

BLOUBERG LOCAL MUNICIPALITY



Final Adjustment Budget 2017/18-2019/20 Medium Term Review

BLOUBERG LOCAL MUNICIPALITY

Adjustment Budget 2017/18 – 2019/20

Adjusted Medium Term Revenue and Expenditure Framework

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Glossary

Adjustments Budget – Prescribed in section 28 of the MFMA. The formal means by which municipality may revise its annual budget during the year.

Allocations – Money received from Provincial or National Government or for the municipalities.

Budget – The financial plan of the Municipality.

Budget Related Policy – Policy of a municipality affecting or affected by the budget, examples include tariff policy, rates policy and credit control and debt collection policy.

Capital Expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.

Cash flow statement – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.

DORA – Division of Revenue Act. Annual legislation shows the total allocations made by national to provincial and local government.

Equitable Share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.

Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

MFMA – The Municipal Finance Management Act – No. 53 of 2003. The principle piece of legislation relating to municipal financial management.

MTREF – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.

Operating Expenditure – Spending on the day to day expenses of the Municipality such as salaries and wages.

Rates – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed ratable value is multiplied by the retain the rand.

SDBIP – Service Delivery and Budget Implementation Plan . A detailed plan comprising quarterly performance targets and monthly budget estimates.

Strategic Objectives – The main priorities of the Municipality as set out in the IDP.

Budgeted spending must contribute towards the achievement of the strategic objectives.

Unauthorized expenditure – Generally, spends without, or in excess of, an approved budget.

Virement – A transfer of budget within votes.

Vote – One of the main segments of a budget. In Blouberg Local Municipality this mean sat function level.

PART 1 – ANNUAL BUDGET

Section 1 – Mayor’s Report

Section 2 - Budget Related Resolutions

MTREF 2017/2018

These are the resolutions that must be approved by Council with the final adoption of the adjustments budget:

RESOLVED:

That the adjustments budget, inclusive of changes in terms of section 28(2) of the MFMA, of Blouberg Local Municipality for the financial year 2017/2018; and indicative for the two projected years 2018/19 and 2019/12, as set-out in the schedules contained in Section 4, be approved:

1.1 Table B1 Adjustment Budget Summary

1.2 Table B2: Budgeted Financial Performance (expenditure by standard classification)

1.3 Table B3: Budgeted Financial Performance (expenditure by municipal vote)

1.4 Table B4: Budgeted Financial Performance (revenue by source)

1.5 Table B5: Budgeted Capital Expenditure for both multi-year and single year by vote, standard classification and funding.

1.6 Table B6 Adjustment Budget Financial Position

1.7 Table B7 Adjustment cash flows

1.8 Table B8 Cash backed reserved/accumulated surplus reconciliation

1.9 Table bB9 Assets Management

1.10 Table B10 Basic service delivery measurement

1.11 That the amended performance objectives is contained in the SDBIP be approved

1.12 Approval of revisions to the monthly and quarterly service delivery target

1.12 That it be noted that there are no changes to any budget related policies

Section 3 – Executive Summary

Introduction

In accordance with the outcomes of the Mid-Year Budget and Performance Assessment conducted and reported in compliance with the provision of Section 72 of the Municipal Finance Management Act, Act 56 of 2003, read in conjunction with section 28(2), the Accounting Officer has proposed a revision of the annual budget, through an adjustments budget.

The Adjustments Budget comprises revisions to the approved Operating and Capital Budgets, which is a requirement of the Constitution and the Municipal Finance Management Act (MFMA). The capital budget generally contain new or replacement assets such as roads, vehicles, buildings, etc. The Operating Budget, which is by far the largest component of the Budget, includes the provision of services, such as electricity, water, refuse collection, etc.

The assumptions and principles applied in the development of the adjustments budget are mainly based upon the actual performance of the Budget in relation to planned performance for the period ending December 2017, coupled with material amendments centering around major funding streams unlocked post adoption of the budget for 2017/2018. The IDP's strategic focus areas informed the development of the adjustments budget, in addition to assessing the relative capacity to implement the Budget, taking affordability considerations into account. The aforementioned guidelines were considered appropriate to inform the development of the revised budget.

This Adjustment budget compiled in line with the Municipal Budgeting and Reporting Regulation (MBRR) notice no 31804 of 2009 provides financial for adjustment budget year for 2017/18 to 2019/20 budget year.

The budget is the first adjustments budget of the municipality which is in the formats prescribed in the new Budget Regulations (MBRR).

Effect of the adjustment budget

The preparation of the 2017/2018 adjustment budget were an extremely challenging, with considerable potential impacts on core service delivery cost and revenue components which influenced the outcomes of MTREF , for example the actual collection Own Revenue is not achieved as per six months planned due to non-payment by department(Rural development) and resident .

The 201718 Revenue budget Adjustment which amounts to **R 322,553,012**. This budget Adjustment has increased by **R 3,564,517** from the Original budget of **R 318,988,495**.

The Operating budget adjustment is amounting to **R 300,991,988** and capital budget is amounting to **R 66,101,024**. This budget Adjustment has increased by **R 3,538,307** from the Original budget of **R 294,319,995** on operational budget and **R 69,568,500** on capital budget.

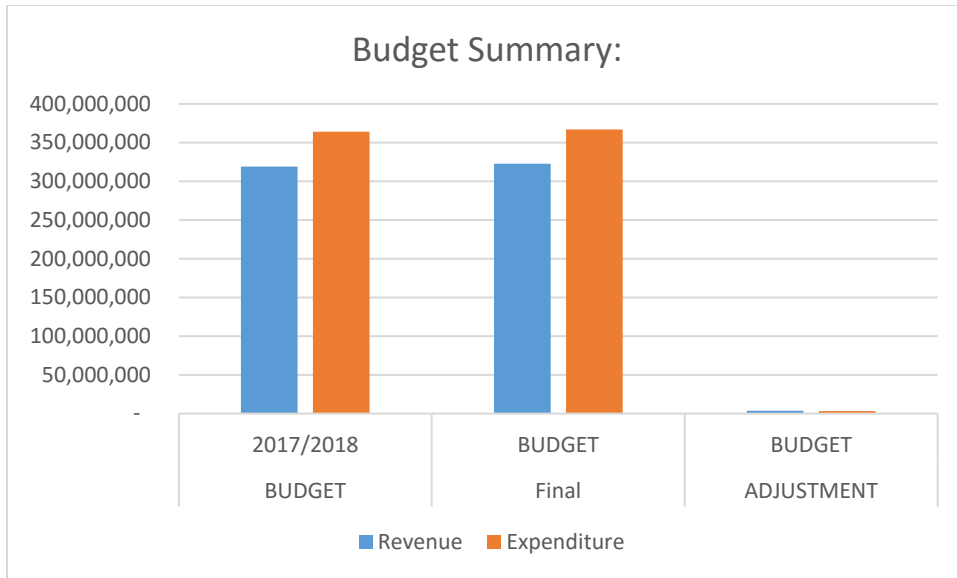
The main cause for increases on adjustment revenue budget it comes from roll over projects and provision for fines that need to be budgeted for to comply with the South Africa Accounting standards. From own revenue generated sources the municipality performance was not bad we adjust own revenue negatively on refuse removal

The main cause for increases on adjustment expenditure budget it comes from roll over projects and cell phone allowances for councilors as per the 2017/18 Gazette on upper limits of councilors and the waiver of salaries of senior managers.

The adjustment capital budget shows decrease from original budget as a result of the negative adjustments on purchase of land at Alldays ward and Pink-Sebotse bridge ward .

