

ADDITIONAL / AMENDMENT ALLOCATIONS - ADJUSTMENTS BUDGET

2020/2021 – 24 November 2020

File No. /s:

Responsible Official: R Ontong

Directorate: Financial Services

Portfolio: Financial Services

Purpose:

To submit an Adjustments budget for the 2020/21 financial year as a result of amendments / adjustments to allocations from Provincial Government during the 2020/21 financial year.

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.

Financial Implications:

Financial implications are contained in the detail in this report.

Applicable Legislation / Council Policy:

1. The MFMA Section 28, 30 and 16(3)
2. Municipal Budget and Reporting Regulations
3. Council Budget related Policies

ADJUSTMENTS BUDGET SCHEDULE B REPORT 2020/21



BREEDDE VALLEY
MUNICIPALITY • MUNISIPALITEIT • UMASIPALA

24 NOVEMBER 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.

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
kℓ	kilolitre
km	kilometre
KPA	Key Performance Area
KPI	Key Performance Indicator
kWh	kilowatt-hour
ℓ	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

The allocations made to the Breede Valley Municipality were further amended from the allocations as published and approved with the compilation of the 2020/21 Original Budget. Provincial Government had the following amendments to the allocations of Breede Valley Municipality:

- Western Cape Financial Management Support Grant: R1 000 000.00
 - *Additional funding is to be utilised in line with the Memorandum of Agreement to be finalised between the transferring department and the municipality.*
- Human Settlements Development Grant: -R70 740 000.00
 - *The amendment in allocation is a correction by the transferring department in terms of the Transhex project. The transferring department is responsible for the implementation of this project and erroneously allocated this related funding to as part of the Original Budget allocations.*

All conditional grants / funds allocated and transferred to the Breede Valley Municipality has specific conditions in terms of the timeframes and the type of spending to be incurred by the municipality during the 2019/20 financial year.

We as a municipality will continuously strive to successfully implement or support the successful implementation of all projects, especially the projects funded from external sources such as grants. These projects add great value given the challenging economic environment faced by municipalities to ultimately deliver better services within the Breede Valley Municipality.

3. Resolutions

That council approves the following:

- (a) To approve the adjustments budget as tabled in terms of section 28 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003).
- (b) The recommendations with regard to resolutions are contained at the end of this report and have been prepared and presented according to the budget regulations.

4. Executive Summary

The 2020/21 budget of Breede Valley Municipality is adjusted to accommodate the amendments from Provincial Government.

The additional / amended allocations relate to the following grants:

NAME OF GRANT	R
Western Cape Financial Management Support Grant: Assist with the implementation of the MFMA and supporting regulations.	R1 000 000.00
Human Settlements Development Grant: In accordance with the requirements of section 12(6)(b) of the Division of Revenue Act, 2020 (Act 4 of 2020), the amendment in this act shows the total allocation to municipalities for the 2020/21 that will be spent by the Department of Human Settlements on behalf of the municipality.	-R70 740 000.00

The 2020/21 Adjustments Budget was compiled in accordance with section 28 of the Municipal Finance Management Act and regulation 23 of the Municipal Budget and Reporting Regulations.

In compiling the 2020/21 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.

