

AMAJUBA DISTRICT MUNICIPALITY



2014/15 TO 2016/17

MEDIUM TERM REVENUE AND
EXPENDITURE FORECASTS

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TABLE OF CONTENTS

Part 1 – Annual Budget	PAGE NO
1.1 Mayor's Report	2
1.2 Council Resolutions	14
1.3 Executive Summary	17
1.4 Operating Revenue Framework	23
1.5 Operating Expenditure Framework	25
1.6 Capital expenditure	29
1.7 Annual Budget Tables	31
1.8 Municipal Managers Quality Certificate	99
Part 2– Annual Budget Tables	
Consolidated Overview of the 2014/15 MTREF	33
Summary of revenue classified by main revenue source	23
Percentage growth in revenue by main revenue source	22
Operating Transfers and Grant Receipts	24
Comparison of proposed rates to levied for the 2014/15 financial year	6
Proposed Water Tariffs	19
Comparison between current water charges and increases (Domestic)	22
Comparison between current sanitation charges and increases	22
Comparison between current sanitation charges and increases, single dwelling- houses	22
MBRR Table SA14 – Household bills	75
Summary of operating expenditure by standard classification item	25
Operational repairs and maintenance	27
Repairs and maintenance per asset class	27
2014/15 Medium-term capital budget per vote	
MBRR Table A1 - Budget Summary	32
MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)	37
MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)	38
Surplus/(Deficit) calculations for the trading services	38
MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)	39
MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source	40
MBRR Table A6 - Budgeted Financial Position	42
MBRR Table A7 - Budgeted Cash Flow Statement	43
MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation	44
MBRR Table A9 - Asset Management	45
MBRR Table A10 - Basic Service Delivery Measurement	49

IDP Strategic Objectives	65
MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue	65
MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure	66
MBRR Table SA7 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure	67
MBRR Table SA7 - Measurable performance objectives	68
MBRR Table SA8 - Performance indicators and benchmarks	68
MBRR SA15 – Detail Investment Information	75
MBRR SA16 – Investment particulars by maturity	75
Sources of capital revenue over the MTREF	76
MBRR Table SA 18 - Capital transfers and grant receipts	78
MBRR SA10 – Funding compliance measurement	72
MBRR SA19 - Expenditure on transfers and grant programmes	78
MBRR SA 20 - Reconciliation between of transfers, grant receipts and unspent funds	80
MBRR SA22 - Summary of councillor and staff benefits	82
MBRR SA23 - Salaries, allowances and benefits (political office bearers/councillors/senior managers)	83
MBRR SA24 – Summary of personnel numbers	84
MBRR SA25 - Budgeted monthly revenue and expenditure	85
MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)	86
MBRR SA27 - Budgeted monthly revenue and expenditure (standard classification)	87
MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)	89
MBRR SA29 - Budgeted monthly capital expenditure (standard classification)	90
MBRR SA30 - Budgeted monthly cash flow	91
MBRR SA 34a - Capital expenditure on new assets by asset class	92
MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class	93
MBRR SA34c - Repairs and maintenance expenditure by asset class	94
MBRR SA35 - Future financial implications of the capital budget	96
MBRR SA36 - Detailed capital budget per municipal vote	97

Abbreviations and Acronyms

AMR	Automated Meter Reading	ℓ	litre
ASGISA	Accelerated and Shared Growth Initiative	LED	Local Economic Development
BPC	Budget Planning Committee	MEC	Member of the Executive Committee
CBD	Central Business District	MFMA	Municipal Financial Management Act Programme
CFO	Chief Financial Officer	MIG	Municipal Infrastructure Grant
CM	City Manager	MMC	Member of Mayoral Committee
CPI	Consumer Price Index	MPRA	Municipal Properties Rates Act
CRRF	Capital Replacement Reserve Fund	MSA	Municipal Systems Act
DBSA	Development Bank of South Africa	MTEF	Medium-term Expenditure Framework
DoRA	Division of Revenue Act	MTREF	Medium-term Revenue and Expenditure Framework
DWA	Department of Water Affairs	NERSA	National Electricity Regulator South Africa
EE	Employment Equity	NGO	Non-Governmental organisations
EEDSM	Energy Efficiency Demand Side Management	NKPIs	National Key Performance Indicators
EM	Executive Mayor	OHS	Occupational Health and Safety
FBS	Free basic services	OP	Operational Plan
GAMAP	Generally Accepted Municipal Accounting Practice	PBO	Public Benefit Organisations
GDP	Gross domestic product	PHC	Provincial Health Care
GDS	Gauteng Growth and Development Strategy	PMS	Performance Management System
GFS	Government Financial Statistics	PPE	Property Plant and Equipment
GRAP	General Recognised Accounting Practice	PPP	Public Private Partnership
HR	Human Resources	PTIS	Public Transport Infrastructure System
HSRC	Human Science Research Council	RG	Restructuring Grant
IDP	Integrated Development Strategy	RSC	Regional Services Council
IT	Information Technology	SALGA	South African Local Government Association
kl	kilolitre	SAPS	South African Police Service
km	kilometre	SDBIP	Service Delivery Budget Implementation Plan
KPA	Key Performance Area	SMME	Small Micro and Medium Enterprises
KPI	Key Performance Indicator		
kWh	kilowatt		

Part 1 – Annual Budget

Mayor's Report

I have pleasure presenting to you the annual budget of Amajuba District Municipality for the 2014/15 financial year.

For the year ending 30 June 2013, the municipality once again received an unqualified audit opinion from the Auditor-General. There were matters of emphasis on matters related to going concern, irregular expenditure and significant uncertainties. We have since put together an action plan to address all the issues raised by the Auditor-General and we remain committed to the call by the National Minister of COGTA to achieve a clean audit by 2014.

For the current financial year, the municipality has an approved expenditure budget of R125.182 million which was adjusted to R124.967 million. On the other hand, the approved revenue budget is R126.526 million which was also adjusted to R125.590 million. The capital budget was approved at R60.499 million and adjusted to R65.808 million. The municipality has been experiencing cash flow constraints during this current financial year which has led to delayed spending on programmes and projects.

Integrated Development Plan

As part of our responsibilities, the municipality has to prepare and adopt an integrated development plan (IDP) and this consultation process forms part of the adoption process as the IDP must mainly be guided by the views of the community as this is the plan the Municipality is going to use implement what the communities need and what they have prioritised.

What is an IDP and why do we need an IDP?

The Integrated Development Planning is a process through which a Municipality, its constituencies, various service providers, interested and affected parties come together to identify development needs, outline clear objectives and strategies which serve to guide the allocation and management of resources within the Municipal's jurisdictional area. From this planning process emanates the Municipal Integrated Development Plan (IDP), whose main objective is the improvement of coordination and integration of planning, budgeting and development within a Municipal area. As a five (5) Year budgeting, decision-making, strategic planning and development tool, the IDP is used by the Municipality to fulfil its role of 'developmental local governance'.

Central to this are the overarching objectives and strategies encapsulated in the plan, which guides the Municipality in the realm of:

- Municipal Budgeting;
- Institutional restructuring in order to realize the strategic intent of the plan;
- Integrating various Sectors in the form of Infrastructure, Land Use, Agriculture with Socio-economic and Ecological dimensions; and
- Performance Management System

An IDP runs in a cycle of five years. The 2011/2012 IDP was the last IDP of the second generation.

A brief explanation on the IDP generations is:

First Generation 2001-2006 –Establishment Phase

Second Generation 2006-2011- Consolidation Phase

THIRD GENERATION 2011- 2016 – Simplified – Outcome Based - Operation Phase

This IDP is the Third generation of the Integrated Development Plan (IDP) preparation and as such reflects the priorities of the new Amajuba Council. IDP's are organic documents and change and grow according to challenges and changes in the district.

By no coincidence the timing of the new cycle of IDP has been set to correspond with the term of the new council that has the responsibility to adopt a new vision and mission of the Municipality which will reflect the outcome based approach that the municipality is envisaged to take.

An IDP in a nut shell is the District Municipalities Business Plan reflecting service delivery of projects linked to budgets which is linked to performance management systems of the Municipality which then monitors the delivery and the implementation of the projects. An IDP must be credible, in other words an IDP should be do-able and implementable.

As we have three spheres of Government (National, Provincial and Local) the integration and alignment of processes and interventions is very critical. It is in the IDP where all this is reflected.

This IDP seeks to have the following impacts namely:

- Integrated and sustainable human settlement;
- Stimulating the growth of a robust local economy;
- Social cohesion and inclusion leading to nation building;
- Environmental sustainability; and
- Strengthening inter-governmental relations.

Communities are thus encouraged to make meaningful contributions to the Plan and guide the Municipality in setting Priorities, monitor implementation and lastly evaluate if the community needs are met and are realised all this is done through the processes of the IDP, and the IDP and its processes are mainly the voice of the communities can use.

Operating and Capital Budget

The draft budget is prepared and presented to Council in line with the MFMA requirements. The MFMA requires that the Mayor must table the draft budget 90 days before the start of the financial year. After the draft budget has been tabled in Council, the Mayor must conduct a public participation process where by the public is afforded the opportunity to comment on the budget and make any recommendations to be considered during the budget process.

The draft budget as tabled, confirms the heavy dependence of Amajuba DM on grant funding to fund service delivery.

What is a budget?

A budget is a spending plan that indicates how available funds will be used to cater for community needs. It is also a financial planning tool used to project future income and expenditure which the municipality is expected to engage in.

Why do we need a Budget?

- To provide a forecast of revenues and expenditure;
- To enable the actual financial operations of the municipality to be measured against the forecast; and
- To promote access to information by informing the residents how the municipality will utilize the resources available;

Budget Highlights

In view of the aforementioned, the following table is a consolidated overview of the proposed 2014/15 Medium-term Revenue and Expenditure Framework

Table 1 provides executive summary on both revenue budget and expenditure budget.

Description	Current Year		MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK		
	2013/2014	2013/2014	2014/2015	2015/2016	2016/2017
	Original Budget	Adjustment Budget	BUDGET	BUDGET	BUDGET
REVENUE					
Internal Operating Revenue	15,842,150	14,906,719	15,751,270	16,680,595	17,598,028
Operating Government Grants and Subsidies	110,684,000	110,684,015	127,901,500	128,461,050	136,422,250
Capital Grants and Subsidies	59,199,000	60,999,000	54,903,500	60,560,950	57,587,750
Capital Budget-Own Revenue	-	-	-	-	-
Reserves and Unspent Grants			-	-	-
TOTAL REVENUE BUDGET	185,725,150	186,589,734	198,556,270	205,702,595	211,608,028
EXPENDITURE					
Operating Expenditure Budget	125,182,289	124,967,719	138,459,101	141,691,009	150,748,564
Capital Budget	60,499,000	61,622,015	56,403,500	60,560,950	57,587,750
TOTAL EXPENDITURE BUDGET	185,681,289	186,589,734	194,862,601	202,251,959	208,336,314
Surplus/(Deficit)	43,861	(0)	3,693,669	3,450,636	3,271,713

The total revenue budget including operating and capital transfers amount to R198 556 million for

2014/15, R205 702 million for 2015/16 and R211 608 million for 2016/17. The total revenue budget has increased by R11 000 million from the 2013/14 Approved budget and increased by R12 000 million from the 2013/14 Adjustment budget.

The total Expenditure budget amount to R194 862 million for 2014/15 MTREF and R202 252 million for 2015/16 and R 208 336 million for 2016/17. The total expenditure budget has increased by R9 000 million from the 2013/14 approved budget and increased by R8 000 million from the 2013/14 Adjustment budget.

The Operating surplus of R3 694 million is prioritized to Capital Programmes including Renewal of Capital Infrastructure.

Operational Budget

The operational revenue budget has been estimated at R 143,652,770 with the expenditure budget at R138, 459,101.

Table 1 Consolidated Overview of the 2014/15 MTREF

	Current Year		MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK		
	2013/2014	2013/2014	2014/2015	2015/2016	2016/2017
	Original Budget	Adjustment Budget	BUDGET	BUDGET	BUDGET
OPERATING REVENUE					
Water Sales	12,372,500	10,695,524	12,372,500	13,102,478	13,823,114
Sanitation Sales	2,519,650	1,762,730	2,519,650	2,668,309	2,815,066
Interest on Overdue Account	-	1,615,677	-	-	-
CONNECTION FEE;	-	100	-	-	-
Interest Earned-Ext Invest	750,000	300,000	-	-	-
Equitable Share-FBS Portion	39,946,000	11,669,278	12,374,292	13,287,112	13,848,420
Levies Replacement Grant;	51,917,000	51,917,000	56,588,000	60,795,000	65,938,000
Finance Management Grant;	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
MSIG Grant;	890,000	890,000	934,000	967,000	1,018,000
Equitable Share-Community Services Component	-	5,352,922	5,676,326	6,095,053	6,352,537
DWAF Water Operating Subsidy-In kind	1,800,000	1,800,000	-	-	-
Equitable Share-FBS Portion-WSA	12,672,000	35,595,815	37,746,382	40,530,835	42,243,043
Infrastructure Development Grant	253,000	253,000	-	-	-
Road Asset Management Grant	1,706,000	1,706,000	-	-	-
Planning Shared Services			1,000,000	250,000	400,000
Tele/Cell phone Cost Recovered	110,000	110,000	62,000	65,658	69,269
Rental Income	-	300,000	285,120	301,942	318,549
Tender Deposits	10,000	10,000	12,000	12,708	13,407
Hall Rentals	80,000	80,000	100,000	105,900	111,725

Skills Development Grant ;	-	32,688	400,000	423,600	446,898
MIG Grant -Administration Costs Recovery			2,082,500	2,036,050	2,122,250
Small Town Rehabilitation Programme-PSC			5,000,000	-	-
Corridor Development-PSC			5,000,000	3,000,000	3,000,000
	126,526,150	125,590,734	143,652,770	145,141,645	154,020,278

OPERATING EXPENDITURE BY TYPE

	Current Year		MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK		
	2013/2014	2013/2014	2014/2015	2015/2016	2016/2017
	Original Budget	Adjustment Budget	BUDGET	BUDGET	BUDGET
OPERATING EXPENDITURE					
Salaries , Wages & Allowances	64,222,004	65,007,407	70,949,501	75,490,269	79,642,234
Remuneration of Councillors	6,361,778	5,661,945	5,395,498	5,740,810	6,056,554
Depreciation	1,827,139	2,225,839	5,161,563	5,374,451	5,644,395
Repairs & Maintenance	5,488,379	4,527,500	3,770,000	4,963,405	5,201,837
Bulk Water Purchases	2,492,586	4,600,000	5,000,000	6,000,000	7,000,000
Contracted Services			-	-	-
General Costs	42,655,198	42,210,400	43,957,539	39,342,500	42,060,092
Operating Projects	-	-	-	-	-
	123,047,084	124,233,091	134,234,101	136,911,434	145,605,113
Contributions to capital					
Contributions to funds	735,205	734,628	2,725,000	2,979,575	3,143,452
Interest -External Loans	1,400,000	-	1,500,000	1,800,000	2,000,000
	125,182,289	124,967,719	138,459,101	141,691,009	150,748,564

CAPITAL BUDGET

The capital budget is estimated at R 56 403 500 for the 2014/15 financial year and R60 560 950 and R57 587 750 respectively for the 2015/16 and 2016/17 financial years. The capital budget is funded from grants – mainly the Municipal Infrastructure Grant (MIG). The municipality does not have any funding of its own to fund capital projects. Consequently, the municipality is not in a position to transfer any funding to the local municipalities to fund projects.

The following projects have been provided for:

DESCRIPTION	Current Year		MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK		
	2013/2014	2013/2014	2014/2015	2015/2016	2016/2017
	Original Budget	Adjustment Budget	BUDGET	BUDGET	BUDGET
CAPITAL PROJECTS					
INFRASTRUCTURE:SPORTSFIELDS;	253,000	253,000	-	-	-
Municipal Infrastructure Grant-MIG Projects	47,462,000	47,462,000	39,567,500	38,684,950	40,322,750
PUBLIC WORKS GRANT EXPENDITURE	1,000,000	1,000,000	1,276,000	-	-
MWIG - Emalangeneni Rural Water Supply (Dev. of Water Sources)	10,484,000	4,600,000	5,399,120	-	-
MWIG - Emalangeneni Rural Water Supply (Network Reticulations)	-	5,884,000	6,640,880	11,296,250	-
MWIG - Buffalo Flats Water Supply Ph4 (Ph 1 to 3 Infills)	-		-	8,528,750	5,780,551
MWIG - Buffalo Flats WCDM Ph2			-	-	9,352,449
ROAD ASSET MANAGEMENT GRANT			2,020,000	2,051,000	2,132,000
WSOS (National Transfers) - Dannhauser WTP + Prior year projects	-	1,500,000			-
WSOS -Operating Subsidy		300,000			-
OWN REVENUE-CAPITAL PROGRAMMES	1,300,000	623,015	1,500,000		
TOTAL CAPITAL BUDGET	60,499,000	61,622,015	56,403,500	60,560,950	57,587,750

Table 2.SUMMARY OF COUCILLORS RENUMERATION AND MUNICIPAL OFFICIALS RENUMERATION

DESCRIPTION	Current Year		MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK		
	2013/2014	2013/2014	2014/2015	2015/2016	2016/2017
	Original Budget	Adjustment Budget	BUDGET	BUDGET	BUDGET
SALARY BUDGET					
Salaries , Wages & Allowances	64,222,004	65,007,407	70,949,501	75,490,269	79,642,234
Remuneration of Councillors	6,361,778	5,661,945	5,395,498	5,740,810	6,056,554
TOTAL SALARY BUDGET	125,182,289	124,967,719	76,344,999	81,231,079	85,698,788

TABLE 2.1: DETAIL SALARY BUDGET

DESCRIPTION	Current Year		MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK		
	2013/2014	2013/2014	2014/2015	2015/2016	2016/2017
	Original Budget	Adjustment Budget	BUDGET YEAR 1	BUDGET YEAR 2	BUDGET YEAR 3
<u>COUNCILLORS RENUMERATION</u>					
Executive Mayor;	775,742	695,745	619,646	659,303	695,565
Deputy Mayor;	607,828	495,900	584,081	621,462	655,643
Speaker-EXCO;	607,828	560,800	584,081	621,462	655,643
Councillors;	2,087,432	2,050,900	2,019,976	2,149,254	2,267,463
Executive Committee;	2,282,949	1,858,600	1,587,714	1,689,328	1,782,241
<u>Sub Total</u>	6,361,778	5,661,945	5,395,498	5,740,810	6,056,554
<u>EMPLOYEE RELATED COSTS - WAGES & SALARIES</u>					
Salaries & Allowances;	45,834,214	45,428,158	50,792,692	54,043,424	57,015,813
Standby Allowance	0	572,931	572,931	609,599	643,126
Shift Allowance	0	252,164	311,207	331,124	349,336
Overtime;	1,314,109	2,342,708	1,090,000	1,159,760	1,223,547

<u>SubTotal</u>	47,148,323	48,595,962	52,766,830	56,143,907	59,231,821
<u>EMPLOYEE RELATED COSTS - SOCIAL CONTRIBUTIONS</u>					
Bonuses;	3,942,958	3,769,784	4,593,506	4,887,490	5,156,302
Travel Allowance;	4,144,063	3,990,204	4,152,712	4,418,486	4,661,503
Housing Allowance;	509,341	304,068	403,516	429,341	452,954
Telephone;	748,016	680,248	685,048	728,891	768,980
Medical Aid Contributions;	2,227,195	2,137,196	2,292,311	2,439,019	2,573,165
Pension Fund Contributions;	4,726,151	4,899,679	5,453,843	5,802,889	6,122,048
Group Life Contribution;	425,901	305,327	290,045	308,608	325,582
UIF Contributions;	339,775	311,249	296,983	315,990	333,369
Bargaining Council Contributes	10,281	13,691	14,707	15,648	16,508
<u>Subtotal</u>	17,073,681	16,411,446	18,182,671	19,346,362	20,410,412

Three-Year Operational Plan

The municipal budget is not expected to grow significantly over the MTREF period. Whilst the municipality has taken over the billing and reticulation function from its Water Services Provider on the 01 July 2013, this will have limited effect on municipal revenue due to the low number of billable customers in the areas of Dannhauser and eMadlangeni.

