OUDTSHOORN MUNICIPALITY

Medium Term Revenue & Expenditure Framework (MTREF) 3rd Adjustments Budget 2017/2018 and Outer 2 Years



27 February 2017: 3rd Adjustment Budget 2017/2018

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PART 1 – ADJUSTMENTS BUDGET

Section 1 – Mayoral Report

1.1 Foreword

Section 23 of the Municipal Budget Regulations (MBRR) –Timeframes for tabling of adjustments budget stipulates as follows:

"23.(1) An adjustments budget referred to in section 28(2)(b), (d), (e) and (f) of the Act may be tabled in the municipal council at any time after the mid-year budget and performance assessment has been tabled in council, but not later than 28 February in the current financial year."

The adjusted budget tabled in council here today was compiled after consideration of various factors that influenced service delivery and the financial operations of the municipality over the first half of the financial year. This includes a technical review and analysis of year-to-date financial performance as alluded to in the mid-year performance report.

The budget is adjusted to ensure that service delivery as well as financial targets for revenue and expenditure will be met for the 2017/2018 financial year and the MTREF.

1.2 Background/Discussion

The Mayor was presented with the Mid-year performance report in accordance with the stipulations of Section 72 of the MFMA, the report recommended that an adjustments budget be prepared and submitted to Council for consideration before the end of February 2017. The mid-year report highlighted the fact that both certain revenue and expenditure targets needed to be adjusted upward or downwards to ensure the credibility of the budget and ensure that financial targets for the 2017/2018 financial year will be met.

1.3 Legal requirements

In order to submit a report to Council to consider possible adjustments to the MTREF, the stipulations of Section 28 of the MFMA as well as Section 23(3) of the MBRR needs to be highlighted:

The compilation of an adjustments budget regulated in accordance with in Sections 28 and 72(3) (b) of the Municipal Finance Management Act and the Municipal Budget and Reporting regulations. (MBRR)

Section 28 of the MFMA – Municipal adjustments budgets;

"28 (1) A municipality may revise an approved annual budget through an adjustments budget.

(2) An adjustments budget—

(a) must adjust the revenue and expenditure estimates downwards if there is material under collection of revenue during the current year;

(b) may appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for;

(c) may, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;

(d) may authorise the utilisation of projected savings in one vote towards spending under another vote;

(e) may authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the council;

(f) may correct any errors in the annual budget; and

(g) may provide for any other expenditure within a prescribed framework.

(3) An adjustments budget must be in a prescribed form.

(4) Only the mayor may table an adjustments budget in the municipal council, but an adjustments budget in terms of subsection (2)(b) to (g) may only be tabled within any prescribed limitations as to timing or frequency.

(5) When an adjustments budget is tabled, it must be accompanied by—

(a) an explanation how the adjustments budget affects the annual budget;

(b) a motivation of any material changes to the annual budget;

(c) an explanation of the impact of any increased spending on the annual budget and the annual budgets for the next two financial years; and

(d) any other supporting documentation that may be prescribed.

(6) Municipal tax and tariffs may not be increased during a financial year except when required in terms of a financial recovery plan.

(7) Sections 22(b), 23(3) and 24(3) apply in respect of an adjustments budget, and in such application a reference in those sections to an annual budget must be read as a reference to an adjustments budget.

Section 72(3) for the Mid-year budget and performance assessment determines as follows;

"72 (3) The accounting officer must, as part of the review—

(a) make recommendations as to whether an adjustments budget is necessary; and

(b) recommend revised projections for revenue and expenditure to the extent that this may be necessary.

Section 2 – Resolutions

Oudtshoorn Municipality Adjustments MTREF 2017/2018

Recommendation by the Mayor

(a) That the 3rd Annual Adjustments Budget of Oudtshoorn Municipality for the Financial year 2017/2018, as set-out in the schedules contained in Section 4, be approved as contained in the following prescribed budget tables;

(i.) Table B1: Adjustments budget summary

(ii.) Table B2: Adjustments Budget Financial Performance (expenditure by standard classification)

(iii.) Table B3: Adjustments Budget Financial Performance (expenditure by municipal vote)

(iv.) Table B4: Adjustments Budget Financial Performance (revenue by source)

(v.) Table B5 to B10 as well as supporting tables SB1 to SB19

(b) That adjustments permitted in terms of Section 28(2)(a) and (d) of the Municipal Finance Management Act and reflected in the tables referred to in resolution (a) above be approved.

(c) That the revision to the capital program contained in Table 3.5.1 (b) to the report and attached as Annexure "E" be approved.

(d) That the Service Delivery and Budget Implementation Plan be adjusted in accordance with the revised revenue, expenditure and capital program targets.

Section 3 – Executive Summary

3.1 Background

A municipality may incur expenditure only in terms of an approved budget and within the limits of the amounts appropriated for the different votes of an approved budget.

3.2 Framework for Adjustments Budget

a) The adjustments budget compiled within the above legal provisions, which clearly prescribe the process to be followed for the compilation of an adjustment s budget. Specific attention was given to part 4 of the municipal budget and reporting regulations.

b) The compilation of an adjustments budget must not be confused with shifting of funds in terms of the provisions of the virement Policy; however, any virement made would be included in the changes within the adjustments budget.

c) All Heads of Departments are accountable and responsible for their own budgets. They were requested to work through their actual expenditure and compare it within the budgeted figures as well as the year-to-date results and indicate where adjustments may be necessary to expedite programs and ensure that service delivery targets are met.

3.3 Effect of the adjustments budget

The effect of the adjustments budget, especially in terms of the impact on the IDP and the addressing of community priorities will be reflected in the revised IDP and will be taken up in the IDP for the remainder of the current IDP 5 year cycle, it will form part of the medium term strategy of the municipality.

3.4 Long term financial sustainability

The adjustment to revenue sources as well as certain expenditure items will not only aid in the financial recovery process of the municipality, but will also address much needed service delivery needs. Additional revenue will fund much needed service delivery requirements and expenditure items are revised to ensure that adequate funding is available for service delivery.

3.5 – Reasons for the adjustments budget

The adjustments budget consists of a capital and operating budget, which is included in this report. The budget was compiled within the provisions of the current legal framework applicable to municipalities as set out above. The section hereunder includes a narrative in respect of all proposed adjustments and reference to the budget tables where relevant.

3.5.1 Capital Budget

A comparison between the funding sources applicable to the originally approved and revised capital budget is set out in the table below.

Funding Source	Original Budget	1st Adjustments Budget	2nd Adjustments Budget	3rd Adjustments Budget
EEDSM	2 631 579.00	2 631 579.00	2 631 579.00	2 631 579.00
INEP	-	-	2 631 579.00	2 631 579.00
MIG	18 483 333.85	18 483 333.85	18 659 649.00	18 716 666.29
FMSG	-	275 000.00	241 228.07	328 948.00
Libraries Services Conditional Grant	-	-	43 859.65	79 824.56
Fire Service Capacity Building Grant	-	-	1 052 632.00	1 052 632.00
Transfer from Operational Revenue	7 349 000.00	7 349 000.00	7 349 000.00	10 278 000.00
Water Services operating grant	8 771 930.00	8 771 930.00	8 771 930.00	8 771 930.00
Cango Caves Infrastructure Grant			1 315 789.47	1 315 789.47
Municipal Drought Support Grant		-	841 593.00	841 593.00
	37 235 843	37 510 843	43 538 839	46 648 541
National Government	29 886 842.85		32 694 737.00	32 751 754.29
Provincial Government	-	275 000.00	3 495 102.19	3 618 787.03
Internally generated funds	7 349 000.00		7 349 000.00	10 278 000.00
	37 235 843	275 000	43 538 839	46 648 541

Capital expenditure is mainly funded from grants receipts. Own funded capital projects consist of small capital items required in operations, building refurbishment, electrical network refurbishment and upgrade of the Cango caves buildings.

The total amount funded through own revenue increases to the amount of R10,278 Million

The main factors contributing to the adjustment of the capital budget are as follows:

- Reduction in the budget in respect of the upgrading of the waste disposal site
- Increase in the budget for the rehabilitation of streets and storm water
- Correction of the amount in respect of the upgrading of storm water system Deyselsdorp
- Increase in the budget for the paving of streets
- Increase in the bulk water supply budgeted amount
- Increase in the projected project cost of High mast lights provision.
- Reduction in the budget for the 11KV upgrade
- Additional allocation from own funds towards upgrading of Cango Caves ablution facility.
- Additional funding made available for the upgrade of computer systems from own funding.

The table below reflects all capital projects for the 2017/2018 financial year as revised in this third adjustments budget

