

**SEDIBENG DISTRICT MUNICIPALITY
BUDGET FUNDING RECONCILIATION**

Part 1 - Budgeting for Financial Performance

DESCRIPTION	REF	ACTUAL 2015/16	ORIGINAL BUDGET 2016/17	ADJUSTMENT BUDGET 2016/2017	BUDGET 2017/2018	BUDGET AMOUNT 18/19	BUDGET AMOUNT 19/20
OPERATING REVENUE							
Service Charges	A	7,457,395	9,016,000	7,239,726	8,016,000	8,496,960	9,006,778
Rental of facilities and equipment	A	757,766	603,800	780,316	603,800	640,028	678,430
Interest earned - external investments	D	2,518,866	2,040,000	1,802,516	1,680,000	1,780,800	1,887,648
Licences and permits	B	61,390,138	73,801,268	73,801,268	73,801,268	78,229,344	82,923,105
Revenue from agency services	B	7,176,292	6,831,418	8,062,719	7,953,306	8,430,504	8,936,335
Government grants and subsidies - Operating	E	258,610,416	266,898,000	264,898,000	268,740,000	270,831,400	279,582,444
Government grants and subsidies - Capital	F	0	0	0	0	0	0
Other revenue	B	6,346,123	6,109,149	11,216,742	3,764,143	3,989,992	4,229,391
Total operating Revenue		344,256,997	365,299,635	367,801,287	364,558,517	372,399,028	387,244,130
OPERATING EXPENDITURE							
Employee/Councillor related cost		233,553,345	235,264,051	249,542,002	262,167,540	277,897,592	294,571,448
Bad or doubtful debts		2,644,529	0	0	0	0	0
Depreciation		22,294,572	25,168,452	16,896,075	16,896,075	17,909,840	18,984,430
Repair and maintenance		5,473,452	3,610,224	4,577,176	7,503,341	7,953,541	8,430,754
Finance charges		503	0	0	0	0	0
Contracted services		42,087,391	36,038,647	39,216,672	36,140,598	38,309,034	40,607,576
Grants and subsidies		5,646,927	0	1,225,000	0	0	0
General expenses		77,783,043	65,176,011	62,917,027	67,131,550	71,159,443	75,429,010
Total operating Expenditure		389,483,763	365,257,386	374,373,952	389,839,104	413,229,450	438,023,217
Operating Surplus / (Deficit)		-45,226,765	42,249	-6,572,665	-25,280,587	-40,830,422	-50,779,088
Special projects funded from reserves							
Government grants and subsidies - Capital expenditure		0	0	0	0	0	0
NETT Operating Surplus / (Deficit)		-45,226,765	42,249	-6,572,665	-25,280,587	-40,830,422	-50,779,088

Part 2 - Budgeting for Cash Flow

DESCRIPTION	REF	ACTUAL 2015/16	ORIGINAL BUDGET 2016/17	ADJUSTMENT BUDGET 2016/2017	BUDGET 2017/2018	BUDGET AMOUNT 18/19	BUDGET AMOUNT 19/20
CASH FLOW FROM OPERATING ACTIVITIES							
<u>Receipts</u>							
Cash received from operating revenue	A,B	83,127,715	96,361,635	101,100,771	94,138,517	99,786,828	105,774,038
Cash received from Government grants- Operating	E	258,610,416	266,898,000	264,898,000	268,740,000	270,831,400	279,582,444
Cash received from Government grants- Capital	F	0	0	0	0	0	0
Interest received	D	2,518,866	2,040,000	1,802,516	1,680,000	1,780,800	1,887,648
<u>Payments</u>							
Cash Paid to Suppliers and Employees		-367,189,191	-340,088,934	-357,477,877	-372,943,029	-395,319,611	-419,038,787
Finance charges paid		-503	0	0	0	0	0
NET CASH FROM/USED OPERATING ACTIVITIES		-22,932,696	25,210,701	10,323,410	-8,384,512	-22,920,583	-31,794,658
CASH FLOW FROM INVESTING ACTIVITIES							
<u>Receipts</u>							
Decrease in current/non-current debtors		30,347,529	0	0	0	0	0
<u>Payments</u>							
Purchase of property, plant and equipment	C	-8,882,668	-20,819,592	-9,471,100	-6,000,000	0	0
NET CASH FROM/USED INVESTING ACTIVITIES		21,464,861	-20,819,592	-9,471,100	-6,000,000	0	0
CASH FLOW FROM FINANCING ACTIVITIES							
<u>Receipts</u>							
Borrowing long term / refinancing							
<u>Payments</u>							
Repayment of borrowings	H	-43,963	0	0	0	0	0
NET CASH FROM/USED FINANCING ACTIVITIES		-43,963	0	0	0	0	0
NET INCREASE / (DECREASE) IN CASH HELD		-1,511,799	4,391,109	852,310	-14,384,512	-22,920,583	-31,794,658
Cash / cash equivalents at the begin:		10,414,507	10,833,676	8,902,708	9,755,018	-4,629,494	-27,550,077
Cash / cash equivalents at the end:		8,902,708	15,224,785	9,755,018	-4,629,494	-27,550,077	-59,344,734