A significant amount of investment in infrastructure development is required in order to achieve the millennium development goal of universal access to services. Detailed below is the operational and capital budget as proposed over the MTREF period:

TABLE 3: SUMMARY OF OPERATING BUDGET PER DEPARTMENT

Description	Current Year		MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK		
	2013/2014	2013/2014	2014/2015	2015/2016	2016/2017
	Original Budget	Adjustment Budget	BUDGET	BUDGET	BUDGET
EXPENDITURE PER DEPARTMENT					
Council and Executive Committee	7,843,378	8,050,745	5,835,498	6,275,810	6,666,554
Municipal Manager	9,982,426	11,401,752	11,072,760	11,871,096	12,692,326
Budget and Treasury	12,587,378	13,223,585	13,108,378	13,722,538	14,510,093

Corporate Services	15,042,098	13,436,771	25,830,002	27,679,701	29,303,085
Community Services-Social Development	13,714,957	12,342,753	9,467,747	10,056,618	10,612,072
Environmental Health Department	-	-	2,786,331	2,964,656	3,127,713
Technical Services-PMU	13,210,688	7,333,415	7,719,569	8,122,902	7,483,411
Tousong Services	618,309	611,610	679,012	722,194	761,915
Local Economic Development and Planning	22,681,734	18,870,532	27,637,904	22,356,205	25,103,596
Disaster Management Services	5,015,032	4,898,764	6,233,580	6,548,379	6,839,440
Amajuba Water Services	24,486,289	34,797,793	28,088,320	31,370,910	33,648,360
TOTAL DIRECT OPERATING EXPENDITURE	125,182,289	124,967,719	138,459,101	141,691,009	150,748,564

CAPITAL PROJECTS

Description	Current Year		MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK		
	2013/2014	2013/2014	2014/2015	2015/2016	2016/2017
	Original Budget	Adjustment Budget	BUDGET	BUDGET	BUDGET
CAPITAL PROJECTS					
INFRASTRUCTURE:SPORTSFIELDS;	253,000	253,000	-	-	-
Municipal Infrastructure Grant-MIG Projects	47,462,000	47,462,000	39,567,500	38,684,950	40,322,750
PUBLIC WORKS GRANT EXPENDITURE	1,000,000	1,000,000	1,276,000	-	-
MWIG - Emadlangeni Rural Water Supply (Dev. of Water Sources)	10,484,000	4,600,000	5,399,120	-	-
MWIG - Emadlangeni Rural Water Supply (Network Reticulations)	-	5,884,000	6,640,880	11,296,250	-
MWIG - Buffalo Flats Water Supply Ph4 (Ph 1 to 3 Infills)	-		-	8,528,750	5,780,551
MWIG - Buffalo Flats WCDM Ph2			-	-	9,352,449
ROAD ASSET MANAGEMENT GRANT			2,020,000	2,051,000	2,132,000
WSOS (National Transfers) - Dannhauser WTP + Prior	-	1,500,000			-

year projects					
WSOS -Operating Subsidy		300,000			-
OWN REVENUE-CAPITAL PROGRAMMES	1,300,000	623,015	1,500,000		
TOTAL CAPITAL BUDGET	60,499,000	61,622,015	56,403,500	60,560,950	57,587,750

The following programmes have been provided for during the MTREF period:

DESCRIPTION	MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK		
	2014/2015	2015/2016	2016/2017
	BUDGET YEAR 1	BUDGET YEAR 2	BUDGET YEAR 3
<u>GENERAL EXPENSE-OPERATING PROJECTS AND PROGRAMMES</u>			
MSIG Grant Expenditure;	934,000	967,000	1,018,000
Financial Management Grant E	1,500,000	1,500,000	1,500,000
Environment Management	800,000	800,000	800,000
Sports Development -Social Programmes	1,000,000	1,059,000	1,117,245
LED Strategy Implementation Support;	200,000	250,000	300,000
GIS Management;	350,000	360,000	365,000
LED Manufacturing Strategic	500,000	520,000	530,000
LED Agricultural Strategic S	500,000	600,000	1,500,000
IDP Public Participation;	1,000,000	1,000,000	1,000,000
PROJECT INITIATION FUND;	1,500,000	2,000,000	2,000,000
SPATIAL PLANNING SUPPORT;	250,000	300,000	350,000
DIMS IMPLEMENTATION AND MANAGEMENT;	200,000	200,000	200,000
ADM Tourism Signs Maintenance	50,000	52,950	55,862
Led-Infrastructure;	800,000	1,000,000	2,000,000
Small Town Rehabilitation Programme-PSC	5,000,000	0	0
Corridor Development-PSC	5,000,000	3,000,000	3,000,000
Disaster Manage Capacity Building	50,000	60,000	70,000
Disaster Management Implement	50,000	60,000	70,000

Disaster Relief Intervention	1,000,000	1,000,000	1,000,000
Disaster Prevention Program-Campaign	300,000	317,700	335,174
Disaster Volunteer and interns	500,000	500,000	500,000
Government Experts Support Grant	800,000	0	0
SubTotal	22,284,000	15,546,650	17,711,281

Council Resolutions

On the 26th March 2014, the Council of Amajuba District Municipality met to consider the draft annual budget of the municipality for the financial year 2014/15. The Council approved and adopted the following resolutions:

1. The Council of Amajuba District Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:

1.1 The Operating Expenditure Budget for the 2014/15 financial year amounting to R138 459 101 as well as the appropriations for the outer years of the MTREF period of R141 691 009 for the 2015/16 and R150 748 564 for the 2016/17 financial years be approved;

1.2 The Operating Revenue Budget for the 2014/15 financial year amounting to R143 652 770 as well as the appropriations for the outer years of the MTREF period of R145 141 645 for the 2015/16 and R154 020 278 for the 2016/17 financial years be approved;

1.3 The Capital Budget allocation of R56 403 500 to be funded mainly from Municipal Infrastructure Grant (MIG) allocation, the Municipal Water Infrastructure Grant allocation as well as internal funding be approved;

1.4 The Council, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts the following amendments to the water tariff structure:

A.WATER

Service / Category	Approved 2013	Proposed 2014	R increased	% increased
<u>Water supply</u>				
<u>Residential/Charitable/Religious</u>				
0kl-6kl	FREE	FREE	FREE	FREE
7kl-20kl	6.37	6.73	0.36	0.06
21kl-40kl	7.26	7.67	0.41	0.06
41kl-60kl	7.51	7.93	0.42	0.06
60kl+	7.76	8.19	0.43	0.06

Service / Category	Approved 2013	Proposed 2014	R increased	% increased
<u>Business & Industry per KL</u>				
0kl-6kl	7.12	7.52	0.40	0.06
7kl-20kl	8.00	8.45	0.45	0.06
21kl-40kl	8.25	8.71	0.46	0.06
41kl-60kl	8.50	8.98	0.48	0.06
60kl+	8.75	9.24	0.49	0.06
<u>Other</u>				
0kl-6kl	9.12	9.63	0.51	0.06
7kl-20kl	7.00	7.39	0.39	0.06
21kl-40kl	7.25	7.66	0.41	0.06
41kl-60kl	7.50	7.92	0.42	0.06
60kl+	7.75	8.18	0.43	0.06
Raw water per KL	4.50	4.75	0.25	0.06

1.5 The Council, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts the following amendments to the sanitation tariff structure:

B.SEWERAGE

Service / Category	Approved 2013	Proposed 2014	R increased	% increased
Sanitation				
All customers per KL	3.24	3.42	0.18	0.06
Emptying septic tanks per load	375.60	396.63	21.03	0.06

C.HALL FACILITIES AND COST OF MAPS

Service / Category	Approved 2013	Proposed 2014	R increased	% increased
Hall Hire Amajuba Sports Complex(old Monte Vista Complex)				
Deposit (Refundable)		1,500.00	-	
Facility usage		1,500.00	-	
Cost of Maps				

D. AMAJUBA DISTRICT MUNICIPALITY GIS TARIFF IMPLICATIONS

	A3 PRINTER (HP 1220C)		A0 PLOTTER (HP 800)		
	A4	A3	A2	A1	A0
Full Ink/GreyScale	R 25.00	R 35.00	R 80.00	R 120.00	R 150.00
1:50000 Backdrop	R 20.00	R 30.00	R 55.00	R 85.00	R 110.00
Line	R 10.00	R 20.00	R 45.00	R 65.00	R 85.00
Lamination	-	-	-	-	R 120.00
Digital/Softcopy Map Burning	R 20.00	R 20.00	R 20.00	R 20.00	R 20.00

1.6 All amendments to the tariff structure be effective from 01 July 2014 or the first billing cycle after the 01 July 2014;

1.7 The approved budget be submitted to National Treasury, the Provincial Treasury and the provincial Department of Cooperative Governance and Traditional Affairs in the prescribed format as well as be published in the municipal website;

Executive Summary

The draft budget is prepared and presented to Council in line with the MFMA requirements. The MFMA requires that the Mayor must table the draft budget 90 days before the start of the financial year. After the draft budget has been tabled in Council, the Mayor must conduct a public participation process where by the public is afforded the opportunity to comment on the budget and make any recommendations to be considered during the budget process.

The draft budget as tabled, confirms the heavy dependence of Amajuba DM on grant funding to fund service delivery.

Budget Parameters

Headline Inflation Forecasts

Municipalities must take the following macro-economic forecasts into consideration when preparing their 2014/15 budgets and MTREF –

Fiscal year	2012	2013	2014	2014	2015	2016
	Actual	Actual	Estimate	Forecast	Forecast	Forecast
Real GDP growth	2.5	1.8	2.7	2.7	3.2	3.5
CPI inflation	5.6	5.7	6.2	6.2	5.9	5.5

Source: MFMA Circular No.70

Employee related costs

Municipalities must take into account the multi-year Salary and Wage Collective Agreement for the period 1 July 2012 to 30 June 2015. The agreement provides for a wage increase based on the average CPI for the period 1 February 2013 until 31 January 2014, plus 1 per cent for 2014/15 financial year (with effect of 1 July 2014).

In this regard municipalities are advised that the average CPI for the period November 2012 to October 2013 is 5.8 per cent which compares well to the estimate of 5.9 per cent for 2013 as provided for in the 2013 Medium Term Budget Policy Statement.

Municipalities are therefore advised to provide for increases related to salaries and wages as follows:

2014/15 Financial Year – 6.8 per cent (5.8 per cent plus 1 per cent)

2015/16 Financial Year – 6.4 per cent (5.4 per cent plus 1 per cent)

2016/17 Financial Year – 6.4 per cent (5.4 per cent plus 1 per cent)

It is recommended that the projected inflation forecast plus one per cent is recommended that the projected inflation forecast plus one per cent be applied to the 2015/16 and 2016/2017 financial years in the absence of a collective Salary and Wage agreement.

Budget Funding

While the proposed budget is balanced and funded in terms of funding sources, there is still however a deficit of about R25 million which is yet to be recovered. This deficit arose when conditional grants

were utilised in contravention of the conditions of those grants. In other words, conditional grants are not cash-backed. This matter needs to be given serious consideration as we need to save in the region of R10 million to R15 million per annum in order to recover these grants within the MTREF period. This is not possible at the current expenditure levels and therefore has not been provided for in this proposed budget.

GOVERNMENT GRANTS & SUBSIDIES - ALLOCATIONS	Budget '2013/14	Medium Term Revenue and Expenditure Framework		
		Budget '2014/15	Budget '2015/16	Budget '2016/17
	R'000	R'000	R'000	R'000
<u>National Grant Allocations</u>				
Municipal Infrastructure Grant	47,462,000	41,650,000	40,721,000	42,445,000
Equitable Share	52,618,000	55,797,000	59,913,000	62,444,000
RSC Levies Replacement	51,917,000	56,588,000	60,795,000	65,938,000
Municipal Systems Improvement Grant	890,000	934,000	967,000	1,018,000
Financial Management Grant	1,500,000	1,500,000	1,500,000	1,500,000
DWAF Water Operating Subsidy	1,500,000			
Water Services Operating Subsidy II-in Kind	300,000	300,000	300,000	500,000
Municipal Water Infrastructure Grant(MWIG)	15,970,000	12,040,000	19,825,000	15,133,000
Tweediedale Ponds Water Project				
Expanded Public Works Programme incentive Grant	1,000,000	1,276,000	-	-
Rural Transport and Infrastructure	1,706,000	2,020,000	2,051,000	2,132,000
Sub Total - National Grant Allocations	174,863,000	172,105,000	186,072,000	191,110,000
<u>Provincial Grant Allocations</u>				
Sports and Recreation -Infrastructure	253,000			
Shared Services Grant -DPSS		1,000,000	250,000	400,000
Small Town Rehabilitation Programme-PSC		5,000,000		
Corridor Development-PSC		5,000,000	3,000,000	3,000,000
Sub Total - Provincial Grant Allocations	253,000	11,000,000	3,250,000	3,400,000
<u>Other Grant Allocations</u>				

Skills Development Levy				
Sub Total - Other Grant Allocations	-	-	-	-
TOTAL GRANT ALLOCATIONS	175,116,000	183,105,000	189,322,000	194,510,000

Proposed Tariff Charges – Water and Sanitation

The 2014 DORA introduces a new grant namely; the Municipal Water Infrastructure Grant to be administered by the Department of Water Affairs. The grant is aimed at accelerating the delivery of clean water to communities that do not have access to basic water services. The grant provides funding for municipalities to plan and implement various projects; including the construction of new infrastructure and the refurbishment and extension of existing water schemes.

While the majority of water and sanitation infrastructure is funded through grants, the municipality still has a responsibility of ensuring that the residents who are provided with a full service and are in a position to pay for this service do in fact pay. Considering this strategic imperative, managing non-revenue water becomes a critical aspect of accelerating the delivery of clean water to communities. The municipality must ensure appropriate measurement and reporting of all water losses as per the national targets, and to ensure a common understanding and alignment between Technical and Financial departments on water loss issues.

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When 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.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity and water, petrol, diesel, chemicals, cement etc. The current challenge facing the municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the municipality has undertaken the tariff setting process relating to service charges as follows

The following are proposed water and sanitation tariffs for the 2014/15 financial year:

Service / Category	JULY 2013	JULY 2014	JULY 2015	JULY 2016
<u>Water supply</u>				
<u>Residential/Charitable/Religious</u>				
0kl-6kl	FREE	FREE	FREE	FREE
7kl-20kl	6.37	6.73	7,13	7,56
21kl-40kl	7.26	7.67	8.13	8.61
41kl-60kl	7.51	7.93	8.40	8.90
60kl+	7.76	8.19	8.68	9.20
<u>Business & Industry per KL</u>				
0kl-6kl	7.12	7.52	7.97	8.44
7kl-20kl	8.00	8.45	8.95	9.48
21kl-40kl	8.25	8.71	9.23	9.78
41kl-60kl	8.50	8.98	9.51	10.08
60kl+	8.75	9.24	9.79	10.37
<u>Other</u>				
0kl-6kl	9.12	9.63	10.20	10.81
7kl-20kl	7.00	7.39	7.83	8.29
21kl-40kl	7.25	7.66	8.11	8.59
41kl-60kl	7.50	7.92	8.39	8.89
60kl+	7.75	8.18	8.67	9.19
<u>Raw water per KL</u>	4.50	4.75	5.03	5.33
<u>Sanitation</u>				
All customers per KL	3.24	3.42	3.62	3.83
Emptying septic tanks per load	375.60	396.63	420.42	445.64
<u>Availability charge</u>				

Serviced vacant land	100.14	100.14	100.14	100.14
<u>Business water services fixed charge</u>	34.37	34.37	34.37	34.37
<u>Industrial water services fixed charge</u>	34.37	34.37	34.37	34.37
<u>Business & Industrial sanitation services fixed charge</u>	65.77	65.77	65.77	65.77
<u>Deposit (Reconnections)</u>	377.88	377.88	377.88	377.88
<u>Reconnection Fee</u>	56.68	56.68	56.68	56.68
<u>Testing of meters</u>				
Up to 50mm	394.90	394.90	394.90	394.90
Exceeds 50mm	Cost + 10%	Cost + 10%	Cost + 10%	Cost + 10%
<u>New connections</u>				
<u>Water</u>				
Connections 25mm and less	Cost + 10%	Cost + 10%	Cost + 10%	Cost + 10%
Connections 25mm and less minimum charge as a deposit	699.78	699.78	699.78	699.78
Connections greater than 25mm	Cost + 10%	Cost + 10%	Cost + 10%	Cost + 10%
Connections greater than 25mm minimum charge as a deposit	1,516.19	1,516.19	1,516.19	1,516.19
<u>Sanitation</u>				
All connections	Cost + 10%	Cost + 10%	Cost + 10%	Cost + 10%
Minimum charge as a deposit	874.73	874.73	874.73	874.73
<u>New connections</u>				
Deposit	642.00	642.00	642.00	642.00
Hall Hire Amajuba Sports Complex(old Monte Vista Complex)				
Deposit (Refundable)		1,500.00		1,500.00
Facility usage		1,500.00		1,500.00

The following table shows the impact of the proposed increases in water tariffs on the water charges for a single dwelling-house:

Table 2 Comparison between current water charges and increases (Domestic)

Monthly consumption kℓ	Current amount payable R	Proposed amount payable R	Difference (Increase) R	Percentage change
20	94.22	99.87	5.65	6%
30	170.92	181.17	10.25	6%
40	247.62	262.47	14.85	6%
50	326.92	346.53	19.61	6%
80	570.02	604.22	34.20	6%
100	733.82	777.84	44.02	6%

Sanitation and Impact of Tariff Increases

A tariff increase from R3.24 to R3.42 for sanitation from 1 July 2014 is proposed. This is based on the input cost assumptions related to water. It should be noted that electricity costs contributes approximately 30 per cent of waste water treatment input costs .

The following factors also contribute to the proposed tariff increase:

- Sanitation charges are calculated according to the percentage water discharged as indicated in the table below;
- Free sanitation (100 per cent of 6 kℓ water) will be applicable to registered indigents; and
- The total revenue expected to be generated from rendering this service amounts to R2.519 million for the 2014/15 financial year.

Operating Revenue Framework

For Amajuba District 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 85 per cent annual collection rate for 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;
- 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):

Table 3 Summary of revenue classified by main revenue source

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											
Service charges - water revenue	2	-	-	-	12,373	10,696	10,696	10,696	12,373	13,102	13,823
Service charges - sanitation revenue	2	-	-	-	2,520	1,763	1,763	1,763	2,520	2,668	2,815
Rental of facilities and equipment				265	-	300	300	300	285	302	319
Interest earned - external investments		1,849	940	2,255	750	300	300	300			
Interest earned - outstanding debtors						1,616	1,616	1,616			
Transfers recognised - operational		78,331	125,750	177,361	110,684	110,684	110,684	110,684	127,902	128,461	136,422
Other revenue	2	6,961	355	628	200	233	233	233	574	608	641
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)		87,142	127,045	180,509	126,526	125,591	125,591	125,591	143,653	145,142	154,020

Table 3 Operating 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									
-										
<u>Operating Transfers and Grants</u>										
National Government:		80,492	88,599	98,319	110,431	110,431	110,431	114,819	123,175	130,900
Local Government Equitable Share		38,243	40,477	44,413	52,618	52,618	52,618	55,797	59,913	62,444
RSC Levy Replacement		40,088	43,698	47,630	51,917	51,917	51,917	56,588	60,795	65,938
Finance Management		1,000	1,250	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Municipal Systems Improvement		750	790	1,000	890	890	890	934	967	1,018
Water Services Operating Subsidy			1,585	1,000	1,800	1,800	1,800			
EPWP Incentive		411	799	1,000	-	-	-			
Rural Roads Transport Grant				1,776	1,706	1,706	1,706			
Provincial Government:		3,540	3,940	2,524	253	253	253	11,000	3,250	3,400
Sport and Recreation		420	2,310	1,050	253	253	253			
Ambulance subsidy			1,630							
Health subsidy		3,120								
LED and Planning Grants -COGTA				1,474	-			11,000	3,250	3,400
District Municipality:		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	84,032	92,539	100,843	110,684	110,684	110,684	125,819	126,425	134,300
<u>Capital Transfers and Grants</u>										
National Government:		41,117	50,444	63,420	63,432	63,432	63,432	55,710	62,597	59,710
Municipal Infrastructure Grant (MIG)		31,382	41,211	49,992	47,462	47,462	47,462	41,650	40,721	42,445
Rural Transport Services and Infrastructure			1,687					2,020	2,051	2,132
Regional Bulk Infrastructure		9,735	7,546	-	-	-	-			
Public Transport and Systems										
Water Infrastructure Grants				13,428	15,970	15,970	15,970	12,040	19,825	15,133
Provincial Government:		-	-	15,926	-	-	-	-	-	-
Disaster and CoGTA Infrastructure Grants				15,926						
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Other grant providers:		-	1,000	-	1,000	1,000	1,000	1,276	-	-
Public Works Grant			1,000	-	1,000	1,000	1,000	1,276		
Total Capital Transfers and Grants	5	41,117	51,444	79,346	64,432	64,432	64,432	56,986	62,597	59,710
TOTAL RECEIPTS OF TRANSFERS & GRANTS		125,149	143,983	180,189	175,116	175,116	175,116	182,805	189,022	194,010

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When 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.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as

food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity and water, petrol, diesel, chemicals, cement etc. The current challenge facing the municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the municipality has undertaken the tariff setting process relating to service charges as follows.

