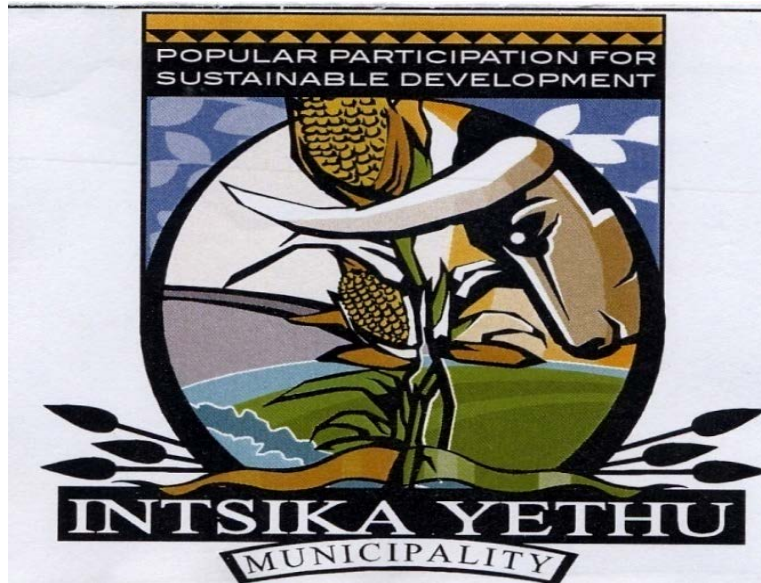


# INTSIKA YETHU MUNICIPALITY

## EC 135



## SCHEDULE A

# DRAFT BUDGET 2014/15

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**Draft Budget, Tariff Structure and IDP:-**

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

**RESOLUTION:-**

- ✚ The draft budget for Revenue is **R177,580** and Expenditure is **R 214,280**
- ✚ Tabling of IDP 2012/2016: It was presented by the Mayor that the IDP was presented to the Council for Adoption and the processes were followed i.e (Presentation to the Community Members).
- ✚ Tabling of Draft Budget 2014/2015: it was presented by the Mayor. The summary of the budget was presented by the Mayor with the total of **R214,280** both operational and capital expenditure budget and for Revenue with the total of **R177,580**. The legal requirements that were considered in preparation of the draft budget are as follows: MFM Act 56 of 2003, Division of Revenue Bill 1 of 2012, MCA 32 of 2000 and Local Government: Municipal Property Rates Acts 6 of 2004.
- ✚ Draft Tariff Structure for 2014/2015: it was adopted as well.

The following tables were presented in the Council

- ✚ EC135 Intsika Yethu - Table A1 Budget Summary
- ✚ EC135 Intsika Yethu - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)
- ✚ EC135 Intsika Yethu - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)
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## **EXECUTIVE SUMMARY**

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

Intsika Yethu Municipality was guided by the National Treasury's MFMA Circular 72 which gives guidance on the preparation of 2014/15 Medium budgets and MTREF; it is in addition to MFMA budget Circular 70 that implies to municipalities in drafting their tabled budget.

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

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

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

The capital budget consists of new projects in the Infrastructure directorate that will be funded from Municipal Infrastructure Grant (MIG) and another fraction will be funded from the municipal coffers but 80% of the projects will be funded under MIG.

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

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

### **Equitable share**

The municipality will receive **R115, 99,000.00** as equitable share excluding MIG, FMG and MSIG.

### **MIG**

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

## **Other Grants**

### **MSIG**

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

### **FMG**

A sum of **R1, 600,000.00** will be received by the municipality. In the portion of this grant there is a budget for Senior Managers who have not completed their CPMD course and also there is a resolution that will be implemented in the financial year 2014/15 that assistant managers should attend the Competency Levels Programme as required by the MFM Act and the gazette. The remaining amount will be implemented for the MFM Act, Improvement of Financial Management System, training of 4 Interns and their stipend. There is also **Rm** that the municipality is anticipating to get from Chris Hani District Municipality for Water Services Department.

## **Own Revenue**

### **Property Rates Receipts**

The municipality has budgeted to raise **R1, 8 million** through property rates for the financial year.

### **Services**

### **Refuse Receipts**

The municipality has budgeted **R 103, 000.00** as an anticipated amount to be received

## **OTHER SERVICE CHARGES**

### **Traffic Fines**

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

## **OTHER INCOME**

### **Interest from Investment**

Through the preparation of the Projected Cash Flow, the municipality is able to project Surplus cash available for investment to earn interest as well as in the grants that will be received.

Interest received is budgeted at an estimated amount of **R298, 000.00**, and for Agency fees is **R363, 000**

There is **R6m** grant from National Treasury for electrification; this grant is going to be transferred straight to the Municipality not to Eskom and it has been adjusted downwards in this financial year, the municipality will also receive the Incentive from Public Works (EPWP) amounting to **R1,8** and also VAT for **R9,7m** that will be collected through payments (output) made by the municipality to the service provider.

### **Rent Received**

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

The total rent to be collected is **R237, 000.00** in the financial year 2014/15

Below is list of the rented offices/land:

#### **Name of the lessee**

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



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

### Consolidated Overview of the 2014/15 MTREF

R thousand	Budget Year 2014/14	Budget Year + 1 2015/16	Budget Year + 2 2016/17
Total Operating Revenue	163 389	173 028	182 545
Total Operating Expenditure	174 576	184 875	195 044
(			
Total Capital Expenditure	38,856	40,729	42,452

### Operating Revenue Framework

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

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

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

The following table is a summary of the 2014/15 MTREF (classified by main revenue source):

### Summary of revenue classified by main revenue source

EC135 Intsika Yethu - Supporting Table 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
<b>Multi-year expenditure to be appropriated</b>	1	12,961				12,961				12,961				38,883	-	-
Vote 1 - Exco and Council																
Vote 2 - Municipal Manager																
Vote 3 - Corporate Services																
Vote 4 - Infrastructure Planning and Development																
Vote 5 - Community Services																
Vote 6 - Budget and Treasury																
Vote 7 - Local Economic Development																
Vote 8 - Water Services																
Vote 9 - [NAME OF VOTE 9]																
Vote 10 - [NAME OF VOTE 10]																
Vote 11 - [NAME OF VOTE 11]																
Vote 12 - [NAME OF VOTE 12]																
Vote 13 - [NAME OF VOTE 13]																
Vote 14 - [NAME OF VOTE 14]																
Vote 15 - [NAME OF VOTE 15]																
<b>Capital multi-year expenditure sub-total</b>	2	12,961	-	-	-	12,961	-	-	-	12,961	-	-	-	38,883	-	-
<b>Single-year expenditure to be appropriated</b>																
Vote 1 - Exco and Council		20	20	20	20	20	20	20	20	20	20	20	(0)	221	234	247
Vote 2 - Municipal Manager		10	10	10	10	10	10	10	10	10	10	10	0	110	117	123
Vote 3 - Corporate Services		14	14	14	14	14	14	14	14	14	14	14	(0)	152	161	170
Vote 4 - Infrastructure Planning and Development		451	451	451	451	451	451	451	451	451	451	451	6,000	10,957	11,604	12,242
Vote 5 - Community Services		21	21	21	21	21	21	21	21	21	21	21	(0)	235	249	262
Vote 6 - Budget and Treasury		23	23	23	23	23	23	23	23	23	23	23	0	248	263	278
Vote 7 - Local Economic Development		42	42	42	42	42	42	42	42	42	42	42	(0)	466	493	520
Vote 8 - Water Services																
Vote 9 - [NAME OF VOTE 9]																
Vote 10 - [NAME OF VOTE 10]																
Vote 11 - [NAME OF VOTE 11]																
Vote 12 - [NAME OF VOTE 12]																
Vote 13 - [NAME OF VOTE 13]																
Vote 14 - [NAME OF VOTE 14]																
Vote 15 - [NAME OF VOTE 15]																
<b>Capital single-year expenditure sub-total</b>	2	581	581	581	581	581	581	581	581	581	581	581	6,000	12,389	13,120	13,842
<b>Total Capital Expenditure</b>	2	13,542	581	581	581	13,542	581	581	581	13,542	581	581	6,000	51,272	13,120	13,842

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

## Operating Transfers and Grant Receipts

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

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<b>Cash Transfers to other municipalities</b>											
<i>Equitable Share: MIG; MSIG; CHDM; LG-SETA; EPWP</i>	1										
<b>Total Cash Transfers To Municipalities:</b>		-	-	-	-	-	-	-	-	-	-
<b>Cash Transfers to Entities/Other External Mechanisms</b>											
<i>Equitable Share: MIG; MSIG; CHDM; LG-SETA; EPWP</i>	2										
<b>Total Cash Transfers To Entities/Ems'</b>		-	-	-	-	-	-	-	-	-	-
<b>Cash Transfers to other Organs of State</b>											
<i>Equitable Share: MIG; MSIG; CHDM; LG-SETA; EPWP</i>	3										
<b>Total Cash Transfers To Other Organs Of State:</b>		-	-	-	-	-	-	-	-	-	-
<b>Cash Transfers to Organisations</b>											
<i>Free basic services</i>	4				6,000	4,000			3,000	3,153	3,307
<b>Total Cash Transfers To Organisations</b>		-	-	-	6,000	4,000	-	-	3,000	3,153	3,307
<b>Cash Transfers to Groups of Individuals</b>											
<i>Equitable Share: MIG; MSIG; CHDM; LG-SETA; EPWP</i>	5										
<b>Total Cash Transfers To Groups Of Individuals:</b>		-	-	-	-	-	-	-	-	-	-
<b>TOTAL CASH TRANSFERS AND GRANTS</b>	6	-	-	-	6,000	4,000	-	-	3,000	3,153	3,307
<b>Non-Cash Transfers to other municipalities</b>											
<i>Insert description</i>	1										
<b>Total Non-Cash Transfers To Municipalities:</b>		-	-	-	-	-	-	-	-	-	-
<b>Non-Cash Transfers to Entities/Other External Mechanisms</b>											
<i>Equitable Share: MIG; MSIG; CHDM; LG-SETA; EPWP</i>	2										
<b>Total Non-Cash Transfers To Entities/Ems'</b>		-	-	-	-	-	-	-	-	-	-
<b>Non-Cash Transfers to other Organs of State</b>											
<i>Equitable Share: MIG; MSIG; CHDM; LG-SETA; EPWP</i>	3										
<b>Total Non-Cash Transfers To Other Organs Of State:</b>		-	-	-	-	-	-	-	-	-	-
<b>Non-Cash Grants to Organisations</b>											
<i>Equitable Share: MIG; MSIG; CHDM; LG-SETA; EPWP</i>	4										
<b>Total Non-Cash Grants To Organisations</b>		-	-	-	-	-	-	-	-	-	-
<b>Groups of Individuals</b>											
<i>Equitable Share: MIG; MSIG; CHDM; LG-SETA; EPWP</i>	5										
<b>Total Non-Cash Grants To Groups Of Individuals:</b>		-	-	-	-	-	-	-	-	-	-
<b>TOTAL NON-CASH TRANSFERS AND GRANTS</b>		-	-	-	-	-	-	-	-	-	-
<b>TOTAL TRANSFERS AND GRANTS</b>	6	-	-	-	6,000	4,000	-	-	3,000	3,153	3,307

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

## Property Rates

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

The following stipulations in the Property Rates Policy are highlighted:

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

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

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

Category	Current Tariff (1 July 2012)	Proposed tariff (from 1 July 2013)
	<b>c</b>	<b>c</b>
Government	0,012	0,012
Business	0,008	0,008
Residential	0,004	0,004
Farming/ Agriculture	-	-
Street Lighting	-	-
A demand charge per month per Kw	6.32	6.6

### Sale of Water and Impact of Tariff Increases

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

A tariff increase of 5,9 per cent from 1 July 2014 for water is proposed.

