6.1 ADDITIONAL ALLOCATIONS - ADJUSTMENTS BUDGET 2019/2020 JUNE 2020

File No. /s: 3/2/2/19 Responsible Official: R Ontong

Directorate: Financial Services **Portfolio:** Financial Services

1. Purpose:

To submit an Adjustments budget for the 2019/2020 financial year as a result of amendments / adjustments to allocations from National Government, Provincial Government and Cape Winelands District Municipality during the 2019/20 financial year.

2. Background:

In terms of the MFMA (Section 28) the approved budget may be revised through an adjustments budget.

- A. Section 28(2) further provides that; An Adjustments budget -
 - Must adjust the revenue and expenditure estimates downwards if there is a material under-collection of revenue during the year;
 - May appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmed already budgeted for;
 - May, within the prescribed framework, authorize unforeseen and unavoidable expenditure recommended by the Mayor;
 - May authorize the utilization of projected savings in one vote towards spending under another vote;
 - May authorize the spending of funds that were unspent at the end of the past
 financial year where the under-spending could not reasonably have been foreseen
 at the time to include projected roll-overs when the annual budget for the current
 year was approved by council;
 - May correct any errors in the annual budget, and

• May provide for any other expenditure within a prescribed framework.

Municipal Budget and Reporting Regulations further provides that;

- B. Timeframes for tabling of adjustment budgets
 - An adjustment budget referred to in section 28(2)(b), (d) and (f) of the Act may be tabled in the Municipal Council at any time after the mid-year budget and performance assessment has been tabled in the council, but not later than 28 February of the current year;
 - Only one adjustment budget referred to in sub regulations (1) may be tabled in the municipal council during a financial year, except when the additional revenues contemplated in section 28(2)(b) of the Act are allocations to a Municipality in a National or Provincial adjustments budget, in which case sub regulation (3) applies. If a National or provincial adjustment budget allocates or transfer additional revenue 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 Act in the Municipal council to appropriate these additional.

Government Gazette 30 March 2020 No. 43181 – Exemption Notice Exemption

2. Subject to the condition in paragraph 3, municipalities and municipal entities are exempted from a provision of the Act which requires any action to be taken between the date of publication of this notice and the date that the national state of disaster lapses

or is terminated in terms of section 27(5) of the Disaster Management Act, 2002.

Condition

3. (1) Any action referred to paragraph 2 must be taken within 30 days after the national state of disaster lapsed or is terminated.

(2) Municipal councils may pass a special adjustment budget before the end of the 2019/2020 municipal financial year to authorise all expenditure linked to the emergency to address the COVID-19 pandemic.

As per the Annexure to MFMA Circular No 99 for 2020-21 MTREF "Municipalities should note that only one adjustments budget will be allowed between the date of the declaration of the national state of disaster and 15 June 2020, which is the date when it is envisaged to end in terms of the DMA. Municipalities should therefore plan the date when the municipal council will pass the adjustments budget carefully to ensure that all related expenditure is authorised in this one special adjustments budget."

3. Financial Implications:

Financial implications are contained in the detail in this report.

4. Applicable Legislation / Council Policy:

- 1. The MFMA Section 28, 30 and 16(3)
- 2. Municipal Budget and Reporting Regulations
- 3. Council Budget related Policies
- 4. Government Gazette 30 March 2020 No. 43181 Exemption Notice
- 5. Annexure to MFMA Circular No 99 for 2020-21 MTREF

ADJUSTMENTS BUDGET SCHEDULE B REPORT 2019/20



11 JUNE 2020

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SECTION A - Part 1

1. Glossary

Adjustments Budgets – Prescribed in section 28 of the Municipal Finance Management Act. It is the formal means by which a municipality may revise its budget during a financial year.

Allocations - Money received from Provincial and National Treasury.

Budget – The financial plan of a municipality.

Budget related policy – Policy of a municipality affecting or affected by the budget.

Capital Expenditure – Spending on municipal assets such as land, buildings and vehicles. Any capital expenditure must be reflected as an asset on a municipality's balance sheet.

Cash Flow Statement – A statement showing when actual cash will be received and spent by the Municipality, and the month end balances of cash and short term investments.

DORA – Division of Revenue Act. The annual piece of legislation that indicate the allocations from National Government to Local Government.

Equitable Share – A general grant paid to municipalities. It is predominantly targeted to assist with free basic services.

GDFI - Gross Domestic Fixed Investment

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates comparisons between municipalities.

IDP - Integrated Development Plan. The main strategic planning document of a Municipality.

KPI - Key Performance Indicators. Measures of service output and/or outcome.

LM – Breede Valley Municipality.

MFMA - Municipal Finance Management Act (No 53 of 2003). The principle piece of legislation relating to municipal financial management.

MTREF – Medium Term Revenue and Expenditure Framework as prescribed by the MFMA sets out indicative revenue and projected expenditure for the budget year plus two outer financial years to determine the affordability level.

Operating Expenditure – Spending on the day to day expenses of a municipality such as general expenses, salaries & wages and repairs & maintenance.

Rates - Local Government tax based on assessed valuation of a property.

TMA – Total Municipal Account

SDBIP – Service Delivery Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

Strategic Objectives – The main priorities of a municipality as set out in the IDP Budgeted spending must contribute towards achievement of these strategic objectives.

Vote – One of the main segments into which a budget is divided, usually at department level.

COVID 19 - Corona Virus Disease 2019

Abbreviations and Acronyms

AMR Automated Meter Reading

ASGISA Accelerated and Shared Growth Initiative

BPC Budget Planning Committee

CBD Central Business District

CFO Chief Financial Officer

CPI Consumer Price Index

CRRF Capital Replacement Reserve Fund

DBSA Development Bank of South Africa

DoRA Division of Revenue Act

DWA Department of Water Affairs

EE Employment Equity

EEDSM Energy Efficiency Demand Side Management

EM Executive Mayor

FBS Free basic services

GAMAP Generally Accepted Municipal Accounting Practice

GDP Gross domestic product

GDS Gauteng Growth and Development Strategy

GFS Government Financial Statistics

GRAP General Recognised Accounting Practice

HR Human Resources

HSRC Human Science Research Council

IDP Integrated Development Strategy

IT Information Technology

kł kilolitre

km kilometre

KPA Key Performance Area

KPI Key Performance Indicator

kWh kilowatt-hour

litre

LED Local Economic Development

MEC Member of the Executive Committee

MFMA Municipal Financial Management Act

MIG Municipal Infrastructure Grant

MM Municipal Manager

MMC Member of Mayoral Committee

MPRA Municipal Properties Rates Act

MSA Municipal Systems Act

MTEF Medium-term Expenditure Framework

MTREF Medium-term Revenue and Expenditure Framework

NERSA National Electricity Regulator South Africa

NGO Non-Governmental organisations

NKPIs National Key Performance Indicators

OHS Occupational Health and Safety

OP Operational Plan

PBO Public Benefit Organisations

PHC Provincial Health Care

PMS Performance Management System

PPE Property Plant and Equipment

PPP Public Private Partnership

PTIS Public Transport Infrastructure System

RG Restructuring Grant

RSC Regional Services Council

SALGA South African Local Government Association

SAPS South African Police Service

SDBIP Service Delivery Budget Implementation Plan

SMME Small Micro and Medium Enterprises

2. Mayors Report

Breede Valley Municipality received the following additional allocations for COVID 19 relief:

- National Government: R298 000.00 (Municipal Disaster Relief Grant)
- Provincial Government: R850 000.00 (Local Government Support Grant Provincial Gazette Extrordinary 8232, Friday, 24 April 2020)
- Cape Winelands District Municipality: R2 000 000.00

All conditional grants / funds allocated and transferred to the Breede Valley Municipality will be utilised within the limitations of the conditions and timeframes during the 2019/20 financial year.

We as a municipality will continuously strive to successfully implement all projects, especially the projects funded from external sources such as grants.

3. Resolutions

That council approves the following:

- (a) To approve the adjustments budget as tabled in terms of Government Gazette 30 March 2020 No. 43181 – Exemption Notice and Annexure to MFMA Circular No 99 for 2020-21 MTREF
- (b) The recommendations regarding resolutions are contained at the end of this report and have been prepared and presented according to the budget regulations.