Table 3.5.1 (b) Revised Detailed Capital Program

DESCRIPTION	FUNDING SOURCE	B5 MUNICIPAL DEPARTMENT	REVISED BUDGET NO. 2 2017/2018	ADJUSTMENTS	REVISED BUDGET NO. 3 2017/2018	REVISED BUDGET YEAR +1 2018/2019	REVISED BUDGET YEAR +2 2019/2030
CANGO CAVES INFRASTUCTUCE GRANT	Cango Caves Infrastructure Grant	2,3 - Cango Caves	1 315 789.47		1 315 789.47		
DYSSELSDORP BULK INFRASTRUCTURE	EEDSM	6,2 - Electro-Technical Services	2 631 579.00		2 631 579.00	7 894 737.00	11 403 509.00
FIRE TRUCK	Fire Service Capacity Building Grant	5,2 - Protection Services	1 052 632.00		1 052 632.00	-	-
FURNITURE AND SMALL EQUIPMENT	FMSG	5,3 - Parks & Recreation	-	70 175.44	70 175.44	-	-
UPGRADING BRIDGTON CHALETS	FMSG	5,3 - Parks & Recreation		144 736.84	144 736.84		
FENCING OF BRIDGTON RESORT	FMSG	5,3 - Parks & Recreation		35 087.72	35 087.72		
SWIMMING POOL WEISER	FMSG	5,3 - Parks & Recreation	70 176.07		70 176.07	-	-
REPLACEMENTS OF BEDS	FMSG	5,3 - Parks & Recreation	70 175.00	(70 175.00)	-	-	-
FURNITURE AND SMALL EQUIPMENT	FMSG	5,3 - Parks & Recreation	100 877.00	(92 105.07)	8 771.93	-	-
ROSEVALLEY PHASE 2- ELECTRICAL CONNECTIONS	INEP	6,2 - Electro-Technical Services	842 105.28		842 105.28	-	-
ROSEVALLEY PHASE 2- ELECTRICAL CONNECTIONS	INEP	6,2 - Electro-Technical Services	1 526 315.82		1 526 315.82	-	-
ROSEVALLEY PHASE 2- ELECTRICAL CONNECTIONS	INEP	6,2 - Electro-Technical Services	263 157.90		263 157.90	-	-
USB MODULE & PS	Libraries Services Conditional Grant	5,4 - Library Services	9 016.67		9 016.67		
EM SENSITISER/DISENSITISER	Libraries Services Conditional Grant	5,4 - Library Services	7 650.00		7 650.00		
VACUUM CLEANER	Libraries Services Conditional Grant	5,4 - Library Services	3 157.89		3 157.89		
LED TV	Libraries Services Conditional Grant	5,4 - Library Services	16 140.35		16 140.35		
BAR FRIDGES	Libraries Services Conditional Grant	5,4 - Library Services	7 894.74		7 894.74		
OFFICE FURNITURE EQUIPMENT	Libraries Services Conditional Grant	5,4 - Library Services		35 964.91	35 964.91		
LAPTOP/COMPUTER AND SOFTWARE	MIG	6,4 - Civil Engineering Services	96 492.00	35 086.95	131 578.95		
OFFICE FURNITURE EQUIPMENT	MIG	6,4 - Civil Engineering Services	78 947.00		78 947.00		
CAMERAS	MIG	6,4 - Civil Engineering Services	8 772.00	8 771.86	17 543.86		
UPGRADING : N A SMIT SWIMMING POOL	MIG	5,3 - Parks & Recreation	-		-	640 000.00	-
DYSSELSDORP SPORTSFIELD PHASE2	MIG	5,3 - Parks & Recreation	969 827.00	(92 634.02)	877 192.98	-	-
OLD NEW WASTE DISPOSAL SITE-SOLID WASTE	MIG	5,5 - Cleansing Services	3 407 369.00	- 2 091 579.53	1 315 789.47	2 661 140.25	-
ROADS STREETS (MIG)	MIG	6,4 - Civil Engineering Services	2 879 529.00	- 861 951.88	2 017 577.12	1 596 238.60	1 333 087.45
AIRCONDITIONERS	MIG	6,4 - Civil Engineering Services	-	13 157.89	13 157.89	-	-
REHAB STREETS STORMWATER-MIG	MIG	6,4 - Civil Engineering Services	-	1 878 592.98	1 878 592.98	3 069 945.96	-
UPGRADING OF STORMWATER SYSTEM-DE RUST	MIG	6,4 - Civil Engineering Services	-		-	877 192.98	626 437.78
UPGRADING OF STORMWATER SYSTEM-DYSSELSDOR	MIG	6,4 - Civil Engineering Services	-	438 596.49	438 596.49	877 192.98	1 881 685.26
UPGRADING OF STORMWATER SYSTEMS	MIG	6,4 - Civil Engineering Services	1 315 789.00	- 877 192.51	438 596.49	877 192.98	701 395.68
PAVING OF STREETS	MIG	6,4 - Civil Engineering Services	2 885 380.00	1 061 988.42	3 947 368.42	-	-
UPGRADING WASTE WATER TREATMENT WORKS-MI	MIG	6,5 - Rural Water	2 894 737.00	- 1 578 947.53	1 315 789.47	4 824 561.40	5 470 995.39
NEW SANITATION MAIN OUTFLOW	MIG	6,5 - Rural Water	-		-	-	1 228 075.00
NEW 1200 VIP TOILETS	MIG	6,5 - Rural Water	-		-	-	2 091 579.00
BULK WATER SUPPLY	MIG	6,4 - Civil Engineering Services	438 596.00	877 193.47	1 315 789.47	-	4 090 129.00
NEW HIGHMAST LIGHT	MIG	6,2 - Electro-Technical Services	3 684 211.00	1 245 934.68	4 930 145.68	1 315 789.00	468 853.00

DESCRIPTION	FUNDING SOURCE	B5 MUNICIPAL DEPARTMENT	REVISED BUDGET NO. 2 2017/2018	ADJUSTMENTS	REVISED BUDGET NO. 3 2017/2018	REVISED BUDGET YEAR +1 2018/2019	REVISED BUDGET YEAR +2 2019/2030
DE RUST/DYSSELSDORP DROUGHT RELIEF BOREHOLES	Municipal Drought Support Grant	6,4 - Civil Engineering Services	841 593.00		841 593.00	-	-
METER READING HANDHELD DEVICES	Transfer from Operational Revenue	4,2 - Income	400 000.00	(50 000.00)	350 000.00	-	-
UPGRADING OF INCOME OFFICES	Transfer from Operational Revenue	4,2 - Income		30 000.00	30 000.00		
SECURITY FENCING - STORES	Transfer from Operational Revenue	4,6 - Supply Chain Management		30 000.00	30 000.00		
OFFICE FURNITURE EQUIPMENT	Transfer from Operational Revenue	4,4 - Information Technology	-	70 000.00	70 000.00	-	-
OFFICE FURNITURE EQUIPMENT	Transfer from Operational Revenue	3,4 - Human Resources		120 000.00	120 000.00		
COMPUTER AND SOFTWARE	Transfer from Operational Revenue	4,4 - Information Technology	1 500 000.00	700 000.00	2 200 000.00	1 500 000.00	1 650 000.00
COMPUTER AND SOFTWARE	Transfer from Operational Revenue	4,4 - Information Technology	-	325 000.00	325 000.00	-	-
COMPUTER AND SOFTWARE	Transfer from Operational Revenue	6,4 - Civil Engineering Services		24 000.00	24 000.00		
UPGRADING OF BUILDING	Transfer from Operational Revenue	6,4 - Civil Engineering Services		100 000.00	100 000.00		
LAWNMOVERS/WEED-EATERS	Transfer from Operational Revenue	6,4 - Civil Engineering Services		50 000.00	50 000.00		
UPGRADING CHURCHSTREET SWIMMING POOL	Transfer from Operational Revenue	5,3 - Parks & Recreation	80 000.00	(5 000.00)	75 000.00	-	-
WATER PUMP	Transfer from Operational Revenue	5,3 - Parks & Recreation		20 000.00	20 000.00		
OFFICE FURNITURE EQUIPMENT	Transfer from Operational Revenue	5,8 - Council Buildings & Halls	350 000.00		350 000.00	-	-
FIRE TRUCK	Transfer from Operational Revenue	5,2 - Protection Services	300 000.00		300 000.00	-	-
UPGRADING TESTING CENTRE	Transfer from Operational Revenue	5,2 - Protection Services	50 000.00		50 000.00	-	-
UPGRADING OF BUILDING - ANIMAL POUND	Transfer from Operational Revenue	5,2 - Protection Services		400 000.00	400 000.00		
UPGRADING OF BUILDING - ANIMAL POUND	Transfer from Operational Revenue	5,2 - Protection Services		400 000.00	400 000.00		
INDUSTRIAL LAWNMOWER	Transfer from Operational Revenue	5,3 - Parks & Recreation	120 000.00		120 000.00	-	-
UPGRADING OF CHURCHSTREET BRIDGE	Transfer from Operational Revenue	6,4 - Civil Engineering Services		182 000.00	182 000.00		
GENERATOR	Transfer from Operational Revenue	6,5 - Rural Water		12 000.00	12 000.00		
BLOSSOMS PIPELINE	RBIG	6,4 - Civil Engineering Services	-		-	17 543 860.00	35 087 719.00
REPLACEMENT OF ASBESTOS PIPES	Transfer from Operational Revenue	6,4 - Civil Engineering Services	-		-	2 631 579.00	2 490 219.00
WATER ELECTRICAL EQUIPMENT	Transfer from Operational Revenue	6,4 - Civil Engineering Services	300 000.00		300 000.00	-	-
EQUIPMENT	Transfer from Operational Revenue	6,2 - Electro-Technical Services	991 000.00		991 000.00	1 050 460.00	-
ROSEVALLEY BULK INFRASTRUCTURE	Transfer from Operational Revenue	6,2 - Electro-Technical Services	-	500 000.00	500 000.00	-	-
SUBSTATION SWITCH GEAR WARD 2	Transfer from Operational Revenue	6,2 - Electro-Technical Services	-		-	200 000.00	1 000 000.00
UPGRADING 11 KV	Transfer from Operational Revenue	6,2 - Electro-Technical Services	1 908 000.00	- 1 908 000.00	-	2 022 480.00	3 000 000.00
FENCING BRIDGTON SUBSTATION	Transfer from Operational Revenue	6,2 - Electro-Technical Services		150 000.00	150 000.00		
OUDTSHOORN TOWN 11KV CAPASITY UPGRADE	Transfer from Operational Revenue	6,2 - Electro-Technical Services	1 300 000.00		1 300 000.00	-	-
OFFICE FURNITURE EQUIPMENT	Transfer from Operational Revenue	6,2 - Electro-Technical Services		60 000.00	60 000.00		
TOOLS	Transfer from Operational Revenue	6,2 - Electro-Technical Services		100 000.00	100 000.00		
COMPUTERS SOFTWARE	Transfer from Operational Revenue	2,3 - Cango Caves	-	100 000.00	100 000.00	-	-
UPGRADING CAVES BUILDINGS	Transfer from Operational Revenue	2,3 - Cango Caves	-	1 400 000.00	1 400 000.00	-	-
TELEMETRY SYSTEM	Transfer from Operational Revenue	2,3 - Cango Caves	50 000.00		50 000.00	-	-
DRUKSPUIT	Transfer from Operational Revenue	2,3 - Cango Caves		9 000.00	9 000.00		
FLITSE	Transfer from Operational Revenue	2,3 - Cango Caves		25 000.00	25 000.00		
ELECTRICAL EQUIPMENT	Transfer from Operational Revenue	2,3 - Cango Caves		50 000.00	50 000.00		
CAMERA	Transfer from Operational Revenue	5,7 - Human Settlement		15 000.00	15 000.00		
PROJECTOR	Transfer from Operational Revenue	5,7 - Human Settlement		20 000.00	20 000.00		
REFURBISHMENT OF PLANT EQUIPMENT	Water Services operating grant	6,4 - Civil Engineering Services	8 771 930.00		8 771 930.00	-	-
TOTAL			**43 538 839.19**	**3 109 702.13**	**46 648 541.32**	**49 582 370.15**	**72 523 684.56**

