

ELIAS MOTSOALEDI LOCAL MUNICIPALITY



ADJUSTMENT BUDGET

2015/16 FINANCIAL YEAR

PART 1 – ADJUSTMENT BUDGET

EXECUTIVE SUMMARY

The application of sound financial management principles for the compilation of the municipality's financial plan is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

Section 28 of Municipal Finance Management Act requires Municipality to revise its approved annual budget through an adjustment budget. The format and contents of the adjustment budget and supporting documentation must in terms of MFMA, be in the format as specified in Schedule B of the Municipal Budget and Reporting Regulations. The adjustment budget as submitted herewith contains the applicable adjustment budget tables.

It should be noted that municipal tax and tariffs may not be increased during a financial year and any amendments to the annual budget must remain funded in accordance with section 18 of the MFMA.

The impact of adjustment budget on the approved annual budget is as follows:

- Operating revenue budget decreased from R331, 224 million to R325, 046 million reflecting 1, 87%.
- There was a slight upward adjustment on operational expenditure from R340, 430 million to R348, 622 million, reflecting a 2, 41% or R8, 192 million increase
- Capital expenditure budget has been adjusted from R99, 981 million to R124, 455 million, reflecting 24, 48% increase.

| SUMMARY OF THE BUDGET AFTER 2015/16 ADJUSTMENT | | | | | |
|---|------------------------|-------------------|------------------------|--------------------------|--------------------------|
| DESCRIPTION | 2015/16 | | | 2016/17 | 2017/18 |
| | ORIGINAL BUDGET | ADJUSTMENT | ADJUSTED BUDGET | INDICATIVE BUDGET | INDICATIVE BUDGET |
| REVENUE | 331 223 575 | -6 177 873 | 325 045 702 | 340 211 727 | 344 351 364 |
| OPERATING EXPENDITURE | 340 429 831 | 8 192 008 | 348 621 839 | 355 205 547 | 367 057 717 |
| CAPITAL EXPENDITURE | 99 981 215 | 24 473 735 | 124 454 950 | 99 178 000 | 98 589 000 |

FUNDING COMPLIANCE

| DESCRIPTION | CURRENT FINANCIAL YEAR | | OUTER FINANCIAL YEARS | |
|------------------------------------|------------------------|--------------------|-----------------------|--------------------|
| | ORIGINAL BUDGET | ADJUSTED BUDGET | BUDGET 2016/17 | BUDGET 2017/18 |
| Total Revenue | 394 325 575 | 402 147 702 | 420 083 137 | 426 912 630 |
| Less: Transfer recognised capital | 63 102 000 | 77 102 000 | 65 178 000 | 68 289 000 |
| Operating Revenue | 331 223 575 | 325 045 702 | 354 905 137 | 358 623 630 |
| Total Operating Expenditure | 340 429 831 | 348 621 839 | 355 205 547 | 367 057 717 |
| Less: Depreciation | 35 000 000 | 35 000 000 | 37 000 000 | 39 000 000 |
| Less: Debt impairment | 11 000 000 | 11 000 000 | 11 676 500 | 12 359 575 |
| Less: Loss on disposal of assets | 400 000 | - | 424 600 | 449 439 |
| Operating expenditure | 294 029 831 | 302 621 839 | 306 104 447 | 315 248 703 |
| (Surplus)/Deficit | 37 193 744 | 22 423 863 | 48 800 690 | 43 374 927 |
| Total Capital Budget | 99 981 215 | 124 454 950 | 99 178 000 | 98 589 000 |
| Funded by: | | | | |
| MIG | 53 102 000 | 67 739 422 | 55 178 000 | 58 289 000 |
| INEP | 10 000 000 | 10 000 000 | 10 000 000 | 10 000 000 |
| Revenue - Cash backed | - | 24 291 665 | - | - |
| Revenue - surplus | 36 879 215 | 22 423 863 | 34 000 000 | 30 300 000 |
| Total funding | 99 981 215 | 124 454 950 | 99 178 000 | 98 589 000 |

The above sub-table indicate that surplus on operating budget after taking out non cash items amounts to R22 million that is sufficient to fund internally funded projects of R22 million (2015/16), since the other portion is to be funded by surplus that is cash backed received from SARS as VAT refund, the other portion being proceeds on sale of capital assets and government grants allocations. The table above portrays a picture that clearly shows that the municipality does not need to secure external borrowings in order for it to fully fund the capital budget.

Below is information supporting the cash backed surplus:

- VAT refunds – R24 million (R20 million and R4,6 million); and
- Proceeds from sale of capital assets – R1, 846, 000 (R646 thousand for disposal executed in 2015/16 FY and R1, 2 million for disposal executed in the previous financial year.

ADJUSTMENT BUDGET TABLES

Table B1 Sum: Adjustment Budget Summary

| Description | Budget Year 2015/16 | | | | | | | | | 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 |
| Financial Performance | | | | | | | | | | | |
| Property rates | 26 182 | - | - | - | - | - | (1 385) | (1 385) | 24 797 | 27 792 | 29 418 |
| Service charges | 67 601 | - | - | - | - | - | (1 264) | (1 264) | 66 337 | 71 759 | 75 956 |
| Investment revenue | 4 600 | - | - | - | - | - | (1 300) | (1 300) | 3 300 | 4 883 | 5 189 |
| Transfers recognised - operational | 216 652 | - | - | - | - | - | - | - | 216 652 | 218 594 | 215 619 |
| Other own revenue | 16 188 | - | - | - | - | - | (2 229) | (2 229) | 13 960 | 17 184 | 18 189 |
| Total Revenue excluding capital transfers | 331 224 | - | - | - | - | - | (6 178) | (6 178) | 325 046 | 340 212 | 344 351 |
| Employee costs | 115 256 | - | - | - | - | - | (9 147) | (9 147) | 106 109 | 122 344 | 129 501 |
| Remuneration of councillors | 18 543 | - | - | - | - | - | (884) | (884) | 17 659 | 19 563 | 20 600 |
| Depreciation & asset impairment | 35 000 | - | - | - | - | - | - | - | 35 000 | 37 000 | 39 000 |
| Finance charges | - | - | - | - | - | - | - | - | - | - | - |
| Materials and bulk purchases | 65 430 | - | - | - | - | - | 2 329 | 2 329 | 67 759 | 69 454 | 73 517 |
| Transfers and grants | 3 300 | - | - | - | - | - | (1 400) | (1 400) | 1 900 | 3 503 | 3 708 |
| Other expenditure | 102 901 | - | - | - | - | - | 17 295 | 17 295 | 120 195 | 103 341 | 100 731 |
| Total Expenditure | 340 430 | - | - | - | - | - | 8 192 | 8 192 | 348 622 | 355 206 | 367 058 |
| Surplus/(Deficit) | (9 206) | - | - | - | - | - | (14 370) | (14 370) | (23 576) | (14 994) | (22 706) |
| Transfers recognised - capital | 63 102 | - | - | - | - | - | 14 637 | 14 637 | 77 739 | 65 178 | 68 289 |
| Contributions recognised - capital & contributed assets | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers | 53 896 | - | - | - | - | - | 268 | 268 | 54 163 | 50 184 | 45 583 |
| Share of surplus/ (deficit) of associate | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/ (Deficit) for the year | 53 896 | - | - | - | - | - | 268 | 268 | 54 163 | 50 184 | 45 583 |
| Capital expenditure & funds sources | | | | | | | | | | | |
| Capital expenditure | | | | | | | | | | | |
| Transfers recognised - capital | 63 102 | - | - | - | - | - | 14 637 | 14 637 | 77 739 | 65 178 | 68 289 |
| Public contributions & donations | - | - | - | - | - | - | - | - | - | - | - |
| Borrowing | - | - | - | - | - | - | - | - | - | - | - |
| Internally generated funds | 36 879 | - | - | - | - | - | 9 836 | 9 836 | 46 716 | 34 000 | 30 300 |
| Total sources of capital funds | 99 981 | - | - | - | - | - | 24 474 | 24 474 | 124 455 | 99 178 | 98 589 |
| Financial position | | | | | | | | | | | |
| Total current assets | 66 715 | - | - | - | - | - | 7 827 | 7 827 | 74 542 | 69 409 | 84 238 |
| Total non current assets | 886 793 | - | - | - | - | - | 83 073 | 83 073 | 969 866 | 950 932 | 976 187 |
| Total current liabilities | 34 500 | - | - | - | - | - | (7 400) | (7 400) | 27 100 | 28 800 | 31 680 |
| Total non current liabilities | 40 000 | - | - | - | - | - | (7 488) | (7 488) | 32 512 | 40 000 | 44 000 |
| Community wealth/Equity | 879 008 | - | - | - | - | - | 105 788 | 105 788 | 984 796 | 951 541 | 984 745 |
| Cash flows | | | | | | | | | | | |
| Net cash from (used) operating | 94 962 | - | - | - | - | - | 10 035 | 10 035 | 104 998 | 107 218 | 102 655 |
| Net cash from (used) investing | (99 981) | - | - | - | - | - | 7 610 | 7 610 | (92 371) | (99 178) | (98 589) |
| Net cash from (used) financing | 500 | - | - | - | - | - | 2 097 | 2 097 | 2 597 | 3 152 | 3 758 |
| Cash/cash equivalents at the year end | 25 631 | - | - | - | - | - | 14 559 | 14 559 | 40 190 | 36 823 | 41 995 |
| Cash backing/surplus reconciliation | | | | | | | | | | | |
| Cash and investments available | 25 631 | - | - | - | - | - | 14 559 | 14 559 | 40 190 | 35 542 | 46 823 |
| Application of cash and investments | 40 457 | - | - | - | - | - | (17 999) | (17 999) | 22 458 | 20 269 | 22 296 |
| Balance - surplus (shortfall) | (14 826) | - | - | - | - | - | 32 558 | 32 558 | 17 732 | 15 273 | 24 527 |
| Asset Management | | | | | | | | | | | |
| Asset register summary (WDV) | 886 793 | - | - | - | - | - | (67 228) | (67 228) | 819 565 | 950 932 | 976 187 |
| Depreciation & asset impairment | 35 000 | - | - | - | - | - | - | - | 35 000 | 37 000 | 39 000 |
| Renewal of Existing Assets | 42 879 | - | - | - | - | - | (7 472) | (7 472) | 35 407 | 51 400 | 46 700 |
| Repairs and Maintenance | 11 820 | - | - | - | - | - | (1 907) | (1 907) | 9 913 | 11 030 | 11 609 |
| Free services | | | | | | | | | | | |
| Cost of Free Basic Services provided | 4 000 | - | - | - | - | - | - | - | 4 000 | 5 000 | 6 000 |
| Revenue cost of free services provided | 10 700 | - | - | - | - | - | (4 700) | (4 700) | 6 000 | 7 138 | 7 777 |
| Households below minimum service level | | | | | | | | | | | |
| Water: | - | - | - | - | - | - | - | - | - | - | - |
| Sanitation/sewerage: | - | - | - | - | - | - | - | - | - | - | - |
| Energy: | 2 | - | - | - | - | - | - | - | 2 | 2 | 2 |
| Refuse: | 54 | - | - | - | - | - | - | - | 54 | 54 | 54 |

The above B1 Sum table summarizes the impact of adjustment budget on the approved annual budget.

Operating revenue

For Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue and as a result, strong revenue management and stringent expenditure management is fundamental to the financial sustainability of the municipality. The reality is that the municipality is faced with development backlogs and growing debt book.

The actual revenue received for the period July 2015 to December 2015 were used as departure point to determine whether the original revenue budget was realistic and whether it can be achieved. Where this was found not to be the case, an adjustment was made to the revenue budget for the 2015/16 to 2017/18 financial period to ensure a true reflection of the actual amounts to be received.

- **Property rates** – this revenue line item has decreased from R26, 182 million to R24, 797 million and the decrease resulted from an increase in revenue forgone.
- **Rental of facilities** – the budget decreased by R2, 290 million to R1 million as it was over budget when comparing to the previous year budget.
- **Interest earned on external investments** – the budget is decreased by R1, 300 million to R3, 300 million.
- **Interest on outstanding debtors** – the budget was originally understated and it was therefore increased by R2, 000 million to R6, 500 million.
- **Fines** – the budget was originally under-budgeted and it was therefore adjusted upward to reflect realistically anticipated revenue.
- **Other revenue** – the budget has been adjusted downwards and this budget was decreased by R1, 156 million. Other line items that were affected by this adjustment include amongst others, zoning certificate, rezoning fees, building plan fees and refunds of training from LG SETA.

Operating expenditure

- **Employee related cost** – the budget has been adjusted downwards by R9, 147 million to R106, 109 million and this adjustment was informed by vacant positions that were budgeted for and it was foreseen that the positions will no longer be filled in the current financial year and this gave rise to downward budget adjustment. The errors were however, corrected in this adjustment budget.
- **Bulk purchase** – the budget for bulk purchase was adjusted upwards by R1, 270 million to R61, 270 million. The bulk purchase pertains to purchase of electricity.
- **Other materials** – Other materials were increased from R5, 430 million to R 6,649 million which reflects R 1, 059 million increase from the original budget.
- **Contracted services** – the original budget appeared to be too low as compared to the actual expenditure incurred and the budget was therefore increased by R 9, 808 million to R 31, 758 million.
- **Other expenditure** – this line item was adjusted upwards from R69, 551 million to R 77, 438 million reflection a percentage increase of 11,34.

Capital expenditure

The capital projects are classified as according to their asset type and the proportion thereof for 2015/16 financial year is as follows:

- Community assets (0, 48%)
- Infrastructure assets – Electricity (19, 46%)
- Infrastructure assets – Road transport (69, 56 %)
- Infrastructure assets – Other (1, 53%)
- Other assets (8, 87%)

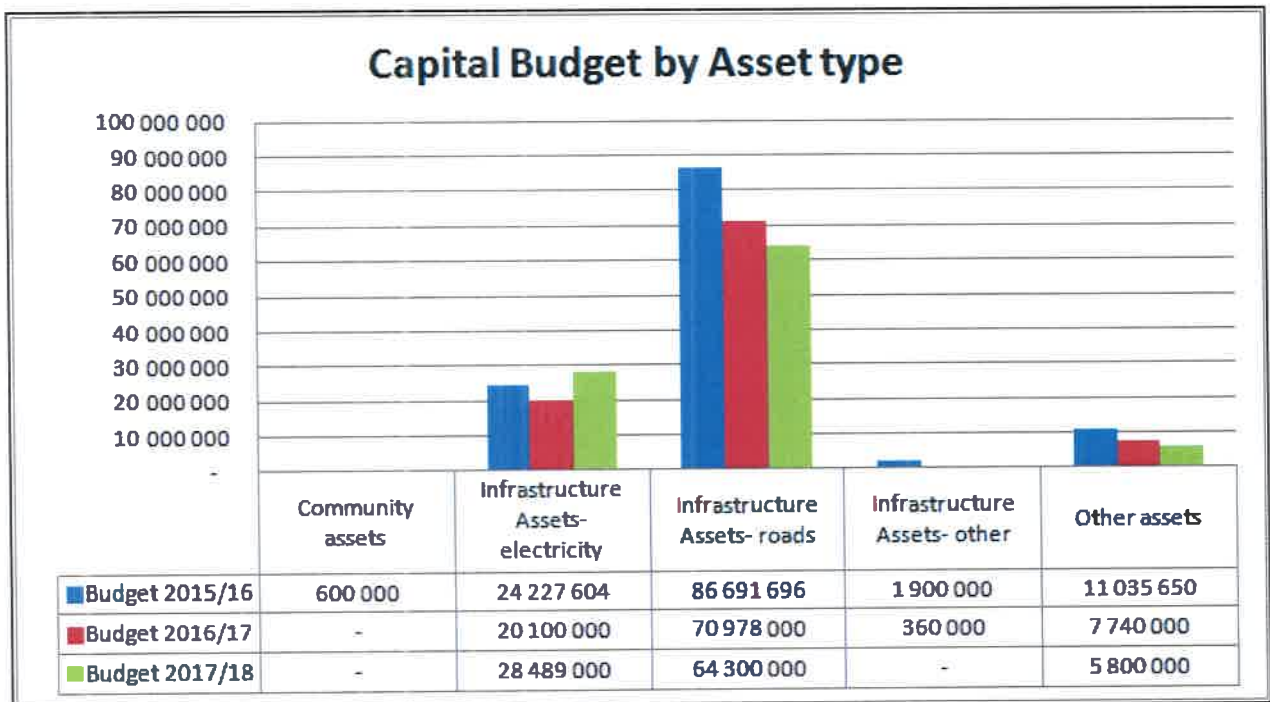


Table B2: Adjustment Budget – Standard Classification

| Standard Description | Budget Year 2015/16 | | | | | | | | | 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 |
| Revenue - Standard | | | | | | | | | | | |
| Governance and administration | 250,105 | - | - | - | - | - | 133 | 133 | 250,238 | 254,958 | 254,111 |
| Executive and council | 930 | - | - | - | - | - | - | - | 930 | 957 | 1,033 |
| Budget and treasury office | 248,806 | - | - | - | - | - | 492 | 492 | 249,298 | 253,990 | 253,066 |
| Corporate services | 369 | - | - | - | - | - | (359) | (359) | 11 | 11 | 12 |
| Community and public safety | 772 | - | - | - | - | - | 1,068 | 1,068 | 1,840 | 2,082 | 2,588 |
| Community and social services | 74 | - | - | - | - | - | (37) | (37) | 37 | 78 | 83 |
| Sport and recreation | 63 | - | - | - | - | - | (60) | (60) | 3 | 4 | 5 |
| Public safety | 635 | - | - | - | - | - | 1,165 | 1,165 | 1,800 | 2,000 | 2,500 |
| Housing | - | - | - | - | - | - | - | - | - | - | - |
| Health | - | - | - | - | - | - | - | - | - | - | - |
| Economic and environmental services | 64,347 | - | - | - | - | - | 9,385 | 9,385 | 74,370 | 79,692 | 82,572 |
| Planning and development | 1,670 | - | - | - | - | - | (440) | (440) | 1,230 | 1,350 | 1,425 |
| Road transport | 62,677 | - | - | - | - | - | 10,463 | 10,463 | 73,139 | 78,342 | 81,147 |
| Environmental protection | - | - | - | - | - | - | - | - | - | - | - |
| Trading services | 79,101 | - | - | - | - | - | (2,764) | (2,764) | 76,337 | 83,351 | 87,642 |
| Electricity | 73,973 | - | - | - | - | - | (1,353) | (1,353) | 72,620 | 77,907 | 81,880 |
| Water | - | - | - | - | - | - | - | - | - | - | - |
| Waste water management | - | - | - | - | - | - | - | - | - | - | - |
| Waste management | 5,128 | - | - | - | - | - | (1,411) | (1,411) | 3,717 | 5,444 | 5,782 |
| Other | - | - | - | - | - | - | - | - | - | - | - |
| Total Revenue - Standard | 394,326 | - | - | - | - | - | 7,822 | 7,822 | 402,785 | 420,083 | 426,913 |
| Expenditure - Standard | | | | | | | | | | | |
| Governance and administration | 164,839 | - | - | - | - | - | 10,010 | 10,010 | 174,849 | 172,711 | 180,765 |
| Executive and council | 46,223 | - | - | - | - | - | 1,870 | 1,870 | 48,093 | 46,953 | 49,212 |
| Budget and treasury office | 70,927 | - | - | - | - | - | 12,972 | 12,972 | 83,899 | 75,136 | 78,244 |
| Corporate services | 47,689 | - | - | - | - | - | (4,832) | (4,832) | 42,856 | 50,621 | 53,309 |
| Community and public safety | 22,539 | - | - | - | - | - | (1,062) | (1,062) | 21,477 | 23,925 | 25,325 |
| Community and social services | 9,004 | - | - | - | - | - | 45 | 45 | 9,050 | 9,558 | 10,117 |
| Sport and recreation | 579 | - | - | - | - | - | 140 | 140 | 719 | 615 | 651 |
| Public safety | 12,956 | - | - | - | - | - | (1,247) | (1,247) | 11,709 | 13,752 | 14,557 |
| Housing | - | - | - | - | - | - | - | - | - | - | - |
| Health | - | - | - | - | - | - | - | - | - | - | - |
| Economic and environmental services | 63,638 | - | - | - | - | - | (5,144) | (5,144) | 58,493 | 63,656 | 60,503 |
| Planning and development | 14,507 | - | - | - | - | - | (3,926) | (3,926) | 10,580 | 14,337 | 15,176 |
| Road transport | 49,131 | - | - | - | - | - | (1,218) | (1,218) | 47,913 | 49,319 | 45,327 |
| Environmental protection | - | - | - | - | - | - | - | - | - | - | - |
| Trading services | 89,414 | - | - | - | - | - | 4,389 | 4,389 | 93,803 | 94,913 | 100,465 |
| Electricity | 72,315 | - | - | - | - | - | 1,557 | 1,557 | 73,872 | 76,762 | 81,253 |
| Water | - | - | - | - | - | - | - | - | - | - | - |
| Waste water management | - | - | - | - | - | - | - | - | - | - | - |
| Waste management | 17,099 | - | - | - | - | - | 2,832 | 2,832 | 19,931 | 18,150 | 19,212 |
| Other | - | - | - | - | - | - | - | - | - | - | - |
| Total Expenditure - Standard | 340,430 | - | - | - | - | - | 8,192 | 8,192 | 348,622 | 355,206 | 367,058 |
| Surplus/ (Deficit) for the year | 53,896 | - | - | - | - | - | (370) | (370) | 54,163 | 64,878 | 59,855 |

