



FOREWORD MAYOR: REVISED BUDGET 2019/20

In terms of Chapter 4, section 28 (2) (a), (b) and (d) of the
Municipal Financial Management Act (Act 56 of 2003), it is my
privilege to table the Revised Budget for 2019/20.

The main reason for revising the Annual budget is to ensure
sufficient and adequate service delivery

The 2019/20 Revised Budget can be summarised as
follows:

- (a) Operational Income:
- The operational income increased with R5.1 m as a
result of;
- Transfer and Subsidies – Increased with R2.0m
Reason: Additional Funding Human Settlement
Development Grant
 - Other Revenue – Budget increased of R5.6m
Reason: Sale of Land

- Service Charges Electricity: Budget declined of R4.5m
Reason: Internal Accounts that is being billed and load shedding.

b) Operational Expenditure

- Operational Expenditure Increased with R4.2m, due to:
Employee related costs: Budget decrease with R4.9m
Moratorium was placed on the request for all additional vacancies,
Overtime and Standby was reduced.

- Debt Impairment: Budget increase with R 6.3m
Reason: An increase in Fines issued, but Low collection rate of fines.
Actual results in consumer debtors after 2018/19 audit caused an increase.

- Bulk Purchases: Budget increased with R 3.9m
Reason: Implementation of NERSA increase.

(c) Capital Expenditure

- Capital Expenditure: Budget decrease with R 1.4m.
Reason:

- Increase of R2m for Citrusdal Riverview Electrifications
- Decline in own funding projects not started during the past 6months.

The increase in the future years of the budget will be certain during the compiling of the 2020/2021 budget and once the future Provincial and National government allocations are certain. We have therefore now kept the

outer years as they were in the 2019/20 original Annual Budget.

RESOLVED:

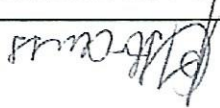
1. Council approves the Adjustment Budget for 2019/2020 financial year, amendments to income, operational and capital expenditure projections as set out in the following:

- (i) Municipal Budget tables B1 – B10
- (ii) Municipal Budget Supporting Documentation SB1 – SB19

2. The Service Delivery Budget Implementation Plan to be amended in line with these adjustments.

Proposed: Cllr. M Heins
Seconded: Cllr. E Majikijela

VOORSITTER / CHAIRPERSON



DATUM / DATE

28/02/2020