

Dr. Beyers Naudé

MUNICIPALITY - MUNISIPALITEIT - UMASIPALA

Rising together for Development

EC101

ADJUSTMENT BUDGET

2017/18

TABLE OF CONTENTS

PART 1 – ADJUSTMENT BUDGET

Mayor's Report.....	2
Resolution.....	4
Executive summary.....	5
Adjustment Budget Tables.....	7

PART 2 – SUPPORTING DOCUMENTATION

Adjustment to budget assumption.....	19
Adjustment to Revenue.....	20
Adjustment to Expenditure.....	20
Adjustment to Capital Expenditure.....	21

PART 3 – QUALITY CERTIFICATE

Municipal Manager's quality certificate.....	22
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PART 1 – ADJUSTMENTS BUDGET

CHAPTER 1

MAYOR'S REPORT

Madam Speaker, fellow Councillors and officials. It is my privilege to table the adjustment budget for 2017/18.

We have now filled all our Senior Management positions and now have a full team. We as Council need to give Management our full support and make sure that we apply the policies of Dr Beyers Naudè Municipality and work together to make this municipality the best municipality. Our community deserves service delivery and we must ensure that this is our ultimate goal.

The mid-year budget and performance assessment for 2017/18 financial year was tabled in Council on 25 January 2018. Recommendations were made in the report that an adjustments budget be drafted as a result of some of the variances detailed in the assessment.

In terms of section 28 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) a municipality may revise an approved budget through an adjustment budget.

Municipal adjustments budgets:-

- must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year;
- may appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for;
- may, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;
- may authorise the utilisation of projected savings in one vote towards spending under another vote;
- may authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by council;
- may correct any errors in the annual budget; and
- may provide for any other expenditure within a prescribed framework.

Section 23 of the Municipal Finance Management Act, 2003 (56/2003): Municipal budget and reporting regulations stipulates as follows:-

Timeframes for tabling of adjustments budgets

- An adjustments budget referred to in section 28 (2) (b), (d) and (f) of the Act may be tabled in the municipal council at any time after the mid-year budget and performance assessment has been tabled in the council, but not later than 28 February of the current year.

The main reasons for the adjustment budget could be summarised as follow:-

- Under collection of revenue
- Under estimating bulk expenditure
- Correction of grants received and expenditure on grants'
- Including approved roll over of conditional grants
- Re-instatement of previously dismissed employees
- Provision for new appointments (HR manager, Risk Officer & Revenue Manager)
- Under estimating contracted services
- Provision for lease vehicles

CHAPTER 2

COUNCIL RESOLUTION

The Council of Dr Beyers Naudè Municipality at a meeting on 26 February 2018 considered the adjustment budget for approval.

Council resolved:

- 1) That Council approves the Adjustment Budget for 2017/2018 MTREF
- 2) That within ten (10) working days after the Municipal Council has approved the Adjustments Budget the Municipal Manager must in accordance with Section 21A of the Municipal Systems Act make public the approved Adjustments Budget and supporting documentation, as well as the resolutions referred to in Regulation 25(3).
- 3) That within ten (10) working days after the Municipal Council has approved the Adjustments Budget it be submitted to National and Provincial Treasury
- 4) That the SDBIP be revised to include the changes to performance indicators as per adjustment budget

CHAPTER 3

EXECUTIVE SUMMARY

The indication from the mid-year budget and performance assessment was that an adjustments budget was necessary to accommodate

- the approved roll over of conditional grants (2016/17) to the value of R19.2 million
- to correct bulk electricity which was severely under budgeted for
- correction of licenses & permits as well as agency fees
- under collection of *other revenue*
- to correct contracted services which was severely under budgeted for

The capital budget was increased to accommodate the projects of 2016/17 which roll over was approved (R18,3 million) as well as to include refuse trucks (R1 million) and fire vehicles and equipment which will be funded by the Sarah Baartman District Municipality.

The MIG projects were adjusted as proposed by the Engineering and Planning Department.

A summary of the operational adjustment budget is as follows:

Description	Budget Year 2017/18								
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget
	A	1 A1	2 B	3 C	4 D	5 E	6 F	7 G	8 H
R thousands									
Financial Performance									
Property rates	43 595	-	-	-	-	-	(4 150)	(4 150)	39 445
Service charges	147 286	-	-	-	-	-	7 795	7 795	155 081
Investment revenue	1 377	-	-	-	-	-	963	963	2 339
Transfers recognised - operational	107 439	-	-	-	-	4 874	1 607	6 480	113 919
Other own revenue	17 224	-	-	-	-	-	(1 875)	(1 875)	15 349
Total Revenue (excluding capital transfers and contributions)	316 921	-	-	-	-	4 874	4 339	9 213	326 134
Employee costs	126 434	-	-	-	-	-	938	938	127 372
Remuneration of councillors	9 195	-	-	-	-	-	129	129	9 324
Depreciation & asset impairment	71 165	-	-	-	-	-	(6 000)	(6 000)	65 165
Finance charges	328	-	-	-	-	-	4 970	4 970	5 298
Materials and bulk purchases	61 837	-	-	-	-	-	20 163	20 163	82 000
Transfers and grants	67	-	-	-	-	-	120	120	187
Other expenditure	128 908	-	-	-	-	1 305	20 744	22 049	150 957
Total Expenditure	397 934	-	-	-	-	1 305	41 065	42 370	440 304
Surplus/(Deficit)	(81 012)	-	-	-	-	3 569	(36 726)	(33 157)	(114 169)
Transfers recognised - capital	64 760	-	-	-	-	13 223	(4 858)	8 365	73 125
Contributions recognised - capital & contributed a	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(16 252)	-	-	-	-	16 792	(41 584)	(24 792)	(41 044)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(16 252)	-	-	-	-	16 792	(41 584)	(24 792)	(41 044)

As can be seen, Revenue increased with R9.2 million which is mainly due to increase in service charges – R7.7 million and an increase in Transfers recognised – R6.4 million as well as a decrease in Rates – R4.1 million

The increase in transfers recognised is a result of R4.5 million funds obtained for the water meter audit for all the areas within Dr. Beyers Naude municipality; R280 thousand SETA funds received and R98 thousand from Department of Human Settlements.

A correction of R1.6 million was done to correct the amount of revenue recognised from transfers received.

The increase in service charges is based on the latest trends as discussed in the mid-year budget and performance assessment.