4. Executive Summary

The 2019/20 budget of Breede Valley Municipality is adjusted to accommodate the following amendments / additional allocations from National Government, Provincial Government and Cape Winelands District Municipality.

The additional / amended allocations relate to the following grants:

NAME OF GRANT	R
National Government: (Municipal Disaster Relief Grant)	298 000
Water tanks and Materials & Supplies	
Provincial Government: (Local Government Support Grant -	850 000
Provincial Gazette Extraordinary 8232, Friday, 24 April 2020)	
Humanitarian Relief	
Cape Winelands District Municipality:	2 000 000
Materials & Supplies	

The 2019/20 Adjustments Budget was compiled in accordance with Government Gazette 30 March 2020 No. 43181 – Exemption Notice and Annexure to MFMA Circular No 99 for 2020-21 MTREF

In compiling the 2019/2020 Adjustments Budget, the importance of credibility, sustainability, responsiveness and affordability remains integral in striving to achieve the desired outcome of effective and efficient service delivery and relief in terms of the Corona Virus Disease.

Further, as per the Annexure to MFMA Circular No 99 for 2020-21, the municipality is guided by the following generic principles:

- **Strategic Management** Extraordinary operations / scenario's and balance decision making within the legal framework
- Supply Chain Management Adapting of procurement rules as per MFMA Circular
 No 100
- **Donations and sponsorship** Reporting on donations and sponsorship in line with MFMA Circular No 100
- Disaster Response Plans commit to pre-approved response plans, adjusted as necessary, and guard against deviations from established disaster response frameworks
- Risk Assessment and Mitigation conduct a localised risk assessment to help identify areas of most pressing need.
- Revenue Management Revenue streams must be actively protected to mitigate the financial impact of COVID-19. Most business and households will feel the financial impact of COVID-19 (albeit to a varying degree) and will likely reprioritise their own spending patterns

- **Expenditure Management** - All non-essential spending should be curtailed to optimise savings that can in turn be applied for disaster relief.

Please refer to the Annexure for the detailed principles.

1. Adjustments Budget Tables - refer to Annexure A

B1 Consolidated Adjustments Budget Summary

Deacription				Ві	udget Year 2019	720				Budget Year +1 2020/21	Budget Yea +22021 <i>1</i> 22
Deachphon	Original Budget	_	Accum Funda	Multi-year capital	Unfore. Unavoid.	Nat.orProv. Govt	Other Adjusts.	Total Adjuata.	Adjuated Budget	Adjuated Budget	Adjuated Budget
R thousands	А	A1	2 B	3 C	4 D	5 E	6 F	7 G	8 H		
Financial Performance											
Property rates	139 998	139 998	-	_	-	-	_	-	139 998	148 398	157 3
Service charges	603 781	603 781	-	-	-	-	-	-	603 781	639 516	673.4
Investment revenue	11 854	11854	-	-	-	-	-	-	11 854	12 5 18	132
Transfers recognised - operational	259 006	186 339	-	-	-	2988	-	2 988	189 327	256 290	237 6
Other own revenue	161 121	249 756			-	<u> </u>	(9	(0)	249 756	161 471	168 5
Total Revenue (excluding capital transfers and contributions)	1175 760	1 191 728	-	-	-	2988	(0)	2988	1 194 716	1 218 193	12502
Employee costs	336 104	315 738	-	-	-	-	(400)	(400)	315 338	365 646	397 4
Remuneration of councilors	18 780	18 780	-	-	-	-	-	-	18 780	20 095	215
Depreciation & asset impairment	91 139	91 139	-	-	-	-	-	-	91 139	96 242	1020
Finance charges	23 654	23 654	-	-	-	-	-	-	23 654	22 833	242
Materials and bulk purchases	321 263	327 276	-	-	-	2 138	4267	6405	333 681	339 323	1
Transfers and grants	125 484	52 739	-	-	-	850	400	1250	53 989	118 395	894
Other expenditure	255 482 1 171 905	325 173 1 154 499			_		(3 7 47) 520	(3747) 3508	321 426 1 158 007	259 589 1 222 122	
Total Expenditure		 			-					 	
Surpluan(Deficit)	3 855	37 230	-	-	-	-	(520)	(520)	36 7 10	(3 929)	1
Transfers recognised - capital	110 102	115 835 185	-	-	-	160	-	160	115 995 185	75 230	567
Comhributions recognised - capital & combributed assets Surpluan(Deficit) after capital transfers & contributions	113957	153249	-	-	-	160	(520)	(360)	152889	71 301	429
Share of surplus/ (deficit) of associate		_	_		-	_	_	_		_	
Surplua/ (Deficit) for the year	113957	153249	-	-	-	160	(520)	(360)	152 889	71 301	429
Capital expenditure & funds sources											
Capital expenditure	191 723	198 156	-	_	_	110	_	110	198 266	136 731	1093
Transfers recognised - capital	110 102	116 070	-	_	-	110	-	110	116 180	75 230	56.7
Borrowing	_	162	_	_	_	_	_	_	162	_	
Internally generated funds	81 621	81925	-	_	-	-	_	-	81 925	61 50 1	52.5
Total sources of capital funds	191 723	198156	-	-	-	110	-	110	198 266	136731	1093
Financial position										<u> </u>	
Total current assets	347 239	357 561	-	_	-	-	(383)	(383)	357 178	388 317	4358
Total non current assets	2 382 017	2 388 451	-	-	-	110	-	110	2 388 561	2 422 117	2 429 0
Total current liabilities	120 863	120 863	-	-	-	-	-	-	120 863	128 085	1357
Total non current liabilities	428 590	428 590	-	-	-	-	-	-	428 590	419 886	409 9
Community wealth/Equity	2179803	2196558	-	-	-	110	(383)	(273)	2 196 285	2262463	23192
Cash flows											
Net cash from (used) operating	195 970	210 018	-	_	-	110	(383)	(273)	209 745	159 129	138 0
Net cash from (used) investing	(191 673)	(198 111)	-	-	-	(110)	-	(110)	(198 221)	(136 681)	(109.2
Net cash from (used) financing	(10 360)	(10 360)	-	-	-	-	-	-	(10 360)	(11 602)	(129
Cash/cash equivalents at the year end	114 388	111 414	-	-	-	-	(383)	(383)	111 031	121 878	1376
Cash backing/surplus reconcilistion											
Cash and investments available	114388	111414	-	-	-	-	(383)	(383)	111 031	125 234	1410
Application of cash and investments	(69 605)	(63 697)	- 1	-	-	-	(53 865)	(53 865)	(117 562)	(75 477)	(1052
Balance - aurplua (ahortfall)	183993	175 111	-	-	-	-	53482	53482	228 593	200 711	2463
Asset Management											
Asset register summary (MDV)	2 378 135	1	-	-	-	110	-	110	2 384 679	2 418 624	1
Depreciation & asset impairment	91 139	91 139	-	-	-	-	-	-	91 139	96 242	1
Renewal and Upgrading of Existing Assets	34 997	77 958	-	-	-	-	38	38	77 996 40 507	37 637	1
Repairs and Maintenance	59 124	48 697	-	-	-	-	-	-	48 697	62 281	650
Free services											
Cost of Free Basic Services provided	48 036	48 036	-	-	-	-	-	-	48 036	50 344	1
Revenue cost of free services provided	44 328	44 328	-	-	-	-	-	-	44 328	46 593	489
Households below minimum service level											
Mater:	-	-	-	-	-	-	-	-	-	-	
Santation/sewerage:	-	-	-	-	-	-	-	-	-	-	
Energy:	-	-	- 1	-	-	-	-		-	-	1

The table above is a budget summary and provides a concise overview of Breede Valley Municipality's budget from all the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).

The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.

