

**10.
REPORT ON THE PROPOSED 5th ADJUSTMENTS BUDGET FOR 2014/2015**

5/1/1/16 – 2014/15

BA King

(028) 313 8154

Corporate Head Office

13 January 2016

1. Executive Summary

Report prepared in terms of section 28(2)(g) of the Local Government: Municipal Finance Management Act, 2003 (MFMA) to address the unauthorised expenditure amounting to R3 715 273 in an adjustments budget in respect of the 2014/2015 financial year.

2. Service Delivery and Budget Implementation Plan - IGNITE

Directorate Finance
Financial Services

3. Compliance with Strategic Priority

Provision of democratic, accountable and ethical governance

4. Delegated Authority

None

5. Legal Requirements

Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA)

6. Background/Discussion/Evaluation/Conclusion

Background

The operating expenditure budget is approved by Council on the municipal vote level. The municipal votes reflect the organisational structure of the municipality which is made up of the following directorates: Council General; Municipal Manager; Management Services; Finance; Community Services; Local Economic Development; Infrastructure & Planning and Protection Services.

Unauthorised expenditure at year end would occur either for the municipality as a whole if the budget for 'Total Expenditure' or if any of the individual budgets for any specific vote/s 'Expenditure by Vote' were overspent.

Operational expenses of any nature, whether cash or non-cash, is regarded as expenditure and deemed as unauthorised expenditure if the total expenses budget or allocated expenses budget per vote is exceeded.

Discussion

Vote 1 – Council General: Post-retirement benefit obligations (Non-cash)

The budget for 2014/2015 was based on the projections from the previous bi-annual actuarial report from 30 June 2014. An overspending of R1 311 496 occurred as a result of an increase in the post retirement benefit provision above the budgeted amount, as per the bi-annual actuarial valuation report for the post retirement benefit obligation, which could only be concluded after the end of the relevant financial year. The additional provision required amounted to R2 452 371.

Vote 7 – Infrastructure & Planning: Municipal Capital Contributions (Non-cash)

An overspending of R2 403 777 for Vote 7 occurred as a result of the transfer of the property known as the 'Penguin Colony' to Cape Nature. The value of the transfer amounted to R6 459 443. Notwithstanding that the transfer is of a capital nature, the resultant transaction needed to be recognised in profit and loss at year end, therefore the overspending of this particular vote.

Evaluation

The purpose of the adjustments budget is to approve the unauthorised expenditure that occurred. The table in Annexure A indicates the position of the respective Votes before and after the particular adjustments were passed for the Annual Financial Statements.

Operational Budget Amendments:

The proposed operational expenditure adjustments are listed in Annexure A.

Conclusion

Council may, in terms of section 28(2)(g) of the Local Government: Municipal Finance Management Act, 2003 (MFMA), read with section 23(6) of the Municipal Budget and Reporting Regulations, approve the unauthorised expenditure when the Annual Report is tabled in Council.

7. Financial Implications**Operating Budget**

VOTE	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL	(UNDERSPENT) / OVERSPENT
VOTE 1 - COUNCIL GENERAL	63 288 530	64 228 042	65 539 538	1 311 496
VOTE 7 - INFRASTRUCTURE & PLANNING	318 607 273	364 933 255	367 337 032	2 403 777
				3 715 273

Capital Budget

No changes.

8. Staff Implications

None

9. Comments from other Departments, Divisions and Administrations

None

10. Schedules & Annexures

- Schedule 1: Budgeted financial performance (revenue and expenditure by municipal vote)
- Schedule 2: Budgeted financial performance (revenue by source & expenditure by type)
- Schedule 3: Budgeted multi-year capital appropriations by standard classification (vote) and associated funding by source
- Schedule 4: Budgeted financial position
- Schedule 5: Budgeted cash flow
- Schedule 6: Cash backed reserves and accumulated surplus reconciliation
- Schedule 7: Asset management
- Schedule 8: Basic service delivery measurement
- Schedule 9: Budgeted financial performance (revenue & expenditure by standard classification)
- Schedule 10: Budgeted capital appropriations by municipal vote

- Annexure A: Adjustments Budget Proposals
- Annexure B: B Schedule (Municipal adjustments budget and supporting tables)

RECOMMENDATION TO THE COUNCIL:

1. that, in terms of section 28(2)(g) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003), the 5th Adjustments Budget for 2014/2015 **be approved**, in order to address the unauthorised expenditure incurred, amounting to R3 715 273 in respect of Vote 1 – Council General (R1 311 496) and Vote 7 – Infrastructure & Planning (R2 403 777), as set out in the following schedules:

- Schedule 1:** Budgeted financial performance (revenue & expenditure by municipal vote)
- Schedule 2:** Budgeted financial performance (revenue by source & expenditure by type)
- Schedule 3:** Budgeted multi-year capital appropriations by standard classification (vote) and associated funding by source
- Schedule 4:** Budgeted financial position
- Schedule 5:** Budgeted cash flow
- Schedule 6:** Cash backed reserves and acc. surplus reconciliation
- Schedule 7:** Asset management
- Schedule 8:** Basic service delivery measurement

2. that the following schedules be noted:

- Schedule 9:** Budgeted financial performance (revenue & expenditure by standard classification)
- Schedule 10:** Budgeted capital appropriations by municipal vote

3. that the SDBIP be amended accordingly.

