



EC101

ADJUSTMENT BUDGET

2018/19

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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 2018/19.

Our focus for the adjustment budget was to implement cost cutting measures where needed and to enhance revenue.

The municipality is currently facing severe financial challenges and bold decisions will have to be made to ensure that our municipality becomes financially sustainable. The municipality is currently unable to pay creditors within the required 30 days as per legislation and numerous challenges are being faced daily. It is of utmost importance that all efforts are implemented to turn the situation around and to ensure that we receive all income due to us.

EXCO recommended during the tabling of the adjustment budget that electricity meters must be installed by 31 March 2019 which will replace the old faulty meters. Funds that will be received from Department of Water Affairs for the replacement of water meters must be spend speedily as this will ensure an immediate improvement on our revenue.

A directive for further cost cutting measures and proposals to improve revenue was issued by the Municipal Manager to all staff. The implementation thereof should be monitored closely.

The mid-year budget and performance assessment for 2018/19 financial year was tabled in Council on 23 January 2019. 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:-

- Increase in revenue
- Correction of grants received and expenditure on grants'
- Including additional grants to be received and the related expenditure
- Reduction of Municipal infrastructure (MIG) and Regional Bulk Infrastructure (RBIG) grants
- Increase in salary related cost due to equalisation
- Savings on Contracted services
- Increase in depreciation
- Cost cutting measures reducing general expenditure & repairs and maintenance

CHAPTER 2

COUNCIL RESOLUTION

The Council of Dr Beyers Naudè Municipality at a meeting on 28 February 2019 considered the adjustment budget for approval.

Council resolved:

- 1) That Council approves the Adjustment Budget for 2018/2019 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

- Adjust grants for the reduction in MIG and RBIG
- Inclusion of additional drought relief funds
- Decrease in interest earned for external investments and debtors
- Increase in employee cost due to equalisation
- Increase in depreciation
- Reduction in contracted services due to contracts of Maxprof and Revco that came to end

The capital budget was increased to accommodate the projects relating to the drought relief funds, but was also adjusted to accommodate the reduction in MIG of R4 million and RBIG of R6 million.

The MIG projects were adjusted as proposed by the Engineering and Planning Department. The reduction of R4 million for MIG will not have any financial implications to Council as the projects that have been reduced were not yet in construction phase and tenders have not yet been awarded.

A summary of the operational adjustment budget is as follows:

EC101 Dr. Beyers Naude - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 28/02/2019

Description	Ref	Budget Year 2018/19									Budget Year +1 2019/20	Budget Year +2 2020/21
		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
R thousands	1	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Revenue By Source												
Property rates	2	29 579	-	-	-	-	-	(3 603)	(3 603)	25 976	31 354	33 235
Service charges - electricity revenue	2	101 549	-	-	-	-	-	13 513	13 513	115 062	107 642	114 101
Service charges - water revenue	2	25 470	-	-	-	-	-	3 232	3 232	28 702	26 998	28 618
Service charges - sanitation revenue	2	10 301	-	-	-	-	-	-	-	10 301	10 919	11 574
Service charges - refuse revenue	2	11 463	-	-	-	-	-	347	347	11 811	12 151	12 880
Service charges - other		4 013						171	171	4 184	4 254	4 509
Rental of facilities and equipment		849						18	18	867	900	954
Interest earned - external investments		2 015						(1 389)	(1 389)	626	2 136	2 265
Interest earned - outstanding debtors		9 713						(4 234)	(4 234)	5 480	10 296	10 914
Dividends received										-	-	-
Fines, penalties and forfeits		121						(95)	(95)	26	128	136
Licences and permits		1 501						(245)	(245)	1 256	1 591	1 686
Agency services		2 682						150	150	2 831	2 843	3 013
Transfers and subsidies		97 441					3 721		3 721	101 162	100 312	106 717
Other revenue	2	1 104	-	-	-	-	-	32	32	1 135	1 170	1 240
Gains on disposal of PPE		(0)						0	0	0	-	-
Total Revenue (excluding capital transfers and contributions)		297 802	-	-	-	-	3 721	7 897	11 618	309 420	312 694	331 842
Expenditure By Type												
Employee related costs		136 618	-	-	-	-	-	17 346	17 346	153 964	144 906	153 601
Remuneration of councillors		9 884						(671)	(671)	9 212	10 477	11 105
Debt impairment		3 500						2 063	2 063	5 563	3 710	3 933
Depreciation & asset impairment		35 453	-	-	-	-	-	30 396	30 396	65 849	37 580	39 835
Finance charges		5 576						(2 788)	(2 788)	2 788	5 966	6 384
Bulk purchases		82 368	-	-	-	-	-	-	-	82 368	87 310	92 549
Other materials										-	-	-
Contracted services		15 941	-	-	-	-	-	(2 723)	(2 723)	13 218	15 725	16 669
Transfers and subsidies		239						(37)	(37)	203	254	269
Other expenditure		76 473	-	-	-	-	-	(28 325)	(28 325)	48 147	76 464	80 326
Loss on disposal of PPE		-						-	-	-	-	-
Total Expenditure		366 051	-	-	-	-	-	15 261	15 261	381 312	382 392	404 669
Surplus/(Deficit)		(68 249)	-	-	-	-	3 721	(7 364)	(3 643)	(71 892)	(69 698)	(72 827)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		44 517					19 819		19 819	64 336	32 718	31 450
Transfers and subsidies - capital (in-kind - all)								-	-	-	-	-
Surplus/(Deficit) before taxation		(23 732)	-	-	-	-	23 541	(7 364)	16 177	(7 556)	(36 980)	(41 377)
Taxation		-						-	-	-	-	-
Surplus/(Deficit) after taxation		(23 732)	-	-	-	-	23 541	(7 364)	16 177	(7 556)	(36 980)	(41 377)
Attributable to minorities		-						-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(23 732)	-	-	-	-	23 541	(7 364)	16 177	(7 556)	(36 980)	(41 377)
Share of surplus/ (deficit) of associate		-						-	-	-	-	-
Surplus/ (Deficit) for the year		(23 732)	-	-	-	-	23 541	(7 364)	16 177	(7 556)	(36 980)	(41 377)

As can be seen, Revenue (excluding Capital Transfers) increased with R11.6 million which is mainly due to increase in service charges – R17.2 million and an increase in Transfers recognised - operational – R3.7 million. Rates saw a decrease of R3.6 million mainly due to increased subsidies.

