**UMHLABUYALINGANA MUNICIPALITY**

**ADJUSTMENT BUDGET 2017/18**

**TABLED TO COUNCIL ON THE**

**26TH OF FEBRUARY 2018**

**IN THE MUNICIPAL COUNCIL CHAMBER**

**TABLE OF CONTENTS**

Page no

***PART 1 – ADJUSTMENT BUDGET***

* 1. Mayor’s report 3 - 4
  2. Resolution 5
  3. Executive summary 6 - 9
  4. Adjustment budget tables 10

***PART 2 – SUPPORTING DOCUMENTS***

2.1 Adjustments to budget assumptions 12

2.2 Adjustments to budget funding 12- 26

2.3 Adjustments to expenditure on allocations and grant programmes 27

2.4 Adjustments to allocations and grants made by the municipality 29

2.5 Adjustments to councillor allowances and employee benefits 30

2.6 Adjustments to service delivery and budget implementation plan 31

2.7 Adjustments to capital expenditure 33

2.8 Other supporting documents 35

2.9 Municipal manager’s quality certificate 54

***PART 1 – ADJUSTMENT BUDGET***

* 1. **Mayor’s report**

It is my privilege to present an overview of the adjustment budget for 2017/2018 financial year. This adjustment budget is prepared in terms of section 28 of the MFMA

1. A municipality may revise an approved annual budget through an adjustment budget.
2. (a) An adjustment budget must adjust the revenue and expenditure estimates downwards if there is a 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,

(c) may authorise unforeseeable and unavoidable expenditure recommended by the mayor of the council,

(d) may authorise the utilisation of project savings in one vote towards spending under another vote,

(e) may authorise the spending of funds that were unspent at the end of the past financial year where the underspending could not have been foreseen at the time to include projected rollovers when the annual budget of the current financial year was approved by the council,

(f) may correct any errors in the annual budget, and

(g) may provide for any other expenditure within the prescribed framework.

Our duty as political principals of the municipality is to ensure meaningful contribution in the eradication of the three social ills namely: poverty, unemployment and inequality in our municipal area. This can only be achieved through playing constructive oversight role over administration in their performance in the implementation of council approved budgets.

The adjustment budget has been prepared in such a way that value for money and long term impact or sustainability are key consideration, having an economic development strategy in place to respond to the underlying economic dynamics and interactions with a wide range of stakeholders that shape the economy of Umhlabuyalingana municipality.

The adjustment budget has been affected by the Intergrated National Electrification Grant Rollover from National Treasury for electrification of R2 916 223 which is for Manaba Electrification Project in ward 15. This project was implemented in 2016/2017 financial year and due to unforeseen challenges the project implementation was delayed and National Treasury approved the application for the roll over of funds made by the municipality in August 2017.

The second adjustment is the Grant funding for Kosi Bay Boarder Integrated Economic Development Plan. All other adjustments are re-allocations of funds from one vote to another where there are savings to fund other critical programmes that needs to be implemented in the next 5 months before the financial year ends.

**MID-Year Budget Assessment**

On the 1st of July 2017 the municipality implemented its MTREF for 2017/2018, as required by MFMA, the municipality assessed the performance of the budget in January 2018. Through that assessment it was evident that the municipality needs to do adjustments to its budget hence the Council took a resolution to do budget adjustment to revenue projections, operational expenditure projections, capital expenditure projections as well as the Service Delivery and Implementation Plans to be in line with the adjustment budget.

Thank you

By his worship, the mayor

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Cllr N.S. Mthethwa**

* 1. **Resolutions**

On the 26th of February 2018 the Council of Umhlabuyalingana Municipality adopted its Adjustment Budget as tabled in the prescribed template which Budget Tables B1 – B10 and its supporting schedules SB1-SB20 together with the budget narration report.

Council also approved that both electronic and hard copies of B Schedule and a narrative report be submitted to National Treasury and Provincial Treasury by no later than the 12th of March 2018

**Attached as Annexure C**

* 1. **Executive summary**

The following table represents an executive summary of the 2017/2018 adjustment budget.

|  |  |  |  |
| --- | --- | --- | --- |
| **DESCRIPTION** | **ORIGINAL BUDGET 2017/2018** | **ADJUSTMENT BUDGET 2017/2018** | **INCREASE/**  **(DECREASE)** |
| **Revenue (excluding capital grants)** | 175 199 307 | 173 918 300 | (1 281 007) |
| **Operating Expenditure** | 175 092 977 | 167 530 727 | ( 7 562 250) |
| **Surplus / (Deficit)** | 106 330 | 6 387 573 |  |
| **Capital expenditure** | 60 587 330 | 69 784 796 | 9 197 466 |

2017/2018 adjustment budget decreased both on the operating revenue and operating expenditure but increased on capital expenditure.

