



UTHUKELA DISTRICT MUNICIPALITY

ADJUSTMENT BUDGET

2014/15

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Part 1 – Adjustment Budget

1.1 Mayor's Report

The Adjustment Budget is gives the municipalities a chance to revise the budget taken from The performance from sec72 report this gives an opportunity to make changes if needed. There is an improvement in the performance of the municipality based on the 2013 /2014 Audit opinion from Auditor General which was a qualification, this opinion is much better Than the previous 2 years opinions which were Disclaimer. The reason for this adjustment was merely because of the additional funding the Municipality has received from Treasury which was the Disaster management grant.

Among the impacts that are challenging the Municipality, is the cash flow challenge currently being experienced by the municipality due to among other things declining collection, historic expenditure patterns, high water losses and high rate of indigents within the municipal boundaries.

Management within local government has a significant role to play in strengthening the link between the citizen and government's overall priorities and spending plans. The goal should be to enhance service delivery aimed at improving the quality of life for all people within the UThukela District Municipality .Budgeting is primarily about the choices that the municipality has to make between competing priorities and fiscal realities. The challenge is to do more with the available resources. We need to remain focused on the effective delivery of the core municipal services through the application of efficient and effective service delivery mechanisms.

1.2 Council Resolutions

During the month of April 2015 the Council of UThukela District Municipality will meet in the Boardroom of UThukela District Municipality to consider the Adjustment budget of the municipality for the financial year 2014/15. The Council will need to approve and adopt the following resolutions:

1. The Council of UThukela District Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:

1.1. The Adjustment budget of the municipality for the financial year 2014/15 and the multi-year and single-year capital appropriations as set out in the following tables:

1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification)

1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote)

1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type)

1.1.4. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source

1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:

1.2.1. Budgeted Financial Position

1.2.2. Budgeted Cash Flows as contained in Cash backed reserves and accumulated surplus reconciliation

1.2.3. Asset management

1.2.4. Basic service delivery measurement

1.3 Executive Summary

A Mid- Year Budget Review Report was tabled in Council on the 30th of January 2015. This report highlighted the financial performance of the Municipality for the first half of the financial year. Recommendations have been made on the report, and appropriately, funds were transferred from low- to high-priority programs so as to maintain sound financial stewardship. In compilation of the 2014/2015 Adjustment budget the municipality has taken into account the Mid- year recommendations made by the Provincial Treasury. The first Municipal adjustment budget for the 2014/2015 financial year was approved by the council in March 2015. This second Municipal adjustment budget is being made merely because the Municipality has received additional grant funding from National Treasury.

Background

An Adjustment Budget must be tabled to council any time after the mid-year budget review have been tabled to council but no later than 28 February of the current year as per Municipal Budget Regulation Reporting 23(1).

The Mid- Year Budget Review Report has highlighted variances in terms of actual year to date income and expenditure versus year to date budgets. The variances were considered and where necessary adjustments were made.

Consideration of section 18 of MFMA was made, which states that:

“An annual budget may only be funded from:

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

(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.”*

Great emphasis was placed in ensuring that the budget is realistically funded.

1.4 Adjustment Budget Tables

**Table 1: ADJUSTED BUDGET FINANCIAL PERFORMANCE
(Standard Classification)**

DC23 Uthukela - Table B2 Adjustments Budget Financial Performance (standard classification) - 27 february 2015

Standard Description	Ref	Budget Year 2014/15									Budget Year	Budget Year	
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted	
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjus.	Adjus.	Budget	Budget	Budget	
R thousands	1, 4	A	A1	B	C	D	E	F	G	H			
Revenue - Standard													
<i>Governance and administration</i>		299 336	-	-	-	-	467	(3 311)	(2 844)	296 492	317 638	337 495	
Executive and council		41 140	-	-	-	-	-	-	-	41 140	44 198	47 937	
Budget and treasury office		258 196	-	-	-	-	467	(3 311)	(2 844)	255 352	273 440	289 558	
Corporate services		-	-	-	-	-	-	-	-	-	-	-	
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-	-	-	
Community and social services		-	-	-	-	-	-	-	-	-	-	-	
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	
Public safety		-	-	-	-	-	-	-	-	-	-	-	
Housing		-	-	-	-	-	-	-	-	-	-	-	
Health		-	-	-	-	-	-	-	-	-	-	-	
<i>Economic and environmental services</i>		6 317	-	-	-	-	(6 067)	-	(6 067)	250	1 217	2 218	
Planning and development		6 317	-	-	-	-	(6 067)	-	(6 067)	250	1 217	2 218	
Road transport		-	-	-	-	-	-	-	-	-	-	-	
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	
<i>Trading services</i>		408 408	-	-	-	-	63 575	(21)	63 554	471 962	440 570	438 784	
Electricity		-	-	-	-	-	-	-	-	-	-	-	
Water		391 810	-	-	-	-	63 575	(21)	63 554	455 364	422 518	419 149	
Waste water management		16 598	-	-	-	-	-	-	-	16 598	18 052	19 635	
Waste management		-	-	-	-	-	-	-	-	-	-	-	
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	
Total Revenue - Standard	2	714 061	-	-	-	-	57 975	(3 332)	54 643	768 704	759 425	778 496	
Expenditure - Standard													
<i>Governance and administration</i>		189 666	-	-	-	2 237	-	(3 439)	(1 202)	188 464	195 346	208 464	
Executive and council		49 743	-	-	-	67	-	(4 387)	(4 320)	45 423	53 701	57 041	
Budget and treasury office		104 843	-	-	-	2 157	-	(6 571)	(4 414)	100 429	109 189	116 647	
Corporate services		35 080	-	-	-	13	-	7 519	7 532	42 612	32 456	34 776	
<i>Community and public safety</i>		11 099	-	-	-	-	-	4 307	4 307	15 406	11 637	12 353	
Community and social services		-	-	-	-	-	-	-	-	-	-	-	
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	
Public safety		-	-	-	-	-	-	-	-	-	-	-	
Housing		-	-	-	-	-	-	-	-	-	-	-	
Health		11 099	-	-	-	-	-	4 307	4 307	15 406	11 637	12 353	
<i>Economic and environmental services</i>		26 939	-	-	-	1 742	-	(4 600)	(2 858)	24 081	28 523	31 169	
Planning and development		26 939	-	-	-	1 742	-	(4 600)	(2 858)	24 081	28 523	31 169	
Road transport		-	-	-	-	-	-	-	-	-	-	-	
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	
<i>Trading services</i>		238 884	-	-	-	6 005	-	5 871	11 875	250 759	248 835	259 466	
Electricity		-	-	-	-	-	-	-	-	-	-	-	
Water		235 956	-	-	-	6 005	-	5 633	11 638	247 593	245 732	256 177	
Waste water management		2 928	-	-	-	-	-	238	238	3 166	3 103	3 289	
Waste management		-	-	-	-	-	-	-	-	-	-	-	
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	
Total Expenditure - Standard	3	466 587	-	-	-	9 984	-	2 139	12 123	478 710	484 341	511 452	
Surplus/ (Deficit) for the year		247 474	-	-	-	(9 984)	57 975	(5 471)	42 520	289 994	275 084	267 044	

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TABLE 2: FINANCIAL PERFORMANCE PER REVENUE AND EXPENDITURE BY MUNICIPAL VOTE

DC23 Uthukela - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 27 february 2015