The increase in transfers recognised is a result of R1.9 million increase in the Water Conservation and Demand management grant which was incorrectly budgeted for in the original budget. The Sarah Baartman District Municipality is also currently assisting with paying some of our creditors relating to water pumps and water trucks to the value of R567 000. A portion of the Municipal Systems Improvement Grant (MSIG) will be paid directly to the Municipality to the value of R1.055 million.

Interest earned had to be decreased with R5.6 million mainly due to reduction in anticipated interest on debtors which will be reduced with R4.3 million. Interest on debtors is significantly less after the write off of bad debt at 30 June 2018.

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

Expenditure increased with R15.2 million due to:

- Increase in depreciation – R30.3 million – previously under estimated
- Increase in employee cost – R17.3 million – due to equalisation
- Increase in debt impairment – R2 million – based on collection rate
- Decrease in contracted services – R2.7 million – contracts that came to end
- Decrease in finance charges – R2.7 million – interest written off by AG
- Decrease in other expenditure – R28 million – implementation of cost cutting measures

The budget however remains unfunded. The budget for the next financial year will have to see some serious reconstruction to work towards a funded budget.

The capital transfers saw a nett increase of R19.8 million. This is due to the inclusion of R30 million of drought relief funds to be received and the reduction of R4 million on MIG and R6 million on RBIG.

CHAPTER 4

BUDGET TABLES

EC101 Dr. Beyers Naude - Table B1 Adjustments Budget Summary - 28/02/2019

Description	Budget Year 2018/19									Budget Year +1 2019/20	Budget Year +2 2020/21
	Original Budget	Prior Adjusted 1	Accum. Funds 2	Multi-year capital 3	Unfore. Unavoid. 4	Nat. or Prov. Govt 5	Other Adjusts. 6	Total Adjusts. 7	Adjusted Budget 8	Adjusted Budget	Adjusted Budget
R thousands	A	A1	B	C	D	E	F	G	H		
Financial Performance											
Property rates	29 579	-	-	-	-	-	(3 603)	(3 603)	25 976	31 354	33 235
Service charges	152 796	-	-	-	-	-	17 263	17 263	170 059	161 964	171 682
Investment revenue	2 015	-	-	-	-	-	(1 389)	(1 389)	626	2 136	2 265
Transfers recognised - operational	97 441	-	-	-	-	3 721	-	3 721	101 162	100 312	106 717
Other own revenue	15 970	-	-	-	-	-	(4 374)	(4 374)	11 596	16 928	17 944
Total Revenue (excluding capital transfers and contributions)	297 802	-	-	-	-	3 721	7 897	11 618	309 420	312 694	331 842
Employee costs	136 618	-	-	-	-	-	17 346	17 346	153 964	144 906	153 601
Remuneration of councillors	9 884	-	-	-	-	-	(671)	(671)	9 212	10 477	11 105
Depreciation & asset impairment	35 453	-	-	-	-	-	30 396	30 396	65 849	37 580	39 835
Finance charges	5 576	-	-	-	-	-	(2 788)	(2 788)	2 788	5 966	6 384
Materials and bulk purchases	82 368	-	-	-	-	-	-	-	82 368	87 310	92 549
Transfers and grants	239	-	-	-	-	-	(37)	(37)	203	254	269
Other expenditure	95 914	-	-	-	-	-	(28 986)	(28 986)	66 929	95 899	100 927
Total Expenditure	366 051	-	-	-	-	-	15 261	15 261	381 312	382 392	404 669
Surplus/(Deficit)	(68 249)	-	-	-	-	3 721	(7 364)	(3 643)	(71 892)	(69 698)	(72 827)
Transfers recognised - capital	44 517	-	-	-	-	19 819	-	19 819	64 336	32 718	31 450
Contributions recognised - capital & contributed	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(23 732)	-	-	-	-	23 541	(7 364)	16 177	(7 556)	(36 980)	(41 377)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(23 732)	-	-	-	-	23 541	(7 364)	16 177	(7 556)	(36 980)	(41 377)
Capital expenditure & funds sources											
Capital expenditure	44 884	-	-	-	-	16 458	(660)	15 798	60 682	31 647	30 463
Transfers recognised - capital	43 562	-	-	-	-	16 458	-	16 458	60 020	31 572	30 373
Public contributions & donations	-	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	1 321	-	-	-	-	-	(660)	(660)	662	75	91
Total sources of capital funds	44 884	-	-	-	-	16 458	(660)	15 798	60 682	31 647	30 463
Financial position											
Total current assets	62 027	-	-	-	-	-	21 437	21 437	83 464	67 372	73 316
Total non current assets	1 199 188	-	-	-	-	-	(14 598)	(14 598)	1 184 590	1 193 255	1 183 883
Total current liabilities	102 468	-	-	-	-	-	21 721	21 721	124 189	141 455	177 405
Total non current liabilities	62 410	-	-	-	-	-	-	-	62 410	64 410	66 410
Community wealth/Equity	1 096 338	-	-	-	-	-	(14 882)	(14 882)	1 081 456	1 054 761	1 013 384
Cash flows											
Net cash from (used) operating	27 774	-	-	-	-	-	16 854	16 854	44 628	32 138	31 273
Net cash from (used) investing	(31 817)	-	-	-	-	-	(15 798)	(15 798)	(47 615)	(31 647)	(30 463)
Net cash from (used) financing	100	-	-	-	-	-	-	-	100	-	-
Cash/cash equivalents at the year end	1 822	-	-	-	-	-	1 055	1 055	2 877	2 313	3 123
Cash backing/surplus reconciliation											
Cash and investments available	5 520	-	-	-	-	-	-	-	5 520	6 011	6 821
Application of cash and investments	43 296	-	-	-	-	-	642	642	43 939	73 709	104 576
Balance - surplus (shortfall)	(37 776)	-	-	-	-	-	(642)	(642)	(38 419)	(67 697)	(97 755)
Asset Management											
Asset register summary (WDV)	1 187 109	-	-	-	-	-	-	-	1 187 109	1 196 540	1 190 607
Depreciation & asset impairment	35 453	-	-	-	-	-	30 396	30 396	65 849	37 580	39 835
Renewal of Existing Assets	4 244	-	-	-	-	(3 757)	-	(3 757)	487	2 040	-
Repairs and Maintenance	11 585	-	-	-	-	-	-	-	11 585	12 280	13 017
Free services											
Cost of Free Basic Services provided	21 778	-	-	-	-	-	(2 984)	(2 984)	18 794	23 084	24 469
Revenue cost of free services provided	5 133	-	-	-	-	-	3 636	3 636	8 769	5 441	5 767
Households below minimum service level											
Water:	-	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	0	-	-	-	-	-	-	-	0	0	0
Energy:	-	-	-	-	-	-	-	-	-	-	-
Refuse:	3	-	-	-	-	-	-	-	3	3	3