B2 Consolidated Adjustments Budget Financial Performance by Standard Classification

WC025 Breede Valley - Table B2 Adjustments Budget Financial Performance (functional classification) - 11 June 2020

Stan dard Description	Ref				Bu	dget Year 2019	3.220				Budget Year +1 2020 <i>1</i> 21	Budget Year +2 202122
Standard Description	ræi	Original Budget	Prior Adjusted		Multi-year capital	Unfore. Una void.	Nat. or Prov. Govt	Other Adjusts.	-	Adjuste d Budg et	Adjusted Budget	Adjusted Budget
Rthousands	1,4	A A	5 A1	6 B	7 G	8 D	9 E	10 F	11 G	12 H		
Revenue - Functional							-					<u> </u>
Governanc e and administration		202 484	205 595	_	_	_	2 988	(200)	2 788	208 383	213 198	225 76
Executive and council		147	647	_	_	_	2 000	-	2 000	2 647	1 055	16
Finance and administration		202 337	204 948	_	_	_	988	(200)	788	205 736	212 144	225 60
Internal audit		_	_	_	_	_	_		_	_		
Community and public safely		169 899	99 371	_	_	_	_	(4 715)	(4 715)	94 655	159 358	133 36
Community and social services		11 585	11 585	_	_	_	_	(****)	-	11 585	11 744	12 50
Sport and recreation		11 374	11 374	_	_	_	_	_	_	11 374	6 012	6 38
Public safety		1 577	1 577	_	_	_	_	_	_	1 577	1 754	187
Housing		145 363	74 835	_	_	_	_	(4715)	(4 715)	70 119	139 847	112 61
Health		_	_	_	_	_	_	(,	(,	_	_	
Economic and environmental services		153 865	243 568			_		_	_	243 568	137 189	136 46
Planning and development		6 823	7 890	_	_	_	_	_	_	7 890	1 679	1 78
Road transport		144 780	233 416		_	_		_	_	233 416	135 510	134 68
Environmental protection		2 262	233 416		-	_		_	-	2 262	133 310	134 00
·		759 614	759 114		-			4 915	4 075	764 190	1	811 38
Trading services		l		-	-	-	160	1	5 075		783 678	
Energy sources		437 077	437 08 4	-	-	-	-	4 715	4 715	441 800	465 633	491 39
Water man age ment		122 146	122 139	-	-	-	160	200	360	122 499	119 753	121 19
Waste water management		134 983	134 483	-	-	-	-	-	-	134 483	138 059	134 55
Waste man agement		65 408	65 408	-	-	-	-	-	-	65 408	60 233	64 24
Other			100	-	-				-	100		ļ
Total Revenue - Functional	2	1 285 362	1 307 748	-			3 148	(0)	3 148	1 310 896	1 293 423	1 306 99
Expenditure - Functional												
Governance and administration		226 021	226 141	-	-	-	2 988	1 442	4 430	230 571	236 662	251 26
Executive and council		35 162	36 677	-	-	-	2 000	(138)	1 862	38 539	38 476	40 16
Finance and administration		186 80 4	185 867	-	-	-	988	1 600	2 588	188 455	193 850	206 47
Internal audit		4 055	3 597	-	-	-	-	(20)	(20)	3 577	4 336	4 63
Community and public safety		227 544	146 036	-	-	-	-	2 300	2 300	148 336	227 342	207 06
Community and social services		24 705	23 258	-	-	-	-	411	411	23 669	26 148	28 04
Sport and recreation		29 926	29 46 9	-	-	-	-	(49)	(49)	29 420	32 212	35 55
Public safety		31 462	30 741	-	-	-	-	39	39	30 780	33 607	35 92
Housing		141 345	62 468	- 1	-	-	-	1 900	1 900	64 368	135 262	107 43
Health		106	100	-	-	-	-	-	-	100	112	11
Economic and environmental services		173 603	244 113	- 1	-	-	-	(548)	(548)	243 566	177 821	184 52
Planning and development		15 789	15 844	- 1	-	-	-	(198)	(198)	15 646	16 873	18 03
Road transport		154 155	225 468	-	-	-	_	(350)	(350)	225 118	159 461	164 90
Environmental protection		3 658	2 802	-	-	-	_	-	-	2 802	1 487	1 58
Trading services		543 85 5	534 269	-	_	_	_	(1 220)	(1 220)	533 049	579 362	620 20
Energy sources		373 300	367 523	_	_	_	_	(43)	(43)	367 480	396 262	422 44
Water man age ment		61 945	61 306	_	_	_	_	(706)	(706)	60 600	66 632	72 72
Waste water management		61 75 4	58 67 4	_	_	_	_	155	155	58 829	65 587	70 28
Waste management		46 856	46 765	_	_	_	_	(626)	(626)	46 139	50 882	54 75
Other		882	3 940	_ [_	_	_	(1 459)	(1 455)	2 485	935	99
Fotal Expenditure - Functional	3	1 171 905	1 154 499	_	_		2 988	520	3 508	1158 007	1 222 122	1 264 06
Surplus/ (Deficit) for the year	t	113 95 7	153 249				2 300 160	-	(360)	152 889	1	42 93

Table B2 above is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The GFS standard classification divides the municipal services into 15 functional areas.

Total Revenue on this table includes capital revenues (Transfers recognized – capital) and so does not balance to the operating revenue shown on Table B4.

B3 Consolidated Adjustments Budget Financial Performance by Municipal Vote

W C025 Breede Valley - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 11 June 2020

Vet Books					Ви	dget Year 2019	1/20				Budget Year +1 2020/21	Budget Year +2 2021/22
Vote Description	Ref	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
[insert departmental structure etc]			3	4	5	6	7	8	9	10		_
R thousands		A	A1	В	С	D	E	F	G	Н		
Revenue by Vote	1											
Vote 1 - Council General		147	147	-	-	-	-	-	-	147	155	164
Vote 2 - Municipal Manager		7 103	8 170	-	_	-	2 000	-	2 000	10 170	1 820	975
Vote 3 - Strategic Support Services		1 896	2 261	-	-	-	-	(0)	(0)	2 261	384	407
Vote 4 - Financial Services		195 104	197 264	-	-	-	988	(200)	788	198 052	207 176	220 335
Vote 5 - Community Services		298 864	317 158	-	-	-	-	(4 715)	(4 715)	312 442	287 864	267 010
Vote 6 - Technical Services		782 748	782 748	-	-	-	160	4 915	5 075	787 823	796 024	818 106
Vote 7 -		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		_	_		_	_	_	_	_	_	_	_
Total Revenue by Vote	2	1 285 862	1 307 748	-	_	_	3 148	(0)	3 148	1 310 896	1 293 423	1 306 997
Expenditure by Vote	1											
Vote 1 - Council General		31 992	31 945	-	_	-	-	(108)	(108)	31 837	34 185	36 534
Vote 2 - Municipal Manager		10 657	11 402	-	_	-	2 000	(72)	1 928	13 330	12 293	12 181
Vote 3 - Strategic Support Services		59 013	60 191	-	_	-	-	607	607	60 798	62 916	67 088
Vote 4 - Financial Services		89 078	89 235	-	-	-	988	(1 529)	(541)	88 693	98 041	99 037
Vote 5 - Community Services		334 757	329 630	-	_	-	-	1 534	1 534	331 164	332 951	313 518
Vote 6 - Technical Services		646 409	632 097	-	-	-	-	88	88	632 185	686 736	735 702
Vote 7 -		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]	1	-	_	-	-	-	_	_	-	_	_	_
Total Expenditure by Vote	2	1 171 905	1 154 499		_	_	2 988	520	3 508	1 158 007	1 222 122	1 264 060
Surplus/ (Deficit) for the year	2	113 957	153 249	-	-	_	160	(520)	(360)	152 889	71 301	42 936

Table B3 above is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organizational structure Breede Valley Municipality. This means it is possible to present the operating surplus or deficit of a vote.