Vote Description <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2014/15									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
		3	4	5	6	7	8	9	10			
R thousands		A	A1	B	C	D	E	F	G	H		
Revenue by Vote	1											
105 - MUNICIPAL MANAGER		41 140	-	-	-	-	-	-	41 140	44 198	47 937	
200 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-	
300 - BUDGET AND TREASURY		258 196	-	-	-	-	467	(3 311)	(2 844)	255 352	273 440	289 558
405 - SOCIAL SERVICES		717	-	-	-	-	(467)	-	(467)	250	1 217	2 218
500 - TECHNICAL SERVICES		212 057	-	-	-	-	63 575	-	63 575	275 632	221 746	200 490
510 - WATER AND SANITATION SERVICES		201 951	-	-	-	-	(5 600)	(21)	(5 621)	196 330	218 824	238 294
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	714 061	-	-	-	-	57 975	(3 332)	54 643	768 704	759 425	778 496
Expenditure by Vote	1											
105 - MUNICIPAL MANAGER		49 743	-	-	-	67	-	(4 387)	(4 320)	45 423	53 701	57 041
200 - CORPORATE SERVICES		35 080	-	-	-	13	-	7 519	7 532	42 612	32 456	34 776
300 - BUDGET AND TREASURY		104 843	-	-	-	2 157	-	(6 571)	(4 414)	100 429	107 038	114 302
405 - SOCIAL SERVICES		38 038	-	-	-	1 742	-	(293)	1 449	39 487	40 160	43 521
500 - TECHNICAL SERVICES		7 806	-	-	-	-	-	(199)	(199)	7 607	4 758	5 044
510 - WATER AND SANITATION SERVICES		231 077	-	-	-	6 005	-	6 070	12 075	243 152	247 543	258 203
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	466 587	-	-	-	9 984	-	2 139	12 123	478 710	485 657	512 886
Surplus/ (Deficit) for the year	2	247 474	-	-	-	(9 984)	57 975	(5 471)	42 520	289 994	273 768	265 610

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TABLE 3: FINANCIAL PERFORMANCE (Revenue and Expenditure)

DC23 Uthukela - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 27 february 2015

Description	Ref	Budget Year 2014/15									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	1	A	3	4	5	6	7	8	9	10		
		A	A1	B	C	D	E	F	G	H		
Revenue By Source												
Property rates	2	-	-	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges												
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	134 908	-	-	-	-	-	-	-	134 908	147 050	160 285
Service charges - sanitation revenue	2	16 598	-	-	-	-	-	-	-	16 598	18 052	19 635
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - other												
Rental of facilities and equipment												
Interest earned - external investments		9 471						(2 298)	(2 298)	7 172	10 039	10 641
Interest earned - outstanding debtors		35 660								35 660	38 869	42 367
Dividends received												
Fines												
Licences and permits												
Agency services												
Transfers recognised - operating		306 828					(5 133)		(5 133)	301 695	310 208	330 738
Other revenue	2	1 372	-	-	-	-	-	(1 034)	(1 034)	338	1 460	1 554
Gains on disposal of PPE												
Total Revenue (excluding capital transfers and contributions)		504 836	-	-	-	-	(5 133)	(3 332)	(8 465)	496 371	525 679	565 220
Expenditure By Type												
Employee related costs		160 321	-	-	-	-	-	(18 673)	(18 673)	141 648	169 896	180 083
Remuneration of councillors		4 619						5 672	5 672	10 291	4 896	5 190
Debt impairment		30 452						(892)	(892)	29 560	32 220	35 120
Depreciation & asset impairment		44 689	-	-	-	-	-	451	451	45 140	47 370	50 213
Finance charges		1 311						(236)	(236)	1 075	1 184	1 164
Bulk purchases		6 085	-	-	-	-	-	-	-	6 085	6 450	6 837
Other materials		54 450						5 899	5 899	60 349	50 827	54 067
Contracted services		37 658	-	-	-	-	-	4 594	4 594	42 252	39 936	43 887
Transfers and grants		11 900						(1 420)	(1 420)	10 480	19 178	14 579
Other expenditure		115 103	-	-	-	9 983	-	6 745	16 728	131 831	113 700	121 746
Loss on disposal of PPE												
Total Expenditure		466 587	-	-	-	9 983	-	2 140	12 123	478 710	485 657	512 886
Surplus/(Deficit)		38 249	-	-	-	(9 983)	(5 133)	(5 472)	(20 588)	17 661	40 022	52 334
Transfers recognised - capital		209 225					63 108		63 108	272 333	233 746	213 276
Contributions												
Contributed assets												
Surplus/(Deficit) before taxation		247 474	-	-	-	(9 983)	57 975	(5 472)	42 520	289 994	273 768	265 610
Taxation												
Surplus/(Deficit) after taxation		247 474	-	-	-	(9 983)	57 975	(5 472)	42 520	289 994	273 768	265 610
Attributable to minorities												
Surplus/(Deficit) attributable to municipality		247 474	-	-	-	(9 983)	57 975	(5 472)	42 520	289 994	273 768	265 610
Share of surplus/ (deficit) of associate												
Surplus/ (Deficit) for the year		247 474	-	-	-	(9 983)	57 975	(5 472)	42 520	289 994	273 768	265 610

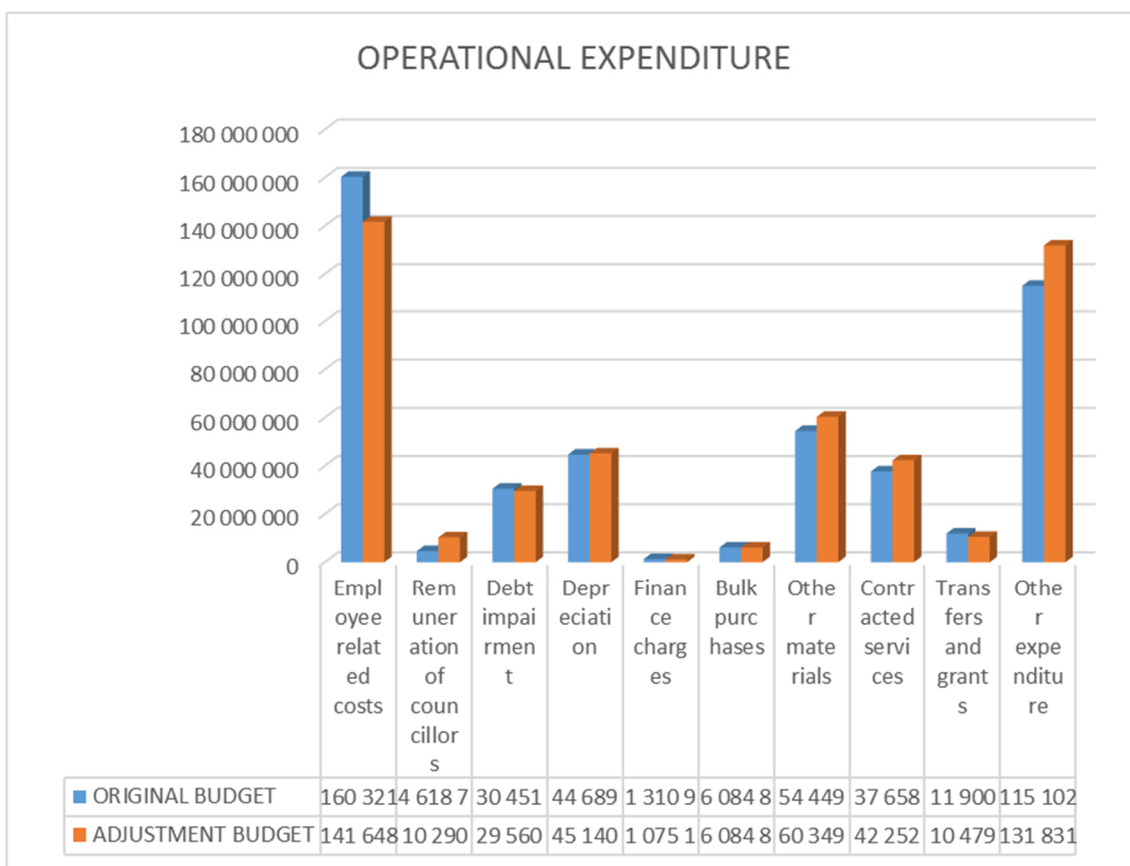
OPERATING BUDGET

1. Operating Revenue

Total operating income increased from the original budget of R714 062 million to R768 704 million. This is mainly due to an increase in capital grants to be received mainly RBIG from R25 000 million to R82 000 million, ACIP amounting to R3 890 million and Municipal disaster Grant amounting to R2 685 mill.