EC101 Dr. Beyers Naude - Table B2 Adjustments Budget Financial Performance (functional classification) - 28/02/2019

Standard Description	Ref	Budget Year 2018/19									Budget Year +1 2019/20	Budget Year +2 2020/21
		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	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
R thousands	1, 4	A	A1	B	C	D	E	F	G	H		
Revenue - Functional												
<i>Governance and administration</i>		67 479	-	-	-	-	8 754	(9 075)	(321)	67 158	69 413	72 649
Executive and council		5 600	-	-	-	-	1 055	-	1 055	6 655	6 055	6 528
Finance and administration		61 879	-	-	-	-	7 699	(9 075)	(1 376)	60 503	63 358	66 121
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		18 511	-	-	-	-	(2 179)	75	(2 104)	16 407	19 664	18 397
Community and social services		12 670	-	-	-	-	300	71	371	13 041	13 721	14 733
Sport and recreation		2 498	-	-	-	-	(2 486)	-	(2 486)	12	2 498	13
Public safety		1 966	-	-	-	-	(82)	-	(82)	1 884	2 084	2 209
Housing		98	-	-	-	-	-	4	4	101	4	4
Health		1 280	-	-	-	-	89	-	89	1 369	1 357	1 438
<i>Economic and environmental services</i>		15 839	-	-	-	-	(6 484)	(195)	(6 680)	9 159	12 568	20 373
Planning and development		2 364	-	-	-	-	-	-	-	2 364	1 484	1 436
Road transport		13 475	-	-	-	-	(6 484)	(195)	(6 680)	6 795	11 084	18 938
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		239 905	-	-	-	-	23 450	17 092	40 542	280 447	243 147	251 215
Energy sources		119 090	-	-	-	-	-	14 947	14 947	134 037	128 124	135 667
Water management		69 328	-	-	-	-	21 374	1 543	22 918	92 246	63 502	60 418
Waste water management		25 064	-	-	-	-	-	(34)	(34)	25 030	26 400	28 266
Waste management		26 423	-	-	-	-	2 076	636	2 712	29 135	25 121	26 864
<i>Other</i>		585	-	-	-	-	-	-	-	585	620	657
Total Revenue - Functional	2	342 319	-	-	-	-	23 541	7 897	31 437	373 756	345 412	363 292
Expenditure - Functional												
<i>Governance and administration</i>		103 407	-	-	-	-	-	(10 516)	(10 516)	92 891	105 423	111 299
Executive and council		21 080	-	-	-	-	-	4 576	4 576	25 657	21 723	22 997
Finance and administration		80 644	-	-	-	-	-	(14 204)	(14 204)	66 440	82 140	86 649
Internal audit		1 683	-	-	-	-	-	(889)	(889)	795	1 559	1 653
<i>Community and public safety</i>		29 461	-	-	-	-	-	5 823	5 823	35 283	31 079	32 927
Community and social services		6 294	-	-	-	-	-	887	887	7 182	6 670	7 068
Sport and recreation		16 384	-	-	-	-	-	297	297	16 681	17 356	18 388
Public safety		3 890	-	-	-	-	-	3 356	3 356	7 247	4 119	4 364
Housing		1 336	-	-	-	-	-	(1 336)	(1 336)	(0)	1 317	1 396
Health		1 556	-	-	-	-	-	2 618	2 618	4 174	1 618	1 712
<i>Economic and environmental services</i>		43 062	-	-	-	-	-	(64)	(64)	42 998	45 672	48 333
Planning and development		12 263	-	-	-	-	-	2 547	2 547	14 810	13 045	13 767
Road transport		30 799	-	-	-	-	-	(2 611)	(2 611)	28 188	32 627	34 566
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		187 320	-	-	-	-	-	19 957	19 957	207 277	197 254	208 971
Energy sources		105 513	-	-	-	-	-	(422)	(422)	105 091	111 808	118 486
Water management		44 178	-	-	-	-	-	12 886	12 886	57 064	45 579	48 245
Waste water management		21 939	-	-	-	-	-	6 852	6 852	28 790	23 239	24 620
Waste management		15 691	-	-	-	-	-	641	641	16 332	16 627	17 620
<i>Other</i>		2 800	-	-	-	-	-	62	62	2 863	2 965	3 139
Total Expenditure - Functional	3	366 051	-	-	-	-	-	15 261	15 261	381 312	382 392	404 669
Surplus/ (Deficit) for the year		(23 732)	-	-	-	-	23 541	(7 365)	16 176	(7 556)	(36 980)	(41 377)

EC101 Dr. Beyers Naude - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 28/02/2019