RESPONSIBLE OFFICIAL:**BA KING****TARGET DATE FOR IMPLEMENTATION:****TO BE NOTED**

WC032 Overstrand - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 22 January 2016

Vote Description <i>[insert departmental structure etc]</i>	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			
Revenue by Vote												
Vote 1 - Council	52 401	52 401	-	-	-	-	-	-	52 401	65 565	73 466	
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-	-	-	
Vote 3 - Management Services	2 410	1 844	-	-	-	-	-	1 844	961	961		
Vote 4 - Finance	169 095	170 420	-	-	-	-	-	170 420	179 861	188 464		
Vote 5 - Community Services	261 822	286 171	-	-	-	-	-	286 171	293 836	307 536		
Vote 6 - Local Economic Development	2 968	2 968	-	-	-	-	-	2 968	1 200	1 200		
Vote 7 - Infrastructure & Planning	318 962	318 002	-	-	-	-	-	318 002	340 309	357 549		
Vote 8 - Protection Services	13 184	36 094	-	-	-	-	-	36 094	13 093	14 079		
Total Revenue by Vote	820 842	867 900	-	-	-	-	-	-	867 900	894 826	943 255	
Expenditure by Vote												
Vote 1 - Council	63 289	64 228	-	-	-	-	1 311	1 311	65 540	67 543	71 596	
Vote 2 - Municipal Manager	1 003	780	-	-	-	-	-	-	780	1 001	1 070	
Vote 3 - Management Services	15 189	13 315	-	-	-	-	-	-	13 315	18 243	17 335	
Vote 4 - Finance	24 503	25 398	-	-	-	-	-	-	25 398	32 830	30 544	
Vote 5 - Community Services	386 685	380 465	-	-	-	-	-	-	380 465	444 986	477 881	
Vote 6 - Local Economic Development	11 140	10 915	-	-	-	-	-	-	10 915	10 714	11 334	
Vote 7 - Infrastructure & Planning	318 607	364 933	-	-	-	-	2 404	2 404	367 337	325 210	347 058	
Vote 8 - Protection Services	49 173	73 288	-	-	-	-	-	-	73 288	52 855	56 029	
Total Expenditure by Vote	869 588	933 322	-	-	-	-	3 715	3 715	937 038	951 383	1 012 847	
Surplus/ (Deficit) for the year	(48 747)	(65 423)	-	-	-	-	(3 715)	(3 715)	(69 138)	(56 557)	(69 592)	

WC032 Overstrand - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 22 January 2016

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	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H			
R thousands												
Revenue By Source												
Property rates	148 640	153 509	-	-	-	-	-	-	153 509	158 025	165 498	
Property rates - penalties & collection charges	1 050	1 050	-	-	-	-	-	-	1 050	1 103	1 158	
Service charges - electricity revenue	310 085	310 085	-	-	-	-	-	-	310 085	333 146	349 869	
Service charges - water revenue	95 897	95 897	-	-	-	-	-	-	95 897	99 943	105 503	
Service charges - sanitation revenue	63 455	63 455	-	-	-	-	-	-	63 455	66 997	70 759	
Service charges - refuse revenue	56 130	56 130	-	-	-	-	-	-	56 130	59 500	63 074	
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	
Rental of facilities and equipment	7 966	7 966	-	-	-	-	-	-	7 966	8 739	9 615	
Interest earned - external investments	6 166	6 166	-	-	-	-	-	-	6 166	6 210	6 255	
Interest earned - outstanding debtors	2 288	2 288	-	-	-	-	-	-	2 288	2 234	2 322	
Dividends received	-	-	-	-	-	-	-	-	-	-	-	
Fines	7 965	30 875	-	-	-	-	-	-	30 875	7 378	7 817	
Licences and permits	2 229	2 229	-	-	-	-	-	-	2 229	2 447	2 686	
Agency services	2 480	2 480	-	-	-	-	-	-	2 480	2 727	3 000	
Transfers recognised - operating	58 407	61 289	-	-	-	-	-	-	61 289	84 037	99 909	
Other revenue	21 717	16 933	-	-	-	-	-	-	16 933	22 855	24 404	
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	
Total Revenue (excluding capital transfers and contributions)	784 474	810 351	-	-	-	-	-	-	810 351	855 339	911 867	
Expenditure By Type												
Employee related costs	280 066	276 217	-	-	-	-	1 311	1 311	277 528	298 298	318 421	
Remuneration of councillors	8 516	8 516	-	-	-	-	-	-	8 516	9 109	9 744	
Debt impairment	-	22 792	-	-	-	-	-	-	22 792	-	-	
Depreciation & asset impairment	109 265	105 461	-	-	-	-	-	-	105 461	111 199	112 750	
Finance charges	45 162	44 480	-	-	-	-	-	-	44 480	47 472	49 508	
Bulk purchases	169 444	169 444	-	-	-	-	-	-	169 444	183 000	197 640	
Other materials	17 295	17 315	-	-	-	-	-	-	17 315	20 201	19 151	
Contracted services	81 062	82 467	-	-	-	-	-	-	82 467	95 248	100 837	
Transfers and grants	41 370	41 668	-	-	-	-	-	-	41 668	44 065	46 708	
Other expenditure	117 407	164 963	-	-	-	-	2 404	2 404	167 367	142 792	158 088	
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditure	869 588	933 322	-	-	-	-	3 715	3 715	937 038	951 383	1 012 847	
Surplus/(Deficit)	(85 115)	(122 971)	-	-	-	-	(3 715)	(3 715)	(126 687)	(96 044)	(100 980)	
Transfers recognised - capital	34 234	55 498	-	-	-	-	-	-	55 498	39 487	31 388	
Contributions	2 134	2 051	-	-	-	-	-	-	2 051	-	-	
Contributed assets	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) before taxation	(48 747)	(65 423)	-	-	-	-	(3 715)	(3 715)	(69 138)	(56 557)	(69 592)	
Taxation	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after taxation	(48 747)	(65 423)	-	-	-	-	(3 715)	(3 715)	(69 138)	(56 557)	(69 592)	
Attributable to minorities	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) attributable to municipality	(48 747)	(65 423)	-	-	-	-	(3 715)	(3 715)	(69 138)	(56 557)	(69 592)	
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-	
Surplus/ (Deficit) for the year	(48 747)	(65 423)	-	-	-	-	(3 715)	(3 715)	(69 138)	(56 557)	(69 592)	

