

**ADJUSTMENTS BUDGET OF  
UTHUKELA DISTRICT  
MUNICIPALITY**



**2016/17**

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### 1.1. Mayor's Report

As the Mayor of this council it gives me great pleasure to present before this council the 2016/2017 adjustments budget.

The review is done to make up for the shortfall on the past midyear performance and to attend to those areas where we underspent or overspent.

I must report though that we still do have room for improvement the following areas:

1. Staff overtime
2. Revenue collection especially interest on overdue debts.
3. Grants expenditure, impacting directly on implementation of capital projects.
4. Our cash flow remains strained, due to the drought.

We have agreed with officials that Supply Chain process will commence earlier so that when the new financial year commences we know that we are way ahead in terms of planning. Additionally other mechanisms such as establishing additional bid committees have been employed.

Senior managers are actively looking into possible measures of reducing overtime and improving our current collection rate, in order to improve our cash flow situation.

Furthermore having noted our current cash position the municipality has reduced all general expenditure to a bare minimum. Thus shifting our focus and limited resources from typical work streams to our core function," the provision of water and sanitation".

Once more, I take this opportunity to thank this Municipal Council for the continuous support they have given me during this term of the year. With those few words.

I now present to you the adjustments budget for the 2016/17 financial year.

## 1.2 Council Resolutions

On 28 February 2017 the Council of UThukela District Municipality met in the board room of UThukela District Municipality to consider the adjustments budget of the municipality for the financial year 2016/2017. The Council approved and adopted the following resolutions:

1. The UThukela District Local Municipality, acting in terms of section 72 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:
  - 1.1. The adjustments budget of the municipality for the financial year 2015/16 and the multi-year and single-year capital appropriations as set out in the following tables:
    - 1.1.1. Adjustments Budget Financial Performance (revenue and expenditure by standard classification) as contained in Table B2
    - 1.1.2. Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) as contained in Table B3
    - 1.1.3. Adjustments Budget Summary as contained in Table B1
    - 1.1.4. Adjustments Budget financial performance (revenue and expenditure) as contained in Table B4
  - 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. Adjustments Budget Financial Position as contained in Table B6
    - 1.2.2. Adjustments Budget Cash Flows as contained in Table B7
    - 1.2.3. Adjustments Budget Cash backed reserves and accumulated surplus reconciliation as contained in Table A8
    - 1.2.4. Adjustments Budget Asset management as contained in Table B9
    - 1.2.5. Adjustments Budget Basic service delivery measurement as contained in Table B10

### 1.3 Executive Summary

Section 72 of the Municipal Finance Management Act (MFMA) requires that municipalities review their financial results for the mid-year during January of each year

Section 72 indicates that the following information must be provided:

- the monthly statements referred to in section 71 for the first half of the financial year;
- the municipality's service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan;
- the past year's annual report, and progress on resolving problems identified in the annual report

As part of the review the accounting officer must:

- make recommendations as to whether an adjustment budget is necessary and
- recommend revised projections for revenue and expenditure to the extent that this may be necessary

### Background

An Adjustment Budget must be table 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 has placed in ensuring that the budget the available resources are employed onto the municipality's core function, further more adjustments have been made to votes impacting directly on service delivery.

**ADJUSTMENT BUDGET TABLES**  
**Adjustments Budget Summary (B1)**

| Description  | Budget Year 2016/17 |                 |                 |                  | Budget Year +1<br>2017/18 | Budget Year +2<br>2018/19 |
|--|---------------------|-----------------|-----------------|------------------|---------------------------|---------------------------|
|  | Original Budget     | Other Adjusts.  | Total Adjusts.  | Adjusted Budget  | Adjusted Budget           | Adjusted Budget           |
| <b>R thousands</b>   |                     |                 |                 |                  |                           |                           |
| <b>Financial Performance</b>   |                     |                 |                 |                  |                           |                           |
| Property rates   | -                   | -               | -               | -                | -                         | -                         |
| Service charges  | 176,929             | 7,823           | 7,823           | 184,752          | 187,544                   | 198,797                   |
| Investment revenue   | 10,671              | (3,000)         | (3,000)         | 7,671            | 11,311                    | 11,990                    |
| Transfers recognised - operational                                   | 338,199             | 1,154           | 1,154           | 339,353          | 363,636                   | 394,058                   |
| Other own revenue  | 30,235              | 11,481          | 11,481          | 41,716           | 33,620                    | 35,637                    |
| <b>Total Revenue (excluding capital transfers and contributions)</b> | <b>556,033</b>      | <b>17,459</b>   | <b>17,459</b>   | <b>573,493</b>   | <b>596,111</b>            | <b>640,482</b>            |
| Employee costs   | 195,150             | 32,331          | 32,331          | 227,481          | 226,547                   | 240,139                   |
| Remuneration of councillors  | 6,552               | -               | -               | 6,552            | 6,945                     | 7,361                     |
| Depreciation & asset impairment                                      | 57,676              | -               | -               | 57,676           | 61,137                    | 64,805                    |
| Finance charges  | -                   | -               | -               | -                | -                         | -                         |
| Materials and bulk purchases   | 50,407              | 6,468           | 6,468           | 56,875           | 60,287                    | 63,905                    |
| Transfers and grants   | 10,512              | 39,488          | 39,488          | 50,000           | 11,143                    | 11,812                    |
| Other expenditure  | 228,060             | (30,906)        | (30,906)        | 197,154          | 166,221                   | 176,194                   |
| <b>Total Expenditure</b>   | <b>548,356</b>      | <b>47,382</b>   | <b>47,382</b>   | <b>595,738</b>   | <b>532,279</b>            | <b>564,216</b>            |
| <b>Surplus/(Deficit)</b>   | <b>7,678</b>        | <b>(29,923)</b> | <b>(29,923)</b> | <b>(22,245)</b>  | <b>63,832</b>             | <b>76,266</b>             |
| Transfers recognised - capital                                       | 262,691             | 80,000          | 80,000          | 342,691          | 347,398                   | 299,651                   |
| Contributions recognised - capital & contribu                        | -                   | -               | -               | -                | -                         | -                         |
| <b>Surplus/(Deficit) after capital transfers &amp; contributions</b> | <b>270,369</b>      | <b>50,077</b>   | <b>50,077</b>   | <b>320,446</b>   | <b>411,230</b>            | <b>375,917</b>            |
| Share of surplus/ (deficit) of associate                             | -                   | -               | -               | -                | -                         | -                         |
| <b>Surplus/ (Deficit) for the year</b>                               | <b>270,369</b>      | <b>50,077</b>   | <b>50,077</b>   | <b>320,446</b>   | <b>411,230</b>            | <b>375,917</b>            |
| <b>Capital expenditure &amp; funds sources</b>                       |                     |                 |                 |                  |                           |                           |
| <b>Capital expenditure</b>   | 265,244             | 80,450          | 80,450          | 345,694          | 347,398                   | 299,651                   |
| Transfers recognised - capital                                       | 262,691             | 80,000          | 80,000          | 342,691          | 347,398                   | 299,651                   |
| Public contributions & donations                                     | -                   | -               | -               | -                | -                         | -                         |
| Borrowing  | -                   | -               | -               | -                | -                         | -                         |
| Internally generated funds   | 2,553               | 450             | 450             | 3,003            | -                         | -                         |
| <b>Total sources of capital funds</b>                                | <b>265,244</b>      | <b>80,450</b>   | <b>80,450</b>   | <b>345,694</b>   | <b>347,398</b>            | <b>299,651</b>            |
| <b>Financial position</b>  |                     |                 |                 |                  |                           |                           |
| Total current assets   | 261,852             | (72,743)        | (72,743)        | 189,109          | 203,144                   | 226,901                   |
| Total non current assets   | 2,195,054           | 80,450          | 80,450          | 2,275,504        | 2,481,315                 | 2,716,161                 |
| Total current liabilities  | 110,081             | 400             | 400             | 110,481          | 117,237                   | 124,398                   |
| Total non current liabilities  | 28,819              | (14,027)        | (14,027)        | 14,792           | 15,680                    | 16,620                    |
| <b>Community wealth/Equity</b>                                       | <b>2,318,006</b>    | <b>20,884</b>   | <b>20,884</b>   | <b>2,338,890</b> | <b>2,552,094</b>          | <b>2,802,754</b>          |
| <b>Cash flows</b>  |                     |                 |                 |                  |                           |                           |
| Net cash from (used) operating                                       | 260,308             | 35,051          | 35,051          | 295,359          | 432,526                   | 396,613                   |
| Net cash from (used) investing                                       | (265,244)           | (80,000)        | (80,000)        | (345,244)        | (347,398)                 | (299,651)                 |
| Net cash from (used) financing                                       | 380                 | 400             | 400             | 780              | 827                       | 876                       |
| <b>Cash/cash equivalents at the year end</b>                         | <b>59,179</b>       | <b>(71,570)</b> | <b>(71,570)</b> | <b>(12,391)</b>  | <b>73,563</b>             | <b>171,402</b>            |

|   |              |                 |                 |                 |               |                |
|---|--------------|-----------------|-----------------|-----------------|---------------|----------------|
| <b>Cash backing/surplus reconciliation</b>    |              |                 |                 |                 |               |                |
| Cash and investments available                | 59,178       | (71,569)        | (71,569)        | (12,391)        | 73,563        | 171,402        |
| Application of cash and investments           | 52,179       | (11,727)        | (11,727)        | 40,452          | (7,254)       | (4,595)        |
| <b>Balance - surplus (shortfall)</b>          | <b>6,999</b> | <b>(59,842)</b> | <b>(59,842)</b> | <b>(52,843)</b> | <b>80,818</b> | <b>175,996</b> |
| <b>Asset Management</b>                       |              |                 |                 |                 |               |                |
| Asset register summary (WDV)                  | 2,195,054    | 80,450          | 80,450          | 2,275,504       | 2,481,115     | 2,715,961      |
| Depreciation & asset impairment               | 57,676       | -               | -               | 57,676          | 61,137        | 64,805         |
| Renewal of Existing Assets                    | 91,164       | -               | -               | 91,164          | 152,500       | 93,000         |
| Repairs and Maintenance                       | 44,506       | 6,468           | 6,468           | 50,974          | 59,293        | 62,851         |
| <b>Free services</b>                          |              |                 |                 |                 |               |                |
| Cost of Free Basic Services provided          | 2,529        | -               | -               | 2,529           | 2,681         | 2,842          |
| Revenue cost of free services provided        | -            | -               | -               | -               | -             | -              |
| <b>Households below minimum service level</b> |              |                 |                 |                 |               |                |
| Water:  | 28           | -               | -               | 28              | 30            | 31             |
| Sanitation/sewerage:                          | 11           | -               | -               | 11              | 12            | 12             |
| Energy:                                       | -            | -               | -               | -               | -             | -              |
| Refuse:                                       | 98           | -               | -               | 98              | 104           | 111            |



**Adjustments Budget Financial Performance (standard classification) - [B2]**

| Standard Description                       | Budget Year 2016/17 |                 |                 |                 | Budget Year +1<br>2017/18 | Budget Year +2<br>2018/19 |
|--|---------------------|-----------------|-----------------|-----------------|---------------------------|---------------------------|
|  | Original Budget     | Other Adjusts.  | Total Adjusts.  | Adjusted Budget | Adjusted Budget           | Adjusted Budget           |
| <b>R thousands</b>                         |                     |                 |                 |                 |                           |                           |
| <b>Revenue - Standard</b>                  |                     |                 |                 |                 |                           |                           |
| <b>Governance and administration</b>       | <b>344,736</b>      | <b>(3,000)</b>  | <b>(3,000)</b>  | <b>341,736</b>  | <b>375,280</b>            | <b>406,401</b>            |
| Executive and council                      | 53,055              | -               | -               | 53,055          | 57,125                    | 62,170                    |
| Budget and treasury office                 | 291,681             | (3,000)         | (3,000)         | 288,681         | 318,155                   | 344,231                   |
| Corporate services                         | -                   | -               | -               | -               | -                         | -                         |
| <b>Community and public safety</b>         | <b>-</b>            | <b>-</b>        | <b>-</b>        | <b>-</b>        | <b>-</b>                  | <b>-</b>                  |
| Health                                     | -                   | -               | -               | -               | -                         | -                         |
| <b>Economic and environmental services</b> | <b>1,200</b>        | <b>1,154</b>    | <b>1,154</b>    | <b>2,354</b>    | <b>-</b>                  | <b>-</b>                  |
| Planning and development                   | 1,200               | 1,154           | 1,154           | 2,354           | -                         | -                         |
| <b>Trading services</b>                    | <b>472,788</b>      | <b>99,305</b>   | <b>99,305</b>   | <b>572,093</b>  | <b>566,658</b>            | <b>532,067</b>            |
| Electricity                                | -                   | -               | -               | -               | -                         | -                         |
| Water                                      | 453,744             | 99,305          | 99,305          | 553,048         | 546,555                   | 510,757                   |
| Waste water management                     | 19,045              | -               | -               | 19,045          | 20,103                    | 21,310                    |
| <b>Total Revenue - Standard</b>            | <b>818,724</b>      | <b>97,459</b>   | <b>97,459</b>   | <b>916,184</b>  | <b>941,938</b>            | <b>938,468</b>            |
| <b>Expenditure - Standard</b>              |                     |                 |                 |                 |                           |                           |
| <b>Governance and administration</b>       | <b>254,606</b>      | <b>(14,991)</b> | <b>(14,991)</b> | <b>239,615</b>  | <b>270,130</b>            | <b>285,980</b>            |
| Executive and council                      | 54,586              | (11,679)        | (11,679)        | 42,908          | 57,862                    | 61,333                    |
| Budget and treasury office                 | 142,601             | 724             | 724             | 143,326         | 151,405                   | 160,132                   |
| Corporate services                         | 57,418              | (4,037)         | (4,037)         | 53,382          | 60,863                    | 64,515                    |
| <b>Community and public safety</b>         | <b>35,819</b>       | <b>(6,924)</b>  | <b>(6,924)</b>  | <b>28,894</b>   | <b>37,968</b>             | <b>40,246</b>             |
| Health                                     | 35,819              | (6,924)         | (6,924)         | 28,894          | 37,968                    | 40,246                    |
| <b>Economic and environmental services</b> | <b>41,382</b>       | <b>(18,846)</b> | <b>(18,846)</b> | <b>22,536</b>   | <b>42,593</b>             | <b>45,148</b>             |
| Planning and development                   | 41,382              | (18,846)        | (18,846)        | 22,536          | 42,593                    | 45,148                    |
| <b>Trading services</b>                    | <b>216,550</b>      | <b>88,144</b>   | <b>88,144</b>   | <b>304,693</b>  | <b>229,542</b>            | <b>243,315</b>            |
| Electricity                                | -                   | -               | -               | -               | -                         | -                         |
| Water                                      | 213,886             | 88,272          | 88,272          | 302,158         | 226,720                   | 240,323                   |
| Waste water management                     | 2,663               | (128)           | (128)           | 2,535           | 2,823                     | 2,992                     |
| <b>Total Expenditure - Standard</b>        | <b>548,356</b>      | <b>47,383</b>   | <b>47,383</b>   | <b>595,739</b>  | <b>580,233</b>            | <b>614,690</b>            |
| <b>Surplus/ (Deficit) for the year</b>     | <b>270,368</b>      | <b>50,077</b>   | <b>50,077</b>   | <b>320,444</b>  | <b>361,705</b>            | <b>323,778</b>            |

