - | - | (47,149) | 4,291 | (8,957) | - | - | - | - |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Short term loans | | | | | | | | | | | |
| Borrowing long term/refinancing | | | | | | | | | | | |
| Increase (decrease) in consumer deposits | | | | | | | | | | | |
| Payments | | | | | | | | | | | |
| Repayment of borrowing | | | | | | | | | | | |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | | - | - | - | - | - | - | - | - | - | - |
| NET INCREASE/ (DECREASE) IN CASH HELD | | - | - | - | 662 | 12,662 | 47,704 | - | (36,700) | 3,403 | 36,441 |
| Cash/cash equivalents at the year begin: | 2 | | | | | | | | | (36,700) | (33,297) |
| Cash/cash equivalents at the year end: | 2 | | | | 662 | 12,662 | 47,704 | | (36,700) | (33,297) | 3,144 |

EC135 Intsika Yethu - Table A8 Cash backed reserves/accumulated surplus reconciliation

| 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 |
| Cash and investments available | | | | | | | | | | | |
| Cash/cash equivalents at the year end | 1 | - | - | - | 662 | 12,662 | 47,704 | - | (36,700) | (33,297) | 3,144 |
| Other current investments > 90 days | | 12,340 | 15,704 | - | (662) | (12,662) | (47,704) | - | 36,700 | 33,297 | (3,144) |
| Non current assets - Investments | 1 | - | - | - | - | - | - | - | - | - | - |
| Cash and investments available: | | 12,340 | 15,704 | - | - | - | - | - | - | - | - |
| Application of cash and investments | | | | | | | | | | | |
| Unspent conditional transfers | | - | - | - | - | - | - | - | - | - | - |
| Unspent borrowing | | - | - | - | - | - | - | - | - | - | - |
| Statutory requirements | 2 | - | - | - | - | - | - | - | - | - | - |
| Other working capital requirements | 3 | 14,652 | 12,110 | - | - | - | - | - | - | - | - |
| Other provisions | | - | - | - | - | - | - | - | - | - | - |
| Long term investments committed | 4 | - | - | - | - | - | - | - | - | - | - |
| Reserves to be backed by cash/investments | 5 | - | - | - | - | - | - | - | - | - | - |
| Total Application of cash and investments: | | 14,652 | 12,110 | - | - | - | - | - | - | - | - |
| Surplus(shortfall) | | (2,312) | 3,594 | - | - | - | - | - | - | - | - |

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

EC135 Intsika Yethu - Table A10 Consolidated basic service delivery measurement

| Description | Ref | 2009/10 | 2010/11 | 2011/12 | Current Year 2012/13 | | | 2013/14 Medium Term Revenue & Expenditure Framework | | |
|--|-----|---------|---------|---------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Outcome | Outcome | Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2013/14 | Budget Year +1 2014/15 | Budget Year +2 2015/16 |
| Household service targets | 1 | | | | | | | | | |
| Water: | | | | | | | | | | |
| Piped water inside dwelling | | | | | | | 1,002 | 1,053 | 1,105 | |
| Piped water inside yard (but not in dwelling) | | | | | | | 2,834 | 2,979 | 3,124 | |
| Using public tap (at least min.service level) | 2 | | | | | | 16,728 | 17,581 | 18,443 | |
| Other water supply (at least min.service level) | 4 | | | | | | 6,914 | 7,267 | 7,623 | |
| <i>Minimum Service Level and Above sub-total</i> | | | | | | | 27,478 | 28,879 | 30,294 | |
| Using public tap (< min.service level) | 3 | | | | | | 2,070 | 2,176 | 2,282 | |
| Other water supply (< min.service level) | 4 | | | | | | 769 | 808 | 848 | |
| No water supply | | | | | | | 10,139 | 10,656 | 11,178 | |
| <i>Below Minimum Service Level sub-total</i> | | | | | | | 12,978 | 13,640 | 14,308 | |
| Total number of households | 5 | | | | | | 40,456 | 42,519 | 44,603 | |
| Sanitation/sewerage: | | | | | | | | | | |
| Flush toilet (connected to sewerage) | | | | | | | 918 | 965 | 1,012 | |
| Flush toilet (with septic tank) | | | | | | | 373 | 392 | 411 | |
| Chemical toilet | | | | | | | 711 | 747 | 784 | |
| Pit toilet (ventilated) | | | | | | | 9,124 | 9,589 | 10,059 | |
| Other toilet provisions (> min.service level) | | | | | | | 1,894 | 1,991 | 2,088 | |
| <i>Minimum Service Level and Above sub-total</i> | | | | | | | 13,020 | 13,684 | 14,355 | |
| Bucket toilet | | | | | | | | | | |
| Other toilet provisions (< min.service level) | | | | | | | | | | |
| No toilet provisions | | | | | | | | | | |
| <i>Below Minimum Service Level sub-total</i> | | | | | | | | | | |
| Total number of households | 5 | | | | | | 13,020 | 13,684 | 14,355 | |
| Energy: | | | | | | | | | | |
| Electricity (at least min.service level) | | | | | | | 25,988 | 27,313 | 28,652 | |
| Electricity - prepaid (min.service level) | | | | | | | | | | |
| <i>Minimum Service Level and Above sub-total</i> | | | | | | | 25,988 | 27,313 | 28,652 | |
| Electricity (< min.service level) | | | | | | | | | | |
| Electricity - prepaid (< min. service level) | | | | | | | | | | |
| Other energy sources | | | | | | | 14,460 | 15,197 | 15,942 | |
| <i>Below Minimum Service Level sub-total</i> | | | | | | | 14,460 | 15,197 | 15,942 | |
| Total number of households | 5 | | | | | | 40,448 | 42,511 | 44,594 | |
| Refuse: | | | | | | | | | | |
| Removed at least once a week | | | | | 105,600 | | 1,151 | 1,210 | 1,269 | |
| <i>Minimum Service Level and Above sub-total</i> | | | | | 105,600 | | 1,151 | 1,210 | 1,269 | |
| Removed less frequently than once a week | | | | | | | 173 | 182 | 191 | |
| Using communal refuse dump | | | | | | | 557 | 585 | 614 | |
| Using own refuse dump | | | | | | | 25,456 | 26,754 | 28,065 | |
| Other rubbish disposal | | | | | | | 1,215 | 1,277 | 1,340 | |
| No rubbish disposal | | | | | | | 11,896 | 12,503 | 13,115 | |
| <i>Below Minimum Service Level sub-total</i> | | | | | | | 39,297 | 41,301 | 43,325 | |
| Total number of households | 5 | | | | 105,600 | | 40,448 | 42,511 | 44,594 | |
| Households receiving Free Basic Service | 7 | | | | | | | | | |
| Water (6 kilolitres per household per month) | | | | | | | 16 | 17 | 18 | |
| Sanitation (free minimum level service) | | | | | | | 16 | 17 | 18 | |
| Electricity/other energy (50kwh per household per month) | | | | | 6,000,000 | (2,000,000) | 5,811 | 6,107 | 6,407 | |
| Refuse (removed at least once a week) | | | | | | | 16 | 17 | 18 | |
| Cost of Free Basic Services provided (R'000) | 8 | | | | | | | | | |
| Water (6 kilolitres per household per month) | | | | | | | 0 | 0 | 0 | |
| Sanitation (free sanitation service) | | | | | | | 0 | 0 | 0 | |
| Electricity/other energy (50kwh per household per month) | | | | | | | 0 | 0 | 0 | |
| Refuse (removed once a week) | | | | | | | 0 | 0 | 0 | |
| Total cost of FBS provided (minimum social packa | | | | | | | 0 | 0 | 0 | |
| Highest level of free service provided | | | | | | | | | | |
| Property rates (R value threshold) | | | | | | | 15,000 | 15,765 | 16,537 | |
| Water (kilolitres per household per month) | | | | | | | 6 | 6 | 7 | |
| Sanitation (kilolitres per household per month) | | | | | | | 6 | 6 | 7 | |
| Sanitation (Rand per household per month) | | | | | | | 192 | 202 | 212 | |
| Electricity (kwh per household per month) | | | | | | | 50 | 53 | 55 | |
| Refuse (average litres per week) | | | | | | | 44 | 46 | 48 | |
| Revenue cost of free services provided (R'000) | 9 | | | | | | | | | |
| Property rates (R15 000 threshold rebate) | | | | | | | | | | |
| Property rates (other exemptions, reductions and rebates) | | | | | | | | | | |
| Water | | | | | | | | | | |
| Sanitation | | | | | | | | | | |
| Electricity/other energy | | | | | | | | | | |
| Refuse | | | | | | | | | | |
| Municipal Housing - rental rebates | | | | | | | | | | |
| Housing - top structure subsidies | | | | | | | | | | |
| Other | | | | | | | | | | |
| Total revenue cost of free services provided (total social package) | 6 | | | | | | | | | |

