

BA-PHALABORWA LOCAL MUNICIPALITY



‘THE HOME OF MARULA AND WILDLIFE TOURISM’

ADJUSTMENT BUDGET

2014/15

Table of content

Part 1: Adjustment budget

Mayor's report.....	Page 5 - 8
Adjustment budget resolution.....	Page 9 - 12
Executive summary.....	Page 13 - 23
Adjustment budget tables.....	Page 24 - 44

Part 2: Supporting documentation

Adjustment to budget assumption.....	Page 45 - 55
Adjustment to budget funding.....	Page 56
Adjustment to expenditure on allocations and Grant programmes.....	Page 57 - 59
Adjustment to allocations and Grants made by the Municipality.....	Page 60
Adjustment to Councillor Allowances and employees benefits.....	Page 61 - 62
Adjustment to Service Delivery and Budget Implementation Plan.....	Page 63 - 71
Adjustment to Capital Expenditure.....	Page 72 - 76
Other supporting documents.....	Page 77- 83
Municipal Manager's quality certification.....	Page 84

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 2014/15 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 2014/15.

Honourable Speaker, over the past week, the President of the Republic of South Africa delivered the State of the Nation Address (Sona), while on the 24th February 2015 our own Premier of Limpopo Province gave the State of the Province address. In their addresses to the community of South Africa, they all indicated the concerns raised about crime, roads, water, electricity and support for small businesses. I am tabling the 2014/15 financial year adjustment budget appropriations today, been mindful that good and quality services should be provided to our communities. The country is currently experiencing serious energy crisis which are an impediment to economic growth and an inconvenience to everyone in the country and in the municipal space. As Ba-Phalaborwa municipality in overcoming the electricity challenges and further joining the entire country in resolving the energy crisis, the **Upgrading**

of **Selati Substation** won't be affected by the adjustment budget even if it is funded internally. We will strive to ensure that the project is completed within the anticipated time frames.

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:

No adjustment made on municipal revenue and as such the total revenue will still remain as **R393, 530 million**. The breakdown of the municipal revenue is illustrated below as follows:

- Assessment rates and service charges on electricity is R71 million and R95 million respectively

- Service charges on refuse removal (Waste Management) is R11 million
- Rental facilities and Interest earned on call accounts is R260 thousand and R330 thousand
- Traffic fines, licence permits and Agency fees is R3 million, R9 and R2 million respectively
- As per DORA all grants remained unchanged, Operational and capital grants of R88 million and R37 million respectively.
- And other revenue is R1 million

Honourable Speaker, total **Operating expenditure** budget has increased by **R8, 359 million**. The adjusted total Operating budget for the 2014/15 financial year is now amounting to **R447, 176million**.

- Employee related cost went down by R864 thousand;
- Remuneration of councillors reduced by R770 thousand;
- Debt impairment, Depreciation and Bulk purchases remained unchanged, R31, 558 million, R74,909 million and R82,573 million respectively;
- Finance charges increased by R1,200 million, taking into an account the current bank overdraft on municipal primary bank account;
- Contracted services increased by R3, 949 million taking into account insurance premiums, security services and debt collection;
- Other expenditure Increased by R4, 843 taking into account the infrastructure assets, legal expenses, maintenance of vehicles, and workman's compensation.

Honourable Speaker, the total capital budget has decreased by **R 6, 9 million** to **R 54, 2 million**. The decrease on capital funding was mainly affected by own funded projects due to low revenue collection.

Municipal Infrastructure Grant remains unchanged at **R 28, 2 million**;

Integrated National Electrification Grant remains unchanged at **R 9 million**;

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 2014/15 financial year:

- Ba-Phalaborwa High masts lights
- Mashishimale Multi Sports Complex
- Selwane Street Paving
- Honiville to Topville Street Paving
- Patamedi Street Paving
- Tambo Street Paving
- Upgrading of B1 Extension Road

Honourable Speaker, due to financial constraints internally funded projects which were not implemented as at end December 2014 were revised downwards after taking into account the first six months collection rate. Own funded capital projects is now reduced by **R 6, 9 million to R 17 million**. The following own funded projects were affected by the adjustment budget:

- Furniture and equipments;
- New Drivers License Tests;
- Procurement of additional Two Traffic vehicles;
- Upgrade of 11KV medium volt;
- Rehabilitation of Streets in PHB.

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 2014/15 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 2014/15; 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 **Revenue** remain at R 393, 530 **million** to be approved.

Council resolved the total budgeted annual operating **Expenditure** be adjusted upwards from **R438, 819 million** to **R447, 178million** be approved.

Council resolved that the total budgeted **Capital expenditure** **decreased from R61, 179million** to **R54, 279 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 2014/15, and indicative figures for two outer years 2015/16 and 2016/17 are approved as set out in the following tables

Table SB1	Budgeted financial position
Table SB2	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 Policies

Council resolved that the following budget related policies remain unchanged

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

Honourable Speaker, during this year of the Freedom Charter as already proclaimed, let us all re-commit ourselves to unity and hard work, to ensure continuous provision of service delivery to our people. Together we can move South Africa, Limpopo and Ba-Phalaborwa forward!

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 2014/15

REVENUE AND FINANCING

Description	2011/12	2012/13	2013/14	Current Year 2014/15			Projections		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjustment	Adjusted Budget	Budget Year +1 2015/16	Budget Year +2 2016/17	Budget Year +3 2017/18
Revenue By Source									
Own generated revenue	153,019	190,512	224,774	267,761	-	267,761	275,291	286,872	298,712
Transfers recognised – operational	59,910	65,471	73,626	88,490	-	88,490	111,786	115,566	121,691
Transfers recognised – capital	20,774	32,895	31,537	37,279	-	37,279	39,248	44,734	47,105
Total Revenue (Including Capital Transfers and Contributions)	233,703	288,878	329,937	393,530	-	393,530	426,325	447,172	467,508

The above table illustrates summaries of revenue and financing activities. The total revenue will not be adjusted based on the financial performance of the first six months of the financial year 2014/15. It will therefore remain at R393, 500 million.

The table below illustrates the performance of the first six month (July to December 2014) with regard to Budget, Billing and actual amount collected:

Revenue	Original Budget 2014/15	Billing July – December 2014	Actual July – December 2014	% Budget VS Billing	% Billing VS Actual
Property rates	70,634	33,142	15,498	47	47
Service charges – electricity revenue	95,327	42,705	29,092	45	68
Service charges – refuse	11,337	5,775	2,486	51	43
Rental of facilities and equipment	330	167	167	51	100
Interest earned – external investments	260	213	213	82	100
Interest earned – outstanding debtors	74,644	35,184	2,712	47	8
Dividends received	3	-	-	-	-
Fines	2,600	469	469	18	100
Licences and permits	9,021	6,070	6,070	67	100
Agency services	2,255	-	-	-	-
Transfer receipts – operating	88,490	63,606	57,562	72	90
Transfer receipts – capital	37,279	15,374	24,342	41	158
Other revenue	1,352	580	116	43	20
Total	356,251	203,285	138,729		

All revenue items in percentage of budget:

- Property rates is 47%
- Service Charges on electricity is 45%
- Service charges on refuse removal is 51%
- Rental of facilities is 51%
- Interest earned on outstanding debtors is 47%
- Fines is 18%
- Licenses and permits is 67%

Budget versus Billing seems to be doing well for the past six months, but the actual cash is not coming to the bank, in average the municipality is collecting about 45% on municipal services charged (Billing VS Actual collection).

Description	2011/12	2012/13	2013/14	Current Year 2014/15			Projections		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjustment	Adjusted Budget	Budget Year +1 2015/16	Budget Year +2 2016/17	Budget Year +3 2017/18
Operating Transfers and Grants									
Local Government Equitable Share	53,751	61,461	69,433	83,256	-	83,256	107,603	111,219	117,114
Operating Grant: MIG (5% of MIG for PMU)	-	-	-	1,488	-	1,488	1,566	1,629	1,715
Finance Management	1,250	1,250	1,500	1,600	-	1,600	1,650	1,700	1,790
Municipal Systems Improvement	790	800	890	934	-	934	967	1,018	1,072
Excess Employees Grant	2,687	-	-	-	-	-	-	-	-
EPWP	763	1,000	1,000	1,212	-	1,212	-	-	-
DBSA	730	500	-	-	-	-	-	-	-
Total Operating Transfers and Grants	59,971	65,011	72,823	88,490	-	88,490	111,786	115,566	121,691
Capital Transfers and Grants									
Municipal Infrastructure Grant (MIG)	17,129	20,778	39,432	28,279	-	28,279	29,748	30,954	32,595
Integrated National Electrification Grant	4,000	4,000	-	9,000	-	9,000	6,000	10,000	10,530
Neighbourhood Development Grant	-	9,000	-	-	-	-	3,500	3,780	3,980
DBSA	400	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	21,529	33,778	39,432	37,279	-	37,279	39,248	44,734	47,105
TOTAL RECEIPTS OF TRANSFERS & GRANTS	81,500	98,789	112,255	125,769	-	125,769	151,034	160,300	168,796

Transfers and grant receipts

As per revised DORA allocations published in December 2014, transfers and grants remain unchanged.

- The total operating grants will remain R88, 490 million
- And the total capital grants remainsat R37, 279 million

The total transfers and grants after adjustment will also remain at R125, 769 million.

Adjustment Budget Financial Performance (Revenue By Source and Expenditure By Type)

Description	2011/12	2012/13	2013/14	Current Year 2014/15			Projections		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjustment	Adjusted Budget	Budget Year +1 2015/16	Budget Year +2 2016/17	Budget Year +3 2017/18
Revenue By Source									
Property rates	34,049	60,257	57,239	70,634	-	70,634	74,731	78,841	83,020
Service charges - electricity revenue	64,500	70,292	83,082	95,327	-	95,327	100,856	106,403	112,042
Service charges - refuse revenue	8,980	9,123	10,422	11,337	-	11,337	11,995	12,654	13,325
Rental of facilities and equipment	200	295	228	330	-	330	349	368	388
Interest earned - external investments	177	332	359	260	-	260	275	290	306
Interest earned - outstanding debtors	41,117	42,369	55,541	74,643	-	74,643	70,972	71,316	71,732
Dividends received	-	-	-	2	-	2	2	2	2
Fines	426	871	2,826	2,600	-	2,600	2,751	2,902	3,056
Licences and permits	1,482	2,375	3,121	9,021	-	9,021	9,544	10,069	10,603
Agency services	560	1,531	9,665	2,255	-	2,255	2,386	2,517	2,650
Transfers recognised - operational	60,864	65,471	73,626	88,490	-	88,490	111,786	115,566	121,691
Transfers recognised - capital	20,374	32,895	31,537	37,279	-	37,279	39,248	44,734	47,105
Other revenue	1,528	3,068	2,291	1,352	-	1,352	1,430	1,509	1,589
Gains on disposal of PPE									
Total Revenue (Including Capital Transfers and Contributions)	234,257	288,879	329,937	393,530	-	393,530	426,325	447,172	467,508

Description	2011/12	2012/13	2013/14	Current Year 2014/15			Projections		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjustment	Adjusted Budget	Budget Year +1 2015/16	Budget Year +2 2016/17	Budget Year +3 2017/18
Expenditure By Type									
Employee related costs	92,800	93,712	94,192	118,379	(864)	117,515	125,336	132,229	139,238
Remuneration of councillors	9,054	9,052	10,492	12,855	(770)	12,085	12,786	13,489	14,204
Debt impairment	–	108,991	2,691	31,558	–	31,558	33,388	35,225	37,092
Depreciation & asset impairment	74,449	69,182	61,010	74,909	–	74,909	79,254	83,613	88,044
Finance charges	434	226	128	848	1,200	2,048	2,167	2,286	2,407
Bulk purchases	56,508	53,402	67,501	82,573	–	82,573	87,362	92,167	97,052
Other materials						–	–	–	–
Contracted services	17,648	10,096	26,056	45,536	3,949	49,485	52,356	55,235	58,163
Transfers and grants	–	–	–	–		–	–	–	–
Other expenditure	66,174	53,460	70,427	72,160	4,843	77,003	81,470	85,950	90,506
Loss on disposal of PPE		–	–						
		86	30						
Total Expenditure	317,067	398,035	332,467	438,818	8,359	447,177	474,118	500,195	526,705
Surplus/(Deficit)	(82,810)	(109,156)	(2,530)	(45,288)	(8,359)	(53,647)	(47,793)	(53,023)	(59,197)

No adjustments were made on municipal revenue; the total revenue will therefore remain at R393, 532 million. The breakdown of the municipal revenue is illustrated below as follows:

- Assessment rates and service charges on electricity is R71 million and R95 million respectively
- Service charges on refuse removal (Waste Management) is R11 million
- Rental facilities and Interest earned on call accounts is R260 thousand and R330 thousand
- Traffic fines, licence permits and Agency fees is R3 million, R9 and R2 million respectively
- As per DORA all grants remained unchanged, Operational and capital grants of R88 million and R37 million respectively
- And other revenue is R1 million thousand

Total Operating expenditure budget increased by R8, 359 million. The adjusted total Operating budget is now amounting to R447, 176 million for 2014/15 financial year.

