

# BA-PHALABORWA LOCAL MUNICIPALITY



**‘THE HOME OF MARULA AND WILDLIFE TOURISM’**

---

**ADJUSTMENT BUDGET**

**2015/16**

## Table of content

### **Part 1: Adjustment budget**

Mayor's report.....	Page 6 - 9
Adjustment budget resolution.....	Page 10 - 13
Executive summary.....	Page 14 - 21
Adjustment budget tables.....	Page 22 - 38

### **Part 2: Supporting documentation**

Adjustment to budget assumption.....	Page 39 - 51
Adjustment to budget funding.....	Page 52
Adjustment to expenditure on allocations and Grant programmes.....	Page 53 - 54
Adjustment to allocations and Grants made by the Municipality.....	Page 54
Adjustment to Councillor Allowances and employees benefits.....	Page 55 - 56
Adjustment to Service Delivery and Budget Implementation Plan.....	Page 57 - 63
Adjustment to Capital Expenditure.....	Page 64 - 73

Other supporting documents.....Page 74 - 77

Municipal Manager's quality certification.....Page 78

**Abbreviations and Acronyms**

CPIX	Consumer Price Index
DORA	Division of Revenue Act
CoGTA	Department of Cooperative Governance and Traditional Affairs
EXCO	Executive Committee
DLGH	Department of Local Government and Housing
GRAP	General Recognised Accounting Practice
IDP	Integrated Development Plan
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
INEG	Integrated National Electrification Grant
MPRA	Municipal Property Rates Act
MTREF	Medium Term Revenue and Expenditure Framework
NERSA	National Electricity Regulator of South Africa

NT	National Treasury
PPP	Public-Private Partnership
SALGA	South African Local Government Association
SDBIP	Service Delivery and Budget Implementation Plan

# PART ONE

## **Mayor's speech for tabling of the 2015/16 Adjustment Budget**

Honourable Speaker, Cllr. Maake MD; Chief Whip of Council, Cllr. Mohlala L; Members of the Executive Committee; Chairperson of MPAC, Cllr. Makwala O; Honourable Councillors; Traditional Leaders and Representatives of Tribal Authorities; Municipal Manager and the entire Administrative Staff; Ladies and Gentlemen; Good Afternoon, I would like to thank the Honourable Speaker for the opportunity afforded to table this adjustment budget for the financial year 2015/16.

Honourable Speaker, Section 28 of the Municipal Finance Management Act, 2003 (MFMA) allows a municipality to revise its approved budget through an adjustment budget. An adjustment budget amongst other things:-

- Must adjust the revenue and expenditure estimates downwards or upwards if there is material under/ over collection of revenue during the current year;
- May provide for any other expenditure within a prescribed framework;
- May correct errors in the annual budget;
- May, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the Mayor of the municipality;

Honourable Speaker, this adjustment budget is based on the consultative done with the various departments, taking into account expenditure trends for the past six months of the financial year. The adjustment budget prioritised service delivery programmes in line with current challenges we are facing as a municipality such as electricity infrastructure and dilapidated roads infrastructure.

The following decisions were made to determine how the approved budget can be adjusted downwards or upwards but still taking into account service delivery issues:

Honourable speaker total revenue budget is adjusted downwards by R21, 395 million, from R479, 557 million to R458, 162 million. The further breakdown of the municipal revenue per service is illustrated as follows:

- Assessment rates reduced to R100,165 million due 25% incentives given to residential
- Service charges on electricity remains unchanged at R105,666 million
- Service charges on refuse removal (Waste Management) increased to R15,974 million.
- Rental facilities increased to R441 thousand
- Interest earned on call accounts increased to R475 thousand
- Interest on outstanding debtors not adjusted, R70,973 million
- Traffic fines reduced to R381 thousand
- Licence permits increased to R10,512 million
- Agency fees not adjusted, R2,381 million
- As per DORA all grants remained unchanged, although R500 thousand has been moved from transfers recognised-operational to transfers recognised-capital, Operating and capital grants amounts to R112,660 million and R36,992 million respectively
- Other revenue increased to R1,543 million

Total Operating expenditure budget decreased by R11, 830 million. Total budgeted annual operating Expenditure be adjusted downwards from R469, 992 million to R458, 162 million 2015/16 financial year

- ✓ Employee related cost went down to R120,297 million
- ✓ Remuneration of councillors not adjusted to R12,811 million
- ✓ Debt impairment not adjusted R33,326 million, Depreciation has been reduced to 65,104 million and Bulk purchases was over estimated therefore it has been taken down to R84, 332 million
- ✓ Finance charges decreased to R1,709 million
- ✓ Contracted services reduced to R51,887 million
- ✓ And other expenditure Increased by R6, 335, the amount includes the additional R2, 6 million added to Repairs and maintenance infrastructure like Sub-Station Transformer, Indigent support and Non-Bulk electricity. Other expenditure Increased to R88,697 million

Honourable Speaker, the total capital budget has decreased by **R 3,000 million** to **R 50, 792 million**. The decrease on capital funding was mainly affected by own funded projects due to low revenue collection.

R500 thousand transferred from operational MIG to Capital MIG. The total amount to R29,992 million

Integrated National Electrification Grant remains unchanged at **R 7 million**, the amount will be used to fund electrification of Biko and Matiko Xikaya villages. Eskom is currently electrifying Nina Kulu village.



The following MIG capital projects were affected by the adjustment budget due to their expenditure trends, however this will not affected the total allocation for the 2015/16 financial year:

- Construction of Mashishimale Sports Complex
- Tambo Street Paving
- Upgrading of Internal Streets at Foskor In Namakgale
- Upgrading of B1 Ext Road Lulekani
- Benfarm Street Paving
- Topville to Score Street Paving

Honourable Speaker, due to financial constraints internally funded projects which were not implemented as at end December 2016 were revised downwards after taking into account the first six months collection rate. Own funded capital projects is now reduced by **R 3, 500 million to R 13,800 million**

The following own funded projects were affected by the adjustment budget:

- Development of disaster recovery & bus plan
- Upgrading of single phase network in ext1

Honourable Speaker, the municipality will continue with its revenue enhancement projects in implementing a range of revenue collection strategies to maximise the collection of debt owed by consumers.

# 1. Adjustment Budget Resolutions

## 1.1. Adjustment Budget for 2015/16 Medium Term Revenue and Expenditure Framework

Council resolved that the adjustment and MTREF and its supporting tables of the Ba-Phalaborwa Municipality (LIM334) for the financial year 2015/16; be approved as set out following tables:

Table B1	Adjustment budget summary
Table B2	Adjustment budget financial performance – Standard Classification
Table B3	Adjustment budget financial performance – Revenue and Expenditure by Municipal Vote
Table B4	Adjustment budget financial performance – Revenue and Expenditure
Table B5	Adjustment budget Capital Expenditure- Vote
Table B6	Adjustment Budget Financial Position
Table B7	Adjustment Budget Cash Flows
Table B8	Cash backed reserves/accumulated surplus reconciliation
Table B9	Asset Management
Table B10	Basic Service Delivery Measures

## 2.2 Adjustment permitted in terms of Section 28 (2) of MFMA

Council resolved that the total budgeted annual operating **Revenue** adjusted downwards from **R479, 557 million** to **R458, 162 million** be approved.

Council resolved the total budgeted annual operating **Expenditure** be adjusted downwards from **R469, 992 million** to **R458, 162 million** be approved.

Council resolved that the total budgeted Capital expenditure **decreased from R53, 792 million** to **R50, 792 million** be approved

### 2.3 Adjustment budget supporting tables for 2013/14 MTREF

Council resolved that the adjustment budget of the Ba-Phalaborwa Municipality for the financial year 2015/16, and indicative figures for two outer years 2016/17 and 2017/18 are approved as set out in the following tables

Table SB1	Adjustment budget –Budgeted financial position
Table SB2	Adjustment budget – Supporting details to financial position
Table SB3	Adjustment – SDBIP– Performance objectives
Table SB4	Adjustment budget – performance indicators and benchmarks
Table SB5	Adjustment budget – Social, Economic, Demographic statistics and Assumptions
Table SB6	Adjustment budget – Funding Measurement
Table SB7	Adjustment budget – Transfers and Grant Receipts
Table SB8	Adjustment budget – Expenditure on Transfers and Grant Programme
Table SB9	Adjustment budget – Reconciliation of transfers, Grant Receipts and Unspent Funds
Table SB10	Adjustment budget – Transfers and Grant by the Municipality
Table SB11	Adjustment budget – Councillor and Staff benefits
Table SB12	Adjustment budget – Monthly Revenue and Expenditure (Municipal Votes)
Table SB13	Adjustment budget – Monthly Revenue and Expenditure (Standard Classification)
Table SB14	Adjustment budget – Monthly Revenue and Expenditure
Table SB15	Adjustment budget – Monthly Cash flows
Table SB16	Adjustment budget – Monthly Expenditure (Municipal Votes)
Table SB17	Adjustment budget – Monthly Capital expenditure (Standard Classification)
Table SB18a	Adjustment budget – Capital Expenditure on New Assets (Assets Class)
Table SB18b	Adjustment budget – Capital Assets on renewal of existing assets (Assets Class)
Table SB18c	Adjustment budget – Expenditure on Repairs and Maintenance (Assets Class)

#### **2.4. Revised Service Delivery and Budget Implementation Plan (SDBIP)**

Council note that the revised SDBIP will be tabled after the adjustment budget has been approved in line with MFMA section 54(1) (c).

#### **2.5. Budget Related Polices**

Council resolved that the following budget related policies remain unchanged except Tariff Policy, Property rates policy, Supply Chain Management Policy and tariff book to cater for the Property Rates discount as approved by council

1. Property Rates Policy
2. Tariff Policy
3. Credit Control Policy
4. Debt Collection Policy
5. Indigent Household Consumer Subsidy policy
6. Supply chain management policy
7. Virement policy
8. Budget policy
9. Petty Cash policy
10. Asset Management Policy
11. Bad Debts Write Off
12. Deposit Policy

13. Cash management and Investment Policy
14. Fleet management Policy
15. Electricity by-laws
16. Land use by-law
17. Electricity supply by-laws
18. Subsistence and travelling policy

I thank you

## EXECUTIVE SUMMARY

In accordance with Section 28 of the Municipal Finance Management Act, 56 of 2003, a municipality may revise an approved annual budget through an adjustment budget. In terms of Section 72 (3) of the MFMA, the Accounting Officer must as part of review, make recommendations as to whether an adjustment budget is necessary and recommends revised projections for revenue and expenditure to the extent that this may be necessary.

**The section further provides that an adjustment budget may authorise the following:**

- a) Provide for any other expenditure within a prescribed framework.
- b) Correct any errors in the annual budget (Budget overstated and under-stated)
- c) Spending of funds that were unspent at the end of the past financial year where under-spending could not reasonably have been foreseen at the time to include correctly projected roll-over amounts when the annual budget for the current year was approved by Council.
- d) Appropriation of projected savings in one vote towards spending under another vote.

### ADJUSTMENT BUDGET SUMMARY 2015/16

	<b>Audited Outcome</b>	<b>Original Budget</b>	<b>Adjustment</b>	<b>Adjusted Budget</b>	<b>Budget Year +1 2016/17</b>	<b>Budget Year +2 2017/18</b>
<b>Revenue By Source</b>						
Own generated revenue	218,781	329,905	( 21,395 )	308,510	326,403	344,355
Transfers recognised – operational	87,633	113,160	( 500 )	112,660	114,790	115,163
Transfers recognised – capital	38,768	36,492	500	36,992	38,060	42,659
Gains on disposal of PPE						
<b>Total Revenue (Including Capital Transfers and Contributions)</b>	<b>345,182</b>	<b>479,557</b>	<b>(21,395)</b>	<b>458,162</b>	<b>479,253</b>	<b>502,177</b>

This table illustrates summaries of revenues and financing activities. After considering the mid-year report, the total revenue budget adjusted downwards by R21, 395 million.

R500 thousand has been moved to transfers recognised-capital from transfers recognised-operational (MIG). The total revenue after adjustment amount to R458, 162 million

The Municipal financial performance of the first six month from July 2015 to December 2015 with regard to Budget, Billing and actual revenue collected:

Description	2015/16		
	Original Budget	Revenue/Billing as at 31 December 2015	Cash received as at 31 December 2015
<b>R thousands</b>			
<b>Revenue By Source</b>			
Property rates	124,589	53,087	21,249
Service charges - electricity revenue	105,666	45,614	29,248
Service charges - refuse revenue	11,971	7,043	2,844
Rental of facilities and equipment	346	198	185
Interest earned - external investments	275	304	304
Interest earned - outstanding debtors	70,973	25,373	1,835
Fines	2,917	1,837	1,837
Licences and permits	9,399	3,590	3,590
Agency services	2,381	-	-
Transfers recognised - operational	113,160	83,492	84,316
Transfers recognised - capital	36,492	29,290	36,594
Other revenue	1,385	522	164
<b>Total Revenue</b>	<b>479,554</b>	<b>250,350</b>	<b>182,166</b>



## Transfers and grant receipts

	Audited Outcome	Original Budget	Adjustment	Adjusted Budget	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>RECEIPTS:</b>						
<b>Operating Transfers and Grants</b>						
Local Government Equitable Share	83,256	107,805	-	107,805	110,912	110,792
Operating Grant: MIG (5% of MIG for PMU)	1,488	1,552	- 500	1,052	1,108	1,193
Finance Management	1,600	1,675	-	1,675	1,810	2,145
Municipal Systems Improvement	934	940	-	940	960	1,033
Excess Employees Grant	-	-	-	-	-	-
EPWP	1,212	1,188	-	1,188	-	-
DBSA	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	<b>88,490</b>	<b>113,160</b>	<b>- 500</b>	<b>112,660</b>	<b>114,790</b>	<b>115,163</b>
<b>Capital Transfers and Grants</b>						
<b>National Government:</b>						
Municipal Infrastructure Grant (MIG)	28,279	29,492	500	29,992	31,060	32,659
Integrated National Electrification Grant	9,000	7,000	-	7,000	7,000	10,000
Neighbourhood Development Grant	-	-	-	-	-	-
DBSA	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	<b>37,279</b>	<b>36,492</b>	<b>500</b>	<b>36,992</b>	<b>38,060</b>	<b>42,659</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>125,769</b>	<b>149,652</b>	<b>-</b>	<b>149,652</b>	<b>152,850</b>	<b>157,822</b>

- ✓ As per DORA all grants remained unchanged, although R500 thousand has been moved from transfers recognised-operational to transfers recognised-capital (MIG).