EC135 Intsika Yethu - Supporting Table SA22 Summary councillor and staff benefits

| Summary of Employee and Councillor remuneration R thousand | 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 |
| | | A | B | C | D | E | F | G | H | I |
| Councillors (Political Office Bearers plus Other) | 1 | | | | | | | | | |
| Basic Salaries and Wages | | 6,526 | | | | | | 9,934 | 10,521 | 11,099 |
| Pension and UIF Contributions | | | | | | | | | | |
| Medical Aid Contributions | | | | | | | | | | |
| Motor Vehicle Allowance | | | | | | | | 2,157 | 2,284 | 2,410 |
| Cellphone Allowance | | | | | | | | 936 | 991 | 1,046 |
| Housing Allowances | | | | | | | | | | |
| Other benefits and allowances | | 4,351 | | | | | | 595 | 630 | 664 |
| Sub Total - Councillors | | 10,877 | | | | | | 13,622 | 14,426 | 15,219 |
| % increase | 4 | | (100.0%) | - | - | - | - | - | 5.9% | 5.5% |
| Senior Managers of the Municipality | 2 | | | | | | | | | |
| Basic Salaries and Wages | | 3,185 | | | | | | | | |
| Pension and UIF Contributions | | | | | | | | | | |
| Medical Aid Contributions | | | | | | | | | | |
| Overtime | | | | | | | | | | |
| Performance Bonus | | 287 | | | | | | | | |
| Motor Vehicle Allowance | 3 | | | | | | | | | |
| Cellphone Allowance | 3 | | | | | | | | | |
| Housing Allowances | 3 | | | | | | | | | |
| Other benefits and allowances | 3 | 1,029 | | | | | | | | |
| Payments in lieu of leave | | | | | | | | | | |
| Long service awards | | | | | | | | | | |
| Post-retirement benefit obligations | 6 | | | | | | | | | |
| Sub Total - Senior Managers of Municipality | | 4,501 | | | | | | | | |
| % increase | 4 | | (100.0%) | - | - | - | - | - | - | - |
| Other Municipal Staff | | | | | | | | | | |
| Basic Salaries and Wages | | 24,777 | | | | | | 37,745 | 39,972 | 42,171 |
| Pension and UIF Contributions | | 2,399 | | | | | | 7,304 | 7,735 | 8,161 |
| Medical Aid Contributions | | | | | | | | 2,782 | 2,946 | 3,108 |
| Overtime | | | | | | | | | | |
| Performance Bonus | | | | | | | | | | |
| Motor Vehicle Allowance | 3 | 536 | | | | | | 6,517 | 6,902 | 7,282 |
| Cellphone Allowance | 3 | | | | | | | 743 | 787 | 830 |
| Housing Allowances | 3 | | | | | | | 1,783 | 1,888 | 1,992 |
| Other benefits and allowances | 3 | 11,052 | | | | | | 7,179 | 7,603 | 8,021 |
| Payments in lieu of leave | | | | | | | | | | |
| Long service awards | | | | | | | | | | |
| Post-retirement benefit obligations | 6 | 3,526 | | | | | | | | |
| Sub Total - Other Municipal Staff | | 42,290 | | | | | | 64,053 | 67,832 | 71,563 |
| % increase | 4 | | (100.0%) | - | - | - | - | - | 5.9% | 5.5% |
| Total Parent Municipality | | 57,669 | | | | | | 77,675 | 82,258 | 86,783 |
| | | | (100.0%) | - | - | - | - | - | 5.9% | 5.5% |
| Board Members of Entities | | | | | | | | | | |
| Basic Salaries and Wages | | | | | | | | | | |
| Pension and UIF Contributions | | | | | | | | | | |
| Medical Aid Contributions | | | | | | | | | | |
| Overtime | | | | | | | | | | |
| Performance Bonus | | | | | | | | | | |
| Motor Vehicle Allowance | 3 | | | | | | | | | |
| Cellphone Allowance | 3 | | | | | | | | | |
| Housing Allowances | 3 | | | | | | | | | |
| Other benefits and allowances | 3 | | | | | | | | | |
| Board Fees | | | | | | | | | | |
| Payments in lieu of leave | | | | | | | | | | |
| Long service awards | | | | | | | | | | |
| Post-retirement benefit obligations | 6 | | | | | | | | | |
| Sub Total - Board Members of Entities | | - | | | | | | - | - | - |
| % increase | 4 | | - | - | - | - | - | - | - | - |
| Senior Managers of Entities | | | | | | | | | | |
| Basic Salaries and Wages | | | | | | | | | | |
| Pension and UIF Contributions | | | | | | | | | | |
| Medical Aid Contributions | | | | | | | | | | |
| Overtime | | | | | | | | | | |
| Performance Bonus | | | | | | | | | | |
| Motor Vehicle Allowance | 3 | | | | | | | | | |
| Cellphone Allowance | 3 | | | | | | | | | |
| Housing Allowances | 3 | | | | | | | | | |
| Other benefits and allowances | 3 | | | | | | | | | |
| Payments in lieu of leave | | | | | | | | | | |
| Long service awards | | | | | | | | | | |
| Post-retirement benefit obligations | 6 | | | | | | | | | |
| Sub Total - Senior Managers of Entities | | - | | | | | | - | - | - |
| % increase | 4 | | - | - | - | - | - | - | - | - |
| Other Staff of Entities | | | | | | | | | | |
| Basic Salaries and Wages | | | | | | | | | | |