- Employee related cost went down by R864 thousand
- Remuneration of councillors reduced by R770 thousand
- Debt impairment, Depreciation and Bulk purchases remained unchanged, R31, 558 million, R74,909 million and R82,573 million respectively
- Finance charges increased by R1,200 million, taking into an account the current bank overdraft on municipal primary bank account
- Contracted services increased by R3,949 million
- And other expenditure Increased by R4,843

Expenditure per Main and Sub Vote

Adjustment Budget Financial Performance (Revenue and Expenditure by Standard Classification)									
Standard Classification Description	2011/12	2012/13	2013/14	Current Year 2014/15			Projections		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjustment	Adjusted Budget	Budget Year +1 2015/16	Budget Year +2 2016/17	Budget Year +3 2017/18
Revenue - Standard									
Executive and council	34,049	-	-	-	-	-	-	-	-
Budget and treasury office	100,857	170,288	185,132	231,665	-	231,665	257,111	266,896	279,523
Corporate services	2,826	504	228	330	-	330	349	368	388
Community and social services	1,908	3,906	13,324	11,565	-	11,565	12,236	12,909	13,593
Public safety	-	871	2,520	2,621	-	2,621	2,773	2,926	3,081
Planning and development	-	-	170	-	-	-	-	-	-
Road transport	18,765	29,895	35,058	31,685	-	31,685	35,005	35,016	35,027
Electricity	66,871	74,292	83,082	104,327	-	104,327	106,856	116,403	122,572
Water	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	8,980	9,123	10,422	11,337	-	11,337	11,995	12,654	13,325
Total Revenue - Standard	234,256	288,879	329,936	393,530	-	393,530	426,325	447,172	467,508

Expenditure - Standard									
Executive and council	19,932	25,772	21,384	36,507	(782)	35,725	38,009	40,099	42,224
Budget and treasury office	112,591	144,420	65,928	87,451	2,037	89,488	94,837	100,053	105,356
Corporate services	25,745	24,160	30,860	42,227	2,030	44,257	46,983	49,567	52,194
Community and social services	30,841	25,244	21,246	46,217	(1,562)	44,655	47,404	50,011	52,661
Public safety	7,865	8,523	13,154	12,066	2,187	14,253	15,080	15,909	16,752
Planning and development	7,073	7,038	8,249	17,094	(160)	16,934	18,075	19,069	20,080
Road transport	39,578	83,412	72,509	84,682	(620)	84,062	89,096	93,997	98,978
Electricity	70,866	75,856	91,855	107,174	3,889	111,063	117,505	123,967	130,538
Water	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	2,577	3,611	7,281	5,401	1,340	6,741	7,132	7,524	7,923
Total Expenditure - Standard	317,068	398,036	332,466	438,819	8,359	447,178	474,119	500,196	526,706
Surplus/(Deficit) for the year	-	-	-	-	-	-	-	-	-
	82,812	109,157	2,530	45,289	8,359	53,648	47,794	53,024	59,198

Table 3 Adjustment Budget Financial Performance (Revenue and Expenditure by Municipal Vote)

Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			Projections		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjustment	Adjusted Budget	Budget Year +1 2015/16	Budget Year +2 2016/17	Budget Year +3 2017/18
Revenue by Vote									
Vote 1 - Executive and Council	34,049	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury Department	100,857	170,288	185,132	231,665	-	231,665	257,111	266,896	279,523
Vote 3 - Corporate Services	2,826	504	228	330	-	330	349	368	388
Vote 4 - Community and Social Services	10,888	13,899	26,266	25,522	-	25,522	27,003	28,489	29,998
Vote 5 - Planning and Development	-	-	170	-	-	-	-	-	-
Vote 6 - Technical Services Department	85,637	104,187	118,140	136,012	-	136,012	141,861	151,419	157,599
Total Revenue by Vote	234,257	288,878	329,936	393,529	-	393,529	426,325	447,172	467,508
Expenditure by Vote to be appropriated									
Vote 1 - Executive and Council	19,932	25,772	21,384	36,507	(782)	35,725	38,009	40,099	42,224
Vote 2 - Budget and Treasury Department	112,591	144,420	65,928	87,451	2,037	89,488	94,837	100,053	105,356
Vote 3 - Corporate Services	25,745	24,160	30,860	42,227	2,030	44,257	46,983	49,567	52,194
Vote 4 - Community and Social Services	41,284	37,378	41,681	63,683	1,965	65,648	69,615	73,444	77,337
Vote 5 - Planning and Development	7,073	7,038	8,249	17,094	(160)	16,934	18,075	19,069	20,080
Vote 6 - Technical Services Department	110,443	159,268	164,364	191,856	3,269	195,125	206,601	217,964	229,516
Total Expenditure by Vote	317,068	398,036	332,466	438,818	8,359	447,177	474,119	500,196	526,706
Surplus/(Deficit) for the year	-	-	-	-	-	-	-	-	-
	82,811	109,158	2,530	45,289	8,359	53,648	47,794	53,024	59,198

2. ADJUSTMENT BUDGET TABLES

2.1. Adjustment Budget Summary

LIM334 Ba-Phalaborwa - Table B1 Adjustments Budget Summary -

Description	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
	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	1 A1	2 B	3 C	4 D	5 E	6 F	7 G	8 H		
R thousands	A	A1	B	C	D	E	F	G	H		
Financial Performance											
Property rates	70,634	-	-	-	-	-	-	-	70,634	74,730	78,840
Service charges	106,664	-	-	-	-	-	-	-	106,664	112,850	119,057
Investment revenue	260	-	-	-	-	-	-	-	260	275	290
Transfers recognised - operational	88,490	-	-	-	-	-	-	-	88,490	111,786	115,566
Other own revenue	90,204	-	-	-	-	-	-	-	90,204	87,436	88,684
Total Revenue (excluding capital transfers and contributions)	356,251	-	-	-	-	-	-	-	356,251	387,077	402,438
Employee costs	118,379	-	-	-	-	-	(864)	(864)	117,516	125,337	132,230
Remuneration of councillors	12,855	-	-	-	-	-	(770)	(770)	12,085	12,786	13,490
Depreciation & asset impairment	74,909	-	-	-	-	-	-	-	74,909	79,254	83,613
Finance charges	848	-	-	-	-	-	1,200	1,200	2,048	2,166	2,285
Materials and bulk purchases	82,573	-	-	-	-	-	-	-	82,573	87,363	92,167
Transfers and grants	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	149,254	-	-	-	-	-	8,792	8,792	158,047	167,213	176,410
Total Expenditure	438,819	-	-	-	-	-	8,359	8,359	447,178	474,119	500,195
Surplus/(Deficit)	(82,567)	-	-	-	-	-	(8,359)	(8,359)	(90,926)	(87,042)	(97,757)
Transfers recognised - capital	37,279	-	-	-	-	-	-	-	37,279	39,248	44,734
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(45,289)	-	-	-	-	-	(8,359)	(8,359)	(53,648)	(47,794)	(53,023)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(45,289)	-	-	-	-	-	(8,359)	(8,359)	(53,648)	(47,794)	(53,023)
Capital expenditure & funds sources											
Capital expenditure	61,179	-	-	-	-	-	(6,900)	(6,900)	54,279	76,294	76,159
Transfers recognised - capital	37,279	-	-	-	-	-	-	-	37,279	39,248	44,734

Internally generated funds	23,900	-	-	-	-	-	(6,900)	(6,900)	17,000	37,045	31,425
Total sources of capital funds	61,179	-	-	-	-	-	(6,900)	(6,900)	54,279	76,294	76,159
Financial position											
Total current assets	171,542	-	-	-	-	-	(1,610)	(1,610)	169,932	175,132	146,733
Total non current assets	1,284,539	-	-	-	-	-	(6,900)	(6,900)	1,277,639	1,360,832	1,436,991
Total current liabilities	1,500	-	-	-	-	-	-	-	1,500	1,650	1,700
Total non current liabilities	230,000	-	-	-	-	-	-	-	230,000	198,000	166,000
Community wealth/Equity	1,224,581	-	-	-	-	-	(8,510)	(8,510)	1,216,071	1,336,315	1,449,192
Cash flows											
Net cash from (used) operating	51,306	-	-	-	-	-	(23,805)	(23,805)	27,501	60,563	65,210
Net cash from (used) investing	(51,179)	-	-	-	-	-	4,000	4,000	(47,179)	(60,529)	(64,669)
Net cash from (used) financing	-	-	-	-	-	-	20,000	20,000	20,000	-	-
Cash/cash equivalents at the year end	2,227	-	-	-	-	-	195	195	2,423	2,262	2,803
Cash backing/surplus reconciliation											
Cash and investments available	3,600	-	-	-	-	-	(1,610)	(1,610)	1,990	3,800	3,900
Application of cash and investments	-	-	-	-	-	-	-	-	-	-	-
Balance - surplus (shortfall)	-	-	-	-	-	-	-	-	-	-	-
Asset Management											
Asset register summary (WDV)	1,284,539	-	-	-	-	-	(6,900)	(6,900)	1,277,639	1,360,832	1,436,991
Depreciation & asset impairment	74,909	-	-	-	-	-	-	-	74,909	79,254	83,613
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	19,291	-	-	-	-	-	911	911	20,202	19,823	20,021
Free services											
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-	-
Households below minimum service level											
Water:	0	-	-	-	-	-	-	-	0	0	-
Sanitation/sewerage:	6	-	-	-	-	-	-	-	6	6	6
Energy:	-	-	-	-	-	-	-	-	-	-	-
Refuse:	21	-	-	-	-	-	-	-	21	21	21

Total budgeted annual **Revenue** remains at R 393, 530 million

Total budgeted annual operating **Expenditure** be adjusted upwards from **R438, 819 million** to **R447, 178 million**

Total budgeted Capital expenditure **decreased from R61, 179 million** to **R54, 279 million** be approved

1.2 Adjustment Budget Financial Performance (Standard Classification)

LIM334 Ba-Phalaborwa - Table B2 Adjustments Budget Financial Performance (standard classification) -

Standard Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17	
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
		5	6	7	8	9	10	11	12				
R thousands	1, 4	A	A1	B	C	D	E	F	G	H			
Revenue - Standard													
Governance and administration		231,995	-	-	-	-	-	-	-	231,995	257,460	267,264	
Executive and council		-	-	-	-	-	-	-	-	-	-	-	
Budget and treasury office		231,665	-	-	-	-	-	-	-	231,665	257,111	266,896	
Corporate services		330	-	-	-	-	-	-	-	330	349	369	
Community and public safety		14,186	-	-	-	-	-	-	-	14,186	15,009	15,834	
Community and social services		11,565	-	-	-	-	-	-	-	11,565	12,236	12,909	
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	
Public safety		2,621	-	-	-	-	-	-	-	2,621	2,772	2,925	
Housing		-	-	-	-	-	-	-	-	-	-	-	
Health		-	-	-	-	-	-	-	-	-	-	-	
Economic and environmental services		31,685	-	-	-	-	-	-	-	31,685	35,004	35,016	
Planning and development		-	-	-	-	-	-	-	-	-	-	-	
Road transport		31,685	-	-	-	-	-	-	-	31,685	35,004	35,016	
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	
Trading services		115,664	-	-	-	-	-	-	-	115,664	118,850	129,057	
Electricity		104,327	-	-	-	-	-	-	-	104,327	106,856	116,403	
Water		-	-	-	-	-	-	-	-	-	-	-	
Waste water management		-	-	-	-	-	-	-	-	-	-	-	
Waste management		11,337	-	-	-	-	-	-	-	11,337	11,994	12,654	
Other		-	-	-	-	-	-	-	-	-	-	-	
Total Revenue - Standard	2	393,530	-	-	-	-	-	-	-	393,530	426,323	447,172	
Expenditure - Standard	-												
Governance and administration		166,186	-	-	-	-	-	3,285	3,285	169,471	179,829	189,719	
Executive and council		36,507	-	-	-	-	-	(782)	(782)	35,725	38,009	40,099	