Vote Description <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2018/19									Budget Year +1 2019/20	Budget Year +2 2020/21
		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		
R thousands												
Revenue by Vote	1											
Vote 1 - EXECUTIVE & COUNCIL		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES - ADMINISTRATION		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - CORPORATE SERVICES - PROTECTION		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - TECHNICAL SERVICES - ENGINEERING		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - TECHNICAL SERVICES - ELECTRICAL		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - COUNCIL		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - OFFICE OF THE MUNICIPAL MANAGER		20	-	-	-	-	1 055	-	1 055	1 075	21	22
Vote 10 - FINANCIAL SERVICES		60 808	-	-	-	-	7 525	(9 089)	(1 565)	59 243	62 223	64 917
Vote 11 - CORPORATE SERVICES		16 681	-	-	-	-	-	15	15	16 696	18 015	19 407
Vote 12 - INFRASTRUCTURE SERVICES		225 012	-	-	-	-	14 890	16 919	31 809	256 821	226 027	239 883
Vote 13 - COMMUNITY SERVICES		39 798	-	-	-	-	71	53	124	39 922	39 126	39 062
Vote 14 - 781		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	342 319	-	-	-	-	23 541	7 897	31 437	373 756	345 412	363 292
Expenditure by Vote	1											
Vote 1 - EXECUTIVE & COUNCIL		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES - ADMINISTRATION		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - CORPORATE SERVICES - PROTECTION		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - TECHNICAL SERVICES - ENGINEERING		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - TECHNICAL SERVICES - ELECTRICAL		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - COUNCIL		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - OFFICE OF THE MUNICIPAL MANAGER		10 932	-	-	-	-	-	4 331	4 331	15 263	11 104	11 762
Vote 10 - FINANCIAL SERVICES		55 055	-	-	-	-	-	(13 954)	(13 954)	41 100	55 291	58 211
Vote 11 - CORPORATE SERVICES		43 358	-	-	-	-	-	(2 967)	(2 967)	40 391	45 315	47 985
Vote 12 - INFRASTRUCTURE SERVICES		205 521	-	-	-	-	-	21 045	21 045	226 566	216 586	229 397
Vote 13 - COMMUNITY SERVICES		51 186	-	-	-	-	-	6 805	6 805	57 991	54 095	57 313
Vote 14 - 781		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	366 051	-	-	-	-	-	15 261	15 261	381 312	382 392	404 669
Surplus/ (Deficit) for the year	2	(23 732)	-	-	-	-	23 541	(7 364)	16 176	(7 556)	(36 980)	(41 377)

EC101 Dr. Beyers Naude - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 28/02/2019

Description	Ref	Budget Year 2018/19									Budget Year +1 2019/20	Budget Year +2 2020/21
		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	A1	B	C	D	E	F	G	H		
R thousands	1											
Revenue By Source												
Property rates	2	29 579	-	-	-	-	-	(3 603)	(3 603)	25 976	31 354	33 235
Service charges - electricity revenue	2	101 549	-	-	-	-	-	13 513	13 513	115 062	107 642	114 101
Service charges - water revenue	2	25 470	-	-	-	-	-	3 232	3 232	28 702	26 998	28 618
Service charges - sanitation revenue	2	10 301	-	-	-	-	-	-	-	10 301	10 919	11 574
Service charges - refuse revenue	2	11 463	-	-	-	-	-	347	347	11 811	12 151	12 880
Service charges - other		4 013						171	171	4 184	4 254	4 509
Rental of facilities and equipment		849						18	18	867	900	954
Interest earned - external investments		2 015						(1 389)	(1 389)	626	2 136	2 265
Interest earned - outstanding debtors		9 713						(4 234)	(4 234)	5 480	10 296	10 914
Dividends received									-	-		
Fines, penalties and forfeits		121						(95)	(95)	26	128	136
Licences and permits		1 501						(245)	(245)	1 256	1 591	1 686
Agency services		2 682						150	150	2 831	2 843	3 013
Transfers and subsidies		97 441					3 721		3 721	101 162	100 312	106 717
Other revenue	2	1 104	-	-	-	-	-	32	32	1 135	1 170	1 240
Gains on disposal of PPE		(0)						0	0	0	-	-
Total Revenue (excluding capital transfers and contributions)		297 802	-	-	-	-	3 721	7 897	11 618	309 420	312 694	331 842
Expenditure By Type												
Employee related costs		136 618	-	-	-	-	-	17 346	17 346	153 964	144 906	153 601
Remuneration of councillors		9 884						(671)	(671)	9 212	10 477	11 105
Debt impairment		3 500						2 063	2 063	5 563	3 710	3 933
Depreciation & asset impairment		35 453	-	-	-	-	-	30 396	30 396	65 849	37 580	39 835
Finance charges		5 576						(2 788)	(2 788)	2 788	5 966	6 384
Bulk purchases		82 368	-	-	-	-	-	-	-	82 368	87 310	92 549
Other materials									-	-		
Contracted services		15 941	-	-	-	-	-	(2 723)	(2 723)	13 218	15 725	16 669
Transfers and subsidies		239						(37)	(37)	203	254	269
Other expenditure		76 473	-	-	-	-	-	(28 325)	(28 325)	48 147	76 464	80 326
Loss on disposal of PPE		-						-	-	-	-	-
Total Expenditure		366 051	-	-	-	-	-	15 261	15 261	381 312	382 392	404 669
Surplus/(Deficit)		(68 249)	-	-	-	-	3 721	(7 364)	(3 643)	(71 892)	(69 698)	(72 827)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		44 517					19 819		19 819	64 336	32 718	31 450
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		(23 732)	-	-	-	-	23 541	(7 364)	16 177	(7 556)	(36 980)	(41 377)
Taxation		-						-	-	-	-	-
Surplus/(Deficit) after taxation		(23 732)	-	-	-	-	23 541	(7 364)	16 177	(7 556)	(36 980)	(41 377)
Attributable to minorities		-						-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(23 732)	-	-	-	-	23 541	(7 364)	16 177	(7 556)	(36 980)	(41 377)
Share of surplus/ (deficit) of associate		-						-	-	-	-	-
Surplus/ (Deficit) for the year		(23 732)	-	-	-	-	23 541	(7 364)	16 177	(7 556)	(36 980)	(41 377)

EC101 Dr. Beyers Naude - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 28/02/2019