MBRR SA24 – Summary of personnel numbers

EC135 Intsika Yethu - Supporting Table SA24 Summary of personnel numbers

| Summary of Personnel Numbers Number | Ref | 2012/13 | | | Current Year 2013/14 | | | Budget Year 2014/15 | | |
|---|-------|-----------|---------------------|--------------------|----------------------|---------------------|--------------------|---------------------|---------------------|--------------------|
| | | Positions | Permanent employees | Contract employees | Positions | Permanent employees | Contract employees | Positions | Permanent employees | Contract employees |
| Municipal Council and Boards of Municipal Entities | | | | | | | | | | |
| Councillors (Political Office Bearers plus Other Councillors) | | 42 | | | 42 | | | 42 | 42 | 42 |
| Board Members of municipal entities | 4 | | | | | | | | | |
| Municipal employees | 5 | | | | | | | | | |
| Municipal Manager and Senior Managers | 3 | 6 | | | 6 | | | 6 | 6 | 6 |
| Other Managers | 7 | 13 | | | 13 | | | 13 | 13 | 13 |
| Professionals | | 28 | 28 | - | 30 | 30 | 3 | 30 | 30 | 3 |
| <i>Finance</i> | | 4 | 4 | | 5 | 5 | | 5 | 5 | |
| <i>Spatial/town planning</i> | | | | | | | | | | |
| <i>Information Technology</i> | | | | | | | | | | |
| <i>Roads</i> | | 5 | 5 | | 6 | 6 | 3 | 6 | 6 | 3 |
| <i>Electricity</i> | | | | | | | | | | |
| <i>Water</i> | | | | | | | | | | |
| <i>Sanitation</i> | | | | | | | | | | |
| <i>Refuse</i> | | | | | | | | | | |
| <i>Other</i> | | 19 | 19 | | 19 | 19 | | 19 | 19 | |
| Technicians | | 114 | 114 | - | 114 | 114 | - | 114 | 114 | - |
| <i>Finance</i> | | | | | | | | | | |
| <i>Spatial/town planning</i> | | | | | | | | | | |
| <i>Information Technology</i> | | | | | | | | | | |
| <i>Roads</i> | | | | | | | | | | |
| <i>Electricity</i> | | 1 | 1 | | 1 | 1 | | 1 | 1 | |
| <i>Water</i> | | | | | | | | | | |
| <i>Sanitation</i> | | | | | | | | | | |
| <i>Refuse</i> | | | | | | | | | | |
| <i>Other</i> | | 113 | 113 | | 113 | 113 | | 113 | 113 | |
| Clerks (Clerical and administrative) | | 49 | 49 | | 49 | 49 | | 49 | 49 | |
| Service and sales workers | | | | | | | | | | |
| Skilled agricultural and fishery workers | | | | | | | | | | |
| Craft and related trades | | | | | | | | | | |
| Plant and Machine Operators | | | | | | | | | | |
| Elementary Occupations | | | | | | | | | | |
| TOTAL PERSONNEL NUMBERS | 9 | 252 | 191 | - | 254 | 193 | 3 | 254 | 254 | 64 |
| % increase | | | | | 0.8% | 1.0% | - | - | 31.6% | 2,033.3% |
| Total municipal employees headcount | 6, 10 | | | | | | | | | |
| Finance personnel headcount | 8, 10 | | | | | | | | | |
| Human Resources personnel headcount | 8, 10 | | | | | | | | | |

MBRR SA25 - Budgeted monthly revenue and expenditure

EC135 Intsika Yethu - Supporting Table SA25 Budgeted monthly revenue and expenditure