A 10% decrease in traffic fines revenue, 23% decrease in licenses and permits, and 41% decrease on interest from short term deposits had a huge contribution on the decrease in operating revenue. Traffic fines revenue decrease. Licences and permits revenue decreased after another DLTC office opening in a distance of 90 km from our offices meaning less people are coming for our DLTC services. Interest on investment revenue decreased as well because no short term deposits have been made in the first two quarters of the financial year. The reason for not making those deposits is because of the delays in the changing of signatories to financial institutions after the resignation of the former Municipal Manager.

The following are significant increases and decreases in revenue and expenditure. Detailed explanations are provided for in the report under section “Adjustments to Budget funding.”

**The Revenue budget has decreased from the Adopted 2017/2018 Budget to the Adjustment Budget. This is a result of the following key issues:**

* Decrease in revenue from Library income by R5 000
* Decrease in revenue from Tender fees by R40 000
* Decrease in revenue from LG SETA refund by R10 276
* Decrease in revenue from interest on outstanding debtors by R147 736
* Decrease in revenue from traffic fines by R441 944
* Decrease in revenue from drivers licences and permits by R408 252
* Decrease in revenue from short term deposits by R147 736

**The expenditure budget has decrease from the Adopted 2017/2018 Budget to the Adjusted Budget. This is as a result of the following key issues:**

* Increase in councillor allowances by R390 963
* Increase in employee related costs by R676 513
* Decrease in repairs and maintenance by R147 514
* Decrease in provisions by R21 396 743

Increase in councillor allowances is a result of the increased upper limits approved by the KZN COGTA MEC in December 2017.

Employee related costs increase is a result of adjustments in travelling allowance for Traffic Staff and a new position added for the IT Manager.

* + 1. **The table below depicts adjusted budget for revenue and expenditure:**

|  |  |  |
| --- | --- | --- |
| **Adjusted Budget for revenue and expenditure** | | |
|  | **Revenue** | **Expenditure** |
| **Original 2017/2018 Budget (excluding capital grants)** | **175 199 307** | **173 918 300** |
| Property Rates | 19 516 725 |  |
| Refuse Removal Fees | 201 600 |  |
| Transfers recognised – Operational | 143 907 762 |  |
| Fines | 1 473 156 |  |
| Licenses and Permits | 3 674 268 |  |
| Rental of facilities | 271 000 |  |
| Other revenue | 2 583 726 |  |
| Interest | 2 290 063 |  |
|  |  |  |
| Employee related costs |  | 59 052 043 |
| Councillor allowances |  | 12 601 266 |
| Repairs and Maintenance |  | 4 282 486 |
| General expenditure |  | 56 115 529 |
| Provisions |  | 35 479 402 |
| **2017/2018 Adjustment Budget** | **173 918 300** | **167 530 727** |

* + 1. **The 2017/2018 adjustment Operating Expenditure amounting to R167 530 727**

**comprises of the following elements:**

|  |  |  |  |
| --- | --- | --- | --- |
| **EXPENDITURE BY TYPE** | **ORIGINAL BUDGET 2017/2018** | **ADJUSTMENT BUDGET 2017/2018** | **INCREASE/ (DECREASE)** |
| Employee related costs | 58 375 530 | 59 052 043 | 676 513 |
| Remuneration of Councillors | 12 210 303 | 12 601 266 | 390 963 |
| General Expenditure | 43 201 000 | 56 115 529 | 12 914 529 |
| Repairs and Maintenance | 4 430 000 | 4 282 486 | (147 514) |
| Provisions | 56 876 145 | 35 479 402 | (21 396 743) |
| **TOTAL** | **175 092 977** | **167 530 727** | **(7 562 250)** |