2019/20: Budgets - Table D: Adjustments Capital Expenditure Budget by Vote and Funding - 2019/2019												
Description	Ref	Budget Year 2018/19									Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted 5	Accum. Funds 6	Multi-year capital 7	Unfore. Unavoid. 8	Nat. or Prov. Govt 9	Other Adjusts. 10	Total Adjusts. 11	Adjusted Budget 12	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	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 SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - CORPORATE SERVICES - PROTECTION		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - TECHNICAL SERVICES - ENGINEERING		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - TECHNICAL SERVICES - ELECTRICAL		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - COUNCIL		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - OFFICE OF THE MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - INFRASTRUCTURE SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - 781		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	3	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be adjusted	2											
Vote 1 - EXECUTIVE & COUNCIL		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES - ADMINISTRATION		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - CORPORATE SERVICES - PROTECTION		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - TECHNICAL SERVICES - ENGINEERING		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - TECHNICAL SERVICES - ELECTRICAL		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - COUNCIL		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - OFFICE OF THE MUNICIPAL MANAGER		50	-	-	-	-	(31)	14	(17)	33	-	-
Vote 10 - FINANCIAL SERVICES		-	-	-	-	-	6 440	(9)	6 431	6 431	-	-
Vote 11 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - INFRASTRUCTURE SERVICES		38 884	-	-	-	-	9 964	(215)	9 749	48 633	29 160	30 463
Vote 13 - COMMUNITY SERVICES		5 950	-	-	-	-	85	(450)	(365)	5 585	2 486	-
Vote 14 - 781		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		44 884	-	-	-	-	16 458	(660)	15 798	60 682	31 647	30 463
Total Capital Expenditure - Vote		44 884	-	-	-	-	16 458	(660)	15 798	60 682	31 647	30 463
Capital Expenditure - Functional												
Governance and administration		50	-	-	-	-	6 409	(9)	6 400	6 450	-	-
Executive and council									-	-	-	-
Finance and administration	9						6 440	(9)	6 431	6 440	-	-
Internal audit	41						(31)		(31)	10	-	-
Community and public safety		2 486	-	-	-	-	2 981	-	2 981	5 467	2 486	-
Community and social services							300		300	300		
Sport and recreation	2 486						2 486		2 486	4 972	2 486	
Public safety							195		195	195		
Housing									-	-		
Health									-	-		
Economic and environmental services		9 169	-	-	-	-	(3 757)	14	(3 743)	5 426	6 501	14 080
Planning and development	18							14	14	32		
Road transport	9 151						(3 757)		(3 757)	5 395	6 501	14 080
Environmental protection										-		
Trading services		33 179	-	-	-	-	10 824	(665)	10 159	43 339	22 659	16 383
Energy sources	5 103							(70)	(70)	5 033	6 475	6 491
Water management	24 048						13 421	(85)	13 336	37 384	16 184	9 893
Waste water management	565						300	(60)	240	805		
Waste management	3 464						(2 896)	(450)	(3 346)	118	-	-
Other									-	-		
Total Capital Expenditure - Functional	3	44 884	-	-	-	-	16 458	(660)	15 798	60 682	31 647	30 463
Funded by:												
National Government		33 812					16 458		16 458	50 270	31 362	30 373
Provincial Government		9 750						-	-	9 750	210	
District Municipality								-	-	-		
Other transfers and grants								-	-	-		
Transfers recognised - capital	4	43 562	-	-	-	-	16 458	-	16 458	60 020	31 572	30 373
Public contributions & donations								-	-	-	-	-
Borrowing								-	-	-	-	-
Internally generated funds		1 321						(660)	(660)	662	75	91
Total Capital Funding		44 884	-	-	-	-	16 458	(660)	15 798	60 682	31 647	30 463

EC101 Dr. Beyers Naude - Table B6 Adjustments Budget Financial Position - 28/02/2019

Description	Ref	Budget Year 2018/19									Budget Year +1 2019/20	Budget Year +2 2020/21
		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		
R thousands												
ASSETS												
Current assets												
Cash		1 822						-	-	1 822	2 313	3 123
Call investment deposits	1	1 050	-	-	-	-	-	-	-	1 050	1 050	1 050
Consumer debtors	1	35 154	-	-	-	-	-	21 437	21 437	56 591	46 595	60 967
Other debtors		17 167							-	17 167	10 963	1 425
Current portion of long-term receivables								-	-	-		
Inventory		6 834						-	-	6 834	6 450	6 750
Total current assets		62 027	-	-	-	-	-	21 437	21 437	83 464	67 372	73 316
Non current assets												
Long-term receivables								-	-	-		
Investments		2 648						-	-	2 648	2 648	2 648
Investment property		67 783						-	-	67 783	67 783	67 783
Investment in Associate								-	-	-		
Property, plant and equipment	1	1 115 051	-	-	-	-	-	(14 598)	(14 598)	1 100 453	1 109 117	1 099 746
Agricultural								-	-	-		
Biological								-	-	-		
Intangible		253						-	-	253	253	253
Other non-current assets		13 453						-	-	13 453	13 453	13 453
Total non current assets		1 199 188	-	-	-	-	-	(14 598)	(14 598)	1 184 590	1 193 255	1 183 883
TOTAL ASSETS		1 261 215	-	-	-	-	-	6 839	6 839	1 268 054	1 260 626	1 257 199
LIABILITIES												
Current liabilities												
Bank overdraft		-						-	-	-	-	-
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Consumer deposits		3 079						-	-	3 079	3 179	3 279
Trade and other payables		90 279	-	-	-	-	-	21 721	21 721	112 000	128 166	164 016
Provisions		9 110						-	-	9 110	10 110	10 110
Total current liabilities		102 468	-	-	-	-	-	21 721	21 721	124 189	141 455	177 405
Non current liabilities												
Borrowing	1	-	-	-	-	-	-	-	-	-	-	-
Provisions	1	62 410	-	-	-	-	-	-	-	62 410	64 410	66 410
Total non current liabilities		62 410	-	-	-	-	-	-	-	62 410	64 410	66 410
TOTAL LIABILITIES		164 877	-	-	-	-	-	21 721	21 721	186 598	205 865	243 815
NET ASSETS	2	1 096 338	-	-	-	-	-	(14 882)	(14 882)	1 081 456	1 054 761	1 013 384
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		1 083 296	-	-	-	-	-	(1 840)	(1 840)	1 081 456	1 054 761	1 013 384
Reserves		13 042	-	-	-	-	-	(13 042)	(13 042)	-	-	-
Minorities' interests									-	-		
TOTAL COMMUNITY WEALTH/EQUITY		1 096 338	-	-	-	-	-	(14 882)	(14 882)	1 081 456	1 054 761	1 013 384