| Description | Ref | Budget Year 2014/15 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|--|----------|---------------------|----------------|----------------|----------------|---------------|----------------|----------------|----------------|---------------|----------------|----------------|-----------------|---|------------------------|------------------------|
| | | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2014/15 | Budget Year +1 2015/16 | Budget Year +2 2016/17 |
| Revenue By Source | | | | | | | | | | | | | | | | |
| Property rates | | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 170 | 3,000 | 4,865 | 5,152 | 5,436 |
| Property rates - penalties & collection charges | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Service charges - electricity revenue | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Service charges - water revenue | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Service charges - sanitation revenue | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Service charges - refuse revenue | | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 130 | 234 | 248 | 261 |
| Service charges - other | | 937 | 937 | 937 | 937 | 937 | 937 | 937 | 937 | 937 | 937 | 937 | 2,235 | 12,542 | 13,282 | 14,013 |
| Rental of facilities and equipment | | 22 | 22 | 22 | 22 | 22 | 22 | 22 | 22 | 22 | 22 | 22 | 0 | 237 | 251 | 265 |
| Interest earned - external investments | | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 0 | 299 | 316 | 334 |
| Interest earned - outstanding debtors | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Dividends received | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Fines | | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 0 | 250 | 265 | 279 |
| Licences and permits | | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 70 | 635 | 1,400 | 1,483 | 1,564 |
| Agency services | | 33 | 33 | 33 | 33 | 33 | 33 | 33 | 33 | 33 | 33 | 33 | - | 364 | 385 | 407 |
| Transfers recognised - operational | | 41,268 | - | - | - | 38,734 | - | - | - | 38,734 | - | - | 1,647 | 120,382 | 198,021 | 208,912 |
| Other revenue | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Gains on disposal of PPE | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Revenue (excluding capital transfers and contributions) | | 42,558 | 1,290 | 1,290 | 1,290 | 40,024 | 1,290 | 1,290 | 1,290 | 40,024 | 1,290 | 1,290 | 7,647 | 140,573 | 219,403 | 231,471 |
| Expenditure By Type | | | | | | | | | | | | | | | | |
| Employee related costs | | 5,617 | 5,617 | 5,617 | 5,617 | 5,617 | 5,617 | 5,617 | 5,617 | 5,617 | 5,617 | 5,617 | 2,271 | 64,053 | 67,832 | 71,562 |
| Remuneration of councillors | | 1,238 | 1,238 | 1,238 | 1,238 | 1,238 | 1,238 | 1,238 | 1,238 | 1,238 | 1,238 | 1,238 | (0) | 13,622 | 14,425 | 15,219 |
| Debt impairment | | - | - | - | - | - | - | - | - | - | - | - | 1,700 | 1,700 | 1,800 | 1,899 |
| Depreciation & asset impairment | | - | - | - | - | - | - | - | - | - | - | - | 35,000 | 35,000 | 37,065 | 39,104 |
| Finance charges | | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 0 | 190 | 201 | 212 |
| Bulk purchases | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other materials | | - | - | - | - | - | - | - | - | - | - | - | 6,442 | 6,442 | 73,751 | 74,650 |
| Contracted services | | 466 | 466 | 466 | 466 | 466 | 466 | 466 | 466 | 466 | 466 | 466 | 1,107 | 6,231 | 6,598 | 6,961 |
| Transfers and grants | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other expenditure | | 1,769 | 1,769 | 1,769 | 1,769 | 1,769 | 1,769 | 1,769 | 1,769 | 1,769 | 1,769 | 1,769 | 30,579 | 50,035 | 52,987 | 55,902 |
| Loss on disposal of PPE | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Expenditure | | 9,107 | 9,107 | 9,107 | 9,107 | 9,107 | 9,107 | 9,107 | 9,107 | 9,107 | 9,107 | 9,107 | 77,099 | 177,273 | 254,661 | 265,509 |
| Surplus/(Deficit) | | 33,451 | (7,817) | (7,817) | (7,817) | 30,917 | (7,817) | (7,817) | (7,817) | 30,917 | (7,817) | (7,817) | (69,452) | (36,700) | (35,257) | (34,038) |
| Transfers recognised - capital | | 14,961 | - | - | - | 14,961 | - | - | - | 14,961 | - | - | (27) | 44,856 | 66,929 | 67,452 |
| Contributions recognised - capital | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Contributed assets | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | | 48,412 | (7,817) | (7,817) | (7,817) | 45,878 | (7,817) | (7,817) | (7,817) | 45,878 | (7,817) | (7,817) | (69,479) | 8,156 | 31,672 | 33,414 |
| Taxation | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Attributable to minorities | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Share of surplus/ (deficit) of associate | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) | 1 | 48,412 | (7,817) | (7,817) | (7,817) | 45,878 | (7,817) | (7,817) | (7,817) | 45,878 | (7,817) | (7,817) | (69,479) | 8,156 | 31,672 | 33,414 |

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

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

| Description | Ref | Budget Year 2014/15 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | | |
|--|----------|---------------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|---------------|--------------|--------------|------------------|---|------------------------|------------------------|---|
| | | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2014/15 | Budget Year +1 2015/16 | Budget Year +2 2016/17 | |
| Revenue by Vote | | | | | | | | | | | | | | | | | |
| Vote 1 - Exco and Council | | | | | | | | | | | | | | - | - | - | - |
| Vote 2 - Municipal Manager | | | | | | | | | | | | | | - | - | - | - |
| Vote 3 - Corporate Services | | | | | | | | | | | | | | - | - | - | - |
| Vote 4 - Infrastructure Planning and Development | | 4,111 | 4,111 | 4,111 | 4,111 | 4,111 | 4,111 | 4,111 | 4,111 | 4,111 | 4,111 | 4,111 | (27) | 45,195 | 48,344 | 51,003 | |
| Vote 5 - Community Services | | 138 | 138 | 138 | 138 | 138 | 138 | 138 | 138 | 138 | 138 | 138 | 634 | 2,155 | 2,283 | 2,408 | |
| Vote 6 - Budget and Treasury | | 43,683 | | | | 43,683 | | | 43,683 | | | | 8,012 | 139,060 | 168,757 | 178,039 | |
| Vote 7 - Local Economic Development | | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | (0) | 18 | 19 | 20 | |
| 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 Revenue by Vote | | 47,934 | 4,251 | 4,251 | 4,251 | 47,934 | 4,251 | 4,251 | 4,251 | 47,934 | 4,251 | 4,251 | 8,620 | 186,429 | 219,403 | 231,471 | |
| Expenditure by Vote to be appropriated | | | | | | | | | | | | | | | | | |
| Vote 1 - Exco and Council | | 267 | 267 | 267 | 267 | 267 | 267 | 267 | 267 | 267 | 267 | 267 | 19,145 | 22,077 | 23,379 | 24,665 | |
| Vote 2 - Municipal Manager | | 133 | 133 | 133 | 133 | 133 | 133 | 133 | 133 | 133 | 133 | 133 | 12,176 | 13,642 | 14,447 | 15,241 | |
| Vote 3 - Corporate Services | | 183 | 183 | 183 | 183 | 183 | 183 | 183 | 183 | 183 | 183 | 183 | 14,411 | 16,426 | 17,395 | 18,352 | |
| Vote 4 - Infrastructure Planning and Development | | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 28,690 | 31,988 | 33,875 | 35,738 | |
| Vote 5 - Community Services | | 283 | 283 | 283 | 283 | 283 | 283 | 283 | 283 | 283 | 283 | 283 | 14,914 | 18,029 | 19,093 | 20,143 | |
| Vote 6 - Budget and Treasury | | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 300 | 61,874 | 65,172 | 69,017 | 72,813 | |
| Vote 7 - Local Economic Development | | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 7,740 | 9,939 | 10,525 | 11,104 | |
| 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 Expenditure by Vote | | 1,666 | 1,666 | 1,666 | 1,666 | 1,666 | 1,666 | 1,666 | 1,666 | 1,666 | 1,666 | 1,666 | 158,950 | 177,273 | 187,732 | 198,057 | |
| Surplus/(Deficit) before assoc. | | 46,268 | 2,585 | 2,585 | 2,585 | 46,268 | 2,585 | 2,585 | 2,585 | 46,268 | 2,585 | 2,585 | (150,330) | 9,156 | 31,672 | 33,414 | |
| Taxation | | | | | | | | | | | | | | - | - | - | |
| Attributable to minorities | | | | | | | | | | | | | | - | - | - | |
| Share of surplus/ (deficit) of associate | | | | | | | | | | | | | | - | - | - | |
| Surplus/(Deficit) | 1 | 46,268 | 2,585 | 2,585 | 2,585 | 46,268 | 2,585 | 2,585 | 2,585 | 46,268 | 2,585 | 2,585 | (150,330) | 9,156 | 31,672 | 33,414 | |

MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

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

| Description | Ref | Budget Year 2014/15 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|-----|---------------------|--------|-------|---------|--------|------|---------|------|--------|-------|-----|----------|---|------------------------|------------------------|
| | | July | August | Sept. | October | Nov. | Dec. | January | Feb. | March | April | May | June | Budget Year 2014/15 | Budget Year +1 2015/16 | Budget Year +2 2016/17 |
| Multi-year expenditure to be appropriated | 1 | | | | | | | | | | | | | | | |
| Vote 1 - Exco and Council | | 12,961 | | | | 12,961 | | | | 12,961 | | | (38,883) | - | - | - |
| Vote 2 - Municipal Manager | | | | | | | | | | | | | - | - | - | - |
| Vote 3 - Corporate Services | | | | | | | | | | | | | - | - | - | - |
| Vote 4 - Infrastructure Planning and Development | | | | | | | | | | | | | 38,856 | 38,856 | 40,729 | 42,452 |
| 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 | 12,961 | - | - | - | 12,961 | - | - | - | 12,961 | - | - | (27) | 38,856 | 40,729 | 42,452 |
| Single-year expenditure to be appropriated | | | | | | | | | | | | | | | | |
| Vote 1 - Exco and Council | | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | (205) | 16 | 17 | 18 |
| Vote 2 - Municipal Manager | | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | (102) | 8 | 8 | 9 |
| Vote 3 - Corporate Services | | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 1,140 | 1,292 | 1,368 | 1,443 |
| Vote 4 - Infrastructure Planning and Development | | 451 | 451 | 451 | 451 | 451 | 451 | 451 | 451 | 451 | 451 | 451 | 3,088 | 8,045 | 8,520 | 8,988 |
| Vote 5 - Community Services | | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 1,268 | 1,503 | 1,592 | 1,679 |
| Vote 6 - Budget and Treasury | | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | (230) | 18 | 19 | 20 |
| Vote 7 - Local Economic Development | | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 1,096 | 1,562 | 1,654 | 1,745 |
| 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 | 581 | 581 | 581 | 581 | 581 | 581 | 581 | 581 | 581 | 581 | 581 | 6,054 | 12,443 | 13,178 | 13,902 |
| Total Capital Expenditure | 2 | 13,542 | 581 | 581 | 581 | 13,542 | 581 | 581 | 581 | 13,542 | 581 | 581 | 6,027 | 51,299 | 53,907 | 56,354 |

MBRR SA29 - Budgeted monthly capital expenditure (standard classification)

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

| Description | Ref | Budget Year 2014/15 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|-----|---------------------|--------|-------|---------|--------|------|---------|------|--------|-------|-------|-------|---|------------------------|------------------------|
| | | July | August | Sept. | October | Nov. | Dec. | January | Feb. | March | April | May | June | Budget Year 2014/15 | Budget Year +1 2015/16 | Budget Year +2 2016/17 |
| Capital Expenditure - Standard | 1 | | | | | | | | | | | | | | | |
| <i>Governance and administration</i> | | 66 | 66 | 66 | 66 | 66 | 66 | 66 | 66 | 66 | 66 | 66 | 1 | 732 | 775 | 817 |
| Executive and council | | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 0 | 331 | 351 | 370 |
| Budget and treasury office | | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 0 | 248 | 263 | 278 |
| Corporate services | | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | (0) | 152 | 161 | 170 |
| <i>Community and public safety</i> | | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | (0) | 235 | 249 | 262 |
| Community and social services | | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 | (0) | 235 | 249 | 262 |
| Sport and recreation | | | | | | | | | | | | | - | - | - | - |
| Public safety | | | | | | | | | | | | | - | - | - | - |
| Housing | | | | | | | | | | | | | - | - | - | - |
| Health | | | | | | | | | | | | | - | - | - | - |
| <i>Economic and environmental services</i> | | 493 | 493 | 493 | 493 | 493 | 493 | 493 | 493 | 493 | 493 | 493 | 0 | 5,423 | 5,743 | 6,059 |
| Planning and development | | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 42 | (0) | 466 | 493 | 520 |
| Road transport | | 451 | 451 | 451 | 451 | 451 | 451 | 451 | 451 | 451 | 451 | 451 | 0 | 4,957 | 5,250 | 5,539 |
| Environmental protection | | | | | | | | | | | | | - | - | - | - |
| <i>Trading services</i> | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Electricity | | | | | | | | | | | | | - | - | - | - |
| Water | | | | | | | | | | | | | - | - | - | - |
| Waste water management | | | | | | | | | | | | | - | - | - | - |
| Waste management | | | | | | | | | | | | | - | - | - | - |
| <i>Other</i> | | | | | | | | | | | | | - | - | - | - |
| Total Capital Expenditure - Standard | 2 | 581 | 581 | 581 | 581 | 581 | 581 | 581 | 581 | 581 | 581 | 581 | 0 | 6,389 | 6,766 | 7,139 |
| Funded by: | | | | | | | | | | | | | | | | |
| National Government | | 12,961 | | | | 12,961 | | | | 12,961 | | | (27) | 38,856 | 40,729 | 42,452 |
| Provincial Government | | | | | | | | | | | | | - | - | - | - |
| District Municipality | | | | | | | | | | | | | - | - | - | - |
| Other transfers and grants | | 2,000 | | | | 2,000 | | | | 2,000 | | | - | 6,000 | 13,178 | 13,902 |
| Transfers recognised - capital | | 14,961 | - | - | - | 14,961 | - | - | - | 14,961 | - | - | (27) | 44,856 | 53,907 | 56,354 |
| Public contributions & donations | | | | | | | | | | | | | - | - | - | - |
| Borrowing | | | | | | | | | | | | | - | - | - | - |
| Internally generated funds | | | | | | | | | | | | 6,443 | 6,443 | - | - | |
| Total Capital Funding | | 14,961 | - | - | - | 14,961 | - | - | - | 14,961 | - | - | 6,416 | 51,299 | 53,907 | 56,354 |