### **ADJUSTMENT BUDGET REVENUE PER SOURCE 2015/16**

	<b>Audited Outcome</b>	<b>Original Budget</b>	<b>Adjustment</b>	<b>Adjusted Budget</b>	<b>Budget Year +1 2016/17</b>	<b>Budget Year +2 2017/18</b>
<b>Revenue By Source</b>						
Property rates	65,594	124,589	( 24,424 )	100,165	105,974	111,803
Service charges – electricity revenue	87,608	105,666	–	105,666	111,794	117,943
Service charges – refuse revenue	11,405	11,971	4,003	15,974	16,901	17,830
Rental of facilities and equipment	265	346	95	441	466	492
Interest earned – external investments	277	275	200	475	502	530
Interest earned – outstanding debtors	29,899	70,973	–	70,973	75,089	79,219
Dividends received	–	3	( 3 )	–	–	–
Fines	8,823	2,917	( 2,520 )	397	420	443
Licences and permits	2,257	9,399	1,112	10,512	11,121	11,733
Agency services	5,325	2,381	–	2,381	2,520	2,658
Transfers recognised – operational	87,633	113,160	( 500 )	112,660	114,790	115,163
Transfers recognised – capital	38,768	36,492	500	36,992	38,060	42,659
Other revenue	7,328	1,385	142	1,527	1,615	1,704
Gains on disposal of PPE						
<b>Total Revenue (Including Capital Transfers and Contributions)</b>	<b>345,182</b>	<b>479,557</b>	<b>(21,395)</b>	<b>458,162</b>	<b>479,253</b>	<b>502,177</b>

The total revenue budget is adjusted downwards by R21, 395 million, the further breakdown of the municipal revenue per service is illustrated bellow:

- ✓ Assessment rates reduced by R24, 424 million due to 25% incentives given to residential customers
- ✓ Service charges on electricity remains unchanged
- ✓ Service charges on refuse removal (Waste Management) increased by R4 million since it performed well in terms of billing.
- ✓ Rental facilities and Interest earned on call accounts increased by R95 thousand and R200 thousand respectively
- ✓ Traffic fines reduced by R2,5 million, licence permits increased by R1 million and Agency fees not adjusted
- ✓ As per DORA all grants remained unchanged, although R500 thousand has been moved from transfers recognised-operational to transfers recognised-capital and other revenue increased by R142 thousand

### ADJUSTMENT BUDGET EXPENDITURE PER ITEM 2015/16

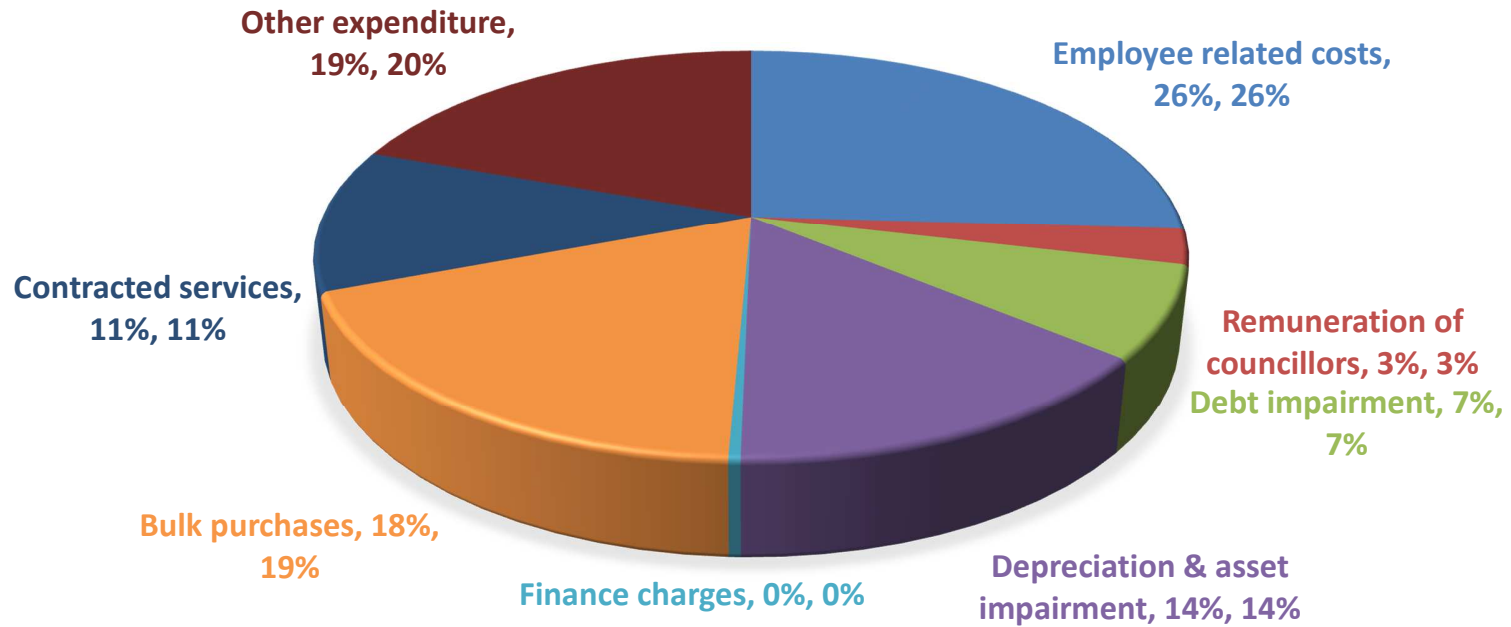
Description	2014/15	Current Year 2016/15			Projections	
	Audited Outcome	Original Budget	Adjustment	Adjusted Budget	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Expenditure By Type</b>						
Employee related costs	123,098	122,693	( 2,395 )	120,297	127,274	134,274
Remuneration of councillors	11,790	12,811	–	12,811	13,554	14,299
Debt impairment	73,146	33,326	–	33,326	35,258	37,198
Depreciation & asset impairment	60,127	70,104	( 5,000 )	65,104	68,880	72,668
Finance charges	231	2,109	( 400 )	1,709	1,809	1,908
Bulk purchases	65,626	94,332	( 10,000 )	84,332	89,223	94,130
Contracted services	44,545	52,256	( 370 )	51,887	49,414	48,697
Other expenditure	71,596	82,362	6,335	88,697	93,841	99,003
<b>Total Expenditure</b>	<b>450,159</b>	<b>469,992</b>	<b>(11,830)</b>	<b>458,162</b>	<b>479,253</b>	<b>502,177</b>
<b>Surplus/(Deficit)</b>	<b>- 104,977</b>	<b>9,565</b>	<b>(9,565)</b>	<b>-</b>	<b>-</b>	<b>-</b>

Total Operating expenditure budget decreased by R11, 830 million. The adjusted total Operating budget amount to R458, 162 million for 2015/16 financial year.

- ✓ Employee related cost went down by R2,395 million
- ✓ Remuneration of councillors remains unchanged
- ✓ Debt impairment not adjusted, Depreciation has been reduced by R5 million and Bulk purchases was over estimated therefore it has been taken down by R10 million
- ✓ Finance charges decreased by R400 thousand since the municipality is no longer operating on an overdraft.
- ✓ Contracted services reduced by R370 thousand

- ✓ And other expenditure Increased by R6, 335, the amount includes the additional R2, 6 million added to Repairs and maintenance infrastructure like Sub-Station Transformer, Indigent support and Non-Bulk electricity.

## ADJUSTMENT OPERATIONAL EXPENDITURE 2015/16



**ADJUSTMENT BUDGET REVENUE AND EXPENDITURE BY VOTE 2015/16**

Vote Description	2014/15	Current Year 2015/16			Projections	
	Audited Outcome	Original Budget	Adjustment	Adjusted Budget	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Revenue by Vote</b>						
Vote 1 - Executive and Council	-	-	-	-	-	-
Vote 2 - Budget and Treasury Department	193,504	306,613	-39,726	266,888	276,885	288,679
Vote 3 - Corporate Services	1,133	349	225	574	607	640
Vote 4 - Community and Social Services	26,163	26,952	7,915	34,866	36,889	38,918
Vote 5 - Planning and Development	7	-	55	55	58	61
Vote 6 - Technical Services Department	124,375	145,643	10,136	155,779	164,814	173,879
<b>Total Revenue by Vote</b>	<b>345,182</b>	479,557	-21,395	458,162	479,253	502,177
<b>Expenditure by Vote to be appropriated</b>						
Vote 1 - Executive and Council	48,368	44,222	824	45,046	47,659	50,280
Vote 2 - Budget and Treasury Department	93,807	91,301	5,972	97,273	97,432	99,356
Vote 3 - Corporate Services	55,143	47,540	(717)	46,823	49,539	52,263
Vote 4 - Community and Social Services	51,063	65,228	(1,463)	63,765	67,463	71,174
Vote 5 - Planning and Development	11,069	17,791	(7,071)	10,721	11,342	11,966
Vote 6 - Technical Services Department	190,709	203,909	(9,375)	194,534	205,817	217,137
<b>Total Expenditure by Vote</b>	<b>450,159</b>	469,992	(11,830)	458,162	479,253	502,177
<b>Surplus/(Deficit) for the year</b>	<b>-104,977</b>	<b>9,565</b>	<b>-9,565</b>	-	-	-

✓ Original Budget of the municipality had a budget surplus of R9,565 million and the adjustment budget shows a surplus/(deficit) of R0

## 2. ADJUSTMENT BUDGET TABLES

### 2.1. Adjustment Budget Summary

LIM334 Ba-Phalaborwa - Table B1 Adjustments Budget Summary -

Description	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	1 A1	2 B	3 C	4 D	5 E	6 F	7 G	8 H		
<b>Financial Performance</b>											
Property rates	124,589	-	-	-	-	-	(24,424)	(24,424)	100,165	105,974	111,803
Service charges	117,637	-	-	-	-	-	4,003	4,003	121,640	128,695	135,773
Investment revenue	275	-	-	-	-	-	200	200	475	502	530
Transfers recognised - operational	113,160	-	-	-	-	-	(500)	(500)	112,660	114,790	115,163
Other own revenue	87,404	-	-	-	-	-	(1,174)	(1,174)	86,231	91,232	96,250
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>443,065</b>	-	-	-	-	-	<b>(21,895)</b>	<b>(21,895)</b>	<b>421,170</b>	<b>441,193</b>	<b>459,519</b>
Employee costs	122,693	-	-	-	-	-	(2,395)	(2,395)	120,297	127,274	134,274
Remuneration of councillors	12,811	-	-	-	-	-	-	-	12,811	13,554	14,299
Depreciation & asset impairment	70,104	-	-	-	-	-	(5,000)	(5,000)	65,104	68,880	72,668
Finance charges	2,109	-	-	-	-	-	(400)	(400)	1,709	1,808	1,908
Materials and bulk purchases	94,332	-	-	-	-	-	(10,000)	(10,000)	84,332	89,223	94,130
Transfers and grants	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	167,944	-	-	-	-	-	5,966	5,966	173,909	178,514	184,897
<b>Total Expenditure</b>	<b>469,992</b>	-	-	-	-	-	<b>(11,830)</b>	<b>(11,830)</b>	<b>458,162</b>	<b>479,253</b>	<b>502,177</b>
<b>Surplus/(Deficit)</b>	<b>(26,927)</b>	-	-	-	-	-	<b>(10,065)</b>	<b>(10,065)</b>	<b>(36,992)</b>	<b>(38,060)</b>	<b>(42,659)</b>
Transfers recognised - capital	36,492	-	-	-	-	-	500	500	36,992	38,060	42,659
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>9,565</b>	-	-	-	-	-	<b>(9,565)</b>	<b>(9,565)</b>	<b>-</b>	<b>0</b>	<b>0</b>

<b>Surplus/ (Deficit) for the year</b>	<b>9,565</b>	-	-	-	-	-	<b>(9,565)</b>	<b>(9,565)</b>	-	<b>0</b>	<b>0</b>
<b><u>Capital expenditure &amp; funds sources</u></b>											
<b>Capital expenditure</b>	53,792	-	-	-	-	-	(3,000)	(3,000)	50,792	44,800	49,500
Transfers recognised - capital	36,492	-	-	-	-	-	500	500	36,992	38,060	42,659
Public contributions & donations	-	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	17,300	-	-	-	-	-	(3,500)	(3,500)	13,800	6,740	6,841
<b>Total sources of capital funds</b>	<b>53,792</b>	-	-	-	-	-	<b>(3,000)</b>	<b>(3,000)</b>	<b>50,792</b>	<b>44,800</b>	<b>49,500</b>
<b><u>Financial position</u></b>											
Total current assets	184,644	-	-	-	-	-	2,000	2,000	186,644	231,003	240,129
Total non current assets	1,360,832	-	-	-	-	-	(355,298)	(355,298)	1,005,535	1,061,240	1,117,127
Total current liabilities	6,741	-	-	-	-	-	281,000	281,000	287,741	304,430	321,174
Total non current liabilities	198,000	-	-	-	-	-	(150,000)	(150,000)	48,000	50,784	53,577
<b>Community wealth/Equity</b>	<b>1,340,735</b>	-	-	-	-	-	<b>(484,298)</b>	<b>(484,298)</b>	<b>856,438</b>	<b>937,028</b>	<b>982,506</b>
<b><u>Cash flows</u></b>											
Net cash from (used) operating	54,592	-	-	-	-	-	(14,075)	(14,075)	40,517	42,385	45,007
Net cash from (used) investing	(53,792)	-	-	-	-	-	12,592	12,592	(41,200)	(41,590)	(42,987)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the year end</b>	<b>1,612</b>	-	-	-	-	-	<b>(443)</b>	<b>(443)</b>	<b>1,169</b>	<b>1,964</b>	<b>3,984</b>
<b><u>Cash backing/surplus reconciliation</u></b>											
Cash and investments available	3,712	-	-	-	-	-	(400)	(400)	3,312	3,504	3,697
Application of cash and investments	1,327,283	-	-	-	-	-	(1,058,147)	(1,058,147)	269,136	279,642	295,022
<b>Balance - surplus (shortfall)</b>	<b>(1,323,571)</b>	-	-	-	-	-	<b>1,057,747</b>	<b>1,057,747</b>	<b>(265,823)</b>	<b>(276,138)</b>	<b>(291,325)</b>
<b><u>Asset Management</u></b>											
Asset register summary (WDV)	1,360,432	-	-	-	-	-	(397,897)	(397,897)	962,535	1,018,241	1,074,128
Depreciation & asset impairment	70,104	-	-	-	-	-	(5,000)	(5,000)	65,104	68,880	72,668
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	21,333	-	-	-	-	-	2,642	2,642	23,975	25,366	26,761
<b><u>Free services</u></b>											

Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-	-	-
<b>Households below minimum service level</b>												
Water:	0	-	-	-	-	-	-	-	-	0	0	0
Sanitation/sewerage:	6	-	-	-	-	-	-	-	-	6	6	6
Energy:	-	-	-	-	-	-	-	-	-	-	-	-
Refuse:	21	-	-	-	-	-	-	-	-	21	21	21

Total budgeted annual operating **Revenue** adjusted downwards from **R479, 557 million** to **R458, 162 million**

Total budgeted annual operating **Expenditure** be adjusted downwards from **R469, 992 million** to **R458, 162 million**

Total budgeted Capital expenditure **decreased from R53, 792 million** to **R50, 792 million**



## 1.2 Adjustment Budget Financial Performance (Standard Classification)

LIM334 Ba-Phalaborwa - Table B2 Adjustments Budget Financial Performance (standard classification) - 2016/02/29

Standard 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	1, 4	A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
<b>Revenue - Standard</b>												
<b>Governance and administration</b>		<b>306,962</b>	-	-	-	-	-	<b>(39,501)</b>	<b>(39,501)</b>	<b>267,461</b>	<b>277,492</b>	<b>289,319</b>
Budget and treasury office		306,613	-	-	-	-	-	(39,726)	(39,726)	266,888	276,885	288,679
Corporate services		349	-	-	-	-	-	225	225	574	607	640
<b>Community and public safety</b>		<b>14,980</b>	-	-	-	-	-	<b>(1,451)</b>	<b>(1,451)</b>	<b>13,529</b>	<b>14,314</b>	<b>15,101</b>
Community and social services		12,213	-	-	-	-	-	1,065	1,065	13,278	14,049	14,821
Public safety		2,767	-	-	-	-	-	(2,516)	(2,516)	251	265	280
<b>Economic and environmental services</b>		<b>32,978</b>	-	-	-	-	-	<b>55</b>	<b>55</b>	<b>33,033</b>	<b>34,948</b>	<b>36,871</b>
Planning and development		-	-	-	-	-	-	55	55	55	58	61
Road transport		32,978	-	-	-	-	-	-	-	32,978	34,890	36,809
<b>Trading services</b>		<b>124,637</b>	-	-	-	-	-	<b>19,502</b>	<b>19,502</b>	<b>144,139</b>	<b>152,499</b>	<b>160,886</b>
Electricity		112,666	-	-	-	-	-	10,136	10,136	122,802	129,924	137,070
Waste management		11,971	-	-	-	-	-	9,366	9,366	21,337	22,575	23,816
<b>Other</b>		<b>-</b>	-	-	-	-	-	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Revenue - Standard</b>	2	<b>479,557</b>	-	-	-	-	-	<b>(21,395)</b>	<b>(21,395)</b>	<b>458,162</b>	<b>479,253</b>	<b>502,177</b>
<b>Expenditure - Standard</b>	-											
<b>Governance and administration</b>		<b>183,063</b>	-	-	-	-	-	<b>6,079</b>	<b>6,079</b>	<b>189,142</b>	<b>194,630</b>	<b>201,900</b>
Executive and council		44,222	-	-	-	-	-	824	824	45,046	47,659	50,280
Budget and treasury office		91,301	-	-	-	-	-	5,972	5,972	97,273	97,432	99,356
Corporate services		47,540	-	-	-	-	-	(717)	(717)	46,823	49,539	52,263
<b>Community and public safety</b>		<b>58,121</b>	-	-	-	-	-	<b>(1,971)</b>	<b>(1,971)</b>	<b>56,150</b>	<b>59,406</b>	<b>62,674</b>
Community and social services		46,819	-	-	-	-	-	(589)	(589)	46,229	48,911	51,601
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-
Public safety		11,303	-	-	-	-	-	(1,382)	(1,382)	9,921	10,496	11,073