Table - :

DESCRIPTION	BUDGET	Final	ADJUSTMENT
	2017/2018	BUDGET	BUDGET
Revenue			
Grant Revenue	244,988,343	246,452,860	1,464,517
Own Revenue	74,000,152	76,100,152	2,100,000
Total	318,988,495	322,553,012	3,564,517
Expenditure			
Operating Budget	294,319,995	300,911,988	6,625,993
Capital Budget	69,568,500	66,041,024	-3,527,476
Total	363,888,495	366,953,012	3,098,517
Surplus/Deficit	-44,900,000	-44,400,000	466,000



The adjustment on the provision of basic services and adjustment on SDBIP.

There is no effect on the provision of basic services as municipality follows the adopted 2017/18 IDP by council.

The municipality as well as ESKOM provides free basic electricity of 50 KWA to its indigent residents per month. Such indigents are captured in the municipal indigent register which is updated from time to time. Field cashiers have been appointed in all the 22 wards to register and update the indigent register as well as a register of all municipal customers.

Section 4. The Adjustment Budget tables are as follows:

Table B1 – Adjustments Budget Summary

LIM351 Blouberg - Table B1 Adjustments Budget Summary - 2018/01/31

Description	Budget Year 2017/18									Budget Year	Budget Year
	Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
	Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	A	1	2	3	4	5	6	7	8		
	A	A1	B	C	D	E	F	G	H		
Financial Performance											
Property rates	24,463	-	-	-	-	-	-	-	24,463	25,931	27,486
Service charges	27,800	-	-	-	-	-	(1,000)	(1,000)	26,800	29,536	31,043
Investment revenue	1,500	-	-	-	-	-	100	100	1,600	1,272	1,348
Transfers recognised - operational	195,153	-	-	-	-	-	-	-	195,153	171,943	175,602
Other own revenue	20,237	-	-	-	-	-	3,000	3,000	23,237	11,223	13,020
Total Revenue (excluding capital transfers and contributions)	269,153	-	-	-	-	-	2,100	2,100	271,253	239,905	248,500
Employee costs	101,539	-	-	-	-	-	1,331	1,331	102,870	108,693	116,440
Remuneration of councillors	17,584	-	-	-	-	-	1,429	1,429	19,013	17,195	18,383
Depreciation & asset impairment	38,000	-	-	-	-	-	315	315	38,315	42,000	45,000
Finance charges	-	-	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	31,329	-	-	-	-	-	640	640	31,969	32,604	33,716
Transfers and grants	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	106,068	-	-	-	-	-	2,717	2,717	108,785	77,986	84,409
Total Expenditure	294,520	-	-	-	-	-	6,432	6,432	300,952	278,478	297,947
Surplus/(Deficit)	(25,367)	-	-	-	-	-	(4,332)	(4,332)	(29,699)	(38,573)	(49,447)
Transfers recognised - capital	49,836	-	-	-	-	-	1,465	1,465	51,300	52,196	54,688
Contributions recognised - capital & contributed a	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	24,468	-	-	-	-	-	(2,867)	(2,867)	21,601	13,624	5,241
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	24,468	-	-	-	-	-	(2,867)	(2,867)	21,601	13,624	5,241
Capital expenditure & funds sources											
Capital expenditure	69,569	-	-	-	-	-	(3,527)	(3,527)	66,041	62,291	61,780
Transfers recognised - capital	49,836	-	-	-	-	-	1,469	1,469	51,305	52,196	54,688
Public contributions & donations	-	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	19,733	-	-	-	-	-	(4,996)	(4,996)	14,736	10,094	7,091
Total sources of capital funds	69,569	-	-	-	-	-	(3,527)	(3,527)	66,041	62,291	61,780
Financial position											
Total current assets	64,523	-	-	-	-	-	109,048	109,048	173,571	58,948	58,289
Total non current assets	948,686	-	-	-	-	-	308	308	948,993	1,009,052	1,070,831
Total current liabilities	4,288	-	-	-	-	-	33,008	33,008	37,296	3,955	4,132
Total non current liabilities	3,231	-	-	-	-	-	9,137	9,137	12,368	2,370	2,037
Community wealth/Equity	1,005,690	-	-	-	-	-	67,210	67,210	1,072,900	1,061,675	1,122,951
Cash flows											
Net cash from (used) operating	67,545	-	-	-	-	-	(10,093)	(10,093)	57,451	65,451	68,531
Net cash from (used) investing	(69,569)	-	-	-	-	-	3,527	3,527	(66,041)	(62,291)	(61,780)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	43,079	-	-	-	-	-	34,780	34,780	77,859	46,240	52,991
Cash backing/surplus reconciliation											
Cash and investments available	46,482	-	-	-	-	-	41,346	41,346	87,828	47,289	55,050
Application of cash and investments	8,654	-	-	-	-	-	15,790	15,790	24,444	7,664	17,245
Balance - surplus (shortfall)	37,829	-	-	-	-	-	25,555	25,555	63,384	39,625	37,805
Asset Management											
Asset register summary (WDV)	945,282	-	-	-	-	-	-	-	945,282	990,098	1,067,752
Depreciation & asset impairment	38,000	-	-	-	-	-	315	315	38,315	38,752	41,898
Renewal of Existing Assets	2,100	-	-	-	-	-	(260)	(260)	1,840	2,226	2,360
Repairs and Maintenance	5,571	-	-	-	-	-	-	-	5,571	5,300	4,774
Free services											
Cost of Free Basic Services provided	500	-	-	-	-	-	-	-	500	529	560
Revenue cost of free services provided	15,000	-	-	-	-	-	-	-	15,000	-	-
Households below minimum service level											
Water:	-	-	-	-	-	-	-	-	-	-	-
Sanitation/sew erage:	-	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-	-
Refuse:	36	-	-	-	-	-	-	-	36	36	36

B Table B2 Adjustment Budget Financial Performance

LIM351 Blouberg - Table B2 Adjustments Budget Financial Performance (functional classification) - 2018/01/31

Standard Description	Ref	Budget Year 2017/18									Budget Year	Budget Year	
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted	
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget	
R thousands	1, 4	A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H			
Revenue - Functional													
<i>Governance and administration</i>		223,588	-	-	-	-	-	405	405	223,993	200,532	207,266	
Executive and council		20,098	-	-	-	-	-	-	-	20,098	-	-	
Finance and administration		203,489	-	-	-	-	-	405	405	203,894	200,532	207,266	
Internal audit		-	-	-	-	-	-	-	-	-	-	-	
<i>Community and public safety</i>		10,531	-	-	-	-	-	2,600	2,600	13,131	4,684	4,972	
Community and social services		6,112	-	-	-	-	-	-	-	6,112	-	-	
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	
Public safety		4,419	-	-	-	-	-	2,600	2,600	7,019	4,684	4,972	
Housing		-	-	-	-	-	-	-	-	-	-	-	
Health		-	-	-	-	-	-	-	-	-	-	-	
<i>Economic and environmental services</i>		49,770	-	-	-	-	-	1,565	1,565	51,335	50,024	52,841	
Planning and development		4,680	-	-	-	-	-	100	100	4,780	2,449	2,643	
Road transport		45,090	-	-	-	-	-	1,465	1,465	46,555	47,575	50,198	
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	
<i>Trading services</i>		35,100	-	-	-	-	-	(1,005)	(1,005)	34,095	36,861	38,109	
Energy sources		33,220	-	-	-	-	-	-	-	33,220	34,800	35,914	
Water management		-	-	-	-	-	-	-	-	-	-	-	
Waste water management		-	-	-	-	-	-	-	-	-	-	-	
Waste management		1,880	-	-	-	-	-	(1,005)	(1,005)	875	2,061	2,195	
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	
Total Revenue - Functional	2	318,988	-	-	-	-	-	3,565	3,565	322,553	292,101	303,188	
Expenditure - Functional													
<i>Governance and administration</i>		198,277	-	-	-	-	-	7,014	7,014	205,292	184,076	196,862	
Executive and council		74,141	-	-	-	-	-	646	646	74,787	55,083	58,545	
Finance and administration		124,136	-	-	-	-	-	6,368	6,368	130,505	128,993	138,317	
Internal audit		-	-	-	-	-	-	-	-	-	-	-	
<i>Community and public safety</i>		34,186	-	-	-	-	-	(1,044)	(1,044)	33,142	30,173	31,959	
Community and social services		20,047	-	-	-	-	-	(359)	(359)	19,688	15,847	16,613	
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	
Public safety		14,139	-	-	-	-	-	(685)	(685)	13,454	14,326	15,345	
Housing		-	-	-	-	-	-	-	-	-	-	-	
Health		-	-	-	-	-	-	-	-	-	-	-	
<i>Economic and environmental services</i>		21,117	-	-	-	-	-	30	30	21,147	22,852	25,522	
Planning and development		11,967	-	-	-	-	-	(1,110)	(1,110)	10,857	13,278	15,383	
Road transport		9,150	-	-	-	-	-	1,140	1,140	10,290	9,574	10,138	
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	
<i>Trading services</i>		40,940	-	-	-	-	-	392	392	41,332	41,377	43,605	
Energy sources		39,890	-	-	-	-	-	410	410	40,300	40,274	42,447	
Water management		-	-	-	-	-	-	-	-	-	-	-	
Waste water management		-	-	-	-	-	-	-	-	-	-	-	
Waste management		1,050	-	-	-	-	-	(18)	(18)	1,032	1,103	1,158	
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	
Total Expenditure - Functional	3	294,520	-	-	-	-	-	6,392	6,392	300,912	278,478	297,947	
Surplus/ (Deficit) for the year		24,469	-	-	-	-	-	(2,827)	(2,827)	21,641	13,624	5,241	