EC135 Intsika Yethu - Supporting Table SA34d Depreciation by asset class

| 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 |
| R thousand | 1 | | | | | | | | | |
| Depreciation by Asset Class/Sub-class | | | | | | | | | | |
| Infrastructure | | | | | | | | | | |
| Infrastructure - Road transport | | | | | | | | | | |
| <i>Roads, Pavements & Bridges</i> | | | | | | | | | | |
| <i>Storm water</i> | | | | | | | | | | |
| Infrastructure - Electricity | | | | | | | | | | |
| <i>Generation</i> | | | | | | | | | | |
| <i>Transmission & Reticulation</i> | | | | | | | | | | |
| <i>Street Lighting</i> | | | | | | | | | | |
| Infrastructure - Water | | | | | | | | | | |
| <i>Dams & Reservoirs</i> | | | | | | | | | | |
| <i>Water purification</i> | | | | | | | | | | |
| <i>Reticulation</i> | | | | | | | | | | |
| Infrastructure - Sanitation | | | | | | | | | | |
| <i>Reticulation</i> | | | | | | | | | | |
| <i>Sewerage purification</i> | | | | | | | | | | |
| Infrastructure - Other | | | | | | | | | | |
| <i>Waste Management</i> | | | | | | | | | | |
| <i>Transportation</i> | | | | | | | | | | |
| <i>Gas</i> | | | | | | | | | | |
| <i>Other</i> | | | | | | | | | | |
| Community | | | | | | | | | | |
| 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 | | | | | | | | | | |
| Heritage assets | | | | | | | | | | |
| Buildings | | | | | | | | | | |
| Other | | | | | | | | | | |
| Investment properties | | | | | | | | | | |
| Housing development | | | | | | | | | | |
| Other | | | | | | | | | | |
| Other assets | | | | | | | | | | |
| General vehicles | | | | | 33,200 | | 33,200 | 35,000 | 37,065 | 39,104 |
| Specialised vehicles | | | | | | | | | | |
| Plant & equipment | | | | | | | | | | |
| Computers - hardware/equipment | | | | | | | | | | |
| Furniture and other office equipment | | | | | | | | | | |
| Abattoirs | | | | | | | | | | |
| Markets | | | | | | | | | | |
| Civic Land and Buildings | | | | | | | | | | |
| Other Buildings | | | | | | | | | | |
| Other Land | | | | | | | | | | |
| Surplus Assets - (Investment or Inventory) | | | | | | | | | | |
| Other | | | | | 33,200 | | 33,200 | 35,000 | 37,065 | 39,104 |
| Agricultural assets | | | | | | | | | | |
| <i>List sub-class</i> | | | | | | | | | | |
| Biological assets | | | | | | | | | | |
| <i>List sub-class</i> | | | | | | | | | | |
| Intangibles | | | | | | | | | | |
| Computers - software & programming | | | | | | | | | | |
| Other (<i>list sub-class</i>) | | | | | | | | | | |
| Total Depreciation | 1 | | | | 33,200 | | 33,200 | 35,000 | 37,065 | 39,104 |
| Specialised vehicles | | | | | | | | | | |
| Fire | | | | | | | | | | |
| Conservancy | | | | | | | | | | |
| Ambulances | | | | | | | | | | |

2014/15

BRR SA35 - Future financial implications of the capital budget

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

| Vote Description | Ref | 2014/15 Medium Term Revenue & Expenditure Framework | | | Forecasts | | | |
|--|-----|---|---------------------------|---------------------------|---------------------|---------------------|---------------------|------------------|
| | | Budget Year 2014/15 | Budget Year +1 2015/16 | Budget Year +2 2016/17 | Forecast 2017/18 | Forecast 2018/19 | Forecast 2019/20 | Present value |
| R thousand | | | | | | | | |
| Capital expenditure | 1 | | | | | | | |
| Vote 1 - Ex co and Council | | 39,104 | 40,963 | 42,699 | | | | |
| Vote 2 - Municipal Manager | | 110 | 117 | 123 | | | | |
| Vote 3 - Corporate Services | | 152 | 161 | 170 | | | | |
| Vote 4 - Infrastructure Planning and Development | | 10,957 | 11,604 | 12,242 | | | | |
| Vote 5 - Community Services | | 235 | 249 | 262 | | | | |
| Vote 6 - Budget and Treasury | | 248 | 263 | 278 | | | | |
| Vote 7 - Local Economic Development | | 466 | 493 | 520 | | | | |
| 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 | | 51,272 | 53,849 | 56,294 | - | - | - | - |
| Future operational costs by vote | 2 | | | | | | | |
| Vote 1 - Ex co 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 | | 51,272 | 53,849 | 56,294 | - | - | - | - |