EC101 Dr. Beyers Naude - Table B7 Adjustments Budget Cash Flows - 28/02/2019

Description	Ref	Budget Year 2018/19								Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H	
R thousands											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		27 509						(3 351)	(3 351)	24 158	31 117
Service charges		142 101						#####	17 557	159 657	157 266
Other revenue		6 256						(140)	(140)	6 116	6 552
Government - operating	1	97 441						3 721	3 721	101 162	106 744
Government - capital	1	44 517						19 819	19 819	64 336	31 450
Interest		11 049						(4 943)	(4 943)	6 106	13 178
Dividends		-						-	-	-	-
Payments											
Suppliers and employees		(295 284)						(18 634)	(18 634)	(313 918)	(302 528)
Finance charges		(5 576)						2 788	2 788	(2 788)	(5 926)
Transfers and Grants	1	(239)						37	37	(203)	(224)
NET CASH FROM/(USED) OPERATING ACTIVITIES		27 774	-	-	-	-	-	16 854	16 854	44 628	32 138
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE									-	-	
Decrease (Increase) in non-current debtors									-	-	
Decrease (increase) other non-current receivables									-	-	
Decrease (increase) in non-current investments									-	-	
Payments											
Capital assets		(31 817)						(15 798)	(15 798)	(47 615)	(31 647)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(31 817)	-	-	-	-	-	(15 798)	(15 798)	(47 615)	(31 647)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									-	-	
Borrowing long term/refinancing									-	-	
Increase (decrease) in consumer deposits		100							-	100	
Payments											
Repayment of borrowing									-	-	
NET CASH FROM/(USED) FINANCING ACTIVITIES		100	-	-	-	-	-	-	-	100	-
NET INCREASE/ (DECREASE) IN CASH HELD		(3 943)	-	-	-	-	-	1 055	1 055	(2 887)	491
Cash/cash equivalents at the year begin:	2	5 764							-	5 764	1 822
Cash/cash equivalents at the year end:	2	1 822						1 055	1 055	2 877	3 123

EC101 Dr. Beyers Naude - Table B8 Cash backed reserves/accumulated surplus reconciliation - 28/02/2019

Description	Ref	Budget Year 2018/19									Budget Year +1 2019/20	Budget Year +2 2020/21
		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		
R thousands												
Cash and investments available												
Cash/cash equivalents at the year end	1	1 822	-	-	-	-	-	1 055	1 055	2 877	2 313	3 123
Other current investments > 90 days		1 050	-	-	-	-	-	(1 055)	(1 055)	(5)	1 050	1 050
Non current assets - Investments	1	2 648	-	-	-	-	-	-	-	2 648	2 648	2 648
Cash and investments available:		5 520	-	-	-	-	-	-	-	5 520	6 011	6 821
Applications of cash and investments												
Unspent conditional transfers		-	-	-	-	-	-	-	-	-	-	-
Unspent borrowing									-	-		
Statutory requirements									-	-		
Other working capital requirements	2	43 296	-					642	642	43 939	73 709	104 576
Other provisions									-	-		
Long term investments committed		-	-					-	-	-	-	-
Reserves to be backed by cash/investments		-	-					-	-	-	-	-
Total Application of cash and investments:		43 296	-	-	-	-	-	642	642	43 939	73 709	104 576
Surplus(shortfall)		(37 776)	-	-	-	-	-	(642)	(642)	(38 419)	(67 697)	(97 755)

EC101 Dr. Beyers Naude - Table B9 Asset Management - 28/02/2019

Description	Ref	Budget Year 2018/19									Budget Year +1 2019/20	Budget Year +2 2020/21
		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
		7 A	8 A1	9 B	10 C	11 D	12 E	13 F	14 G	15 H	16 I	17 J
R thousands												
CAPITAL EXPENDITURE												
Total New Assets to be adjusted	1	15 600	-	-	-	-	24 693	(704)	23 990	39 589	3 785	2 091
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		14 750	-	-	-	-	23 804	(85)	23 719	38 469	3 710	2 000
Sanitation Infrastructure		-	-	-	-	-	300	-	300	300	-	-
Solid Waste Infrastructure		250	-	-	-	-	-	(250)	(250)	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		15 000	-	-	-	-	24 104	(335)	23 769	38 769	3 710	2 000
Community Facilities		-	-	-	-	-	300	-	300	300	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	300	-	300	300	-	-
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		24	-	-	-	-	(4)	(9)	(12)	12	-	-
Furniture and Office Equipment		43	-	-	-	-	173	-	173	216	-	-
Machinery and Equipment		532	-	-	-	-	120	(360)	(240)	292	75	91
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-

