

O. R. TAMBO DM
BUDGET AND TREASURY OFFICE



O.R. TAMBO
DISTRICT MUNICIPALITY

BUDGET ADJUSTMENT – 2018/19

PREPARED FOR COUNCIL

FEBRUARY 2019

REPORT ON ADJUSTMENT BUDGET FOR 2018/19 AND 2020 -2021 MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK

1. SUBJECT:- ADJUSTMENT BUDGET 2017/18 and two outer years

Section 28 of Chapter 4 of the Municipal Finance Management Act, Act No. 56 of 2003 and MFMA Circulars.

2. PURPOSE AND BACKGROUND

Section 28(2) of the Municipal Finance Management Act No. 56 of 2003, states that:

A municipality must adjust the approved budget through an adjustment budget:

An adjustments budget;

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

In preparing the adjustments budget, MFMA s18, MFMA circulars, were considered for the realistic revenue being anticipated. The funding of the adjustments budget is informed by the mid-year performance.

In terms of MFMA Municipal Budget Reporting Regulations, regulation 23 states:-

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

Mid- year assessment as per s72 of MFMA has been undertaken where the performance for the first six months was evaluated to ascertain if there is any need for the adjustment of the adopted budget

In terms of MFMA section 54(1)(c) states that : Mayor on receipt of reports or statements from accounting officer as stipulated in sections 71 and 72 –

(c) Consider, and if necessary make any revisions to the SDBIP, provided that the revision to the service targets and performance indicators in the plan may only be made with the approval of the council following the approval of the adjustment.

It was after the evaluation of the mid-year assessment that the need for the adjustment of the budget was necessary of which that adjustment is informed by the activities that occurred during the mid-year that necessitated an adjustment with the major items being:

- Subsistence and travelling which increased drastically resulting in overspending.
- Increase in Water carting due to drought.
- Increase in Equipment hire
- Increase in Telephone expenditure budget to accommodate Vodacom contract
- Overtime which increase as result of implementing 30 percent allowance on Water services and Disaster employees.
- Pension fund increase
- Cellphone allowance

3. SUMMARY

This report was prepared in accordance with section 28 Chapter 4 of the Municipal Finance Management Act, Act No.56 of 2003 and the MFMA Circulars to table the adjustments budget for 2018/19 financial year.

Overall summary

DESCRIPTION	BUDGETED 2018/2019	ADJUSTMENT	ADJUSTMENT BUDGETED 2018/2019	BUDGETED 2019/2020	BUDGETED 2020/2021
Operating Revenue	1,420,748,086	74,908,612	1,495,656,698	1,554,256,888	1,652,904,360
Operating Expenditure	1,417,248,086	74,908,612	1,492,156,698	1,550,056,888	1,648,404,360
Surplus/(Deficit)	3,500,000	0	3,500,000	4,200,000	4,500,000
Total Capital Expenditure	1,184,390,453	154,867,000	1,339,257,453	1,191,331,210	1,262,191,177
Overall Total Budget	2,605,138,539	229,775,612	2,834,914,151	2,745,588,098	2,915,095,537

Refer to B3 to B5

Funding of the budget

In terms of section 18 of chapter 4 of MFMA, an annual budget may only be funded from-

- a) realistically anticipated revenues to be collected;
- b) cash-backed accumulated funds from previous years surpluses not committed for other purposes; and
- c) borrowed funds, but only for the capital budget referred to in section 17 (2)

Revenue projections in the budget must be realistic, taking into account-

- a) projected revenue for the current year based on collection levels to date; and
- b) Actual revenue collected in previous financial years.

Revenue composed of the following:-

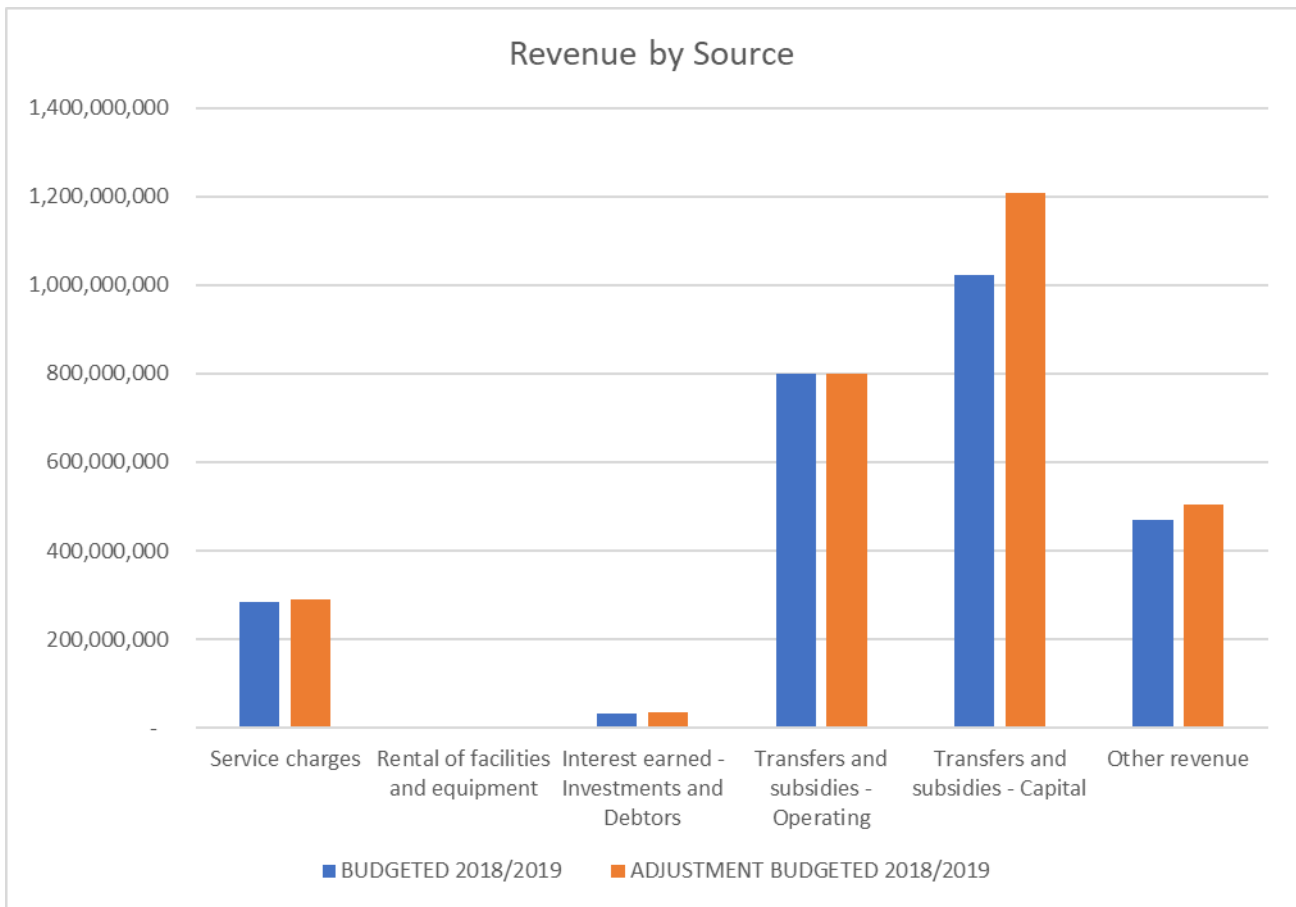
DESCRIPTION	BUDGETED 2018/2019	ADJUSTMENT	ADJUSTMENT BUDGETED 2018/2019	BUDGETED 2019/2020	BUDGETED 2020/2021
Service charges	284,698,174	6,300,000	290,998,174	307,474,028	335,146,691
Rental of facilities and equipment	57,860	-	57,860	61,042	64,400
Interest earned - Investments and Debtors	31,300,000	3,300,000	34,600,000	32,618,000	35,955,080
Transfers and subsidies - Operating	798,523,000	-	798,523,000	855,753,000	927,444,000
Transfers and subsidies - Capital	1,022,330,000	185,135,000	1,207,465,000	1,023,235,001	1,088,552,001
Other revenue	468,229,506	35,040,611	503,270,117	526,447,027	527,933,366
	2,605,138,540	229,775,611	2,834,914,151	2,745,588,098	2,915,095,537

Total revenue has increased by 9 percent or R229.7 million for the 2018/19 financial year in comparison to the original budget. For the two outer years, operational revenue will decrease by 3 percent and increase by 6 percent respectively.

The adjustment is mainly due to :

- Additional funding allocation for Drought relief
- Reserves

Refer to B4 in budget line items



Revenue comprises of 71 percent of grants and transfers recognized being:

- Equitable share – R791 million
- Finance Management Grant – R2.1 million
- Extended Public Works Program – R4.8 million
- Municipal Infrastructure Grant – R619 million.
- Water Services Infrastructure Grant – R275.1 million
- Regional Bulk Infrastructure Grant – R309.7 million

Service Charges of 14 percent being:-

- Water and Sanitation - R290.9 million
- Services (old debtors) – R120 million

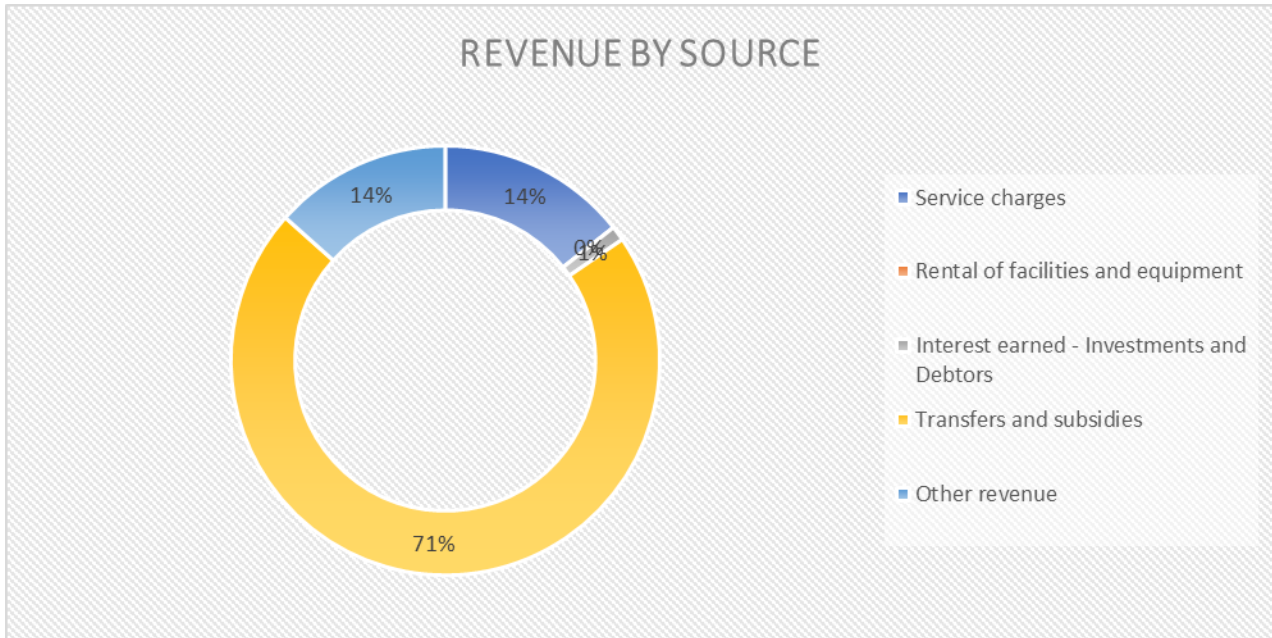
Interest received of 1 percent being:-

- Interest received from investments – R29.3 million
- Interest received from debtors – R5.3 million

Other own revenue of 14 percent being:-

- Reserves – R250.3 million
- Tender fees – R1.1 million
- VAT refund – R 131.7 million

Illustration of Total revenue



The municipality is dependent on government grants and subsidies as depicted above.

