



Notice is hereby given in terms of Section 29 of the Local Government: Municipal Structures Act, Act 117 of 1998, that a **SPECIAL COUNCIL MEETING** of the 2016/2021 term of the Eden District Municipality will be held in the **CA Robertson Council Chambers, 54 York Street, George, on FRIDAY, 24 AUGUST 2018 at 10:00** to consider the items as set out in the agenda.

*Kennis geskied hiermee dat ingevolge Artikel 29 van die Wet op Plaaslike Regering: Munisipale Strukturewet, Wet 117 van 1998, 'n **SPESIALE RAADSVERGADERING** van die 2016/2021 termyn van die Eden Distriksmunisipaliteit gehou sal word in die **CA Robertson Raadsaal, Yorkstraat 54, George op VRYDAG, 24 AUGUSTUS 2018 om 10:00** ten einde sake soos uiteengesit in die aangehegte agenda te oorweeg.*

Kukhutshwe isaziso ngokoMhlathi 29 woRhulumente Basekhaya: Umgaqo Wesimo soMasipala, uMgaqo 117 wango 1998, sokuba **INTLANGANISO EKHETHEKILEYO YEBHUNGA** ka 2016/2021 yoMasipala Wesithili se Eden izakubanjwa **kwiGumbi leBhunga I CA Robertson, 54 York Street, e George NGOLWESIHLANU, 24 KWEYETHUPHA 2018** ngo **10:00** ukuqwalasela imiba ekwi agenda.

CLLR BHJ GROENEWALD

Acting Speaker
Wnde Speaker
iBambela Somlomo

MG STRATU

Municipal Manager
Munisipale Bestuurder
Mphathi Masipala

Date: 20 August 2018

A G E N D A

1. OPENING AND WELCOMING / OPENING EN VERWELKOMING / UVULO NOLWAMKELO

2. SILENT PRAYER / STILLE GEBED / UMTHANDAZO OTHULEYO

3. ATTENDANCE OF MEMBERS / BYWONING VAN LEDE / AMALUNGU AKHOYO
 - 3.1 COUNCILLORS PRESENT / RAADSLEDE TEENWOORDIG / OCEBA ABAKHOYO
 - 3.2 COUNCILLORS WITH LEAVE / RAADSLEDE MET VERLOF / OCEBA ABAKWIKHEFU
 - 3.3 COUNCILLORS WITHOUT LEAVE / RAADSLEDE SONDER VERLOF / OCEBA ABANGEKHO KWIKHEFU

4. NOTING THE PROVISIONS OF SCHEDULE 1 (CODE OF CONDUCT FOR COUNCILLORS) OF THE LOCAL GOVERNMENT MUNICIPAL SYSTEMS ACT, 2000 / KENNISNAME VAN DIE VOORSKRIFTE VAN SKEDULE 1 (GEDRAGSKODE VIR RAADSLEDE) / UQWALASELO LWEMITHETHO-NEMIMISELO YOLUHLU 1 (INDLELA YOKUZIPHATHA KOCEBA) LOMTHETHO WENKQUBO ZORHULUMENTE BASEKHAYA, 2000

5. DISCLOSURE OF INTERESTS BY COUNCILLORS AND OFFICIALS / VERKLARING VAN BELANGE DEUR RAADSLEDE EN AMPTENARE / UKUCHAZWA KOMDLA NGOCEBA KUNYE NAMAGOSA

6	COMMUNICATIONS BY THE SPEAKER / MEDEDELINGS DEUR DIE SPEAKER / UNXIBELELWANO LUKASOMLOMO	
7	COMMUNICATIONS BY THE EXECUTIVE MAYOR / MEDEDELINGS DEUR DIE UITVOERENDE BURGEMEESTER / UNXIBELELWANO LUKA SODOLOPHU	
8	COMMUNICATIONS BY THE MUNICIPAL MANAGER / MEDEDELINGS DEUR DIE MUNISIPALE BESTUURDER / UNXIBELELWANO LOMPHATHI MASIPALA	
9	APPROVAL OF MINUTES OF COUNCIL MEETINGS / GOEDKEURING VAN NOTULES VAN RAADSVERGADERINGS / UKWAMKELWA KWEMIZUZU YENTLANGANO ZEBHUNGA	
	None / <i>Geen</i> / Azikho	
10	MINUTES OF MAYORAL COMMITTEE MEETINGS AND OTHER SECTION 79 COMMITTEES (FOR NOTIFICATION) / NOTULES VAN BURGEMEESTERSKOMITEEVERGADERINGS EN ANDER ARTIKEL 79 KOMITEES (VIR KENNISNAME) / IMIZUZUZ YEKOMITI KASODOLOPHU KUNYE NEZINYE IKOMITI ZOMHLATHI 79 (ITHATHELWE INGQALELO)	
	None / <i>Geen</i> / Azikho	
11	STANDING ITEMS / STAANDE ITEMS / IMIBA EMISIWEYO	
	None / <i>Geen</i> / Azikho	