Expenditure increased with R42.3 million due to:

- Increase in bulk electricity – R20 million – previously under estimated
- Increase in contracted services – R8 million – previously under estimated
- Increase in finance charges – R4.9 million – previously under estimated
- Increase in other expenditure – R6.7 million – to include expenditure on conditional grants previously not included.

A concern is that the deficit has increased from R81 million to R114 million and the budget remains unfunded.

The capital transfers saw a nett increase of R8.3 million. This is due to the inclusion of the roll-over which was approved to the value of R19.5 million. A correction to the RBIG grant was needed which reduced the grant with R6.2 million. The R4.1 million included in the original budget for upgrade of fire station was taken out of the budget due to no confirmation of funds received.

CHAPTER 4

BUDGET TABLES

EC101 Dr. Beyers Naude - Table B1 Adjustments Budget Summary -

Description	Budget Year 2017/18									Budget Year	Budget Year
	Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
	Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
	1	2	3	4	5	6	7	8	9	10	11
R thousands	A	A1	B	C	D	E	F	G	H		
Financial Performance											
Property rates	43 595	-	-	-	-	-	(4 150)	(4 150)	39 445	46 080	48 661
Service charges	147 286	-	-	-	-	-	7 795	7 795	155 081	155 681	164 399
Investment revenue	1 377	-	-	-	-	-	963	963	2 339	1 455	1 535
Transfers recognised - operational	107 439	-	-	-	-	4 874	1 607	6 480	113 919	95 585	101 027
Other own revenue	17 224	-	-	-	-	-	(1 875)	(1 875)	15 349	18 206	19 226
Total Revenue (excluding capital transfers and contributions)	316 921	-	-	-	-	4 874	4 339	9 213	326 134	317 007	334 849
Employee costs	126 434	-	-	-	-	-	938	938	127 372	135 015	143 116
Remuneration of councillors	9 195	-	-	-	-	-	129	129	9 324	9 719	10 264
Depreciation & asset impairment	71 165	-	-	-	-	-	(6 000)	(6 000)	65 165	75 221	79 434
Finance charges	328	-	-	-	-	-	4 970	4 970	5 298	347	366
Materials and bulk purchases	61 837	-	-	-	-	-	20 163	20 163	82 000	86 920	92 135
Transfers and grants	67	-	-	-	-	-	120	120	187	198	210
Other expenditure	128 908	-	-	-	-	1 305	20 744	22 049	150 957	169 372	179 352
Total Expenditure	397 934	-	-	-	-	1 305	41 065	42 370	440 304	476 793	504 876
Surplus/(Deficit)	(81 012)	-	-	-	-	3 569	(36 726)	(33 157)	(114 169)	(159 785)	(170 027)
Transfers recognised - capital	64 760	-	-	-	-	13 223	(4 858)	8 365	73 125	55 887	38 428
Contributions recognised - capital & contributed a	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(16 252)	-	-	-	-	16 792	(41 584)	(24 792)	(41 044)	(103 898)	(131 599)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(16 252)	-	-	-	-	16 792	(41 584)	(24 792)	(41 044)	(103 898)	(131 599)
Capital expenditure & funds sources											
Capital expenditure	64 760	-	(0)	-	-	18 341	(10 922)	7 419	72 179	56 300	38 984
Transfers recognised - capital	64 460	-	-	-	-	18 341	(11 288)	7 053	71 513	55 887	38 428
Public contributions & donations	-	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	300	-	-	-	-	-	366	366	666	413	556
Total sources of capital funds	64 760	-	-	-	-	18 341	(10 922)	7 419	72 179	56 300	38 984
Financial position											
Total current assets	71 885	-	-	-	-	-	(23 013)	(23 013)	48 651	45 755	49 577
Total non current assets	1 258 321	-	-	-	-	-	(71 212)	(71 212)	1 187 109	1 168 188	1 127 738
Total current liabilities	79 646	-	-	-	-	-	41 637	41 637	121 283	128 347	135 835
Total non current liabilities	55 556	-	-	-	-	-	3 242	3 242	58 797	59 912	61 027
Community wealth/Equity	1 194 784	-	-	-	-	-	(139 104)	(139 104)	1 055 680	1 025 683	980 453
Cash flows											
Net cash from (used) operating	(22 808)	-	-	-	-	-	55 812	55 812	33 004	49 689	39 471
Net cash from (used) investing	(58 167)	-	-	-	-	-	(7 419)	(7 419)	(65 586)	(49 331)	(31 625)
Net cash from (used) financing	2 138	-	-	-	-	-	(2 063)	(2 063)	75	79	84
Cash/cash equivalents at the year end	(78 280)	-	-	-	-	-	84 044	84 044	5 764	6 202	7 931
Cash backing/surplus reconciliation											
Cash and investments available	5 297	-	-	-	-	-	2 633	2 633	7 931	6 271	7 931
Application of cash and investments	6 025	-	-	-	-	-	69 619	69 619	75 644	83 311	88 380
Balance - surplus (shortfall)	(727)	-	-	-	-	-	(66 986)	(66 986)	(67 714)	(77 040)	(80 449)
Asset Management											
Asset register summary (WDV)	1 258 321	-	-	-	-	-	-	-	1 258 321	-	-
Depreciation & asset impairment	71 165	-	-	-	-	-	(6 000)	(6 000)	65 165	75 221	79 434
Renewal of Existing Assets	-	-	-	-	-	-	7 687	7 687	7 687	-	-
Repairs and Maintenance	17 854	-	-	-	-	-	(8 093)	(8 093)	9 761	18 871	19 928
Free services											
Cost of Free Basic Services provided	21	-	-	-	-	-	-	-	21	-	-
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-	-
Households below minimum service level											
Water:	-	-	-	-	-	-	-	-	-	-	-
Sanitation/sewage:	-	-	-	-	-	-	-	-	-	-	-
Energy:	0	-	-	-	-	-	-	-	0	-	-
Refuse:	3	-	-	-	-	-	-	-	3	-	-

EC101 Dr. Beyers Naude - Table B2 Adjustments Budget Financial Performance (functional classification) -