WC025 Breede Valley - Table B1 Adjustments Budget Summary - 24/11/2020

W025 Breede Valley - Table B1 Adjustments Budget Summary - 24/11/2020											
Description	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted 1	Accum. Funds 2	Multi-year capital 3	Unfore. Unavoid. 4	Nat. or Prov. Govt 5	Other Adjusts. 6	Total Adjusts. 7	Adjusted Budget 8	Adjusted Budget	Adjusted Budget
R thousands	A	A1	B	C	D	E	F	G	H		
Financial Performance											
Property rates	146 998	146 998	-	-	-	-	-	-	146 998	155 818	166 726
Service charges	646 947	646 947	-	-	-	-	-	-	646 947	682 146	738 941
Investment revenue	3 112	3 112	-	-	-	-	-	-	3 112	3 112	3 112
Transfers recognised - operational	208 112	209 330	-	-	-	(45 740)	-	(45 740)	163 590	229 803	211 343
Other own revenue	150 326	150 326	-	-	-	-	-	-	150 326	155 052	160 896
Total Revenue (excluding capital transfers and contributions)	1 155 495	1 156 713	-	-	-	(45 740)	-	(45 740)	1 110 973	1 225 930	1 281 023
Employee costs	317 416	313 311	-	-	-	-	(2 606)	(2 606)	310 705	336 474	356 965
Remuneration of councillors	18 780	18 780	-	-	-	-	-	-	18 780	19 909	21 304
Depreciation & asset impairment	95 246	95 246	-	-	-	-	-	-	95 246	99 634	104 225
Finance charges	23 653	23 653	-	-	-	-	-	-	23 653	23 653	23 653
Materials and bulk purchases	346 130	346 324	-	-	-	-	(212)	(212)	346 111	363 676	394 575
Transfers and grants	65 605	51 125	-	-	-	(46 740)	-	(46 740)	4 385	82 752	52 456
Other expenditure	208 045	212 003	-	-	-	1 000	2 763	3 763	215 767	205 914	210 794
Total Expenditure	1 074 875	1 060 442	-	-	-	(45 740)	(55)	(45 795)	1 014 647	1 132 012	1 163 971
Surplus/(Deficit)	80 619	96 271	-	-	-	-	55	55	96 326	93 918	117 052
Transfers recognised - capital	82 337	77 240	-	-	-	(24 000)	-	(24 000)	53 240	73 981	76 986
Contributions recognised - capital & contributed assets	1 147	1 147	-	-	-	-	-	-	1 147	-	-
Surplus/(Deficit) after capital transfers & contributions	164 104	174 658	-	-	-	(24 000)	55	(23 945)	150 713	167 899	194 038
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	164 104	174 658	-	-	-	(24 000)	55	(23 945)	150 713	167 899	194 038
Capital expenditure & funds sources											
Capital expenditure	99 914	118 389	-	-	-	(24 000)	55	(23 945)	94 444	84 145	94 650
Transfers recognised - capital	83 484	78 387	-	-	-	(24 000)	-	(24 000)	54 387	73 981	76 986
Public contributions & donations	-	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	16 429	40 002	-	-	-	-	55	55	40 057	10 164	17 664
Total sources of capital funds	99 914	118 389	-	-	-	(24 000)	55	(23 945)	94 444	84 145	94 650
Financial position											
Total current assets	238 547	292 332	-	-	-	(55)	38	(17)	292 315	268 703	346 974
Total non current assets	2 498 469	2 498 469	-	-	-	(24 000)	55	(23 945)	2 474 524	2 534 974	2 531 996
Total current liabilities	131 650	131 650	-	-	-	-	-	-	131 650	139 961	148 842
Total non current liabilities	424 474	424 474	-	-	-	-	-	-	424 474	416 873	407 880
Community wealth/Equity	2 234 758	2 288 543	-	-	-	(24 055)	93	(23 962)	2 264 580	2 300 708	2 376 113
Cash flows											
Net cash from (used) operating	34 810	45 364	-	-	-	(24 000)	55	(23 945)	21 419	98 089	156 740
Net cash from (used) investing	(99 864)	(118 339)	-	-	-	23 945	-	23 945	(94 394)	(84 095)	(94 600)
Net cash from (used) financing	(11 652)	(11 652)	-	-	-	-	-	-	(11 652)	(12 941)	(14 436)
Cash/cash equivalents at the year end	23 325	77 110	-	-	-	(55)	38	(17)	77 093	24 379	72 083
Cash backing/surplus reconciliation											
Cash and investments available	23 325	77 110	-	-	-	(55)	38	(17)	77 093	24 379	72 083
Application of cash and investments	16 941	16 941	-	-	-	-	-	-	16 941	(13 986)	(42 493)
Balance - surplus (shortfall)	6 385	60 169	-	-	-	(55)	38	(17)	60 152	38 365	114 576
Asset Management											
Asset register summary (WDV)	2 460 011	2 460 011	-	-	-	(24 000)	55	(23 945)	2 436 066	2 496 608	2 493 717
Depreciation & asset impairment	95 246	95 246	-	-	-	-	-	-	95 246	99 634	104 225
Renewal of Existing Assets	3 000	14 806	-	-	-	-	(298)	(298)	14 508	8 073	52 386
Repairs and Maintenance	32 524	34 309	-	-	-	-	651	651	34 960	33 990	36 272
Free services											
Cost of Free Basic Services provided	40 688	40 688	-	-	-	-	-	-	40 688	43 129	45 816
Revenue cost of free services provided	28 759	28 759	-	-	-	-	-	-	28 759	30 484	32 532
Households below minimum service level											
Water:	-	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-	-

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) - 24/11/2020												
Standard Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		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
R thousands	1, 4	A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
Revenue - Functional												
<i>Governance and administration</i>		212 426	212 426	-	-	-	1 000	-	1 000	213 426	213 579	228 387
Executive and council		108	108	-	-	-	-	-	-	108	114	123
Finance and administration		212 318	212 318	-	-	-	1 000	-	1 000	213 318	213 465	228 264
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		213 570	197 049	-	-	-	(46 740)	-	(46 740)	150 309	234 683	210 971
Community and social services		11 323	9 312	-	-	-	-	-	-	9 312	12 103	12 628
Sport and recreation		1 811	1 811	-	-	-	-	-	-	1 811	1 920	2 055
Public safety		118 761	118 761	-	-	-	-	-	-	118 761	120 283	124 609
Housing		81 675	67 165	-	-	-	(46 740)	-	(46 740)	20 425	100 378	71 679
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		24 568	24 568	-	-	-	(6 000)	-	(6 000)	18 568	14 176	15 157
Planning and development		3 209	3 209	-	-	-	-	-	-	3 209	1 253	1 341
Road transport		19 109	19 109	-	-	-	(6 000)	-	(6 000)	13 109	12 923	13 816
Environmental protection		2 250	2 250	-	-	-	-	-	-	2 250	-	-
<i>Trading services</i>		788 416	801 058	-	-	-	(18 000)	-	(18 000)	783 058	837 473	903 495
Energy sources		483 733	480 132	-	-	-	-	-	-	480 132	521 545	565 550
Water management		114 878	119 047	-	-	-	(6 000)	-	(6 000)	113 047	118 089	126 180
Waste water management		129 575	137 563	-	-	-	(12 000)	-	(12 000)	125 563	133 584	142 906
Waste management		60 230	64 316	-	-	-	-	-	-	64 316	64 255	68 860
Other		-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	1 238 979	1 235 100	-	-	-	(69 740)	-	(69 740)	1 165 360	1 299 911	1 358 009
Expenditure - Functional												
<i>Governance and administration</i>		212 835	218 047	-	-	-	1 000	241	1 241	219 288	220 689	231 226
Executive and council		34 332	34 370	-	-	-	-	(75)	(75)	34 295	35 744	38 031
Finance and administration		175 111	180 237	-	-	-	1 000	316	1 316	181 553	181 358	189 402
Internal audit		3 392	3 440	-	-	-	-	-	-	3 440	3 586	3 792
<i>Community and public safety</i>		231 844	220 859	-	-	-	(46 740)	254	(46 486)	174 373	253 099	229 744
Community and social services		22 611	23 949	-	-	-	-	5	5	23 954	24 023	25 214
Sport and recreation		24 623	25 569	-	-	-	-	-	-	25 569	25 956	27 386
Public safety		110 989	110 404	-	-	-	-	(951)	(951)	109 453	111 834	115 595
Housing		73 516	60 851	-	-	-	(46 740)	1 200	(45 540)	15 311	91 177	61 434
Health		105	85	-	-	-	-	-	-	85	110	115
<i>Economic and environmental services</i>		77 584	77 218	-	-	-	-	451	451	77 669	79 281	83 334
Planning and development		16 594	17 813	-	-	-	-	420	420	18 233	17 397	18 383
Road transport		58 304	56 720	-	-	-	-	31	31	56 751	60 789	63 794
Environmental protection		2 685	2 686	-	-	-	-	-	-	2 686	1 095	1 157
<i>Trading services</i>		550 593	543 696	-	-	-	-	(1 001)	(1 001)	542 695	576 885	617 568
Energy sources		387 435	384 056	-	-	-	-	(501)	(501)	383 555	406 808	439 755
Water management		58 613	59 634	-	-	-	-	(500)	(500)	59 134	61 379	64 324
Waste water management		58 922	59 472	-	-	-	-	-	-	59 472	61 335	63 906
Waste management		45 623	40 534	-	-	-	-	-	-	40 534	47 364	49 584
Other		2 019	622	-	-	-	-	-	-	622	2 059	2 101
Total Expenditure - Functional	3	1 074 875	1 060 442	-	-	-	(45 740)	(55)	(45 795)	1 014 647	1 132 012	1 163 971
Surplus/ (Deficit) for the year		164 104	174 658	-	-	-	(24 000)	55	(23 945)	150 713	167 899	194 038