2. Operating Expenditure

OPERATING EXPENDITURE - ORIGINAL BUDGET VS ADJUSTMENT BUDGET			
DESCRIPTION	ORIGINAL BUDGET	ADJUSTMENT BUDGET	DIFFERENCE
Employee related costs	160 321 074	141 648 083	18 672 991
Remuneration of councillors	4 618 788	10 290 060	-5 671 272
Debt impairment	30 451 720	29 560 000	891 720
Depreciation	44 689 131	45 140 000	-450 869
Finance charges	1 310 954	1 075 144	235 810
Bulk purchases	6 084 861	6 084 861	0
Other materials	54 449 722	60 349 069	-5 899 347
Contracted services	37 658 186	42 252 032	-4 593 846
Transfers and grants	11 900 000	10 479 566	1 420 434
Other expenditure	115 102 617	131 831 372	-16 728 755
Total Expenditure	466 587 053	478 710 187	-12 123 134



The total operating expenditure has increased from R466 587million to R478 206 million.

Employee related costs: - The employee related costs has increase to R 141 648 million

Other Materials: - The other materials has decrease form R 60 349 mil to R 50 349 million this was as a result that the Municipality has purchased new municipal cars and these will reduce the maintenance of the cars as some other cars were overworked because of limited cars the municipality had.

Contracted Increased: - The amount for contracted services were increased because the Municipality is paying for the new offices that were not included in the original budget, The increased in insurance expenses due to increase in the fleet, this was originally budgeted but it was not enough to cover all the insurance expenses.

Other Expenditure: - There were other general expenditure items that were increased and decreased based on the need for that expenditure.

The adjustments on the budget were based mere on spending patterns and future expenditure that has been foresee by management.

The Municipality has budgeted an amount of R13 665 mil towards blue drop and green drop a contractor has been appointed to do the refurbishment and rehabilitation of water and waste treatment plants

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TABLE 4: CAPITAL EXPENDITURE

DC23 Uthukela - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 27 february 2015												
Description	Ref	Budget Year 2014/15									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 2015/16 Adjusted Budget	+2 2016/17 Adjusted Budget
R thousands		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
Capital expenditure - Vote												
Single-year expenditure to be adjusted												
105 - MUNICIPAL MANAGER	2	2 210	-	-	-	-	-	201	201	2 411	20	30
200 - CORPORATE SERVICES		1 500	-	-	-	-	-	371	371	1 871	-	-
300 - BUDGET AND TREASURY		600	-	-	-	-	-	561	561	1 161	160	200
405 - SOCIAL SERVICES		17 586	-	-	-	-	(467)	(846)	(1 313)	16 273	250	200
500 - TECHNICAL SERVICES		212 258	-	-	-	-	63 805	28 735	92 540	304 798	237 246	216 796
510 - WATER AND SANITATION SERVICES		43 321	-	-	-	-	-	3 896	3 896	47 217	32 420	40 129
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		277 475	-	-	-	-	63 338	32 918	96 256	373 731	270 096	257 355
Total Capital Expenditure - Vote		277 475	-	-	-	-	63 338	32 918	96 256	373 731	270 096	257 355
Capital Expenditure - Standard												
Governance and administration		4 310	-	-	-	-	-	1 133	1 133	5 443	180	230
Executive and council		2 210	-	-	-	-	-	201	201	2 411	20	30
Budget and treasury office		600	-	-	-	-	-	561	561	1 161	160	200
Corporate services		1 500	-	-	-	-	-	371	371	1 871	-	-
Community and public safety		17 586	-	-	-	-	(467)	(846)	(1 313)	16 273	250	200
Community and social services		17 586	-	-	-	-	(467)	(846)	(1 313)	16 273	250	200
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		2 315	-	-	-	-	-	-	-	2 315	2 355	2 466
Planning and development		-	-	-	-	-	-	-	-	-	-	-
Road transport		2 315	-	-	-	-	-	-	-	2 315	2 355	2 466
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Trading services		253 264	-	-	-	-	63 805	32 631	96 436	349 700	267 311	254 459
Electricity		-	-	-	-	-	-	-	-	-	-	-
Water		253 264	-	-	-	-	63 805	32 631	96 436	349 700	267 311	254 459
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	3	277 475	-	-	-	-	63 338	32 918	96 256	373 731	270 096	257 355
Funded by:												
National Government		209 225	-	-	-	-	63 338	-	63 338	272 563	221 746	200 510
Provincial Government		-	-	-	-	-	-	-	-	-	12 000	12 786
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-	-
Total Capital transfers recognised	4	209 225	-	-	-	-	63 338	-	63 338	272 563	233 746	213 296
Public contributions & donations		-	-	-	-	-	-	-	-	-	-	-
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		68 250	-	-	-	-	-	32 918	32 918	101 168	36 350	44 059
Total Capital Funding		277 475	-	-	-	-	63 338	32 918	96 256	373 731	270 096	257 355

CAPITAL EXPENDITURE

Total capital expenditure was originally estimated to be R277 475 million. This was Originally funded as follows:

GRANT	AMOUNT
MIG	R177 319 000
RHIG	R4 124 000
RBIG	R25 000 000
RRAM	R2 315 000
MSIG	R 467 000
COUNCIL	R68 249 642
TOTAL	R277 474 642

There have been adjustments made to the allocations or grants for the Municipality that have resulted in a change to the above and resultant in capital expenditure of R373 732 million.

Grant funding of this expenditure is detailed in the 'Adjustments to Grant Allocations', in the supporting documents of this report.

Below is a summary of the funding sources to the adjusted capital expenditure:

GRANT	AMOUNT
MIG	R 177 319 000
RHIB	R 4 124 000
RBIG	R 82 000 000
RRAM	R 2 315 000
ACIP	R 3 890 000
MDG	R 2 685 000
COUNCIL	R 72 799 242
ROLL OVER GRANTS	
MIG	R 21 800 000
RHIG	R 4 000 000
MWIG	R 2 800 000
TOTAL	R 373 732 242

The Capital Expenditure has increase from R277 494 million to R 373 732 million this is mainly due to the capital grants received.

Capital Grants Funding: - The Municipality has received an additional capital grant funding amounting to R 2 685 mill towards Municipal Disaster Grant

UTHUKELA DISTRICT MUNICIPALITY

Table 5: CASH FLOW

DC23 Uthukela - Table B7 Adjustments Budget Cash Flows - 27 february 2015

Description	Ref	Budget Year 2014/15									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands		3	4	5	6	7	8	9	10			
		A	A1	B	C	D	E	F	G	H		
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Ratepayers and other		69 550						29 267	29 267	98 817	84 011	109 506
Government - operating	1	306 828					(5 133)		(5 133)	301 695	322 708	338 238
Government - capital	1	209 225					63 108		63 108	272 333	233 746	213 276
Interest		16 603						6 616	6 616	23 219	17 813	27 588
Dividends									-	-		
Payments												
Suppliers and employees		(378 235)						(3 421)	(3 421)	(381 656)	(385 705)	(411 810)
Finance charges		(1 311)						236	236	(1 075)	(1 184)	(1 164)
Transfers and Grants	1	(11 900)						11 900	11 900	-	(19 178)	(14 579)
NET CASH FROM/(USED) OPERATING ACTIVITIES		210 760	-	-	-	-	57 975	44 598	102 573	313 333	252 211	261 055
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		30 000						(30 000)	(30 000)	-		
Payments												
Capital assets		(223 288)					(63 338)	(87 105)	(150 443)	(373 731)	(270 096)	(257 355)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(193 288)	-	-	-	-	(63 338)	(117 105)	(180 443)	(373 731)	(270 096)	(257 355)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans									-	-		
Borrowing long term/refinancing									-	-		
Increase (decrease) in consumer deposits		554						(384)	(384)	170	180	191
Payments												
Repayment of borrowing		(4 472)						(478)	(478)	(4 950)	(1 735)	(1 031)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(3 918)	-	-	-	-	-	(862)	(862)	(4 780)	(1 555)	(840)
NET INCREASE/ (DECREASE) IN CASH HELD		13 554	-	-	-	-	(5 363)	(73 369)	(78 732)	(65 178)	(19 440)	2 860
Cash/cash equivalents at the year begin:	2	151 308						(24 754)	(24 754)	126 554	63 639	44 661
Cash/cash equivalents at the year end:	2	164 861					(5 363)	(98 123)	(32 167)	61 375	44 199	47 521