**Table B3 Adjustments Budget Financial Performance - [B3]**

| Vote Description<br><br><i>[Insert departmental structure etc]</i> | Budget Year 2016/17 |                   |                   |                    | Budget<br>Year +1<br>2017/18 | Budget<br>Year +2<br>2018/19 |
|--|---------------------|-------------------|-------------------|--------------------|------------------------------|------------------------------|
|  | Original<br>Budget  | Other<br>Adjusts. | Total<br>Adjusts. | Adjusted<br>Budget | Adjusted<br>Budget           | Adjusted<br>Budget           |
| <b>R thousands</b>   |                     |                   |                   |                    |                              |                              |
| <b>Revenue by Vote</b>   |                     |                   |                   |                    |                              |                              |
| Vote 1 - MUNICIPAL MANAGER   | 53,055              | -                 | -                 | 53,055             | 57,125                       | 62,170                       |
| Vote 2 - CORPORATE SERVICES  | -                   | -                 | -                 | -                  | -                            | -                            |
| Vote 3 - BUDGET AND TREASURY                                       | 291,681             | (3,000)           | (3,000)           | 288,681            | 319,726                      | 345,896                      |
| Vote 4 - SOCIAL SERVICES   | 1,200               | 1,154             | 1,154             | 2,354              | -                            | -                            |
| Vote 5 - WSA AND HEALTH SERVICES                                   | -                   | -                 | -                 | -                  | -                            | -                            |
| Vote 6 - TECHNICAL SERVICES  | -                   | -                 | -                 | -                  | -                            | -                            |
| Vote 7 - WATER AND SANITATION SERVICES                             | 472,788             | 99,305            | 99,305            | 572,093            | 566,658                      | 532,067                      |
| <b>Total Revenue by Vote</b>                                       | <b>818,724</b>      | <b>97,459</b>     | <b>97,459</b>     | <b>916,184</b>     | <b>943,509</b>               | <b>940,133</b>               |
| <b>Expenditure by Vote</b>   |                     |                   |                   |                    |                              |                              |
| Vote 1 - MUNICIPAL MANAGER   | 54,586              | (11,679)          | (11,679)          | 42,908             | 45,482                       | 48,211                       |
| Vote 2 - CORPORATE SERVICES  | 57,418              | (4,037)           | (4,037)           | 53,382             | 56,585                       | 59,980                       |
| Vote 3 - BUDGET AND TREASURY                                       | 142,601             | 724               | 724               | 143,325            | 151,924                      | 161,040                      |
| Vote 4 - SOCIAL SERVICES   | 41,382              | (18,846)          | (18,846)          | 22,536             | 23,888                       | 25,322                       |
| Vote 5 - WSA AND HEALTH SERVICES                                   | 35,819              | (6,924)           | (6,924)           | 28,894             | 30,628                       | 32,466                       |
| Vote 6 - TECHNICAL SERVICES  | -                   | -                 | -                 | -                  | -                            | -                            |
| Vote 7 - WATER AND SANITATION SERVICES                             | 216,549             | 88,144            | 88,144            | 304,693            | 259,106                      | 274,653                      |
| <b>Total Expenditure by Vote</b>                                   | <b>548,356</b>      | <b>47,382</b>     | <b>47,382</b>     | <b>595,738</b>     | <b>567,614</b>               | <b>601,671</b>               |
| <b>Surplus/ (Deficit) for the year</b>                             | <b>270,368</b>      | <b>50,077</b>     | <b>50,077</b>     | <b>320,446</b>     | <b>375,895</b>               | <b>338,462</b>               |

**Summary of adjusted revenue classified by main revenue source [B4]**

| Description  | Budget Year 2016/17 |                 |                 |                 | Budget Year +1<br>2017/18 | Budget Year +2<br>2018/19 |
|--|---------------------|-----------------|-----------------|-----------------|---------------------------|---------------------------|
|  | Original Budget     | Other Adjusts.  | Total Adjusts.  | Adjusted Budget | Adjusted Budget           | Adjusted Budget           |
| <b>R thousands</b>   |                     |                 |                 |                 |                           |                           |
| <b>Revenue By Source</b>   |                     |                 |                 |                 |                           |                           |
| Service charges - water revenue                                      | 159,378             | 7,823           | 7,823           | 167,201         | 168,940                   | 179,077                   |
| Service charges - sanitation revenue                                 | 17,551              | -               | -               | 17,551          | 18,604                    | 19,720                    |
| Service charges - refuse revenue                                     | -                   | -               | -               | -               | -                         | -                         |
| Service charges - other  | -                   | -               | -               | -               | -                         | -                         |
| Rental of facilities and equipment                                   | -                   | -               | -               | -               | -                         | -                         |
| Interest earned - external investments                               | 10,671              | (3,000)         | (3,000)         | 7,671           | 11,311                    | 11,990                    |
| Interest earned - outstanding debtors                                | 28,321              | 10,000          | 10,000          | 38,321          | 30,021                    | 31,822                    |
| Dividends received   | -                   | -               | -               | -               | -                         | -                         |
| Fines  | -                   | -               | -               | -               | -                         | -                         |
| Licences and permits   | -                   | -               | -               | -               | -                         | -                         |
| Agency services  | -                   | -               | -               | -               | -                         | -                         |
| Transfers recognised - operating                                     | 338,199             | 1,154           | 1,154           | 339,353         | 363,636                   | 394,058                   |
| Other revenue  | 1,914               | 1,481           | 1,481           | 3,395           | 3,599                     | 3,815                     |
| Gains on disposal of PPE   | -                   | -               | -               | -               | -                         | -                         |
| <b>Total Revenue (excluding capital transfers and contributions)</b> | <b>556,033</b>      | <b>17,459</b>   | <b>17,459</b>   | <b>573,493</b>  | <b>596,111</b>            | <b>640,482</b>            |
| <b>Expenditure By Type</b>   |                     |                 |                 |                 |                           |                           |
| Employee related costs   | 195,150             | 32,331          | 32,331          | 227,481         | 226,547                   | 240,139                   |
| Remuneration of councillors  | 6,552               | -               | -               | 6,552           | 6,945                     | 7,361                     |
| Debt impairment  | 36,460              | -               | -               | 36,460          | 38,647                    | 40,966                    |
| Depreciation & asset impairment                                      | 57,676              | -               | -               | 57,676          | 61,137                    | 64,805                    |
| Finance charges  | -                   | -               | -               | -               | -                         | -                         |
| Bulk purchases   | 5,901               | -               | -               | 5,901           | 6,255                     | 6,630                     |
| Other materials  | 44,506              | 6,468           | 6,468           | 50,974          | 54,032                    | 57,274                    |
| Contracted services  | 37,412              | 15,882          | 15,882          | 53,295          | 34,481                    | 36,550                    |
| Transfers and grants   | 10,512              | 39,488          | 39,488          | 50,000          | 11,143                    | 11,812                    |
| Other expenditure  | 154,188             | (46,788)        | (46,788)        | 107,400         | 93,092                    | 98,678                    |
| Loss on disposal of PPE  | -                   | -               | -               | -               | -                         | -                         |
| <b>Total Expenditure</b>   | <b>548,356</b>      | <b>47,382</b>   | <b>47,382</b>   | <b>595,738</b>  | <b>532,279</b>            | <b>564,216</b>            |
| <b>Surplus/(Deficit)</b>   | <b>7,678</b>        | <b>(29,923)</b> | <b>(29,923)</b> | <b>(22,245)</b> | <b>63,832</b>             | <b>76,266</b>             |
| Transfers recognised - capital                                       | 262,691             | 80,000          | 80,000          | 342,691         | 347,398                   | 299,651                   |
| Contributions recognised - capital                                   | -                   | -               | -               | -               | -                         | -                         |
| Contributed assets   | -                   | -               | -               | -               | -                         | -                         |
| <b>Surplus/(Deficit) before taxation</b>                             | <b>270,369</b>      | <b>50,077</b>   | <b>50,077</b>   | <b>320,446</b>  | <b>411,230</b>            | <b>375,917</b>            |
| Taxation   | -                   | -               | -               | -               | -                         | -                         |
| <b>Surplus/(Deficit) after taxation</b>                              | <b>270,369</b>      | <b>50,077</b>   | <b>50,077</b>   | <b>320,446</b>  | <b>411,230</b>            | <b>375,917</b>            |
| Attributable to minorities   | -                   | -               | -               | -               | -                         | -                         |
| <b>Surplus/(Deficit) attributable to municipality</b>                | <b>270,369</b>      | <b>50,077</b>   | <b>50,077</b>   | <b>320,446</b>  | <b>411,230</b>            | <b>375,917</b>            |
| Share of surplus/ (deficit) of associate                             | -                   | -               | -               | -               | -                         | -                         |
| <b>Surplus/ (Deficit) for the year</b>                               | <b>270,369</b>      | <b>50,077</b>   | <b>50,077</b>   | <b>320,446</b>  | <b>411,230</b>            | <b>375,917</b>            |

After the midyear review and the relevant comments from treasury it was noted that very few adjustments to operating revenue were required. Below are the adjusted items and explanations.

## WATER SALES:

At midyear our water sales were 26% above the original budget which warranted an upward adjustment. However we have limited our increment to R7.8 million, in light of the flat rate tariff which was implemented in November 2016. This tariff has been applied to certain areas for a period of two years while the municipality attends to unmetered areas and areas with faulty meters. The increment has been limited to R7.8 million to ensure a realistic projection of water sales.

## INTEREST INCOME:

Interest income has been adjusted by R3 million, less interest has been generated than previously anticipated. The strain on cash flows and depletion of investments has resulted in a lesser amount of investments during the course of the year. Thus resulting in a lower return on investments. Noting our current cash position this trend will most likely be maintained throughout the year thus the downward adjustment.

## GRANT TRANSFERS:

There has been a total adjustment of R1.1 million to operating grants resulting from the following

- R509 thousand which has been gazetted as a provincial subsidy for the museum
- R604 thousand was an approved roll-over pertaining to the shared services grant.

Capital transfers have been adjusted by R80 million resulting from the RBIG (Regional Bulk Infrastructure Grant) no longer being a schedule five grant. To date R64 million has been received by the municipality.

## OTHER REVENUE:

At midyear 77% of the originally projected other revenue had been collected. This has yielded an increase of R1.5 million. Other revenue refers to the amounts collected on new connections, clearance certificates and other trade affluent income. Also includes amounts generated from the sale of tender documents, maps and insurance claims.

EMPLOYEE REALATED COSTS:

A total adjustment of R32 million had to be made to employee related costs. With a R7.3 million increase being for the provision of overtime.

Refer to table SB11 for a detailed analysis.

OTHER MATERIALS:

An adjustment of 6 million has been effected to repairs and maintenance, repair to pumps being the major concern with an adjustment of R15 million, cost saving were identified within the repairs and maintenance budget reducing the overall increase to 6 million. A further adjustment of R500 thousand has been made for the repairs of municipal vehicles.

Refer to table SB18c for a detailed analysis.

CONTRACTED SERVICES:

Contracted services have been increased by R15 million, of which a R6 million increase is for the provision of security, another major contributor was the increase in the amount for chemicals which was an increase of R7 million. The balance is owing mainly to a reclassification of accounts as per requirements of mSCOA

TRANSFERS AND GRANTS:

Transfers and grants have been increased by R39, 4 million increasing the budget to R50 million. This line item pertains main to the provision of free basic services.

