

XHARIEP DISTRICT MUNICIPALITY

1.3 EXECUTIVE SUMMARY BUDGET : 2011/2012 FINANCIAL YEAR.

1.3.1. Introduction.

Xhariep District Municipality (XDM) was formally established on 06 December 2001 as a result of Section 21 of the Local Government Municipal Demarcation Act of 1998 whereby all areas of the former LG bodies were re-demarcated and new municipal entities established. The District is made up of four Local Municipalities, namely, Kopanong, Mohokare ,Naledi and Letsemeng.

The District constitutes the southern part of the Free State Province and covers an area of approximately 34, 131 km². There are 20 towns in this district, which boasts abundant natural resources such as water and agricultural land. As a matter of fact, the largest Dam in South Africa is situated at the southern tip of the District. Moreover, 3 National Roads (N1 – Gauteng to Cape Town, N6 – Eastern Cape to Bloemfontein and N8 – Bloemfontein to Kimberley) pass through the district. The area is also relatively crime free.

1.3.2. Operational Budget 2011/2012 Financial Year.

1.3.2.1 Community Consultative Meetings

A series of community participation meetings were convened during April and May 2011 where the community and other stake-holders were briefed on the content of the current draft budget and IDP as well as the projects. Communities were provided the opportunity to make inputs, recommendations and concerns. Where possible, issues raised by the communities were included into the final budget which will be considered by Council for approval on 13 May 2011.

The draft budget for 2011/12 financial year was approved by council on 31 March 2011.

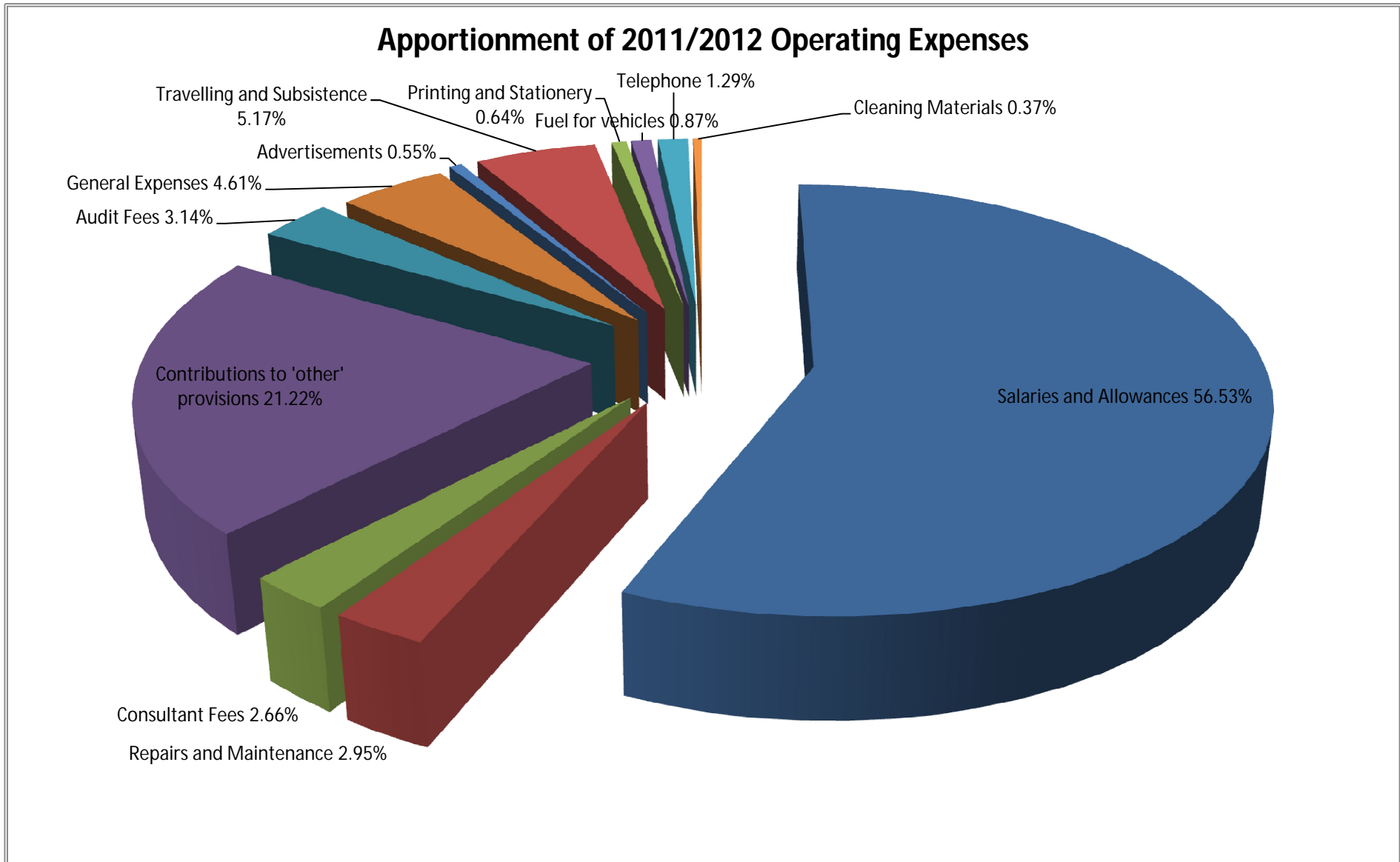
1.3.2.2 Summary of 2011/2012 Operating Expenditure