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

### Proposed Water Tariffs

	2013/14	2014/15	
<b>Metered Consumption (Domestic Consumers)</b>			
Basic / Availability Charge	43.71	46.20	48.7
<b>Metered Consumption (Other than Domestic Consumers)</b>			
Basic / Availability Charge (per month)	43.71	46.20	48.7
<b>Normal Consumption</b>			
<b>Domestic</b>			
Per kiloliter consumed 0-6 kl (indigent)			
Per kiloliter consumed 0-6 kl	6.40	6.7	7.00
Per kiloliter consumed 7 – 10 kl	6.53	6.9	7.2
Per kiloliter consumed 11-20 kl	9.06	9.5	10.00
Per kiloliter consumed 21-30 kl	11.76	12.40	13.00
Per kiloliter consumed 31 + kl	14.75	15.6	16.4
<b>Bulk/Commercial/Industrial Supply per kl</b>	10.32	10.9	11.4
<b>Other (Schools/ Non-profit organizations/Church) per kl</b>	6.35	6.7	7.00
Tariff Bulk supply rate (builders)	9.80	10.3	10.8
New Connection (to be paid prior connection)			
Test Meter (Not Refundable) To be paid in advance	133.83	141.7	149.4
<b>DEPOSITS (WATER SERVICES)</b>			
Consumers – Domestic	378.72	401.0	423.0
Consumers – Business or Commercial	1009.94	1069.5	1128.3
Builders	3,909.15	4,139.7	4367.3
<b>CHARGE FOR VISIT OF SERVICE MAN</b>			
(a)The owner or builder requesting the installation of a connection and does not clear the position, thus making the visit of the serviceman fruitless, shall pay a fee of: This fee will also be charged when a serviceman is called out for a problem on the consumers' internal system	568.95	602.5	635.6
(b)The closing and re-opening of municipal stopcocks or valves, when requested			

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

## Sanitation and Impact of Tariff Increases

A tariff increase of 5,9 per cent for sanitation from 1 July 2014 is proposed. This is based on the input cost assumptions related to water.

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

The following table compares the current and proposed tariffs:

## Comparison between current sanitation charges and increases

### SANITATION / SEWERAGE

<b>Water-borne Sewerage (Domestic Consumers)</b>			
<b>Small</b>			
Basic / Availability Charge per month per connection (Erf 0-300m <sup>2</sup> )	44.36	46.9	49.4
Basic / Availability Charge per month per connection (Erf 301-400m <sup>2</sup> )	62.77	66.4	70.0
Basic / Availability Charge per month per connection (Erf 401-800m <sup>2</sup> )	163.34	172.9	182.4
Basic / Availability Charge per month per connection (Erf 801-1200m <sup>2</sup> )	176.34	186.7	196.9
Basic / Availability Charge per month per connection (Erf 1200>m <sup>2</sup> )	192.13	203.4	214.5
<b>Medium</b>			
Flats			
Ordinary flats(Outside buildings)	109.85	116.3	122.6
<b>Water-borne Sewerage (Commercial Consumers)</b>			
Basic / Availability Charge per month per connection			
Pan charge per pan plus an annual area charge determined as follows: The square root of the area of the land in square meters x a rate of	119.55	126.6	133.5
	9.28	9.80	10.33
<b>Water-borne Sewerage (Industrial Consumers)</b>			
Basic / Availability Charge per month per connection			
Pan charge per pan plus an annual area charge determined as follows: The square root of the area of the land in square meters x a rate of	125.56	132.9	140.2
	13.94	14.7	15.5
<b>Water-borne Sewerage (Hotel's, hostels, Schools, hospitals, abattoirs &amp; other consumers)</b>			
Basic / Availability Charge per month per connection			
Pan charge per pan plus an annual area charge determined as follows: The square root of the area of the land in square meters x a rate of	804.15	851.5	898.3
	83.52	88.4	93.2
	39.94	42.2	44.5

## Waste Removal and Impact of Tariff Increases

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

### Operating Expenditure Framework

The Municipality's expenditure framework for the 2014/15 budget and MTREF is informed by the following:

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

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

## Summary of operating expenditure by standard classification item

The budgeted allocation for employee related costs for the 2014/15 financial year totals R75 404. Based on the three year collective SALGBC agreement, salary increases have been factored into this budget at a percentage increase of 5, 9 per cent for the 2014/15 financial year.

### Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the Municipality's current infrastructure, the 2014/15 budget and MTREF provide for extensive growth in the area of asset maintenance, as informed by the asset renewal strategy and repairs and maintenance plan of the Municipality.

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

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

### Operational Repairs and Maintenance

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

During the compilation of the 2014/15 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the Municipality's infrastructure and historic deferred maintenance.

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

### Free Basic Services: Basic Social Services Package

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

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



EC135 Intsika Yethu - Table A10 Basic service delivery measurement

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

# Capital expenditure

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

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

Vote Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>R thousand</b>	1										
<b>Capital expenditure - Vote</b>											
<b>Multi-year expenditure to be appropriated</b>	2										
Vote 1 - Exco and Council		-	-	-	-	-	-	-	38,883	-	-
Vote 2 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 4 - Infrastructure Planning and Development		-	26,028	-	9,841	9,841	-	-	-	-	-
Vote 5 - Community Services		-	3,150	-	-	-	-	-	-	-	-
Vote 6 - Budget and Treasury		-	5,181	-	-	-	-	-	-	-	-
Vote 7 - Local Economic Development		-	-	-	-	-	-	-	-	-	-
Vote 8 - Water Services		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	7	-	34,358	-	9,841	9,841	-	-	38,883	-	-
<b>Single-year expenditure to be appropriated</b>	2										
Vote 1 - Exco and Council		-	-	-	-	-	-	-	221	234	247
Vote 2 - Municipal Manager		-	-	-	-	-	-	-	110	117	123
Vote 3 - Corporate Services		-	-	-	-	-	-	-	152	161	170
Vote 4 - Infrastructure Planning and Development		-	-	25,935	58,162	-	-	-	10,957	11,604	12,242
Vote 5 - Community Services		-	-	-	2,315	-	-	-	235	249	262
Vote 6 - Budget and Treasury		-	-	-	-	-	-	-	248	263	278
Vote 7 - Local Economic Development		-	-	-	-	-	-	-	466	493	520
Vote 8 - Water Services		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		-	-	25,935	60,477	-	-	-	12,389	13,120	13,842
<b>Total Capital Expenditure - Vote</b>		-	34,358	25,935	70,318	9,841	-	-	51,272	13,120	13,842
<b>Capital Expenditure - Standard</b>											
<b>Governance and administration</b>		2,401	-	-	-	-	-	-	732	775	817
Executive and council									331	351	370
Budget and treasury office		2,216							248	263	278
Corporate services		185							152	161	170
<b>Community and public safety</b>		-	-	-	-	-	-	-	235	249	262
Community and social services									235	249	262
Sport and recreation											
Public safety											
Housing											
Health											
<b>Economic and environmental services</b>		28,807	25,935	-	-	-	-	-	5,423	5,743	6,059
Planning and development		28,807							466	493	520
Road transport			25,935						4,957	5,250	5,539
Environmental protection											
<b>Trading services</b>		-	-	-	-	-	-	-	-	-	-
Electricity											
Water											
Waste water management											
Waste management											
<b>Other</b>											
<b>Total Capital Expenditure - Standard</b>	3	31,209	25,935	-	-	-	-	-	6,389	6,766	7,139
<b>Funded by:</b>											
National Government		15,164	25,935						38,856	41,631	43,921
Provincial Government		1,630									
District Municipality											
Other transfers and grants		17,564							6,000	6,354	6,703
<b>Transfers recognised - capital</b>	4	34,358	25,935	-	-	-	-	-	44,856	47,985	50,624
<b>Public contributions &amp; donations</b>	5										
<b>Borrowing</b>	6										
<b>Internally generated funds</b>											
<b>Total Capital Funding</b>	7	34,358	25,935	-	-	-	-	-	44,856	47,985	50,624

## **Annual Budget Tables - Parent Municipality**

The following eighteen pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2014/15 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory notes* on the facing page.