B4 Consolidated Adjustments Budget Financial Performance (Revenue and Expenditure)

WC025 Breede Valley - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 11 June 2020 Budget Year+1 2020/21 Adjusted Budget Year+2 2021*12*2 Adjusted Budget Adjusted Budget 10 Description Other Adjusts. Total Adjusts capital Unavoid Rthousands & venue By Source Property rates Service charges - electricity revenue 418 573 418 573 418 573 442 605 464735 Service charges - water revenue 72 274 72 274 72 274 76 610 81 207 72 847 72 847 72 847 77 969 82 6 47 Service charges - sanitation revenue Service charges - refuse revenue 10 589 Rental of facilities and equipment 10 589 9 036 9 5 7 8 Interest earned - external investments 11 854 11 854 11 854 12 518 13 2 6 9 Interest earned - outstanding debtors 6 158 6 158 6 158 6 528 6920 Dividen ds received Fines, penalties and forfeits 118 474 207 109 207 109 118 556 123 081 Licences and permits 3 616 3 616 3 616 3 818 4047 Agency services 8 230 8 230 8 230 8 690 9 2 1 2 259 006 2988 189 327 237607 Transfers and subsidies 186 339 2 988 256 290 12 798 12 798 (0) 12 798 13 515 14326 Gains on disposal of PPE Total Revenue (excluding capital transfers and contributions) 1 257 1 191 726 1 257 1 194 716 1 407 1 **250 210** 1 257 1 175 760 1 327 1 218 193 2988 xpenditure By Type 315 738 (400) 315 338 365 646 397 413 Employee related costs 336 104 [400] Remuneration of councillors 18 780 18 780 18 780 20 095 21 5 0 2 Debtimpairment 98 058 173 398 173 398 99 280 100 663 Depreciation & asset impairment 91 139 91 139 91 139 96 242 102 017 23 654 Finance charges 23 654 23 654 22 833 24203 302 538 314 048 Bulk purchases (10) Other materials 24 425 24 739 2 138 4 277 6 415 31 154 25 276 26 9 02 Contracted services 82 705 83 042 (3 884) (3884) 79 158 81 135 85 0 19 Transfers and subsidies 125 484 52 739 850 1250 53 989 118 395 89 483 400 71 229 137 75 489 Loss on disposal of PPE 3 489 3 489 3 489 3 684 3 9 0 5 Total Expenditure 1 171 905 1 154 499 2 988 520 3508 1 158 007 1 222 122 1264060 Surplus#Deficit) (13851) 3 855 37 230 (520 (520) 36 710 (3 929) Transfers and subsidies - capital (monetary allocations) 56 787 (National / Provincial and District) 110 102 115 835 160 160 115 995 75 230 Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Household: Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institution Transfers and subsidies - capital (in-kind - all) 185 **152 889**

Table B4 above is a view of the budgeted financial performance in relation to the revenue by source and expenditure by type.

160

160

160

(520

(520)

(520)

(520)

(360

(360)

(360)

152 889

152 389

71 301

71 301

71 301

42 936

42936

42936

153 249

153 249

-153 249

153 249

113 957

113 957

113 957

umlus#Deficit before taxation

Share of surplus/(deficit) of associate Surplus/(Deficit) for the year

Taxation Surplus#Deficit) after taxation

B5 Consolidated Adjustments Budget Capital Expenditure Vote and Funding

WC025 Breede Valley - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 11 June 2020 Budget Year Budget Year +12020721 +22021722 2 2021/22 Description Nat. or Prov. Original Prior Adjusted Accum. Funds Other Adjusts . Total Adjusts. capital Un avoid Govt Budget Budaet Budget Rthousands Capita Lexpenditure - Vote Multi-year expenditure to be adjusted Vote 1 - Council General Vote 2 - Municipal Manage 4 03 0 4 03 0 Vote 3 - Strategic Support Services 1 122 122 122 1 243 Vote 4 - Financial Services 1 45 0 (50) (50) 1 40 0 Vote 5 - Community Services 8 48 (2 765 2 765 3 00 0 10 773 76 043 36 649 99 801 Vote 7 -Vote 8 - [NAME OF VOTE 8] Vote 9 - IN AME OF VOTE 91 Vote 10 - [N AME OF VOTE 10] Vote 11 - [N AME OF VOTE 11] Vote 12 - [N AME OF VOTE 12] Vote 13 - IN AME OF VOTE 131 Vote 14 - [NAME OF VOTE 14] Vote 15 - [NAME OF VOTE 15] apita i mult i-year ex penditure aub-tota i 84 523 (50) 122 72 103 25 2 46 021 Single-yearexpenditure to be adjusted Vote 1 - Coun di General เรา (S) Vote 2 - Municipal Manager 5 105 2 137 2 142 Vote 3 - Strategic Support Services 1 385 (122) (122) 1 263 Vote 4 - Financial Services 2 25 5 825 825 805 Vote 5 - Community Services 7 98 6 2 45 9 2 45 9 2 53 5 Vote 6 - Technical Services 160 160 90 42 6 145 324 145 48 4 30 575 5 25 6 Vote 8 - [N AME OF VOTE 8] Vote 9 - [NAME OF VOTE 9] Vote 10 - [NAME OF VOTE 10] Vote 11 - [N AME OF VOTE 11] Vote 12 - [NAME OF VOTE 12] Vote 13 - [NAME OF VOTE 13] Vote 14 - [N AME OF VOTE 14] Vote 15 - [NAME OF VOTE 15] apita i s ingle-year expenditure s ub-total 107 199 152 135 160 (122) 38 152 173 33 930 6 081 Tota i Capita i Expenditure - Vote 191 723 198 156 110 110 198 266 136 73 1 109 334 apita I Expenditure - Functio nal Governance and administration 3 312 4 45 9 (50) 4 40 9 2 625 825 Executive and council 10 10 Finance and administration 3 30 2 4 449 (50) (50) 4 39 9 2 61 5 815 Interna la udit 7 175 6 030 10 773 Community and public safety Community and social services 7 76 6 1 029 1 029 3 03 0 8 000 Sport and recreation 7.971 4.658 4.658 2 50 0 2 773 Public safety 1 824 1 488 1 488 500 Housing Health Fon anxio and equipmenental certic et 27.560 68 797 58 797 22 836 8 50 0 Planning and development 5 100 6 167 6 167 Road transport 22 46 0 52 63 0 52 63 0 22 83 6 8 50 0 Trading services 143 290 127 726 160 160 127 886 105 239 89 236 Energy sources 30 59 5 36 845 36 845 26 008 29 00 9 160 160 34 572 40 727 29 76 0 29 92 0 35 921 Water management Ma ste ma nag ement 23 303 23 30 3 23 30 3 5 63 5 Other Tota (Capita) Expenditure - Functional 191 723 198 156 110 110 198 266 136 73 1 109 334 National Governmen Provincia I Government 65 100 70 933 (50) (50) 70 883 24 00 0 District Municipality 500 500 500 Other transfers and grants 185 185 s6 787 Transfers recognised - capital 110 110 Borrowing 162 Internally generated funds 81 925 Tota (Capita | Funding

Table B5 is a breakdown of the capital programmed in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments

B6 Consolidated Adjustments Budget Financial Position

WC025 Breede Valley - Table B6 Adjustments Budget Financial Position - 11 June 2020 Budget Year +1 2020/21 Budget Year +2 2021*1*22 Budget Year 2019/20 Description Nat. or Prov. Unfore Adjusted Adjusted Other Adjusts Total Adjusts Prior Adjusted Accum Funds Budget capital 5 lln avoid Budget 10 Rthousands ASSETS urrent asset: 74 388 71 414 (383) 71 031 101 048 Call in vestment deposits 40 000 40 000 40 000 40 000 **4**0 000 Consumer debtors 150 394 150 394 150 394 176 396 203 698 69 385 Other debtors 66 081 79 376 79 376 72 854 524 473 Current portion of long-term receivables 524 524 498 15 853 15 853 15 853 16 804 17 812 Inventory 357 561 (383) (383) 357 178 435 886 Total current assets 347 239 388 317 on current assets 3 882 3 882 3 8 8 2 3 493 3 144 Long-term receivables Investments Investment property 21 786 21 786 21 786 21 786 21 786 Investment in Associate 2 349 185 2 355 618 110 110 2 355 728 2 398 179 2 390 250 Property, plant and equipment Biological 5 976 Intangible 7 165 Other non-current assets Total non current assets 2 382 017 2 388 451 110 110 2 388 561 2 422 117 2 429 085 TOTAL ASSETS 2 729 256 2 746 011 110 (383) (273) 2 745 739 2 8 10 434 2 864 971 LIABILITIES urrent liahilities Bank overdrat 11 702 11 702 11 702 13 041 14 536 Borrowing 4 1 4 7 4147 4 1 47 4 396 4 659 Consumer deposits 68 373 68 373 68 373 72 175 76 206 Provisions 36 642 36 642 36 6 42 38 47 4 40 398 Total current liabilities 120 863 120 863 128 085 Non current liabilities 192 179 179 139 164 603 Borrowina 192 179 192 179 245 297 236 411 236 411 240 747 **Provisions** 236 411 Total non current liabilities 428 590 428 590 428 590 _ _ _ _ 419 336 409 900 TOTAL LIABILITIES 545 698 549 453 549 453 549 453 547 971 2 2 179 803 2 196 558 110 (383) 2 196 285 2 262 463 2 3 19 272 COMMUNITY WEALTH/EQUITY 2 179 803 2 196 558 110 (383) (273) 2 196 285 2 262 463 2 319 272 Accumulated Surplus/(Deficit) TOTAL COMMUNITY WEALTHÆQUITY 2 179 803 2 196 558 110 (383) (273) 2 196 285 2 262 463 2 3 19 272

Table B6 is consistent with international standards of good financial management practice and assist stakeholders in understanding the impact of the budget on the statement of financial position (balance sheet).