WC032 Overstrand - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 22 January 2016

Description	Budget Year 2014/15									Budget Year	Budget Year	
	Original	Prior Adjusted	Accum. Funds	Multi-year	Unfore.	Nat. or Prov.	Other Adjusts.	Total Adjusts.	Adjusted	Adjusted	Adjusted	
	Budget	5	6	capital	Unavoid.	Govt	10	11	Budget	Budget	Budget	
R thousands	A	A1	B	C	D	E	F	G	H			
Capital Expenditure - Standard												
<i>Governance and administration</i>	16 815	17 776	-	-	-	-	-	-	17 776	2 675	7 730	
Executive and council	-	-	-	-	-	-	-	-	-	-	-	
Budget and treasury office	-	-	-	-	-	-	-	-	-	-	-	
Corporate services	16 815	17 776	-	-	-	-	-	-	17 776	2 675	7 730	
<i>Community and public safety</i>	21 205	42 622	-	-	-	-	-	-	42 622	18 839	13 800	
Community and social services	5 635	5 595	-	-	-	-	-	-	5 595	-	-	
Sport and recreation	3 090	2 616	-	-	-	-	-	-	2 616	2 939	6 800	
Public safety	-	-	-	-	-	-	-	-	-	-	-	
Housing	12 480	34 410	-	-	-	-	-	-	34 410	15 900	7 000	
Health	-	-	-	-	-	-	-	-	-	-	-	
<i>Economic and environmental services</i>	5 400	6 300	-	-	-	-	-	-	6 300	4 900	4 000	
Planning and development	-	-	-	-	-	-	-	-	-	-	-	
Road transport	5 400	6 300	-	-	-	-	-	-	6 300	4 900	4 000	
Environmental protection	-	-	-	-	-	-	-	-	-	-	-	
<i>Trading services</i>	54 300	56 087	-	-	-	-	-	-	56 087	59 748	54 588	
Electricity	17 000	17 000	-	-	-	-	-	-	17 000	18 500	18 500	
Water	12 800	16 384	-	-	-	-	-	-	16 384	26 594	26 488	
Waste water management	14 300	13 403	-	-	-	-	-	-	13 403	14 654	9 600	
Waste management	10 200	9 300	-	-	-	-	-	-	9 300	-	-	
Other	-	-	-	-	-	-	-	-	-	-	-	
Total Capital Expenditure - Standard	97 721	122 785	-	-	-	-	-	-	122 785	86 162	80 118	
Funded by:												
National Government	24 174	23 608	-	-	-	-	-	-	23 608	23 587	24 388	
Provincial Government	10 080	31 890	-	-	-	-	-	-	31 890	15 900	7 000	
District Municipality	-	-	-	-	-	-	-	-	-	-	-	
Other transfers and grants	1 000	1 000	-	-	-	-	-	-	1 000	-	-	
Total Capital transfers recognised	35 234	56 498	-	-	-	-	-	-	56 498	39 487	31 388	
Public contributions & donations	1 134	1 936	-	-	-	-	-	-	1 936	-	-	
Borrowing	46 923	48 770	-	-	-	-	-	-	48 770	45 000	45 000	
Internally generated funds	14 430	15 582	-	-	-	-	-	-	15 582	1 675	3 730	
Total Capital Funding	97 721	122 785	-	-	-	-	-	-	122 785	86 162	80 118	

WC032 Overstrand - Table B6 Adjustments Budget Financial Position - 22 January 2016