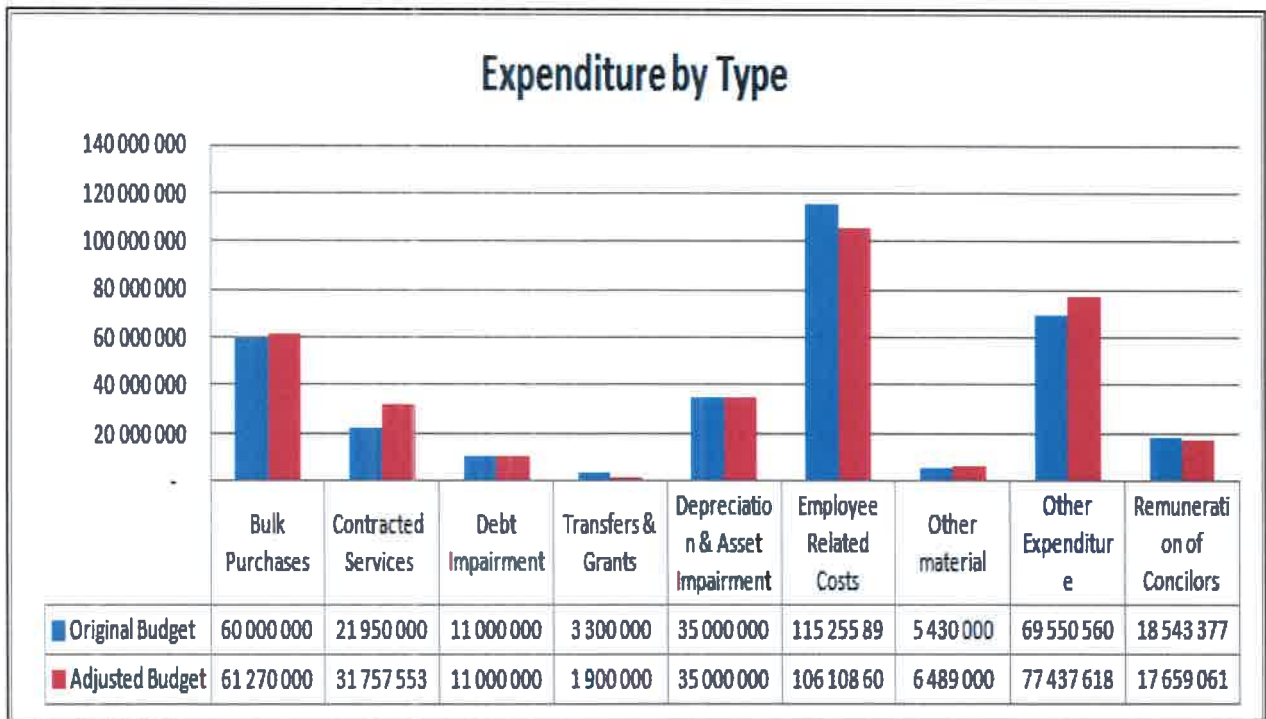
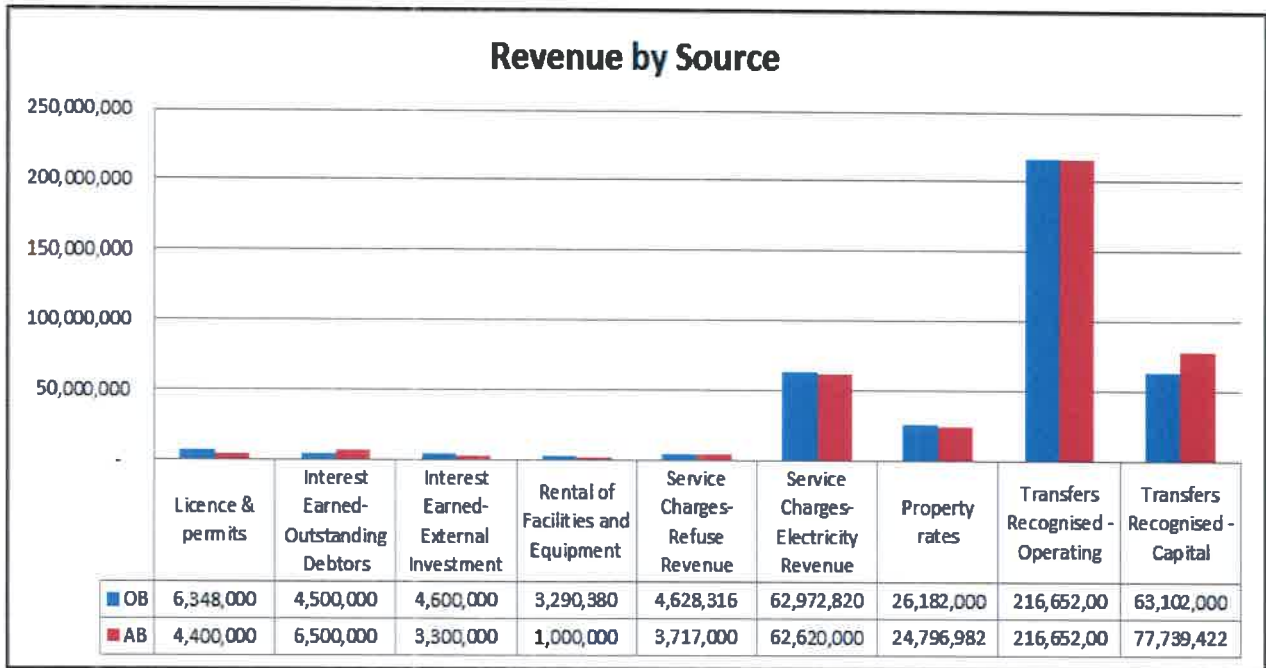
Table B3: Adjustment Budget – Municipal Vote

| Vote Description | Budget Year 2015/16 | | | | | | | | | Budget Year +1 2016/17 | Budget Year +2 2017/18 |
|--|---------------------|----------------|--------------|--------------------|------------------|--------------------|----------------|----------------|-----------------|---------------------------|---------------------------|
| | 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 |
| Revenue by Vote | | | | | | | | | | | |
| Vote 1 - Executive & Council | - | - | - | - | - | - | - | - | - | - | - |
| Vote 2 - Office of the Municipal Manager | 930 | - | - | - | - | - | - | - | 930 | 957 | 1,033 |
| Vote 3 - Budget & Treasury | 248,806 | - | - | - | - | - | 492 | 492 | 249,298 | 253,990 | 253,066 |
| Vote 4 - Corporate Services | 369 | - | - | - | - | - | (359) | (359) | 11 | 392 | 415 |
| Vote 5 - Community Services | 12,248 | - | - | - | - | - | (2,291) | (2,291) | 9,957 | 13,001 | 13,762 |
| Vote 6 - Technical Services | 130,302 | - | - | - | - | - | 11,058 | 11,058 | 141,359 | 136,511 | 143,794 |
| Vote 7 - Strategic Development | - | - | - | - | - | - | - | - | - | - | - |
| Vote 8 - Development Planning | 1,670 | - | - | - | - | - | (440) | (440) | 1,230 | 539 | 570 |
| Vote 9 - Executive Support | - | - | - | - | - | - | - | - | - | - | - |
| Total Revenue by Vote | 394,326 | - | - | - | - | - | 7,822 | 7,822 | 402,785 | 405,390 | 412,640 |
| Expenditure by Vote | | | | | | | | | | | |
| Vote 1 - Executive & Council | 27,732 | - | - | - | - | - | 2,447 | 2,447 | 30,179 | 27,571 | 28,930 |
| Vote 2 - Office of the Municipal Manager | 20,660 | - | - | - | - | - | 439 | 439 | 21,099 | 21,684 | 22,719 |
| Vote 3 - Budget & Treasury | 70,927 | - | - | - | - | - | 12,972 | 12,972 | 83,899 | 75,136 | 78,244 |
| Vote 4 - Corporate Services | 28,962 | - | - | - | - | - | (10,456) | (10,456) | 18,506 | 30,744 | 32,542 |
| Vote 5 - Community Services | 46,798 | - | - | - | - | - | 597 | 597 | 47,395 | 49,676 | 52,582 |
| Vote 6 - Technical Services | 114,286 | - | - | - | - | - | 1,511 | 1,511 | 115,798 | 118,482 | 118,535 |
| Vote 7 - Strategic Development | - | - | - | - | - | - | - | - | - | - | - |
| Vote 8 - Development Planning | 14,041 | - | - | - | - | - | (6,645) | (6,645) | 7,396 | 13,843 | 14,653 |
| Vote 9 - Executive Support | 17,023 | - | - | - | - | - | 7,327 | 7,327 | 24,350 | 18,070 | 18,853 |
| Total Expenditure by Vote | 340,430 | - | - | - | - | - | 8,192 | 8,192 | 348,622 | 355,206 | 367,058 |
| Surplus/ (Deficit) for the year | 53,896 | - | - | - | - | - | (370) | (370) | 54,163 | 50,184 | 45,583 |

The above two tables (Table B2 and B3) summarize present comparison of original budget and adjusted budget for both revenue and operating expenditure. As explained under Table C1, these tables also show that the budgeted revenue has increased from R 394, 326 million to R402, 148 million while operating expenditure has increased from R340, 430 million to R348, 622 million. The net effect of the adjusted budget is a surplus of R54, 163 million that took into consideration non cash item (depreciation and debt impairment) amounting to R46, 000 million. Taking off the depreciation and debt impairment amounts, the budget reflects a surplus of R99, 526 million. Cognizance should be taken that revenue presented in the above two tables takes into account transfer recognized capital and so it does not balance to operating revenue shown in Table B4.

Table B4: Adjustment Budget – Revenue & Expenditure

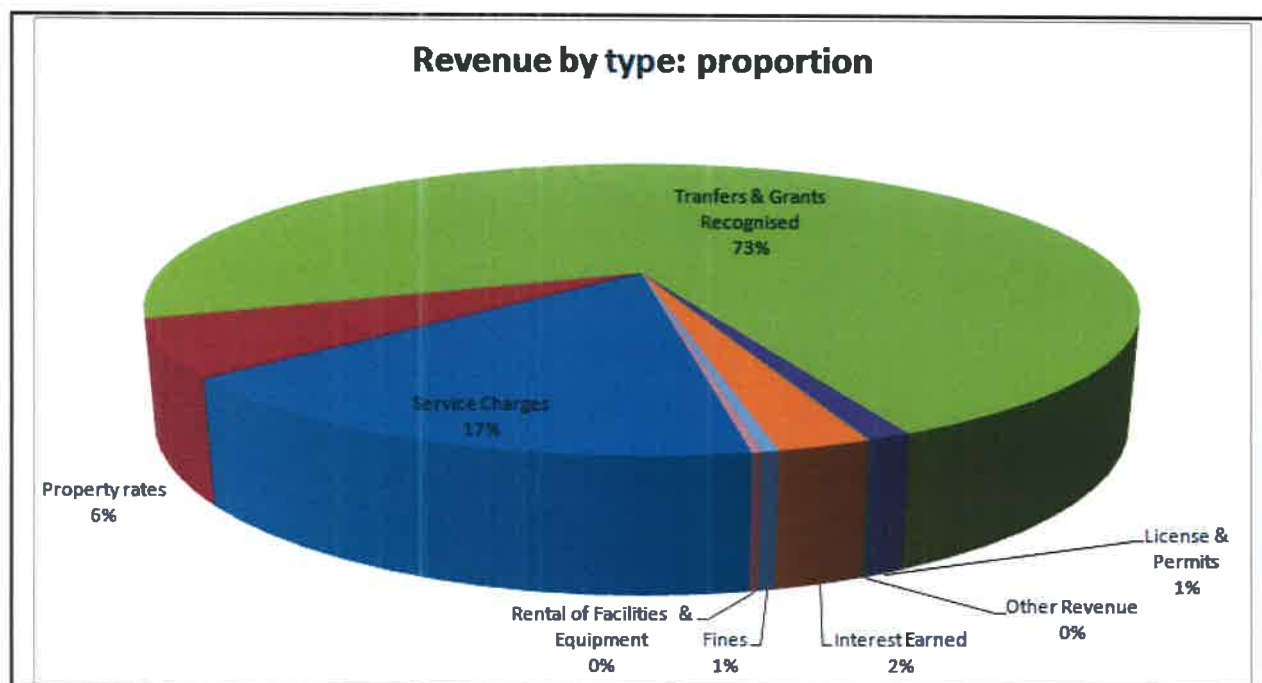
| Description | Budget Year 2015/16 | | | | | | | | | Budget Year +1 | Budget Year +2 |
|---|---------------------|----------------|--------------|--------------------|------------------|--------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 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 |
| Revenue By Source | | | | | | | | | | | |
| Property rates | 26 182 | - | - | - | - | - | (1 385) | (1 385) | 24 797 | 27 792 | 29 418 |
| Property rates - penalties & collection charges | - | - | - | - | - | - | - | - | - | - | - |
| Service charges - electricity revenue | 62 973 | - | - | - | - | - | (353) | (353) | 62 620 | 66 846 | 70 756 |
| Service charges - water revenue | - | - | - | - | - | - | - | - | - | - | - |
| Service charges - sanitation revenue | - | - | - | - | - | - | - | - | - | - | - |
| Service charges - refuse revenue | 4 628 | - | - | - | - | - | (911) | (911) | 3 717 | 4 913 | 5 200 |
| Service charges - other | - | - | - | - | - | - | - | - | - | - | - |
| Rental of facilities and equipment | 3 290 | - | - | - | - | - | (2 290) | (2 290) | 1 000 | 3 493 | 3 697 |
| Interest earned - external investments | 4 600 | - | - | - | - | - | (1 300) | (1 300) | 3 300 | 4 883 | 5 169 |
| Interest earned - outstanding debtors | 4 500 | - | - | - | - | - | 2 000 | 2 000 | 6 500 | 4 777 | 5 056 |
| Dividends received | - | - | - | - | - | - | - | - | - | - | - |
| Fines | 635 | - | - | - | - | - | 1 165 | 1 165 | 1 800 | 674 | 713 |
| Licences and permits | 6 348 | - | - | - | - | - | (1 948) | (1 948) | 4 400 | 6 738 | 7 133 |
| Agency services | - | - | - | - | - | - | - | - | - | - | - |
| Transfers recognised - operating | 216 652 | - | - | - | - | - | - | - | 216 652 | 218 594 | 215 619 |
| Other revenue | 1 415 | - | - | - | - | - | (1 156) | (1 156) | 260 | 1 502 | 1 590 |
| Gains on disposal of PPE | - | - | - | - | - | - | - | - | - | - | - |
| Total Revenue excluding capital transfers | 331 224 | - | - | - | - | - | (6 178) | (6 178) | 325 046 | 340 212 | 344 351 |
| Expenditure By Type | | | | | | | | | | | |
| Employee related costs | 115 256 | - | - | - | - | - | (9 147) | (9 147) | 106 109 | 122 344 | 129 501 |
| Remuneration of councillors | 18 543 | - | - | - | - | - | (884) | (884) | 17 659 | 19 563 | 20 600 |
| Debt impairment | 11 000 | - | - | - | - | - | - | - | 11 000 | 11 677 | 12 360 |
| Depreciation & asset impairment | 35 000 | - | - | - | - | - | - | - | 35 000 | 37 000 | 39 000 |
| Finance charges | - | - | - | - | - | - | - | - | - | - | - |
| Bulk purchases | 60 000 | - | - | - | - | - | 1 270 | 1 270 | 61 270 | 63 890 | 67 416 |
| Other materials | 5 430 | - | - | - | - | - | 1 059 | 1 059 | 6 489 | 5 764 | 6 101 |
| Contracted services | 21 950 | - | - | - | - | - | 9 808 | 9 808 | 31 758 | 23 300 | 24 389 |
| Transfers and grants | 3 300 | - | - | - | - | - | (1 400) | (1 400) | 1 900 | 3 503 | 3 708 |
| Other expenditure | 69 551 | - | - | - | - | - | 7 887 | 7 887 | 77 438 | 67 940 | 63 533 |
| Loss on disposal of PPE | 400 | - | - | - | - | - | (400) | (400) | - | 425 | 449 |
| Total Expenditure | 340 430 | - | - | - | - | - | 8 192 | 8 192 | 348 622 | 355 206 | 367 058 |
| Surplus/(Deficit) | (9 206) | - | - | - | - | - | (14 370) | (14 370) | (23 576) | (14 994) | (22 706) |
| Transfers recognised - capital | 63 102 | - | - | - | - | - | 14 637 | 14 637 | 77 739 | 65 178 | 68 289 |
| Contributions recognised - capital | - | - | - | - | - | - | - | - | - | - | - |
| Contributed assets | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) before taxation | 53 896 | - | - | - | - | - | 268 | 268 | 54 163 | 50 184 | 45 583 |
| Taxation | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after taxation | 53 896 | - | - | - | - | - | 268 | 268 | 54 163 | 50 184 | 45 583 |
| Attributable to minorities | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) attributable to municipality | 53 896 | - | - | - | - | - | 268 | 268 | 54 163 | 50 184 | 45 583 |
| Share of surplus/ (deficit) of associate | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/ (Deficit) for the year | 53 896 | - | - | - | - | - | 268 | 268 | 54 163 | 50 184 | 45 583 |



The above graphs present comparison of original and adjusted budget for revenue (by source) and expenditure (by type).

Revenue

Revenue to be generated from property rates, service charges and transfers and grants form a significant percentage of the revenue basket of the municipality. These revenue sources comprise 95, 70% of the total revenue mix. From the below diagram, one would notice that the municipality is reliant on grants since the transfers recognized alone contribute 73% to the budgeted revenue while 62, 46% of the capital budget is funded from grants.



The impact of revenue budget adjustment on revenue sources is as follows:-

Revenue sources not affected by budget adjustments:

- Transfers recognized operational;

Revenue sources adjusted upwards:

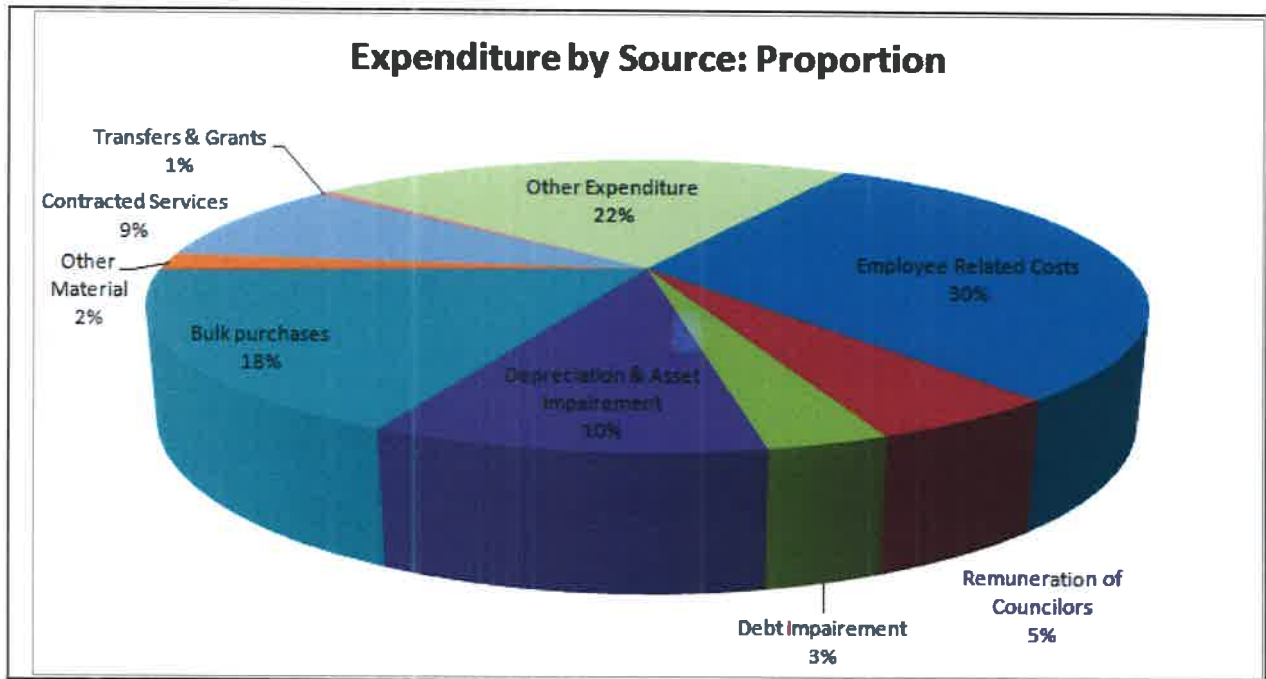
- Interest on outstanding debtors (30, 77%).
- Fines (64, 72%)

Revenue sources adjusted downwards:

- Property rates (5, 58%);
- Service charges – electricity (0,56%)
- Other revenue (444%).
- Service charges – refuse (24, 51%);
- Rental of facilities and equipment (229%);
- Interest on external investment (39,39%); and

Expenditure

Employee related cost, other/general expenditure and bulk purchases are the major components or expenditure types under operating budget.