C Table B3 Adjustment Budget Financial performance (Revenue and expenditure by municipal vote)

LIM351 Blouberg - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 2018/01/31

Vote Description <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2017/18									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	A	A1	B	C	D	E	F	G	H			
Revenue by Vote	1											
Vote 1 - Executive and council		20,098	-	-	-	-	-	-	20,098	-	-	-
Vote 2 - Finance and Administration		203,489	-	-	-	-	-	405	203,894	200,532	207,266	
Vote 3 - Community services		6,112	-	-	-	-	-	-	6,112	-	-	
Vote 4 - Public and Safety		4,419	-	-	-	-	-	2,600	7,019	4,684	4,972	
Vote 5 - Waste management		1,880	-	-	-	-	-	(1,005)	875	2,061	2,195	
Vote 6 - Technical administration and Trading services		33,220	-	-	-	-	-	-	33,220	34,800	35,914	
Vote 7 - Roads and Transport		45,090	-	-	-	-	-	1,465	46,555	47,575	50,198	
Vote 8 - Planning and development		4,680	-	-	-	-	-	100	4,780	2,449	2,643	
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	
Total Revenue by Vote	2	318,988	-	-	-	-	-	3,565	3,565	322,553	292,101	303,188
Expenditure by Vote	1											
Vote 1 - Executive and council		74,141	-	-	-	-	-	646	74,787	55,083	58,545	
Vote 2 - Finance and Administration		124,136	-	-	-	-	-	6,368	130,505	128,993	138,317	
Vote 3 - Community services		20,047	-	-	-	-	-	(359)	19,688	15,847	16,613	
Vote 4 - Public and Safety		14,139	-	-	-	-	-	(685)	13,454	14,326	15,345	
Vote 5 - Waste management		1,050	-	-	-	-	-	(18)	1,032	1,103	1,158	
Vote 6 - Technical administration and Trading services		39,890	-	-	-	-	-	410	40,300	40,274	42,447	
Vote 7 - Roads and Transport		9,150	-	-	-	-	-	1,140	10,290	9,574	10,138	
Vote 8 - Planning and development		11,967	-	-	-	-	-	(1,110)	10,857	13,278	15,383	
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	
Total Expenditure by Vote	2	294,520	-	-	-	-	-	6,392	300,912	278,478	297,947	
Surplus/ (Deficit) for the year	2	24,469	-	-	-	-	-	(2,827)	21,641	13,624	5,241	

The main cause for increases on adjustment revenue budget it comes from roll over projects and provision for fines that need to be budgeted for to comply with the South Africa Accounting standards. From own revenue generated sources the municipality performance was not bad we adjust own revenue negatively on refuse removal

The above table shows an increases on adjustment expenditure budget it comes from roll over projects and cell phone allowances for councilors as per the 2017/18 Gazette on upper limits of councilors and the waiver of salaries of senior managers.

D Table B4 Adjustment Budget financial performance (revenue and expenditure)

LIM351 Blouberg - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 2018/01/31

Description	Ref	Budget Year 2017/18									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	1	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H	+1 2018/19	+2 2019/20
Revenue By Source												
Property rates	2	24,463	-	-	-	-	-	-	-	24,463	25,931	27,486
Service charges - electricity revenue	2	26,000	-	-	-	-	-	-	-	26,000	27,560	28,938
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	1,800	-	-	-	-	-	(1,000)	(1,000)	800	1,976	2,105
Service charges - other										-	-	-
Rental of facilities and equipment		300								300	318	337
Interest earned - external investments		1,500						100	100	1,600	1,272	1,348
Interest earned - outstanding debtors		595								595	631	669
Dividends received		-								-	-	-
Fines, penalties and forfeits		780						2,600	2,600	3,380	845	900
Licences and permits		3,669								3,669	3,889	4,122
Agency services		1,091								1,091	1,145	1,202
Transfers and subsidies		195,153								195,153	171,943	175,602
Other revenue	2	13,803	-	-	-	-	-	400	400	14,203	4,395	5,790
Gains on disposal of PPE		-								-	-	-
Total Revenue (excluding capital transfers and contributions)		269,153	-	-	-	-	-	2,100	2,100	271,253	239,905	248,500
Expenditure By Type												
Employee related costs		101,539	-	-	-	-	-	1,331	1,331	102,870	108,693	116,440
Remuneration of councillors		17,584						1,429	1,429	19,013	17,195	18,383
Debt impairment		8,074								8,074	8,478	8,902
Depreciation & asset impairment		38,000	-	-	-	-	-	315	315	38,315	42,000	45,000
Finance charges		-								-	-	-
Bulk purchases		25,758	-	-	-	-	-			25,758	27,303	28,942
Other materials		5,571						640	640	6,211	5,300	4,774
Contracted services		12,000	-	-	-	-	-	(500)	(500)	11,500	12,720	13,483
Transfers and subsidies										-	-	-
Other expenditure		85,994	-	-	-	-	-	3,217	3,217	89,211	56,788	62,024
Loss on disposal of PPE										-	-	-
Total Expenditure		294,520	-	-	-	-	-	6,432	6,432	300,952	278,478	297,947
Surplus/(Deficit)		(25,367)	-	-	-	-	-	(4,332)	(4,332)	(29,699)	(38,573)	(49,447)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		49,836						1,465	1,465	51,300	52,196	54,688
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Transfers and subsidies - capital (in-kind - all)										-	-	-
Surplus/(Deficit) before taxation		24,468	-	-	-	-	-	(2,867)	(2,867)	21,601	13,624	5,241
Taxation										-	-	-
Surplus/(Deficit) after taxation		24,468	-	-	-	-	-	(2,867)	(2,867)	21,601	13,624	5,241
Attributable to minorities										-	-	-
Surplus/(Deficit) attributable to municipality		24,468	-	-	-	-	-	(2,867)	(2,867)	21,601	13,624	5,241
Share of surplus/ (deficit) of associate										-	-	-
Surplus/ (Deficit) for the year		24,468	-	-	-	-	-	(2,867)	(2,867)	21,601	13,624	5,241

The table above can explain the movement as follows:

Employee Costs

The adjustments budget provision of R 10 2,8million and there is a reduction of R3.6 million when compared to the original budget of R 101,5 due to the increase on the cell phone allowances for councilors as per the 2017/18 Gazette on upper limits of councilors and the waiver of salaries of senior managers.