Sources of Funding

DESCRIPTION	BUDGETED 2018/2019	ADJUSTMENT	ADJUSTMENT BUDGETED 2018/2019	BUDGETED 2019/2020	BUDGETED 2020/2021
Own Revenue	1,575,811,540	44,640,611	1,620,452,151	1,720,238,097	1,824,428,536
Conditional Revenue	1,029,327,000	185,135,000	1,214,462,000	1,025,350,001	1,090,667,001
Total Revenue	2,605,138,540	229,775,611	2,834,914,151	2,745,588,098	2,915,095,537

Operating expenditure comprises of the following:-

DESCRIPTION	BUDGETED 2018/2019	MSCOA RE- CLASSIFICATION	ADJUSTMENT	ADJUSTMENT BUDGETED 2018/2019	BUDGETED 2019/2020	BUDGETED 2020/2021
Employee related costs	500,434,790	13,746,583	29,015,868	543,197,242	602,597,082	645,250,955
Remuneration of councillors	27,676,679	- 3,656,532	- 2,823,609	21,196,538	22,058,892	23,625,074
Debt impairment	87,671,211	-	-	87,671,211	92,493,128	97,580,250
Depreciation & asset impairment	162,000,000	-	-	162,000,000	170,910,000	180,310,050
Finance charges	-	662,760	- 662,760	-	-	-
Bulk purchases	70,500,000	-	- 3,000,000	67,500,000	74,377,500	78,468,263
Other materials	62,811,718	- 34,377,580	- 7,200,000	21,234,138	21,234,138	29,998,016
Contracted services	42,663,616	185,540,324	20,888,390	249,092,330	240,874,119	257,756,209
Transfers and subsidies	91,578,940	- 5,233,535	1,690,000	88,035,405	91,001,067	95,907,938
Other expenditure	371,911,131	- 156,682,021	37,000,724	252,229,834	234,510,961	239,507,606
	1,417,248,086	0	74,908,613	1,492,156,699	1,550,056,887	1,648,404,359

Operating expenditure has been adjusted upwards by 5 percent or 74.9 million for the 2018/19 financial year in comparison to the original budget. For the two outer years, operational expenditure will increase by 4 and 6 percent respectively. The column for MSCOA reflects the reclassification of expenditure items in line with MSCOA requirements. **It is imperative to note the MSCOA classification does not increase or decrease the budget it is simple a regrouping of items for reporting purposes.**

The analysis as per line items is explained as follows:

Personnel Expenditure:

Employee costs were adjusted upwards by a net of R42.7 million (R13.7 million MSCOA classification and R29 million upward adjustment) constituting 6 percent of the original budget. This is mainly due to the implementation of fixed overtime allowance of 30 percent for the Water services and Disaster employees. The Pension fund, Travel allowance and cellphone allowance have also increased due to absorption of water services contract workers.

Remuneration to councilors was adjusted downwards by a net of R6.4 million (R3.6 MSCOA classification and R2.8 million adjustment based on current estimates for the remaining period of the year).

Other Materials

This item used to include "Repairs and Maintenance" however due to MSCOA classification requirements repairs and maintenance budget was re-classified to "Contracted Services". In terms of MSCOA requirements this item is for "Inventory Consumed" therefore inventory consumed amounting to R21.2 million was moved from "Other Expenditure" to "Other Materials". The net adjustment in this item was minus R41.5 being R34.3 million for MSCOA re-classifications and R7.2 million re-allocated to water carting and "Personnel Expenditure".

Contracted Services

In the original budget this item only included Security and Consulting fees however in line with MSCOA classification "Contracted services" also include Repairs and Maintenance as well as other sub-items like catering, Stage and sound, transportation costs regardless of the programme in which the sub-item is liked. Other than the Repairs and Maintenance, budget for these items was previously included under "Other Expenditure". The increase of R206.3 million in "Contracted Services" is due to R185.5 million for MSCOA re-classifications and R20.8 other contracted services mainly Water carting and VIP Sludge sucking.

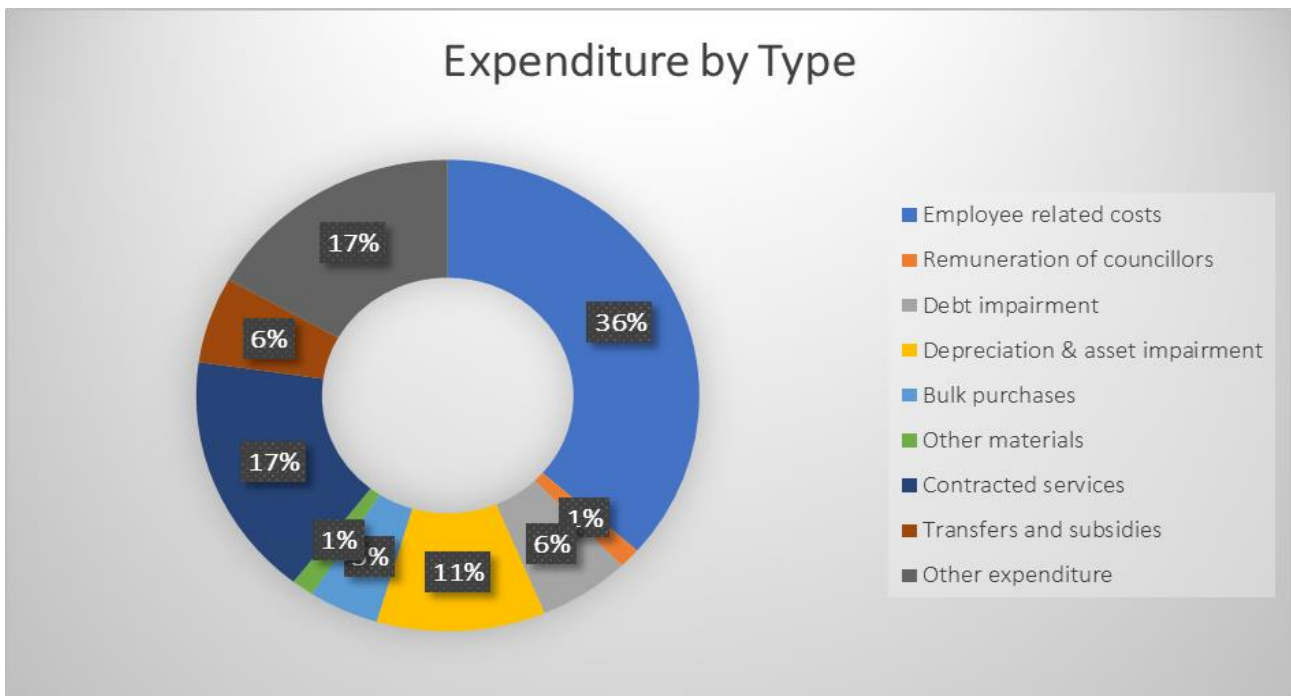
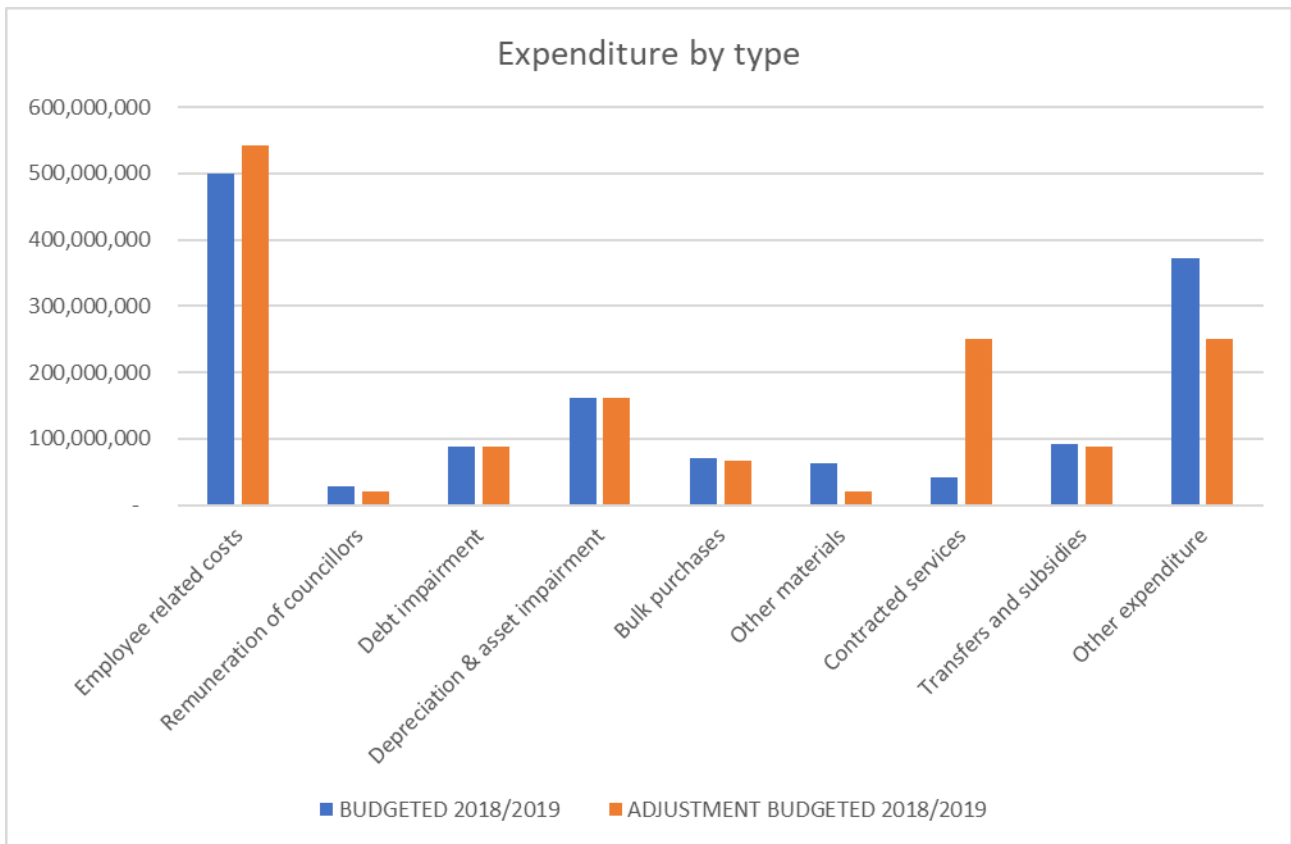
Grants and Subsidies paid

The decrease of R3.5 million in grants and subsidies is mainly due to upward adjustment of R1.6 million and a decrease of R5.2 million due to MSCOA re-allocations.

Other Expenditure

Other expenditure decreased by a net of R119.7 million being a downward adjustment of R156.7million relating to MSCOA re-classification and upward adjustment of R37 million mainly due to increase in subsistence and travelling, Telephone costs (Vodacom contract) and Plant hire.