The exorbitant variance of 381% over expenditure noted at midyear as a resultant of the amount spent on water tankers.

The drought remains a serious concern for the municipality and any further strains on cash flows may undoubtedly result in a "collapse" of the municipality.

GENERAL EXPENDITURE:

General expenditure has been drastically reduced, due to the current strain on cash flows. The total decrease is R46million. As mentioned earlier the municipality has prioritised the core function which is the provision of water and sanitation

**ADJUSTMENTS TO THE CAPITAL BUDGET**  
**Adjustments Capital Expenditure Budget by vote and funding [B5]**

| Description                                      | Budget Year 2016/17 |                |                |                 | Budget Year +1<br>2017/18 | Budget Year +2<br>2018/19 |
|--|---------------------|----------------|----------------|-----------------|---------------------------|---------------------------|
|  | Original Budget     | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget           | Adjusted Budget           |
| <b>R thousands</b>                               |                     |                |                |                 |                           |                           |
| <b>Single-year expenditure to be adjusted</b>    |                     |                |                |                 |                           |                           |
| Vote 1 - MUNICIPAL MANAGER                       | 290                 | 450            | 450            | 740             | -                         | -                         |
| Vote 2 - CORPORATE SERVICES                      | 1,315               | -              | -              | 1,315           | -                         | -                         |
| Vote 3 - BUDGET AND TREASURY                     | 225                 | -              | -              | 225             | -                         | -                         |
| Vote 4 - SOCIAL SERVICES                         | 100                 | -              | -              | 100             | -                         | -                         |
| Vote 5 - WSA AND HEALTH SERVICES                 | 460                 | -              | -              | 460             | -                         | -                         |
| Vote 6 - TECHNICAL SERVICES                      | 262,744             | 80,000         | 80,000         | 342,744         | 347,398                   | 299,651                   |
| Vote 7 - WATER AND SANITATION SERVICES           | 110                 | -              | -              | 110             | -                         | -                         |
| <b>Capital single-year expenditure sub-total</b> | <b>265,244</b>      | <b>80,450</b>  | <b>80,450</b>  | <b>345,694</b>  | <b>347,398</b>            | <b>299,651</b>            |
| <b>Total Capital Expenditure - Vote</b>          | <b>265,244</b>      | <b>80,450</b>  | <b>80,450</b>  | <b>345,694</b>  | <b>347,398</b>            | <b>299,651</b>            |
| <b>Capital Expenditure - Standard</b>            |                     |                |                |                 |                           |                           |
| <b>Governance and administration</b>             | <b>1,830</b>        | <b>450</b>     | <b>450</b>     | <b>2,280</b>    | <b>-</b>                  | <b>-</b>                  |
| Executive and council                            | 290                 | 450            | 450            | 740             | -                         | -                         |
| Budget and treasury office                       | 225                 | -              | -              | 225             | -                         | -                         |
| Corporate services                               | 1,315               | -              | -              | 1,315           | -                         | -                         |
| <b>Community and public safety</b>               | <b>560</b>          | <b>-</b>       | <b>-</b>       | <b>560</b>      | <b>-</b>                  | <b>-</b>                  |
| Community and social services                    | 100                 | -              | -              | 100             | -                         | -                         |
| Health   | 460                 | -              | -              | 460             | -                         | -                         |
| <b>Economic and environmental services</b>       | <b>2,378</b>        | <b>(2,378)</b> | <b>(2,378)</b> | <b>-</b>        | <b>-</b>                  | <b>-</b>                  |
| Planning and development                         | -                   | -              | -              | -               | -                         | -                         |
| Road transport                                   | 2,378               | (2,378)        | (2,378)        | -               | -                         | -                         |
| Environmental protection                         | -                   | -              | -              | -               | -                         | -                         |
| <b>Trading services</b>                          | <b>260,476</b>      | <b>80,000</b>  | <b>80,000</b>  | <b>340,476</b>  | <b>344,867</b>            | <b>296,979</b>            |
| Electricity                                      | -                   | -              | -              | -               | -                         | -                         |
| Water  | 260,476             | 80,000         | 80,000         | 340,476         | 344,867                   | 296,979                   |
| Waste water management                           | -                   | -              | -              | -               | -                         | -                         |
| Waste management                                 | -                   | -              | -              | -               | -                         | -                         |
| <b>Other</b>                                     | <b>-</b>            | <b>2,378</b>   | <b>2,378</b>   | <b>2,378</b>    | <b>2,531</b>              | <b>2,672</b>              |
| <b>Total Capital Expenditure - Standard</b>      | <b>265,244</b>      | <b>80,450</b>  | <b>80,450</b>  | <b>345,694</b>  | <b>347,398</b>            | <b>299,651</b>            |
| <b>Funded by:</b>                                |                     |                |                |                 |                           |                           |
| National Government                              | 262,691             | 80,000         | 80,000         | 342,691         | 347,398                   | 299,651                   |
| <b>Total Capital transfers recognised</b>        | <b>262,691</b>      | <b>80,000</b>  | <b>80,000</b>  | <b>342,691</b>  | <b>347,398</b>            | <b>299,651</b>            |
| Public contributions & donations                 | -                   | -              | -              | -               | -                         | -                         |
| Borrowing  | -                   | -              | -              | -               | -                         | -                         |
| Internally generated funds                       | 2,553               | 450            | 450            | 3,003           | -                         | -                         |
| <b>Total Capital Funding</b>                     | <b>265,244</b>      | <b>80,450</b>  | <b>80,450</b>  | <b>345,694</b>  | <b>347,398</b>            | <b>299,651</b>            |

The only adjustments that has been effected onto our capital budget, is the inclusion of the R80 million pertaining to the Regional Bulk Infrastructure Grant. Affecting the water infrastructure budget of technical services.

An amount of R400 thousand has also been budgeted for the acquisition of a new council vehicle, and R50 thousand for furniture.

**Adjustments Budget Financial Position– [B6]**

| Description                              | Budget Year 2016/17 |                 |                 |                  | Budget Year +1<br>2017/18 | Budget Year +2<br>2018/19 |
|--|---------------------|-----------------|-----------------|------------------|---------------------------|---------------------------|
|  | Original Budget     | Other Adjusts.  | Total Adjusts.  | Adjusted Budget  | Adjusted Budget           | Adjusted Budget           |
| <b>R thousands</b>                       |                     |                 |                 |                  |                           |                           |
| <b>ASSETS</b>                            |                     |                 |                 |                  |                           |                           |
| <b>Current assets</b>                    |                     |                 |                 |                  |                           |                           |
| Cash                                     | 59,178              | (71,569)        | (71,569)        | (12,391)         | 73,563                    | 171,402                   |
| Call investment deposits                 | –                   | –               | –               | –                | –                         | –                         |
| Consumer debtors                         | 196,901             | –               | –               | 196,901          | 204,177                   | 212,163                   |
| Other debtors                            | 556                 | –               | –               | 556              | 589                       | 625                       |
| Current portion of long-term receivables | –                   | –               | –               | –                | –                         | –                         |
| Inventory                                | 5,217               | –               | –               | 5,217            | 5,530                     | 5,862                     |
| <b>Total current assets</b>              | <b>261,852</b>      | <b>(71,569)</b> | <b>(71,569)</b> | <b>190,283</b>   | <b>283,859</b>            | <b>390,052</b>            |
| <b>Non current assets</b>                |                     |                 |                 |                  |                           |                           |
| Long-term receivables                    | –                   | –               | –               | –                | –                         | –                         |
| Investments                              | –                   | –               | –               | –                | –                         | –                         |
| Investment property                      | –                   | –               | –               | –                | –                         | –                         |
| Investment in Associate                  | –                   | –               | –               | –                | –                         | –                         |
| Property, plant and equipment            | 2,194,816           | 80,450          | 80,450          | 2,275,266        | 2,481,063                 | 2,715,894                 |
| Agricultural                             | –                   | –               | –               | –                | –                         | –                         |
| Biological                               | –                   | –               | –               | –                | –                         | –                         |
| Intangible                               | 238                 | –               | –               | 238              | 252                       | 267                       |
| Other non-current assets                 | –                   | –               | –               | –                | –                         | –                         |
| <b>Total non current assets</b>          | <b>2,195,054</b>    | <b>80,450</b>   | <b>80,450</b>   | <b>2,275,504</b> | <b>2,481,315</b>          | <b>2,716,161</b>          |
| <b>TOTAL ASSETS</b>                      | <b>2,456,906</b>    | <b>8,881</b>    | <b>8,881</b>    | <b>2,465,787</b> | <b>2,765,174</b>          | <b>3,106,213</b>          |
| <b>LIABILITIES</b>                       |                     |                 |                 |                  |                           |                           |
| <b>Current liabilities</b>               |                     |                 |                 |                  |                           |                           |
| Bank overdraft                           | –                   | –               | –               | –                | –                         | –                         |
| Borrowing                                | –                   | –               | –               | –                | –                         | –                         |
| Consumer deposits                        | 11,267              | 400             | 400             | 11,667           | 12,494                    | 13,370                    |
| Trade and other payables                 | 98,814              | –               | –               | 98,814           | 104,743                   | 111,027                   |
| Provisions                               | –                   | –               | –               | –                | –                         | –                         |
| <b>Total current liabilities</b>         | <b>110,081</b>      | <b>400</b>      | <b>400</b>      | <b>110,481</b>   | <b>117,237</b>            | <b>124,398</b>            |
| <b>Non current liabilities</b>           |                     |                 |                 |                  |                           |                           |
| Borrowing                                | 14,027              | (14,027)        | (14,027)        | –                | –                         | –                         |
| Provisions                               | 14,792              | –               | –               | 14,792           | 15,680                    | 16,620                    |
| <b>Total non current liabilities</b>     | <b>28,819</b>       | <b>(14,027)</b> | <b>(14,027)</b> | <b>14,792</b>    | <b>15,680</b>             | <b>16,620</b>             |
| <b>TOTAL LIABILITIES</b>                 | <b>138,900</b>      | <b>(13,627)</b> | <b>(13,627)</b> | <b>125,273</b>   | <b>132,916</b>            | <b>141,018</b>            |
| <b>NET ASSETS</b>                        | <b>2,318,006</b>    | <b>22,508</b>   | <b>22,508</b>   | <b>2,340,514</b> | <b>2,632,258</b>          | <b>2,965,196</b>          |
| <b>COMMUNITY WEALTH/EQUITY</b>           |                     |                 |                 |                  |                           |                           |
| Accumulated Surplus/(Deficit)            | 2,318,006           | 22,508          | 22,508          | 2,340,514        | 2,632,258                 | 2,965,196                 |
| Reserves                                 | –                   | –               | –               | –                | –                         | –                         |
| Minorities' interests                    | –                   | –               | –               | –                | –                         | –                         |
| <b>TOTAL COMMUNITY WEALTH/EQUITY</b>     | <b>2,318,006</b>    | <b>22,508</b>   | <b>22,508</b>   | <b>2,340,514</b> | <b>2,632,258</b>          | <b>2,965,196</b>          |



**Adjustments Budget Cash Flows – [B7]**

| Description                                       | Budget Year 2016/17 |                 |                 |                  | Budget Year +1<br>2017/18 | Budget Year +2<br>2018/19 |
|---|---------------------|-----------------|-----------------|------------------|---------------------------|---------------------------|
|   | Original Budget     | Other Adjusts.  | Total Adjusts.  | Adjusted Budget  | Adjusted Budget           | Adjusted Budget           |
| <b>R thousands</b>                                |                     |                 |                 |                  |                           |                           |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>        |                     |                 |                 |                  |                           |                           |
| <b>Receipts</b>                                   |                     |                 |                 |                  |                           |                           |
| Property rates, penalties & collection charges    |                     |                 | -               | -                |                           |                           |
| Service charges                                   | 88,641              | 3,442           | 3,442           | 92,083           | 143,289                   | 150,010                   |
| Other revenue                                     | 1,914               | 1,481           | 1,481           | 3,395            | 3,599                     | 3,815                     |
| Government - operating                            | 338,199             | 509             | 509             | 338,708          | 363,636                   | 394,058                   |
| Government - capital                              | 262,691             | 80,000          | 80,000          | 342,691          | 347,398                   | 299,651                   |
| Interest  | 12,571              | (3,000)         | (3,000)         | 9,571            | 11,311                    | 11,990                    |
| Dividends   |                     |                 | -               | -                |                           |                           |
| <b>Payments</b>                                   |                     |                 |                 |                  |                           |                           |
| Suppliers and employees                           | (443,708)           | (47,382)        | (47,382)        | (491,090)        | (436,708)                 | (462,910)                 |
| Finance charges                                   |                     |                 | -               | -                |                           |                           |
| Transfers and Grants                              |                     |                 | -               | -                |                           |                           |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>  | <b>260,308</b>      | <b>35,051</b>   | <b>35,051</b>   | <b>295,359</b>   | <b>432,526</b>            | <b>396,613</b>            |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>       |                     |                 |                 |                  |                           |                           |
| <b>Receipts</b>                                   |                     |                 |                 |                  |                           |                           |
| Proceeds on disposal of PPE                       |                     |                 | -               | -                |                           |                           |
| Decrease (Increase) in non-current debtors        |                     |                 | -               | -                |                           |                           |
| Decrease (increase) other non-current receivables |                     |                 | -               | -                |                           |                           |
| Decrease (increase) in non-current investments    |                     |                 | -               | -                |                           |                           |
| <b>Payments</b>                                   |                     |                 |                 |                  |                           |                           |
| Capital assets                                    | (265,244)           | (80,000)        | (80,000)        | (345,244)        | (347,398)                 | (299,651)                 |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>  | <b>(265,244)</b>    | <b>(80,000)</b> | <b>(80,000)</b> | <b>(345,244)</b> | <b>(347,398)</b>          | <b>(299,651)</b>          |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>       |                     |                 |                 |                  |                           |                           |
| <b>Receipts</b>                                   |                     |                 |                 |                  |                           |                           |
| Short term loans                                  |                     |                 | -               | -                |                           |                           |
| Borrowing long term/refinancing                   |                     |                 | -               | -                |                           |                           |
| Increase (decrease) in consumer deposits          | 380                 | 400             | 400             | 780              | 827                       | 876                       |
| <b>Payments</b>                                   |                     |                 |                 |                  |                           |                           |
| Repayment of borrowing                            |                     |                 | -               | -                |                           |                           |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>  | <b>380</b>          | <b>400</b>      | <b>400</b>      | <b>780</b>       | <b>827</b>                | <b>876</b>                |
| <b>NET INCREASE/ (DECREASE) IN CASH HELD</b>      | <b>(4,556)</b>      | <b>(44,549)</b> | <b>(44,549)</b> | <b>(49,105)</b>  | <b>85,954</b>             | <b>97,839</b>             |
| Cash/cash equivalents at the year begin:          | 63,735              | (27,021)        | (27,021)        | 36,714           | (12,391)                  | 73,563                    |
| Cash/cash equivalents at the year end:            | 59,179              | (71,570)        | (71,570)        | (12,391)         | 73,563                    | 171,402                   |

