

# MADIBENG LOCAL MUNICIPALITY

**FEBRUARY 2016**



## **ADJUSTMENT BUDGET REPORT 2015/2016-2017/2018**

## CONTENT AND FORMAT OF ADJUSTMENT BUDGET DOCUMENT

Sect.	Section description	Page
<b>PART 1 - ADJUSTMENT BUDGET</b>		
1	Table of Contents and list of acronyms	1 – 3
2	Mayor's Report	4 – 5
3	Council Resolutions	6
4	Executive Summary	7
5	Adjustment Budget Tables	8 – 19
<b>PART 2 - SUPPORTING DOCUMENTATION</b>		
6	Adjustment to budget assumptions	20
7	Adjustments to budget funding	20
8	Adjustments to expenditure on allocations and grant programme	20
9	Adjustments to allocations and grants made by the municipality	20
10	Adjustment to councillors allowances and employees benefits	20
11	Adjustment to service delivery and budget implementation plan	20
12	Adjustment to capital expenditure	20 - 21
13	Other supporting documents	21
14	Municipal manager's quality certificate	21

## 1. List of acronyms

<b>IDP</b>	Integrated Development Plan
<b>CRR</b>	Capital Replacement Reserve
<b>GAAP</b>	Generally Accepted Accounting Principles
<b>GAMAP</b>	Generally Accepted Municipal Accounting Practice
<b>GRAP</b>	Generally Recognized Accounting Practice
<b>DHLG</b>	Department of Housing and Local Government
<b>MFMA</b>	Municipal Finance Management Act
<b>SDBIP</b>	Service Delivery and Budget Implementation Plan
<b>CPIX</b>	Consumer Price Index
<b>FBS</b>	Free Basic Services
<b>GDP</b>	Gross Domestic Product
<b>MIG</b>	Municipal Infrastructure Grant
<b>BEE</b>	Black Economic Empowerment
<b>SMME</b>	Small Medium and Micro Enterprises
<b>LED</b>	Local Economic Development
<b>DPLG</b>	Department of Provincial and Local Government
<b>DWA</b>	Department of Water Affairs
<b>DORA</b>	Division of Revenue Act
<b>MTREF</b>	Medium Term Revenue and Expenditure Framework
<b>KPA</b>	Key Performance Area
<b>KPI</b>	Key Performance Indicator
<b>MSA</b>	Municipal Systems Act
<b>PMS</b>	Performance Management System
<b>PPP</b>	Public Private Partnership
<b>DBSA</b>	Development Bank of South Africa
<b>DM</b>	District Municipality
<b>SALGA</b>	South African Local Government Agency
<b>SETA</b>	Sectoral Education and Training Authority
<b>HDI</b>	Historically Disadvantaged Individuals
<b>CDW</b>	Community Development Worker
<b>EPWP</b>	Extended Public Works Programme
<b>NERSA</b>	National Energy Regulator of South Africa
<b>MSIG</b>	Municipal Systems Improvement Grant
<b>NDPG</b>	Neighbourhood Development Partnership Grant
<b>INEG</b>	Integrated National Energy Grant
<b>MM</b>	Municipal Manager



### **Speech by the Executive Mayor, Cllr J Mothibe during tabling of the 2015/2016 Adjustment Budget**

Honourable Speaker, Cllr MF Mangoathe , Chief Whip of Council Cllr S Klaas: , Members of the Mayoral Committee, Wards Councillors, Municipal Manager and Members of the Senior Management Team, Community members, the Business fraternity, Friends from the media, Ladies and gentlemen

#### **Budget adjustment**

Honourable Speaker, allow me to present the budget adjustment for the financial year 2015/2016.

As the municipality we are still committed to government key priorities and the mandate given by the electorates. The focus on this budget adjustment is more on infrastructure development, upgrading or improving the existing infrastructure and revenue enhancement. The proposed Adjustment budget complies with the budget regulations, for which I must thank the Acting Municipal Manager, Acting Chief Financial Officer and his team for tremendous efforts.

The adjustment budget follows mid-year budget and performance review conducted on the 13<sup>th</sup>, 14<sup>th</sup> & 20<sup>th</sup> January 2016. The budget and financial performance of the municipality was assessed for the first half of the financial year taking into consideration the monthly budget statements. Adjustment follows robust discussions on programmes and projects adopted in the SDBIP wherein some have been adjusted based on progress thus far. The mid-year review pointed that there is a short fall in revenue collection on certain revenue sources

The Operating Revenue and the Operating Expenditure Budget remain unchanged from the approved budget

The following are salient points regarding the 2015/2016 adjustment budget:

- I. The adjustment budget meant to correct the over-expenditure on certain expenditure line items. Even though the total spending is within the projected limit.
- II. The total operating revenue and Operating expenditure remain unchanged from the approved budget. The two outer financial years remain unchanged as well.
- III. Virement or shifting of funds on other votes was applied in order to utilize potential savings realized on various expenditure votes to cater for the electricity bulk purchase.
- IV. Additional grant allocations and adjustments to existing grant allocations

V. The capital budget was increased with R26.6 million for 2015/2016 financial year. The increase is due to the following:

- The will be an additional **R2.8 million** for Refurbishment of DWA Networks resulting from rollover.
- **R900 000** from Provincial Government-(NW) for the Library Grant.
- **R20 million** for Maboloka Water Augmentation Project from MWIG.
- **R1.2 million** is for the Purchase of Land (Elandsfontein Farm), from Internal Funds.
- **R722 678** for Madibeng Car Wash, which will be funded from Internal Funds.
- **R1 million** for the Cosmos Ridge Sewer, from Internal Funding.

The Capital expenditure budget has been increased to R26.6 million from the previously approved budget. The Service Delivery and Budget Implementation Plan (SDBIP) has to be adjusted due to the realignment that has taken place on both the operational and capital expenditure budgets.

The proposed budget adjustment of Madibeng Local municipality totals R 1.831 billion comprising of R 1.512 billion for Operating expenditure and R319.1 million for Capital expenditure.

**May I thank our Municipal Manager, Chief Financial Officer and his staff and all HODs, for devoting so much time and energy to the task of compiling the 2015/2016 Adjustment budget.**

**3. COUNCIL RESOLUTIONS (ITEM A.0832) 23 FEBRUARY 2016**

**RESOLVED**

1. That cognisance be taken:
  - 1.1 Of Sections 28(2) and 69(2) of the Municipal Finance Management Act, 2003 (Act No 56 of 2003), regarding the handling of Budget Adjustments;
  - 1.2 that the MFMA does not provide for public participation with regard to the approval of an adjustment budget, as the adjustments are done under unexpected or unforeseeable circumstances which could not be avoidable; and
  - 1.3 of the fact that additional expenditures were unforeseeable and unavoidable.
2. That unrealistic anticipated expenditure be adjusted
3. That, once adopted, the Budget Adjustment be submitted to Provincial and National Treasury.
4. That the Budget Adjustment attached as ANNEXURE A and ANNEXURE B to the report, be adopted.
5. That the "Management Leadership" of the Municipality on page 5 of the agenda, and other possible places, to indicate the particulars of Mr ME Manaka as acting Municipal Manager, as well as the particulars of Personal Assistants, be corrected.

**APPROVED**

**DATE**

03/02/2016

  
**SPEAKER: CLR MF MANGOATHE**

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#### 4. EXECUTIVE SUMMARY

##### Overview of the adjustment budget

The proposed budget adjustment of Madibeng Local Municipality totals R 1, 831, 308,193 comprising of R 1, 512, 169, 003 for Operating expenditure and R319, 139, 190 for Capital expenditure (see table 1 below). The adjustment is meant to cater for roll-over projects and to appropriate budget for additional grant allocation.