SECTION A		
REPORTS FROM THE SPEAKER		
	None / <i>Geen</i> / Azikho	
SECTION B		
REPORTS FROM THE EXECUTIVE MAYOR / <i>VERSLAE VANAF DIE UITVOERENDE BURGEMEESTER</i> / IMIBA EVELA KUSODOLOPHU		
B.1	<p>ROLL-OVER ADJUSTMENT BUDGET 2018/2019 MRTREF (MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK / OORROL AANSUIWERINGSBEGROTING 2018/2019 MEDIUM TERMYN EN INKOMSTE EN UITGAWE RAAMWERK (MTIUR) / ULWABIWO-MALI OLULUNGELELANISIWEYO OLUWELELE NGAPHEZULU LUKA 2018/2019 INGENISO YEXESHA ELIFUTSHANE KUNYE NENDLELA YENCITHO (667945)</p> <p><i>Refer: Report (16/18/7) dated 14 August 2018 from the Executive Mayor (Cllr M Booyesen)</i></p>	7 - 43
SECTION C		
ITEMS FROM THE OFFICE OF THE MUNICIPAL MANAGER / <i>ITEMS VANAF DIE KANTOOR VAN DIE MUNISIPALE BESTUURDER</i> / IMIBA EVELA KWI OFISI YOMPHATHI MASIPALA		
	None / <i>Geen</i> / Ayikho	
SECTION D		
ITEMS FROM THE FINANCIAL SERVICES DEPARTMENT / <i>ITEMS VANAF DIE FINANSIËLE DIENSTE DEPARTEMENT</i> / IMIBA YESEBE LENKONZO ZEMALI		
	None / <i>Geen</i> / Azikho	
SECTION E		
ITEMS FROM THE CORPORATE SERVICES DEPARTMENT / <i>ITEMS VANAF DIE KORPORATIEWE DIENSTE DEPARTEMENT</i> / IMIBA YESEBE LENKONZO ZOLAWULO		
	None / <i>Geen</i> / Ayikho	

SECTION F	
ITEMS FROM THE COMMUNITY SERVICES DEPARTMENT / ITEMS VANAF DIE GEMEENSKAPSDIENSTE DEPARTEMENT / IMIBA YESEBE LENKONZO ZOLUNTU	
	None / Geen / Azikho
SECTION G	
ITEMS FROM THE ROADS AND TRANSPORT PLANNING SERVICES DEPARTMENT / ITEMS VANAF DIE PAAIE EN VERVOER BEPLANNINGSDIENSTE DEPARTEMENT / IMIBA YESEBE LENKONZO ZENDLELA KUNYE NEZICWANGCISO KWEZOTHUTHO	
	None / Geen / Ayikho
SECTION H	
ITEMS FROM THE PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT / ITEMS VANAF DIE BEPLANNING EN EKONOMIESE DIENSTE DEPARTEMENT / IMIBA YESEBE LEZOCWANGCISO KUNYE NOPHUHLISO LOQOQOSHO	
	None / Geen / Azikho
	CLOSURE / SLUITING / UQUKUNJELO

Rdl / Cllr CN Lichaba
Rdl / Cllr D Xego
Rdl / Cllr S De Vries
Rdl / Cllr NF Kamte
Rdl / Cllr MP Mapitiza
Rdl / Cllr SF May
Rdl / Cllr D Saayman
Rdl / Cllr BN Van Wyk
Rdl / Cllr RE Spies
Rdl / Cllr T Van Rensburg
Rdl / Cllr M Booyesen
Rdl / Cllr AJ Rossouw
Rdl / Cllr KS Lose
Rdl / Cllr T Fortuin
Rdl / Cllr JP Johnson
Rdl / Cllr IT Mangaliso
Rdl / Cllr SM Odendaal
Rdl / Cllr SS Mbandezi
Rdl / Cllr BHJ Groenewald
Rdl / Cllr E Meyer
Rdl / Cllr RH Ruiters
Rdl / Cllr I Stemela
Rdl / Cllr EH Stroebeel
Rdl / Cllr RS Figland
Rdl / Cllr PJ Van der Hoven
Rdl / Cllr T Teyisi
Rdl / Cllr V Gericke
Rdl / Cllr K Windvogel
Rdl / Cllr JC Lambaatjeen
Rdl / Cllr RR Wildschut
Rdl / Cllr NC Jacob
Rdl / Cllr ASM Windvogel
Rdl / Cllr (MS Willemse)
Rdl / Cllr (vacant)
Rdl / Cllr L Tyokolo