A few adjustments had to be effected on the budgeted financial position, due factors such the increased operating grant transfers (See explanations under B4). The increase in capital budget has also impacted on the cash flow budget (see explanations under B5).

The amount anticipated to be collected from service charges has also been reviewed in light of amounts collected as at midyear. A collection rate of 42% has been applied to the projected increase in water sales. We have chosen to be conservative in the estimation of the collection rate, although at the end of December 2016 we had increased to above 40%.

It is anticipated that year end we will have an overdraft of R12.3 million. The overdraft is owing mainly to the significant projected increases to employee related costs as well as transfers and grants.

**Table B8 Cash backed reserves/accumulated surplus reconciliation -B8**

| Description                                       | Budget Year 2016/17 |                 |                 |                 | Budget Year +1<br>2017/18 | Budget Year +2<br>2018/19 |
|---|---------------------|-----------------|-----------------|-----------------|---------------------------|---------------------------|
|   | Original Budget     | Other Adjusts.  | Total Adjusts.  | Adjusted Budget | Adjusted Budget           | Adjusted Budget           |
| <b>R thousands</b>                                |                     |                 |                 |                 |                           |                           |
| <b>Cash and investments available</b>             |                     |                 |                 |                 |                           |                           |
| Cash/cash equivalents at the year end             | 59,179              | (71,570)        | (71,570)        | (12,391)        | 73,563                    | 171,402                   |
| Other current investments > 90 days               | (1)                 | 1               | 1               | 0               | -                         | -                         |
| Non current assets - Investments                  | -                   | -               | -               | -               | -                         | -                         |
| <b>Cash and investments available:</b>            | <b>59,178</b>       | <b>(71,569)</b> | <b>(71,569)</b> | <b>(12,391)</b> | <b>73,563</b>             | <b>171,402</b>            |
| <b>Applications of cash and investments</b>       |                     |                 |                 |                 |                           |                           |
| Unspent conditional transfers                     | -                   | -               | -               | -               | -                         | -                         |
| Unspent borrowing                                 | -                   | -               | -               | -               | -                         | -                         |
| Statutory requirements                            | 24,885              | -               | -               | 24,885          | 24,000                    | 24,000                    |
| Other working capital requirements                | 12,502              | 3,065           | 3,065           | 15,567          | (31,254)                  | (28,595)                  |
| Other provisions                                  | 14,792              | (14,792)        | (14,792)        | -               | -                         | -                         |
| Long term investments committed                   | -                   | -               | -               | -               | -                         | -                         |
| Reserves to be backed by cash/investments         | -                   | -               | -               | -               | -                         | -                         |
| <b>Total Application of cash and investments:</b> | <b>52,179</b>       | <b>(11,727)</b> | <b>(11,727)</b> | <b>40,452</b>   | <b>(7,254)</b>            | <b>(4,595)</b>            |
| <b>Surplus(shortfall)</b>                         | <b>6,999</b>        | <b>(59,842)</b> | <b>(59,842)</b> | <b>(52,843)</b> | <b>80,818</b>             | <b>175,996</b>            |

Table B7 shows that we anticipate to have and overdraft of R12.3 million at year end considering our current spending patterns. Table B8 shows application of investments to the extent of R40.4million in the current year. Other provisions in the original budget included the liability of purchasing the main office building, the building has been acquired and fully paid up, and hence the provision has been removed from table B8. The most critical piece of information notable from the above table is that our adjustment budget is unfunded by R52.8 million.

## 2.1 Adjustments to budget funding:

### Revenue

| Description  | Budget Year 2016/17 |                |                |                 | Budget Year +1<br>2017/18 | Budget Year +2<br>2018/19 |
|--|---------------------|----------------|----------------|-----------------|---------------------------|---------------------------|
|  | Original Budget     | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget           | Adjusted Budget           |
| <b>R thousands</b>   |                     |                |                |                 |                           |                           |
| <b>Total Operating Revenue (excluding capital transfers and contributions)</b> | <b>556,033</b>      | <b>17,459</b>  | <b>17,459</b>  | <b>573,493</b>  | <b>596,111</b>            | <b>640,482</b>            |
| Transfers recognised - capital   | 262,691             | 80,000         | 80,000         | 342,691         | 347,398                   | 299,651                   |
| <b>Total Revenue For The Year</b>  | <b>818,724</b>      | <b>97,459</b>  | <b>97,459</b>  | <b>916,184</b>  | <b>943,509</b>            | <b>940,133</b>            |

The above table is an extract of table B4 of schedule B. The total increase in operating revenue is R97.4 million. A detailed analysis of each line item can be seen in the explanatory notes to table B4 (an analysis of operating revenue).

### Investment particulars by maturity:

| Investments by maturity<br>Name of institution & investment ID | Market value at end of the month |
|--|----------------------------------|
| <b>R thousands</b>   |                                  |
| <b>Municipality</b>  |                                  |
| FNB  | 51,007                           |
| NEDBANK  | 24,027                           |
| INVEST EC  | 40,287                           |
| <b>TOTAL INVESTMENTS AND INTEREST</b>                          | <b>115,321</b>                   |

The table above shows our investment as at midyear. The funding strategy has been informed directly by ensuring financial sustainability and continuity. Investments held at mid-year amounted to R115 million, of which R100 million was in respect of unspent conditional grants.

## 2.2 Expenditure on grants and reconciliations of unspent funds

### Adjustments budget – transfers and grant receipts – (SB7)

| Description                                     | Budget Year 2016/17 |                |                |                 | Budget Year +1<br>2017/18 | Budget Year +2<br>2018/19 |
|---|---------------------|----------------|----------------|-----------------|---------------------------|---------------------------|
|   | Original Budget     | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget           | Adjusted Budget           |
| <b>R thousands</b>                              |                     |                |                |                 |                           |                           |
| <b>RECEIPTS:</b>                                |                     |                |                |                 |                           |                           |
| <b><u>Operating Transfers and Grants</u></b>    |                     |                |                |                 |                           |                           |
| <b>National Government:</b>                     |                     |                |                |                 |                           |                           |
|   | <b>336,999</b>      |                |                | <b>336,999</b>  | <b>363,636</b>            | <b>394,058</b>            |
| Local Government Equitable Share                | 279,315             |                |                | 279,315         | 304,716                   | 330,343                   |
| RSC Levy Replacement                            | 47,937              |                |                | 47,937          | 51,710                    | 56,441                    |
| EPWP Incentive                                  | 3,169               |                |                | 3,169           |                           |                           |
| Finance Management                              | 1,460               |                |                | 1,460           | 1,795                     | 1,545                     |
| Special Support Councillor remuneration         | 5,118               |                |                | 5,118           | 5,415                     | 5,729                     |
| <b>Provincial Government:</b>                   |                     |                |                |                 |                           |                           |
|   | <b>1,200</b>        | <b>509</b>     | <b>509</b>     | <b>1,709</b>    | <b>-</b>                  | <b>-</b>                  |
| Shared Services Grant                           | 1,200               |                | -              | 1,200           |                           |                           |
| museum subsidy                                  |                     | 509            | 509            | 509             |                           |                           |
| <b>Total Operating Transfers and Grants</b>     | <b>338,199</b>      | <b>509</b>     | <b>509</b>     | <b>338,708</b>  | <b>363,636</b>            | <b>394,058</b>            |
| <b><u>Capital Transfers and Grants</u></b>      |                     |                |                |                 |                           |                           |
| <b>National Government:</b>                     |                     |                |                |                 |                           |                           |
|   | <b>260,313</b>      | <b>80,000</b>  | <b>80,000</b>  | <b>340,313</b>  | <b>344,867</b>            | <b>296,979</b>            |
| Municipal Infrastructure Grant (MIG)            | 178,506             |                | -              | 178,506         | 192,367                   | 203,979                   |
| Regional Bulk Infrastructure                    |                     | 80,000         | 80,000         | 80,000          |                           |                           |
| Water Services Infrastructure Grant             | 81,807              |                |                | 81,807          | 152,500                   | 93,000                    |
| <b>Provincial Government:</b>                   |                     |                |                |                 |                           |                           |
|   | <b>2,378</b>        | <b>-</b>       | <b>-</b>       | <b>2,378</b>    | <b>2,531</b>              | <b>2,672</b>              |
| Rural Road Asset Management                     | 2,378               |                | -              | 2,378           | 2,531                     | 2,672                     |
| <b>Total Capital Transfers and Grants</b>       | <b>262,691</b>      | <b>80,000</b>  | <b>80,000</b>  | <b>342,691</b>  | <b>347,398</b>            | <b>299,651</b>            |
| <b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b> | <b>600,890</b>      | <b>80,509</b>  | <b>80,509</b>  | <b>681,399</b>  | <b>711,034</b>            | <b>693,709</b>            |

As depicted above adjustments amounting to R80, 5 million were necessary to grant funding.

- R80 million was the inclusion of the Regional Bulk Infrastructure Grant into the capital budget.
- An amount of R509 thousand will be received as a subsidy for the museum from Provincial Government.

**Adjustments Budget - reconciliation of transfers, grant receipts, and unspent funds – [SB9]**

|   | Budget Year 2016/17 |                |                |                 | Budget Year +1<br>2017/18 | Budget Year +2<br>2018/19 |
|---|---------------------|----------------|----------------|-----------------|---------------------------|---------------------------|
|   | Original Budget     | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget           | Adjusted Budget           |
| <b>R thousands</b>                                      |                     |                |                |                 |                           |                           |
| <b>Operating transfers and grants:</b>                  |                     |                |                |                 |                           |                           |
| <b>National Government:</b>                             |                     |                |                |                 |                           |                           |
| Balance unspent at beginning of the year                |                     |                | -              | -               |                           |                           |
| Current year receipts                                   |                     |                | -              | -               |                           |                           |
| <b>Conditions met - transferred to revenue</b>          | -                   | -              | -              | -               | -                         | -                         |
| Conditions still to be met - transferred to liabilities |                     |                | -              | -               |                           |                           |
| <b>Provincial Government:</b>                           |                     |                |                |                 |                           |                           |
| Balance unspent at beginning of the year                |                     | 645            | 645            | 645             |                           |                           |
| Current year receipts                                   |                     |                | -              | -               |                           |                           |
| <b>Conditions met - transferred to revenue</b>          | -                   | 645            | 645            | 645             | -                         | -                         |
| <b>TOTAL TRANSFERS AND GRANTS REVENUE</b>               | -                   | 645            | 645            | 645             | -                         | -                         |
| <b>TOTAL TRANSFERS AND GRANTS - CTBM</b>                | -                   | -              | -              | -               | -                         | -                         |

The above amount of R645 thousand relates to the approved roll-over of the shared services grant. The municipality anticipates that the entire amount will be spent and accordingly transferred to revenue.