Standard Description	Ref	Budget Year 2017/18									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	1, 4	A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
Revenue - Functional												
<i>Governance and administration</i>		153 844	-	-	-	-	280	(4 576)	(4 296)	149 548	142 499	150 481
Executive and council		14 940	-	-	-	-	-	(2 185)	(2 185)	12 755	26	27
Finance and administration		138 903	-	-	-	-	280	(2 391)	(2 111)	136 793	142 473	150 453
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		11 058	-	-	-	-	94	(5 321)	(5 227)	5 831	6 185	6 545
Community and social services		334	-	-	-	-	-	2 036	2 036	2 370	2 499	2 639
Sport and recreation		175	-	-	-	-	-	(106)	(106)	69	185	195
Public safety		10 535	-	-	-	-	-	(8 448)	(8 448)	2 087	2 206	2 338
Housing		14	-	-	-	-	94	(11)	83	97	15	16
Health		-	-	-	-	-	-	1 208	1 208	1 208	1 280	1 357
<i>Economic and environmental services</i>		599	-	-	-	-	15 662	24 901	40 563	41 162	30 431	31 951
Planning and development		189	-	-	-	-	15 662	21 218	36 880	37 069	23 548	24 682
Road transport		410	-	-	-	-	-	3 683	3 683	4 093	6 883	7 268
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		215 851	-	-	-	-	2 061	(15 726)	(13 665)	202 186	193 430	183 933
Energy sources		105 934	-	-	-	-	3 851	3 228	7 079	113 013	107 505	116 133
Water management		62 543	-	-	-	-	(1 790)	(1 234)	(3 024)	59 520	57 944	38 252
Waste water management		35 841	-	-	-	-	-	(20 424)	(20 424)	15 417	15 791	16 675
Waste management		11 533	-	-	-	-	-	2 704	2 704	14 237	12 190	12 873
Other		330	-	-	-	-	-	203	203	533	349	368
Total Revenue - Functional	2	381 682	-	-	-	-	18 097	(519)	17 578	399 260	372 894	373 278
Expenditure - Functional												
<i>Governance and administration</i>		127 780	-	-	-	-	-	26 052	26 052	153 832	160 733	169 992
Executive and council		36 173	-	-	-	-	-	9 243	9 243	45 416	37 874	40 143
Finance and administration		91 518	-	-	-	-	-	16 800	16 800	108 318	120 834	127 711
Internal audit		89	-	-	-	-	-	9	9	99	2 025	2 138
<i>Community and public safety</i>		34 193	-	-	-	-	-	(6 290)	(6 290)	27 904	30 370	32 071
Community and social services		4 817	-	-	-	-	-	(191)	(191)	4 625	5 091	5 376
Sport and recreation		15 597	-	-	-	-	-	103	103	15 700	16 307	17 220
Public safety		9 488	-	-	-	-	-	(5 950)	(5 950)	3 537	4 434	4 683
Housing		11	-	-	-	-	-	83	83	94	11	12
Health		4 282	-	-	-	-	-	(335)	(335)	3 948	4 526	4 780
<i>Economic and environmental services</i>		44 682	-	-	-	-	1 305	(546)	759	45 441	57 738	61 786
Planning and development		6 572	-	-	-	-	1 305	12 210	13 514	20 086	22 091	24 142
Road transport		38 110	-	-	-	-	-	(12 756)	(12 756)	25 354	35 648	37 644
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		189 136	-	-	-	-	-	21 393	21 393	210 529	225 525	238 455
Energy sources		88 250	-	-	-	-	-	22 318	22 318	110 568	114 839	121 618
Water management		43 131	-	-	-	-	-	5 383	5 383	48 514	45 590	48 143
Waste water management		41 170	-	-	-	-	-	(10 389)	(10 389)	30 781	44 422	46 909
Waste management		16 585	-	-	-	-	-	4 081	4 081	20 665	20 674	21 785
Other		2 143	-	-	-	-	-	456	456	2 599	2 427	2 572
Total Expenditure - Functional	3	397 934	-	-	-	-	1 305	41 065	42 370	440 304	476 793	504 876
Surplus/ (Deficit) for the year		(16 252)	-	-	-	-	16 792	(41 584)	(24 792)	(41 044)	(103 898)	(131 599)

EC101 Dr. Beyers Naude - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) -

Vote Description <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2017/18									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Revenue by Vote	1											
Vote 1 - EXECUTIVE & COUNCIL		15 129	-	-	-	-	-	(2 154)	(2 154)	12 975	225	238
Vote 2 - CORPORATE SERVICES - ADMINISTRATION		661	-	-	-	-	260	2 160	2 440	3 100	3 384	3 575
Vote 3 - CORPORATE SERVICES - COMMUNITY SERVICE		12 282	-	-	-	-	94	4 002	4 096	16 378	14 262	15 066
Vote 4 - CORPORATE SERVICES - PROTECTION		10 535	-	-	-	-	-	(4 660)	(4 660)	5 874	8 769	9 269
Vote 5 - FINANCIAL SERVICES		138 347	-	-	-	-	-	(2 284)	(2 284)	136 063	141 588	149 517
Vote 6 - TECHNICAL SERVICES - ENGINEERING		98 795	-	-	-	-	13 872	(810)	13 062	111 856	97 161	79 480
Vote 7 - TECHNICAL SERVICES - ELECTRICAL		105 934	-	-	-	-	3 851	3 228	7 079	113 013	107 505	116 133
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	381 682	-	-	-	-	18 097	(519)	17 578	399 260	372 894	373 278
Expenditure by Vote	1											
Vote 1 - EXECUTIVE & COUNCIL		44 179	-	-	-	-	-	6 954	6 954	51 133	48 616	52 278
Vote 2 - CORPORATE SERVICES - ADMINISTRATION		26 370	-	-	-	-	-	(3 982)	(3 982)	22 388	28 634	30 240
Vote 3 - CORPORATE SERVICES - COMMUNITY SERVICE		38 271	-	-	-	-	-	4 588	4 588	42 860	44 314	46 759
Vote 4 - CORPORATE SERVICES - PROTECTION		9 488	-	-	-	-	-	(1 078)	(1 078)	8 410	10 028	10 590
Vote 5 - FINANCIAL SERVICES		68 965	-	-	-	-	-	19 315	19 315	88 280	94 721	100 129
Vote 6 - TECHNICAL SERVICES - ENGINEERING		122 411	-	-	-	-	1 305	(7 051)	(5 746)	116 665	135 641	143 262
Vote 7 - TECHNICAL SERVICES - ELECTRICAL		88 250	-	-	-	-	-	22 318	22 318	110 568	114 839	121 618
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	397 934	-	-	-	-	1 305	41 065	42 370	440 304	476 793	504 876
Surplus/ (Deficit) for the year	2	(16 252)	-	-	-	-	16 792	(41 584)	(24 792)	(41 044)	(103 898)	(131 598)