UTHUKELA DISTRICT MUNICIPALITY

TABLE 6: FINANCIAL POSITION

DC23 Uthukela - Table B6 Adjustments Budget Financial Position - 27 february 2015

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted 3 A1	Accum. Funds 4 B	Multi-year capital 5 C	Unfore. Unavoid. 6 D	Nat. or Prov. Govt 7 E	Other Adjusts. 8 F	Total Adjusts. 9 G	Adjusted Budget 10 H	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
ASSETS												
Current assets												
Cash		7						21 955	21 955	21 962	2 815	4 068
Call investment deposits	1	164 854	-	-	-	-	-	(125 441)	(125 441)	39 413	41 384	43 453
Consumer debtors	1	287 227	-	-	-	-	-	4 072	4 072	291 299	309 622	329 594
Other debtors		15 768								15 768	16 714	17 716
Current portion of long-term receivables										-	-	-
Inventory		7 798								7 798	8 266	8 762
Total current assets		475 654	-	-	-	-	-	(99 414)	(99 414)	376 240	378 801	403 593
Non current assets												
Long-term receivables										-	-	-
Investments										-	-	-
Investment property										-	-	-
Investment in Associate										-	-	-
Property, plant and equipment	1	1 191 410	-	-	-	-	60 423	862 008	922 431	2 113 841	2 383 937	2 641 292
Agricultural										-	-	-
Biological										-	-	-
Intangible		45						64	64	109	109	109
Other non-current assets										-	-	-
Total non current assets		1 191 455	-	-	-	-	60 423	862 072	922 495	2 113 950	2 384 046	2 641 401
TOTAL ASSETS		1 667 109	-	-	-	-	60 423	762 658	823 081	2 490 190	2 762 847	3 044 995
LIABILITIES												
Current liabilities												
Bank overdraft										-	-	-
Borrowing		3 543	-	-	-	-	-	(1 804)	(1 804)	1 739	1 031	900
Consumer deposits		9 784								9 784	10 371	10 993
Trade and other payables		132 486	-	-	-	-	-	(54 187)	(54 187)	78 299	82 997	87 978
Provisions		23 450								23 450	24 857	26 349
Total current liabilities		169 263	-	-	-	-	-	(55 991)	(55 991)	113 272	119 256	126 220
Non current liabilities												
Borrowing	1	6 051	-	-	-	-	-	(2 720)	(2 720)	3 331	2 300	1 400
Provisions	1	4 031	-	-	-	-	-	-	-	4 031	4 401	4 804
Total non current liabilities		10 082	-	-	-	-	-	(2 720)	(2 720)	7 362	6 701	6 204
TOTAL LIABILITIES		179 345	-	-	-	-	-	(58 711)	(58 711)	120 634	125 957	132 424
NET ASSETS	2	1 487 764	-	-	-	-	60 423	821 369	881 792	2 369 556	2 636 890	2 912 570
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		1 487 764	-	-	-	-	60 423	821 369	881 792	2 369 556	2 636 890	2 912 570
Reserves		-	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY		1 487 764	-	-	-	-	60 423	821 369	881 792	2 369 556	2 636 890	2 912 570

UTHUKELA DISTRICT MUNICIPALITY

TABLE 7: ASSET MANAGEMENT

DC23 Uthukela - Table B9 Asset Management - 27 february 2015

Description	Ref	Budget Year 2014/15									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
		7	8	9	10	11	12	13	14	+1 2015/16	+2 2016/17	
		A	A1	B	C	D	E	F	G	H		
R thousands												
CAPITAL EXPENDITURE												
Total New Assets to be adjusted	1	259 176	-	-	-	-	63 108	38 538	101 646	360 822	238 026	217 476
Infrastructure - Road transport		2 315	-	-	-	-	-	-	-	2 315	2 355	2 466
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Water		146 432	-	-	-	-	56 423	29 067	85 490	231 922	160 220	142 131
Infrastructure - Sanitation		55 887	-	-	-	-	-	4 998	4 998	60 885	63 172	65 699
Infrastructure - Other		7 624	-	-	-	-	4 000	-	4 000	11 624	11 500	6 500
Infrastructure		212 258	-	-	-	-	60 423	34 065	94 488	306 746	237 247	216 796
Community		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets	6	46 918	-	-	-	-	2 685	4 473	7 158	54 076	779	680
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets to be adjusted	2	18 299	-	-	-	-	-	(5 390)	(5 390)	12 909	32 070	39 879
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Water		13 249	-	-	-	-	-	(4 390)	(4 390)	8 859	32 070	39 879
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Other		3 500	-	-	-	-	-	(1 000)	(1 000)	2 500	-	-
Infrastructure		16 749	-	-	-	-	-	(5 390)	(5 390)	11 359	32 070	39 879
Community		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets	6	1 550	-	-	-	-	-	-	-	1 550	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure to be adjusted	4	277 475	-	-	-	-	63 108	33 148	96 256	373 731	270 096	257 355
Infrastructure - Road transport		2 315	-	-	-	-	-	-	-	2 315	2 355	2 466
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Water		159 681	-	-	-	-	56 423	24 677	81 100	240 781	192 290	182 010
Infrastructure - Sanitation		55 887	-	-	-	-	-	4 998	4 998	60 885	63 172	65 699
Infrastructure - Other		11 124	-	-	-	-	4 000	(1 000)	3 000	14 124	11 500	6 500
Infrastructure		229 007	-	-	-	-	60 423	28 675	89 098	318 105	269 317	256 675
Community		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets		48 468	-	-	-	-	2 685	4 473	7 158	55 626	779	680
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-	-	-
ASSET REGISTER SUMMARY - PPE (WDV)	5	2 315	-	-	-	-	60 890	833 770	894 660	2 020 682	2 440 407	2 747 509
Infrastructure - Road transport		2 315	-	-	-	-	-	-	-	2 315	2 355	2 466
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Water		795 789	-	-	-	-	60 890	833 770	894 660	1 690 449	2 032 154	2 275 734
Infrastructure - Sanitation		277 266	-	-	-	-	-	-	-	277 266	343 592	406 397
Infrastructure - Other		50 652	-	-	-	-	-	-	-	50 652	62 306	62 912
Infrastructure		1 126 022	-	-	-	-	60 890	833 770	894 660	2 020 682	2 440 407	2 747 509
Community		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets		65 388	-	-	-	-	(467)	18 901	18 434	83 822	78 167	91 633
Intangibles		45	-	-	-	-	-	64	64	109	109	109
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	1 191 455	-	-	-	-	60 423	852 735	913 158	2 104 613	2 518 683	2 839 251
EXPENDITURE OTHER ITEMS												
Depreciation & asset impairment		44 689	-	-	-	-	-	451	451	45 140	47 370	50 213
Repairs and Maintenance by asset class	3	54 450	-	-	-	-	-	5 899	5 899	60 349	50 827	54 067
Infrastructure - Road transport		1 575	-	-	-	-	-	-	-	1 575	1 670	1 770
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Water		15 000	-	-	-	-	-	1 476	1 476	16 476	15 900	16 854
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Other		24 000	-	-	-	-	-	(1 335)	(1 335)	22 665	18 550	19 854
Infrastructure		40 575	-	-	-	-	-	141	141	40 716	36 120	38 478
Community		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets	6	13 875	-	-	-	-	-	5 758	5 758	19 632	14 707	15 590
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		99 139	-	-	-	-	-	6 350	6 350	105 489	98 197	104 280