Budget and treasury office		87,451	-	-	-	-	-	2,037	2,037	89,488	94,837	100,053
Corporate services		42,227	-	-	-	-	-	2,030	2,030	44,257	46,983	49,567
Community and public safety		58,282	-	-	-	-	-	625	625	58,907	62,483	65,919
Community and social services		46,217	-	-	-	-	-	(1,562)	(1,562)	44,655	47,404	50,011
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-
Public safety		12,066	-	-	-	-	-	2,187	2,187	14,253	15,079	15,908
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		101,776	-	-	-	-	-	(780)	(780)	100,996	107,171	113,066
Planning and development		17,094	-	-	-	-	-	(160)	(160)	16,934	18,075	19,069
Road transport		84,682	-	-	-	-	-	(620)	(620)	84,062	89,097	93,997
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Trading services		112,575	-	-	-	-	-	5,229	5,229	117,803	124,636	131,491
Electricity		107,174	-	-	-	-	-	3,889	3,889	111,063	117,504	123,967
Water		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		5,401	-	-	-	-	-	1,340	1,340	6,740	7,131	7,524
Other		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	438,819	-	-	-	-	-	8,359	8,359	447,178	474,119	500,195
Surplus/ (Deficit) for the year		(45,289)	-	-	-	-	-	(8,359)	(8,359)	(53,648)	(47,795)	(53,024)

- 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) - B -

Vote Description <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2014/15								Budget Year +1 2015/16	Budget Year +2 2016/17	
		Original Budget	Prior Adjusted	Accum. Funds	Multi- year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
R thousands		A	A1	B	C	D	E	F	G	H		
Revenue by Vote	1											
Vote 2 - BUDGET AND TREASURY DEPARTMENT		231,665	-	-	-	-	-	-	-	231,665	257,111	266,896
2.1 - Office of the CFO		937								937	967	1,018
2.2 - Financial Planning and Reporting		1,600								1,600	1,653	1,703
2.3 - Financial Control and Expenditure Management										-		
2.4 - Revenue and Debt Management		229,129								229,129	254,491	264,175
2.5 - Supply Chain Management and Stores										-		
Vote 3 - CORPORATE SERVICES		330	-	-	-	-	-	-	-	330	349	369
3.1 - Office of the Director										-		
3.2 - Human Resources										-		
3.3 - Information Technology										-		
3.4 - Administration		330								330	349	369
3.5 - Legal										-		
Vote 4 - COMMUNITY AND SOCIAL SERVICES		25,522	-	-	-	-	-	-	-	25,522	27,003	28,488
4.1 - Office of the Director										-	-	-
4.2 - Libraries		162								162	171	181
4.3 - Parks										-	-	-
4.4 - Cemeteries		128								128	135	142
4.5 - Traffic		2,621								2,621	2,772	2,925
4.6 - Licensing		11,276								11,276	11,930	12,586
4.7 - Environment Health										-	-	-
4.8 - Waste Management		11,337								11,337	11,994	12,654
										-	-	-
										-	-	-

Vote 5 - PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-	-	-	-	-
5.1 - Office of the Director									-	-		
5.2 - Economic Development									-	-		
5.3 - Town Planning									-	-		
Vote 6 - TECHNICAL SERVICES DEPARTMENT		136,012	-	-	-	-	-	-	-	136,012	141,861	151,419
6.1 - Office of the Director									-	-		
6.2 - Electrical Services		104,327							-	104,327	106,856	116,403
6.3 - Building Section		525							-	525	555	586
6.4 - Water Services									-	-		
6.5 - Waste Water Management									-	-		
6.6 - Roads and Storm Water Services		31,160							-	31,160	34,449	34,430
6.7 - Project Management Unit									-	-		
6.8 - Mechanical Workshop									-	-		
Total Revenue by Vote	2	393,530	-	-	-	-	-	-	-	393,530	426,323	447,172
Expenditure by Vote	1											
Vote 1 - EXECUTIVE AND COUNCIL		36,507	-	-	-	-	-	(782)	(782)	35,725	38,009	40,099
1.1 - Municipal Council		13,488						(1,020)	(1,020)	12,468	13,402	14,140
1.2 - Office of the Mayor		7,710						(2,146)	(2,146)	5,564	5,886	6,210
1.3 - Office of the Municipal Manager		6,665						(973)	(973)	5,693	6,023	6,354
1.4 - Strategic Planning and Performance Management		3,499						(1,492)	(1,492)	2,007	2,123	2,240
1.5 - Internal Audit and Risk Management		2,650						4,976	4,976	7,627	8,069	8,513
1.6 - Disaster Management		2,495						(127)	(127)	2,368	2,505	2,643
Vote 2 - BUDGET AND TREASURY DEPARTMENT		87,451	-	-	-	-	-	2,037	2,037	89,488	94,837	100,053
2.1 - Office of the CFO		3,965						748	748	4,713	5,145	5,428
2.2 - Financial Planning and Reporting		3,404						(1,056)	(1,056)	2,348	2,484	2,621
2.3 - Financial Control and Expenditure Management		24,260						1,511	1,511	25,771	27,265	28,765
2.4 - Revenue and Debt Management		51,880						(566)	(566)	51,314	54,290	57,276

2.5 - Supply Chain Management and Stores	3,943					1,400	1,400	5,343	5,653	5,964
Vote 3 - CORPORATE SERVICES	42,227	-	-	-	-	2,030	2,030	44,257	46,983	49,567
3.1 - Office of the Director	1,961					550	550	2,511	2,815	2,970
3.2 - Human Resources	13,480					912	912	14,392	15,227	16,065
3.3 - Information Technology	1,480					932	932	2,412	2,552	2,692
3.4 - Administration	22,278					(3,824)	(3,824)	18,454	19,524	20,598
3.5 - Legal	3,029					3,459	3,459	6,488	6,864	7,242
Vote 4 - COMMUNITY AND SOCIAL SERVICES	63,683	-	-	-	-	1,965	1,965	65,648	69,614	73,443
4.1 - Office of the Director	2,243					1,161	1,161	3,404	3,760	3,967
4.2 - Libraries	3,209					(289)	(289)	2,920	3,089	3,259
4.3 - Parks	13,454					(1,389)	(1,389)	12,065	12,765	13,467
4.4 - Cemeteries	1,690					(231)	(231)	1,459	1,543	1,628
4.5 - Traffic	12,066					2,187	2,187	14,253	15,079	15,908
4.6 - Licensing	13,901					(1,121)	(1,121)	12,780	13,522	14,265
4.7 - Environment Health	11,719					308	308	12,027	12,725	13,425
4.8 - Waste Management	5,401					1,340	1,340	6,740	7,131	7,524
Vote 5 - PLANNING AND DEVELOPMENT	17,094	-	-	-	-	(160)	(160)	16,934	18,075	19,069
5.1 - Office of the Director	1,765					(274)	(274)	1,491	1,736	1,831
5.2 - Economic Development	12,125					210	210	12,336	13,051	13,769
5.3 - Town Planning	3,204					(97)	(97)	3,108	3,288	3,469
Vote 6 - TECHNICAL SERVICES DEPARTMENT	191,856	-	-	-	-	3,269	3,269	195,125	206,601	217,964
6.1 - Office of the Director	4,772					(2,215)	(2,215)	2,558	2,865	3,022
6.2 - Electrical Services	107,174					3,889	3,889	111,063	117,504	123,967

6.3 - Building Section		18,216					1,591	1,591	19,807	20,955	22,108
6.4 - Water Services								-	-		
6.5 - Waste Water Management								-	-		
6.6 - Roads and Storm Water Services		58,681					(303)	(303)	58,379	61,765	65,162
6.7 - Project Management Unit		1,021					76	76	1,097	1,161	1,224
6.8 - Mechanical Workshop		1,992					230	230	2,223	2,351	2,481
								-	-		
								-	-		
Total Expenditure by Vote	2	438,819	-	-	-	-	8,359	8,359	447,178	474,119	500,195
Surplus/ (Deficit) for the year	2	(45,289)	-	-	-	-	(8,359)	(8,359)	(53,648)	(47,795)	(53,024)

1.4 Budgeted Financial Performance

LIM334 Ba-Phalaborwa - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		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		
R thousands	1	A	A1	B	C	D	E	F	G	H		
Revenue By Source												
Property rates	2	70,634	-	-	-	-	-	-	-	70,634	74,730	78,840
Service charges - electricity revenue	2	95,327	-	-	-	-	-	-	-	95,327	100,856	106,403
Service charges - refuse revenue	2	11,337	-	-	-	-	-	-	-	11,337	11,994	12,654
Rental of facilities and equipment		330						-	-	330	349	369
Interest earned - external investments		260						-	-	260	275	290
Interest earned - outstanding debtors		74,644						-	-	74,644	70,973	71,316
Dividends received		3						-	-	3	3	3
Fines		2,600						-	-	2,600	2,751	2,902
Licences and permits		9,021						-	-	9,021	9,544	10,069
Agency services		2,255						-	-	2,255	2,386	2,517
Transfers recognised - operating		88,490						-	-	88,490	111,786	115,566
Other revenue	2	1,352	-	-	-	-	-	-	-	1,352	1,430	1,509
Gains on disposal of PPE								-	-	-		
Total Revenue (excluding capital transfers and contributions)		356,251	-	-	-	-	-	-	-	356,251	387,077	402,438
Expenditure By Type	-											
Employee related costs		118,379	-	-	-	-	-	(864)	(864)	117,516	125,337	132,230
Remuneration of councillors		12,855						(770)	(770)	12,085	12,786	13,490
Debt impairment		31,558						-	-	31,558	33,389	35,225
Depreciation & asset impairment		74,909	-	-	-	-	-	-	-	74,909	79,254	83,613
Finance charges		848						1,200	1,200	2,048	2,166	2,285
Bulk purchases		82,573	-	-	-	-	-	-	-	82,573	87,363	92,167
Other materials								-	-			
Contracted services		45,536	-	-	-	-	-	3,949	3,949	49,485	52,355	55,235
Transfers and grants								-	-			
Other expenditure		72,160	-	-	-	-	-	4,843	4,843	77,003	81,469	85,950
Loss on disposal of PPE								-	-			

Total Expenditure		438,819	-	-	-	-	-	8,359	8,359	447,178	474,119	500,195
Surplus/(Deficit)		(82,567)	-	-	-	-	-	(8,359)	(8,359)	(90,926)	(87,042)	(97,757)
Transfers recognised - capital		37,279							-	37,279	39,248	44,734
Share of surplus/ (deficit) of associate									-	-		
Surplus/ (Deficit) for the year		(45,289)	-	-	-	-	-	(8,359)	(8,359)	(53,648)	(47,794)	(53,023)

1.5 Adjustment Capital Expenditure Budget by Vote and Funding

LIM334 Ba-Phalaborwa - Table B5 Adjustments Capital Expenditure Budget by vote and funding -

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		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	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
R thousands												
Single-year expenditure to be adjusted	2											
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - BUDGET AND TREASURY DEPARTMENT		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		4,500	-	-	-	-	-	(800)	(800)	3,700	4,500	4,500
Vote 4 - COMMUNITY AND SOCIAL SERVICES		1,600	-	-	-	-	-	(1,600)	(1,600)	-	1,600	1,600
Vote 5 - PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - TECHNICAL SERVICES DEPARTMENT		55,079	-	-	-	-	-	(4,500)	(4,500)	50,579	70,194	70,059
-		-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		61,179	-	-	-	-	-	(6,900)	(6,900)	54,279	76,294	76,159
Total Capital Expenditure - Vote		61,179	-	-	-	-	-	(6,900)	(6,900)	54,279	76,294	76,159
Capital Expenditure - Standard												
Governance and administration		4,500	-	-	-	-	-	(800)	(800)	3,700	4,500	4,500
Corporate services		4,500	-	-	-	-	-	(800)	(800)	3,700	4,500	4,500
Community and public safety		1,600	-	-	-	-	-	(1,600)	(1,600)	-	1,600	1,600
Community and social services		1,000	-	-	-	-	-	(1,000)	(1,000)	-	1,000	1,000
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-
Public safety		600	-	-	-	-	-	(600)	(600)	-	600	600
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		27,279	-	-	-	-	-	(200)	(200)	27,079	42,694	42,559
Planning and development		-	-	-	-	-	-	-	-	-	-	-
Road transport		27,279	-	-	-	-	-	(200)	(200)	27,079	42,694	42,559
Environmental protection		-	-	-	-	-	-	-	-	-	-	-

Trading services		27,800	-	-	-	-	-	(4,300)	(4,300)	23,500	27,500	27,500
Electricity		27,800						(4,300)	(4,300)	23,500	27,500	27,500
Water									-	-		
Waste water management									-	-		
Waste management									-	-		
Other									-	-		
Total Capital Expenditure - Standard	3	61,179	-	-	-	-	-	(6,900)	(6,900)	54,279	76,294	76,159
Funded by:												
National Government		37,279						-	-	37,279	39,248	44,734
Provincial Government									-	-		
District Municipality									-	-		
Other transfers and grants									-	-		
Total Capital transfers recognised	4	37,279	-	-	-	-	-	-	-	37,279	39,248	44,734
Public contributions & donations									-	-		
Borrowing									-	-		
Internally generated funds		23,900						(6,900)	(6,900)	17,000	37,045	31,425
Total Capital Funding		61,179	-	-	-	-	-	(6,900)	(6,900)	54,279	76,294	76,159