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

WC025 Breede Valley - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 24/11/2020												
Vote Description <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfore. Unavoid. 6	Nat. or Prov. Govt 7	Other Adjus. 8	Total Adjus. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
Revenue by Vote	1											
Vote 1 - Council General		108	108	-	-	-	-	-	-	108	114	123
Vote 2 - Municipal Manager		14 734	14 734	-	-	-	-	-	-	14 734	2 940	3 104
Vote 3 - Strategic Support Services		1 110	1 110	-	-	-	-	-	-	1 110	511	547
Vote 4 - Financial Services		195 113	195 113	-	-	-	1 000	-	1 000	196 113	206 933	221 324
Vote 5 - Community Services		226 081	209 560	-	-	-	(46 740)	-	(46 740)	162 820	246 853	223 985
Vote 6 - Technical Services		801 832	814 474	-	-	-	(24 000)	-	(24 000)	790 474	842 560	908 927
Vote 7 - [NAME OF 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]		-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	1 238 979	1 235 100	-	-	-	(69 740)	-	(69 740)	1 165 360	1 299 911	1 358 009
Expenditure by Vote	1											
Vote 1 - Council General		30 588	30 581	-	-	-	-	(75)	(75)	30 506	32 310	34 396
Vote 2 - Municipal Manager		9 732	10 994	-	-	-	-	-	-	10 994	9 764	10 330
Vote 3 - Strategic Support Services		55 026	58 102	-	-	-	-	1 166	1 166	59 268	56 737	59 206
Vote 4 - Financial Services		88 279	90 851	-	-	-	1 000	(425)	575	91 426	91 756	95 848
Vote 5 - Community Services		244 134	231 136	-	-	-	(46 740)	280	(46 460)	184 676	265 538	242 840
Vote 6 - Technical Services		647 117	638 777	-	-	-	-	(1 001)	(1 001)	637 776	675 907	721 352
Vote 7 - [NAME OF 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]		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	1 074 875	1 060 442	-	-	-	(45 740)	(55)	(45 795)	1 014 647	1 132 012	1 163 971
Surplus/ (Deficit) for the year	2	164 104	174 658	-	-	-	(24 000)	55	(23 945)	150 713	167 899	194 038

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) - 24/11/2020												
Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		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
R thousands	1	A	A1	B	C	D	E	F	G	H		
Revenue By Source												
Property rates	2	146 998	146 998	-	-	-	-	-	-	146 998	155 818	166 726
Service charges - electricity revenue	2	452 478	452 478	-	-	-	-	-	-	452 478	476 007	518 373
Service charges - water revenue	2	75 888	75 888	-	-	-	-	-	-	75 888	80 441	86 072
Service charges - sanitation revenue	2	76 490	76 490	-	-	-	-	-	-	76 490	81 080	86 756
Service charges - refuse revenue	2	42 092	42 092	-	-	-	-	-	-	42 092	44 618	47 741
Service charges - other		-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		2 223	2 223	-	-	-	-	-	-	2 223	2 356	2 522
Interest earned - external investments		3 112	3 112	-	-	-	-	-	-	3 112	3 112	3 112
Interest earned - outstanding debtors		6 467	6 467	-	-	-	-	-	-	6 467	6 855	7 336
Dividends received		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		118 474	118 474	-	-	-	-	-	-	118 474	121 285	124 761
Licences and permits		3 797	3 797	-	-	-	-	-	-	3 797	4 025	4 307
Agency services		8 641	8 641	-	-	-	-	-	-	8 641	9 160	9 801
Transfers and subsidies		208 112	209 330	-	-	-	(45 740)	-	(45 740)	163 590	229 803	211 349
Other revenue	2	9 406	9 406	-	-	-	-	-	-	9 406	9 973	10 673
Gains on disposal of PPE		1 320	1 320	-	-	-	-	-	-	1 320	1 399	1 497
Total Revenue (excluding capital transfers and contributions)		1 155 495	1 156 713	-	-	-	(45 740)	-	(45 740)	1 110 973	1 225 930	1 281 023
Expenditure By Type												
Employee related costs		317 416	313 311	-	-	-	-	(2 606)	(2 606)	310 705	336 474	356 965
Remuneration of councillors		18 780	18 780	-	-	-	-	-	-	18 780	19 909	21 304
Debt impairment		85 167	85 167	-	-	-	-	-	-	85 167	86 216	87 314
Depreciation & asset impairment		95 246	95 246	-	-	-	-	-	-	95 246	99 634	104 225
Finance charges		23 653	23 653	-	-	-	-	-	-	23 653	23 653	23 653
Bulk purchases		326 798	326 798	-	-	-	-	-	-	326 798	343 748	374 021
Other materials		19 332	19 526	-	-	-	-	(212)	(212)	19 314	19 928	20 554
Contracted services		64 602	64 939	-	-	-	1 000	1 659	2 659	67 598	61 294	63 871
Transfers and subsidies		65 605	51 125	-	-	-	(46 740)	-	(46 740)	4 385	82 752	52 456
Other expenditure		54 773	58 406	-	-	-	-	1 104	1 104	59 511	54 901	56 105
Loss on disposal of PPE		3 504	3 491	-	-	-	-	-	-	3 491	3 504	3 504
Total Expenditure		1 074 875	1 060 442	-	-	-	(45 740)	(55)	(45 795)	1 014 647	1 132 012	1 163 971
Surplus/(Deficit)		80 619	96 271	-	-	-	-	55	55	96 326	93 918	117 052
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		82 337	77 240	-	-	-	(24 000)	-	(24 000)	53 240	73 981	76 986
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		1 147	1 147	-	-	-	-	-	-	1 147	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) before taxation		164 104	174 658	-	-	-	(24 000)	55	(23 945)	150 713	167 899	194 038
Taxation		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		164 104	174 658	-	-	-	(24 000)	55	(23 945)	150 713	167 899	194 038
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		164 104	174 658	-	-	-	(24 000)	55	(23 945)	150 713	167 899	194 038
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		164 104	174 658	-	-	-	(24 000)	55	(23 945)	150 713	167 899	194 038