ADJUSTMENT BUDGET 2014/2015

TABLE 8: CASH BACKED RESERVES / ACCUMULATED SURPLUS RECONCILIATION

Description	Ref	Budget Year 2014/15								Budget Year	Budget Year	
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	
		3	4	5	6	7	8	9	10			
		A	A1	B	C	D	E	F	G	H		
R thousands												
Cash and investments available												
Cash/cash equivalents at the year end	1	164 861	-	-	-	-	(5 363)	(98 123)	(103 486)	61 375	44 199	47 521
Other current investments > 90 days		0	-	-	-	-	5 363	(5 363)	(0)	0	(0)	0
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		164 861	-	-	-	-	-	(103 486)	(103 486)	61 375	44 199	47 521
Applications of cash and investments												
Unspent conditional transfers		54 187	-	-	-	-	-	(54 187)	(54 187)	(0)	-	-
Unspent borrowing									-	-		
Statutory requirements									-	-		
Other working capital requirements	2	(45 903)	-					(50 056)	(50 056)	(95 959)	(63 633)	(95 898)
Other provisions									-	-		
Long term investments committed		-	-					-	-	-	-	-
Reserves to be backed by cash/investments		-	-					-	-	-	-	-
Total Application of cash and investments:		8 284	-	-	-	-	-	(104 243)	(104 243)	(95 959)	(63 633)	(95 898)
Surplus(shortfall)		156 578	-	-	-	-	-	757	757	157 335	107 832	143 419

UTHUKELA DISTRICT MUNICIPALITY

Table 9: BASIC SERVICE DELIVERY MEASUREMENT

Description	Ref	Budget Year 2014/15									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or Prov.	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Govt	Adjus.	Adjus.	Budget	Budget	Budget
		A	7	8	9	10	11	12	13	14		
		A	A1	B	C	D	E	F	G	H		
Household service targets	1											
Water:												
Piped water inside dwelling		78180							-	78	82730	87545
Piped water inside yard (but not in dwelling)									-	-		
Using public tap (at least min.service level)	2	46160							-	46	48846	54689
Other water supply (at least min.service level)									-	-		
<i>Minimum Service Level and Above sub-total</i>		124	-	-	-	-	-	-	-	124	132	142
Using public tap (< min.service level)	3								-	-		
Other water supply (< min.service level)	3,4								-	-		
No water supply		31518							-	32	33353	35294
<i>Below Minimum Service Level sub-total</i>		32	-	-	-	-	-	-	-	32	33	35
Total number of households	5	156	-	-	-	-	-	-	-	156	165	178
Sanitation/sewerage:												
Flush toilet (connected to sewerage)									-	-		
Flush toilet (with septic tank)		60555							-	60 555	64080	67809
Chemical toilet									-	-		
Pit toilet (ventilated)		74613							-	74 613	78955	83550
Other toilet provisions (> min.service level)									-	-		
<i>Minimum Service Level and Above sub-total</i>		135 168	-	-	-	-	-	-	-	135 168	143 035	151 359
Bucket toilet		1641							-	1 641	1737	1838
Other toilet provisions (< min.service level)									-	-		
No toilet provisions		13120							-	13 120	13883	14691
<i>Below Minimum Service Level sub-total</i>		14 761	-	-	-	-	-	-	-	14 761	15 620	16 529
Total number of households	5	149 929	-	-	-	-	-	-	-	149 929	158 655	167 888
Households receiving Free Basic Service	15											
Water (6 kilolitres per household per month)		60 694							-	60 694	64 335	68 198
Sanitation (free minimum level service)		-							-	-	-	-
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)		8.65							-	0	9.43	10.28
Sanitation (free sanitation service)									-	-	-	-
Electricity/other energy (50kwh per household per month)									-	-		
Refuse (removed once a week)									-	-		
Total cost of FBS provided (minimum social package)		0	-	-	-	-	-	-	-	0	0	0
Revenue cost of free services provided (R'000)	17											
Property rates (R15 000 threshold rebate)									-	-		
Property rates (other exemptions, reductions and rebates)									-	-		
Water		6 300						6 180	6 180	12 480	13 603	14 827
Sanitation									-	-		
Total revenue cost of free services provided (total social p		6 300	-	-	-	-	-	6 180	6 180	12 480	13 603	14 827

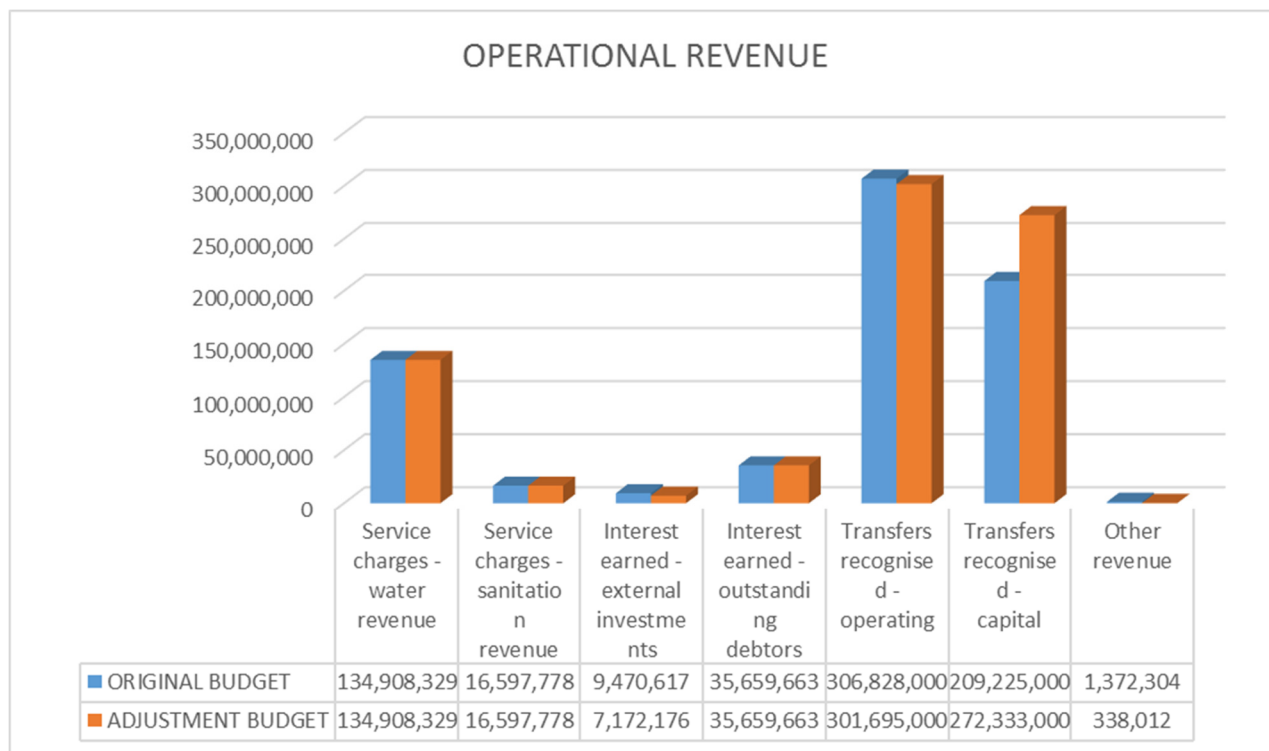
Part 2 – Supporting Documentation

2.1 Adjustment to Budget funding

Changes have been made on expenditure and income estimates in the adjustments budget.