Graphic Illustrations



For more details refer to pages 10 to 18

Capital Expenditure

DESCRIPTION	BUDGETED 2018/2019	ADJUSTMENT	ADJUSTMENT BUDGETED 2018/2019	BUDGETED 2019/2020	BUDGETED 2020/2021
Capital Expenditure	1,184,390,453	154,867,000	1,339,257,453	1,191,331,210	1,262,191,177

Capital expenditure is adjusted upwards by a net of R154.9 million being an increase of R185.1 million additional grant for drought relief and a decrease of R30.2 million mainly due to the decrease in budget for refurbishment of Water schemes, refurbishment of pump stations and the establishment of disaster management centre.

Departmental Adjustments

Office of the Speaker

ACCOUNT DESCRIPTION	ORIGINAL BUDGET	VIREMENTS	ADJUSTMENTS	FINAL BUDGET
1. PERSONNEL EXPENDITURE				
SALARIES	32,777,083	-	2,524,992-	30,252,091
SALARIES : BONUS-ANNUAL LEAVE	1,081,376	-	100,000-	981,376
OVERTIME & STANDBY ALLOWANCE	168,962	-	100,000	268,962
MEDICAL AID	1,787,448	-	743,454	2,530,902
TRAVELLING ALLOWANCE	7,091,227	-	856,634-	6,234,593
CELLPHONE ALLOWANCE	395,800	500,000	2,069,000	2,964,800
HOUSING ALLOWANCE	480,396	-	97,880	578,275
INSURANCE : UIF	157,048	-	68,508-	88,541
PENSION FUND CONTRIBUTIONS	1,804,092	-	1,229,835	3,033,927
SKILLS DEVELOPMENT LEVY	422,627	-	1,130-	421,497
BARGAINING COUNCIL	-		4,608	4,608
TOTAL PERSONNEL EXPENSES	46,166,058		693,513	47,359,571
2. GENERAL EXPENSES				
WHIPPERY SUPPORT	3,156,000	200,000	800,000	4,156,000
SUBSISTENCE & TRAVELLING	12,125,000	-	7,200,000	19,325,000
COUNCIL AND COMMITTEE	3,319,060	1,800,000-	-	1,519,060
PUBLIC PARTICIPATION	2,100,000	500,000	1,200,000	3,800,000
SITTING ALLOWANCE - TRADITIONAL LEADERS	220,920	-	500,000	720,920
TOTAL GENERAL EXPENSES	26,201,778	1,100,000-	9,700,000	34,801,778

Total adjustment on General expenditure was R9.7 million which is mainly is due to increase in subsistence and travelling. The increase in "Personnel Expenditure" is due to upward adjustment of cellphone allowance and pension fund.

Office of Executive Mayor

ACCOUNT DESCRIPTION	BUDGETED 2018/2019	VIREMENT	ADJUSTMENT	ADJUSTMENT BUDGETED 2018/2019
<u>1. PERSONNEL EXPENDITURE</u>				
SALARIES	23,904,383	-	497,297	24,401,680
SALARIES : BONUS-ANNUAL LEAVE	1,908,699	-	-	1,908,699
MEDICAL AID	4,678,908	-	275,139-	4,403,769
TRAVELLING ALLOWANCE	2,179,179	-	96,734	2,275,913
CELLPHONE ALLOWANCE	216,000	100,000	51,600	367,600
HOUSING ALLOWANCE	1,456,100	-	131,360-	1,324,740
INSURANCE : UIF	364,067	-	214,950-	149,117
PENSION FUND CONTRIBUTIONS	3,226,347	-	670,047	3,896,394
SKILLS DEVELOPMENT LEVY	384,401	-	71,806-	312,596
BARGAINING COUNCIL	-	-	8,018	8,018
TOTAL PERSONNEL EXPENSES	40,188,611	100,000	622,425	40,919,054
<u>2. GENERAL EXPENSES</u>				
COMMUNITY PARTICIPATION & ROAD SHOWS	3,900,000	2,700,000-	6,300,000	7,500,000
SECTORAL ENGAGEMENT	552,300	200,000-	300,000	652,300
POVERTY RELIEF PROGRAM	3,513,680	4,280,000	2,000,000	9,793,680
VIP PROTECTION UNIT	1,049,370	900,000-	-	149,370
SUBSISTENCE & TRAVELLING	3,767,120	2,317,000	-	6,084,120
MAYORAL IMBIZO	4,300,000	1,347,000-	2,500,000	5,453,000
RESEARCH AND POLICY DEVELOPMENT	773,220	700,000-	200,000	273,220
TOTAL GENERAL EXPENSES	45,408,680	750,000	11,300,000	57,458,680
<u>5. CAPITAL EXPENDITURE</u>				
HERITAGE DEVELOPMENT (SS MENDI MONUMENT)	550,000	550,000-	350,000	350,000
HERITAGE DEVELOPMENT (INGQUZA HILL MONUMENT)	550,000	300,000-	300,000	550,000
TOTAL CAPITAL EXPEND EX REVENUE	2,600,000	850,000-	650,000	2,400,000

The increase of R11.3 million in General Expenditure relates to upward adjustment of Poverty relief, Community participation Road shows and Mayoral Imbizo. The budget for SS Mendi and Ingquza Hill monument has been increased by R350 000 and R300 000 respectively.

Office of Municipal Manager

ACCOUNT DESCRIPTION	BUDGETED 2018/2019	VIREMENTS	ADJUSTMENTS	ADJUSTMENT BUDGETED 2018/2019
<u>1. PERSONNEL EXPENDITURE</u>				
SALARIES	14,370,635	-	1,495,377	15,866,012
MEDICAL AID	1,629,732	-	344,372	1,974,104
TRAVELLING ALLOWANCE	1,456,846	-	1,172,457	2,629,304
CELLPHONE ALLOWANCE	73,800	-	210,000	283,800
HOUSING ALLOWANCE	690,371	-	111,841	802,212
INSURANCE : UIF	121,356	-	52,407-	68,948
PENSION FUND CONTRIBUTIONS	1,840,762	-	1,015,120	2,855,882
SKILLS DEVELOPMENT LEVY	201,291	-	41,705	242,997
BARGAINING COUNCIL	-	-	3,594	3,594
TOTAL PERSONNEL EXPENSES	21,451,771	-	4,338,465	25,793,831
<u>2. GENERAL EXPENSES</u>				
BOOKS & PUBLICATIONS	180,602	101,000-	40,000	119,602
COMMUNICATION	6,373,920	1,000,000-	46,557	5,420,477
CONFERENCE FEES	220,920	-	120,000-	100,920
CONSULTANTS & PROF. FEES	3,527,956	1,300,000-	775,087	3,003,043
PROJECT MANAGEMENT OFFICE	2,000,000	2,000,000-	-	-
CORPORATE EXPENSES	55,230	-	50,000-	5,230
LEGAL FEES	5,706,500	3,500,000	850,000	10,056,500
INTER-GOVERNMENTAL RELATIONS	1,528,030	100,000-	90,000-	1,338,030
MEMBERSHIP FEES	427,638	-	220,000-	207,638
SUBSISTENCE & TRAVELLING	2,773,975	3,351,000	165,000	6,289,975
INTEGRATED DEVELOPMENT PLAN-GRANT	5,482,350	2,200,000-	100,000-	3,182,350
AUDIT COMMITTEE ALLOWANCES	405,020	150,000-	78,356	333,376
MUNICIPAL SUPPORT PROGRAM	522,400	-	200,000-	322,400
RISK MANAGEMENT	807,409	-	470,000-	337,409
PERFORMANCE MANAGEMENT SYSTEM	1,325,520	-	100,000	1,425,520
TOTAL GENERAL EXPENSES	40,230,377	-	805,000	41,035,377

Adjustment for the office of the Municipal Manager on general expenditure amounts to R805 000 being upward adjustment of legal fees as indicated in the above table. On Personnel expenditure the R4.3 million expenditure is mainly due to Travelling Allowance, Pension fund and basic salary.

Corporate Services

ACCOUNT DESCRIPTION	BUDGETED 2018/2019	VIREMENTS	ADJUSTMENTS	ADJUSTMENT BUDGETED 2018/2019
<u>1. PERSONNEL EXPENDITURE</u>				
SALARIES	40,059,785	-	7,164,460-	32,895,325
MEDICAL AID	4,521,192	-	236,904	4,758,096
TRAVELLING ALLOWANCE	3,250,053	-	1,365,349	4,615,402
CELLPHONE ALLOWANCE	293,220	-	118,380	411,600
HOUSING ALLOWANCE	1,158,747	-	211,018	1,369,766
INSURANCE : UIF	310,527	-	146,932-	163,595
PENSION FUND CONTRIBUTIONS	4,016,834	-	698,324	4,715,159
SKILLS DEVELOPMENT LEVY	394,824	-	36,051-	358,773
GROUP LIFE ASSURANCE SCHEME		-	9,361,464	9,361,464
LEAVE GRATUITY		-	7,235,588	7,235,588
BARGAINING COUNCIL		-	8,663	8,663
TOTAL PERSONNEL EXPENSES	56,687,757	-	12,388,246	69,076,003
<u>2. GENERAL EXPENSES</u>				
ADVERTISING FEES	662,760	40,000-	-	622,760
BOOKS & PUBLICATIONS	22,092	200,000	-	222,092
CLEANING MATERIALS AND SERVICES	1,634,808	-	200,000-	1,434,808
CONFERENCE FEES	55,087	-	100,000	155,087
CONSULTANTS & PROF. FEES	900,000	40,000	40,000	980,000
JOB EVALUATION PROGRAM	1,157,200	500,000-	436,280-	220,920
TELEPHONE	5,523,000	-	12,000,000	17,523,000
SECURITY COST INCLUDING CONTRACTED SERVICE	21,829,000	-	-	21,829,000
SUBSISTENCE & TRAVELLING	3,512,817	-	1,396,280	4,909,097
GROUP LIFE ASSURANCE SCHEME	7,732,200	-	1,629,264	-
SKILLS DEVELOPMENT AND CAPACITY BUILDING	6,390,530	300,000	0	6,690,530
LOCAL LABOUR FORUM PROGRAMME DEVELOPMENT	165,690	-	-	165,690
INTEGRATED SPATIAL MANAGEMENT SYSTEM	276,150	-	200,000-	76,150
GET THE RECORDS STRAIGHT PROJECT (GTRS)	1,954,542	-	1,400,000-	554,542
TOTAL GENERAL EXPENSES	64,599,837	-	12,929,264	68,167,637

The total upward adjustment of R12.9 million in General expenditure is mainly due to budget for Vodacom contract. The upward adjustment of R12.3 in Personnel expenditure mainly relates to the re-classification of Group Life assurance and Leave gratuity that was previously budgeted for under general expenditure.