3.5.2 Operating budget

a. Operating revenue and expenditure summary

The following table indicates the effect of the adjustments budget on the operating revenue and expenditure budget for 2017/18:

Description	Original Budget 2017/2018	Prior Adjusted Budget	Mid-Year Adjustment Budget
Capital Budget	R 37 235 843	R 43 538 839	R 46 648 541
Operating Revenue	R 617 244 838	R 573 717 754	R 569 113 711
Operating Expenditure	R 663 069 000	R 617 500 342	R 607 029 602

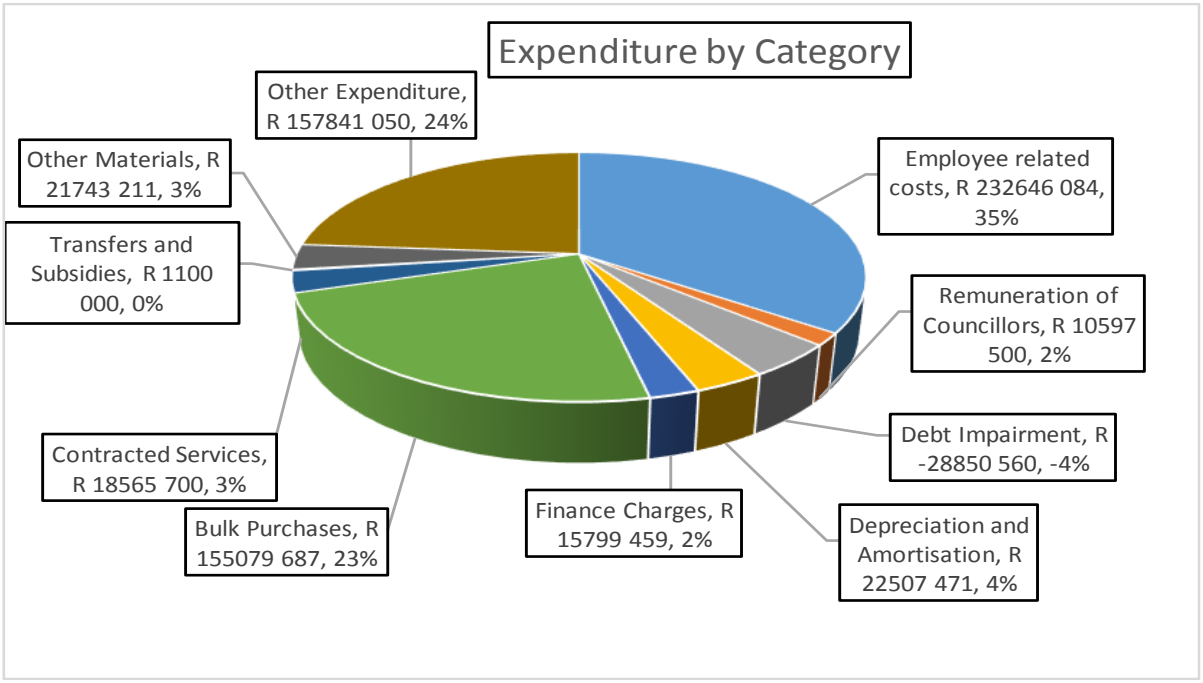
The 2017/2018 3rd Adjustments Budget (Total Revenue) amounts to R 610 576 127 which consists of operating revenue in the amount of R 569 113 711 and capital transfers in the amount of R 41 462 416. Budgeted operating expenditure amounts to R 607 029 602 million and capital expenditure amounts to R 46 648 541. Capital investment represents 6.83 % of the municipality's 2017/2018 3rd adjustments budget.

Total revenue has decreased by 0.72 % or R4.398 Million from the 2nd to the 3rd adjustments budget mainly as a result of the adjustments being done in respect of traffic revenue as a result of the non-issue of traffic fines during the course of the current financial year.

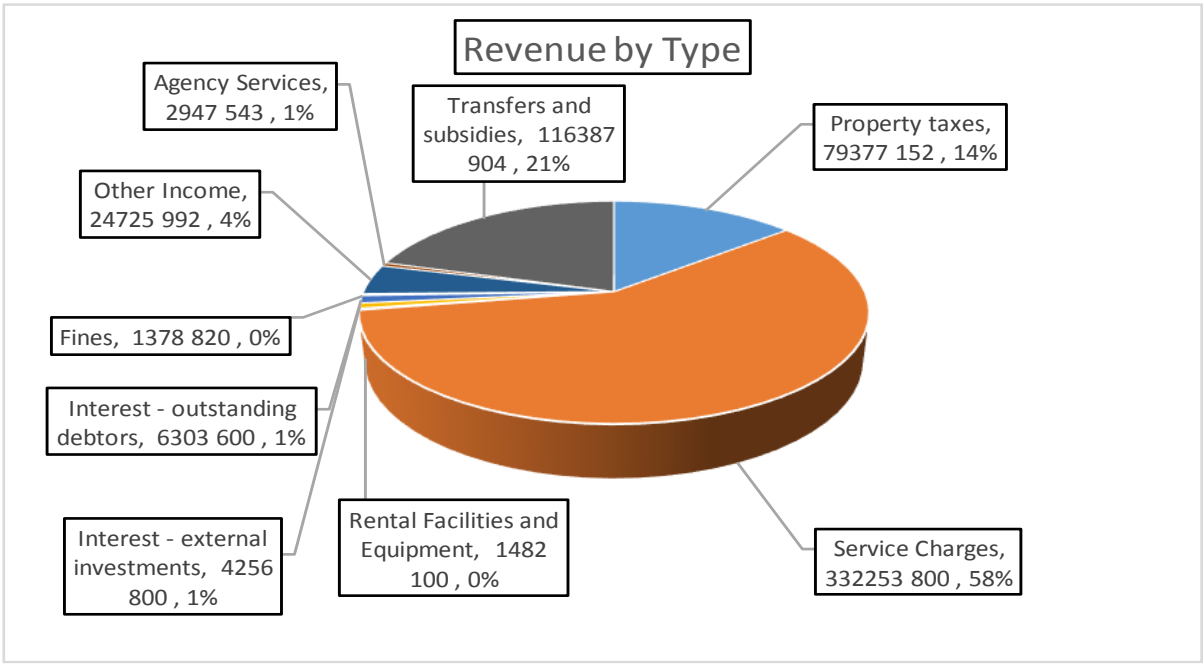
Total operating expenditure for the 2017/2018 3rd adjustments budget decreases with -1.70% or -R10 470 740.49 Million from the 2nd adjustment budget as a result of mainly the reduction of the following expenditure items:

- Employee related cost of R3 Million
- Depreciation of R2 Million
- Finance charges of R800,000
- Contributions and Subsidies paid R850,000
- Contribution to debt impairment R4.2 Million

The graph hereunder illustrates expenditure per the main categories of expenditure:



The graph hereunder illustrates revenue per the main sources:



The following table sets out the main adjustments made from the second to the third adjustments budget:

Expenditure				
Description	**2nd Adjustment Budget**	**3rd Adjustment Budget**	**Percentage**	**Reason**
Employee related costs	235 677 762.00	232 646 083.52	-1.29	A reduction as a result of current vacancy rate and subsequent savings on employee cost
Contracted Services	16 611 700.00	18 565 700.00	11.76	Additional funding allocated for asset register review and meter replacement in execution of the financial recovery plan
Transfers and subsidies	1 950 000.00	1 100 000.00	-43.59	A reduction in the allocation for animal pound operations, the amount was transferred to capital to construct the new animal pound facility
Debt Impairment	24 382 000.00	- 28 850 559.77	-218.33	Additional allocation for the write-off of prescribed debt that has been outstanding for many years dating back to 2006 coupled to correct accounting treatment and mSCOA requirements
Other Expenditure	111 497 793.00	157 841 049.77	41.56	Debt write-off accounting treatment and classification necessitates the shift in funding to other expenditure, should be read with above line i.r.o debt impairment
Income				
Interest on Investment	2 756 800.00	4 256 800.00	54.41	Additional investment income as a result of conditional grants that are cash backed and invested to ensure availability upon execution of projets
Interest Earned - outstanding debtors	6 603 600.00	6 303 600.00	-4.54	Reduction of interest on arrears as a result of prior year and current indigent write-off as well as improved payment rate
Service Charges	331 168 500.00	332 253 800.00	0.33	An under performance in electricity revenue and over-performance in sanitation revenue are the main contributing factors for the adjustments necessary to this category of revenue
Rates Revenue	77 769 100.00	79 377 152.46	2.07	Over performance of rates revenue as a result of the new valuation roll.
Fines, Penalties and Forfeits	11 725 857.00	1 378 820.00	-88.24	Decrease in traffic fines revenue as a result of the non-issue and collection of traffic fines