<b>Economic and environmental services</b>		<b>97,404</b>	-	-	-	-	-	<b>(11,905)</b>	<b>(11,905)</b>	<b>85,500</b>	<b>90,459</b>	<b>95,434</b>
Planning and development		17,791	-	-	-	-	-	(7,071)	(7,071)	10,721	11,342	11,966
Road transport		79,613	-	-	-	-	-	(4,834)	(4,834)	74,779	79,116	83,468
<b>Trading services</b>		<b>131,403</b>	-	-	-	-	-	<b>(4,033)</b>	<b>(4,033)</b>	<b>127,370</b>	<b>134,758</b>	<b>142,169</b>
Electricity		124,296	-	-	-	-	-	(4,541)	(4,541)	119,755	126,701	133,669
Waste management		7,107	-	-	-	-	-	508	508	7,615	8,057	8,500
<b>Other</b>		<b>-</b>	-	-	-	-	-	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditure - Standard</b>	<b>3</b>	<b>469,992</b>	-	-	-	-	-	<b>(11,830)</b>	<b>(11,830)</b>	<b>458,162</b>	<b>479,253</b>	<b>502,177</b>
<b>Surplus/ (Deficit) for the year</b>		<b>9,565</b>	-	-	-	-	-	<b>(9,565)</b>	<b>(9,565)</b>	<b>-</b>	<b>-</b>	<b>-</b>

- The above table illustrates expenditure adjustment budget per municipal vote

### 1.3 Adjustment Budget Financial Performance (Revenue and Expenditure by Municipal Vote)

LIM334 Ba-Phalaborwa - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 2016/02/29

Vote Description  <i>[Insert departmental structure etc]</i>	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
		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 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury Department		306,613	-	-	-	-	-	(39,726)	(39,726)	266,888	276,885	288,679
Vote 3 - Corporate Services		349	-	-	-	-	-	225	225	574	607	640
Vote 4 - Community and Social Services		26,952	-	-	-	-	-	7,915	7,915	34,866	36,889	38,918
Vote 5 - Planning and Development		-	-	-	-	-	-	55	55	55	58	61
Vote 6 - Technical Services Department		145,643	-	-	-	-	-	10,136	10,136	155,779	164,814	173,879
<b>Total Revenue by Vote</b>	2	<b>479,557</b>	-	-	-	-	-	<b>(21,395)</b>	<b>(21,395)</b>	<b>458,162</b>	<b>479,253</b>	<b>502,177</b>
<b>Expenditure by Vote</b>	1											
Vote 1 - Executive and Council		44,222	-	-	-	-	-	824	824	45,046	47,659	50,280
Vote 2 - Budget and Treasury Department		91,301	-	-	-	-	-	5,972	5,972	97,273	97,432	99,356
Vote 3 - Corporate Services		47,540	-	-	-	-	-	(717)	(717)	46,823	49,539	52,263
Vote 4 - Community and Social Services		65,228	-	-	-	-	-	(1,463)	(1,463)	63,765	67,463	71,174
Vote 5 - Planning and Development		17,791	-	-	-	-	-	(7,071)	(7,071)	10,721	11,342	11,966
Vote 6 - Technical Services Department		203,909	-	-	-	-	-	(9,375)	(9,375)	194,534	205,817	217,137
0		-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>469,992</b>	-	-	-	-	-	<b>(11,830)</b>	<b>(11,830)</b>	<b>458,162</b>	<b>479,253</b>	<b>502,177</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>9,565</b>	-	-	-	-	-	<b>(9,565)</b>	<b>(9,565)</b>	-	-	-

## 1.4 Budgeted Financial Performance

LIM334 Ba-Phalaborwa - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 2016/02/29

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	1	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
<b>Revenue By Source</b>												
Property rates	2	124,589	-	-	-	-	-	(24,424)	(24,424)	100,165	105,974	111,803
Service charges - electricity revenue	2	105,666	-	-	-	-	-	-	-	105,666	111,794	117,943
Service charges - refuse revenue	2	11,971	-	-	-	-	-	4,003	4,003	15,974	16,901	17,830
Rental of facilities and equipment		346						95	95	441	466	492
Interest earned - external investments		275						200	200	475	502	530
Interest earned - outstanding debtors		70,973						-	-	70,973	75,089	79,219
Dividends received		3						(3)	(3)	-	-	-
Fines		2,917						(2,536)	(2,536)	381	403	425
Licences and permits		9,399						1,112	1,112	10,512	11,121	11,733
Agency services		2,381						-	-	2,381	2,520	2,658
Transfers recognised - operating		113,160						(500)	(500)	112,660	114,790	115,163
Other revenue	2	1,385	-	-	-	-	-	158	158	1,543	1,633	1,723
Gains on disposal of PPE									-	-		
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>443,065</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(21,895)</b>	<b>(21,895)</b>	<b>421,170</b>	<b>441,193</b>	<b>459,519</b>
<b>Expenditure By Type</b>												
Employee related costs		122,693	-	-	-	-	-	(2,395)	(2,395)	120,297	127,274	134,274
Remuneration of councillors		12,811						-	-	12,811	13,554	14,299
Debt impairment		33,326						-	-	33,326	35,258	37,198
Depreciation & asset impairment		70,104	-	-	-	-	-	(5,000)	(5,000)	65,104	68,880	72,668
Finance charges		2,109						(400)	(400)	1,709	1,808	1,908
Bulk purchases		94,332	-	-	-	-	-	(10,000)	(10,000)	84,332	89,223	94,130
Contracted services		52,256	-	-	-	-	-	(370)	(370)	51,887	49,414	48,697
Other expenditure		82,362	-	-	-	-	-	6,335	6,335	88,697	93,841	99,003
Loss on disposal of PPE									-	-		

<b>Total Expenditure</b>		<b>469,992</b>	-	-	-	-	-	<b>(11,830)</b>	<b>(11,830)</b>	<b>458,162</b>	<b>479,253</b>	<b>502,177</b>
<b>Surplus/(Deficit)</b>		<b>(26,927)</b>	-	-	-	-	-	<b>(10,065)</b>	<b>(10,065)</b>	<b>(36,992)</b>	<b>(38,060)</b>	<b>(42,659)</b>
Transfers recognised - capital		36,492						500	500	36,992	38,060	42,659
Contributions recognised - capital									-	-		
Contributed assets									-	-		
Share of surplus/ (deficit) of associate									-	-		
<b>Surplus/ (Deficit) for the year</b>		<b>9,565</b>	-	-	-	-	-	<b>(9,565)</b>	<b>(9,565)</b>	-	<b>0</b>	<b>0</b>

## 1.5 Adjustment Capital Expenditure Budget by Vote and Funding

LIM334 Ba-Phalaborwa - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 2016/02/29

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	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
<b>Single-year expenditure to be adjusted</b>	2											
Vote 3 - Corporate Services		5,700	-	-	-	-	-	(1,500)	(1,500)	4,200	3,800	4,500
Vote 6 - Technical Services Department		48,092	-	-	-	-	-	(1,500)	(1,500)	46,592	41,000	45,000
<b>Capital single-year expenditure sub-total</b>		<b>53,792</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,000)</b>	<b>(3,000)</b>	<b>50,792</b>	<b>44,800</b>	<b>49,500</b>
<b>Total Capital Expenditure - Vote</b>		<b>53,792</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,000)</b>	<b>(3,000)</b>	<b>50,792</b>	<b>44,800</b>	<b>49,500</b>
<b>Capital Expenditure - Standard</b>												
<b>Governance and administration</b>		<b>5,700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,500)</b>	<b>(1,500)</b>	<b>4,200</b>	<b>3,800</b>	<b>4,500</b>
Corporate services		5,700	-	-	-	-	-	(1,500)	(1,500)	4,200	3,800	4,500
<b>Economic and environmental services</b>		<b>35,492</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>500</b>	<b>500</b>	<b>35,992</b>	<b>34,000</b>	<b>37,000</b>
Road transport		35,492	-	-	-	-	-	500	500	35,992	34,000	37,000
<b>Trading services</b>		<b>12,600</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,000)</b>	<b>(2,000)</b>	<b>10,600</b>	<b>7,000</b>	<b>8,000</b>
Electricity		12,600	-	-	-	-	-	(2,000)	(2,000)	10,600	7,000	8,000
<b>Other</b>												
<b>Total Capital Expenditure - Standard</b>	3	<b>53,792</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,000)</b>	<b>(3,000)</b>	<b>50,792</b>	<b>44,800</b>	<b>49,500</b>
<b>Funded by:</b>												
National Government		36,492	-	-	-	-	-	500	500	36,992	38,060	42,659
Internally generated funds		17,300	-	-	-	-	-	(3,500)	(3,500)	13,800	6,740	6,841
<b>Total Capital Funding</b>		<b>53,792</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,000)</b>	<b>(3,000)</b>	<b>50,792</b>	<b>44,800</b>	<b>49,500</b>

## 1.6 Adjustment Budget Financial Position

LIM334 Ba-Phalaborwa - Table B6 Adjustments Budget Financial Position - 2016/02/29

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	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
<b>ASSETS</b>												
<b>Current assets</b>												
Cash		1,612						-	-	1,612	1,706	1,799
Call investment deposits	1	1,700	-	-	-	-	-	-	-	1,700	1,799	1,898
Consumer debtors	1	161,832	-	-	-	-	-	(59,000)	(59,000)	102,832	143,888	151,802
Inventory		19,500						61,000	61,000	80,500	83,611	84,631
<b>Total current assets</b>		<b>184,644</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,000</b>	<b>2,000</b>	<b>186,644</b>	<b>231,003</b>	<b>240,129</b>
<b>Non current assets</b>												
Investments		400						(400)	(400)	-	-	-
Investment property								42,999	42,999	42,999	42,999	42,999
Investment in Associate										-	-	-
Property, plant and equipment	1	1,360,432	-	-	-	-	-	400,000	400,000	960,432	1,016,138	1,072,025
Biological								388	388	388	388	388
Intangible								1,715	1,715	1,715	1,715	1,715
Other non-current assets										-	-	-
<b>Total non current assets</b>		<b>1,360,832</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(355,298)</b>	<b>(355,298)</b>	<b>1,005,535</b>	<b>1,061,240</b>	<b>1,117,127</b>
<b>TOTAL ASSETS</b>		<b>1,545,477</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(353,298)</b>	<b>(353,298)</b>	<b>1,192,179</b>	<b>1,292,243</b>	<b>1,357,257</b>
<b>LIABILITIES</b>												
<b>Current liabilities</b>												
Consumer deposits	-	1,650						2,000	2,000	3,650	3,862	4,074
Trade and other payables		5,091	-	-	-	-	-	279,000	279,000	284,091	300,569	317,100
Provisions										-	-	-
<b>Total current liabilities</b>		<b>6,741</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>281,000</b>	<b>281,000</b>	<b>287,741</b>	<b>304,430</b>	<b>321,174</b>
<b>Non current liabilities</b>												
Borrowing	1	180,000	-	-	-	-	-	(150,000)	(150,000)	30,000	31,740	33,486
Provisions	1	18,000	-	-	-	-	-			18,000	19,044	20,091

<b>Total non current liabilities</b>		<b>198,000</b>	-	-	-	-	-	<b>(150,000)</b>	<b>(150,000)</b>	<b>48,000</b>	<b>50,784</b>	<b>53,577</b>
<b>TOTAL LIABILITIES</b>		<b>204,741</b>	-	-	-	-	-	<b>131,000</b>	<b>131,000</b>	<b>335,741</b>	<b>355,214</b>	<b>374,751</b>
<b>NET ASSETS</b>	2	<b>1,340,735</b>	-	-	-	-	-	<b>(484,298)</b>	<b>(484,298)</b>	<b>856,438</b>	<b>937,028</b>	<b>982,506</b>
<b>COMMUNITY WEALTH/EQUITY</b>												
Accumulated Surplus/(Deficit)		-	-	-	-	-	-	856,438	856,438	856,438	937,028	982,506
Reserves		1,340,735	-	-	-	-	-	(1,340,735)	(1,340,735)	0	-	-
Minorities' interests										-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>		<b>1,340,735</b>	-	-	-	-	-	<b>(484,298)</b>	<b>(484,298)</b>	<b>856,438</b>	<b>937,028</b>	<b>982,506</b>



## 1.7 Adjustment Budget Cash Flows

LIM334 Ba-Phalaborwa - Table B7 Adjustments Budget Cash Flows - 2016/02/29

Description	Ref	Budget Year 2015/16									Budget Year +1 2016/17	Budget Year +2 2017/18
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfore. Unavoid. 6	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>												
<b>Receipts</b>												
Property rates, penalties & collection charges		37,772						7,028	7,028	44,800	47,398	50,005
Service charges		197,813						(60,002)	(60,002)	137,811	145,804	153,823
Other revenue		16,411						(5,899)	(5,899)	10,512	11,122	11,733
Government - operating	1	113,160						-	-	113,160	115,290	115,663
Government - capital	1	36,492						-	-	36,492	37,560	42,159
Interest		19,504						(15,199)	(15,199)	4,305	4,555	4,805
Dividends		3						(3)	(3)	-	-	-
<b>Payments</b>												
Suppliers and employees		(364,453)						59,288	59,288	(305,165)	(317,865)	(331,622)
Finance charges		(2,109)						711	711	(1,398)	(1,479)	(1,560)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>54,592</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(14,075)</b>	<b>(14,075)</b>	<b>40,517</b>	<b>42,385</b>	<b>45,007</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>												
<b>Payments</b>												
Capital assets		(53,792)						12,592	12,592	(41,200)	(41,590)	(42,987)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(53,792)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,592</b>	<b>12,592</b>	<b>(41,200)</b>	<b>(41,590)</b>	<b>(42,987)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>												
<b>Receipts</b>												
Short term loans									-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>800</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,483)</b>	<b>(1,483)</b>	<b>(683)</b>	<b>796</b>	<b>2,020</b>
Cash/cash equivalents at the year begin:	2	813						1,039	1,039	1,852	1,169	1,964
Cash/cash equivalents at the year end:	2	1,612						(443)	(443)	1,169	1,964	3,984

## 1.8 Cash Backed Reserves /Accumulated Surplus Reconciliation

LIM334 Ba-Phalaborwa - Table B8 Cash backed reserves/accumulated surplus reconciliation - 2016/02/29