Budget and Treasury Office

ACCOUNT DESCRIPTION	BUDGETED 2018/2019	VIREMENTS	ADJUSTMENT S	ADJUSTMENT BUDGETED 2018/2019
<u>1. PERSONNEL EXPENDITURE</u>				
SALARIES	39,617,643	-	4,051,514	43,669,157
OVERTIME & STANDBY ALLOWANCE	35,169	-	1,200,000	1,235,169
MEDICAL AID	5,730,348	-	1,152,469	6,882,817
TRAVELLING ALLOWANCE	1,955,769	-	934,708	2,890,476
CELLPHONE ALLOWANCE	-	-	168,000	168,000
HOUSING ALLOWANCE	1,471,631	-	589,742	2,061,374
INSURANCE : UIF	392,621	-	(155,191)	237,429
PENSION FUND CONTRIBUTIONS	5,134,420	-	2,526,028	7,660,448
SKILLS DEVELOPMENT LEVY	463,220	-	46,649	509,869
BARGAINING COUNCIL	-	-	12,349	12,349
TOTAL PERSONNEL EXPENSES	57,177,867	-	10,526,268	67,704,136
<u>2. GENERAL EXPENSES</u>				
ADVERTISING FEES	381,350	-	(100,000)	281,350
BANK CHARGES	1,041,600	-	(500,000)	541,600
CONSULTANTS & PROF. FEES	15,854,360	-	4,150,000	20,004,360
HIRE - EQUIPMENT & MACHINERY	6,021,500	-	7,000,000	13,021,500
SALGA FEES	5,228,000	-	461,324	5,689,324
PRINTING & STATIONERY	4,418,400	-	300,000	4,718,400
SUBSISTENCE & TRAVELLING	4,120,679	-	150,000	4,270,679
TOTAL GENERAL EXPENSES	63,410,554	-	11,461,324	74,871,878
<u>3. REPAIRS AND MAINTENANCE</u>				
MOTOR VEHICLES	3,500,000	3,700,000	0	7,200,000
TOTAL REPAIRS & MAINTENANCE	4,741,228	3,700,000	0	8,441,228
<u>5. CAPITAL EXPENDITURE</u>				
BUILDINGS	-	-	0	-
FURNITURE & OFFICE EQUIPMENT	3,000,000	-	700,000	3,700,000
COMPUTER EQUIPMENT	800,000	-	(700,000)	100,000
MSCOA IMPLEMENTATION	2,000,000	-	(500,000)	1,500,000
FENCING	1,500,000	-	500,000	2,000,000
FENCING	1,500,000	-	500,000	2,000,000
TOTAL CAPITAL EXPEND EX REVENUE	35,110,808	-	500,000	35,610,808

The upward adjustment of R10.5 on Personnel expenditure is due to increase in budget for pension, cellphone, travelling allowance and vacant posts. The increase of R11.4 million in General expenditure is mainly due to upward adjustment of Consulting fees and Equipment hire. There was a virement of R3.7 million on repairs and maintenance for vehicles and an overall adjustment of R500 000 on Capital Expenditure. Interest on investments has been adjusted upwards by R3.3 million.

Rural Economic Development and Planning

ACCOUNT DESCRIPTION	BUDGETED 2018/2019	VIREMENTS	ADJUSTMENT S	ADJUSTMENT BUDGETED 2018/2019
<u>1. PERSONNEL EXPENDITURE</u>				
SALARIES	24,868,835	0	(13,006,862)	11,861,972
MEDICAL AID	3,627,468	0	(2,159,545)	1,467,923
TRAVELLING ALLOWANCE	5,177,758	0	(2,879,000)	2,298,758
CELLPHONE ALLOWANCE	276,000	0	96,000	372,000
HOUSING ALLOWANCE	1,014,732	0	(597,089)	417,643
INSURANCE : UIF	249,850	0	(199,880)	49,970
PENSION FUND CONTRIBUTIONS	4,232,733	0	(2,187,578)	2,045,155
SKILLS DEVELOPMENT LEVY	412,699	0	(255,506)	157,193
BARGAINING COUNCIL	-	0	2,673	2,673
TOTAL PERSONNEL EXPENSES	41,932,478	0	(21,186,787)	20,745,691
<u>2. GENERAL EXPENSES</u>	-			-
SPATIAL DEVELOPMENT FRAMEWORK	1,700,000	(300,000)	(800,000)	600,000
DISTRICT SKILLS DEVELOPMENT PROGRAMME	650,000	200,000	400,000	1,250,000
ENVIRONMENTAL MANAGEMENT PLANNING	800,000	0	(600,000)	200,000
SUBSISTENCE & TRAVELLING	1,665,690	1,400,000	1,200,000	4,265,690
RESEARCH AND DEVELOPMENT	662,760	0	(400,000)	262,760
SPLUMA	985,000	500,000	0	1,485,000
DISTRICT TOURISM MARKETING	1,500,491	0	170,000	1,670,491
TOURISM EDUCATION AND AWARENESS	1,000,000	0	230,000	1,230,000
CO-OPERATIVE SUPPORT	12,000,000	0	(2,000,000)	10,000,000
AGRI-PACKS	15,000,000	(800,000)	(4,000,000)	10,200,000
ENVIRONMENTAL AWARENESS	1,400,000	(200,000)	0	1,200,000
INTEGRATED WASTE MANAGEMENT PLAN	1,000,000	0	(200,000)	800,000
REGIONAL INDUSTRIAL DEVELOPMENT PROGRAM	5,000,000	(800,000)	4,000,000	8,200,000
TOTAL GENERAL EXPENSES	87,373,718	0	(2,000,000)	85,373,718

Downwards adjustment of R21.2 million on “Personnel expenditure” due to re-allocation of Municipal Health services previously included under Environmental. The downwards adjustment of R2 million on General expenses is due to a R2 million taken from Co-operative support to fund personnel cost.

Community and Social Services

ACCOUNT DESCRIPTION	BUDGETED 2018/2019	VIREMENTS	ADJUSTMENTS	ADJUSTMENT BUDGETED 2018/2019
1. PERSONNEL EXPENDITURE				
SALARIES	25,966,472	-	22,756,149	48,722,621
MEDICAL AID	4,363,476	-	1,777,376	6,140,852
TRAVELLING ALLOWANCE	3,107,800	-	2,989,497	6,097,296
CELLPHONE ALLOWANCE	174,000	-	182,400	356,400
HOUSING ALLOWANCE	1,246,026	-	1,018,885	2,264,911
INSURANCE : UIF	299,820	-	41,240-	258,580
PENSION FUND CONTRIBUTIONS	4,454,734	-	1,915,337	6,370,072
SKILLS DEVELOPMENT LEVY	415,746	-	373,184	788,931
BARGAINING COUNCIL	-	-	13,548	13,548
TOTAL PERSONNEL EXPENSES	46,290,196	-	30,985,137	77,275,333
2. GENERAL EXPENSES				
SAFETY AND SECURITY PROGRAMMES	231,966	100,000	-	331,966
MUNICIPAL HEALTH SERVICES	1,465,000	66,000-	30,000	1,429,000
PRIMARY HEALTHCARE	75,000	-	30,000-	45,000
ARTS, CULTURE & HERITAGE	1,578,000	40,000-	-	1,538,000
HERITAGE SECTOR PLAN	276,150	150,000	-	426,150
SPORTS DEVELOPMENT	452,360	70,000-	4,586	386,946
SUBSISTENCE & TRAVELLING	2,129,268	166,000	-	2,295,268
DISTRICT SPORTS COUNCIL	77,322	-	4,586-	72,736
COASTAL SAFETY	2,251,280	100,000-	-	2,151,280
SOCIAL RELIEF PROGRAMME	500,000	217,500-	-	282,500
LIBRARY SERVICES	607,530	330,000	-	937,530
EARLY CHILDHOOD DEVELOPMENT	1,055,000	1,349,500	-	2,404,500
CHILD PROTECTION SERVICES	530,000	245,000-	-	285,000
DISASTER MANAGEMENT INFORMATION SYSTEM	2,000,000	600,000-	-	1,400,000
DISASTER MANAGEMENT PLAN	1,500,000	-	81,510-	1,418,490
MORAL REGENERATION PROGRAMS	635,500	287,000-	-	348,500
INGQUZA HILL MASSACRE (PONDOLAND REVOLT)	1,500,000	486,708-	-	1,013,292
STIPEND FOR EMERGENCY VOLUNTEERS	4,600,000	250,000-	366,510	4,716,510
DISASTER PREPAREDNESS AND RESPONSE	1,740,000	150,000	15,000-	1,875,000
SPORTS AND RECREATION	1,714,760	116,708	200,000	2,031,468
TOTAL GENERAL EXPENSES	28,723,338	-	200,000	28,923,338
5. CAPITAL EXPENDITURE				
MOTOR VEHICLES	1,000,000	1,000,000-	-	-
TOTAL CAPITAL EXPEND EX REVENUE	4,700,000	1,000,000-	-	3,700,000

Upward adjustment of R30.9 million on Personnel costs due to Health workers previously included under Environmental services while there were virements amounting to R2.4 million with a net balance of zero were processed before the adjustment. Sports and Recreation budget increased by R200 000 allocation for Payne Swimming Pool.

Human Settlements

ACCOUNT DESCRIPTION	BUDGETED 2018/2019	VIREMENTS	ADJUSTMENTS	ADJUSTMENT BUDGETED 2018/2019
1. PERSONNEL EXPENDITURE				
SALARIES	5,190,420	-	1,279,768	6,470,188
MEDICAL AID	630,864	-	23,448-	607,416
TRAVELLING ALLOWANCE	1,200,614	-	2,235	1,202,849
CELLPHONE ALLOWANCE	96,000	-	78,000	174,000
HOUSING ALLOWANCE	152,919	-	12,106	165,026
INSURANCE : UIF	42,831	-	21,416-	21,416
PENSION FUND CONTRIBUTIONS	934,276	-	32,358	966,634
SKILLS DEVELOPMENT LEVY	86,376	-	1,776-	84,601
BARGAINING COUNCIL	-	-	1,106	1,106
TOTAL PERSONNEL EXPENSES	8,766,836	-	1,358,934	10,125,770
2. GENERAL EXPENSES				
CONFERENCE FEES	105,200	-	-	105,200
CONSULTANTS & PROF. FEES	552,300	-	500,000	1,052,300
COMMUNITY TRAINING	270,364	-	41,566	311,930
SUBSISTENCE & TRAVELLING	433,950	50,000	180,000	663,950
LAUNCHES - HOUSING PROJECTS	220,920	30,000	150,000	400,920
HOUSING FORUMS	124,662	-	78,622	203,284
HOUSING SOCIAL RELIEF PROGRAMME	2,854,076	260,000-	2,400,000	4,994,076
HOUSING DEVELOPMENT STRATEGY	263,000	80,000-	-	183,000
TOTAL GENERAL EXPENSES	4,879,702	260,000-	3,350,188	7,969,890
5. CAPITAL EXPENDITURE				
EQUIPMENT AND LABORATORY FEES	50,000	-	50,000	100,000
TEMPORAL STRUCTURES	700,000	260,000	500,000	1,460,000
ADAM KOK FARM HOUSES	3,500,000	-	800,000-	2,700,000
TOTAL CAPITAL EXPEND EX REVENUE	4,250,000	260,000	250,000-	4,260,000

Downward adjustment on personnel expense based on current estimates for the remainder of the financial year. On general expenses there is an increase of R3.3 mainly due to increase in Consulting fees and Housing Relief programme. Adam Kok budget was reduced by R800 000 to also fund Housing Relief programme.