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) unless there are existing uncommitted cash-backed reserves to fund any deficit which we currently do not have;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to the integrated development plan and backlog eradication plan;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of *no project plans no budget*. If there is no business plan no funding allocation can be made.

The following table is a high level summary of the 2014/15 budget and MTREF (classified per main type of operating expenditure):

DC25 Amajuba - 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
Expenditure By Type	-										
Employee related costs	2	34,640	36,403	40,802	64,222	65,007	65,007	65,007	70,950	75,490	79,642
Remuneration of councillors		3,886	4,223	4,220	6,362	5,662	5,662	5,662	5,395	5,741	6,057
Debt impairment	3								1,800	2,000	2,110
Depreciation & asset impairment	2	4,421	5,381	5,162	1,827	2,226	2,226	2,226	5,162	5,374	5,644
Finance charges		6	(0)		1,400				1,500	1,800	2,000
Bulk purchases	2	-	-	-	2,493	4,600	4,600	4,600	5,000	6,000	7,000
Contracted services		-	-	11,091	11,645	14,176	14,176	14,176	10,001	11,149	10,597
Transfers and grants		-	-	-	-	-	-	-	-	-	-
Other expenditure	4, 5	108,006	124,713	128,956	37,234	33,297	33,297	33,297	38,652	34,137	37,699
Loss on disposal of PPE											
Total Expenditure		150,958	170,720	190,231	125,182	124,968	124,968	124,968	138,459	141,691	150,749

The budgeted allocation for employee related costs for the 2014/15 financial year totals R70.950 million, which equals 51 per cent of the total operating expenditure. An increase of 6.78% has been provided in this budget in line with the SALGBC Collective Agreement for the 2014/15 financial year. An annual increase of 6.4 And 5.5 per cent has been included in the two outer years of the MTREF. As part of the municipality's cost reprioritization and cash management strategy vacancies have been significantly rationalized downwards. As part of the re-structuring interventions all posts have been reviewed and the organogram has been revised and approved by the Council. The result of this exercise is that we have critically examined each post that we needed to have on the organogram to ensure that it is critical for the programmes planned for the year. In addition expenditure against overtime was significantly reduced, with provisions against this budget item only being provided for emergency services and other critical functions.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the municipality's budget.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R5,162 million for the 2014/15 financial year and equates to 3 per cent of the total operating expenditure. Note that the implementation of GRAP 17 accounting standard will mean bringing a range of assets previously not included in the assets register onto the register. This will result in a significant increase in depreciation in the coming years.

Bulk purchases are directly informed by the cost charged for purified water out the Ngagane plant. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The expenditures include distribution losses.

Other materials comprise of amongst others the purchase of fuel, diesel, materials for maintenance, cleaning materials and chemicals. In line with the municipality's repairs and maintenance plan this group of expenditure has been prioritised to ensure sustainability of the infrastructure.

Contracted services have been identified as a cost saving area for the municipality. As part of the compilation of the 2014/15 MTREF this group of expenditure will be critically evaluated and operational efficiencies will be enforced. In the 2014/15 financial year, this group of expenditure totals R10.001 million and we will continue to critically review and monitor these in order to realise operational efficiencies. As part of the process of identifying further cost efficiencies, a business process reengineering project will commence in the 2014/15 financial year to identify alternative practices and procedures, including building in-house capacity for certain activities that are currently being contracted out. The outcome of this exercise will be factored into the next budget cycle and it is envisaged that additional cost savings will be implemented. Further details relating to contracted services can be seen in Table 64 MBRR SA1.

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. Growth has been limited to 6 per cent over the 2014/15 MTREF and curbed for the last year of the MTREF indicating our commitment to cost saving. Further details relating to contracted services can be seen in Table 64 MBRR SA1.

The following figure gives a breakdown of the main expenditure categories for the 2014/15 financial year.

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:

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
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges		2,069	906	1,031	5,488	4,528	4,528	3,770	4,963	5,202
Other										
Total Repairs and Maintenance Expenditure	1	2,069	906	1,031	5,488	4,528	4,528	3,770	4,963	5,202

<i>R&M as a % of PPE</i>		3.2%	1.4%	1.7%	4.4%	3.7%	3.7%	2.5%	2.9%	2.8%
<i>R&M as % Operating Expenditure</i>		1.4%	0.5%	0.5%	4.4%	3.6%	3.6%	2.7%	3.5%	3.5%

Free Basic Services: Basic Social Services Package

The social package is aimed to assist households that are poor or face other circumstances that limit their ability to pay for services. The municipality has adopted an Indigent Support Policy as part of its policy review exercise. For households to be eligible for assistance, households will be required to register in terms of the municipality's Indigent Policy. The aim is to identify the households that require assistance and to determine the level of assistance the municipality can afford. Detail relating to free services, cost of free basic 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 through the local government equitable share received by the municipality in terms of the annual Division of Revenue Act.

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		3,293	4,543	4,543	4,617	4,617	4,617	5,274	5,274	5,274
Piped water inside yard (but not in dwelling)										
Using public tap (at least min.service level)	2	15,285	19,471	19,471	19,789	19,789	19,789	21,577	21,577	21,577
Other water supply (at least min.service level)	4									
<i>Minimum Service Level and Above sub-total</i>		18,578	24,014	24,014	24,406	24,406	24,406	26,851	26,851	26,851
Using public tap (< min.service level)	3	102,328	96,966	96,966	98,948	98,948	98,948	99,915	99,915	99,915
Other water supply (< min.service level)	4	1,598	1,948	1,948	1,979	1,979	1,979	2,697	2,697	2,697
No water supply		6,555	6,880	6,880	6,592	6,592	6,592	5,394	5,394	5,394
<i>Below Minimum Service Level sub-total</i>		110,481	105,794	105,794	107,519	107,519	107,519	108,006	108,006	108,006
Total number of households	5	129,059	129,808	129,808	131,925	131,925	131,925	134,857	134,857	134,857
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		1,601	1,947	1,947	2,374	2,374	2,374	2,697	2,697	2,697
Flush toilet (with septic tank)		691	778	778	792	792	792	934	934	934
Chemical toilet										
Pit toilet (ventilated)		3,141	3,245	3,245	3,298	3,298	3,298	4,045	4,045	4,045
Other toilet provisions (> min.service level)										
<i>Minimum Service Level and Above sub-total</i>		5,433	5,970	5,970	6,464	6,464	6,464	7,676	7,676	7,676
Bucket toilet		102,328	101,771	101,771	103,034	103,034	103,034	107,000	107,000	107,000
Other toilet provisions (< min.service level)		21,298	22,067	22,067	22,427	22,427	22,427	20,228	20,228	20,228
No toilet provisions										
<i>Below Minimum Service Level sub-total</i>		123,626	123,838	123,838	125,461	125,461	125,461	127,228	127,228	127,228
Total number of households	5	129,059	129,808	129,808	131,925	131,925	131,925	134,904	134,904	134,904
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		129,059	129,808	129,808	131,925	131,925	131,925	134,904	134,904	134,904
Sanitation (free minimum level service)		129,059	129,808	129,808	131,925	131,925	131,925	134,904	134,904	134,904
Cost of Free Basic Services provided (R'000)	8									
Water (6 kilolitres per household per month)		774	779	600	528	528	528	555	555	555
Sanitation (free sanitation service)		774	779	600	528	528	528	555	555	555
Total cost of FBS provided (minimum social package)		1,549	1,558	1,200	1,056	1,056	1,056	1,110	1,110	1,110
Highest level of free service provided										
Property rates (R value threshold)										
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)										
Property rates (other exemptions, reductions and rebates)										
Water		9,294	9,348	9,348	6,336	6,336	6,336	6,336	6,336	6,336
Sanitation		9,294	9,348	9,348	6,336	6,336	6,336	6,336	6,336	6,336
Total revenue cost of free services provided (total social package)		18,588	18,696	18,696	12,672	12,672	12,672	12,672	12,672	12,672

Capital expenditure

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

Table 4 2014/15 Medium-term capital budget per vote

Vote Description	R e f	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 - Standard											
<i>Governance and administration</i>		-	-	-	500	606	606	606	-	-	-
Executive and council		-	-	-	-	22	22	22	-	-	-
Budget and treasury office		-	-	-	-	11	11	11	-	-	-
Corporate services		-	-	-	500	573	573	573	-	-	-
<i>Community and public safety</i>		-	-	-	-	9	9	9	1,500	-	-
Community and social services		-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	9	9	9	1,500	-	-
<i>Economic and environmental services</i>		-	-	-	800	8	8	8	-	-	-
Planning and development		-	-	-	800	8	8	8	-	-	-
Road transport		-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		53,480	49,513	8,315	59,199	60,999	60,999	60,999	54,904	60,561	57,588
Water		53,480	49,513	8,315	59,199	60,999	60,999	60,999	54,904	60,561	57,588
<i>Other</i>		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	3	53,480	49,513	8,315	60,499	61,622	61,622	61,622	56,404	60,561	57,588
Funded by:											
National Government		53,480	49,513	1,782	59,199	60,999	60,999	60,999	54,904	60,561	57,588
Provincial Government		-	-	2,569	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	53,480	49,513	4,350	59,199	60,999	60,999	60,999	54,904	60,561	57,588
Public contributions & donations	5	-	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	3,964	1,300	623	623	623	1,500	-	-
Total Capital Funding	7	53,480	49,513	8,315	60,499	61,622	61,622	61,622	56,404	60,561	57,588

For 2014/15 an amount of R54,904 million has been appropriated for the development of infrastructure which represents 97 per cent of the total capital budget. In the outer years this amount totals R60,561 million, 94.8 per cent and R57,588 million, 96.0 per cent respectively for each of the financial years.

Further detail relating to asset classes and proposed capital expenditure is contained in Table 26 MBRR A9 (Asset Management). In addition to the MBRR Table A9, MBRR Tables

SA34a, b, c provides a detailed breakdown of the capital programme relating to new asset construction, capital asset renewal as well as operational repairs and maintenance by asset class.

Some of the salient projects to be undertaken over the medium-term includes, amongst others:

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK			
	2014/2015	2015/2016	2016/2017
	BUDGET YEAR	BUDGET YEAR	BUDGET YEAR
	1	2	3
BUFFALO FLATS WATER -PHASE 3	6,863,054		
BUFFALO FLATS SANITATION-MIG PROJECTS	19,710,554	26,563,950	15,813,158
EMANDLANGENI SANITATION-MIG	12,993,892	12,121,000	7,593,354
MIG PROJECTS UNALLOCATED			16,916,238
PUBLIC WORKS GRANT EXPENDITURE	1,276,000	0	0
MWIG - Emadlangeni Rural Water Supply (Dev. of Water Sources)	5,399,120	0	0
MWIG - Emadlangeni Rural Water Supply (Network Reticulations)	6,640,880	11,296,250	0
MWIG - Buffalo Flats Water Supply Ph4 (Ph 1 to 3 Infills)	0	8,528,750	5,780,551
MWIG - Buffalo Flats WCDM Ph2	0	0	9,352,449
ROAD ASSET MANAGEMENT GRANT	2,020,000	2,051,000	2,132,000
TOTAL INFRASTRUCTURE CAPITAL BUDGET	54,903,500	60,560,950	57,587,750
CAPITAL FUNDED FROM OWN REVENUE-FIRE FIGHTER	1,500,000		
TOTAL CAPITAL BUDGET	56,403,500	60,560,950	57,587,750

Draft Annual Budget Tables

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.

Table 5 MBRR Table A1 - Budget Summary

Description	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Financial Performance										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	14,892	12,458	12,458	12,458	14,892	15,771	16,638
Investment revenue	1,849	940	2,255	750	300	300	300	-	-	-
Transfers recognised - operational	78,331	125,750	177,361	110,684	110,684	110,684	110,684	127,902	128,461	136,422
Other own revenue	6,961	355	894	200	2,148	2,148	2,148	859	910	960
Total Revenue (excluding capital transfers and contributions)	87,142	127,045	180,509	126,526	125,591	125,591	125,591	143,653	145,142	154,020
Employee costs	34,640	36,403	40,802	64,222	65,007	65,007	65,007	70,950	75,490	79,642
Remuneration of councillors	3,886	4,223	4,220	6,362	5,662	5,662	5,662	5,395	5,741	6,057
Depreciation & asset impairment	4,421	5,381	5,162	1,827	2,226	2,226	2,226	5,162	5,374	5,644
Finance charges	6	(0)	-	1,400	-	-	-	1,500	1,800	2,000
Materials and bulk purchases	-	-	-	2,493	4,600	4,600	4,600	5,000	6,000	7,000
Transfers and grants	-	-	-	-	-	-	-	-	-	-
Other expenditure	108,006	124,713	140,047	48,879	47,473	47,473	47,473	50,453	47,285	50,405
Total Expenditure	150,958	170,720	190,231	125,182	124,968	124,968	124,968	138,459	141,691	150,749
Surplus/(Deficit)	(63,817)	(43,675)	(9,722)	1,344	623	623	623	5,194	3,451	3,272
Transfers recognised - capital	-	-	8,315	60,499	61,622	61,622	61,622	54,904	60,561	57,588
Contributions recognised - capital & contributed a	53,480	49,513	(8,315)	(61,799)	(62,245)	(62,245)	(62,245)	(56,404)	(60,561)	(57,588)
Surplus/(Deficit) after capital transfers & contributions	(10,336)	5,838	(9,722)	44	(0)	(0)	(0)	3,694	3,451	3,272
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(10,336)	5,838	(9,722)	44	(0)	(0)	(0)	3,694	3,451	3,272
Capital expenditure & funds sources										
Capital expenditure	53,480	49,513	8,315	60,499	61,622	61,622	61,622	56,404	60,561	57,588
Transfers recognised - capital	53,480	49,513	4,350	59,199	60,999	60,999	60,999	54,904	60,561	57,588
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	3,964	1,300	623	623	623	1,500	-	-
Total sources of capital funds	53,480	49,513	8,315	60,499	61,622	61,622	61,622	56,404	60,561	57,588
Financial position										
Total current assets	7,995	15,886	13,056	55,222	29,589	29,589	29,589	32,316	38,116	44,006
Total non current assets	847,827	837,953	764,756	898,786	123,457	123,457	123,457	149,860	170,421	188,009
Total current liabilities	77,241	70,973	89,033	32,590	34,433	34,433	34,433	38,017	36,520	34,530
Total non current liabilities	-	-	-	-	-	-	-	20	25	30
Community wealth/Equity	778,581	782,866	688,780	921,418	118,613	118,613	118,613	144,139	171,992	197,455
Cash flows										
Net cash from (used) operating	(66,831)	30,202	554	61,843	59,900	59,900	59,900	60,097	64,012	60,859
Net cash from (used) investing	986	(10,952)	(6,077)	(60,499)	(61,622)	(61,622)	(61,622)	(56,404)	(60,561)	(57,588)
Net cash from (used) financing	(96)	(17)	421	-	-	-	-	3,824	2,549	2,728
Cash/cash equivalents at the year end	(11,649)	7,584	2,482	3,826	760	760	760	10,000	16,000	22,000
Cash backing/surplus reconciliation										
Cash and investments available	(4,065)	7,584	2,294	50,000	(942)	(942)	(942)	10,000	16,000	22,000
Application of cash and investments	62,426	62,274	79,861	26,373	1,899	1,899	1,899	(4,316)	(4,116)	(4,006)
Balance - surplus (shortfall)	(66,491)	(54,690)	(77,566)	23,627	(2,842)	(2,842)	(2,842)	14,316	20,116	26,006
Asset management										
Asset register summary (WDV)	65,125	62,836	61,613	123,669	123,457	123,457	149,860	149,860	170,421	188,009
Depreciation & asset impairment	4,421	5,381	5,162	1,827	2,226	2,226	5,162	5,162	5,374	5,644
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	2,069	906	1,031	5,488	4,528	4,528	3,770	3,770	4,963	5,202
Free services										
Cost of Free Basic Services provided	1,549	1,558	1,200	1,056	1,056	1,056	1,110	1,110	1,110	1,110
Revenue cost of free services provided	18,588	18,696	18,696	12,672	12,672	12,672	12,672	12,672	12,672	12,672
Households below minimum service level										
Water:	110	106	106	108	108	108	108	108	108	108
Sanitation/sewage:	124	124	124	125	125	125	127	127	127	127
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

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).

2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
 - b. Capital expenditure is balanced by capital funding sources, of which
 - i. Transfers recognised is reflected on the Financial Performance Budget;
 - ii. Internally generated funds are financed from the current operating surplus. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
4. The Cash backing/surplus reconciliation shows that in previous financial years the municipality was not paying much attention to managing this aspect of its finances, and consequently many of its obligations are not cash-backed. This places the municipality in a very vulnerable financial position, as the recent slow-down in revenue collections highlighted. Consequently Council has taken a deliberate decision to ensure adequate cash-backing for all material obligations in accordance with the recently adopted Funding and Reserves Policy. This cannot be achieved in one financial year. But over the MTREF there is progressive improvement in the level of cash-backing of obligations. It is anticipated that the goal of having all obligations cash-back will be achieved by 2015/16, when a small surplus is reflected.

Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs. It is anticipated that by 2014/15 the water backlog will have been very nearly eliminated

Table 6 MBRR 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
R thousand	1									
Revenue - Standard										
<i>Governance and administration</i>		139,677	90,882	93,672	95,123	66,729	66,729	72,155	77,353	83,153
Executive and council		83,216	44,877	39,689	39,946	11,669	11,669	12,374	13,287	13,848
Budget and treasury office		56,005	45,869	52,407	55,067	54,617	54,617	59,034	63,275	68,469
Corporate services		455	135	1,577	110	443	443	747	791	835
<i>Community and public safety</i>		127	19	2,091	333	5,686	5,686	5,776	6,201	6,464
Community and social services		127	19	2,091	333	5,686	5,686	100	106	112
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	5,676	6,095	6,353
<i>Economic and environmental services</i>		50,917	36,144	74,925	1,706	1,706	1,706	11,000	3,250	3,400
Planning and development		3,766	43	1,516	-	-	-	11,000	3,250	3,400
Road transport		47,152	36,101	73,409	1,706	1,706	1,706	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	9,820	29,364	51,470	51,470	54,721	58,338	61,003
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	9,820	29,364	51,470	51,470	54,721	58,338	61,003
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	190,722	127,045	180,509	126,526	125,591	125,591	143,653	145,142	154,020
Expenditure - Standard	-									
<i>Governance and administration</i>		89,204	46,411	39,971	45,455	46,113	46,113	55,847	59,549	63,172
Executive and council		63,340	24,149	14,018	17,826	19,452	19,452	16,908	18,147	19,359
Budget and treasury office		13,446	9,781	9,854	12,587	13,224	13,224	13,108	13,723	14,510
Corporate services		12,417	12,480	16,099	15,042	13,437	13,437	25,830	27,680	29,303
<i>Community and public safety</i>		32,041	13,671	22,143	19,348	17,853	17,853	19,167	20,292	21,341
Community and social services		26,550	9,982	17,259	14,333	12,954	12,954	10,147	10,779	11,374
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		5,492	3,690	4,884	5,015	4,899	4,899	6,234	6,548	6,839
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	2,786	2,965	3,128
<i>Economic and environmental services</i>		79,813	61,124	101,424	35,892	26,204	26,204	35,357	30,479	32,587
Planning and development		24,539	11,790	23,102	22,682	18,871	18,871	27,638	22,356	25,104
Road transport		55,274	49,334	78,322	13,211	7,333	7,333	7,720	8,123	7,483
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	26,693	24,486	34,798	34,798	28,088	31,371	33,648
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	26,693	24,486	34,798	34,798	28,088	31,371	33,648
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	201,058	121,207	190,231	125,182	124,968	124,968	138,459	141,691	150,749
Surplus/(Deficit) for the year		(10,336)	5,838	(9,722)	1,344	623	623	5,194	3,451	3,272

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

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4.
3. Note that as a general principle the revenues for the Trading Services should exceed their expenditures. The table highlights that this is the case for Water and Waste water functions. As already noted above, the municipality will be undertaking a detailed study of all its functional areas to explore ways of improving efficiencies and provide a basis for re-evaluating the function's funding structure.