EC135 Intsika Yethu - 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
<b>R thousands</b>										
<b>Financial Performance</b>										
Property rates	-	-	-	4,850	-	4,850	-	1,865	1,975	2,084
Service charges	-	-	-	813	-	600	-	10,411	11,025	11,632
Investment revenue	693	860	-	200	-	-	-	299	316	334
Transfers recognised - operational	81,469	112,496	-	134,993	(1,726)	(1,726)	-	118,735	198,021	208,912
Other own revenue	2,343	2,593	-	27,128	6,583	13,007	-	1,616	1,712	1,806
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>84,505</b>	<b>115,948</b>	<b>-</b>	<b>167,984</b>	<b>4,857</b>	<b>16,731</b>	<b>-</b>	<b>132,926</b>	<b>213,049</b>	<b>224,767</b>
Employee costs	-	-	-	73,667	698	698	-	61,782	65,427	69,026
Remuneration of councillors	10,877	8,595	-	13,326	909	909	-	13,622	14,426	15,219
Depreciation & asset impairment	-	-	-	33,200	-	33,200	-	35,000	37,065	39,104
Finance charges	4	525	-	250	-	250	-	190	201	212
Materials and bulk purchases	8,422	6,596	-	-	-	-	-	-	-	-
Transfers and grants	-	-	-	-	-	-	-	-	-	-
Other expenditure	7,062	1,738	-	60,592	8,162	10,319	-	58,829	62,300	65,726
<b>Total Expenditure</b>	<b>26,366</b>	<b>17,454</b>	<b>-</b>	<b>181,035</b>	<b>9,769</b>	<b>45,376</b>	<b>-</b>	<b>169,424</b>	<b>179,420</b>	<b>189,288</b>
<b>Surplus/(Deficit)</b>	<b>58,139</b>	<b>98,494</b>	<b>-</b>	<b>(13,052)</b>	<b>(4,912)</b>	<b>(28,644)</b>	<b>-</b>	<b>(36,497)</b>	<b>33,630</b>	<b>35,480</b>
Transfers recognised - capital	17,564	25,935	-	46,042	-	14,355	-	44,856	47,503	50,115
Contributions recognised - capital & contributed	-	-	-	12,107	3,120	3,120	-	6,389	6,766	7,138
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>75,703</b>	<b>124,429</b>	<b>-</b>	<b>45,097</b>	<b>(1,792)</b>	<b>(11,169)</b>	<b>-</b>	<b>14,748</b>	<b>87,898</b>	<b>92,733</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>75,703</b>	<b>124,429</b>	<b>-</b>	<b>45,097</b>	<b>(1,792)</b>	<b>(11,169)</b>	<b>-</b>	<b>14,748</b>	<b>87,898</b>	<b>92,733</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>31,209</b>	<b>25,935</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,389</b>	<b>6,766</b>	<b>7,139</b>
Transfers recognised - capital	34,358	25,935	-	-	-	-	-	44,856	47,985	50,624
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funds</b>	<b>34,358</b>	<b>25,935</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44,856</b>	<b>47,985</b>	<b>50,624</b>
<b>Financial position</b>										
Total current assets	29,100	33,921	-	-	-	-	-	-	-	-
Total non current assets	61,697	512,567	-	-	-	-	-	-	-	-
Total current liabilities	15,001	12,477	-	-	-	-	-	-	-	-
Total non current liabilities	9,343	15,928	-	-	-	-	-	-	-	-
Community wealth/Equity	14,014	-	-	-	-	-	-	-	-	-
<b>Cash flows</b>										
Net cash from (used) operating	-	-	-	47,811	8,371	56,661	-	-	-	-
Net cash from (used) investing	-	-	-	(47,149)	4,291	(8,957)	-	-	-	-
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the year end</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>662</b>	<b>12,662</b>	<b>47,704</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	12,340	15,704	-	-	-	-	-	-	-	-
Application of cash and investments	14,652	12,110	-	-	-	-	-	-	-	-
<b>Balance - surplus (shortfall)</b>	<b>(2,312)</b>	<b>3,594</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Asset management</b>										
Asset register summary (WDV)	34,358	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	-	-	-	33,200	-	33,200	35,000	35,000	37,065	39,104
Renewal of Existing Assets	-	-	-	-	-	-	-	46,013	48,728	51,408
Repairs and Maintenance	-	-	-	9,082	1,000	1,000	6,691	6,691	7,086	7,476
<b>Free services</b>										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-
<b>Households below minimum service level</b>										
Water:	-	-	-	-	-	-	13	13	14	14
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	14	14	15	16
Refuse:	-	-	-	-	-	-	39	39	42	44

## **Explanatory notes to MBRR Table A1 - Budget Summary**

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

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

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

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

EC135 Intsika Yethu - Table A2 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
<b>Revenue - Standard</b>	1									
<i>Governance and administration</i>		116,181	154,232	-	120,870	117	(184)	132,695	164,725	173,785
Executive and council		-	-	-	450	-	-	132,695	164,725	173,785
Budget and treasury office		116,181	154,232	-	120,420	(173)	(473)	-	-	-
Corporate services		-	-	-	-	289	289	-	-	-
<i>Community and public safety</i>		-	-	-	3,525	(300)	(300)	1,521	1,610	1,699
Community and social services		-	-	-	3,525	(300)	(300)	1,521	1,610	1,699
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	-	47,825	16,044	31,044	45,241	48,364	51,024
Planning and development		-	-	-	35	6,618	6,618	18	19	20
Road transport		-	-	-	47,790	9,426	24,426	45,222	48,344	51,003
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	30,000	(1,726)	(1,726)	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	30,000	(1,726)	(1,726)	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Standard</b>	2	116,181	154,232	-	202,220	14,135	28,835	179,456	214,699	226,508
<b>Expenditure - Standard</b>										
<i>Governance and administration</i>		93,767	191,401	-	71,927	2,316	34,589	9,711	10,284	10,849
Executive and council		10,877	8,595	-	30,159	1,139	2,913	4,397	4,657	4,913
Budget and treasury office		40,599	120,722	-	27,313	797	31,296	3,298	3,493	3,685
Corporate services		42,290	62,083	-	14,455	380	380	2,015	2,134	2,252
<i>Community and public safety</i>		-	-	-	23,572	(253)	(253)	3,115	3,299	3,480
Community and social services		-	-	-	23,572	(253)	(253)	3,115	3,299	3,480
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		8,422	6,596	-	29,572	12,997	12,997	5,497	5,821	6,141
Planning and development		-	-	-	8,327	5,940	5,940	2,199	2,328	2,456
Road transport		8,422	6,596	-	21,245	7,056	7,056	3,298	3,493	3,685
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	30,000	(1,726)	(1,726)	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	30,000	(1,726)	(1,726)	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Standard</b>	3	102,190	197,996	-	155,071	13,335	45,607	18,322	19,403	20,470
<b>Surplus/(Deficit) for the year</b>		13,991	(43,764)	-	47,149	800	(16,772)	161,134	195,296	206,038

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

Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organizational structure of the Municipality.

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

EC135 Intsika Yethu - Table 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
<b>Revenue - Standard</b>	1									
<i>Municipal governance and administration</i>		116,181	154,232	-	120,870	117	(184)	132,695	164,725	173,785
Executive and council		-	-	-	450	-	-	132,695	164,725	173,785
<i>Mayor and Council</i>										
<i>Municipal Manager</i>					450					
Budget and treasury office		116,181	154,232		120,420	(173)	(473)		-	-
Grants allocation										
MSIG								934	967	1,020
FMG								1,600	1,650	1,741
MIG								-	-	-
INEP								-	-	-
EPWP								1,849	1,650	1,741
Equitable share								115,999	147,419	155,527
Interest received								299	316	334
Tender receipt								46	49	52
Rates Receipts								1,865	1,975	2,084
Refuse Receipts								104	110	116
Rent Buildings								237	251	265
SARS VAT Recovery								9,762	10,338	10,906
Corporate services		-	-	-	-	289	289	-	-	-
<i>Human Resources</i>						289	289			
<i>Information Technology</i>										
<i>Property Services</i>										
<i>Other Admin</i>										
<i>Community and public safety</i>		-	-	-	3,525	(300)	(300)	1,521	1,610	1,699
Community and social services		-	-	-	3,525	(300)	(300)	1,521	1,610	1,699
Libraries and Archives										
Museums & Art Galleries etc										
Community halls and Facilities					3,515	(300)	(300)			
Cemeteries & Crematoriums					10					
Child Care										
Aged Care										
Other Community										
Agency fees								364	385	407
Cemetery								5	5	5
Learners Licence								765	811	855
Pound Fees								77	81	86
Telecentre								30	32	34
Town Hall Hire								30	32	34
Traffic Fines								250	265	279
Other Social										
Sport and recreation										
Public safety		-	-	-	-	-	-	-	-	-
Police										
Fire										
Civil Defence										
Street Lighting										
Other										
Housing										
Health		-	-	-	-	-	-	-	-	-
Clinics										
Ambulance										
Other										
<i>Economic and environmental services</i>		-	-	-	47,825	16,044	31,044	45,214	48,364	51,024
Planning and development		-	-	-	35	6,618	6,618	18	19	20
Economic Development/Planning						6,618	6,618			
Business Licence								18	19	20
Town Planning/Building										
Licensing & Regulation					35					
Road transport		-	-	-	47,790	9,426	24,426	45,195	48,344	51,003
Roads					35,042	9,426	9,426	38,856	41,631	43,921
Public Buses										
Parking Garages										
Vehicle Licensing and Testing										
INEP								6,000	6,354	6,703
Plan Approval Fees								51	54	57
Plant Hire								289	306	322
Other					12,748		15,000			
Environmental protection		-	-	-	-	-	-	-	-	-
Pollution Control										
Biodiversity & Landscape										
Other										
<i>Trading services</i>		-	-	-	30,000	(1,726)	(1,726)	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Electricity Distribution										
Electricity Generation										



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

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

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Revenue By Source</b>											
Property rates	2	-	-	-	4,850	-	4,850	-	1,865	1,975	2,084
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	-	-	600	-	600	-	104	110	116
Service charges - other					213	-	-	-	10,307	10,915	11,516
Rental of facilities and equipment		428	647	-	690	-	-	-	237	251	265
Interest earned - external investments		693	860	-	200	-	-	-	299	316	334
Interest earned - outstanding debtors		523	373	-	250	-	-	-	-	-	-
Dividends received											
Fines		113	251	-	1,500	(500)	(500)	-	250	265	279
Licences and permits		1,257	1,320	-	600	-	-	-	765	811	855
Agency services					3,000	(173)	(173)	-	364	385	407
Transfers recognised - operational		81,469	112,496	-	134,993	(1,726)	(1,726)	-	118,533	198,021	208,912
Other revenue	2	-	-	-	21,088	7,256	13,680	-	-	-	-
Gains on disposal of PPE		23	2	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>84,505</b>	<b>115,948</b>	<b>-</b>	<b>167,984</b>	<b>4,857</b>	<b>16,731</b>	<b>-</b>	<b>132,724</b>	<b>213,049</b>	<b>224,767</b>
<b>Expenditure By Type</b>											
Employee related costs	2	-	-	-	73,667	698	698	-	61,782	65,427	69,026
Remuneration of councillors		10,877	8,595	-	13,326	909	909	-	13,622	14,426	15,219
Debt impairment	3	7,062	1,738	-	1,500	-	-	-	1,700	1,800	1,899
Depreciation & asset impairment	2	-	-	-	33,200	-	33,200	-	35,000	37,065	39,104
Finance charges		4	525	-	250	-	250	-	190	201	212
Bulk purchases	2	-	-	-	-	-	-	-	-	-	-
Other materials	8	8,422	6,596	-	-	-	-	-	-	-	-
Contracted services		-	-	-	450	-	450	-	5,124	5,426	5,725
Transfers and grants		-	-	-	-	-	-	-	-	-	-
Other expenditure	4, 5	-	-	-	58,642	8,162	9,869	-	52,005	55,073	58,102
Loss on disposal of PPE											
<b>Total Expenditure</b>		<b>26,366</b>	<b>17,454</b>	<b>-</b>	<b>181,035</b>	<b>9,769</b>	<b>45,376</b>	<b>-</b>	<b>169,424</b>	<b>179,420</b>	<b>189,288</b>
<b>Surplus/(Deficit)</b>		<b>58,139</b>	<b>98,494</b>	<b>-</b>	<b>(13,052)</b>	<b>(4,912)</b>	<b>(28,644)</b>	<b>-</b>	<b>(36,699)</b>	<b>33,630</b>	<b>35,480</b>
Transfers recognised - capital		17,564	25,935	-	46,042	-	14,355	-	44,856	47,503	50,115
Contributions recognised - capital	6	-	-	-	12,107	3,120	3,120	-	6,389	6,766	7,138
Contributed assets											
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>75,703</b>	<b>124,429</b>	<b>-</b>	<b>45,097</b>	<b>(1,792)</b>	<b>(11,169)</b>	<b>-</b>	<b>14,546</b>	<b>87,898</b>	<b>92,733</b>
Taxation											
<b>Surplus/(Deficit) after taxation</b>		<b>75,703</b>	<b>124,429</b>	<b>-</b>	<b>45,097</b>	<b>(1,792)</b>	<b>(11,169)</b>	<b>-</b>	<b>14,546</b>	<b>87,898</b>	<b>92,733</b>
Attributable to minorities											
<b>Surplus/(Deficit) attributable to municipality</b>		<b>75,703</b>	<b>124,429</b>	<b>-</b>	<b>45,097</b>	<b>(1,792)</b>	<b>(11,169)</b>	<b>-</b>	<b>14,546</b>	<b>87,898</b>	<b>92,733</b>
Share of surplus/ (deficit) of associate	7										
<b>Surplus/(Deficit) for the year</b>		<b>75,703</b>	<b>124,429</b>	<b>-</b>	<b>45,097</b>	<b>(1,792)</b>	<b>(11,169)</b>	<b>-</b>	<b>14,546</b>	<b>87,898</b>	<b>92,733</b>