EC101 Dr. Beyers Naude - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Ref	Budget Year 2017/18									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	1	A	3	4	5	6	7	8	9	10	+1 2018/19	+2 2019/20
		A	A1	B	C	D	E	F	G	H		
Revenue By Source												
Property rates	2	43 595	-	-	-	-	-	(4 150)	(4 150)	39 445	46 080	48 661
Service charges - electricity revenue	2	92 106	-	-	-	-	-	5 567	5 567	97 672	97 356	102 808
Service charges - water revenue	2	30 538	-	-	-	-	-	(1 234)	(1 234)	29 304	32 279	34 086
Service charges - sanitation revenue	2	14 866	-	-	-	-	-	543	543	15 409	15 713	16 593
Service charges - refuse revenue	2	8 889	-	-	-	-	-	2 792	2 792	11 680	9 395	9 921
Service charges - other		888	-	-	-	-	-	128	128	1 015	938	991
Rental of facilities and equipment		1 074	-	-	-	-	-	(292)	(292)	783	1 136	1 199
Interest earned - external investments		1 377	-	-	-	-	-	963	963	2 339	1 455	1 536
Interest earned - outstanding debtors		1 867	-	-	-	-	-	901	901	2 768	1 973	2 084
Dividends received		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		100	-	-	-	-	-	(29)	(29)	72	106	112
Licences and permits		5 972	-	-	-	-	-	(4 556)	(4 556)	1 416	2 500	2 800
Agency services		334	-	-	-	-	-	2 196	2 196	2 530	4 165	4 239
Transfers and subsidies		107 439	-	-	-	-	4 874	1 607	6 480	113 919	95 585	101 027
Other revenue	2	1 284	-	-	-	-	-	(95)	(95)	1 189	1 357	1 433
Gains on disposal of PPE		6 593	-	-	-	-	-	-	-	6 593	6 969	7 359
Total Revenue (excluding capital transfers and contributions)		316 921	-	-	-	-	4 874	4 339	9 213	326 134	317 007	334 849
Expenditure By Type												
Employee related costs		126 434	-	-	-	-	-	938	938	127 372	135 015	143 116
Remuneration of councillors		9 195	-	-	-	-	-	129	129	9 324	9 719	10 264
Debt impairment		8 860	-	-	-	-	-	6 000	6 000	14 860	9 365	9 889
Depreciation & asset impairment		71 165	-	-	-	-	-	(6 000)	(6 000)	65 165	75 221	79 434
Finance charges		328	-	-	-	-	-	4 970	4 970	5 298	347	366
Bulk purchases		61 837	-	-	-	-	-	20 163	20 163	82 000	86 920	92 135
Other materials		-	-	-	-	-	-	-	-	-	-	-
Contracted services		3 563	-	-	-	-	-	8 047	8 047	11 610	12 307	13 045
Transfers and subsidies		67	-	-	-	-	-	120	120	187	198	210
Other expenditure		116 447	-	-	-	-	1 305	6 697	8 002	124 450	147 662	156 376
Loss on disposal of PPE		37	-	-	-	-	-	-	-	37	39	42
Total Expenditure		397 934	-	-	-	-	1 305	41 065	42 370	440 304	476 793	504 876
Surplus/(Deficit)		(81 012)	-	-	-	-	3 569	(36 726)	(33 157)	(114 169)	(159 785)	(170 027)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		64 760	-	-	-	-	13 223	(4 858)	8 365	73 125	55 887	38 428
allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) before taxation		(16 252)	-	-	-	-	16 792	(41 584)	(24 792)	(41 044)	(103 898)	(131 599)
Taxation		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		(16 252)	-	-	-	-	16 792	(41 584)	(24 792)	(41 044)	(103 898)	(131 599)
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(16 252)	-	-	-	-	16 792	(41 584)	(24 792)	(41 044)	(103 898)	(131 599)
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		(16 252)	-	-	-	-	16 792	(41 584)	(24 792)	(41 044)	(103 898)	(131 599)

EC101 Dr. Beyers Naude - Table B5 Adjustments Capital Expenditure Budget by vote and funding -