Depreciation and Asset Impairment

The 2017/2018 budget provided for R 38, 0 Million and adjusted by R 38, 3 towards the depreciation costs of the organization, this is in relation to the depreciation for previous year.

Other Expenditure

The 2017/2018 original budget the council has provided an amount of R 85,994 million to cover other related expenditure, on the adjustments budget this amount has increased to R 89,221 million due to roll over operational projects to support the IDP's KPA's.

E Table B5 Adjustment Capital Expenditure Budget by vote and funding

The following table shows the variance between original budget and Adjustment Budget due to additional fund from MIG, which is roll over for 201516 financial year

Capital Expenditure - Functional												
Governance and administration		6,800	-	-	-	-	-	(100)	(100)	6,700	6,500	3,000
Executive and council		300								300	-	-
Finance and administration		6,500						(100)	(100)	6,400	6,500	3,000
Internal audit		-								-	-	-
Community and public safety		20,500	-	-	-	-	-	1,864	1,864	22,364	19,000	26,188
Community and social services		12,500						800	800	13,300	10,500	14,500
Sport and recreation		8,000						1,064	1,064	9,064	8,500	11,688
Public safety												
Housing												
Health												
Economic and environmental services		32,436	-	-	-	-	-	(6,700)	(6,700)	25,736	24,392	17,798
Planning and development		4,000						(4,000)	(4,000)	-	-	-
Road transport		28,436						(2,700)	(2,700)	25,736	24,392	17,798
Environmental protection												
Trading services		9,833	-	-	-	-	-	1,409	1,409	11,242	12,398	14,794
Energy sources		9,233						1,409	1,409	10,642	8,398	8,694
Water management		-								-	-	-
Waste water management		-								-	-	-
Waste management		600						-	-	600	4,000	6,100
Other												
Total Capital Expenditure - Functional	3	69,569	-	-	-	-	-	(3,527)	(3,527)	66,041	62,291	61,780
Funded by:												
National Government		49,836						1,469	1,469	51,305	52,196	54,688
Provincial Government		-								-	-	-
District Municipality		-								-	-	-
Other transfers and grants		-								-	-	-
Transfers recognised - capital	4	49,836	-	-	-	-	-	1,469	1,469	51,305	52,196	54,688
Public contributions & donations		-								-	-	-
Borrowing		-								-	-	-
Internally generated funds		19,733						(4,996)	(4,996)	14,736	10,094	7,091
Total Capital Funding		69,569	-	-	-	-	-	(3,527)	(3,527)	66,041	62,291	61,780

F Table B6 Adjustments Budget Financial Position

LIM351 Blouberg - Table B6 Adjustments Budget Financial Position - 2018/01/31

Description	Ref	Budget Year 2017/18									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H	+1 2018/19	+2 2019/20	
ASSETS												
Current assets												
Cash		33,079					43,346	43,346	76,425	29,210	33,971	
Call investment deposits	1	10,000	-	-	-	-	-	-	10,000	15,000	18,000	
Consumer debtors	1	(493)	-	-	-	-	8,258	8,258	7,765	(8,516)	(16,936)	
Other debtors		4,426					11,865	11,865	16,291	4,692	4,692	
Current portion of long-term receivables		15,893					45,318	45,318	61,211	16,847	16,847	
Inventory		1,618					2,261	2,261	3,879	1,715	1,715	
Total current assets		64,523	-	-	-	-	111,048	111,048	175,571	58,948	58,289	
Non current assets												
Long-term receivables								-	-			
Investments		3,403						-	3,403	3,079	3,079	
Investment property							205	205	205			
Investment in Associate								-	-			
Property, plant and equipment	1	945,282	-	-	-	-	-	-	945,282	1,005,973	1,067,752	
Agricultural								-	-			
Biological								-	-			
Intangible								-	-			
Other non-current assets							103	103	103			
Total non current assets		948,686	-	-	-	-	308	308	948,993	1,009,052	1,070,831	
TOTAL ASSETS		1,013,209	-	-	-	-	111,355	111,355	1,124,564	1,068,000	1,129,120	
LIABILITIES												
Current liabilities												
Bank overdraft		-					-	-	-	-	-	
Borrowing		-	-	-	-	-	-	-	-	-	-	
Consumer deposits								-	-			
Trade and other payables		4,288	-	-	-	-	33,008	33,008	37,296	3,955	4,132	
Provisions								-	-			
Total current liabilities		4,288	-	-	-	-	33,008	33,008	37,296	3,955	4,132	
Non current liabilities												
Borrowing	1	-	-	-	-	-	-	-	-	-	-	
Provisions	1	3,231	-	-	-	-	9,137	9,137	12,368	2,370	2,037	
Total non current liabilities		3,231	-	-	-	-	9,137	9,137	12,368	2,370	2,037	
TOTAL LIABILITIES		7,519	-	-	-	-	42,145	42,145	49,664	6,325	6,169	
NET ASSETS	2	1,005,690	-	-	-	-	69,210	69,210	1,074,900	1,061,675	1,122,951	
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		1,005,690	-	-	-	-	69,210	69,210	1,074,900	1,061,675	1,122,951	
Reserves		-	-	-	-	-	-	-	-	-	-	
Minorities' interests		-	-	-	-	-	-	-	-	-	-	
TOTAL COMMUNITY WEALTH/EQUITY		1,005,690	-	-	-	-	69,210	69,210	1,074,900	1,061,675	1,122,951	

G .Table B7 Adjustments Budget Cash Flows

LIM351 Blouberg - Table B7 Adjustments Budget Cash Flows - 2018/01/31

Description	Ref	Budget Year 2017/18								Budget Year	Budget Year	
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	
R thousands												
		A	A1	B	C	D	E	F	G	H		
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates		23,020						-	-	23,020	24,401	25,865
Service charges		26,800						-	-	26,800	28,536	29,973
Other revenue		12,227						1,700	1,700	13,927	11,549	12,406
Government - operating	1	195,153						-	-	195,153	171,943	175,602
Government - capital	1	49,836						1,465	1,465	51,300	52,196	54,688
Interest		1,500						100	100	1,600	1,590	1,685
Dividends									-	-		
Payments												
Suppliers and employees		(240,991)						(13,358)	(13,358)	(254,349)	(224,764)	(231,689)
Finance charges									-	-		
Transfers and Grants	1								-	-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		67,545	-	-	-	-	-	(10,093)	(10,093)	57,451	65,451	68,531
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE									-	-		
Decrease (increase) in non-current debtors									-	-		
Decrease (increase) other non-current receivables									-	-		
Decrease (increase) in non-current investments									-	-		
Payments												
Capital assets		(69,569)						3,527	3,527	(66,041)	(62,291)	(61,780)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(69,569)	-	-	-	-	-	3,527	3,527	(66,041)	(62,291)	(61,780)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans									-	-		
Borrowing long term/refinancing									-	-		
Increase (decrease) in consumer deposits									-	-		
Payments												
Repayment of borrowing									-	-		
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		(2,024)	-	-	-	-	-	(6,566)	(6,566)	(8,590)	3,161	6,751
Cash/cash equivalents at the year begin:	2	45,103						41,346	41,346	86,448	43,079	46,240
Cash/cash equivalents at the year end:	2	43,079						34,780	34,780	77,859	46,240	52,991