The Operating Revenue and the Operating Expenditure Budget remain unchanged from the approved budget. Under the Operating expenditure shifting of funds/virement was applied to provide for expenditure line item which exceeded the projected limit. It must however be noted that the total spending on the operating budget was within the projected limit and the adjustment is not meant to increase the Operating Expenditure budget. The Capital budget is increased by R26 678 190 from R292 461 000 to R319 139 190.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2015/2016 Budget Adjustment:

**Table 1.Consolidated Overview of the adjustment budget**

Description	Approved Budget 2015/2016 R,000	Adjustment R,000	Adjustment Budget 2015/2016 R,000	Budget Year +1 2016/2017 R,000	Budget Year +2 2017/2018 R,000
Total Operating Revenue	1 512 326	0	1 512 326	1 623 581	1 773 104
Total Operating Expenditure	1 512 169	0	1 512 169	1 623 189	1 772 365
<b>Surplus/(Deficit) for the year</b>	<b>157</b>		<b>157</b>	<b>392</b>	<b>739</b>
Total Capital Expenditure	292 461	26 678	319 139	314 226	312 362

## 5. ADJUSTMENT BUDGET TABLES

The budget adjustment schedule contains the ten main budget adjustment tables as required in terms of section 28 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2015/2016 budget adjustment.

(Table B1) – Adjustment Budget Summary

(Table B2) – Revenue and expenditure by standard classification.

(Table B3) – Revenue and expenditure by municipal vote.

(Table B4) – Adjustment Budget Financial Performance (revenue and expenditure).

All above four tables clearly indicated that the municipality did not adjust revenue budget.

(Table B5) - Adjustments Capital Expenditure Budget by vote and funding.

(Table B6) - Adjustments Budget Financial Position.

(Table B7) - Adjustments Budget Cash Flows.

(Table B8) - Cash backed reserves/accumulated surplus reconciliation.

(Table B9) - Asset Management.

(Table B10) - Basic service delivery measurement.



NW372 Madibeng - Table B1 Adjustments Budget Summary -

Description	Budget Year 2015/16									Budget Year	Budget Year
	Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
	Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	A	1	2	3	4	5	6	7	8		
	A	A1	B	C	D	E	F	G	H		
<b>Financial Performance</b>											
Property rates	337 183	-	-	-	-	-	-	-	337 183	346 700	356 082
Service charges	619 016	-	-	-	-	-	-	-	619 016	678 482	753 011
Investment revenue	4 095	-	-	-	-	-	-	-	4 095	4 320	4 548
Transfers recognised - operational	488 393	-	-	-	-	-	-	-	488 393	516 178	564 047
Other own revenue	83 639	-	-	-	-	-	-	-	83 639	78 901	75 416
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 512 326</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 512 326</b>	<b>1 623 561</b>	<b>1 773 104</b>
Employee costs	340 739	-	-	-	-	-	0	0	340 739	364 754	384 545
Remuneration of councillors	26 345	-	-	-	-	-	-	-	26 345	27 785	29 288
Depreciation & asset impairment	82 430	-	-	-	-	-	-	-	82 430	86 863	106 963
Finance charges	10 000	-	-	-	-	-	-	-	10 000	12 000	15 000
Materials and bulk purchases	618 771	-	-	-	-	-	(7 812)	(7 812)	610 959	694 124	803 729
Transfers and grants	33 459	-	-	-	-	-	-	-	33 459	35 433	37 417
Other expenditure	400 425	-	-	-	-	-	7 812	7 812	408 237	402 120	395 443
<b>Total Expenditure</b>	<b>1 512 169</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>1 512 169</b>	<b>1 623 189</b>	<b>1 772 365</b>
<b>Surplus/(Deficit)</b>	<b>157</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0)</b>	<b>(0)</b>	<b>157</b>	<b>392</b>	<b>739</b>
Transfers recognised - capital	-	-	-	-	-	-	-	-	-	-	-
Contributions recognised - capital & contributed a	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>157</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0)</b>	<b>(0)</b>	<b>157</b>	<b>392</b>	<b>739</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>157</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0)</b>	<b>(0)</b>	<b>157</b>	<b>392</b>	<b>739</b>
<b>Capital expenditure &amp; funds sources</b>											
Capital expenditure	292 461	-	-	-	-	-	26 678	26 678	319 139	314 226	312 362
Transfers recognised - capital	284 461	-	-	-	-	-	23 728	23 728	308 189	314 226	312 362
Public contributions & donations	-	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	8 000	-	-	-	-	-	2 950	2 950	10 950	-	-
<b>Total sources of capital funds</b>	<b>292 461</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26 678</b>	<b>26 678</b>	<b>319 139</b>	<b>314 226</b>	<b>312 362</b>
<b>Financial position</b>											
Total current assets	274 469	-	-	-	-	-	-	-	274 469	284 669	307 800
Total non current assets	4 840 184	-	-	-	-	-	-	-	4 840 184	5 290 284	5 640 351
Total current liabilities	191 190	-	-	-	-	-	-	-	191 190	193 190	182 590
Total non current liabilities	651 600	-	-	-	-	-	-	-	651 600	657 500	687 500
<b>Community wealth/Equity</b>	<b>4 271 863</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 271 863</b>	<b>4 724 263</b>	<b>5 098 091</b>
<b>Cash flows</b>											
Net cash from (used) operating	357 006	-	-	-	-	-	61 914	61 914	418 920	358 883	355 633
Net cash from (used) investing	(232 201)	-	-	-	-	-	(26 678)	(26 678)	(258 879)	(253 226)	(312 362)
Net cash from (used) financing	10 450	-	-	-	-	-	24 550	24 550	35 000	5 799	(4 951)
<b>Cash/cash equivalents at the year end</b>	<b>224 641</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>59 785</b>	<b>59 785</b>	<b>284 427</b>	<b>336 097</b>	<b>374 417</b>
<b>Cash backing/surplus reconciliation</b>											
Cash and investments available	213 832	-	-	-	-	-	-	-	213 832	193 932	194 000
Application of cash and investments	208 399	-	-	-	-	-	(2 857)	(2 857)	205 543	186 830	149 368
<b>Balance - surplus (shortfall)</b>	<b>5 433</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 857</b>	<b>2 857</b>	<b>8 290</b>	<b>7 102</b>	<b>44 632</b>
<b>Asset Management</b>											
Asset register summary (MDV)	4 816 341	-	-	-	-	-	-	-	4 816 341	5 256 341	5 616 341
Depreciation & asset impairment	82 430	-	-	-	-	-	-	-	82 430	86 953	106 963
Renewal of Existing Assets	21 840	-	-	-	-	-	(4 040)	(4 040)	17 800	14 000	81 000
Repairs and Maintenance	107 845	-	-	-	-	-	(7 812)	(7 812)	99 833	97 414	125 025
<b>Free services</b>											
Cost of Free Basic Services provided	15 200	-	-	-	-	-	-	-	15 200	16 228	16 228
Revenue cost of free services provided	15 826	-	-	-	-	-	-	-	15 826	16 946	16 945
<b>Households below minimum service level</b>											
Water:	28	-	-	-	-	-	-	-	28	28	28
Sanitation/sewage:	12	-	-	-	-	-	-	-	12	12	12
Energy:	30	-	-	-	-	-	-	-	30	30	30
Refuse:	119	-	-	-	-	-	-	-	119	119	119

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**(Table B2) – Adjustment Budget Financial Performance (revenue and expenditure by standard classification).**

NW372 Madibeng - Table B2 Adjustments Budget Financial Performance (standard classification) -