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	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
<b><u>Cash and investments available</u></b>												
Cash/cash equivalents at the year end	1	1,612	-	-	-	-	-	(443)	(443)	1,169	1,964	3,984
Other current investments > 90 days		1,700	-	-	-	-	-	443	443	2,143	1,540	(287)
Non current assets - Investments	1	400	-	-	-	-	-	(400)	(400)	-	-	-
<b>Cash and investments available:</b>		<b>3,712</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(400)</b>	<b>(400)</b>	<b>3,312</b>	<b>3,504</b>	<b>3,697</b>
<b><u>Applications of cash and investments</u></b>												
Unspent conditional transfers		-	-	-	-	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-	-
Statutory requirements		-	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	2	(13,453)	-	-	-	-	-	282,491	282,491	269,038	279,505	294,878
Other provisions		-	-	-	-	-	-	-	-	-	-	-
Long term investments committed		-	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments		1,340,735	-	-	-	-	-	(1,340,735)	(1,340,735)	0	-	-
<b>Total Application of cash and investments:</b>		<b>1,327,283</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,058,245)</b>	<b>(1,058,245)</b>	<b>269,038</b>	<b>279,505</b>	<b>294,878</b>
<b>Surplus(shortfall)</b>		<b>(1,323,571)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,057,845</b>	<b>1,057,845</b>	<b>(265,726)</b>	<b>(276,001)</b>	<b>(291,181)</b>

## 1.9 Asset Management

LIM334 Ba-Phalaborwa - Table B9 Asset Management - 2016/02/29

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
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
<b>R thousands</b>		A	A1	B	C	D	E	F	G	H		
<b>CAPITAL EXPENDITURE</b>												
<b>Total New Assets to be adjusted</b>	1	53,792	-	-	-	-	-	(3,000)	(3,000)	50,792	44,800	49,500
<i>Infrastructure - Road transport</i>		23,992	-	-	-	-	-	4,212	4,212	28,204	24,000	26,000
<i>Infrastructure - Electricity</i>		12,600	-	-	-	-	-	(2,000)	(2,000)	10,600	7,000	8,000
<i>Infrastructure - Other</i>		10,000	-	-	-	-	-	(3,712)	(3,712)	6,288	10,000	11,000
Infrastructure		46,592	-	-	-	-	-	(1,500)	(1,500)	45,092	41,000	45,000
Other assets	6	7,200	-	-	-	-	-	(1,500)	(1,500)	5,700	3,800	4,500
	-											
<b>Total Capital Expenditure to be adjusted</b>	4											
<i>Infrastructure - Road transport</i>		23,992	-	-	-	-	-	4,212	4,212	28,204	24,000	26,000
<i>Infrastructure - Electricity</i>		12,600	-	-	-	-	-	(2,000)	(2,000)	10,600	7,000	8,000
<i>Infrastructure - Other</i>		10,000	-	-	-	-	-	(3,712)	(3,712)	6,288	10,000	11,000
Infrastructure		46,592	-	-	-	-	-	(1,500)	(1,500)	45,092	41,000	45,000
Other assets		7,200	-	-	-	-	-	(1,500)	(1,500)	5,700	3,800	4,500
Intangibles		-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE to be adjusted</b>	2	53,792	-	-	-	-	-	(3,000)	(3,000)	50,792	44,800	49,500
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>	5											
<i>Infrastructure - Road transport</i>		1,360,432						(442,999)	(442,999)	917,433	973,138	1,029,026
<i>Infrastructure - Other</i>										-	-	
Infrastructure		1,360,432	-	-	-	-	-	(442,999)	(442,999)	917,433	973,138	1,029,026
Community										-	-	

Heritage assets									-	-		
Investment properties		-	-	-	-	-	-	42,999	42,999	42,999	42,999	42,999
Biological assets		-	-	-	-	-	-	388	388	388	388	388
Intangibles		-	-	-	-	-	-	1,715	1,715	1,715	1,715	1,715
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	<b>5</b>	<b>1,360,432</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(397,897)</b>	<b>(397,897)</b>	<b>962,535</b>	<b>1,018,241</b>	<b>1,074,128</b>
<b>EXPENDITURE OTHER ITEMS</b>												
<b>Depreciation &amp; asset impairment</b>		70,104	-	-	-	-	-	(5,000)	(5,000)	65,104	68,880	72,668
<b>Repairs and Maintenance by asset class</b>	<b>3</b>	<b>21,333</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,642</b>	<b>2,642</b>	<b>23,975</b>	<b>25,366</b>	<b>26,761</b>
<i>Infrastructure - Road transport</i>		4,646	-	-	-	-	-	(759)	(759)	3,887	4,113	4,339
<i>Infrastructure - Electricity</i>		6,970	-	-	-	-	-	3,800	3,800	10,770	11,394	12,021
<i>Infrastructure - Other</i>		1,690	-	-	-	-	-	(250)	(250)	1,440	1,524	1,608
Infrastructure		13,306	-	-	-	-	-	2,791	2,791	16,097	17,031	17,968
Community		4,890	-	-	-	-	-	(246)	(246)	4,645	4,914	5,184
Heritage assets		34	-	-	-	-	-	(34)	(34)	-	-	-
Other assets	<b>6</b>	<b>3,103</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>131</b>	<b>131</b>	<b>3,233</b>	<b>3,421</b>	<b>3,609</b>
<b>TOTAL EXPENDITURE OTHER ITEMS to be adjusted</b>		<b>91,437</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,358)</b>	<b>(2,358)</b>	<b>89,079</b>	<b>94,246</b>	<b>99,429</b>
<i>Renewal of Existing Assets as % of total capex</i>		0.0%	0.0%							0.0%	0.0%	0.0%
<i>Renewal of Existing Assets as % of deprecn"</i>		0.0%	0.0%							0.0%	0.0%	0.0%
<i>R&amp;M as a % of PPE</i>		1.6%	0.0%							2.5%	2.5%	2.5%
<i>Renewal and R&amp;M as a % of PPE</i>		1.6%	0.0%							2.5%	2.5%	2.5%

## 1.10 Basic service delivery measurement

LIM334 Ba-Phalaborwa - Table B10 Basic service delivery measurement - 2016/02/29

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
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
<b>Household service targets</b>	1											
<b>Water:</b>												
Piped water inside dwelling		15252							-	15	15252	15252
Piped water inside yard (but not in dwelling)		18721							-	19	18721	18721
Using public tap (at least min.service level)	2	3812							-	4	3812	3812
Other water supply (at least min.service level)									-	-		
<i>Minimum Service Level and Above sub-total</i>		38	-	-	-	-	-	-	-	38	38	38
Using public tap (< min.service level)	3								-	-		
Other water supply (< min.service level)	3,4	234							-	0	234	234
No water supply									-	-		
<i>Below Minimum Service Level sub-total</i>		0	-	-	-	-	-	-	-	0	0	0
<b>Total number of households</b>	5	38	-	-	-	-	-	-	-	38	38	38
<b>Sanitation/sewerage:</b>												
Flush toilet (connected to sewerage)		16638							-	16,638	16638	16638
Flush toilet (with septic tank)		860							-	860	860	860
Chemical toilet		424							-	424	424	424
Pit toilet (ventilated)		6718							-	6,718	6718	6718
Other toilet provisions (> min.service level)		10833							-	10,833	10833	10833
<i>Minimum Service Level and Above sub-total</i>		35,473	-	-	-	-	-	-	-	35,473	35,473	35,473
Bucket toilet		80							-	80	80	80
Other toilet provisions (< min.service level)		864							-	864	864	864
No toilet provisions		4698							-	4,698	4698	4698
<i>Below Minimum Service Level sub-total</i>		5,642	-	-	-	-	-	-	-	5,642	5,642	5,642
<b>Total number of households</b>	5	41,115	-	-	-	-	-	-	-	41,115	41,115	41,115
<b>Energy:</b>												
Electricity (at least min. service level)		37345							-	37,345	37345	37345
Electricity - prepaid (> min.service level)									-	-		
<i>Minimum Service Level and Above sub-total</i>		37,345	-	-	-	-	-	-	-	37,345	37,345	37,345

Electricity (< min.service level)									-	-		
Electricity - prepaid (< min. service level)									-	-		
Other energy sources									-	-		
<i>Below Minimum Servic Level sub-total</i>		-	-	-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	37,345	-	-	-	-	-	-	-	37,345	37,345	37,345
<b><u>Refuse:</u></b>												
Removed at least once a week (min.service)									-	-		
Minimum Service Level and Above sub-total		-	-	-	-	-	-	-	-	-	-	-
Removed less frequently than once a week		257							-	257	257	257
Using communal refuse dump		684							-	684	684	684
Using own refuse dump		17849							-	17,849	17849	17849
Other rubbish disposal		327							-	327	327	327
No rubbish disposal		1933							-	1,933	1933	1933
<i>Below Minimum Servic Level sub-total</i>		21,050	-	-	-	-	-	-	-	21,050	21,050	21,050
<b>Total number of households</b>	5	<b>21,050</b>	-	-	-	-	-	-	-	<b>21,050</b>	<b>21,050</b>	<b>21,050</b>

**PART TWO**

**ADJUSTMENT BUDGET**

**SUPPORTING DOCUMENTATION**

### 3. OVERVIEW OF ADJUSTMENT BUDGET ASSUMPTIONS

The adjustment budget prioritised service delivery programmes in line with current challenges we are facing as a municipality such electricity infrastructure and dilapidated roads infrastructure.

**The following decisions were made to determine how the approved budget can be adjusted down or upwards and still take into account service delivery issues:**

The total revenue budget is adjusted downwards by R21, 395 million, the further breakdown of the municipal revenue per service is illustrated bellow:

- ✓ Assessment rates reduced by R24, 424 million due to 25% incentives given to residential customers
- ✓ Service charges on electricity remains unchanged
- ✓ Service charges on refuse removal (Waste Management) is increased by R4 million
- ✓ Rental facilities and Interest earned on call accounts increased by R95 thousand and R200 thousand respectively
- ✓ Traffic fines reduced by R2,5 million, licence permits increased by R1 million and Agency fees not adjusted
- ✓ As per DORA all grants remained unchanged, although R500 thousand has been moved from transfers recognised-operational to transfers recognised-capital and other revenue increased by R142 thousand

Total Operating expenditure budget decreased by R11, 830 million. The adjusted total Operating budget amount to R458, 162 million for 2015/16 financial year.

- ✓ Employee related cost went down by R2,395 million
- ✓ Remuneration of councillors not adjusted
- ✓ Debt impairment not adjusted, Depreciation has been reduced by R5 million and Bulk purchases was over estimated therefore it has been taken down by R10 million



- ✓ Finance charges decreased by R400 thousand since the municipality is no longer operating on an overdraft.
- ✓ Contracted services reduced by R370 thousand
- ✓ And other expenditure Increased by R6, 335, the amount includes the additional R2, 6 million added to Repairs and maintenance infrastructure like Sub-Station Transformer, Indigent support and Non-Bulk electricity.

Capital budget decreased from R53,792 million to R50 792 million, mainly internal projects affected

In line with the provisions of Section 28 of MFMA, the following errors are submitted for correction as part of adjustment budget:

- No corrections made

## 2.1. Supporting details to budgeted financial performance

LIM334 Ba-Phalaborwa - Supporting Table SB1 Supporting detail to 'Budgeted Financial Performance' - 2016/02/29

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	6 A1	7 B	8 C	9 D	10 E	11 F	12 G	13 H		
<b>REVENUE ITEMS</b>												
<b>Property rates</b>												
Total Property Rates		124,589						(24,424)	(24,424)	100,165	105,974	111,803
<i>less Revenue Foregone</i>									-	-		
<b>Net Property Rates</b>		<b>124,589</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(24,424)</b>	<b>(24,424)</b>	<b>100,165</b>	<b>105,974</b>	<b>111,803</b>
<b>Service charges - electricity revenue</b>												
Total Service charges - electricity revenue		105,666						-	-	105,666	111,794	117,943
<i>less Revenue Foregone</i>									-	-		
<b>Net Service charges - electricity revenue</b>		<b>105,666</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>105,666</b>	<b>111,794</b>	<b>117,943</b>
<b>Service charges - refuse revenue</b>												
Total refuse removal revenue		11,971						2,003	2,003	13,974	14,785	15,598
Total landfill revenue									-	-		
<i>less Revenue Foregone</i>									-	-		
<b>Net Service charges - refuse revenue</b>		<b>11,971</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,003</b>	<b>2,003</b>	<b>13,974</b>	<b>14,785</b>	<b>15,598</b>
<b>Other Revenue By Source</b>												
<i>List other revenue by source</i>		1,385						158	158	1,543	1,633	1,723
<b>Total 'Other' Revenue</b>	1	<b>1,385</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>158</b>	<b>158</b>	<b>1,543</b>	<b>1,633</b>	<b>1,723</b>
<b>EXPENDITURE ITEMS</b>												
<b>Employee related costs</b>												
Basic Salaries and Wages		74,112						295	295	74,407	78,722	83,052
Pension and UIF Contributions		14,179						167	167	14,346	15,178	16,012
Medical Aid Contributions		4,572						105	105	4,677	4,948	5,220
Overtime		4,157						(1,188)	(1,188)	2,968	3,141	3,313
Performance Bonus		-						-	-	-	-	-

Motor Vehicle Allowance		12,536					(949)	(949)	11,587	12,259	12,933
Cellphone Allowance		1,131					(35)	(35)	1,096	1,160	1,223
Housing Allowances		914					(15)	(15)	900	952	1,004
Other benefits and allowances		6,609					603	603	7,212	7,630	8,050
Payments in lieu of leave		-					-	-	-	-	-
Long service awards		4,483					(1,378)	(1,378)	3,105	3,285	3,466
Post-retirement benefit obligations	4	-					-	-	-	-	-
<b>sub-total</b>		<b>122,693</b>	-	-	-	-	<b>(2,395)</b>	<b>(2,395)</b>	<b>120,297</b>	<b>127,274</b>	<b>134,274</b>
<u>Less: Employees costs capitalised to PPE</u>								-	-		
<b>Total Employee related costs</b>	1	<b>122,693</b>	-	-	-	-	<b>(2,395)</b>	<b>(2,395)</b>	<b>120,297</b>	<b>127,274</b>	<b>134,274</b>
<b>Total Contributions recognised - capital</b>		-	-	-	-	-	-	-	-	-	-
<b><u>Depreciation &amp; asset impairment</u></b>											
Depreciation of Property, Plant & Equipment		70,104					(5,000)	(5,000)	65,104	68,880	72,668
Lease amortisation								-	-	-	-
Capital asset impairment								-	-	-	-
Depreciation resulting from revaluation of PPE								-	-	-	-
<b>Total Depreciation &amp; asset impairment</b>	1	<b>70,104</b>	-	-	-	-	<b>(5,000)</b>	<b>(5,000)</b>	<b>65,104</b>	<b>68,880</b>	<b>72,668</b>
<b><u>Bulk purchases</u></b>											
Electricity Bulk Purchases		94,332					(10,000)	(10,000)	84,332	89,223	94,130
Water Bulk Purchases								-	-	-	-
<b>Total bulk purchases</b>	1	<b>94,332</b>	-	-	-	-	<b>(10,000)</b>	<b>(10,000)</b>	<b>84,332</b>	<b>89,223</b>	<b>94,130</b>
<b><u>Transfers and grants</u></b>											
Cash transfers and grants								-	-	-	-
Non-cash transfers and grants								-	-	-	-
<b>Total transfers and grants</b>		-	-	-	-	-	-	-	-	-	-
<b><u>Contracted services</u></b>											
List services provided by contract		52,256					(370)	(370)	51,887	49,414	48,697
<b>sub-total</b>	1	<b>52,256</b>	-	-	-	-	<b>(370)</b>	<b>(370)</b>	<b>51,887</b>	<b>49,414</b>	<b>48,697</b>
<b>Allocations to organs of state:</b>											