### 2.3 Adjustments to Councillor and employee benefits [SB11]

| Summary of remuneration                                  | Budget Year 2016/17 |                |                |                 | % change     |
|--|---------------------|----------------|----------------|-----------------|--------------|
|  | Original Budget     | Other Adjusts. | Total Adjusts. | Adjusted Budget |              |
| <b>R thousands</b>                                       |                     |                |                |                 |              |
| <b>Councillors (Political Office Bearers plus Other)</b> |                     |                |                |                 |              |
| Basic Salaries and Wages                                 | 4,506               |                |                | 4,506           | 0.0%         |
| Pension and UIF Contributions                            |                     |                |                | -               |              |
| Medical Aid Contributions                                |                     |                |                | -               |              |
| Motor Vehicle Allowance                                  | 1,571               |                |                | 1,571           | 0.0%         |
| Cellphone Allowance                                      | 471                 |                |                | 471             |              |
| Housing Allowances                                       |                     |                |                | -               |              |
| Other benefits and allowances                            | 3                   |                |                | 3               |              |
| <b>Sub Total - Councillors</b>                           | <b>6,552</b>        |                |                | <b>6,552</b>    | <b>0.0%</b>  |
| <b>% increase</b>  |                     |                |                | -               |              |
| <b>Senior Managers of the Municipality</b>               |                     |                |                |                 |              |
| Basic Salaries and Wages                                 | 8,347               |                |                | 8,347           | 0.0%         |
| Pension and UIF Contributions                            |                     |                |                | -               |              |
| Medical Aid Contributions                                |                     |                |                | -               |              |
| Overtime   |                     |                |                | -               |              |
| Performance Bonus  |                     |                |                | -               |              |
| Motor Vehicle Allowance                                  |                     |                |                | -               |              |
| Cellphone Allowance                                      |                     |                |                | -               |              |
| Housing Allowances                                       |                     |                |                | -               |              |
| Other benefits and allowances                            |                     |                |                | -               |              |
| Payments in lieu of leave                                |                     |                |                | -               |              |
| Long service awards                                      |                     |                |                | -               |              |
| Post-retirement benefit obligations                      |                     |                |                | -               |              |
| <b>Sub Total - Senior Managers of Municipality</b>       | <b>8,347</b>        |                |                | <b>8,347</b>    | <b>0.0%</b>  |
| <b>% increase</b>  |                     |                |                | -               |              |
| <b>Other Municipal Staff</b>                             |                     |                |                |                 |              |
| Basic Salaries and Wages                                 | 129,547             | 18,835         | 18,835         | 148,382         | 14.5%        |
| Pension and UIF Contributions                            | 18,181              | 749            | 749            | 18,929          | 4.1%         |
| Medical Aid Contributions                                | 5,629               | (459)          | (459)          | 5,170           | -8.1%        |
| Overtime   | 13,233              | 7,317          | 7,317          | 20,550          | 55.3%        |
| Performance Bonus  |                     | -              | -              | -               |              |
| Motor Vehicle Allowance                                  | 7,519               | 1,932          | 1,932          | 9,451           | 25.7%        |
| Cellphone Allowance                                      |                     | -              | -              | -               |              |
| Housing Allowances                                       | 530                 | 875            | 875            | 1,405           |              |
| Other benefits and allowances                            | 10,946              | 3,526          | 3,526          | 14,472          |              |
| Payments in lieu of leave                                | 1,220               | (444)          | (444)          | 776             | -36.4%       |
| Long service awards                                      |                     | -              | -              | -               |              |
| Post-retirement benefit obligations                      |                     | -              | -              | -               |              |
| <b>Sub Total - Other Municipal Staff</b>                 | <b>186,804</b>      | <b>32,331</b>  | <b>32,331</b>  | <b>219,135</b>  | <b>17.3%</b> |
| <b>% increase</b>  |                     |                |                |                 |              |
| <b>Total Parent Municipality</b>                         | <b>201,702</b>      | <b>32,331</b>  | <b>32,331</b>  | <b>234,033</b>  | <b>16.0%</b> |
| <b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>           | <b>201,702</b>      | <b>32,331</b>  | <b>32,331</b>  | <b>234,033</b>  | <b>16.0%</b> |
| <b>% increase</b>  |                     |                |                |                 |              |
| <b>TOTAL MANAGERS AND STAFF</b>                          | <b>195,150</b>      | <b>32,331</b>  | <b>32,331</b>  | <b>227,481</b>  | <b>16.6%</b> |

**2.4 Adjustments to Capital expenditure**

**List of capital programmes and projects affected by Adjustments Budget [SB19]**

| Municipal Vote/Capital project<br><br>R thousand            | Program/Project description  | Individually<br>Approved<br>Yes/No | Asset Class                            | Asset Sub-Class  | GPS co-ordinates          | Medium Term Revenue<br>and Expenditure<br>Framework |                    |
|---|--|------------------------------------|--|--|---------------------------|---|--------------------|
|   |  |                                    |  |  |                           | Budget Year 2016/17                                 |                    |
|   |  |                                    |  |  |                           | Original<br>Budget                                  | Adjusted<br>Budget |
| Parent municipality:<br><i>Regional Bulk infrastructure</i> | Hoblands- Indaka (Driefontein Stage 2)<br>Acquisition of Steel Pipes | Yes<br>Yes                         | Infrastructure - Water<br>Other Assets | transmission & Reticulation<br>transmission & Reticulation | 28°28'25,3" E 30°08'37,4" |   | 37,000<br>43,000   |

The table above shows all capital projects/ programmes that have been affected by the adjustments budget. The two projects listed above are the two projects registered under the Regional Bulk Infrastructure Grant for the 2016/2017 financial year.

## 2.5 Other Supporting Tables

### Adjustments to Councillor and employee benefits [SB11]

| Summary of remuneration                                  | Budget Year 2016/17 |                |                |                 | % change     |
|--|---------------------|----------------|----------------|-----------------|--------------|
|  | Original Budget     | Other Adjusts. | Total Adjusts. | Adjusted Budget |              |
| <b>R thousands</b>                                       |                     |                |                |                 |              |
| <b>Councillors (Political Office Bearers plus Other)</b> |                     |                |                |                 |              |
| Basic Salaries and Wages                                 | 4,506               |                | -              | 4,506           | 0.0%         |
| Pension and UIF Contributions                            |                     |                | -              | -               |              |
| Medical Aid Contributions                                |                     |                | -              | -               |              |
| Motor Vehicle Allowance                                  | 1,571               |                | -              | 1,571           | 0.0%         |
| Cellphone Allowance                                      | 471                 |                | -              | 471             |              |
| Housing Allowances                                       |                     |                | -              | -               |              |
| Other benefits and allowances                            | 3                   |                | -              | 3               |              |
| <b>Sub Total - Councillors</b>                           | <b>6,552</b>        | <b>-</b>       | <b>-</b>       | <b>6,552</b>    | <b>0.0%</b>  |
| <b>% increase</b>  |                     |                |                |                 |              |
| <b>Senior Managers of the Municipality</b>               |                     |                |                |                 |              |
| Basic Salaries and Wages                                 | 8,347               |                | -              | 8,347           | 0.0%         |
| Pension and UIF Contributions                            |                     |                | -              | -               |              |
| Post-retirement benefit obligations                      |                     |                | -              | -               |              |
| <b>Sub Total - Senior Managers of Municipality</b>       | <b>8,347</b>        | <b>-</b>       | <b>-</b>       | <b>8,347</b>    | <b>0.0%</b>  |
| <b>% increase</b>  |                     |                |                |                 |              |
| <b>Other Municipal Staff</b>                             |                     |                |                |                 |              |
| Basic Salaries and Wages                                 | 129,547             | 18,835         | 18,835         | 148,382         | 14.5%        |
| Pension and UIF Contributions                            | 18,181              | 749            | 749            | 18,929          | 4.1%         |
| Medical Aid Contributions                                | 5,629               | (459)          | (459)          | 5,170           | -8.1%        |
| Overtime   | 13,233              | 7,317          | 7,317          | 20,550          | 55.3%        |
| Performance Bonus  |                     | -              | -              | -               |              |
| Motor Vehicle Allowance                                  | 7,519               | 1,932          | 1,932          | 9,451           | 25.7%        |
| Cellphone Allowance                                      |                     | -              | -              | -               |              |
| Housing Allowances                                       | 530                 | 875            | 875            | 1,405           |              |
| Other benefits and allowances                            | 10,946              | 3,526          | 3,526          | 14,472          |              |
| Payments in lieu of leave                                | 1,220               | (444)          | (444)          | 776             | -36.4%       |
| Long service awards                                      |                     | -              | -              | -               |              |
| Post-retirement benefit obligations                      |                     | -              | -              | -               |              |
| <b>Sub Total - Other Municipal Staff</b>                 | <b>186,804</b>      | <b>32,331</b>  | <b>32,331</b>  | <b>219,135</b>  | <b>17.3%</b> |
| <b>% increase</b>  |                     |                |                |                 |              |
| <b>Total Parent Municipality</b>                         | <b>201,702</b>      | <b>32,331</b>  | <b>32,331</b>  | <b>234,033</b>  | <b>16.0%</b> |
| <b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>           | <b>201,702</b>      | <b>32,331</b>  | <b>32,331</b>  | <b>234,033</b>  | <b>16.0%</b> |
| <b>% increase</b>  |                     |                |                |                 |              |
| <b>TOTAL MANAGERS AND STAFF</b>                          | <b>195,150</b>      | <b>32,331</b>  | <b>32,331</b>  | <b>227,481</b>  | <b>16.6%</b> |



**Supporting Table SB18c Adjustments Budget - expenditure on repairs and maintenance by asset class –**

| Description   | Budget Year 2016/17 |                |                |                 | Budget Year +1<br>2017/18 | Budget Year +2<br>2018/19 |
|---|---------------------|----------------|----------------|-----------------|---------------------------|---------------------------|
|   | Original Budget     | Other Adjusts. | Total Adjusts. | Adjusted Budget | Adjusted Budget           | Adjusted Budget           |
| <b>R thousands</b>  |                     |                |                |                 |                           |                           |
| <b>Repairs and maintenance expenditure by Asset Class/Sub-class</b> |                     |                |                |                 |                           |                           |
| <b>Infrastructure</b>   | <b>31,322</b>       | <b>8,749</b>   | <b>8,749</b>   | <b>40,071</b>   | <b>39,597</b>             | <b>41,973</b>             |
| Infrastructure - Road transport                                     | 1,774               | (1,000)        | (1,000)        | 774             | 1,881                     | 1,994                     |
| <i>Roads, Pavements &amp; Bridges</i>                               | 1,774               | (1,000)        | (1,000)        | 774             | 1,881                     | 1,994                     |
| <i>Storm water</i>  |                     |                |                |                 |                           |                           |
| Infrastructure - Electricity  | –                   | –              | –              | –               | –                         | –                         |
| <i>Generation</i>   |                     |                |                |                 |                           |                           |
| <i>Transmission &amp; Reticulation</i>                              |                     |                |                |                 |                           |                           |
| <i>Street Lighting</i>  |                     |                |                |                 |                           |                           |
| Infrastructure - Water  | 21,548              | 13,749         | 13,749         | 35,297          | 29,236                    | 30,991                    |
| <i>Dams &amp; Reservoirs</i>  | 10,882              | (251)          | (251)          | 10,631          | 13,674                    | 14,495                    |
| <i>Water purification</i>   | 9,251               | 15,000         | 15,000         | 24,251          | 4,962                     | 5,260                     |
| <i>Reticulation</i>   | 1,415               | (1,000)        | (1,000)        | 415             | 10,600                    | 11,236                    |
| Infrastructure - Sanitation   | –                   | –              | –              | –               | –                         | –                         |
| <i>Reticulation</i>   |                     |                |                |                 |                           |                           |
| <i>Sewerage purification</i>  |                     |                |                |                 |                           |                           |
| Infrastructure - Other  | 8,000               | (4,000)        | (4,000)        | 4,000           | 8,480                     | 8,989                     |
| <i>Refuse</i>   |                     |                |                |                 |                           |                           |
| <i>Transportation</i>   |                     |                |                |                 |                           |                           |
| <i>Gas</i>  |                     |                |                |                 |                           |                           |
| <i>Other</i>  | 8,000               | (4,000)        | (4,000)        | 4,000           | 8,480                     | 8,989                     |
| <b>Other assets</b>   | <b>13,184</b>       | <b>(2,281)</b> | <b>(2,281)</b> | <b>10,903</b>   | <b>19,696</b>             | <b>20,878</b>             |
| General vehicles  | 6,720               | 500            | 500            | 7,220           | 7,446                     | 7,893                     |
| Specialised vehicles  | –                   | –              | –              | –               | –                         | –                         |
| Plant & equipment   | 620                 | –              | –              | 620             | 658                       | 697                       |
| Computers - hardware/equipment                                      | 1,800               | (1,800)        | (1,800)        | –               | 2,327                     | 2,466                     |
| Furniture and other office equipment                                | 62                  | –              | –              | 62              | 65                        | 69                        |
| Abattoirs   |                     |                |                |                 |                           |                           |
| Markets   |                     |                |                |                 |                           |                           |
| Civic Land and Buildings  |                     |                |                |                 |                           |                           |
| Other Buildings   | 3,000               | –              | –              | 3,000           | 8,480                     | 8,989                     |
| Other Land  |                     |                |                |                 |                           |                           |
| Surplus Assets - (Investment or Inventory)                          |                     |                |                |                 |                           |                           |
| Other   | 981                 | (981)          | (981)          | –               | 721                       | 764                       |
| <b>Total Repairs and Maintenance Expenditure to be adjusted</b>     | <b>44,506</b>       | <b>6,468</b>   | <b>6,468</b>   | <b>50,974</b>   | <b>59,293</b>             | <b>62,851</b>             |