Standard Description	Ref	Budget Year 2015/16									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	1, 4	A	5	6	7	8	9	10	11	12		
		A	A1	B	C	D	E	F	G	H		
<b>Revenue - Standard</b>												
<i>Governance and administration</i>		428 138	-	-	-	-	-	-	-	428 138	433 809	451 680
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Budget and treasury office		428 095	-	-	-	-	-	-	-	428 095	433 765	451 630
Corporate services		42	-	-	-	-	-	-	-	42	44	49
<i>Community and public safety</i>		14 289	-	-	-	-	-	-	-	14 289	14 725	15 403
Community and social services		1 182	-	-	-	-	-	-	-	1 182	1 246	1 273
Sport and recreation		89	-	-	-	-	-	-	-	89	94	126
Public safety		10 632	-	-	-	-	-	-	-	10 632	10 792	11 358
Housing		2 385	-	-	-	-	-	-	-	2 385	2 593	2 646
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		1 078 995	-	-	-	-	-	-	-	1 078 995	1 175 042	1 306 017
Electricity		535 263	-	-	-	-	-	-	-	535 263	571 939	632 975
Water		279 294	-	-	-	-	-	-	-	279 294	310 725	370 149
Waste water management		140 166	-	-	-	-	-	-	-	140 166	156 258	151 475
Waste management		124 272	-	-	-	-	-	-	-	124 272	136 120	141 417
Other		2 024	-	-	-	-	-	-	-	2 024	5	5
<b>Total Revenue - Standard</b>	2	1 523 446	-	-	-	-	-	-	-	1 523 446	1 623 581	1 773 104
<b>Expenditure - Standard</b>												
<i>Governance and administration</i>		495 037	-	-	-	-	-	5 471	5 471	500 508	520 067	514 142
Executive and council		72 799	-	-	-	-	-	3 144	3 144	75 943	77 860	82 294
Budget and treasury office		364 527	-	-	-	-	-	5 123	5 123	369 650	379 363	363 257
Corporate services		57 711	-	-	-	-	-	(2 796)	(2 796)	54 915	62 844	68 591
<i>Community and public safety</i>		174 347	-	-	-	-	-	(20)	(20)	174 327	177 135	188 201
Community and social services		36 060	-	-	-	-	-	(2 425)	(2 425)	33 636	34 039	36 356
Sport and recreation		11 122	-	-	-	-	-	323	323	11 445	12 131	12 636
Public safety		93 338	-	-	-	-	-	6 584	6 584	99 922	94 828	101 150
Housing		25 089	-	-	-	-	-	(680)	(680)	24 399	26 895	28 400
Health		8 739	-	-	-	-	-	(3 812)	(3 812)	4 926	9 242	9 648
<i>Economic and environmental services</i>		47 968	-	-	-	-	-	(4 603)	(4 603)	43 365	43 882	45 454
Planning and development		-	-	-	-	-	-	-	-	-	-	-
Road transport		46 260	-	-	-	-	-	(4 231)	(4 231)	42 029	42 038	43 528
Environmental protection		1 708	-	-	-	-	-	(372)	(372)	1 336	1 845	1 925
<i>Trading services</i>		788 457	-	-	-	-	-	2 415	2 415	790 872	867 580	1 009 385
Electricity		467 779	-	-	-	-	-	(984)	(984)	466 795	502 977	571 484
Water		226 632	-	-	-	-	-	3 026	3 026	229 658	266 836	330 777
Waste water management		23 792	-	-	-	-	-	3 429	3 429	27 221	27 532	30 513
Waste management		70 254	-	-	-	-	-	(3 056)	(3 056)	67 198	70 214	75 611
Other		17 480	-	-	-	-	-	(3 263)	(3 263)	14 217	14 545	15 184
<b>Total Expenditure - Standard</b>	3	1 523 289	-	-	-	-	-	0	0	1 523 289	1 623 189	1 772 365
<b>Surplus/ (Deficit) for the year</b>		157	-	-	-	-	-	(0)	(0)	157	392	739

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**(Table B3) - Adjustment Budget Financial Performance (revenue and expenditure by municipal vote)**

NW372 Madibeng - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) -

Vote Description  <i>(Insert departmental structure etc)</i>	Rel	Budget Year 2015/16									Budget Year +1 2016/17	Budget Year +2 2017/18
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
<b>R thousands</b>												
<b>Revenue by Vote</b>	1											
Vote 01 - Executive Council		-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-
Vote 03 - Chief Operating Officer		42	-	-	-	-	-	-	-	42	44	49
Vote 04 - Corporate And Support Services		-	-	-	-	-	-	-	-	-	-	-
Vote 05 - Budget And Treasury Office		428 095	-	-	-	-	-	-	-	428 095	433 765	451 630
Vote 06 - Infrastructure And Technical Services		954 723	-	-	-	-	-	-	-	954 723	1 038 922	1 164 599
Vote 07 - Community Services		125 454	-	-	-	-	-	-	-	125 454	137 366	142 690
Vote 08 - Human Settlement		2 385	-	-	-	-	-	-	-	2 385	2 593	2 646
Vote 09 - Economic Dev, Tourism & Agric		2 024	-	-	-	-	-	-	-	2 024	5	5
Vote 10 - Public Safety		10 722	-	-	-	-	-	-	-	10 722	10 887	11 484
<b>Total Revenue by Vote</b>	2	1 523 446	-	-	-	-	-	-	-	1 523 446	1 623 581	1 773 104
<b>Expenditure by Vote</b>	1											
Vote 01 - Executive Council		34 736	-	-	-	-	-	-	-	34 736	37 522	40 004
Vote 02 - Municipal Manager		33 564	-	-	-	-	-	2 475	2 475	36 039	35 743	37 492
Vote 03 - Chief Operating Officer		4 499	-	-	-	-	-	635	635	5 134	4 595	4 798
Vote 04 - Corporate And Support Services		57 711	-	-	-	-	-	(2 796)	(2 796)	54 915	62 844	68 591
Vote 05 - Budget And Treasury Office		364 627	-	-	-	-	-	5 157	5 157	369 684	379 363	363 257
Vote 06 - Infrastructure And Technical Services		764 464	-	-	-	-	-	1 240	1 240	765 704	839 383	976 302
Vote 07 - Community Services		101 924	-	-	-	-	-	(4 191)	(4 191)	97 733	100 506	109 047
Vote 08 - Human Settlement		25 089	-	-	-	-	-	(690)	(690)	24 399	26 895	28 400
Vote 09 - Economic Dev, Tourism & Agric		17 480	-	-	-	-	-	(3 263)	(3 263)	14 217	14 545	15 184
Vote 10 - Public Safety		119 296	-	-	-	-	-	1 433	1 433	120 729	121 794	129 291
<b>Total Expenditure by Vote</b>	2	1 523 289	-	-	-	-	-	0	0	1 523 289	1 623 189	1 772 365
<b>Surplus/ (Deficit) for the year</b>	2	157	-	-	-	-	-	(0)	(0)	157	392	739

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**(Table B4) – Adjustment Budget Financial Performance (revenue and expenditure)**