Table A3 Budgeted Financial Performance

Vote Description 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
Revenue by Vote	1									
Vote 1 - Council and Executive Committee		83,216	44,873	39,689	39,946	11,669	11,669	12,374	13,287	13,848
Vote 2 - Office of the Municipal Manager		-	4	-	-	-	-	-	-	-
Vote 3 - Budget and Treasury Office		56,005	45,869	52,407	55,067	54,617	54,617	59,034	63,275	68,469
Vote 4 - Corporate and Property Management Services		455	135	1,577	110	443	443	747	791	835
Vote 5 - Community Social Development and Environmental		127	19	2,091	333	5,686	5,686	100	106	112
Vote 6 - Local Economic Development and Planning		3,766	43	1,516	-	-	-	11,000	3,250	3,400
Vote 9 - Technical and Road Management Services		47,152	36,101	73,409	1,706	1,706	1,706	-	-	-
Vote 10 - Amajuba Water Services Authority Services		-	-	9,820	29,364	51,470	51,470	54,721	58,338	61,003
Vote 11 - Environmental Health-Community		-	-	-	-	-	-	5,676	6,095	6,353
Total Revenue by Vote	2	190,722	127,045	180,509	126,526	125,591	125,591	143,653	145,142	154,020
Expenditure by Vote to be appropriated	1									
Vote 1 - Council and Executive Committee		19,196	15,063	6,378	7,843	8,051	8,051	5,835	6,276	6,667
Vote 2 - Office of the Municipal Manager		44,144	9,087	7,639	9,982	11,402	11,402	11,073	11,871	12,692
Vote 3 - Budget and Treasury Office		13,446	9,781	9,854	12,587	13,224	13,224	13,108	13,723	14,510
Vote 4 - Corporate and Property Management Services		12,417	12,480	16,099	15,042	13,437	13,437	25,830	27,680	29,303
Vote 5 - Community Social Development and Environmental		25,635	9,021	16,489	13,715	12,343	12,343	9,468	10,057	10,612
Vote 6 - Local Economic Development and Planning		24,539	11,790	23,102	22,682	18,871	18,871	27,638	22,356	25,104
Vote 7 - Tousong-Shared Service Centres		915	961	770	618	612	612	679	722	762
Vote 8 - Disaster Management Services		5,492	3,690	4,884	5,015	4,899	4,899	6,234	6,548	6,839
Vote 9 - Technical and Road Management Services		55,274	49,334	78,322	13,211	7,333	7,333	7,720	8,123	7,483
Vote 10 - Amajuba Water Services Authority Services		-	-	26,693	24,486	34,798	34,798	28,088	31,371	33,648
Vote 11 - Environmental Health-Community		-	-	-	-	-	-	2,786	2,965	3,128
Total Expenditure by Vote	2	201,058	121,207	190,231	125,182	124,968	124,968	138,459	141,691	150,749
Surplus/(Deficit) for the year	2	(10,336)	5,838	(9,722)	1,344	623	623	5,194	3,451	3,272

DC25 Amajuba - 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	-	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	12,373	10,696	10,696	10,696	12,373	13,102	13,823
Service charges - sanitation revenue	2	-	-	-	2,520	1,763	1,763	1,763	2,520	2,668	2,815
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - other											
Rental of facilities and equipment				265	-	300	300	300	285	302	319
Interest earned - external investments		1,849	940	2,255	750	300	300	300			
Interest earned - outstanding debtors						1,616	1,616	1,616			
Dividends received											
Fines											
Licences and permits		-									
Agency services											
Transfers recognised - operational		78,331	125,750	177,361	110,684	110,684	110,684	110,684	127,902	128,461	136,422
Other revenue	2	6,961	355	628	200	233	233	233	574	608	641
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)		87,142	127,045	180,509	126,526	125,591	125,591	125,591	143,653	145,142	154,020
Expenditure By Type											
Employee related costs	2	34,640	36,403	40,802	64,222	65,007	65,007	65,007	70,950	75,490	79,642
Remuneration of councillors		3,886	4,223	4,220	6,362	5,662	5,662	5,662	5,395	5,741	6,057
Debt impairment	3								1,800	2,000	2,110
Depreciation & asset impairment	2	4,421	5,381	5,162	1,827	2,226	2,226	2,226	5,162	5,374	5,644
Finance charges		6	(0)		1,400				1,500	1,800	2,000
Bulk purchases	2	-	-	-	2,493	4,600	4,600	4,600	5,000	6,000	7,000
Other materials	8										
Contracted services		-	-	11,091	11,645	14,176	14,176	14,176	10,001	11,149	10,597
Transfers and grants		-	-	-	-	-	-	-	-	-	-
Other expenditure	4, 5	108,006	124,713	128,956	37,234	33,297	33,297	33,297	38,652	34,137	37,699
Loss on disposal of PPE											
Total Expenditure		150,958	170,720	190,231	125,182	124,968	124,968	124,968	138,459	141,691	150,749
Surplus/(Deficit)		(63,817)	(43,675)	(9,722)	1,344	623	623	623	5,194	3,451	3,272
Transfers recognised - capital				8,315	60,499	61,622	61,622	61,622	54,904	60,561	57,588
Contributions recognised - capital	6	-	-	(3,964)	(1,300)	(623)	(623)	(623)	(1,500)	-	-
Contributed assets		53,480	49,513	(4,350)	(60,499)	(61,622)	(61,622)	(61,622)	(54,904)	(60,561)	(57,588)
Surplus/(Deficit) after capital transfers & contributions		(10,336)	5,838	(9,722)	44	(0)	(0)	(0)	3,694	3,451	3,272
Taxation											
Surplus/(Deficit) after taxation		(10,336)	5,838	(9,722)	44	(0)	(0)	(0)	3,694	3,451	3,272
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		(10,336)	5,838	(9,722)	44	(0)	(0)	(0)	3,694	3,451	3,272
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		(10,336)	5,838	(9,722)	44	(0)	(0)	(0)	3,694	3,451	3,272

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

Vote Description 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	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											
Vote 2 - Office of the Municipal Manager	2	-	-	-	-	22	22	22	-	-	-
Vote 3 - Budget and Treasury Office		-	-	-	-	11	11	11	-	-	-
Vote 4 - Corporate and Property Management Services		-	-	-	500	573	573	573	-	-	-
Vote 6 - Local Economic Development and Planning		-	-	-	800	8	8	8	-	-	-
Vote 7 - Tousong-Shared Service Centres		-	-	-	-	-	-	-	-	-	-
Vote 8 - Disaster Management Services		-	-	-	-	9	9	9	1,500	-	-
Vote 10 - Amajuba Water Services Authority Services		53,480	49,513	8,315	59,199	60,999	60,999	60,999	54,904	60,561	57,588
Capital multi-year expenditure sub-total	7	53,480	49,513	8,315	60,499	61,622	61,622	61,622	56,404	60,561	57,588
Capital single-year expenditure sub-total		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Vote		53,480	49,513	8,315	60,499	61,622	61,622	61,622	56,404	60,561	57,588
Capital Expenditure - Standard											
Governance and administration											
Executive and council		-	-	-	500	606	606	606	-	-	-
Budget and treasury office		-	-	-	-	22	22	22	-	-	-
Corporate services		-	-	-	500	573	573	573	-	-	-
Community and public safety											
Public safety		-	-	-	-	9	9	9	1,500	-	-
Economic and environmental services											
Planning and development		-	-	-	800	8	8	8	-	-	-
Road transport		-	-	-	800	8	8	8	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services											
Electricity		53,480	49,513	8,315	59,199	60,999	60,999	60,999	54,904	60,561	57,588
Water		53,480	49,513	8,315	59,199	60,999	60,999	60,999	54,904	60,561	57,588
Total Capital Expenditure - Standard	3	53,480	49,513	8,315	60,499	61,622	61,622	61,622	56,404	60,561	57,588
Funded by:											
National Government		53,480	49,513	1,782	59,199	60,999	60,999	60,999	54,904	60,561	57,588
Provincial Government				2,569							
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	53,480	49,513	4,350	59,199	60,999	60,999	60,999	54,904	60,561	57,588
Public contributions & donations	5										
Borrowing	6										
Internally generated funds				3,964	1,300	623	623	623	1,500	-	-
Total Capital Funding	7	53,480	49,513	8,315	60,499	61,622	61,622	61,622	56,404	60,561	57,588

Table A6 - Budgeted Financial Position

DC25 Amajuba - Table A6 Budgeted Financial Position

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
ASSETS											
Current assets											
Cash			739		25,000	-	-	-	5,000	6,000	7,000
Call investment deposits	1	1,401	6,845	2,663	25,000	780	780	780	5,000	10,000	15,000
Consumer debtors	1	-	-	64	-	20,116	20,116	20,116	18,316	18,116	18,006
Other debtors		6,594	8,302	10,329	5,222	8,693	8,693	8,693	4,000	4,000	4,000
Current portion of long-term receivables											
Inventory	2										
Total current assets		7,995	15,886	13,056	55,222	29,589	29,589	29,589	32,316	38,116	44,006
Non current assets											
Long-term receivables											
Investments		7,584									
Investment property											
Investment in Associate		775,117	775,117	703,143	775,117	-	-	-	-	-	-
Property, plant and equipment	3	64,913	62,836	59,494	123,457	123,457	123,457	123,457	149,860	170,421	188,009
Agricultural											
Biological											
Intangible		212		2,119	212						
Other non-current assets											
Total non current assets		847,827	837,953	764,756	898,786	123,457	123,457	123,457	149,860	170,421	188,009
TOTAL ASSETS		855,822	853,839	777,812	954,009	153,046	153,046	153,046	182,176	208,537	232,015
LIABILITIES											
Current liabilities											
Bank overdraft	1	13,050	-	368		1,722	1,722	1,722	-	-	-
Borrowing	4	17	-	-	-	-	-	-	20,000	18,500	16,500
Consumer deposits									17	20	30
Trade and other payables	4	62,962	69,361	87,162	31,855	32,188	32,188	32,188	18,000	18,000	18,000
Provisions		1,212	1,612	1,503	735	522	522	522			
Total current liabilities		77,241	70,973	89,033	32,590	34,433	34,433	34,433	38,017	36,520	34,530
Non current liabilities											
Borrowing		-	-	-	-	-	-	-	-	-	-
Provisions		-	-	-	-	-	-	-	20	25	30
Total non current liabilities		-	-	-	-	-	-	-	20	25	30
TOTAL LIABILITIES		77,241	70,973	89,033	32,590	34,433	34,433	34,433	38,037	36,545	34,560
NET ASSETS	5	778,581	782,866	688,780	921,418	118,613	118,613	118,613	144,139	171,992	197,455
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		778,581	782,866	688,780	921,418	118,613	118,613	118,613	144,139	171,992	197,455
Reserves	4	-	-	-	-	-	-	-	-	-	-
Minorities' interests											
TOTAL COMMUNITY WEALTH/EQUITY	5	778,581	782,866	688,780	921,418	118,613	118,613	118,613	144,139	171,992	197,455

Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.

Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position

Table 7 MBRR Table A7 - Budgeted Cash Flow Statement

DC25 Amajuba - 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		566	303	628	15,842	15,357	15,357	15,357	15,751	16,681	17,598
Government - operating	1	131,811	88,571	185,775	110,684	110,684	110,684	110,684	127,902	128,461	136,422
Government - capital	1		37,179	-	60,499	61,622	61,622	61,622	54,904	60,561	57,588
Interest		1,849	992	2,255		300	300	300	-	-	-
Dividends											
Payments											
Suppliers and employees		(196,632)	(96,843)	(188,104)	(125,182)	(128,063)	(128,063)	(128,063)	(136,659)	(139,691)	(148,639)
Finance charges		(6)							(1,800)	(2,000)	(2,110)
Transfers and Grants	1	(4,421)									
NET CASH FROM/(USED) OPERATING ACTIVITIES		(66,831)	30,202	554	61,843	59,900	59,900	59,900	60,097	64,012	60,859
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		275		448							
Decrease (Increase) in non-current debtors											
Decrease (increase) other non-current receivables		(40,512)	(8,192)								
Decrease (increase) in non-current investments		56,495									
Payments											
Capital assets		(15,272)	(2,760)	(6,525)	(60,499)	(61,622)	(61,622)	(61,622)	(56,404)	(60,561)	(57,588)
NET CASH FROM/(USED) INVESTING ACTIVITIES		986	(10,952)	(6,077)	(60,499)	(61,622)	(61,622)	(61,622)	(56,404)	(60,561)	(57,588)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans				421					20,000	18,500	16,500
Borrowing long term/refinancing											
Increase (decrease) in consumer deposits											
Payments											
Repayment of borrowing		(96)	(17)						(16,176)	(15,951)	(13,772)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(96)	(17)	421	-	-	-	-	3,824	2,549	2,728
NET INCREASE/ (DECREASE) IN CASH HELD		(65,941)	19,232	(5,102)	1,344	(1,722)	(1,722)	(1,722)	7,518	6,000	6,000
Cash/cash equivalents at the year begin:	2	54,293	(11,649)	7,584	2,482	2,482	2,482	2,482	2,482	10,000	16,000
Cash/cash equivalents at the year end:	2	(11,649)	7,584	2,482	3,826	760	760	760	10,000	16,000	22,000

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

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	(11,649)	7,584	2,482	3,826	760	760	760	6,176	9,626	12,898
Other current investments > 90 days		-	(0)	(188)	46,174	(1,702)	(1,702)	(1,702)	3,824	6,374	9,102
Non current assets - Investments	1	7,584	-	-	-	-	-	-	-	-	-
Cash and investments available:		(4,065)	7,584	2,294	50,000	(942)	(942)	(942)	10,000	16,000	22,000
Application of cash and investments											
Unspent conditional transfers		22,398	-	-	-	21,923	21,923	21,923	10,000	9,000	8,000
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	40,028	62,274	79,861	26,373	(20,024)	(20,024)	(20,024)	(14,316)	(13,116)	(12,006)
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		62,426	62,274	79,861	26,373	1,899	1,899	1,899	(4,316)	(4,116)	(4,006)
Surplus(shortfall)		(66,491)	(54,690)	(77,566)	23,627	(2,842)	(2,842)	(2,842)	14,316	20,116	26,006

DC25 Amajuba - Table A9 Asset Management

Description 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
CAPITAL EXPENDITURE										
Total New Assets	1	53,480	49,513	8,315	60,499	61,622	61,622	56,404	60,561	57,588
Infrastructure - Water		-	-	-	47,462	49,262	49,262	20,179	19,825	15,133
Infrastructure - Sanitation		-	-	-	10,484	10,484	10,484	32,704	38,685	40,323
Infrastructure - Other		-	-	-	1,000	1,000	1,000	2,020	2,051	2,132
Infrastructure		-	-	-	58,946	60,746	60,746	54,904	60,561	57,588
Community		-	-	-	253	253	253	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	53,480	49,513	8,315	1,300	623	623	1,500	-	-
Total Renewal of Existing Assets	2	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4									
Infrastructure - Water		-	-	-	47,462	49,262	49,262	20,179	19,825	15,133
Infrastructure - Sanitation		-	-	-	10,484	10,484	10,484	32,704	38,685	40,323
Infrastructure - Other		-	-	-	1,000	1,000	1,000	2,020	2,051	2,132
Infrastructure		-	-	-	58,946	60,746	60,746	54,904	60,561	57,588
Other assets		53,480	49,513	8,315	1,300	623	623	1,500	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	2	53,480	49,513	8,315	60,499	61,622	61,622	56,404	60,561	57,588
ASSET REGISTER SUMMARY - PPE (WDV)	5									
Infrastructure - Water						88,919	88,919	148,360	170,421	188,009
Infrastructure - Sanitation						27,204	27,204			
Infrastructure - Other		64,913	62,836	59,494	123,457					
Infrastructure		64,913	62,836	59,494	123,457	116,123	116,123	148,360	170,421	188,009
Community						1,625	1,625	1,500		
Heritage assets										
Investment properties		-	-	-	-	-	-	-	-	-
Other assets						5,708	5,708			
Intangibles		212	-	2,119	212	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	65,125	62,836	61,613	123,669	123,457	123,457	149,860	170,421	188,009
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		4,421	5,381	5,162	1,827	2,226	2,226	5,162	5,374	5,644
Repairs and Maintenance by Asset Class	3	2,069	906	1,031	5,488	4,528	4,528	3,770	4,963	5,202
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Other assets	6, 7	2,069	906	1,031	5,488	4,528	4,528	3,770	4,963	5,202
TOTAL EXPENDITURE OTHER ITEMS		6,489	6,287	6,192	7,316	6,753	6,753	8,932	10,338	10,846
<i>Renewal of Existing Assets as % of total capex</i>		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Renewal of Existing Assets as % of deprechn"</i>		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>R&M as a % of PPE</i>		3.2%	1.4%	1.7%	4.4%	3.7%	3.7%	2.5%	2.9%	2.8%
<i>Renewal and R&M as a % of PPE</i>		3.0%	1.0%	2.0%	4.0%	4.0%	4.0%	3.0%	3.0%	3.0%

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		3,293	4,543	4,543	4,617	4,617	4,617	5,274	5,274	5,274
Using public tap (at least min.service level)	2	15,285	19,471	19,471	19,789	19,789	19,789	21,577	21,577	21,577
Other water supply (at least min.service level)	4									
<i>Minimum Service Level and Above sub-total</i>		18,578	24,014	24,014	24,406	24,406	24,406	26,851	26,851	26,851
Using public tap (< min.service level)	3	102,328	96,966	96,966	98,948	98,948	98,948	99,915	99,915	99,915
Other water supply (< min.service level)	4	1,598	1,948	1,948	1,979	1,979	1,979	2,697	2,697	2,697
No water supply		6,555	6,880	6,880	6,592	6,592	6,592	5,394	5,394	5,394
<i>Below Minimum Service Level sub-total</i>		110,481	105,794	105,794	107,519	107,519	107,519	108,006	108,006	108,006
Total number of households	5	129,059	129,808	129,808	131,925	131,925	131,925	134,857	134,857	134,857
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		1,601	1,947	1,947	2,374	2,374	2,374	2,697	2,697	2,697
Flush toilet (with septic tank)		691	778	778	792	792	792	934	934	934
Pit toilet (ventilated)		3,141	3,245	3,245	3,298	3,298	3,298	4,045	4,045	4,045
Other toilet provisions (> min.service level)										
<i>Minimum Service Level and Above sub-total</i>		5,433	5,970	5,970	6,464	6,464	6,464	7,676	7,676	7,676
Bucket toilet		102,328	101,771	101,771	103,034	103,034	103,034	107,000	107,000	107,000
Other toilet provisions (< min.service level)		21,298	22,067	22,067	22,427	22,427	22,427	20,228	20,228	20,228
No toilet provisions										
<i>Below Minimum Service Level sub-total</i>		123,626	123,838	123,838	125,461	125,461	125,461	127,228	127,228	127,228
Total number of households	5	129,059	129,808	129,808	131,925	131,925	131,925	134,904	134,904	134,904
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		129,059	129,808	129,808	131,925	131,925	131,925	134,904	134,904	134,904
Sanitation (free minimum level service)		129,059	129,808	129,808	131,925	131,925	131,925	134,904	134,904	134,904
Cost of Free Basic Services provided (R'000)	8									
Water (6 kilolitres per household per month)		774	779	600	528	528	528	555	555	555
Sanitation (free sanitation service)		774	779	600	528	528	528	555	555	555
Refuse (removed once a week)										
Total cost of FBS provided (minimum social package)		1,549	1,558	1,200	1,056	1,056	1,056	1,110	1,110	1,110
Highest level of free service provided										
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Revenue cost of free services provided (R'000)	9									
Water		9,294	9,348	9,348	6,336	6,336	6,336	6,336	6,336	6,336
Sanitation		9,294	9,348	9,348	6,336	6,336	6,336	6,336	6,336	6,336
Total revenue cost of free services provided (total social package)		18,588	18,696	18,696	12,672	12,672	12,672	12,672	12,672	12,672

Part 2 – Supporting Documentation

1.1 THE ANNUAL BUDGET

The Annual Budget and the IDP are inextricably linked to one another, something that has been formalised through the promulgation of the Municipal Finance Management Act (2004). Chapter 4 and Section 21 (1) of the Municipal Finance Management Act (MFMA) indicates that:

The Mayor of a municipality must-

- (b) At least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for-
 - i. The preparation, tabling and approval of the annual budget;
 - ii. The annual review of-
 - aa) The integrated development plan in terms of section 34 of the Municipal Systems Act; and
 - bb) The budget related policies.
 - iii. The tabling and adoption of any amendments to the integrated development plan and the budget-related policies; and
 - iv. The consultative processes forming part of the processes referred to in subparagraphs (i), (ii) and (iii).

Overview of the annual budget process

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

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

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

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

Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2013) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required the IDP and budget time schedule in August 2013.