SPECIAL DISTRICT COUNCIL

24 AUGUST 2018

**ROLL-OVER ADJUSTMENT BUDGET 2018/2019 MRTREF (MEDIUM
TERM REVENUE AND EXPENDITURE FRAMEWORK / *VERSLAG:*
OORROL VAN FONDSE AANSUIWERINGSBEGROTING 2018/2019
MEDIUM TERMYN EN INKOMSTE EN UITGAWE RAAMWERK (MTIUR) /
**ULWABIWO-MALI OLULUNGELELANISIWEYO OLUWELELE
NGAPHEZULU LUKA 2018/2019 INGENISO YEXESHA ELIFUTSHANE
KUNYE NENDLELA YENCITHO (667945)****

(6/18/7)

14 August 2018

REPORT FROM THE EXECUTIVE MAYOR (M BOOYSEN)

PURPOSE OF THE REPORT

The report is tabled to council in terms of section 28 (2) (Municipal Adjustments Budgets) as required in terms of the Municipal Finance Management Act 56 of 2003

BACKGROUND

Section 28 of the Municipal Finance Management Act 2003 (No.56) (MFMA) determines that a Municipality may revise an approved annual budget through an adjustment budget.

Subsection (2) also determines that an adjustment budget:

- a) Must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year;
- b) May appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for;
- c) May, within a prescribed framework, authorize unforeseeable and unavoidable expenditure recommended by the mayor;
- d) May authorize the utilization of projected savings in one vote towards spending under another vote;
- e) May authorize the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the Council;

RECOMMENDATION

That council take the following resolutions:

- (1) That the adjustments budget (unspent grants) of Eden District Municipality for the financial year 2018/2019 as set out in the schedules contained in Section 4 be **approved**:
 - i. Table B1 Adjustments Budget Summary;
 - ii. Table B2 Adjustments Budget Financial Performance (by standard classification);
 - iii. Table B3 Adjustments Budget Financial Performance (by municipal vote);
 - iv. Table B4 Adjustment Budget Financial Performance (revenue by source); and
 - v. Table B5 Adjustment Budget Capital Expenditure (by municipal vote and funding source)
- (2) Council approves the Adjustment Operating Expenditure Budget of R393,725,000
- (3) Council approves the Adjustment Operating Revenue Budget of R396,002,000
- (4) That a revised Service Delivery and Budget Implementation Plan (SDBIP) for the 2018/19 financial year be compiled and tabled to the Executive Mayor for approval.
- (5) The approval of the above is subject to the approval from National and Provincial Treasury for the roll-over of funds.

AANBEVELING

Dat die raad die volgende resolusies aanvaar:

- (1) Dat die Aangepaste Begroting (ongespandeerde toelae) van Eden Distrik Munisipaliteit vir die finansiële jaar 2018/2019 soos vervat in die skedules van Seksie 4 goedgekeur word:
 - i. Tabel B1 Aangepaste Begrotings Opsomming;
 - ii. Tabel B2 Aangepaste Begroting Finansiële Prestasie (volgens standaard klassifikasie);
 - iii. Tabel B3 Aangepaste Begroting Finansiële Prestasie (volgens pos);
 - iv. Tabel B4 Aangepaste Begroting Finansiële Prestasie (volgens finansieringsbron); en
 - v. Tabel B5 Aangepaste Kapitale Begroting (volgens pos en finansieringsbron)
- (2) Die Raad die Aangepaste Uitgawe Begroting van R393,725,000 goedkeur.