NW372 Madibeng - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Ref	Budget Year 2015/16									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	1	A	A1	B	C	D	E	F	G	H		
<b>Revenue By Source</b>												
Property rates	2	337 183	-	-	-	-	-	-	-	337 183	345 700	366 082
Property rates - penalties & collection charges										-		
Service charges - electricity revenue	2	431 808	-	-	-	-	-	-	-	431 808	468 990	528 505
Service charges - water revenue	2	133 644	-	-	-	-	-	-	-	133 644	151 017	170 650
Service charges - sanitation revenue	2	26 213	-	-	-	-	-	-	-	26 213	29 620	33 471
Service charges - refuse revenue	2	27 351	-	-	-	-	-	-	-	27 351	28 855	30 385
Service charges - other										-		
Rental of facilities and equipment		628	-	-	-	-	-	-	-	628	663	698
Interest earned - external investments		4 095	-	-	-	-	-	-	-	4 095	4 320	4 548
Interest earned - outstanding debtors		56 483	-	-	-	-	-	-	-	56 483	50 253	45 253
Dividends received		-	-	-	-	-	-	-	-	-	-	-
Fines		626	-	-	-	-	-	-	-	626	660	695
Licences and permits		7 335	-	-	-	-	-	-	-	7 335	7 738	8 145
Agency services		2 215	-	-	-	-	-	-	-	2 215	2 336	2 460
Transfers recognised - operating		468 393	-	-	-	-	-	-	-	468 393	516 178	564 047
Other revenue	2	16 352	-	-	-	-	-	-	-	16 352	17 251	18 165
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>1 512 326</b>								<b>1 512 326</b>	<b>1 623 581</b>	<b>1 773 104</b>
<b>Expenditure By Type</b>												
Employee related costs		340 739	-	-	-	-	-	0	0	340 739	364 754	384 545
Remuneration of councillors		26 345	-	-	-	-	-	-	-	26 345	27 795	29 268
Debt impairment		208 167	-	-	-	-	-	-	-	208 167	188 208	155 121
Depreciation & asset impairment		82 430	-	-	-	-	-	-	-	82 430	86 963	106 963
Finance charges		10 000	-	-	-	-	-	-	-	10 000	12 000	15 000
Bulk purchases		511 126	-	-	-	-	-	-	-	511 126	566 710	678 704
Other materials		107 645	-	-	-	-	-	(7 812)	(7 812)	99 833	97 414	125 025
Contracted services		73 763	-	-	-	-	-	(11 172)	(11 172)	62 591	84 309	99 357
Transfers and grants		33 459	-	-	-	-	-	-	-	33 459	35 433	37 417
Other expenditure		118 495	-	-	-	-	-	18 984	18 984	137 479	129 608	140 965
Loss on disposal of PPE												
<b>Total Expenditure</b>		<b>1 512 169</b>						<b>0</b>	<b>0</b>	<b>1 512 169</b>	<b>1 623 189</b>	<b>1 772 365</b>
<b>Surplus/(Deficit)</b>		<b>157</b>						<b>(0)</b>	<b>(0)</b>	<b>157</b>	<b>392</b>	<b>739</b>
Transfers recognised - capital		-	-	-	-	-	-	-	-	-	-	-
Contributions recognised - capital		-	-	-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) before taxation</b>		<b>157</b>						<b>(0)</b>	<b>(0)</b>	<b>157</b>	<b>392</b>	<b>739</b>
Taxation												
<b>Surplus/(Deficit) after taxation</b>		<b>157</b>						<b>(0)</b>	<b>(0)</b>	<b>157</b>	<b>392</b>	<b>739</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>157</b>						<b>(0)</b>	<b>(0)</b>	<b>157</b>	<b>392</b>	<b>739</b>
Share of surplus/ (deficit) of associate												
<b>Surplus/ (Deficit) for the year</b>		<b>157</b>						<b>(0)</b>	<b>(0)</b>	<b>157</b>	<b>392</b>	<b>739</b>

**(Table B5) – Adjustment Budget Capital Expenditure by vote, standard classification and funding source.**

NW372 Madibeng - Table B5 Adjustments Capital Expenditure Budget by vote and funding -

Description	Ref	Budget Year 2015/16									Budget Year +1 2016/17	Budget Year +2 2017/18
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
<b>Capital expenditure - Vote</b>												
<b>Single-year expenditure to be adjusted</b>	2											
Vote 01 - Executive Council		-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-
Vote 03 - Chief Operating Officer		-	-	-	-	-	-	-	-	-	-	-
Vote 04 - Corporate And Support Services		2 000	-	-	-	-	-	43	43	2 043	-	-
Vote 05 - Budget And Treasury Office		4 500	-	-	-	-	-	(72)	(72)	4 428	-	-
Vote 06 - Infrastructure And Technical Services		266 211	-	-	-	-	-	25 368	25 368	291 579	253 926	302 000
Vote 07 - Community Services		4 500	-	-	-	-	-	(4 500)	(4 500)	-	15 000	5 362
Vote 08 - Human Settlement		-	-	-	-	-	-	1 228	1 228	1 228	-	-
Vote 09 - Economic Dev, Tourism & Agric		-	-	-	-	-	-	724	724	724	12 000	5 000
Vote 10 - Public Safety		15 250	-	-	-	-	-	3 888	3 888	19 138	33 300	-
<b>Capital single-year expenditure sub-total</b>		<b>292 461</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26 678</b>	<b>26 678</b>	<b>319 139</b>	<b>314 226</b>	<b>312 362</b>
<b>Total Capital Expenditure - Vote</b>		<b>292 461</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26 678</b>	<b>26 678</b>	<b>319 139</b>	<b>314 226</b>	<b>312 362</b>
<b>Capital Expenditure - Standard</b>												
<b>Governance and administration</b>		6 500	-	-	-	-	-	(29)	(29)	6 471	-	-
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Budget and treasury office		4 500	-	-	-	-	-	(72)	(72)	4 428	-	-
Corporate services		2 000	-	-	-	-	-	43	43	2 043	-	-
<b>Community and public safety</b>		17 250	-	-	-	-	-	3 116	3 116	20 366	33 300	-
Community and social services		6 950	-	-	-	-	-	128	128	7 078	-	-
Spot and recreation		6 800	-	-	-	-	-	1 000	1 000	7 800	12 000	-
Public safety		3 500	-	-	-	-	-	760	760	4 260	21 300	-
Housing		-	-	-	-	-	-	1 228	1 228	1 228	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		142 300	-	-	-	-	-	(560)	(560)	141 740	89 519	71 000
Planning and development		-	-	-	-	-	-	-	-	-	-	-
Road transport		142 300	-	-	-	-	-	(560)	(560)	141 740	89 519	71 000
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		126 411	-	-	-	-	-	23 428	23 428	149 839	179 407	236 362
Electricity		24 000	-	-	-	-	-	(2 000)	(2 000)	22 000	20 000	25 000
Water		79 911	-	-	-	-	-	23 328	23 328	103 239	90 307	87 000
Waste water management		20 000	-	-	-	-	-	4 600	4 600	24 600	54 100	119 000
Waste management		2 500	-	-	-	-	-	(2 500)	(2 500)	-	15 000	5 362
Other		-	-	-	-	-	-	724	724	724	12 000	5 000
<b>Total Capital Expenditure - Standard</b>	3	<b>292 461</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26 678</b>	<b>26 678</b>	<b>319 139</b>	<b>314 226</b>	<b>312 362</b>
<b>Funded by:</b>												
National Government		284 461	-	-	-	-	-	22 828	22 828	307 289	314 226	312 362
Provincial Government		-	-	-	-	-	-	900	900	900	-	-
<b>Total Capital transfers recognised</b>	4	<b>284 461</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23 728</b>	<b>23 728</b>	<b>308 189</b>	<b>314 226</b>	<b>312 362</b>
Internally generated funds		8 000	-	-	-	-	-	2 950	2 950	10 950	-	-
<b>Total Capital Funding</b>		<b>292 461</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26 678</b>	<b>26 678</b>	<b>319 139</b>	<b>314 226</b>	<b>312 362</b>

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**(Table B6) – Adjustment Budget Financial Position**