The adjusted budget funding is as follows:

OPERATING REVENUE - ORIGINAL BUDGET VS ADJUSTMENT BUDGET			
DESCRIPTION	ORIGINAL BUDGET	ADJUSTMENT BUDGET	DIFFERENCE
Service charges - water revenue	134,908,329	134,908,329	0
Service charges - sanitation revenue	16,597,778	16,597,778	0
Interest earned - external investments	9,470,617	7,172,176	2,298,441
Interest earned - outstanding debtors	35,659,663	35,659,663	0
Transfers recognised - operating	306,828,000	301,695,000	5,133,000
Transfers recognised - capital	209,225,000	272,333,000	-63,108,000
Other revenue	1,372,304	338,012	1,034,292
Total Revenue	714,061,691	768,703,958	-54,642,267



The municipality’s revenue strategy is built around the following key components:

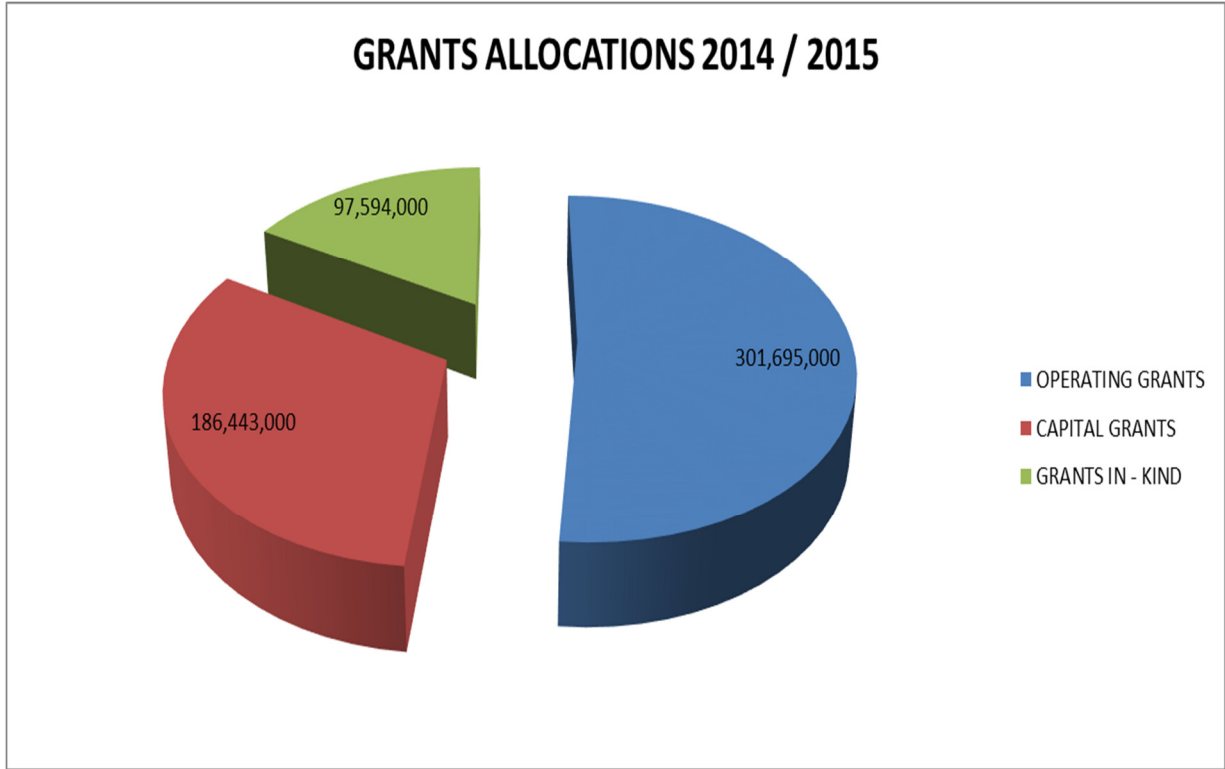
- National Treasury’s guidelines and macroeconomic policy;
- Growth in the District and continued economic development;
- Efficient revenue management,
- Increase ability to recover costs;
- The municipality’s Indigent Policy and rendering of free basic services; and
- Tariff policies

The above principles remained constant and were not amended with the compilation of the adjustments budget.

2.2 Adjustment to expenditure on allocations and grant programs

There was a minor change in grants allocations; The Table below gives a summary on all adjustments that were made:

GRANTS	FUNDING	2014/2015	ADJUSTMENTS	2015/2016	2016 / 2017
OPERATING GRANTS					
DEVELOPMENT PLANNING AND SHARED SERVICES	PT	250,000	250,000	250,000	1,200,000
EXPANDED PUBLIC WORKS PROGRAMME INTERGRATED GRANT	NT	3,299,000	3,299,000	0	0
EQUITABLE SHARE ALLOCATION	NT	245,822,000	245,822,000	260,893,000	276,283,000
RSC LEVIES REPLACEMENT (EQUITABLE SHARE)	NT	41,140,000	41,140,000	44,198,000	47,937,000
WATER SERVICES OPERATING SUBSIDY GRANT	NT	9,000,000	9,000,000	2,650,000	3,000,000
LOCAL GOVERNMENT FINANCIAL MANAGEMENT GRANT	NT	1,250,000	1,250,000	1,250,000	1,300,000
MUNICIPAL SYSTEMS IMPROVEMENTS GRANTS	NT	467,000	934,000	967,000	1,018,000
GRANTS TO BE TRANSFERRED TO LM'S					
SMALL TOWN REHABILITATION ROGRAMME		5,600,000	0	12,500,000	7,500,000
		306,828,000	301,695,000	322,708,000	338,238,000
CAPITAL GRANTS					
MASSIFICATION PROGRAMME	PT	0		9,000,000	9,786,000
CORRIDOR DEVELOPMENT	PT		0	3,000,000	3,000,000
MUNICIPAL INFRASTRUCTURE GRANT	NT	177,319,000	177,319,000	184,391,000	193,044,000
RURAL HOUSEHOLD INFRASTRUCTURE GRANT	NT	4,124,000	4,124,000	5,000,000	0
MUNICIPAL SYSTEMS IMPROVEMENTS GRANTS	NT	467,000	0	0	0
MUNICIPAL DISASTER GRANT	NT		2,685,000		
RURAL ROAD ASSETS MANAGEMENT	NT	2,315,000	2,315,000	2,355,000	2,446,000
		184,225,000	186,443,000	203,746,000	208,276,000
GRANTS IN - KIND					
REGIONAL BULK INFRACTURE GRANT	NT	25,000,000	82,000,000	30,000,000	5,000,000
WATER SERVICES OPERATING SUBSIDY	NT	300,000	300,000	400,000	500,000
MUNICIPAL WATER INFRASTRUCTURE GRANT	NT	20,000,000	11,404,000	50,000,000	98,307,000
ACIP GRANT	NT		3,890,000		
		45,300,000	97,594,000	80,400,000	103,807,000
TOTAL ALLOCATION TO THE MUNICIPALITY INCL OF GRANTS IN KIND		536,353,000	585,732,000	606,854,000	650,321,000
TOTAL ALLOCATION TO THE MUNICIPALITY EXCL OF GRANTS IN KIND		491,053,000	488,138,000	526,454,000	546,514,000



UTHUKELA DISTRICT MUNICIPALITY

2.2.2 Transfers and Grants Receipts

DC23 Uthukela - Supporting Table SB7 Adjustments Budget - transfers and grant receipts -