Water and Sanitation Services

ACCOUNT DESCRIPTION	BUDGETED 2018/2019	VIREMENTS	ADJUSTMENTS	ADJUSTMENT BUDGETED 2018/2019
<u>1. PERSONNEL EXPENDITURE</u>				
SALARIES	116,579,007	-	5,859,206-	110,719,800
OVERTIME & STANDBY ALLOWANCE	13,624,023	-	10,000,000	23,624,023
MEDICAL AID	23,625,504	-	1,331,194-	22,294,310
TRAVELLING ALLOWANCE	7,575,584	-	3,260,158	10,835,741
CELLPHONE ALLOWANCE	120,600	-	3,200	123,800
HOUSING ALLOWANCE	9,201,691	-	113,593	9,315,284
INSURANCE : UIF	2,487,788	-	1,414,212-	1,073,576
PENSION FUND CONTRIBUTIONS	18,859,896	-	730,332-	18,129,564
SKILLS DEVELOPMENT LEVY	2,050,345	-	399,657-	1,650,688
BARGAINING COUNCIL	-	-	58,798	58,798
TOTAL PERSONNEL EXPENSES	203,470,144	-	3,701,147	207,171,291
<u>2. GENERAL EXPENSES</u>				
RAIN HARVESTING	1,104,600	-	2,300,000	3,404,600
FREE BASIC SERVICES	1,215,060	-	500,000-	715,060
INTEREST EXPENSES - EXTERNAL	662,760	-	662,760-	-
WATER CARTING EXPENDITURE	34,040,000	3,700,000-	20,500,000	50,840,000
ELECTRICITY PURCHASES	36,870,200	-	3,000,000-	33,870,200
PROTECTIVE CLOTHING	3,124,440	600,000	-	3,724,440
WATER PURIFICATION CHEMICALS	13,464,400	-	2,000,000-	11,464,400
OFFICE RENTAL	1,493,840	-	1,000,000-	493,840
WASTE WATER MANAGEMENT	662,760	-	500,000-	162,760
VILLAGE WATER COMMITTEES	3,156,000	-	2,000,000	5,156,000
WATER PLANT HIRE	5,260,000	-	2,662,760	7,922,760
AFFLUENT MANAGEMENT PROGRAM	552,300	-	500,000-	52,300
WSA PLANS	2,450,000	-	1,450,000-	1,000,000
VERIFICATION OF INDIGENT HOUSEHOLDS	736,400	-	700,000-	36,400
BLUE DROP PROGRAM	1,552,300	-	28,000	1,580,300
WSDIP	2,209,200	-	1,000,000-	1,209,200
BULK WATER PURCHASES	70,500,000	-	3,000,000-	67,500,000
WATER AND SANITATION MASTER PLANS	1,156,000	-	600,000-	556,000
TOTAL GENERAL EXPENSES	368,049,534	3,100,000-	11,878,000	376,827,534
<u>3. REPAIRS AND MAINTENANCE</u>				
	-			-
SEWERAGE RETICULATION	4,544,640	-	3,000,000-	1,544,640
SEWERAGE TREATMENT WORKS	2,104,000	-	1,000,000-	1,104,000
SEWERAGE PUMP STATIONS	1,578,000	-	1,000,000-	578,000
WATER PUMP STATIONS	9,881,740	-	7,000,000-	2,881,740
MATERIALS AND STORES	13,056,150	-	5,000,000-	8,056,150
REPAIRS TO BULK WATER METERS	3,156,000	-	3,000,000-	156,000
VIP SLUDGE SUCKING	10,520,000	-	8,000,000	18,520,000
MAINTENANCE OF PIPE LEAKS	3,197,480	-	3,000,000-	197,480
REPAIR OF ELEMENTS ON TREATMENT WORKS	1,104,600	-	500,000-	604,600
TOTAL REPAIRS & MAINTENANCE	51,141,410	-	15,500,000-	35,641,410
<u>5. CAPITAL EXPENDITURE</u>				
MOTOR VEHICLES	1,578,000	-	578,000-	1,000,000
MUNICIPAL WATER INFRASTRUCTURE GRANT	90,000,000	-	185,135,000	275,135,000
BULK WATER METERS	3,000,000	-	1,000,000-	2,000,000
EQUIPMENT AND LABORATORY FEES	2,672,080	1,000,000	1,000,000-	2,672,080
GENERATORS	5,523,000	-	3,000,000-	2,523,000
REFURBISHMENT OF WATER SCHEMES AND BOREHOLE	54,755,200	-	15,000,000-	39,755,200
WATER PUMP STATIONS	6,995,200	-	2,000,000-	4,995,200
MAINTENANCE OF PIPE LEAKS	6,079,900	-	3,000,000-	3,079,900
TOTAL CAPITAL EXPENDITURE	1,111,389,645	1,000,000	159,557,000	1,271,946,645

Personnel expenditure

Upward adjustment of R3.7 million mainly due to Overtime and Travelling allowance.

General expenses

Upward adjustment of R11.8 million mainly due to increase in Water Carting.

Capital expenditure

Upward net adjustment of R159.5 million mainly due to additional fund for drought projects. Refurbishment of water schemes was reduced by R15 million to partly fund water carting and personnel costs.

Technical Services

<u>BUDGET FOR THE 2017-2020 MTEF PERIOD</u>				
<u>TECHNICAL SERVICES</u>				
ACCOUNT DESCRIPTION	BUDGETED 2018/2019	VIREMENTS	ADJUSTMENT S	ADJUSTMENT BUDGETED 2018/2019
<u>1. PERSONNEL EXPENDITURE</u>				
SALARIES	5,717,331	-	3,568,047-	2,149,283
MEDICAL AID	52,572	-	48,664	101,236
TRAVELLING ALLOWANCE	-	-	204,570	204,570
CELLPHONE ALLOWANCE	32,130	-	51,870	84,000
HOUSING ALLOWANCE	15,012	-	17,114	32,126
INSURANCE : UIF	45,702	-	42,133-	3,569
PENSION FUND CONTRIBUTIONS	48,394	-	104,477	152,871
SKILLS DEVELOPMENT LEVY	46,206	-	34,749-	11,456
BARGAINING COUNCIL	-	-	184	184
	5,979,751	-	3,218,050-	2,761,701
<u>2. GENERAL EXPENSES</u>				
PUBLIC TRANSPORT ASSISTANCE PROGRAM	1,215,060	30,000	-	1,245,060
DISTRICTWIDE ELECTRIFICATION PLAN	552,300	30,000-	-	522,300
NYANDENI COMMUNITY HALL	-	-	1,000,000	1,000,000
	2,540,580	-	1,000,000	3,540,580
<u>3. REPAIRS AND MAINTENANCE</u>				
BUILDINGS & INSTALLATIONS	3,224,380	-	1,570,976	4,795,356
SUPPORT TO STRATEGIC ROADS	2,626,400	-	4,000,000	6,626,400
	5,850,780	-	5,570,976	11,421,756
ESTABLISHMENT OF DISASTER MANAGEMENT FAC	15,000,000	-	5,000,000-	10,000,000
TOTAL CAPITAL EXPEND EX REVENUE	19,439,000	-	5,000,000-	14,439,000

Downward adjustment on personnel expense based on the salary cost of the existing personnel over the remaining period of the financial year. Under General expenditure there is an upward adjustment of R1 million for Nyandeni Community Hall.

Departmental Adjustment Budget

Office of the Speaker

	BUDGETED 2018/2019	ADJUSTMENT BUDGETED 2018/2019	BUDGETED 2019/2020	BUDGETED 2020/2021
Operating Expenditure	72,367,836	82,161,349	78,364,976	83,486,604
Capital Expenditure	1,000,000	1,000,000	2,000,000	2,000,000
	73,367,836	83,161,349	80,364,976	85,486,604

Office of Executive Mayor

	BUDGETED 2018/2019	ADJUSTMENT BUDGETED 2018/2019	BUDGETED 2019/2020	BUDGETED 2020/2021
Operating Expenditure	87,197,291	99,777,734	91,230,464	103,476,829
Capital Expenditure	1,000,000	1,000,000	2,000,000	2,000,000
	88,197,291	100,777,734	93,230,464	105,476,829

Office of Municipal Manager

	BUDGETED 2018/2019	ADJUSTMENT BUDGETED 2018/2019	BUDGETED 2019/2020	BUDGETED 2020/2021
Operating Expenditure	61,682,149	66,829,208	64,917,731	68,930,209
Capital Expenditure	-	-	-	-
	61,682,149	66,829,208	64,917,731	68,930,209

Corporate Services

	BUDGETED 2018/2019	ADJUSTMENT BUDGETED 2018/2019	BUDGETED 2019/2020	BUDGETED 2020/2021
Operating Expenditure	129,601,481	138,321,940	145,913,122	154,970,625
Capital Expenditure	1,801,000	1,801,000	1,554,930	2,085,451
	131,402,481	140,122,940	147,468,052	157,056,077

Budget and Treasury Office

	BUDGETED 2018/2019	ADJUSTMENT BUDGETED 2018/2019	BUDGETED 2019/2020	BUDGETED 2020/2021
Operating Expenditure	125,329,649	151,017,241	151,810,038	161,319,768
Capital Expenditure	35,110,808	35,610,808	55,150,000	51,350,000
	160,440,457	186,628,049	206,960,038	212,669,768

Rural Economic & Development Planning

	BUDGETED 2018/2019	ADJUSTMENT BUDGETED 2018/2019	BUDGETED 2019/2020	BUDGETED 2020/2021
Operating Expenditure	129,306,196	106,119,409	114,304,573	120,848,635
Capital Expenditure	4,100,000	4,100,000	3,000,000	3,000,000
	133,406,196	110,219,409	117,304,573	123,848,635

Community and Social Services

	BUDGETED 2018/2019	ADJUSTMENT BUDGETED 2018/2019	BUDGETED 2019/2020	BUDGETED 2020/2021
Operating Expenditure	75,013,534	106,198,671	113,043,003	120,562,558
Capital Expenditure	4,700,000	3,700,000	8,120,000	8,500,000
	79,713,534	109,898,671	121,163,003	129,062,558

Human Settlement

	BUDGETED 2018/2019	ADJUSTMENT BUDGETED 2018/2019	BUDGETED 2019/2020	BUDGETED 2020/2021
Operating Expenditure	13,646,538	18,095,660	15,992,785	17,045,904
Capital Expenditure	4,250,000	4,260,000	545,000	45,000
	17,896,538	22,355,660	16,537,785	17,090,904

Water and Sanitation Services

	BUDGETED 2018/2019	ADJUSTMENT BUDGETED 2018/2019	BUDGETED 2019/2020	BUDGETED 2020/2021
Operating Expenditure	710,332,299	707,311,446	760,520,026	809,523,715
Capital Expenditure	1,111,389,645	1,271,946,645	1,086,348,280	1,183,917,726
	1,821,721,944	1,979,258,091	1,846,868,306	1,993,441,440

Technical Services

	BUDGETED 2018/2019	ADJUSTMENT BUDGETED 2018/2019	BUDGETED 2019/2020	BUDGETED 2020/2021
Operating Expenditure	14,371,111	17,724,037	13,460,167	14,239,512
Capital Expenditure	19,439,000	14,439,000	33,113,000	3,293,000
	33,810,111	32,163,037	46,573,167	17,532,512

For more details, refer to the budget line items

5. OTHER POTFOLIO FUNCTIONAL AREAS CONSULTED

Basic Services and Infrastructure, Local Economic Development and Good Governance & Public Participation.

6. ORGANISATION AND PERSONAL IMPLICATIONS

There are no implications

7. REPRESENTATIVITY

This issue does not apply in this regard.

8. CONSTITUTIONAL AND LEGAL IMPLICATIONS

This will be in compliance with the Chapter 4 Section 28 of Municipal Finance Management Act No 56 of 2003.