Electricity									-	-		
Water									-	-		
Sanitation									-	-		
Other									-	-		
<b>Total contracted services??</b>		<b>52,256</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(370)</b>	<b>(370)</b>	<b>51,887</b>	<b>49,414</b>	<b>48,697</b>
<b>Other Expenditure By Type</b>	-											
Collection costs									-	-		
General expenses	3,5	82,362						6,335	6,335	88,697	93,841	99,003
									-	-		
<b>Total Other Expenditure</b>	1	<b>82,362</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,335</b>	<b>6,335</b>	<b>88,697</b>	<b>93,841</b>	<b>99,003</b>
<b>Repairs and Maintenance by Expenditure Item</b>	14											
Employee related costs									-	-		
Other materials									-	-		
Contracted Services									-	-		
Other Expenditure		21,333						2,642	2,642	23,975	25,366	26,761
<b>Total Repairs and Maintenance Expenditure</b>	15	<b>21,333</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,642</b>	<b>2,642</b>	<b>23,975</b>	<b>25,366</b>	<b>26,761</b>

## 2.2. Supporting details to financial position budget

LIM334 Ba-Phalaborwa - Supporting Table SB2 Supporting detail to 'Financial Position Budget' - 2016/02/29

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
		A	4 A1	5 B	6 C	7 D	8 E	9 F	10 G	11 H		
<b>R thousands</b>		A	A1	B	C	D	E	F	G	H		
<b>ASSETS</b>												
<b><u>Call investment deposits</u></b>												
Call deposits < 90 days		1,700						-	-	1,700	1,799	1,898
Other current investments > 90 days										-		
<b>Total Call investment deposits</b>	1	<b>1,700</b>	-	-	-	-	-	-	-	<b>1,700</b>	<b>1,799</b>	<b>1,898</b>
<b><u>Consumer debtors</u></b>												
Consumer debtors		195,000						(59,000)	(59,000)	136,000	143,888	151,802
Less: provision for debt impairment		33,168	-	-	-	-	-	-	-	33,168	-	-
<b>Total Consumer debtors</b>	1	<b>161,832</b>	-	-	-	-	-	<b>(59,000)</b>	<b>(59,000)</b>	<b>102,832</b>	<b>143,888</b>	<b>151,802</b>
<b><u>Debt impairment provision</u></b>												
Balance at the beginning of the year										-	-	-
Contributions to the provision		33,168								-	33,168	
Bad debts written off										-	-	-
<b>Balance at end of year</b>		<b>33,168</b>	-	-	-	-	-	-	-	<b>33,168</b>	-	-
<b><u>Property, plant &amp; equipment</u></b>												
PPE at cost/valuation (excl. finance leases)		1,868,249						(400,000)	(400,000)	1,468,249	1,553,407	1,638,845
Leases recognised as PPE										-	-	-
Less: Accumulated depreciation		507,816								-	537,270	566,820
<b>Total Property, plant &amp; equipment</b>	1	<b>1,360,432</b>	-	-	-	-	-	<b>(400,000)</b>	<b>(400,000)</b>	<b>960,432</b>	<b>1,016,138</b>	<b>1,072,025</b>
<b>LIABILITIES</b>												
<b><u>Current liabilities - Borrowing</u></b>												
Short term loans (other than bank overdraft)										-	-	-
Current portion of long-term liabilities										-	-	-
<b>Total Current liabilities - Borrowing</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Trade and other payables</u></b>												
Creditors		5,091						279,000	279,000	284,091	300,569	317,100

Unspent conditional grants and receipts		-							-	-	-	-
VAT									-	-		
<b>Total Trade and other payables</b>	1	<b>5,091</b>	-	-	-	-	-	<b>279,000</b>	<b>279,000</b>	<b>284,091</b>	<b>300,569</b>	<b>317,100</b>
<b><u>Non current liabilities - Borrowing</u></b>												
Borrowing	3	180,000						(150,000)	(150,000)	30,000	31,740	33,486
Finance leases (including PPP asset element)									-	-		
<b>Total Non current liabilities - Borrowing</b>		<b>180,000</b>	-	-	-	-	-	<b>(150,000)</b>	<b>(150,000)</b>	<b>30,000</b>	<b>31,740</b>	<b>33,486</b>
<b><u>Provisions - non current</u></b>												
Retirement benefits		18,000						-	-	18,000	19,044	20,091
List other major items									-	-		
Refuse landfill site rehabilitation									-	-		
Other									-	-		
<b>Total Provisions - non current</b>		<b>18,000</b>	-	-	-	-	-	<b>-</b>	<b>-</b>	<b>18,000</b>	<b>19,044</b>	<b>20,091</b>
<b>CHANGES IN NET ASSETS</b>												
<b><u>Accumulated surplus/(Deficit)</u></b>												
Accumulated surplus/(Deficit) - opening balance		-						856,438	856,438	856,438	937,028	982,506
Appropriations to Reserves									-	-		
Transfers from Reserves									-	-		
Depreciation offsets									-	-		
Other adjustments									-	-		
<b>Accumulated Surplus/(Deficit)</b>	1	<b>-</b>	-	-	-	-	-	<b>856,438</b>	<b>856,438</b>	<b>856,438</b>	<b>937,028</b>	<b>982,506</b>
<b><u>Reserves</u></b>												
Housing Development Fund									-	-		
Capital replacement									-	-		
Self-insurance									-	-		
Other reserves (list)		1,340,735						(1,340,735)	(1,340,735)	0	-	-
Revaluation									-	-		
<b>Total Reserves</b>	2	<b>1,340,735</b>	-	-	-	-	-	<b>(1,340,735)</b>	<b>(1,340,735)</b>	<b>0</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>1,340,735</b>	-	-	-	-	-	<b>(484,298)</b>	<b>(484,298)</b>	<b>856,438</b>	<b>937,028</b>	<b>982,506</b>

## 2.3 Supporting information to budgeted performance indicators and benchmarks

LIM334 Ba-Phalaborwa - Supporting Table SB4 Adjustments to budgeted performance indicators and benchmarks - 2016/02/29

Description of financial indicator	Basis of calculation	2012/13	2013/14	2014/15	Budget Year 2015/16			Budget Year +1 2016/17	Budget Year +2 2017/18
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b><u>Borrowing Management</u></b>									
Credit Rating	Short term/long term rating								
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.3%	0.3%	1.9%	0.4%	0.0%	0.4%	0.4%	0.4%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	0.7%	0.6%	2.8%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b><u>Safety of Capital</u></b>									
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	13.4%	0.0%		0.0%	0.0%
<b><u>Liquidity</u></b>									
Current Ratio	Current assets/current liabilities	49.4%	15.2%	72.6%	2739.0%	0.0%	64.9%	75.9%	74.8%
Current Ratio adjusted for aged debtors	Current assets/current liabilities less debtors > 90 days/current liabilities	49.4%	15.2%	72.6%	2739.0%	0.0%	0.0%	0.0%	0.0%
Liquidity Ratio	Monetary Assets/Current Liabilities	0.5%	0.6%	0.0%	0.5	0.0	0.0	0.0	0.0
<b><u>Revenue Management</u></b>									
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing		100.0%	100.0%					
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		100.0%	100.0%	100.0%					
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	71.6%	17.7%	90.6%	36.5%	0.0%	24.5%	32.8%	33.2%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old				0.0%	0.0%	0.0%	0.0%	0.0%
<b><u>Creditors Management</u></b>									
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))								
Creditors to Cash and Investments		10951.0%	17808.1%	-2041.8%	315.8%	0.0%	24308.9%	15302.0%	7959.7%
<b><u>Other Indicators</u></b>									

Electricity Distribution Losses (2)	Total Volume Losses (kW)	4.0%	19.0%						
	Total Cost of Losses (Rand '000)	2,068							
Water Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated								
	Total Volume Losses (kℓ)								
	Total Cost of Losses (Rand '000)								
	% Volume (units purchased and generated less units sold)/units purchased and generated								
Employee costs	Employee costs/(Total Revenue - capital revenue)	43.4%	36.6%	31.6%	27.7%	0.0%	28.2%	28.5%	28.8%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	47.6%	40.1%	35.1%					
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0.0%	0.0%	5.8%	4.8%	0.0%	5.7%	5.8%	5.9%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	35.0%	27.1%	20.5%	16.3%	0.0%	15.9%	16.1%	16.3%
<b>IDP regulation financial viability indicators</b>									
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	350.6%	307.1%	5545.2%	18241.8%	0.0%	16948.2%	16996.4%	17931.2%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	142.2%	32.4%	179.1%	36.5%	0.0%	24.5%	32.8%	33.2%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	15.7%	8.4%	-95.8%	0.0	0.0	0.0	0.0	0.0



## 2.4. Statistics in assumptions

LIM334 Ba-Phalaborwa - Supporting Table SB5 Adjustments Budget - social, economic and demographic statistics and assumptions - 2016/02/29

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2012/13	2013/14	2014/15	Budget Year 2015/16
						Outcome	Outcome	Outcome	Original Budget
<b>Demographics</b>									
Population						131,522	150,637	150,637	150,637
Females aged 5 - 14						13,967	77,620	77,620	77,620
Males aged 5 - 14						23,096	73,016	73,016	73,016
Females aged 15 - 34						13,967	13,967	13,967	13,967
Males aged 15 - 34						23,096	23,096	23,096	23,096
Unemployment						3,842	20,282	20,282	20,282
<b>Monthly Household income ( no. of households)</b>									
None	1, 12					54,960	63,891	63,891	63,891
R1 - R1 600						3,678	56,476	56,476	56,476
R1 601 - R3 200						3,123	6,632	6,632	6,632
R3 201 - R6 400							5,268	5,268	5,268
R6 401 - R12 800							5,357	5,357	5,357
R12 801 - R25 600							3,746	3,746	3,746
R25 601 - R51 200							920	920	920
R52 201 - R102 400							177	177	177
R102 401 - R204 800							64	64	64
R204 801 - R409 600							78	78	78
R409 601 - R819 200 > R819 200									
<b>Poverty profiles (no. of households)</b>									

< R2 060 per household per month Insert description	13 2									
<b>Household/demographics (000)</b>										
Number of people in municipal area								151	151	151
Number of poor people in municipal area								64	64	64
Number of households in municipal area								41	41	41
Number of poor households in municipal area										
Definition of poor household (R per month)										

### Detail on the provision of municipal services for B10

Total municipal services	Ref.		2012/13	2013/14	2014/15	Budget Year 2015/16			2015/16 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
		<b>Household service targets (000)</b>									
		<b>Water:</b>									
		Piped water inside dwelling	12	15	15	15	15	15	15	15	15
		Piped water inside yard (but not in dwelling)	17	19	19	19	19	19	19	19	19
	8	Using public tap (at least min.service level)	4	3,812	3,812	3,812	3,812	3,812	3,812	3,812	3,812
	10	Other water supply (at least min.service level)	4	413	413	413	413	413	413	413	413
		<i>Minimum Service Level and Above sub-total</i>	37	4,259	4,259	4,259	4,259	4,259	4,259	4,259	4,259
	9	Using public tap (< min.service level)									
	10	Other water supply (< min.service level)	2	234	234	234	234	234	234	234	234
		No water supply		2	2	2	2	2	2	2	2
		<i>Below Minimum Service Level sub-total</i>	2	236	236	236	236	236	236	236	-
		<b>Total number of households</b>	<b>39</b>	<b>4,495</b>	<b>4,495</b>	<b>4,495</b>	<b>4,495</b>	<b>4,495</b>	<b>4,495</b>	<b>4,495</b>	<b>4,259</b>
		<b>Sanitation/sewerage:</b>									
		Flush toilet (connected to sewerage)	14,056	16,638	16,638	16,638	16,638	16,638	16,638	16,638	16,638
		Flush toilet (with septic tank)	1,090	860	860	860	860	860	860	860	860
		Chemical toilet	-	424	424	424	424	424	424	424	424
		Pit toilet (ventilated)	2,868	6,718	6,718	6,718	6,718	6,718	6,718	6,718	6,718

Other toilet provisions (> min.service level)	9,166	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833
<i>Minimum Service Level and Above sub-total</i>	27,180	35,473	35,473	35,473	35,473	35,473	35,473	35,473	35,473
Bucket toilet		80	80	80	80	80	80	80	80
Other toilet provisions (< min.service level)		864	864	864	864	864	864	864	864
No toilet provisions	6,612	4,698	4,698	4,698	4,698	4,698	4,698	4,698	4,698
<i>Below Minimum Service Level sub-total</i>	6,612	5,642	5,642	5,642	5,642	5,642	5,642	5,642	5,642
<b>Total number of households</b>	<b>33,792</b>	<b>41,115</b>	<b>41,115</b>	<b>41,115</b>	<b>41,115</b>	<b>41,115</b>	<b>41,115</b>	<b>41,115</b>	<b>41,115</b>
<b><u>Energy:</u></b>									
Electricity (at least min.service level)	7,000	37,345	37,345	37,345	37,345	37,345	37,345	37,345	37,345
Electricity - prepaid (min.service level)									
<i>Minimum Service Level and Above sub-total</i>	7,000	37,345	37,345	37,345	37,345	37,345	37,345	37,345	37,345
Other energy sources									
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	<b>7,000</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>
<b><u>Refuse:</u></b>									
Removed at least once a week		20,066	20,066	20,066	20,066	20,066	20,066	20,066	20,066
<i>Minimum Service Level and Above sub-total</i>	-	20,066	20,066	20,066	20,066	20,066	20,066	20,066	20,066
Removed less frequently than once a week		257	257	257	257	257	257	257	257
Using communal refuse dump		684	684	684	684	684	684	684	684
Using own refuse dump		17,849	17,849	17,849	17,849	17,849	17,849	17,849	17,849
Other rubbish disposal		327	327	327	327	327	327	327	327
No rubbish disposal		1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933
<i>Below Minimum Service Level sub-total</i>	-	21,050	21,050	21,050	21,050	21,050	21,050	21,050	21,050
<b>Total number of households</b>	<b>-</b>	<b>41,116</b>	<b>41,116</b>	<b>41,116</b>	<b>41,116</b>	<b>41,116</b>	<b>41,116</b>	<b>41,116</b>	<b>41,116</b>

## 2.5 Adjustment budget – funding measurement

LIM334 Ba-Phalaborwa - Supporting Table SB6 Adjustments Budget - funding measurement - 2016/02/29

Description	Ref	MFMA section	2012/13	2013/14	2014/15	Medium Term Revenue and Expenditure Framework				
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousands</b>										
<b>Funding measures</b>	-	-								
Cash/cash equivalents at the year end - R'000	1	18(1)b	2,066	(17,807)	2,227	1,612	-	1,169	1,964	3,984
Cash + investments at the yr end less applications - R'000	2	18(1)b	(329,656)	(185,126)		(1,323,571)	-	(265,726)	(276,001)	(291,181)
Cash year end/monthly employee/supplier payments	3	18(1)b	0	(0)		-	-	-	-	-
Surplus/(Deficit) excluding depreciation offsets: R'000	4	18(1)	(39,975)	(2,529)		9,565	-	(0)	0	0
Service charge rev % change - macro CPIX target exclusive	5	18(1)a,(2)	0.238922221	1.9%		0.0%	0.0%	0.0%	-0.2%	-0.5%
Cash receipts % of Ratepayer & Other revenue	6	18(1)a,(2)	0.0%	0.0%	0.0%	11.5%	0.0%	14.6%	14.6%	14.6%
Debt impairment expense as a % of total billable revenue	7	18(1)a,(2)	78.0%	1.8%		13.7%	0.0%	15.1%	15.1%	15.1%
Capital payments % of capital expenditure	8	18(1)c;19	100.0%	98.3%		100.0%	0.0%	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	9	18(1)c	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	10	18(1)a				0.0%	0.0%	0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	11	18(1)a	-70.4%	495.7%		-41.4%			39.9%	5.5%
Long term receivables % change - incr(decr)	12	18(1)a	0.0%	0.0%		0.0%			0.0%	0.0%
R&M % of Property Plant & Equipment	13	20(1)(vi)	0.0%	1.7%		1.6%	0.0%	2.5%	2.5%	2.5%
Asset renewal % of capital budget	14	20(1)(vi)	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%	0.0%