The impact of operating expenditure budget adjustment on expenditure types is as follows:-

Expenditure items not affected by adjustment budget:

- Debt impairment;
- Depreciation and asset impairment; and

Expenditure items adjusted upwards:

- Other materials (16,32%);
- Other expenditure (10,18%);
- Bulk purchase (2, 07%) and
- Contracted services (30,88%)

Expenditure items adjusted downwards:

- Employee related cost (8,62%);
- Remuneration of Councilors (5%) and
- Transfers and grants (73,68%).

Table B5: Adjustment Capital Budget – vote and funding

| Description | Budget Year 2015/16 | | | | | | | | | Budget Year +1 2016/17 | Budget Year +2 2017/18 |
|--|---------------------|----------------|--------------|--------------------|------------------|--------------------|----------------|----------------|-----------------|---------------------------|---------------------------|
| | 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 |
| Capital expenditure - Vote | | | | | | | | | | | |
| Multi-year expenditure to be adjusted | | | | | | | | | | | |
| Vote 1 - Executive & Council | - | - | - | - | - | - | - | - | - | - | - |
| Vote 2 - Office of the Municipal Manager | - | - | - | - | - | - | - | - | - | - | - |
| Vote 3 - Budget & Treasury | - | - | - | - | - | - | - | - | - | - | - |
| Vote 4 - Corporate Services | 1 100 | - | - | - | - | - | 334 | 334 | 1 434 | 1 000 | 800 |
| Vote 5 - Community Services | 4 200 | - | - | - | - | - | 500 | 500 | 4 700 | 3 100 | - |
| Vote 6 - Technical Services | 57 735 | - | - | - | - | - | 18 663 | 18 663 | 76 398 | 85 928 | 94 549 |
| Vote 7 - Strategic Development | - | - | - | - | - | - | - | - | - | - | - |
| Vote 8 - Development Planning | - | - | - | - | - | - | - | - | - | - | - |
| Vote 9 - Executive Support | - | - | - | - | - | - | - | - | - | - | - |
| Capital multi-year expenditure sub-total | 63 035 | - | - | - | - | - | 19 497 | 19 497 | 82 533 | 90 028 | 95 349 |
| Single-year expenditure to be adjusted | | | | | | | | | | | |
| Vote 1 - Executive & Council | - | - | - | - | - | - | - | - | - | - | - |
| Vote 2 - Office of the Municipal Manager | - | - | - | - | - | - | - | - | - | - | - |
| Vote 3 - Budget & Treasury | - | - | - | - | - | - | - | - | - | - | - |
| Vote 4 - Corporate Services | - | - | - | - | - | - | 300 | 300 | 300 | - | - |
| Vote 5 - Community Services | 2 300 | - | - | - | - | - | (500) | (500) | 1 800 | - | - |
| Vote 6 - Technical Services | 34 646 | - | - | - | - | - | 5 176 | 5 176 | 39 822 | 9 150 | 3 240 |
| Vote 7 - Strategic Development | - | - | - | - | - | - | - | - | - | - | - |
| Vote 8 - Development Planning | - | - | - | - | - | - | - | - | - | - | - |
| Vote 9 - Executive Support | - | - | - | - | - | - | - | - | - | - | - |
| Capital single-year expenditure sub-total | 36 946 | - | - | - | - | - | 4 976 | 4 976 | 41 922 | 9 150 | 3 240 |
| Total Capital Expenditure - Vote | 99 981 | - | - | - | - | - | 24 474 | 24 474 | 124 455 | 99 178 | 98 589 |

| Description | Budget Year 2015/16 | | | | | | | | | Budget Year +1 2016/17 | Budget Year +2 2017/18 |
|---|---------------------|----------------|--------------|--------------------|------------------|--------------------|----------------|----------------|-----------------|---------------------------|---------------------------|
| | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjuts. | Total Adjuts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| Capital Expenditure - Standard | | | | | | | | | | | |
| Governance and administration | 1 100 | - | - | - | - | - | 634 | 634 | 1 734 | 1 000 | 800 |
| Executive and council | | | | | | | - | - | - | - | - |
| Budget and treasury office | | | | | | | - | - | - | - | - |
| Corporate services | 1 100 | | | | | | 634 | 634 | 1 734 | 1 000 | 800 |
| Community and public safety | 6 500 | - | - | - | - | - | (4 900) | (4 900) | 1 600 | 3 100 | - |
| Community and social services | 6 500 | | | | | | (5 900) | (5 900) | 600 | 3 100 | |
| Sport and recreation | | | | | | | - | - | - | - | - |
| Public safety | | | | | | | 1 000 | 1 000 | 1 000 | | |
| Housing | | | | | | | - | - | - | - | - |
| Health | | | | | | | - | - | - | - | - |
| Economic and environmental services | 79 381 | - | - | - | - | - | 17 612 | 17 612 | 96 993 | 74 978 | 69 300 |
| Planning and development | | | | | | | - | - | - | - | - |
| Road transport | 79 381 | | | | | | 17 612 | 17 612 | 96 993 | 74 978 | 69 300 |
| Environmental protection | | | | | | | - | - | - | - | - |
| Trading services | 13 000 | - | - | - | - | - | 11 128 | 11 128 | 24 128 | 20 100 | 28 489 |
| Electricity | 13 000 | | | | | | 10 228 | 10 228 | 23 228 | 20 100 | 28 489 |
| Water | | | | | | | - | - | - | - | - |
| Waste water management | | | | | | | - | - | - | - | - |
| Waste management | | | | | | | 900 | 900 | 900 | | |
| Other | | | | | | | - | - | - | - | - |
| Total Capital Expenditure - Standard | 99 981 | - | - | - | - | - | 24 474 | 24 474 | 124 455 | 99 178 | 98 589 |
| Funded by: | | | | | | | | | | | |
| National Government | 53 102 | | | | | | 24 637 | 24 637 | 77 739 | 65 178 | 68 289 |
| Provincial Government | | | | | | | - | - | - | - | - |
| District Municipality | | | | | | | - | - | - | - | - |
| Other transfers and grants | 10 000 | | | | | | (10 000) | (10 000) | - | - | - |
| Total Capital transfers recognised | 63 102 | - | - | - | - | - | 14 637 | 14 637 | 77 739 | 65 178 | 68 289 |
| Public contributions & donations | | | | | | | | | | | |
| Borrowing | | | | | | | | | | | |
| Internally generated funds | 36 879 | | | | | | 9 838 | 9 838 | 46 716 | 34 000 | 30 300 |
| Total Capital Funding | 99 981 | - | - | - | - | - | 24 474 | 24 474 | 124 455 | 99 178 | 98 589 |

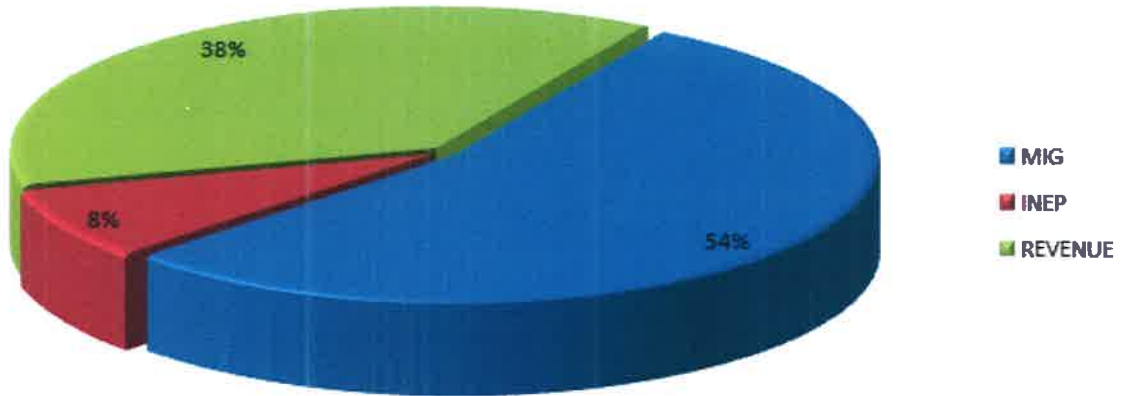
Table B5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations), capital expenditure by standard classification, and the funding sources necessary to fund the capital budget, including information on capital transfers from national departments.

The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. In relation to multi-year budget appropriations for 2015/16 financial year, R82,533 million has been allocated of the total R124,455 million capital budget, which totals to 66,32%. This allocation escalates to R90, 033 million in 2016/17 and then to R95, 349 million in 2017/18

The single-year capital expenditure budget has been appropriated at R41, 922 million (33, 68% of the total capital budget) for the 2015/16 financial year and decreases to R9, 150 million in 2016/17 and then R3, 240 million in 2017/18

Unlike the multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as office furniture, ICT equipment, other equipment, vehicles, etc. The budget appropriations for two outer years are indicative allocations based on departmental needs and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer years.

Capital Budget - SOF



The above graph reflects how the capital expenditure budget will be funded after the adjustment budget. The sources of funding for capital budget are as follows:

- Municipal Infrastructure Grant R67,739 million
- Integrated National Electrification Programme Grant R10,000 million
- Internally Generated Revenue R46,716 million

Table B6: Adjustment Budget - Financial Position

| Description | Budget Year 2015/16 | | | | | | | | | Budget Year +1 | Budget Year +2 |
|--|---------------------|----------------|--------------|--------------------|------------------|--------------------|-----------------|-----------------|------------------|------------------|------------------|
| | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Net. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| ASSETS | | | | | | | | | | | |
| Current assets | | | | | | | | | | | |
| Cash | 10 631 | - | - | - | - | - | 4 559 | 4 559 | 15 190 | 20 542 | 30 323 |
| Call investment deposits | 15 000 | - | - | - | - | - | 10 000 | 10 000 | 25 000 | 15 000 | 16 500 |
| Consumer debtors | 24 184 | - | - | - | - | - | - | - | 24 184 | 17 851 | 19 636 |
| Other debtors | 14 400 | - | - | - | - | - | (7 168) | (7 168) | 7 232 | 13 000 | 14 300 |
| Current portion of long-term receivables | - | - | - | - | - | - | - | - | - | - | - |
| Inventory | 2 500 | - | - | - | - | - | 436 | 436 | 2 936 | 3 015 | 3 478 |
| Total current assets | 66 715 | - | - | - | - | - | 7 827 | 7 827 | 74 542 | 69 409 | 84 238 |
| Non current assets | | | | | | | | | | | |
| Long-term receivables | - | - | - | - | - | - | - | - | - | - | - |
| Investments | - | - | - | - | - | - | - | - | - | - | - |
| Investment property | 90 000 | - | - | - | - | - | (4 618) | (4 618) | 85 382 | 85 382 | 85 382 |
| Investment in Associate | - | - | - | - | - | - | - | - | - | - | - |
| Property, plant and equipment | 796 793 | - | - | - | - | - | 87 691 | 87 691 | 884 484 | 885 550 | 890 805 |
| Agricultural | - | - | - | - | - | - | - | - | - | - | - |
| Biological | - | - | - | - | - | - | - | - | - | - | - |
| Intangible | - | - | - | - | - | - | - | - | - | - | - |
| Other non-current assets | - | - | - | - | - | - | - | - | - | - | - |
| Total non current assets | 886 793 | - | - | - | - | - | 83 073 | 83 073 | 969 866 | 950 932 | 976 187 |
| TOTAL ASSETS | 953 508 | - | - | - | - | - | 90 900 | 90 900 | 1 044 408 | 1 020 341 | 1 060 425 |
| LIABILITIES | | | | | | | | | | | |
| Current liabilities | | | | | | | | | | | |
| Bank overdraft | - | - | - | - | - | - | - | - | - | - | - |
| Borrowing | - | - | - | - | - | - | - | - | - | - | - |
| Consumer deposits | 5 500 | - | - | - | - | - | 100 | 100 | 5 600 | 6 500 | 7 150 |
| Trade and other payables | 29 000 | - | - | - | - | - | (7 500) | (7 500) | 21 500 | 22 300 | 24 530 |
| Provisions | - | - | - | - | - | - | - | - | - | - | - |
| Total current liabilities | 34 500 | - | - | - | - | - | (7 400) | (7 400) | 27 100 | 28 800 | 31 680 |
| Non current liabilities | | | | | | | | | | | |
| Borrowing | - | - | - | - | - | - | - | - | - | - | - |
| Provisions | 40 000 | - | - | - | - | - | (7 488) | (7 488) | 32 512 | 40 000 | 44 000 |
| Total non current liabilities | 40 000 | - | - | - | - | - | (7 488) | (7 488) | 32 512 | 40 000 | 44 000 |
| TOTAL LIABILITIES | 74 500 | - | - | - | - | - | (14 888) | (14 888) | 59 612 | 68 800 | 75 680 |
| NET ASSETS | 879 008 | - | - | - | - | - | 105 788 | 105 788 | 984 796 | 951 541 | 984 745 |
| COMMUNITY WEALTH/EQUITY | | | | | | | | | | | |
| Accumulated Surplus/(Deficit) | 879 008 | - | - | - | - | - | 105 788 | 105 788 | 984 796 | 951 541 | 984 745 |
| Reserves | - | - | - | - | - | - | - | - | - | - | - |
| Minorities' interests | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL COMMUNITY WEALTH/EQUITY | 879 008 | - | - | - | - | - | 105 788 | 105 788 | 984 796 | 951 541 | 984 745 |

Table B6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (previously known as balance sheet).

This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as "Accounting" Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.

Table B6 is supported by an extensive table of notes (supporting table SB2) that provide detailed analysis of the major components of a number of items, including:

- Call investments deposits;
- Consumer debtors;
- Property, plant and equipment;
- Trade and other payables;
- Provisions non-current;
- Changes in net assets; and
- Reserves.

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

Table B7: Adjustment Budget – Cash Flows

| Description | Budget Year 2015/16 | | | | | | | | | 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 |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Property rates, penalties & collection charges | 24,349 | - | - | - | - | - | (792) | (792) | 23,557 | 25,847 | 27,359 |
| Service charges | 62,869 | - | - | - | - | - | 151 | 151 | 63,020 | 66,736 | 70,639 |
| Other revenue | 10,523 | - | - | - | - | - | (3,424) | (3,424) | 7,100 | 11,519 | 12,183 |
| Government - operating | 216,652 | - | - | - | - | - | - | - | 216,652 | 233,223 | 229,161 |
| Government - capital | 63,102 | - | - | - | - | - | 14,637 | 14,637 | 77,739 | 85,178 | 68,289 |
| Interest | 4,600 | - | - | - | - | - | 553 | 553 | 5,153 | 4,883 | 5,189 |
| Dividends | - | - | - | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | | | | |
| Suppliers and employees | (283,833) | - | - | - | - | - | (2,490) | (2,490) | (288,323) | (296,885) | (306,436) |
| Finance charges | - | - | - | - | - | - | - | - | - | - | - |
| Transfers and Grants | (3,300) | - | - | - | - | - | 1,400 | 1,400 | (1,900) | (3,503) | (3,708) |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | 94,962 | - | - | - | - | - | 10,035 | 10,035 | 104,998 | 107,218 | 102,655 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Proceeds on disposal of PPE | - | - | - | - | - | - | 1,846 | 1,846 | 1,846 | - | - |
| Decrease (Increase) in non-current debtors | - | - | - | - | - | - | - | - | - | - | - |
| Decrease (increase) other non-current receivables | - | - | - | - | - | - | 33,239 | 33,239 | 33,239 | - | - |
| Decrease (increase) in non-current investments | - | - | - | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | | | | |
| Capital assets | (99,981) | - | - | - | - | - | (24,474) | (24,474) | (124,455) | (99,178) | (98,589) |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | (99,981) | - | - | - | - | - | 10,612 | 10,612 | (89,369) | (99,178) | (98,589) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Short term loans | - | - | - | - | - | - | - | - | - | - | - |
| Borrowing long term/refinancing | - | - | - | - | - | - | - | - | - | - | - |
| Increase (decrease) in consumer deposits | 500 | - | - | - | - | - | 2,097 | 2,097 | 2,597 | 3,152 | 3,758 |
| Payments | | | | | | | | | | | |
| Repayment of borrowing | - | - | - | - | - | - | - | - | - | - | - |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | 500 | - | - | - | - | - | 2,097 | 2,097 | 2,597 | 3,152 | 3,758 |
| NET INCREASE/ (DECREASE) IN CASH HELD | (4,519) | - | - | - | - | - | 22,744 | 22,744 | 18,225 | 11,192 | 7,824 |
| Cash/cash equivalents at the year begin: | 30,150 | - | - | - | - | - | (5,183) | (5,183) | 24,967 | 25,631 | 34,171 |
| Cash/cash equivalents at the year end: | 25,631 | - | - | - | - | - | 17,561 | 17,561 | 43,192 | 36,823 | 41,995 |

The budgeted cash flow statement is the first measurement in determining if the budget is funded. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget. The cash and cash equivalents increase because of healthy increases in operational activities due to implementations of various interventions, i.e. extensive debt collection drive. The 2014/15 MTREF has been informed by the planning principle of ensuring adequate cash reserves over the medium-term. Cash and cash equivalents totals to R24, 967 million (Actual) as at the beginning of the 2015/16 financial year and escalates to R43, 192 million (Budgeted) as at end the financial year after the adjustment budget.

Table B8: Adjustment Budget – Cash Backed Reserves

| Description | Budget Year 2015/16 | | | | | | | | | Budget Year +1 | Budget Year +2 |
|---|---------------------|----------------|--------------|--------------------|------------------|--------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavold. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| Cash and investments available | | | | | | | | | | | |
| Cash/cash equivalents at the year end | 25 631 | - | - | - | - | - | 13 922 | 13 922 | 39 553 | 36 823 | 41 995 |
| Other current investments > 90 days | 0 | - | - | - | - | - | 637 | 637 | 637 | (1 280) | 4 828 |
| Non current assets - Investments | - | - | - | - | - | - | - | - | - | - | - |
| Cash and investments available: | 25 631 | - | - | - | - | - | 14 559 | 14 559 | 40 190 | 35 542 | 46 823 |
| Applications of cash and investments | | | | | | | | | | | |
| Unspent conditional transfers | - | - | - | - | - | - | - | - | - | - | - |
| Unspent borrowing | - | - | - | - | - | - | - | - | - | - | - |
| Statutory requirements | 15 000 | - | - | - | - | - | (12 000) | (12 000) | 3 000 | - | - |
| Other working capital requirements | 25 457 | - | - | - | - | - | (5 999) | (5 999) | 19 458 | 20 269 | 22 296 |
| Other provisions | - | - | - | - | - | - | - | - | - | - | - |
| Long term investments committed | - | - | - | - | - | - | - | - | - | - | - |
| Reserves to be backed by cash/investments | - | - | - | - | - | - | - | - | - | - | - |
| Total Application of cash and investments: | 40 457 | - | - | - | - | - | (17 999) | (17 999) | 22 458 | 20 269 | 22 296 |
| Surplus(shortfall) | (14 826) | - | - | - | - | - | 32 558 | 32 558 | 17 732 | 15 273 | 24 527 |

The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality’s budget must be “funded”.

The end objective of the medium-term framework is to ensure the budget is funded aligned to section 18 of the MFMA. As part of the budgeting and planning guidelines that informed the compilation of the 2015/16 MTREF and considering the requirements of section 18 of the MFMA, it can be concluded that the 2015/16 MTREF is funded due to the significant cash surplus.