1.6 Adjustment Budget Financial Position

LIM334 Ba-Phalaborwa - Table B6 Adjustments Budget Financial Position -

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		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		
R thousands												
ASSETS												
Current assets												
Cash		2,100						(1,610)	(1,610)	490	2,100	2,100
Call investment deposits	1	1,500	-	-	-	-	-	-	-	1,500	1,700	1,800
Consumer debtors	1	158,442	-	-	-	-	-	-	-	158,442	161,832	133,333
Other debtors										-	-	-
Current portion of long-term receivables		-								-	-	-
Inventory		9,500								9,500	9,500	9,500
Total current assets		171,542	-	-	-	-	-	(1,610)	(1,610)	169,932	175,132	146,733
Non current assets												
Property, plant and equipment	1	1,284,139	-	-	-	-	-	(6,900)	(6,900)	1,277,239	1,360,432	1,436,591
Agricultural		-								-	-	-
Biological		400								400	400	400
Intangible		-								-	-	-
Other non-current assets										-	-	-
Total non current assets		1,284,539	-	-	-	-	-	(6,900)	(6,900)	1,277,639	1,360,832	1,436,991
TOTAL ASSETS		1,456,081	-	-	-	-	-	(8,510)	(8,510)	1,447,571	1,535,965	1,583,724
LIABILITIES												
Current liabilities												
Consumer deposits		1,500								1,500	1,650	1,700
Trade and other payables		-	-	-	-	-	-	-	-	-	-	-
Provisions										-	-	-
Total current liabilities		1,500	-	-	-	-	-	-	-	1,500	1,650	1,700
Non current liabilities												
Borrowing	1	210,000	-	-	-	-	-	-	-	210,000	180,000	150,000

Provisions	1	20,000	-	-	-	-	-	-	-	20,000	18,000	16,000
Total non current liabilities		230,000	-	-	-	-	-	-	-	230,000	198,000	166,000
TOTAL LIABILITIES		231,500	-	-	-	-	-	-	-	231,500	199,650	167,700
NET ASSETS	2	1,224,581	-	-	-	-	-	(8,510)	(8,510)	1,216,071	1,336,315	1,416,024
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		-	-	-	-	-	-	-	-	-	-	-
Reserves		1,224,581	-	-	-	-	-	(8,510)	(8,510)	1,216,071	1,336,315	1,449,192
TOTAL COMMUNITY WEALTH/EQUITY		1,224,581	-	-	-	-	-	(8,510)	(8,510)	1,216,071	1,336,315	1,449,192

1.7 Adjustment Budget Cash Flows

LIM334 Ba-Phalaborwa - Table B7 Adjustments Budget Cash Flows -

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		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		
R thousands												
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Ratepayers and other		223,832						(24,746)	(24,746)	199,086	237,262	251,498
Government - operating	1	88,490						-	-	88,490	111,786	114,548
Government - capital	1	37,279						-	-	37,279	39,248	44,734
Interest		4,054						1,299	1,299	5,353	4,297	4,555
Dividends		2						1	1	3	3	3
Payments												
Suppliers and employees		(301,504)						841	841	(300,663)	(331,127)	(349,160)
Finance charges		(848)						(1,200)	(1,200)	(2,048)	(905)	(967)
Transfers and Grants	1								-	-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		51,306	-	-	-	-	-	(23,805)	(23,805)	27,501	60,563	65,210
CASH FLOWS FROM INVESTING ACTIVITIES												
Payments												
Capital assets		(51,179)						4,000	4,000	(47,179)	(60,529)	(64,669)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(51,179)	-	-	-	-	-	4,000	4,000	(47,179)	(60,529)	(64,669)
CASH FLOWS FROM FINANCING ACTIVITIES												
Payments												
Repayment of borrowing								20,000	20,000	20,000		
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	20,000	20,000	20,000	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		127	-	-	-	-	-	195	195	323	35	541
Cash/cash equivalents at the year begin:	2	2,100							(1,610)	490	2,227	2,262
Cash/cash equivalents at the year end:	2	2,227						195		813	2,262	2,803

1.8 Cash Backed Reserves /Accumulated Surplus Reconciliation

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

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		3	4	5	6	7	8	9	10			
R thousands	A	A1	B	C	D	E	F	G	H			
Cash and investments available												
Cash/cash equivalents at the year end	1	2,227	-	-	-	-	-	195	195	2,423	2,262	2,803
Other current investments > 90 days		1,373	-	-	-	-	-	(1,805)	(1,805)	(433)	1,538	1,097
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		3,600	-	-	-	-	-	(1,610)	(1,610)	1,990	3,800	3,900
Applications of cash and investments												
Unspent conditional transfers		-	-	-	-	-	-	-	-	-	-	-
Unspent borrowing												
Statutory requirements												
Other working capital requirements	2		-									
Other provisions												
Long term investments committed		-	-					-	-	-	-	-
Reserves to be backed by cash/investments		-	-					-	-	-	-	-
Total Application of cash and investments:			-	-	-	-	-					
Surplus(shortfall)			-	-	-	-	-					

1.9 Asset Management

LIM334 Ba-Phalaborwa - Table B9 Asset Management -

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		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		
R thousands												
CAPITAL EXPENDITURE												
<u>Total New Assets to be adjusted</u>	1	61,179	-	-	-	-	-	(6,900)	(6,900)	54,279	76,294	76,159
<i>Infrastructure - Road transport</i>		22,779	-	-	-	-	-	(4,300)	(4,300)	18,479	37,894	37,759
<i>Infrastructure - Electricity</i>		27,800	-	-	-	-	-	(3,500)	(3,500)	24,300	27,500	27,500
<i>Infrastructure - Water</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Infrastructure - Sanitation</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Infrastructure - Other</i>		4,500	-	-	-	-	-	3,300	3,300	7,800	4,800	4,800
Infrastructure		55,079	-	-	-	-	-	(4,500)	(4,500)	50,579	70,194	70,059
Community		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets	6	6,100	-	-	-	-	-	(2,400)	(2,400)	3,700	6,100	6,100
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-	-	-
<u>Total Renewal of Existing Assets to be adjusted</u>	2	-	-	-	-	-	-	-	-	-	-	-
<i>Infrastructure - Road transport</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Infrastructure - Electricity</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Infrastructure - Water</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Infrastructure - Sanitation</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Infrastructure - Other</i>		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	-	-	-	-	-	-	-	-

Agricultural Assets	-	-	-	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure to be adjusted	4											
<i>Infrastructure - Road transport</i>		22,779	-	-	-	-	-	(4,300)	(4,300)	18,479	37,894	37,759
<i>Infrastructure - Electricity</i>		27,800	-	-	-	-	-	(3,500)	(3,500)	24,300	27,500	27,500
<i>Infrastructure - Water</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Infrastructure - Sanitation</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Infrastructure - Other</i>		4,500	-	-	-	-	-	3,300	3,300	7,800	4,800	4,800
Infrastructure		55,079	-	-	-	-	-	(4,500)	(4,500)	50,579	70,194	70,059
Community		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets		6,100	-	-	-	-	-	(2,400)	(2,400)	3,700	6,100	6,100
Agricultural Assets		-	-	-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE to be adjusted	2	61,179	-	-	-	-	-	(6,900)	(6,900)	54,279	76,294	76,159
ASSET REGISTER SUMMARY - PPE (WDV)	5											
<i>Infrastructure - Road transport</i>		1,284,139						(6,900)	(6,900)	1,277,239	1,360,432	1,436,591
<i>Infrastructure - Electricity</i>												
<i>Infrastructure - Water</i>												
<i>Infrastructure - Sanitation</i>												
<i>Infrastructure - Other</i>												
Infrastructure		1,284,139	-	-	-	-	-	(6,900)	(6,900)	1,277,239	1,360,432	1,436,591
Community												
Heritage assets												
Investment properties												
Other assets												
Intangibles												
Agricultural Assets												
Biological assets		400								400	400	400
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	1,284,539	-	-	-	-	-	(6,900)	(6,900)	1,277,639	1,360,832	1,436,991
EXPENDITURE OTHER ITEMS												

Depreciation & asset impairment		74,909	-	-	-	-	-	-	-	74,909	79,254	83,613
Repairs and Maintenance by asset class	3	19,291	-	-	-	-	-	911	911	20,202	19,823	20,021
<i>Infrastructure - Road transport</i>		5,400	-	-	-	-	-	(1,000)	(1,000)	4,400	5,430	5,484
<i>Infrastructure - Electricity</i>		4,600	-	-	-	-	-	2,000	2,000	6,600	4,650	4,697
<i>Infrastructure - Water</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Infrastructure - Sanitation</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Infrastructure - Other</i>		1,201	-	-	-	-	-	400	400	1,601	1,251	1,263
Infrastructure		11,201	-	-	-	-	-	1,400	1,400	12,601	11,331	11,444
Community		4,480	-	-	-	-	-	151	151	4,631	4,630	4,676
Heritage assets		32	-	-	-	-	-	-	-	32	42	42
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Other assets	6	3,578	-	-	-	-	-	(640)	(640)	2,938	3,820	3,858
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		94,200	-	-	-	-	-	911	911	95,111	99,076	103,634
<i>% of capital exp on renewal of assets</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&M as a % of PPE</i>		1.5%	0.0%							1.6%	1.5%	1.4%
<i>Renewal and R&M as a % of PPE</i>		1.5%	0.0%							1.6%	1.5%	1.4%

LIM334 Ba-Phalaborwa - Table B10 Basic service delivery measurement -

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			7	8	9	10	11	12	13	14		
		A	A1	B	C	D	E	F	G	H		
Household service targets	1											
Water:												
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)		413							-	0	0	0
<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	
No water supply									-	-		
<i>Below Minimum Service Level sub-total</i>		0	-	-	-	-	-	-	-	0	0	-
Total number of households	5	38	-	-	-	-	-	-	-	38	38	38
Sanitation/sewerage:												
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
Total number of households	5	41,115	-	-	-	-	-	-	-	41,115	41,115	41,115
Energy:												
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 Service Level sub-total</i>		-	-	-	-	-	-	-	-	-	-	-
Total number of households	5	37,345	-	-	-	-	-	-	-	37,345	37,345	37,345
Refuse:												

Removed at least once a week (min.service)		20066							-	20,066	20066	20066
Minimum Service Level and Above sub-total		20,066	-	-	-	-	-	-	-	20,066	20,066	20,066
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 Service Level sub-total</i>		21,050	-	-	-	-	-	-	-	21,050	21,050	21,050
Total number of households	5	41,116	-	-	-	-	-	-	-	41,116	41,116	41,116
Households receiving Free Basic Service	15											
Water (6 kilolitres per household per month)		2356							-	2,356	2356	2356
Sanitation (free minimum level service)		2356							-	2,356	2356	2356
Electricity/other energy (50kwh per household per month)		2356							-	2,356	2356	2356
Refuse (removed at least once a week)		2356							-	2,356	2356	2356

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:

No adjustment made on municipal revenue, the total revenue will therefore remain R393, 530 million. The breakdown of the municipal revenue is illustrated below as follows:

- Assessment rates and service charges on electricity is R71 million and R95 million respectively
- Service charges on refuse removal (Waste Management) is R11 million
- Rental facilities and Interest earned on call accounts is R260 thousand and R330 thousand
- Traffic fines, licence permits and Agency fees is R3 million, R9 and R2 million respectively
- As per DORA all grants remained unchanged, Operational and capital grants of R88 million and R37 million respectively
- And other revenue is R1 million

Total Operating expenditure budget increased by R8, 359 million. The adjusted total Operating budget is now amounting to R447, 176 million for 2014/15 financial year.

- Employee related cost went down by R864 thousand
- Remuneration of councillors reduced by R770 thousand
- Debt impairment, Depreciation and Bulk purchases remained unchanged, R31, 558 million, R74,909 million and R82,573 million respectively

- Finance charges increased by R1,200 million, taking into an account the current bank overdraft on municipal primary bank account
- Contracted services increased by R3,949 million

And other expenditure Increased by R4, 843

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

- During budget verification process by National Treasury, the figures on the audited outcome from the approved budget were not in balance, and corrections were made and resubmitted to National Treasury.