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

B5 Consolidated Adjustments Budget Capital Expenditure Vote and Funding

WC025 Breede Valley - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 24/11/2020												
Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted 5	Accum. Funds 6	Multi-year capital 7	Unfore. Unavoid. 8	Nat. or Prov. Govt 9	Other Adjusts. 10	Total Adjusts. 11	Adjusted Budget 12	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
Capital expenditure - Vote												
Multi-year expenditure to be adjusted	2											
Vote 1 - Council General		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager		10	10	-	-	-	-	25	25	35	10	10
Vote 3 - Strategic Support Services		5	436	-	-	-	-	30	30	466	5	5
Vote 4 - Financial Services		-	1 233	-	-	-	-	-	-	1 233	-	-
Vote 5 - Community Services		5	155	-	-	-	-	84	84	240	5	5
Vote 6 - Technical Services		61 701	62 342	-	-	-	(6 000)	(84)	(6 084)	56 258	30 423	12 000
Vote 7 - [NAME OF 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]		-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	3	61 721	64 177	-	-	-	(6 000)	55	(5 945)	58 232	30 443	12 020
Single-year expenditure to be adjusted	2											
Vote 1 - Council General		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager		1 900	1 900	-	-	-	-	-	-	1 900	-	-
Vote 3 - Strategic Support Services		-	928	-	-	-	-	-	-	928	-	-
Vote 4 - Financial Services		1 005	1 805	-	-	-	-	-	-	1 805	805	805
Vote 5 - Community Services		700	700	-	-	-	-	-	-	700	-	-
Vote 6 - Technical Services		34 588	48 879	-	-	-	(18 000)	-	(18 000)	30 879	52 897	81 825
Vote 7 - [NAME OF 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]		-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		38 193	54 212	-	-	-	(18 000)	-	(18 000)	36 212	53 702	82 630
Total Capital Expenditure - Vote		99 914	118 389	-	-	-	(24 000)	55	(23 945)	94 444	84 145	94 650
Capital Expenditure - Functional												
Governance and administration		1 625	5 022	-	-	-	-	55	55	5 077	825	825
Executive and council		5	60	-	-	-	-	-	-	60	5	5
Finance and administration		1 620	4 962	-	-	-	-	55	55	5 017	820	820
Internal audit		-	-	-	-	-	-	-	-	-	-	-
Community and public safety		100	331	-	-	-	-	84	84	415	-	-
Community and social services		100	300	-	-	-	-	84	84	385	-	-
Sport and recreation		-	31	-	-	-	-	-	-	31	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		19 546	26 367	-	-	-	(6 000)	173	(5 827)	20 540	2 173	38 986
Planning and development		1 900	1 900	-	-	-	-	-	-	1 900	-	-
Road transport		17 646	24 467	-	-	-	(6 000)	173	(5 827)	18 640	2 173	38 986
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
Trading services		78 642	86 668	-	-	-	(18 000)	(257)	(18 257)	68 411	81 147	54 839
Energy sources		28 212	32 399	-	-	-	-	-	-	32 399	37 009	38 000
Water management		24 984	25 276	-	-	-	(6 000)	-	(6 000)	19 276	22 169	3 719
Waste water management		25 446	28 073	-	-	-	(12 000)	-	(12 000)	16 073	21 581	13 120
Waste management		-	920	-	-	-	-	(257)	(257)	663	388	-
Other		-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	99 914	118 389	-	-	-	(24 000)	55	(23 945)	94 444	84 145	94 650
Funded by:												
National Government		56 337	51 240	-	-	-	-	-	-	51 240	73 981	76 986
Provincial Government		26 000	26 000	-	-	-	(24 000)	-	(24 000)	2 000	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Other transfers and grants		1 147	1 147	-	-	-	-	-	-	1 147	-	-
Transfers recognised - capital	4	83 484	78 387	-	-	-	(24 000)	-	(24 000)	54 387	73 981	76 986
Public contributions & donations		-	-	-	-	-	-	-	-	-	-	-
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		16 429	40 002	-	-	-	-	55	55	40 057	10 164	17 664
Total Capital Funding		99 914	118 389	-	-	-	(24 000)	55	(23 945)	94 444	84 145	94 650

