

CC07/08/2009

FINANCES: ROLL-OVER ADJUSTMENT BUDGET: 2009/2010 FINANCIAL YEAR

5/1/1/3 (M)/lb

Report by the Executive Manager Finance

1. In accordance with section 28 of the MFMA, a municipality may revise an approved annual budget through an adjustment budget taking into account any guidelines or legislation issued by the Minister in terms of section 168(1) of the Act.
2. According to the municipal budget and reporting regulation 23(5), an adjustment budget referred to in section 28(2)(e) of the MFMA may only be tabled after the end of the financial year to which the roll-overs relate and must be approved by the Council by 25 August of the financial year following the financial year to which the roll-overs relate.
3. With the financial year-end closure at 30 June 2009, the funds on the following projects were unspent and could the under-spending not reasonably been foreseen at the time when the annual budget for 2009/2010 was approved by Council:

Project No.	Description	Funding Source	Additional Roll-Over Amount (R)
0008342	Servicing of stands : Dennesig	CRR (service)	80 000
0008262	Servicing of 200 stands : Rockdale	EFF	639 790
0900059	Replace pump at Vaalbank water works	CRR	500 000
0000001	Upgrade IT network backbone infrastructure	CRR	400 000
0008013	Traffic calming measures	CRR	118 590
0007027	Upgrade telephone system	CRR	509 976
0008119	Wheel alignment testing equipment	CRR	320 000
0007147	Speed equipment for vehicles (replace)	CRR	125 473
0008014	Speed equipment for vehicles (new)	CRR	250 000
0008143	Install subsurface drains Mhluzi/Middelburg	CRR	433 396
0900272	Water network : Mafube village	EFF	668 775
0008209	Kwaza hostel electrical substation upgrade	EFF	126 130
0000116	New network : Aerorand	CRR (service)	406 288
0008108	LDV's replacement	CRR	50 000
0008364	New Town bio-toilets	CRR	210 528
			7 388 946

4. The approved 2009/2010 capital budget already includes projected roll-overs projects from the 2008/2009 financial year to the amount of R143,1-million. With the 2008/2009 financial year end some of these roll-over projects were either successfully completed or part payments resulted that the initial roll-over amount needs to be adjusted to reflect the actual remaining balances. It is therefore requested that the roll-over projects be adjusted as follows:

Project No.	Vote No.	Project Output	Fund Source	Approved Roll-Over 2009/2010	Increase/ (Decrease)	Adjusted Roll-Over Amount
0008225	5473107717	Sanitation Bankfontein villages	EFF (CF)	2 000 000	(21 843)	1 978 157
0007323	5503207820	New networks - Aerorand West	CRR (Service)	300 000	(193 421)	106 579
0008051	5523207774	Upgrade aeration equipment Boskrans	CRR	200 000	(200 000)	-
0008057	5603104820	Replace old water pipes Middelburg/Mhluzi	EFF	400 000	(178 550)	221 450
0007095	1613217468	Erection of new banquet hall (re-budget)	CRR (ad hoc)	25 000 000	(1 464 477)	23 535 523
0007181	4423220305	Build clinic Tokologo MPCC (Mhl Ext 6)	CRR (ad hoc)	851 737	(7 730)	844 007
0900271	5553231180	2nd phase - Doornkop MPCC	CRR	1 005 688	(140 586)	865 102
0008028	5303216675	Upgrade Eastdene sports facilities	CRR	144 000	13 576	157 576
0007150	3103203567	Upgrade traffic signals - control & synchronization	CRR	512 100	(310 083)	202 017
8359	7003206820	Electrification Doornkop houses	CRR	327 500	(7 192)	320 308
0007457	7003206820	Electrification Kwaza X7 counter funding	CRR (RO)	785 200	(136 554)	648 646
0008076	7003106820	Replace LT overhead lines	EFF	560 000	(97 231)	462 769
0008170	7003206713	Gholfsig supply area	CRR (Service)	11 000 000	(5 420 295)	5 579 705
0008171	7003206713	Aerorand new substation	CRR (Service)	25 300 000	(1 255 666)	24 044 334
0008204	7003106820	Upgrade LT over head Hendrina	EFF	400 000	(29 576)	370 424
0008205	7003106820	Replace switchgear Mhluzi main sub	EFF	5 910 000	(4 426 091)	1 483 909
0008212	7003106820	Replace Mv cable	EFF	1 067 075	(1 067 075)	-
0008224	7003206713	Nasaret new substation	CRR (Service)	16 800 000	(2 301 712)	14 498 288
0008213	7313109710	Streetlights main entrance roads	EFF	315 180	(31 637)	283 543
0000206	5333226205	Flexi mower (sidewalks)	CRR	307 385	(307 385)	-
0008046	5463207820	New networks Hendrina/Kwaza	CRR	50 000 00	15 000	65 000
0000157	5333215367	Renovation greenhouse complete with irrigation; HE	CRR	300 000	15 300	315 300
0008082	7003106820	Tokologo Electrification & links (phase 3 & 4)	EFF (CF)	900 000	21 976	921 976
0900262	2303231035	Stores yard - lighting facilities	CRR	30 000	30 000	60 000
0008340	3103203567	Traffic light intersection	CRR	357 120	142 880	500 000
0008039	5403103704	Bridges - upgrading (BMS)	EFF	450 000	150 000	600 000
0008325	3103203567	Traffic light intersection Coetzee	CRR	94 630	155 370	250 000
0000212	5433103106	Bridges - Presidentsrus	EFF	500 000	161 152	661 152
0000153	5403103477	Roads Rebuild - O.R. Tambo Street	EFF	579 200	427 097	1 006 297
0008169	5503207820	Outfall sewer lines: Mall & German development	CRR (Service)	500 000	1 027 087	1 527 087
				96 946 815	(15 437 666)	81 509 149