Description	Ref	Budget Year 2014/15						Budget Year	Budget Year	
		Original	Prior	Multi-year	Nat. or	Other	Total	Adjusted	Adjusted	
		Budget	Adjusted	capital	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	
R thousands		7	8	9	10	11	12	+1 2015/16	+2 2016/17	
		A	A1	B	C	D	E	F		
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		300,978	-	-	467	-	467	301,445	309,958	329,538
Local Government Equitable Share		245,822					-	245,822	260,893	276,283
RSC Levy Replacement	3	41,140					-	41,140	44,198	47,937
Finance Management		1,250					-	1,250	1,250	1,300
Municipal Systems Improvement		467			467		467	934	967	1,018
EPWP Incentive		3,299					-	3,299	-	-
Water Services Operating Subsidy		9,000					-	9,000	2,650	3,000
Other transfers and grants [insert description]							-	-		
Provincial Government:		5,850	-	-	(5,600)	-	(5,600)	250	250	1,200
shared services		250					-	250	250	1,200
small town rehabilitation	4	5,600			(5,600)		(5,600)	-		
	5						-	-		
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]							-	-		
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]							-	-		
Total Operating Transfers and Grants	6	306,828	-	-	(5,133)	-	(5,133)	301,695	310,208	330,738
Capital Transfers and Grants										
National Government:		209,225	-	-	63,108	-	63,108	272,333	221,746	200,490
Municipal Infrastructure Grant (MIG)		177,319					-	177,319	184,391	193,044
Rural Road Management Grant		2,315					-	2,315	2,355	2,446
Rural Households Infrastructure		4,124					-	4,124	5,000	-
Regional Bulk Infrastructure		25,000			57,000		57,000	82,000	30,000	5,000
Municipal Systems Improvement		467			(467)		(467)	-		
ACIP					3,890		3,890	3,890		
Municipal Disaster Grant					2,685		2,685	2,685		
Provincial Government:		-	-	-	-	-	-	-	12,000	12,786
Massification							-	-	9,000	9,786
Corridor Development							-	-	3,000	3,000
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]							-	-		
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]							-	-		
Total Capital Transfers and Grants	6	209,225	-	-	63,108	-	63,108	272,333	233,746	213,276
TOTAL RECEIPTS OF TRANSFERS & GRANTS		516,053	-	-	57,975	-	57,975	574,028	543,954	544,014

2.2.3 Expenditure on transfers and Grant Programme

DC23 Uthukela - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme -

Description	Ref	Budget Year 2014/15						Budget Year	Budget Year	
		Original	Prior	Multi-year	Nat. or Prov.	Other	Total	Adjusted	Adjusted	
		Budget	Adjusted	capital	Govt	Adjusts.	Adjusts.	Budget	Budget	
R thousands		2	3	4	5	6	7	+1 2015/16	+2 2016/17	
		A	A1	B	C	D	E	F		
EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:	1									
Operating expenditure of Transfers and Grants										
National Government:		300,978	-	-	467	-	467	301,445	309,958	329,538
Local Government Equitable Share		245,822					-	245,822	260,893	276,283
RSC Levy Replacement		41,140					-	41,140	44,198	47,937
Finance Management		1,250					-	1,250	1,250	1,300
Municipal Systems Improvement		467			467		467	934	967	1,018
EPWP Incentive		3,299					-	3,299	-	-
Water Services Operating Subsidy		9,000					-	9,000	2,650	3,000
Other transfers and grants [insert description]							-	-		
Provincial Government:		5,850	-	-	(5,600)	-	(5,600)	250	250	1,200
shared services		250					-	250	250	1,200
small town rehabilitation		5,600			(5,600)		(5,600)	-	-	-
							-	-		
							-	-		
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]							-	-		
							-	-		
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]							-	-		
							-	-		
Total operating expenditure of Transfers and Grants:		306,828	-	-	(5,133)	-	(5,133)	301,695	310,208	330,738
Capital expenditure of Transfers and Grants										
National Government:		209,225	-	-	63,108	-	63,108	272,333	221,746	200,490
Municipal Infrastructure Grant (MIG)		177,319					-	177,319	184,391	193,044
Rural Road Management Grant		2,315					-	2,315	2,355	2,446
Rural Households Infrastructure		4,124					-	4,124	5,000	-
Regional Bulk Infrastructure		25,000			57,000		57,000	82,000	30,000	5,000
Municipal Systems Improvement		467			(467)		(467)	-	-	-
ACIP					3,890		3,890	3,890		
Municipal Disaster Grant					2,685		2,685	2,685		
Provincial Government:		-	-	-	-	-	-	-	-	-
Massification							-	-		
Corridor Development							-	-		
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]							-	-		
							-	-		
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]							-	-		
							-	-		
Total capital expenditure of Transfers and Grants		209,225	-	-	63,108	-	63,108	272,333	221,746	200,490
Total capital expenditure of Transfers and Grants		516,053	-	-	57,975	-	57,975	574,028	531,954	531,228

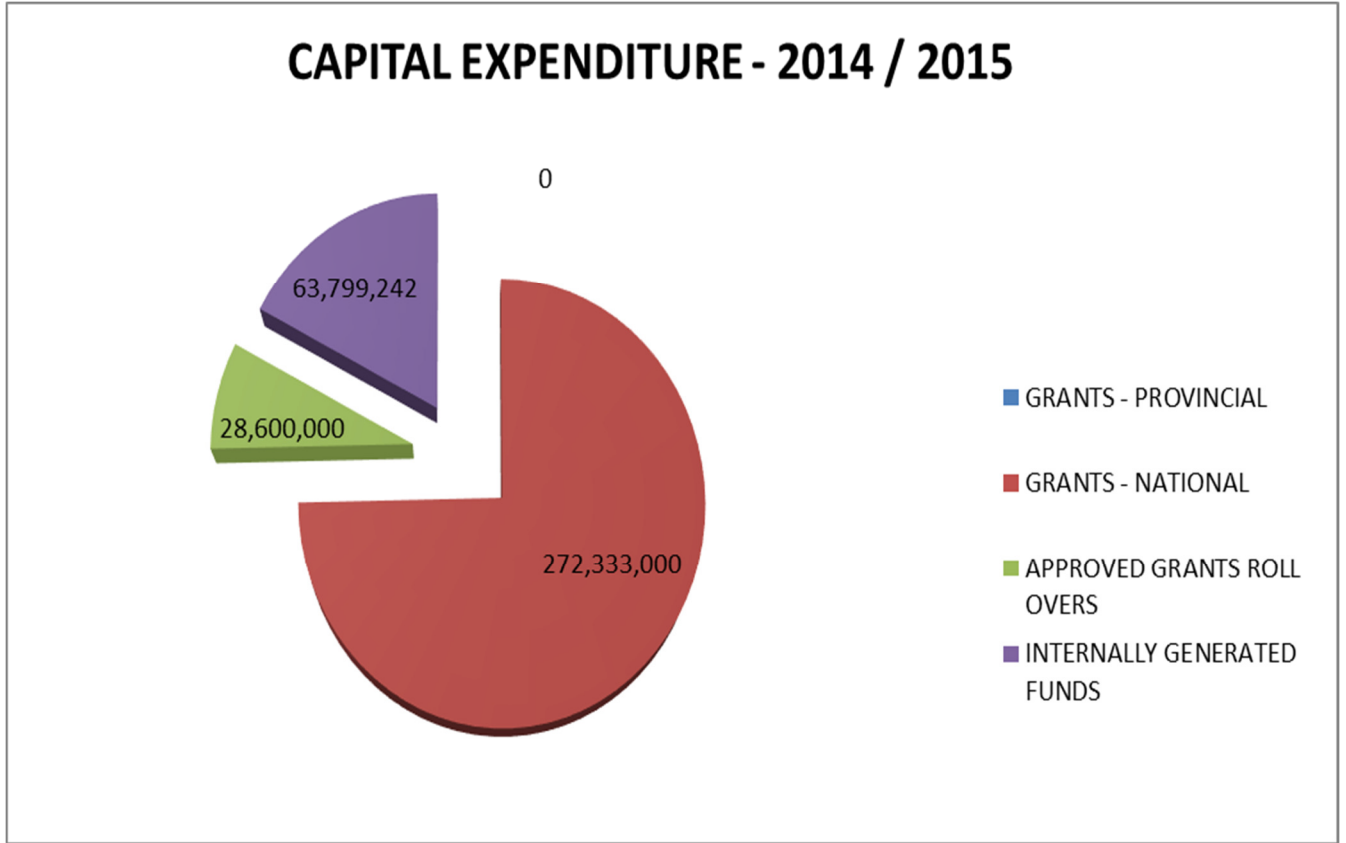
2.4 Adjustment Capital Expenditure

Below is the table that highlights all adjustments made to the capital budget and its funding source:

DEPARTMENT	DESCRIPTION	FUNDING	2014/15	ADJUSTMENT	2015/16	2016/17
TECHNICAL						
	Implementation of water and sanitation projects as per WSDP	MIG /NT	177 319 000.00	177 319 000	184 391 000	193 044 000
	Implementation of water and sanitation projects as per WSDP	ROLL OVERS	0	21 800 000		
	RURAL HOUSEHOLD INFRASTRUCTURE	NT	4 124 000.00	4 124 000	5 000 000	0
	RURAL HOUSEHOLD INFRASTRUCTURE MASSIFICATION PROGRAMME	ROLL OVERS		4 000 000		
	RBIG	PT			9 000 000	9 786 000
	RURAL ROAD ASSET MANAGEMENT	NT	25 000 000.00	82 000 000	30 000 000	5 000 000
	CORRIDOR DEVELOPMENT	RRAM /NT	2 315 000.00	2 315 000	2 355 000	2 466 000
	INFRASTRUCTURE DEVELOPMENT	PT	0	0	3 000 000	3 000 000
	OFFICE FURNITURE & EQUIPMENT	UTDM	3 500 000	3 500 000	3 500 000	3 500 000
	MUNICIPAL WATER INFRASTRUCTURE GRANT	UTDM	0	100 000		
	BAKKIE	ROLL OVERS		2 800 000		
	MUNICIPAL DISASTER GRANT	UTDM	0	265 000		
	REFURBISHMENT OF LADYSMITH WWTP	NT		2 685 000		
		ACIP/NT		3 890 000		
			212 258 000.00	304 798 000	237 246 000	216 796 000
WATER						
	TLB X 7	UTDM	5 712 000	7 212 000	0	0
	7 TIPPER TRUCKS	UTDM	2 250 000	2 250 000		
	7 VACUUM TANKERS	UTDM	5 600 000	5 600 000	0	0
	SEWER JET	UTDM	1 500 000	1 500 000	0	0
	VANS	UTDM	3 410 000	8 814 980	0	0
	OFFICE FURNITURE	UTDM	50 000	50 000	150 000	100 000
	OFFICE EQUIPMENT	UTDM	50 000	50 000	200 000	150 000
	PIPELINES - PORTABLE WATER - REPLACEMENT	UTDM	13 248 642	8 858 642	32 070 000	39 879 000
	WATER TANKERS	UTDM	8 000 000	8 433 000	0	0
	RENEWAL - PUMPS	UTDM	3 500 000	2 500 000		
	CANOPIES	UTDM	0	552 000		
	TOOL BOXES	UTDM	0	176 000		
	RUBBERISE BIN	UTDM	0	108 420		
	ROOF RACKS	UTDM	0	234 400		
	TRUCK AND LOWBED	UTDM	0	827 620		
	TABLETS FOR SUPERINTENDENTS	UTDM	0	50 000		
			43 320 642	47 217 062	32 420 000	40 129 000
SOCIAL SERVICES						
	LAND AND BUILDING	UTDM	10 000 000	9 000 000	0	0
	FIRE FIGHTING EQUIPMENT	UTDM	300 000	300 000	50 000	50 000
	MSG PROJECTS - OFFICE EQUIPMENTS	NT	467 000	0	0	0
	OFFICE FURNITURE	UTDM	200 000	200 000	200 000	150 000
	5 X BAKKIES	UTDM	800 000	1 164 378	0	0
	2 X SEDAN	UTDM	360 000	360 000	0	0
	DISASTER BUILDING	UTDM	5 000 000	5 000 000	0	0
	ENVIRONMENTAL HEALTH SERVICES EQUIPMENT	UTDM	459 000	229 000	0	0
	OFFICE FURNITURE-HEALTH	UTDM	0	20 000		
			17 586 000	16 273 378	250 000	200 000
CORPORATE SERVICES						
	2 BAKKIES	UTDM	400 000	465 751	0	0
	CAR (SEDAN)	UTDM	250 000	355 592	0	0
	FURNITURE -BOARDROOM	UTDM	300 000	300 000	0	0
	OFFICE FURNITURE & EQUIPMENT	UTDM	250 000	250 000	0	0
	IT - EQUIPMENT	UTDM	300 000	500 000		
			1 500 000	1 871 343	0	0

UTHUKELA DISTRICT MUNICIPALITY

FINANCE						
	CAR (SEDAN)	UTDM	250 000	355 592	0	0
	BAKKIE	UTDM	250 000	232 876	0	0
	OFFICE FURNITURE	UTDM	50 000	150 000	80 000	100 000
	OFFICE EQUIPMENT	UTDM	50 000	70 000	80 000	100 000
	AVANZA X2	UTDM	0	349 000	0	0
	BAR FRIDGE	UTDM	0	4 000	0	0
			620 000	1 161 468	160 000	200 000
MUNICIPAL MANAGER						
	OFFICE FURNITURE - LAB	UTDM	10 000	10 000	20 000	30 000
	OFFICE EQUIPMENT	UTDM	100 000	100 000	0	0
	REPLACE LAB EQUIPMENT	UTDM	200 000	200 000	0	0
	EXTENDED CAB - DIESEL (REPLACEMENT - NKR 2149)	UTDM	250 000	250 000	0	0
	3 X SINGLE CAB - DIESEL	UTDM	630 000	730 991	0	0
			1 190 000	1 290 991	20 000	30 000
COUNCIL						
	MAYORAL CAR - REPLACEMENT	UTDM	800 000	900 000	0	0
	OFFICE FURNITURE	UTDM	50 000	50 000	0	0
	TOOLS OF TRADE	UTDM	170 000	170 000		
	SPEAKER'S CAR	UTDM	0	500 000	0	0
			1 020 000	1 120 000	0	0
	TOTAL CAPITAL EXPENDITURE 2014/15		277 494 642	373 732 242	270 096 000	257 355 000
	FUNDING					
	GRANTS - PROVINCIAL		0	0	12 000 000	12 786 000
	GRANTS - NATIONAL		209 225 000	272 333 000	221 746 000	200 510 000
	APPROVED GRANTS ROLL OVERS		0	28 600 000		
	INTERNALLY GENERATED FUNDS		68 269 642	72 799 242	36 350 000	44 059 000
	TOTAL CAPITAL EXPENDITURE FUNDING 2014/2015		277 494 642	373 732 242	270 096 000	257 355 000



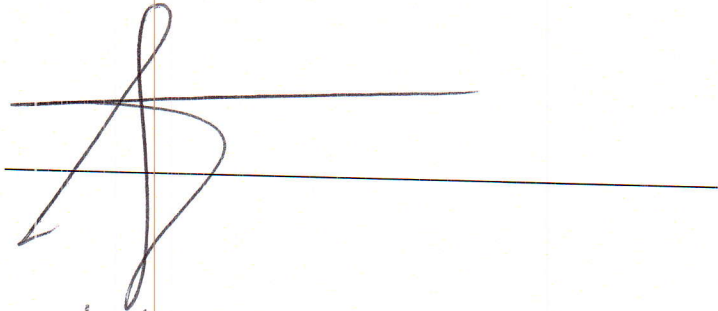
2.6 Municipal Manager's quality certificate

I Sifiso Nicholas Kunene, Municipal Manager of UThukela District Municipality, hereby certify that the Adjustment Budget and supporting documentation for 2014 /2015 have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print Name: Sifiso Nicholas Kunene

Municipal Manager of UThukela District Municipality (DC23)

Signature

A handwritten signature in black ink, consisting of a large, stylized 'S' and 'K' intertwined, written over two horizontal lines.

Date

12/3/2015