**1.3.3 The source of funding of the above is made up of the following revenue categories:**

|  |  |  |  |
| --- | --- | --- | --- |
| **REVENUE BY SOURCE** | **ORIGINAL BUDGET 2017/2018** | **ADJUSTMENT BUDGET 2017/2018** | **INCREASE/ (DECREASE)** |
| Property Rates | 19 516 725 | 19 516 725 | - |
| Service Charges – Refuse revenue | 201 600 | 201 600 | - |
| Rental of facilities | 271 000 | 271 000 | - |
| Interest earned - external investments | 3 860 465 | 2 290 063 | (1 570 402) |
| Interest earned – outstanding debtors | 868 640 | 720 904 | (147 736) |
| Fines | 1 915 100 | 1 473 156 | (441 944) |
| Licences and permits | 4 082 520 | 3 674 268 | (408 252) |
| Transfers recognised –operational | 142 570 000 | 143 907 762 | 1 337 762 |
| Other Revenue | 1 913 257 | 1 862 822 | (50 435) |
| **TOTAL (EXCLUDING CAPITAL GRANTS)** | **175 199 307** | **173 918 300** | **(1 281 007)** |
|  |  |  |  |

**1.3.4 Below is a summary indicating the 2017/2018 Adjustment Capital Budget:**

|  |  |  |  |
| --- | --- | --- | --- |
| **DESCRIPTION** | **ORIGINAL BUDGET 2016/2017** | **ADJUSTMENT BUDGET 2016/2017** | **INCREASE/ (DECREASE)** |
| Capital Expenditure | 60 587 330 | 69 784 796 | 9 197 466 |

**1.3.5 The table below indicates the 2017/2018 Adjustment Capital Budget by classification:**

|  |  |  |  |
| --- | --- | --- | --- |
| **MUNICIPAL CLASSIFICATION** | **ORIGINAL BUDGET 2017/2018** | **ADJUSTMENT BUDGET 2017/2018** | **INCREASE/ (DECREASE)** |
| Municipal Roads | 8 200 000 | 8 151 813 | (48 187) |
| Community Halls | 22 898 211 | 24 338 429 | 1 440 218 |
| Sports Grounds | 3 589 119 | 4 928 331 | 1 339 212 |
| Electrification Projects | 25 000 000 | 27 916 223 | 2 916 223 |
| Other Assets | 900 000 | 4 450 000 | 3 550 000 |
| **TOTAL** | **60 587 330** | **69 784 796** | **9 197 466** |

**1.3.6 The table below indicates the source of funding for the 2017/2018 Adjustment Capital Budget**

|  |  |  |  |
| --- | --- | --- | --- |
| **SOURCE OF FUNDING** | **ORIGINAL BUDGET 2017/2018** | **ADJUSTMENT BUDGET 2017/2018** | **INCREASE/**  **(DECREASE)** |
| Government Grant – National | - | 2 916 223 | 2 916 223 |
| Own revenue | 106 330 | 6 281 243 | 6 174 913 |
| **TOTAL** | **106 330** | **9 197 466** | **9 091 136** |

* 1. **ADJUSTMENT BUDGET STATEMENT TABLES**

The following budget statement tables have been prepared in accordance with the Municipal Budgeting and Reporting Regulations:

**Schedule B is attached as Annexure A**

|  |  |
| --- | --- |
| **TABLE NUMBER** | **DESCRIPTION** |
| Table B1 | Adjustment Budget Summary |
| Table B2 | Adjustment Budget Financial Performance(Standard Classification) |
| Table B2B | Adjustment Budget Financial Performance(Detail)(Standard Classification |
| Table B3 | Adjustment Budget Financial Performance (Revenue and Expenditure by Municipal Vote) |
| Table B3B | Adjustment Budget Financial Performance (Detail)(Revenue and Expenditure by Municipal Vote) |
| Table B4 | Adjustment Budget Financial Performance (Revenue by source and Expenditure by Item) |
| Table B5 | Adjustment Capital Expenditure Budget by Vote and Funding |
| Table B5B | Adjustment Capital Expenditure Budget by Vote and Funding B |
| Table B6 | Adjustment Budget Financial Position |
| Table B7 | Adjustment Budget Cash Flows |
| Table B8 | Cash Backed Reserves/Accumulated Surplus |
| Table B9 | Asset Management |
| Table B10 | Basic Service Delivery measurement |
| Table SB1 | Supporting detail to Budgeted Financial Performance |
| Table SB2 | Supporting detail to Financial Position Budget |
| Table SB3 | Adjustments to the SDBIP Performance Objectives |
| Table SB4 | Adjustments to budgeted performance indicators and benchmarks |
| Table SB5 | Social, Economic and Demographic statistics and assumptions |
| Table SB6 | Funding measurement |
| Table SB7 | Transfers and Grants receipts |
| Table SB8 | Expenditure on transfers and grant programmes |
| Table SB9 | Reconciliation of transfers, grants and unspent funds |
| Table SB10 | Transfers and Grants made by the Municipality |
| Table SB11 | Councillor and Staff Benefits |
| Table SB12 | Monthly revenue and expenditure (Municipal Vote) |
| Table SB13 | Monthly revenue and expenditure (Standard Classification) |
| Table SB14 | Monthly revenue and expenditure (Revenue by source and expenditure by type) |
| Table SB15 | Monthly Cash Flow |
| Table SB16 | Monthly capital expenditure (Municipal Vote) |
| Table SB17 | Monthly capital expenditure (Standard Classification) |
| Table SB18a | Capital expenditure on new assets by asset class |
| Table SB18b | Capital expenditure on renewal of existing assets by asset class |
| Table SB18c | Expenditure on repairs and maintenance by asset class |
| Table SB18d | Depreciation by asset class |
| Table SB19 | List of capital programmes and projects affected by adjustment budget |