H. Table B8 Adjustment Budget cash backed

LIM351 Blouberg - Table B8 Cash backed reserves/accumulated surplus reconciliation - 2018/01/31

Description	Ref	Budget Year 2017/18									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
		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	43,079	-	-	-	-	-	34,780	34,780	77,859	46,240	52,991
Other current investments > 90 days		-	-	-	-	-	-	8,566	8,566	8,566	(2,029)	(1,020)
Non current assets - Investments	1	3,403	-	-	-	-	-	-	-	3,403	3,079	3,079
Cash and investments available:		46,482	-	-	-	-	-	43,346	43,346	89,828	47,289	55,050
Applications of cash and investments												
Unspent conditional transfers		1,500	-	-	-	-	-	31,369	31,369	32,869	1,000	1,000
Unspent borrowing		-	-	-	-	-	-	-	-	-	3,258	4,250
Statutory requirements		2,052	-	-	-	-	-	-	-	2,052	(9,352)	(9,468)
Other working capital requirements	2	(579)	-	-	-	-	-	(15,579)	(15,579)	(16,158)	6,653	14,811
Other provisions		5,680	-	-	-	-	-	-	-	5,680	6,105	6,652
Long term investments committed		-	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments		-	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		8,654	-	-	-	-	-	15,790	15,790	24,444	7,664	17,245
Surplus(shortfall)		37,829	-	-	-	-	-	27,555	27,555	65,384	39,625	37,805

Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		300	-	-	-	-	-	-	-	300	-	-
Intangible Assets		300	-	-	-	-	-	-	-	300	-	-
Computer Equipment		300	-	-	-	-	-	-	-	300	400	500
Furniture and Office Equipment		1,400	-	-	-	-	-	200	200	1,600	2,000	500
Machinery and Equipment		1,400	-	-	-	-	-	(200)	(200)	1,200	4,500	6,600
Transport Assets		4,000	-	-	-	-	-	(300)	(300)	3,700	2,000	1,500
Libraries		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE to be adjusted	4	71,669	-	-	-	-	-	(3,787)	(3,787)	67,881	52,191	50,091
ASSET REGISTER SUMMARY - PPE (WDV)	5											
<i>Roads Infrastructure</i>		225,692							-	225,692	227,332	259,221
<i>Storm water Infrastructure</i>		-							-	-	-	-
<i>Electrical Infrastructure</i>		524,144							-	524,144	555,592	588,928
<i>Water Supply Infrastructure</i>									-	-		
Infrastructure		749,836	-	-	-	-	-	-	-	749,836	782,925	848,149
Community Facilities		186,627							-	186,627	197,824	209,694
Sport and Recreation Facilities									-	-		
Community Assets		186,627	-	-	-	-	-	-	-	186,627	197,824	209,694
Heritage Assets									-	-		
Revenue Generating									-	-		
Investment properties									-	-		
Operational Buildings									-	-		
Housing									-	-		
Other Assets									-	-		
Biological or Cultivated Assets									-	-		
Servitudes									-	-		

Revenue Generating	-	-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-	-	-	-
Operational Buildings	795	-	-	-	-	-	-	-	795	843	893	
Housing	-	-	-	-	-	-	-	-	-	-	-	
Other Assets	795	-	-	-	-	-	-	-	795	843	893	
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-	-	
Servitudes	-	-	-	-	-	-	-	-	-	-	-	
Licences and Rights	-	-	-	-	-	-	-	-	-	-	-	
Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	
Computer Equipment	117	-	-	-	-	-	-	-	117	124	131	
Furniture and Office Equipment	106	-	-	-	-	-	-	-	106	112	119	
Machinery and Equipment	1,522	-	-	-	-	-	-	-	1,522	854	933	
Transport Assets	212	-	-	-	-	-	-	-	212	225	238	
Libraries	-	-	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals	6	-	-	-	-	-	-	-	-	-	-	
TOTAL EXPENDITURE OTHER ITEMS to be adjusted	43,571	-	-	-	-	-	-	315	315	43,886	44,053	46,671
<i>Renewal and upgrading of Existing Assets as % of total capex</i>	2.9%	0.0%							2.7%	4.3%	4.7%	
<i>Renewal and upgrading of Existing Assets as % of deprecn"</i>	5.5%	0.0%							4.8%	5.7%	5.6%	
<i>R&M as a % of PPE</i>	0.6%	0.0%							0.6%	0.5%	0.4%	
<i>Renewal and upgrading and R&M as a % of PPE</i>	0.8%	0.0%							0.8%	0.8%	0.7%	

J .Table B10 Basic service delivery measurement

LIM351 Blouberg - Table B10 Basic service delivery measurement - 2018/01/31

Description	Ref	Budget Year 2017/18									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or Prov.	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
	A	7	8	9	10	11	12	13	14			
		A1	B	C	D	E	F	G	H			
Household service targets	1											
Water:												
Piped water inside dwelling												
Piped water inside yard (but not in dwelling)												
Using public tap (at least min.service level)	2											
Other water supply (at least min.service level)												
<i>Minimum Service Level and Above sub-total</i>												
Using public tap (< min.service level)	3											
Other water supply (< min.service level)	3,4											
No water supply												
<i>Below Minimum Service Level sub-total</i>												
Total number of households	5											
Sanitation/sewerage:												
Flush toilet (connected to sewerage)												
Flush toilet (with septic tank)												
Chemical toilet												
Pit toilet (ventilated)												
Other toilet provisions (> min.service level)												
<i>Minimum Service Level and Above sub-total</i>												
Bucket toilet												
Other toilet provisions (< min.service level)												
No toilet provisions												
<i>Below Minimum Service Level sub-total</i>												
Total number of households	5											
Energy:												
Electricity (at least min. service level)		60							60	60	60	60
Electricity - prepaid (> min.service level)		13348							13,348	13348	13348	13348
<i>Minimum Service Level and Above sub-total</i>		13,408							13,408	13,408	13,408	13,408
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	13,408							13,408	13,408	13,408	13,408
Refuse:												
Removed at least once a week (min.service)		11549							11,549	11549	11549	11549
<i>Minimum Service Level and Above sub-total</i>		11,549							11,549	11,549	11,549	11,549
Removed less frequently than once a week										0	0	0
Using communal refuse dump										0	0	0
Using own refuse dump										0	0	0
Other rubbish disposal										0	0	0
No rubbish disposal		36011							36,011	36011	36011	36011
<i>Below Minimum Service Level sub-total</i>		36,011							36,011	36,011	36,011	36,011
Total number of households	5	47,560							47,560	47,560	47,560	47,560
Households receiving Free Basic Service	15											
Water (6 kilolitres per household per month)												
Sanitation (free minimum level service)												
Electricity/other energy (50kwh per household per month)		778							778	778	778	778
Refuse (removed at least once a week)		11549							11,549	11549	11549	11549
Cost of Free Basic Services provided (R'000)	16											
Water (6 kilolitres per household per month)												
Sanitation (free sanitation service)												
Electricity/other energy (50kwh per household per month)		492							492	522	553	553
Refuse (removed once a week)		8							8	8	8	8
Total cost of FBS provided (minimum social package)		500							500	529	560	560
Highest level of free service provided												
Property rates (R'000 value threshold)		0										
Water (kilolitres per household per month)		0										
Sanitation (kilolitres per household per month)		0										
Sanitation (Rand per household per month)		0										
Electricity (kw per household per month)		11763							11,763	12469	13217	13217
Refuse (average litres per week)		1170							1,170	1240	1315	1315
Revenue cost of free services provided (R'000)	17											
Property rates (R15 000 threshold rebate)		15,000							15,000	15,000	15,000	15,000
Property rates (other exemptions, reductions and rebates)												
Water												
Sanitation												
Electricity/other energy												
Refuse												
Municipal Housing - rental rebates												
Housing - top structure subsidies												
Other												
Total revenue cost of free services provided (total sales)		15,000							15,000	15,000	15,000	15,000

The municipality does not have any entities.