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	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H			
R thousands												
ASSETS												
Current assets												
Cash	88 050	89 421					(2 404)	(2 404)	87 017	95 180	98 617	
Call investment deposits	-	-	-	-	-	-	-	-	-	-	-	
Consumer debtors	52 591	52 591	-	-	-	-	-	-	52 591	53 446	53 828	
Other debtors	44 398	55 398	-	-	-	-	-	-	55 398	58 802	69 962	
Current portion of long-term receivables	14	14	-	-	-	-	-	-	14	12	10	
Inventory	12 092	11 092	-	-	-	-	-	-	11 092	12 585	13 108	
Total current assets	197 146	208 517	-	-	-	-	(2 404)	(2 404)	206 113	220 025	235 525	
Non current assets												
Long-term receivables	57	57	-	-	-	-	-	-	57	45	33	
Investments	22 207	22 207	-	-	-	-	-	-	22 207	27 825	33 508	
Investment property	175 866	164 501	-	-	-	-	-	-	164 501	164 501	164 501	
Investment in Associate			-	-	-	-	-	-	-	-	-	
Property, plant and equipment	3 072 423	3 140 791	-	-	-	-	-	-	3 140 791	3 110 930	3 039 170	
Agricultural			-	-	-	-	-	-	-	-	-	
Biological			-	-	-	-	-	-	-	-	-	
Intangible	6 426	5 220	-	-	-	-	-	-	5 220	5 220	5 220	
Other non-current assets	39 500	-	-	-	-	-	-	-	-	-	-	
Total non current assets	3 316 479	3 332 776	-	-	-	-	-	-	3 332 776	3 308 520	3 242 432	
TOTAL ASSETS	3 513 625	3 541 293	-	-	-	-	(2 404)	(2 404)	3 538 889	3 528 545	3 477 957	
LIABILITIES												
Current liabilities												
Bank overdraft			-	-	-	-	-	-	-	-	-	
Borrowing	25 105	25 064	-	-	-	-	-	-	25 064	28 491	31 374	
Consumer deposits	41 321	41 321	-	-	-	-	-	-	41 321	44 214	47 309	
Trade and other payables	55 831	50 563	-	-	-	-	-	-	50 563	62 340	47 957	
Provisions	31 592	36 166	-	-	-	-	-	-	36 166	38 317	40 597	
Total current liabilities	153 849	153 113	-	-	-	-	-	-	153 113	173 361	167 237	
Non current liabilities												
Borrowing	411 766	412 829	-	-	-	-	-	-	412 829	429 338	442 963	
Provisions	137 501	180 879	-	-	-	-	1 311	1 311	182 190	191 669	203 107	
Total non current liabilities	549 267	593 707	-	-	-	-	1 311	1 311	595 019	621 007	646 070	
TOTAL LIABILITIES	703 116	746 820	-	-	-	-	1 311	1 311	748 132	794 368	813 307	
NET ASSETS	2 810 509	2 794 472	-	-	-	-	(3 715)	(3 715)	2 790 757	2 734 177	2 664 650	
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)	2 808 575	2 791 899	-	-	-	-	(3 715)	(3 715)	2 788 184	2 731 540	2 661 947	
Reserves	1 934	2 573	-	-	-	-	-	-	2 573	2 637	2 703	
TOTAL COMMUNITY WEALTH/EQUITY	2 810 509	2 794 472	-	-	-	-	(3 715)	(3 715)	2 790 757	2 734 177	2 664 650	

WC032 Overstrand - Table B7 Adjustments Budget Cash Flows - 22 January 2016

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
R thousands	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other	716 842	741 637							741 637	758 665	791 905
Government - operating	58 407	61 289							61 289	84 037	99 909
Government - capital	36 368	57 549							57 549	39 487	31 388
Interest	8 454	8 454							8 454	8 443	8 577
Dividends		-							-		
Payments											
Suppliers and employees	(653 525)	(677 352)					18 844	18 844	(658 509)	(725 794)	(805 442)
Finance charges	(45 162)	(44 480)							(44 480)	(47 472)	(49 508)
Transfers and Grants	(41 370)	(41 668)							(41 668)	(44 065)	(46 708)
NET CASH FROM/(USED) OPERATING ACTIVITIES	80 014	105 429	-	-	-	-	18 844	18 844	124 272	73 301	30 120
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		-							-		39 500
Decrease (increase) in non-current debtors	-	-							-	-	-
Decrease (increase) other non-current receivables	15	15							15	14	14
Decrease (increase) in non-current investments	(5 827)	(5 827)							(5 827)	(5 618)	(5 683)
Payments											
Capital assets	(97 721)	(122 785)							(122 785)	(86 162)	(80 118)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(103 533)	(128 597)	-	-	-	-	-	-	(128 597)	(91 765)	(46 287)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans	5 520	6 541							6 541	(1 135)	(1 271)
Borrowing long term/refinancing	40 000	40 000							40 000	45 000	45 000
Increase (decrease) in consumer deposits	2 703	2 703							2 703	2 893	3 095
Payments											
Repayment of borrowing	(21 061)	(21 061)							(21 061)	(23 929)	(27 220)
NET CASH FROM/(USED) FINANCING ACTIVITIES	27 163	28 183	-	-	-	-	-	-	28 183	22 829	19 604
NET INCREASE/ (DECREASE) IN CASH HELD	3 644	5 015	-	-	-	-	18 844	18 844	23 859	4 364	3 437
Cash/cash equivalents at the year begin	84 406	63 158							63 158	90 815	95 180
Cash/cash equivalents at the year end	88 050	68 173					18 844		87 017	95 180	98 617

WC032 Overstrand - Table B8 Cash backed reserves/accumulated surplus reconciliation - 22 January 2016