9. FINANCIAL IMPLICATION

The full implementation of the adjustment budget shall result in the achievement of the set targets and thereby improve performance. This is emphasized that it is duty of everyone to prevent fruitless and wasteful, unauthorized, irregular expenditure as there is a target to improve audit opinion and clean administration and there should be proper procurement planning up to the end of financial year.

10. RECOMMENDATION

The Executive Mayor recommends to the council to approve the 2018/19 adjustment budget and two outer years

DESCRIPTION	BUDGETED 2018/2019	ADJUSTMENT	ADJUSTMENT BUDGETED 2018/2019	BUDGETED 2019/2020	BUDGETED 2020/2021
Operating Revenue	1,420,748,086	74,908,612	1,495,656,698	1,554,256,888	1,652,904,360
Operating Expenditure	1,417,248,086	74,908,612	1,492,156,698	1,550,056,888	1,648,404,360
Surplus/(Deficit)	3,500,000	0	3,500,000	4,200,000	4,500,000

Furthermore the Executive Mayor recommends; that council approves the 2018/19 Adjustment budget and two outer years in terms of National Treasury tables B1 to B10 in accordance with section 28 of MFMA as follows:

- Budgeted Financial Performance (revenue and expenditure by standard classification)
- Budgeted Financial Performance (revenue and expenditure by municipal vote)
- Budgeted Financial Performance (revenue by source and expenditure by type)
- Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source
- Budgeted Financial Position
- Budgeted Cash Flows
- Cash backed reserves and accumulated surplus reconciliation
- Asset management
- Basic service delivery measurement

11. RESPONSIBILITY

The Portfolio Head for Finance, Budget and Auditing is responsible for the memorandum.

ANNEXURES

Table B1 Adjustments Budget Summary

Description	Budget Year 2018/19									Budget Year	Budget Year
	Original	Prior Adjusted	Accum. Funds	Multi-year	Unfore.	Nat. or Prov.	Other Adjus.	Total Adjus.	Adjusted	Adjusted	Adjusted
	Budget	1	2	capital	Unavoid.	Govt	6	7	Budget	Budget	Budget
R thousands	A	A1	B	3	4	5	F	G	H		
Financial Performance											
Property rates	-	-	-	-	-	-	-	-	-	-	-
Service charges	284,698	-	-	-	-	-	6,300	6,300	290,998	307,474	335,147
Investment revenue	26,000	-	-	-	-	-	3,300	3,300	29,300	27,000	30,000
Transfers recognised - operational	798,523	-	-	-	-	-	(0)	(0)	798,523	855,753	927,444
Other own revenue	311,527	-	-	-	-	-	65,309	65,309	376,836	364,030	360,314
Total Revenue (excluding capital transfers and contributions)	1,420,748	-	-	-	-	-	74,909	74,909	1,495,657	1,554,257	1,652,904
Employee costs	500,435	-	-	-	-	-	42,762	42,762	543,197	602,597	645,251
Remuneration of councillors	27,677	-	-	-	-	-	(6,480)	(6,480)	21,197	22,059	23,625
Depreciation & asset impairment	162,000	-	-	-	-	-	-	-	162,000	170,910	180,310
Finance charges	-	-	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	133,312	-	-	-	-	-	(44,578)	(44,578)	88,734	95,612	108,466
Transfers and grants	91,579	-	-	-	-	-	(3,344)	(3,344)	88,235	91,001	95,908
Other expenditure	502,246	-	-	-	-	-	86,547	86,547	588,793	567,878	594,844
Total Expenditure	1,417,248	-	-	-	-	-	74,909	74,909	1,492,157	1,550,057	1,648,404
Surplus/(Deficit)	3,500	-	-	-	-	-	(0)	(0)	3,500	4,200	4,500
Transfers recognised - capital	1,022,330	-	-	-	-	185,135	-	185,135	1,207,465	1,023,235	1,088,552
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	1,025,830	-	-	-	-	185,135	(0)	185,135	1,210,965	1,027,435	1,093,052
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	1,025,830	-	-	-	-	185,135	(0)	185,135	1,210,965	1,027,435	1,093,052
Capital expenditure & funds sources											
Capital expenditure	1,184,390	-	-	-	-	185,135	(30,268)	154,867	1,339,257	1,191,331	1,262,191
Transfers recognised - capital	1,022,330	-	-	-	-	185,135	-	185,135	1,207,465	1,023,235	1,088,552
Public contributions & donations	-	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	162,060	-	-	-	-	-	-	-	162,060	168,096	173,639
Total sources of capital funds	1,184,390	-	-	-	-	185,135	-	185,135	1,369,525	1,191,331	1,262,191
Financial position											
Total current assets	894,766	-	-	-	-	-	24,578	24,578	919,344	916,492	922,960
Total non current assets	10,326,487	-	-	-	-	185,135	(24,578)	160,557	10,487,044	11,347,931	12,430,890
Total current liabilities	338,740	-	-	-	-	-	-	-	338,740	354,474	350,850
Total non current liabilities	100	-	-	-	-	-	-	-	100	100	100
Community wealth/Equity	10,882,414	-	-	-	-	185,135	(0)	185,135	11,067,549	11,909,849	13,002,901
Cash flows											
Net cash from (used) operating	1,187,830	-	-	-	-	185,135	200,129	385,264	1,573,094	1,198,345	1,273,362
Net cash from (used) investing	(1,184,390)	-	-	-	-	(185,135)	30,268	(154,867)	(1,339,257)	(1,191,331)	(1,262,191)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	705,472	-	-	-	-	-	24,578	24,578	730,050	737,063	748,234
Cash backing/surplus reconciliation											
Cash and investments available	705,472	-	-	-	-	-	24,578	24,578	730,050	784,082	850,392
Application of cash and investments	193,387	-	-	-	-	-	(1,225)	(1,225)	192,162	264,660	308,877
Balance - surplus (shortfall)	512,085	-	-	-	-	-	25,803	25,803	537,888	519,422	541,515
Asset Management											
Asset register summary (WDV)	-	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	162,000	-	-	-	-	-	-	-	162,000	170,910	180,310
Renewal of Existing Assets	102,212	-	-	-	-	-	(21,200)	(21,200)	81,012	51,330	67,943
Repairs and Maintenance	35,021	-	-	-	-	-	(14,500)	(14,500)	20,521	36,939	38,963
Free services											
Cost of Free Basic Services provided	690,500	-	-	-	-	-	-	-	690,500	697,198	703,961
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-	-
Households below minimum service level											
Water:	188	-	-	-	-	-	-	-	188	187	185
Sanitation/sewerage:	28	-	-	-	-	-	-	-	28	26	24
Energy:	-	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-	-

Table B2 Adjustments Budget Financial Performance (functional classification)

Standard Description	Ref	Budget Year 2018/19									Budget Year	Budget Year	
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
		5	6	7	8	9	10	11	12	+1 2019/20	+2 2020/21		
R thousands	1, 4	A	A1	B	C	D	E	F	G	H			
Revenue - Functional													
<i>Governance and administration</i>		474,578	-	-	-	-	-	-	61,279	61,279	535,857	532,736	566,184
Executive and council		219,647	-	-	-	-	-	-	26,871	26,871	246,518	235,013	249,894
Finance and administration		254,931	-	-	-	-	-	-	34,408	34,408	289,339	297,723	316,290
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		88,660	-	-	-	-	-	-	35,634	35,634	124,294	129,036	137,608
Community and social services		38,994	-	-	-	-	-	-	4,645	4,645	43,639	46,997	50,083
Sport and recreation		8,775	-	-	-	-	-	-	2,129	2,129	10,905	11,360	12,057
Public safety		23,733	-	-	-	-	-	-	7,471	7,471	31,203	32,815	35,035
Housing		13,647	-	-	-	-	-	-	4,449	4,449	18,096	15,993	17,046
Health		3,512	-	-	-	-	-	-	16,940	16,940	20,452	21,871	23,388
<i>Economic and environmental services</i>		137,789	-	-	-	-	-	-	(20,560)	(20,560)	117,229	120,735	127,618
Planning and development		91,884	-	-	-	-	-	-	(6,352)	(6,352)	85,532	94,162	99,479
Road transport		14,371	-	-	-	-	-	-	3,353	3,353	17,724	13,460	14,240
Environmental protection		31,534	-	-	-	-	-	-	(17,561)	(17,561)	13,973	13,114	13,900
<i>Trading services</i>		713,832	-	-	-	-	-	-	(3,021)	(3,021)	710,811	764,720	814,024
Energy sources		-	-	-	-	-	-	-	-	-	-	-	-
Water management		713,832	-	-	-	-	-	-	(3,021)	(3,021)	710,811	764,720	814,024
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-	-
<i>Other</i>		5,888	-	-	-	-	-	-	726	726	6,615	7,029	7,470
Total Revenue - Functional	2	1,420,748	-	-	-	-	-	-	74,059	74,059	1,494,807	1,554,257	1,652,904
Expenditure - Functional													
<i>Governance and administration</i>		474,578	-	-	-	-	-	-	61,279	61,279	535,857	532,736	566,184
Executive and council		219,647	-	-	-	-	-	-	26,871	26,871	246,518	235,013	249,894
Finance and administration		254,931	-	-	-	-	-	-	34,408	34,408	289,339	297,723	316,290
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		88,660	-	-	-	-	-	-	35,634	35,634	124,294	129,036	137,608
Community and social services		38,994	-	-	-	-	-	-	4,645	4,645	43,639	46,997	50,083
Sport and recreation		8,775	-	-	-	-	-	-	2,129	2,129	10,905	11,360	12,057
Public safety		23,733	-	-	-	-	-	-	7,471	7,471	31,203	32,815	35,035
Housing		13,647	-	-	-	-	-	-	4,449	4,449	18,096	15,993	17,046
Health		3,512	-	-	-	-	-	-	16,940	16,940	20,452	21,871	23,388
<i>Economic and environmental services</i>		137,789	-	-	-	-	-	-	(20,560)	(20,560)	117,229	120,735	127,618
Planning and development		91,884	-	-	-	-	-	-	(6,352)	(6,352)	85,532	94,162	99,479
Road transport		14,371	-	-	-	-	-	-	3,353	3,353	17,724	13,460	14,240
Environmental protection		31,534	-	-	-	-	-	-	(17,561)	(17,561)	13,973	13,114	13,900
<i>Trading services</i>		710,332	-	-	-	-	-	-	(3,021)	(3,021)	707,311	760,520	809,524
Energy sources		-	-	-	-	-	-	-	-	-	-	-	-
Water management		710,332	-	-	-	-	-	-	(3,021)	(3,021)	707,311	760,520	809,524
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-	-
<i>Other</i>		5,888	-	-	-	-	-	-	726	726	6,615	7,029	7,470
Total Expenditure - Functional	3	1,417,248	-	-	-	-	-	-	74,059	74,059	1,491,307	1,550,057	1,648,404
Surplus/ (Deficit) for the year		3,500	-	-	-	-	-	-	(0)	(0)	3,500	4,200	4,500

Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote)