The approved original operational budget for 2010/2011 amounted to R 37.1 Million. This represents an increase of 46%. The main reasons for this increase is the commitment by the municipality to ensure compliance with Section 84 of the Municipal Structures Act, Functions and Powers of the District Municipalities.

Below is a summary of the Municipal Budget per vote and function:

ITEMS OF EXPENDITURE	COUNCIL	MM	CORP	P&D	BTO	TOTALS'
Repairs and maintenance	88,855	35,355	1,310,000	68,458	97,420	1,600,088
Contributions to 'other' provisions	1,698,000	1,628,400	3,068,549	3,651,000	1,454,654	11,500,603
Consultant fees	-	-	-	650,000	790,000	1,440,000
Audit fees	-	1,700,000	-	-	-	1,700,000
General expenses	294,300	230,724	1,196,500	131,500	645,334	2,498,358
Advertisements	-	150,000	150,000	-	-	300,000
Travelling and Subsistence	400,000	250,000	600,000	1,000,000	550,000	2,800,000
Printing and Stationery	38,300	50,000	180,000	40,000	40,000	348,300
Fuel for Vehicles	120,000	-	350,000	-	-	470,000
Telephone	130,000	63,000	280,000	100,000	128,000	701,000
Cleaning Materials	-	-	200,000	-	-	200,000
Salaries and Allowances	2,773,263	3,981,340	9,860,192	7,418,478	6,601,258	30,634,531
TOTAL	5,542,718	8,088,819	17,195,241	13,059,436	10,306,666	54,192,880

CHART: PERCENTAGE APPORTIONMENT OF 2011/2012 OPERATING EXPENSES



1.3.2.3 Summary of 2011/2012 Operating Revenue

The operational revenue budget for 2011/2012 amounts to R 54 192 880 and was compiled with the following inputs:

REVENUE ALLOCATIONS	Council	Municipal Manager	Corporate Services	Planning & Development	Budget & Treasury	TOTALS
Interest on Current Account	2,804	2,003	9,015	3,806	4,006	21,634
Interest on Investments	20,740	14,815	66,667	28,148	29,630	160,000
Rental facilities	97,964	69,975	314,886	132,952	139,949	755,726
Other income	6,549	4,677	21,050	8,888	9,356	50,520
Equitable Share	2,674,130	1,910,093	8,595,417	3,629,175	3,820,185	20,629,000
MSIG	-	-	-	-	790,000	790,000
EPWP Incentive Grant	536,000	-	-	-	-	536,000
SUB TOTAL	3,338,187	2,001,563	9,007,035	3,802,969	4,793,126	22,942,880
FMG	-	-	-	-	1,250,000	1,250,000
FS COGTA Financial Assistance	2,204,530	6,087,257	8,188,208	9,256,466	4,263,539	30,000,000
TOTAL	5,542,717	8,088,820	17,195,243	13,059,435	10,306,665	54,192,880

APPORTIONMENT OF 2011/2012 OPERATING REVENUE