**PART 2 – SUPPORTING DOCUMENTATION**

**2.1 ADJUSTMENT TO BUDGET ASSUMPTIONS**

The budget assumptions have not changed from the original budget that was adopted by Umhlabuyalingana Municipal Council in May 2017.

The municipality has taken into consideration the four key factors in compilation of its 2017/2018 original MTREF as well as the adjustment budget

* National Government macro-economic targets.
* The general inflation outlook and the impact on Umhlabuyalingana municipal residence and businesses.
* The increase in the costs of remuneration of employees which is 8% across the board

The municipality sets its tariffs at a rate slightly above the CPI index as it is indicated in National Treasury circulars.

The municipality has projected a collection rate of 63% of the annual billing.

**2.2 ADJUSTMENT TO BUDGET FUNDING**

**Table B4 Adjustments Budget Financial Performance (revenue and expenditure) and table SB1** below indicates the adjustment of the operating revenue and expenditure per source.

Operating transfers were adjusted upwards by 0.9% with a Provincial Grant funding. Own revenue was adjusted downwards by 8% resulting from unrealistic projections made in the original budget. Overall decrease of the operating revenue is R1 281 007 or 0,7%

**OPERATING REVENUE BY SOURCE**

**Explanations for major increase / decrease in operating revenue**

* Interest earned on investments reflects a decrease of R1 570 402 from the adopted MTREF for 2017/2018. The downwards adjustment on this revenue source is a result of conditional grants allocations received by the municipality that were not deposited to the short term deposits (Investments) because of the challenges the management of the municipality has encountered when they had to change the signatories in banking institutions after the changes in the management that happened in July 2017.
* Interest earned on outstanding debtors has decreased by R147 736, the decrease is due to that it was overstated in the original budget.
* Other revenue decreased by R50 435 as a result of decrease in other revenue sources like tender monies, library income and LGSETA refunds. Please see table SB1
* Transfers recognised – Operating has increased by R1 337 762 which is a Provincial Grant from EDTEA for Kosi Bay Boarder Integrated Economic Development, as well as a rolloer grant from COGTA for Manguzi Pricinct Plan.

**OPERATING EXPENDITURE BY TYPE**

**Explanations for major increase / decrease in operating expenditure**

* Employee related costs has increased by R676 513 as a result of adjustments of travelling allowances and other allowances for staff and a new proposed position of the IT Manager.
* Remuneration of Councillors has increased by R390 963 as a result of the uperlimits for councillors that were approved by the Minister, where by cellphone allowances increased to R3 400 per person per month.
* Depreciation has decreased by R4 200 000 after considering new assets that will be capitalised in this financial year. Depreciation was overstated in the original budget as it included electrification projects that will not be capitalised as it is not the mandate of the municipality to implement these electrification projects.
* Finance charges decreased by R250 000 due to the fact that there are no new finance lease agreements entered in this financial year.
* Other materials decreased by R1 482 412 as other items previously in the MTREF were included as other materials have been re-located to Contracted services. Please see table SB1
* Contracted services has increased by R21 961 million after taking into account the money re-located from Other Materials and from other expenditure. Please see Table SB1
* Other expenditure has decreased by R24 030 million as a result of re-allocation of expenditure in terms of its nature in Mscoa













**CAPITAL EXPENDITURE BY VOTE**

**Table B5 Adjustments Capital Expenditure Budget by vote and funding -** below indicates the adjustment of the capital expenditure per vote.