Description	Ref	Budget Year 2018/19									Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted 7	Accum. Funds 8	Multi-year capital 9	Unfore. Unavoid. 10	Nat. or Prov. Govt 11	Other Adjusts. 12	Total Adjusts. 13	Adjusted Budget 14	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
Total Renewal of Existing Assets to be adjusted	2	4 244	-	-	-	-	(3 757)	-	(3 757)	487	2 040	-
Roads Infrastructure		3 799	-	-	-	-	(3 757)	-	(3 757)	42	2 040	-
Storm water Infrastructure		445	-	-	-	-	-	-	-	445	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		4 244	-	-	-	-	(3 757)	-	(3 757)	487	2 040	-
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		-	-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Total Upgrading of Existing Assets to be adjusted	2a	25 040	-	-	-	-	(4 724)	14	(4 710)	20 331	25 821	28 373
Roads Infrastructure		2 624	-	-	-	-	-	-	-	2 624	2 314	14 080
Storm water Infrastructure		2 728	-	-	-	-	-	-	-	2 728	2 146	-
Electrical Infrastructure		4 970	-	-	-	-	-	-	-	4 970	6 400	6 400
Water Supply Infrastructure		9 208	-	-	-	-	(4 334)	-	(4 334)	4 874	12 474	7 893
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		2 964	-	-	-	-	(2 896)	14	(2 882)	82	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		22 494	-	-	-	-	(7 230)	14	(7 216)	15 278	23 335	28 373
Community Facilities		-	-	-	-	-	75	-	75	75	-	-
Sport and Recreation Facilities		2 486	-	-	-	-	2 486	-	2 486	4 972	2 486	-
Community Assets		2 486	-	-	-	-	2 561	-	2 561	5 047	2 486	-
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		60	-	-	-	-	(55)	-	(55)	5	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets	6	60	-	-	-	-	(55)	-	(55)	5	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-

Description	Ref	Budget Year 2018/19									Budget Year +1	Budget Year +2
		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	A1	B	C	D	E	F	G	H		
R thousands												
Total Capital Expenditure to be adjusted	4											
Roads Infrastructure		6 424	-	-	-	-	(3 757)	-	(3 757)	2 667	4 355	14 080
Storm water Infrastructure		3 172	-	-	-	-	-	-	-	3 172	2 146	-
Electrical Infrastructure		4 970	-	-	-	-	-	-	-	4 970	6 400	6 400
Water Supply Infrastructure		23 958	-	-	-	-	19 471	(85)	19 386	43 344	16 184	9 893
Sanitation Infrastructure		-	-	-	-	-	300	-	300	300	-	-
Solid Waste Infrastructure		3 214	-	-	-	-	(2 896)	(236)	(3 132)	82	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		41 738	-	-	-	-	13 118	(321)	12 797	54 535	29 085	30 373
Community Facilities		-	-	-	-	-	375	-	375	375	-	-
Sport and Recreation Facilities		2 486	-	-	-	-	2 486	-	2 486	4 972	2 486	-
Community Assets		2 486	-	-	-	-	2 861	-	2 861	5 347	2 486	-
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		60	-	-	-	-	(55)	-	(55)	5	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets		60	-	-	-	-	(55)	-	(55)	5	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		24	-	-	-	-	(4)	(9)	(12)	12	-	-
Furniture and Office Equipment		43	-	-	-	-	173	-	173	216	-	-
Machinery and Equipment		532	-	-	-	-	120	(360)	(240)	292	75	91
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE to be adjusted	4	44 884	-	-	-	-	16 213	(690)	15 523	60 407	31 647	30 463
ASSET REGISTER SUMMARY - PPE (WDV)	5											
Roads Infrastructure		208 445							-	208 445	208 928	213 604
Storm water Infrastructure		1 268							-	1 268	8 415	8 415
Electrical Infrastructure		128 803							-	128 803	129 389	133 867
Water Supply Infrastructure		309 454							-	309 454	303 179	293 505
Sanitation Infrastructure		146 728							-	146 728	147 392	144 430
Solid Waste Infrastructure		31 071							-	31 071	34 593	33 026
Rail Infrastructure									-	-		
Coastal Infrastructure									-	-		
Information and Communication Infrastructure									-	-		
Infrastructure		825 769	-	-	-	-	-	-	-	825 769	831 897	826 847
Community Facilities		132 800							-	132 800	128 658	129 924
Sport and Recreation Facilities		3 951							-	3 951	8 278	8 110
Community Assets		136 751	-	-	-	-	-	-	-	136 751	136 936	138 034
Heritage Assets		13 453							-	13 453	13 453	13 453
Revenue Generating		67 783							-	67 783	67 783	67 783
Non-revenue Generating									-	-		
Investment properties		67 783	-	-	-	-	-	-	-	67 783	67 783	67 783
Operational Buildings		138 488							-	138 488	138 723	136 852
Housing									-	-		
Other Assets		138 488	-	-	-	-	-	-	-	138 488	138 723	136 852
Biological or Cultivated Assets									-	-		
Servitudes									-	-		
Licences and Rights		1 293							-	1 293	1 293	1 293
Intangible Assets		1 293	-	-	-	-	-	-	-	1 293	1 293	1 293
Computer Equipment		1 506							-	1 506	2 316	2 114
Furniture and Office Equipment		225							-	225	1 098	1 098
Machinery and Equipment		755							-	755	1 830	1 921
Transport Assets		1 086							-	1 086	1 210	1 210
Land									-	-		
Zoo's, Marine and Non-biological Animals									-	-		
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	1 187 109	-	-	-	-	-	-	-	1 187 109	1 196 540	1 190 607

EC101 Dr. Beyers Naude - Table B9 Asset Management - 28/02/2019

Description	Ref	Budget Year 2018/19									Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted 7	Accum. Funds 8	Multi-year capital 9	Unfore. Unavoid. 10	Nat. or Prov. Govt 11	Other Adjusts. 12	Total Adjusts. 13	Adjusted Budget 14	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
EXPENDITURE OTHER ITEMS												
Depreciation & asset impairment		35 453	-	-	-	-	-	30 396	30 396	65 849	37 580	39 835
Repairs and Maintenance by asset class	3	11 585	-	-	-	-	-	-	-	11 585	12 280	13 017
Roads Infrastructure		1 755	-	-	-	-	-	-	-	1 755	1 860	1 972
Storm water Infrastructure		247	-	-	-	-	-	-	-	247	262	277
Electrical Infrastructure		2 943	-	-	-	-	-	-	-	2 943	3 119	3 306
Water Supply Infrastructure		2 699	-	-	-	-	-	-	-	2 699	2 861	3 033
Sanitation Infrastructure		1 330	-	-	-	-	-	-	-	1 330	1 410	1 495
Solid Waste Infrastructure		600	-	-	-	-	-	-	-	600	636	674
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		9 573	-	-	-	-	-	-	-	9 573	10 148	10 757
Community Facilities		460	-	-	-	-	-	-	-	460	487	516
Sport and Recreation Facilities		450	-	-	-	-	-	-	-	450	477	506
Community Assets		910	-	-	-	-	-	-	-	910	964	1 022
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		570	-	-	-	-	-	-	-	570	604	640
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets		570	-	-	-	-	-	-	-	570	604	640
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		239	-	-	-	-	-	-	-	239	254	269
Furniture and Office Equipment		2	-	-	-	-	-	-	-	2	2	2
Machinery and Equipment		291	-	-	-	-	-	-	-	291	309	327
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	6	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		47 038	-	-	-	-	-	30 396	30 396	77 434	49 860	52 852
Renewal and upgrading of Existing Assets as % of total		65.2%	0.0%							34.5%	88.0%	93.1%
Renewal and upgrading of Existing Assets as % of dep		82.6%	0.0%							31.6%	74.1%	71.2%
R&M as a % of PPE		1.0%	0.0%							1.0%	1.0%	1.1%
Renewal and upgrading and R&M as a % of PPE		3.4%	0.0%							2.7%	3.4%	3.5%