Description	Ref	Budget Year 2017/18									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavold.	Prov. Govt	Adjsts.	Adjsts.	Budget	Budget	Budget
R thousands	A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H			
Capital expenditure - Vote												
Multi-year expenditure to be adjusted	2											
Vote 1 - EXECUTIVE & COUNCIL		-	-	-	-	-	-	-	-	-	-	
Vote 2 - CORPORATE SERVICES - ADMINISTRATION		-	-	-	-	-	-	-	-	-	-	
Vote 3 - CORPORATE SERVICES - COMMUNITY SERVICE		-	-	-	-	-	-	-	-	-	-	
Vote 4 - CORPORATE SERVICES - PROTECTION		-	-	-	-	-	-	-	-	-	-	
Vote 5 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-	-	
Vote 6 - TECHNICAL SERVICES - ENGINEERING		-	-	-	-	-	-	-	-	-	-	
Vote 7 - TECHNICAL SERVICES - ELECTRICAL		-	-	-	-	-	-	-	-	-	-	
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	
Capital multi-year expenditure sub-total	3	-	-	-	-	-	-	-	-	-	-	
Single-year expenditure to be adjusted	2											
Vote 1 - EXECUTIVE & COUNCIL		-	-	-	-	426	1 876	2 302	2 302	655	692	
Vote 2 - CORPORATE SERVICES - ADMINISTRATION		-	-	-	-	-	69	69	69	-	-	
Vote 3 - CORPORATE SERVICES - COMMUNITY SERVICE		-	-	-	-	6 941	2 710	9 650	9 650	-	-	
Vote 4 - CORPORATE SERVICES - PROTECTION		4 094	-	(0)	-	-	(2 944)	(2 944)	1 150	95	101	
Vote 5 - FINANCIAL SERVICES		1 510	-	-	-	-	(960)	(960)	580	941	993	
Vote 6 - TECHNICAL SERVICES - ENGINEERING		51 857	-	-	-	7 123	(11 709)	(4 586)	47 271	47 281	26 863	
Vote 7 - TECHNICAL SERVICES - ELECTRICAL		7 300	-	-	-	3 851	36	3 887	11 187	7 317	10 335	
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	
Capital single-year expenditure sub-total		64 760	-	(0)	-	18 341	(10 922)	7 419	72 179	56 300	38 984	
Total Capital Expenditure - Vote		64 760	-	(0)	-	18 341	(10 922)	7 419	72 179	56 300	38 984	
Capital Expenditure - Functional												
Governance and administration		1 510	-	-	-	-	916	916	2 426	1 596	1 685	
Executive and council		-	-	-	-	-	1 630	1 630	1 630	655	692	
Finance and administration		1 510	-	-	-	-	(960)	(960)	550	941	993	
Internal audit		-	-	-	-	-	246	246	246	-	-	
Community and public safety		4 094	-	-	-	880	(1 909)	(1 029)	3 065	95	101	
Community and social services		-	-	-	-	-	-	-	-	-	-	
Sport and recreation		-	-	-	-	880	1 035	1 915	1 915	-	-	
Public safety		4 094	-	-	-	-	(2 944)	(2 944)	1 150	95	101	
Housing		-	-	-	-	-	-	-	-	-	-	
Health		-	-	-	-	-	-	-	-	-	-	
Economic and environmental services		2 320	-	-	-	4 067	695	4 762	7 083	518	547	
Planning and development		-	-	-	-	426	-	426	426	-	-	
Road transport		2 320	-	-	-	3 641	695	4 336	6 656	518	547	
Environmental protection		-	-	-	-	-	-	-	-	-	-	
Trading services		56 836	-	-	-	13 394	(10 693)	2 701	59 537	53 752	36 293	
Energy sources		7 300	-	-	-	3 851	36	3 887	11 187	7 317	10 335	
Water management		43 306	-	-	-	2 433	(14 454)	(12 021)	31 285	39 849	19 003	
Waste water management		6 231	-	-	-	1 049	2 050	3 099	9 329	6 586	6 954	
Waste management		-	-	-	-	6 061	1 675	7 736	7 736	-	-	
Other		-	-	-	-	-	69	69	69	339	358	
Total Capital Expenditure - Functional	3	64 760	-	-	-	18 341	(10 922)	7 419	72 179	56 300	38 984	
Funded by:												
National Government		64 460	-	-	-	18 341	(13 438)	4 903	69 363	55 887	38 428	
Provincial Government		-	-	-	-	-	-	-	-	-	-	
District Municipality		-	-	-	-	-	2 150	2 150	2 150	-	-	
Other transfers and grants		-	-	-	-	-	-	-	-	-	-	
Transfers recognised - capital	4	64 460	-	-	-	18 341	(11 288)	7 053	71 513	55 887	38 428	
Public contributions & donations		-	-	-	-	-	-	-	-	-	-	
Borrowing		-	-	-	-	-	-	-	-	-	-	
Internally generated funds		300	-	-	-	-	366	366	686	413	556	
Total Capital Funding		64 760	-	-	-	18 341	(10 922)	7 419	72 179	56 300	38 984	

EC101 Dr. Beyers Naude - Table B6 Adjustments Budget Financial Position -

Description	Ref	Budget Year 2017/18									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands		3	4	5	6	7	8	9	10	+1 2018/19	+2 2019/20	
		A	A1	B	C	D	E	F	G	H		
ASSETS												
Current assets												
Cash		6 880							-	6 880	5 220	6 880
Call investment deposits	1	-	-	-	-	-	-	1 050	1 050	1 050	1 050	1 050
Consumer debtors	1	34 769	-	-	-	-	-	(12 381)	(12 381)	22 388	23 354	25 346
Other debtors		26 804						(13 971)	(13 971)	12 833	10 300	10 120
Current portion of long-term receivables		-							-	-		
Inventory		3 212						2 288	2 288	5 500	5 830	6 180
Total current assets		71 665	-	-	-	-	-	(23 013)	(23 013)	48 651	45 755	49 577
Non current assets												
Long-term receivables		-							-	-		
Investments		-							-	-		
Investment property		92 819						(25 035)	(25 035)	67 783	67 783	67 783
Investment in Associate		-							-	-		
Property, plant and equipment	1	1 161 816	-	-	-	-	-	(56 196)	(56 196)	1 105 620	1 086 699	1 046 249
Agricultural		-							-	-		
Biological		701						(701)	(701)	-		
Intangible		139						113	113	253	253	253
Other non-current assets		2 845						10 608	10 608	13 453	13 453	13 453
Total non current assets		1 258 321	-	-	-	-	-	(71 212)	(71 212)	1 187 109	1 168 188	1 127 738
TOTAL ASSETS		1 329 985	-	-	-	-	-	(94 225)	(94 225)	1 235 760	1 213 943	1 177 315
LIABILITIES												
Current liabilities												
Bank overdraft		1 583						(1 583)	(1 583)	-		
Borrowing		828	-	-	-	-	-	(828)	(828)	-	-	-
Consumer deposits		3 683						(723)	(723)	2 960	2 960	2 960
Trade and other payables		67 027	-	-	-	-	-	42 719	42 719	109 746	116 295	123 237
Provisions		6 525						2 052	2 052	8 577	9 092	9 637
Total current liabilities		79 646	-	-	-	-	-	41 637	41 637	121 283	128 347	135 835
Non current liabilities												
Borrowing	1	10 709	-	-	-	-	-	(10 709)	(10 709)	-	-	-
Provisions	1	44 847	-	-	-	-	-	13 951	13 951	58 797	59 912	61 027
Total non current liabilities		55 556	-	-	-	-	-	3 242	3 242	58 797	59 912	61 027
TOTAL LIABILITIES		135 201	-	-	-	-	-	44 879	44 879	180 080	188 259	196 862
NET ASSETS	2	1 194 784	-	-	-	-	-	(139 104)	(139 104)	1 055 680	1 025 683	980 453
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		1 181 980	-	-	-	-	-	(136 809)	(136 809)	1 045 171	1 015 175	969 944
Reserves		12 804	-	-	-	-	-	(2 295)	(2 295)	10 509	10 509	10 509
Minorities' interests												
TOTAL COMMUNITY WEALTH/EQUITY		1 194 784	-	-	-	-	-	(139 104)	(139 104)	1 055 680	1 025 683	980 453