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

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

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Revenue By Source</b>											
Property rates	2	-	-	-	4,850	-	4,850	-	1,865	1,975	2,084
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	-	-	600	-	600	-	104	110	116
Service charges - other					213	-	-	-	10,307	10,915	11,516
Rental of facilities and equipment		428	647	-	690	-	-	-	237	251	265
Interest earned - external investments		693	860	-	200	-	-	-	299	316	334
Interest earned - outstanding debtors		523	373	-	250	-	-	-	-	-	-
Dividends received											
Fines		113	251	-	1,500	(500)	(500)	-	250	265	279
Licences and permits		1,257	1,320	-	600	-	-	-	765	811	855
Agency services					3,000	(173)	(173)	-	364	385	407
Transfers recognised - operational		81,469	112,496	-	134,993	(1,726)	(1,726)	-	118,533	198,021	208,912
Other revenue	2	-	-	-	21,088	7,256	13,680	-	-	-	-
Gains on disposal of PPE		23	2	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>84,505</b>	<b>115,948</b>	<b>-</b>	<b>167,984</b>	<b>4,857</b>	<b>16,731</b>	<b>-</b>	<b>132,724</b>	<b>213,049</b>	<b>224,767</b>
<b>Expenditure By Type</b>											
Employee related costs	2	-	-	-	73,667	698	698	-	61,782	65,427	69,026
Remuneration of councillors		10,877	8,595	-	13,326	909	909	-	13,622	14,426	15,219
Debt impairment	3	7,062	1,738	-	1,500	-	-	-	1,700	1,800	1,899
Depreciation & asset impairment	2	-	-	-	33,200	-	33,200	-	35,000	37,065	39,104
Finance charges		4	525	-	250	-	250	-	190	201	212
Bulk purchases	2	-	-	-	-	-	-	-	-	-	-
Other materials	8	8,422	6,596	-	-	-	-	-	-	-	-
Contracted services		-	-	-	450	-	450	-	5,124	5,426	5,725
Transfers and grants		-	-	-	-	-	-	-	-	-	-
Other expenditure	4, 5	-	-	-	58,642	8,162	9,869	-	52,005	55,073	58,102
Loss on disposal of PPE											
<b>Total Expenditure</b>		<b>26,366</b>	<b>17,454</b>	<b>-</b>	<b>181,035</b>	<b>9,769</b>	<b>45,376</b>	<b>-</b>	<b>169,424</b>	<b>179,420</b>	<b>189,288</b>
<b>Surplus/(Deficit)</b>		<b>58,139</b>	<b>98,494</b>	<b>-</b>	<b>(13,052)</b>	<b>(4,912)</b>	<b>(28,644)</b>	<b>-</b>	<b>(36,699)</b>	<b>33,630</b>	<b>35,480</b>
Transfers recognised - capital		17,564	25,935	-	46,042	-	14,355	-	44,856	47,503	50,115
Contributions recognised - capital	6	-	-	-	12,107	3,120	3,120	-	6,389	6,766	7,138
Contributed assets											
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>75,703</b>	<b>124,429</b>	<b>-</b>	<b>45,097</b>	<b>(1,792)</b>	<b>(11,169)</b>	<b>-</b>	<b>14,546</b>	<b>87,898</b>	<b>92,733</b>
Taxation											
<b>Surplus/(Deficit) after taxation</b>		<b>75,703</b>	<b>124,429</b>	<b>-</b>	<b>45,097</b>	<b>(1,792)</b>	<b>(11,169)</b>	<b>-</b>	<b>14,546</b>	<b>87,898</b>	<b>92,733</b>
Attributable to minorities											
<b>Surplus/(Deficit) attributable to municipality</b>		<b>75,703</b>	<b>124,429</b>	<b>-</b>	<b>45,097</b>	<b>(1,792)</b>	<b>(11,169)</b>	<b>-</b>	<b>14,546</b>	<b>87,898</b>	<b>92,733</b>
Share of surplus/ (deficit) of associate	7										
<b>Surplus/(Deficit) for the year</b>		<b>75,703</b>	<b>124,429</b>	<b>-</b>	<b>45,097</b>	<b>(1,792)</b>	<b>(11,169)</b>	<b>-</b>	<b>14,546</b>	<b>87,898</b>	<b>92,733</b>

## MBRR Table A7 - Budgeted Cash Flow Statement

EC135 Intsika Yethu - Table A7 Budgeted Cash Flows

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Ralepayers and other					21,905	(673)	21,232		13,892	14,712	15,521
Government - operating	1				134,993	(1,726)	133,267		118,533	148,908	192,537
Government - capital	1				30,281		30,761		44,856	66,929	67,452
Interest					450		450		299	316	334
Dividends											
<b>Payments</b>											
Suppliers and employees					(136,568)	10,769	(125,799)		(214,090)	(226,721)	(239,191)
Finance charges					(250)		(250)		(190)	(201)	(212)
Transfers and Grants	1				(3,000)		(3,000)				
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		-	-	-	47,811	8,371	56,661	-	(36,701)	3,942	36,440
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE											
Decrease (Increase) in non-current debtors											
Decrease (Increase) other non-current receivables											
Decrease (Increase) in non-current investments											
<b>Payments</b>											
Capital assets					(47,149)	4,291	(8,957)				
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		-	-	-	(47,149)	4,291	(8,957)	-	-	-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans											
Borrowing long term/refinancing											
Increase (decrease) in consumer deposits											
<b>Payments</b>											
Repayment of borrowing											
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		-	-	-	-	-	-	-	-	-	-
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		-	-	-	662	12,662	47,704	-	(36,701)	3,942	36,440
Cash/cash equivalents at the year begin:	2									(36,701)	(32,758)
Cash/cash equivalents at the year end:	2				662	12,662	47,704		(36,701)	(32,758)	3,681

## MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

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

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	-	-	-	662	12,662	47,704	-	(36,701)	(32,758)	3,681
Other current investments > 90 days		12,340	15,704	-	(662)	(12,662)	(47,704)	-	36,701	32,758	(3,681)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		12,340	15,704	-	-	-	-	-	-	-	-
<b>Application of cash and investments</b>											
Unspent conditional transfers		-	-	-	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	14,652	12,110	-	-	-	-	-	-	-	-
Other provisions											
Long term investments committed	4										
Reserves to be backed by cash/investments	5										
<b>Total Application of cash and investments:</b>		14,652	12,110	-	-	-	-	-	-	-	-
<b>Surplus(shortfall)</b>		(2,312)	3,594	-	-	-	-	-	-	-	-





## The budget process

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

This process further allows the Council to :

Strengthen and evaluate the alignment between medium and long-term plans and funding proposals

Revise its policy priorities, macroeconomic framework and resource envelope

Evaluate departmental plans and allocate available resources in line with policy priorities

Obtain the required authority from Council to spend [service delivery]

Align parameter setting with budget outcomes and resource allocations.

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

### Matching policy priorities and resources

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

Drafting these three-year plans will guide the policy prioritisation and budgeting process for the 2014/15 MTREF.

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

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

### Medium term policy review

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

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

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

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

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

### Process plan timeline

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

## MTREF budget proposals

### Budget Principles

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

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

### *Fiscal policy and the budget framework*

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

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

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

The MTREF set out in the 2014/15 budget will define the budget baseline for the 2015 MTREF. The various role-players will have to examine the fiscal implications of new spending pressures and match them to available resources.

**Policy priorities and public expenditure**

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

**Political oversight of the Budget Process**

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

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

The political executive is responsible for policy and prioritization

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

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

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

**Budgeting for service delivery**

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

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

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

**BUDGET PROCESS PLAN**

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



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

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

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

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

Entertainment Allowances;  
Provision for Bad Debts;  
Interest earned;  
Commission on Levy Collection.