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	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H			
R thousands												
Cash and investments available												
Cash/cash equivalents at the year end	88 050	68 173	-	-	-	-	18 844	18 844	87 017	95 180	98 617	
Other current investments > 90 days	-	21 248	-	-	-	-	(21 248)	(21 248)	-	-	-	
Non current assets - Investments	22 207	22 207	-	-	-	-	-	-	22 207	27 825	33 508	
Cash and investments available:	110 257	111 628	-	-	-	-	(2 404)	(2 404)	109 224	123 004	132 125	
Applications of cash and investments												
Unspent conditional transfers	-	-	-	-	-	-	-	-	-	-	-	
Unspent borrowing	-	-	-	-	-	-	-	-	-	-	-	
Statutory requirements	-	-	-	-	-	-	-	-	-	-	-	
Other working capital requirements	(40 804)	(57 301)	-	-	-	-	-	-	(57 301)	(49 010)	(73 748)	
Other provisions	-	-	-	-	-	-	-	-	-	-	-	
Long term investments committed	22 207	22 207	-	-	-	-	-	-	22 207	27 825	33 508	
Reserves to be backed by cash/investments	1 934	2 573	-	-	-	-	-	-	2 573	2 637	2 703	
Total Application of cash and investments:	(16 663)	(32 521)	-	-	-	-	-	-	(32 521)	(18 548)	(37 534)	
Surplus(shortfall)	126 920	144 149	-	-	-	-	(2 404)	(2 404)	141 745	141 552	169 659	

WC032 Overstrand - Table B9 Asset Management - 22 January 2016

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 Adjus.	Total Adjus.	Adjusted Budget	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												
CAPITAL EXPENDITURE												
Total New Assets to be adjusted	69 581	89 946	-	-	-	-	-	-	89 946	51 823	49 918	
Infrastructure - Road transport	800	1 332	-	-	-	-	-	1 332	2 000	1 000		
Infrastructure - Electricity	13 900	13 900	-	-	-	-	-	13 900	11 500	9 300		
Infrastructure - Water	-	580	-	-	-	-	-	580	5 094	12 488		
Infrastructure - Sanitation	9 600	8 892	-	-	-	-	-	8 892	12 654	5 600		
Infrastructure - Other	10 200	9 300	-	-	-	-	-	9 300	-	-		
Infrastructure	34 500	34 003	-	-	-	-	-	34 003	31 248	28 388		
Community	18 266	38 167	-	-	-	-	-	38 167	17 900	13 800		
Heritage assets	-	-	-	-	-	-	-	-	-	-		
Investment properties	-	-	-	-	-	-	-	-	-	-		
Other assets	16 815	17 776	-	-	-	-	-	17 776	2 675	7 730		
Agricultural Assets	-	-	-	-	-	-	-	-	-	-		
Biological assets	-	-	-	-	-	-	-	-	-	-		
Intangibles	-	-	-	-	-	-	-	-	-	-		
Total Renewal of Existing Assets to be adjusted	28 139	32 838	-	-	-	-	-	32 838	34 339	30 200		
Infrastructure - Road transport	5 400	6 300	-	-	-	-	-	6 300	4 900	4 000		
Infrastructure - Electricity	3 100	3 100	-	-	-	-	-	3 100	7 000	9 200		
Infrastructure - Water	12 800	15 805	-	-	-	-	-	15 805	21 500	14 000		
Infrastructure - Sanitation	3 900	3 179	-	-	-	-	-	3 179	-	3 000		
Infrastructure - Other	-	-	-	-	-	-	-	-	-	-		
Infrastructure	25 200	28 384	-	-	-	-	-	28 384	33 400	30 200		
Community	2 939	4 454	-	-	-	-	-	4 454	939	-		
Heritage assets	-	-	-	-	-	-	-	-	-	-		
Investment properties	-	-	-	-	-	-	-	-	-	-		
Other assets	-	-	-	-	-	-	-	-	-	-		
Agricultural Assets	-	-	-	-	-	-	-	-	-	-		
Biological assets	-	-	-	-	-	-	-	-	-	-		
Intangibles	-	-	-	-	-	-	-	-	-	-		
Total Capital Expenditure to be adjusted	6 200	7 632	-	-	-	-	-	7 632	6 900	5 000		
Infrastructure - Road transport	17 000	17 000	-	-	-	-	-	17 000	18 500	18 500		
Infrastructure - Electricity	12 800	16 384	-	-	-	-	-	16 384	26 594	26 488		
Infrastructure - Water	13 500	12 071	-	-	-	-	-	12 071	12 654	8 600		
Infrastructure - Sanitation	10 200	9 300	-	-	-	-	-	9 300	-	-		
Infrastructure - Other	-	-	-	-	-	-	-	-	-	-		
Infrastructure	59 700	62 387	-	-	-	-	-	62 387	64 648	58 588		
Community	21 205	42 622	-	-	-	-	-	42 622	18 839	13 800		
Heritage assets	-	-	-	-	-	-	-	-	-	-		
Investment properties	-	-	-	-	-	-	-	-	-	-		
Other assets	16 815	17 776	-	-	-	-	-	17 776	2 675	7 730		
Agricultural Assets	-	-	-	-	-	-	-	-	-	-		
Biological assets	-	-	-	-	-	-	-	-	-	-		
Intangibles	-	-	-	-	-	-	-	-	-	-		
TOTAL CAPITAL EXPENDITURE to be adjusted	97 721	122 785	-	-	-	-	-	122 785	86 162	80 118		
ASSET REGISTER SUMMARY - PPE (WDV)												
Infrastructure - Road transport	906 551	906 551	-	-	-	-	-	906 551	881 740	854 553		
Infrastructure - Electricity	620 545	620 545	-	-	-	-	-	620 545	616 022	611 097		
Infrastructure - Water	453 857	454 037	-	-	-	-	-	454 037	459 080	463 823		
Infrastructure - Sanitation	376 342	378 141	-	-	-	-	-	378 141	373 752	366 863		
Infrastructure - Other	70 579	70 579	-	-	-	-	-	70 579	83 872	91 210		
Infrastructure	2 427 874	2 429 853	-	-	-	-	-	2 429 853	2 414 466	2 387 546		
Community	88 257	104 890	-	-	-	-	-	104 890	82 935	84 723		
Heritage assets	99 322	99 322	-	-	-	-	-	99 322	99 322	99 322		
Investment properties	175 866	175 866	-	-	-	-	-	175 866	175 866	175 866		
Other assets	456 970	457 391	-	-	-	-	-	457 391	447 787	441 759		
Intangibles	6 426	6 426	-	-	-	-	-	6 426	6 053	5 681		
Agricultural Assets	-	-	-	-	-	-	-	-	-	-		
Biological assets	-	-	-	-	-	-	-	-	-	-		
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	3 254 715	3 273 747	-	-	-	-	-	3 273 747	3 226 430	3 194 888		
EXPENDITURE OTHER ITEMS												
Depreciation & asset impairment	109 265	105 461	-	-	-	-	-	105 461	111 199	112 750		
Repairs and Maintenance by asset class	162 268	163 071	-	-	-	-	-	163 071	186 950	196 027		
Infrastructure - Road transport	68 540	68 540	-	-	-	-	-	68 540	77 488	78 375		
Infrastructure - Electricity	25 491	25 491	-	-	-	-	-	25 491	20 986	25 286		
Infrastructure - Water	26 775	26 775	-	-	-	-	-	26 775	36 668	36 918		
Infrastructure - Sanitation	14 146	14 146	-	-	-	-	-	14 146	18 386	19 644		
Infrastructure - Other	1 800	1 800	-	-	-	-	-	1 800	2 232	2 442		
Infrastructure	136 752	136 752	-	-	-	-	-	136 752	155 760	162 666		
Community	9 298	9 298	-	-	-	-	-	9 298	10 114	11 373		
Heritage assets	-	-	-	-	-	-	-	-	-	-		
Investment properties	-	-	-	-	-	-	-	-	-	-		
Other assets	16 218	17 021	-	-	-	-	-	17 021	21 086	21 989		
TOTAL EXPENDITURE OTHER ITEMS to be adjusted	271 533	268 532	-	-	-	-	-	268 532	298 159	308 777		
% of capital exp on renewal of assets	28.8%	26.7%						26.7%	39.9%	37.7%		
Renewal of existing assets as % of deprecn	25.8%	31.1%						31.1%	30.9%	26.8%		
R&M as a % of PPE	5.0%	5.0%						5.0%	5.8%	6.1%		
Renewal and R&M as a % of PPE	5.9%	6.0%						6.0%	6.9%	7.1%		