Capital expenditure increased by 15% or R9 197 466 as a result of the rollover of capital grants from the previous financial year, additional funding to top up to other grant funded project and other assets . Roll over of R2 916 223 is for the electrification of Manaba Electrification project. Other projects that were toped up by R1 4040 218 are community halls and R1 339 212 for a sports field

* Community halls budget has increased by R1 404 218 and funding source came from own revenue
* Sports and recreation infrastructure projects budget has increased by R1 339 212 and the funding source came from own revenue.
* Electrification projects budget has increased by R2 916 223 as a result of the rollover of funds from the previous financial year.
* Other assets budget has increased by R4 450 000 which is for the procurement of the Grader in order to do maintenance of municipal access roads within the boundaries of Umhlabuyalingana Municipality. The other asset is the construction of municipal satellite office near the boarder gate of Mozambique in order to deal with the boarder crime issues as an attempt by the municipality to reduce the rate of car theft in the area of Umhlabuyalingana. Other assess also includes the procurement of air conditioners for the admin offices. The source of funding for this category came from own revenue and it was moved from repairs and maintenance of municipal access roads to fund the capital asset which is the Grader.







**FINANCIAL POSITION**

**Table B6 Adjustments Budget Financial Position –** below reflects the financial position of the municipality as well as accumulated surplus of the municipality.

**Assets**

**Non current assets**

**Cash**

The municipality anticipate that by end of June 2018 the bank balance on its main account will be R1 216 914 after payment of all its monthly obligation by end of June 2018

**Call investment deposits**

The municipality anticipates that by end of June 2018 its shorts term deposits balance will be R25 728 217, because management has committed itself to deposit all conditional grants received to short term investments accounts so that we can maximise our interests on investments and excess cash not to be used immediately will be invested to short term deposits accounts, although by end of December 2017 the short term investments balances were R11 917 610, due to challenges they had with banking institutions.

**Consumer debtors**

The balance of consumer debtors balance will be R11 144 099 by end of June 2018. The balance of consumer debtors has decreased when compared to the previous year consumer debtors of R12 387 073.

**Other debtors**

Other debtors balance has decreased to R254 418 when compared to previous year balance of R436 814 as we anticipate that the reduction to creditors overpayment and employee debtors would have been recovered by 30 June 2018

**Inventory**

Inventory was not provided for in the original budget, it includes the stationery items and cleaning materials as well as repairs and maintenance items.

**Current assets**

**Property plant and equipment**

It has decreased compared to the previous year as a result of electrification projects not being capitalised and taking into consideration depreciation for new assets and infrastructure assets anticipated to be finalised and capitalised by end of June 2018.

**Liabilities**

**Current Liabilities**

**Borrowings**

No borrowings are recorded because the municipality will not be entering into any financial obligation this financial year.

**Trade payables**

The municipality anticipate that the balance of its trade payables will be reduced because all creditors are paid within 30 days of receipts of invoice. This category includes retention creditors.

**Non-Current Liabilities**

**Provisions**

Provisions have increased when compared with prior year balances as per the Annual Financial Statements of 2017. Provisions includes land fill sites provision and employee benefits provision for bonuses and leave.



**CASH FLOW**

**Table B7 Adjustments Budget Cash Flows -** The table below indicates the projected cash receipts from all sources of revenue of the municipality as well as projected operating and capital expenditure by type.

**Cash flow from operating activities**

**Receipts**

**Property rates**

The municipality used an assumption that it will collect 63% from its property rates debtors, as compared to prior year collection rate of which it was assumed to be 100%.

**Service charges**

The municipality collection assumption rate is 100% on services charges because we are only providing this service to only Manguzi Hospital, Mseleni hospital and Ithala Shopping Centre at the moment. The current payment trend it for these debtors shows that we will collect 100% from this catergory.

**Traffic fines**

The municipality collection assumption rate for traffic fines is 20% based on the fact that collection of traffic fines is not entirely dependent to the municipality but also to the court magistrates decision when the offenders presents their charges to him. Due to the discounts and writes off of traffic fines by the court we anticipate that we will collect 20% from the fines issued from January to June 2018. We have already collected R736579 therefore the 20% is anticipated from January to June 2018 (see SB15)

**Other revenue**

The municipality collection rate assumption for other revenue is 100% (see SB15)

**Payments**

**Suppliers and employees**

Payment of suppliers and employees also includes prior year trade creditors of R9 388 170 that were paid in July as well as retention creditors amounting to R690 565 paid in September. The next retention pay out is due in March 2018 the balance is not going to be paid in this financial year because they will only be due after June 2018.