2.1. Supporting details to budgeted financial performance

LIM334 Ba-Phalaborwa - Supporting Table SB1 Supporting detail to 'Budgeted Financial Performance' -

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		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	6 A1	7 B	8 C	9 D	10 E	11 F	12 G	13 H		
R thousands		A	A1	B	C	D	E	F	G	H		
REVENUE ITEMS												
Property rates												
Total Property Rates		70,634						-	-	70,634	74,730	78,840
less Revenue Foregone									-	-		
Net Property Rates		70,634	-	-	-	-	-	-	-	70,634	74,730	78,840
Service charges - electricity revenue												
Total Service charges - electricity revenue		95,327						-	-	95,327	100,856	106,403
less Revenue Foregone									-	-		
Net Service charges - electricity revenue		95,327	-	-	-	-	-	-	-	95,327	100,856	106,403
Service charges - water revenue												
Total Service charges - water revenue									-	-		
less Revenue Foregone									-	-		
Net Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue												
Total Service charges - sanitation revenue									-	-		
less Revenue Foregone									-	-		
Net Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue												
Total refuse removal revenue		11,337						-	-	11,337	11,994	12,654
Total landfill revenue									-	-		
less Revenue Foregone									-	-		
Net Service charges - refuse revenue		11,337	-	-	-	-	-	-	-	11,337	11,994	12,654
Other Revenue By Source												
Fuel levy									-	-		
Other revenue	3	1,352						-	-	1,352	1,430	1,509

Total 'Other' Revenue	1	1,352	-	-	-	-	-	-	-	1,352	1,430	1,509
EXPENDITURE ITEMS												
Employee related costs												
Basic Salaries and Wages		69,222					1,767	1,767	70,988	75,106	79,236	
Pension and UIF Contributions		14,919					(1,344)	(1,344)	13,575	14,362	15,152	
Medical Aid Contributions		4,859					(480)	(480)	4,379	4,633	4,888	
Overtime		3,827					154	154	3,981	4,212	4,444	
Performance Bonus		-					-	-	-	-	-	
Motor Vehicle Allowance		11,131					878	878	12,008	12,705	13,404	
Cellphone Allowance		1,054					29	29	1,083	1,146	1,209	
Housing Allowances		1,656					(781)	(781)	876	927	978	
Other benefits and allowances		8,050					(1,720)	(1,720)	6,330	7,702	8,126	
Payments in lieu of leave								-	-	-	-	
Long service awards		3,660					634	634	4,294	4,543	4,793	
Post-retirement benefit obligations	4							-	-	-	-	
sub-total		118,379	-	-	-	-	(864)	(864)	117,516	125,337	132,230	
<u>Less: Employees costs capitalised to PPE</u>								-	-			
Total Employee related costs	1	118,379	-	-	-	-	(864)	(864)	117,516	125,337	132,230	
Contributions recognised - capital												
<i>List contributions by contract</i>								-	-			
								-	-			
Total Contributions recognised - capital		-	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment												
Depreciation of Property, Plant & Equipment		74,909					-	-	74,909	79,254	83,613	
Lease amortisation								-	-	-	-	
Capital asset impairment								-	-	-	-	
Depreciation resulting from revaluation of PPE								-	-	-	-	
Total Depreciation & asset impairment	1	74,909	-	-	-	-	-	-	74,909	79,254	83,613	
Bulk purchases												
Electricity		82,573					-	-	82,573	87,363	92,167	
Water								-	-	-	-	
Total bulk purchases	1	82,573	-	-	-	-	-	-	82,573	87,363	92,167	
Contracted services												

<i>List services provided by contract</i>		45,536					3,949	3,949	49,485	52,355	55,235
<i>sub-total</i>	1	45,536	-	-	-	-	3,949	3,949	49,485	52,355	55,235
Allocations to organs of state:											
Electricity								-	-		
Water								-	-		
Sanitation								-	-		
Other								-	-		
Total contracted services		45,536	-	-	-	-	3,949	3,949	49,485	52,355	55,235
<u>Other Expenditure By Type</u>											
Repairs and maintenance	-	19,291					911	911	20,202	21,374	22,549
Collection costs	-							-	-		
Contributions to 'other' provisions								-	-		
Consultant fees								-	-		
Audit fees								-	-		
General expenses	3,5	52,869					3,932	3,932	56,801	60,096	63,401
Total Other Expenditure	1	72,160	-	-	-	-	4,843	3,932	56,801	81,469	85,950

2.2. Supporting details to financial position budget

LIM334 Ba-Phalaborwa - Supporting Table SB2 Supporting detail to 'Financial Position Budget' -

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		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		
R thousands		A	A1	B	C	D	E	F	G	H		
ASSETS												
<u>Call investment deposits</u>												
Call deposits < 90 days		1,500							-	1,500	1,700	1,800
Other current investments > 90 days									-	-		
Total Call investment deposits	1	1,500	-	-	-	-	-	-	-	1,500	1,700	1,800
<u>Consumer debtors</u>												
Consumer debtors		190,000							-	190,000	195,000	200,000
Less: provision for debt impairment		31,558	-	-	-	-	-	-	-	31,558	33,168	66,667
Total Consumer debtors	1	158,442	-	-	-	-	-	-	-	158,442	161,832	133,333
<u>Debt impairment provision</u>												
Balance at the beginning of the year									-	-	31,558	33,168
Contributions to the provision		31,558							-	31,558	1,609	33,499
Bad debts written off									-	-		
Balance at end of year		31,558	-	-	-	-	-	-	-	31,558	33,168	66,667
<u>Property, plant & equipment</u>												
PPE at cost/valuation (excl. finance leases)		1,716,894						(6,900)	(6,900)	1,709,994	1,868,249	2,020,219
Leases recognised as PPE	2								-	-		
Less: Accumulated depreciation		432,755							-	432,755	507,816	583,628
Total Property, plant & equipment	1	1,284,139	-	-	-	-	-	(6,900)	(6,900)	2,142,750	1,360,432	1,436,591
LIABILITIES												
<u>Current liabilities - Borrowing</u>												
Short term loans (other than bank overdraft)									-	-		
Current portion of long-term liabilities									-	-		
Total Current liabilities - Borrowing		-	-	-	-	-	-	-	-	-	-	-
<u>Trade and other payables</u>												
Creditors									-	-		
Unspent conditional grants and receipts									-	-		

VAT									-	-		
Total Trade and other payables	1	-	-	-	-	-	-	-	-	-	-	-
Non current liabilities - Borrowing												
Borrowing	3	210,000							-	210,000	180,000	150,000
Finance leases (including PPP asset element)									-	-		
Total Non current liabilities - Borrowing		210,000	-	-	-	-	-	-	-	210,000	180,000	150,000
Provisions - non current												
Retirement benefits									-	-		
List other major items									-	-		
Refuse landfill site rehabilitation									-	-		
Other		20,000							-	20,000	18,000	16,000
Total Provisions - non current		20,000	-	-	-	-	-	-	-	20,000	18,000	16,000
CHANGES IN NET ASSETS												
Accumulated surplus/(Deficit)												
Accumulated surplus/(Deficit) - opening balance									-	-		
Appropriations to Reserves									-	-		
Transfers from Reserves									-	-		
Depreciation offsets									-	-		
Other adjustments									-	-		
Accumulated Surplus/(Deficit)	1	-	-	-	-	-	-	-	-	-	-	-
Reserves												
Housing Development Fund									-	-		
Capital replacement									-	-		
Self-insurance									-	-		
Other reserves		1,224,581					(8,510)	(8,510)	1,216,071	1,336,315	1,449,192	
Revaluation									-	-		
Total Reserves	2	1,224,581	-	-	-	-	(8,510)	(8,510)	1,216,071	1,336,315	1,449,192	
TOTAL COMMUNITY WEALTH/EQUITY	2	1,224,581	-	-	-	-	(8,510)	(8,510)	1,216,071	1,336,315	1,449,192	

2.3 Supporting information to budgeted performance indicators and benchmarks

LIM334 Ba-Phalaborwa - Supporting Table SB4 Adjustments to budgeted performance indicators and benchmarks -

Description of financial indicator	Basis of calculation	2011/12	2012/13	2013/14	Budget Year 2014/15			Budget Year +1 2015/16	Budget Year +2 2016/17
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Adjusted Budget	Adjusted Budget
<u>Borrowing Management</u>									
Credit Rating	Short term/long term rating								
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure				0.2%	0.0%	-4.0%	0.5%	0.5%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants				0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>									
Gearing	Long Term Borrowing/ Funds & Reserves				17.1%	0.0%	17.3%	13.5%	10.4%
<u>Liquidity</u>									
Current Ratio	Current assets/current liabilities				11436.1%	0.0%	11328.8%	10614.1%	8631.3%
Current Ratio adjusted for aged debtors	Current assets/current liabilities less debtors > 90 days/current liabilities				85635.9%	0.0%	0.0%	0.0%	0.0%
Liquidity Ratio	Monetary Assets/Current Liabilities				2.4	0.0	1.3	2.3	2.3
<u>Revenue Management</u>									
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing								
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue				44.5%	0.0%	44.5%	41.8%	33.1%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old				0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>									
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))								
Creditors to Cash					0.0%	0.0%	0.0%	0.0%	0.0%
<u>Other Indicators</u>									
Electricity Distribution Losses (2)	Total Volume Losses (kW) Total Cost of Losses (Rand '000)								

	Total Volume Losses (kℓ)								
Water Distribution Losses (2)	Total Cost of Losses (Rand '000)								
Employee costs	Employee costs/(Total Revenue - capital revenue)				33.2%	0.0%	33.0%	32.4%	32.9%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)				5.4%	0.0%	5.7%	5.1%	5.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)				21.3%	0.0%	21.6%	21.0%	21.3%
<u>IDP regulation financial viability indicators</u>									
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)				12360.5%	0.0%	12360.5%	12045.6%	12552.4%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services				44.5%	0.0%	44.5%	41.8%	33.1%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure				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 -

Description of economic indicator	Ref.	1996 Census	2001 Census	2007 Survey	2011/12	2012/13	2013/14	Current year	Original Budget	Adjusted Budget
Demographics										
Population					131,522	131,522	131,522	131,522	150,637	150,637
Females aged 5 - 14					13,967	13,967	13,967	13,967	77,620	77,620
Males aged 5 - 14					23,096	23,096	23,096	23,096	73,016	73,016
Females aged 15 - 34					13,967	13,967	13,967	13,967	13,967	13,967
Males aged 15 - 34					23,096	23,096	23,096	23,096	23,096	23,096
Unemployment					3,842	3,842	3,842	3,842	20,282	20,282
Monthly Household income (no. of households)										
None	1, 12				54,960	54,960	54,960	54,960	63,891	63,891
R1 - R1 600					3,678	3,678	3,678	3,678	56,476	56,476
R1 601 - R3 200					3,123	3,123	3,123	3,123	6,632	6,632
R3 201 - R6 400									5,268	5,268
R6 401 - R12 800									5,357	5,357
R12 801 - R25 600									3,746	3,746
R25 601 - R51 200									920	920
R52 201 - R102 400									177	177
R102 401 - R204 800									64	64
R204 801 - R409 600									78	78
R409 601 - R819 200										
> R819 200										
Poverty profiles (no. of households)										
< R2 060 per household per month	13									
Insert description	2									

2.5 Adjustment budget – funding measurement

LIM334 Ba-Phalaborwa - Supporting Table SB6 Adjustments Budget - funding measurement -

Description	Ref	MFMA section	2011/12	2012/13	2013/14	Medium Term Revenue and Expenditure Framework				
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousands										
Funding measures	-	-								
Cash/cash equivalents at the year end - R'000	1	18(1)b				2,227	-	813	2,262	2,803
Cash + investments at the yrend less applications - R'000	2	18(1)b					-			
Cash year end/monthly employee/supplier payments	3	18(1)b				0	-	0	0	0
Surplus/(Deficit) excluding depreciation offsets: R'000	4	18(1)				(45,289)	-	(53,648)	(47,794)	(53,023)
Service charge rev % change - macro CPIX target exclusive	5	18(1)a,(2)				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%		0.0%			
Debt impairment expense as a % of total billable revenue	7	18(1)a,(2)				17.8%	0.0%	17.8%	17.8%	17.8%
Capital payments % of capital expenditure	8	18(1)c;19				83.7%	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%
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							2.1%	-17.6%
Long term receivables % change - incr(decr)	12	18(1)a							0.0%	0.0%
R&M % of Property Plant & Equipment	13	20(1)(vi)				1.5%	0.0%	1.6%	1.5%	1.4%
Asset renewal % of capital budget	14	20(1)(vi)				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 -

