

A 38 (ADJUSTMENT BUDGET 2019/2020)

(E/C 2020 02 18, C 2020 02 27)

(5/1/1)

RESOLVED

- a) That the following adjustments/additions with regard to Operational Expenditure be approved.

- Ward Committees	R 2 700 000
- Security	R 5 000 000
- Legal Cost	R 5 000 000
- Distribution Network (Electricity)	R 3 500 000
- mSCOA	R 2 000 000
- Council owned land (Parks)	R 50 000
- Subsistence and Travelling (licensing)	R 100 000
- Consultants – Professional fees (MM)	R 500 000
- Rental: Computers (Corp service)	R 200 000
	<u>R19 050 000</u>

That council takes note that adjustments/additional allocations to the amount of R 16 650 000 are not cash backed and that this amount be financed by savings through budget managements

That the following items be reduced to accommodate some of the overspendings mentioned above

- Contracted services EPWP	R 2 000 000
- Storm water/ drainage and bridges	<u>R 400 000</u>
	<u>R 2 400 000</u>

- b) That the following adjustments/additional allocations with regard to Capital projects from own funding be approved.

- Tickeyline to mahwibidung stormwater	R 561 967
- 2 X New generators for engineering services	R1 520 000
- Upgrading of morutji to matswi/kheshokolwe road	R 2 693 273
- Purchase of tar cutter machine and small Compactor	R 100 000
- Upgrading of old fire station building and Civic center	<u>R 3 200 000</u>
	<u>R 8 075 240</u>

That the following projects on the Budget be reduced/cancelled to accommodate the additional amounts requested on the Capital Budget:-

Capital Budget

- Purchase of geographical information system equipment	R 800 000
- New generator for Tzaneen dam water works	R 300 000
- Purchase of fleet 1xTLB, 1 excavator, 2x waste trucks, 1x Low bed	R 2 500 000
- Additions to existing Tzaneen stores including fencing	R 750 000
- Purchase of the mayoral car	R 700 000
- Rehabilitation of haenertsburg cemetery road	R 100 000
- Purchase of the speaker's car	R 700 000
- New generator for head office	R 400 000

Operational projects- Engineering services

- Vehicle tracking system	R 500 000
- Storm water/ drainage and bridges	R 600 000
- Contracted services aerodrome	R 300 000
- Gravel roads	R 425 240
	<u>R 8 075 240</u>

- c) That the following adjustment regarding Capital projects from Grant funding be included in the Adjustment.

IIPSA Grant

Project Name and Location	Budget 2019/20	Adjustment Budget
expansion of Waterbok 33/11KV Substation	R 0	R 1 000 000
Expansion of Blacknoll 33/11KV Substation	R 0	R 1 000 000
Replace 2 x 15 MVA 66/11 kv(linked to revenue on new electricity connections) with bigger capacity	R 0	R 4 000 000
Addition SS1 electrical substation circuit breakers with compact switchgear	R 0	R 4 000 000
Total	R 0	R 10 000 000

MIG projects

Project Name and Location	Budget 2019/20	Adjustment Budget
Mopye High School Access Road	R 14 365 700	R 5 314 812
Paving of Nelson Ramodike High School Access road to school phase	R 4 402 376	R 7 561 513
Tarring Nkowankowa A Codesa and Hani Street	R 3 000 000	R 243 596
Mulati Access road Paving	R 19 134 345	R 15 222 658
Upgrading of Access Road Mbambamencisi:	R 2 968 065	R 2 636 425
Upgrading of Khujwana to Lenyenye Access Road	R 19 554 712	R 23 280 579
Relela Access Road:	R 4 402 376	R 6 972 715
Matapa to Leseka Access Road to School:	R 4 402 376	R 10 430 869
Paving of moseanoka to Cell C Pharare internal streets in ward 28	R 2 000 000	R 3 000 000
Paving of Risaba, Mnisi, shando, to Driving school internal streets in ward 5	R 2 000 000	R 2 800 000
Paving of main road from Ndhuna mandlakazi, Efrika, Zangoma, Mpenyisi to Jamba Cross internal streets in ward 13, (Mandlakazi and Nwamitwa bridge via Nhlengeleti school to taxi rank, clinic via Lwandlamoni school to Nwamitwa/Mandlakazi road (in ward12)	R 2 000 000	R 3 851 021
Mawa B12 low level bridge	R 2 000 000	R 2 115 763
New Lenyenye Taxi Rank	R 8 119 900	R 5 119 900
High Mast Lights at Dan Village	R 1 200 000	R 1 000 000
PMU Administration	R 4 713 150	R 4 713 150
	<u>R 94 263 000</u>	<u>R 94 263 000</u>

- d) That the following roll over projects, financed from Conditional Grants, approved by National Treasury, be included in the Adjustment Budget.

The following projects are linked to the INEP Grant:

Project name	Budget	Expenditure to date
- Electrification of Marckery Village	R 44 288.28	
- Electrification of Zanghoma Village	R 15 763.90	
- Electrification of Mariveni Village	R 13 957.66	
- Electrification of Nabane Village	R 254 323.05	
- Electrification of Mbhekwana Village	R 562 882.54	R 333 526.75
- Electrification of Madawa Village	R3 122 236.49	R 1 792 184.59
- Electrification of Gabaza Village	R 913 221.99	R 836 440.74
- Electrification of Relela Village	R 23 940.19	
Total	R 4 950 614.10	R 2 962 152.08

- e) That the following INEP projects (operational projects on the 2019/2020 budget) be approved by council to ensure that the SDBIP can be aligned with the operational projects