5. Taking the above into consideration the final roll-over projects to be included in the 2009/2010 capital budget from the 2008/2009 financial year amounts to R135 076 972.

This results that the combined capital budget decreases with R8-million from R368 084 192 to R360 035 472.

6. The impact of the above amendments on the 2009/2010 annual budget and for the next two financial years will be minimal as these projects are already planned projects and the effect has already been taken up in the 2009/2010 annual budget. At the utmost depreciation changes might slightly differ from planned figures in the budget document.

7. It is recommended:

7.1 That the following adjustments to the capital projects to be included in the roll-over budget for the 2009/2010 financial year be approved:

Project No.	Vote No.	Project Output	Fund Source	Approved Roll-Over 2009/2010	Increase/ (Decrease)	Adjusted Roll-Over Amount
0008342		Servicing of stands: Dennesig	CRR (Service)	0	80 000	80 000
0008262		Servicing of 200 stands: Rockdale	EFF	0	639 790	639 790
0900059		Replace pump at Vaalbank water works	CRR	0	500 000	500 000
0000001		Upgrade IT network backbone infrastructure	CRR	0	400 000	400 000
0008013		Traffic calming measures	CRR	0	118 590	118 590
0007027		Upgrade telephone system	CRR	0	509 976	509 976
0008119		Wheel alignment testing equipment	CRR	0	320 000	320 000
0007147		Speed equipment for vehicles (replace)	CRR	0	125 473	125 473
0008014		Speed equipment for vehicles (new)	CRR	0	250 000	250 000
0008143		Install subsurface drains Mhluzi/Middelburg	CRR	0	433 396	433 396
0900272		Water network : Mafube village	EFF	0	668 775	668 775
0008209		Kwaza hostel electrical substation upgrade	EFF	0	120 000	120 000
0000116		Aerorand	CRR (Service)	0	200 000	200 000
0008108		LDV's replacement	CRR	50 000		50 000
0008225	5473107717	Sanitation Bankfontein villages	EFF (CF)	2 000 000	(21 843)	1 978 157
0007323	5503207820	New networks - Aerorand West	CRR (Service)	300 000	(193 421)	106 579
0008051	5523207774	Upgrade aeration equipment Boskrans	CRR	200 000	(200 000)	-
0008057	5603104820	Replace old water pipes Middelburg/Mhluzi	EFF	400 000	(178 550)	221 450
0007095	1613217468	Erection of new banquet hall (re-budget)	CRR (ad hoc)	25 000 000	(1 464 477)	23 535 523
0007181	4423220305	Build clinic Tokologo MPCC (Mhl Ext 6)	CRR (ad hoc)	851 737	(7 730)	844 007
0900271	5553231180	2nd phase - Doornkop MPCC	CRR	1 005 688	(140 586)	865 102
0008028	5303216675	Upgrade Eastdene sports facilities	CRR	144 000	13 576	157 576
0007150	3103203567	Upgrade traffic signals - control & synchronization	CRR	512 100	(310 083)	202 017