There were no deviations from the key dates set out in the Budget Time Schedule tabled in Council.

Community Consultation

The Draft 2014/15 MTREF as tabled before Council on 26 March 2014 for community consultation will be published on the municipality's website, and hard copies will be made available at municipal notice boards and various libraries. In addition, public consultation meetings to be held in each of the local municipalities comprising the district.

All documents in the appropriate format (electronic and printed) were provided to National Treasury, and other national and provincial departments in accordance with section 23 of the MFMA, to provide an opportunity for them to make inputs.

Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the City, issues of national and provincial importance should be reflected in the IDP of the municipality.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2014/15 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 8 IDP Strategic Objectives

Strategic Objective	Programme / Initiative
Enhance Local Economic Growth and Development	<p>Continued support of the Following Programmes:</p> <p>Agric Programmes and Rural Development; Crop Production; Vegetable Production; Hydroponic and Aquaponic Production; Dairy; Beef Production; Development of emerging commercial farmers</p> <p>Tourism Rejuvenation of municipal community facilities; Supporting strategic events; Supporting strategic projects to enhance tourism</p> <p>Infrastructure Development of Water resources and Irrigation for sustainable water supply and food security.</p> <p>SMME Continued assistance and facilitation</p> <p>Poverty Alleviation Assist entrepreneurs to grow and achieve their goals in order to be sustainable</p>
Promote Economic Skills and Development	Continued Implementation of ADM Five year Skills Development Plan through the FET; Private FET and other training Institutions, in the relevant sectors eg Artisans, IT, Agric Sector, SMME, Tourism, Environmental Awareness
Promote Infrastructure Development	
Promote Community Development	
Promote Service Delivery	

Promote Participation	Community	Restructure Amajuba Forum For Economic Development; Restructure the IDP Forum,
Promote Management	Good Financial	

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

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

1. Provision of quality basic services and infrastructure which includes, amongst others:
 - Provide water;
 - Provide sanitation; and
 - Maintaining the infrastructure of the municipality.
2. Economic growth and development that leads to sustainable job creation by:
 - Ensuring planning processes function in accordance with set timeframes;
 - Facilitating the use of labour intensive approaches in the delivery of services and the building of infrastructure.
- 3.1 Fight poverty and build clean, healthy, safe and sustainable communities:
 - Effective implementation of the Indigent Policy;
 - Ensuring all waste water treatment works are operating optimally;
 - Promote viable, sustainable communities through proper zoning; and
 - Promote environmental sustainability by protecting wetlands and key open spaces.
- 3.2 Integrated Social Services for empowered and sustainable communities
 - Work with provincial departments to ensure the development of community infrastructure such as schools and clinics is properly co-ordinated with the informal settlements upgrade programme
4. Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service by:
 - Optimising effective community participation; and
 - Implementing Batho Pele in the municipal management strategy.
- 5.1 Promote sound governance through:
 - Publishing the outcomes of all tender processes on the municipal website
- 5.2 Ensure financial sustainability through:
 - Reviewing the use of contracted services
 - Continuing to implement the infrastructure renewal strategy and the repairs and maintenance plan

5.3 Optimal institutional transformation to ensure capacity to achieve set objectives

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

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

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 targets, 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:

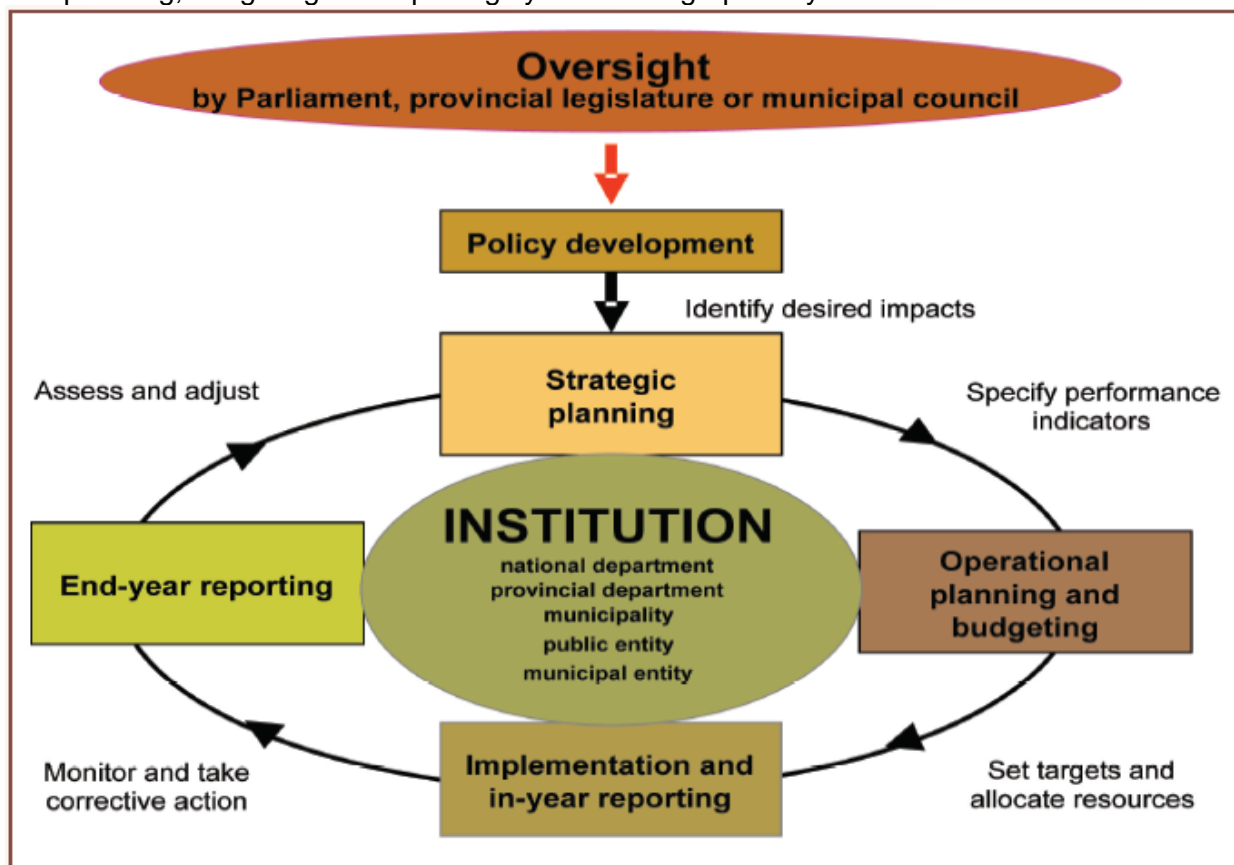


Figure 1 Planning, budgeting and reporting cycle

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:

BUDGET PROCESS PLAN 2014/2015

MONTH	ACTIVITIES				
	IDP	PMS		BUDGET	
JULY	<ul style="list-style-type: none"> ▪ Finalisation of IDP Review document and submission to the COGTA for approval by the MEC. ▪ IDP Review Process Plan Drafted. 	<ul style="list-style-type: none"> ▪ Adoption of the PMS ▪ Implementation of approved SDBIP for current financial year ▪ Final assessment of previous financial year SDBIP ▪ Signing of new performance contracts for Section 57 Managers and submission to EXCO (Section 69 of the MFMA and Section 57 of the MSA). 	Mayor and Council / Entity Board <ul style="list-style-type: none"> ▪ Mayor begins planning for next three-year budget in accordance with co-ordination role of budget process MFMA s 53 <ul style="list-style-type: none"> ▪ Planning includes review of the previous years budget process and completion of the Budget Evaluation Checklist 	Administration - Municipality and Entity <ul style="list-style-type: none"> ▪ Accounting officers and senior officials of municipality and entities begin planning for next three-year budget MFMA s 68, 77 <ul style="list-style-type: none"> ▪ Accounting officers and senior officials of municipality and entities review options and contracts for service delivery MSA s 76-81	Budget Review Activities <ul style="list-style-type: none"> ▪ Approve and announce new budget schedule and set up committees and forums. ▪ Consultation on performance and changing needs.
AUGUST	<ul style="list-style-type: none"> ▪ IDP Review Process Plan tabled at EXCO and Council for approval. ▪ IDP preparation process initiated. ▪ Review of comments received on the previous financial year IDP Review document. ▪ Self-assessment to identify gaps in the IDP process. ▪ Integration of information from adopted Sector Plans into the IDP Review document. ▪ Initiation of new sector plans into the IDP. ▪ Review and updating of the IDP Vision, Mission and Objectives. ▪ Updating and review of the strategic elements of the IDP in light of the new focus of Council. ▪ Compilation of the SDF ▪ Collection of the SDF data from sector plans and population data 	<ul style="list-style-type: none"> ▪ Final S57 Managers' Performance Assessments ▪ Quarterly Audit Committee meeting (for the last quarter of 05/06) MFMA Sect 166 & MPPR Reg. 14(3)(a) 	<ul style="list-style-type: none"> ▪ Mayor tables in Council a time schedule outlining key deadlines for: preparing, tabling and approving the budget; reviewing the IDP (as per s 34 of MSA) and budget related policies and consultation processes at least 10 months before the start of the budget year. MFMA s 21,22, 23; MSA s 34, Ch 4 as amended <ul style="list-style-type: none"> ▪ Mayor establishes committees and consultation forums for the budget process 	<ul style="list-style-type: none"> ▪ Accounting Officer to submit AFS to Auditor-General [Due by 31 August, MFMA Sec 126(1)(a)] 	<ul style="list-style-type: none"> ▪ Consultation on performance and changing needs. ▪ Review performance and financial position. ▪ Review external mechanisms. ▪ Start Planning for next three years.
SEPT	<ul style="list-style-type: none"> ▪ Integration of information from adopted Sector Plans into the IDP Review 	<ul style="list-style-type: none"> ▪ Auditor General audit of performance measures 	<ul style="list-style-type: none"> ▪ Council through the IDP review process 	<ul style="list-style-type: none"> ▪ Budget offices of municipality and entities determine 	<ul style="list-style-type: none"> ▪ Update policies, priorities and objectives.

MONTH	ACTIVITIES				
	IDP	PMS	BUDGET		
	<ul style="list-style-type: none"> document. Review of Spatial Development Framework. Updating and review of the strategic elements of the IDP in light of the new focus of Council. Collection of the SDF data from sector plans and population data 		<ul style="list-style-type: none"> determines strategic objectives for service delivery and development for next three-year budgets including review of provincial and national government sector and strategic plans 	<ul style="list-style-type: none"> revenue projections and proposed rate and service charges and drafts initial allocations to functions and departments for the next financial year after taking into account strategic objectives Engages with Provincial and National sector departments on sector specific programmes for alignment with municipalities plans (schools, libraries, clinics, water, electricity, roads, etc) 	<ul style="list-style-type: none"> Determine revenue projections and policies.
OCTOBER	<ul style="list-style-type: none"> Integration of information from adopted Sector Plans into the IDP Review document. Review of Spatial Development Framework. Updating and review of the strategic elements of the IDP in light of the new focus of Council. 	<ul style="list-style-type: none"> Appointment of Internal Auditors (MFMA Sect 55(2)) Appointment of the Audit Committee (MPPR Reg. 14) Sect 57 Managers' quarterly assessments (for first quarter) Assessment of the SDBIP (for first quarter) First draft annual report to Auditor General 		<ul style="list-style-type: none"> Accounting officer does initial review of national policies and budget plans and potential price increases of bulk resources with function and department officials <p>MFMA s 35, 36, 42; MTBPS</p>	<ul style="list-style-type: none"> Determine revenue projections and policies. Engagement with sector departments, share and evaluate plans, national policies, MTBPS. Draft initial allocations to functions. Draft initial changes to IDP.
NOVEMBER	<ul style="list-style-type: none"> Review of Municipal Strategies, Objectives, KPA's, KPI's and targets. Identification of priority IDP projects. Project alignment between the DM and LM's. Municipal alignment sessions under auspices of COGTA 	<ul style="list-style-type: none"> Quarterly Audit Committee meeting (for the first quarter) MFMA Sect 166 & MPPR Reg. 14(3)(a) 		<ul style="list-style-type: none"> Accounting officer reviews and drafts initial changes to IDP <p>MSA s 34</p> <ul style="list-style-type: none"> Auditor-General to return audit report [Due by 30 November, MFMA 126(4)] 	<ul style="list-style-type: none"> Draft initial changes to IDP. Consolidation of budgets and plans. Executive determines strategic choices for next three years.
DECEMBER	<ul style="list-style-type: none"> Review of Municipal 	<ul style="list-style-type: none"> Compile annual 	<ul style="list-style-type: none"> Council 	<ul style="list-style-type: none"> Accounting 	<ul style="list-style-type: none"> Executive

MONTH	ACTIVITIES				
	IDP	PMS		BUDGET	
	<p>Strategies, Objectives, KPA's, KPI's and targets.</p> <ul style="list-style-type: none"> Project alignment between the DM and LM's. Identification of priority IDP projects. Development of Spatial strategies and mapping. 	<p>report (MFMA Sect 121)</p> <ul style="list-style-type: none"> Quarterly Audit Committee (MFMA Sect 166 & MPPR Reg. 14(3)(a)) 	<p>finalises tariff (rates and service charges) policies for next financial year</p> <p>MSA s 74, 75</p>	<p>officer and senior officials consolidate and prepare proposed budget and plans for next financial year taking into account previous years performance as per audited financial statements</p>	<p>determines strategic choices for next three years.</p> <ul style="list-style-type: none"> Finalise tariff policies.
JANUARY	<ul style="list-style-type: none"> Review of Municipal Strategies, Objectives, KPA's, KPI's and targets. Identification of priority IDP projects. Development of Spatial strategies and mapping. 	<ul style="list-style-type: none"> Mayor tables annual report (MFMA Sect 127(2)) Mid-year Sect 57 Managers' performance assessments Mid-year assessment of the SDBIP MPPR Reg. 14 	<ul style="list-style-type: none"> Entity board of directors must approve and submit proposed budget and plans for next three-year budgets to parent municipality at least 150 days before the start of the budget year <p>MFMA s 87(1)</p>	<ul style="list-style-type: none"> Accounting officer reviews proposed national and provincial allocations to municipality for incorporation into the draft budget for tabling. (Proposed national and provincial allocations for three years must be available by 20 January) <p>MFMA s 36</p>	<ul style="list-style-type: none"> Prepare detailed budgets and plans for the next three years.
FEBRUARY	<ul style="list-style-type: none"> Review of Municipal Strategies, Objectives, KPA's, KPI's and targets. Identification of priority IDP projects. Alignment of the draft budget and capital investment framework with the SDF 	<ul style="list-style-type: none"> Make public annual report and invite community inputs into report (MFMA Sect 127 & MSA Sect 21a) 	<ul style="list-style-type: none"> Council considers municipal entity proposed budget and service delivery plan and accepts or makes recommendations to the entity <p>MFMA s 87(2)</p>	<ul style="list-style-type: none"> Accounting officer finalises and submits to Mayor proposed budgets and plans for next three-year budgets taking into account the recent mid-year review and any corrective measures proposed as part of the oversight report for the previous years audited financial statements and annual report Accounting officer to notify relevant municipalities of projected allocations for next three budget years 	<ul style="list-style-type: none"> Prepare detailed budgets and plans for the next three years. Executive adopts budget and plans and changes to IDP.

MONTH	ACTIVITIES				
	IDP	PMS		BUDGET	
				120 days prior to start of budget year MFMA s 37(2)	
MARCH	<ul style="list-style-type: none"> ▪ Review of Municipal Strategies, Objectives, KPA's, KPI's and targets. ▪ Initiate preparation of Capital Investment Plan. ▪ Initiate preparation of Financial Plan. ▪ Conclusion of Sector Plans initiated for the previous financial year and integration into the IDP Review report. ▪ Finalisation of the SDF ▪ Submissions of Draft 2014/15 Reviewed IDPs to COGTA 	<ul style="list-style-type: none"> ▪ Council to consider and adopt an oversight report [Due by 31 March MFMA Sec 129(1)] ▪ Submit annual to AG, Provincial & DTLGA (MFMA Sect 127) ▪ Set performance objectives for revenue for each budget vote (MFMA Sect 17) 	<ul style="list-style-type: none"> ▪ Entity board of directors considers recommendations of parent municipality and submit revised budget by 22nd of month MFMA s 87(2) ▪ Mayor tables municipality budget, budgets of entities, resolutions, plans, and proposed revisions to IDP at least 90 days before start of budget year MFMA s 16, 22, 23, 87; MSA s 34 	<ul style="list-style-type: none"> ▪ Accounting officer publishes tabled budget, plans, and proposed revisions to IDP, invites local community comment and submits to NT, PT and others as prescribed MFMA s 22 & 37; MSA Ch 4 as amended ▪ Accounting officer reviews any changes in prices for bulk resources as communicated by 15 March MFMA s 42 	<ul style="list-style-type: none"> ▪ Mayor tables budget, resolutions, plans and changes to IDP at least 90 days before the start of the financial year.
APRIL	<ul style="list-style-type: none"> ▪ Incorporation of DORA information into the IDP document. ▪ Prepare departmental business plans linked to the IDP strategies, objectives, KPI's and targets. ▪ Identify departmental allocations from Municipality's Own Funds. ▪ Workshops with Portfolio Councillors to identify projects to which Own Funds will be allocated to. ▪ Preparation of Capital Investment Plan. ▪ Preparation of Financial Plan. ▪ Conclusion of Sector Plans initiated for the previous financial year and integration into the IDP Review report. ▪ Convening of decentralised IDP Assessment Forums 	<ul style="list-style-type: none"> ▪ Refinement of Municipal Strategies, Objectives, KPA's, KPI's and targets and inclusion into IDP Review report. ▪ Submit Annual Report to Provincial Legislature/MEC Local Government [Due mid-April MFMA Sec 132(2)] ▪ S57 Managers' Quarterly Performance Assessments ▪ Publicise Annual Report [Due mid- April MFMA Sec 129(3)] ▪ Quarterly Annual Report [Due mid-April MFMA Sec 129(3)] ▪ Budget for expenses of audit committee 	<ul style="list-style-type: none"> ▪ Consultation with national and provincial treasuries and finalise sector plans for water, sanitation, electricity etc MFMA s 21 	<ul style="list-style-type: none"> ▪ Accounting officer assists the Mayor in revising budget documentation in accordance with consultative processes and taking into account the results from the third quarterly review of the current year 	<ul style="list-style-type: none"> ▪ Consultation with National and Provincial Treasuries and finalise sector plans, water and sanitation, electricity, etc. ▪ Public hearings on the Budget, Council Debate on Budget and Plans.
MAY	<ul style="list-style-type: none"> ▪ Public participation process launched through series of 	<ul style="list-style-type: none"> ▪ Annual review of organisational 	<ul style="list-style-type: none"> ▪ Public hearings on the budget, 	<ul style="list-style-type: none"> ▪ Accounting officer assists the Mayor in 	<ul style="list-style-type: none"> ▪ Public hearings on the Budget,

MONTH	ACTIVITIES				
	IDP	PMS		BUDGET	
	<ul style="list-style-type: none"> public hearings on the IDP and Budget. Prepare departmental business plans linked to the IDP strategies, objectives, KPI's and targets. IDP Assessment feedback 	<ul style="list-style-type: none"> KPIs (MPPR Reg. 11) Review annual organisational performance targets (MPPR Reg. 11) 	<p>and council debate. Council consider views of the local community, NT, PT, other provincial and national organs of state and municipalities. Mayor to be provided with an opportunity to respond to submissions during consultation and table amendments for council consideration. Council to consider approval of budget and plans at least 30 days before start of budget year.</p> <p>MFMA s 23, 24; MSA Ch 4 as amended</p> <ul style="list-style-type: none"> Entity board of directors to approve the budget of the entity not later than 30 days before the start of the financial year, taking into account any hearings or recommendations of the council of the parent municipality <p>MFMA s 87</p>	<p>preparing the final budget documentation for consideration for approval at least 30 days before the start of the budget year taking into account consultative processes and any other new information of a material nature</p>	<ul style="list-style-type: none"> Council Debate on Budget and Plans. Council adopts budget, resolutions, capital implementation plans, objectives and changes in IDP.
JUNE	<ul style="list-style-type: none"> IDP RF meeting to consider the amendments to the IDP. EXCO recommends adoption of the IDP to Council. Council workshop on the IDP. Adoption of the IDP by Council. 	<ul style="list-style-type: none"> Community input into organisation KPIs and targets Quarterly Audit Committee meeting MFMA Sect 166 & MPPR Reg. 14(3)(a) 	<ul style="list-style-type: none"> Council must approve annual budget by resolution, setting taxes and tariffs, approving changes to IDP and budget related policies, approving measurable performance objectives for 	<ul style="list-style-type: none"> Accounting officer submits to the mayor no later than 14 days after approval of the budget a draft of the SDBIP and annual performance agreements required by s 57(1)(b) of the MSA. 	<ul style="list-style-type: none"> Publish budget and plans. Finalise performance contracts and delegation.