Table B9: Adjustment Budget – Asset Management

| Description | Budget Year 2015/16 | | | | | | | | | 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 |
| CAPITAL EXPENDITURE | | | | | | | | | | | |
| Total New Assets to be adjusted | 57 102 | - | - | - | - | - | 31 946 | 31 946 | 89 048 | 47 778 | 51 889 |
| Infrastructure - Road transport | 45 602 | - | - | - | - | - | 19 518 | 19 518 | 65 120 | 34 778 | 35 100 |
| Infrastructure - Electricity | 11 500 | - | - | - | - | - | 11 728 | 11 728 | 23 228 | 13 000 | 16 789 |
| Infrastructure - Water | - | - | - | - | - | - | - | - | - | - | - |
| Infrastructure - Sanitation | - | - | - | - | - | - | - | - | - | - | - |
| Infrastructure - Other | - | - | - | - | - | - | 400 | 400 | 400 | - | - |
| Infrastructure | 57 102 | - | - | - | - | - | 31 646 | 31 646 | 88 748 | 47 778 | 51 889 |
| Community | - | - | - | - | - | - | - | - | - | - | - |
| Heritage assets | - | - | - | - | - | - | - | - | - | - | - |
| Investment properties | - | - | - | - | - | - | - | - | - | - | - |
| Other assets | - | - | - | - | - | - | 300 | 300 | 300 | - | - |
| Agricultural Assets | - | - | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - | - | - |
| Intangibles | - | - | - | - | - | - | - | - | - | - | - |
| Total Renewal of Existing Assets to be adjusted | 42 879 | - | - | - | - | - | (7 472) | (7 472) | 35 407 | 51 400 | 46 700 |
| Infrastructure - Road transport | 26 779 | - | - | - | - | - | (5 208) | (5 208) | 21 572 | 36 200 | 29 200 |
| Infrastructure - Electricity | 1 500 | - | - | - | - | - | (500) | (500) | 1 000 | 7 100 | 11 700 |
| Infrastructure - Water | - | - | - | - | - | - | - | - | - | - | - |
| Infrastructure - Sanitation | - | - | - | - | - | - | - | - | - | - | - |
| Infrastructure - Other | 2 500 | - | - | - | - | - | (1 000) | (1 000) | 1 500 | 360 | - |
| Infrastructure | 30 779 | - | - | - | - | - | (6 708) | (6 708) | 24 072 | 43 660 | 40 900 |
| Community | - | - | - | - | - | - | 600 | 600 | 600 | - | - |
| Heritage assets | - | - | - | - | - | - | - | - | - | - | - |
| Investment properties | - | - | - | - | - | - | - | - | - | - | - |
| Other assets | 12 100 | - | - | - | - | - | (1 364) | (1 364) | 10 736 | 7 740 | 5 800 |
| Agricultural Assets | - | - | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - | - | - |
| Intangibles | - | - | - | - | - | - | - | - | - | - | - |
| Total Capital Expenditure to be adjusted | 72 381 | - | - | - | - | - | 14 310 | 14 310 | 86 692 | 70 978 | 64 300 |
| Infrastructure - Road transport | 13 000 | - | - | - | - | - | 11 228 | 11 228 | 24 228 | 20 100 | 28 489 |
| Infrastructure - Electricity | - | - | - | - | - | - | - | - | - | - | - |
| Infrastructure - Water | - | - | - | - | - | - | - | - | - | - | - |
| Infrastructure - Sanitation | - | - | - | - | - | - | - | - | - | - | - |
| Infrastructure - Other | 2 500 | - | - | - | - | - | (600) | (600) | 1 900 | 360 | - |
| Infrastructure | 87 881 | - | - | - | - | - | 24 938 | 24 938 | 112 819 | 91 438 | 92 789 |
| Community | - | - | - | - | - | - | 600 | 600 | 600 | - | - |
| Heritage assets | - | - | - | - | - | - | - | - | - | - | - |
| Investment properties | - | - | - | - | - | - | - | - | - | - | - |
| Other assets | 12 100 | - | - | - | - | - | (1 064) | (1 064) | 11 036 | 7 740 | 5 800 |
| Agricultural Assets | - | - | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - | - | - |
| Intangibles | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL CAPITAL EXPENDITURE to be adjusted | 99 981 | - | - | - | - | - | 24 474 | 24 474 | 124 455 | 99 178 | 98 589 |

Table B9: Adjustment Budget – Asset Management (continued)

| | | | | | | | | | | | |
|---|----------------|----------|----------|----------|----------|----------|-----------------|-----------------|----------------|----------------|----------------|
| ASSET REGISTER SUMMARY - PPE (WDV) | | | | | | | | | | | |
| Infrastructure - Road transport | 455 293 | | | | | | (50 000) | (50 000) | 405 293 | 519 429 | 542 987 |
| Infrastructure - Electricity | 31 332 | | | | | | (3 000) | (3 000) | 28 332 | 35 746 | 37 367 |
| Infrastructure - Water | | | | | | | | | | | |
| Infrastructure - Sanitation | | | | | | | | | | | |
| Infrastructure - Other | 1 468 | | | | | | | | 1 468 | 1 675 | 1 751 |
| Infrastructure | 488 093 | - | - | - | - | - | (53 000) | (53 000) | 435 093 | 556 850 | 582 105 |
| Community | 41 006 | | | | | | | | 41 006 | 41 006 | 41 006 |
| Heritage assets | 362 | | | | | | | | 362 | 362 | 362 |
| Investment properties | 90 000 | - | - | - | - | - | (4 618) | (4 618) | 85 382 | 85 382 | 85 382 |
| Other assets | 267 332 | | | | | | (9 610) | (9 610) | 257 722 | 267 332 | 267 332 |
| Agricultural Assets | - | - | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - | - | - |
| Intangibles | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL ASSET REGISTER SUMMARY - PPE (WDV) | 886 793 | - | - | - | - | - | (67 228) | (67 228) | 819 565 | 950 932 | 976 187 |
| EXPENDITURE OTHER ITEMS | | | | | | | | | | | |
| Depreciation & asset impairment | 35 000 | - | - | - | - | - | - | - | 35 000 | 37 000 | 39 000 |
| Repairs and Maintenance by asset class | 11 820 | - | - | - | - | - | (1 907) | (1 907) | 9 913 | 11 030 | 11 609 |
| Infrastructure - Road transport | 3 000 | - | - | - | - | - | (582) | (582) | 2 418 | 3 000 | 3 159 |
| Infrastructure - Electricity | - | - | - | - | - | - | 1 000 | 1 000 | 1 000 | - | - |
| Infrastructure - Water | - | - | - | - | - | - | - | - | - | - | - |
| Infrastructure - Sanitation | - | - | - | - | - | - | - | - | - | - | - |
| Infrastructure - Other | 1 500 | - | - | - | - | - | 600 | 600 | 2 100 | 1 583 | 1 666 |
| Infrastructure | 4 500 | - | - | - | - | - | 1 018 | 1 018 | 5 518 | 4 583 | 4 825 |
| Community | - | - | - | - | - | - | - | - | - | - | - |
| Heritage assets | - | - | - | - | - | - | - | - | - | - | - |
| Investment properties | - | - | - | - | - | - | - | - | - | - | - |
| Other assets | 7 320 | - | - | - | - | - | (2 925) | (2 925) | 4 395 | 6 448 | 6 783 |
| TOTAL EXPENDITURE OTHER ITEMS to be adjusted | 46 820 | - | - | - | - | - | (1 907) | (1 907) | 44 913 | 48 030 | 50 609 |
| <i>Renewal of Existing Assets as % of total capex</i> | 42.9% | 0.0% | - | - | - | - | - | - | 28.1% | 51.8% | 47.4% |
| <i>Renewal of Existing Assets as % of deprecn"</i> | 122.5% | 0.0% | - | - | - | - | - | - | 99.3% | 138.9% | 119.7% |
| <i>R&M as a % of PPE</i> | 1.3% | 0.0% | - | - | - | - | - | - | 1.2% | 1.2% | 1.2% |
| <i>Renewal and R&M as a % of PPE</i> | 6.2% | 0.0% | - | - | - | - | - | - | 5.5% | 6.6% | 6.0% |

Table B10: Adjustment Budget – Service Delivery Measurement

| Description | Budget Year 2015/16 | | | | | | | | | 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 |
| Energy: | | | | | | | | | | | |
| Electricity (at least min. service level) | 58750 | - | - | - | - | - | - | - | 58 750 | 58750 | 58750 |
| Electricity - prepaid (> min.service level) | 0 | - | - | - | - | - | - | - | - | 0 | 0 |
| Minimum Service Level and Above sub-total | 58 750 | - | - | - | - | - | - | - | 58 750 | 58 750 | 58 750 |
| Electricity (< min.service level) | - | - | - | - | - | - | - | - | - | - | - |
| Electricity - prepaid (< min. service level) | - | - | - | - | - | - | - | - | - | - | - |
| Other energy sources | 1501 | - | - | - | - | - | - | - | 1 501 | 1501 | 1501 |
| Below Minimum Servic Level sub-total | 1 501 | - | - | - | - | - | - | - | 1 501 | 1 501 | 1 501 |
| Total number of households | 60 251 | - | - | - | - | - | - | - | 60 251 | 60 251 | 60 251 |
| Refuse: | | | | | | | | | | | |
| Removed at least once a week (min service) | 6122 | - | - | - | - | - | - | - | 6 122 | 6122 | 6122 |
| Minimum Service Level and Above sub-total | 6 122 | - | - | - | - | - | - | - | 6 122 | 6 122 | 6 122 |
| Removed less frequently than once a week | 405 | - | - | - | - | - | - | - | 405 | 405 | 405 |
| Using communal refuse dump | 1993 | - | - | - | - | - | - | - | 1 993 | 1993 | 1993 |
| Using own refuse dump | 42524 | - | - | - | - | - | - | - | 42 524 | 42524 | 42524 |
| Other rubbish disposal | 0 | - | - | - | - | - | - | - | - | 0 | 0 |
| No rubbish disposal | 9207 | - | - | - | - | - | - | - | 9 207 | 9207 | 9207 |
| Below Minimum Servic Level sub-total | 54 129 | - | - | - | - | - | - | - | 54 129 | 54 129 | 54 129 |
| Total number of households | 60 251 | - | - | - | - | - | - | - | 60 251 | 60 251 | 60 251 |
| Households receiving Free Basic Service | | | | | | | | | | | |
| Water (6 kilolitres per household per month) | - | - | - | - | - | - | - | - | - | - | - |
| Sanitation (free minimum level service) | - | - | - | - | - | - | - | - | - | - | - |
| Electricity/other energy (50kwh per household per month) | 1277 | - | - | - | - | - | - | - | 1 277 | 1277 | 1277 |
| Refuse (removed at least once a week) | 9538 | - | - | - | - | - | - | - | 9 538 | 9538 | 9538 |
| Cost of Free Basic Services provided (R'000) | | | | | | | | | | | |
| Water (6 kilolitres per household per month) | - | - | - | - | - | - | - | - | - | - | - |
| Sanitation (free sanitation service) | - | - | - | - | - | - | - | - | - | - | - |
| Electricity/other energy (50kwh per household per month) | 4 000 | - | - | - | - | - | - | - | 4 000 | 5 000 | 6 000 |
| Refuse (removed once a week) | - | - | - | - | - | - | - | - | - | 5 000 | 6 000 |
| Total cost of FBS provided (minimum social package) | 4 000 | - | - | - | - | - | - | - | 4 000 | 5 000 | 6 000 |
| Highest level of free service provided | | | | | | | | | | | |
| Property rates (R'000 value threshold) | 30000 | - | - | - | - | - | - | - | 30 000 | 30000 | 30000 |
| Water (kilolitres per household per month) | 0 | - | - | - | - | - | - | - | - | 0 | 0 |
| Sanitation (kilolitres per household per month) | 0 | - | - | - | - | - | - | - | - | 0 | 0 |
| Sanitation (Rand per household per month) | 0 | - | - | - | - | - | - | - | - | 0 | 0 |
| Electricity (kw per household per month) | 50 | - | - | - | - | - | - | - | 50 | 50 | 50 |
| Refuse (average litres per week) | 150 | - | - | - | - | - | - | - | 150 | 160 | 160 |
| Revenue cost of free services provided (R'000) | | | | | | | | | | | |
| Property rates (R15 000 threshold rebate) | 4 500 | - | - | - | - | - | 700 | 700 | 5 200 | 4 500 | 4 500 |
| Property rates (other exemptions, reductions and rebates) | 1 100 | - | - | - | - | - | (1 100) | (1 100) | - | 1 100 | 1 100 |
| Water | - | - | - | - | - | - | - | - | - | - | - |
| Sanitation | - | - | - | - | - | - | - | - | - | - | - |
| Electricity/other energy | 4 900 | - | - | - | - | - | (4 100) | (4 100) | 800 | 1 200 | 1 700 |
| Refuse | 200 | - | - | - | - | - | (200) | (200) | - | 338 | 477 |
| Municipal Housing - rental rebates | - | - | - | - | - | - | - | - | - | - | - |
| Housing - top structure subsidies | - | - | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - | - | - |
| Total revenue cost of free services provided | 10 700 | - | - | - | - | - | (4 700) | (4 700) | 6 000 | 7 138 | 7 777 |

PART 2 – SUPPORTING DOCUMENTATION

Departmental Revenue Adjustment budget

| DEPARTMENT | Sum of Budget | Sum of Reduction (-) | Sum of Addition (+) | Sum of Adj. Budget |
|--|---------------|----------------------|---------------------|--------------------|
| Community and Social Services | -12,248,127 | 3,476,211 | -1,185,084 | -9,957,000 |
| Core Function: Cemeteries Funeral Parlours and Crematoriums | -69,828 | 34,828 | | -35,000 |
| Core Function: Police Forces Traffic and Street Parking Control | -634,800 | | -1,165,200 | -1,800,000 |
| Core Function: Solid Waste Removal | -5,195,499 | 1,493,383 | -14,884 | -3,717,000 |
| Non-core Function: Libraries and Archives | - | | -2,000 | -2,000 |
| Non-core Function: Sports Grounds and Stadiums | - | | -3,000 | -3,000 |
| Road Transport: Non-core Function - Vehicle Licensing and Testing | -6,348,000 | 1,948,000 | | -4,400,000 |
| Corporate Services | - | | | - |
| Core Function: Human Resources | - | | | - |
| Development Planning | -1,650,400 | 430,000 | -10,000 | -1,230,400 |
| Core Function: Economic Development/Planning | -1,650,400 | 430,000 | -10,000 | -1,230,400 |
| Executive Support | -10,580 | | | -10,580 |
| Core Function: Administrative and Corporate Support | -10,580 | | | -10,580 |
| Finance | -271,963,291 | 40,937,072 | -18,271,503 | -249,297,722 |
| Core Function: Finance | -271,963,291 | 40,937,072 | -18,271,503 | -249,297,722 |
| Infrastructure | -101,924,376 | 8,514,540 | -47,949,586 | -141,359,422 |
| Core Function: Electricity and Gas Distribution | -45,395,476 | 6,087,640 | -33,312,164 | -72,620,000 |
| Core Function: Roads | -56,528,900 | 2,426,900 | -14,637,422 | -68,739,422 |
| Municipal Manager | -930,000 | | | -930,000 |
| Core Function: Municipal Manager Town Secretary and Chief Executive: Municipal Manager | -930,000 | | | -930,000 |
| Grand Total | -388,726,774 | 53,357,823 | -67,416,173 | -402,785,124 |

The above table presents an overview of how departments' revenue budget was adjusted and shows that the budget had an upward adjustment to R 402, 785 million reflecting a 3, 62%.

Departmental Expenditure Adjustment Budget

| Department | Sum of Budget | Sum of Reduction (-) | Sum of Addition (+) | Sum of Adj. Budget |
|--|--------------------|----------------------|---------------------|--------------------|
| Community and Social Services | 46,284,331 | -6,429,783 | 7,540,893 | 47,395,441 |
| Core Function: Cemeteries Funeral Parlours and Crematoriums | 2,812,567 | -1,085,000 | 78,764 | 1,806,331 |
| Core Function: Community Parks (including Nurseries) | 2,282,921 | -160,000 | 2,063,361 | 4,186,282 |
| Core Function: Police Forces Traffic and Street Parking Control | 11,422,530 | -2,054,349 | 833,396 | 10,201,577 |
| Core Function: Pollution Control | 1,321,797 | -264,754 | 335,500 | 1,392,543 |
| Core Function: Solid Waste Removal | 17,747,458 | -1,045,000 | 3,228,372 | 19,930,830 |
| Non-core Function: Disaster Management | 1,553,191 | -311,228 | 285,000 | 1,506,965 |
| Non-core Function: Libraries and Archives | 1,424,732 | -121,833 | 361,500 | 1,664,399 |
| Non-core Function: Sports Grounds and Stadiums | 579,360 | -60,416 | 200,000 | 718,944 |
| Road Transport: Non-core Function - Vehicle Licensing and Testing | 7,139,774 | -1,327,205 | 175,000 | 5,987,569 |
| Corporate Services | 27,742,329 | -10,518,842 | 3,690,000 | 20,913,487 |
| Core Function: Human Resources | 9,058,599 | -2,313,303 | 1,098,000 | 7,843,296 |
| Core Function: Information Technology | 8,564,921 | -1,327,007 | 2,100,000 | 9,337,914 |
| Core Function: Legal Services | 3,129,834 | -1,014,754 | 292,000 | 2,407,080 |
| Core Function: Property Services | 6,988,975 | -5,863,778 | 200,000 | 1,325,197 |
| Development Planning | 9,405,944 | -4,083,779 | 2,073,960 | 7,396,125 |
| Core Function: Economic Development/Planning | 9,405,944 | -4,083,779 | 2,073,960 | 7,396,125 |
| Executive and Council | 27,732,139 | -8,597,276 | 11,043,960 | 30,178,823 |
| Core Function: Mayor and Council: Council | 18,371,397 | -7,666,297 | 8,860,000 | 19,565,100 |
| Core Function: Mayor and Council: Mayor | 3,403,096 | -587,132 | 1,357,000 | 4,172,963 |
| Core Function: Mayor and Council: Speaker | 5,957,647 | -343,847 | 826,960 | 6,440,760 |
| Executive Support | 22,976,025 | -1,230,633 | 2,604,536 | 24,349,928 |
| Core Function: Administrative and Corporate Support | 20,000,187 | -975,000 | 1,673,478 | 20,698,663 |
| Core Function: Marketing Customer Relations Publicity and Media Co-ordination | 2,975,838 | -255,633 | 931,060 | 3,651,265 |
| Finance | 70,925,905 | -6,617,466 | 19,590,467 | 83,898,906 |
| Core Function: Asset Management | 4,083,479 | -1,416,922 | 185,000 | 2,851,557 |
| Core Function: Budget and Treasury Office | 2,114,357 | -347,548 | 127,000 | 1,893,809 |
| Core Function: Finance | 61,000,080 | -4,521,434 | 18,527,000 | 75,005,646 |
| Finance and Administration: Core Function - Supply Chain Management | 3,727,989 | -331,562 | 751,467 | 4,147,894 |
| Infrastructure | 112,136,983 | -8,135,178 | 11,795,900 | 115,797,705 |
| Core Function: Electricity and Gas Distribution | 72,315,021 | -2,047,834 | 3,605,000 | 73,872,187 |
| Core Function: Fleet Management | 14,402,229 | -1,197,994 | 2,829,300 | 16,033,535 |
| Core Function: Municipal Manager Town Secretary and Chief Executive: Project Management Unit (PMU) | 263,432 | -140,000 | 1,354,300 | 1,477,732 |
| Core Function: Roads | 25,156,301 | -4,749,350 | 4,007,300 | 24,414,251 |
| Municipal Manager | 22,714,175 | -5,388,052 | 1,365,300 | 18,691,423 |
| Core Function: Corporate Wide Strategic Planning (IDPs LEDs) | 5,103,625 | -1,969,628 | 50,000 | 3,183,997 |
| Core Function: Governance Function: Internal Audit | 6,403,871 | -449,630 | 255,000 | 6,209,241 |
| Core Function: Municipal Manager Town Secretary and Chief Executive: Municipal Manager | 6,687,651 | -2,498,794 | 250,300 | 4,439,157 |
| Core Function: Risk Management | 4,519,029 | -470,000 | 810,000 | 4,859,029 |
| Grand Total | 339,917,831 | -51,001,008 | 59,705,016 | 348,621,839 |

The table presents an overview of how departments' expenditure budget was adjusted and shows how the budget increased to R348, 621 million.