EDEN DISTRICT MUNICIPALITY

FINANCIAL YEAR 2018 - 2019

ADJUSTMENT BUDGET REPORT

2018/2019 MTREF

Table of Contents	6
Glossary	7
Legislative Framework	8
PART 1 – ADJUSTMENT BUDGET	
Section 1 – Mayoral speech	9
Section 2 – Resolutions	10
Section 3 – Executive Summary	
3.1 Introduction	11
3.2 Adjustment budget	11
3.3 Provision of basic services	13
3.4 SDBIP and MTREF financial sustainability	13
3.5 High level summary of adjustments	14
Section 4 – Annual Budget Tables	15
PART 2 SUPPORTING DOCUMENTATION	
Section 5 – Adjustment to budget assumptions	26
Section 6 – Adjustments to budget funding	26
Section 7 – Adjustments to expenditure on allocations and grant programmes	27
Section 8 – Adjustments to grants made by the municipality	28
Section 9 – Adjustments to councillor allowances and employee benefits	28
Section 10 – Adjustment to service delivery and budget implementation plan	28
Section 11 – Adjustments to Capital expenditure	28
Section 12 – Municipal Manager’s quality certification	29

MFMA – The Municipal Finance Management Act – No. 56 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 rateable value is multiplied by the rate in 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.

Unauthorised expenditure – Generally, spending without, or in excess of, an approved budget.

Virement – A transfer of budget.

Virement policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

Vote – One of the main segments into which a budget. In Eden District this means the different GFS classification the budget is divided.

Legislative Framework

This report has been prepared in terms of the following enabling legislation.

The Municipal Finance Management Act – No. 56 of 2003

Section 28 Municipal Adjustment Budgets

PART 1 – IN-YEAR REPORT

SECTION 1 – MAYORAL SPEECH

The reason for the adjustment budget tabled at council today is to include the following expenditures into the approved budget for the 2018/2019 financial year:

- Unspent Grants allocations as per section 28(2)(e) of the Municipal Finance Management Act, 56 of 2003 that read as follows

May authorize the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the Council;

Section 23 (5) of the Budget and Reporting Regulation states –

- An adjustments budget referred to in section 28(2) (e) of the Act may only be tabled after the end of the financial year to which the roll-overs relate, and must be approved by the municipal council by 25 August of the financial year following the financial year to which the roll-overs relate.
-
- The details of the above inclusions into the budget are as follows:
-

National grant allocations:

NATIONAL GOVERNMENT ALLOCATIONS		
SECTION	PROJECT DESCRIPTION	AMOUNT
Community Services	Energy Efficiency Demand Grant	R -4 987 120.00
	TOTAL	R -4 987 120.00

Provincial Grant allocation

PROVINCIAL GOVERNMENT ALLOCATIONS		
SECTION	PROJECT DESCRIPTION	AMOUNT
Roads Transport	Integrated Transport Planning	R -900,000.00
	TOTAL	R -900,000.00

RECOMMENDATION:

- (1) That the adjustment budget of Eden District Municipality for the financial year **2018/2019** as set out in the schedules contained in Section 4 be approved:
 - (i) Table B1 Adjustments Budget Summary;
 - (ii) Table B2 Adjustments Budget Financial Performance (by standard classification);
 - (iii) Table B3 Adjustments Budget Financial Performance (by municipal vote);
 - (iv) Table B4 Adjustments Budget Financial Performance (revenue by source); and
 - (v) Table B5 Adjustments Budget Capital Expenditure (by municipal vote and funding source)
- (2) That the adjusted operating expenditure budget of Eden District Municipality for the financial year **2018/2019 of R393,725,000** be approved.
- (3) That the adjusted operating revenue budget of Eden District Municipality for the financial year **2018/2019 of R396,002,000** be approved.
- (4) That a revised Service Delivery and Budget Implementation Plan (SDBIP) for the **2018/2019** financial year be compiled and tabled to the Executive Mayor for approval to incorporated into the SDBIP for the **2018/2019** the approved projects as per council resolution.
 -
- (5) The approval of the above is subject to the approval from National and Provincial Treasury for the roll-over of funds.
 -

SECTION 3 EXECUTIVE SUMMARY**3.1 Introduction**

The Adjustment budget is tabled to Council for approval, this adjustment budget includes the rollover unspent grants received from National Treasury and Provincial Treasury. Also included in this budget is the additional allocations as per the Service level agreements.

3.2 Adjustment Budget**Municipal Budget and Reporting Regulations**

According to Regulation 23(5) of the Municipal Budget and Reporting Regulations, Government Gazette 32141 dated 17 April 2009, an adjustment budget referred to in Section 28 (2) of the Municipal Finance Management Act (MFMA) (Act No 56 of 2003), may only be tabled after the end of the financial year to which the roll-overs relate; and must be approved by the municipal council by 25 August of the financial year following the financial year to which the roll-overs relate.