Project No.	Vote No.	Project Output	Fund Source	Approved Roll-Over 2009/2010	Increase/ (Decrease)	Adjusted Roll-Over Amount
0008359	7003206820	Electrification Doornkop houses	CRR	327 500	(7 192)	320 308
0007457	7003206820	Electrification Kwaza X7 counter funding	CRR (RO)	785 200	(136 554)	648 646
0008076	7003106820	Replace LT overhead lines	EFF	560 000	(97 231)	462 769
0008170	7003206713	Gholfsig supply area	CRR (Service)	11 000 000	(5 420 295)	5 579 705
0008171	7003206713	Aerorand new substation	CRR (Service)	25 300 000	(1 255 666)	24 044 334
0008204	7003106820	Upgrade LT over head Hendrina	EFF	400 000	(29 576)	370 424
0008205	7003106820	Replace switchgear Mhluzi main sub	EFF	5 910 000	(4 426 091)	1 483 909
0008212	7003106820	Replace Mv cable	EFF	1 067 075	(1 067 075)	-
0008224	7003206713	Nasaret new substation	CRR (Service)	16 800 000	(2 301 712)	14 498 288
0008213	7313109710	Streetlights main entrance roads	EFF	315 180	(31 637)	283 543
0000206	5333226205	Flexi mower (sidewalks)	CRR	307 385	(307 385)	-
0008046	5463207820	New networks Hendrina/Kwaza	CRR	50 000 00	15 000	65 000
0000157	5333215367	Renovation greenhouse complete with irrigation; HE	CRR	300 000	15 300	315 300
0008082	7003106820	Tokologo Electrification & links (phase 3 & 4)	EFF (CF)	900 000	21 976	921 976
0900262	2303231035	Stores yard - lighting facilities	CRR	30 000	30 000	60 000
0008340	3103203567	Traffic light intersection	CRR	357 120	142 880	500 000
0008039	5403103704	Bridges - upgrading (BMS)	EFF	450 000	150 000	600 000
0008325	3103203567	Traffic light intersection Coetzee	CRR	94 630	155 370	250 000
0000212	5433103106	Bridges – Presidentsrus	EFF	500 000	161 152	661 152
0000153	5403103477	Roads Rebuild - O.R. Tambo Street	EFF	579 200	427 097	1 006 297
0008169	5503207820	Outfall sewer lines: Mall & German development	CRR (Service)	500 000	1 027 087	1 527 087
0008364	5503207780	New Town – bio-toilets	CRR	0	210 528	210 528
Total adjustments				96 946 815	(8 048 720)	88 898 095

7.2 That the following amended annual budget tables for 2009/2010 be approved:

7.2.1 Table A1 - Adjusted budget summary

7.2.2 Table A5 - Adjusted capital budget expenditure by vote

7.2.3 Table A9 - Asset management

7.3 That the revised monthly and quarterly targets per the service delivery and budget implementation plan for the effected services attached as supporting table SA29 be approved.

7.4 That it be noted that the above adjustments will not result in additional budget funding as it was already considered in the 2008/2009 financial year.

CC07/08/2009

FINANCES: ROLL-OVER ADJUSTMENT BUDGET: 2009/2010 FINANCIAL YEAR

5/1/1/3 (M)/lb

RESOLVED BY COUNCIL

1. **THAT** the following adjustments to the capital projects to be included in the roll-over budget for the 2009/2010 financial year be approved:

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0008364	5503207780	New Town – bio-toilets	CRR	0	210 528	210 528
Total adjustments				96 946 815	(8 048 720)	88 898 095

2. **THAT** the following amended annual budget tables for 2009/2010 attached as **ANNEXURE A Page 1 to 8** to the Agenda of the Mayoral Committee, be approved:
 - 2.1 Table A1 - Adjusted budget summary
 - 2.2 Table A5 - Adjusted capital budget expenditure by vote
 - 2.3 Table A9 - Asset management
3. **THAT** the revised monthly and quarterly targets per the service delivery and budget implementation plan for the effected services attached as supporting table SA29 be approved.
4. **THAT** it be noted that the above adjustments will not result in additional budget funding as it was already considered in the 2008/2009 financial year.