2015/16 Capital Project List – Adjusted Budget

| Department | Sum of Budget | Sum of Reduction (-) | Sum of Addition (+) | Sum of Adj. Budget |
|--|-------------------|----------------------|---------------------|--------------------|
| Community and Social Services | 6,500,000 | -900,000 | 900,000 | 6,500,000 |
| Core Function: Cemeteries Funeral Parlours and Crematoriums | 200,000 | | | 200,000 |
| Development of Cemeteries | 200,000 | | | 200,000 |
| Core Function: Community Parks (Including Nurseries) | 800,000 | -400,000 | | 400,000 |
| Landscape of Hoephoep and Impala Parks | 800,000 | -400,000 | | 400,000 |
| Core Function: Police Forces Traffic and Street Parking Control | 1,500,000 | -500,000 | | 1,000,000 |
| Upgrading of Offices and Development of Control Room | 1,500,000 | -500,000 | | 1,000,000 |
| Core Function: Solid Waste Removal | 500,000 | | 400,000 | 900,000 |
| Development of Transfer Station: Ntwane | 500,000 | | | 500,000 |
| Skips | | | 400,000 | 400,000 |
| Road Transport: Non-core Function - Vehicle Licensing and Testing | 3,500,000 | | 500,000 | 4,000,000 |
| Upgrading of Driving License Testing Centre | 2,000,000 | | 500,000 | 2,500,000 |
| Upgrading of Licence Offices | 1,500,000 | | | 1,500,000 |
| Corporate Services | 1,100,000 | | 634,122 | 1,734,122 |
| Core Function: Human Resources | 600,000 | | 634,122 | 1,234,122 |
| Alacons | | | 300,000 | 300,000 |
| Furniture | 500,000 | | 30,000 | 530,000 |
| Tools and Equipment | 100,000 | | 304,122 | 404,122 |
| Core Function: Information Technology | 500,000 | | | 500,000 |
| Computer Equipment | 500,000 | | | 500,000 |
| Infrastructure | 92,381,215 | -10,925,413 | 34,765,026 | 116,220,828 |
| Core Function: Electricity and Gas Distribution | 13,000,000 | -2,000,000 | 12,227,604 | 23,227,604 |
| Crane Truck | 700,000 | -700,000 | | - |
| Development of Public Lighting Master plan | 500,000 | -500,000 | 5,500,000 | 5,500,000 |
| Electrification of Monsterlus Stadium View | 7,344,000 | | | 7,344,000 |
| Electrification of Magagamatala | 600,000 | | 2,276,384 | 2,876,384 |
| Electrification of Makwana Village | 2,056,000 | | 1,500,000 | 3,556,000 |
| Electrification of Zenzele | 1,000,000 | | 2,951,220 | 3,951,220 |
| Mini Subs | 800,000 | -800,000 | | - |
| Core Function: Roads | 79,381,215 | -8,925,413 | 22,537,422 | 92,993,224 |
| Chego To Dikgalaopeng Stormwater | 500,000 | -81,941 | | 418,059 |
| Construction Of speed Humps ward 06 | 100,000 | | | 100,000 |
| Construction Of speed Humps ward 07 | 100,000 | | | 100,000 |
| Construction Of speed Humps ward 08 | 100,000 | | | 100,000 |
| Construction Of speed Humps ward 17 | 100,000 | | | 100,000 |
| Construction Of speed Humps ward 23 | 150,000 | | | 150,000 |
| Construction Of speed Humps ward 24 | 200,000 | | | 200,000 |
| Construction Of speed Humps ward 25 | 150,000 | | | 150,000 |
| Development of Workshop | 2,000,000 | | | 2,000,000 |
| Dikgalaopeng Stormwater | 500,000 | | | 500,000 |
| Grobblersdal Ladfill Site | 2,000,000 | -1,000,000 | | 1,000,000 |
| Hlogotlou Street and Stormwater water control | 3,000,000 | | | 3,000,000 |
| Karnaal Street | 6,500,000 | -4,400,000 | | 2,100,000 |
| Kgaphamadi Road | 5,000,000 | | 637,422 | 5,637,422 |
| Kgoshi Matlala | 1,000,000 | -1,000,000 | | - |
| Kgoshi Rammupudi | 6,000,000 | | | 6,000,000 |
| Laersdrift Road | 1,500,000 | -500,000 | | 1,000,000 |
| Makgopheng Stormwater Channest | 1,279,215 | -500,000 | | 779,215 |
| Marapong Bridge | 1,500,000 | | 3,500,000 | 5,000,000 |
| Mathula Road | 6,000,000 | | | 6,000,000 |
| Mogaung | 6,000,000 | | | 6,000,000 |
| Monsterlus to Makgopheng | 6,000,000 | | | 6,000,000 |
| Moteti A | 5,000,000 | | | 5,000,000 |
| Moteti A Phase 1 Storm | 100,000 | -100,000 | | - |
| Mpheleng Coctruction of Road | 5,000,000 | | | 5,000,000 |
| Multi Purpose Sports Field | 1,000,000 | | | 1,000,000 |
| Nyakoroane Road | 1,000,000 | -400,000 | | 600,000 |
| Phucukani Area | 6,602,000 | | 4,400,000 | 11,002,000 |
| Plant and machinery | 3,000,000 | -698,472 | | 2,301,528 |
| Rossekak Street | 2,000,000 | -245,000 | | 1,755,000 |
| Sephaku Storm water control | 600,000 | | | 600,000 |
| Tambo Road Construction | - | | 7,000,000 | 7,000,000 |
| Waalkraal Stormwater Controls | 400,000 | | | 400,000 |
| Zaaiplaas | 5,000,000 | | 7,000,000 | 12,000,000 |
| Grand Total | 99,981,215 | -11,825,413 | 36,299,148 | 124,454,950 |

Capital expenditure budget has been adjusted from R 99, 981 to R 124 454 million

Table SB 1: Adjustment Budget – Budgeted Financial Performance

| Description | Budget Year 2015/16 | | | | | | | | | 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 |
| REVENUE ITEMS | | | | | | | | | | | |
| Property rates | | | | | | | | | | | |
| Total Property Rates | 30,682 | | | | | | (1,385) | (1,385) | 29,297 | 32,292 | 33,918 |
| less Revenue Foregone | 4,500 | | | | | | | | 4,500 | 4,500 | 4,500 |
| Net Property Rates | 26,182 | | | | | | (1,385) | (1,385) | 24,797 | 27,792 | 29,418 |
| Service charges - electricity revenue | | | | | | | | | | | |
| Total Service charges - electricity revenue | 66,973 | | | | | | (353) | (353) | 66,620 | 71,846 | 78,756 |
| less Revenue Foregone | 4,000 | | | | | | | | 4,000 | 5,000 | 8,000 |
| Net Service charges - electricity revenue | 62,973 | | | | | | (353) | (353) | 62,620 | 66,846 | 70,756 |
| Service charges - refuse revenue | | | | | | | | | | | |
| Total refuse removal revenue | 4,628 | | | | | | (911) | (911) | 3,717 | 4,913 | 5,200 |
| Net Service charges - refuse revenue | 4,628 | | | | | | (911) | (911) | 3,717 | 4,913 | 5,200 |
| Other Revenue By Source | | | | | | | | | | | |
| Advertisements | 50 | | | | | | (40) | (40) | 10 | 53 | 56 |
| Building Plans | 327 | | | | | | (310) | (310) | 17 | 348 | 368 |
| Cemetery and Burial | 70 | | | | | | (35) | (35) | 35 | 74 | 78 |
| Clearance Fees | 48 | | | | | | 24 | 24 | 72 | 50 | 53 |
| Other Revenue | 483 | | | | | | (489) | (489) | 14 | 513 | 543 |
| Prints | 108 | | | | | | (106) | (106) | | 112 | 119 |
| Tender Documents | 300 | | | | | | (200) | (200) | 100 | 318 | 337 |
| Valuation Roll | 32 | | | | | | (32) | (32) | | 34 | 36 |
| Rezoning fees | | | | | | | 10 | 10 | | | |
| Administration fee | | | | | | | 2000 | 2 | | | |
| Total 'Other' Revenue | 1,415 | | | | | | (1,156) | (1,156) | 260 | 1,502 | 1,590 |
| EXPENDITURE ITEMS | | | | | | | | | | | |
| Employer related costs | | | | | | | | | | | |
| Basic Salaries and Wages | 78,256 | | | | | | (9,442) | (9,442) | 68,813 | 83,068 | 87,928 |
| Pension and UIF Contributions | 15,116 | | | | | | (730) | (730) | 14,385 | 16,045 | 16,984 |
| Medical Aid Contributions | 4,791 | | | | | | (291) | (291) | 4,500 | 5,088 | 5,383 |
| Overtime | 1,380 | | | | | | 642 | 642 | 2,022 | 1,485 | 1,551 |
| Motor Vehicle Allowance | 6,472 | | | | | | 1,158 | 1,158 | 7,630 | 6,870 | 7,272 |
| Housing Allowances | 157 | | | | | | 44 | 44 | 201 | 167 | 176 |
| Other benefits and allowances | 8,460 | | | | | | (632) | (632) | 7,828 | 8,980 | 9,505 |
| Payments in lieu of leave | 530 | | | | | | (310) | (310) | 220 | 583 | 596 |
| Long service awards | 95 | | | | | | 415 | 415 | 510 | 101 | 107 |
| sub-total | 118,256 | | | | | | (9,147) | (9,147) | 106,109 | 122,344 | 129,501 |
| Total Employer related costs | 118,256 | | | | | | (9,147) | (9,147) | 106,109 | 122,344 | 129,501 |
| Depreciation & asset impairment | | | | | | | | | | | |
| Depreciation of Property, Plant & Equipment | 35,000 | | | | | | | | 35,000 | 37,000 | 39,000 |
| Total Depreciation & asset impairment | 35,000 | | | | | | | | 35,000 | 37,000 | 39,000 |
| Bulk purchases | | | | | | | | | | | |
| Electricity Bulk Purchases | 60,000 | | | | | | 1,270 | 1,270 | 61,270 | 63,690 | 67,416 |
| Total bulk purchases | 60,000 | | | | | | 1,270 | 1,270 | 61,270 | 63,690 | 67,416 |
| Contracted services | | | | | | | | | | | |
| Refuse Removal | 3,200 | | | | | | 500 | 500 | 3,700 | 3,389 | 3,579 |
| Traffic Fines Management | 200 | | | | | | 300 | 300 | 500 | 212 | 224 |
| Business and Advisory - Project Management | 750 | | | | | | (300) | (300) | 450 | | |
| Business and Advisory - Audit Committee | 500 | | | | | | 500 | 500 | 1,000 | 530 | 559 |
| Legal Advice and Litigation | 1,000 | | | | | | | | 1,000 | 1,059 | 1,118 |
| Administrative and Support Staff | 1,200 | | | | | | 200 | 200 | 1,400 | 1,271 | 1,342 |
| Business and Advisory - Accountants and Aud | 1,800 | | | | | | 7,000 | 7,000 | 8,800 | 1,006 | 2,013 |
| Business and Advisory - Communications | 1,000 | | | | | | 300 | 300 | 1,300 | 1,059 | 1,118 |
| Business and Advisory - Organisational | 500 | | | | | | | | 500 | 530 | 559 |
| Contractors Prepaid Electricity Vendors | 700 | | | | | | 1,800 | 1,800 | 2,500 | 741 | 783 |
| Safeguard and Security | 8,000 | | | | | | 300 | 300 | 8,300 | 8,472 | 8,948 |
| Valuer | 1,000 | | | | | | (145) | (145) | 855 | 500 | 500 |
| Cellular Contract (Subscription and Calls) | 800 | | | | | | | | 800 | 847 | 895 |
| Landfill site Audit | 300 | | | | | | | | 300 | 318 | 335 |
| Asset Valuer | 1,000 | | | | | | (847) | (847) | 353 | 1,000 | 1,000 |
| sub-total | 21,950 | | | | | | 9,808 | 9,808 | 31,766 | 23,300 | 24,369 |
| Other Expenditure By Type | | | | | | | | | | | |
| Collection costs | | | | | | | 9,837 | 9,837 | 9,837 | | |
| Audit fees | 4,000 | | | | | | | | 4,000 | 4,000 | 4,000 |
| Awareness Campaign | 730 | | | | | | 2,765 | 2,765 | 3,495 | 775 | 820 |
| Bursaries | 200 | | | | | | 25 | 25 | 225 | 212 | 225 |
| Congress and Conferences | 6,077 | | | | | | 631 | 631 | 6,708 | 6,451 | 6,828 |
| Debt Collectors | 1,000 | | | | | | | | 1,000 | 1,062 | |
| Disaster Programme | 650 | | | | | | | | 650 | 690 | 730 |
| Entertainment | 718 | | | | | | | | 718 | 761 | 804 |
| Operating lease | 10,000 | | | | | | 2,800 | 2,800 | 12,800 | 10,000 | 4,000 |
| Insurance | 2,000 | | | | | | 700 | 700 | 2,700 | 2,123 | 2,254 |
| Other Expenditure | 18,985 | | | | | | (17,510) | (17,510) | 1,475 | 17,345 | 18,207 |
| Printing and Publication | 2,760 | | | | | | (572) | (572) | 2,188 | 2,930 | 3,101 |
| Protective Clothing | 683 | | | | | | (510) | (510) | 173 | 725 | 767 |
| Repairs and Maintenance | 11,850 | | | | | | (3,092) | (3,092) | 8,758 | 10,361 | 10,674 |
| Skill development levy | 280 | | | | | | 755 | 755 | 1,034 | 297 | 315 |
| Software Licences | 2,500 | | | | | | 280 | 280 | 2,780 | 2,654 | 2,809 |
| Telephone, Fax, Telegraph and Telex | 2,320 | | | | | | (471) | (471) | 1,849 | 2,463 | 2,607 |
| Tenders | 200 | | | | | | | | 200 | 212 | 225 |
| Travel Agency fees | 598 | | | | | | (10) | (10) | 588 | 635 | 672 |
| Ward Committees | 3,000 | | | | | | 500 | 500 | 3,500 | 3,185 | 3,371 |
| Workmens Compensation Fund | 1,000 | | | | | | (176) | (176) | 824 | 1,062 | 1,124 |
| Catering | | | | | | | 1,275 | 1,275 | 1,275 | | |
| Admin and support staff | | | | | | | 2,698 | 2,698 | 2,698 | | |
| Advertisement | | | | | | | 400 | 400 | 400 | | |
| Assets less than the Capitalisation Threshold | | | | | | | 350 | 350 | 350 | | |
| Bank charges | | | | | | | 320 | 320 | 320 | | |
| Feasibility studies | | | | | | | 1,800 | 1,800 | 1,800 | | |
| Leamerships and Internship | | | | | | | 1,363 | 1,363 | 1,363 | | |
| Legal costs | | | | | | | 1,000 | 1,000 | 1,000 | | |
| SALGA membership fees and subscriptions | | | | | | | 1,188 | 1,188 | 1,188 | | |
| Travel and subsistence | | | | | | | 645 | 645 | 645 | | |
| Vehicle Tracking | | | | | | | 600 | 600 | 600 | | |
| Total Other Expenditure | 69,661 | | | | | | 7,887 | 7,887 | 77,436 | 67,940 | 63,533 |

Table SB2: Adjustment Budget – Financial Position Budget

| Description | Budget Year 2015/16 | | | | | | | | | Budget Year +1 2016/17 | Budget Year +2 2017/18 |
|--|---------------------|----------------|--------------|--------------------|------------------|--------------------|----------------|----------------|-----------------|---------------------------|---------------------------|
| | 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 |
| ASSETS | | | | | | | | | | | |
| Call investment deposits | | | | | | | | | | | |
| Call deposits < 90 days | 15,000 | | | | | | 10,000 | 10,000 | 25,000 | 15,000 | 16,500 |
| Total Call investment deposits | 15,000 | - | - | - | - | - | 10,000 | 10,000 | 25,000 | 15,000 | 16,500 |
| Consumer debtors | | | | | | | | | | | |
| Consumer debtors | 24,184 | | | | | | | | 24,184 | 17,851 | 19,636 |
| Total Consumer debtors | 24,184 | - | - | - | - | - | - | - | 24,184 | 17,851 | 19,636 |
| Debt impairment provision | | | | | | | | | | | |
| Bad debts written off | | | | | | | | | | | |
| Balance at end of year | - | - | - | - | - | - | - | - | - | - | - |
| Property, plant & equipment | | | | | | | | | | | |
| PPE at cost/valuation (excl. finance lease) | 1,084,729 | | | | | | 87,691 | 87,691 | 1,172,420 | 1,158,300 | 1,206,805 |
| Leases recognised as PPE | 3,000 | | | | | | | | 3,000 | 3,000 | 3,000 |
| Less: Accumulated depreciation | 290,936 | | | | | | | | 290,936 | 295,750 | 319,000 |
| Total Property, plant & equipment | 796,793 | - | - | - | - | - | 87,691 | 87,691 | 884,484 | 865,550 | 890,805 |
| LIABILITIES | | | | | | | | | | | |
| Trade and other payables | | | | | | | | | | | |
| Creditors | 34,000 | | | | | | (7,500) | (7,500) | 26,500 | 27,100 | 29,810 |
| VAT | (5,000) | | | | | | | | (5,000) | (4,800) | (5,280) |
| Total Trade and other payables | 29,000 | - | - | - | - | - | (7,500) | (7,500) | 21,500 | 22,300 | 24,530 |
| Provisions - non current | | | | | | | | | | | |
| Other | 40,000 | | | | | | (7,488) | (7,488) | 32,512 | 40,000 | 44,000 |
| Total Provisions - non current | 40,000 | - | - | - | - | - | (7,488) | (7,488) | 32,512 | 40,000 | 44,000 |
| CHANGES IN NET ASSETS | | | | | | | | | | | |
| Accumulated surplus/(Deficit) | | | | | | | | | | | |
| Accumulated surplus/(Deficit) - opening b | 879,008 | | | | | | 107,640 | 107,640 | 986,648 | 951,541 | 984,745 |
| Accumulated Surplus/(Deficit) | 879,008 | - | - | - | - | - | 107,640 | 107,640 | 986,648 | 951,541 | 984,745 |
| Reserves | | | | | | | | | | | |
| Total Reserves | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL COMMUNITY WEALTH/EQUITY | 879,008 | - | - | - | - | - | 107,640 | 107,640 | 986,648 | 951,541 | 984,745 |

Table SB3: Adjustment Budget – SDBIP Performance Objectives

| Description | Budget Year 2015/16 | | | | | | | | | Budget Year +1 2016/17 | Budget Year +2 2017/18 |
|--|---------------------|-------------------|-----------------|-----------------------|---------------------|-----------------------|-------------------|-------------------|--------------------|---------------------------|---------------------------|
| | 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 |
| Municipal Manager | | | | | | | | | | | |
| <i>Municipal systems improvements grant</i> | 930 | | | | | | - | - | 930 | 930 | 930 |
| Vote 2 - Budget and Treasury | | | | | | | | | | | |
| <i>Valuations</i> | 1,000 | | | | | | (647) | (647) | 353 | 353 | 353 |
| <i>Financial Management Grant</i> | 1,600 | | | | | | | | 1,600 | 1,600 | 1,600 |
| <i>Asset Valuer</i> | 1,000 | | | | | | (145) | (145) | 855 | 855 | 855 |
| Vote 3 - Corporate Services | | | | | | | | | | | |
| Information Technology | | | | | | | | | | | |
| <i>Software and Licencing</i> | 1,200 | | | | | | 580 | 580 | 1,780 | 1,780 | 1,780 |
| <i>IT Support Services</i> | 1,700 | | | | | | 500 | 500 | 2,200 | 2,200 | 2,200 |
| Human Resources | | | | | | | | | | | |
| MACHINERY AND EQUIPMENT OTHER EQUIPMENT | | | | | | | | | | | |
| <i>Office furniture</i> | 100 | | | | | | 304 | 304 | 404 | 404 | 404 |
| Electricity | | | | | | | | | | | |
| <i>Electrification of various villages</i> | 10,000 | | | | | | | | 10,000 | 10,000 | 10,000 |
| ROADS | | | | | | | | | | | |
| <i>Municipal Infrastructure Grant and other projects</i> | 53,102 | | | | | | 14,637 | 14,637 | 67,739 | 67,739 | 67,739 |
| Economic Development/Planning | | | | | | | | | | | |
| <i>EPWP</i> | 1,163 | | | | | | | | 1,163 | 1,163 | 1,163 |
| <i>Insert measure/s description</i> | | | | | | | | | | | |
| <i>And so on for the rest of the Votes</i> | | | | | | | | | - | - | - |