In terms of the funding of the projects that will be rolled-over to the next financial year, Provincial Treasury advises as follows:

committed to identifiable projects or wants to propose an alternative payment method or schedule the required information must be submitted to National Treasury yearly by 16 August.

National Treasury will confirm in writing whether or not the municipality may retain as a rollover any of the unspent funds because they are committed to identifiable projects or whether it has agreed to any alternative payment methods or schedules yearly by 30 September.

A municipality must return the remaining unspent conditional grant funds that are not subject of a specific repayment agreement with National Treasury to the National Revenue Fund yearly by 17 October. Failure to return these unspent funds by this date will constitute financial misconduct in terms of section 20(7) of the Division of Revenue Act.

Any unspent conditional grant funds that should have been repaid to the National Revenue Fund yearly by 17 October will be offset against the municipality's November equitable share allocation.

Operational Budget

Based on the above information the municipality is required to table an adjustment budget to council stipulating the unspent roll-over projects that council seeks approval from National and Provincial Treasury as well as other roll-over projects that required inclusion in the approved budget in order to ensure completion of these projects.

The roll-over projects tabled in this report for inclusion in the budget is either funded from a National or Provincial allocation or a result of a negotiation process end being concluded by means of a Memorandum of Understanding (MOU) or Service Level Agreement (SLA).

Internal revenues used to fund additional projects were included in the roll-over budget.

The adjustment will have no negative effect on the sustainability of the original budget as approved by council.

OPERATIONAL BUDGET - August Roll-Over Adjustment Budget			
DESCRIPTION	Approved Budget 2018/2019 (R'000)	Approved Budget 2019/2020 (R'000)	Approved Budget 2020/2021 (R'000)
Operational Expenditure	387 838 000.00	410 043 000.00	432 830 000.00
National Grants	4 987 120.00		
Provincial Grants	900 000.00		
Revised Operational Expenditure	393 725 120.00	410 043 000.00	432 830 000.00
Operational Income	390 115 000.00	412 892 000.00	433 854 000.00
Unspent Grants	5 887 120.00		
Revised Operational Income	396 002 120.00	412 892 000.00	433 854 000.00
Surplus / (Deficit)	2 277 000.00	2 849 000.00	1 024 000.00
Capital Budget	9 303 000.00	2 820 000.00	1 010 000.00
Total	9 303 000.00	2 820 000.00	1 010 000.00

A			
B			
C			
D			
E			
F			
G			
H			
I			
J			
K			
L			
M			
N			
O			
P			
Q			
R			
S			
T			
U			
V			
W			
X			
Y			
Z			

DC4 Eden - Table B2 Adjustments Budget Financial Performance (functional classification) - 25 August 2018

Standard Description	Ref	Budget Year 2018/19									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjusts.	Adjusts.	Budget	Budget	Budget
R thousands	1, 4	A	5	6	7	8	9	10	11	12		
		A	A1	B	C	D	E	F	G	H		
Revenue - Functional												
<i>Governance and administration</i>		211,013	-	5,887	-	-	-	-	5,887	216,900	215,556	227,574
Executive and council		209,608	-	5,887	-	-	-	-	5,887	215,495	214,067	225,995
Finance and administration		1,405	-	-	-	-	-	-	-	1,405	1,490	1,579
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		8,041	-	-	-	-	-	-	-	8,041	8,377	9,043
Community and social services		-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		7,821	-	-	-	-	-	-	-	7,821	8,143	8,795
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		221	-	-	-	-	-	-	-	221	234	248
<i>Economic and environmental services</i>		145,333	-	-	-	-	-	-	-	145,333	151,352	157,374
Planning and development		-	-	-	-	-	-	-	-	-	-	-
Road transport		145,000	-	-	-	-	-	-	-	145,000	151,000	157,000
Environmental protection		333	-	-	-	-	-	-	-	333	352	374
<i>Trading services</i>		25,728	-	-	-	-	-	-	-	25,728	37,606	39,863
Energy sources		-	-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		25,728	-	-	-	-	-	-	-	25,728	37,606	39,863
Other		-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	390,115	-	5,887	-	-	-	-	5,887	396,002	412,892	433,854
Expenditure - Functional												
<i>Governance and administration</i>		121,256	-	-	-	-	-	-	-	121,256	123,489	131,843
Executive and council		49,677	-	-	-	-	-	-	-	49,677	48,440	51,511
Finance and administration		69,211	-	-	-	-	-	-	-	69,211	72,486	77,579
Internal audit		2,368	-	-	-	-	-	-	-	2,368	2,563	2,752
<i>Community and public safety</i>		78,374	-	4,987	-	-	-	-	4,987	83,361	80,640	86,404
Community and social services		8,596	-	-	-	-	-	-	-	8,596	7,030	7,535
Sport and recreation		13,677	-	-	-	-	-	-	-	13,677	14,237	15,232
Public safety		29,149	-	-	-	-	-	-	-	29,149	30,156	32,245
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		26,953	-	4,987	-	-	-	-	4,987	31,940	29,217	31,393
<i>Economic and environmental services</i>		161,155	-	900	-	-	-	-	900	162,055	167,197	173,822
Planning and development		9,236	-	-	-	-	-	-	-	9,236	8,950	9,170
Road transport		148,325	-	900	-	-	-	-	900	149,225	154,468	160,617
Environmental protection		3,595	-	-	-	-	-	-	-	3,595	3,780	4,036
<i>Trading services</i>		25,738	-	-	-	-	-	-	-	25,738	37,294	39,234
Energy sources		-	-	-	-	-	-	-	-	-	-	-
Water management		18	-	-	-	-	-	-	-	18	20	21
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		25,720	-	-	-	-	-	-	-	25,720	37,274	39,213
Other		1,314	-	-	-	-	-	-	-	1,314	1,422	1,526
Total Expenditure - Functional	3	387,838	-	5,887	-	-	-	-	5,887	393,725	410,043	432,830
Surplus/ (Deficit) for the year		2,278	-	-	-	-	-	-	-	2,278	2,849	1,024