EC135 Intsika Yethu - Supporting Table SA36 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 | | 2014/15 Medium Term Revenue & Expenditure Framework | | | Project Information | |
|--|----------|-----------------------------|----------------|-----------------|--------------------------------|---------------------------------|--------------------------------------|------------------|------------------------|-------------------------|---|---|------------------------|------------------------|---------------------|----------------|
| | | | | | | | | | | Audited Outcome 2012/13 | Current Year 2013/14 Full Year Forecast | Budget Year 2014/15 | Budget Year +1 2015/16 | Budget Year +2 2016/17 | Ward location | New or renewal |
| R thousand | 4 | | | | 6 | 3 | 3 | 5 | | | | | | | | |
| Parent municipality: | | | | | | | | | | | | | | | | |
| <i>List all capital projects grouped by Municipal Vote</i> | | | | | | | | | | | | | | | | |
| MIG projects | | | | | | | | | | | | | | | | |
| MIG Access Roads | | | | | Yes | Infrastructure - Road transport | Roads, Pavements & Bridges | | | 25,935 | 25,935 | 28,878 | 30,582 | 32,264 | | |
| Intangible assets | | | | | Yes | Other Assets | Computers - software & programming | | | | | 399 | 422 | 446 | | |
| Trucks | | | | | Yes | Other Assets | Transportation | | | | | 2,000 | 2,118 | 2,234 | | |
| Shearing Shed | | | | | Yes | Infrastructure - Other | Roads, Pavements & Bridges | | | | | 750 | 794 | 838 | | |
| Development of informal trading | | | | | Yes | Infrastructure - Road transport | Roads, Pavements & Bridges | | | | | 800 | 847 | 894 | | |
| Traffic Management System | | | | | Yes | Infrastructure - Road transport | Street Lighting | | | | | 300 | 318 | 335 | | |
| Microsoft Volume Licensing | | | | | Yes | Infrastructure - Road transport | Furniture and other office equipment | | | | | 982 | 1,040 | 1,097 | | |
| Vehicle Testing Station Centre Plans | | | | | Yes | Infrastructure - Road transport | Transportation | | | | | 156 | 165 | 174 | | |
| Landfill | | | | | Yes | Infrastructure - Road transport | Water purification | | | | | 1,030 | 1,091 | 1,151 | | |
| Upgrading gravel to surface | | | | | Yes | Infrastructure - Road transport | Recreational facilities | | | | | 10,778 | 11,414 | 12,042 | | |
| Integrated Transport Plan | | | | | Yes | Infrastructure - Road transport | Roads, Pavements & Bridges | | | | | 700 | 741 | 782 | | |
| Stormwater management plan | | | | | Yes | Infrastructure - Road transport | Storm water | | | | | 827 | 875 | 923 | | |
| Vehicle Testing Station | | | | | Yes | Infrastructure - Road transport | Transmission & Reticulation | | | | | 1,000 | 1,059 | 1,117 | | |
| Lubisi Development | | | | | Yes | Infrastructure - Road transport | Roads, Pavements & Bridges | | | | | 1,500 | 1,589 | 1,676 | | |
| Infrastructure backlog and assessment | | | | | Yes | Infrastructure - Road transport | Roads, Pavements & Bridges | | | | | 1,200 | 1,271 | 1,341 | | |
| Parent Capital expenditure | 1 | | | | | | | | | | | 51,299 | 54,326 | 57,314 | | |
| 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 | | | | | | | | | | | | | | | | |
| | | | | | | | | | | 25,935 | 25,935 | 51,299 | 54,326 | 57,314 | | |

References

EC135 Intsika Yethu - Supporting Table SA37 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 2013/14 | | 2014/15 Medium Term Revenue & Expenditure Framework | | |
|---|-------------|--------------|----------------|------------------|----------------------|-----------------------|--|----------------------|--------------------|---|------------------------|------------------------|
| | | | | | | | | Original Budget | Full Year Forecast | Budget Year 2014/15 | Budget Year +1 2015/16 | Budget Year +2 2016/17 |
| R thousand | | | | | | | | | | | | |
| Parent municipality: <i>List all capital projects grouped by Municipal Vote</i> | | | | <i>Examples</i> | <i>Examples</i> | | | | | | | |
| MIG Projects | | | | | | | | | | | | |
| Upgrading of gravel roads and stormwater | | | | | | | | | | 10,778 | 11,414 | 12,042 |
| Vehicle Testing station | | | | | | | | | | 1,000 | 1,059 | 1,117 |
| Infrastructure backlog | | | | | | | | | | 1,200 | 1,271 | 1,341 |
| Tsomo street lights | | | | | | | | | | 1,000 | 1,059 | 1,117 |
| Colimvaba lighting & high mast phase | | | | | | | | | | 1,173 | 1,243 | 1,311 |
| 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

- Matrix financial performance budget (revenue source/ expenditure type and department)