Table SB 4: Adjustment Budget – Budgeted Financial Performance Indicators

| Description of financial indicator | Basis of calculation | 2012/13 | 2013/14 | 2014/15 | Budget Year 2015/16 | | | Budget Year +1 2016/17 | Budget Year +2 2017/18 |
|--|---|-----------------|-----------------|-----------------|---------------------|----------------|-----------------|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Prior Adjusted | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| <u>Borrowing Management</u> | | | | | | | | | |
| Credit Rating | Short term/long term rating | | | | | | | | |
| Capital Charges to Operating Expenditure | Interest & Principal Paid /Operating Expenditure | | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Capital Charges to Own Revenue | Finance charges & Repayment of borrowing /Own Revenue | | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Borrowed funding of 'own' capital expenditure | Borrowing/Capital expenditure excl. transfers and grants | | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| <u>Safety of Capital</u> | | | | | | | | | |
| Gearing | Long Term Borrowing/ Funds & Reserves | | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| <u>Liquidity</u> | | | | | | | | | |
| Current Ratio | Current assets/current liabilities | | | | 193.4% | 0.0% | 281.9% | 241.0% | 265.9% |
| Current Ratio adjusted for aged debtors | Current assets/current liabilities less debtors > 90 days/current liabilities | | | | 193.4% | 0.0% | 0.0% | 0.0% | 0.0% |
| Liquidity Ratio | Monetary Assets/Current Liabilities | | | | 0.7 | 0.0 | 1.6 | 1.2 | 1.5 |
| <u>Revenue Management</u> | | | | | | | | | |
| Annual Debtors Collection Rate (Payment Level %) | Last 12 Mths Receipts/ Last 12 Mths Billing | | | | | | | | |
| Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue) | | | | | | | | | |
| Outstanding Debtors to Revenue | Total Outstanding Debtors to Annual Revenue | | | | 11.6% | 0.0% | 9.7% | 9.1% | 9.9% |
| Longstanding Debtors Recovered | Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old | | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| <u>Creditors Management</u> | | | | | | | | | |
| Creditors System Efficiency | % of Creditors Paid Within Terms (within MFMA s 65(e)) | | | | | | | | |
| Creditors to Cash and Investments | | | | | 113.1% | 0.0% | 49.8% | 60.6% | 58.4% |
| Employee costs | Employee costs/(Total Revenue - capital revenue) | | | | 34.8% | 0.0% | 32.6% | 36.0% | 37.6% |
| Remuneration | Total remuneration/(Total Revenue - capital revenue) | | | | | | | | |
| Repairs & Maintenance | R&M/(Total Revenue excluding capital revenue) | | | | 3.6% | 0.0% | 3.0% | 3.2% | 3.4% |
| Finance charges & Depreciation | FC&D/(Total Revenue - capital revenue) | | | | 10.6% | 0.0% | 10.8% | 10.9% | 11.3% |
| <u>IDP regulation financial viability indicators</u> | | | | | | | | | |
| i. Debt coverage | (Total Operating Revenue - Operating Grants)/Debt service payments due within financial year) | | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| ii. O/S Service Debtors to Revenue | Total outstanding service debtors/annual revenue received for services | | | | 7.3% | 0.0% | 7.4% | 5.2% | 5.7% |
| iii. Cost coverage | (Available cash + Investments)/monthly fixed operational expenditure | | | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Table SB 5: Adjustment Budget – Statistics Assumptions

| Description of economic indicator | Basis of calculation | 2001 Census | 2007 Survey | 2011 Census | 2012/13 | 2013/14 | 2014/15 | Budget Year 2015/16 | 2015/16 Medium Term Revenue & Expenditure Framework | | |
|--|----------------------|-------------|-------------|-------------|---------|---------|---------|---------------------|---|---------|---------|
| | | | | | Outcome | Outcome | Outcome | Original Budget | Outcome | Outcome | Outcome |
| Demographics | | | | | | | | | | | |
| Population | | | | | 249 | 249 | 249 | 249 | 249 | | |
| Females aged 5 - 14 | | | | | 28 | 28 | 28 | 28 | 28 | | |
| Males aged 5 - 14 | | | | | 29 | 29 | 29 | 29 | 29 | | |
| Females aged 15 - 34 | | | | | 45 | 45 | 73 | 73 | 73 | | |
| Males aged 15 - 34 | | | | | 41 | 41 | 70 | 70 | 70 | | |
| Unemployment | | | | | | | 107 | 107 | 107 | | |
| Monthly Household income (no. of households) | | | | | | | | | | | |
| None | | | | | | | 8,456 | 8,456 | 8,456 | | |
| R1 - R1 600 | | | | | | | | | | | |
| R1 601 - R3 200 | | | | | | | | | | | |
| R3 201 - R6 400 | | | | | | | | | | | |
| R6 401 - R12 800 | | | | | | | | | | | |
| R12 801 - R25 600 | | | | | | | | | | | |
| R25 601 - R51 200 | | | | | | | | | | | |
| R52 201 - R102 400 | | | | | | | | | | | |
| R102 401 - R204 800 | | | | | | | | | | | |
| R204 801 - R409 600 | | | | | | | | | | | |
| R409 601 - R819 200 | | | | | | | | | | | |
| > R819 200 | | | | | | | | | | | |
| Poverty profiles (no. of households) | | | | | | | | | | | |
| < R2 060 per household per month | | | | | | | | | | | |
| Insert description | | | | | | | | | | | |
| Household/demographics (000) | | | | | | | | | | | |
| Number of people in municipal area | | | | | 249 | 249 | 249 | 249 | 249 | | |
| Number of poor people in municipal area | | | | | | | | | | | |
| Number of households in municipal area | | | | | | | 60 | 60 | 60 | | |
| Number of poor households in municipal area | | | | | | | | | | | |
| Definition of poor household (R per month) | | | | | | | | | | | |
| Housing statistics | | | | | | | | | | | |
| Formal | | | | | | | 56,776 | 56,776 | 56,776 | | |
| Informal | | | | | | | 3,475 | 3,475 | 3,475 | | |
| Total number of households | - | - | - | - | - | - | 60,251 | 60,251 | 60,251 | | |
| Dwellings provided by municipality | | | | | | | | | | | |
| Dwellings provided by province/s | | | | | | | | | | | |
| Dwellings provided by private sector | | | | | | | | | | | |
| Total new housing dwellings | - | - | - | - | - | - | - | - | - | | |
| Economic | | | | | | | | | | | |
| Inflation/inflation outlook (CPIX) | | | | | | | | | | | |
| Interest rate - borrowing | | | | | | | | | | | |
| Interest rate - investment | | | | | | | | | | | |
| Remuneration increases | | | | | | | 6.8% | 4.4% | | | |
| Consumption growth (electricity) | | | | | | | | | | | |
| Consumption growth (water) | | | | | | | | | | | |
| Collection rates | | | | | | | | | | | |
| Property tax/service charges | | | | % | % | % | % | % | % | | |
| Rental of facilities & equipment | | | | % | % | % | % | % | % | | |
| Interest - external investments | | | | % | % | % | % | % | % | | |
| Interest - debtors | | | | % | % | % | % | % | % | | |
| Revenue from agency services | | | | % | % | % | % | % | % | | |

Table SB 6: Adjustment Budget – Funding Measurement

| Description | MFMA section | 2012/13 | 2013/14 | 2014/15 | Medium Term Revenue and Expenditure Framework | | | | |
|---|--------------|-----------------|-----------------|-----------------|---|----------------|-----------------|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Prior Adjusted | Adjusted Budget | Budget Year +1 2016/17 | Budget Year +2 2017/18 |
| Funding measures | | | | | | | | | |
| Cash/cash equivalents at the year end - R'000 | 18(1)b | | | | 25,631 | - | 43,192 | 36,823 | 41,995 |
| Cash + investments at the yr end less applications - R'000 | 18(1)b | | | | (14,826) | - | 19,584 | 15,273 | 24,527 |
| Cash year end/monthly employee/supplier payments | 18(1)b | | | | - | - | - | - | - |
| Surplus/(Deficit) excluding depreciation offsets: R'000 | 18(1) | | | | 53,896 | - | 54,163 | 50,184 | 45,583 |
| Service charge rev % change - macro CPIX target exclusive | 18(1)a,(2) | | | | 0.0% | 0.0% | 0.0% | 3.2% | -0.2% |
| Cash receipts % of Ratepayer & Other revenue | 18(1)a,(2) | 0.0% | 0.0% | 0.0% | 22.1% | 0.0% | 22.4% | 22.1% | 22.1% |
| Debt impairment expense as a % of total billable revenue | 18(1)a,(2) | | | | 11.3% | 0.0% | 11.9% | 11.3% | 11.3% |
| Capital payments % of capital expenditure | 18(1)c;19 | | | | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Borrowing receipts % of capital expenditure (excl. transfers) | 18(1)c | | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Grants % of Govt. legislated/gazetted allocations | 18(1)a | | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Current consumer debtors % change - incr(decr) | 18(1)a | | | | | | | -1.8% | 10.0% |
| Long term receivables % change - incr(decr) | 18(1)a | | | | | | | 0.0% | 0.0% |
| R&M % of Property Plant & Equipment | 20(1)(vi) | | | | 1.3% | 0.0% | 1.2% | 1.2% | 1.2% |
| Asset renewal % of capital budget | 20(1)(vi) | | | | 42.9% | 0.0% | 28.4% | 51.8% | 47.4% |

Table SB 7: Adjustment Budget – Transfers and Grants Receipts

| Description | Budget Year 2015/16 | | | | | | | Budget Year +1 2016/17 | Budget Year +2 2017/18 |
|---|---------------------|----------------|--------------------|--------------------|----------------|----------------|-----------------|------------------------|------------------------|
| | Original Budget | Prior Adjusted | Multi-year capital | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| RECEIPTS: | | | | | | | | | |
| Operating Transfers and Grants | | | | | | | | | |
| National Government: | 216,652 | - | - | - | - | - | 216,652 | 218,594 | 215,619 |
| Local Government Equitable Share | 212,959 | - | - | - | - | - | 212,959 | 216,012 | 212,886 |
| Finance Management | 1,600 | - | - | - | - | - | 1,600 | 1,625 | 1,700 |
| Municipal Systems Improvement | 930 | - | - | - | - | - | 930 | 957 | 1,033 |
| EPWP Incentive | 1,163 | - | - | - | - | - | 1,163 | - | - |
| Total Operating Transfers and Grants | 216,652 | - | - | - | - | - | 216,652 | 218,594 | 215,619 |
| Capital Transfers and Grants | | | | | | | | | |
| National Government: | 63,102 | - | - | - | 14,637 | 14,637 | 77,739 | 65,178 | 68,289 |
| Municipal Infrastructure Grant (MIG) | 53,102 | - | - | - | 24,637 | 24,637 | 77,739 | 55,178 | 58,289 |
| Integrated National Electrification Grant | 10,000 | - | - | - | (10,000) | (10,000) | - | 10,000 | 10,000 |
| Total Capital Transfers and Grants | 63,102 | - | - | - | 14,637 | 14,637 | 77,739 | 65,178 | 68,289 |
| TOTAL RECEIPTS OF TRANSFERS & GRANTS | 279,754 | - | - | - | 14,637 | 14,637 | 294,391 | 283,772 | 283,908 |

Table SB 8: Adjustment Budget – Transfers and Grants Expenditure

| Description | Budget Year 2015/16 | | | | | | | Budget Year +1 2016/17 | Budget Year +2 2017/18 |
|---|---------------------|----------------|--------------------|--------------------|----------------|----------------|-----------------|---------------------------|---------------------------|
| | Original Budget | Prior Adjusted | Multi-year capital | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| EXPENDITURE ON TRANSFERS AND GRANT PROGRAM: | | | | | | | | | |
| Operating expenditure of Transfers and Grants | | | | | | | | | |
| National Government: | 216,652 | - | - | - | - | - | 216,652 | 218,594 | 215,619 |
| Local Government Equitable Share | 212,959 | - | - | - | - | - | 212,959 | 216,012 | 212,886 |
| Finance Management | 1,600 | - | - | - | - | - | 1,600 | 1,625 | 1,700 |
| Municipal Systems Improvement | 930 | - | - | - | - | - | 930 | 957 | 1,033 |
| EPWP Incentive | 1,163 | - | - | - | - | - | 1,163 | - | - |
| Other transfers and grants [insert description] | - | - | - | - | - | - | - | - | - |
| Total operating expenditure of Transfers and Grants: | 216,652 | - | - | - | - | - | 216,652 | 218,594 | 215,619 |
| Capital expenditure of Transfers and Grants | | | | | | | | | |
| National Government: | 63,102 | - | - | - | 14,637 | 14,637 | 77,102 | 65,178 | 68,289 |
| Municipal Infrastructure Grant (MIG) | 53,102 | - | - | - | 24,637 | 24,637 | 77,102 | 55,178 | 58,289 |
| Intergrated National Electrification Grant | 10,000 | - | - | - | (10,000) | (10,000) | - | 10,000 | 10,000 |
| Total capital expenditure of Transfers and Grants | 63,102 | - | - | - | 14,637 | 14,637 | 77,102 | 65,178 | 68,289 |
| Total capital expenditure of Transfers and Grants | 279,754 | - | - | - | 14,637 | 14,637 | 293,754 | 283,772 | 283,908 |

Table SB 9: Adjustment Budget – Grants Performance

| Description | Budget Year 2015/16 | | | | | | | Budget Year +1 2016/17 | Budget Year +2 2017/18 |
|---|---------------------|----------------|--------------------|--------------------|----------------|----------------|-----------------|---------------------------|---------------------------|
| | Original Budget | Prior Adjusted | Multi-year capital | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| Operating transfers and grants: | | | | | | | | | |
| National Government: | | | | | | | | | |
| Balance unspent at beginning of the year | - | - | - | - | - | - | - | - | - |
| Current year receipts | 216,652 | - | - | - | - | - | 216,652 | 218,594 | 215,619 |
| Conditions met - transferred to revenue | 216,652 | - | - | - | - | - | 216,652 | 218,594 | 215,619 |
| Total operating transfers and grants revenue | 216,652 | - | - | - | - | - | 216,652 | 218,594 | 215,619 |
| Capital transfers and grants: | | | | | | | | | |
| National Government: | | | | | | | | | |
| Balance unspent at beginning of the year | - | - | - | - | - | - | - | - | - |
| Current year receipts | 53,102 | - | - | - | - | - | 53,102 | 55,178 | 58,289 |
| Conditions met - transferred to revenue | 53,102 | - | - | - | - | - | 53,102 | 55,178 | 58,289 |
| Other grant providers: | | | | | | | | | |
| Balance unspent at beginning of the year | - | - | - | - | - | - | - | - | - |
| Current year receipts | 10,000 | - | - | - | - | - | 10,000 | 10,000 | 10,000 |
| Conditions met - transferred to revenue | 10,000 | - | - | - | - | - | 10,000 | 10,000 | 10,000 |
| Total capital transfers and grants revenue | 63,102 | - | - | - | - | - | 63,102 | 65,178 | 68,289 |
| TOTAL TRANSFERS AND GRANTS REVENUE | 279,754 | - | - | - | - | - | 279,754 | 283,772 | 283,908 |

The above table presents the budget for grants and transfers and how the receipts are going to be spent. The table shows that all gazetted allocations to be transferred to the municipality will be spent in full by year end. The only adjustment done the grants amounts to R14, 637 million and this pertains to roll over from MIG.

Table SB 10: Adjustment Budget – Transfers and Grants Made by Municipality

| Description | Budget Year 2015/16 | | | | | | | | | 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 |
| <u>Non-cash transfers to other Organs of State</u> | | | | | | | | - | - | | |
| TOTAL ALLOCATIONS TO OTHER ORGANS OF STATE: | | | | | | | | | | | |
| <u>Non-cash transfers to other Organisations</u> | - | | | | | | | - | - | | |
| <u>Households: Employee Social Benefits: Post Retirement</u> | - | | | | | | | - | - | | |
| <i>Transfers and Subsidies: Post Retirement Benefit & Indigent [insert description]</i> | 3,000 | - | - | - | - | - | (2,200) | (2,200) | 800 | - | - |
| TOTAL NON-CASH TRANSFERS TO OTHER ORGANISATIONS: | 3,000 | - | - | - | - | - | (2,200) | (2,200) | 800 | - | - |
| TOTAL NON-CASH TRANSFERS | 3,000 | - | - | - | - | - | (2,200) | (2,200) | 800 | - | - |

Table SB 11: Adjustment Budget – Councilors and Staff Benefits

| Summary of remuneration | Budget Year 2015/16 | | | | | | | | | % change |
|--|---------------------|----------------|--------------|--------------------|------------------|--------------------|-----------------|-----------------|-----------------|--------------|
| | Original Budget | Prior Adjusted | Accum. Funds | Multi-year capital | Unfore. Unavoid. | Nat. or Prov. Govt | Other Adjusts. | Total Adjusts. | Adjusted Budget | |
| Councillors (Political Office Bearers plus Other) | | | | | | | | | | |
| Basic Salaries and Wages | 3,548 | - | | | | | 7,077 | 7,077 | 10,624 | 199.5% |
| Pension and UIF Contributions | 1,408 | - | | | | | (220) | (220) | 1,188 | -15.6% |
| Medical Aid Contributions | 552 | - | | | | | (230) | (230) | 322 | -41.7% |
| Motor Vehicle Allowance | 3,932 | - | | | | | (59) | (59) | 3,872 | -1.5% |
| Cellphone Allowance | 1,554 | - | | | | | 98 | 98 | 1,652 | |
| Other benefits and allowances | 7,550 | - | | | | | (7,550) | (7,550) | 0 | |
| Sub Total - Councillors | 18,543 | - | | | | | (884) | (884) | 17,659 | -4.8% |
| % increase | | (0) | | | | | | | (0) | |
| Senior Managers of the Municipality | | | | | | | | | | |
| Basic Salaries and Wages | 4,831 | - | - | | | | (185) | (185) | 4,646 | -3.8% |
| Pension and UIF Contributions | 533 | - | - | | | | 10 | 10 | 543 | 1.9% |
| Medical Aid Contributions | 175 | - | - | | | | (53) | (53) | 122 | -30.3% |
| Motor Vehicle Allowance | 1,381 | - | - | | | | 10 | 10 | 1,391 | 0.7% |
| Other benefits and allowances | 510 | - | - | | | | (310) | (310) | 200 | |
| Sub Total - Senior Managers of Municip | 7,430 | - | - | | | | (528) | (528) | 6,902 | -7.1% |
| % increase | | (0) | | | | | | | (0) | |
| Other Municipal Staff | | | | | | | | | | |
| Basic Salaries and Wages | 73,424 | - | - | - | - | - | (9,257) | (9,257) | 64,167 | -12.6% |
| Pension and UIF Contributions | 14,613 | - | - | - | - | - | (770) | (770) | 13,843 | -5.3% |
| Medical Aid Contributions | 4,616 | - | - | - | - | - | (238) | (238) | 4,378 | -5.2% |
| Overtime | 1,380 | - | - | - | - | - | 642 | 642 | 2,022 | 46.5% |
| Motor Vehicle Allowance | 5,090 | - | - | - | - | - | 1,148 | 1,148 | 6,239 | 22.6% |
| Housing Allowances | 157 | - | - | - | - | - | 44 | 44 | 201 | |
| Other benefits and allowances | 7,949 | - | - | - | - | - | (322) | (322) | 7,628 | |
| Payments in lieu of leave | 530 | - | - | - | - | - | (310) | (310) | 220 | -58.6% |
| Long service awards | 95 | - | - | - | - | - | 415 | 415 | 510 | 436.8% |
| Sub Total - Other Municipal Staff | 107,856 | - | - | - | - | - | (8,649) | (8,649) | 99,206 | -8.0% |
| % increase | | | | | | | | | | |
| Total Parent Municipality | 133,829 | - | - | - | - | - | (10,062) | (10,062) | 123,768 | -7.5% |
| Other Staff of Entities | | | | | | | | | | |
| TOTAL SALARY, ALLOWANCES & BENEFITS | 133,829 | - | - | - | - | - | (10,062) | (10,062) | 123,768 | -7.5% |
| % increase | | | | | | | | | | |
| TOTAL MANAGERS AND STAFF | 115,286 | - | - | - | - | - | (9,177) | (9,177) | 106,109 | -8.0% |

Table SB 12: Adjustment Budget – Monthly Revenue and Expenditure

| Description | Budget Year 2015/16 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | | |
|----------------------------------|---------------------|----------------|----------------|----------------|---------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---|---------------------|------------------------|------------------------|
| | July | August | Sept. | October | November | December | January | February | March | April | May | June | Full year budget | Budget Year 2015/16 | Budget Year +1 2016/17 | Budget Year +2 2017/18 |
| | Outcome | Outcome | Outcome | Outcome | Outcome | Outcome | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| Revenue by Vote: | | | | | | | | | | | | | | | | |
| Vote 1 - Executive & Council | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 2 - Office of the Municipal | - | 122 | 86 | 393 | - | - | 12 | 82 | 132 | - | 10 | 92 | 930 | 930 | 957 | 1,033 |
| Vote 3 - Budget & Treasury | 91,001 | 3,403 | 2,857 | 139 | 75,894 | 5,356 | 10,091 | 19,396 | 10,287 | 10,321 | 10,329 | 10,224 | 249,298 | 249,298 | 253,990 | 253,066 |
| Vote 4 - Corporate Services | 1 | 0 | 0 | 1 | 0 | 0 | 0 | - | - | - | - | 8 | 11 | 11 | 392 | 415 |
| Vote 5 - Community Services | 365 | 900 | 812 | 1,332 | 834 | 685 | 164 | 110 | 126 | 165 | 205 | 4,259 | 9,957 | 9,957 | 13,001 | 13,762 |
| Vote 6 - Technical Services | 5,670 | 8,304 | 9,370 | 12,960 | 12,532 | 13,543 | 15,530 | 15,735 | 12,832 | 14,504 | 15,897 | 4,482 | 141,359 | 141,359 | 136,511 | 143,794 |
| Vote 7 - Strategic Development | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 8 - Development Planning | 11 | 0 | 165 | 167 | 152 | 166 | 24 | 24 | 24 | 25 | 25 | 447 | 1,230 | 1,230 | 539 | 570 |
| Vote 9 - Executive Support | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Revenue by Vote: | 97,047 | 12,729 | 13,291 | 14,992 | 89,412 | 19,751 | 25,821 | 35,348 | 23,401 | 25,014 | 26,466 | 19,512 | 402,785 | 402,785 | 405,390 | 412,640 |
| Expenditure by Vote | | | | | | | | | | | | | | | | |
| Vote 1 - Executive & Council | 4,102 | 650 | 2,604 | 2,776 | 1,373 | 3,313 | 2,344 | 2,350 | 2,440 | 2,557 | 2,661 | 3,008 | 30,179 | 30,179 | 27,571 | 28,930 |
| Vote 2 - Office of the Municipal | 918 | 3,274 | 628 | 1,285 | 1,448 | 1,857 | 1,046 | 1,674 | 1,892 | 1,992 | 2,004 | 3,081 | 21,099 | 21,099 | 21,684 | 22,719 |
| Vote 3 - Budget & Treasury | 3,123 | 5,865 | 3,369 | 3,472 | 1,046 | 4,824 | 5,746 | 8,927 | 9,920 | 12,059 | 13,071 | 12,478 | 83,899 | 83,899 | 75,136 | 78,244 |
| Vote 4 - Corporate Services | 2,812 | 1,578 | 4,354 | 945 | 1,650 | 2,063 | 870 | 890 | 990 | 1,000 | 1,100 | 254 | 18,506 | 18,506 | 30,744 | 32,542 |
| Vote 5 - Community Services | 4,693 | 5,226 | (916) | 3,349 | 4,019 | 5,090 | 3,194 | 4,013 | 4,716 | 4,810 | 4,949 | 4,252 | 47,395 | 47,395 | 49,676 | 52,582 |
| Vote 6 - Technical Services | 4,945 | 2,631 | 9,988 | 3,442 | 9,288 | 10,389 | 10,168 | 6,572 | 12,145 | 10,970 | 11,484 | 23,777 | 115,798 | 115,798 | 118,482 | 118,535 |
| Vote 7 - Strategic Development | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 8 - Development Planning | 851 | 24 | 706 | 545 | 745 | 1,100 | 490 | 500 | 650 | 693 | 774 | 317 | 7,396 | 7,396 | 13,843 | 14,653 |
| Vote 9 - Executive Support | 2,763 | 1,277 | - | 2,341 | 1,829 | 2,610 | 894 | 2,110 | 2,540 | 2,657 | 2,961 | 2,367 | 24,350 | 24,350 | 18,070 | 18,853 |
| Total Expenditure by Vote | 24,208 | 20,525 | 20,733 | 18,155 | 21,397 | 31,246 | 24,753 | 27,036 | 35,295 | 36,738 | 39,005 | 49,533 | 348,622 | 348,622 | 355,206 | 367,058 |
| Surplus/ (Deficit) | 72,840 | (7,796) | (7,442) | (3,163) | 68,015 | (11,495) | 1,069 | 8,312 | (11,893) | (11,724) | (12,539) | (30,020) | 54,163 | 54,163 | 50,184 | 45,583 |