Description	Ref	Budget Year 2014/15							Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		7	8	9	10	11	12			
R thousands		A	A1	B	C	D	E	F		
RECEIPTS:	1, 2									
-										
<u>Operating Transfers and Grants</u>										
National Government:		88,490	-	-	-	-	-	88,490	111,786	115,566
Local Government Equitable Share		83,256					-	83,256	107,603	111,219
Finance Management	3	1,600					-	1,600	1,650	1,700
Municipal Systems Improvement		934					-	934	967	1,018
EPWP Incentive		1,212					-	1,212	-	-
Operating Grant: MIG (5% of MIG Grants for PMU)		1,488					-	1,488	1,566	1,629
							-	-		
Total Operating Transfers and Grants	6	88,490	-	-	-	-	-	88,490	111,786	115,566
<u>Capital Transfers and Grants</u>										
National Government:		37,279	-	-	-	-	-	37,279	39,248	44,734
Municipal Infrastructure Grant (MIG)		28,279					-	28,279	29,748	30,954
Integrated National Electrification Grant		9,000					-	9,000	6,000	10,000
Neighbourhood Development Partnership		-					-	-	3,500	3,780
							-	-		
							-	-		
Total Capital Transfers and Grants	6	37,279	-	-	-	-	-	37,279	39,248	44,734
TOTAL RECEIPTS OF TRANSFERS & GRANTS		125,769	-	-	-	-	-	125,769	151,034	160,300

2.7. Expenditure on transfers and Grants programme

LIM334 Ba-Phalaborwa - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme -

Description	Ref	Budget Year 2014/15							Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	2 A1	3 B	4 C	5 D	6 E	7 F		
R thousands		A	A1	B	C	D	E	F		
EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:	1									
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		88,490	-	-	-	-	-	88,490	111,786	114,548
Local Government Equitable Share		83,256						83,256	107,603	111,219
Finance Management		1,600						1,600	1,650	1,700
Municipal Systems Improvement		934						934	967	
EPWP Incentive		1,212						1,212	-	-
Operating Grant: MIG (5% of MIG Grants for PMU)		1,488						1,488	1,566	1,629
Total operating expenditure of Transfers and Grants:		88,490	-	-	-	-	-	88,490	111,786	114,548
<u>Capital expenditure of Transfers and Grants</u>										
National Government:		37,279	-	-	-	-	-	37,279	39,248	44,734
Municipal Infrastructure Grant (MIG)		28,279						28,279	29,748	30,954
Intergated National Eletrification Grant		9,000						9,000	6,000	10,000
Neighbourhood Development Partnership		-						-	3,500	3,780
Total capital expenditure of Transfers and Grants		37,279	-	-	-	-	-	37,279	39,248	44,734
Total capital expenditure of Transfers and Grants		125,769	-	-	-	-	-	125,769	151,034	159,282

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 -

Description	Ref	Budget Year 2014/15							Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	2 A1	3 B	4 C	5 D	6 E	7 F		
R thousands		A	A1	B	C	D	E	F		
Operating transfers and grants:										
National Government:										
Balance unspent at beginning of the year							-	-		
Current year receipts		88,490					-	88,490	111,786	114,548
Conditions met - transferred to revenue		88,490	-	-	-	-	-	88,490	111,786	114,548
Conditions still to be met - transferred to liabilities							-	-		
Conditions still to be met - transferred to liabilities							-	-		
Total operating transfers and grants revenue		88,490	-	-	-	-	-	88,490	111,786	114,548
Total operating transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
Capital transfers and grants:										
National Government:										
Balance unspent at beginning of the year							-	-		
Current year receipts		37,279					-	37,279	39,248	44,734
Conditions met - transferred to revenue		37,279	-	-	-	-	-	37,279	39,248	44,734
Conditions still to be met - transferred to liabilities							-	-		
Conditions still to be met - transferred to liabilities							-	-		
Total capital transfers and grants revenue		37,279	-	-	-	-	-	37,279	39,248	44,734
Total capital transfers and grants - CTBM		-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		125,769	-	-	-	-	-	125,769	151,034	159,282
TOTAL TRANSFERS AND GRANTS - CTBM		-	-	-	-	-	-	-	-	-

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 -

Summary of remuneration	Ref	Budget Year 2014/15									% change
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	
		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	
R thousands											
<u>Councillors (Political Office Bearers plus Other)</u>											
Basic Salaries and Wages		9,572						(1,350)	(1,350)	8,222	-14.1%
Pension and UIF Contributions									-	-	
Medical Aid Contributions									-	-	
Motor Vehicle Allowance		2,783						300	300	3,083	10.8%
Cellphone Allowance		501						280	280	781	
Housing Allowances									-	-	
Other benefits and allowances									-	-	
Sub Total - Councillors		12,855	-					(770)	(770)	12,085	-6.0%
% increase			(0)							(0)	
<u>Senior Managers of the Municipality</u>											
Basic Salaries and Wages		3,637							-	3,637	0.0%
Pension and UIF Contributions		10							-	10	0.0%
Medical Aid Contributions		-							-	-	
Overtime		-							-	-	
Performance Bonus		-							-	-	
Motor Vehicle Allowance		2,345							-	2,345	0.0%
Cellphone Allowance		82							-	82	0.0%
Housing Allowances		-							-	-	
Other benefits and allowances		747							-	747	
Payments in lieu of leave									-	-	
Long service awards									-	-	
Post-retirement benefit obligations									-	-	
Sub Total - Senior Managers of Municipality	5	6,821	-	-				-	-	6,821	0.0%
% increase			(0)							-	
<u>Other Municipal Staff</u>											
Basic Salaries and Wages		68,254						1,767	1,767	70,020	2.6%
Pension and UIF Contributions		14,895						(1,344)	(1,344)	13,551	-9.0%
Medical Aid Contributions		4,855						(480)	(480)	4,375	-9.9%

Overtime		3,824						154	154	3,978	4.0%
Performance Bonus		-						-	-	-	
Motor Vehicle Allowance		11,549						878	878	12,427	7.6%
Cellphone Allowance		972						29	29	1,000	3.0%
Housing Allowances		1,655						(781)	(781)	874	
Other benefits and allowances		5,555						(1,720)	(1,720)	3,835	
Payments in lieu of leave									-	-	
Long service awards								634	634	634	#DIV/0!
Post-retirement benefit obligations	5								-	-	
Sub Total - Other Municipal Staff		111,558	-	-	-	-	-	(864)	(864)	110,694	-0.8%
% increase											
Total Parent Municipality		131,235	-	-	-	-	-	(1,634)	(1,634)	129,601	-1.2%
COUNCILLOR ALLOWANCES, EMPLOYEE REMUNERATION & ENTITY REMUNERATION		131,235	-	-	-	-	-	(1,634)	(1,634)	129,601	-1.2%
% increase											
TOTAL MANAGERS AND STAFF		118,379	-	-	-	-	-	(864)	(864)	117,516	-0.7%

2.11. Monthly revenues and Expenditure per Municipal vote

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

Description	R e f	Budget Year 2014/15												Medium Term Revenu e and Expend iture Framew ork	Budget Year +1 2015/16	Budget Year +2 2016/17
		July	August	Sept.	October	Novem ber	Decem ber	January	February	March	April	May	June			
		Outco me	Outcom e	Outcome	Outcom e	Outcom e	Outcom e	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget			
R thousands																
Revenue by Vote																
Vote 2 - BUDGET AND TREASURY DEPARTMENT		44,310	12,451	11,412	11,220	32,541	18,651	16,847	16,847	16,847	16,847	16,847	16,847	231,665	257,111	266,896
Vote 3 - CORPORATE SERVICES		13	74	19	570	66	16	16	16	16	16	16	(511)	330	349	369
Vote 4 - COMMUNITY AND SOCIAL SERVICES		1,342	3,164	2,304	1,791	985	2,918	2,170	2,170	2,170	2,170	2,170	2,170	25,522	27,003	28,488
Vote 5 - PLANNING AND DEVELOPMENT		-	4	1	1	1	-	1	1	1	1	1	(15)	-	-	-
Vote 6 - TECHNICAL SERVICES DEPARTMENT		16,366	13,225	12,039	6,033	9,127	2,639	12,764	12,764	12,764	12,764	12,764	12,764	136,012	141,861	151,419
Total Revenue by Vote		62,031	28,918	25,775	19,616	42,720	24,224	31,798	31,798	31,798	31,798	31,798	31,255	393,530	426,323	447,172
Expenditure by Vote																
Vote 1 - EXECUTIVE AND COUNCIL		3,152	2,807	3,279	3,435	2,117	3,165	2,962	2,962	2,962	2,962	2,962	2,962	35,725	38,009	40,099
Vote 2 - BUDGET AND TREASURY DEPARTMENT		2,396	2,939	3,815	3,477	6,333	2,214	11,386	11,386	11,386	11,386	11,386	11,386	89,488	94,837	100,053
Vote 3 - CORPORATE SERVICES		4,567	1,945	2,630	3,957	1,727	2,536	4,482	4,482	4,482	4,482	4,482	4,482	44,257	46,983	49,567
Vote 4 - COMMUNITY AND SOCIAL SERVICES		3,983	3,838	3,619	4,937	4,696	4,289	6,714	6,714	6,714	6,714	6,714	6,714	65,648	69,614	73,443
Vote 5 - PLANNING AND DEVELOPMENT		567	1,046	561	594	1,839	2,238	1,681	1,681	1,681	1,681	1,681	1,681	16,934	18,075	19,069
Vote 6 - TECHNICAL SERVICES DEPARTMENT		10,870	7,040	7,953	13,179	15,032	4,247	22,801	22,801	22,801	22,801	22,801	22,801	195,125	206,601	217,964
Total Expenditure by Vote		25,537	19,614	21,858	29,579	31,744	18,689	50,026	50,026	50,026	50,026	50,026	50,026	447,178	474,119	500,195
Surplus/ (Deficit)		36,494	9,305	3,917	(9,963)	10,975	5,535	(18,228)	(18,228)	(18,228)	(18,228)	(18,228)	(18,771)	(53,648)	(47,795)	(53,024)

2.12 Monthly revenue and expenditure by standard classifications

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

Description - Standard classification	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget						
R thousands																
Revenue - Standard																
Governance and administration		44,323	12,525	11,431	11,790	32,607	18,667	16,863	16,863	16,863	16,863	16,863	16,336	231,995	257,460	267,264
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Budget and treasury office		44,310	12,451	11,412	11,220	32,541	18,651	16,847	16,847	16,847	16,847	16,847	16,847	231,665	257,111	266,896
Corporate services		13	74	19	570	66	16	16	16	16	16	16	(511)	330	349	369
Community and public safety		381	2,201	1,348	828	21	1,950	1,243	1,243	1,243	1,243	1,243	1,243	14,186	15,009	15,834
Community and social services		381	2,197	1,079	797	20	1,750	890	890	890	890	890	890	11,565	12,236	12,909
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		-	5	269	32	1	200	352	352	352	352	352	352	2,621	2,772	2,925
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		4,524	3,905	2,453	253	1,997	(5,402)	3,995	3,995	3,995	3,995	3,995	3,979	31,685	35,004	35,016
Planning and development		-	4	1	1	1	-	1	1	1	1	1	(15)	-	-	-
Road transport		4,524	3,902	2,452	252	1,996	(5,402)	3,994	3,994	3,994	3,994	3,994	3,994	31,685	35,004	35,016
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		12,802	10,286	10,544	6,745	8,095	9,009	9,697	9,697	9,697	9,697	9,697	9,697	115,664	118,850	129,057
Electricity		11,842	9,324	9,587	5,782	7,131	8,041	8,770	8,770	8,770	8,770	8,770	8,770	104,327	106,856	116,403
Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Waste management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Other</i>	960	962	957	963	964	968	927	927	927	927	927	927	927	11,337	11,994	12,654
Total Revenue - Standard	62,031	28,918	25,775	19,616	42,720	24,224	31,798	31,798	31,798	31,798	31,798	31,798	31,255	393,530	426,323	447,172
Expenditure - Standard																
Governance and administration	10,116	7,691	9,725	10,869	10,178	7,915	18,830	169,471	179,829	189,719						
Executive and council	3,152	2,807	3,279	3,435	2,117	3,165	2,962	2,962	2,962	2,962	2,962	2,962	2,962	35,725	38,009	40,099
Budget and treasury office	2,396	2,939	3,815	3,477	6,333	2,214	11,386	11,386	11,386	11,386	11,386	11,386	11,386	89,488	94,837	100,053
Corporate services	4,567	1,945	2,630	3,957	1,727	2,536	4,482	4,482	4,482	4,482	4,482	4,482	4,482	44,257	46,983	49,567
Community and public safety	3,940	3,066	3,373	4,484	4,060	3,746	6,040	58,907	62,483	65,919						
Community and social services	3,186	2,241	2,640	3,598	3,448	2,949	4,432	4,432	4,432	4,432	4,432	4,432	4,432	44,655	47,404	50,011
Sport and recreation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	753	825	733	886	612	798	1,608	1,608	1,608	1,608	1,608	1,608	1,608	14,253	15,079	15,908
Economic and environmental services	1,731	2,884	1,917	2,412	4,113	3,862	14,013	100,996	107,171	113,066						
Planning and development	567	1,046	561	594	1,839	2,238	1,681	1,681	1,681	1,681	1,681	1,681	1,681	16,934	18,075	19,069
Road transport	1,164	1,839	1,355	1,817	2,274	1,624	12,332	12,332	12,332	12,332	12,332	12,332	12,332	84,062	89,097	93,997
Environmental protection	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services	9,750	5,972	6,844	11,814	13,394	3,166	11,144	117,803	124,636	131,491						
Electricity	9,706	5,201	6,598	11,361	12,757	2,624	10,469	10,469	10,469	10,469	10,469	10,469	10,469	111,063	117,504	123,967
Water	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management	43	771	246	452	637	542	675	675	675	675	675	675	675	6,740	7,131	7,524
<i>Other</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	25,537	19,614	21,858	29,579	31,744	18,689	50,026	447,178	474,119	500,195						
Surplus/ (Deficit) 1.	36,494	9,305	3,917	(9,963)	10,975	5,535	(18,228)	(18,228)	(18,228)	(18,228)	(18,228)	(18,228)	(18,771)	(53,648)	(47,795)	(53,024)