EC101 Dr. Beyers Naude - Table B7 Adjustments Budget Cash Flows -

Description	Ref	Budget Year 2017/18								Budget Year	Budget Year	
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H			
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates		43 595					(6 123)	(6 123)	37 473	39 721	42 104	
Service charges		147 286					2 670	2 670	149 956	158 954	168 491	
Other revenue		8 765					(2 776)	(2 776)	5 989	6 348	6 729	
Government - operating	1	107 439					6 480	6 480	113 919	120 754	128 000	
Government - capital	1	64 760					8 365	8 365	73 125	77 513	82 163	
Interest		3 243					(904)	(904)	2 339	2 480	2 628	
Dividends		-							-	-	-	
Payments												
Suppliers and employees		(397 501)					53 189	53 189	(344 312)	(350 266)	(384 481)	
Finance charges		(326)					(4 970)	(4 970)	(5 298)	(5 616)	(5 953)	
Transfers and Grants	1	(67)					(120)	(120)	(187)	(198)	(210)	
NET CASH FROM/(USED) OPERATING ACTIVITIES		(22 808)	-	-	-	-	55 812	55 812	33 004	49 689	39 471	
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE		6 593							6 593	6 969	7 359	
Decrease (Increase) in non-current debtors									-	-	-	
Decrease (increase) other non-current receivables									-	-	-	
Decrease (increase) in non-current investments									-	-	-	
Payments												
Capital assets		(64 760)					(7 419)	(7 419)	(72 179)	(56 300)	(38 984)	
NET CASH FROM/(USED) INVESTING ACTIVITIES		(58 167)	-	-	-	-	(7 419)	(7 419)	(65 586)	(49 331)	(31 625)	
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans		-							-	-	-	
Borrowing long term/refinancing		-							-	-	-	
Increase (decrease) in consumer deposits		2 138					(2 063)	(2 063)	75	79	84	
Payments												
Repayment of borrowing									-	-	-	
NET CASH FROM/(USED) FINANCING ACTIVITIES		2 138	-	-	-	-	(2 063)	(2 063)	75	79	84	
NET INCREASE/ (DECREASE) IN CASH HELD		(78 837)	-	-	-	-	46 330	46 330	(32 507)	437	7 931	
Cash/cash equivalents at the year begin:	2	557					37 715	37 715	38 271	5 764		
Cash/cash equivalents at the year end:	2	(78 280)					84 044	84 044	5 764	6 202	7 931	

EC101 Dr. Beyers Naude - Table B8 Cash backed reserves/accumulated surplus reconciliation -

Description	Ref	Budget Year 2017/18								Budget Year	Budget Year	
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	
R thousands		3	4	5	6	7	8	9	10			
		A	A1	B	C	D	E	F	G	H		
Cash and investments available												
Cash/cash equivalents at the year end	1	(78 280)	-	-	-	-	-	84 044	84 044	5 764	6 202	7 931
Other current investments > 90 days		83 577	-	-	-	-	-	(81 411)	(81 411)	2 166	69	(0)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		5 297	-	-	-	-	-	2 633	2 633	7 931	6 271	7 931
Applications of cash and investments												
Unspent conditional transfers		-	-	-	-	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-	-
Statutory requirements		-	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	2	6 025	-	-	-	-	-	69 619	69 619	75 644	83 311	88 380
Other provisions		-	-	-	-	-	-	-	-	-	-	-
Long term investments committed		-	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments		-	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		6 025	-	-	-	-	-	69 619	69 619	75 644	83 311	88 380
Surplus(shortfall)		(727)	-	-	-	-	-	(66 986)	(66 986)	(67 714)	(77 640)	(80 449)

EC101 Dr. Beyers Naude - Table B9 Asset Management -

Description	Ref	Budget Year 2017/18									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands		7	8	9	10	11	12	13	14			
		A	A1	B	C	D	E	F	G	H		
CAPITAL EXPENDITURE												
<i>Total New Assets to be adjusted</i>	1	64 760	-	-	-	-	-	(57 806)	(57 806)	6 954	56 300	38 984
<i>Roads Infrastructure</i>		320	-	-	-	-	-	(320)	(320)	-	339	358
<i>Storm water Infrastructure</i>		2 000	-	-	-	-	-	(2 000)	(2 000)	-	-	-
<i>Electrical Infrastructure</i>		7 300	-	-	-	-	-	(6 964)	(6 964)	336	7 317	10 335
<i>Water Supply Infrastructure</i>		43 306	-	-	-	-	-	(43 306)	(43 306)	-	39 849	19 003
<i>Sanitation Infrastructure</i>		6 231	-	-	-	-	-	(6 231)	(6 231)	-	6 586	6 954
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	426	426	426	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Infrastructure</i>		59 157	-	-	-	-	-	(58 394)	(58 394)	762	54 091	36 650
<i>Community Facilities</i>		4 094	-	-	-	-	-	(4 094)	(4 094)	-	-	-
<i>Sport and Recreation Facilities</i>		-	-	-	-	-	-	1 547	1 547	1 547	-	-
<i>Community Assets</i>		4 094	-	-	-	-	-	(2 547)	(2 547)	1 547	-	-
<i>Heritage Assets</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Revenue Generating</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Non-revenue Generating</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Investment properties</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Operational Buildings</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Housing</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Other Assets</i>	6	-	-	-	-	-	-	-	-	-	-	-
<i>Biological or Cultivated Assets</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Servitudes</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Licences and Rights</i>		-	-	-	-	-	-	360	360	360	-	-
<i>Intangible Assets</i>		-	-	-	-	-	-	360	360	360	-	-
<i>Computer Equipment</i>		620	-	-	-	-	-	1 041	1 041	1 661	655	692
<i>Furniture and Office Equipment</i>		200	-	-	-	-	-	101	101	301	941	993
<i>Machinery and Equipment</i>		290	-	-	-	-	-	(67)	(67)	223	95	101
<i>Transport Assets</i>		400	-	-	-	-	-	1 700	1 700	2 100	518	547
<i>Libraries</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Zoo's, Marine and Non-biological Animals</i>		-	-	-	-	-	-	-	-	-	-	-

Total Renewal of Existing Assets to be adjusted	2	-	-	-	-	-	-	7 687	7 687	7 687	-	-
<i>Roads Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	5 555	5 555	5 555	-	-
<i>Electrical Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	2 132	2 132	2 132	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	7 687	7 687	7 687	-	-
Community Facilities		-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets	6	-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Total Upgrading of Existing Assets to be adjusted	2a	-	-	-	-	-	-	57 538	57 538	57 538	-	-
<i>Roads Infrastructure</i>		-	-	-	-	-	-	14	14	14	-	-
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	7 092	7 092	7 092	-	-
<i>Electrical Infrastructure</i>		-	-	-	-	-	-	10 851	10 851	10 851	-	-
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	32 168	32 168	32 168	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	309	309	309	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	6 736	6 736	6 736	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	57 170	57 170	57 170	-	-
Community Facilities		-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	368	368	368	-	-
Community Assets		-	-	-	-	-	-	368	368	368	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets	6	-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-