PART 2 – SUPPORTING DOCUMENTATION

Section 5 – Adjustments to budget assumptions

There are no changes to the budget assumptions proposed in the adjustments budget.

Section 6 – Overview of Adjustment budget funding

Funding the Budget

Section 18(1) of the MFMA states that an annual budget may only be funded from:

Realistically anticipated revenues to be collected;

Cash backed accumulated funds from previous years' surpluses not committed for other purposes; and

Borrowed funds, but only for the capital budget referred to in section

Achievement of this requirement in totality effectively means that a Council has 'balanced' its budget by ensuring that budgeted outflows will be offset by a combination of planned inflows.

A Credible Budget

Amongst other things, a credible budget is a budget that:

Funds only activities consistent with the revised IDP and vice versa ensuring the IDP is realistically achievable given the financial constraints of the municipality;

Is achievable in terms of agreed service delivery and performance targets;

Contains revenue and expenditure projections that are consistent with current and on past performance and supported by document evidence of future assumptions;

Does not jeopardize the financial viability of the municipality (ensures that the financial position is maintained within generally accepted prudential limits and that obligations can be met in the short, medium and long term); and

Provides managers with appropriate levels of delegation sufficient to meet their financial management responsibilities.

A budget sets out certain service delivery levels and associated financial implications. Therefore the community should realistically expect to receive these promised service delivery levels and understand the associated financial implications. Major under spending due to under collection of revenue or poor planning is a clear example of a budget that is not credible and unrealistic.

The municipality plans to exercise strict financial management and ensure a cash flow which meets the requirements of the municipality as anticipated.

Sources of funding

The funding of operating and capital expenditure are funded as follow:

The table shows the operation Expenditure Funding.

The table below shows the Capital Funding

LIM351 Blouberg - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 2018/01/31

Description	Ref	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
Capital Expenditure - Functional												
Governance and administration		6,800	-	-	-	-	-	(100)	(100)	6,700	6,500	3,000
Executive and council		300							-	300	-	-
Finance and administration		6,500						(100)	(100)	6,400	6,500	3,000
Internal audit		-							-	-		
Community and public safety		20,500	-	-	-	-	-	1,864	1,864	22,364	19,000	26,188
Community and social services		12,500						800	800	13,300	10,500	14,500
Sport and recreation		8,000						1,064	1,064	9,064	8,500	11,688
Public safety									-	-		
Housing									-	-		
Health									-	-		
Economic and environmental services		32,436	-	-	-	-	-	(6,700)	(6,700)	25,736	24,392	17,798
Planning and development		4,000						(4,000)	(4,000)	-	-	-
Road transport		28,436						(2,700)	(2,700)	25,736	24,392	17,798
Environmental protection									-	-		
Trading services		9,833	-	-	-	-	-	1,409	1,409	11,242	12,398	14,794
Energy sources		9,233						1,409	1,409	10,642	8,398	8,694
Water management		-							-	-	-	-

Waste water management		-							-	-	-	-
Waste management		600						-	-	600	4,000	6,100
<i>Other</i>									-	-		
Total Capital Expenditure - Functional	3	69,569	-	-	-	-	-	(3,527)	(3,527)	66,041	62,291	61,780
Funded by:												
National Government		49,836						1,469	1,469	51,305	52,196	54,688
Provincial Government		-						-	-	-	-	-
District Municipality		-						-	-	-	-	-
Other transfers and grants		-						-	-	-	-	-
Transfers recognised - capital	4	49,836	-	-	-	-	-	1,469	1,469	51,305	52,196	54,688
Public contributions & donations		-						-	-	-	-	-
Borrowing		-						-	-	-	-	-
Internally generated funds		19,733						(4,996)	(4,996)	14,736	10,094	7,091
Total Capital Funding		69,569	-	-	-	-	-	(3,527)	(3,527)	66,041	62,291	61,780

Section 7 – Expenditure on allocations and grant programmes

Grant allocations

The following table shows the grant allocation from National Treasury and district.

No Adjustment made by National Treasury, the roll over for MIG amounting to R 1,4 million has been approved by National treasury and it shows increase on MIG allocation as indicated on the table below.

LIM351 Blouberg - Supporting Table SB7 Adjustments Budget - transfers and grant receipts - 2018/01/31

Description	Ref	Budget Year 2017/18							Budget Year	Budget Year
		Original	Prior	Multi-year	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	capital	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands		7	8	9	10	11	12			
		A	A1	B	C	D	E	F		
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		170,505	-	-	-	-	-	170,505	171,943	175,602
Local Government Equitable Share		161,111				-	-	161,111	167,031	170,559
Finance Management	3	2,533				-	-	2,533	2,533	2,533
EPWP Incentive		1,562				-	-	1,562	-	-
		-				-	-	-	-	-
		2,255				-	-	2,255	2,379	2,510
		-				-	-	-	-	-
MTDG		3,044				-	-	3,044		
Provincial Government:		-	-	-	-	-	-	-	-	-
	4									
Other transfers and grants [insert description]	5									
District Municipality:		4,550	-	-	-	-	-	4,550	-	-
CDM EPWP		1,550				-	-	1,550		
CDM Grant (Landfile site grant)		3,000				-	-	3,000		
Other grant providers:		20,098	-	-	-	-	-	20,098	-	-
National skills fund-grant		20,098				-	-	20,098		
		-				-	-	-		
Total Operating Transfers and Grants	6	195,153	-	-	-	-	-	195,153	171,943	175,602
Capital Transfers and Grants										
National Government:		49,836	-	-	-	1,469	1,469	51,304	52,196	54,688
Municipal Infrastructure Grant (MIG)		42,836				1,469	1,469	44,304	45,196	47,688
INEP/DME		7,000						7,000	7,000	7,000
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Capital Transfers and Grants	6	49,836	-	-	-	1,469	1,469	51,304	52,196	54,688
TOTAL RECEIPTS OF TRANSFERS & GRANTS		244,988	-	-	-	1,469	1,469	246,457	224,139	230,290

Section 8 – Allocations and grants made by the Municipality Allocations Made by the Municipality

No allocation made by Blouberg Local Municipality in 2017/18 financial year

Section 9 – Councilors Allowances and employee benefits Salaries, Allowances and Benefits

LIM351 Blouberg - Supporting Table SB11 Adjustments Budget - councillor and staff benefits - 2018/01/31

Summary of remuneration	Ref	Budget Year 2017/18									% 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		A	A1	B	C	D	E	F	G	H	
<u>Councillors (Political Office Bearers plus Other)</u>											
Basic Salaries and Wages		8,294						(539)	(539)	7,756	-6.5%
Pension and UIF Contributions		2,322						399	399	2,721	17.2%
Medical Aid Contributions									-	-	
Motor Vehicle Allowance		2,806						849	849	3,654	30.3%
Cellphone Allowance		1,003						20	20	1,023	
Housing Allowances		158							-	158	
Other benefits and allowances								3,600	3,600	3,600	
Sub Total – Councillors		14,584	-			-		4,329	4,329	18,913	29.7%
% increase			(0)							0	
<u>Senior Managers of the Municipality</u>											
Basic Salaries and Wages		4,096						1,050	1,050	5,146	25.6%
Pension and UIF Contributions		723						-	-	723	0.0%
Medical Aid Contributions									-	-	
Overtime									-	-	
Performance Bonus									-	-	
Motor Vehicle Allowance		1,374						-	-	1,374	0.0%
Cellphone Allowance		148						-	-	148	0.0%
Housing Allowances		-						-	-	-	
Other benefits and allowances		3							-	3	
Payments in lieu of leave									-	-	