2.13 Monthly Revenue and Expenditure

LIM334 Ba-Phalaborwa - Supporting Table SB14 Adjustments Budget - monthly revenue and expenditure -

Description	R e f	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget						
R thousands																
Revenue By Source																
Property rates		5,606	5,680	5,647	5,493	5,654	5,063	6,249	6,249	6,249	6,249	6,249	6,249	70,634	74,730	78,840
Service charges - electricity revenue		5,532	9,324	8,219	5,782	7,131	6,718	8,770	8,770	8,770	8,770	8,770	8,770	95,327	100,856	106,403
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse		960	962	957	963	964	968	927	927	927	927	927	927	11,337	11,994	12,654
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		13	74	19	24	20	16	27	27	27	27	27	27	330	349	369
Interest earned - external investments		75	56	25	12	24	21	8	8	8	8	8	8	260	275	290
Interest earned - outstanding debtors		5,610	5,868	5,678	5,615	6,197	6,217	6,577	6,577	6,577	6,577	6,577	6,577	74,644	70,973	71,316
Dividends received		-	-	-	-	-	-	0	0	0	0	0	0	3	3	3
Fines		-	-	269	-	-	200	355	355	355	355	355	355	2,600	2,751	2,902
Licences and permits		377	2,127	1,059	772	1	1,735	492	492	492	492	492	492	9,021	9,544	10,069
Agency services		-	-	-	-	-	-	376	376	376	376	376	376	2,255	2,386	2,517
Transfers recognised - operational		33,015	892	48	829	21,248	7,575	4,238	4,238	4,238	4,238	4,238	3,695	88,490	111,786	115,566
Other revenue		12	155	193	127	59	32	129	129	129	129	129	129	1,352	1,430	1,509
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Total Revenue	51,200	25,138	22,114	19,616	41,297	28,545	28,147	28,147	28,147	28,147	28,147	27,604	356,251	387,077	402,438
Expenditure By Type															
Employee related costs	8,851	8,486	8,037	9,565	9,836	8,440	10,717	10,717	10,717	10,717	10,717	10,717	117,516	125,337	132,230
Remuneration of councillors	1,036	1,053	1,190	1,104	1,064	1,044	933	933	933	933	933	933	12,085	12,786	13,490
Debt impairment	-	-	-	-	-	-	5,260	5,260	5,260	5,260	5,260	5,260	31,558	33,389	35,225
Depreciation & asset impairment	-	-	-	-	-	-	12,485	12,485	12,485	12,485	12,485	12,485	74,909	79,254	83,613
Finance charges	98	86	98	209	186	137	206	206	206	206	206	206	2,048	2,166	2,285
Bulk purchases	7,895	3,472	3,772	9,035	10,813	914	7,779	7,779	7,779	7,779	7,779	7,779	82,573	87,363	92,167
Other materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services	2,678	2,526	3,480	3,811	4,383	3,959	4,775	4,775	4,775	4,775	4,775	4,775	49,485	52,355	55,235
Grants and subsidies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	4,979	3,991	5,282	5,855	5,462	4,195	7,873	7,873	7,873	7,873	7,873	7,873	77,003	81,469	85,950
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure	25,537	19,614	21,858	29,579	31,744	18,689	50,026	50,026	50,026	50,026	50,026	50,026	447,178	474,119	500,195
Surplus/(Deficit)	25,664	5,524	256	(9,963)	9,553	9,856	(21,879)	(21,879)	(21,879)	(21,879)	(21,879)	(22,422)	(90,926)	(87,042)	(97,757)
Transfers recognised - capital	10,831	3,781	3,661	-	1,422	(4,321)	3,651	3,651	3,651	3,651	3,651	3,651	37,279	39,248	44,734
Contributions													-	-	-
Contributed assets													-	-	-
Surplus/(Deficit) after capital transfers & contributions	36,494	9,305	3,917	(9,963)	10,975	5,535	(18,228)	(18,228)	(18,228)	(18,228)	(18,228)	(18,771)	(53,648)	(47,794)	(53,023)

2.14 Monthly Cash flows

LIM334 Ba-Phalaborwa - Supporting Table SB15 Adjustments Budget - monthly cash flow -

Monthly cash flows	R e f	Budget Year 2014/15											Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousands		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget						
Cash Receipts By Source																
Property rates		2,242	2,444	3,089	2,583	2,375	2,765	3,175	3,548	3,542	3,154	3,544	3,171	35,634	37,772	40,038
Service charges - electricity revenue		7,773	3,254	4,381	4,211	6,069	3,404	4,834	5,799	7,389	5,834	5,944	7,436	66,327	63,947	67,784
Service charges - water revenue		3,302	6,691	2,553	7,819	2,571	5,669	6,834	5,799	7,389	5,238	6,209	6,109	66,183	60,614	64,251
Service charges - sanitation revenue		512	506	523	599	492	472	506	523	599	492	523	652	6,399	48,971	51,910
Service charges - refuse		488	380	423	486	371	339	443	404	458	452	452	841	5,537	5,869	6,221
Rental of facilities and equipment		13	74	19	24	20	16	15	17	26	9	15	31	280	239	253
Interest earned - external investments		75	56	25	12	24	21	52		29	63	52	22	430	435	461
Interest earned - outstanding debtors		360	252	914	344	268	574	195	344	344	252	614	463	4,923	3,862	4,094
Dividends received		-	-	-	-	-	-	0	0	0	0	0	1	3	3	3
Fines		-	-	269	-	-	200	217	217	217	217	217	1,048	2,600	2,756	2,921
Licences and permits		377	2,127	1,059	772	1	1,735	760	1,835	752	752	752	2,100	13,021	13,802	14,630
Agency services		-	-	-	-	-	-	380	390	320	289	360	516	2,255	2,390	2,534
Transfer receipts - operational		34,555	1,419	-	568	20,656	364	-	-	30,928	-	-	-	88,490	111,786	114,548
Other revenue		17	36	15	21	13	14	113	16	19	18	153	417	852	903	957
Cash Receipts by Source		49,715	17,240	13,270	17,439	32,861	15,573	17,523	18,891	52,013	16,770	18,833	22,806	292,933	353,347	370,603
Other Cash Flows by Source																
Transfers receipts - capital		12,571	-	-	-	11,771	-	-	-	12,937	-	-	-	37,279	39,248	44,734
Contributions & Contributed assets																
Proceeds on disposal of PPE																

Total Cash Receipts by Source	62,286	17,240	13,270	17,439	44,632	15,573	17,523	18,891	64,949	16,770	18,833	22,806	330,211	392,595	415,337
Cash Payments by Type															
Employee related costs	8,851	8,486	8,037	9,565	9,836	8,440	9,865	9,865	9,865	9,865	9,865	9,977	112,516	126,476	135,127
Remuneration of councillors	1,036	1,053	1,190	1,104	1,064	1,044	1,036	1,036	1,036	1,036	1,036	415	12,085	13,735	14,674
Collection costs												-			
Interest paid	98	86	98	209	186	137	206	206	206	140	206	271	2,048	905	967
Bulk purchases - Electricity	9,000	2,000	8,258	-	6,000	15,869	5,881	6,881	4,881	5,881	4,881	6,041	75,573	88,221	94,256
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services	3,053	2,879	3,967	4,345	4,997	4,513	4,259	2,706	3,903	2,303	2,409	2,151	41,485	37,967	39,564
Grants and subsidies paid - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General expenses	6,324	9,951	3,156	4,820	8,115	8,846	2,630	3,454	3,613	3,013	3,013	2,067	59,003	64,727	65,539
Cash Payments by Type	28,361	24,455	24,706	20,042	30,198	38,848	23,877	24,148	23,504	22,238	21,410	20,922	302,710	332,032	350,128
Other Cash Flows/Payments by Type															
Capital assets	10,831	7,078	4,232	97	1,921	4,506	2,332	838	3,611	6,823	3,302	1,608	47,179	60,529	64,669
Repayment of borrowing												-			
Other Cash Flows/Payments	21,433	(13,966)	(14,395)	(3,356)	4,193	(9,209)		(4,701)				-	(20,000)		
Total Cash Payments by Type	60,625	17,568	14,543	16,783	36,312	34,146	26,210	20,285	27,115	29,061	24,712	22,530	329,889	392,561	414,796
NET INCREASE/(DECREASE) IN CASH HELD	1,661	(328)	(1,273)	656	8,320	(18,573)	(8,686)	(1,394)	37,834	(12,291)	(5,879)	276	323	35	541
Cash/cash equivalents at the month/year beginning:	490	2,151	1,823	550	1,206	9,526	(9,047)	(17,734)	(19,128)	18,706	6,415	537	490	813	847
Cash/cash equivalents at the month/year end:	2,151	1,823	550	1,206	9,526	(9,047)	(17,734)	(19,128)	18,706	6,415	537	813	813	847	1,388

2.15. Monthly Capital Expenditure by Municipal Vote

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

Description - Municipal Vote	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousands		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget						
<u>Single-year expenditure appropriation</u>																
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - BUDGET AND TREASURY DEPARTMENT		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	261	256	85	571	-	421	421	421	421	421	421	3,700	4,500	4,500
Vote 4 - COMMUNITY AND SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	1,600	1,600
Vote 5 - PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - TECHNICAL SERVICES DEPARTMENT		9,500	5,948	3,456	-	1,114	3,953	4,435	4,435	4,435	4,435	4,435	4,435	50,579	70,194	70,059
0																
Capital single-year expenditure sub-total	3	9,500	6,209	3,713	85	1,685	3,953	4,856	4,856	4,856	4,856	4,856	4,856	54,279	76,294	76,159
Total Capital Expenditure	2	9,500	6,209	3,713	85	1,685	3,953	4,856	4,856	4,856	4,856	4,856	4,856	54,279	76,294	76,159

2.16. Monthly Capital Expenditure by Standard Classification

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

Description	Ref	Budget Year 2014/15											Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget					
R thousands																
Capital Expenditure - Standard																
Governance and administration		-	261	256	85	571	-	421	421	421	421	421	421	3,700	4,500	4,500
Executive and council														-	-	-
Budget and treasury office														-	-	-
Corporate services		-	261	256	85	571	-	421	421	421	421	421	421	3,700	4,500	4,500
Community and public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	1,600	1,600
Community and social services														-	1,000	1,000
Sport and recreation														-	-	-
Public safety														-	600	600
Housing														-	-	-
Health														-	-	-
Economic and environmental services		3,649	893	2,256	-	823	926	3,088	3,088	3,088	3,088	3,088	3,088	27,079	42,694	42,559
Planning and development														-	-	-
Road transport		3,649	893	2,256	-	823	926	3,088	3,088	3,088	3,088	3,088	3,088	27,079	42,694	42,559
Environmental protection														-	-	-
Trading services		5,852	5,054	1,200	-	290	3,027	1,346	1,346	1,346	1,346	1,346	1,346	23,500	27,500	27,500
Electricity		5,852	5,054	1,200	-	290	3,027	1,346	1,346	1,346	1,346	1,346	1,346	23,500	27,500	27,500
Water														-	-	-
Other														-	-	-
Total Capital Expenditure - Standard		9,500	6,209	3,713	85	1,685	3,953	4,856	4,856	4,856	4,856	4,856	4,856	54,279	76,294	76,159