Section 4 – Adjustments budget tables

Table B1 Adjustments Budget Summary

WC045 Oudtshoorn - Table B1 Adjustments Budget Summary - 27 February 2018											
Description	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		1	2	3	4	5	6	7	8		
R thousands	A	A1	B	C	D	E	F	G	H		
Financial Performance											
Property rates	83 694	77 769	–	–	–	–	1 608	1 608	79 377	83 296	89 214
Service charges	361 771	331 169	–	–	–	–	1 085	1 085	332 254	358 102	381 198
Investment revenue	2 757	2 757	–	–	–	–	1 500	1 500	4 257	3 267	3 778
Transfers recognised - operational	108 062	114 634	–	–	–	–	1 754	1 754	116 388	97 132	82 022
Other own revenue	60 961	47 389	–	–	–	–	(10 551)	(10 551)	36 838	49 367	51 918
Total Revenue (excluding capital transfers and contributions)	**617 245**	**573 718**	**–**	**–**	**–**	**–**	**(4 604)**	**(4 604)**	**569 114**	**591 164**	**608 130**
Employee costs	214 344	235 678	–	–	–	–	(3 032)	(3 032)	232 646	245 897	262 778
Remuneration of councillors	10 591	10 598	–	–	–	–	–	–	10 598	11 339	12 133
Depreciation & asset impairment	24 491	24 491	–	–	–	–	(1 984)	(1 984)	22 507	26 950	29 645
Finance charges	6 929	16 351	–	–	–	–	(552)	(552)	15 799	15 487	15 104
Materials and bulk purchases	155 080	175 941	–	–	–	–	882	882	176 823	186 375	197 781
Transfers and grants	850	1 950	–	–	–	–	(850)	(850)	1 100	2 075	2 272
Other expenditure	250 784	152 491	–	–	–	–	(4 935)	(4 935)	147 556	143 650	131 161
Total Expenditure	**663 069**	**617 500**	**–**	**–**	**–**	**–**	**(10 471)**	**(10 471)**	**607 030**	**631 773**	**650 875**
Surplus/(Deficit)	(45 824)	(43 783)	–	–	–	–	5 867	5 867	(37 916)	(40 609)	(42 745)
Transfers recognised - capital	35 062	41 256	–	–	–	–	206	206	41 462	51 083	76 236
Contributions recognised - capital & contributed asset	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	**(10 762)**	**(2 526)**	**–**	**–**	**–**	**–**	**6 073**	**6 073**	**3 547**	**10 474**	**33 491**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**(10 762)**	**(2 526)**	**–**	**–**	**–**	**–**	**6 073**	**6 073**	**3 547**	**10 474**	**33 491**
Capital expenditure & funds sources											
Capital expenditure	37 236	43 539	–	–	–	–	3 110	3 110	46 649	49 582	72 524
Transfers recognised - capital	29 887	36 190	–	–	–	–	181	181	36 371	42 178	64 383
Public contributions & donations	–	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–	–
Internally generated funds	7 349	7 349	–	–	–	–	2 929	2 929	10 278	7 405	8 140
Total sources of capital funds	**37 236**	**43 539**	**–**	**–**	**–**	**–**	**3 110**	**3 110**	**46 649**	**49 582**	**72 524**
Financial position											
Total current assets	67 015	79 080	–	–	–	–	(7 909)	(7 909)	71 171	85 312	87 665
Total non current assets	751 007	784 251	–	–	–	–	(1 314)	(1 314)	782 937	805 569	848 448
Total current liabilities	95 355	103 113	–	–	–	–	2 087	2 087	105 200	109 910	111 829
Total non current liabilities	216 263	251 200	–	–	–	–	(29 337)	(29 337)	221 863	229 023	218 504
Community wealth/Equity	**506 404**	**509 017**	**–**	**–**	**–**	**–**	**18 028**	**18 028**	**527 045**	**551 948**	**605 779**
Cash flows											
Net cash from (used) operating	45 318	55 340	–	–	–	–	10 733	10 733	66 073	73 932	85 558
Net cash from (used) investing	(37 236)	(43 539)	–	–	–	–	(2 082)	(2 082)	(45 621)	(39 666)	(58 019)
Net cash from (used) financing	(10 101)	(9 633)	–	–	–	–	(9 899)	(9 899)	(19 532)	(19 485)	(19 454)
Cash/cash equivalents at the year end	**27 906**	**30 738**	**–**	**–**	**–**	**–**	**(2 001)**	**(2 001)**	**28 737**	**43 517**	**51 603**
Cash backing/surplus reconciliation											
Cash and investments available	27 906	30 738	–	–	–	–	(2 001)	(2 001)	28 737	43 517	51 603
Application of cash and investments	1 278	8 972	–	–	–	–	9 344	9 344	18 315	18 348	23 975
Balance - surplus (shortfall)	**26 628**	**21 766**	**–**	**–**	**–**	**–**	**(11 345)**	**(11 345)**	**10 421**	**25 170**	**27 628**
Asset Management											
Asset register summary (WDV)	750 876	784 251	–	–	–	–	(1 314)	(1 314)	782 937	805 569	848 448
Depreciation & asset impairment	24 491	24 491	–	–	–	–	(5 919)	(5 919)	18 572	26 950	29 645
Renewal of Existing Assets	29 887	11 058	–	–	–	–	(12 000)	(12 000)	(942)	5 702	2 490
Repairs and Maintenance	17 042	16 276	–	–	–	–	(3 571)	(3 571)	12 705	16 813	17 959
Free services											
Cost of Free Basic Services provided	30 604	30 604	–	–	–	–	(3 000)	(3 000)	27 604	30 787	32 561
Revenue cost of free services provided	37 837	37 837	–	–	–	–	(3 500)	(3 500)	34 337	39 974	42 204
Households below minimum service level											
Water:	–	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–	–
Refuse:	24	24	–	–	–	–	–	–	24	24	24

The table above reflects a summary of the financial result of the municipality after incorporating the adjustments proposed

Table B2 Adjustment Budget Financial Performance (functional classification)

WC045 Oudtshoorn - Table B2 Adjustments Budget Financial Performance (functional classification) - 27 February 2018												
Standard Description	Ref	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			5	6	7	8	9	10	11	12		
R thousands	1, 4	A	A1	B	C	D	E	F	G	H		
Revenue - Functional												
Governance and administration		**145 165**	**147 780**	**–**	**–**	**–**	**–**	**3 993**	**3 993**	**151 773**	**171 054**	**201 120**
Executive and council		59 681	64 991	–	–	–	–	2 306	2 306	67 297	84 833	109 360
Finance and administration		85 484	82 789	–	–	–	–	1 687	1 687	84 476	86 221	91 759
Internal audit		–	–	–	–	–	–	–	–	–	–	–
Community and public safety		**42 686**	**44 286**	**–**	**–**	**–**	**–**	**1 755**	**1 755**	**46 041**	**27 547**	**8 460**
Community and social services		5 438	5 438	–	–	–	–	–	–	5 438	5 597	6 016
Sport and recreation		2 182	2 682	–	–	–	–	(205)	(205)	2 477	2 310	2 444
Public safety		–	–	–	–	–	–	–	–	–	–	–
Housing		35 066	36 166	–	–	–	–	1 960	1 960	38 126	19 640	–
Health		–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**55 013**	**41 069**	**–**	**–**	**–**	**–**	**(11 224)**	**(11 224)**	**29 845**	**39 863**	**41 817**
Planning and development		–	56	–	–	–	–	–	–	56	56	56
Road transport		55 013	41 013	–	–	–	–	(11 224)	(11 224)	29 789	39 807	41 761
Environmental protection		–	–	–	–	–	–	–	–	–	–	–
Trading services		**409 444**	**381 840**	**–**	**–**	**–**	**–**	**1 078**	**1 078**	**382 918**	**403 782**	**432 969**
Energy sources		239 997	236 174	–	–	–	–	(1 022)	(1 022)	235 153	252 717	270 817
Water management		93 963	84 928	–	–	–	–	(300)	(300)	84 628	86 744	94 101
Waste water management		43 681	36 374	–	–	–	–	2 500	2 500	38 874	38 520	40 754
Waste management		31 803	24 364	–	–	–	–	(100)	(100)	24 264	25 801	27 297
Other		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Revenue - Functional	2	**652 307**	**614 974**	**–**	**–**	**–**	**–**	**(4 398)**	**(4 398)**	**610 576**	**642 247**	**684 366**
Expenditure - Functional												
Governance and administration		**157 283**	**157 519**	**–**	**–**	**–**	**–**	**(10 487)**	**(10 487)**	**147 032**	**164 692**	**173 679**
Executive and council		92 473	85 831	–	–	–	–	(6 800)	(6 800)	79 031	90 221	95 152
Finance and administration		64 810	69 565	–	–	–	–	(3 395)	(3 395)	66 170	72 129	75 961
Internal audit		–	2 123	–	–	–	–	(292)	(292)	1 831	2 342	2 567
Community and public safety		**107 825**	**108 364**	**–**	**–**	**–**	**–**	**7 655**	**7 655**	**116 018**	**96 460**	**82 592**
Community and social services		33 944	22 245	–	–	–	–	(4 655)	(4 655)	17 590	23 805	25 502
Sport and recreation		22 022	34 176	–	–	–	–	3 646	3 646	37 822	37 006	40 028
Public safety		7 575	7 652	–	–	–	–	1 951	1 951	9 603	7 421	7 883
Housing		44 284	44 291	–	–	–	–	6 713	6 713	51 004	28 229	9 178
Health		–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**93 862**	**78 276**	**–**	**–**	**–**	**–**	**(8 818)**	**(8 818)**	**69 458**	**79 734**	**85 485**
Planning and development		22 152	20 921	–	–	–	–	(3 001)	(3 001)	17 921	21 027	22 454
Road transport		71 710	57 355	–	–	–	–	(5 817)	(5 817)	51 538	58 707	63 031
Environmental protection		–	–	–	–	–	–	–	–	–	–	–
Trading services		**299 351**	**273 342**	**–**	**–**	**–**	**–**	**1 179**	**1 179**	**274 521**	**290 888**	**309 119**
Energy sources		190 909	188 833	–	–	–	–	(5 842)	(5 842)	182 991	203 194	215 293
Water management		38 238	29 204	–	–	–	–	19 291	19 291	48 495	30 749	32 858
Waste water management		40 714	33 408	–	–	–	–	(13 871)	(13 871)	19 537	35 558	37 943
Waste management		29 489	21 898	–	–	–	–	1 600	1 600	23 498	21 387	23 026
Other		**4 747**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Expenditure - Functional	3	**663 069**	**617 500**	**–**	**–**	**–**	**–**	**(10 471)**	**(10 471)**	**607 030**	**631 773**	**650 875**
Surplus/ (Deficit) for the year		**(10 762)**	**(2 526)**	**–**	**–**	**–**	**–**	**6 073**	**6 073**	**3 547**	**10 474**	**33 491**

The above table B2 illustrates the budgeted financial result for the 2017/2018 budget year as amended in terms of the submitted adjustments budget. The budgeted financial result for the 2017/2018 financial year amounts to a surplus of R 3,547 million.