## 2.6 Transfers and Grants received

LIM334 Ba-Phalaborwa - Supporting Table SB7 Adjustments Budget - transfers and grant receipts - 2016/02/29

Description	Ref	Budget Year 2015/16							Budget Year +1 2016/17	Budget Year +2 2017/18
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F		
<b>R thousands</b>										
<b>RECEIPTS:</b>	1, 2									
-										
<b><u>Operating Transfers and Grants</u></b>										
<b>National Government:</b>		<b>113,160</b>	-	-	-	-	-	<b>113,160</b>	<b>115,290</b>	<b>115,663</b>
Local Government Equitable Share		107,805			-			107,805	110,912	110,792
Finance Management	3	1,675			-			1,675	1,810	2,145
Municipal Systems Improvement		940			-			940	960	1,033
EPWP Incentive		1,188			-			1,188	-	-
Operating Grant: MIG (5% of MIG Grants for PMU)		1,552			-			1,552	1,608	1,693
								-		
<b>Total Operating Transfers and Grants</b>	6	<b>113,160</b>	-	-	-	-	-	<b>113,160</b>	<b>115,290</b>	<b>115,663</b>
<b><u>Capital Transfers and Grants</u></b>										
<b>National Government:</b>		<b>36,492</b>	-	-	-	-	-	<b>36,492</b>	<b>37,560</b>	<b>42,159</b>
Municipal Infrastructure Grant (MIG)		29,492			-			29,492	30,560	32,159
INEG		7,000			-			7,000	7,000	10,000
								-		
<b>Total Capital Transfers and Grants</b>	6	<b>36,492</b>	-	-	-	-	-	<b>36,492</b>	<b>37,560</b>	<b>42,159</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		<b>149,652</b>	-	-	-	-	-	<b>149,652</b>	<b>152,850</b>	<b>157,822</b>

## 2.7. Expenditure on transfers and Grants programme

LIM334 Ba-Phalaborwa - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme - 2016/02/29

Description	Ref	Budget Year 2015/16							Budget Year +1 2016/17	Budget Year +2 2017/18
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	2 A1	3 B	4 C	5 D	6 E	7 F		
<b>EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:</b>	1									
<b><u>Operating expenditure of Transfers and Grants</u></b>										
<b>National Government:</b>		<b>113,160</b>	-	-	-	-	-	<b>113,160</b>	<b>115,290</b>	<b>115,663</b>
Local Government Equitable Share		107,805			-		-	107,805	110,912	110,792
Finance Management		1,675			-		-	1,675	1,810	2,145
Municipal Systems Improvement		940			-		-	940	960	1,033
EPWP Incentive		1,188			-		-	1,188	-	-
Operating Grant: MIG (5% of MIG Grants for PMU)		1,552			-		-	1,552	1,608	1,693
		-			-		-	-		
<b>Total operating expenditure of Transfers and Grants:</b>		<b>113,160</b>	-	-	-	-	-	<b>113,160</b>	<b>115,290</b>	<b>115,663</b>
<b><u>Capital expenditure of Transfers and Grants</u></b>										
<b>National Government:</b>		<b>36,492</b>	-	-	-	-	-	<b>36,492</b>	<b>37,560</b>	<b>42,159</b>
Municipal Infrastructure Grant (MIG)		29,492			-		-	29,492	30,560	32,159
INEG		7,000			-		-	7,000	7,000	10,000
		-			-		-	-		
<b>Total capital expenditure of Transfers and Grants</b>		<b>36,492</b>	-	-	-	-	-	<b>36,492</b>	<b>37,560</b>	<b>42,159</b>
<b>Total capital expenditure of Transfers and Grants</b>		<b>149,652</b>	-	-	-	-	-	<b>149,652</b>	<b>152,850</b>	<b>157,822</b>

## 2.8. Reconciliations of transfers, Grants receipts and unspent funds

LIM334 Ba-Phalaborwa - Supporting Table SB9 Adjustments Budget - reconciliation of transfers, grant receipts, and unspent funds - 2016/02/29

Description	Ref	Budget Year 2015/16							Budget Year +1 2016/17	Budget Year +2 2017/18
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	2 A1	3 B	4 C	5 D	6 E	7 F		
<b>Operating transfers and grants:</b>										
<b>National Government:</b>										
Balance unspent at beginning of the year							-	-		
Current year receipts		113,160			-		-	113,160	115,290	115,663
<b>Conditions met - transferred to revenue</b>		<b>113,160</b>	-	-	-	-	-	<b>113,160</b>	<b>115,290</b>	<b>115,663</b>
Conditions still to be met - transferred to liabilities							-	-		
<b>Total operating transfers and grants revenue</b>		<b>113,160</b>	-	-	-	-	-	<b>113,160</b>	<b>115,290</b>	<b>115,663</b>
<b>Total operating transfers and grants - CTBM</b>	2	-	-	-	-	-	-	-	-	-
<b>Capital transfers and grants:</b>										
<b>National Government:</b>										
Balance unspent at beginning of the year							-	-		
Current year receipts		36,492			-		-	36,492	37,560	42,159
<b>Conditions met - transferred to revenue</b>		<b>36,492</b>	-	-	-	-	-	<b>36,492</b>	<b>37,560</b>	<b>42,159</b>
Conditions still to be met - transferred to liabilities							-	-		
Conditions still to be met - transferred to liabilities							-	-		
<b>Total capital transfers and grants revenue</b>		<b>36,492</b>	-	-	-	-	-	<b>36,492</b>	<b>37,560</b>	<b>42,159</b>
<b>Total capital transfers and grants - CTBM</b>		-	-	-	-	-	-	-	-	-
<b>TOTAL TRANSFERS AND GRANTS REVENUE</b>		<b>149,652</b>	-	-	-	-	-	<b>149,652</b>	<b>152,850</b>	<b>157,822</b>
<b>TOTAL TRANSFERS AND GRANTS - CTBM</b>		-	-	-	-	-	-	-	-	-

## 2.9. Transfers and Grants made by the municipality

Not applicable

## 2.10. Councillors and staff benefits

LIM334 Ba-Phalaborwa - Supporting Table SB11 Adjustments Budget - councillor and staff benefits - 2016/02/29

Summary of remuneration	Ref	Budget Year 2015/16									% change
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	
R thousands		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	
<b><u>Councillors (Political Office Bearers plus Other)</u></b>											
Basic Salaries and Wages		8,874							-	8,874	0.0%
Motor Vehicle Allowance		3,109						-	-	3,109	0.0%
Cellphone Allowance		828						-	-	828	
<b>Sub Total - Councillors</b>		<b>12,811</b>	<b>-</b>			<b>-</b>		<b>-</b>	<b>-</b>	<b>12,811</b>	<b>0.0%</b>
<b><u>Senior Managers of the Municipality</u></b>											
Basic Salaries and Wages		3,797							-	3,797	0.0%
Pension and UIF Contributions		11							-	11	0.0%
Motor Vehicle Allowance		2,448						(1,067)	(1,067)	1,381	-43.6%
Cellphone Allowance		86								86	0.0%
Other benefits and allowances		780								780	
<b>Sub Total - Senior Managers of Municipality</b>		<b>7,121</b>	<b>-</b>	<b>-</b>		<b>-</b>		<b>(1,067)</b>	<b>(1,067)</b>	<b>6,055</b>	<b>-15%</b>
<b><u>Other Municipal Staff</u></b>											
Basic Salaries and Wages		73,101						295	295	73,396	0.4%
Pension and UIF Contributions		14,153						167	167	14,320	1.2%
Medical Aid Contributions		4,567						105	105	4,672	2.3%
Overtime		4,153						(1,188)	(1,188)	2,965	-28.6%
Motor Vehicle Allowance		12,974						118	118	13,091	0.9%
Cellphone Allowance		1,044						(35)	(35)	1,009	-3.4%
Housing Allowances		913						(15)	(15)	898	
Other benefits and allowances		4,004						603	603	4,607	
Long service awards		662						(1,378)	(1,378)	(716)	-208.3%
<b>Sub Total - Other Municipal Staff</b>		<b>115,571</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,329)</b>	<b>(1,329)</b>	<b>114,242</b>	<b>-1.1%</b>
<b>% increase</b>											
<b>Total Parent Municipality</b>		<b>135,503</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,395)</b>	<b>(2,395)</b>	<b>133,108</b>	<b>-1.8%</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>135,503</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,395)</b>	<b>(2,395)</b>	<b>133,108</b>	<b>-1.8%</b>
<b>% increase</b>											
<b>TOTAL MANAGERS AND STAFF</b>		<b>122,693</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,395)</b>	<b>(2,395)</b>	<b>120,297</b>	<b>-2.0%</b>



## 2.11. Monthly revenues and Expenditure per Municipal vote

LIM334 Ba-Phalaborwa - Supporting Table SB12 Adjustments Budget - monthly revenue and expenditure (municipal vote) - 2016/02/29

Description	R e f	Budget Year 2015/16											Medium Term Revenue and Expendit ure Framewo rk			
		July	August	Sept.	October	Novembe r	Decem ber	January	Februar y	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
		Outcom e	Outcom e	Outcom e	Outcom e	Outcome	Outco me	Adjuste d Budget	Adjuste d Budget	Adjusted Budget	Adjuste d Budget	Adjusted Budget	Adjuste d Budget	Adjusted Budget	Adjusted Budget	Adjuste d Budget
<b>R thousands</b>																
<b>Revenue by Vote</b>																
Budget and Treasury Department		59,479	14,793	14,420	12,153	46,986	11,361	17,949	17,949	17,949	17,949	17,949	17,949	266,888	276,885	288,679
Corporate Services		44	60	37	46	37	50	50	50	50	50	50	50	574	607	640
Community and Social Services		3,123	1,714	2,897	1,778	2,805	1,585	3,161	3,494	3,494	3,494	3,494	3,494	34,866	36,889	38,918
Planning and Development		-	17	-	2	3	8	4	4	4	4	4	4	55	58	61
Technical Services Department		17,637	7,784	9,984	15,645	10,203	15,699	13,138	13,138	13,138	13,138	13,138	13,138	155,779	164,814	173,879
<b>Total Revenue by Vote</b>		<b>80,282</b>	<b>24,368</b>	<b>27,338</b>	<b>29,624</b>	<b>60,035</b>	<b>28,703</b>	<b>34,635</b>	<b>34,635</b>	<b>34,635</b>	<b>34,635</b>	<b>34,635</b>	<b>34,635</b>	<b>456,162</b>	<b>479,253</b>	<b>502,177</b>
<b>Expenditure by Vote</b>																
Executive and Council		3,629	3,335	2,849	3,519	3,481	3,213	4,170	4,170	4,170	4,170	4,170	4,170	45,046	47,659	50,280
Budget and Treasury Department		7,740	3,280	4,731	4,500	3,755	4,843	11,404	11,404	11,404	11,404	11,404	11,404	97,273	97,432	99,356
Corporate Services		1,869	2,591	2,673	2,986	2,724	2,148	5,305	5,305	5,305	5,305	5,305	5,305	46,823	49,539	52,263
Community and Social Services		3,350	2,981	4,481	3,047	4,863	3,046	6,999	6,999	6,999	6,999	6,999	6,999	63,765	67,463	71,174
Planning and Development		804	1,128	378	662	389	339	1,170	1,170	1,170	1,170	1,170	1,170	10,721	11,342	11,966
Technical Services Department		12,552	8,145	7,041	11,499	18,050	4,775	22,079	22,079	22,079	22,079	22,079	22,079	194,534	205,817	217,137
<b>Total Expenditure by Vote</b>		<b>29,945</b>	<b>21,459</b>	<b>22,153</b>	<b>26,213</b>	<b>33,262</b>	<b>18,363</b>	<b>51,128</b>	<b>51,128</b>	<b>51,128</b>	<b>51,128</b>	<b>51,128</b>	<b>51,128</b>	<b>458,162</b>	<b>479,253</b>	<b>502,177</b>
<b>Surplus/ (Deficit)</b>		<b>50,338</b>	<b>2,909</b>	<b>5,185</b>	<b>3,411</b>	<b>26,772</b>	<b>10,340</b>	<b>(16,826)</b>	<b>(16,826)</b>	<b>(16,826)</b>	<b>(16,826)</b>	<b>(16,826)</b>	<b>(16,826)</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 2.12 Monthly revenue and expenditure by standard classifications

LIM334 Ba-Phalaborwa - Supporting Table SB13 Adjustments Budget - monthly revenue and expenditure  
(standard classification) - 2016/02/29

Description - Standard classification	Ref	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	
<b>R thousands</b>																	
<b>Revenue - Standard</b>																	
<b>Governance and administration</b>																	
Budget and treasury office		59,523	14,852	14,456	12,199	47,024	11,412	17,999	17,999	17,999	17,999	17,999	17,999	17,999	267,461	277,492	289,311
Corporate services		59,479	14,793	14,420	12,153	46,986	11,361	17,949	17,949	17,949	17,949	17,949	17,949	266,888	276,885	288,671	
		44	60	37	46	37	50	50	50	50	50	50	50	574	607	64	
<b>Community and public safety</b>																	
Community and social services		1,961	560	1,633	611	768	10	1,331	1,331	1,331	1,331	1,331	1,331	13,529	14,314	15,101	
Public safety		191	560	1,633	609	768	10	1,584	1,584	1,584	1,584	1,584	1,584	13,278	14,049	14,821	
		1,770	-	-	1	-	-	(253)	(253)	(253)	(253)	(253)	(253)	251	265	28	
<b>Economic and environmental services</b>																	
Planning and development		12,513	233	1,814	7,584	1,041	7,031	469	469	469	469	469	469	33,033	34,948	36,871	
Road transport		-	17	-	2	3	8	4	4	4	4	4	4	55	58	6	
		12,513	215	1,814	7,583	1,037	7,023	465	465	465	465	465	465	32,978	34,890	36,801	
<b>Trading services</b>																	
Electricity		6,285	8,723	9,434	9,230	11,202	10,250	14,502	14,502	14,502	14,502	14,502	14,502	142,139	150,383	158,651	
		5,123	7,569	8,170	8,062	9,165	8,675	12,673	12,673	12,673	12,673	12,673	12,673	122,802	129,924	137,071	
Water Waste management		1,162	1,154	1,264	1,168	2,037	1,575	1,013	1,013	1,013	1,013	1,013	1,013	7,615	8,057	8,501	
<b>Other</b>																	
<b>Total Revenue - Standard</b>		80,282	24,368	27,338	29,624	60,035	28,703	34,635	34,635	34,635	34,635	34,635	34,635	456,162	479,253	502,177	