Part 3 - Reconciliation of reserves and commitments backed by cash/investments

DESCRIPTION	REF	ACTUAL 2015/16	ORIGINAL BUDGET 2016/17	ADJUSTMENT BUDGET 2016/2017	BUDGET 2017/2018	BUDGET AMOUNT 18/19	BUDGET AMOUNT 19/20
Reserves to be backed by cash		-96,849,817	10,094,224	-95,997,507	-110,382,019	-133,302,602	-165,097,259
Capital budget creditors unpaid at year end	G	105,752,525	5,130,561	105,752,525	105,752,525	105,752,525	105,752,525
Total commitments:		8,902,708	15,224,785	9,755,018	-4,629,494	-27,550,077	-59,344,734
Total cash and investments available							
cash / cash equivalent at the year end		8,902,708	15,224,785	9,755,018	-4,629,494	-27,550,077	-59,344,734
Long term investments held							
cash and investments available		8,902,708	15,224,785	9,755,018	-4,629,494	-27,550,077	-59,344,734

Explanation notes/references

- (A) Represents the Fresh Produce Market income, Ambulance debtors as well as the rental of the facilities namely the Town Hall and Theatres
- (B) Represents license and permit income, income receivable from the Local Municipalities regarding Information Technology services rendered on their
- (C) Represents envisage expenditure on assets, taken into consideration the carry over projects from the previous years.
- (D) Represents interest earned on cash available invested with a financial institution
- (E) Represents money receivable from both Provincial and National Government regarding subsidies and the equitable share.
- (F) Represents Grant money receivable for Capital projects to be done for the District as well as on behalf of the Locals
- (G) Represents Carry over projects to the following financial year.
- (H) Represents the settlement of the financial leases on vehicles.

ANNEXURE "D"

SEDIBENG DISTRICT MUNICIPALITY
CAPITAL INVESTMENT - PROJECTS FOR 2016/17

CLUSTER	DESCRIPTION OF CAPITAL PROJECT	ORIGINAL BUDGET 2016/17	ADJUSTMENT BUDGET 2016/2017	BUDGET 2017/2018	PROJECTED OUTER YEARS BUDGET	
					2018/2019	2019/2020
TRANSPORT & INFRASTRUCTURE						
Air quality	Air Quality Monitoring station (3rd station)	500,000	0	0		
Basic Services	Integrated Transport Plan	1,142,000	571,000	0	0	
Licensing	Furniture & Equipment					
TIE TOTAL		1,642,000	571,000	0	0	0
FINANCE CLUSTER						
FINANCE CLUSTER	SCOA Implementation and system upgrade	3,200,000	2,200,000	3,200,000	0	
FINANCE CLUSTER TOTAL		3,200,000	2,200,000	3,200,000	0	0
CORPORATE SERVICES						
Information Management	Computers & Printers	1,500,000	2,190,000	500,000		
Information Management	Vehicles					
Information Management	Internal Networks	700,000	1,240,000			
Information Management	Optic Fibre Network / WIFI	6,040,000	1,200,000	2,000,000		
Fleet Management	Vehicle Assesories					
Internal Security	Upgrading of CCTV / Boom gates	300,000	0			
Maintenance & Cleaning	Furniture & Equipment	1,858,000	500,000	300,000		
Maintenance & Cleaning	Replacement of Lifts	2,000,000	27,100			
Maintenance & Cleaning	Roof Main Building					
Utilities	Fresh Produce Market Upgrade	641,592	400,000			
Utilities	Installation of CCR (airfield lights control) x 2	400,000	0			
Utilities	Fencing for airport / Precint	2,000,000	693,000			
Utilities	Runway lights installation x 10					
CORPORATE SERVICES TOTAL		15,439,592	6,250,100	2,800,000	0	0
Community Services						
Public Safety	CCTV Lightning protection	538,000	450,000			
COMMUNITY SERVICES TOTAL		538,000	450,000	0	0	0
GRAND TOTAL		20,819,592	9,471,100	6,000,000	0	0