WC032 Overstrand - Table B10 Basic service delivery measurement - 22 January 2016

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	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H			
Household service targets (000)												
Water:												
Piped water inside dwelling	28 100	28							28	28 300	28 600	
Piped water inside yard (but not in dwelling)												
Using public tap (at least min.service level)	3 350	3							3	3 300	3 250	
Other water supply (at least min.service level)												
<i>Minimum Service Level and Above sub-total</i>	31	31							31	32	32	
Using public tap (< min.service level)												
Other water supply (< min.service level)												
No water supply												
<i>Below Minimum Service Level sub-total</i>												
Total number of households	31	31							31	32	32	
Sanitation/sewerage:												
Flush toilet (connected to sewerage)	20 030	20 030							20 030	20 125	20 290	
Flush toilet (with septic tank)	11 420	11 420							11 420	11 475	11 560	
Chemical toilet												
Pit toilet (ventilated)												
Other toilet provisions (> min.service level)												
<i>Minimum Service Level and Above sub-total</i>	31 450	31 450							31 450	31 600	31 850	
Bucket toilet												
Other toilet provisions (< min.service level)												
No toilet provisions												
<i>Below Minimum Service Level sub-total</i>												
Total number of households	31 450	31 450							31 450	31 600	31 850	
Energy:												
Electricity (at least min. service level)	8 700	8 700							8 700	8 400	8 000	
Electricity - prepaid (> min.service level)	17 700	17 700							17 700	18 500	19 300	
<i>Minimum Service Level and Above sub-total</i>	26 400	26 400							26 400	26 900	27 300	
Electricity (< min.service level)												
Electricity - prepaid (< min. service level)	1 000	1 000							1 000	500		
Other energy sources												
<i>Below Minimum Service Level sub-total</i>	1 000	1 000							1 000	500		
Total number of households	27 400	27 400							27 400	27 400	27 300	
Refuse:												
Removed at least once a week (min.service)	32 691	32 691							32 691	33 671	34 681	
<i>Minimum Service Level and Above sub-total</i>	32 691	32 691							32 691	33 671	34 681	
Removed less frequently than once a week												
Using communal refuse dump												
Using own refuse dump												
Other rubbish disposal												
No rubbish disposal												
<i>Below Minimum Service Level sub-total</i>												
Total number of households	32 691	32 691							32 691	33 671	34 681	
Households receiving Free Basic Service												
Water (6 kilolitres per household per month)	6 700	6 700							6 700	6 800	6 900	
Sanitation (free minimum level service)	6 700	6 700							6 700	6 800	6 900	
Electricity/other energy (50kwh per household per month)	4 785	4 785							4 785	5 280	5 790	
Refuse (removed at least once a week)	6 700	6 700							6 700	6 800	6 900	
Cost of Free Basic Services provided (R'000)												
Water (6 kilolitres per household per month)	7 723	7 723							7 723	8 186	8 677	
Sanitation (free sanitation service)	6 930	6 930							6 930	7 346	7 787	
Electricity/other energy (50kwh per household per month)	18 809	18 809							18 809	19 090	19 371	
Refuse (removed once a week)	9 174	9 174							9 174	9 725	10 308	
Total cost of FBS provided (minimum social package)	42 637	42 637							42 637	44 347	46 143	
Highest level of free service provided												
Property rates (R'000 value threshold)	100 000	100 000							100 000	100 000	100 000	
Water (kilolitres per household per month)	6	6							6	6	6	
Sanitation (kilolitres per household per month)	4	4							4	4	4	
Sanitation (Rand per household per month)	61	61							61	65	69	
Electricity (kw per household per month)	50	50							50	50	50	
Refuse (average litres per week)	210	210							210	210	210	
Revenue cost of free services provided (R'000)												
Property rates (R15 000 threshold rebate)	1 965	1 965							1 965	1 965	1 965	
Property rates (other exemptions, reductions and rebates)	26 522	26 522							26 522	26 522	26 522	
Water	8 285	8 285							8 285	8 782	9 309	
Sanitation	6 420	6 420							6 420	6 806	7 214	
Electricity/other energy	15 842	15 842							15 842	16 792	17 800	
Refuse	10 545	10 545							10 545	11 178	11 848	
Municipal Housing - rental rebates												
Housing - top structure subsidies												
Other												
Total revenue cost of free services provided (total social package)	69 579	69 579							69 579	72 045	74 658	