# UTHUKELA DISTRICT MUNICIPALITY | 2017

**Supporting Table SB12 Adjustments Budget - monthly revenue and expenditure (municipal vote) -**

| Description                       | Budget Year 2016/17 |                 |                |               |                |                 |                 |                 |                 |                 |                 |                 | Medium Term Revenue and Expenditure Framework |                        |                        |  |
|-----------------------------------|---------------------|-----------------|----------------|---------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---|------------------------|------------------------|--|
|                                   | July                | August          | Sept.          | October       | November       | December        | January         | February        | March           | April           | May             | June            | Budget Year 2016/17                           | Budget Year +1 2017/18 | Budget Year +2 2018/19 |  |
|                                   | Outcome             | Outcome         | Outcome        | Outcome       | Outcome        | Outcome         | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget                               | Adjusted Budget        | Adjusted Budget        |  |
| <b>R thousands</b>                |                     |                 |                |               |                |                 |                 |                 |                 |                 |                 |                 |   |                        |                        |  |
| <b>Revenue by Vote</b>            |                     |                 |                |               |                |                 |                 |                 |                 |                 |                 |                 |   |                        |                        |  |
| Vote 1 - MUNICIPAL MANAGER        |                     |                 |                |               |                |                 |                 |                 | 53,055          |                 |                 | -               | 53,055  | 57,125                 | 62,170                 |  |
| Vote 2 - CORPORATE SERVICES       |                     |                 |                |               |                |                 |                 |                 |                 |                 |                 | -               | -   | -                      | -                      |  |
| Vote 3 - BUDGET AND TREASURY      | 138,572             | 358             | 52             | 2,937         | 110,860        | 231             | 5,945           | 5,945           | 5,945           | 5,945           | 5,945           | 5,945           | 288,681                                       | 319,726                | 345,896                |  |
| Vote 4 - SOCIAL SERVICES          |                     |                 |                |               |                |                 | 392             | 392             | 392             | 392             | 392             | 392             | 2,354   | -                      | -                      |  |
| Vote 5 - WSA AND HEALTH SERVICES  |                     |                 |                |               |                |                 |                 |                 |                 |                 |                 |                 | -   | -                      | -                      |  |
| Vote 6 - TECHNICAL SERVICES       |                     |                 |                |               |                |                 |                 |                 |                 |                 |                 |                 | -   | -                      | -                      |  |
| Vote 7 - WATER AND SANITATION SER | 45,308              | 46,382          | 39,702         | 58,784        | 44,919         | 14,864          | 53,689          | 53,689          | 53,689          | 53,689          | 53,689          | 53,689          | 572,093                                       | 566,658                | 532,067                |  |
| <b>Total Revenue by Vote</b>      | <b>183,880</b>      | <b>46,740</b>   | <b>39,754</b>  | <b>61,721</b> | <b>155,779</b> | <b>15,095</b>   | <b>60,027</b>   | <b>60,027</b>   | <b>113,082</b>  | <b>60,027</b>   | <b>60,027</b>   | <b>60,027</b>   | <b>916,184</b>                                | <b>943,509</b>         | <b>940,133</b>         |  |
| <b>Expenditure by Vote</b>        |                     |                 |                |               |                |                 |                 |                 |                 |                 |                 |                 |   |                        |                        |  |
| Vote 1 - MUNICIPAL MANAGER        |                     | 6,352           | 4,878          | 3,698         | 5,314          | 5,512           | 2,859           | 2,859           | 2,859           | 2,859           | 2,859           | 2,859           | 42,908  | 45,482                 | 48,211                 |  |
| Vote 2 - CORPORATE SERVICES       |                     | 5,603           | 7,065          | 3,997         | 7,887          | 6,454           | 3,729           | 3,729           | 3,729           | 3,729           | 3,729           | 3,729           | 53,382  | 56,585                 | 59,980                 |  |
| Vote 3 - BUDGET AND TREASURY      |                     | 8,313           | 4,441          | 2,219         | 4,493          | 3,289           | 20,095          | 20,095          | 20,095          | 20,095          | 20,095          | 20,095          | 143,325                                       | 151,924                | 161,040                |  |
| Vote 4 - SOCIAL SERVICES          |                     | 3,113           | 1,348          | 2,237         | 3,163          | 2,110           | 1,761           | 1,761           | 1,761           | 1,761           | 1,761           | 1,761           | 22,536  | 23,888                 | 25,322                 |  |
| Vote 5 - WSA AND HEALTH SERVICES  | 67                  | 3,983           | 2,333          | 1,294         | 6,272          | 3,584           | 1,894           | 1,894           | 1,894           | 1,894           | 1,894           | 1,894           | 28,894  | 30,628                 | 32,466                 |  |
| Vote 6 - TECHNICAL SERVICES       |                     |                 |                |               |                |                 |                 |                 |                 |                 |                 |                 | -   | -                      | -                      |  |
| Vote 7 - WATER AND SANITATION SER | 1,214               | 37,929          | 27,199         | 23,120        | 42,334         | 11,500          | 26,900          | 26,900          | 26,900          | 26,900          | 26,900          | 26,900          | 304,693                                       | 259,106                | 274,653                |  |
| <b>Total Expenditure by Vote</b>  | <b>1,281</b>        | <b>65,293</b>   | <b>47,264</b>  | <b>36,565</b> | <b>69,463</b>  | <b>32,449</b>   | <b>57,237</b>   | <b>57,237</b>   | <b>57,237</b>   | <b>57,237</b>   | <b>57,237</b>   | <b>57,237</b>   | <b>595,738</b>                                | <b>567,614</b>         | <b>601,671</b>         |  |
| <b>Surplus/ (Deficit)</b>         | <b>182,599</b>      | <b>(18,553)</b> | <b>(7,510)</b> | <b>25,156</b> | <b>86,316</b>  | <b>(17,354)</b> | <b>2,789</b>    | <b>2,789</b>    | <b>55,844</b>   | <b>2,789</b>    | <b>2,789</b>    | <b>2,789</b>    | <b>320,446</b>                                | <b>375,895</b>         | <b>338,462</b>         |  |

# UTHUKELA DISTRICT MUNICIPALITY 2017

**Supporting Table SB13 Adjustments Budget - monthly revenue and expenditure (standard classification) -**

| Description - Standard classification     | Budget Year 2016/17 |                 |                |               |                |                 |                 |                 |                 |                 |                 |                 | Medium Term Revenue and Expenditure Framework |                        |                        |
|---|---------------------|-----------------|----------------|---------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---|------------------------|------------------------|
|   | July                | August          | Sept.          | October       | November       | December        | January         | February        | March           | April           | May             | June            | Budget Year 2016/17                           | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
|   | Outcome             | Outcome         | Outcome        | Outcome       | Outcome        | Outcome         | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget                               | Adjusted Budget        | Adjusted Budget        |
| <b>R thousands</b>                        |                     |                 |                |               |                |                 |                 |                 |                 |                 |                 |                 |   |                        |                        |
| <b>Revenue - Standard</b>                 |                     |                 |                |               |                |                 |                 |                 |                 |                 |                 |                 |   |                        |                        |
| <b>Governance and administration</b>      | 138,572             | 358             | 52             | 2,937         | 110,860        | 231             | 5,945           | 5,945           | 59,000          | 5,945           | 5,945           | 5,945           | 341,736                                       | 375,280                | 406,401                |
| Executive and council                     | -                   | -               | -              | -             | -              | -               | -               | -               | 53,055          | -               | -               | -               | 53,055  | 57,125                 | 62,170                 |
| Budget and treasury office                | 138,572             | 358             | 52             | 2,937         | 110,860        | 231             | 5,945           | 5,945           | 5,945           | 5,945           | 5,945           | 5,945           | 288,681                                       | 318,155                | 344,231                |
| Corporate services                        | -                   | -               | -              | -             | -              | -               | -               | -               | -               | -               | -               | -               | -   | -                      | -                      |
| <b>Community and public safety</b>        | -                   | -               | -              | -             | -              | -               | -               | -               | -               | -               | -               | -               | -   | -                      | -                      |
| Health                                    | -                   | -               | -              | -             | -              | -               | -               | -               | -               | -               | -               | -               | -   | -                      | -                      |
| <b>Economic and environmental service</b> | -                   | -               | -              | -             | -              | -               | 392             | 392             | 392             | 392             | 392             | 392             | 2,354   | -                      | -                      |
| Planning and development                  | -                   | -               | -              | -             | -              | -               | 392             | 392             | 392             | 392             | 392             | 392             | 2,354   | -                      | -                      |
| <b>Trading services</b>                   | 45,308              | 46,382          | 39,702         | 58,784        | 44,919         | 14,864          | 53,689          | 53,689          | 53,689          | 53,689          | 53,689          | 53,689          | 572,093                                       | 566,658                | 532,067                |
| Electricity                               | -                   | -               | -              | -             | -              | -               | -               | -               | -               | -               | -               | -               | -   | -                      | -                      |
| Water                                     | 43,677              | 44,874          | 38,200         | 56,980        | 43,574         | 14,195          | 51,925          | 51,925          | 51,925          | 51,925          | 51,925          | 51,925          | 553,048                                       | 546,555                | 510,757                |
| Waste water management                    | 1,631               | 1,508           | 1,502          | 1,804         | 1,345          | 669             | 1,764           | 1,764           | 1,764           | 1,764           | 1,764           | 1,764           | 19,045  | 20,103                 | 21,310                 |
| Waste management                          | -                   | -               | -              | -             | -              | -               | -               | -               | -               | -               | -               | -               | -   | -                      | -                      |
| <b>Other</b>                              | -                   | -               | -              | -             | -              | -               | -               | -               | -               | -               | -               | -               | -   | -                      | -                      |
| <b>Total Revenue - Standard</b>           | <b>183,880</b>      | <b>46,740</b>   | <b>39,754</b>  | <b>61,721</b> | <b>155,779</b> | <b>15,095</b>   | <b>60,027</b>   | <b>60,027</b>   | <b>113,082</b>  | <b>60,027</b>   | <b>60,027</b>   | <b>60,027</b>   | <b>916,184</b>                                | <b>941,938</b>         | <b>938,468</b>         |
| <b>Expenditure - Standard</b>             |                     |                 |                |               |                |                 |                 |                 |                 |                 |                 |                 |   |                        |                        |
| <b>Governance and administration</b>      | -                   | 20,268          | 16,384         | 9,914         | 17,694         | 15,255          | 26,683          | 26,683          | 26,683          | 26,683          | 26,683          | 26,684          | 239,615                                       | 270,130                | 285,980                |
| Executive and council                     | -                   | 6,352           | 4,878          | 3,698         | 5,314          | 5,512           | 2,859           | 2,859           | 2,859           | 2,859           | 2,859           | 2,859           | 42,908  | 57,862                 | 61,333                 |
| Budget and treasury office                | -                   | 8,313           | 4,441          | 2,219         | 4,493          | 3,289           | 20,095          | 20,095          | 20,095          | 20,095          | 20,095          | 20,096          | 143,326                                       | 151,405                | 160,132                |
| Corporate services                        | -                   | 5,603           | 7,065          | 3,997         | 7,887          | 6,454           | 3,729           | 3,729           | 3,729           | 3,729           | 3,729           | 3,729           | 53,382  | 60,863                 | 64,515                 |
| <b>Community and public safety</b>        | 67                  | 3,983           | 2,333          | 1,294         | 6,272          | 3,584           | 1,894           | 1,894           | 1,894           | 1,894           | 1,894           | 1,894           | 28,894  | 37,968                 | 40,246                 |
| Health                                    | 67                  | 3,983           | 2,333          | 1,294         | 6,272          | 3,584           | 1,894           | 1,894           | 1,894           | 1,894           | 1,894           | 1,894           | 28,894  | 37,968                 | 40,246                 |
| <b>Economic and environmental service</b> | -                   | 3,113           | 1,348          | 2,237         | 3,163          | 2,110           | 1,761           | 1,761           | 1,761           | 1,761           | 1,761           | 1,761           | 22,536  | 42,593                 | 45,148                 |
| Planning and development                  | -                   | 3,113           | 1,348          | 2,237         | 3,163          | 2,110           | 1,761           | 1,761           | 1,761           | 1,761           | 1,761           | 1,761           | 22,536  | 42,593                 | 45,148                 |
| <b>Trading services</b>                   | 1,214               | 37,929          | 27,199         | 23,120        | 42,334         | 11,500          | 26,900          | 26,900          | 26,900          | 26,900          | 26,900          | 26,900          | 304,693                                       | 229,542                | 243,315                |
| Electricity                               | -                   | -               | -              | -             | -              | -               | -               | -               | -               | -               | -               | -               | -   | -                      | -                      |
| Water                                     | 1,214               | 37,929          | 27,199         | 23,120        | 42,334         | 11,500          | 26,477          | 26,477          | 26,477          | 26,477          | 26,477          | 26,477          | 302,158                                       | 226,720                | 240,323                |
| Waste water management                    | -                   | -               | -              | -             | -              | -               | 423             | 423             | 423             | 423             | 423             | 423             | 2,535   | 2,823                  | 2,992                  |
| Waste management                          | -                   | -               | -              | -             | -              | -               | -               | -               | -               | -               | -               | -               | -   | -                      | -                      |
| <b>Other</b>                              | -                   | -               | -              | -             | -              | -               | -               | -               | -               | -               | -               | -               | -   | -                      | -                      |
| <b>Total Expenditure - Standard</b>       | <b>1,281</b>        | <b>65,293</b>   | <b>47,264</b>  | <b>36,565</b> | <b>69,463</b>  | <b>32,449</b>   | <b>57,237</b>   | <b>57,237</b>   | <b>57,237</b>   | <b>57,237</b>   | <b>57,237</b>   | <b>57,238</b>   | <b>595,739</b>                                | <b>580,233</b>         | <b>614,690</b>         |
| <b>Surplus/ (Deficit) 1.</b>              | <b>182,599</b>      | <b>(18,553)</b> | <b>(7,510)</b> | <b>25,156</b> | <b>86,316</b>  | <b>(17,354)</b> | <b>2,789</b>    | <b>2,789</b>    | <b>55,844</b>   | <b>2,789</b>    | <b>2,789</b>    | <b>2,789</b>    | <b>320,444</b>                                | <b>361,705</b>         | <b>323,778</b>         |