Total Capital Expenditure to be adjusted	4												
Roads Infrastructure	320	-	-	-	-	-	(306)	(306)	14	339	358		
Storm water Infrastructure	2 000	-	-	-	-	-	10 647	10 647	12 647	-	-		
Electrical Infrastructure	7 300	-	-	-	-	-	3 887	3 887	11 187	7 317	10 335		
Water Supply Infrastructure	43 306	-	-	-	-	-	(9 005)	(9 005)	34 300	39 849	19 003		
Sanitation Infrastructure	6 231	-	-	-	-	-	(5 922)	(5 922)	309	6 586	6 954		
Solid Waste Infrastructure	-	-	-	-	-	-	7 162	7 162	7 162	-	-		
Rail Infrastructure	-	-	-	-	-	-	-	-	-	-	-		
Coastal Infrastructure	-	-	-	-	-	-	-	-	-	-	-		
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-	-	-		
Infrastructure	59 157	-	-	-	-	-	6 463	6 463	65 620	54 091	36 650		
Community Facilities	4 094	-	-	-	-	-	(4 094)	(4 094)	-	-	-		
Sport and Recreation Facilities	-	-	-	-	-	-	1 915	1 915	1 915	-	-		
Community Assets	4 094	-	-	-	-	-	(2 179)	(2 179)	1 915	-	-		
Heritage Assets	-	-	-	-	-	-	-	-	-	-	-		
Revenue Generating	-	-	-	-	-	-	-	-	-	-	-		
Non-revenue Generating	-	-	-	-	-	-	-	-	-	-	-		
Investment properties	-	-	-	-	-	-	-	-	-	-	-		
Operational Buildings	-	-	-	-	-	-	-	-	-	-	-		
Housing	-	-	-	-	-	-	-	-	-	-	-		
Other Assets	-	-	-	-	-	-	-	-	-	-	-		
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-	-		
Servitudes	-	-	-	-	-	-	-	-	-	-	-		
Licences and Rights	-	-	-	-	-	-	360	360	360	-	-		
Intangible Assets	-	-	-	-	-	-	360	360	360	-	-		
Computer Equipment	620	-	-	-	-	-	1 041	1 041	1 661	655	692		
Furniture and Office Equipment	200	-	-	-	-	-	101	101	301	941	993		
Machinery and Equipment	290	-	-	-	-	-	(67)	(67)	223	95	101		
Transport Assets	400	-	-	-	-	-	1 700	1 700	2 100	518	547		
Libraries	-	-	-	-	-	-	-	-	-	-	-		
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-	-		
TOTAL CAPITAL EXPENDITURE to be adjusted	4	64 760	-	-	-	-	7 419	7 419	72 179	56 300	38 984		

EC101 Dr. Beyers Naude - Table B10 Basic service delivery measurement -

Description	Ref	Budget Year 2017/18									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Household service targets	1											
Water:												
Piped water inside dwelling		17324								17	17	17
Piped water inside yard (but not in dwelling)		1063								1	1	1
Using public tap (at least min.service level)	2	411								0	0	0
Other water supply (at least min.service level)												
<i>Minimum Service Level and Above sub-total</i>		19								19	19	19
Using public tap (< min.service level)	3											
Other water supply (< min.service level)	3,4											
No water supply												
<i>Below Minimum Service Level sub-total</i>												
Total number of households	5	19								19	19	19
Sanitation/sewerage:												
Flush toilet (connected to sewerage)		14044								14 044	14 044	14 044
Flush toilet (with septic tank)		746								746	746	746
Chemical toilet		3								3	3	3
Pit toilet (ventilated)		282								282	282	282
Other toilet provisions (> min.service level)		287								287	287	287
<i>Minimum Service Level and Above sub-total</i>		15 362								15 362	15 362	15 362
Bucket toilet												
Other toilet provisions (< min.service level)												
No toilet provisions												
<i>Below Minimum Service Level sub-total</i>												
Total number of households	5	15 362								15 362	15 362	15 362
Energy:												
Electricity (at least min. service level)		1243								1 243	1 243	1 243
Electricity - prepaid (> min.service level)		9864								9 864	9 864	9 864
<i>Minimum Service Level and Above sub-total</i>		11 107								11 107	11 107	11 107
Electricity (< min.service level)		77								77	77	77
Electricity - prepaid (< min. service level)												
Other energy sources												
<i>Below Minimum Service Level sub-total</i>		77								77	77	77
Total number of households	5	11 184								11 184	11 184	11 184
Refuse:												
Removed at least once a week (min.service)		2235								2 235	2 235	2 235
<i>Minimum Service Level and Above sub-total</i>		2 235								2 235	2 235	2 235
Removed less frequently than once a week		523								523	523	523
Using communal refuse dump		865								865	865	865
Using own refuse dump		523								523	523	523
Other rubbish disposal		720								720	720	720
No rubbish disposal		124								124	124	124
<i>Below Minimum Service Level sub-total</i>		2 755								2 755	2 755	2 755
Total number of households	5	4 990								4 990	4 990	4 990
Households receiving Free Basic Service	15											
Water (6 kilolitres per household per month)		8047								8 047	8047	8047
Sanitation (free minimum level service)		6376								6 376	6376	6376
Electricity/other energy (50kwh per household per month)		3469								3 469	3469	3469
Refuse (removed at least once a week)		13713								13 713	13713	13713
Cost of Free Basic Services provided (R'000)	16											
Water (6 kilolitres per household per month)		6								6	6	6
Sanitation (free sanitation service)		6								6	6	6
Electricity/other energy (50kwh per household per month)		4								4	4	4
Refuse (removed once a week)		5								5	5	5
Total cost of FBS provided (minimum social packa		21								21	21	21
Highest level of free service provided												
Property rates (R'000 value threshold)											0	0
Water (kilolitres per household per month)		6								6	6	6
Sanitation (kilolitres per household per month)		0									0	0
Sanitation (Rand per household per month)		83,92								84	83,92	83,92
Electricity (kw per household per month)		50								50	50	50
Refuse (average litres per week)		1								1	1	1
Revenue cost of free services provided (R'000)	17											
Property rates (R15 000 threshold rebates)												
Property rates (other exemptions, reductions and rebates)												
Water												
Sanitation												
Electricity/other energy												
Refuse												
Municipal Housing - rental rebates												
Housing - top structure subsidies	6											
Total revenue cost of free services provided (total s												

PART 2 – SUPPORTING DOCUMENTATION

CHAPTER 4

ADJUSTMENTS TO BUDGET ASSUMPTIONS

When preparing a budget, certain assumptions are usually made. When compiling the annual budget for 2017/18 certain assumptions were made with regards to external factors and the current economic climate. None of these assumptions made in the original budget were changed during the compilation of the adjustment budget.