**Finance charges**

There are no finance charges in this financial year after it has been discovered that there will be no finance lease agreements in this financial year.

**Transfers and Grants**

These transfers refers to donations made to house holds for burial assistance and food parcels and organized groups in the community by donating to them with business start up equipment , as well as sports gear.

**Capital expenditure**

Assumption is that we will pay 100% for all the capital projects and assets as all capital projects have been already implemented and should be finished by 30 June 2018

**Re-payment of borrowings**

Re-payment of borrowings is nil after it has been identified that there are no finance lease obligations we will have this financial year.



**Cash back reserves/Accummulated surplus reconciliation**

The municipality cash back reserves is R26 945 131 which comes cash on main account of R1 216 914 and short term deposits/investments of R25 728 217.



**Assets Management**

**Table B9 Asset Management –** below shows the summary of the asset register of Umhlabuyalingana Municipality. Assets to be completed and purchased in this financial year are included like new grader to be purchased, new offices to be constructed in the Mozambique boarder, and other assets. Depreciation for additional assets has been considered as well.











**2.3 Adjustment to expenditure on allocation and grant programmes**

The municipality have received the following conditional grants transfers from National Treasury and Provincial Departments and the performance of these transfers is as follows:

Financial Management Grant expenditure is 47.5%, the training on compmetency levels for finance officials has not yet started but it has been projected to start in April 2018 hence the expenditure is low on this grant.

Expanded Public Works Programme expenditure is 47.2% it is only for the payment of salaries and stipends for general workers in the town cleaning programme.

Provincialisation Libraries and Community Library Services Grant expenditure is 51.2%, it is for the Library Staff salaries and library operating expenses.

COGTA (Wall to Wall Scheme) expenditure is 0%, the project started in the 3rd quarter as per the project time lines and it should be finished in June 2018.

Municipal Infrastructure Grant expenditure is 63,5%

Intergrated National Electrification Programme grant expenditure is 56.7%



**2.4 Adjustment to allocations and grants made by the municipality**

* The municipality has donations made to households as part of social relief programmes in assisting in burial services to households that can’t afford to bury their family members, as well as to organised groups like small businesses by buying and donating to them start up business equipment, and sports gear for youth in ward level.



**2.5 Adjustments to councillors allowances and employee benefits**

* Councillors remuneration budget was adjusted by R290 963, the increase is a result of new upper limits gazzeted by the KZN MEC in December 2017.
* Employee benefits has increased by R676 513 as a result of adjustments to travelling allowances for other employees and a new position for IT manager.





**2.6 Adjustment to service delivery and budget implementation plan**

After the Mid Year Budget Assessment the municipality has prepared an adjustment budget and the municipal SDBIP has been adjusted.

**Departmental SDBIP is attached as Annexure B**



**2.7 Adjustment to capital expenditure**

* Overall capital expenditure adjustment is R9 597 466 where Roads projects budget has been decreased by R48 187 and Community Halls projects budget has increased by R1 440 218. Two halls have been adjusted its Manguzi Multi purpose hall and Manzibomvu community centre, these projects have been increased because of variation orders that forced these projects to have their budgets increased. Electrification projects budget has been increased by R2 916 223, this increase is a result of the rollover of Manaba Electrification project from the 2016/2017 financial year. Sports Grounds projects budget has been increased by R1 339 212 , increase is a result of underbudgeting for this project. Other Assets budget has been increased by R3 350 000 this category includes the budget for the purchase of the municipal grader equipment, purchase of new air conditioners, and construction of new offices in the Mozambique Boarder gate.





**2.8 Other supporting documents**

Below are the supporting adjustment budget tables from SB1 to SB20









































































































**2.9 Municipal Manager’s Quality Certificate**

I Nonhlanhla P Gamede the Acting Municipal Manager of Umhlabuyalingana Local Municipality herby certify that the adjustment budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the adjustment budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Name: Nonhlanhla P Gamede

Acting Municipal Manager of Umhlabuyalingana Municipality

Signature \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_