EC135 Intsika Yethu - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and 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 | | | | | | | 4,865 | | | | | | | | | | 4,865 |
| Property rates - penalties & collection charges | | | | | | | | | | | | | | | | | - |
| Service charges - electricity revenue | | | | | | | | | | | | | | | | | - |
| Service charges - water revenue | | | | | | | | | | | | | | | | | - |
| Service charges - sanitation revenue | | | | | | | | | | | | | | | | | - |
| Service charges - refuse revenue | | | | | | | 234 | | | | | | | | | | 234 |
| Service charges - other | | | | | 339 | 141 | 12,043 | | | | | | | | | | 12,524 |
| Rental of facilities and equipment | | | | | | | 237 | | | | | | | | | | 237 |
| Interest earned - external investments | | | | | | | 299 | | | | | | | | | | 299 |
| Interest earned - outstanding debtors | | | | | | | | | | | | | | | | | - |
| Dividends received | | | | | | | | | | | | | | | | | - |
| Fines | | | | | | 250 | | | | | | | | | | | 250 |
| Licences and permits | | | | | | 1,400 | | 18 | | | | | | | | | 1,418 |
| Agency services | | | | | | 364 | | | | | | | | | | | 364 |
| Other revenue | | | | | | | | | | | | | | | | | - |
| Transfers recognised - operational | | | | | | | 120,382 | | | | | | | | | | 120,382 |
| Gains on disposal of PPE | | | | | | | | | | | | | | | | | - |
| Total Revenue (excluding capital transfers and contributions) | | - | - | - | 339 | 2,155 | 138,060 | 18 | - | - | - | - | - | - | - | - | 140,573 |
| Expenditure By Type | | | | | | | | | | | | | | | | | |
| Employee related costs | | | | | | | 64,053 | | | | | | | | | | 64,053 |
| Remuneration of councillors | | | | | | | 13,622 | | | | | | | | | | 13,622 |
| Debt impairment | | | | | | | 1,700 | | | | | | | | | | 1,700 |
| Depreciation & asset impairment | | | | | | | 35,000 | | | | | | | | | | 35,000 |
| Finance charges | | | | | | | 190 | | | | | | | | | | 190 |
| Bulk purchases | | | | | | | | | | | | | | | | | - |
| Other materials | | | | | | | | | | | | | | | | | - |
| Contracted services | | | | | | | 6,231 | | | | | | | | | | 6,231 |
| Transfers and grants | | | | | | | | | | | | | | | | | - |
| Other expenditure | | | | | | | 50,035 | | | | | | | | | | 50,035 |
| Loss on disposal of PPE | | | | | | | | | | | | | | | | | - |
| Total Expenditure | | - | - | - | - | - | 170,831 | - | - | - | - | - | - | - | - | - | 170,831 |
| Surplus/(Deficit) | | - | - | - | 339 | 2,155 | (32,771) | 18 | - | - | - | - | - | - | - | - | (30,258) |
| Transfers recognised - capital | | | | | 44,856 | | | | | | | | | | | | 44,856 |
| Contributions recognised - capital | | 16 | 8 | 1,292 | 2,045 | 1,503 | 18 | 1,562 | | | | | | | | | 6,444 |
| Contributed assets | | | | | | | | | | | | | | | | | - |
| Surplus/(Deficit) after capital transfers & contributions | | 16 | 8 | 1,292 | 47,241 | 3,658 | (32,753) | 1,580 | - | - | - | - | - | - | - | - | 21,042 |

MBRR Table SA3 – Supporting detail to Statement of Financial Position

EC135 Intsika Yethu - Supporting Table SA3 Supporting detail to '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 | | | | | | | | | | | |
| Call investment deposits | | | | | | | | | | | |
| Call deposits < 90 days | | | | | | | | | | | |
| Other current investments > 90 days | | 2,405 | | | | | | | | | |
| Total Call investment deposits | 2 | 2,405 | - | - | - | - | - | - | - | - | - |
| Consumer debtors | | | | | | | | | | | |
| Consumer debtors | | 3,864 | 9,002 | | | | | | | | |
| Less: Provision for debt impairment | | | | | | | | | | | |
| Total Consumer debtors | 2 | 3,864 | 9,002 | - | - | - | - | - | - | - | - |
| Debt impairment provision | | | | | | | | | | | |
| Balance at the beginning of the year | | | 7,147 | | | | | | | | |
| Contributions to the provision | | | | | | | | | | | |
| Bad debts written off | | | | | | | | | | | |
| Balance at end of year | | - | 7,147 | - | - | - | - | - | - | - | - |
| Property, plant and equipment (PPE) | | | | | | | | | | | |
| PPE at cost/valuation (excl. finance leases) | | 61,697 | 512,567 | | | | | | | | |
| Leases recognised as PPE | 3 | | | | | | | | | | |
| Less: Accumulated depreciation | | | | | | | | | | | |
| Total Property, plant and equipment (PPE) | 2 | 61,697 | 512,567 | - | - | - | - | - | - | - | - |
| LIABILITIES | | | | | | | | | | | |
| Current liabilities - Borrowing | | | | | | | | | | | |
| Short term loans (other than bank overdraft) | | | | | | | | | | | |
| Current portion of long-term liabilities | | 349 | 367 | | | | | | | | |
| Total Current liabilities - Borrowing | | 349 | 367 | - | - | - | - | - | - | - | - |
| Trade and other payables | | | | | | | | | | | |
| Trade and other creditors | | 14,652 | 12,110 | | | | | | | | |
| Unspent conditional transfers | | | | | | | | | | | |
| VAT | | | | | | | | | | | |
| Total Trade and other payables | 2 | 14,652 | 12,110 | - | - | - | - | - | - | - | - |
| Non current liabilities - Borrowing | | | | | | | | | | | |
| Borrowing | 4 | 9,343 | 8,781 | | | | | | | | |
| Finance leases (including PPP asset element) | | | | | | | | | | | |
| Total Non current liabilities - Borrowing | | 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 | | 53,567 | 41,325 | | | | | | | | |
| GRAP adjustments | | | | | | | | | | | |
| Restated balance | | 53,567 | 41,325 | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) | | 75,703 | 124,429 | - | 45,097 | (1,792) | (11,169) | - | 8,156 | 31,672 | 33,414 |
| Appropriations to Reserves | | 14,014 | 22,831 | | | | | | | | |
| Transfers from Reserves | | | 450,545 | | | | | | | | |
| Depreciation offsets | | | | | | | | | | | |
| Other adjustments | | | | | | | | | | | |
| Accumulated Surplus/(Deficit) | 1 | 143,284 | 639,130 | - | 45,097 | (1,792) | (11,169) | - | 8,156 | 31,672 | 33,414 |
| Reserves | | | | | | | | | | | |
| Housing Development Fund | | | | | | | | | | | |
| Capital replacement | | | | | | | | | | | |
| Self-insurance | | | | | | | | | | | |
| Other reserves | | | | | | | | | | | |
| Revaluation | | | | | | | | | | | |
| Total Reserves | 2 | - | - | - | - | - | - | - | - | - | - |
| TOTAL COMMUNITY WEALTH/EQUITY | 2 | 143,284 | 639,130 | - | 45,097 | (1,792) | (11,169) | - | 8,156 | 31,672 | 33,414 |
| Total capital expenditure includes expenditure on nationally significant priorities: | | | | | | | | | | | |
| Provision of basic services | | | | | | | | | | | |

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 |
| Insurance for assets | | | Xeror | Continuous | 336 |
| Office equipment rental | | | Red Guard | Continuous | 1,361 |
| Security Services | | | Camelsa | Continuous | 292 |
| Data Line Rental | | | | Continuous | 1,670 |
| VAT Recovery Commission EXPENDITURE | | | Indwe Risk | Continuous | 1,464 |
| Vehicle registration and licences | | | | Continuous | 902 |
| Vehicle Tracker Monitoring Management System | | | | Continuous | 204 |

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 28 May 2014