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 - 24/11/2020												
Description	Ref	Budget Year 2020/21									Budget Year +1	Budget Year +2
		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
R thousands		A	A1	B	C	D	E	F	G	H		
ASSETS												
Current assets												
Cash		13 325	67 110		-	-	(55)	38	(17)	67 093	9 379	47 083
Call investment deposits		10 000	10 000	-	-	-	-	-	-	10 000	15 000	25 000
Consumer debtors		175 866	175 866	-	-	-	-	-	-	175 866	203 169	231 836
Other debtors		26 734	26 734	-	-	-	-	-	-	26 734	28 071	29 475
Current portion of long-term receivables		1 675	1 675	-	-	-	-	-	-	1 675	1 591	1 511
Inventory		10 946	10 946	-	-	-	-	-	-	10 946	11 494	12 068
Total current assets		238 547	292 332	-	-	-	(55)	38	(17)	292 315	268 703	346 974
Non current assets												
Long-term receivables		1 827	1 827	-	-	-	-	-	-	1 827	1 736	1 649
Investments		-	-	-	-	-	-	-	-	-	-	-
Investment property		43 750	43 750	-	-	-	-	-	-	43 750	43 750	43 750
Investment in Associate		-	-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	1	2 412 290	2 412 290	-	-	-	(24 000)	55	(23 945)	2 388 345	2 449 479	2 447 208
Agricultural		-	-	-	-	-	-	-	-	-	-	-
Biological		-	-	-	-	-	-	-	-	-	-	-
Intangible		3 971	3 971	-	-	-	-	-	-	3 971	3 378	2 758
Other non-current assets		36 631	36 631	-	-	-	-	-	-	36 631	36 631	36 631
Total non current assets		2 498 469	2 498 469	-	-	-	(24 000)	55	(23 945)	2 474 524	2 534 974	2 531 996
TOTAL ASSETS		2 737 016	2 790 801	-	-	-	(24 055)	93	(23 962)	2 766 839	2 803 677	2 878 970
LIABILITIES												
Current liabilities												
Bank overdraft		-	-	-	-	-	-	-	-	-	-	-
Borrowing		13 041	13 041	-	-	-	-	-	-	13 041	14 536	16 191
Consumer deposits		4 328	4 328	-	-	-	-	-	-	4 328	4 588	4 863
Trade and other payables		73 515	73 515	-	-	-	-	-	-	73 515	77 626	81 984
Provisions		40 765	40 765	-	-	-	-	-	-	40 765	43 211	45 804
Total current liabilities		131 650	131 650	-	-	-	-	-	-	131 650	139 961	148 842
Non current liabilities												
Borrowing	1	179 139	179 139	-	-	-	-	-	-	179 139	164 603	148 411
Provisions	1	245 335	245 335	-	-	-	-	-	-	245 335	252 270	259 469
Total non current liabilities		424 474	424 474	-	-	-	-	-	-	424 474	416 873	407 880
TOTAL LIABILITIES		556 123	556 123	-	-	-	-	-	-	556 123	596 834	556 722
NET ASSETS	2	2 180 893	2 234 678	-	-	-	(24 055)	93	(23 962)	2 210 716	2 246 843	2 322 248
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		2 180 893	2 234 678	-	-	-	(24 055)	93	(23 962)	2 210 716	2 246 843	2 322 248
Reserves		53 865	53 865	-	-	-	-	-	-	53 865	53 865	53 865
Minorities' interests		-	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY		2 234 758	2 288 543	-	-	-	(24 055)	93	(23 962)	2 264 580	2 300 708	2 376 113

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 - 24/11/2020												
Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		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
R thousands		A	A1	B	C	D	E	F	G	H		
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates		96 634	96 634	–	–	–	–	–	–	96 634	110 223	134 611
Service charges		488 603	488 603	–	–	–	–	–	–	488 603	572 949	643 291
Other revenue		44 147	44 147	–	–	–	–	–	–	44 147	46 725	49 777
Government - operating	1	208 112	209 330	–	–	–	(45 740)	–	(45 740)	163 590	229 803	211 349
Government - capital	1	83 484	78 387	–	–	–	(24 000)	–	(24 000)	54 387	73 981	76 986
Interest		7 315	7 315	–	–	–	–	–	–	7 315	8 253	9 347
Dividends		–	–	–	–	–	–	–	–	–	–	–
Payments												
Suppliers and employees		(805 204)	(805 281)	–	–	–	(1 000)	55	(945)	(806 226)	(839 757)	(896 324)
Finance charges		(22 676)	(22 676)	–	–	–	–	–	–	(22 676)	(21 336)	(19 841)
Transfers and Grants	1	(65 605)	(51 095)	–	–	–	46 740	–	46 740	(4 355)	(82 752)	(52 456)
NET CASH FROM/(USED) OPERATING ACTIVITIES		34 810	45 364	–	–	–	(24 000)	55	(23 945)	21 419	98 089	156 740
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		(99 914)	(118 389)	–	–	–	23 945	–	23 945	(94 444)	(84 145)	(94 650)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(99 864)	(118 339)	–	–	–	23 945	–	23 945	(94 394)	(84 095)	(94 600)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans		–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/financing		–	–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		50	50	–	–	–	–	–	–	50	100	100
Payments												
Repayment of borrowing		(11 702)	(11 702)	–	–	–	–	–	–	(11 702)	(13 041)	(14 536)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(11 652)	(11 652)	–	–	–	–	–	–	(11 652)	(12 941)	(14 436)
NET INCREASE/ (DECREASE) IN CASH HELD		(76 705)	(84 627)	–	–	–	(55)	55	–	(84 627)	1 053	47 705
Cash/cash equivalents at the year begin:	2	100 031	161 737	–	–	–	–	(17)	(17)	161 720	23 325	24 379
Cash/cash equivalents at the year end:	2	23 325	77 110	–	–	–	(55)	38	(17)	77 093	24 379	72 083