Vote Description <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2018/19									Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		3	4	5	6	7	8	9	10	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	A1	B	C	D	E	F	G	H			
Revenue by Vote	1											
Vote 1 - COUNCIL AND COMMITTEES		219,647	-	-	-	-	-	26,871	26,871	246,518	235,013	249,894
Vote 2 - FINANCE AND ADMINISTRATION		254,931	-	-	-	-	-	34,408	34,408	289,339	297,723	316,290
Vote 3 - PLANNING AND DEVELOPMENT		91,884	-	-	-	-	-	(6,352)	(6,352)	85,532	94,162	99,479
Vote 4 - HEALTH		3,512	-	-	-	-	-	16,940	16,940	20,452	21,871	23,388
Vote 5 - COMMUNITY AND SOCIAL SERVICES		13,756	-	-	-	-	-	1,817	1,817	15,573	15,941	16,972
Vote 6 - HOUSING		13,647	-	-	-	-	-	4,449	4,449	18,096	15,993	17,046
Vote 7 - PUBLIC SAFETY		48,971	-	-	-	-	-	10,299	10,299	59,269	63,871	68,145
Vote 8 - SPORTS AND RECREATION		8,775	-	-	-	-	-	2,129	2,129	10,905	11,360	12,057
Vote 9 - ENVIRONMENTAL		31,534	-	-	-	-	-	(17,561)	(17,561)	13,973	13,114	13,900
Vote 10 - ROADS		14,371	-	-	-	-	-	3,353	3,353	17,724	13,460	14,240
Vote 11 - WATER		713,832	-	-	-	-	-	(3,021)	(3,021)	710,811	764,720	814,024
Vote 12 - TOURISM		5,888	-	-	-	-	-	726	726	6,615	7,029	7,470
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	1,420,748	-	-	-	-	-	74,059	74,059	1,494,807	1,554,257	1,652,904
Expenditure by Vote	1											
Vote 1 - COUNCIL AND COMMITTEES		219,647	-	-	-	-	-	26,871	26,871	246,518	235,013	249,894
Vote 2 - FINANCE AND ADMINISTRATION		254,931	-	-	-	-	-	34,408	34,408	289,339	297,723	316,290
Vote 3 - PLANNING AND DEVELOPMENT		91,884	-	-	-	-	-	(6,352)	(6,352)	85,532	94,162	99,479
Vote 4 - HEALTH		3,512	-	-	-	-	-	16,940	16,940	20,452	21,871	23,388
Vote 5 - COMMUNITY AND SOCIAL SERVICES		13,756	-	-	-	-	-	1,817	1,817	15,573	15,941	16,972
Vote 6 - HOUSING		13,647	-	-	-	-	-	4,449	4,449	18,096	15,993	17,046
Vote 7 - PUBLIC SAFETY		48,971	-	-	-	-	-	10,299	10,299	59,269	63,871	68,145
Vote 8 - SPORTS AND RECREATION		8,775	-	-	-	-	-	2,129	2,129	10,905	11,360	12,057
Vote 9 - ENVIRONMENTAL		31,534	-	-	-	-	-	(17,561)	(17,561)	13,973	13,114	13,900
Vote 10 - ROADS		14,371	-	-	-	-	-	3,353	3,353	17,724	13,460	14,240
Vote 11 - WATER		710,332	-	-	-	-	-	(3,021)	(3,021)	707,311	760,520	809,524
Vote 12 - TOURISM		5,888	-	-	-	-	-	726	726	6,615	7,029	7,470
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	1,417,248	-	-	-	-	-	74,059	74,059	1,491,307	1,550,057	1,648,404
Surplus/ (Deficit) for the year	2	3,500	-	-	-	-	-	(0)	(0)	3,500	4,200	4,500

Table B4 Adjustments Budget Financial Performance (revenue and expenditure)

Description	Ref	Budget Year 2018/19									Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	1	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Revenue By Source												
Property rates	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	197,399	-	-	-	-	-	6,300	6,300	203,699	215,232	234,603
Service charges - sanitation revenue	2	87,299	-	-	-	-	-	-	-	87,299	92,242	100,544
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - other												
Rental of facilities and equipment		58								58	61	64
Interest earned - external investments		26,000						3,300	3,300	29,300	27,000	30,000
Interest earned - outstanding debtors		5,300								5,300	5,618	5,955
Dividends received												
Fines, penalties and forfeits												
Licences and permits												
Agency services												
Transfers and subsidies		798,523						(0)	(0)	798,523	855,753	927,444
Other revenue	2	306,169	-	-	-	-	-	65,309	65,309	371,478	358,351	354,294
Gains on disposal of PPE												
Total Revenue (excluding capital transfers and contributions)		1,420,748	-	-	-	-	-	74,909	74,909	1,495,657	1,554,257	1,652,904
Expenditure By Type												
Employee related costs		500,435	-	-	-	-	-	42,762	42,762	543,197	602,597	645,251
Remuneration of councillors		27,677						(6,480)	(6,480)	21,197	22,059	23,625
Debt impairment		87,671								87,671	92,493	97,580
Depreciation & asset impairment		162,000	-	-	-	-	-	-	-	162,000	170,910	180,310
Finance charges		-								-		
Bulk purchases		70,500	-	-	-	-	-	(3,000)	(3,000)	67,500	74,378	78,468
Other materials		62,812						(41,578)	(41,578)	21,234	21,234	29,998
Contracted services		42,664	-	-	-	-	-	206,429	206,429	249,092	240,874	257,756
Transfers and subsidies		91,579						(3,344)	(3,344)	88,235	91,001	95,908
Other expenditure		371,911	-	-	-	-	-	(119,881)	(119,881)	252,030	234,511	239,508
Loss on disposal of PPE												
Total Expenditure		1,417,248	-	-	-	-	-	74,909	74,909	1,492,157	1,550,057	1,648,404
Surplus/(Deficit)		3,500	-	-	-	-	-	(0)	(0)	3,500	4,200	4,500
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		1,022,330						185,135	-	185,135	1,207,465	1,088,552
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)												
Transfers and subsidies - capital (in-kind - all)												
Surplus/(Deficit) before taxation		1,025,830	-	-	-	-	-	185,135	(0)	185,135	1,210,965	1,093,052
Taxation												
Surplus/(Deficit) after taxation		1,025,830	-	-	-	-	-	185,135	(0)	185,135	1,210,965	1,093,052
Attributable to minorities												
Surplus/(Deficit) attributable to municipality		1,025,830	-	-	-	-	-	185,135	(0)	185,135	1,210,965	1,093,052
Share of surplus/ (deficit) of associate												
Surplus/ (Deficit) for the year		1,025,830	-	-	-	-	-	185,135	(0)	185,135	1,210,965	1,093,052

Table B5 Adjustments Capital Expenditure Budget by vote and funding

Description	Ref	Budget Year 2018/19									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2019/20	+2 2020/21
		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	Adjusted Budget	Adjusted Budget
R thousands												
Single-year expenditure to be adjusted	2											
Vote 1 - COUNCIL AND COMMITTEES		3,600	-	-	-	-	-	(200)	(200)	3,400	3,500	10,000
Vote 2 - FINANCE AND ADMINISTRATION		36,912	-	-	-	-	-	500	500	37,412	56,705	53,435
Vote 3 - PLANNING AND DEVELOPMENT		600	-	-	-	-	-	-	-	600	-	-
Vote 4 - HEALTH		1,100	-	-	-	-	-	(1,000)	(1,000)	100	120	-
Vote 5 - COMMUNITY AND SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - HOUSING		4,250	-	-	-	-	-	10	10	4,260	545	45
Vote 7 - PUBLIC SAFETY		3,600	-	-	-	-	-	-	-	3,600	8,000	8,500
Vote 8 - SPORTS AND RECREATION		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - ENVIRONMENTAL		3,500	-	-	-	-	-	-	-	3,500	3,000	3,000
Vote 10 - ROADS		19,439	-	-	-	-	-	(5,000)	(5,000)	14,439	33,113	3,293
Vote 11 - WATER		1,111,390	-	-	-	-	185,135	(24,578)	160,557	1,271,947	1,086,348	1,183,918
Vote 12 - TOURISM		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		1,184,390	-	-	-	-	185,135	(30,268)	154,867	1,339,257	1,191,331	1,262,191
Total Capital Expenditure - Vote		1,184,390	-	-	-	-	185,135	(30,268)	154,867	1,339,257	1,191,331	1,262,191
Capital Expenditure - Functional												
Governance and administration		40,512	-	-	-	-	-	300	300	40,812	60,205	63,435
Executive and council		3,600	-	-	-	-	-	(200)	(200)	3,400	3,500	10,000
Finance and administration		36,912	-	-	-	-	-	500	500	37,412	56,705	53,435
Internal audit		-	-	-	-	-	-	-	-	-	-	-
Community and public safety		8,950	-	-	-	-	-	(990)	(990)	7,960	8,665	8,545
Community and social services		-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-
Public safety		3,600	-	-	-	-	-	-	-	3,600	8,000	8,500
Housing		4,250	-	-	-	-	-	10	10	4,260	545	45
Health		1,100	-	-	-	-	-	(1,000)	(1,000)	100	120	-
Economic and environmental services		23,539	-	-	-	-	-	(5,000)	(5,000)	18,539	36,113	6,293
Planning and development		600	-	-	-	-	-	-	-	600	-	-
Road transport		19,439	-	-	-	-	-	(5,000)	(5,000)	14,439	33,113	3,293
Environmental protection		3,500	-	-	-	-	-	-	-	3,500	3,000	3,000
Trading services		1,111,390	-	-	-	-	185,135	(24,578)	160,557	1,271,947	1,086,348	1,183,918
Energy sources		-	-	-	-	-	-	-	-	-	-	-
Water management		1,111,390	-	-	-	-	185,135	(24,578)	160,557	1,271,947	1,086,348	1,183,918
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	1,184,390	-	-	-	-	185,135	(30,268)	154,867	1,339,257	1,191,331	1,262,191
Funded by:												
National Government		1,022,330	-	-	-	-	185,135	-	185,135	1,207,465	1,023,235	1,088,552
Provincial Government		-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	1,022,330	-	-	-	-	185,135	-	185,135	1,207,465	1,023,235	1,088,552
Public contributions & donations		-	-	-	-	-	-	-	-	-	-	-
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		162,060	-	-	-	-	-	-	-	162,060	168,096	173,639
Total Capital Funding		1,184,390	-	-	-	-	185,135	-	185,135	1,369,525	1,191,331	1,262,191