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

Table B3 below illustrates the revenue and expenditure by municipal vote, it is therefore also indicative of the departments that mainly contribute to the adjustment of the budget for the 2017/2018 financial year.

WC045 Oudtshoorn - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 27 February 2018

Vote Description	Ref	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
[Insert departmental structure etc]			3	4	5	6	7	8	9	10		
R thousands		A	A1	B	C	D	E	F	G	H		
Revenue by Vote	1											
Vote 1 - Executive & Council		41 914	45 480	–	–	–	–	1 506	1 506	46 986	66 077	89 517
Vote 2 - Municipal Manager		17 767	19 567	–	–	–	–	800	800	20 367	18 812	19 900
Vote 3 - Corporate Services		240	790	–	–	–	–	79	79	869	360	480
Vote 4 - Financial Services		85 244	81 999	–	–	–	–	1 608	1 608	83 607	85 861	91 279
Vote 5 - Community and Public Safety		104 410	84 571	–	–	–	–	(9 569)	(9 569)	75 002	70 035	53 283
Vote 6 - Technical Services		402 732	382 567	–	–	–	–	1 178	1 178	383 745	401 101	429 908
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	**652 307**	**614 974**	**–**	**–**	**–**	**–**	**(4 398)**	**(4 398)**	**610 576**	**642 247**	**684 366**
Expenditure by Vote	1											
Vote 1 - Executive & Council		70 166	65 903	–	–	–	–	(3 649)	(3 649)	62 255	69 405	73 067
Vote 2 - Municipal Manager		37 408	43 610	–	–	–	–	(6 636)	(6 636)	36 974	44 860	47 820
Vote 3 - Corporate Services		25 691	26 858	–	–	–	–	(1 824)	(1 824)	25 034	28 221	30 071
Vote 4 - Financial Services		39 389	42 069	–	–	–	–	(1 379)	(1 379)	40 690	43 233	45 176
Vote 5 - Community and Public Safety		181 181	153 191	–	–	–	–	5 942	5 942	159 133	142 627	132 084
Vote 6 - Technical Services		309 235	285 869	–	–	–	–	(2 925)	(2 925)	282 944	303 427	322 658
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	**663 069**	**617 500**	**–**	**–**	**–**	**–**	**(10 471)**	**(10 471)**	**607 030**	**631 773**	**650 875**
Surplus/ (Deficit) for the year	2	**(10 762)**	**(2 526)**	**–**	**–**	**–**	**–**	**6 073**	**6 073**	**3 547**	**10 474**	**33 491**

Table B4 – Adjustments Budget Financial Performance (Revenue and Expenditure)

WC045 Oudtshoorn - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 27 February 2018												
		Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
Description	Ref	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			3	4	5	6	7	8	9	10		
R thousands	1	A	A1	B	C	D	E	F	G	H		
Revenue By Source												
Property rates	2	83 694	77 769	–	–	–	–	1 608	1 608	79 377	83 296	89 214
Service charges - electricity revenue	2	229 535	222 713	–	–	–	–	(1 015)	(1 015)	221 698	235 852	249 532
Service charges - water revenue	2	72 691	63 656	–	–	–	–	(300)	(300)	63 356	74 808	81 472
Service charges - sanitation revenue	2	35 700	28 394	–	–	–	–	2 500	2 500	30 894	30 069	31 813
Service charges - refuse revenue	2	23 845	16 406	–	–	–	–	(100)	(100)	16 306	17 373	18 381
Service charges - other		–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment		1 638	1 489				–	(7)	(7)	1 482	1 578	1 672
Interest earned - external investments		2 757	2 757				–	1 500	1 500	4 257	3 267	3 778
Interest earned - outstanding debtors		6 604	6 604				–	(300)	(300)	6 304	6 799	7 002
Dividends received		–	–				–	–	–	–	–	–
Fines, penalties and forfeits		11 896	11 726				–	(10 347)	(10 347)	1 379	13 010	13 764
Licences and permits		18 196	–				–		–	–	–	–
Agency services		–	3 848				–	(900)	(900)	2 948	3 308	3 370
Transfers and subsidies		108 062	114 634				–	1 754	1 754	116 388	97 132	82 022
Other revenue	2	22 627	23 723	–	–	–	–	1 003	1 003	24 726	24 672	26 110
Gains on disposal of PPE		–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		**617 245**	**573 718**	**–**	**–**	**–**	**–**	**(4 604)**	**(4 604)**	**569 114**	**591 164**	**608 130**
Expenditure By Type												
Employee related costs		214 344	235 678	–	–	–	–	(3 032)	(3 032)	232 646	245 897	262 778
Remuneration of councillors		10 591	10 598				–	–	–	10 598	11 339	12 133
Debt impairment		24 382	24 382				–	(53 233)	(53 233)	(28 851)	25 853	27 391
Depreciation & asset impairment		24 491	24 491	–	–	–	–	(1 984)	(1 984)	22 507	26 950	29 645
Finance charges		6 929	16 351				–	(552)	(552)	15 799	15 487	15 104
Bulk purchases		155 080	155 080	–	–	–	–	–	–	155 080	164 221	173 736
Other materials		–	20 861				–	882	882	21 743	22 154	24 045
Contracted services		30 155	16 612	–	–	–	–	1 954	1 954	18 566	14 445	15 244
Transfers and subsidies		850	1 950				–	(850)	(850)	1 100	2 075	2 272
Other expenditure		196 248	111 498	–	–	–	–	46 343	46 343	157 841	103 352	88 526
Loss on disposal of PPE							–	–	–	–	–	
Total Expenditure		**663 069**	**617 500**	**–**	**–**	**–**	**–**	**(10 471)**	**(10 471)**	**607 030**	**631 773**	**650 875**
Surplus/(Deficit)		**(45 824)**	**(43 783)**	**–**	**–**	**–**	**–**	**5 867**	**5 867**	**(37 916)**	**(40 609)**	**(42 745)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		35 062	41 256				–	206	206	41 462	51 083	76 236
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		–							–	–	–	–
Transfers and subsidies - capital (in-kind - all)		–							–	–	–	–
Surplus/(Deficit) before taxation		**(10 762)**	**(2 526)**	**–**	**–**	**–**	**–**	**6 073**	**6 073**	**3 547**	**10 474**	**33 491**
Taxation		–							–	–	–	–
Surplus/(Deficit) after taxation		**(10 762)**	**(2 526)**	**–**	**–**	**–**	**–**	**6 073**	**6 073**	**3 547**	**10 474**	**33 491**
Attributable to minorities		–							–	–	–	–
Surplus/(Deficit) attributable to municipality		**(10 762)**	**(2 526)**	**–**	**–**	**–**	**–**	**6 073**	**6 073**	**3 547**	**10 474**	**33 491**
Share of surplus/ (deficit) of associate		–							–	–	–	–
Surplus/ (Deficit) for the year		**(10 762)**	**(2 526)**	**–**	**–**	**–**	**–**	**6 073**	**6 073**	**3 547**	**10 474**	**33 491**

Table B4 above reflects the budgeted financial performance (Revenue and Expenditure) for the revised budget. The revenue is listed per revenue source and the expenditure by type, a detailed discussion on the major items are done in the narrative under section 3 above to place the proposed adjustments in context.

Table B5 Adjustments Capital Expenditure Budget by Vote and Funding

WC045 Oudtshoorn - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 27 February 2018

Description	Ref	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
Capital expenditure - Vote												
Multi-year expenditure *to be adjusted*	2											
Vote 1 - Executive & Council		–	–	–	–	–	–	–	–	–	–	–
Vote 2 - Municipal Manager		50	–	–	–	–	–	–	–	–	–	–
Vote 3 - Corporate Services		–	–	–	–	–	–	–	–	–	–	–
Vote 4 - Financial Services		1 900	–	–	–	–	–	–	–	–	–	–
Vote 5 - Community and Public Safety		12 176	4 377	–	–	–	–	(2 184)	(2 184)	2 193	2 661	–
Vote 6 - Technical Services		23 109	14 187	–	–	–	–	1 438	1 438	15 625	29 666	49 191
Capital multi-year expenditure sub-total	3	**37 236**	**18 564**	**–**	**–**	**–**	**–**	**(746)**	**(746)**	**17 818**	**32 327**	**49 191**
Single-year expenditure *to be adjusted*	2											
Vote 1 - Executive & Council		–	–	–	–	–	–	–	–	–	–	–
Vote 2 - Municipal Manager		–	1 366	–	–	–	–	1 584	1 584	2 950	–	–
Vote 3 - Corporate Services		–	–	–	–	–	–	120	120	120	–	–
Vote 4 - Financial Services		–	1 900	–	–	–	–	1 105	1 105	3 005	1 500	1 650
Vote 5 - Community and Public Safety		–	2 238	–	–	–	–	974	974	3 211	640	–
Vote 6 - Technical Services		–	19 471	–	–	–	–	73	73	19 544	15 115	21 682
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		**–**	**24 974**	**–**	**–**	**–**	**–**	**3 856**	**3 856**	**28 830**	**17 255**	**23 332**
Total Capital Expenditure - Vote		**37 236**	**43 539**	**–**	**–**	**–**	**–**	**3 110**	**3 110**	**46 649**	**49 582**	**72 524**
Capital Expenditure - Functional												
Governance and administration		**1 950**	**3 266**	**–**	**–**	**–**	**–**	**2 809**	**2 809**	**6 075**	**1 500**	**1 650**
Executive and council		50	1 366				–	1 584	1 584	2 950	–	–
Finance and administration		1 900	1 900				–	1 225	1 225	3 125	1 500	1 650
Internal audit		–	–				–	–	–	–	–	–
Community and public safety		**8 229**	**2 858**	**–**	**–**	**–**	**–**	**881**	**881**	**3 739**	**640**	**–**
Community and social services		350	44				–	836	836	880	–	–
Sport and recreation		7 529	1 411				–	10	10	1 421	640	–
Public safety		350	1 403				–	–	–	1 403	–	–
Housing		–	–				–	35	35	35	–	–
Health		–	–				–	–	–	–	–	–
Economic and environmental services		**5 014**	**7 615**	**–**	**–**	**–**	**–**	**1 879**	**1 879**	**9 494**	**7 298**	**4 543**
Planning and development		–	350				–	–	–	350	–	–
Road transport		5 014	7 265				–	1 879	1 879	9 144	7 298	4 543
Environmental protection		–	–				–	–	–	–	–	–
Trading services		**22 043**	**29 801**	**–**	**–**	**–**	**–**	**(2 459)**	**(2 459)**	**27 341**	**40 145**	**66 331**
Energy sources		6 831	13 146				–	148	148	13 294	12 483	15 872
Water management		9 072	10 352				–	1 051	1 051	11 403	20 175	41 668
Waste water management		2 193	2 895				–	(1 567)	(1 567)	1 328	4 825	8 791
Waste management		3 947	3 407				–	(2 092)	(2 092)	1 316	2 661	–
Other		–	–				–	–	–	–	–	–
Total Capital Expenditure - Functional	3	**37 236**	**43 539**	**–**	**–**	**–**	**–**	**3 110**	**3 110**	**46 649**	**49 582**	**72 524**
Funded by:												
National Government		29 887	32 695				–	57	57	32 752	42 178	64 383
Provincial Government		–	3 495				–	124	124	3 619	–	–
District Municipality		–	–				–	–	–	–	–	–
Other transfers and grants		–	–				–	–	–	–	–	–
Transfers recognised - capital	4	**29 887**	**36 190**	**–**	**–**	**–**	**–**	**181**	**181**	**36 371**	**42 178**	**64 383**
Public contributions & donations		–	–				–	–	–	–	–	–
Borrowing		–	–				–	–	–	–	–	–
Internally generated funds		7 349	7 349				–	2 929	2 929	10 278	7 405	8 140
Total Capital Funding		**37 236**	**43 539**	**–**	**–**	**–**	**–**	**3 110**	**3 110**	**46 649**	**49 582**	**72 524**