# UTHUKELA DISTRICT MUNICIPALITY 2017

**DC23 Uthukela - Supporting Table SB14 Adjustments Budget - monthly revenue and expenditure -**

| Description   | Budget Year 2016/17 |                 |                 |                |                |                 |                 |                 |                 |                 |                 |                 | Medium Term Revenue and Expenditure Framework |                        |                        |
|---|---------------------|-----------------|-----------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---|------------------------|------------------------|
|   | July                | August          | Sept.           | October        | November       | December        | January         | February        | March           | April           | May             | June            | Budget Year 2016/17                           | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
|   | Outcome             | Outcome         | Outcome         | Outcome        | Outcome        | Outcome         | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget                               | Adjusted Budget        | Adjusted Budget        |
| <b>R thousands</b>  |                     |                 |                 |                |                |                 |                 |                 |                 |                 |                 |                 |   |                        |                        |
| <b>Revenue By Source</b>  |                     |                 |                 |                |                |                 |                 |                 |                 |                 |                 |                 |   |                        |                        |
| Service charges - water revenue                                     | 40,312              | 13,667          | 17,552          | 21,955         | 5,513          | 12,432          | 9,295           | 9,295           | 9,295           | 9,295           | 9,295           | 9,295           | 167,201                                       | 168,940                | 179,077                |
| Service charges - sanitation revenue                                | 1,499               | 1,508           | 1,502           | 1,804          | 1,345          | 1,408           | 1,414           | 1,414           | 1,414           | 1,414           | 1,414           | 1,414           | 17,551  | 18,604                 | 19,720                 |
| Service charges - refuse  |                     |                 |                 |                |                |                 |                 |                 |                 |                 |                 |                 | -   | -                      | -                      |
| Service charges - other   |                     |                 |                 |                |                |                 |                 |                 |                 |                 |                 |                 | -   | -                      | -                      |
| Rental of facilities and equipment                                  |                     |                 |                 |                |                |                 |                 |                 |                 |                 |                 |                 | -   | -                      | -                      |
| Interest earned - external investments                              |                     | 73              | -               |                |                | 435             | 1,194           | 1,194           | 1,194           | 1,194           | 1,194           | 1,193           | 7,671   | 11,311                 | 11,990                 |
| Interest earned - outstanding debtors                               | 3,319               | 3,399           | 3,400           | 2,873          |                |                 | 4,222           | 4,222           | 4,222           | 4,222           | 4,222           | 4,222           | 38,321  | 30,021                 | 31,822                 |
| Transfers recognised - operational                                  | 138,487             | 924             | 345             | 361            | 110,899        | 819             | 5,744           | 5,744           | 58,799          | 5,744           | 5,744           | 5,744           | 339,353                                       | 363,636                | 394,058                |
| Other revenue   | 264                 | 129             | 20              | 22             |                |                 | 494             | 494             | 494             | 494             | 494             | 494             | 3,395   | 3,599                  | 3,815                  |
| Gains on disposal of PPE  |                     |                 |                 |                |                |                 |                 |                 |                 |                 |                 |                 | -   | -                      | -                      |
| <b>Total Revenue</b>  | <b>183,880</b>      | <b>19,700</b>   | <b>22,820</b>   | <b>27,015</b>  | <b>117,757</b> | <b>15,094</b>   | <b>22,362</b>   | <b>22,362</b>   | <b>75,417</b>   | <b>22,362</b>   | <b>22,362</b>   | <b>22,361</b>   | <b>573,493</b>                                | <b>596,111</b>         | <b>640,482</b>         |
| <b>Expenditure By Type</b>  |                     |                 |                 |                |                |                 |                 |                 |                 |                 |                 |                 |   |                        |                        |
| Employee related costs  | -                   | 31,838          | 20,193          | 16,495         | 37,650         | 16,296          | 17,501          | 17,501          | 17,501          | 17,501          | 17,501          | 17,501          | 227,481                                       | 226,547                | 240,139                |
| Remuneration of councillors   |                     | 610             | 610             | 446            | 471            | 582             | 639             | 639             | 639             | 639             | 639             | 639             | 6,552   | 6,945                  | 7,361                  |
| Debt impairment   |                     |                 |                 |                |                |                 | 6,077           | 6,077           | 6,077           | 6,077           | 6,077           | 6,077           | 36,460  | 38,647                 | 40,966                 |
| Depreciation & asset impairment                                     |                     |                 |                 |                |                |                 | 9,613           | 9,613           | 9,613           | 9,613           | 9,613           | 9,613           | 57,676  | 61,137                 | 64,805                 |
| Finance charges   |                     |                 |                 |                |                |                 |                 |                 |                 |                 |                 |                 | -   | -                      | -                      |
| Bulk purchases  |                     |                 |                 |                | 1,712          |                 | 698             | 698             | 698             | 698             | 698             | 698             | 5,901   | 6,255                  | 6,630                  |
| Other materials   |                     | 5,622           | 1,599           | 3,027          | 3,213          | 217             | 6,216           | 6,216           | 6,216           | 6,216           | 6,216           | 6,216           | 50,974  | 54,032                 | 57,274                 |
| Contracted services   |                     | 5,942           | 4,282           | 1,859          | 4,234          | 3,470           | 5,585           | 5,585           | 5,585           | 5,585           | 5,585           | 5,585           | 53,295  | 34,481                 | 36,550                 |
| Grants and subsidies  |                     | 5,148           | 6,638           | 6,450          | 7,393          | -               | 4,062           | 4,062           | 4,062           | 4,062           | 4,062           | 4,062           | 50,000  | 11,143                 | 11,812                 |
| Other expenditure   | 1,281               | 16,133          | 13,943          | 8,289          | 14,788         | 11,883          | 6,847           | 6,847           | 6,847           | 6,847           | 6,847           | 6,847           | 107,400                                       | 93,092                 | 98,678                 |
| Loss on disposal of PPE   |                     |                 |                 |                |                |                 |                 |                 |                 |                 |                 |                 | -   | -                      | -                      |
| <b>Total Expenditure</b>  | <b>1,281</b>        | <b>65,293</b>   | <b>47,265</b>   | <b>36,566</b>  | <b>69,461</b>  | <b>32,448</b>   | <b>57,237</b>   | <b>57,237</b>   | <b>57,237</b>   | <b>57,237</b>   | <b>57,237</b>   | <b>57,237</b>   | <b>595,738</b>                                | <b>532,279</b>         | <b>564,216</b>         |
| <b>Surplus/(Deficit)</b>  | <b>182,599</b>      | <b>(45,593)</b> | <b>(24,445)</b> | <b>(9,551)</b> | <b>48,296</b>  | <b>(17,354)</b> | <b>(34,875)</b> | <b>(34,875)</b> | <b>18,180</b>   | <b>(34,875)</b> | <b>(34,875)</b> | <b>(34,876)</b> | <b>(22,245)</b>                               | <b>63,832</b>          | <b>76,266</b>          |
| Transfers recognised - capital                                      |                     | 27,040          | 16,934          | 34,706         | 38,023         | -               | 37,665          | 37,665          | 37,665          | 37,665          | 37,665          | 37,665          | 342,691                                       | 347,398                | 299,651                |
| Contributions   |                     |                 |                 |                |                |                 |                 |                 |                 |                 |                 |                 | -   | -                      | -                      |
| Contributed assets  |                     |                 |                 |                |                |                 |                 |                 |                 |                 |                 |                 | -   | -                      | -                      |
| <b>Surplus/(Deficit) after capital transfers &amp; contribution</b> | <b>182,599</b>      | <b>(18,553)</b> | <b>(7,511)</b>  | <b>25,155</b>  | <b>86,319</b>  | <b>(17,354)</b> | <b>2,789</b>    | <b>2,789</b>    | <b>55,844</b>   | <b>2,789</b>    | <b>2,789</b>    | <b>2,789</b>    | <b>320,446</b>                                | <b>411,230</b>         | <b>375,917</b>         |