ADJUSTED MONTHLY CAPITAL EXPENDITURE

TABLE SA29

MP313 - STEVE TSHWETE LOCAL MUNICIPALITY															
Description	Budget Year 2009/10												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
Capital Expenditure - Standard															
<i>Governance and administration</i>	-	172,000	1,426,545	3,660,970	2,780,312	1,712,985	4,654,976	2,369,985	1,728,000	1,765,000	3,603,500	2,595,102	26,469,375	14,189,650	12,973,650
Executive and council	-	-	60,000	-	160,000	1,250,000	60,000	300,000	658,000	300,000	-	-	2,788,000	334,650	260,650
Budget and treasury office	-	-	60,000	-	50,000	-	-	-	30,000	-	-	-	140,000	80,000	80,000
Corporate services	-	172,000	1,306,545	3,660,970	2,570,312	462,985	4,594,976	2,069,985	1,040,000	1,465,000	3,603,500	2,595,102	23,541,375	13,775,000	12,633,000
<i>Community and public safety</i>	50,000	8,735,538	930,135	11,711,925	16,005,815	6,519,049	10,530,000	7,929,985	9,139,985	3,800,182	4,252,502	993,913	80,599,029	66,025,000	25,668,000
Community and social services	40,000	8,675,523	140,000	10,600,000	10,630,000	5,100,000	10,090,000	5,750,000	5,620,000	250,000	300,000	50,000	57,245,523	48,111,000	9,410,000
Sport and recreation	-	50,000	150,000	462,000	715,300	513,576	380,000	720,000	1,240,000	2,864,000	3,090,000	500,000	10,684,876	7,490,000	5,650,000
Public safety	10,000	10,015	210,135	314,925	4,000,515	905,473	60,000	1,459,985	2,279,985	410,000	578,590	160,000	10,399,623	9,033,000	9,652,000
Housing	-	-	15,000	40,000	-	-	-	-	-	-	-	-	55,000	40,000	40,000
Health	-	-	415,000	295,000	660,000	-	-	-	-	276,182	283,912	283,913	2,214,007	1,351,000	916,000
<i>Economic and environmental services</i>	861,152	1,794,200	6,385,000	7,932,500	6,059,000	4,397,097	4,160,000	5,790,000	5,965,000	4,970,000	3,938,396	5,862,600	58,114,945	57,242,000	55,098,000
Planning and development	-	-	-	-	-	-	130,000	200,000	300,000	300,000	370,000	-	1,300,000	1,400,000	1,600,000
Road transport	861,152	1,794,200	6,385,000	7,932,500	6,059,000	4,397,097	4,030,000	5,590,000	5,665,000	4,670,000	3,568,396	5,862,600	56,814,945	55,842,000	53,498,000
Environmental protection	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	1,317,000	3,503,488	6,160,324	26,513,684	9,054,577	7,862,715	10,346,870	11,797,000	21,867,878	18,929,000	31,528,682	45,970,905	194,852,123	143,241,200	139,040,500
Electricity	425,000	1,738,909	2,224,580	21,877,334	2,552,577	3,961,925	3,578,870	5,761,000	14,703,575	10,755,000	25,871,394	39,639,905	133,090,069	104,396,000	104,326,000
Water	151,000	576,000	1,337,500	2,656,750	3,386,000	1,229,790	3,492,000	2,730,000	3,180,775	2,691,000	3,105,288	3,371,000	27,907,103	18,659,000	18,890,500
Waste water management	741,000	1,188,579	2,448,244	1,479,600	2,716,000	2,421,000	2,786,000	3,306,000	3,983,528	4,583,000	2,152,000	1,960,000	29,764,951	16,336,200	13,724,000
Waste management	-	-	150,000	500,000	400,000	250,000	490,000	-	-	900,000	400,000	1,000,000	4,090,000	3,850,000	2,100,000
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	2,228,152	14,205,226	14,902,004	49,819,079	33,899,704	20,491,846	29,691,846	27,886,970	38,700,863	29,464,182	43,323,080	55,422,520	360,035,472	280,697,850	232,780,150