DC4 Eden - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 25 August 2018

Description	Ref	Budget Year 2018/19									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	1	A	A1	B	C	D	E	F	G	H		
Revenue By Source												
Property rates	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - other		-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		2,718								2,718	3,940	4,177
Interest earned - external investments		15,715								15,715	15,499	16,949
Interest earned - outstanding debtors		897								897	950	1,007
Dividends received		-								-	-	-
Fines, penalties and forfeits		-								-	-	-
Licences and permits		333								333	352	374
Agency services		19,022								19,022	18,100	18,840
Transfers and subsidies		158,885		5,887				(179)	5,708	164,593	161,879	166,995
Other revenue	2	189,390						179	179	189,569	208,841	221,982
Gains on disposal of PPE		3,156								3,156	3,330	3,529
Total Revenue (excluding capital transfers and contributions)		390,115		5,887					5,887	396,002	412,892	433,854
Expenditure By Type												
Employee related costs		132,798								132,798	141,466	152,156
Remuneration of councillors		11,572								11,572	12,382	13,249
Debt impairment		1,601								1,601	1,689	1,782
Depreciation & asset impairment		3,272								3,272	3,463	3,681
Finance charges		-								-	-	-
Bulk purchases		-								-	-	-
Other materials		185								185	234	246
Contracted services		60,636		5,887					5,887	66,523	66,964	70,590
Transfers and subsidies		-								-	-	-
Other expenditure		177,774								177,774	183,845	191,126
Loss on disposal of PPE		-								-	-	-
Total Expenditure		387,838		5,887					5,887	393,725	410,043	432,830
Surplus/(Deficit)		2,278								2,278	2,849	1,024
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)												
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		2,278								2,278	2,849	1,024
Taxation												
Surplus/(Deficit) after taxation		2,278								2,278	2,849	1,024
Attributable to minorities												
Surplus/(Deficit) attributable to municipality		2,278								2,278	2,849	1,024
Share of surplus/ (deficit) of associate												
Surplus/ (Deficit) for the year		2,278								2,278	2,849	1,024