The proposed adjustments to the capital expenditure is included in the executive summary, the details in respect of the funding sources are also included under section 3 to the report. Table B5 above indicates the revised capital expenditure and sources of funding by vote.

Table B6 Adjustments Budget Financial Position

WC045 Oudtshoorn - Table B6 Adjustments Budget Financial Position - 27 February 2018												
Description	Ref	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			3	4	5	6	7	8	9	10		
R thousands		A	A1	B	C	D	E	F	G	H		
ASSETS												
Current assets												
Cash		17 906	7 220					(2 001)	(2 001)	5 219	19 999	28 085
Call investment deposits	1	10 000	23 518	–	–	–	–	–	–	23 518	23 518	23 518
Consumer debtors	1	37 709	46 742	–	–	–	–	(8 953)	(8 953)	37 790	36 854	30 808
Other debtors		–						2 963	2 963	2 963	3 140	3 329
Current portion of long-term receivables		–						–	–	–	–	–
Inventory		1 400	1 600					82	82	1 682	1 800	1 926
Total current assets		**67 015**	**79 080**	**–**	**–**	**–**	**–**	**(7 909)**	**(7 909)**	**71 171**	**85 312**	**87 665**
Non current assets												
Long-term receivables		–	–						–	–	–	–
Investments		–	–						–	–	–	–
Investment property		65 861	63 334					–	–	63 334	63 334	63 334
Investment in Associate		–	–						–	–	–	–
Property, plant and equipment	1	684 729	700 659	–	–	–	–	(1 534)	(1 534)	699 125	719 181	762 152
Agricultural		–	–						–	–	–	–
Biological		–	–						–	–	–	–
Intangible		418	421					425	425	846	846	846
Other non-current assets		–	19 836					(204)	(204)	19 632	22 208	22 115
Total non current assets		**751 007**	**784 251**	**–**	**–**	**–**	**–**	**(1 314)**	**(1 314)**	**782 937**	**805 569**	**848 448**
TOTAL ASSETS		**818 022**	**863 331**	**–**	**–**	**–**	**–**	**(9 222)**	**(9 222)**	**854 108**	**890 881**	**936 113**
LIABILITIES												
Current liabilities												
Bank overdraft		–						–	–	–	–	–
Borrowing		10 101	10 101	–	–	–	–	7 000	7 000	17 101	20 000	20 000
Consumer deposits		7 500	8 271					312	312	8 584	9 099	9 644
Trade and other payables		37 500	57 923	–	–	–	–	–	–	57 923	57 923	57 923
Provisions		40 254	26 818					(5 225)	(5 225)	21 592	22 888	24 261
Total current liabilities		**95 355**	**103 113**	**–**	**–**	**–**	**–**	**2 087**	**2 087**	**105 200**	**109 910**	**111 829**
Non current liabilities												
Borrowing	1	46 775	80 489	–	–	–	–	(21 097)	(21 097)	59 391	37 670	15 670
Provisions	1	169 488	170 712	–	–	–	–	(8 240)	(8 240)	162 472	191 353	202 834
Total non current liabilities		**216 263**	**251 200**	**–**	**–**	**–**	**–**	**(29 337)**	**(29 337)**	**221 863**	**229 023**	**218 504**
TOTAL LIABILITIES		**311 618**	**354 314**	**–**	**–**	**–**	**–**	**(27 250)**	**(27 250)**	**327 063**	**338 933**	**330 333**
NET ASSETS	2	**506 404**	**509 017**	**–**	**–**	**–**	**–**	**18 028**	**18 028**	**527 045**	**551 948**	**605 779**
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		506 404	509 017	–	–	–	–	18 028	18 028	527 045	551 948	605 779
Reserves		–	–	–	–	–	–	–	–	–	–	–
Minorities' interests		–							–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY		**506 404**	**509 017**	**–**	**–**	**–**	**–**	**18 028**	**18 028**	**527 045**	**551 948**	**605 779**

Table B6 above provides a summary of the financial position of the municipality after consideration and inclusion of the proposed budget amendments.

Table B7 Adjustments Budget Cash Flows

WC045 Oudtshoorn - Table B7 Adjustments Budget Cash Flows - 27 February 2018													
Description	Ref	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			3	4	5	6	7	8	9	10		
R thousands		A	A1	B	C	D	E	F	G	H		
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates		81 183	79 509				-	(116)	(116)	79 393	84 553	87 348
Service charges		350 918	343 683				-	(17 735)	(17 735)	325 947	358 542	387 226
Other revenue		54 358	54 705				-	(24 170)	(24 170)	30 534	42 528	44 874
Government - operating	1	108 062	114 634				-	1 754	1 754	116 388	97 132	82 022
Government - capital	1	35 062	41 256				-	206	206	41 462	51 083	76 236
Interest		9 360	9 030				-	1 200	1 200	10 230	9 896	10 605
Dividends		-	-						-	-	-	-
Payments												
Suppliers and employees		(585 846)	(579 698)				-	58 716	58 716	(520 982)	(552 241)	(585 376)
Finance charges		(6 929)	(6 929)				-	(8 871)	(8 871)	(15 799)	(15 487)	(15 104)
Transfers and Grants	1	(850)	(850)				-	(250)	(250)	(1 100)	(2 075)	(2 272)
NET CASH FROM/(USED) OPERATING ACTIVITIES		45 318	55 340	-	-	-	-	10 733	10 733	66 073	73 932	85 558
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE		-					-	-	-	-	-	-
Decrease (Increase) in non-current debtors		-							-	-	-	-
Decrease (increase) other non-current receivables		-							-	-	-	-
Decrease (increase) in non-current investments		-							-	-	-	-
Payments												
Capital assets		(37 236)	(43 539)				-	(2 082)	(2 082)	(45 621)	(39 666)	(58 019)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(37 236)	(43 539)	-	-	-	-	(2 082)	(2 082)	(45 621)	(39 666)	(58 019)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans		-	-						-	-	-	-
Borrowing long term/refinancing		-	-						-	-		
Increase (decrease) in consumer deposits		-	468					-	-	468	515	546
Payments												
Repayment of borrowing		(10 101)	(10 101)					(9 899)	(9 899)	(20 000)	(20 000)	(20 000)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(10 101)	(9 633)	-	-	-	-	(9 899)	(9 899)	(19 532)	(19 485)	(19 454)
NET INCREASE/ (DECREASE) IN CASH HELD		(2 018)	2 169	-	-	-	-	(1 248)	(1 248)	921	14 781	8 085
Cash/cash equivalents at the year begin:	2	29 924	28 569					(753)	(753)	27 816	28 737	43 517
Cash/cash equivalents at the year end:	2	27 906	30 738	-	-	-	-	(2 001)	(2 001)	28 737	43 517	51 603

The closing balance of the budgeted cash flow reflects a slight decrease in cash after taking into consideration the proposed adjustments contained in this report.