This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as "accounting" Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.

B7 Consolidated Adjustments Budget Cash Flows

WC025 Breede Valley - Table B7 Adjustments Budget Cash Flows - 11 June 2020

					Bu	ıdget Year 2019	1/20				Budget Year +1 2020/21	Budget Year +2 2021/22
Description	Ref	Original Budget		Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.		Adjusted Budget	Adjusted Budget	Adjusted Budget
D thousands			3	4	5 C	6 D	7 F	* F	9 G	10 H		
R thousands		A	A1	В	ا ا	υ	E .	i r	U	н		
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts		420,000	404.000	_				_		404.000	440.070	4 40 407
Property rates		132 998	134 608	_	-	-	-		-	134 608		149 437
Service charges Other revenue		596 038 62 863	596 038 64 355	_	_	_		_	_	596 038 64 355		664 723 67 810
	1			_		-				182 710		
Government - operating	'	259 006	179 672	-	-	-	3 038	-	3 038			237 607
Government - capital	'	110 102 18 012	110 287 18 012	_	-	_	110	-	110	110 397 18 012		56 787 20 188
Interest Dividends				_	-	_	_	-	-	18 012		20 188
		-	-	-	-	_	-	-	-	_	-	_
Payments Compliance and complexes		(000 E74)	#M.C.0001				0.400	47	(0.4791)	(040.004)	(005.070)	0.47.005
Suppliers and employees		(833 571)	1 1	-	-	-	(2.188)		(2 171) -	(818 391)		
Finance charges Transfers and Grants	1	(23 996) (125 484)		-	-	_	(850)	(400)	(1 250)	(23 996) (53 989)		1 .
		195 970						1		209 745	1	
NET CASH FROM/(USED) OPERATING ACTIVITIES		193 970	210 018	-	-	_	110	(383)	(273)	209 743	109 129	138 039
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		50	50	-	-	-	-	-	-	50	50	50
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	-
Payments												
Capital assets		(191 723)		-	-	-	(110)	-	(110)	(198 271	(136 731)	(109 334)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(191 673)	(198 111)	-	-	-	(110)	-	(110)	(198 221)	(136 681)	(109 284
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Shortterm loans		_	_	_	_	_	-	_	-	_	_	_
Borrowing long term/refinancing		_	_	_	_	_	-	-	-	_	_	_
Increase (decrease) in consumer deposits		50	50	-	_	_	_	_	-	50	100	100
Payments												
Repayment of borrowing		(10 410)	(10 410)	-	-	-	-	-	-	(10 410)	(11 702)	(13 041
NET CASH FROM/(USED) FINANCING ACTIVITIES		(10 360)	(10 360)	-	-	-	-	-	-	(10 360)	[-]	
				_	_		_	2021	am.		· · · · · · · · · · · · · · · · · · ·	
NET INCREASE/ (DECREASE) IN CASH HELD		(6 062)				-		(383)	(383)	1 164 109 867		15 814
Cash back equivalents at the year begin:	2 2	120 450 114 388	109 867	-	-		-	-			111 031 121 878	121 878
Cashicash equivalents at the year end:	2	114388	111 414	-	-	-	-	(383)	(383)	111 031	121 878	137 692

The budgeted cash flow statement is the first measurement in determining if the budget is funded. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

B8 Consolidated Cash Backed Reserves/Accumulated Surplus Reconciliation

WC025 Breede Valley - Table B8 Cash backed reserves/accumulated surplus reconciliation - 11 June 2020

					Ви	dget Year 2019	/20				Budget Year +1 2020/21	Budget Year +2 2021/22 Adjusted Budget
Description	Ref	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	
			3	4	5	6	7	8	9	10		
R thousands		A	A1	В	С	D	E	F	G	H		
Cash and investments available												
Cash/cash equivalents at the year end	1	114 388	111 414	-	-	-	-	(383)	(383)	111 031	121 878	137 692
Other current investments > 90 days		-	-	-	-	-	-	-	-	-	3 356	3 356
Non current assets - Investments	1	_	_	-	_	_	_	_	-	_	_	_
Cash and investments available:		114 388	111 414	-	-	-	_	(383)	(383)	111 031	125 234	141 048
Applications of cash and investments												
Unspent conditional transfers		5 000	5 000	-	-	-	-	-	-	5 000	5 000	5 000
Unspent borrowing		-	-	-	-	-	-	-	-	-	-	-
Statutory requirements		-	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	2	(128 470)	(122 562)					(0)	(0)	(122 562)	(151 034)	(174 570)
Other provisions		-	-	-	-	-	-	-	-	-	-	-
Long term investments committed		-	53 865					(53 865)	(53 865)	-	-	-
Reserves to be backed by cash/investments		53 865	_					_	_	53 865	70 557	64311
Total Application of cash and investments:		(69 605)	(63 697)	-	_	_	-	(53 865)	(53 865)	(63 697)	(75 477)	(105 260)
Surplus(shortfall)		183 993	175 111	-	-	-	_	53 482	53 482	174 728	200 711	246 308

The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget. In essence the table evaluates the funding

levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.

B9 Consolidated Asset Management Please refer to Annexure A

Table B9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.

B10 Consolidated Basic Service Delivery Measurement

WC025 Breede Valley - Table B10 Basic service delivery measurement - 11 June 2020 Budget Year Budget Year Budget Year 20 19/20 Description Multi-year capital Unfore Nation Provi Adjusted Budget Adjusted Budget Prior Adjusted Accum. Funds Other Adjusts. Total Adjusts Unavoid. 10 11 12 13 14 Householdservicetargets Piped water inside dwelling Piped water inside yard (butnotin dwelling) Using publictap (atleastmin.service level) Other water supply (at least min.service level) Minimum Service Level and Above .sub-total 6 949 6 949 6 949 6 949 6 949 30 200 30 200 30 200 30 200 30 200 Using nublictan (< min service level) water supply (< min.service level) No water supply Below Hinimum Servic Level sub-total otal number of households Savitation/seweraye: Flush toilet (connected to sewerage) 18 555 18 555 18 555 2 687 4 263 Flush toilet (with septictank) Chemical toilet 4 263 4 263 4 263 4 263 Pittoilet (ventilated) Of er toilet provisions (> min.service le vel) 25 504 Minimum Service Level and Above sub-total 25 504 25 50 25 504 Buckettniet Other toilet provisions (< min.service le vel) No tollet provisions Below Hinimum Servic Level aut-total 25 504 nem v ectricity (at lea stomin se mice le ne fi 2 977 2 977 2 977 2 977 2 977 Bectricity - prepaid (> min.service level) Minimum Service Level and Above sub-total 24 127 24 127 24 127 24 137 24 147 Electricity (< min.service level) Electricity - prepaid (< min. service level) Ofter energy sources المحصوص Botal number of households Refuse moved atleastonce a week (min.service) Minimum Service Level and Above sub-total Removed less frequently than once a week Using communat retuse dump Using own refuse dump Other nubbish disposal No rubb ish disposal Below Himmum Servic Level aub-total Total number of households 48 996 48 996 48 996 48 996 48 996 Water (6 kiloffres per household per morth) 8 025 8 025 8 025 8 025 Sanitation (free minimum level service). 8 025 8 025 8 025 8 025 8 025 Bectricity/offner energy (50kwh per household per month) Refuse (removed atleast once a week) 8 025 8 025 8 025 8 025 8 025 Coart of Free Basic Services provided (R'000) 8 9 3 6 8 9 3 6 8 93 6 9 47 2 10 040 Sanifation (fre e san ia fon service to indigent households) 16 1 20 16 1 20 16 12 0 17 088 18 11 3 Electricity/other energy (50 kwh per indigenthousehold per month) 4522 4522 5 08 1 4522 4793 eluse (removed once a week for indigenthouse holds) Cont of Free Basic Services provided - Informal Formal Settle menta (R000) 9 5 67 9 5 6 7 9 56 7 9 56 7 9 56 7 Total cost of FBS provided Highest level of free service provided Property rates (R 1909 value threshold) 150 00 0 Water (kilo litres per household per month) 10 Samiation (kiloffres per household per month) Saniation (Rand per hou sehold per month) 260,87 260,87 260,87 Electricity (kwper household per month) Refuse (average litres per week) Revenue cost of free services provided (R'000) Property rates (tariffadjustment) (impermissable values per section 17 of MPRA) Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA) Water (in excess of 6 kilotires per indigent household per month) 31 981 1 3 40 Sanitation (in excess of fee sanitation service to indigent 2 418 2 4 1 8 2 41 8 2 56 3 2 71 7 Electricity/other energy (in excess of 50 kwh per indigent household per month) 678 678 678 71.9 762 Refuse (in excess of one removal a week for indigent households) 1 3 3 4 1334 1334 1 49 9 Municipal Housing - remal rebates 6 5 7 7 6 577 6 57 7 6 57 7 lousing - top structure sub sidies 44 328 44 328 Total revenue cost of subsidised services provided