DC4 Eden - Table B6 Adjustments Budget Financial Position - 25 August 2018

Description	Ref	Budget Year 2018/19									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2019/20	+2 2020/21
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H	Adjusted Budget	Adjusted Budget
ASSETS												
Current assets												
Cash		164,927								164,927	167,310	167,344
Call investment deposits	1	-	-	-	-	-	-	-	-	-	-	-
Consumer debtors	1	-	-	-	-	-	-	-	-	-	-	-
Other debtors		8,217								8,217	18,014	28,779
Current portion of long-term receivables		3,550								3,550	3,905	4,295
Inventory		3,639								3,639	3,857	4,089
Total current assets		180,332								180,332	193,086	204,507
Non current assets												
Long-term receivables		61,508								61,508	63,354	67,789
Investments		26								26	26	26
Investment property		84,677								84,677	83,831	82,992
Investment in Associates												
Property, plant and equipment	1	152,178								152,178	151,536	148,865
Agricultural												
Biological												
Intangible		2,717								2,717	2,445	2,201
Other non-current assets												
Total non current assets		301,107								301,107	301,192	301,873
TOTAL ASSETS		481,439								481,439	494,278	506,380
LIABILITIES												
Current liabilities												
Bank overdraft												
Borrowing												
Consumer deposits												
Trade and other payables		46,012		(82)					(82)	45,930	42,493	44,012
Provisions		29,692								29,692	30,583	32,724
Total current liabilities		75,705		(82)					(82)	75,623	73,076	76,735
Non current liabilities												
Borrowing	1											
Provisions	1	163,153								163,153	171,310	179,876
Total non current liabilities		163,153								163,153	171,310	179,876
TOTAL LIABILITIES		238,857		(82)					(82)	238,775	244,386	256,611
NET ASSETS	2	242,582		82					82	242,664	249,892	249,769
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		218,064		82					82	218,146	221,994	218,190
Reserves		24,518								24,518	27,980	31,661
Minorities' interests												
TOTAL COMMUNITY WEALTH/EQUITY		242,582		82					82	242,664	249,974	249,851

DC4 Eden - Table B8 Cash backed reserves/accumulated surplus reconciliation - 25 August 2018

Description	Ref	Budget Year 2018/19									Budget Year	Budget Year
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H	+1 2019/20	+2 2020/21
Cash and investments available												
Cash/cash equivalents at the year end	1	164,927	-	-	-	-	-	-	-	164,927	167,310	167,344
Other current investments > 90 days		(0)	-	-	-	-	-	-	-	(0)	(0)	(0)
Non current assets - Investments	1	26	-	-	-	-	-	-	-	26	26	26
Cash and investments available:		164,953	-	-	-	-	-	-	-	164,953	167,336	167,370
Applications of cash and investments												
Unspent conditional transfers		5,969	-	(82)	-	-	-	-	(82)	5,887	1,248	1,117
Unspent borrowing		-	-	-	-	-	-	-	-	-	-	-
Statutory requirements		-	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	2	(29,387)	-	-	-	-	-	59	59	(29,328)	(39,790)	(53,279)
Other provisions		-	-	-	-	-	-	-	-	-	-	-
Long term investments committed		-	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments		-	-	-	-	-	-	24,518	24,518	24,518	27,980	31,661
Total Application of cash and investments:		(23,418)	-	(82)	-	-	-	24,576	24,494	1,076	(10,562)	(20,501)
Surplus(shortfall)		188,371	-	82	-	-	-	(24,576)	(24,494)	163,876	177,898	187,871

DC4 Eden - Table B9 Asset Management - 25 August 2018

Description	Ref	Budget Year 2018/19										Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or	Other	Total	Adjusted	Adjusted	Adjusted	
		Budget	Adjusted	Funds	capital	Unavoid.	Prov. Govt	Adjts.	Adjts.	Budget	Budget	Budget	
	A	7	8	9	10	11	12	13	14				
		A1	B	C	D	E	F	G	H				
R thousands													
CAPITAL EXPENDITURE													
Total New Assets to be adjusted	1	7 303							7 303		2 820	1 010	
Roads Infrastructure													
Storm water Infrastructure													
Electrical Infrastructure													
Water Supply Infrastructure													
Sanitation Infrastructure													
Solid Waste Infrastructure													
Rail Infrastructure													
Coastal Infrastructure													
Information and Communication Infrastructure													
Infrastructure													
Community Facilities		3 000							3 000		2 000		
Sport and Recreation Facilities													
Community Assets		3 000							3 000		2 000		
Heritage Assets													
Revenue Generating													
Non-revenue Generating													
Investment properties													
Operational Buildings		30							30		800		
Housing													
Other Assets		30							30		800		
Biological or Cultivated Assets													
Servitudes													
Licences and Rights													
Intangible Assets													
Computer Equipment		1 201							1 201				
Furniture and Office Equipment		281							281		20	10	
Machinery and Equipment		711							711				
Transport Assets		2 100							2 100			1 000	
Libraries													
Zoo's, Marine and Non-biological Animals													
Total Renewal of Existing Assets to be adjusted	2												
Roads Infrastructure													
Storm water Infrastructure													
Electrical Infrastructure													
Water Supply Infrastructure													
Sanitation Infrastructure													
Solid Waste Infrastructure													
Rail Infrastructure													
Coastal Infrastructure													
Information and Communication Infrastructure													
Infrastructure													
Community Facilities													
Sport and Recreation Facilities													
Community Assets													
Heritage Assets													
Revenue Generating													
Non-revenue Generating													
Investment properties													
Operational Buildings													
Housing													
Other Assets													
Biological or Cultivated Assets													
Servitudes													
Licences and Rights													
Intangible Assets													
Computer Equipment													
Furniture and Office Equipment													
Machinery and Equipment													
Transport Assets													
Libraries													
Zoo's, Marine and Non-biological Animals													
Total Upgrading of Existing Assets to be adjusted	2a	2 000							2 000				
Roads Infrastructure													
Storm water Infrastructure													
Electrical Infrastructure													
Water Supply Infrastructure													
Sanitation Infrastructure													
Solid Waste Infrastructure													
Rail Infrastructure													
Coastal Infrastructure													
Information and Communication Infrastructure													
Infrastructure													
Community Facilities		2 000							2 000				
Sport and Recreation Facilities													
Community Assets		2 000							2 000				
Heritage Assets													
Revenue Generating													
Non-revenue Generating													
Investment properties													
Operational Buildings													
Housing													
Other Assets													
Biological or Cultivated Assets													
Servitudes													
Licences and Rights													
Intangible Assets													
Computer Equipment													
Furniture and Office Equipment													
Machinery and Equipment													
Transport Assets													
Libraries													
Zoo's, Marine and Non-biological Animals													
Total Capital Expenditure to be adjusted	4	9 303							9 303		2 820	1 010	