NW372 Madibeng - Table B6 Adjustments Budget Financial Position -

Description	Ref	Budget Year 2015/16									Budget Year +1 2016/17	Budget Year +2 2017/18
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavold.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
<b>ASSETS</b>												
<b>Current assets</b>												
Cash		45 000	-	-	-	-	-	-	-	45 000	50 000	55 000
Call investment deposits	1	145 000	-	-	-	-	-	-	-	145 000	120 000	115 000
Consumer debtors	1	50 000	-	-	-	-	-	-	-	50 000	80 000	110 000
Other debtors		27 791	-	-	-	-	-	-	-	27 791	27 791	27 800
Current portion of long-term receivables		-	-	-	-	-	-	-	-	-	-	-
Inventory		6 678	-	-	-	-	-	-	-	6 678	6 878	-
<b>Total current assets</b>		<b>274 469</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>274 469</b>	<b>284 669</b>	<b>307 800</b>
<b>Non current assets</b>												
Long-term receivables		-	-	-	-	-	-	-	-	-	-	-
Investments		23 832	-	-	-	-	-	-	-	23 832	23 932	24 000
Investment property		-	-	-	-	-	-	-	-	-	-	-
Investment in Associate		-	-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	1	4 816 341	-	-	-	-	-	-	-	4 816 341	5 286 341	5 616 341
Agricultural		-	-	-	-	-	-	-	-	-	-	-
Biological		-	-	-	-	-	-	-	-	-	-	-
Intangible		-	-	-	-	-	-	-	-	-	-	-
Other non-current assets		10	-	-	-	-	-	-	-	10	10	10
<b>Total non current assets</b>		<b>4 840 184</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 840 184</b>	<b>5 290 284</b>	<b>5 640 351</b>
<b>TOTAL ASSETS</b>		<b>5 114 653</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5 114 653</b>	<b>5 574 953</b>	<b>5 948 151</b>
<b>LIABILITIES</b>												
<b>Current liabilities</b>												
Bank overdraft		-	-	-	-	-	-	-	-	-	-	-
Borrowing		60	-	-	-	-	-	-	-	60	60	60
Consumer deposits		26 130	-	-	-	-	-	-	-	26 130	27 130	27 500
Trade and other payables		165 000	-	-	-	-	-	-	-	165 000	166 000	155 000
Provisions		-	-	-	-	-	-	-	-	-	-	-
<b>Total current liabilities</b>		<b>191 190</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>191 190</b>	<b>193 190</b>	<b>182 560</b>
<b>Non current liabilities</b>												
Borrowing	1	550 000	-	-	-	-	-	-	-	550 000	555 000	564 000
Provisions	1	101 600	-	-	-	-	-	-	-	101 600	102 500	103 500
<b>Total non current liabilities</b>		<b>651 600</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>651 600</b>	<b>657 500</b>	<b>667 500</b>
<b>TOTAL LIABILITIES</b>		<b>842 790</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>842 790</b>	<b>850 690</b>	<b>850 060</b>
<b>NET ASSETS</b>	2	<b>4 271 863</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 271 863</b>	<b>4 724 263</b>	<b>5 098 091</b>
<b>COMMUNITY WEALTH/EQUITY</b>												
Accumulated Surplus/(Deficit)		4 271 863	-	-	-	-	-	-	-	4 271 863	4 724 263	5 098 091
Reserves		-	-	-	-	-	-	-	-	-	-	-
Minorities' interests		-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>		<b>4 271 863</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 271 863</b>	<b>4 724 263</b>	<b>5 098 091</b>

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**(Table B7) Adjustment Budget Cash Flow**

NW372 Madibeng - Table B7 Adjustments Budget Cash Flows -

Description	Ref	Budget Year 2015/16									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H			
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>												
<b>Receipts</b>												
Property rates, penalties & collection charges		249 515	-	-	-	-	-	(77 584)	(77 584)	171 932	255 818	270 901
Service charges		501 301	-	-	-	-	-	115 769	115 769	617 070	551 305	652 857
Other revenue		27 156	-	-	-	-	-	-	-	27 156	28 648	30 163
Government - operating	1	468 393	-	-	-	-	-	-	-	468 393	516 178	554 047
Government - capital	1	284 461	-	-	-	-	-	23 728	23 728	308 189	314 226	312 362
Interest		60 578	-	-	-	-	-	-	-	60 578	54 573	49 801
Dividends		-	-	-	-	-	-	-	-	-	-	-
<b>Payments</b>												
Suppliers and employees		(1 190 939)	-	-	-	-	-	-	-	(1 190 939)	(1 314 432)	(1 472 081)
Finance charges		(10 000)	-	-	-	-	-	-	-	(10 000)	(12 000)	(15 000)
Transfers and Grants	1	(33 459)	-	-	-	-	-	-	-	(33 459)	(35 433)	(37 417)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>357 006</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>61 914</b>	<b>61 914</b>	<b>418 920</b>	<b>358 883</b>	<b>355 633</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		60 261	-	-	-	-	-	-	-	60 261	61 000	-
<b>Payments</b>												
Capital assets		(292 461)	-	-	-	-	-	(26 678)	(26 678)	(319 139)	(314 226)	(312 362)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(232 201)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(26 678)</b>	<b>(26 678)</b>	<b>(258 879)</b>	<b>(253 226)</b>	<b>(312 362)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>												
<b>Receipts</b>												
Short term loans		-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		35 000	-	-	-	-	-	-	-	35 000	40 000	40 000
<b>Payments</b>												
Repayment of borrowing		(24 550)	-	-	-	-	-	24 550	24 550	-	(34 201)	(44 951)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>10 450</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24 550</b>	<b>24 550</b>	<b>35 000</b>	<b>5 799</b>	<b>(4 951)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>135 256</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>59 785</b>	<b>59 785</b>	<b>195 041</b>	<b>111 458</b>	<b>38 320</b>
Cash/cash equivalents at the year begin:	2	89 385	-	-	-	-	-	-	-	89 386	224 641	336 097
Cash/cash equivalents at the year end:	2	224 641	-	-	-	-	-	59 785	-	284 427	336 097	374 417

The adjusted Capital Expenditure budget will increase the cash-flow from investing activities by R26.6 million.

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**(Table B8) - Cash Backed Reserves/Accumulated Surplus Reconciliation**

1. The cash and investments at year end indicate that a surplus of R8.3 million from reconciliation between the available funding to the liabilities/commitments that exist.
2. Non-compliance with section 28 of the MFMA is assumed because a shortfall would indirectly indicate that the adjustment budget is not appropriately funded.