Long service awards									-	-		
Post-retirement benefit obligations	5								-	-		
Sub Total - Senior Managers of Municipality		6,344	-	-					1,050	1,050	7,394	16.6%
% increase			(0)								0	
<u>Other Municipal Staff</u>												
Basic Salaries and Wages		52,503							-	-	52,503	0.0%
Pension and UIF Contributions		13,110							(600)	(600)	12,510	-4.6%
Medical Aid Contributions		3,662								-	3,662	0.0%
Overtime		759							500	500	1,259	65.9%
Performance Bonus		800							-	-	800	
Motor Vehicle Allowance		12,803							-	-	12,803	0.0%
Cellphone Allowance		1,571							-	-	1,571	0.0%
Housing Allowances		136							100	100	236	
Other benefits and allowances		6,752							2,831	2,831	9,583	
Payments in lieu of leave										-	-	
Long service awards										-	-	
Post-retirement benefit obligations	5									-	-	
Sub Total - Other Municipal Staff		92,095	-	-	-	-	-	-	2,831	2,831	94,926	3.1%
% increase												
Total Parent Municipality		113,023	-	-	-	-	-	-	8,210	8,210	121,233	7.3%
<u>Board Members of Entities</u>												
Basic Salaries and Wages										-	-	
Pension and UIF Contributions										-	-	
Medical Aid Contributions										-	-	
Overtime										-	-	
Performance Bonus										-	-	
Motor Vehicle Allowance										-	-	
Cellphone Allowance										-	-	
Housing Allowances										-	-	
Other benefits and allowances										-	-	
Board Fees										-	-	
Payments in lieu of leave										-	-	
Long service awards										-	-	

TOTAL SALARY, ALLOWANCES & BENEFITS		113,023	-	-	-	-	-	8,210	8,210	121,233	7.3%
% increase											
TOTAL MANAGERS AND STAFF		98,439	-	-	-	-	-	3,881	3,881	102,320	3.9%

Section 10 – Adjustments to the quarterly service delivery and budget implementation plans – internal departments

LIM351 Blouberg - Supporting Table SB15 Adjustments Budget - monthly cash flow - 2018/01/31

Monthly cash flows	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands																
Cash Receipts By Source	1															
Property rates		254	1,432	2,759	206	162	5,184	1,654	2,654	3,654	1,654	2,654	2,195	24,463	24,401	25,865
Service charges - electricity revenue		1,022	1,104	1,947	1,725	1,562	1,666	1,897	1,785	3,036	3,013	3,625	3,618	26,000	27,560	28,938
Service charges - water revenue																
Service charges - sanitation revenue																
Service charges - refuse		16	18	550	43	10	40	13	10	43	15	18	26	800	976	1,035
Service charges - other																
Rental of facilities and equipment		45		43	75			29	22	25	20	20	21	300	212	337
Interest earned - external investments		0		248	273	318	54	276	54	54	54	54	114	1,500	1,272	1,348
Interest earned - outstanding debtors		27		27			10	28	28	28	28	28	392	595	318	337
Dividends received																
Fines, penalties and forfeits		21	28	62	67	64	65	79	99	132	112	100	2,449	3,280	845	900
Licences and permits		211	314	326	207	297	395	303	313	306	326	309	363	3,669	3,889	4,122
Agency services		86	96	726	401	52	395						(666)	1,091	1,145	1,202
Transfer receipts - operational		68,146			1,015		47,504			78,488				195,153	171,943	175,602
Other revenue		687	103	975	127	67	1,075	1,298	1,356	1,469	1,427	1,427	5,357	14,003	5,457	5,844
Cash Receipts by Source		70,516	3,095	7,663	4,139	2,533	55,376	5,352	6,262	87,122	6,690	8,235	13,869	270,853	238,019	245,532
Other Cash Flows by Source																
Transfers receipts - capital		24,369					20,244		1,465	5,223				51,300	52,196	54,688
Contributions & Contributed assets																
Proceeds on disposal of PPE																
Short term loans																
Borrowing long term/refinancing																
Increase (decrease) in consumer deposits																
Decrease (increase) in non-current debtors																
Decrease (increase) other non-current receivables																
Decrease (increase) in non-current investments																
Total Cash Receipts by Source		94,885	3,095	7,663	4,139	2,533	75,620	5,352	7,727	92,345	6,690	8,235	13,869	322,153	290,215	300,220
Cash Payments by Type																
Employee related costs		7,815	7,964	8,220	8,486	8,665	8,021	8,452	8,254	8,456	8,524	8,255	11,767	102,870	108,693	116,440
Remuneration of councillors		1,316	1,403	1,403	1,403	1,403	1,403	1,403	1,403	1,403	1,403	1,403	3,670	19,013	17,195	18,383
Finance charges																
Bulk purchases - Electricity		63	2,819	2,916	1,965	2,482	2,072	2,564	2,524	2,301	2,014	2,017	2,022	25,758	27,303	28,942
Bulk purchases - Water & Sewer																
Other materials		48	332	(10)	35	1,803		1,525	56	563	985	56	819	6,211	5,300	4,774
Contracted services			1,541	683	393	1,725	863	983	983	983	983	983	1,380	11,500	12,720	13,483
Transfers and grants - other municipalities																
Transfers and grants - other																
Other expenditure		1,875	14,982	5,026	10,337	11,192	4,135	9,854	5,875	9,659	6,852	2,536	6,888	89,211	56,788	62,024
Cash Payments by Type		11,116	29,041	18,237	22,620	27,260	16,492	24,781	19,095	23,365	20,761	15,250	26,545	254,563	228,000	244,045
Other Cash Flows/Payments by Type																
Capital assets			3,549	667	1,785	10,960	11,411	6,533	3,543	4,567	9,854	6,255	7,078	66,201	62,291	61,780
Repayment of borrowing																
Other Cash Flows/Payments																
Total Cash Payments by Type		11,116	32,590	18,904	24,404	38,220	27,903	31,314	22,638	27,931	30,615	21,504	33,624	320,764	290,290	305,825
NET INCREASE/(DECREASE) IN CASH HELD		83,768	(29,495)	(11,241)	(20,265)	(35,688)	47,717	(25,962)	(14,911)	64,414	(23,925)	(13,269)	(19,755)	1,389	(75)	(5,605)
Cash/cash equivalents at the month/year beginning:		41,113	124,881	95,386	84,145	63,880	28,193	75,909	49,948	35,037	99,451	75,526	62,257	41,113	42,502	42,427
Cash/cash equivalents at the month/year end:		124,881	95,386	84,145	63,880	28,193	75,909	49,948	35,037	99,451	75,526	62,257	42,502	42,502	42,427	36,822

Section 11 - Capital expenditure details

The adjustment to the capital programmers are reflected in supporting table and constitute an decrease in capital expenditure from R69,5 million to R 66,0 million due to roll over budget and negative adjustment o purchasing of land and Low level of bridge. No adjustments to the outer financial years were necessary at this stage and it is predicted that the goals as per the IDP will be met.