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

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

Adjust plans to align with resources available and policy priorities.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

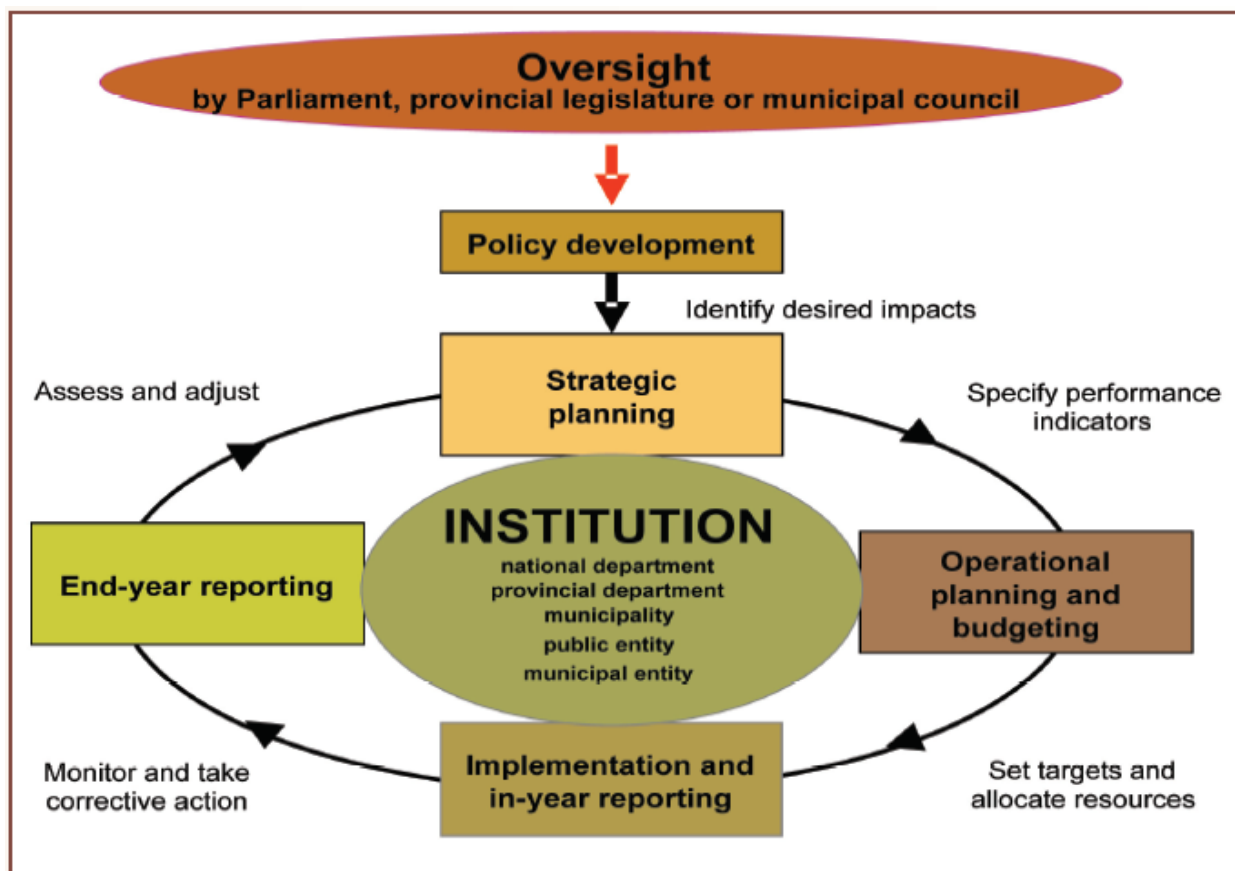
ACTIVITIES RELATING TO NEW BUDGET FOR THE NEXT YEAR	INTEGRATED DEVELOPMENT PLAN FOR NEXT YEAR
JUNE	JUNE
<p>Publish tariffs for 2012/2013 in Provincial Gazette and Local Newspapers.</p> <p>Publish budget and forward copy of approved budget to National and Provincial Government.</p> <p>Budgets are to be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

<p>internally to Councillors and Officials.</p> <p>Budgets are to be sent to the relevant National and Provincial Departments for noting.</p> <p>Publish the Budget on the Municipal website.</p> <p>Advise Auditor General of bank accounts including type, number opening and closing balances.</p>	
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### **Measurable performance objectives and indicators**

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the Municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality target, monitors, assesses and reviews organisational performance which in turn is directly linked to individual employee's performance.

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



**Figure 1 Planning, budgeting and reporting cycle**

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

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

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

### **Definition of performance information concepts**

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

## **Providing clean water and managing waste water**

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

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

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

- ✚ The infrastructure at most of the waste water treatment works is old and insufficient to treat the increased volumes of waste water to the necessary compliance standard;
- ✚ Shortage of skilled personnel makes proper operations and maintenance difficult;

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

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

## **Overview of budget related-policies**

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

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

## MBRR Table SA 18 - Capital transfers and grants receipts

EC135 Intsika Yethu - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		71,276	-	-	-	-	-	124,533	175,108	175,126
Local Government Equitable Share										
Integrated National Electrification Programme		1,250						6,000	26,200	25,000
Finance Management		69,276						1,600	1,650	1,741
Local Government Equitable Share								115,999	146,291	147,367
Municipal Systems Improvement		750						934	967	1,018
Other transfers/grants [insert description]										
<b>Provincial Government:</b>		1,630	-	-	-	-	-	-	-	-
IEC Project		1,630								
<b>District Municipality:</b>		5,705	-	-	-	-	-	-	-	-
Chris Hani District-Water Services Department		5,705								
<b>Other grant providers:</b>		2,857	-	-	-	-	-	-	-	-
LGSETA		2,857								
<b>Total Operating Transfers and Grants</b>	5	81,469	-	-	-	-	-	124,533	175,108	175,126
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		17,564	-	-	-	-	-	38,856	40,729	42,452
Municipal Infrastructure Grant (MIG)		17,564						38,856	40,729	42,452
Other capital transfers/grants [insert desc]										
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
Chris Hani District-Water Services Department										
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
LGSETA										
<b>Total Capital Transfers and Grants</b>	5	17,564	-	-	-	-	-	38,856	40,729	42,452
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		99,033	-	-	-	-	-	163,389	215,837	217,578

## Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understandability for councilors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provide for as cash inflow based on actual performance. In other words the *actual collection rate* of billed revenue., and
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long term borrowing (debt).

## MBRR Table A7 - Budget cash flow statement

EC135 Intsika Yethu - Table A7 Budgeted Cash Flows

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Ratepayers and other					21,905	(673)	21,232		13,892	14,712	15,521
Government - operating	1				134,993	(1,726)	133,267		118,533	148,908	192,537
Government - capital	1				30,281		30,761		44,856	66,929	67,452
Interest					450		450		299	316	334
Dividends											
<b>Payments</b>											
Suppliers and employees					(136,568)	10,769	(125,799)		(214,090)	(226,721)	(239,191)
Finance charges					(250)		(250)		(190)	(201)	(212)
Transfers and Grants	1				(3,000)		(3,000)				
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		-	-	-	47,811	8,371	56,661	-	(36,701)	3,942	36,440
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE											
Decrease (Increase) in non-current debtors											
Decrease (increase) other non-current receivables											
Decrease (increase) in non-current investments											
<b>Payments</b>											
Capital assets					(47,149)	4,291	(8,957)				
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		-	-	-	(47,149)	4,291	(8,957)	-	-	-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans											
Borrowing long term/refinancing											
Increase (decrease) in consumer deposits											
<b>Payments</b>											
Repayment of borrowing											
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		-	-	-	-	-	-	-	-	-	-
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		-	-	-	662	12,662	47,704	-	(36,701)	3,942	36,440
Cash/cash equivalents at the year begin:	2									(36,701)	(32,758)
Cash/cash equivalents at the year end:	2				662	12,662	47,704		(36,701)	(32,758)	3,681

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

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	-	-	-	662	12,662	47,704	-	(36,701)	(32,758)	3,681
Other current investments > 90 days		12,340	15,704	-	(662)	(12,662)	(47,704)	-	36,701	32,758	(3,681)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>12,340</b>	<b>15,704</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		-	-	-	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	14,652	12,110	-	-	-	-	-	-	-	-
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
<b>Total Application of cash and investments:</b>		<b>14,652</b>	<b>12,110</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Surplus(shortfall)</b>		<b>(2,312)</b>	<b>3,594</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



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

EC135 Intsika Yethu - Table A10 Consolidated basic service delivery measurement

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

**MBRR SA22 - Summary of councillor and staff benefits**

EC135 Intsika Yethu - 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
<b>Councillors (Political Office Bearers plus Other)</b>	1									
Basic Salaries and Wages		6,526						9,934	10,521	11,099
Pension and UIF Contributions										
Medical Aid Contributions										
Motor Vehicle Allowance								2,157	2,284	2,410
Cellphone Allowance								936	991	1,046
Housing Allowances										
Other benefits and allowances		4,351						595	630	664
<b>Sub Total - Councillors</b>		<b>10,877</b>						<b>13,622</b>	<b>14,426</b>	<b>15,219</b>
% increase	4		(100.0%)	-	-	-	-	-	5.9%	5.5%
<b>Senior Managers of the Municipality</b>	2									
Basic Salaries and Wages		3,185								
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus		287								
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3	1,029								
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
<b>Sub Total - Senior Managers of Municipality</b>		<b>4,501</b>								
% increase	4		(100.0%)	-	-	-	-	-	-	-
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		24,777						37,745	39,972	42,171
Pension and UIF Contributions		2,399						7,304	7,735	8,161
Medical Aid Contributions								2,782	2,946	3,108
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3	536						6,517	6,902	7,282
Cellphone Allowance	3							743	787	830
Housing Allowances	3							1,783	1,888	1,992
Other benefits and allowances	3	11,052						4,908	5,198	5,484
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6	3,526								
<b>Sub Total - Other Municipal Staff</b>		<b>42,290</b>						<b>61,782</b>	<b>65,427</b>	<b>69,026</b>
% increase	4		(100.0%)	-	-	-	-	-	5.9%	5.5%
<b>Total Parent Municipality</b>		<b>57,669</b>						<b>75,404</b>	<b>79,853</b>	<b>84,245</b>
			(100.0%)	-	-	-	-	-	5.9%	5.5%
<b>Board Members of Entities</b>										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Board Fees										
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
<b>Sub Total - Board Members of Entities</b>										
% increase	4		-	-	-	-	-	-	-	-
<b>Senior Managers of Entities</b>										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
<b>Sub Total - Senior Managers of Entities</b>										
% increase	4		-	-	-	-	-	-	-	-
<b>Other Staff of Entities</b>										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
<b>Sub Total - Other Staff of Entities</b>										
% increase	4		-	-	-	-	-	-	-	-
<b>Total Municipal Entities</b>										
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>										
		57,669						75,404	79,853	84,245
% increase	4		(100.0%)	-	-	-	-	-	5.9%	5.5%
<b>TOTAL MANAGERS AND STAFF</b>	5,7	<b>46,792</b>						<b>61,782</b>	<b>65,427</b>	<b>69,026</b>



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

EC135 Intsika Yethu - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum	No.		1.				2.
<b>Councillors</b>	3						
Speaker	4						-
Chief Whip							-
Executive Mayor							-
Deputy Executive Mayor							-
Executive Committee							-
Total for all other councillors		9,934,423		3,687,720			13,622,144
<b>Total Councillors</b>	8	-	-	3,687,720			13,622,144
<b>Senior Managers of the Municipality</b>	5						
Municipal Manager (MM)							-
Chief Finance Officer							-
							-
							-
							-
<i>List of each official with packages &gt;= senior manager</i>							-
							-
							-
							-
							-
							-
							-
							-
							-
<b>Total Senior Managers of the Municipality</b>	8,10	-	-	-	-	-	-
<b>A Heading for Each Entity</b>	6,7						
List each member of board by designation							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
<b>Total for municipal entities</b>	8,10	-	-	-	-	-	-
<b>TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION</b>	10	-	9,934,423	-	3,687,720	-	13,622,144