# UTHUKELA DISTRICT MUNICIPALITY 2017

**DC23 Uthukela - Supporting Table SB15 Adjustments Budget - monthly cash flow -**

| Monthly cash flows                                 | Budget Year 2016/17 |                 |                 |                 |                  |                |                 |                 |                 |                 |                 |                 | Medium Term Revenue and Expenditure Framework |                        |                        |  |
|--|---------------------|-----------------|-----------------|-----------------|------------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---|------------------------|------------------------|--|
|  | July                | August          | Sept.           | October         | November         | December       | January         | February        | March           | April           | May             | June            | Budget Year 2016/17                           | Budget Year +1 2017/18 | Budget Year +2 2018/19 |  |
|  | Outcome             | Outcome         | Outcome         | Outcome         | Outcome          | Outcome        | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget                               | Adjusted Budget        | Adjusted Budget        |  |
| <b>R thousands</b>                                 |                     |                 |                 |                 |                  |                |                 |                 |                 |                 |                 |                 |   |                        |                        |  |
| <b>Cash Receipts By Source</b>                     |                     |                 |                 |                 |                  |                |                 |                 |                 |                 |                 |                 |   |                        |                        |  |
| Service charges - water revenue                    |                     | 13,453          | 3,060           | 4,468           | 5,128            | 5,869          | 5,095           | 5,095           | 5,095           | 5,095           | 5,095           | 19,099          | 76,549  | 126,823                | 132,557                |  |
| Service charges - sanitation revenue               |                     | 2,587           | 1,502           | 1,804           | 1,345            | 1,096          | 1,200           | 1,200           | 1,200           | 1,200           | 1,200           | 1,200           | 15,534  | 16,466                 | 17,453                 |  |
| Service charges - refuse                           |                     |                 |                 |                 |                  |                |                 |                 |                 |                 |                 |                 |   |                        |                        |  |
| Service charges - other                            |                     |                 |                 |                 |                  |                |                 |                 |                 |                 |                 |                 |   |                        |                        |  |
| Rental of facilities and equipment                 |                     |                 |                 |                 |                  |                |                 |                 |                 |                 |                 |                 |   |                        |                        |  |
| Interest earned - external investments             |                     | 73              | 3,629           |                 |                  | 508            | 894             | 894             | 894             | 894             | 894             | 894             | 9,571   | 11,311                 | 11,990                 |  |
| Transfer receipts - operational                    | 138,487             | 2,252           |                 |                 |                  | 113,416        |                 |                 | 84,553          |                 |                 |                 | 338,708                                       | 363,636                | 394,058                |  |
| Other revenue                                      | 264                 | 129             | 412             | 22              | 159              | 665            | 226             | 226             | 226             | 226             | 226             | 613             | 3,395   | 3,599                  | 3,815                  |  |
| <b>Cash Receipts by Source</b>                     | <b>138,751</b>      | <b>18,493</b>   | <b>8,603</b>    | <b>6,294</b>    | <b>6,632</b>     | <b>121,554</b> | <b>7,414</b>    | <b>7,414</b>    | <b>91,967</b>   | <b>7,414</b>    | <b>7,414</b>    | <b>21,805</b>   | <b>443,757</b>                                | <b>521,835</b>         | <b>559,873</b>         |  |
| <b>Other Cash Flows by Source</b>                  |                     |                 |                 |                 |                  |                |                 |                 |                 |                 |                 |                 |   |                        |                        |  |
| Transfers receipts - capital                       | 51,059              |                 |                 |                 |                  | 113,382        | 80,000          |                 | 98,250          |                 |                 | 1               | 342,692                                       | 347,398                | 299,651                |  |
| Contributions & Contributed assets                 |                     |                 |                 |                 |                  |                |                 |                 |                 |                 |                 |                 |   |                        |                        |  |
| Proceeds on disposal of PPE                        |                     |                 |                 |                 |                  |                |                 |                 |                 |                 |                 |                 |   |                        |                        |  |
| Short term loans                                   |                     |                 |                 |                 |                  |                |                 |                 |                 |                 |                 |                 |   |                        |                        |  |
| Borrowing long term/refinancing                    |                     |                 |                 |                 |                  |                |                 |                 |                 |                 |                 |                 |   |                        |                        |  |
| Increase (decrease) in consumer deposits           |                     |                 |                 |                 |                  |                | 400             | 120             | 63              | 63              | 63              | 70              | 780   | 827                    | 876                    |  |
| Decrease (increase) in non-current debtors         |                     |                 |                 |                 |                  |                |                 |                 |                 |                 |                 |                 |   |                        |                        |  |
| Decrease (increase) other non-current receivables  |                     |                 |                 |                 |                  |                |                 |                 |                 |                 |                 |                 |   |                        |                        |  |
| Decrease (increase) in non-current investments     |                     |                 |                 |                 |                  |                |                 |                 |                 |                 |                 |                 |   |                        |                        |  |
| <b>Total Cash Receipts by Source</b>               | <b>189,810</b>      | <b>18,493</b>   | <b>8,603</b>    | <b>6,294</b>    | <b>6,632</b>     | <b>234,936</b> | <b>87,814</b>   | <b>7,534</b>    | <b>190,281</b>  | <b>7,478</b>    | <b>7,478</b>    | <b>21,876</b>   | <b>787,229</b>                                | <b>870,060</b>         | <b>860,400</b>         |  |
| <b>Cash Payments by Type</b>                       |                     |                 |                 |                 |                  |                |                 |                 |                 |                 |                 |                 |   |                        |                        |  |
| Employee related costs                             | -                   | 31,856          | 20,193          | 16,494          | 37,650           | 16,279         | 17,501          | 17,501          | 17,501          | 17,501          | 17,501          | 17,501          | 227,481                                       | 226,547                | 240,139                |  |
| Remuneration of councillors                        | -                   | 610             | 610             | 446             | 462              | 591            | 639             | 639             | 639             | 639             | 639             | 639             | 6,552   | 6,945                  | 7,361                  |  |
| Finance charges                                    |                     |                 |                 |                 |                  |                |                 |                 |                 |                 |                 |                 |   |                        |                        |  |
| Bulk purchases - Electricity                       |                     |                 |                 |                 |                  |                |                 |                 |                 |                 |                 |                 |   |                        |                        |  |
| Bulk purchases - Water & Sewer                     |                     |                 |                 |                 | 1,712            |                |                 |                 |                 |                 |                 |                 | 1,712   | 6,255                  | 6,630                  |  |
| Other materials                                    |                     | 5,622           | 1,599           | 3,027           | 3,213            | 217            | 6,216           | 6,216           | 6,216           | 6,216           | 6,216           | 6,216           | 50,974  | 54,032                 | 57,274                 |  |
| Contracted services                                |                     | 5,942           | 4,282           | 1,859           | 4,234            | 8,458          | 4,753           | 4,753           | 4,753           | 4,753           | 4,753           | 4,753           | 53,295  | 34,481                 | 36,550                 |  |
| Transfers and grants - other municipalities        |                     |                 |                 |                 |                  |                |                 |                 |                 |                 |                 |                 |   |                        |                        |  |
| Transfers and grants - other                       |                     | 5,148           | 6,638           | 6,450           | 7,393            |                | 4,272           | 4,272           | 4,272           | 4,272           | 4,272           | 3,014           | 50,001  | 15,174                 | 16,277                 |  |
| Other expenditure                                  | 1,281               | 16,115          | 13,943          | 8,290           | 14,788           | 8,020          | 6,494           | 6,494           | 6,494           | 6,494           | 6,494           | 6,171           | 101,077                                       | 93,274                 | 98,678                 |  |
| <b>Cash Payments by Type</b>                       | <b>1,281</b>        | <b>65,293</b>   | <b>47,265</b>   | <b>36,566</b>   | <b>69,453</b>    | <b>33,565</b>  | <b>39,875</b>   | <b>39,875</b>   | <b>39,875</b>   | <b>39,875</b>   | <b>39,875</b>   | <b>38,294</b>   | <b>491,090</b>                                | <b>436,708</b>         | <b>462,910</b>         |  |
| <b>Other Cash Flows/Payments by Type</b>           |                     |                 |                 |                 |                  |                |                 |                 |                 |                 |                 |                 |   |                        |                        |  |
| Capital assets                                     |                     | 27,040          | 16,934          | 34,706          | 38,023           | 4,755          | 37,298          | 37,298          | 37,298          | 37,298          | 37,298          | 37,298          | 345,244                                       | 347,398                | 299,651                |  |
| Repayment of borrowing                             |                     |                 |                 |                 |                  |                |                 |                 |                 |                 |                 |                 |   |                        |                        |  |
| Other Cash Flows/Payments                          |                     |                 |                 |                 |                  |                |                 |                 |                 |                 |                 |                 |   |                        |                        |  |
| <b>Total Cash Payments by Type</b>                 | <b>1,281</b>        | <b>92,333</b>   | <b>64,199</b>   | <b>71,272</b>   | <b>107,476</b>   | <b>38,320</b>  | <b>77,172</b>   | <b>77,172</b>   | <b>77,172</b>   | <b>77,172</b>   | <b>77,172</b>   | <b>75,592</b>   | <b>836,334</b>                                | <b>784,106</b>         | <b>762,561</b>         |  |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>        | <b>188,529</b>      | <b>(73,840)</b> | <b>(55,596)</b> | <b>(64,978)</b> | <b>(100,844)</b> | <b>196,617</b> | <b>10,642</b>   | <b>(69,638)</b> | <b>113,108</b>  | <b>(69,695)</b> | <b>(69,695)</b> | <b>(53,716)</b> | <b>(49,106)</b>                               | <b>85,954</b>          | <b>97,839</b>          |  |
| Cash/cash equivalents at the month/year beginning: | 36,715              | 225,244         | 151,405         | 95,808          | 30,830           | (70,014)       | 126,603         | 137,245         | 67,607          | 180,715         | 111,020         | 41,325          | 36,715  | (12,391)               | 73,563                 |  |
| Cash/cash equivalents at the month/year end:       | 225,244             | 151,405         | 95,808          | 30,830          | (70,014)         | 126,603        | 137,245         | 67,607          | 180,715         | 111,020         | 41,325          | (12,391)        | (12,391)                                      | 73,563                 | 171,402                |  |

**Supporting Table SB16 Adjustments Budget - monthly capital expenditure (municipal vote)**

| Description - Municipal Vote                     | Budget Year 2016/17 |         |         |         |          |          |                 |                 |                 |                 |                 |                 | Medium Term Revenue and Expenditure Framework |                        |                        |
|--|---------------------|---------|---------|---------|----------|----------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---|------------------------|------------------------|
|  | July                | August  | Sept.   | October | November | December | January         | February        | March           | April           | May             | June            | Budget Year 2016/17                           | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
|  | Outcome             | Outcome | Outcome | Outcome | Outcome  | Outcome  | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget                               | Adjusted Budget        | Adjusted Budget        |
| <b>R thousands</b>                               |                     |         |         |         |          |          |                 |                 |                 |                 |                 |                 |   |                        |                        |
| <b>Single-year expenditure appropriation</b>     |                     |         |         |         |          |          |                 |                 |                 |                 |                 |                 |   |                        |                        |
| Vote 1 - MUNICIPAL MANAGER                       |                     |         |         | -       |          | 60       | 38              | 38              | 488             | 38              | 38              | 38              | 740   | -                      | -                      |
| Vote 2 - CORPORATE SERVICES                      |                     |         | 7       | 176     |          | 558      | 96              | 96              | 96              | 96              | 96              | 96              | 1,315   | -                      | -                      |
| Vote 3 - BUDGET AND TREASURY                     |                     |         |         |         |          | 225      |                 |                 |                 |                 |                 |                 | 225   | -                      | -                      |
| Vote 4 - SOCIAL SERVICES                         |                     |         |         | 9       |          | 13       | 13              | 13              | 13              | 13              | 13              | 13              | 100   | -                      | -                      |
| Vote 5 - WSA AND HEALTH SERVICES                 |                     |         |         |         |          | 460      |                 |                 |                 |                 |                 |                 | 460   | -                      | -                      |
| Vote 6 - TECHNICAL SERVICES                      |                     | 27,040  | 16,934  | 34,706  | 3,708    | 38,023   | 37,056          | 37,056          | 37,056          | 37,056          | 37,056          | 37,056          | 342,744                                       | 347,398                | 299,651                |
| Vote 7 - WATER AND SANITATION SERVICES           |                     |         |         |         |          | 18       | 18              | 18              | 18              | 18              | 18              | 18              | 110   | -                      | -                      |
| <b>Capital single-year expenditure sub-total</b> | -                   | 27,040  | 16,941  | 34,891  | 3,708    | 38,878   | 37,681          | 37,221          | 37,671          | 37,221          | 37,221          | 37,221          | 345,694                                       | 347,398                | 299,651                |
| <b>Total Capital Expenditure</b>                 | -                   | 27,040  | 16,941  | 34,891  | 3,708    | 38,878   | 37,681          | 37,221          | 37,671          | 37,221          | 37,221          | 37,221          | 345,694                                       | 347,398                | 299,651                |

Supporting Table SB17 Adjustments Budget - monthly capital expenditure (standard classification) –

| Description                                 | Budget Year 2016/17 |         |         |         |          |          |                 |                 |                 |                 |                 |                 | Medium Term Revenue and Expenditure Framework |                        |                        |
|---|---------------------|---------|---------|---------|----------|----------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---|------------------------|------------------------|
|   | July                | August  | Sept.   | October | November | December | January         | February        | March           | April           | May             | June            | Budget Year 2016/17                           | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
|   | Outcome             | Outcome | Outcome | Outcome | Outcome  | Outcome  | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget | Adjusted Budget                               | Adjusted Budget        | Adjusted Budget        |
| <b>R thousands</b>                          |                     |         |         |         |          |          |                 |                 |                 |                 |                 |                 |   |                        |                        |
| <b>Capital Expenditure - Standard</b>       |                     |         |         |         |          |          |                 |                 |                 |                 |                 |                 |   |                        |                        |
| <b>Governance and administration</b>        | -                   | -       | 7       | 176     | -        | 843      | 134             | 134             | 584             | 134             | 134             | 134             | 2,280   | -                      | -                      |
| Executive and council                       |                     |         |         | -       |          | 60       | 38              | 38              | 488             | 38              | 38              | 38              | 740   | -                      | -                      |
| Budget and treasury office                  |                     |         |         | -       |          | 225      |                 |                 |                 |                 |                 | 0               | 225   | -                      | -                      |
| Corporate services                          |                     | -       | 7       | 176     |          | 558      | 96              | 96              | 96              | 96              | 96              | 96              | 1,315   | -                      | -                      |
| <b>Community and public safety</b>          | -                   | -       | -       | 9       | -        | 13       | 473             | 13              | 13              | 13              | 13              | 13              | 560   | -                      | -                      |
| Community and social services               |                     |         |         | 9       |          | 13       | 13              | 13              | 13              | 13              | 13              | 13              | 100   | -                      | -                      |
| Sport and recreation                        |                     |         |         |         |          |          |                 |                 |                 |                 |                 |                 | -   | -                      | -                      |
| Public safety                               |                     |         |         |         |          |          |                 |                 |                 |                 |                 |                 | -   | -                      | -                      |
| Housing                                     |                     |         |         |         |          |          |                 |                 |                 |                 |                 |                 | -   | -                      | -                      |
| Health                                      |                     |         |         |         |          |          | 460             |                 |                 |                 |                 |                 | 460   | -                      | -                      |
| <b>Economic and environmental services</b>  | -                   | -       | -       | -       | -        | -        | -               | -               | -               | -               | -               | -               | -   | -                      | -                      |
| Planning and development                    |                     |         |         |         |          |          |                 |                 |                 |                 |                 |                 | -   | -                      | -                      |
| Road transport                              |                     |         |         |         |          |          |                 |                 |                 |                 |                 |                 | -   | -                      | -                      |
| Environmental protection                    |                     |         |         |         |          |          |                 |                 |                 |                 |                 |                 | -   | -                      | -                      |
| <b>Trading services</b>                     | -                   | 27,040  | 16,934  | 34,706  | 3,708    | 38,023   | 36,678          | 36,678          | 36,678          | 36,678          | 36,678          | 36,678          | 340,476                                       | 344,867                | 296,979                |
| Electricity                                 |                     |         |         |         |          |          |                 |                 |                 |                 |                 |                 | -   | -                      | -                      |
| Water                                       |                     | 27,040  | 16,934  | 34,706  | 3,708    | 38,023   | 36,678          | 36,678          | 36,678          | 36,678          | 36,678          | 36,678          | 340,476                                       | 344,867                | 296,979                |
| Waste water management                      |                     |         |         |         |          |          |                 |                 |                 |                 |                 |                 | -   | -                      | -                      |
| Waste management                            |                     |         |         |         |          |          |                 |                 |                 |                 |                 |                 | -   | -                      | -                      |
| <b>Other</b>                                |                     |         |         |         |          |          | 396             | 396             | 396             | 396             | 396             | 396             | 2,378   | 2,531                  | 2,672                  |
| <b>Total Capital Expenditure - Standard</b> | -                   | 27,040  | 16,941  | 34,891  | 3,708    | 38,878   | 37,681          | 37,221          | 37,671          | 37,221          | 37,221          | 37,221          | 345,694                                       | 347,398                | 299,651                |

**2.6 Municipal Manager’s quality certificate**



I **Sifiso Nicholas Kunene** Municipal Manager of UThukela District Municipality, hereby certify that the adjustments budget and supporting documentation have been prepared in accordance with S72 of the Municipal Finance Management Act and the regulations made under this Act.

**Print Name**                    **MR SN KUNENE**  
**Municipal Manager**

**Signature**                    \_\_\_\_\_

**Date**                            **20 February 2017**



**Print Name**

**MR SN KUNENE**  
Municipal Manager

**Signature**

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right, written over a horizontal line.

**Date**

20 February 2017