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 - 24/11/2020												
Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		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
R thousands		A	A1	B	C	D	E	F	G	H		
Cash and investments available												
Cash/cash equivalents at the year end	1	23 325	77 110	–	–	–	(55)	38	(17)	77 093	24 379	72 083
Other current investments > 90 days		–	–	–	–	–	–	–	–	–	–	–
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		23 325	77 110	–	–	–	(55)	38	(17)	77 093	24 379	72 083
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	(67 933)	(67 933)	–	–	–	–	–	–	(67 933)	(98 860)	(127 367)
Other provisions		–	–	–	–	–	–	–	–	–	–	–
Long term investments committed		–	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments		79 873	79 873	–	–	–	–	–	–	79 873	79 873	79 873
Total Application of cash and investments:		16 941	16 941	–	–	–	–	–	–	16 941	(13 986)	(42 493)
Surplus(shortfall)		6 385	60 169	–	–	–	(55)	38	(17)	60 152	38 365	114 576

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 table B9

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 - 24/11/2020												
Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		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
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
Household service targets	1											
Water:												
Piped water inside dwelling		19 372	19 372	-	-	-	-	-	-	19	19 372	19 372
Piped water inside yard (but not in dwelling)		3 879	3 879	-	-	-	-	-	-	4	3 879	3 879
Using public tap (at least min.service level)	2	6 949	6 949	-	-	-	-	-	-	7	6 949	6 949
Other water supply (at least min.service level)		-	-	-	-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total		30	30	-	-	-	-	-	-	30	30	30
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	3,4	-	-	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-	-	-
Total number of households	5	30	30	-	-	-	-	-	-	30	30	30
Sanitation/sewerage:												
Flush toilet (connected to sewerage)		18 555	18 555	-	-	-	-	-	-	18 555	18 555	18 555
Flush toilet (with septic tank)		2 687	2 687	-	-	-	-	-	-	2 687	2 687	2 687
Chemical toilet		4 263	4 263	-	-	-	-	-	-	4 263	4 263	4 263
Pit toilet (ventilated)		-	-	-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total		25 504	25 504	-	-	-	-	-	-	25 504	25 504	25 504
Bucket toilet		-	-	-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-	-	-
Total number of households	5	25 504	25 504	-	-	-	-	-	-	25 504	25 504	25 504
Energy:												
Electricity (at least min. service level)		2 977	2 977	-	-	-	-	-	-	2 977	2 977	2 977
Electricity - prepaid (> min.service level)		21 150	21 150	-	-	-	-	-	-	21 150	21 150	21 150
Minimum Service Level and Above sub-total		24 127	24 127	-	-	-	-	-	-	24 127	24 127	24 127
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-	-	-
Total number of households	5	24 127	24 127	-	-	-	-	-	-	24 127	24 127	24 127
Refuse:												
Removed at least once a week (min service)		48 995	48 995	-	-	-	-	-	-	48 995	48 995	48 995
Minimum Service Level and Above sub-total		48 995	48 995	-	-	-	-	-	-	48 995	48 995	48 995
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-	-	-
Total number of households	5	48 995	48 995	-	-	-	-	-	-	48 995	48 995	48 995
Households receiving Free Basic Service	15											
Water (6 kilolitres per household per month)		8 700	8 700	-	-	-	-	-	-	8 700	8 700	8 700
Sanitation (free minimum level service)		8 700	8 700	-	-	-	-	-	-	8 700	8 700	8 700
Electricity/other energy (50kwh per household per month)		10 500	10 500	-	-	-	-	-	-	10 500	10 500	10 500
Refuse (removed at least once a week)		8 700	8 700	-	-	-	-	-	-	8 700	8 700	8 700
Cost of Free Basic Services provided (R'000)	16											
Water (6 kilolitres per household per month)		9 383	9 383	-	-	-	-	-	-	9 383	9 946	10 642
Sanitation (free sanitation service)		17 088	17 088	-	-	-	-	-	-	17 088	18 113	19 200
Electricity/other energy (50kwh per household per month)		4 793	4 793	-	-	-	-	-	-	4 793	5 081	5 385
Refuse (removed once a week)		9 425	9 425	-	-	-	-	-	-	9 425	9 990	10 590
Total cost of FBS provided (minimum social package)		40 688	40 688	-	-	-	-	-	-	40 688	43 129	45 816
Highest level of free service provided												
Property rates (R'000 value threshold)		150 000	150 000	-	-	-	-	-	-	150 000	150 000	150 000
Water (kilolitres per household per month)		10	10	-	-	-	-	-	-	10	10	10
Sanitation (kilolitres per household per month)		-	-	-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)		296	296	-	-	-	-	-	-	296	313	332
Electricity (kw per household per month)		50	50	-	-	-	-	-	-	50	50	50
Refuse (average litres per week)		240	240	-	-	-	-	-	-	240	240	240
Revenue cost of free services provided (R'000)	17											
Property rates (briff adjustment) (impermissible values per section 17 of MPRA)		-	-	-	-	-	-	-	-	-	-	-
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		20 633	20 633	-	-	-	-	-	-	20 633	21 871	23 402
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates	6	8 126	8 126	-	-	-	-	-	-	8 126	8 613	9 130
Housing - top structure subsidies		-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-
Total revenue cost of subsidised services provided		28 759	28 759	-	-	-	-	-	-	28 759	30 484	32 532

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 2020/21 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 2020/21 Adjustments Budget remain consistent with the Long-Term Financial Plan to ensure continued synergy between long term planning and implementation planning.