Table B10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services

SECTION A - Part 2

1. Adjustments to Budget Inputs and assumptions

The 2019/2020 Adjustments Budget was compiled in line with Chapter 4 Municipal Finance Management Act and Chapter 2 Part 4 of the Municipal Budget and Reporting Regulations.

The 2019/20 Adjustments Budget remain consistent with the Long-Term Financial Plan to ensure continued synergy between long term planning and implementation planning.

As per the concluding notes in the Annexure to MFMA Budget Circular No 99 for 2020-21 "The COVID-19 pandemic has introduced new dimensions of volatility, uncertainty, complexity and ambiguity to the task of financial stewardship across all spheres of government. Public policy decision-makers at all levels of government must act with vision, understanding, clarity and agility in responding to the crisis in a resilient manner. This will require a fundamental strategic rethink of the way in which we currently conduct our planning, budgeting and implementation processes."

The operational budget is adjusted in order to accommodate the amendments to allocations mentioned in this report. Please refer to table B4, B5 and SB8 for related amendments

2. Adjustments to Budget Funding

Budget funding in terms of operating and capital expenditure is set out on table B4.

WC025 Breede Valley - Table B4 Adjustme		raagot i iilalii	-1411 GITAIIII	MILAO (LOXGIII		idget Year 2019		•			Budget Year+1 2020/21	Budget Year+2 2021/22
Description	Ref	Original Budget	Prior Adjusted 3	Accum Funds	Multi-year capital	Unfore. Unavoid. 6	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
Rthousands	1	l a	э А1	# B	5 C	D D	7 E	o F	G	H		
Revenue By Source	Ė	-	1				<u> </u>					
Property rates	2	139 998	139 998	_	_	_	_	_	_	139 998	148 398	157 302
Service charges - electricity revenue	2	418 573	418 573				_		_	418 573	442 605	464735
Service charges-water revenue	2	72 274	72 274	_		_	_	_	_	72 274	76 610	81 207
Service charges-souten revenue	2	72 274	72 847	-	_	-	_	_	_	72 847	77 969	82 6 47
Service charges - refuse revenue	2	40 088	40 088	-	_	-	-	_		40 088	42 332	44872
	ľ			-		_	_	_				
Rental of facilities and equipment	l	10 589	10 589	-	-	-	-	-	-	10 589	9 036	9578
Interest earned - external investments	l	11 854	11 854	-	-	-	-	-	-	11 854	12 518	13 2 69
Interest earned - outstanding debtors	l	6 158	6 158	-	-	-	-	-	-	6 158	6 528	6920
Dividen ds received	l	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	l	118 474	207 109	-	-	-	-	-	-	207 109	118 556	123 081
Licence s and permits	l	3 616	3 616	-	-	-	-	-	-	3 616	3 818	4047
Agency services	l	8 230	8 230	-	-	-	-	-	-	8 230	8 690	9212
Transfers and subsidies	l	259 006	186 339	-	-	-	2 988	-	2988	189 327	256 290	237 607
Other revenue	2	12 798	12 798	-	-	-	-	(0)	(0)	12 798	13 515	14326
Gains on disposal of PPE		1 257	1 257	_	_	_			-	1 257	1 327	1 407
Total Revenue (excluding capital transfers and contributions)	<u> </u>	1 175 760	1 191 728	-	-	-	2 986	(0)	2988	1 194 716	1 218 193	1250210
Expenditure By Type												
Employee related costs	l	336 104	315 738	-	-	-	-	(400)	(400)	315 338	365 646	397 413
Remuneration of councillors	l	18 780	18 780	- 1	-	-	-	-	-	18 780	20 095	21 5 0 2
Dektimpairment	l	98 058	173 398	-	-	-	-	-	-	173 398	99 280	100 663
Depreciation & asset impairment	l	91 139	91 139	-	_	-	-	-	-	91 139	96 242	102 0 17
Finance charges	l	23 654	23 654	-	_	-	_	_	-	23 654	22 833	24203
Bulk purchases	l	296 838	302 538	-	-	_	-	(10)	(10)	302 528	314 048	332891
Other materials	l	24 425	24 739	_	_	-	2 138	4 277	6 415	31 154	25 276	26 9 02
Contracted services	l	82 705	83 042	_	_	_	_	(3 884)	(3884)	79 158	81 135	85 0 19
Transfers and subsidies	l	125 484	52 739	_	_	_	850	400	1250	53 989	118 395	89 483
Other expenditure	l	71 229	65 244	_	_	_	-	137	137	65 381	75 489	80 0 63
Loss on disposal of PPE	l	3 489	3 489	_	_	_	_	_		3 489	3 684	3905
Total Expenditure		1 171 905	1 154 499	_		_	2 988	520	3508	1 158 007	1 222 122	1264060
Surplus#Deficit)	l	3 855	37 230	-	-	-	-	(520)	(520)	36 710	(3 929)	(13851)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		110 102	115 835	-	-	-	160	-	160	115 995	75 230	56 7 87
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households,												
Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		_	_	_	_	_	_	_	-	_	_	_
Transfers and subsidies - capital (in-kind - all)	l	_	185	_	_	-	_	_	-	185	_	-
Surplus#Deficit) before taxation	l	113 957	153 249	-	-	-	160	(520)	(360)	152 889	71 301	42936
Taxation	l	_	_	_		_	_	_	-		_	_
Surplus#Deficit) after taxation	1	113 957	153 249	-	-	-	160	(520)	(360)	152 889	71 301	42 9 36
Attributable to minorifies	l	_	-	-	_	-	-	-	-	-	_	-
Surplus#Deficit) attributable to municipality	l	113 957	153 249	-	-	-	160	(520)	(360)	152 889	71 301	42936
Share of surplus/(deficit) of associate	$oxed{oxed}$	-	-	-	-	-	-	-	-	-	_	-
Surplus/(Deficit) for the year	ΙĪ	113 957	153 249	-	_	_	160	(520)	(360)	152 889	71 301	42936

3. Adjustments to Expenditure on Allocations and Grant

Detailed particulars of budgeted allocations and grants can be found on SB8.