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 2018/19 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:

- The priorities and targets, relating to the key strategic focus areas, as outlined in the IDP.
- The need to enhance the municipality's revenue base.
- The level of property rates and tariff increases to take into account the need to address maintenance and infrastructural backlogs, including the expansion of services.
- The level of property rates and tariff increases to ensure the delivery of services on a financially sustainable basis.
- Raising of loan funding should be considered to address critical needs.

ADJUSTMENTS TO REVENUE

Revenue estimates have changed in the adjustment budget based on actual revenue generated during the first 6 months. Revenue increased from R297.8 million to R308.3 million.

Property Rates saw a decrease of R3.6 million whilst service charges saw an increase of R17.2 million.

Transfers and subsidies (operational) increased with R3.7 million due to the following:

- Correction of Water Conservation and Demand Management grant – R1.9 million
- Grant in Aid from Sarah Baartman District Municipality – R566 000
- Other Corrections – R181 thousand
- MSIG converted to direct transfer – R1.055 million

ADJUSTMENT TO EXPENDITURE

Expenditure increased from R366 million to R381.3 million. The main reasons for increase can be summarised as follow:

- Increase in employee cost to accommodate – R17.3 million mainly due to equalisation
- Increase in debt impairment – R2 million – collection rate only at 80%
- Increase in depreciation R30 million
- Decrease in finance charges – R2.7 million
- Decrease in contracted services – R2.7 million – Revco and Maxprof contract that came to end
- Decrease in other expenditure – R28.3 million which includes a reduction on repairs and maintenance of R5.1 million

ADJUSTMENT TO CAPITAL EXPENDITURE

The capital budget were amended to include the additional projects relating to the drought relief funds to be received and the adjustment to the MIG project plan for the reduction of R4 million

The RBIG will also be reduced with R6 million as the Jansenville project will no longer be implemented during this year. The municipality is not the implementing agent on this project.

Capital out of own funding were reduced due to cash constraints.

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

PROJECT	DESCRIPTION	ORIG BUDGET	REVISED
SV: NEW PROPOSED SOLID WASTE SITE 18/19	Construction of berm and cells	2 964 000.00	67 535.00
GRT: DEV SOCCERFIELD: KVLE: PH2 18/19	Development of Soccerfield in Kroonvale	2 486 103.00	4 972 206.00
JV: UPG STREETS STORMWATER 18/19	Roads and storm water drainage	2 727 675.00	2 727 675.00
GRT: UPG OF STREETS 18/19	Roads and storm water drainage	3 799 112.00	42 465.00
SV:UPG OF STREETS: 18/19	Roads and storm water drainage	2 624 400.00	2 624 400.00
GRT: REHAB OF STORMWATER 18/19	Roads and storm water drainage	444 511.00	444 511.00
AB: UPG OF BULK WATER SUPPLY PH2 18/19	EIA, equipping of boreholes and construction of balancing reservoirs, installations of pipelines	4 207 849.00	4 374 858.00
PMU: COMPUTERS 18/19	Acquisition of new computers - PMU	12 000.00	12 000.00
PMU: OFFICE FURNITURE 18/19	Acquisition of new office furniture - PMU	5 600.00	5 600.00
TOTAL		19 271 250.00	15 271 250.00

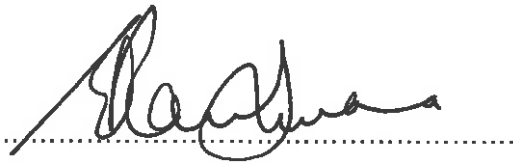
The new projects included in the adjustment budget relating to drought relief fund are:

DROUGHT PROJECT IMPLEMENTATION PLAN (JANUARY 2019):		
Name of Municipality : Dr. Beyers Naude		
Project Name	Project Type (water, sanitation etc)	Amount as per Business Plan
Graaff Reinet: Improve performance of filters at WTW	Water	R 300 000.00
Jansenville: Replace water mains which can no longer be repaired	Water	R 450 000.00
Graaff Reinet: Emergency Water Supply Scheme	Water	R 15 000 000.00
Steytlerville: Refurbishment of existing boreholes	Water	R 2 404 400.00
Rietbron: Future groundwater development	Water	R 1 500 000.00
Dr. Beyers Naude: Installation of water meters	Water	R 6 050 000.00
Graaff Reinet Aquifer system: Incremental groundwater development	Water	R 400 000.00
	VAT	R 3 915 660.00
	TOTAL	R 30 020 060.00

PART 3

MUNICIPAL MANAGER'S QUALITY CERTIFICATE

I, Dr. Edward Martin Rankwana, the Municipal Manager of Dr. Beyers Naude Municipality, hereby certifies that the 2018/19 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 2018/19 adjustments budget and the supporting documentation are consistent with Integrated Development Plan of the municipality.

A handwritten signature in black ink, appearing to read 'E. Rankwana', is written over a horizontal dotted line.

Name: DR. E.M. RANKWANA

Designation: Municipal Manager

Municipality: Dr. Beyers Naude Municipality

Date: 28 February 2019