Project Name	Total Project Value	Expenditure to date
Electrification of 93 households at Motseteng Village	R 1 561 470.00	R 224 461.35
Electrification of 160 households at Lenyenye	R 2 686 400.00	R 1 643 974.68
Electrification of 61 households at Tshamahansi Village	R 1 024 190,00	
Electrification of 307 households at Ntsako Village	R 5 154 530.00	R 325 000.00
Electrification of 80 households at Mulati Village	R 1 343 200.00	R 124 830.00
Electrification of 140 households at Mohlaba Cross(Shikwambana)	R 2 350 600.00	R 87 600.00
Electrification of 240 households at Mavele Phase1 Village	R 4 032 710,00	
Electrification of 110 households at Dan Village	R 1 846 900.00	R 87 600.00
Total	R 20 000 000.00	R 2 493 466.03

- f) That the following DBSA (loan) projects be approved by council to ensure that the SDBIP can be aligned with the capital budget

Project	Budget
Installation of new Entrance streetlights R71 (Adshade bridge to the Voortrekker street robot)	500 000.00
Area Lighting at R36 Kujwana turn off	300 000.00
Renewal Repairs and maintenance on prepaid meters and infrastructure in phases (Mieliekloof & Tarentaalrand)	300 000.00
Miniature substation Urban distribution networks in phases	800 000.00
Substation Tripping Batteries in phases (Letsitele Valley)	100 000.00
Provision of Electrical Tools (Customer Retail)	50 000.00
Provision of Electrical tools (Operation and Maintenance)	50 000.00
Replacement of Existing Air Conditioners in Municipal Buildings in phases	150 000.00
Rebuilding of Lines- Green frog-Haenertsburg in phases	1 050 000.00
Rebuilding of lines Gravelotte – De Neck in phases	1 000 000.00
Rebuilding of 33 KV lines – Lalapanzi – Waterbok in phases	600 000.00
Rebuilding of Mashutti 11kv line in phases	400 000.00
Rebuilding of Deeside 11kv line in phases	600 000.00
Rebuilding of Yarmona and Shivurali 11kv line in phases	600 000.00
Rebuilding of Ledzee 11kv line from LZ44 to Vandergryp Farm in phases	1 400 000.00
Rebuilding of lines – Letsitele Valley substation – Bosbou and all T offs in phases	500 000.00
Rebuilding of Rooikoppies 11kv lines in phases	500 000.00
Rebuilding of Mieliekloof and Deerpark 11kv lines in phases	500 000.00
Rebuilding of Letaba Feeder 33KV line in phases	1 000 000.00
Substation Fencing at major substations in phases (Letsitele Main Substation)	500 000.00
Replace 2 x 15 MVA 66/11 Kv Transformers with 2 x 20 MVA at Tzaneen Mainsub Phase 1 and 2	6 600 000.00

Replace 11kv and 33kv Auto reclosers per annum (x4)	1 000 000.00
Refurbishment of the Ebenhezer 33kV Feeder (2,5 km)	1 000 000.00
Rebuilding of Valencia 11Kv lines in phases	500 000.00
	<u>20 000 000.00</u>

Roll-over Projects

Project Title	Budget Remaining Roll Over to 19/20
Streetlights R36	R 49 156.45
Replace 2 x 20 MVA 66/11 kV at Tzaneen main sub (+R4 Million from STD)	R 4 778 414.76
Substation Tripping Batteries (Item B53 6/14)	R 646 591.29
Provision of Capital Tools (Customer and Retail Services)	R 87 025.00
Provision of Capital tools (Operations and Maintenance)	R 91 574.93
Replacement of Existing Air Conditioners	R 250 000.00
Rebuilding of Rooikoppies 11kv lines	R 223 320.14
Rebuilding of Mabet 11kv lines	R 934 782.59
Rebuilding of Haenertsburg 11kv lines	R 315 810.26
Rebuilding of Campsies Glen 11kv lines	R 342 292.47
Rebuilding of Politsi Valley 11kv lines	R 296 047.41
Rebuilding of Mieliekloof / Deerpark 11kv lines	R 467 391.30
Upgrading of Waterbok 33/11KV Substation	R 1 800 622.72
Upgrading of Blacknoll 33/11KV Substation	R 1 726 757.42
Houtbosdorp 11KV Ring	R 326 537.55
Replace 11 kV and 33 kV Auto reclosers per annum (Item B53 6/14)	R 511 349.28
Total	R 12 847 674.00

- g) That the Directors manage their respective votes/departments in the Municipality in terms of Section 77 of the MFMA to ensure that no overspending occurs at 30 June 2020, and that the additional requests that could not be accommodated in the Adjustment Budget be managed through virements.
- h) That special attention be given to Credit Control to ensure that the required revenue is generated.

- i) That the adjustment budget and supporting documentation be submitted to National Treasury and Provincial Treasury in both printed and electronic format within 10 working days after approval by Council in terms of Section 28 (7) of the Act.
- j) That the expenditure i.e. Repairs and Maintenance on boreholes and provision of water tankers on the water and sewer services in Mopani's area of jurisdiction be taken up with Mopani District Municipality and that it be discussed and included in the Service Level Agreement between Mopani District Municipality and Greater Tzaneen Municipality.
- k) That no Adjustment be effected on the Water and Sewer budgets.
- l) That no Adjustment be approved for GTEDA and that possible overspending on line items be accommodated by virements.
- m) That the cash flow of the Municipality be managed to ensure that all liabilities of the Municipality are met at year-end.
- n) That adjustments be effected on the Municipalities B Schedules to ensure alignment with the mSCOA data strings.
- o) That the recommendations from Limpopo Treasury regarding the Special Adjustment Budget be addressed.
- p) That an amount of R144 009.75 SETA Grant received from SETA be included in the revenue as well as the Expenditure Budgets.

Signed by the Speaker

Councillor DJ Mmetle.....