WC025 Breede Valley - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme - 11 June 2020

					udget Year 2019) <u>2</u> 0			Budget Year +1 2020/21	Budget Year +2 2021/22
Description	Ref	Original Budget	Prior Adjusted	Multi-year capital 3	Nat. or Prov. Govt 4	Other Adjusts.	Total Adjusts. 6	Adjusted Budget 7	Adjusted Budget	Adjusted Budget
R thou san ds		Α	A1	B	Č.	D	E	F		
EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:	1									
Operating expenditure of Transfers and Grants										
National Government		122 712	122 712	_	188	_	188	122900	129 141	139 749
Local Government Equitable Share	-	117 997	117 997	_	-	_	-	117997	127 591	138 199
Local Government Financial Management Grant		1 500	1 500	_	50	_	50	1550	1 550	1 550
Expanded Public Works Programme Integrated Grant		3 215	3 215	_	_		- 30	3215	1 330	1 330
Municipal Disaster Relief Grant		-	-	_	138	-	138	138	-	-
Pro vincial Government	ŀ	134 032	61 214	_	850	_	850	62064	127 149	97 858
Human Settlement development Grant	-	122 820	47 576	_		_	-	47 576	115 580	86 500
Fin. Assistance to Mun for Maintenance and contruction of transport infrastructu	Ire I	146	146	_	_	_	_	146	167	167
Library Services: Conditional Grant		9 738	9 738	_			_	9738	10 027	10 578
Financial Management Support Grant (FMSG)		280	2 080	_				2080	10 021	10 370
Regional Socio-Economic Project		_		_	_		_	_	900	_
Thusong service centres Grant		220	220	_	_	_	_	220	300	110
Financial Management Capacity Building Grant		380	740	_	_	_	_	740	_	"
Municipal Accreditation and Capacity Building Grant		448	448	_	_		_	448	475	503
Local Government Internship Grant		-	80	_			_	80	-	1 000
Community Development Workers (CDW) Operational Support Grant			186		_		_	186		
Local Government Support Grant			-	_	850	_	850	850		_
Escal Coveriment Support Grant			_		030		030	030		_
District Municipality:		_	100	-	2 000	-	2 000	2100	-	_
CWDM Projects		-	100	-	2 000	-	2 000	2100	-	-
Other grant providers:		2 262	2 262	-	-	-	-	2262	-	-
Work for water		2 262	2 262	-	-	-	-	2 2 6 2	-	-
Total operating expenditure of Transfers and Grants:		259 006	186 289	_	3 038	-	3 038	189327	256 290	237 607
Capital expenditure of Transfers and Grants										
National Government		44 502	44 502	-	110	-	110	44612	51 230	56 787
Municipal Infrastructure grant		34 452	34 452	-	-	-	-	34452	36 230	38 787
Integrated National Electification Program		10 000	10 000	-	-	-	-	10000	15 000	18 000
Finance Management Grant (FMG)		50	50	-	(50)	-	(50)	_	-	-
Municipal Disaster Refief Grant		-	-	-	160	-	160	160	-	-
Pro vincial Government		65 100	70 883	_	_	_	_	70883	24 000	-
Human Settlement development Grant		60 000	64 715	-	-	-	-	64715	24 000	-
Regional Socio-Economic Project		5 100	6 167	-	-	-	-	6167	-	-
District Municipality:		500	500	_	-	_	_	500	-	_
CWDM Monetary Allocation	į.	500	500	-	-	-	-	500	-	-
Other grant pro viders:		_	185	_	-	_	_	185	_	_
Donated Assets: SPCA		-	185	-	-	-	-	185	-	-
Total capital expenditure of Transfers and Grants		110 102	116 070	_	110	_	110	116 180	75 230	56 787
Total capital expenditure of Transfers and Grants		369 108	302 358	_	3 148	_	3 148	305506	331 520	294 394

4. Adjustment to Allocations or Grants made by the Municipality

None.

5. Adjustment to Councillor Allowances and Employees

The changes to councillor allowances and employee related cost is provided on table B4.

WC025 Breede Valley - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme - 11 June 2020

				В	udget Year 2019	20			Budget Year +1 2020/21	Budget Year +2 2021/22
Description	Ref	Original Budget	Prior Adjusted 2	Multi-year capital 3	Nat. or Prov. Govt	Other Adjusts. 5	Total Adjusts.	Adjusted Budget 7	Adjusted Budget	Adjusted Budget
Rthousands		Α	A1	э В	4 C	D	E E	F		
EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:	1									
Operating expenditure of Transfers and Grants										
National Government		122 712	122 712	_	188	_	188	122900	129 141	139 749
Local Government Equitable Share		117 997	117 997	_	-	_	-	117 997	127 591	138 199
Local Government Financial Management Grant		1 500	1 500	_	50	_	50	1550	1 550	1 550
Expanded Public Works Programme Integrated Grant		3 215	3 215	_	_	_	_	3215	_	_
Municipal Disaster Refief Grant		-	-	-	138	-	138	138	-	-
Pro vincial Government		134 032	61 214	_	850	_	850	62064	127 149	97 858
Human Settlement development Grant		122 820	47 576	-	-	_	-	47 576	115 580	86 500
Fin. Assistance to Mun for Maintenance and contruction of transport infrastruct	ure	146	146	_	-	_	-	146	167	167
Library Services: Conditional Grant		9 738	9 738	_	_	_	-	9738	10 027	10 578
Financial Management Support Grant (FMSG)		280	2 080	_	-	-	-	2080	_	-
Regional Socio-Economic Project		_	-	_	_	-	-	-	900	_
Thusong service centres Grant		220	220	_	_	-	-	220	-	110
Financial Management Capacity Building Grant		380	740	_	-	-	-	740	-	_
Municipal Accreditation and Capacity Building Grant		448	448	_	-	-	-	448	475	503
Local Government Internship Grant		_	80	_	-	-	-	80	-	_
Community Development Workers (CDW) Operational Support Grant		-	186	-	-	-	-	186	-	-
Local Government Support Grant		-	-	-	850	-	850	850	-	-
District Municipality:		-	100	-	2 000	-	2 000	2100	-	-
CWDM Projects		-	100	-	2 000	-	2 000	2100	-	-
Other grant pro viders:		2 262	2 262	-	-	-	-	2262	-	-
Work for water		2 262	2 262	-	-	-	-	2 2 6 2	-	-
Total operating expenditure of Transfers and Grants:		259 006	186 289	_	3 038	-	3 038	189327	256 290	237 607
Capital expenditure of Transfers and Grants										
National Government		44 502	44 502	_	110	_	110	44612	51 230	56 787
Municipal Infrastructure grant	ľ	34 452	34 452	-	-	-	-	34452	36 230	38 787
Integrated National Electification Program		10 000	10 000	_	-	-	-	10000	15 000	18 000
Finance Management Grant (FMG)		50	50	_	(50)	_	(50)	_	-	-
Municipal Disaster Relief Grant		-	-	-	160	-	160	160	-	-
Pro vincial Government		65 100	70 983	_	-	_	_	70883	24 000	-
Human Settlement development Grant	ľ	60 000	64 715	_	_	-	-	64715	24 000	-
Regional Socio-Economic Project		5 100	6 167	-	-	-	-	6 1 6 7	-	-
District Municipality:		500	500	_	-	_	-	500	_	-
CIND M Monetary Albication	ľ	500	500	-	-	-	-	500	-	-
Other grant providers:		_	185	_	_	-		185	_	_
Donated Assets: SPCA		-	185	-	-	-	-	185	-	-
Total capital expenditure of Transfers and Grants		1 10 102	1 16 070	_	110	-	110	116 180	75 230	56 787
Total capital expenditure of Transfers and Grants		369 108	302 358	-	3 148	-	3 148	305506	331 520	294 394

6. Adjustment to Service Delivery and Budget

The monthly targets for revenue, expenditure and cash flows are provided in B10 - Section B Supporting Tables.