MONTH	ACTIVITIES				
	IDP	PMS	BUDGET		
			revenue by source and expenditure by vote before start of budget year MFMA s 16, 24, 26, 53 <ul style="list-style-type: none"> ▪ Mayor must approve SDBIP within 28 days after approval of the budget and ensure that annual performance contracts are concluded in accordance with s 57(2) of the MSA. Mayor to ensure that the annual performance agreements are linked to the measurable performance objectives approved with the budget and SDBIP. The mayor submits the approved SDBIP and performance agreements to council, MEC for local government and makes public within 14 days after approval. ▪ MFMA s 53; MSA s 38-45, 57(2) ▪ Council must finalise a system of delegations. ▪ MFMA s 59, 79, 82; MSA s 59-65 	MFMA s 69; MSA s 57 <ul style="list-style-type: none"> ▪ Accounting officers of municipality and entities publishes adopted budget and plans MFMA s 75, 87	

OTHER SUPPORTING TABLES

DC25 Amajuba - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	R e f	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand											
REVENUE ITEMS:											
<u>Service charges - water revenue</u>	6										
Total Service charges - water revenue					12,373	10,696	10,696	10,696	12,373	13,102	13,823
<i>less Revenue Foregone</i>											
Net Service charges - water revenue		-	-	-	12,373	10,696	10,696	10,696	12,373	13,102	13,823
<u>Service charges - sanitation revenue</u>											
Total Service charges - sanitation revenue					2,520	1,763	1,763	1,763	2,520	2,668	2,815
<i>less Revenue Foregone</i>											
Net Service charges - sanitation revenue		-	-	-	2,520	1,763	1,763	1,763	2,520	2,668	2,815
<u>Service charges - refuse revenue</u>	6										
Net Service charges - refuse revenue		-	-	-	-	-	-	-	-	-	-
<u>Other Revenue by source</u>											
<i>Tele/Cellphone Cost Recovered</i>				128	110	110	110	110	62	66	69
<i>Tender Deposits</i>					10	10	10	10	12	13	13
<i>Hall Rentals</i>				11	80	80	80	80	100	106	112
<i>Skills Development Grant ; Contribution - Accumulated Surplus</i>				88	33	33	33	33	400	424	447
		6,961	355	401							
Total 'Other' Revenue	1	6,961	355	628	200	233	233	233	574	608	641
EXPENDITURE ITEMS:											
<u>Employee related costs</u>											
Basic Salaries and Wages	2	27,282	25,476	27,708	45,417	45,428	45,428	45,428	50,793	54,043	57,016
Pension and UIF Contributions		2,370	2,524	2,810	4,973	5,211	5,211	5,211	5,751	6,119	6,455
Medical Aid Contributions		1,069	1,160	1,324	2,185	2,137	2,137	2,137	2,292	2,439	2,573
Overtime		1,449	292	811	1,314	2,343	2,343	2,343	1,090	1,160	1,224
Performance Bonus			2,777	2,392	4,540	3,770	3,770	3,770	4,594	4,887	5,156
Motor Vehicle Allowance			3,801	4,562	4,144	3,990	3,990	3,990	4,153	4,418	4,662
Cellphone Allowance		6	-		743	680	680	680	685	729	769
Housing Allowances		128	219	154	478	304	304	304	404	429	453
Other benefits and allowances		2,337	155		427	1,144	1,144	1,144	1,189	1,265	1,335
Payments in lieu of leave				1,042							
Long service awards											
Post-retirement benefit obligations	4					-					
<i>sub-total</i>	5	34,640	36,403	40,802	64,222	65,007	65,007	65,007	70,950	75,490	79,642
<u>Less: Employees costs capitalised to PPE</u>											
Total Employee related costs	1	34,640	36,403	40,802	64,222	65,007	65,007	65,007	70,950	75,490	79,642
<u>Contributions recognised - capital</u>											
<i>Sports & Recreation programmes</i>					253	253	253	253			
<i>Infrastructure Projects - MIG</i>		53,480	41,211	1,782	57,946	47,462	47,462	47,462	39,568	38,685	40,323
<i>Bulk Infrastructure Projects-MWIG</i>			5,615	2,569	-	10,484	10,484	10,484	12,040	19,825	15,133
<i>Massification Programme - COGTA</i>			1,000			1,800	1,800	1,800	2,020	2,051	2,132
<i>Dept of Public Works</i>					1,000	1,000	1,000	1,000	1,276		

<i>Other Infrastructure</i>		1,687	3,964					-			
Total Contributions recognised - capital		53,480	49,513	8,315	59,199	60,999	60,999	60,999	54,904	60,561	57,588
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		4,421	5,381	5,162	1,827	2,226	2,226	2,226	5,162	5,374	5,644
Lease amortisation											
Capital asset impairment											
Depreciation resulting from revaluation of PPE	1										
Total Depreciation & asset impairment	1	4,421	5,381	5,162	1,827	2,226	2,226	2,226	5,162	5,374	5,644
Bulk purchases											
Electricity Bulk Purchases											
Water Bulk Purchases				2,493	4,600	4,600	4,600	4,600	5,000	6,000	7,000
Total bulk purchases	1	-	-	-	2,493	4,600	4,600	4,600	5,000	6,000	7,000
Transfers and grants											
Cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Non-cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Total transfers and grants	1	-	-	-	-	-	-	-	-	-	-
Contracted services											
<i>Rental Office Equipment;</i>				300	350	350	350	350	366	388	409
<i>Cleaning Services;</i>				450	250	250	250	250	250	265	279
<i>Gardening Services</i>				1,675	-	-	-	-	350	371	391
<i>Security;</i>				5,000	1,600	1,600	1,600	1,600	4,500	5,500	5,803
<i>Alternative Service Delivery</i>				72	100	100	100	1,000	1,000	1,000	-
<i>Professional & Legal Costs;</i>				111	-	-	-	-	500	530	559
<i>Disciplinary Hearing Costs</i>				250	2,100	2,100	2,100	2,100	100	106	112
<i>Electricity;</i>				300	70	70	70	70	2,500	2,530	2,559
<i>Municipal Serv -Rates & Taxe</i>				500	-	-	-	-	185	196	207
<i>Pest Control & Hygiene Services</i>				-	-	-	-	-	250	265	279
<i>Sanitation & Water;</i>				500	9,706	9,706	9,706	9,706			
<i>Communication-Radio Licenc</i>			11,091	1,656							
<i>Security;</i>				31							
<i>Website development & host</i>				800							
sub-total	1	-	-	11,091	11,645	14,176	14,176	14,176	10,001	11,149	10,597
Allocations to organs of state:											
Electricity											
Water											
Sanitation											
Other											
Total contracted services		-	-	11,091	11,645	14,176	14,176	14,176	10,001	11,149	10,597
Other Expenditure By Type											
Collection costs											
Contributions to 'other' provisions									2,725	2,980	3,143
Consultant fees				350	735	735	735	735			
Audit fees		1,403	813	1,734	2,500	350	350	350	2,450	2,491	2,741
General expenses	3	104,535	122,942	122,942	9,444	20,437	20,437	20,437	18,168	20,590	22,097
<i>Consultant fees</i>		2,069	958	906	2,888	3,250	3,250	3,250			
<i>Audit fees</i>				3,375		530	530	530			
<i>General expenses</i>					17,703	7,996	7,996	7,996	13,675	6,550	8,192
<i>Sport Development Programmes</i>					253				1,000	1,059	1,117
<i>Subsistence and Travelling</i>											
<i>Telephone and Communications</i>											
<i>Shared Services</i>											
<i>Finance Management</i>											
<i>Programmes</i>					1,500				1,500	1,500	1,500
<i>MSIG Expenditure</i>					890				934	967	1,018
<i>Road Asset Management</i>					1,706						
Total 'Other' Expenditure	1	108,006	124,713	128,956	37,234	33,297	33,297	33,297	40,452	36,137	39,809

Repairs and Maintenance by Expenditure Item	8										
Other Expenditure		2,069	906	1,031	5,488	4,528	4,528	4,528	3,770	4,963	5,202
Total Repairs and Maintenance Expenditure	9	2,069	906	1,031	5,488	4,528	4,528	4,528	3,770	4,963	5,202

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

Description	Ref	Vote 1 - Council and Executive Committee	Vote 2 - Office of the Municipal Manager	Vote 3 - Budget and Treasury Office	Vote 4 - Corporate and Property Management Services	Vote 5 - Community Social Development and Environmental	Vote 6 - Local Economic Development and Planning	Vote 7 - Tousong-Shared Service Centres	Vote 8 - Disaster Management Services	Vote 9 - Technical and Road Management Services	Vote 10 - Amajuba Water Services Authority Services	Vote 11 - Environmental Health-Community	Total
R thousand	1												
Revenue By Source													
Service charges - water revenue											12,373		12,373
Service charges - sanitation revenue											2,520		2,520
Other revenue				12	747	100							859
Transfers recognised - operational	12,374			59,022			11,000			-	39,829	5,676	127,902
Gains on disposal of PPE													-
Total Revenue (excluding capital transfers and contributions)	12,374	-	59,034	747	100	11,000	-	-	-	-	54,721	5,676	143,653
Expenditure By Type													
Employee related costs			9,028	7,974	8,781	5,773	10,133	624	4,284	5,990	15,577	2,786	70,950
Remuneration of councillors	5,395												5,395
Debt impairment													-
Depreciation & asset impairment	70	290	200	1,000	2,500	200			730		172		5,162
Finance charges					1,500								1,500
Bulk purchases													-
Other materials													-
Contracted services													-
Transfers and grants													-
Other expenditure	370	1,755	4,934	14,549	1,195	17,305	55	1,950	1,000	12,340			55,453
Loss on disposal of PPE													-
Total Expenditure	5,835	11,073	13,108	25,830	9,468	27,638	679	6,234	7,720	28,088	2,786		138,459
Surplus/(Deficit)	6,539	(11,073)	45,926	(25,083)	(9,368)	(16,638)	(679)	(6,234)	(7,720)	26,633	2,890		5,194
Transfers recognised - capital													-
Contributions recognised - capital													-
Contributed assets													-
Surplus/(Deficit) after capital transfers & contributions	6,539	(11,073)	45,926	(25,083)	(9,368)	(16,638)	(679)	(6,234)	(7,720)	26,633	2,890		5,194

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											
<u>Call investment deposits</u>											
Call deposits < 90 days		1,401	6,845	2,663	25,000	780	780	780	5,000	10,000	15,000
Other current investments > 90 days											
Total Call investment deposits	2	1,401	6,845	2,663	25,000	780	780	780	5,000	10,000	15,000
<u>Consumer debtors</u>											
Consumer debtors				64		20,116	20,116	20,116	20,116	20,116	20,116
<u>Less: Provision for debt impairment</u>								(1,800)	(2,000)	(2,110)	
Total Consumer debtors	2	-	-	64	-	20,116	20,116	20,116	18,316	18,116	18,006
<u>Debt impairment provision</u>											
Balance at the beginning of the year											
Contributions to the provision											
Bad debts written off											
Balance at end of year		-	-	-	-	-	-	-	-	-	-
<u>Property, plant and equipment (PPE)</u>											
PPE at cost/valuation (excl. finance leases)		78,433	62,836	59,494	149,108	149,108	149,108	149,108	179,860	210,421	238,009
Leases recognised as PPE						-	-	-			
<u>Less: Accumulated depreciation</u>		13,519			25,652	25,652	25,652	25,652	30,000	40,000	50,000
Total Property, plant and equipment (PPE)	2	64,913	62,836	59,494	123,457	123,457	123,457	123,457	149,860	170,421	188,009
LIABILITIES											
<u>Current liabilities - Borrowing</u>											
Short term loans (other than bank overdraft)											
Current portion of long-term liabilities		17							20,000	18,500	16,500
Total Current liabilities - Borrowing		17	-	-	-	-	-	-	20,000	18,500	16,500
<u>Trade and other payables</u>											
Trade and other creditors		40,564	69,361	87,162	31,855	10,265	10,265	10,265	8,000	9,000	10,000
Unspent conditional transfers		22,398				21,923	21,923	21,923	10,000	9,000	8,000
VAT											
Total Trade and other payables	2	62,962	69,361	87,162	31,855	32,188	32,188	32,188	18,000	18,000	18,000
<u>Non current liabilities - Borrowing</u>											
Borrowing											
Finance leases (including PPP asset element)											
Total Non current liabilities - Borrowing	4	-	-	-	-	-	-	-	-	-	-
<u>Provisions - non-current</u>											
Retirement benefits									20	25	30
<i>List other major provision items</i>											
Refuse landfill site rehabilitation											
Other											
Total Provisions - non-current		-	-	-	-	-	-	-	20	25	30
CHANGES IN NET ASSETS											
<u>Accumulated Surplus/(Deficit)</u>											
Accumulated Surplus/(Deficit) - opening balance		(27,324)	(5,838)	688,780	(92,110)	889,670	889,670	889,670	144,139	171,992	197,455
GRAP adjustments		883,593	782,866		935,950	(847,291)	(847,291)	(847,291)			
Restated balance		856,269	777,028	688,780	843,840	42,379	42,379	42,379	144,139	171,992	197,455

Surplus/(Deficit)		(10,336)	5,838	(9,722)	44	(0)	(0)	(0)	3,694	3,451	3,272
Appropriations to Reserves		(67,351)	0	9,722	1,300	76,234	76,234	76,234	(3,694)	(3,451)	(3,272)
Other adjustments					76,234						
Accumulated Surplus/(Deficit)	1	778,581	782,866	688,780	921,418	118,613	118,613	118,613	144,139	171,992	197,455
Total Reserves	2	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	778,581	782,866	688,780	921,418	118,613	118,613	118,613	144,139	171,992	197,455

Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Go al Code	R e f	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												
Basic Service Delivery	To ensure provision of basic community infrastructure and services as per acceptable norms and standards			140,622	176,558	180,509	70,988	124,968	124,968	54,721	58,338	61,003
Local Economic Development (LED)	To facilitate, encourage and support the development of an enabling environment for LED and job creation						8,780			11,000	3,250	3,400
Corporate Governance	To achieve sound governance, management, administration and equity within Amajuba district in line with organised local government guidelines						32,870			17,398	20,279	21,147
Municipal Financial Viability and Management	To achieve effective financial management						12,587			59,034	63,275	68,469
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	140,622	176,558	180,509	125,226	124,968	124,968	142,153	145,142	154,020

Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	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													
To ensure provision of basic community infrastructure and services as per acceptable norms and standards	Improvement in efficiency of service delivery			150,958	170,720	190,231	125,182	124,968	124,968	28,088	31,371	33,648	
To facilitate, encourage and support the development of an enabling environment for LED and job creation	Support SMMEs through the Procurement Programme									27,638	22,356	25,104	
To achieve effective financial management	Improvement in expenditure management, accounting and reporting									13,108	13,723	14,510	
Establish Good Inter-Governmental Relations	Growth Summit and Imbizo's, Promote Public Participation in IDP and Budget Processes									69,624	74,241	77,487	
Allocations to other priorities													
Total Expenditure				1	150,958	170,720	190,231	125,182	124,968	124,968	138,459	141,691	150,749

Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	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												
Provide quality basic service and Service Delivery	Provision of Water and Sanitation and maintaining infrastructure for the Municipality	A		53,480	49,513	8,315	60,499	61,622	61,622	54,904	60,561	57,588
Promote sound governance and financial sustainability	Asset Renewal strategy	B								1,500	-	-
Allocations to other priorities			3									
Total Capital Expenditure			1	53,480	49,513	8,315	60,499	61,622	61,622	56,404	60,561	57,588

Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	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
<u>Borrowing Management</u>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.1%	0.0%	0.0%	1.1%	0.0%	0.0%	0.0%	1.1%	1.3%	1.3%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	1.2%	1.3%	0.0%	8.8%	0.0%	0.0%	0.0%	9.5%	10.8%	11.4%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	10.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	0.1	0.2	0.1	1.7	0.9	0.9	0.9	0.9	1.0	1.3
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0.1	0.2	0.1	1.7	0.9	0.9	0.9	0.9	1.0	1.3
Liquidity Ratio	Monetary Assets/Current Liabilities	0.0	0.1	0.0	1.5	0.0	0.0	0.0	0.3	0.4	0.6
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		-573.8%	-2222.3%	70.2%	105.0%	105.1%	105.1%	105.1%	100.0%	100.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		8.1%	85.4%	70.2%	105.0%	105.1%	105.1%	105.1%	100.0%	100.0%	100.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	7.6%	6.5%	5.8%	4.1%	22.9%	22.9%	22.9%	15.5%	15.2%	14.3%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<u>Creditors Management</u>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA' s 65(e))										
Creditors to Cash and Investments		-348.2%	914.6%	3511.8%	832.6%	1351.4%	1351.4%	1351.4%	129.5%	93.5%	77.5%
Employee costs	Employee costs/(Total Revenue - capital revenue)	39.8%	28.7%	22.6%	50.8%	51.8%	51.8%	51.8%	49.4%	52.0%	51.7%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	44.2%	32.0%	24.9%	55.8%	56.3%	56.3%	56.3%	53.1%	56.0%	55.6%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	2.4%	0.7%	0.6%	4.3%	3.6%	3.6%	3.6%	2.6%	3.4%	3.4%

Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	5.1%	4.2%	2.9%	2.6%	1.8%	1.8%	1.8%	4.6%	4.9%	5.0%
<u>IDP regulation financial viability indicators</u>	-										
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	8.7	0.6	-	52.8	52.8	52.8	-	-	-	-
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	0.0%	0.0%	3920.3%	35.1%	225.8%	225.8%	225.8%	147.0%	137.6%	129.8%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	(1.7)	1.0	0.3	0.5	0.1	0.1	0.1	0.7	1.0	1.3

DC25 Amajuba - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref	Basis of calculation	2001 Census	2007 Survey	2011 Census	2010/11	2011/12	2012/13	Current Year 2013/14	2014/15 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcom e	Outcom e	Outcom e
Demographics												
Population		Statistics SA (Census figures)	431	468	442	502	507	513	518	523	529	529
Females aged 5 - 14		Statistics SA (Census figures)	54	57	54	54	53	53	53	52	52	52
Males aged 5 - 14		Statistics SA (Census figures)	56	57	53	57	57	57	56	56	56	56
Females aged 15 - 34		Statistics SA (Census figures)	76	83	81	87	88	89	90	91	91	91
Males aged 15 - 34		Statistics SA (Census figures)	73	78	78	97	98	100	101	102	104	104
Unemployment		Statistics SA (Census figures)	31	56	60	56	49	44	42	38	35	35
Monthly household income (no. of households)	1, 12	-										
No income		Global Insight	1,973	3,447	1,840	1,114	739	338	154	102	76	76
R1 - R1 600		Global Insight	5,090	12,608	7,595	3,696	1,982	72	3	1	1	1
R1 601 - R3 200		Global Insight	17,045	20,518	23,402	17,765	16,535	15,134	13,852	12,893	11,100	11,100
R3 201 - R6 400		Global Insight	12,600	14,198	20,226	18,530	18,007	17,479	16,967	16,488	15,461	15,461
R6 401 - R12 800		Global Insight	12,998	16,117	19,220	20,865	21,124	21,156	21,168	21,451	22,176	22,176
R12 801 - R25 600		Global Insight	6,609	8,931	13,291	15,957	17,368	18,665	20,059	21,831	23,869	23,869
R25 601 - R51 200		Global Insight	4,369	4,864	8,138	10,481	11,156	11,828	12,541	13,349	14,910	14,910
R52 201 - R102 400		Global Insight	4,524	5,018	6,856	8,721	9,220	9,733	10,273	10,862	12,185	12,185
R102 401 - R204 800		Global Insight	3,842	3,773	5,555	7,043	7,520	7,992	8,494	9,069	10,165	10,165
R204 801 - R409 600		Global Insight	3,274	3,587	4,742	5,871	6,151	6,481	6,828	7,153	7,930	7,930
R409 601 - R819 200		Global Insight	2,528	3,586	4,843	5,718	6,016	6,265	6,524	6,864	7,398	7,398
> R819 200		Global Insight	2,171	5,516	10,210	13,295	13,989	14,795	15,665	16,507	18,989	18,989
Poverty profiles (no. of households)	13											
< R2 060 per household per month												
Insert description	2											
Household/demographics (000)												
Number of people in municipal area		Statistics SA (Census figures)	431,341	468,040	442,264	502	507	513	518	523	529	529
Number of poor people in municipal area		Statistics SA (Census figures)	222,265	299,555	301,056	295	303	295	295	298	305	305
Number of households in municipal area		Statistics SA (Census figures)	77,023	102,161	125,920	128	129	130	130	132	135	135
Number of poor households in municipal area												
Definition of poor household (R per month)												
Housing statistics	3											
Formal		Statistics SA	56,321	78,868	102,764	105,317	108,028	109,603	110,993	112,136	114,628	114,628