Description	Original Budget	Final Budget
COMPUTER EQUIP - IU C: DISASTER ELE BACK UP	500,000	500,000
COMPUTER EQUIP - IU C: ACQUISITION COMPUTER	300,000	300,000
COMPUTER EQUIP - IU C: ACQUISITION	1,000,000	1,000,000
COMMUNITY ASSETS - IU C: ACQUISITION TRANSPORT ASSETS	4,000,000	3,700,000
COMMUNITY ASSETS - IU C: ACQUISITION FURN &EQUP	700,000	900,000
OTHER ASSETS - IU C: ACQUISITION SYSTEM	300,000	300,000
OTHER ASSETS - IU C: ACQUISITION INDUSTRIAL BIN	600,000	600,000
COMMUNITY ASSETS - IU C: ACQUISITION	4,000,000	-
		-
SUB-TOTAL CAPITAL ACQUISTIONS	11,400,000	7,300,000
		-
EL IU C - LV NETWORKS:ACQUISITION TRANSFORMER	750,000	750,000
EL IU C - LV NETWORKS:ACQUISITION ADDNEY	35,000	35,000
EL IU C - LV NETWORKS:ACQUISITION MILTONDUFF,HLAKO	175,000	175,000
EL IU C - LV NETWORKS:ACQUISITION MOKHURUMELA,GENOA	175,000	175,000
EL IU C - LV NETWORKS:ACQUISITION EUSSORINGA	210,000	210,000

EL IU C - LV NETWORKS:ACQUISITION MAKGARI	387,500	387,500
EL IU C - LV NETWORKS:ACQUISITION MOSEHLENG	100,000	180,000
EL IU C - LV NETWORKS:ACQUISITION DIEPSLOOT	100,000	30,000
EL IU C - LV NETWORKS:ACQUISITION NORMANDY	100,000	30,000
EL IU C - LV NETWORKS:ACQUISITION AURORA	100,000	100,000
EL IU C - LV NETWORKS:ACQUISITION ALLDAY	100,000	100,000
EL IU C - LV NETWORKS:ACQUISITION MAKGARI	1,162,500	1,162,500
EL IU C - LV NETWORKS:ACQUISITION MOKHURUMELA,GENOA	245,000	245,000
EL IU C - LV NETWORKS:ACQUISITIONMILTONDUFF,HLAKO	700,000	700,000
EL IU C - LV NETWORKS:ACQUISITION ADDNEY,MOCHEMI	245,000	245,000
EL IU C - LV NETWORKS:ACQUISITION GRANCHE	175,000	175,000
EL IU C - LV NETWORKS:ACQUISITION EUSSORINGA	350,000	350,000
EL IU C - LV NETWORKS:ACQUISITION KGATLA	310,000	310,000
EL IU C - LV NETWORKS:ACQUISITION WITTEN	3,813,000	3,813,000
SUB-TOTAL CAPITAL ACQUISITIONS	9,233,000	9,173,000
ROADS INFRA - IU C: ACQUISITION PIENKIE SEBOTSE BRIGE	2,500,000	-
ROADS INFRA - IU C: ACQUISITION MAMEHLABE CRECHE	2,000,000	2,000,000
ROADS INFRA - IU C: ACQUISITION BEN SERAKI SPORTS COMPLEX	4,500,000	4,500,000
ROADS INFRA - IU C: ACQUISITION SENWABARWANA PHASE 7	6,335,500	6,335,500
ROADS INFRA - IU C: ACQUISITION SENWABARWANA PHASE 8	7,000,000	7,000,000
STORM WA INFRA - IU C: ACQUISITION INDERMARK	6,500,000	6,500,000
ROADS ASSETS - IU C: ACQUISITION AVON	6,500,000	6,500,000
COMMUNITY ASSETS - IU C: ACQUISITION INVERAAN	2,000,000	2,000,000

COMMUNITY ASSETS - IU C: ACQUISITION MOKHURUMELA	2,000,000	2,000,000
COMMUNITY ASSETS - IU C: ACQUISITION PURASPAN	2,000,000	2,000,000
OTHER ASSETS - IU C: ACQUISITION SENWABARWANA SPORTS	6,000,000	6,000,000
PPE RO: INF ROADS- ACQUISTIONS SENWABABARWANA	400,000	200,000
PPE RO: INF ROADS- ACQUISTIONS ALLDAYS	500,000	200,000
PPE RO: INF ROADS- ACQUISTIONS TAAIBOSCH	300,000	200,000
PPE RO: INF ROADS- ACQUISTIONS INDERMARK	100,000	200,000
PPE RO: INF ROADS- ACQUISTIONS DEVREDE	100,000	200,000
PPE RO: INF ROADS- ACQUISTIONS PURASPAN	100,000	200,000
PPE RO: INF ROADS- ACQUISTIONS WITTEN	100,000	200,000
SUB TOTAL	48,935,500	46,235,500
		-
TOTAL	69,568,500	62,708,500
		-
ROLL OVER PROJECTS		-
		-
COMMUNITY ASSETS - IU C: ACQUISITION COMMUNITY HALL	-	800,000
COMMUNITY ASSETS - IU C: ACQUISITION SPORTS COMPLEX	-	1,063,822
COMMUNITY ASSETS - IU C: ACQUISITION HIGHMASS LIGHT	-	1,468,702
		-
SUB TOTAL	-	3,332,524
TOTAL CAPITAL	69,568,500	66,041,024

Section 12 – Measurable performance objectives and indicators

MUNICIPALITY'S BROAD OBJECTIVES

The Municipality's strategies seek to achieve the following broad objectives:

To deliver basic services to communities in a sustainable manner in the quest to create a better life for all,

To create an environment for local economic growth and job creation, focusing on the competitive advantages of the Municipality.

To provide responsible and accountable political and administrative leadership to local communities,

To mobilize the broadest section of the local communities behind the Municipality's endeavors to develop communities with other government departments, public institutions, private sector, NGO's and CBO's as the Municipality's critical partners.

Blouberg Local Municipality have strategies meeting to monitor implementation of SDBIP.

The development strategies are the product of the strategic planning session. The actual strategies detailed in perspective below orients towards the achievement of the strategic priorities, objectives and outcomes as shows in the IDP. The following are Key Performance Areas (KPAs) / respective output – the overarching purpose is to reconfigure the municipal growth economy and creating jobs.

KPA1: Spatial Rationale and Land use projects

The municipality has developed the land use management scheme. That was done through the assistance of the district municipality. All the councilors and the traditional leaders were consulted before the scheme could be proclaimed. Te scheme was developed in 2006/7 financial year in order to amalgamate the erstwhile Alldays town planning scheme with the rest of Blouberg which had no access to any town planning practice. In terms of the scheme most of the areas in Blouberg have a predominant zoning of agriculture, followed by residential one.

KPA 2: Basic service Delivery

The main objective of Blouberg Local Municipality is providing electricity to all households by 2014. The Municipality is a licensed electricity distributor.

KPA 3: Local Economic Development projects

KPA 4: Good Governance and Public participation

KPA 5: Financial Viability Projects

KPA 5: Municipal Transformation and Institutional Development

Section 13– Funding compliance

The adjustments budget is cash – funded which is the first indicator of a “credible” budget. Funding levels are acceptable at 2.3 months cash – resources, which is extraordinary in these economic times, and is sufficient to cover all requirements of the funding and reserves policy.

Section 14 – Annual budgets and service delivery agreements – municipal entities and other external mechanisms ENTITIES

The municipality does not have any entities.

Section 15 – Contracts having future budgetary implications

Blouberg Local Municipality does not have Contract having future budgetary implication.

Section 16 – Budget related policies

No adjustment on approved budget related policies.

Section 17 – Municipal Manager’s quality certification

QUALITY CERTIFICATE

MUNICIPAL MANAGER’S QUALITY CERTIFICATION



MUNICIPAL MANAGER’S QUALITY CERTIFICATION

I Machaba M.J The Municipal Manager of Blouberg Local Municipality, hereby certify that :the adjustment budget 2017/18 financial year and supporting document have been prepared in accordance with the municipal finance Management Act and regulation made under the Act.

Municipal Manager of Blouberg Local Municipality: Lim351