The operational budget is adjusted in order to accommodate the amendments to allocations mentioned in this report. Please refer to table B4 and SB8 for all 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 Adjustments Budget Financial Performance (revenue and expenditure) - 24/11/2020												
Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		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
R thousands	1	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
Revenue By Source												
Property rates	2	146 998	146 998	-	-	-	-	-	-	146 998	155 818	166 726
Service charges - electricity revenue	2	452 478	452 478	-	-	-	-	-	-	452 478	476 007	518 373
Service charges - water revenue	2	75 888	75 888	-	-	-	-	-	-	75 888	80 441	86 072
Service charges - sanitation revenue	2	76 490	76 490	-	-	-	-	-	-	76 490	81 080	86 756
Service charges - refuse revenue	2	42 092	42 092	-	-	-	-	-	-	42 092	44 618	47 741
Service charges - other		-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		2 223	2 223	-	-	-	-	-	-	2 223	2 356	2 522
Interest earned - external investments		3 112	3 112	-	-	-	-	-	-	3 112	3 112	3 112
Interest earned - outstanding debtors		6 467	6 467	-	-	-	-	-	-	6 467	6 855	7 336
Dividends received		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		118 474	118 474	-	-	-	-	-	-	118 474	121 285	124 761
Licences and permits		3 797	3 797	-	-	-	-	-	-	3 797	4 025	4 307
Agency services		8 641	8 641	-	-	-	-	-	-	8 641	9 160	9 801
Transfers and subsidies		208 112	209 330	-	-	-	(45 740)	-	(45 740)	163 590	229 803	211 349
Other revenue	2	9 406	9 406	-	-	-	-	-	-	9 406	9 973	10 673
Gains on disposal of PPE		1 320	1 320	-	-	-	-	-	-	1 320	1 399	1 497
Total Revenue (excluding capital transfers and contributions)		1 155 495	1 156 713	-	-	-	(45 740)	-	(45 740)	1 110 973	1 225 930	1 281 023
Expenditure By Type												
Employee related costs		317 416	313 311	-	-	-	-	(2 606)	(2 606)	310 705	336 474	356 965
Remuneration of councillors		18 780	18 780	-	-	-	-	-	-	18 780	19 909	21 304
Debt impairment		85 167	85 167	-	-	-	-	-	-	85 167	86 216	87 314
Depreciation & asset impairment		95 246	95 246	-	-	-	-	-	-	95 246	99 634	104 225
Finance charges		23 653	23 653	-	-	-	-	-	-	23 653	23 653	23 653
Bulk purchases		326 798	326 798	-	-	-	-	-	-	326 798	343 748	374 021
Other materials		19 332	19 526	-	-	-	-	(212)	(212)	19 314	19 928	20 554
Contracted services		64 602	64 939	-	-	-	1 000	1 659	2 659	67 598	61 294	63 871
Transfers and subsidies		65 605	51 125	-	-	-	(46 740)	-	(46 740)	4 385	82 752	52 456
Other expenditure		54 773	58 406	-	-	-	-	1 104	1 104	59 511	54 901	56 105
Loss on disposal of PPE		3 504	3 491	-	-	-	-	-	-	3 491	3 504	3 504
Total Expenditure		1 074 875	1 060 442	-	-	-	(45 740)	(55)	(45 795)	1 014 647	1 132 012	1 163 971
Surplus/(Deficit)		80 619	96 271	-	-	-	-	55	55	96 326	93 918	117 052
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		82 337	77 240	-	-	-	(24 000)	-	(24 000)	53 240	73 981	76 986
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		1 147	1 147	-	-	-	-	-	-	1 147	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) before taxation		164 104	174 658	-	-	-	(24 000)	55	(23 945)	150 713	167 899	194 038
Taxation		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		164 104	174 658	-	-	-	(24 000)	55	(23 945)	150 713	167 899	194 038
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		164 104	174 658	-	-	-	(24 000)	55	(23 945)	150 713	167 899	194 038
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		164 104	174 658	-	-	-	(24 000)	55	(23 945)	150 713	167 899	194 038

3. Adjustments to Expenditure on Allocations and Grant

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

Please refer to table SB8

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.