NW372 Madibeng - Table B8 Cash backed reserves/accumulated surplus reconciliation -

Description	Ref	Budget Year 2015/16								Budget Year	Budget Year	
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	
R thousands	A	3	4	5	6	7	8	9	10			
			B	C	D	E	F	G	H			
<b>Cash and investments available</b>												
Cash/cash equivalents at the year end	1	224 841	-	-	-	-	-	59 785	59 785	264 427	336 097	374 417
Other current investments > 90 days		(34 641)	-	-	-	-	-	(58 785)	(58 785)	(94 427)	(166 097)	(204 417)
Non current assets - investments	1	23 832	-	-	-	-	-	-	-	23 832	23 932	24 000
<b>Cash and investments available:</b>		<b>213 832</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>213 832</b>	<b>193 932</b>	<b>194 000</b>
<b>Applications of cash and investments</b>												
Unspent conditional transfers		-	-	-	-	-	-	-	-	-	-	-
Unspent borrowing												
Statutory requirements												
Other working capital requirements	2	106 798	-	-	-	-	(2 857)	(2 857)	(2 857)	103 943	84 330	45 868
Other provisions		101 600	-	-	-	-	-	-	-	101 600	102 500	103 500
Long term investments committed		-	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments		-	-	-	-	-	-	-	-	-	-	-
<b>Total Application of cash and investments:</b>		<b>208 399</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2 857)</b>	<b>(2 857)</b>	<b>(2 857)</b>	<b>205 543</b>	<b>166 830</b>	<b>149 368</b>
<b>Surplus(shortfall)</b>		<b>5 433</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 857</b>	<b>2 857</b>	<b>8 290</b>	<b>7 102</b>	<b>44 632</b>

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**(Table B9) Asset Management**  
**NW372 Madibeng - Table B9 Asset Management -**

Description	Ref	Budget Year 2015/16									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2016/17	+2 2017/18
		A	A1	B	C	D	F	F	G	H	Adjusted Budget	Adjusted Budget
R thousands												
<b>CAPITAL EXPENDITURE</b>												
<b>Total New Assets to be adjusted</b>	1	270 821	-	-	-	-	-	4 763	4 763	275 384	300 228	231 362
Infrastructure - Road transport		128 210	-	-	-	-	-	3 490	3 490	128 590	75 519	61 000
Infrastructure - Electricity		25 000	-	-	-	-	-	(2 000)	(2 000)	23 000	20 000	25 000
Infrastructure - Water		107 911	-	-	-	-	-	4 100	4 100	112 011	126 407	110 000
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	15 000	25 000
Infrastructure - Other		3 500	-	-	-	-	-	(4 500)	(4 500)	(1 000)	23 000	10 362
Infrastructure		262 621	-	-	-	-	-	1 080	1 080	263 701	259 928	231 362
Community		4 000	-	-	-	-	-	3 083	3 083	7 083	26 000	-
Other assets	5	4 000	-	-	-	-	-	600	600	4 600	14 300	-
<b>Total Renewal of Existing Assets to be adjusted</b>	2	21 840	-	-	-	-	-	(4 040)	(4 040)	17 800	14 000	81 000
Infrastructure - Road transport		16 840	-	-	-	-	-	(4 040)	(4 040)	12 800	6 000	10 000
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Water		5 000	-	-	-	-	-	-	-	5 000	5 000	7 000
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	3 000	64 000
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		21 840	-	-	-	-	-	(4 040)	(4 040)	17 800	14 000	81 000
<b>Total Capital Expenditure to be adjusted</b>	4	292 461	-	-	-	-	-	723	723	293 184	314 228	312 362
Infrastructure - Road transport		143 050	-	-	-	-	-	(560)	(560)	142 490	81 519	71 000
Infrastructure - Electricity		25 000	-	-	-	-	-	(2 000)	(2 000)	23 000	20 000	25 000
Infrastructure - Water		112 911	-	-	-	-	-	4 100	4 100	117 011	131 407	117 000
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	18 000	89 000
Infrastructure - Other		3 500	-	-	-	-	-	(4 500)	(4 500)	(1 000)	23 000	10 362
Infrastructure		294 461	-	-	-	-	-	(2 960)	(2 960)	291 501	273 926	312 362
Community		4 000	-	-	-	-	-	3 083	3 083	7 083	26 000	-
Other assets		4 000	-	-	-	-	-	600	600	4 600	14 300	-
<b>TOTAL CAPITAL EXPENDITURE to be adjusted</b>	2	292 461	-	-	-	-	-	723	723	293 184	314 228	312 362
<b>ASSET REGISTER SUMMARY - PPE (W/L)</b>												
Infrastructure - Road transport	5	743 632	-	-	-	-	-	-	-	743 632	826 590	508 746
Infrastructure - Electricity		1 275 388	-	-	-	-	-	-	-	1 275 388	1 298 388	1 321 308
Infrastructure - Water		588 187	-	-	-	-	-	-	-	588 187	619 284	672 401
Infrastructure - Sanitation		136 287	-	-	-	-	-	-	-	136 287	185 287	236 287
Infrastructure - Other		1 604 683	-	-	-	-	-	-	-	1 604 683	1 845 358	1 986 186
Infrastructure		4 328 158	-	-	-	-	-	-	-	4 328 158	4 776 058	5 125 980
Community		23 832	-	-	-	-	-	-	-	23 832	23 932	24 000
Heritage assets		10	-	-	-	-	-	-	-	10	10	10
Investment properties		466 341	-	-	-	-	-	-	-	466 341	466 341	466 341
Other assets		-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL ASSET REGISTER SUMMARY - PPE</b>	5	4 816 341	-	-	-	-	-	-	-	4 816 341	5 286 341	5 616 341
<b>EXPENDITURE OTHER ITEMS</b>												
<b>Depreciation &amp; asset impairment</b>		82 430	-	-	-	-	-	-	-	82 430	86 983	106 983
<b>Repairs and Maintenance by asset class</b>	3	107 645	-	-	-	-	-	(7 812)	(7 812)	99 833	97 414	125 026
Infrastructure - Road transport		24 720	-	-	-	-	-	(1 333)	(1 333)	23 388	23 284	24 746
Infrastructure - Electricity		25 463	-	-	-	-	-	-	-	25 463	25 191	27 167
Infrastructure - Water		23 814	-	-	-	-	-	(3 930)	(3 930)	19 884	23 333	38 932
Infrastructure - Sanitation		5 000	-	-	-	-	-	(80)	(80)	4 920	5 000	7 000
Infrastructure - Other		575	-	-	-	-	-	-	-	575	409	510
Infrastructure		79 572	-	-	-	-	-	(5 323)	(5 323)	74 250	77 297	88 355
Community		8 021	-	-	-	-	-	(770)	(770)	7 251	6 644	6 841
Other assets	8	20 051	-	-	-	-	-	(1 719)	(1 719)	18 332	13 473	19 029
<b>TOTAL EXPENDITURE OTHER ITEMS to be adjusted</b>		190 075	-	-	-	-	-	(7 812)	(7 812)	182 263	184 377	231 889
<b>Renewal of Existing Assets as % of total cap</b>		7.0%	0.0%							6.1%	4.5%	25.0%
<b>Renewal of Existing Assets as % of deprec</b>		26.5%	0.0%							21.0%	16.1%	75.7%
<b>R&amp;M as a % of PPE</b>		2.2%	0.0%							2.1%	1.8%	2.2%
<b>Renewal and R&amp;M as a % of PPE</b>		2.7%	0.0%							2.4%	2.1%	3.7%

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The capital budget was increased with R26.6 million for 2015/2016 financial year. The increase is due to the following:

- The will be an additional **R2.8 million** for Refurbishment of DWA Networks.
- **R900 000** from Provincial Government-(NW) for the Library Grant.
- **R20 million** for Maboloka Water Augmentation Project from MWIG.
- **R1.2 million** is for the Purchase of Land (Elandsfontein Farm), from Internal Funds.
- **R722 678** for Madibeng Car Wash, which will be funded from Internal Funds.
- **R1 million** for the Cosmos Ridge Sewer, from Internal Funding.