## MBRR SA24 – Summary of personnel numbers

EC135 Intsika Yethu - Supporting Table SA24 Summary of personnel numbers

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

**MBRR SA25 - Budgeted monthly revenue and expenditure**



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

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17	
<b>R thousand</b>																	
<b>Revenue By Source</b>																	
Property rates		170	170	170	170	170	170	170	170	170	170	170	0	1,865	1,975	2,084	
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - refuse revenue		9	9	9	9	9	9	9	9	9	9	9	-	104	110	116	
Service charges - other		937	937	937	937	937	937	937	937	937	937	937	0	10,307	10,915	11,516	
Rental of facilities and equipment		22	22	22	22	22	22	22	22	22	22	22	0	237	251	265	
Interest earned - external investments		27	27	27	27	27	27	27	27	27	27	27	0	299	316	334	
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fines		23	23	23	23	23	23	23	23	23	23	23	0	250	265	279	
Licences and permits		70	70	70	70	70	70	70	70	70	70	70	0	765	811	855	
Agency services		33	33	33	33	33	33	33	33	33	33	33	-	364	385	407	
Transfers recognised - operational		41,268				38,734				38,734			(202)	118,533	198,021	208,912	
Other revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>42,558</b>	<b>1,290</b>	<b>1,290</b>	<b>1,290</b>	<b>40,024</b>	<b>1,290</b>	<b>1,290</b>	<b>1,290</b>	<b>40,024</b>	<b>1,290</b>	<b>1,290</b>	<b>(202)</b>	<b>132,724</b>	<b>213,049</b>	<b>224,767</b>	
<b>Expenditure By Type</b>																	
Employee related costs		5,617	5,617	5,617	5,617	5,617	5,617	5,617	5,617	5,617	5,617	5,617	0	61,782	65,427	69,026	
Remuneration of councillors		1,238	1,238	1,238	1,238	1,238	1,238	1,238	1,238	1,238	1,238	1,238	0	13,622	14,426	15,219	
Debt impairment		-	-	-	-	-	-	-	-	-	-	-	1,700	1,700	1,800	1,899	
Depreciation & asset impairment		-	-	-	-	-	-	-	-	-	-	-	35,000	35,000	37,065	39,104	
Finance charges		17	17	17	17	17	17	17	17	17	17	17	0	190	201	212	
Bulk purchases		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other materials		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Contracted services		466	466	466	466	466	466	466	466	466	466	466	(0)	5,124	5,426	5,725	
Transfers and grants		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other expenditure		1,769	1,769	1,769	1,769	1,769	1,769	1,769	1,769	1,769	1,769	1,769	32,549	52,005	55,073	58,102	
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Expenditure</b>		<b>9,107</b>	<b>9,107</b>	<b>9,107</b>	<b>9,107</b>	<b>9,107</b>	<b>9,107</b>	<b>9,107</b>	<b>9,107</b>	<b>9,107</b>	<b>9,107</b>	<b>9,107</b>	<b>69,250</b>	<b>169,424</b>	<b>179,420</b>	<b>189,288</b>	
<b>Surplus/(Deficit)</b>		<b>33,451</b>	<b>(7,817)</b>	<b>(7,817)</b>	<b>(7,817)</b>	<b>30,917</b>	<b>(7,817)</b>	<b>(7,817)</b>	<b>(7,817)</b>	<b>30,917</b>	<b>(7,817)</b>	<b>(7,817)</b>	<b>(69,451)</b>	<b>(36,699)</b>	<b>33,630</b>	<b>35,480</b>	
Transfers recognised - capital		14,961				14,961				14,961			(27)	44,856	47,503	50,115	
Contributions recognised - capital		-	-	-	-	-	-	-	-	-	-	-	6,389	6,389	6,766	7,138	
Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>48,412</b>	<b>(7,817)</b>	<b>(7,817)</b>	<b>(7,817)</b>	<b>45,878</b>	<b>(7,817)</b>	<b>(7,817)</b>	<b>(7,817)</b>	<b>45,878</b>	<b>(7,817)</b>	<b>(7,817)</b>	<b>(63,089)</b>	<b>14,546</b>	<b>87,898</b>	<b>92,733</b>	
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>48,412</b>	<b>(7,817)</b>	<b>(7,817)</b>	<b>(7,817)</b>	<b>45,878</b>	<b>(7,817)</b>	<b>(7,817)</b>	<b>(7,817)</b>	<b>45,878</b>	<b>(7,817)</b>	<b>(7,817)</b>	<b>(63,089)</b>	<b>14,546</b>	<b>87,898</b>	<b>92,733</b>	

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

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

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Revenue by Vote</b>																
Vote 1 - Exco and Council													-	-	-	-
Vote 2 - Municipal Manager													-	-	-	-
Vote 3 - Corporate Services													-	-	-	-
Vote 4 - Infrastructure Planning and Development		4,111	4,111	4,111	4,111	4,111	4,111	4,111	4,111	4,111	4,111	4,111	(27)	45,195	48,344	51,003
Vote 5 - Community Services		138	138	138	138	138	138	138	138	138	138	138	(0)	1,521	1,610	1,699
Vote 6 - Budget and Treasury		43,683				43,683			43,683				(202)	130,846	163,075	172,044
Vote 7 - Local Economic Development		2	2	2	2	2	2	2	2	2	2	2	(0)	18	19	20
Vote 8 - Water Services													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
<b>Total Revenue by Vote</b>		<b>47,934</b>	<b>4,251</b>	<b>4,251</b>	<b>4,251</b>	<b>47,934</b>	<b>4,251</b>	<b>4,251</b>	<b>4,251</b>	<b>47,934</b>	<b>4,251</b>	<b>4,251</b>	<b>(229)</b>	<b>177,580</b>	<b>213,049</b>	<b>224,767</b>
<b>Expenditure by Vote to be appropriated</b>																
Vote 1 - Exco and Council		267	267	267	267	267	267	267	267	267	267	267	(0)	2,932	3,104	3,275
Vote 2 - Municipal Manager		133	133	133	133	133	133	133	133	133	133	133	(0)	1,466	1,552	1,638
Vote 3 - Corporate Services		183	183	183	183	183	183	183	183	183	183	183	0	2,015	2,134	2,252
Vote 4 - Infrastructure Planning and Development		300	300	300	300	300	300	300	300	300	300	300	(0)	3,298	3,493	3,685
Vote 5 - Community Services		283	283	283	283	283	283	283	283	283	283	283	(0)	3,115	3,299	3,480
Vote 6 - Budget and Treasury		300	300	300	300	300	300	300	300	300	300	300	36,700	39,998	42,358	44,688
Vote 7 - Local Economic Development		200	200	200	200	200	200	200	200	200	200	200	(0)	2,199	2,328	2,456
Vote 8 - Water Services													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
<b>Total Expenditure by Vote</b>		<b>1,666</b>	<b>1,666</b>	<b>1,666</b>	<b>1,666</b>	<b>1,666</b>	<b>1,666</b>	<b>1,666</b>	<b>1,666</b>	<b>1,666</b>	<b>1,666</b>	<b>1,666</b>	<b>36,699</b>	<b>55,022</b>	<b>58,268</b>	<b>61,473</b>
<b>Surplus/(Deficit) before assoc.</b>		<b>46,268</b>	<b>2,585</b>	<b>2,585</b>	<b>2,585</b>	<b>46,268</b>	<b>2,585</b>	<b>2,585</b>	<b>2,585</b>	<b>46,268</b>	<b>2,585</b>	<b>2,585</b>	<b>(36,928)</b>	<b>122,558</b>	<b>154,781</b>	<b>163,294</b>
Taxation													-	-	-	-
Attributable to minorities													-	-	-	-
Share of surplus/ (deficit) of associate													-	-	-	-
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>46,268</b>	<b>2,585</b>	<b>2,585</b>	<b>2,585</b>	<b>46,268</b>	<b>2,585</b>	<b>2,585</b>	<b>2,585</b>	<b>46,268</b>	<b>2,585</b>	<b>2,585</b>	<b>(36,928)</b>	<b>122,558</b>	<b>154,781</b>	<b>163,294</b>

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

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
<b>Revenue - Standard</b>																
<i>Governance and administration</i>		11,913	11,913	11,913	11,913	11,913	11,913	11,913	11,913	11,913	11,913	11,913	1,647	132,695	164,725	173,785
Executive and council		11,913	11,913	11,913	11,913	11,913	11,913	11,913	11,913	11,913	11,913	11,913	1,647	132,695	164,725	173,785
Budget and treasury office													-	-	-	-
Corporate services													-	-	-	-
<i>Community and public safety</i>		138	138	138	138	138	138	138	138	138	138	138	0	1,521	1,610	1,699
Community and social services		138	138	138	138	138	138	138	138	138	138	138	0	1,521	1,610	1,699
Sport and recreation													-	-	-	-
Public safety													-	-	-	-
Housing													-	-	-	-
Health													-	-	-	-
<i>Economic and environmental services</i>		4,113	4,113	4,113	4,113	4,113	4,113	4,113	4,113	4,113	4,113	4,113	(27)	45,214	48,364	51,024
Planning and development		2	2	2	2	2	2	2	2	2	2	2	(0)	18	19	20
Road transport		4,111	4,111	4,111	4,111	4,111	4,111	4,111	4,111	4,111	4,111	4,111	(27)	45,195	48,344	51,003
Environmental protection													-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electricity													-	-	-	-
Water													-	-	-	-
Waste water management													-	-	-	-
Waste management													-	-	-	-
<i>Other</i>													-	-	-	-
<b>Total Revenue - Standard</b>		<b>16,164</b>	<b>16,164</b>	<b>16,164</b>	<b>16,164</b>	<b>16,164</b>	<b>16,164</b>	<b>16,164</b>	<b>16,164</b>	<b>16,164</b>	<b>16,164</b>	<b>16,164</b>	<b>1,620</b>	<b>179,429</b>	<b>214,699</b>	<b>226,508</b>
<b>Expenditure - Standard</b>																
<i>Governance and administration</i>		883	883	883	883	883	883	883	883	883	883	883	36,701	46,411	49,149	51,852
Executive and council		400	400	400	400	400	400	400	400	400	400	400	0	4,397	4,657	4,913
Budget and treasury office		300	300	300	300	300	300	300	300	300	300	300	36,700	39,998	42,358	44,688
Corporate services		183	183	183	183	183	183	183	183	183	183	183	0	2,015	2,134	2,252
<i>Community and public safety</i>		283	283	283	283	283	283	283	283	283	283	283	(0)	3,115	3,299	3,480
Community and social services		283	283	283	283	283	283	283	283	283	283	283	(0)	3,115	3,299	3,480
Sport and recreation													-	-	-	-
Public safety													-	-	-	-
Housing													-	-	-	-
Health													-	-	-	-
<i>Economic and environmental services</i>		500	500	500	500	500	500	500	500	500	500	500	(0)	5,497	5,821	6,141
Planning and development		200	200	200	200	200	200	200	200	200	200	200	(0)	2,199	2,328	2,456
Road transport		300	300	300	300	300	300	300	300	300	300	300	(0)	3,298	3,493	3,685
Environmental protection													-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electricity													-	-	-	-
Water													-	-	-	-
Waste water management													-	-	-	-
Waste management													-	-	-	-
<i>Other</i>													-	-	-	-
<b>Total Expenditure - Standard</b>		<b>1,666</b>	<b>1,666</b>	<b>1,666</b>	<b>1,666</b>	<b>1,666</b>	<b>1,666</b>	<b>1,666</b>	<b>1,666</b>	<b>1,666</b>	<b>1,666</b>	<b>1,666</b>	<b>36,700</b>	<b>55,022</b>	<b>58,268</b>	<b>61,473</b>
<b>Surplus/(Deficit) before assoc.</b>		<b>14,499</b>	<b>14,499</b>	<b>14,499</b>	<b>14,499</b>	<b>14,499</b>	<b>14,499</b>	<b>14,499</b>	<b>14,499</b>	<b>14,499</b>	<b>14,499</b>	<b>14,499</b>	<b>(35,080)</b>	<b>124,407</b>	<b>156,431</b>	<b>165,035</b>
Share of surplus/ (deficit) of associate													-	-	-	-
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>14,499</b>	<b>14,499</b>	<b>14,499</b>	<b>14,499</b>	<b>14,499</b>	<b>14,499</b>	<b>14,499</b>	<b>14,499</b>	<b>14,499</b>	<b>14,499</b>	<b>14,499</b>	<b>(35,080)</b>	<b>124,407</b>	<b>156,431</b>	<b>165,035</b>

## MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

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

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Multi-year expenditure to be appropriated</b>	1															
Vote 1 - Exco and Council		12,961				12,961				12,961			-	38,883	-	-
Vote 2 - Municipal Manager													-	-	-	-
Vote 3 - Corporate Services													-	-	-	-
Vote 4 - Infrastructure Planning and Development													-	-	-	-
Vote 5 - Community Services													-	-	-	-
Vote 6 - Budget and Treasury													-	-	-	-
Vote 7 - Local Economic Development													-	-	-	-
Vote 8 - Water Services													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	2	12,961	-	-	-	12,961	-	-	-	12,961	-	-	-	38,883	-	-
<b>Single-year expenditure to be appropriated</b>																
Vote 1 - Exco and Council		20	20	20	20	20	20	20	20	20	20	20	(0)	221	234	247
Vote 2 - Municipal Manager		10	10	10	10	10	10	10	10	10	10	10	0	110	117	123
Vote 3 - Corporate Services		14	14	14	14	14	14	14	14	14	14	14	(0)	152	161	170
Vote 4 - Infrastructure Planning and Development		451	451	451	451	451	451	451	451	451	451	451	6,000	10,957	11,604	12,242
Vote 5 - Community Services		21	21	21	21	21	21	21	21	21	21	21	(0)	235	249	262
Vote 6 - Budget and Treasury		23	23	23	23	23	23	23	23	23	23	23	0	248	263	278
Vote 7 - Local Economic Development		42	42	42	42	42	42	42	42	42	42	42	(0)	466	493	520
Vote 8 - Water Services													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
<b>Capital single-year expenditure sub-total</b>	2	581	581	581	581	581	581	581	581	581	581	581	6,000	12,389	13,120	13,842
<b>Total Capital Expenditure</b>	2	13,542	581	581	581	13,542	581	581	581	13,542	581	581	6,000	51,272	13,120	13,842

## MBRR SA29 - Budgeted monthly capital expenditure (standard classification)

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

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Capital Expenditure - Standard</b>	1															
<i>Governance and administration</i>		66	66	66	66	66	66	66	66	66	66	66	1	732	775	817
Executive and council		30	30	30	30	30	30	30	30	30	30	30	0	331	351	370
Budget and treasury office		23	23	23	23	23	23	23	23	23	23	23	0	248	263	278
Corporate services		14	14	14	14	14	14	14	14	14	14	14	(0)	152	161	170
<i>Community and public safety</i>		21	21	21	21	21	21	21	21	21	21	21	(0)	235	249	262
Community and social services		21	21	21	21	21	21	21	21	21	21	21	(0)	235	249	262
Sport and recreation													-	-	-	-
Public safety													-	-	-	-
Housing													-	-	-	-
Health													-	-	-	-
<i>Economic and environmental services</i>		493	493	493	493	493	493	493	493	493	493	493	0	5,423	5,743	6,059
Planning and development		42	42	42	42	42	42	42	42	42	42	42	(0)	466	493	520
Road transport		451	451	451	451	451	451	451	451	451	451	451	0	4,957	5,250	5,539
Environmental protection													-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electricity													-	-	-	-
Water													-	-	-	-
Waste water management													-	-	-	-
Waste management													-	-	-	-
<i>Other</i>													-	-	-	-
<b>Total Capital Expenditure - Standard</b>	2	581	581	581	581	581	581	581	581	581	581	581	0	6,389	6,766	7,139
<b>Funded by:</b>																
National Government		12,961				12,961				12,961			(27)	38,856	41,631	43,921
Provincial Government													-	-	-	-
District Municipality													-	-	-	-
Other transfers and grants		2,000				2,000				2,000			-	6,000	6,354	6,703
Transfers recognised - capital		14,961	-	-	-	14,961	-	-	-	14,961	-	-	(27)	44,856	47,985	50,624
Public contributions & donations													-	-	-	-
Borrowing													-	-	-	-
Internally generated funds													-	-	-	-
<b>Total Capital Funding</b>		14,961	-	-	-	14,961	-	-	-	14,961	-	-	(27)	44,856	47,985	50,624

EC135 Intsika Yethu - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	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
<b>R thousand</b>													1		
<b>Cash Receipts By Source</b>															
Property rates	155	155	155	155	155	155	155	155	155	155	155	156	1,865	1,975	2,084
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	9	9	9	9	9	9	9	9	9	9	9	9	104	110	116
Service charges - other	859	859	859	859	859	859	859	859	859	859	859	859	10,307	10,915	11,515
Rental of facilities and equipment	20	20	20	20	20	20	20	20	20	20	20	20	237	251	265
Interest earned - external investments	25	25	25	25	25	25	25	25	25	25	25	25	299	316	334
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	21	21	21	21	21	21	21	21	21	21	21	21	250	265	279
Licences and permits	64	64	64	64	64	64	64	64	64	64	64	64	765	811	855
Agency services	30	30	30	30	30	30	30	30	30	30	30	30	364	385	407
Transfer receipts - operational	39,578				39,578				39,578				118,735	125,740	132,656
Other revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Cash Receipts by Source</b>	<b>40,761</b>	<b>1,183</b>	<b>1,183</b>	<b>1,183</b>	<b>40,761</b>	<b>1,183</b>	<b>1,183</b>	<b>1,183</b>	<b>40,761</b>	<b>1,183</b>	<b>1,183</b>	<b>1,183</b>	<b>132,926</b>	<b>140,769</b>	<b>148,511</b>
<b>Other Cash Flows by Source</b>															
Transfer receipts - capital	14,961				14,961				14,961				44,883	47,531	50,145
Contributions recognised - capital & Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>	<b>55,722</b>	<b>1,183</b>	<b>1,183</b>	<b>1,183</b>	<b>55,722</b>	<b>1,183</b>	<b>1,183</b>	<b>1,183</b>	<b>55,722</b>	<b>1,183</b>	<b>1,183</b>	<b>1,183</b>	<b>177,809</b>	<b>188,300</b>	<b>198,656</b>
<b>Cash Payments by Type</b>															
Employee related costs	5,149	5,149	5,149	5,149	5,149	5,149	5,149	5,149	5,149	5,149	5,149	5,149	61,782	65,427	69,026
Remuneration of councillors	1,135	1,135	1,135	1,135	1,135	1,135	1,135	1,135	1,135	1,135	1,135	1,135	13,622	14,426	15,219
Finance charges	16	16	16	16	16	16	16	16	16	16	16	16	190	201	212
Bulk purchases - Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services	427	427	427	427	427	427	427	427	427	427	427	427	5,124	5,426	5,725
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	3,799	3,799	3,799	3,799	3,799	3,799	3,799	3,799	3,799	3,799	3,799	10,418	52,208	55,288	58,329
<b>Cash Payments by Type</b>	<b>10,526</b>	<b>10,526</b>	<b>10,526</b>	<b>10,526</b>	<b>10,526</b>	<b>10,526</b>	<b>10,526</b>	<b>10,526</b>	<b>10,526</b>	<b>10,526</b>	<b>10,526</b>	<b>17,145</b>	<b>132,926</b>	<b>140,769</b>	<b>148,511</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	3,740	3,740	3,740	3,740	3,740	3,740	3,740	3,740	3,740	3,740	3,740	3,740	44,883	47,531	50,145
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	3,058	3,058	3,058	3,058	3,058	3,058	3,058	3,058	3,058	3,058	3,058	3,058	36,700	38,865	41,003
<b>Total Cash Payments by Type</b>	<b>17,324</b>	<b>17,324</b>	<b>17,324</b>	<b>17,324</b>	<b>17,324</b>	<b>17,324</b>	<b>17,324</b>	<b>17,324</b>	<b>17,324</b>	<b>17,324</b>	<b>17,324</b>	<b>23,943</b>	<b>214,509</b>	<b>227,165</b>	<b>239,659</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>38,398</b>	<b>(16,142)</b>	<b>(16,142)</b>	<b>(16,142)</b>	<b>38,398</b>	<b>(16,142)</b>	<b>(16,142)</b>	<b>(16,142)</b>	<b>38,398</b>	<b>(16,142)</b>	<b>(16,142)</b>	<b>(22,760)</b>	<b>(36,700)</b>	<b>(38,865)</b>	<b>(41,003)</b>
Cash/cash equivalents at the month/year begin:		38,398	22,256	6,115	(10,027)	28,371	12,229	(3,913)	(20,054)	18,344	2,202	(13,940)	-	(36,700)	(75,566)
Cash/cash equivalents at the month/year end:	38,398	22,256	6,115	(10,027)	28,371	12,229	(3,913)	(20,054)	18,344	2,202	(13,940)	(36,700)	(36,700)	(75,566)	(116,569)
<i>References</i>															