Table B8 Cash Backed reserves / accumulated surplus reconciliation

WC045 Oudtshoorn - Table B8 Cash backed reserves/accumulated surplus reconciliation - 27 February 2018												
Description	Ref	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Cash and investments available												
Cash/cash equivalents at the year end	1	27 906	30 738	–	–	–	–	(2 001)	(2 001)	28 737	43 517	51 603
Other current investments > 90 days		0	–	–	–	–	–	0	0	0	–	–
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		**27 906**	**30 738**	**–**	**–**	**–**	**–**	**(2 001)**	**(2 001)**	**28 737**	**43 517**	**51 603**
Applications of cash and investments												
Unspent conditional transfers		7 500	9 839	–	–	–	–	–	–	9 839	9 839	9 839
Unspent borrowing									–	–		
Statutory requirements									–	–		
Other working capital requirements	2	(6 222)	(867)					9 344	9 344	8 477	8 509	14 137
Other provisions									–	–		
Long term investments committed		–	–					–	–	–	–	–
Reserves to be backed by cash/investments		–	–					–	–	–	–	–
Total Application of cash and investments:		**1 278**	**8 972**	**–**	**–**	**–**	**–**	**9 344**	**9 344**	**18 315**	**18 348**	**23 975**
Surplus(shortfall)		**26 628**	**21 766**	**–**	**–**	**–**	**–**	**(11 345)**	**(11 345)**	**10 422**	**25 170**	**27 628**

Table B9 Asset Management

WC045 Oudtshoorn - Table B9 Asset Management - 27 February 2018												
		Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
Description	Ref	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			7	8	9	10	11	12	13	14		
R thousands		A	A1	B	C	D	E	F	G	H		
CAPITAL EXPENDITURE												
Total New Assets *to be adjusted*	1	**7 349**	**18 530**	**–**	**–**	**–**	**–**	**(2 545)**	**(2 545)**	**20 234**	**13 983**	**20 842**
Roads Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		4 199	13 146	–	–	–	–	(4 361)	(4 361)	12 984	12 483	15 872
Water Supply Infrastructure		300	1 142	–	–	–	–	–	–	1 142	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–	–	3 320
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		4 499	14 288	–	–	–	–	(4 361)	(4 361)	14 126	12 483	19 192
Community Facilities		50	–	–	–	–	–	(50)	(50)	–	–	–
Sport and Recreation Facilities		200	70	–	–	–	–	55	55	125	–	–
Community Assets		250	70	–	–	–	–	5	5	125	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	180	180	180	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets	6	–	–	–	–	–	–	180	180	180	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	425	425	425	–	–
Intangible Assets		–	–	–	–	–	–	425	425	425	–	–
Computer Equipment		1 500	1 596	–	–	–	–	759	759	2 356	1 500	1 650
Furniture and Office Equipment		350	552	–	–	–	–	308	308	860	–	–
Machinery and Equipment		450	671	–	–	–	–	139	139	810	–	–
Transport Assets		300	1 353	–	–	–	–	–	–	1 353	–	–
Libraries		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Total Renewal of Existing Assets *to be adjusted*	2	**29 887**	**11 058**	**–**	**–**	**–**	**–**	**(12 000)**	**(12 000)**	**12 844**	**5 702**	**2 490**
Roads Infrastructure		5 014	–	–	–	–	–	(3 135)	(3 135)	1 879	3 070	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		2 632	–	–	–	–	–	(2 632)	(2 632)	–	–	–
Water Supply Infrastructure		8 772	8 772	–	–	–	–	–	–	8 772	2 632	2 490
Sanitation Infrastructure		2 193	–	–	–	–	–	(2 193)	(2 193)	–	–	–
Solid Waste Infrastructure		3 947	–	–	–	–	–	(3 947)	(3 947)	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		22 558	8 772	–	–	–	–	(11 907)	(11 907)	10 651	5 702	2 490
Community Facilities		–	–	–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		7 329	970	–	–	–	–	(93)	(93)	877	–	–
Community Assets		7 329	970	–	–	–	–	(93)	(93)	877	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		–	1 316	–	–	–	–	–	–	1 316	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets	6	–	1 316	–	–	–	–	–	–	1 316	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–	–	–
Libraries		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–

Table B 9 Asset Management continued….

Total Upgrading of Existing Assets *to be adjusted*	2a	–	13 951	–	–	–	–	(380)	(380)	13 571	29 897	49 191
Roads Infrastructure		–	7 081	–	–	–	–	(57)	(57)	7 024	4 228	4 543
Storm water Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	439	–	–	–	–	877	877	1 316	17 544	39 178
Sanitation Infrastructure		–	2 895	–	–	–	–	(1 579)	(1 579)	1 316	4 825	5 471
Solid Waste Infrastructure		–	3 407	–	–	–	–	(2 092)	(2 092)	1 316	2 661	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		–	13 821	–	–	–	–	(2 850)	(2 850)	10 972	29 257	49 191
Community Facilities		–	50	–	–	–	–	–	–	50	–	–
Sport and Recreation Facilities		–	80	–	–	–	–	140	140	220	640	–
Community Assets		–	130	–	–	–	–	140	140	270	640	–
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	2 330	2 330	2 330	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets	6	–	–	–	–	–	–	2 330	2 330	2 330	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–	–	–
Libraries		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure *to be adjusted*	4											
Roads Infrastructure		5 014	7 081	–	–	–	–	(3 192)	(3 192)	8 903	7 298	4 543
Storm water Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		6 831	13 146	–	–	–	–	(6 993)	(6 993)	12 984	12 483	15 872
Water Supply Infrastructure		9 072	10 352	–	–	–	–	877	877	11 229	20 175	41 668
Sanitation Infrastructure		2 193	2 895	–	–	–	–	(3 772)	(3 772)	1 316	4 825	8 791
Solid Waste Infrastructure		3 947	3 407	–	–	–	–	(6 039)	(6 039)	1 316	2 661	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		27 057	36 881	–	–	–	–	(19 118)	(19 118)	35 748	47 442	70 874
Community Facilities		50	50	–	–	–	–	(50)	(50)	50	–	–
Sport and Recreation Facilities		7 529	1 120	–	–	–	–	102	102	1 222	640	–
Community Assets		7 579	1 170	–	–	–	–	52	52	1 272	640	–
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		–	1 316	–	–	–	–	2 510	2 510	3 826	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets		–	1 316	–	–	–	–	2 510	2 510	3 826	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	425	425	425	–	–
Intangible Assets		–	–	–	–	–	–	425	425	425	–	–
Computer Equipment		1 500	1 596	–	–	–	–	759	759	2 356	1 500	1 650
Furniture and Office Equipment		350	552	–	–	–	–	308	308	860	–	–
Machinery and Equipment		450	671	–	–	–	–	139	139	810	–	–
Transport Assets		300	1 353	–	–	–	–	–	–	1 353	–	–
Libraries		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE *to be adjusted*	4	**37 236**	**43 539**	**–**	**–**	**–**	**–**	**(14 925)**	**(14 925)**	**46 649**	**49 582**	**72 524**

Table B 9 Asset Management continued….

ASSET REGISTER SUMMARY - PPE (WDV)	5											
Roads Infrastructure		134 278	140 892				–	(385)	(385)	140 507	138 792	133 421
Storm water Infrastructure		–	–				–	–	–	–	–	–
Electrical Infrastructure		64 434	70 436				–	1 438	1 438	71 873	82 873	97 114
Water Supply Infrastructure		220 412	216 449				–	0	0	216 449	233 066	270 820
Sanitation Infrastructure		39 680	40 201				–	(1 766)	(1 766)	38 435	42 072	49 557
Solid Waste Infrastructure		5 993	6 403				–	(545)	(545)	5 858	8 434	8 341
Rail Infrastructure		–					–		–	–	–	–
Coastal Infrastructure		–					–		–	–	–	–
Information and Communication Infrastructure		–					–		–	–	–	–
Infrastructure		464 798	474 381	–	–	–	–	(1 259)	(1 259)	473 122	505 238	559 252
Community Facilities		129 902	37 445				–	(3 139)	(3 139)	34 306	32 077	29 625
Sport and Recreation Facilities		82 212	46 996				–	(2 152)	(2 152)	44 844	43 340	40 981
Community Assets		212 114	84 441	–	–	–	–	(5 291)	(5 291)	79 150	75 417	70 606
Heritage Assets		–	12 893				–	881	881	13 774	13 774	13 774
Revenue Generating		–	63 334				–	–	–	63 334	63 334	63 334
Non-revenue Generating		–	–				–	–	–	–	–	–
Investment properties		–	63 334	–	–	–	–	–	–	63 334	63 334	63 334
Operational Buildings		49 818	115 535				–	1 304	1 304	116 839	109 836	102 133
Housing		–	–				–	–	–	–	–	–
Other Assets		49 818	115 535	–	–	–	–	1 304	1 304	116 839	109 836	102 133
Biological or Cultivated Assets		–	–				–	–	–	–	–	–
Servitudes		–	–				–	–	–	–	–	–
Licences and Rights		418	421				–	425	425	846	846	846
Intangible Assets		418	421	–	–	–	–	425	425	846	846	846
Computer Equipment		3 757	3 459				–	759	759	4 218	5 718	7 368
Furniture and Office Equipment		7 676	4 170				–	39	39	4 209	3 961	3 689
Machinery and Equipment		4 855	3 374				–	258	258	3 632	3 632	3 632
Transport Assets		7 440	18 539				–	1 570	1 570	20 109	20 109	20 109
Libraries		–	3 703				–	–	–	3 703	3 703	3 703
Zoo's, Marine and Non-biological Animals		–	–				–	–	–	–	–	–
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	**750 876**	**784 251**	**–**	**–**	**–**	**–**	**(1 314)**	**(1 314)**	**782 937**	**805 569**	**848 448**
EXPENDITURE OTHER ITEMS												
Depreciation & asset impairment		24 491	24 491	–	–	–	–	(5 919)	(5 919)	22 507	26 950	29 645
Repairs and Maintenance by asset class	3	**17 042**	**16 276**	**–**	**–**	**–**	**–**	**(3 571)**	**(3 571)**	**18 126**	**16 813**	**17 959**
Roads Infrastructure		3 831	3 453	–	–	–	–	1 965	1 965	5 419	3 537	3 775
Storm water Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		3 092	2 062	–	–	–	–	(2 496)	(2 496)	2 657	2 186	2 317
Water Supply Infrastructure		3 222	1 937	–	–	–	–	–	–	1 937	2 078	2 218
Sanitation Infrastructure		1 186	437	–	–	–	–	–	–	437	465	500
Solid Waste Infrastructure		647	–	–	–	–	–	(647)	(647)	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		11 978	7 889	–	–	–	–	(1 178)	(1 178)	10 450	8 265	8 811
Community Facilities		865	60	–	–	–	–	(790)	(790)	60	80	100
Sport and Recreation Facilities		936	460	–	–	–	–	20	20	480	648	801
Community Assets		1 801	520	–	–	–	–	(770)	(770)	540	728	901
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		2 036	2 215	–	–	–	–	(1 297)	(1 297)	1 809	2 068	2 252
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets		2 036	2 215	–	–	–	–	(1 297)	(1 297)	1 809	2 068	2 252
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		–	85	–	–	–	–	(40)	(40)	45	85	90
Intangible Assets		–	85	–	–	–	–	(40)	(40)	45	85	90
Computer Equipment		165	85	–	–	–	–	30	30	115	90	95
Furniture and Office Equipment		197	59	–	–	–	–	10	10	69	70	87
Machinery and Equipment		865	4 092	–	–	–	–	(386)	(386)	3 707	4 138	4 295
Transport Assets		–	1 331	–	–	–	–	60	60	1 391	1 369	1 429
Libraries		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals	6	–	–	–	–	–	–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		**41 533**	**40 767**	**–**	**–**	**–**	**–**	**(9 490)**	**(9 490)**	**40 633**	**43 764**	**47 605**
Renewal and upgrading of Existing Assets as % of total capex		*80.3%*	*57.4%*							*56.6%*	*71.8%*	*71.3%*
Renewal and upgrading of Existing Assets as % of deprecn"		*122.0%*	*102.1%*							*117.4%*	*132.1%*	*174.3%*
R&M as a % of PPE		*2.3%*	*2.1%*							*2.3%*	*2.1%*	*2.1%*
Renewal and upgrading and R&M as a % of PPE		*6.2%*	*5.3%*							*5.7%*	*6.5%*	*8.2%*