Table SB 13: Adjustment Budget – Monthly Revenue and Expenditure

| Description - Standard classification | Budget Year 2015/16 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | | |
|--|---------------------|----------------|----------------|----------------|---------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---|---------------------|------------------------|------------------------|
| | July | August | Sept. | October | November | December | January | February | March | April | May | June | Full year budget | Budget Year 2015/16 | Budget Year +1 2016/17 | Budget Year +2 2017/18 |
| | Outcome | Outcome | Outcome | Outcome | Outcome | Outcome | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| Revenue - Standard | | | | | | | | | | | | | | | | |
| Governance and administration | 91,002 | 3,524 | 2,944 | 534 | 75,894 | 5,357 | 10,103 | 19,478 | 10,419 | 10,321 | 10,339 | 10,324 | 250,238 | 250,238 | 254,958 | 254,111 |
| Executive and council | - | 122 | 86 | 393 | - | - | 12 | 82 | 132 | - | 10 | 92 | 930 | 930 | 957 | 1,033 |
| Budget and treasury office | 91,001 | 3,403 | 2,857 | 139 | 75,894 | 5,356 | 10,091 | 19,396 | 10,287 | 10,321 | 10,329 | 10,224 | 249,298 | 249,298 | 253,990 | 253,066 |
| Corporate services | 1 | 0 | - | 1 | 0 | 0 | 0 | - | - | - | - | 8 | 11 | 11 | 11 | 12 |
| Community and public safety | 57 | 36 | 59 | 625 | 56 | 48 | 164 | 110 | 126 | 165 | 205 | 190 | 1,840 | 1,840 | 2,082 | 2,588 |
| Community and social services | 4 | 2 | 1 | 4 | 5 | 1 | 1 | 3 | 4 | 4 | 5 | 3 | 37 | 37 | 78 | 83 |
| Sport and recreation | - | - | - | - | - | 1 | - | - | 1 | - | - | 1 | 3 | 3 | 4 | 5 |
| Public safety | 53 | 34 | 58 | 621 | 51 | 45 | 163 | 108 | 121 | 161 | 200 | 186 | 1,800 | 1,800 | 2,000 | 2,500 |
| Economic and environmental services | 104 | 1,784 | 2,360 | 7,888 | 9,040 | 7,773 | 8,074 | 10,160 | 7,618 | 7,643 | 7,649 | 4,277 | 74,370 | 74,370 | 79,692 | 82,572 |
| Planning and development | 11 | 0 | 165 | 167 | 152 | 166 | 24 | 24 | 24 | 25 | 25 | 447 | 1,230 | 1,230 | 1,350 | 1,425 |
| Road transport | 93 | 1,784 | 2,195 | 7,720 | 8,889 | 7,606 | 8,050 | 10,136 | 7,593 | 7,618 | 7,625 | 3,830 | 73,139 | 73,139 | 78,342 | 81,147 |
| Trading services | 5,885 | 7,384 | 7,928 | 5,946 | 4,422 | 6,573 | 7,481 | 5,599 | 6,238 | 6,886 | 8,272 | 4,722 | 76,337 | 76,337 | 83,351 | 87,642 |
| Electricity | 5,577 | 7,075 | 7,622 | 5,639 | 4,109 | 6,263 | 7,171 | 5,288 | 4,923 | 6,566 | 7,946 | 4,440 | 72,620 | 72,620 | 77,907 | 81,880 |
| Waste management | 308 | 309 | 306 | 307 | 313 | 310 | 310 | 311 | 314 | 320 | 326 | 282 | 3,717 | 3,717 | 5,444 | 5,762 |
| Other | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Revenue - Standard | 97,047 | 12,729 | 13,291 | 14,992 | 89,412 | 19,751 | 25,821 | 35,348 | 23,401 | 25,014 | 26,466 | 19,513 | 402,785 | 402,785 | 420,083 | 426,943 |
| Expenditure - Standard | | | | | | | | | | | | | | | | |
| Governance and administration | 13,718 | 12,644 | 10,958 | 10,684 | 7,346 | 14,696 | 12,136 | 15,147 | 17,452 | 20,074 | 21,502 | 18,492 | 174,849 | 174,849 | 172,711 | 180,785 |
| Executive and council | 5,020 | 3,924 | 3,232 | 3,834 | 2,821 | 5,169 | 3,390 | 4,024 | 4,333 | 4,549 | 4,666 | 3,132 | 48,093 | 48,093 | 46,953 | 49,212 |
| Budget and treasury office | 3,123 | 5,865 | 3,369 | 3,472 | 1,046 | 4,824 | 5,746 | 8,927 | 9,920 | 12,059 | 13,071 | 12,478 | 83,899 | 83,899 | 75,136 | 78,244 |
| Corporate services | 5,575 | 2,856 | 4,357 | 3,378 | 3,479 | 4,703 | 3,000 | 2,196 | 3,200 | 3,466 | 3,766 | 2,882 | 42,856 | 42,856 | 50,621 | 53,309 |
| Community and public safety | 2,254 | 189 | 1,634 | 1,475 | 1,951 | 2,404 | 1,958 | 1,765 | 1,773 | 1,824 | 2,130 | 2,119 | 21,477 | 21,477 | 23,925 | 25,325 |
| Community and social services | 1,315 | (27) | 840 | 849 | 805 | 1,140 | 700 | 710 | 713 | 742 | 760 | 502 | 9,050 | 9,050 | 9,558 | 10,117 |
| Sport and recreation | 47 | (0) | 169 | 28 | 29 | 51 | 58 | 59 | 60 | 62 | 71 | 85 | 719 | 719 | 615 | 651 |
| Public safety | 892 | 216 | 625 | 598 | 1,117 | 1,213 | 1,200 | 995 | 1,000 | 1,019 | 1,300 | 1,533 | 11,709 | 11,709 | 13,752 | 14,557 |
| Economic and environmental services | 5,691 | 2,767 | 5,325 | 4,111 | 5,647 | 3,251 | 4,290 | 3,553 | 4,728 | 6,621 | 5,641 | 6,868 | | 58,493 | 63,656 | 60,503 |
| Planning and development | 851 | 24 | 704 | 679 | 745 | 1,070 | 490 | 500 | 650 | 2,530 | 1,546 | 789 | | 10,580 | 14,337 | 15,176 |
| Road transport | 4,840 | 2,743 | 4,621 | 3,431 | 4,902 | 2,181 | 3,800 | 3,053 | 4,078 | 4,091 | 4,095 | 6,079 | | 47,913 | 49,319 | 45,327 |
| Trading services | 2,545 | 4,924 | 2,816 | 1,885 | 6,453 | 5,895 | 6,368 | 6,572 | 11,342 | 8,219 | 9,732 | 27,052 | 93,803 | 93,803 | 94,913 | 100,465 |
| Electricity | 570 | 2,919 | 5,851 | 455 | 4,829 | 3,827 | 5,103 | 5,263 | 7,738 | 6,879 | 7,389 | 23,049 | 73,872 | 73,872 | 76,762 | 81,253 |
| Waste management | 1,975 | 2,005 | (3,034) | 1,430 | 1,624 | 2,067 | 1,265 | 1,309 | 3,604 | 1,340 | 2,343 | 4,003 | | 19,931 | 18,150 | 19,212 |
| Other | - | - | - | - | - | - | - | - | - | - | - | - | | | | |
| Total Expenditure - Standard | 24,208 | 20,525 | 20,733 | 18,155 | 21,397 | 26,246 | 24,753 | 27,036 | 35,295 | 36,738 | 39,005 | 54,532 | 290,129 | 348,622 | 355,206 | 367,058 |
| Surplus/ (Deficit) 1. | 72,840 | (7,796) | (7,443) | (3,163) | 68,015 | (6,495) | 1,069 | 8,311 | (11,894) | (11,723) | (12,539) | (35,019) | 112,656 | 54,163 | 64,878 | 59,885 |

Table SB 14: Adjustment Budget – Monthly Revenue and Expenditure

| Description | Budget Year 2015/16 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | | | |
|--|---------------------|----------------|-----------------|-----------------|---------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---|---------------------|-----------------------|-----------------------|--|
| | July | August | Sept. | October | November | December | January | February | March | April | May | June | Full year budget | Budget Year 2015/16 | Budget Year+1 2016/17 | Budget Year+2 2017/18 | |
| | Outcome | Outcome | Outcome | Outcome | Outcome | Outcome | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | | Adjusted Budget | Adjusted Budget | Adjusted Budget | |
| Revenue By Source | | | | | | | | | | | | | | | | | |
| Property rates | 1,963 | 1,924 | 1,943 | (515) | 4,027 | 4,237 | 1,927 | 1,942 | 1,954 | 1,960 | 1,962 | 1,474 | 24,797 | 24,797 | 27,792 | 29,418 | |
| Property rates - penalties & collection charges | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Service charges - electricity revenue | 5,577 | 12,869 | 3,724 | 5,639 | 6,177 | 5,152 | 3,734 | 3,795 | 3,825 | 3,945 | 4,091 | 4,093 | 62,620 | 62,620 | 66,846 | 70,756 | |
| Service charges - refuse | 308 | 309 | 306 | 307 | 313 | 310 | 298 | 301 | 325 | 333 | 343 | 265 | 3,717 | 3,717 | 4,913 | 5,200 | |
| Rental of facilities and equipment | 74 | 224 | (94) | 91 | 71 | 68 | 70 | 75 | 77 | 91 | 108 | 142 | 1,000 | 1,000 | 3,493 | 3,697 | |
| Interest earned - external investments | 87 | 498 | 281 | 60 | 384 | 329 | 378 | 281 | 181 | 192 | 182 | 448 | 3,300 | 3,300 | 4,883 | 5,169 | |
| Interest earned - outstanding debtors | 431 | 932 | 496 | 442 | 396 | 474 | 449 | 467 | 511 | 613 | 624 | 666 | 6,500 | 6,500 | 4,777 | 5,056 | |
| Fines | 51 | 85 | 57 | 621 | 51 | 45 | 110 | 110 | 130 | 151 | 151 | 237 | 1,800 | 1,800 | 674 | 713 | |
| Licences and permits | - | 555 | 447 | 400 | 465 | 326 | 319 | 419 | 220 | 398 | 222 | 628 | 4,400 | 4,400 | 6,738 | 7,133 | |
| Transfers recognised - operational | 88,520 | 554 | 368 | 706 | 71,296 | 476 | 10,400 | 19,014 | 7,803 | 8,010 | 9,454 | 51 | 216,652 | 216,652 | 218,594 | 215,619 | |
| Other revenue | 36 | 35 | 51 | 43 | 71 | 19 | 1 | 0 | 1 | 1 | 1 | 0 | 260 | 260 | 1,502 | 1,590 | |
| Total Revenue | 97,047 | 17,986 | 7,579 | 7,794 | 83,282 | 11,436 | 17,686 | 26,405 | 15,028 | 15,694 | 17,137 | 8,003 | 325,046 | 325,046 | 340,212 | 344,351 | |
| Expenditure By Type | | | | | | | | | | | | | | | | | |
| Employee related costs | 15,044 | 393 | 8,432 | 7,805 | 8,054 | 12,898 | 7,999 | 9,347 | 10,392 | 9,416 | 10,422 | 5,909 | 106,109 | 106,109 | 122,344 | 129,501 | |
| Remuneration of councillors | 2,716 | 761 | 1,538 | 1,514 | 157 | 1,516 | 1,394 | 1,892 | 1,901 | 1,995 | 1,997 | 278 | 17,659 | 17,659 | 19,563 | 20,600 | |
| Debt impairment | - | - | (1) | - | - | - | - | - | - | - | - | 11,001 | 11,000 | 11,000 | 11,677 | 12,360 | |
| Depreciation & asset impairment | - | - | - | - | - | - | - | - | - | - | - | 35,000 | 35,000 | 35,000 | 37,000 | 39,000 | |
| Bulk purchases | 58 | 5,919 | 5,452 | 56 | 4,460 | 4,340 | 4,868 | 5,948 | 6,910 | 9,418 | 13,318 | 523 | 61,270 | 61,270 | 63,690 | 67,416 | |
| Other materials | 323 | 577 | 577 | 589 | 520 | 703 | 540 | 532 | 567 | 578 | 589 | 394 | 6,489 | 6,489 | 5,764 | 6,101 | |
| Contracted services | - | 4,445 | (1,525) | 3,153 | (139) | 2,574 | 3,402 | 3,001 | 6,600 | 6,005 | 4,028 | 214 | 31,758 | 31,758 | 23,300 | 24,389 | |
| Grants and subsidies | - | - | 176 | - | 88 | 98 | 220 | 325 | 326 | 326 | 126 | 214 | 1,900 | 1,900 | 3,503 | 3,708 | |
| Other expenditure | 6,068 | 8,430 | 6,084 | 5,038 | 8,256 | 4,117 | 6,330 | 5,992 | 8,599 | 8,999 | 8,525 | 1,000 | 77,438 | 77,438 | 67,940 | 63,533 | |
| Loss on disposal of PPE | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 425 | 449 | |
| Total Expenditure | 24,208 | 20,525 | 20,733 | 18,155 | 21,397 | 26,246 | 24,753 | 27,036 | 35,295 | 36,738 | 39,005 | 54,532 | 348,622 | 348,622 | 355,206 | 367,058 | |
| Surplus/(Deficit) | 72,840 | (2,539) | (13,155) | (10,361) | 61,884 | (14,809) | (7,067) | (632) | (20,267) | (21,044) | (21,868) | (46,529) | (23,576) | (23,576) | (14,994) | (22,706) | |
| Transfers recognised - capital | - | 988 | 5,712 | 7,198 | 6,234 | 8,314 | 8,135 | 8,943 | 8,373 | 9,321 | 9,329 | 5,191 | | 77,739 | 65,178 | 68,289 | |
| Surplus/(Deficit) after capital transfers & capital | 72,840 | (1,551) | (7,442) | (3,163) | 68,089 | (6,495) | 1,069 | 8,311 | (11,894) | (11,723) | (12,539) | (41,338) | (23,576) | 54,163 | 50,184 | 45,583 | |

Table SB 15: Adjustment Budget – Monthly Cash Flow

| Monthly cash flows | Budget Year 2015/16 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | | |
|--|---------------------|-----------------|----------------|-----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---|---------------------|------------------------|------------------------|
| | July | August | Sept | October | November | December | January | February | March | April | May | June | Full year budget | Budget Year 2015/16 | Budget Year +1 2016/17 | Budget Year +2 2017/18 |
| R thousands | Outcome | Outcome | Outcome | Outcome | Outcome | Outcome | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| Cash Receipts By Source | | | | | | | | | | | | | | | | |
| Property rates | 3,411 | 1,062 | 1,454 | 1,505 | 1,350 | 1,097 | 1,214 | 2,542 | 2,654 | 2,760 | 2,812 | 2,485 | 24,345 | 24,345 | 25,403 | 26,547 |
| Service charges - electricity revenue | 5,818 | 3,640 | 8,581 | 5,003 | 4,194 | 4,493 | 4,592 | 4,794 | 4,825 | 4,945 | 4,991 | 4,613 | 60,489 | 60,489 | 61,503 | 62,218 |
| Service charges - refuse | 248 | 239 | 277 | 283 | 263 | 239 | 298 | 301 | 325 | 332 | 343 | 383 | 3,531 | 3,531 | 4,667 | 4,940 |
| Rental of facilities and equipment | 90 | 66 | 53 | 51 | 71 | 68 | 64 | 70 | 75 | 91 | 107 | 193 | 1,000 | 1,000 | 1,493 | 1,997 |
| Interest earned - external investments | 87 | 498 | 281 | 60 | 384 | 329 | 202 | 280 | 291 | 296 | 302 | 291 | 3,300 | 3,300 | 3,983 | 4,169 |
| Interest earned - outstanding debtors | 73 | 64 | 102 | 93 | 103 | 52 | 648 | 767 | 811 | 913 | 924 | (2,697) | 1,853 | 1,853 | - | - |
| Fines | - | - | 57 | 621 | 51 | 45 | 100 | 110 | 130 | 150 | 151 | 384 | 1,800 | 1,800 | 674 | 713 |
| Licences and permits | 1,149 | 455 | 447 | 400 | 465 | 326 | 170 | 189 | 200 | 211 | 215 | 171 | 4,400 | 4,400 | 5,738 | 6,133 |
| Transfer receipts - operational | 88,520 | 554 | 368 | 706 | 71,296 | 476 | 1,283 | 19,014 | 7,803 | 8,010 | 9,454 | 9,168 | 216,652 | 216,652 | 218,594 | 215,619 |
| Other revenue | 31,085 | 124 | 51 | 43 | 16,499 | 19 | 65 | 210 | 75 | 65 | 65 | (47,613) | 688 | 688 | 752 | 874 |
| Cash Receipts by Source | 130,480 | 6,702 | 11,672 | 8,765 | 94,677 | 7,144 | 8,636 | 28,278 | 17,189 | 17,774 | 19,364 | (32,623) | 318,058 | 318,058 | 322,807 | 323,210 |
| Other Cash Flows by Source | | | | | | | | | | | | | | | | |
| Transfers receipts - capital | - | 656 | 5,712 | 7,198 | 6,234 | 8,314 | 5,630 | 3,052 | 7,896 | 6,400 | 4,500 | 22,146 | 77,739 | 77,739 | 65,178 | 68,289 |
| Proceeds on disposal of PPE | - | - | - | - | - | - | - | - | - | - | - | 1,846 | 1,846 | 1,846 | - | - |
| Increase (decrease) in consumer deposits | 894 | 4 | (137) | 16 | 17 | 17 | (27) | 55 | 75 | 45 | 40 | 1,598 | | 2,597 | 1,152 | 1,758 |
| Decrease (increase) other non-current re | - | 30,141 | - | - | - | - | - | - | - | - | - | 3,098 | | 33,239 | - | - |
| Total Cash Receipts by Source | 131,374 | 37,502 | 17,247 | 15,979 | 100,928 | 15,476 | 14,239 | 31,385 | 25,160 | 24,219 | 23,904 | (3,934) | 397,643 | 433,479 | 389,137 | 393,257 |
| Cash Payments by Type | | | | | | | | | | | | | | | | |
| Employee related costs | 15,044 | 7,393 | 8,432 | 7,805 | 8,054 | 12,898 | 8,251 | 9,960 | 8,654 | 8,654 | 7,896 | 3,069 | 106,109 | 106,109 | 122,344 | 129,501 |
| Remuneration of councillors | 2,716 | 1,461 | 1,538 | 1,514 | 157 | 1,516 | 1,460 | 1,545 | 1,545 | 1,545 | 1,545 | 1,118 | 17,659 | 17,659 | 19,563 | 20,600 |
| Bulk purchases - Electricity | 58 | 12,919 | 5,452 | 56 | 4,460 | 9,340 | 98 | 4,563 | 4,986 | 4,695 | 4,756 | 9,886 | 61,270 | 61,270 | 63,690 | 67,416 |
| Other materials | 323 | 877 | 577 | 589 | 520 | 703 | 355 | 385 | 395 | 450 | 540 | 775 | 6,489 | 6,489 | 5,764 | 6,101 |
| Contracted services | - | 18,445 | (1,525) | 3,153 | - | 2,574 | (185) | 1,100 | 1,200 | 1,245 | 796 | 4,956 | | 31,758 | 23,300 | 24,389 |
| Transfers and grants - other | - | - | 176 | - | 88 | 98 | - | 965 | 1,010 | 1,025 | 985 | (2,447) | | 1,900 | 3,503 | 3,708 |
| Other expenditure | 6,068 | 33,199 | 1,592 | 21,859 | 8,395 | 12,527 | 18,969 | 5,463 | 4,797 | 4,523 | 5,546 | (57,722) | 65,215 | 65,215 | 58,165 | 37,780 |
| Cash Payments by Type | 24,208 | 74,294 | 16,242 | 34,976 | 21,674 | 39,656 | 28,948 | 23,981 | 22,586 | 22,137 | 22,064 | (40,366) | 256,742 | 290,400 | 296,329 | 289,496 |
| Other Cash Flows/Payments by Type | | | | | | | | | | | | | | | | |
| Capital assets | 214 | 471 | 5,625 | 8,761 | 20,629 | 9,516 | 10,369 | 12,291 | 9,710 | 7,165 | 6,842 | 32,861 | 124,455 | 124,455 | 99,178 | 98,589 |
| Total Cash Payments by Type | 24,421 | 74,765 | 21,867 | 43,737 | 42,304 | 49,172 | 39,318 | 36,272 | 32,296 | 29,302 | 28,906 | (7,505) | 381,197 | 414,855 | 395,507 | 388,085 |
| NET INCREASE/(DECREASE) IN CASH H | 106,953 | (37,262) | (4,621) | (27,758) | 58,625 | (33,696) | (25,079) | (4,887) | (7,136) | (5,083) | (5,002) | 3,570 | 16,446 | 18,625 | (6,370) | 5,172 |
| Cash/cash equivalents at the month/year | 24,567 | 131,520 | 94,258 | 89,637 | 61,879 | 120,504 | 86,808 | 61,729 | 56,842 | 49,707 | 44,624 | 39,622 | | 24,567 | 43,192 | 36,823 |
| Cash/cash equivalents at the month/year | 131,520 | 94,258 | 89,637 | 61,879 | 120,504 | 86,808 | 61,729 | 56,842 | 49,707 | 44,624 | 39,622 | 43,192 | | 43,192 | 36,823 | 41,995 |