WC032 Overstrand - Table B2 Adjustments Budget Financial Performance (standard classification) - 22 January 2016

Standard 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. Unavold.	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											
Revenue - Standard											
<i>Governance and administration</i>	231 071	232 413	-	-	-	-	-	-	232 413	253 526	267 382
Executive and council	52 442	52 442	-	-	-	-	-	-	52 442	65 606	73 507
Budget and treasury office	169 095	170 420	-	-	-	-	-	-	170 420	179 861	188 464
Corporate services	9 534	9 551	-	-	-	-	-	-	9 551	8 059	5 412
<i>Community and public safety</i>	33 726	78 422	-	-	-	-	-	-	78 422	53 804	64 234
Community and social services	2 402	2 402	-	-	-	-	-	-	2 402	3 600	6 766
Sport and recreation	9 565	9 191	-	-	-	-	-	-	9 191	9 867	14 419
Public safety	13 184	36 094	-	-	-	-	-	-	36 094	13 093	14 079
Housing	8 576	30 735	-	-	-	-	-	-	30 735	27 243	28 969
Health	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	13 939	16 496	-	-	-	-	-	-	16 496	7 721	9 314
Planning and development	8 465	8 550	-	-	-	-	-	-	8 550	6 037	6 520
Road transport	5 397	7 869	-	-	-	-	-	-	7 869	1 600	2 700
Environmental protection	76	76	-	-	-	-	-	-	76	84	93
<i>Trading services</i>	542 106	540 568	-	-	-	-	-	-	540 568	579 775	602 325
Electricity	313 388	312 305	-	-	-	-	-	-	312 305	335 388	352 135
Water	96 872	96 872	-	-	-	-	-	-	96 872	106 070	111 585
Waste water management	72 155	71 108	-	-	-	-	-	-	71 108	77 987	75 459
Waste management	59 691	60 286	-	-	-	-	-	-	60 286	60 350	83 146
Other	-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	820 842	867 900	-	-	-	-	-	-	867 900	894 826	943 255
Expenditure - Standard											
<i>Governance and administration</i>	127 368	124 670	-	-	-	-	1 311	1 311	125 981	146 825	150 731
Executive and council	66 867	68 003	-	-	-	-	1 311	1 311	69 314	75 471	79 697
Budget and treasury office	24 503	25 398	-	-	-	-	-	-	25 398	32 830	30 544
Corporate services	35 998	31 269	-	-	-	-	-	-	31 269	38 524	40 490
<i>Community and public safety</i>	113 536	136 344	-	-	-	-	-	-	136 344	130 898	149 270
Community and social services	32 563	32 499	-	-	-	-	-	-	32 499	34 346	36 685
Sport and recreation	22 245	20 744	-	-	-	-	-	-	20 744	23 223	24 926
Public safety	49 173	73 288	-	-	-	-	-	-	73 288	52 855	56 029
Housing	9 554	9 812	-	-	-	-	-	-	9 812	20 473	31 629
Health	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	139 514	138 641	-	-	-	-	2 404	2 404	141 044	147 044	153 028
Planning and development	37 314	36 945	-	-	-	-	2 404	2 404	39 349	38 807	40 998
Road transport	95 166	94 492	-	-	-	-	-	-	94 492	101 024	104 103
Environmental protection	7 035	7 204	-	-	-	-	-	-	7 204	7 412	7 927
<i>Trading services</i>	489 171	533 668	-	-	-	-	-	-	533 668	526 617	559 817
Electricity	272 386	272 486	-	-	-	-	-	-	272 486	276 444	295 533
Water	93 157	90 979	-	-	-	-	-	-	90 979	114 171	118 828
Waste water management	67 138	69 170	-	-	-	-	-	-	69 170	74 952	79 130
Waste management	56 489	101 052	-	-	-	-	-	-	101 052	61 050	66 326
Other	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	869 588	933 322	-	-	-	-	3 715	3 715	937 038	951 383	1 012 847
Surplus/ (Deficit) for the year	(48 747)	(65 423)	-	-	-	-	(3 715)	(3 715)	(69 138)	(56 557)	(69 592)