<b>Expenditure - Standard</b>																
<b>Governance and administration</b>		<b>13,238</b>	<b>9,205</b>	<b>10,252</b>	<b>11,005</b>	<b>9,960</b>	<b>10,203</b>	<b>20,880</b>	<b>20,880</b>	<b>20,880</b>	<b>20,880</b>	<b>20,880</b>	<b>20,880</b>	<b>189,142</b>	<b>194,630</b>	<b>201,90</b>
Executive and council		3,629	3,335	2,849	3,519	3,481	3,213	4,170	4,170	4,170	4,170	4,170	4,170	45,046	47,659	50,28
Budget and treasury office		7,740	3,280	4,731	4,500	3,755	4,843	11,404	11,404	11,404	11,404	11,404	11,404	97,273	97,432	99,35
Corporate services		1,869	2,591	2,673	2,986	2,724	2,148	5,305	5,305	5,305	5,305	5,305	5,305	46,823	49,539	52,26
<b>Community and public safety</b>		<b>3,313</b>	<b>2,904</b>	<b>4,090</b>	<b>2,923</b>	<b>4,311</b>	<b>2,689</b>	<b>5,987</b>	<b>5,987</b>	<b>5,987</b>	<b>5,987</b>	<b>5,987</b>	<b>5,987</b>	<b>56,150</b>	<b>59,406</b>	<b>62,67</b>
Community and social services		2,765	2,113	3,401	2,304	3,665	2,128	4,975	4,975	4,975	4,975	4,975	4,975	46,229	48,911	51,60
Public safety		548	791	689	619	646	561	1,011	1,011	1,011	1,011	1,011	1,011	9,921	10,496	11,07
<b>Economic and environmental services</b>		<b>2,029</b>	<b>2,244</b>	<b>1,938</b>	<b>2,666</b>	<b>1,882</b>	<b>1,869</b>	<b>12,145</b>	<b>12,145</b>	<b>12,145</b>	<b>12,145</b>	<b>12,145</b>	<b>12,145</b>	<b>85,500</b>	<b>90,459</b>	<b>95,43</b>
Planning and development		804	1,128	378	662	389	339	1,170	1,170	1,170	1,170	1,170	1,170	10,721	11,342	11,96
Road transport		1,225	1,116	1,560	2,004	1,493	1,530	10,975	10,975	10,975	10,975	10,975	10,975	74,779	79,116	83,46
<b>Trading services</b>		<b>11,364</b>	<b>7,106</b>	<b>5,873</b>	<b>9,619</b>	<b>17,109</b>	<b>3,602</b>	<b>12,116</b>	<b>12,116</b>	<b>12,116</b>	<b>12,116</b>	<b>12,116</b>	<b>12,116</b>	<b>127,370</b>	<b>134,758</b>	<b>142,16</b>
Electricity		11,327	7,029	5,481	9,495	16,557	3,245	11,103	11,103	11,103	11,103	11,103	11,103	119,755	126,701	133,66
Waste management		37	77	392	124	552	357	1,013	1,013	1,013	1,013	1,013	1,013	7,615	8,057	8,50
<b>Other</b>																
<b>Total Expenditure - Standard</b>		<b>29,945</b>	<b>21,459</b>	<b>22,153</b>	<b>26,213</b>	<b>33,262</b>	<b>18,363</b>	<b>51,128</b>	<b>51,128</b>	<b>51,128</b>	<b>51,128</b>	<b>51,128</b>	<b>51,128</b>	<b>458,162</b>	<b>479,253</b>	<b>502,17</b>
<b>Surplus/ (Deficit) 1.</b>		<b>50,338</b>	<b>2,909</b>	<b>5,185</b>	<b>3,411</b>	<b>26,772</b>	<b>10,340</b>	<b>(16,826)</b>	<b>(16,826)</b>	<b>(16,826)</b>	<b>(16,826)</b>	<b>(16,826)</b>	<b>(16,826)</b>	<b>(2,000)</b>	<b>(2,116)</b>	<b>(2,232)</b>

## 2.13 Monthly Revenue and Expenditure

LIM334 Ba-Phalaborwa - Supporting Table SB14 Adjustments Budget - monthly revenue and expenditure - 2016/02/29

Description	Ref	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Revenue By Source</b>																
Property rates		8,890	8,878	8,879	8,791	8,791	8,858	7,846	7,846	7,846	7,846	7,846	7,846	100,165	105,974	111,833
Service charges - electricity revenue		5,123	7,569	8,170	8,062	8,605	8,085	10,009	10,009	10,009	10,009	10,009	10,009	105,666	111,794	117,933
Service charges - refuse		1,162	1,154	1,264	1,168	1,167	1,128	1,489	1,489	1,489	1,489	1,489	1,489	15,974	16,901	17,800
Rental of facilities and equipment		29	38	27	34	28	43	40	40	40	40	40	40	441	466	422
Interest earned - external investments		53	83	78	50	19	21	28	28	28	28	28	28	475	502	500
Interest earned - outstanding debtors		5,512	5,721	5,356	2,643	3,360	2,781	7,600	7,600	7,600	7,600	7,600	7,600	70,973	75,089	79,299
Fines		1,772	5	27	15	17	1	(243)	(243)	(243)	(243)	(243)	(243)	381	403	455
Licences and permits		175	541	1,576	568	730	1	1,154	1,154	1,154	1,154	1,154	1,154	10,512	11,121	11,733
Agency services		-	-	-	-	-	-	397	397	397	397	397	397	2,381	2,520	2,688
Transfers recognised - operational		45,106	271	179	924	36,414	598	4,861	4,861	4,861	4,861	4,861	4,861	112,660	114,790	115,133
Other revenue		59	109	77	59	150	69	170	170	170	170	170	170	1,543	1,633	1,733

<b>Total Revenue</b>		<b>67,880</b>	<b>24,368</b>	<b>25,633</b>	<b>22,315</b>	<b>59,281</b>	<b>21,583</b>	<b>33,352</b>	<b>33,352</b>	<b>33,352</b>	<b>33,352</b>	<b>33,352</b>	<b>33,352</b>	<b>421,170</b>	<b>441,193</b>	<b>459,519</b>
<b>Expenditure By Type</b>																
Employee related costs		8,024	7,535	8,593	8,888	8,418	8,678	11,694	11,694	11,694	11,694	11,694	11,694	120,297	127,274	134,214
Remuneration of councillors		1,150	1,120	1,137	1,137	1,171	1,128	1,023	1,023	1,023	1,023	1,023	853	12,811	13,554	14,219
Debt impairment		–	–	–	–	–	–	5,554	5,554	5,554	5,554	5,554	5,554	33,326	35,258	37,118
Depreciation & asset impairment		–	–	–	–	–	–	10,851	10,851	10,851	10,851	10,851	10,851	65,104	68,880	72,618
Finance charges		69	166	116	118	138	126	163	163	163	163	163	163	1,709	1,808	1,918
Bulk purchases		10,088	4,825	4,386	7,000	14,941	1,754	6,890	6,890	6,890	6,890	6,890	6,890	84,332	89,223	94,110
Contracted services		6,001	3,545	4,694	3,207	4,570	3,112	4,460	4,460	4,460	4,460	4,460	4,460	51,887	49,414	48,617
Other expenditure		4,613	4,269	3,227	5,863	4,024	3,565	10,523	10,523	10,523	10,523	10,523	10,523	88,697	93,841	99,013
Loss on disposal of PPE		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Total Expenditure</b>		<b>29,945</b>	<b>21,459</b>	<b>22,153</b>	<b>26,213</b>	<b>33,262</b>	<b>18,363</b>	<b>51,156</b>	<b>51,156</b>	<b>51,156</b>	<b>51,156</b>	<b>51,156</b>	<b>50,986</b>	<b>458,162</b>	<b>479,253</b>	<b>502,117</b>
<b>Surplus/(Deficit)</b>		<b>37,936</b>	<b>2,909</b>	<b>3,480</b>	<b>(3,898)</b>	<b>26,019</b>	<b>3,220</b>	<b>(17,805)</b>	<b>(17,805)</b>	<b>(17,805)</b>	<b>(17,805)</b>	<b>(17,805)</b>	<b>(17,635)</b>	<b>(36,992)</b>	<b>(38,060)</b>	<b>(42,600)</b>
Transfers recognised - capital		12,402	–	1,705	7,309	753	7,120	1,284	1,284	1,284	1,284	1,284	1,284	36,992	38,060	42,600
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>50,338</b>	<b>2,909</b>	<b>5,185</b>	<b>3,411</b>	<b>26,772</b>	<b>10,340</b>	<b>(16,521)</b>	<b>(16,521)</b>	<b>(16,521)</b>	<b>(16,521)</b>	<b>(16,521)</b>	<b>(16,351)</b>	<b>–</b>	<b>0</b>	<b>–</b>

## 2.14 Monthly Cash flows

LIM334 Ba-Phalaborwa - Supporting Table SB15 Adjustments Budget - monthly cash flow - 2016/02/29

Monthly cash flows	Ref	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>R thousands</b>																
<b>Cash Receipts By Source</b>	1															
Property rates		2,808	3,005	3,694	4,220	3,934	3,588	3,833	3,733	4,033	3,933	3,733	4,284	44,800	47,398	50,005
Service charges - electricity revenue		3,683	6,159	3,736	5,578	4,999	5,094	5,105	5,210	6,002	5,511	5,102	4,535	60,715	64,236	67,769
Service charges - water revenue		3,111	6,065	4,329	6,704	4,523	5,149	6,000	5,300	5,730	6,200	5,900	5,470	64,481	68,221	71,973
Service charges - sanitation revenue		596	608	594	767	626	533	592	650	541	483	449	477	6,915	7,316	7,718
Service charges - refuse		425	455	477	588	459	440	535	463	510	449	489	410	5,700	6,031	6,362
Rental of facilities and equipment		29	38	27	34	15	43	38	29	48	36	43	49	430	455	480
Interest earned - external investments		53	83	78	50	19	21	43	52	19	21	28	37	505	534	564
Interest earned - outstanding debtors		326	229	376	339	320	245	300	319	333	325	365	321	3,800	4,020	4,242
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines		1,772	5	27	15	17	1	342	29	22	369	26	46	2,671	2,826	2,981
Licences and permits		175	541	1,576	568	730	1	533	634	475	563	622	639	7,056	7,465	7,876
Transfer receipts - operational		47,549	475	-	-	36,292	-	-	-	28,844	-	-	-	113,160	115,290	115,663
Other revenue		59	14	18	59	15	-	19	21	25	28	32	65	355	376	396
<b>Cash Receipts by Source</b>		<b>60,585</b>	<b>17,676</b>	<b>14,932</b>	<b>18,921</b>	<b>51,948</b>	<b>15,114</b>	<b>17,342</b>	<b>16,442</b>	<b>46,585</b>	<b>17,920</b>	<b>16,790</b>	<b>16,334</b>	<b>310,588</b>	<b>324,169</b>	<b>336,030</b>
<b>Other Cash Flows by Source</b>																
Transfers receipts - capital Contributions & Contributed assets		15,764	-	2,800	10,267	-	7,763	-	-	-	-	-	(102)	36,492	37,560	42,159
Decrease (Increase) in non-current debtors																
Decrease (increase) other non-current receivables																

Decrease (increase) in non-current investments													-			
<b>Total Cash Receipts by Source</b>		<b>76,349</b>	<b>17,676</b>	<b>17,732</b>	<b>29,188</b>	<b>51,948</b>	<b>22,877</b>	<b>17,342</b>	<b>16,442</b>	<b>46,585</b>	<b>17,920</b>	<b>16,790</b>	<b>16,232</b>	<b>347,080</b>	<b>361,729</b>	<b>378,189</b>
<b>Cash Payments by Type</b>																
Employee related costs		8,024	7,535	8,593	8,888	8,418	8,678	8,667	8,466	8,563	8,667	8,125	8,846	101,469	104,354	110,259
Remuneration of councillors		1,150	1,120	1,137	1,137	1,171	1,128	1,113	1,120	1,150	1,109	1,111	1,150	13,595	14,384	15,175
Finance charges		69	166	116	118	138	126	122	113	106	100	119	105	1,398	1,479	1,560
Bulk purchases - Electricity		15,000	5,500	5,000	14,500	4,500	7,000	6,167	7,157	7,525	7,990	6,994	6,001	93,333	96,746	98,177
Contracted services		3,193	2,652	1,462	3,986	2,426	8,595	3,167	3,248	1,549	3,857	3,268	1,746	39,147	41,418	43,695
Other expenditure		13,515	276	2,636	4,771	6,099	7,158	5,833	2,153	4,687	5,235	1,987	3,270	57,621	60,963	64,316
<b>Cash Payments by Type</b>		<b>40,951</b>	<b>17,248</b>	<b>18,943</b>	<b>33,400</b>	<b>22,752</b>	<b>32,685</b>	<b>25,068</b>	<b>22,257</b>	<b>23,580</b>	<b>26,957</b>	<b>21,604</b>	<b>21,118</b>	<b>306,563</b>	<b>319,344</b>	<b>333,183</b>
<b>Other Cash Flows/Payments by Type</b>																
Capital assets		13,387	14	1,720	8,509	2,443	10,273	1,000	2,000	-	410	950	495	41,200	41,590	42,987
Repayment of borrowing													-			
Other Cash Flows/Payments		21,450	-	(3,615)	(18,231)	-	-						397			
<b>Total Cash Payments by Type</b>		<b>75,788</b>	<b>17,262</b>	<b>17,048</b>	<b>23,677</b>	<b>25,195</b>	<b>42,958</b>	<b>26,068</b>	<b>24,257</b>	<b>23,580</b>	<b>27,367</b>	<b>22,554</b>	<b>22,009</b>	<b>347,763</b>	<b>360,933</b>	<b>376,170</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>561</b>	<b>415</b>	<b>684</b>	<b>5,511</b>	<b>26,753</b>	<b>(20,081)</b>	<b>(8,726)</b>	<b>(7,815)</b>	<b>23,005</b>	<b>(9,448)</b>	<b>(5,764)</b>	<b>(5,777)</b>	<b>(683)</b>	<b>796</b>	<b>2,020</b>
Cash/cash equivalents at the month/year beginning:		1,852	2,412	2,827	3,510	9,022	35,775	15,694	6,968	(848)	22,157	12,709	6,946	1,852	1,169	1,964
Cash/cash equivalents at the month/year end:		2,412	2,827	3,510	9,022	35,775	15,694	6,968	(848)	22,157	12,709	6,946	1,169	1,169	1,964	3,984

## 2.15. Monthly Capital Expenditure by Municipal Vote

LIM334 Ba-Phalaborwa - Supporting Table SB16 Adjustments Budget - monthly capital expenditure  
(municipal vote) - 2016/02/29

Description - Municipal Vote	Ref	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>R thousands</b>																
<b>Single-year expenditure appropriation</b>																
Executive and Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Budget and Treasury Department		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporate Services		8	12	15	989	85	-	515	515	515	515	515	515	4,200	3,800	4,500
Community and Social Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Planning and Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Technical Services Department		11,148	-	1,493	6,475	2,058	9,011	2,735	2,735	2,735	2,735	2,735	2,735	46,592	41,000	45,000
<b>Capital single-year expenditure sub-total</b>	3	<b>11,156</b>	<b>12</b>	<b>1,509</b>	<b>7,464</b>	<b>2,143</b>	<b>9,011</b>	<b>3,250</b>	<b>3,250</b>	<b>3,250</b>	<b>3,250</b>	<b>3,250</b>	<b>3,250</b>	<b>50,792</b>	<b>44,800</b>	<b>49,500</b>
<b>Total Capital Expenditure</b>	2	<b>11,156</b>	<b>12</b>	<b>1,509</b>	<b>7,464</b>	<b>2,143</b>	<b>9,011</b>	<b>3,250</b>	<b>3,250</b>	<b>3,250</b>	<b>3,250</b>	<b>3,250</b>	<b>3,250</b>	<b>50,792</b>	<b>44,800</b>	<b>49,500</b>



## 2.16. Monthly Capital Expenditure by Standard Classification

LIM334 Ba-Phalaborwa - Supporting Table SB17 Adjustments Budget - monthly capital expenditure  
(standard classification) - 2016/02/29