Table B6 Adjustments Budget Financial Position

Description	Ref	Budget Year 2018/19									Budget Year	Budget Year	
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H			
R thousands													
ASSETS													
Current assets													
Cash		219,697							-	219,697	329,715	372,279	
Call investment deposits	1	485,775	-	-	-	-	-	24,578	24,578	510,353	454,367	478,112	
Consumer debtors	1	163,243	-	-	-	-	-	-	-	163,243	104,926	43,573	
Other debtors		4,884							-	4,884	5,152	5,436	
Current portion of long-term receivables		2,524							-	2,524	2,663	2,810	
Inventory		18,643							-	18,643	19,668	20,750	
Total current assets		894,766	-	-	-	-	-	24,578	24,578	919,344	916,492	922,960	
Non current assets													
Long-term receivables									-	-			
Investments									-	-			
Investment property									-	-			
Investment in Associate									-	-			
Property, plant and equipment	1	10,307,899	-	-	-	-	185,135	(24,578)	160,557	10,468,456	11,328,320	12,410,201	
Agricultural									-	-			
Biological		15,817							-	15,817	16,687	17,604	
Intangible		2,772							-	2,772	2,924	3,085	
Other non-current assets									-	-			
Total non current assets		10,326,487	-	-	-	-	185,135	(24,578)	160,557	10,487,044	11,347,931	12,430,890	
TOTAL ASSETS		11,221,253	-	-	-	-	185,135	-	185,135	11,406,388	12,264,423	13,353,851	
LIABILITIES													
Current liabilities													
Bank overdraft									-	-			
Borrowing		286	-	-	-	-	-	-	-	286	303	322	
Consumer deposits		3,156							-	3,156	3,330	3,513	
Trade and other payables		335,297	-	-	-	-	-	-	-	335,297	350,841	347,016	
Provisions		-							-	-			
Total current liabilities		338,740	-	-	-	-	-	-	-	338,740	354,474	350,850	
Non current liabilities													
Borrowing	1	100	-	-	-	-	-	-	-	100	100	100	
Provisions	1	-	-	-	-	-	-	-	-	-	-	-	
Total non current liabilities		100	-	-	-	-	-	-	-	100	100	100	
TOTAL LIABILITIES		338,840	-	-	-	-	-	-	-	338,840	354,574	350,950	
NET ASSETS	2	10,882,414	-	-	-	-	185,135	-	185,135	11,067,549	11,909,849	13,002,901	
COMMUNITY WEALTH/EQUITY													
Accumulated Surplus/(Deficit)		10,882,414	-	-	-	-	185,135	(0)	185,135	11,067,549	11,909,849	13,002,901	
Reserves		-							-	-	-	-	
Minorities' interests									-	-	-	-	
TOTAL COMMUNITY WEALTH/EQUITY		10,882,414	-	-	-	-	185,135	(0)	185,135	11,067,549	11,909,849	13,002,901	

Table B7 Adjustments Budget Cash Flows

Description	Ref	Budget Year 2018/19									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2019/20	+2 2020/21
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates									-	-		
Service charges		197,027							-	197,027	214,981	237,566
Other revenue		306,227						65,309	65,309	371,536	310,744	303,644
Government - operating	1	798,523							-	798,523	855,753	927,444
Government - capital	1	1,022,330					185,135		185,135	1,207,465	1,023,235	1,088,552
Interest		31,300						3,300	3,300	34,600	32,618	35,955
Dividends									-	-		
Payments												
Suppliers and employees		(1,075,998)						128,177	128,177	(947,821)	(1,142,463)	(1,218,067)
Finance charges									-	-	-	-
Transfers and Grants	1	(91,579)						3,344	3,344	(88,235)	(96,522)	(101,733)
NET CASH FROM/(USED) OPERATING ACTIVITIES		1,187,830	-	-	-	-	185,135	200,129	385,264	1,573,094	1,198,345	1,273,362
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE									-	-		
Decrease (Increase) in non-current debtors									-	-		
Decrease (increase) other non-current receivables									-	-		
Decrease (increase) in non-current investments									-	-		
Payments												
Capital assets		(1,184,390)					(185,135)	30,268	(154,867)	(1,339,257)	(1,191,331)	(1,262,191)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(1,184,390)	-	-	-	-	(185,135)	30,268	(154,867)	(1,339,257)	(1,191,331)	(1,262,191)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans									-	-		
Borrowing long term/refinancing									-	-		
Increase (decrease) in consumer deposits									-	-		
Payments												
Repayment of borrowing									-	-		
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		3,440	-	-	-	-	-	230,397	230,397	233,836	7,014	11,171
Cash/cash equivalents at the year begin:	2	702,032						(205,819)	(205,819)	496,213	730,050	737,063
Cash/cash equivalents at the year end:	2	705,472						24,578	24,578	730,050	737,063	748,234

Table B8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	Budget Year 2018/19									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H	+1 2019/20	+2 2020/21
R thousands												
Cash and investments available												
Cash/cash equivalents at the year end	1	705,472	-	-	-	-	-	24,578	24,578	730,050	737,063	748,234
Other current investments > 90 days		-	-	-	-	-	-	0	0	0	47,018	102,157
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		705,472	-	-	-	-	-	24,578	24,578	730,050	784,082	850,392
Applications of cash and investments												
Unspent conditional transfers		-	-	-	-	-	-	-	-	-	-	-
Unspent borrowing												
Statutory requirements												
Other working capital requirements	2	193,387	-	-	-	-	-	(1,225)	(1,225)	192,162	264,660	308,877
Other provisions												
Long term investments committed		-	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments		-	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		193,387	-	-	-	-	-	(1,225)	(1,225)	192,162	264,660	308,877
Surplus(shortfall)		512,085	-	-	-	-	-	25,803	25,803	537,888	519,422	541,515

Table B9 Asset Management

Description	Ref	Budget Year 2018/19									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjus.	Total Adjus.	Adjusted Budget	+1 2019/20	+2 2020/21
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H	Adjusted Budget	Adjusted Budget
R thousands												
CAPITAL EXPENDITURE												
Total New Assets to be adjusted	1	1,082,179	-	-	-	-	185,135	(9,068)	176,067	1,258,246	1,140,001	1,194,248
Roads Infrastructure		2,939	-	-	-	-	-	-	-	2,939	3,113	3,293
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		1,019,391	-	-	-	-	185,135	-	185,135	1,204,526	1,020,122	1,085,259
Sanitation Infrastructure		4,596	-	-	-	-	-	-	-	4,596	4,849	10,115
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		1,026,926	-	-	-	-	185,135	-	185,135	1,212,061	1,028,084	1,098,667
Community Facilities		-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		5,629	-	-	-	-	-	1,760	1,760	7,389	50,902	46,479
Housing		3,500	-	-	-	-	-	(800)	(800)	2,700	-	-
Other Assets	6	9,129	-	-	-	-	-	960	960	10,089	50,902	46,479
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		2,651	-	-	-	-	-	(500)	(500)	2,151	2,555	2,585
Intangible Assets		2,651	-	-	-	-	-	(500)	(500)	2,151	2,555	2,585
Computer Equipment		2,050	-	-	-	-	-	(700)	(700)	1,350	1,970	2,500
Furniture and Office Equipment		3,000	-	-	-	-	-	700	700	3,700	800	850
Machinery and Equipment		30,345	-	-	-	-	-	(7,950)	(7,950)	22,395	49,691	25,666
Transport Assets		8,078	-	-	-	-	-	(1,578)	(1,578)	6,500	6,000	17,500
Libraries		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets to be adjusted	2	102,212	-	-	-	-	-	(21,200)	(21,200)	81,012	51,330	67,943
Roads Infrastructure		1,500	-	-	-	-	-	-	-	1,500	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		95,246	-	-	-	-	-	(21,000)	(21,000)	74,246	39,224	50,584
Sanitation Infrastructure		4,366	-	-	-	-	-	-	-	4,366	12,106	17,359
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		101,112	-	-	-	-	-	(21,000)	(21,000)	80,112	51,330	67,943
Community Facilities		-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-	-	-
Heritage Assets		1,100	-	-	-	-	-	(200)	(200)	900	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets	6	-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-

EXPENDITURE OTHER ITEMS												
<u>Depreciation & asset impairment</u>		162,000	-	-	-	-	-	-	-	162,000	170,910	180,310
<u>Repairs and Maintenance by asset class</u>	3	35,021	-	-	-	-	-	(14,500)	(14,500)	20,521	36,939	38,963
<i>Roads Infrastructure</i>		2,626	-	-	-	-	-	4,000	4,000	6,626	2,763	2,907
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>		32,395	-	-	-	-	-	(18,500)	(18,500)	13,895	34,176	36,056
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		35,021	-	-	-	-	-	(14,500)	(14,500)	20,521	36,939	38,963
Community Facilities		-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	6	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		197,021	-	-	-	-	-	(14,500)	(14,500)	182,521	207,849	219,273

Table B10 Basic service delivery measurement

Description	Ref	Budget Year 2018/19									Budget Year +1	Budget Year +2
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt.	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Household service targets	1											
Water:												
Piped water inside dwelling		42								42	43	44
Piped water inside yard (but not in dwelling)		44								44	47	50
Using public tap (at least min.service level)	2	-								-	-	-
Other water supply (at least min.service level)		44								44	45	45
<i>Minimum Service Level and Above sub-total</i>		131								131	134	139
Using public tap (< min.service level)	3	-								-	-	-
Other water supply (< min.service level)	3,4	20								20	20	20
No water supply		168								168	167	165
<i>Below Minimum Service Level sub-total</i>		188								188	187	185
Total number of households	5	319								319	322	324
Sanitation/sewerage:												
Flush toilet (connected to sewerage)		69								69,348	73	75
Flush toilet (with septic tank)		-								-	-	-
Chemical toilet		-								-	-	-
Pit toilet (ventilated)		222								221,890	222	225
Other toilet provisions (> min.service level)		-								-	-	-
<i>Minimum Service Level and Above sub-total</i>		291,238								291,238	295,457	299,560
Bucket toilet		-								-	-	-
Other toilet provisions (< min.service level)		-								-	-	-
No toilet provisions		28								28,108	26	24
<i>Below Minimum Service Level sub-total</i>		28,108								28,108	26,048	24,138
Total number of households	5	319,346								319,346	321,505	323,698
Energy:												
Electricity (at least min. service level)		-								-	-	-
Electricity - prepaid (> min.service level)		-								-	-	-
<i>Minimum Service Level and Above sub-total</i>		-								-	-	-
Electricity (< min.service level)		-								-	-	-
Electricity - prepaid (< min. service level)		-								-	-	-
Other energy sources		-								-	-	-
<i>Below Minimum Service Level sub-total</i>		-								-	-	-
Total number of households	5	-								-	-	-
Refuse:												
Removed at least once a week (min.service)		-								-	-	-
<i>Minimum Service Level and Above sub-total</i>		-								-	-	-
Removed less frequently than once a week		-								-	-	-
Using communal refuse dump		-								-	-	-
Using own refuse dump		-								-	-	-
Other rubbish disposal		-								-	-	-
No rubbish disposal		-								-	-	-
<i>Below Minimum Service Level sub-total</i>		-								-	-	-
Total number of households	5	-								-	-	-
Households receiving Free Basic Service	15											
Water (6 kilolitres per household per month)		108								108,463	111	115
Sanitation (free minimum level service)		10								10,195	10	10
Electricity/other energy (50kwh per household per month)		-								-	-	-
Refuse (removed at least once a week)		-								-	-	-
Cost of Free Basic Services provided (R'000)	16											
Water (6 kilolitres per household per month)		483,350								483,350	488,038	492,772
Sanitation (free sanitation service)		207,150								207,150	209,159	211,188
Electricity/other energy (50kwh per household per month)		-								-	-	-
Refuse (removed once a week)		-								-	-	-
Total cost of FBS provided (minimum social package)		690,500								690,500	697,198	703,961
Highest level of free service provided												
Property rates (R'000 value threshold)		-								-	-	-
Water (kilolitres per household per month)		-								-	-	-
Sanitation (kilolitres per household per month)		-								-	-	-
Sanitation (Rand per household per month)		-								-	-	-
Electricity (kw per household per month)		-								-	-	-
Refuse (average litres per week)		-								-	-	-
Revenue cost of free services provided (R'000)	17											
Property rates (R15 000 threshold rebate)		-								-	-	-
Property rates (other exemptions, reductions and rebates)		-								-	-	-
Water		-								-	-	-
Sanitation		-								-	-	-
Electricity/other energy		-								-	-	-
Refuse		-								-	-	-
Municipal Housing - rental rebates		-								-	-	-
Housing - top structure subsidies	6	-								-	-	-
Other		-								-	-	-
Total revenue cost of free services provided (total social pa		-								-	-	-