Table SB 16: Adjustment Budget – Monthly Capital Expenditure

| Description - Municipal Vote | Budget Year 2015/16 | | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---------------------|------------|--------------|--------------|---------------|--------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|---|-----------------------|-----------------------|
| | July | August | Sept. | October | November | December | January | February | March | April | May | June | Full year budget | Budget Year 2015/16 | Budget Year+1 2016/17 | Budget Year+2 2017/18 |
| | Outcome | Outcome | Outcome | Outcome | Outcome | Outcome | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| Multi-year expenditure appropriation | | | | | | | | | | | | | | | | |
| Vote 1 - Executive & Council | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 2 - Office of the Municipal Manager | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 3 - Budget & Treasury | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 4 - Corporate Services | - | 83 | 139 | 147 | - | 291 | 29 | 120 | 126 | 233 | 241 | 26 | - | 1,434 | 1,000 | 800 |
| Vote 5 - Community Services | - | - | 160 | 447 | 41 | 1,472 | 218 | 318 | 328 | 418 | 618 | 677 | - | 4,700 | 3,100 | - |
| Vote 6 - Technical Services | 214 | 442 | 3,460 | 5,845 | 10,526 | 4,556 | 5,212 | 7,233 | 10,243 | 13,249 | 12,253 | 3,166 | - | 76,398 | 85,928 | 94,549 |
| Vote 7 - Strategic Development | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 8 - Development Planning | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 9 - Executive Support | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Capital Multi-year expenditure sub-total | 214 | 525 | 3,759 | 6,439 | 10,567 | 6,319 | 5,459 | 7,672 | 10,697 | 13,900 | 13,112 | 3,969 | - | 62,533 | 90,028 | 95,349 |
| Single-year expenditure appropriation | | | | | | | | | | | | | | | | |
| Vote 1 - Executive & Council | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 2 - Office of the Municipal Manager | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 3 - Budget & Treasury | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 4 - Corporate Services | - | - | - | - | - | - | - | 68 | 110 | 19 | 10 | 93 | - | 300 | - | - |
| Vote 5 - Community Services | - | - | - | - | - | - | 121 | 322 | 400 | 402 | 422 | 134 | - | 1,800 | - | - |
| Vote 6 - Technical Services | - | - | 1,026 | 1,001 | 8,692 | 3,151 | 3,676 | 3,688 | 4,693 | 5,697 | 6,699 | 1,500 | - | 39,822 | 9,150 | 3,240 |
| Vote 7 - Strategic Development | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 8 - Development Planning | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vote 9 - Executive Support | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Capital single-year expenditure sub-tota | - | - | 1,026 | 1,001 | 8,692 | 3,151 | 3,797 | 4,077 | 5,203 | 6,117 | 7,131 | 1,727 | - | 41,922 | 9,150 | 3,240 |
| Total Capital Expenditure | 214 | 525 | 4,785 | 7,440 | 19,259 | 9,470 | 9,256 | 11,749 | 15,901 | 20,017 | 20,243 | 5,596 | - | 124,455 | 99,178 | 98,589 |

Table SB 17: Adjustment Budget – Monthly Capital Expenditure

| Description | Budget Year 2015/16 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|---------------------|---------|---------|---------|----------|----------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---|------------------------|------------------------|
| | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2015/16 | Budget Year +1 2016/17 | Budget Year +2 2017/18 |
| | Outcome | Outcome | Outcome | Outcome | Outcome | Outcome | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget |
| Capital Expenditure - Standard | | | | | | | | | | | | | | | |
| Governance and administration | - | 83 | 139 | 147 | - | 291 | 29 | 120 | 126 | 233 | 241 | 326 | 1,734 | 1,000 | 800 |
| Executive and council | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Budget and treasury office | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Corporate services | - | 83 | 139 | 147 | - | 291 | 29 | 120 | 126 | 233 | 241 | 326 | 1,734 | 1,000 | 800 |
| Community and public safety | - | - | 160 | 447 | 41 | 700 | - | 12 | 17 | 21 | 26 | 176 | 1,600 | 3,100 | - |
| Community and social services | - | - | 160 | 239 | - | 200 | - | 2 | - | - | - | - | 600 | 3,100 | - |
| Sport and recreation | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Public safety | - | - | - | 208 | 41 | 500 | - | 11 | 17 | 21 | 26 | 176 | 1,000 | - | - |
| Economic and environmental services | 214 | 442 | 3,044 | 6,846 | 16,475 | 6,451 | 8,468 | 9,476 | 12,480 | 14,482 | 14,484 | 4,132 | 96,993 | 74,978 | 69,300 |
| Planning and development | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Road transport | 214 | 442 | 3,044 | 6,846 | 16,475 | 6,451 | 8,468 | 9,476 | 12,480 | 14,482 | 14,484 | 4,132 | 96,993 | 74,978 | 69,300 |
| Environmental protection | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Trading services | - | - | 1,442 | - | 2,743 | 2,028 | 759 | 2,140 | 3,278 | 4,249 | 5,492 | 1,996 | 24,128 | 20,100 | 28,489 |
| Electricity | - | - | 1,442 | - | 2,743 | 1,256 | 759 | 2,140 | 3,254 | 4,214 | 5,449 | 1,970 | 23,228 | 20,100 | 28,489 |
| Waste management | - | - | - | - | - | 772 | - | - | 24 | 34 | 43 | 26 | 900 | - | - |
| Other | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Capital Expenditure - Standard | 214 | 525 | 4,785 | 7,440 | 19,259 | 9,469 | 9,256 | 11,749 | 15,901 | 18,984 | 20,243 | 6,630 | 124,455 | 99,178 | 98,589 |

Table SB 18a: Adjustment Budget – Capital – New Assets

| Description | Budget Year 2015/16 | | | | | | | | | 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 |
| Capital expenditure on new assets by Asset Class/Sub-class | | | | | | | | | | | |
| Infrastructure | 57,102 | - | - | - | - | - | 31,646 | 31,646 | 68,748 | 47,778 | 51,889 |
| Infrastructure - Road transport | 45,602 | - | - | - | - | - | 19,518 | 19,518 | 65,120 | 34,778 | 35,100 |
| <i>Roads, Pavements & Bridges</i> | 40,602 | - | - | - | - | - | 17,400 | 17,400 | 58,002 | 30,178 | 33,000 |
| <i>Storm water</i> | 5,000 | - | - | - | - | - | 2,118 | 2,118 | 7,118 | 4,600 | 2,100 |
| Infrastructure - Electricity | 11,500 | - | - | - | - | - | 11,728 | 11,728 | 23,228 | 13,000 | 16,789 |
| <i>Generation</i> | - | - | - | - | - | - | - | - | - | - | - |
| <i>Transmission & Reticulation</i> | 10,000 | - | - | - | - | - | 3,776 | 3,776 | 13,776 | 10,000 | 10,000 |
| <i>Street Lighting</i> | 1,500 | - | - | - | - | - | 7,951 | 7,951 | 9,451 | 3,000 | 6,789 |
| Infrastructure - Other | - | - | - | - | - | - | 400 | 400 | 400 | - | - |
| <i>Refuse</i> | - | - | - | - | - | - | 400 | 400 | 400 | - | - |
| Community | - | - | - | - | - | - | - | - | - | - | - |
| Other assets | - | - | - | - | - | - | 300 | 300 | 300 | - | - |
| Other | - | - | - | - | - | - | 300 | 300 | 300 | - | - |
| Total Capital Expenditure on new assets to be adjusted | 57,102 | - | - | - | - | - | 31,946 | 31,946 | 89,048 | 47,778 | 51,889 |

Table SB 18b: Adjustment Budget – Capital – Renewal of Existing Assets

| Description | Budget Year 2015/16 | | | | | | | | | Budget Year +1 2016/17 | Budget Year +2 2017/18 |
|---|---------------------|----------------|--------------|--------------------|------------------|--------------------|----------------|----------------|-----------------|---------------------------|---------------------------|
| | 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 |
| Capital expenditure on renewal of existing assets by Asset Class/Sub-class | | | | | | | | | | | |
| Infrastructure | 30,779 | - | - | - | - | - | (6,708) | (6,708) | 24,072 | 43,660 | 40,900 |
| Infrastructure - Road transport | 26,779 | - | - | - | - | - | (5,208) | (5,208) | 21,572 | 36,200 | 29,200 |
| <i>Roads, Pavements & Bridges</i> | 26,779 | - | - | - | - | - | (5,208) | (5,208) | 21,572 | 36,200 | 29,200 |
| <i>Storm water</i> | | | | | | | | | | | |
| Infrastructure - Electricity | 1,500 | - | - | - | - | - | (500) | (500) | 1,000 | 7,100 | 11,700 |
| <i>Generation</i> | | | | | | | | | | | |
| <i>Transmission & Reticulation</i> | 1,500 | - | - | - | - | - | (500) | (500) | 1,000 | 7,100 | 11,700 |
| Infrastructure - Other | 2,500 | - | - | - | - | - | (1,000) | (1,000) | 1,500 | 360 | - |
| <i>Refuse</i> | 2,500 | - | - | - | - | - | (1,000) | (1,000) | 1,500 | 360 | - |
| Community | - | - | - | - | - | - | 600 | 600 | 600 | - | - |
| Parks & gardens | | | | | | | 400 | 400 | 400 | | |
| Cemeteries | | | | | | | 200 | 200 | 200 | | |
| Other assets | 12,100 | - | - | - | - | - | (1,364) | (1,364) | 10,736 | 7,740 | 5,800 |
| Computers - hardware/equipment | 500 | | | | | | | | 500 | 500 | 500 |
| Furniture and other office equipment | 500 | | | | | | 30 | 30 | 530 | 400 | 200 |
| Civic Land and Buildings | 1,000 | | | | | | (1,000) | (1,000) | - | 240 | - |
| Other Buildings | 10,000 | | | | | | (698) | (698) | 9,302 | 6,500 | 5,000 |
| Other | 100 | | | | | | 304 | 304 | 404 | 100 | 100 |
| Total Capital Expenditure on renewal of existing assets to be adjusted | 42,879 | - | - | - | - | - | (7,472) | (7,472) | 35,407 | 51,400 | 46,700 |

Table SB 18c: Adjustment Budget – Repairs and Maintenance

| Description | Budget Year 2015/16 | | | | | | | | | Budget Year +1 2016/17 | Budget Year +2 2017/18 |
|---|---------------------|-------------------|-----------------|---------------------------|---------------------|--------------------------|-------------------|-------------------|--------------------|------------------------------|------------------------------|
| | 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 |
| Repairs and maintenance expenditure by Asset Class/Sub-class | | | | | | | | | | | |
| Infrastructure | 4,500 | - | - | - | - | - | 1,018 | 1,018 | 5,518 | 4,583 | 4,825 |
| Infrastructure - Road transport | 3,000 | - | - | - | - | - | (582) | (582) | 2,418 | 3,000 | 3,159 |
| <i>Roads, Pavements & Bridges</i> | 3,000 | - | - | - | - | - | (582) | (582) | 2,418 | 3,000 | 3,159 |
| Infrastructure - Electricity | - | - | - | - | - | - | 1,000 | 1,000 | 1,000 | - | - |
| <i>Transmission & Reticulation</i> | - | - | - | - | - | - | 1,000 | 1,000 | 1,000 | - | - |
| Infrastructure - Other | 1,500 | - | - | - | - | - | 600 | 600 | 2,100 | 1,583 | 1,666 |
| <i>Refuse</i> | 1,500 | - | - | - | - | - | 600 | 600 | 2,100 | 1,583 | 1,666 |
| Other assets | 7,200 | - | - | - | - | - | (2,855) | (2,855) | 4,345 | 6,321 | 6,650 |
| General vehicles | 2,000 | - | - | - | - | - | (850) | (850) | 1,150 | 2,110 | 2,222 |
| Specialised vehicles | - | - | - | - | - | - | - | - | - | - | - |
| Plant & equipment | 3,000 | - | - | - | - | - | (2,000) | (2,000) | 1,000 | 2,000 | 2,100 |
| Other Buildings | 2,000 | - | - | - | - | - | (381) | (381) | 1,619 | 2,000 | 2,106 |
| Other | 200 | - | - | - | - | - | 376 | 376 | 576 | 211 | 222 |
| Intangibles | 120 | - | - | - | - | - | (70) | (70) | 50 | 127 | 133 |
| Computers - software & programming | - | - | - | - | - | - | - | - | - | - | - |
| Website Maintenance | 120 | - | - | - | - | - | (70) | (70) | 50 | 127 | 133 |
| Total Repairs and Maintenance to be adjusted | 11,820 | - | - | - | - | - | (1,907) | (1,907) | 9,913 | 11,030 | 11,609 |

Table SB 19: Adjustment Budget – List of Capital Projects

| Municipal Vote | Program/Project description | Medium Term Revenue and Expenditure Framework | | | | | |
|--------------------------------------|--|---|-----------------|------------------------|-----------------|------------------------|-----------------|
| | | Budget Year 2015/16 | | Budget Year +1 2016/17 | | Budget Year +2 2017/18 | |
| | | Original Budget | Adjusted Budget | Original Budget | Adjusted Budget | Original Budget | Adjusted Budget |
| Corporate Services | Furniture | 500 | 530 | 400 | 400 | 200 | 200 |
| | Aircons | - | 300 | - | - | - | - |
| | Tools and equipment | 100 | 404 | 100 | 100 | 100 | 100 |
| | ICT Disaster recovery site | - | - | - | - | - | - |
| | Hardware Devices | 500 | 500 | 500 | 500 | 500 | 500 |
| Infrastructure | Crane Truck - Electrical | 700 | - | 1,000 | 1,000 | - | - |
| | Electrification of Households in Monsterius Stadium View | 7,344 | 7,344 | - | - | - | - |
| | Electrification of Households in Magagatala | 600 | 2,876 | - | - | - | - |
| | Electrification of Households in Makaepa Village | - | - | 6,000 | 6,000 | - | - |
| | Electrification of Tambo Village | - | - | - | - | 1,790 | 1,790 |
| | Electrification of Zuma Park | - | - | 1,000 | 1,000 | 910 | 910 |
| | Electrification of Zenzele | 1,000 | 3,951 | 2,000 | 2,000 | 5,000 | 5,000 |
| | Electrification of Jabulani | - | - | - | - | 1,300 | 1,300 |
| | Development of Public lighting (Highmast Light) | 500 | 5,500 | 3,000 | 3,000 | 6,789 | 6,789 |
| | Main Substation | - | - | 2,100 | 2,100 | 5,000 | 5,000 |
| | Mini Subs | 800 | - | 1,000 | 1,000 | 1,700 | 1,700 |
| | Smart Metering Project - Groblersdal | - | - | 3,000 | 3,000 | 5,000 | 5,000 |
| | Electrification of Makwana village | 2,056 | 3,556 | 1,000 | 1,000 | 1,000 | 1,000 |
| | Construction of Speed Humps - Ward 17 | 100 | 100 | 150 | 150 | 150 | 150 |
| | Construction of Speed Humps - Ward 24 | 200 | 200 | 150 | 150 | 150 | 150 |
| | Construction of Speed Humps - Ward 23 | 150 | 150 | 150 | 150 | 150 | 150 |
| | Construction of Speed Humps - Ward 25 | 150 | 150 | 150 | 150 | 150 | 150 |
| | Construction of Speed Humps - Ward 06 | 100 | 100 | 150 | 150 | 150 | 150 |
| | Construction of Speed Humps - Ward 07 | 100 | 100 | 150 | 150 | 150 | 150 |
| | Construction of Speed Humps - Ward 08 | 100 | 100 | 150 | 150 | 150 | 150 |
| | Dikgalaopeng Construction of storm water Channels | 500 | 500 | 600 | 600 | 700 | 700 |
| | Sephaku Construction of storm water Channels | 600 | 600 | 600 | 600 | 700 | 700 |
| | Chego to Dikgalaopeng Road Storm water Controls | 500 | 418 | 600 | 600 | 700 | 700 |
| | Waalkraal Construction of storm water channels | 400 | 400 | 800 | 800 | - | - |
| | Groblersdal - Landfill Site | 2,000 | 1,000 | - | - | - | - |
| | Hlogotlou Street and Storm water control | 3,000 | 3,000 | 2,000 | 2,000 | - | - |
| | JJ Road: Zaaiplaas Bus route | 5,000 | 12,000 | 6,000 | 6,000 | 7,000 | 7,000 |
| | Kamaal Street - Groblersdal | 6,500 | 2,100 | - | - | 4,000 | 4,000 |
| | Kgaphamadi Upgrade | 5,000 | 5,637 | 5,000 | 5,000 | 12,500 | 12,500 |
| | Laersdrift Bus Route | 1,500 | 1,000 | 5,000 | 5,000 | 2,000 | 2,000 |
| | Mathula road | 6,000 | 6,000 | 10,000 | 10,000 | - | - |
| | Mogaung Upgrade | 6,000 | 6,000 | 9,178 | 9,178 | - | - |
| | Mosterius to Makgopeng Phase 2 | 6,000 | 6,000 | - | - | - | - |
| | Moleli A Phase 1: Stormwater | 100 | - | - | - | - | - |
| | Moleli A - Bus Route | 5,000 | 5,000 | 150 | 150 | 150 | 150 |
| | Mpheleng Construction of Bus Road | 5,000 | 5,000 | 5,000 | 5,000 | 7,000 | 7,000 |
| | Multi Purpose Sports Fields Master plan | 1,000 | 1,000 | 5,000 | 5,000 | 8,000 | 8,000 |
| | Naganeng Bus Route | - | - | 2,000 | 2,000 | 12,000 | 12,000 |
| | Phuchukani Construction of Road | 6,602 | 11,002 | - | - | - | - |
| | Plant and Machinery | 3,000 | 2,302 | 2,000 | 2,000 | 4,000 | 4,000 |
| | Upgrading of Marapong Bridge | 1,500 | 5,000 | 5,000 | 5,000 | 3,500 | 3,500 |
| | Makgopheng Road & Storm water Control | 1,279 | 779 | 3,000 | 3,000 | - | - |
| | Roads to Magoshi - Matlala | 1,000 | - | - | - | - | - |
| | Roads to Magoshi - Matsepe | - | - | 3,000 | 3,000 | - | - |
| | Roads to Magoshi - Rammupudi | 6,000 | 6,000 | - | - | - | - |
| | Rehabilitaion Roosennekal Roads & Streets | 2,000 | 1,755 | 2,000 | 2,000 | - | - |
| | Walter Sisulu/Tambo Construction Bus/Taxi Road | - | 7,000 | 5,000 | 5,000 | 7,000 | 7,000 |
| Development of Workshop PH1 | 2,000 | 2,000 | 2,000 | 2,000 | 1,000 | 1,000 | |
| Nyakoroane Road | 1,000 | 600 | - | - | - | - | |
| Community and Social Services | Upgrading of Driving Licence Testing Centre | 2,000 | 2,500 | 1,000 | 1,000 | - | - |
| | Upgrading of Licence offices | 1,500 | 1,500 | 1,500 | 1,500 | - | - |
| | Upgrading of Offices and Development of Control Room | 1,500 | 1,000 | - | - | - | - |
| | Development of Cemeteries | 200 | 200 | 240 | 240 | - | - |
| | Skips | - | 400 | - | - | - | - |
| | Development of T ransfer Station- Ntwane | 500 | 500 | 360 | 360 | - | - |
| | Landscaping of Hoep- Hoep and Impala parks | 800 | 400 | - | - | - | - |

Quality certificate

I, **RAMAKGAHLELA MINAH MAREDI**, the Municipal Manager of **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**, hereby certify that the Adjustment Budget and supporting documentations for 2015/16 financial year has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Municipal Manager of Elias Motsoaledi Local Municipality (LIM 472)

Signature ...  **Elias Motsoaledi Local Municipality**

Date 29/2/2016 **29 FEB 2016**

Municipal Manager