(Table B10) Basic Service delivery measurement

NW372 Madibeng - Table B10 Basic service delivery measurement -

Description	Ref	Budget Year 2015/16									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		A	A1	B	C	D	E	F	G	H	Budget	Budget
<b>Household service targets</b>	1											
<b>Water:</b>												
Piped water inside dwelling		35882	0	0	0	0	0	0	0	36	35662	35662
Piped water inside yard (but not in dwelling)		73520	0	0	0	0	0	0	0	74	73520	73520
Using public tap (at least min. service level)	2	4880	0	0	0	0	0	0	0	5	4880	4880
Minimum Service Level and Above sub-total		114	-	-	-	-	-	-	-	114	114	114
Using public tap (< min. service level)	3	27000	0	0	0	0	0	0	0	28	27000	27000
Below Minimum Service Level sub-total		28	-	-	-	-	-	-	-	28	28	28
<b>Total number of households</b>	5	142	-	-	-	-	-	-	-	142	142	142
<b>Sanitation/sewerage:</b>												
Flush toilet (connected to sewerage)		44405	0	0	0	0	0	0	0	44 405	44405	44405
Flush toilet (with septic tank)		2444	0	0	0	0	0	0	0	2 444	2444	2444
Pit toilet (ventilated)		11735	0	0	0	0	0	0	0	11 735	11735	11735
Other toilet provisions (> min. service level)		37123	0	0	0	0	0	0	0	37 123	37123	37123
Minimum Service Level and Above sub-total		95 707	-	-	-	-	-	-	-	95 707	95 707	95 707
Bucket toilet		3049	0	0	0	0	0	0	0	3 049	3049	3049
No toilet provisions		9321	0	0	0	0	0	0	0	9 321	9321	9321
Below Minimum Service Level sub-total		12 370	-	-	-	-	-	-	-	12 370	12 370	12 370
<b>Total number of households</b>	5	108 077	-	-	-	-	-	-	-	108 077	108 077	108 077
<b>Energy:</b>												
Electricity (at least min. service level)		65000	0	0	0	0	0	0	0	65 000	65000	65000
Minimum Service Level and Above sub-total		65 000	-	-	-	-	-	-	-	65 000	65 000	65 000
Other energy sources		29983	0	0	0	0	0	0	0	29 983	29983	29983
Below Minimum Service Level sub-total		29 983	-	-	-	-	-	-	-	29 983	29 983	29 983
<b>Total number of households</b>	5	94 983	-	-	-	-	-	-	-	94 983	94 983	94 983
<b>Refuse:</b>												
Removed at least once a week (min. service)		41364	0	0	0	0	0	0	0	41 364	41364	41364
Minimum Service Level and Above sub-total		41 364	-	-	-	-	-	-	-	41 364	41 364	41 364
Removed less frequently than once a week		2100	0	0	0	0	0	0	0	2 100	2100	2100
Using communal refuse dump		4553	0	0	0	0	0	0	0	4 553	4553	4553
Using own refuse dump		98144	0	0	0	0	0	0	0	98 144	98144	98144
Other rubbish disposal		1736	0	0	0	0	0	0	0	1 736	1736	1736
No rubbish disposal		14800	0	0	0	0	0	0	0	14 800	14800	14800
Below Minimum Service Level sub-total		119 333	-	-	-	-	-	-	-	119 333	119 333	119 333
<b>Total number of households</b>	5	160 697	-	-	-	-	-	-	-	160 697	160 697	160 697
<b>Households receiving Free Basic Service</b>	15											
Water (6 kilolitres per household per month)		6500	0	0	0	0	0	0	0	6 500	7000	7000
Sanitation (free minimum level service)		6500	0	0	0	0	0	0	0	6 500	7000	7000
Electricity/other energy (50kwh per household per month)		6500	0	0	0	0	0	0	0	6 500	7000	7000
Refuse (removed at least once a week)		6500	0	0	0	0	0	0	0	6 500	7000	7000
<b>Cost of Free Basic Services provided (R'000)</b>	16											
Water (6 kilolitres per household per month)		545	-	-	-	-	-	-	-	545	515	515
Sanitation (Free sanitation service)		200	-	-	-	-	-	-	-	200	227	227
Electricity/other energy (50kwh per household per month)		11 070	-	-	-	-	-	-	-	11 070	11 874	11 874
Refuse (removed once a week)		3 385	-	-	-	-	-	-	-	3 385	3 612	3 612
<b>Total cost of FBS provided (minimum social package)</b>		15 200	-	-	-	-	-	-	-	15 200	16 228	16 228
<b>Revenue cost of free services provided (R'000)</b>	17											
Property rates (R15 000 threshold rebate)		717	-	-	-	-	-	-	-	717	717	717
Water		454	-	-	-	-	-	-	-	454	515	515
Sanitation		200	-	-	-	-	-	-	-	200	227	227
Electricity/other energy		11 070	-	-	-	-	-	-	-	11 070	11 874	11 874
Refuse		3 385	-	-	-	-	-	-	-	3 385	3 612	3 612
<b>Total revenue cost of free services provided (total social package)</b>		15 826	-	-	-	-	-	-	-	15 826	16 945	16 945



## PART 2 - SUPPORTING DOCUMENTATION

### 6. ADJUSTMENT TO BUDGET ASSUMPTIONS

The 2015/2016 Budget adjustment is not meant to increase the Operating Revenue budget and the Operating Expenditure Budget. Both Operating revenue and Operating expenditure remain unchanged from the approved budget. Virement was done to in various votes by identifying votes with potential saving to provide for expenditure line item which exceeded the projected limit. The Capital budget has increased by R26.6 million from R292.4 million to R319.1 million.

### 7. ADJUSTMENT TO BUDGET FUNDING

#### Funding compliance measurement

The Operating Revenue and Operating expenditure remain unchanged. The adjustment is made on Capital budget, by adding projects worth R26.6 million.

### 8. ADJUSTMENT TO EXPENDITURE ON ALLOCATIONS AND GRANT PROGRAMME

It must be noted that National treasury reduces the equitable share allocation of November 2014 by R17.5 million. While the management is still in the process negotiating with National Treasury to revise its decision to transfer back the allocation, the budgeted amount will remain unchanged until the decision is finalised

### 9. ADJUSTMENT TO ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY

- *No changes*

### 10. ADJUSTMENT TO COUNCILLOR ALLOWANCES AND EMPLOYEES BENEFITS

- *No changes*

### 11. ADJUSTMENT TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

- *No changes*

### 12. ADJUSTMENT TO CAPITAL EXPENDITURE

The capital budget was increased with **R26.6 million** for 2015/2016 financial year. The increase is due to the following:

- There will be an additional **R2.8 million** for Refurbishment of DWA Networks.



- R900 000 from Provincial Government-(NW) for the Library Grant.
- R20 million for Maboloka Water Augmentation Project from MWIG.
- R1.2 million is for the Purchase of Land (Elandsfontein Farm), from Internal Funds.
- R722 678 for Madibeng Car Wash, which will be funded from Internal Funds.
- R1 million for the Cosmos Ridge Sewer, from Internal Funding.

Detail list of capital projects affected by the adjustment budget.