Informal	(Census figures) Statistics SA (Census figures)	20,702	23,293	23,156	23,099	21,031	20,205	18,944	19,789	20,229	20,229
Total number of households		77,023	102,161	125,920	128,416	129,059	129,808	129,937	131,925	134,857	134,857
Dwellings provided by municipality	4										
Dwellings provided by province/s											
Dwellings provided by private sector	5										
Total new housing dwellings		-	-	-	-	-	-	-	-	-	-
Economic	6										
Inflation/inflation outlook (CPIX)					3.3%	5.0%	5.4%	5.5%	6.2%	5.9%	5.5%
Interest rate - borrowing									6.0%	6.0%	6.0%
Interest rate - investment									6.8%	6.2%	5.5%
Remuneration increases											
Consumption growth (electricity)											
Consumption growth (water)											
Collection rates	7										
Property tax/service charges									75.0%	80.0%	95.0%
Rental of facilities & equipment									80.0%	80.0%	100.0%
Interest - external investments									6.0%	6.0%	6.0%
Interest - debtors									60.0%	65.0%	70.0%
Revenue from agency services											

Table SA10 Funding measurement

Description	MFMA section	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
Funding measures	-	-										
Cash/cash equivalents at the year end - R'000	18(1)b	1	(11,649)	7,584	2,482	3,826	760	760	760	6,176	9,626	12,898
Cash + investments at the yr end less applications - R'000	18(1)b	2	(66,491)	(54,690)	(77,566)	23,627	(2,842)	(2,842)	(2,842)	14,316	20,116	26,006
Cash year end/monthly employee/supplier payments	18(1)b	3	(1.7)	1.0	0.3	0.5	0.1	0.1	0.1	0.7	1.0	1.3
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	(10,336)	5,838	(9,722)	44	(0)	(0)	(0)	3,694	3,451	3,272
Service charge rev % change - macro CPIX target exclusive	18(1)a ,(2)	5	N.A.	(6.0%)	(6.0%)	(6.0%)	(22.3%)	(6.0%)	(6.0%)	13.5%	(0.1%)	(0.5%)
Cash receipts % of Ratepayer & Other revenue	18(1)a ,(2)	6	8.1%	85.4%	70.2%	105.0%	105.1%	105.1%	105.1%	100.0%	100.0%	100.0%
Debt impairment expense as a % of total billable revenue	18(1)a ,(2)	7	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital payments % of capital expenditure	18(1)c ,19	8	28.6%	5.6%	78.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a 0	1								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a 1	1	N.A.	25.9%	25.2%	(49.8%)	451.7%	0.0%	0.0%	(22.5%)	(0.9%)	(0.5%)
Long term receivables % change - incr(decr)	18(1)a 2	2	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	3	3.2%	1.4%	1.7%	4.4%	3.7%	3.7%	3.1%	2.5%	2.9%	2.8%
Asset renewal % of capital budget	20(1)(vi)	4	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%

Supporting Table SA13b Service Tariffs by category - explanatory

Description	Ref	Provide description of tariff structure where appropriate	2010/11	2011/12	2012/13	Current Year 2013/14	2014/15 Medium Term Revenue & Expenditure Framework		
							Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Exemptions, reductions and rebates									
<i>(Rands)</i>									
<i>Indigents</i>									
Water tariffs									
<i>Water usage - life line tariff</i>		0 - 6 kl	FREE	FREE	FREE	FREE	FREE	FREE	FREE
<i>Water usage - Block 1 (c/kl)</i>		7 - 20 kl	526	526	526	637	673	758	803
<i>Water usage - Block 2 (c/kl)</i>		21 - 40 kl	536	536	536	726	767	1,106	1,106
<i>Water usage - Block 3 (c/kl)</i>		41 - 60 kl	547	547	547	751	793	1,159	1,159
<i>Water usage - Block 4 (c/kl)</i>		Above 61 kl	550	550	550	776	819	1,228	1,228
Waste water tariffs									
<i>Basic charge/fixd fee (Rands/month)</i>		(fill in structure)	214	475	544	544	699	699	699

Supporting Table SA14 Household bills

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 % incr.	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Rand/cent											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Water: Consumption			100.44	161.78	170.92	170.92	170.92	6.0%	181.18	192.05	203.57
Sanitation			64.20	97.20	102.60	102.60	102.60	6.0%	108.76	115.28	122.20
Refuse removal											
Other											
sub-total		-	164.64	258.98	273.52	273.52	273.52	6.0%	289.93	307.33	325.77
VAT on Services											
Total large household bill:		-	164.64	258.98	273.52	273.52	273.52	6.0%	289.93	307.33	325.77
% increase/-decrease			-	57.3%	5.6%	-	-		6.0%	6.0%	6.0%
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Water: Consumption			85.69	125.48	132.57	132.57	132.57	6.0%	140.52	148.96	157.89
Sanitation			54.26	81.00	85.50	85.50	85.50	6.0%	90.63	96.07	101.83
Refuse removal											
Other											
sub-total		-	139.95	206.48	218.07	218.07	218.07	6.0%	231.15	245.02	259.72
VAT on Services											
Total small household bill:		-	139.95	206.48	218.07	218.07	218.07	6.0%	231.15	245.02	259.72
% increase/-decrease			-	47.5%	5.6%	-	-		6.0%	6.0%	6.0%
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Water: Consumption			73.54	89.18	94.22	94.22	94.22	6.0%	99.87	105.87	112.22
Sanitation				45.36	47.88	47.88	47.88	6.0%	50.75	53.80	57.03
Refuse removal											
Other											
sub-total		-	73.54	134.54	142.10	142.10	142.10	6.0%	150.63	159.66	169.24
VAT on Services											
Total small household bill:		-	73.54	134.54	142.10	142.10	142.10	6.0%	150.63	159.66	169.24
% increase/-decrease			-	82.9%	5.6%	-	-		6.0%	6.0%	6.0%

Supporting Table SA15 Investment particulars by type

Investment type	Re f	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										
Parent municipality										
Securities - National Government Listed Corporate Bonds										
Deposits - Bank		8,985	6,845	2,663	25,000	780	780	5,000	10,000	15,000
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	8,985	6,845	2,663	25,000	780	780	5,000	10,000	15,000
Entities										
Repurchase Agreements - Banks										
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		8,985	6,845	2,663	25,000	780	780	5,000	10,000	15,000

Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Commission Paid (Rands)	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID	1	Yrs/Months									
<u>Parent municipality</u>											
ABSA - 32 Days Notice			ABSA - 32 Days Notice			32 Day Notice	1,364	-	(1,364)	700	700
Absa Standard			Absa Standard			Daily Call	35	-	(35)	4,144	4,144
First National Bank			First National Bank			32 Day Notice	126	-	-	30	156
						3 Month Notice	1,135	-	(1,135)		-
											-
											-
Municipality sub-total							2,660		(2,534)	4,874	5,000
<u>Entities</u>											
Entities sub-total							-		-	-	-
TOTAL INVESTMENTS AND INTEREST	1						2,660		(2,534)	4,874	5,000

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									
-										
<u>Operating Transfers and Grants</u>										
National Government:		80,492	88,599	98,319	110,431	110,431	110,431	114,819	123,175	130,900
Local Government Equitable Share		38,243	40,477	44,413	52,618	52,618	52,618	55,797	59,913	62,444
RSC Levy Replacement		40,088	43,698	47,630	51,917	51,917	51,917	56,588	60,795	65,938
Finance Management		1,000	1,250	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Municipal Systems Improvement		750	790	1,000	890	890	890	934	967	1,018
Water Services Operating Subsidy			1,585	1,000	1,800	1,800	1,800			
EPWP Incentive		411	799	1,000	-	-	-			
Rural Roads Transport Grant				1,776	1,706	1,706	1,706			
Provincial Government:		3,540	3,940	2,524	253	253	253	11,000	3,250	3,400
Sport and Recreation		420	2,310	1,050	253	253	253			
Ambulance subsidy			1,630							
Health subsidy		3,120								
LED and Planning Grants - COGTA				1,474	-			11,000	3,250	3,400
Total Operating Transfers and Grants	5	84,032	92,539	100,843	110,684	110,684	110,684	125,819	126,425	134,300
<u>Capital Transfers and Grants</u>										
National Government:		41,117	50,444	63,420	63,432	63,432	63,432	55,710	62,597	59,710
Municipal Infrastructure Grant (MIG)		31,382	41,211	49,992	47,462	47,462	47,462	41,650	40,721	42,445
Rural Transport Services and Infrastructure			1,687					2,020	2,051	2,132
Regional Bulk Infrastructure		9,735	7,546	-	-	-	-			
Public Transport and Systems										
Water Infrastructure Grants				13,428	15,970	15,970	15,970	12,040	19,825	15,133
Provincial Government:		-	-	15,926	-	-	-	-	-	-
Distaster and CoGTA Infrastructure Grants				15,926						
Other grant providers:		-	1,000	-	1,000	1,000	1,000	1,276	-	-
Public Works Grant			1,000	-	1,000	1,000	1,000	1,276		
Total Capital Transfers and Grants	5	41,117	51,444	79,346	64,432	64,432	64,432	56,986	62,597	59,710
TOTAL RECEIPTS OF TRANSFERS & GRANTS		125,149	143,983	180,189	175,116	175,116	175,116	182,805	189,022	194,010

DC25 Amajuba - Supporting Table SA19 Expenditure on transfers and grant programme

Description	R e f	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
EXPENDITURE:	1									
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		80,081	88,599	96,092	110,431	110,431	110,431	114,819	123,175	130,900
Local Government Equitable Share		38,243	40,477	44,413	52,618	52,618	52,618	55,797	59,913	62,444
RSC Levy Replacement		40,088	43,698	47,630	51,917	51,917	51,917	56,588	60,795	65,938
Finance Management		1,000	1,250	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Municipal Systems Improvement		750	790	1,000	890	890	890	934	967	1,018
Water Services Operating Subsidy			1,585		1,800	1,800	1,800			
EPWP Incentive			799		-	-	-			
Rural Roads Transport Grant				1,549	1,706	1,706	1,706			
Provincial Government:		3,540	3,940	1,724	253	253	253	11,000	3,250	3,400
Sport and Recreation		420	2,310	1,050	253	253	253			
Ambulance subsidy			1,630	74						
Health subsidy		3,120		-						
Health subsidy				200						
LED and Planning Grants - COGTA				400	-	-	-	11,000	3,250	3,400
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Other grant providers:		3,976	334	627	-	-	-	-	-	-
National Lottery Grant		3,116								
DBSA Grants		860	334	627						
Total operating expenditure of Transfers and Grants:		87,597	92,873	98,442	110,684	110,684	110,684	125,819	126,425	134,300
<u>Capital expenditure of Transfers and Grants</u>										
National Government:		41,117	50,444	62,337	63,432	63,432	63,432	55,710	62,597	59,710
Municipal Infrastructure Grant (MIG)		31,382	41,211	49,992	47,462	47,462	47,462	41,650	40,721	42,445
Rural Transport Services and Infrastructure			1,687					2,020	2,051	2,132
Regional Bulk Infrastructure		9,735	7,546	12,345	-	-	-			
Public Transport and Systems										
Water Infrastructure Grants					15,970	15,970	15,970	12,040	19,825	15,133
Provincial Government:		-	1,000	6,723	1,000	1,000	1,000	1,276	-	-
PUBLIC Works Grant			1,000	6,723	1,000	1,000	1,000	1,276		
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Other grant providers:		-	-	-	-	-	-	-	-	-

<i>Public Works Grant</i>									
Total capital expenditure of Transfers and Grants	41,117	51,444	69,061	64,432	64,432	64,432	56,986	62,597	59,710
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	128,714	144,317	167,503	175,116	175,116	175,116	182,805	189,022	194,010

DC25 Amajuba - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

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
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		1,065	1,005							
Current year receipts		80,081	86,215	96,092	110,431	110,431	110,431	114,819	123,175	130,900
Conditions met - transferred to revenue		81,145	87,220	96,092	110,431	110,431	110,431	114,819	123,175	130,900
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year		4,656	-							
Current year receipts		3,540	-	1,724	253	253	253	11,000	3,250	3,400
Conditions met - transferred to revenue		8,196	-	1,724	253	253	253	11,000	3,250	3,400
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year		-								
Current year receipts		3,976		627						
Conditions met - transferred to revenue		3,976	-	627	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		93,318	87,220	98,442	110,684	110,684	110,684	125,819	126,425	134,300
Total operating transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		7,279	6,839	22,644	14,910	5,968	5,968			
Current year receipts		41,528	53,828	68,696	59,199	58,946	58,946	55,710	62,597	59,710
Conditions met - transferred to revenue		41,968	39,028	74,976	74,109	64,914	64,914	55,710	62,597	59,710
Conditions still to be met - transferred to liabilities		6,839	21,639	16,364						
Provincial Government:										
Balance unspent at beginning of the year		12,193	12,443	14,453	13,115	13,115	13,115			
Current year receipts		-	3,940	18,394	-	1,500	1,500	1,276		
Conditions met - transferred to revenue		3,381	1,931	9,951	13,115	14,615	14,615	1,276	-	-
Conditions still to be met - transferred to liabilities		8,812	14,453	22,896						
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										

Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year			3,116	3,342						
Current year receipts			570	1,056						
Conditions met - transferred to revenue		-	344	1,283	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities			3,342	3,116						
Total capital transfers and grants revenue		45,349	41,302	86,209	87,224	79,529	79,529	56,986	62,597	59,710
Total capital transfers and grants - CTBM	2	15,651	39,434	42,376	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		138,667	128,522	184,651	197,908	190,213	190,213	182,805	189,022	194,010
TOTAL TRANSFERS AND GRANTS - CTBM		15,651	39,434	42,376	-	-	-	-	-	-

Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	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		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		3,886	4,223	4,220	6,362	5,662	5,662	5,395	5,741	6,057
Sub Total - Councillors		3,886	4,223	4,220	6,362	5,662	5,662	5,395	5,741	6,057
% increase	4		8.7%	(0.1%)	50.7%	(11.0%)	-	(4.7%)	6.4%	5.5%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		2,967	4,609	2,756	4,829	4,829	4,829	6,861	7,286	7,687
Pension and UIF Contributions						-	-			
Medical Aid Contributions						-	-			
Overtime						-	-			
Performance Bonus		391			676	676	676	961	1,020	1,076
Motor Vehicle Allowance	3									
Cellphone Allowance	3						108	108	108	108
Sub Total - Senior Managers of Municipality		3,358	4,609	2,756	5,505	5,505	5,505	7,929	8,414	8,871
% increase	4		37.2%	(40.2%)	99.8%	-	-	44.0%	6.1%	5.4%
Other Municipal Staff										
Basic Salaries and Wages		24,314	20,867	24,952	40,588	40,599	40,599	43,932	46,757	49,329
Pension and UIF Contributions		2,386	2,524	2,810	4,973	5,211	5,211	5,751	6,119	6,455
Medical Aid Contributions		1,069	1,160	1,324	2,185	2,137	2,137	2,292	2,439	2,573
Overtime		1,449	292	811	1,314	2,343	2,343	1,090	1,160	1,224
Performance Bonus			2,777	2,392	3,864	3,094	3,094	3,633	3,867	4,080
Motor Vehicle Allowance	3		3,801	4,562	4,144	3,990	3,990	4,153	4,418	4,662
Cellphone Allowance	3	6	-		743	680	680	577	621	661
Housing Allowances	3	1	219	154	478	304	304	404	429	453
Other benefits and allowances	3	2,058	155		427	1,144	1,144	1,189	1,265	1,335
Payments in lieu of leave				1,042						
Long service awards										
Sub Total - Other Municipal Staff		31,282	31,794	38,046	58,717	59,502	59,502	63,020	67,076	70,771
% increase	4		1.6%	19.7%	54.3%	1.3%	-	5.9%	6.4%	5.5%
Total Parent Municipality		38,526	40,626	45,022	70,584	70,669	70,669	76,345	81,231	85,699
			5.4%	10.8%	56.8%	0.1%	-	8.0%	6.4%	5.5%
TOTAL SALARY, ALLOWANCES & BENEFITS		38,526	40,626	45,022	70,584	70,669	70,669	76,345	81,231	85,699
% increase	4		5.4%	10.8%	56.8%	0.1%	-	8.0%	6.4%	5.5%
TOTAL MANAGERS AND STAFF	5,7	34,640	36,403	40,802	64,222	65,007	65,007	70,950	75,490	79,642

Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4		542,261		41,820			584,081
Chief Whip								-
Executive Mayor			577,826		41,820			619,646
Deputy Executive Mayor			542,261		41,820			584,081
Executive Committee			1,525,110	-	62,604			1,587,714
Total for all other councillors			1,853,032		166,944			2,019,976
Total Councillors	8	-	5,040,490	-	355,008			5,395,498
Senior Managers of the Municipality	5							
Municipal Manager (MM)			1,536,330		18,000	215,086		1,769,417
Chief Finance Officer			1,113,725		18,000	155,922		1,287,647
Director Engineering			1,052,699		18,000	147,378		1,218,077
Director Planning & Development			1,052,699		18,000	147,378		1,218,077
Director Corporate Services			1,052,699		18,000	147,378		1,218,077
Director Community Services			1,052,699		18,000	147,378		1,218,077
Total Senior Managers of the Municipality	8.10	-	6,860,852	-	108,000	960,519		7,929,371

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)		25	-	25	25	-	25	25	-	25
Board Members of municipal entities	4									
Municipal employees	5									
Municipal Manager and Senior Managers	3	6		6	6		6	6		6
Other Managers	7	20	20							
Professionals		108	108	-	93	88	5	124	116	8
Finance		108	108		23	18	5	28	23	5
Spatial/town planning					-	-		17	17	-
Information Technology					2	2	-	3	2	1
Roads										
Electricity										
Water					68	68	-	76	74	2
Sanitation										
Refuse										
Other										
Technicians		-	-	-	81	81	-	82	72	10
Other					81	81		82	72	10
Clerks (Clerical and administrative)										
Service and sales workers										
TOTAL PERSONNEL NUMBERS	9	159	128	31	205	169	36	237	188	49
% increase					28.9%	32.0%	16.1%	15.6%	11.2%	36.1%
Total municipal employees headcount	6, 10									
Finance personnel headcount	8, 10									
Human Resources personnel headcount	8, 10									

DC25 Amajuba - Supporting Table SA25
Budgeted monthly revenue and expenditure

Description	R e f	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	-															
Service charges - water revenue		1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	12,373	13,102	13,823
Service charges - sanitation revenue		210	210	210	210	210	210	210	210	210	210	210	210	2,520	2,668	2,815
Rental of facilities and equipment		24	24	24	24	24	24	24	24	24	24	24	24	285	302	319
Transfers recognised - operational		10,658	10,658	10,658	10,658	10,658	10,658	10,658	10,658	10,658	10,658	10,658	10,658	127,902	128,461	136,422
Other revenue		48	48	48	48	48	48	48	48	48	48	48	48	574	608	641
Gains on disposal of PPE														-	-	-
Total Revenue (excluding capital transfers and contributions)		11,971	11,971	11,971	11,971	11,971	11,971	11,971	11,971	11,971	11,971	11,971	11,971	143,653	145,142	154,020
Expenditure By Type	-															
Employee related costs		5,912	5,912	5,912	5,912	5,912	5,912	5,912	5,912	5,912	5,912	5,912	5,912	70,950	75,490	79,642
Remuneration of councillors		450	450	450	450	450	450	450	450	450	450	450	450	5,395	5,741	6,057
Debt impairment		150	150	150	150	150	150	150	150	150	150	150	150	1,800	2,000	2,110
Depreciation & asset impairment		430	430	430	430	430	430	430	430	430	430	430	430	5,162	5,374	5,644
Finance charges		125	125	125	125	125	125	125	125	125	125	125	125	1,500	1,800	2,000
Bulk purchases		417	417	417	417	417	417	417	417	417	417	417	417	5,000	6,000	7,000
Contracted services		833	833	833	833	833	833	833	833	833	833	833	833	10,001	11,149	10,597
Other expenditure		3,221	3,221	3,221	3,221	3,221	3,221	3,221	3,221	3,221	3,221	3,221	3,221	38,652	34,137	37,699
Loss on disposal of PPE														-	-	-
Total Expenditure		11,538	11,538	11,538	11,538	11,538	11,538	11,538	11,538	11,538	11,538	11,538	11,538	138,459	141,691	150,749
Surplus/(Deficit)		433	433	433	433	433	433	433	433	433	433	433	433	5,194	3,451	3,272
Transfers recognised - capital		4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	54,904	60,561	57,588
Contributions recognised - capital		(125)	(125)	(125)	(125)	(125)	(125)	(125)	(125)	(125)	(125)	(125)	(125)	(1,500)	-	-
Contributed assets		(4,575)	(4,575)	(4,575)	(4,575)	(4,575)	(4,575)	(4,575)	(4,575)	(4,575)	(4,575)	(4,575)	(4,575)	(54,904)	(60,561)	(57,588)
Surplus/(Deficit) after capital transfers & contributions		308	308	308	308	308	308	308	308	308	308	308	308	3,694	3,451	3,272
Surplus/(Deficit)	1	308	308	308	308	308	308	308	308	308	308	308	308	3,694	3,451	3,272