Below is summary of original assumptions made:

- 1) Considering National Treasury's guideline for year-on-year increases in expenditure, which is the headline inflation rate of 6.4% for 2017, the annual increase for the 2017/18 tabled budget is limited to following:
 - The overall increase in operating expenditure be limited to 6.4%
 - The overall increase in human resource costs be restricted to the SALGBC determined agreement of average CPI percentage for the twelve month period, as published by Statistics South Africa, plus 1%.
- 2) Rates and tariff increases consider the inflation rate of 6.4%, as well as affordability levels. Where there is significant under-recovery of cost on economic services, such cost-reflective tariffs be phased in.
- 3) The Direct Reports prepare the Operating and Capital Budgets aligned to the IDP and that this is supported by the SDBIP of the organisation.
- 4) Budget assumptions or perimeters are determined in advance of the budget process to allow the budget to support the long term financial and strategic targets.
- 5) The municipal fiscal environment is directly impacted on by a variety of macro-economic control measures. National Treasury provides guidelines on the year-on-year budget growth, while NERSA regulates the electricity tariff increases. This year the NERSA guideline for electricity tariff increases stands at 1.88% to be introduced for implementation on 1 July 2017.
- 6) Various government departments also affect municipal service delivery through the level of grants and subsidies to the municipality. Examples are the Fire Services grant from Local Government, the electrification grant from the Department of Energy, as well as RBIG grant from the Department of Water Affairs.
- 7) The principles and priorities included in the IDP directly informed the compilation of the Budget.

ADJUSTMENTS TO REVENUE

Revenue estimates have changed in the adjustment budget based on actual revenue generated during the first 6 months. Revenue increased from R316.9 million to R326.1 million.

Property Rates saw a decrease of R4.1 million whilst service charges saw an increase of R7.8 million.

A correction to licenses and permits decreased this revenue stream with R4.5 million and increased agency fees with R2.1 million

Transfers and subsidies (operational) increased with R6.4 million due to the following:

- Additional grants – DPSA - Replication Assessment WCDM – R4.5 million
- Additional grants – Dept of Human Settlements – R94 thousand
- Corrections – R1.6 million

ADJUSTMENT TO EXPENDITURE

Expenditure increased from R397.9 million to R440.3 million. The main reasons for increase can be summarised as follow:

- Increase in employee cost to accommodate – R938 000:
 - Re-employment of previously dismissed employees (Jansenville)
 - New appointments – HR manager; Revenue Manager & Risk Officer
- Increase in debt impairment – R6 million – collection rate only at 85%
- Decrease in depreciation R6 million
- Increase in finance charges – R4.9million
- Increase in bulk purchases – R20 million
- Increase in contracted services – appointed contracted services previously not budgeted for – R8 million
- Increase in other expenditure – R8 million:
 - Include R1,3 million roll-over PMU
 - Decrease R8 million repairs & maintenance
 - Include R2.1 million operating leases (vehicles)
 - Increase legal fees R2 million
 - Increase travel and subsistence – R1.2 million
 - Increase in chemicals R2.6 million
 - Increase in Copiers maintenance contract – R1.7 million
 - Include R1.1 million expenditure on Financial Management support grant previously not included in budget
 - Include R13 million conditional grant expenditure previously not included

ADJUSTMENT TO CAPITAL EXPENDITURE

The capital budget were amended to include the approved roll over of R18.3 million as well as R2.1 million to be received from the District Municipality for capital items to be bought from fire subsidy as well as refuse trucks to be received worth R1 million.

The construction/upgrade of fire station project to the value of R3.6 million has been taken out of the budget as it could not be linked to any funding.

ICT equipment, tools, furniture, etc. has been increased with R2.3 million to accommodate expenditure on conditional grants and funding of a number of items has been corrected from grant funding to own funding.

The Engineering and Planning department has adjusted the MIG project plan as follows:

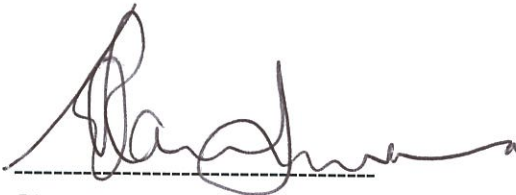
Project Title	Original 2017/18	Adjusted 2017/18
Graaff-Reinet: Upgrading of Solid Waste Site of 2 new Cells	3 491 258	675 047
Aberdeen: Upgrading of Bulk Water Supply Phase 2	4 719 435	1 109 073
Upgrading of roads	2 724 871	2 724 871
Willowmore Bulk Water Supply-Wilgerkloof	3 015 610	3 015 510
Willowmore Bulk Water Supply-Upgrading, extensions and additional		3 610 461
Refurbishment of Borehole Equipment and Installation of Bio-Tower Water Treatment	2 131 800	2 131 800
Graaff-Reinet: Rehabilitation of Storm water	2 739 278	5 555 489
Steytlerville Streets and Storm water upgrading	-	
Graaff-Reinet: Development of a Soccerfield in Kroonvale, phase 2	1 034 649	1 034 649
PMU Admin	1 045 100	1 045 100

PART 3

MUNICIPAL MANAGER'S QUALITY CERTIFICATE

I, Dr. Edward Martin Rankwana, the Municipal Manager of Dr. Beyers Naude Municipality, hereby certifies that the 2017/18 adjustment budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and Municipal Budgeting and Reporting regulations made under the Act, and that the 2017/18 adjustments budget and the supporting documentation are consistent with Integrated Development Plan of the municipality.

Name: DR. E.M. RANKWANA
Designation: Municipal Manager
Municipality: Dr. Beyers Naude Municipality



Signature