			y	······	Ви	dget Year 2019	1/20		y		Budget Year +1 2020/21	Budget Year +2 2021/22
Deacription	Ref	Original Budget	7	Accum. Funda 8	Muti-year capital 9	Unfore. Unavoid. 10	Nat.or Prov. Govt 11	Other Adjusts.	Total Adjuete. 18	Adjusted Budget 14	Adjusted Budget	Adjusted Budget
Householdservicetargets	1	A	A1	В	<u> </u>	<u>D</u>	E	F	<u>G</u>	Н	<u> </u>	
Water:		40.070	40.070							40.070	40.070	40.07
Piped water inside dwelling Piped water inside yard (butnot in dwelling)		19 372 3 879	19 372 3 879	:						19 372 3 879	19 372 3 879	19 37 3 87
Using publictap (atleastmin.service level)	2	6 949	6 949							6 949	6 949	6 9 4
Other water supply (at least min.service level)			-	-			-	-	-	-	-	
Minimum Service Level and Above sub-tota / Using publictap (< min.service level)	3	30 200	30 200							30 200	30 200	30 20
Other water supply (< min.service level)	3,4											
No water supply		-	-	-	-	-	-	-	-		-	
Below Minimum Servic Level sub-total Total number of households	5	30 200	30 200		-		 	-	-	30 200	30 200	30 2
Savitation/sewerage:	•									4. 2		
Rush tollet (connected to sewerage)		18 555	18 555							18 555	18 555	18 55
Flush foilet (with septic tank)		2 687	2 687							2 687	2 687	2 60
Chemical toilet		4 263	4 263	-		-	-	-	-	4 263	4 263	4.26
Pittoilet(venfliafed) Ofter foilet provision s (> min. service le vel)				:								
Minimum Service Level and Above aut-total		25 504	25 504	-	-	-	-	-	-	25 504	25 504	25 50
Bu dxettolet									-	-		
Other toilet provisions (< min.service le vel)			-						-	-		
No tolletprovisions Below Himmum Servic Level 3:10-104:1		-	-	-	-	-	-	-	-			
Total number of households	5	25 504	25 504	-	-		-	-	-	25 504	25 504	25 50
Energy:												
Electricity (at lea st min. service level)		2 977	2 977			-	-			2 977	2 977	2 97
Bectricity - prepaid (> min.service level) Minimum Service Level and Above .sub-total		21 150 24 127	21 150 24 127				-	-		21 150 24 127	21 160 24 137	21 17 24 14
Bedricity (< min.service level)		24121	24121							24121	24131	2414
Bectricity - prepaid (< min. service level)								-				
Other energy sources		-		-			-	-	-	-		
Selow Minimum Servic Level sub-total Total number of households	5	24 127	24 127		······································		ļ <u>.</u>	······		24 127	24 137	24 14
	"	24 121	24 121		- 1				_	24 121	24 101	24 14
R <u>efose:</u> Removed atleastonce a week (min.service)		48 995	48 995							48 995	48 995	48 99
Minimum Service Level and Above sub-total		48 995	48 995	-	-	-	-	-	-	48 995	48 995	48 99
Removed less frequently than once a week		-		-			-	-	-	-		
Using communatretuse dump Using own refuse dump				'								
Osing own remose dump Other nubbish disposal												
No rubb ish disposal		-	-	-	-			-			-	
Below Himimum Servic Level sub-total	١. ا		48.000	-			-	-		48.000	48.000	48.00
Total number of households	5	48 996	48 996	-						48 996	48 996	4899
Households seceiving Free Basic Service	15											
Water (6 kiloffres per household per month)		8 025	8 025	-						8 025	8 025	8 02
Sanilation (free minimum level service) Bectricity/offier energy (S0kwh per household per month)		8 025 8 025	8 025 8 025	:						8 025 8 025	8 025 8 025	8 02 8 02
Refuse (removed atleast once a week)		8 025	8 025	-		-			-	8 025	8 025	8 02:
Coart of Free Basic Services provided (R'000)	16											
Obter (6 kilolitres per indigenthousehold per month)		8 9 3 6	8 9 3 6	-	-	-	-	-	-	8 93 6	9 47 2	10 04
Sanifation (free sanifation service to indigent households)		16 1 20	16120	-	-	-	-	-	-	16 12 0	17 088	18 11
Ele ciricity/other energy (50 kwh per indigenthousehold per month)		4522	4522	_	_	_	_	_	_	4522	4793	5 08
Refuse (removed once a week for indigenthouseholds)		8 8 9 1	8 8 9 1	-		_	-		-	8 891	9 425	9 99
Coart of Free Basic Services provided - Informal Formal												
Settle ments (R000)		9567	9567	-			ļ		-	9 567	9 56 7	9 56
Total cost of FBS provided		48036	48036	-	-	-	_	-	-	48 036	50 344	5279
Highest level of free service provided	ļ	l					·	ļ				l
Property rates (R 1000 value threshold)		150 000	150 0 00	-	-	_	-	-	-	150 00 0	150 00 0	150 00
Water (kilo libresper household per morrin)		10	10	-	-	-	-	-	-	10	10	1
Sanitation (kilofitres per household per month)		-	-	-	-		_	_	-	-	-	
Samilation (Rand per hou sehold per month) Bectricity (kw per hou sehold per month)		260,87 50	260,87 50	_ [_			261 50	260,87 50	260,8 5
Refuse (average lires per week)	L	240	240	_	_					240	240	24
Revenue cost of free services provided (R'000)	17											
Property rates (tariffadjustment) (impermissable values per												
section 1.7 of M.PR.A) Property rates: exemptions, reductions and rebates and		-	-	-	-	-	-	-	-	-	-	-
mpermissable values in excess of section 17 of MPRA)		31 981	31 981	-	-	-	-	-	-	31 981	33 90 0	35 93
Alter (in excess of 6 kilolitres per indigent household per month)		1340	1340	-	-	-	-	-	-	1 340	1 421	1 50
Sanitation (in excess of fee sanitation service to indigent households)		2 418	2 418	_	_	_	_	_	_	2 41 8	2 563	2 71
		[-2410	2 410	-	-	-	-		-	2 41 0	2 303	'"
Electricity/other energy (in excess of 50 kwh per indigent											1 74.0	76
Electricity/other energy (in excess of 50 kwh per indigent		678	678	-	-	-	-	-	-	678	719	
Ele ctricity/other energy (in excess of 50 kwh per indigent hou sehold per month)				-			_	_				
Ele ciricity (wither energy (in excess of 50 km) per indigent iou seho ki per month) Seluse (in excess of one removal a week for indigent households)		1 3 3 4	678 1334 6577	- -	-	-			-	1 33 4 6 57 7	1 41 4	1 49
Electricity/other energy (in excess of 50 kwh per indigent	6		1 3 3 4	-	_	_	_	_	-	1 33 4	1 41 4	1 49 6 57

7. Adjustment to Capital Spending Detail

Information/detail regarding capital projects by vote is provided in Section B – Capital Budget, read with B5, B5B, SB16, SB17, SB18a, SB18b, SB18e and SB19.

Please refer to Annexure A.

8. Other Supporting Documents

- National treasury electronic revised budget report, SB1-SB19 as Annexure A
- Signed quality certificate as Annexure B
- Provincial Gazette Extraordinary 8232, Friday, 24 April 2020 as Annexure C
- Municipal Disaster Relief Grant Allocations as Annexure D
- Local Government Circular C18 of 2020 Municipal Disaster Relief Grant as
 Annexure E
- Government Gazette 30 March 2020 No. 43181 Exemption Notice as Annexure F
- Annexure to MFMA Circular No 99 for 2020-21 MTREF as Annexure G

Comment of Directorates / Departments concerned:

Municipal Manager: Recommendation Supported

Director: Strategic Support Services: Recommendation Supported

Director: Financial Services: Recommendation Supported

Director: Technical Services: Recommendation Supported

Director: Community Services: Recommendation Supported

RECOMMENDATION:

That in respect of

ADJUSTMENTS BUDGET FOR 2019/20 - JUNE 2020

discussed by Council at the Council Meeting held on 11 June 2020:

- Council resolves that the Adjustment Budget of Breede Valley Municipality for the financial year 2019/20 be adjusted and approved with amendments as set out in the following:
 - a. Municipal Budget tables B1- B10
 - b. Municipal Budget supporting documentation SB1 SB19

PROPOSED: ALDERMAN A. STEYN

SECONDED: CLLR W.R. MEIRING

RESOLVED (UNANIMOUSLY: 37 VOTES) C33/2020

That in respect of

ADJUSTMENTS BUDGET FOR 2019/20 - JUNE 2020

discussed by Council at the Council Meeting held on 11 June 2020:

- 1. Council resolves that the Adjustment Budget of Breede Valley Municipality for the financial year 2019/20 be adjusted and approved with amendments as set out in the following:
 - a. Municipal Budget tables B1- B10
 - b. Municipal Budget supporting documentation SB1 SB19