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 - Council and Executive Committee		1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	12,374	13,287	13,848
Vote 2 - Office of the Municipal Manager														-	-	-
Vote 3 - Budget and Treasury Office		4,920	4,920	4,920	4,920	4,920	4,920	4,920	4,920	4,920	4,920	4,920	4,920	59,034	63,275	68,469
Vote 4 - Corporate and Property Management Services		62	62	62	62	62	62	62	62	62	62	62	62	747	791	835
Vote 5 - Community Social Development and Environmental		8	8	8	8	8	8	8	8	8	8	8	8	100	106	112
Vote 6 - Local Economic Development and Planning		917	917	917	917	917	917	917	917	917	917	917	917	11,000	3,250	3,400
Vote 10 - Amajuba Water Services Authority Services		4,560	4,560	4,560	4,560	4,560	4,560	4,560	4,560	4,560	4,560	4,560	4,560	54,721	58,338	61,003
Vote 11 - Environmental Health-Community		473	473	473	473	473	473	473	473	473	473	473	473	5,676	6,095	6,353
Total Revenue by Vote		11,971	11,971	11,971	11,971	11,971	11,971	11,971	11,971	11,971	11,971	11,971	11,971	143,653	145,142	154,020
Expenditure by Vote to be appropriated	-															
Vote 1 - Council and Executive Committee		486	486	486	486	486	486	486	486	486	486	486	486	5,835	6,276	6,667
Vote 2 - Office of the Municipal Manager		923	923	923	923	923	923	923	923	923	923	923	923	11,073	11,871	12,692
Vote 3 - Budget and Treasury Office		1,092	1,092	1,092	1,092	1,092	1,092	1,092	1,092	1,092	1,092	1,092	1,092	13,108	13,723	14,510
Vote 4 - Corporate and Property Management Services		2,153	2,153	2,153	2,153	2,153	2,153	2,153	2,153	2,153	2,153	2,153	2,153	25,830	27,680	29,303
Vote 5 - Community Social Development and Environmental		789	789	789	789	789	789	789	789	789	789	789	789	9,468	10,057	10,612
Vote 6 - Local Economic Development and Planning		2,303	2,303	2,303	2,303	2,303	2,303	2,303	2,303	2,303	2,303	2,303	2,303	27,638	22,356	25,104
Vote 7 - Tousong-Shared Service Centres		57	57	57	57	57	57	57	57	57	57	57	57	679	722	762
Vote 8 - Disaster Management Services		519	519	519	519	519	519	519	519	519	519	519	519	6,234	6,548	6,839
Vote 9 - Technical and Road Management Services		643	643	643	643	643	643	643	643	643	643	643	643	7,720	8,123	7,483
Vote 10 - Amajuba Water Services Authority Services		2,341	2,341	2,341	2,341	2,341	2,341	2,341	2,341	2,341	2,341	2,341	2,341	28,088	31,371	33,648
Vote 11 - Environmental Health-Community		232	232	232	232	232	232	232	232	232	232	232	232	2,786	2,965	3,128
Total Expenditure by Vote		11,538	11,538	11,538	11,538	11,538	11,538	11,538	11,538	11,538	11,538	11,538	11,538	138,459	141,691	150,749
Surplus/(Deficit) before assoc.		433	433	433	433	433	433	433	433	433	433	433	433	5,194	3,451	3,272
Surplus/(Deficit)	1	433	433	433	433	433	433	433	433	433	433	433	433	5,194	3,451	3,272

DC25 Amajuba - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)

Description	R e f	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 - Standard	-															
Governance and administration		6,013	6,013	6,013	6,013	6,013	6,013	6,013	6,013	6,013	6,013	6,013	6,013	72,155	77,353	83,153
Executive and council		1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	12,374	13,287	13,848
Budget and treasury office		4,920	4,920	4,920	4,920	4,920	4,920	4,920	4,920	4,920	4,920	4,920	4,920	59,034	63,275	68,469
Corporate services		62	62	62	62	62	62	62	62	62	62	62	62	747	791	835
Community and public safety		481	481	481	481	481	481	481	481	481	481	481	481	5,776	6,201	6,464
Community and social services		8	8	8	8	8	8	8	8	8	8	8	8	100	106	112
Sport and recreation														-	-	-
Public safety														-	-	-
Housing														-	-	-
Health		473	473	473	473	473	473	473	473	473	473	473	473	5,676	6,095	6,353
Economic and environmental services		917	917	917	917	917	917	917	917	917	917	917	917	11,000	3,250	3,400
Planning and development		917	917	917	917	917	917	917	917	917	917	917	917	11,000	3,250	3,400
Road transport														-	-	-
Environmental protection														-	-	-
Trading services		4,560	4,560	4,560	4,560	4,560	4,560	4,560	4,560	4,560	4,560	4,560	4,560	54,721	58,338	61,003
Electricity														-	-	-
Water		4,560	4,560	4,560	4,560	4,560	4,560	4,560	4,560	4,560	4,560	4,560	4,560	54,721	58,338	61,003
Waste water management														-	-	-
Waste management														-	-	-
Other														-	-	-
Total Revenue - Standard		11,971	11,971	11,971	11,971	11,971	11,971	11,971	11,971	11,971	11,971	11,971	11,971	143,653	145,142	154,020
Expenditure - Standard	-		13,927	13,927	13,927	13,927	13,927	13,927	13,927	13,927	13,927	13,927				
Governance and administration		4,654	4,654	4,654	4,654	4,654	4,654	4,654	4,654	4,654	4,654	4,654	4,654	55,847	59,549	63,172
Executive and council		1,409	1,409	1,409	1,409	1,409	1,409	1,409	1,409	1,409	1,409	1,409	1,409	16,908	18,147	19,359
Budget and treasury office		1,092	1,092	1,092	1,092	1,092	1,092	1,092	1,092	1,092	1,092	1,092	1,092	13,108	13,723	14,510
Corporate services		2,153	2,153	2,153	2,153	2,153	2,153	2,153	2,153	2,153	2,153	2,153	2,153	25,830	27,680	29,303
Community and public safety		1,597	1,597	1,597	1,597	1,597	1,597	1,597	1,597	1,597	1,597	1,597	1,597	19,167	20,292	21,341
Community and social services		846	846	846	846	846	846	846	846	846	846	846	846	10,147	10,779	11,374
Sport and recreation														-	-	-
Public safety		519	519	519	519	519	519	519	519	519	519	519	519	6,234	6,548	6,839
Housing														-	-	-
Health		232	232	232	232	232	232	232	232	232	232	232	232	2,786	2,965	3,128
Economic and environmental services		2,946	2,946	2,946	2,946	2,946	2,946	2,946	2,946	2,946	2,946	2,946	2,946	35,357	30,479	32,587
Planning and development		2,303	2,303	2,303	2,303	2,303	2,303	2,303	2,303	2,303	2,303	2,303	2,303	27,638	22,356	25,104
Road transport		643	643	643	643	643	643	643	643	643	643	643	643	7,720	8,123	7,483
Environment														-	-	-

tal protection													-			
Trading services		2,341	2,341	2,341	2,341	2,341	2,341	2,341	2,341	2,341	2,341	2,341	2,341	28,088	31,371	33,648
Electricity													-	-	-	-
Water		2,341	2,341	2,341	2,341	2,341	2,341	2,341	2,341	2,341	2,341	2,341	2,341	28,088	31,371	33,648
Total Expenditure - Standard		11,538	11,538	11,538	11,538	11,538	11,538	11,538	11,538	11,538	11,538	11,538	11,538	138,459	141,691	150,749
Surplus/(Deficit) before assoc.		433	433	433	433	433	433	433	433	433	433	433	433	5,194	3,451	3,272
Surplus/(Deficit)	1	433	433	433	433	433	433	433	433	433	433	433	433	5,194	3,451	3,272

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																
Vote 8 - Disaster Management Services	1	125	125	125	125	125	125	125	125	125	125	125	125	1,500	-	-
Vote 9 - Technical and Road Management Services														-	-	-
Vote 10 - Amajuba Water Services Authority Services		4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	54,904	60,561	57,588
Vote 15 - [NAME OF VOTE 15]														-	-	-
Capital multi-year expenditure subtotal	2	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	56,404	60,561	57,588
Capital single-year expenditure subtotal	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	2	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	56,404	60,561	57,588

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															
Governance and administration		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Executive and council																
Budget and treasury office																
Corporate services																
Community and public safety		125	125	125	125	125	125	125	125	125	125	125	125	1,500	-	-
Community and social services																
Sport and recreation																
Public safety		125	125	125	125	125	125	125	125	125	125	125	125	1,500	-	-
Housing																
Health																
Economic and environmental services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Planning and development																
Road transport																
Environmental protection																
Trading services		4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	54,904	60,561	57,588
Electricity																
Water		4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	54,904	60,561	57,588
Waste water management																
Waste management																
Other																
Total Capital Expenditure - Standard	2	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	56,404	60,561	57,588
Funded by:																
National Government		4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	54,904	60,561	57,588
Provincial Government																
District Municipality grants																
Other transfers and grants																
Transfers recognised - capital		4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	54,904	60,561	57,588
Public contributions & donations																
Borrowing																
Internally generated funds		125	125	125	125	125	125	125	125	125	125	125	125	1,500	-	-
Total Capital Funding		4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	56,404	60,561	57,588

DC25 Amajuba - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16
Cash Receipts By Source													1		
Service charges - water revenue	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	1,031	12,373	13,102	13,823
Service charges - sanitation revenue	210	210	210	210	210	210	210	210	210	210	210	210	2,520	2,668	2,815
Service charges - refuse revenue													-	-	-
Service charges - other													-	-	-
Rental of facilities and equipment	24	24	24	24	24	24	24	24	24	24	24	24	285	302	319
Transfer receipts - operational	10,658	10,658	10,658	10,658	10,658	10,658	10,658	10,658	10,658	10,658	10,658	10,658	127,902	128,461	136,422
Other revenue	48	48	48	48	48	48	48	48	48	48	48	48	574	608	641
Cash Receipts by Source	11,971	11,971	11,971	11,971	11,971	11,971	11,971	11,971	11,971	11,971	11,971	11,971	143,653	145,142	154,020
Other Cash Flows by Source															
Transfer receipts - capital	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	54,904	60,561	57,588
Total Cash Receipts by Source	16,546	16,546	16,546	16,546	16,546	16,546	16,546	16,546	16,546	16,546	16,546	16,546	198,556	205,703	211,608
Cash Payments by Type															
Employee related costs	5,912	5,912	5,912	5,912	5,912	5,912	5,912	5,912	5,912	5,912	5,912	5,912	70,950	75,490	79,642
Remuneration of councillors	450	450	450	450	450	450	450	450	450	450	450	450	5,395	5,741	6,057
Finance charges	125	125	125	125	125	125	125	125	125	125	125	125	1,500	1,800	2,000
Bulk purchases - Electricity													-	-	-
Bulk purchases - Water & Sewer	417	417	417	417	417	417	417	417	417	417	417	417	5,000	6,000	7,000
Other materials	430	430	430	430	430	430	430	430	430	430	430	430	5,162	5,374	5,644
Contracted services	833	833	833	833	833	833	833	833	833	833	833	833	10,001	11,149	10,597
Transfers and grants - other municipalities													-	-	-
Transfers and grants - other													-	-	-
Other expenditure	3,371	3,371	3,371	3,371	3,371	3,371	3,371	3,371	3,371	3,371	3,371	3,371	40,452	36,137	39,809
Cash Payments by Type	11,538	11,538	11,538	11,538	11,538	11,538	11,538	11,538	11,538	11,538	11,538	11,538	138,459	141,691	150,749
Other Cash Flows/Payments by Type															
Capital assets	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	4,575	54,904	60,561	57,588
Repayment of borrowing													-	-	-
Other Cash Flows/Payments													-	-	-
Total Cash Payments by Type	16,114	16,114	16,114	16,114	16,114	16,114	16,114	16,114	16,114	16,114	16,114	16,114	193,363	202,252	208,336
NET INCREASE/(DECREASE) IN CASH HELD	433	433	433	433	433	433	433	433	433	433	433	433	5,194	3,451	3,272
Cash/cash equivalents at the month/year begin:	780	1,213	1,646	2,078	2,511	2,944	3,377	3,810	4,242	4,675	5,108	5,541	780	5,974	9,424
Cash/cash equivalents at the month/year end:	1,213	1,646	2,078	2,511	2,944	3,377	3,810	4,242	4,675	5,108	5,541	5,974	5,974	9,424	12,696

Supporting Table SA34a Capital expenditure on new assets 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
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		-	-	-	58,946	60,746	60,746	54,904	60,561	57,588
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	47,462	49,262	49,262	20,179	19,825	15,133
Dams & Reservoirs								13,316	19,825	15,133
Water purification										
Reticulation					47,462	49,262	49,262	6,863		
Infrastructure - Sanitation		-	-	-	10,484	10,484	10,484	32,704	38,685	40,323
Reticulation					10,484	10,484	10,484	32,704	38,685	40,323
Sewerage purification					0	0				
Infrastructure - Other Waste Management		-	-	-	1,000	1,000	1,000	2,020	2,051	2,132
Transportation	2							2,020	2,051	2,132
Gas										
Other	3				1,000	1,000	1,000			
Community		-	-	-	253	253	253	-	-	-
Parks & gardens										
Sportsfields & stadia					253	253	253			
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development										
Other										
Other assets		53,480	49,513	8,315	1,300	623	623	1,500	-	-
General vehicles										
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		53,480	49,513	8,315						
Computers - hardware/equipment										
Furniture and other office equipment					800	50	50			
Other Buildings					500	573	573	1,500		
Total Capital Expenditure on new assets	1	53,480	49,513	8,315	60,499	61,622	61,622	56,404	60,561	57,588
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										

Supporting Table SA34b Capital expenditure on the renewal of existing assets 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
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		-	-	-	58,946	60,746	60,746	54,904	60,561	57,588
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	47,462	49,262	49,262	20,179	19,825	15,133
Dams & Reservoirs								13,316	19,825	15,133
Reticulation					47,462	49,262	49,262	6,863		
Infrastructure - Sanitation		-	-	-	10,484	10,484	10,484	32,704	38,685	40,323
Reticulation					10,484	10,484	10,484	32,704	38,685	40,323
Sewerage purification										
Infrastructure - Other		-	-	-	1,000	1,000	1,000	2,020	2,051	2,132
Waste Management										
Transportation	2							2,020	2,051	2,132
Gas										
Other	3				1,000	1,000	1,000			
Community		-	-	-	253	253	253	-	-	-
Parks & gardens										
Sportsfields & stadia					253	253	253			
Swimming pools										
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other	9									
Other assets		53,480	49,513	8,315	1,300	623	623	1,500	-	-
General vehicles										
Specialised vehicles	10	-	-	-	-	-	-	-	-	-
Plant & equipment		53,480	49,513	8,315						
Furniture and other office equipment					800	50	50			
Other Buildings					500	573	573	1,500		
Total Capital Expenditure on renewal of existing assets	1	53,480	49,513	8,315	60,499	61,622	61,622	56,404	60,561	57,588
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Renewal of Existing Assets as % of total capex		50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Renewal of Existing Assets as % of deprechn"		1209.8%	920.1%	161.1%	3311.1%	2768.5%	2768.5%	1092.8%	1126.8%	1020.3%

Supporting Table SA34c Repairs and maintenance expenditure 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									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	-	-	-
Other assets		2,069	906	1,031	5,488	4,528	4,528	3,770	4,963	5,202
General vehicles										
Specialised vehicles	10	-	-	-	-	-	-	-	-	-
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		2,069	906	1,031	5,488	4,528	4,528	3,770	4,963	5,202
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other (list sub-class)										
Total Repairs and Maintenance Expenditure	1	2,069	906	1,031	5,488	4,528	4,528	3,770	4,963	5,202
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										
R&M as a % of PPE		3.2%	1.4%	1.7%	4.4%	3.7%	3.7%	2.5%	2.9%	2.8%
R&M as % Operating Expenditure		1.4%	0.5%	0.5%	4.4%	3.6%	3.6%	2.7%	3.5%	3.5%

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									
<u>Depreciation by Asset Class/Sub-class</u>										
-										
Other assets		4,421	5,381	5,162	1,827	2,226	2,226	5,162	5,374	5,644
General vehicles										
Specialised vehicles	10	-	-	-	-	-	-	-	-	-
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		4,421	5,381	5,162	1,827	2,226	2,226	5,162	5,374	5,644
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	4,421	5,381	5,162	1,827	2,226	2,226	5,162	5,374	5,644

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

Supporting Table SA35 Future financial implications of the capital budget

Vote Description R thousand	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
Capital expenditure	1							
Vote 8 - Disaster Management Services		1,500	-	-				
Vote 9 - Technical and Road Management Services		-	-	-				
Vote 10 - Amajuba Water Services Authority Services		54,904	60,561	57,588				
Vote 11 - Environmental Health-Community		-	-	-				
<i>List entity summary if applicable</i>								
Total Capital Expenditure		56,404	60,561	57,588	-	-	-	-
Future operational costs by vote	2							
Total future revenue		-	-	-	-	-	-	-
Net Financial Implications		56,404	60,561	57,588	-	-	-	-

Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	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								
Parent municipality:														
MIG INFRASTRUCTURE	1	EMANDLANGENI SANITATION-MIG;	1	Yes	Infrastructure - Sanitation	Sewerage purification	12,994	16,630		12,994	12,121	7,593	N/A	NEW
	2	BUFFALO FLATS WATER -PHASE 3	2	Yes	Infrastructure - Water	Water purification	6,863		6,863				N/A	NEW
	3	BUFFALO FLATS SANITATION	3	Yes	Infrastructure - Sanitation	Sewerage purification	19,711		19,711	26,564	32,729		N/A	NEW
DEPARTMENT OF PUBLIC WORKS	4	PUBLIC WORKS PROJECTS	4	Yes	Infrastructure - Water	Dams & Reservoirs	1,276		1,276				N/A	NEW
MWIG CAPITAL WATER PROJECTS	5	MWIG - Emadlangeni Rural Water Supply (Dev. of Water Sources)	5	Yes	Infrastructure - Water	Dams & Reservoirs	5,399		5,399				N/A	NEW
	6	MWIG - Emadlangeni Rural Water Supply (Network Reticulations)	6	Yes	Infrastructure - Water	Dams & Reservoirs	6,641		6,641	11,296			N/A	NEW
	7	MWIG - Buffalo Flats Water Supply Ph4 (Ph 1 to 3 Infills)	7	Yes	Infrastructure - Water	Dams & Reservoirs				8,529	5,781		N/A	NEW
	8	MWIG - Buffalo Flats WCDM Ph2	8	Yes	Infrastructure - Water	Dams & Reservoirs					9,352		N/A	NEW
ROAD ASSET MANAGEMENT GRANT	9	ROAD ASSET MANAGEMENT GRANT	9	Yes	Intangibles	Computers - software & programming	2,020		2,020	2,051	2,132		N/A	NEW
OWN REVENUE -DISASTER	10	SPECIALIZED VEHICLE -FIRE	10	Yes	Community	Specialised vehicles - Fire	1,500		1,500				N/A	NEW
Parent Capital expenditure	1									56,404	60,561	57,588		
Total Capital expenditure								16,630	-	56,404	60,561	57,588		

Municipal manager's quality certificate

I, LINDA M. AFRICA, Municipal Manager of Amajuba District Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name : LINDA M. AFRICA

Municipal manager of : Amajuba District Municipality (DC 25)

Signature _____

Date : _____

END OF REPORT