Table B10 Basic Service Delivery Measurement

WC045 Oudtshoorn - Table B10 Basic service delivery measurement - 27 February 2018

Description	Ref	Budget Year 2017/18								Budget Year +1 2018/19	Budget Year +2 2019/20
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	A1	B	C	D	E	F	G	H		
Household service targets	1											
Water:												
Piped water inside dwelling		21759	21759						–	22	21759	21759
Piped water inside yard (but not in dwelling)		35	35						–	0	35	35
Using public tap (at least min.service level)	2	1367	1367						–	1	1367	1367
Other water supply (at least min.service level)		8633	8633						–	9	9	9
Minimum Service Level and Above sub-total		32	32	–	–	–	–	–	–	32	32	32
Using public tap (< min.service level)	3	0	0						–	–	0	0
Other water supply (< min.service level)	3,4	0	0						–	–	0	0
No water supply		0	0						–	–	0	0
Below Minimum Servic Level sub-total		–	–	–	–	–	–	–	–	–	–	–
Total number of households	5	**32**	**32**	**–**	**–**	**–**	**–**	**–**	**–**	**32**	**32**	**32**
Sanitation/sewerage:												
Flush toilet (connected to sewerage)		15957	15957						–	15 957	15957	15957
Flush toilet (with septic tank)		1444	1444						–	1 444	1444	1444
Chemical toilet		0	0						–	–	0	0
Pit toilet (ventilated)		0	0						–	–	0	0
Other toilet provisions (> min.service level)		0	0						–	–	0	0
Minimum Service Level and Above sub-total		17 401	17 401	–	–	–	–	–	–	17 401	17 401	17 401
Bucket toilet		0							–	–	0	0
Other toilet provisions (< min.service level)		0							–	–	0	0
No toilet provisions		0							–	–	0	0
Below Minimum Servic Level sub-total		–	–	–	–	–	–	–	–	–	–	–
Total number of households	5	**17 401**	**17 401**	**–**	**–**	**–**	**–**	**–**	**–**	**17 401**	**17 401**	**17 401**
Energy:												
Electricity (at least min. service level)		24012	24012						–	24 012	24012	24012
Electricity - prepaid (> min.service level)		0	0						–	–	0	0
Minimum Service Level and Above sub-total		24 012	24 012	–	–	–	–	–	–	24 012	24 012	24 012
Electricity (< min.service level)			0						–	–		
Electricity - prepaid (< min. service level)			0						–	–		
Other energy sources			0						–	–		
Below Minimum Servic Level sub-total		–	–	–	–	–	–	–	–	–	–	–
Total number of households	5	24 012	24 012	–	–	–	–	–	–	24 012	24 012	24 012
Refuse:												
Removed at least once a week (min.service)		0							–	–	0	0
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–	–	–
Removed less frequently than once a week		24012	24012						–	24 012	24012	24012
Using communal refuse dump		0							–	–	0	0
Using own refuse dump		0							–	–	0	0
Other rubbish disposal		0							–	–	0	0
No rubbish disposal		0							–	–	0	0
Below Minimum Servic Level sub-total		24 012	24 012	–	–	–	–	–	–	24 012	24 012	24 012
Total number of households	5	**24 012**	**24 012**	**–**	**–**	**–**	**–**	**–**	**–**	**24 012**	**24 012**	**24 012**
Households receiving Free Basic Service	15											
Water (6 kilolitres per household per month)		9 035	9 035						–	9 034 659	9 568	10 123
Sanitation (free minimum level service)		7 307	7 307						–	7 306 705	7 738	8 187
Electricity/other energy (50kwh per household per month)		6 823	6 823						–	6 822 953	7 226	7 645
Refuse (removed at least once a week)		7 439	7 439						–	7 439 404	7 878	8 335
Cost of Free Basic Services provided (R'000)	16											
Water (6 kilolitres per household per month)		9 035	9 035	–	–	–	–	–	–	9 035	6 256	6 607
Sanitation (free sanitation service)		7 307	7 307	–	–	–	–	(500)	(500)	6 807	9 568	10 123
Electricity/other energy (50kwh per household per month)		6 823	6 823	–	–	–	–	(2 000)	(2 000)	4 823	7 738	8 187
Refuse (removed once a week)		7 439	7 439	–	–	–	–	(500)	(500)	6 939	7 226	7 645
Total cost of FBS provided (minimum social package)		30 604	30 604	–	–	–	–	(3 000)	(3 000)	27 604	30 787	32 561
Highest level of free service provided												
Property rates (R'000 value threshold)		702	702						–	702	702	702
Water (kilolitres per household per month)		6	6						–	6	6	6
Sanitation (kilolitres per household per month)									–	–		
Sanitation (Rand per household per month)		1239	1239						–	1 239	1 239	1 239
Electricity (kw per household per month)		70	70						–	70	70	70
Refuse (average litres per week)		1	1						–	1	1	1
Revenue cost of free services provided (R'000)	17											
Property rates (R15 000 threshold rebate)		1 308	1 308						–	1 308	1 308	1 308
Property rates (other exemptions, reductions and rebates)		5 925	5 925					(500)	(500)	5 425	6 256	6 607
Water		9 035	9 035						–	9 035	9 568	10 123
Sanitation		7 307	7 307					(500)	(500)	6 807	7 738	8 187
Electricity/other energy		6 823	6 823					(2 000)	(2 000)	4 823	7 226	7 645
Refuse		7 439	7 439					(500)	(500)	6 939	7 878	8 335
Municipal Housing - rental rebates									–	–		
Housing - top structure subsidies	6								–	–		
Other									–	–		
Total revenue cost of free services provided (total social pa		**37 837**	**37 837**	**–**	**–**	**–**	**–**	**(3 500)**	**(3 500)**	**34 337**	**39 974**	**42 204**

PART 2 – SUPPORTING DOCUMENTATION

Section 5 – Adjustments to budget assumptions

5.1 Revenue

There were no adjustments to the budget assumptions, the main factors influencing the adjustments are already alluded to above. A conservative approach to revenue estimations will thus continue to be used in future budget years.

Section 6 – Adjustment to budget funding

6.1 Summary of the impact of the adjustments budget

6.1.1 Funding of operating and capital expenditure

Funding of expenditure and revenue alike has increased as stated above and this is due to adjustments made to grant receipts in accordance with the additional funding allocation received. Capital expenditure is funded only by means of grants with the exception of R10,278,000 from own funding as indicated in the report above representing 22.03% of the total capital budget.

6.1.2 Financial Sustainability

The principle of financial sustainability for all services were applied in the initially approved budget, the proposed adjustments will continue to move towards a position of financial viability yet it needs to emphasized that this will not be attained easily. Financial sustainability will only be attained through a combination of the execution of the financial recovery plan coupled with continued revenue enhancement, debt collection, staff rationalization, striving to value for money and operational efficiencies in spending decisions and savings initiatives across the board.

Section 7 – Adjustment to expenditure on allocations and grant programs

Disclosure of expenditure on allocations and grant programs is illustrated in Annexure 2, Supporting table SB8

Section 8 – Adjustment to allocations or grants made by the municipality

Refer to Annexure 2, Supporting table SB 10

Grants made in respect of support to animal welfare has been reduced with R850,000 and capital expenditure has increased with a similar amount as the new animal pound facility must be created due to the fact that the current facility is unsuitable for reason of its location at the Waste Water Treatment works.

Section 9 – Adjustment to councillor allowances and employee benefits.

As stated in the report above, a savings in employee related cost is realised as a result of certain current vacancies that have not been filled to date corrections have also been done in respect of employee related cost in respect of security marshals and other temporary staff initially budgeted against contracted services. It needs to be pointed out that employee related cost equals R234.6 Million or 38.65% of total expenditure (when debt impairment is excluded) which is above the best practice norm for this category of expenditure. A concerted effort is thus necessary to curb personnel expenditure and to ensure optimum utilization of available human resources.

Section 10 – Adjustment to Service Delivery and Budget Implementation Plan

The Service Delivery and Budget Implementation Plan will be adjusted in accordance with the revised revenue, expenditure and capital program targets where appropriate.

Section 11 – Adjustment to capital expenditure.

The adjustment to capital expenditure is disclosed in detail under the executive summary and in table SB19. The table indicates the adjustment from the originally approved budget to the adjustments budget as submitted.

Section 12 – Other supporting documents.

The following documents are attached in support of the adjustment budget.

Annexure B – Main Budget Tables

Annexure C - Supporting Budget Tables

Annexure D – Detailed Capital Program

Quality Certificate.

OUDTSHOORN MUNICIPALITY

Section 12 – Municipal Managers Quality Certification

I, **Allen Paulse**, the Acting Municipal Manager of **Oudtshoorn Municipality**, hereby certify that the adjustments budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act, and that the adjustments budget and supporting documentation are consistent with the Integrated Development Plan of the municipality

Print Name: Allen Paulse

Municipal Manager of Oudtshoorn Municipality (WC045)

Signature: 

Date: 22-02-2018