DESCRIPTION	WARDS	BUDGET 2015/16	ADJUSTED BUDGET	BUDGET 2016/17	BUDGET 2017/18	Funding Source
MIG						
KLIPGAT EXTENSION WATER SUPPLY	24,8,36	15 000 000.00	17 000 000.00	15 000 000.00		MIG
HEBRON/KGABALATSANE/ROCKVILLE/TSOENENG WATER	10,15,16,	47 411 000.00	47 411 000.00	73 407 000.00		MIG
HEBRON TO MAHHE BULK WATER PIPELINE	3	2 500 000.00	-	8 000 000.00		MIG
WATER SUPPLY AUGMENTATION: BOPHIBEN (CLUSTERS)	1,2,25,26,27,29,31	-	-	1 500 000.00	70 000 000.00	MIG
JURICHO WATER RETICULATION	7	-	-	2 400 000.00	45 000 000.00	MIG
SUNWAY VILLAGE BULK SEWERLINE	30	-	-	6 500 000.00		MIG
KLIPGAT SANITATION PROJECT	24,8,36	20 000 000.00	22 800 000.00	30 000 000.00	70 000 000.00	MIG
WARD 1 VIP TOILETS	1	-	-	10 000 000.00	35 000 000.00	MIG
MOTHOTLUNG WASTE WATER TREATMENT WORKS	20	-	-	4 300 000.00		MIG
RIJUFONTEN WASTE WATER TREATMENT WORKS	20	-	1 800 000.00			MIG
UPGRADING OF MOTHOTLUNG OUTFALL SEWER	20	-	-	1 500 000.00	32 000 000.00	MIG
UPGRADING OF OUKASIE OUTFALL SEWER	13,21,22	-	-	1 500 000.00	32 000 000.00	MIG
HIGH MASS LIGHT ENGERERING	15	2 000 000.00	1 000 000.00			MIG
MADIBENG HIGHMAST LIGHTS and STREET PLANS 2	1,10,26	1 000 000.00	-	5 000 000.00	10 000 000.00	MIG
FAFUNG TO RASAI ROAD	1	10 000 000.00	10 000 000.00	10 000 000.00		MIG
CLUSTER 1 INTERNAL ROADS	7	13 830 000.00	13 310 000.00			MIG
CLUSTER 2 INTERNAL ROADS	21	8 000 000.00	7 500 000.00			MIG
UPGRADING OF INTERNAL ROADS OF CLUSTER 3	15,16	8 000 000.00	8 000 000.00			MIG
UPGRADING OF INTERNAL ROADS OF CLUSTER 4	3,24	8 000 000.00	7 500 000.00			MIG
UPGRADING OF INTERNAL ROADS OF CLUSTER 5	9,11,12,35	21 000 000.00	19 000 000.00			MIG
UPGRADING OF INTERNAL ROADS OF CLUSTER 6	2	6 000 000.00	6 000 000.00			MIG
UPGRADING OF INTERNAL ROADS OF CLUSTER 7	4,5,6	8 000 000.00	9 500 000.00			MIG
UPGRADING OF INTERNAL ROADS OF CLUSTER 8	17,18,19	19 000 000.00	19 000 000.00			MIG
CLUSTER ROADS (ALL WARDS)	All wards	-	-	56 019 000.00	54 000 000.00	MIG
KLIPGAT STORMWATER	24,8,36	6 000 000.00	6 000 000.00			MIG
MOTHOTLUNG STORM WATER	20	200 000.00	4 200 000.00			MIG
LETLHABILE STORMWATER	9,11,12	5 000 000.00	6 500 000.00			MIG
RANKOTEA ROAD	14	5 500 000.00	4 000 000.00			MIG
OUKASIE STORM WATER	13,21,22	5 000 000.00	7 000 000.00			MIG
MAKGABETLWANE TO JURICHO ROAD	34,2	9 430 000.00	9 430 000.00	6 500 000.00		MIG
UPGRADING OF THE MAIN BUS AND TAXI RANK (DIRITS)	Jan-00	8 640 000.00	4 800 000.00	8 000 000.00		MIG
UPGRADING OF OUKASIE TAXI RANK	13,21,22	-	-	3 000 000.00	3 000 000.00	MIG
UPGRADING OF HEBRON TAXI RANK	16	-	-	3 000 000.00	7 000 000.00	MIG
DEVELOPMENT OF LETLHABILE TAXI RANK	9,11,12,35	-	-	3 000 000.00	7 000 000.00	MIG
MOGENOE DIRK STATION	27	-	-	7 500 000.00		MIG
OUKASIE WASTE TRANSFER STATION	13,21,22	2 000 000.00	-			MIG
WARD 19 WASTE TRANSFER STATION(MMAKAL)	17,18,19	2 500 000.00	-			MIG
HARTHEBES LANDFILL SITE (opp)ig	33	-	-	5 000 000.00	5 362 000.00	MIG
NI-W NORTHERN REG LANDFILL SITE / OSKRAAL	35	-	-	10 000 000.00		MIG
LETLHABILE CEMETRY	9,11,12	2 000 000.00	-			MIG
MMAKAL LIBRARY	17,18,19	-	-	7 000 000.00		MIG
KLIPGAT LIBRARY	8,24,36	-	-	7 000 000.00		MIG
HEBRON COMMUNITY LIBRARY	10,15,16,	-	550 000.00			MIG
COMMUNITY HALL (ward 25)	25	-	1 195 000.00			MIG
COMMUNITY HALL (ward 17)	17	-	85 000.00			MIG
MAHHE MULTI-PURPOSE CENTRE	3	6 800 000.00	7 300 000.00			MIG
KGABALATSANE SPORTS FACILITY	10	-	-	2 000 000.00	-	MIG
MABOLOKA SPORTS FACILITY	4,5,6	-	-	8 000 000.00		MIG
WARD 31 SPORTS FACILITY	31	-	-	2 000 000.00		MIG
DITHAMANE MULTI PURPOSE CENTRE	27	1 950 000.00	7 050 000.00			MIG
LETLHABILE FLEA MARKET	9,11,12,35	-	-	7 000 000.00		MIG
DEVELOPMENT OF LAWYERS PAVILION(VARIOUS TOWNSHIPS)	9,11,12,13,20,21,22,35	-	-	5 000 000.00	5 000 000.00	MIG
<b>GRAND TOTAL MIG</b>		<b>248 461 000.00</b>	<b>248 461 000.00</b>	<b>259 226 000.00</b>	<b>275 362 000.00</b>	
REBURSEMENT OF DWA NETWORKS	1,2	15 000 000.00	17 800 000.00	10 000 000.00	7 000 000.00	WSOS
LIBRARY GRANT	1 to 36	-	900 000.00	-	-	NWPG

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MAKHLA WATER AUGMENTATION PROJECT WC/WDM	4526		20 028 000.00	12 000 000.00	15 000 000.00	MWIG
ELECTRICATIONS LEISURE/BLUCK I	9	1 500 000.00	1 500 000.00	18 000 000.00		INMF
ELECTRICATIONS RESIDENTS	31	1 000 000.00	1 000 000.00	-		INMF
SUNWAY ELECTRICITY SUBSTATION	31	18 500 000.00	18 500 000.00	15 000 000.00	15 000 000.00	INMF
		36 000 000.00	59 728 000.00	55 000 000.00	37 000 000.00	
BIUMBIEX SYSTEM	MAIN BUILDING	500 000.00	500 000.00			INTERNAL
VEHICLES	MAIN BUILDING	1 500 000.00	1 500 000.00			INTERNAL
PURCHASE OF LAND (64 of the Farm Flamboustein 440 IQ) A.0786			1 227 512.00			INTERNAL
CARWASH			722 678.00			INTERNAL
COSMOS RIDGE			1 600 000.00			INTERNAL
EXTENSION OF COUNCIL CHAMBER	MAIN BUILDING	1 500 000.00	1 500 000.00			INTERNAL
GROUND FLOOR PARTITIONING	MAIN BUILDING	3 500 000.00	3 500 000.00			INTERNAL
FURNITURE/OFF MACHINES/EQUIPMENT	MAIN BUILDING	1 000 000.00	1 000 000.00			INTERNAL
		8 000 000.00	10 950 190.00	-		
TOTAL		292 461 000.00	319 139 190.00	314 228 000.00	312 562 000.00	

### 13. OTHER SUPPORTING DOCUMENTS

None

### 14. MUNICIPAL MANAGER'S QUALITY CERTIFICATE

*MATOME ENERGY MANAKA* municipal manager of Madibeng Local Municipality, hereby certify that the adjustment budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the adjustment budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name

*MATOME ENERGY MANAKA*  
Acting Municipal Manager of Madibeng Local Municipality

Signature

*Manaka*

Date

*03/03/2016*