6. Adjustment to Service Delivery and Budget

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

WC025 Breede Valley - Table B10 Basic service delivery measurement - 24/11/2020

Description	Ref	Budget Year 2020/21										Budget Year +1 2021/22	Budget Year +2 2022/23
		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
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H			
Household service targets													
Water:													
Piped water inside dwelling	1	19 372	19 372	–	–	–	–	–	–	19		19 372	19 372
Piped water inside yard (but not in dwelling)		3 879	3 879	–	–	–	–	–	–	4		3 879	3 879
Using public tap (at least min service level)	2	6 949	6 949	–	–	–	–	–	–	7		6 949	6 949
Other water supply (at least min service level)		–	–	–	–	–	–	–	–	–		–	–
Minimum Service Level and Above sub-total		30	30	–	–	–	–	–	–	30		30	30
Using public tap (< min service level)	3	–	–	–	–	–	–	–	–	–		–	–
Other water supply (< min service level)	3,4	–	–	–	–	–	–	–	–	–		–	–
No water supply		–	–	–	–	–	–	–	–	–		–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–		–	–
Total number of households	5	30	30	–	–	–	–	–	–	30		30	30
Sanitation/sewerage:													
Flush toilet (connected to sewerage)		18 555	18 555	–	–	–	–	–	–	18 555		18 555	18 555
Flush toilet (with septic tank)		2 687	2 687	–	–	–	–	–	–	2 687		2 687	2 687
Chemical toilet		4 263	4 263	–	–	–	–	–	–	4 263		4 263	4 263
Pit toilet (ventilated)		–	–	–	–	–	–	–	–	–		–	–
Other toilet provisions (> min service level)		–	–	–	–	–	–	–	–	–		–	–
Minimum Service Level and Above sub-total		25 504	25 504	–	–	–	–	–	–	25 504		25 504	25 504
Bucket toilet		–	–	–	–	–	–	–	–	–		–	–
Other toilet provisions (< min service level)		–	–	–	–	–	–	–	–	–		–	–
No toilet provisions		–	–	–	–	–	–	–	–	–		–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–		–	–
Total number of households	5	25 504	25 504	–	–	–	–	–	–	25 504		25 504	25 504
Energy:													
Electricity (at least min. service level)		2 977	2 977	–	–	–	–	–	–	2 977		2 977	2 977
Electricity - prepaid (> min service level)		21 150	21 150	–	–	–	–	–	–	21 150		21 150	21 150
Minimum Service Level and Above sub-total		24 127	24 127	–	–	–	–	–	–	24 127		24 127	24 127
Electricity (< min service level)		–	–	–	–	–	–	–	–	–		–	–
Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	–	–		–	–
Other energy sources		–	–	–	–	–	–	–	–	–		–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–		–	–
Total number of households	5	24 127	24 127	–	–	–	–	–	–	24 127		24 127	24 127
Refuse:													
Removed at least once a week (min service)		48 995	48 995	–	–	–	–	–	–	48 995		48 995	48 995
Minimum Service Level and Above sub-total		48 995	48 995	–	–	–	–	–	–	48 995		48 995	48 995
Removed less frequently than once a week		–	–	–	–	–	–	–	–	–		–	–
Using communal refuse dump		–	–	–	–	–	–	–	–	–		–	–
Using own refuse dump		–	–	–	–	–	–	–	–	–		–	–
Other rubbish disposal		–	–	–	–	–	–	–	–	–		–	–
No rubbish disposal		–	–	–	–	–	–	–	–	–		–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–		–	–
Total number of households	5	48 995	48 995	–	–	–	–	–	–	48 995		48 995	48 995
Households receiving Free Basic Service	15												
Water (6 kilolitres per household per month)		8 700	8 700	–	–	–	–	–	–	8 700		8 700	8 700
Sanitation (free minimum level service)		8 700	8 700	–	–	–	–	–	–	8 700		8 700	8 700
Electricity/other energy (50kwh per household per month)		10 500	10 500	–	–	–	–	–	–	10 500		10 500	10 500
Refuse (removed at least once a week)		8 700	8 700	–	–	–	–	–	–	8 700		8 700	8 700
Cost of Free Basic Services provided (R'000)	16												
Water (6 kilolitres per household per month)		9 383	9 383	–	–	–	–	–	–	9 383		9 946	10 642
Sanitation (free sanitation service)		17 088	17 088	–	–	–	–	–	–	17 088		18 113	19 200
Electricity/other energy (50kwh per household per month)		4 793	4 793	–	–	–	–	–	–	4 793		5 081	5 385
Refuse (removed once a week)		9 425	9 425	–	–	–	–	–	–	9 425		9 990	10 590
Total cost of FBS provided (minimum social package)		40 688	40 688	–	–	–	–	–	–	40 688		43 129	45 816
Highest level of free service provided													
Property rates (R'000 value threshold)		150 000	150 000	–	–	–	–	–	–	150 000		150 000	150 000
Water (kilolitres per household per month)		10	10	–	–	–	–	–	–	10		10	10
Sanitation (kilolitres per household per month)		–	–	–	–	–	–	–	–	–		–	–
Sanitation (Rand per household per month)		296	296	–	–	–	–	–	–	296		313	332
Electricity (kw per household per month)		50	50	–	–	–	–	–	–	50		50	50
Refuse (average litres per week)		240	240	–	–	–	–	–	–	240		240	240
Revenue cost of free services provided (R'000)	17												
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)		–	–	–	–	–	–	–	–	–		–	–
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		20 633	20 633	–	–	–	–	–	–	20 633		21 871	23 402
Water (in excess of 6 kilolitres per indigent household per month)		–	–	–	–	–	–	–	–	–		–	–
Sanitation (in excess of free sanitation service to indigent households)		–	–	–	–	–	–	–	–	–		–	–
Electricity/other energy (in excess of 50 kwh per indigent household per month)		–	–	–	–	–	–	–	–	–		–	–
Refuse (in excess of one removal a week for indigent households)		–	–	–	–	–	–	–	–	–		–	–
Municipal Housing - rental rebates		8 126	8 126	–	–	–	–	–	–	8 126		8 613	9 130
Housing - top structure subsidies		–	–	–	–	–	–	–	–	–		–	–
Other		–	–	–	–	–	–	–	–	–		–	–
Total revenue cost of subsidised services provided	6	28 759	28 759	–	–	–	–	–	–	28 759		30 484	32 532

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.

8. Other Supporting Documents

- National treasury electronic revised budget report, SB1-SB19 as **Annexure A**
- Signed quality certificate as **Annexure B**
- Division of Revenue Act, 2020 (Act 4 of 2020) as **Annexure C**

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 2020/21 – November 2020

Discussed by Council at the Council meeting held on 24 November 2020

- 1. Council resolves that the Adjustment Budget of Breede Valley Municipality for the financial year 2020/21 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**

RESOLVED

C70/2020

That in respect of

Adjustments budget for 2020/21 – November 2020

Discussed by Council at the Special Council meeting held on 24 November 2020

- 1. Council resolves that the Adjustment Budget of Breede Valley Municipality for the financial year 2020/21 be adjusted and approved with amendments as set out in the following.**
 - 1. Municipal Budget tables B1- B10**
 - 2. Municipal Budget supporting documentation SB1 - SB19**