Description	Ref	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>R thousands</b>																
<b>Capital Expenditure - Standard</b>																
<b>Governance and administration</b>	8	12	15	989	85	-	515	515	515	515	515	515	515	4,200	3,800	4,500
Executive and council														-	-	-
Budget and treasury office														-	-	-
Corporate services	8	12	15	989	85	-	515	515	515	515	515	515	515	4,200	3,800	4,500
<b>Community and public safety</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and social services														-	-	-
Sport and recreation														-	-	-
Public safety														-	-	-
Housing														-	-	-
Health														-	-	-
<b>Economic and environmental services</b>	11,148	-	1,493	6,475	2,058	8,742	1,013	1,013	1,013	1,013	1,013	1,013	1,013	35,992	34,000	37,000
Planning and development														-	-	-
Road transport	11,148	-	1,493	6,475	2,058	8,742	1,013	1,013	1,013	1,013	1,013	1,013	1,013	35,992	34,000	37,000
Environmental protection														-	-	-
<b>Trading services</b>	-	-	-	-	-	269	1,722	1,722	1,722	1,722	1,722	1,722	1,722	10,600	7,000	8,000

Electricity		-	-	-	-	-	269	1,722	1,722	1,722	1,722	1,722	1,722	10,600	7,000	8,000
Water														-	-	-
Waste water management														-	-	-
Waste management														-	-	-
<i>Other</i>														-	-	-
<b>Total Capital Expenditure - Standard</b>		<b>11,156</b>	<b>12</b>	<b>1,509</b>	<b>7,464</b>	<b>2,143</b>	<b>9,011</b>	<b>3,250</b>	<b>3,250</b>	<b>3,250</b>	<b>3,250</b>	<b>3,250</b>	<b>3,250</b>	<b>50,792</b>	<b>44,800</b>	<b>49,500</b>

## 2.17. Adjustments on Capital Expenditure (New Assets)

LIM334 Ba-Phalaborwa - Supporting Table SB18a Adjustments Budget - capital expenditure on new assets by asset class - 2016/02/29

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	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>												
-												
<b>Infrastructure</b>		<b>46,592</b>	-	-	-	-	-	<b>(1,500)</b>	<b>(1,500)</b>	<b>45,092</b>	<b>41,000</b>	<b>45,000</b>
Infrastructure - Road transport		23,992	-	-	-	-	-	4,212	4,212	28,204	24,000	26,000
<i>Roads, Pavements &amp; Bridges</i>		23,992						4,212	4,212	28,204	24,000	26,000
<i>Storm water</i>									-	-		
Infrastructure - Electricity		12,600	-	-	-	-	-	(2,000)	(2,000)	10,600	7,000	8,000
<i>Generation</i>									-	-		
<i>Transmission &amp; Reticulation</i>		12,600						(2,000)	(2,000)	10,600	7,000	8,000
Infrastructure - Other		10,000	-	-	-	-	-	(3,712)	(3,712)	6,288	10,000	11,000
<i>Refuse</i>									-	-		
<i>Transportation</i>	2								-	-		
<i>Gas</i>									-	-		
<i>Other</i>	3	10,000						(3,712)	(3,712)	6,288	10,000	11,000
<b>Community</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Other assets</b>		<b>7,200</b>	-	-	-	-	-	<b>(1,500)</b>	<b>(1,500)</b>	<b>5,700</b>	<b>3,800</b>	<b>4,500</b>
General vehicles									-	-		
Specialised vehicles	18	-	-	-	-	-	-	-	-	-	-	-
Plant & equipment		7,200						(1,500)	(1,500)	5,700	3,800	4,500
Computers - hardware/equipment									-	-		
Furniture and other office equipment									-	-		
<b>Total Capital Expenditure on new assets to be adjusted</b>	1	<b>53,792</b>	-	-	-	-	-	<b>(3,000)</b>	<b>(3,000)</b>	<b>50,792</b>	<b>44,800</b>	<b>49,500</b>

## 2.18. Adjustments on Capital Expenditure on renewal of existing assets by asset class

LIM334 Ba-Phalaborwa - Supporting Table SB18b Adjustments Budget - capital expenditure on renewal of existing assets by asset class - 2016/02/29

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
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
<b>R thousands</b>		A	A1	B	C	D	E	F	G	H		
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>												
-												
<b>Infrastructure</b>		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-	-	-
<i>Roads, Pavements &amp; Bridges</i>												
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-	-	-
<i>Generation</i>												
<i>Transmission &amp; Reticulation</i>												
<i>Street Lighting</i>												
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-
<i>Refuse</i>												
<i>Transportation</i>	2											
<i>Gas</i>												
<i>Other</i>	3											
<b>Community</b>		-	-	-	-	-	-	-	-	-	-	-
Parks & gardens												
Social rental housing												
<b>Total Capital Expenditure on renewal of existing assets to be adjusted</b>	1	-	-	-	-	-	-	-	-	-	-	-

## 2.19. Adjustments on Expenditure on Repairs and Maintenance

LIM334 Ba-Phalaborwa - Supporting Table SB18c Adjustments Budget - expenditure on repairs and maintenance by asset class - 2016/02/29

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	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>												
-												
<b>Infrastructure</b>		<b>13,306</b>	-	-	-	-	-	<b>2,791</b>	<b>2,791</b>	<b>16,097</b>	<b>17,031</b>	<b>17,968</b>
Infrastructure - Road transport		4,646	-	-	-	-	-	(759)	(759)	3,887	4,113	4,339
<i>Roads, Pavements &amp; Bridges</i>		4,646	-	-	-	-	-	(759)	(759)	3,887	4,113	4,339
<i>Storm water</i>									-	-		
Infrastructure - Electricity		6,970	-	-	-	-	-	3,800	3,800	10,770	11,394	12,021
<i>Generation</i>									-	-		
<i>Transmission &amp; Reticulation</i>		6,970	-	-	-	-	-	3,800	3,800	10,770	11,394	12,021
Infrastructure - Other		1,690	-	-	-	-	-	(250)	(250)	1,440	1,524	1,608
<i>Refuse</i>									-	-		
<i>Transportation</i>	2								-	-		
<i>Gas</i>									-	-		
<i>Other</i>	3	1,690	-	-	-	-	-	(250)	(250)	1,440	1,524	1,608
<b>Community</b>		<b>4,890</b>	-	-	-	-	-	<b>(246)</b>	<b>(246)</b>	<b>4,645</b>	<b>4,914</b>	<b>5,184</b>
Parks & gardens		2,746	-	-	-	-	-	(246)	(246)	2,500	2,645	2,790
Sports Fields & stadia									-	-		
Cemeteries		581	-	-	-	-	-	-	-	581	614	648
Social rental housing		-	-	-	-	-	-	-	-	-		
Other		1,564	-	-	-	-	-	-	-	1,564	1,655	1,746
<b>Heritage assets</b>		<b>34</b>	-	-	-	-	-	<b>(34)</b>	<b>(34)</b>	-	-	-
Buildings									-	-		
Other		34	-	-	-	-	-	(34)	(34)	-	-	-

<b>Investment properties</b>		-	-	-	-	-	-	-	-	-	-	-
Housing development												
Other												
<b>Other assets</b>		<b>3,103</b>	-	-	-	-	-	<b>131</b>	<b>131</b>	<b>3,233</b>	<b>3,421</b>	<b>3,609</b>
General vehicles												
Specialised vehicles	18	-	-	-	-	-	-	-	-	-	-	-
Plant & equipment							600	600	600	635	670	
Computers - hardware/equipment												
Furniture and other office equipment		3,103					(469)	(469)	2,633	2,786	2,939	
Abattoirs												
Other												
<b>Total Repairs and Maintenance Expenditure to be adjusted</b>	<b>1</b>	<b>21,333</b>	-	-	-	-	-	<b>2,642</b>	<b>2,642</b>	<b>23,975</b>	<b>25,366</b>	<b>26,761</b>

LIM334 Ba-Phalaborwa - Supporting Table SB18d Adjustments Budget - depreciation by asset class - 2016/02/29

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	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
<b>Depreciation by Asset Class/Sub-class</b>												
-												
<b>Infrastructure</b>		<b>57,432</b>	-	-	-	-	-	<b>(4,000)</b>	<b>(4,000)</b>	<b>53,432</b>	<b>56,531</b>	<b>59,640</b>
Infrastructure - Road transport		42,120	-	-	-	-	-	(4,000)	(4,000)	38,120	40,331	42,549
<i>Roads, Pavements &amp; Bridges</i>		42,120						(4,000)	(4,000)	38,120	40,331	42,549
<i>Storm water</i>									-	-		
Infrastructure - Electricity		7,392	-	-	-	-	-	-	-	7,392	7,821	8,251
<i>Generation</i>									-	-		
<i>Transmission &amp; Reticulation</i>		7,392							-	7,392	7,821	8,251
Infrastructure - Other		7,920	-	-	-	-	-	-	-	7,920	8,379	8,840
<i>Refuse</i>									-	-		
<i>Transportation</i>	2								-	-		
<i>Gas</i>									-	-		
<i>Other</i>	3	7,920						-	-	7,920	8,379	8,840
<b>Community</b>		<b>12,672</b>	-	-	-	-	-	<b>(1,000)</b>	<b>(1,000)</b>	<b>11,672</b>	<b>12,349</b>	<b>13,028</b>
Parks & gardens		12,672						(1,000)	(1,000)	11,672	12,349	13,028
Computers - software & programming									-	-		
Other (list sub-class)									-	-		
<b>Total Depreciation to be adjusted</b>	1	<b>70,104</b>	-	-	-	-	-	<b>(5,000)</b>	<b>(5,000)</b>	<b>65,104</b>	<b>68,880</b>	<b>72,668</b>

**LIM334 Ba-Phalaborwa - Supporting Table SB19 List of capital programmes and projects affected by Adjustments Budget - 2016/02/29**

Municipal Vote/Capital project	Project number	Individually Approved Yes/No	Asset Class	Asset Sub-Class	Medium Term Revenue and Expenditure Framework	
					Budget Year 2015/16	
					Original Budget	Adjusted Budget
R thousand		6	4	4		
<b>Parent municipality:</b>						
Construction of Mashishimale Sports Complex		Yes	Infrastructure - Other	Sportsfields & stadia	9,000	5,288
Tambo Street Paving		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	3,000	260
Upgrading of Internal Streets at Foskor In Namakgale		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	8,500	13,385
Upgrading of B1 Ext Road Lulekani		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	4,000	6,487
Benfarm Street Paving		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	1,000	844
Topville to Score Street Paving		Yes	Infrastructure - Road transport	Roads, Pavements & Bridges	2,992	2,729
Devlp of disaster recovery & bus plan		Yes	Other Assets	Other	2,000	500
Upgrading of single phase netwk in ext1		Yes	Infrastructure - Electricity	Transmission & Reticulation	2,000	-

**4. List of Capital Programmes and Projects affected by Adjustment Budget**

MIG Projects	Original Budget	Adjustment	Revised budget
Construction of Mashishimale Sports Complex	9,000,000	-3,712,186	5,287,814
Tambo Street Paving	3,000,000	-2,740,064	259,936
Upgrading of Internal Streets at Foskor In Namakgale	8,500,000	4,884,823	13,384,823
Upgrading of B1 Ext Road Lulekani	4,000,000	2,486,875	6,486,875
Benfarm Street Paving	1,000,000	-155,981	844,019
Construction of Selwane Sports Complex	1,000,000	-	1,000,000
Topville to Score Street Paving	2,992,000	-263,467	2,728,533
<b>Total MIG</b>	<b>29,492,000</b>	<b>500,000</b>	<b>29,992,000</b>



<b>INEG Projects</b>	<b>Original Budget</b>	<b>Adjustment</b>	<b>Revised budget</b>
Electrification of Matiko Xikaya	7,000,000	-	7,000,000
<b>Total INEG</b>	<b>7,000,000</b>	<b>-</b>	<b>7,000,000</b>

<b>Internally Funded Projects</b>	<b>Original Budget</b>	<b>Adjustment</b>	<b>Revised budget</b>
Upgrading of ict infrastructure	1,500,000	-	1,500,000
Devlp of disaster recovery & bus plan	2,000,000	- 1,500,000	500,000
Furniture and equipment	1,000,000	-	1,000,000
Centralised archived lulekani	500,000	-	500,000
Revamp of chamber & mayoral parlour	700,000	-	700,000
Back-up generator	600,000	-	600,000
Upgrading of single phase netwk in ext1	2,000,000	- 2,000,000	-
Upgrading of switchgear & relays	3,000,000	-	3,000,000
Extension of municipal offices (planning	500,000	-	500,000
Namakgale cemetery fencing old & new	1,000,000	-	1,000,000
Rehabilitation of str in phb, nam & lul	3,000,000	-	3,000,000
Construction of stormwater in mas & kan	500,000	-	500,000
Roads & stormwater master plan	1,000,000	-	1,000,000
<b>Total Internally Funded Projects</b>	<b>17,300,000</b>	<b>- 3,500,000</b>	<b>13,800,000</b>
<b>Total Capital Expenditure 2015/16</b>	<b>53,792,000</b>	<b>- 3,000,000</b>	<b>50,792,000</b>

## **4 OVERVIEW OF ADJUSTMENT BUDGET ASSUMPTIONS**

The adjustment budget prioritised service delivery programmes in line with current challenges we are facing as a municipality such as electricity infrastructure and dilapidated roads infrastructure.

The following decisions were made to determine how the approved budget can be adjusted down or upwards and still take into account service delivery issues:

- Collection of electricity revenue should be prioritised in Phalaborwa town
- There must be full implementation of policies such as credit control and debt collection policy
- Internally funded projects which are not implemented as at December should be revised downwards after taking into account the first six months collection rate

## **5 OVERVIEW OF ADJUSTMENT BUDGET FUNDING**

### **5.1.1 Tariff schedule**

The tariff schedule for 2015/16 on all services remains unchanged.

### **5.1.2 Government Grant and Subsidies allocation**

## 6 COUNCILLORS AND SECTION 57 MANAGERS REMUNERATIONS AND ALLOWANCES

### 6.1. Disclosure on Councillors remunerations and allowances

Position	Projected	Projected
	2015/16	2016/17
	R	R
Mayor ( Full -time )	766,897	805,242
Speaker ( Full- time )	617,690	648,575
Chief Whip ( Full - time )	580,390	609,410
Executive Committee Members	3,691,281	3,853,697
Other Councilors ( Part - time )	7,154,307	7,636,655
<b>TOTAL</b>	<b>12,810,565</b>	<b>13,553,578</b>

- It must be noted that packages are inclusive of cell phone allowances and travelling allowances.

## 6.2 . Disclosure on Section 57 Managers remunerations

Table below illustrates Section 57 manager's remunerations

Position	Projected 2015/16	Projected 2016/17
Municipal Manager	1,446,541	1,446,541
Chief Financial Officer	806,181	806,181
Director Technical Services	806,181	806,181
Director Corporate Services	1,383,386	1,383,386
Director Planning and Development	806,181	806,181
Director Community Services	806,181	806,181
<b>TOTAL</b>	<b>6,054,650</b>	<b>6,054,650</b>

## 7 REVISED SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)

- The SDBIP will be attached once finalised and approved.

## **8 LEGISLATION COMPLIANCE STATUS**

### **8.1. Compliance to Municipal Finance Management Act (MFMA, 56 of 2003 )**

The MFMA came into effect on 01 July 2004. This legislation provides for significant changes in the way municipalities in South Africa manage their financial affairs. The legislation not only deals with Financial Management issues but also with general management issues.

## MUNICIPAL MANAGER'S QUALITY

### QUALITY CERTIFICATE

I **Setimela Simpson Sebashe**, Municipal Manager of **BA-PHALABORWA LOCAL MUNICIPALITY (LIM334)** hereby certify that the adjustment budget and its supporting documentation have been prepared in accordance with the Municipal Finance Management act and the regulations made under the Act, and that the adjustments budget and supporting documentation are consistent with the Integrated Development Plan of the Municipality.

**Print Name** \_\_\_\_\_

**Municipal Manager of** \_\_\_\_\_ **LIM334**

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

**Date** \_\_\_\_\_