2.17. Adjustments on Capital Expenditure (New Assets)

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

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjus.	Total Adjus.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7	8	9	10	11	12	13	14		
R thousands		A	A1	B	C	D	E	F	G	H		
Capital expenditure on new assets by Asset Class/Sub-class												
-												
Infrastructure		55,079	-	-	-	-	-	(4,500)	(4,500)	50,579	70,194	70,059
Infrastructure - Road transport		22,779	-	-	-	-	-	(4,300)	(4,300)	18,479	37,894	37,759
Roads, Pavements & Bridges		22,779	-	-	-	-	-	(4,300)	(4,300)	18,479	37,894	37,759
Storm water										-	-	
Infrastructure - Electricity		27,800	-	-	-	-	-	(3,500)	(3,500)	24,300	27,500	27,500
Generation		27,800	-	-	-	-	-	(3,500)	(3,500)	24,300	27,500	27,500
Infrastructure - Other		4,500	-	-	-	-	-	3,300	3,300	7,800	4,800	4,800
Refuse										-	-	
Transportation	2									-	-	
Gas										-	-	
Other	3	4,500	-	-	-	-	-	3,300	3,300	7,800	4,800	4,800
Other assets		6,100	-	-	-	-	-	(2,400)	(2,400)	3,700	6,100	6,100
General vehicles										-	-	
Specialised vehicles	18	-	-	-	-	-	-	-	-	-	-	-
Plant & equipment										-	-	
Computers - hardware/equipment		2,000	-	-	-	-	-			2,000	2,000	2,000
Furniture and other office equipment		2,500	-	-	-	-	-	(800)	(800)	1,700	2,500	2,500
Surplus Assets - (Investment or Inventory)										-	-	
Other		1,600	-	-	-	-	-	(1,600)	(1,600)	-	1,600	1,600
Total Capital Expenditure on new assets to be adjusted	1	61,179	-	-	-	-	-	(6,900)	(6,900)	54,279	76,294	76,159

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 -

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		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		
R thousands		A	A1	B	C	D	E	F	G	H		
Capital expenditure on renewal of existing assets by Asset Class/Sub-class												
-												
Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-	-	-
<i>Roads, Pavements & Bridges</i>												
<i>Storm water</i>												
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-	-	-
<i>Generation</i>												
<i>Transmission & Reticulation</i>												
<i>Street Lighting</i>												
Infrastructure - Water		-	-	-	-	-	-	-	-	-	-	-
<i>Dams & Reservoirs</i>												
<i>Water purification</i>												
<i>Reticulation</i>												
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-	-	-
<i>Reticulation</i>												
<i>Sewerage purification</i>												
Infrastructure - Other		-	-	-	-	-	-	-	-	-	-	-
<i>Refuse</i>												
<i>Transportation</i>	2											
<i>Gas</i>												
<i>Other</i>	3											
Community		-	-	-	-	-	-	-	-	-	-	-
Parks & gardens												
Sports Fields & stadia												
Swimming pools												
Community halls												
Libraries												
Recreational facilities												

Museums & Art Galleries										-	-		
Cemeteries										-	-		
Social rental housing										-	-		
Other										-	-		
Heritage assets		-	-	-	-	-	-	-	-	-	-	-	-
Buildings										-	-		
Other										-	-		
Investment properties		-	-	-	-	-	-	-	-	-	-	-	-
Housing development										-	-		
Other										-	-		
Other assets		-	-	-	-	-	-	-	-	-	-	-	-
General vehicles										-	-		
Specialised vehicles	18	-	-	-	-	-	-	-	-	-	-	-	-
Plant & equipment										-	-		
Computers - hardware/equipment										-	-		
Furniture and other office equipment										-	-		
Abattoirs										-	-		
Markets										-	-		
Other										-	-		
Agricultural assets		-	-	-	-	-	-	-	-	-	-	-	-
<i>List sub-class</i>										-	-		
Biological assets		-	-	-	-	-	-	-	-	-	-	-	-
<i>List sub-class</i>										-	-		
Intangibles		-	-	-	-	-	-	-	-	-	-	-	-
Computers - software & programming										-	-		
Other (list sub-class)										-	-		
Total Capital Expenditure on renewal of existing assets to be adjusted	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 -

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		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		
R thousands												
Repairs and maintenance expenditure by Asset Class/Sub-class												
-												
Infrastructure		11,201	-	-	-	-	-	1,400	1,400	12,601	11,331	11,444
Infrastructure - Road transport		5,400	-	-	-	-	-	(1,000)	(1,000)	4,400	5,430	5,484
<i>Roads, Pavements & Bridges</i>		5,400						(1,000)	(1,000)	4,400	5,430	5,484
<i>Storm water</i>										-		
Infrastructure - Electricity		4,600	-	-	-	-	-	2,000	2,000	6,600	4,650	4,697
<i>Generation</i>		4,600						2,000	2,000	6,600	4,650	4,697
Infrastructure - Other		1,201	-	-	-	-	-	400	400	1,601	1,251	1,263
<i>Other</i>	3	1,201						400	400	1,601	1,251	1,263
										-		
Community		4,480	-	-	-	-	-	151	151	4,631	4,630	4,676
Parks & gardens		2,600								2,600	2,700	2,727
Museums & Art Galleries										-		
Cemeteries		550								550	580	586
Other		1,330						151	151	1,481	1,350	1,364
										-		
Heritage assets		32	-	-	-	-	-	-	-	32	42	42
Other		32								32	42	42
										-		
Other assets		3,578	-	-	-	-	-	(640)	(640)	2,938	3,820	3,858
Furniture and other office equipment		3,578						(640)	(640)	2,938	3,820	3,858
Abattoirs										-		
										-		
Total Repairs and Maintenance Expenditure to be adjusted	1	19,291	-	-	-	-	-	911	911	20,202	19,823	20,021

LIM334 Ba-Phalaborwa - Supporting Table SB18d Adjustments Budget - depreciation by asset class -

Description	Ref	Budget Year 2014/15									Budget Year +1 2015/16	Budget Year +2 2016/17
		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		
R thousands		A	A1	B	C	D	E	F	G	H		
Depreciation by Asset Class/Sub-class												
-												
Infrastructure		62,909	-	-	-	-	-	-	-	62,909	63,061	63,692
Infrastructure - Road transport		48,409	-	-	-	-	-	-	-	48,409	48,561	49,047
<i>Roads, Pavements & Bridges</i>		48,409								48,409	48,561	49,047
Infrastructure - Electricity		7,000	-	-	-	-	-	-	-	7,000	7,000	7,070
<i>Generation</i>		7,000								7,000	7,000	7,070
Infrastructure - Other		7,500	-	-	-	-	-	-	-	7,500	7,500	7,575
<i>Other</i>	3	7,500								7,500	7,500	7,575
										-		
Other assets		12,000	-	-	-	-	-	-	-	12,000	12,000	12,120
Furniture and other office equipment		12,000								12,000	12,000	12,120
<i>Abattoirs</i>										-		
Total Depreciation to be adjusted	1	74,909	-	-	-	-	-	-	-	74,909	75,061	75,812

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

MIG PROJECTS	FUNDING	ORIGINAL BUDGET	ADJUSTMENT	REVISED BUDGET
BA-P/RWA HIGH MAST & ENERGY STRT LIGHTS	MIG	8,000,000	- 2,500,000	5,500,000
MASHISHIMALE MULTI SPORT COMPLEX	MIG	4,000,000	3,300,000	7,300,000
SELWANE STREET PAVING - PHASE 1	MIG	1,000,000	- 139,000	861,000
HONIEVILLE TO TOPVILLE STREET PAVING	MIG	1,000,000	- 400,000	600,000
PATAMEDI STREET PAVING IN MAKHUSHANE	MIG	1,700,000	- 1,700,000	-
TAMBO STREET PAVING	MIG	5,578,650	439,000	6,017,650
UPGRADING OF INTERNAL STREET AT FOSKOR	MIG	4,000,000	-	4,000,000
UPGRADING OF B1 EXTENSION ROAD	MIG	3,000,000	1,000,000	4,000,000
TOTAL MIG PROJECTS	MIG	28,278,650	-	28,278,650

INEG PROJECTS	FUNDING	ORIGINAL BUDGET	ADJUSTMENT	REVISED BUDGET
ELECTRIFICATION OF TSHUBJE, MALUNGANE AND NYAKELANG VILLAGE	INEG	9,000,000	0	9,000,000
Total	INEG	9,000,000	0	9,000,000

OWN FUNDING PROJECTS	FUNDING	ORIGINAL BUDGET	ADJUSTMENT	REVISED BUDGET
UPGRADING OF ICT INFRASTRUCTURE	INTERNAL	2,000,000	-	2,000,000
FURNITURE AND EQUIPMENT	INTERNAL	1,500,000	- 800,000	700,000
EXTENSION OF MUNICIPAL OFFICES (PLANNING	INTERNAL	500,000	-	500,000
CENTRALISED ARCHIVED LULEKANI	INTERNAL	1,000,000	-	1,000,000
NEW DRIVERS LICENCE TESTS AND EXCHANGE F	INTERNAL	1,000,000	- 1,000,000	-
PROCUREMENT OF ADDITIONAL TWO TRAFIC VEH	INTERNAL	600,000	- 600,000	-
BUILDING OF NEW 33/11 SWITCHES	INTERNAL	8,000,000	-	8,000,000
PURCHASE OF CABLE LOCATER UNIT	INTERNAL	1,000,000	-	1,000,000
UPGRADE OF 11KV MEDIUM VOLT	INTERNAL	1,800,000	- 1,000,000	800,000
CULVERTS TO HUMULANI CEMETERY	INTERNAL	1,500,000	-	1,500,000
REHABILITATION OF STREETS IN PHB	INTERNAL	5,000,000	- 3,500,000	1,500,000
TOTAL	INTERNAL	23,900,000	- 6,900,000	17,000,000

CAPITAL EXPENDITURE BY FUNDING	ORIGINAL BUDGET	ADJUSTMENT	REVISED BUDGET
MIG	28,278,650	-	28,278,650
INEG	9,000,000	-	9,000,000
OWN FUNDING	23,900,000	- 6,900,000	17,000,000
TOTAL CAPITAL EXPENDITURE 2014/15	61,178,650	- 6,900,000	54,278,650

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 2014/15 on all services remains unchanged.

5.1.2 Investments

The municipality has no investment held except the Guaranteed held with ABSA for **R93 223.22**

5.1.3 Government Grant and Subsidies allocation

Description	2011/12	2012/13	2013/14	Current Year 2014/15			Projections		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjustment	Adjusted Budget	Budget Year +1 2015/16	Budget Year +2 2016/17	Budget Year +3 2017/18
Operating Transfers and Grants									
Local Government Equitable Share	53,751	61,461	69,433	83,256	-	83,256	107,603	111,219	117,114
Operating Grant: MIG (5% of MIG for PMU)	-	-	-	1,488	-	1,488	1,566	1,629	1,715
Finance Management	1,250	1,250	1,500	1,600	-	1,600	1,650	1,700	1,790
Municipal Systems Improvement	790	800	890	934	-	934	967	1,018	1,072
Excess Employees Grant	2,687	-	-	-	-	-	-	-	-
EPWP	763	1,000	1,000	1,212	-	1,212	-	-	-
DBSA	730	500	-	-	-	-	-	-	-
Total Operating Transfers and Grants	59,971	65,011	72,823	88,490	-	88,490	111,786	115,566	121,691
Capital Transfers and Grants									
National Government:									
Municipal Infrastructure Grant (MIG)	17,129	20,778	39,432	28,279	-	28,279	29,748	30,954	32,595
Integrated National Electrification Grant	4,000	4,000	-	9,000	-	9,000	6,000	10,000	10,530
Neighbourhood Development Grant	-	9,000	-	-	-	-	3,500	3,780	3,980
DBSA	400	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	21,529	33,778	39,432	37,279	-	37,279	39,248	44,734	47,105
TOTAL RECEIPTS OF TRANSFERS & GRANTS	81,500	98,789	112,255	125,769	-	125,769	151,034	160,300	168,796

As per DORA allocations, transfers and grants remains the unchanged

- The total operating grants remains at R88,490 million
- And the total capital grants remains at R37, 279 million

The total transfers and grants remains at R125, 769 million

6 COUNCILLORS AND SECTION 57 MANAGERS REMUNERATIONS AND ALLOWANCES

6.1. Disclosure on Councillors remunerations and allowances

Position	2014/15	Projected	Projected
		2015/16	2016/17
	R	R	R
Mayor (Full -time)	710,431	751,636	792,976
Speaker (Full- time)	575,867	609,267	642,776
Chief Whip (Full - time)	559,614	592,071	624,635
Executive Committee Members	295,114	312,230	329,403
Other Councilors (Part - time)	9,944,414	10,521,190	11,099,855
TOTAL	12,085,439	12,786,394	13,489,646

- 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	2014/15	Projected 2015/16	Projected 2016/17
Municipal Manager	1,375,959	1,455,765	1,535,832
Chief Financial Officer	1,055,364	1,116,575	1,177,987
Director Technical Services	1,070,000	1,132,060	1,194,323
Director Corporate Services	1,039,737	1,100,042	1,160,545
Director Planning and Development	834,986	883,415	932,003
Director Community Services	1,032,138	1,092,003	1,152,063
TOTAL	6,408,185	6,779,860	7,152,752

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
