

RB6.1.1/31-07-2020

**ADDITIONAL FUNDING AND AMENDMENTS TO INCOME,
OPERATIONAL AND CAPITAL EXPENDITURE PROJECTIONS -
ADJUSTMENT BUDGET 2020/21 JULY 2020**

FOREWORD MAYOR: REVISED BUDGET 2020/21

*"Honourable Speaker, Deputy Mayor Councillors, Municipal
Manager, Directors and Other staff members*

In terms of Chapter 4, section 28 (1) of the Municipal Financial Management Act (Act 56 of 2003), a municipality may adjust an approved budget through an adjustment budget. Section 28(4) of the MFMA determines that only the mayor may table an adjustment budget in the municipal council, but an adjustments budget in terms of subsection 28(2)(b) to (g) may only be tabled within any prescribed limitations as to timing or frequency.

*Section 23(3) of the Municipal Budget and Reporting Regulations determines that –
"If a national or provincial adjustment budget allocates or transfers additional revenues to a municipality, the mayor of the municipality must, at the next available council meeting, but within 60 days of the approval of the relevant national or provincial adjustment budget, table an adjustment budget referred to in section 28(2)(b) of the MFMA in the municipal council to appropriate these additional revenues."*

It is my privilege to table the Revised Budget for 2020/21.

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

The 2020/21 Revised Budget can be summarised as follows:

- (a) Amended Division of Revenue Bill B9-2020*
- An increase in equitable share amounting to R7.698m;*
 - An increase of R15m in the Regional Bulk Infrastructure Grant to fund the Citrusdal Waste Water Treatment Works;*

- A decrease of R5.754m in the Integrated National Electrification Programme Grant
- (b) Operational Income:
- The operation income decreased with R3.6m (sale of Land)*
- d) Operational Expenditure
- A decrease in debt impairment amounting to R2.5m;
 - A decrease in depreciation and impairment amounting to R1m;
 - A decrease in other expenditure amounting to R1m.
- (e) Capital Expenditure
- A decrease in capital expenditure funded through own income amounting to R 3m;
 - A decrease in capital expenditure funded through external borrowings amounting to R1.5m

The adoption of a funded budget is key for the financial sustainability of our municipality. There was deterioration in the economy of the Country driven by the covid-19 pandemic. It remains a priority of the Council to contain service delivery within the affordability levels of the community whilst focusing on the strategic objectives of council. Infrastructure spending in excess of R190m is provided for over the MTREF budget period in line with the infrastructure led growth strategy of national and provincial government. Council is confident that the construction of infrastructure will unlock economic growth and job creation.

I hereby table the 2020/21 revised budget for consideration and approval"

RESOLVED:

1. Council approves the Adjustment Budget for 2020/21 financial year, additional funding and 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. L Scheepers

Counter Proposal: Cllr. R Pretorius

(Speaker would not allow any clarity or response on questions asked by the DA component, pertaining this budget)

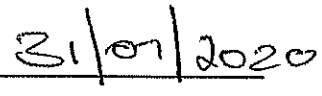
Seconded: Cllr. J Meyer

VOTE

FOR	AGAINST	ABSTAIN
6 - ANC	3 - DA	-



VOORSITTER / CHAIRPERSON



DATUM / DATE