WC032 Overstrand - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 22 January 2016

Description	Budget Year 2014/15									Budget Year	Budget Year	
	Original	Prior Adjusted	Accum. Funds	Multi-year	Unfore.	Nat. or Prov.	Other Adjusts.	Total Adjusts.	Adjusted	Adjusted	Adjusted	
	Budget	5	6	capital	Unavoid.	Govt	10	11	Budget	Budget	Budget	
R thousands	A	A1	B	7	8	9	F	G	H			
Capital expenditure - Vote												
Multi-year expenditure to be adjusted												
Vote 1 - Council	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	2 548	2 534	-	-	-	-	-	-	2 534	-	-	-
Vote 4 - Finance	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	76 938	100 800	-	-	-	-	-	-	100 800	66 682	57 618	-
Vote 6 - Local Economic Development	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Infrastructure & Planning	18 235	19 450	-	-	-	-	-	-	19 450	19 500	22 500	-
Vote 8 - Protection Services	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	97 721	122 784	-	-	-	-	-	-	122 784	86 162	80 118	-

SUMMARY OF UNAUTHORISED EXPENDITURE 2015**BEFORE FINAL YEAR END ADJUSTMENTS FOR THE AFS**

VOTE	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL	(UNDERSPENT) / OVERSPENT
VOTE 1 - COUNCIL GENERAL	63 288 530	64 228 042	63 087 167	-1 140 875
VOTE 7 - INFRASTRUCTURE & PLANNING	318 607 273	364 933 255	360 877 589	-4 055 666

AFTER FINAL YEAR END ADJUSTMENTS FOR THE AFS

VOTE	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL	(UNDERSPENT) / OVERSPENT
VOTE 1 - COUNCIL GENERAL	63 288 530	64 228 042	65 539 538	1 311 496
VOTE 7 - INFRASTRUCTURE & PLANNING	318 607 273	364 933 255	367 337 032	2 403 777
				3 715 273

EXTRACT FROM NOTES TO THE AFS FOR 30 JUNE 2015**UNAUTHORISED EXPENDITURE**

	2015	2014
Overspending of the total amount appropriated in the municipality's approved budget	0	4 887 858

Overspending of the total amount per vote appropriated in the municipality's approved budget

Directorate: Council General	1 311 496	5 869 791
Directorate: Protection Services	0	12 151 366
Directorate: Infrastructure & Planning	2 403 777	0
	<u>3 715 273</u>	<u>18 021 157</u>

Unauthorised expenditure awaiting authorisation.

Directorate: Council budget was overspent due to the adjustment of the value for post retirement benefits.

Directorate: Infrastructure & Planning budget was overspent primarily due to the transfer of property (Penguin colony) with a value of R6 459 443 to Cape Nature.

VS-F003R Votes Balance & Budget Enquiry

Local Authority	HERM	OVERSTRAND MUNICIPALITY *LIVE*	Exit/Cancel
Financial Year	2014	2014/2015	LookUp/Search
Vote No.	1010001023	1 01 0001 023	Previous
Opening Balance		VAT Indicator (V02) 1 (V03) 1	Next
Actual Balance	14377863.43	Locked onto	
Shadow Balance		Asset ID	Options
Balance Total	14377863.43	Job-costing type	Help
Provisional Costs		Unallocated Job Budget	
Amended Budget	11925492.00		
Available	2452371.43		

Metro	OVERSTRAND	Function	101
Type of A/C	EXPENDITURE/INCOME		Executive & Council
Service	EXECUTIVE & COUNCIL		Mayor and Council
Department	COUNCIL'S GENERAL	N.T.Item	4400 NT Cashflow Item
Sub-Section	CONTRIBUTION TO PROVISIONS		Other Expenditure
Item	POST RETIREMENT BENEFITS		
Sub-Item		Closed?	N

VS-F003R Votes Balance & Budget Enquiry

Local Authority	HERM	OVERSTRAND MUNICIPALITY *LIVE*	Exit/Cancel
Financial Year	2014	2014/2015	LookUp/Search
Vote No.	1010498883	1 01 0498 883	Previous
Opening Balance		VAT Indicator (V02) 1 (V03) 1	Next
Actual Balance	6459442.52	Locked onto	
Shadow Balance		Asset ID	Options
Balance Total	6459442.52	Job-costing type	Help
Provisional Costs		Unallocated Job Budget	
Amended Budget			
Available	6459442.52		

Metro	OVERSTRAND	Function	101
Type of A/C	EXPENDITURE/INCOME		Executive & Council
Service	CORPORATE SERVICES		Mayor and Council
Department	MUNICIPAL PROPERTIES	N.T.Item	3400 NT Cashflow Item
Sub-Section	GENERAL EXPENSES		Remuneration Of Councillors
Item	MUNICIPAL CAPITAL CONTRIBUTIONS(NON CASH		
Sub-Item		Closed?	N