PART 2 SUPPORTING DOCUMENTATION

Section 5 - Adjustments to budget assumptions

The budget assumption as tabled with the Original budget 2018/2019 is still applicable.

The following additional assumption is applicable for the tabling of this Adjustment budget as follows:

- The balance of the unspent funds is cash backed and the funds are available in the municipal bank account for successful implementation of the projects.
- **Unspent MOU / SLA** – Agreement to continue with the projects is in order and the respective departments will ensure compliance to the original signed MOU /SLA is adhered to and deviations from the above will be reported to the responsible authorities.
- **Unspent Provincial Grants** – The projects will be approved by Provincial Treasury and continuous reporting will be implemented to ensure achievement of the project objectives as per the approved business plans.
- **Unspent National Grants** – The projects will be approved by National Treasury and continuous reporting will be implemented to ensure achievement of the project objectives as per the approved business plans.
- **Additional Allocation** – Funds were received into the municipal bank account and the conditions as per the SLA is still the same and applicable. Administration is in the process of implementing the project as required.

Section 6 – Adjustments to budget funding

The adjustment to budget funding will be on the expenditure side where additional budgeting will be added to the existing budget to ensure the implementation of these roll-over projects. The funding source for these roll-overs is the cash back surplus as at 30 June 2018.

The balance in the municipal bank account at 30 June 2018 is the following:

- Current account R129,446,184
- **Total balance R129,446,184**

Section 8 – Adjustments to Grants made by the Municipality

The municipality do not intent making any allocation to external parties from its own revenues resources.

The Energy Efficiency Demand Grant is an allocation from National Government via the National Division of Revenue Act. These funds are allocated to the District Municipality for distribution to the local municipalities in the region. The criteria for the distribution of these funds are as per the stipulated service level agreement between the Provincial Disaster Centre and the District municipality in collaboration with the local municipalities.

The municipality included an amount of R4, 987,120 as part of its roll-over towards this project.

Section 9 – Adjustments to Councillor and Allowances and Employee Benefits

No adjustments to councillor allowance and employee benefits are permissible during this budget process. All adjustments required will be done during the January mid- year budget process.

Section 10 – Adjustments to Service Delivery and Budget Implementation Plan

As part of council's resolution Service Delivery and Budget Implementation Plan will be revised and presented to the Mayor to incorporate these projects.

This will be concluded as per the legislative requirements.

Section 11 – Adjustment to Capital expenditure

No adjustment to the Capital budget is required.

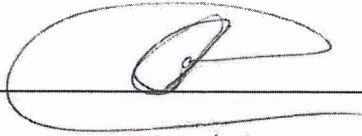


Quality Certificate

I **Monde Stratu**, municipal manager of **Eden District Municipality**, hereby certify that the **Adjustment Budget 2018/2019 MTREF** and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print Name: *J.C. Steyn*

Municipal manager of **Eden District Municipality (DC04)**

Signature: 

Date: *15/2/18*