EC135 Intsika Yethu - 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
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		-	34,358	25,935	70,318	9,841	-	1,523	847	894
Infrastructure - Road transport		-	34,358	25,935	70,318	9,841	-	723	-	-
<i>Roads, Pavements &amp; Bridges</i>			34,358	25,935	70,318	9,841		723		
<i>Storm water</i>										
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
<i>Generation</i>										
<i>Transmission &amp; Reticulation</i>										
<i>Street Lighting</i>										
Infrastructure - Water		-	-	-	-	-	-	-	-	-
<i>Dams &amp; Reservoirs</i>										
<i>Water purification</i>										
<i>Reticulation</i>										
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
<i>Reticulation</i>										
<i>Sewerage purification</i>										
Infrastructure - Other		-	-	-	-	-	-	800	847	894
<i>Waste Management</i>										
<i>Transportation</i>	2									
<i>Gas</i>										
<i>Other</i>	3							800	847	894
<b>Community</b>		-	-	-	-	-	-	300	318	335
Parks & gardens										
Sportsfields & stadia										
Swimming pools										
Community halls										
Libraries										
Recreational facilities										
Fire, safety & emergency										
Security and policing										
Buses	7							300	318	335
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing	8									
Other										

2014/15





								Budget Year 2014/14	Budget Year 2015/16	Budget Year +2 2016/17
									47,531	50,145
									41,177	43,442
									41,177	43,442
									6,354	6,703
									6,354	6,703
									-	-
									-	-
									-	-
									-	-
									-	-
									-	-
									-	-
									-	-
									-	-
									-	-
									1,030	1,091
										1,151

						1,030	1,091	1,151
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	100	106	112
-	-	-	-	-	-	-	-	-
						100	106	112
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-

		-	-	-	-	-	-	46,013	48,728	51,408

		-	-	-	-	-	-	-	-	-
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		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	89.7%	91.0%	91.0%
		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	131.5%	131.5%	131.5%



EC135 Intsika Yethu - 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
<b>R thousand</b>	1									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		-	-	-	9,082	1,000	1,000	4,410	4,670	4,927
Infrastructure - Road transport		-	-	-	9,082	1,000	1,000	1,535	1,626	1,715
<i>Roads, Pavements &amp; Bridges</i>					9,082	1,000	1,000	1,535	1,626	1,715
<i>Storm water</i>										
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
<i>Generation</i>										
<i>Transmission &amp; Reticulation</i>										
<i>Street Lighting</i>										
Infrastructure - Water		-	-	-	-	-	-	-	-	-
<i>Dams &amp; Reservoirs</i>										
<i>Water purification</i>										
<i>Reticulation</i>										
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
<i>Reticulation</i>										
<i>Sewerage purification</i>										
Infrastructure - Other		-	-	-	-	-	-	2,875	3,045	3,212
<i>Waste Management</i>										
<i>Transportation</i>	2									
<i>Gas</i>										
<i>Other</i>	3							2,875	3,045	3,212
<b>Community</b>		-	-	-	-	-	-	-	-	-
Parks & gardens										
Sportsfields & stadia										
Swimming pools										
Community halls										
Libraries										
Recreational facilities										
Fire, safety & emergency										
Security and policing										
Buses	7									
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing	8									
Other										

2014/15



**BRR SA35 - Future financial implications of the capital budget**









## Legislation compliance status

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

- ✚ In year reporting

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

- ✚ Internship programme

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

- ✚ Budget and Treasury Office

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

- ✚ Audit Committee

An Audit Committee has been established and is fully functional.

- ✚ Annual Report

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

- ✚ Budget Steering Committee has been established as well

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

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											
<b>REVENUE ITEMS:</b>											
<u>Property rates</u>											
	6										
Total Property Rates					4,850		4,850		1,865	1,975	2,084
less Revenue Foregone											
Net Property Rates		-	-	-	4,850	-	4,850	-	1,865	1,975	2,084
<u>Service charges - electricity revenue</u>											
	6										
Total Service charges - electricity revenue											
less Revenue Foregone											
Net Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-
<u>Service charges - water revenue</u>											
	6										
Total Service charges - water revenue											
less Revenue Foregone											
Net Service charges - water revenue		-	-	-	-	-	-	-	-	-	-
<u>Service charges - sanitation revenue</u>											
	6										
Total Service charges - sanitation revenue											
less Revenue Foregone											
Net Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-
<u>Service charges - refuse revenue</u>											
	6										
Total refuse removal revenue					600		600		104	110	116
Total landfill revenue											
less Revenue Foregone											
Net Service charges - refuse revenue		-	-	-	600	-	600	-	104	110	116
<u>Other Revenue by source</u>											
					10,755	6,818	7,942				
					10,333	437	5,738				
	3										
	1										
Total 'Other' Revenue		-	-	-	21,088	7,256	13,680	-	-	-	-
<b>EXPENDITURE ITEMS:</b>											
<u>Employee related costs</u>											
	2										
Basic Salaries and Wages					53,395	698	698		37,745	39,972	42,171
Pension and UIF Contributions					8,379	-	-		7,304	7,735	8,161
Medical Aid Contributions					2,627	-	-		2,782	2,946	3,108
Overtime											
Performance Bonus					2,051						

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

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

Description	Ref	Vote 1 - Exco and Council	Vote 2 - Municipal Manager	Vote 3 - Corporate Services	Vote 4 - Infrastructure Planning and	Vote 5 - Community Services	Vote 6 - Budget and Treasury	Vote 7 - Local Economic Development	Vote 8 - Water Services	Vote 9 - [NAME OF VOTE 9]	Vote 10 - [NAME OF VOTE 10]	Vote 11 - [NAME OF VOTE 11]	Vote 12 - [NAME OF VOTE 12]	Vote 13 - [NAME OF VOTE 13]	Vote 14 - [NAME OF VOTE 14]	Vote 15 - [NAME OF VOTE 15]	Total
<b>R thousand</b>	1																
<b>Revenue By Source</b>																	
Property rates							1,865										1,865
Property rates - penalties & collection charges																	-
Service charges - electricity revenue																	-
Service charges - water revenue																	-
Service charges - sanitation revenue																	-
Service charges - refuse revenue							104										104
Service charges - other					339	141	9,808										10,289
Rental of facilities and equipment							237										237
Interest earned - external investments							299										299
Interest earned - outstanding debtors																	-
Dividends received																	-
Fines						250											250
Licences and permits						765		18									784
Agency services						364											364
Other revenue							114,106										114,106
Transfers recognised - operational							118,735										118,735
Gains on disposal of PPE																	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		-	-	-	339	1,521	245,154	18	-	-	-	-	-	-	-	-	247,032
<b>Expenditure By Type</b>																	
Employee related costs							61,782										61,782
Remuneration of councillors							13,622										13,622
Debt impairment							1,700										1,700
Depreciation & asset impairment							37,000										37,000
Finance charges							190										190
Bulk purchases																	-
Other materials							75,406										75,406
Contracted services							5,124										5,124
Transfers and grants																	-
Other expenditure							52,005										52,005
Loss on disposal of PPE																	-
<b>Total Expenditure</b>		-	-	-	-	-	246,830	-	-	-	-	-	-	-	-	-	246,830
<b>Surplus/(Deficit)</b>		-	-	-	339	1,521	(1,676)	18	-	-	-	-	-	-	-	-	203
Transfers recognised - capital					44,856												44,856
Contributions recognised - capital																	-
Contributed assets																	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		-	-	-	45,195	1,521	(1,676)	18	-	-	-	-	-	-	-	-	45,059

## MBRR Table SA3 – Supporting detail to Statement of Financial Position

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

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>R thousand</b>											
<b>ASSETS</b>											
<b>Call investment deposits</b>											
Call deposits < 90 days											
Other current investments > 90 days		2,405									
Total Call investment deposits	2	2,405	-	-	-	-	-	-	-	-	-
<b>Consumer debtors</b>											
Consumer debtors		3,864	9,002								
Less: Provision for debt impairment											
Total Consumer debtors	2	3,864	9,002	-	-	-	-	-	-	-	-
<b>Debt impairment provision</b>											
Balance at the beginning of the year											
Contributions to the provision			7,147								
Bad debts written off											
Balance at end of year		-	7,147	-	-	-	-	-	-	-	-
<b>Property, plant and equipment (PPE)</b>											
PPE at cost/valuation (excl. finance leases)		61,697	512,567								
Leases recognised as PPE											
Less: Accumulated depreciation											
Total Property, plant and equipment (PPE)	2	61,697	512,567	-	-	-	-	-	-	-	-
<b>LIABILITIES</b>											
<b>Current liabilities - Borrowing</b>											
Short term loans (other than bank overdraft)											
Current portion of long-term liabilities		349	367								
Total Current liabilities - Borrowing		349	367	-	-	-	-	-	-	-	-
<b>Trade and other payables</b>											
Trade and other creditors		14,652	12,110								
Unspent conditional transfers											
VAT											
Total Trade and other payables	2	14,652	12,110	-	-	-	-	-	-	-	-
<b>Non current liabilities - Borrowing</b>											
Borrowing		9,343	8,781								
Finance leases (including PPP asset element)											
Total Non current liabilities - Borrowing	4	9,343	8,781	-	-	-	-	-	-	-	-
<b>Provisions - non-current</b>											
Retirement benefits											
List other major provision items											
Refuse landfill site rehabilitation											
Other			7,147								
Total Provisions - non-current		-	7,147	-	-	-	-	-	-	-	-
<b>CHANGES IN NET ASSETS</b>											
<b>Accumulated Surplus/(Deficit)</b>											
Accumulated Surplus/(Deficit) - opening balance		53,567	41,325								
GRAP adjustments											
Restated balance		53,567	41,325	-	-	-	-	-	-	-	-
Surplus/(Deficit)		75,703	124,429	-	45,097	(1,792)	(11,169)	-	14,546	87,898	92,733
Appropriations to Reserves		14,014	22,831								
Transfers from Reserves			450,545								
Depreciation offsets											
Other adjustments											
Accumulated Surplus/(Deficit)	1	143,284	639,130	-	45,097	(1,792)	(11,169)	-	14,546	87,898	92,733
<b>Reserves</b>											
Housing Development Fund											
Capital replacement											
Self-insurance											
Other reserves											
Revaluation											
Total Reserves	2	-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	143,284	639,130	-	45,097	(1,792)	(11,169)	-	14,546	87,898	92,733
<b>Total capital expenditure includes expenditure on nationally significant priorities:</b>											
Provision of basic services											

## MBRR SA32 – List of external mechanisms

EC135 Intsika Yethu - Supporting Table SA32 List of external mechanisms

External mechanism	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
Name of organisation	Number	R thousand			
Xerox			Xeror	Continous	1,361
Security system			Red Guard	Continous	292
Financial System(Pastel)			Camelsa	Continous	675



**INTSIKA YETHU MUNICIPALITY EC 135**



**Municipal manager's quality certificate**

I **ZAMUXOLO SHASHA**, municipal manager of Intsika Yethu Municipality, hereby certify that the final budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the final budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name   \_ZAMUXOLO SHASHA\_\_\_\_\_

Municipal manager of Intsika Yethu Municipality (EC135)

Signature \_\_\_\_\_

Date \_\_\_\_\_